



HLC Accreditation 2020-2021

Evidence Document

Finance and Administration

Budget Office

Fiscal Year 2022 Budget Development Outline

Additional information:

FY 2022 General Use (GU) General Operating Planning

(WORKING DRAFT)

	Most Likely	Notes
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New Budgetary Revenue

State General Fund

1	State General Fund Fringe Benefit Increase	\$174,670	Gov.'s Budget Office initial SGF allocation - offset to health insurance benefit rate increases of 3.0%. Offset SGF health increases ONLY.
2	State General Fund - Governor's Allotment Restored (Governor's Emergency Education Relief (GEER) Fund swap)	2,997,749	As part of FY '21 Governor's allotment, \$2,997,749 of the SGF appropriation was replaced with the federal GEER (Governor's Emergency Education Relief Fund) funding to create savings for the state. Governor's recommended FY '22 budget restores this funding. Because of the federal funding in FY '21, this restoration does NOT REPRESENT A NET FINANCIAL GAIN.
3	State Reduced Resource Package w/ Senate Restoration	(1,377,261)	In initial base allocations, higher ed institutions were asked to submit a 10% reduced resource package, or \$8,290,283 for WSU. In her recommended budget, the Governor elected to implement 55%, or \$4,559,656 of the original target. After pro-rating the reduction along all four lines of SGF funding, the reduction to General Operating is estimated at \$3,644,756, if adopted by the legislature. Best case includes a restoration of \$1.0M by the legislature. Senate restoration (\$25M) proposed of \$2,836,595, with \$2,267,495 Operating. House Restoration (\$10M for Operating and \$10M for bonding) proposed of \$1,141,426, with \$912,526 Operating. House proposal included in this version.
4	KBOR Operating Grant Allocation	-	Governor's allocation equal to 2.5% salary increase, pending KBOR decision on distribution. Amount to WSU is estimated based on past block grant allocations, specific amount not yet known.
5	Subtotal	\$1,795,158	
Tuition			
6	Revised Tuition Estimate - Student Mix & Credit Hour Change	\$2,013,818	Was \$1,546,215. Tuition Estimating Team - Credit hours up 0.9% compared to FY '21 budget, but down -0.2% to FY '21 estimate.
7	Tuition Rate Increase Scenario	-	
8	Subtotal	\$2,013,818	
Federal Stimulus			
9	Federal Stimulus	???	One-time. If additional stimulus allows backfilling of revenue losses.
10	Total New Revenue	\$3,808,976	

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Budgetary Expenditure Changes

Restoration of One-Time Actions from FY '21 Budget

11	Restoration of FY 2021 Utilities	\$ 1,138,367	One-time shift of utility expenses in FY '21 to RU, leveraging RU Travel and Cash Sweeps from FY '20 to address FY '21 budget development.
12	Restoration of CARES Act Reimbursements	800,000	One-Time adjustment in '21, based on anticipated use of CARES Act reimbursements
13	Restore cash draw in FY '21 due to FY '20 GU cash sweeps	898,964	One-time use of GU cash from GU budget sweeps related to travel and other discretionary expenditures.
14	Partial restore of GU Shuttle Bus budget	100,000	Eliminated GU Shuttle Bus budget of \$450,000 and use RU funding in FY '21 as one-time cost saving measure. Restoration cost currently being evaluated now, but expect significant savings compared to the \$800K budgeted previously.
15	Restore Executive Pay Reductions	91,808	RU was \$12,079
16	Restore SGF Expenses Shifted to RU as Result of Governor's Allotment/GEER SWAP in FY '21.	2,997,749	Reassign GU expenses temporarily moved to RU in FY '21 to utilize the one-time federal GEER funding. Offset to the Governor's restoration of funding. No net financial gain.
17	Subtotal	\$ 6,026,888	

Mandatory New Expenditures

18	Health Benefit/Fringe Increases	\$ 315,940	Employer health rates increasing 3.0%.
19	Promotions in Academic Rank & Tenure	220,648	Cost in FY '21 of \$279,410. Includes increase of \$500 for Assistant to Associate and \$1,500 for Associate to Professor. Both PIR and NTT.
20	EAB Enrollment Services - Multiyear Contract	75,000	\$68K increase in FY '19, \$153K increase in FY '20, \$73K in FY '21, \$75K in FY '22, \$75K in FY '23.
21	Cyber Insurance Increase	46,000	From \$39,000 to \$85,000
22	Woolsey Hall Utility Costs	41,000	Building finished spring 2022. Full year estimated at \$143,500
23	General Expense - Property Insurance Costs	180,000	
24	Subtotal	\$ 878,588	

Other Key New Expenditures Under Consideration (Preliminary)

25	KBOR Operating Grant Allocation	???	Expenditure offset to row 4. Pending KBOR decision on distribution and use. Specific amount not yet known.
26	SEM Plan - Institutional Scholarship Funding	1,000,000	FY '21 was final year of original plan implemented in FY '17.
27	Strategic Initiative Funding Requests	Pending	Includes HR Talent Management System
28	Minority Recruiter	29,250	1/2 funded by university, 1/2 by gift. Estimate based on \$45K salary, plus benefits
29	Resolve EOY LAS Lecturer Shortfalls	460,000	Traditionally, LAS's GU budget has not been adequate to support lecturer costs @ YE, \$450K allocated in FY 2020.
30	Applied Studies TAP Shortfall	78,065	Applied Studies supplemented \$175K this year.
31	Summer Enrollment - Funding Rate Increases to Colleges	121,000	Proposal to increase summer incentive from \$497K to \$618K for summer FY '21/'22 (salary only)
32	Summer Enrollment - Revenue Sharing	90,000	Revenue sharing goal of 28,604 credit hours with budget of 29,856, amount is estimated gap.
33	Compensation/Market/Compression	-	Each 1% equals \$910K when excluding vacant positions and \$983K when including vacant positions.
34	Other Needs (See Other Operating Needs Section Below on Row 45)	156,206	
35	Subtotal	1,934,521	

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(WORKING DRAFT)

		Most Likely	Notes
Budgetary Reallocations (Savings)			
36	Anticipated lease savings	(39,000)	Primarily updates to Harry St. Mall and Engineering PB2 based on current expenditure trends.
37	Energy Conservation Debt	(503,301)	1/2 payment in '22, then fully retired at end of '22. No payment beginning in '23, saving an additional \$509,301. Total P&I of \$1.0M.
38	Subtotal	(542,301)	
39	Total New Expenditures	\$8,297,696	
40	Variance to Achieve Balanced Budget W/O VSIP	(\$4,488,720)	
41		<i>3.5% budget reduction</i>	Each 1% equal to \$1.3M
42	Adjust for Voluntary Separation - Expenditure Savings	(\$1,758,359)	Includes estimated benefits, \$1,367,091 salary only
43	Variance to Achive Balanced Budget With VSIP	(\$2,730,361)	
44		<i>2.1% budget reduction</i>	Each 1% equal to \$1.3M
Other Operating Needs			
45	Health Professions - HIPPA Stipend	3,000	
46	MRC Aira contract	15,000	
47	Reorganization Comp. Adjustments	45,406	Salary of \$38,751 plus benefits
48	HR PayFactors	30,000	<i>FY '20 invoice of \$29,750</i>
49	Tower Watson Salary Survey Data	5,800	<i>Mercer removed...just Tower Watson</i>
50	Qualtrics Administration Employee Stipend	13,000	
51	General Counsel Budget - Position Adjustments	44,000	<i>Already approved. Need to verify amount after hiring of positions.</i>
52	subtotal	156,206	
53	Other Potential Adjustments		
54	Strategic Engagement and Planning: New Program Director position.	101,250	<i>Initially funded from RU Academic Outreach Credit Courses (102610). With growth in online classes, likely able to fund additional year.</i>
55	Disability Services Interpreter	19,000	<i>Fund one-time with COVID \$'s as option</i>
56	subtotal	\$ 120,250	