

# INFORMATION ITEM #1

## FY25 Budget Development Update (Leslie Brunelli/Chris Jones)

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU System - FY25 Budget Development Update

SUBMITTED BY: Leslie Brunelli, Executive Vice President, Finance & Administration/CFO

### SUPPORTING INFORMATION:

The attached report provides a summary of the completed budget development cycle for the 2025 fiscal year. Following budget hearings across all university units, leadership met to consider the impact of differential budget reductions and new funding requests. On May 6 unit budgets were released and were followed by discussion at the Annual System Planning Retreat.

In summary the new budget minimized impact to colleges by taking larger reductions in services and support functions. As a percentage of the core fund budget base available for reduction:

- Academic unit cuts are 1.3% in total, with a range of 1% to 5%
- Academic support unit cuts are 1.57% in total, with a range of 0% to 5%
- Campus cuts are 1.8% in total, with a range of 1% to 3.11%
- Administrative units under the President cuts are 2.83%, with a range from 1.65% to 4.54%
- Finance and Operations unit cuts are 2.27%, with a range from 1.9% to 3.56%

Enrollment Management was not reduced, and additional funds are invested to support this critical revenue source. One-time funds of \$1.7 million are invested in marketing efforts to increase WSU's brand recognition, student interest, and demand for a WSU education.

Along with \$2 million in non-recurring state funds, \$2.3 million is reallocated to support the core funds needed for the Academic Student Employee contract. Grant-generated indirect cost recoveries – the Facilities and Administrative funds – were protected from reduction and allocated to support the Office of Research and Sponsored Program Services

This report provides unit information on the FY25 budget, consistent with information shared at the April Regents meeting, grouped by academic colleges, campuses, academic support, administrative units and finance & operations. The format will be used consistently to create sources and uses reporting for the institution, campuses and units and will be expanded to include non-core budget estimates.

As indicated in the University's 2024 goals, a budget document will be produced in late June to further describe the FY25 budget and will be made available to the WSU community to increase transparency and understanding of the University's financial context.

Creating the calendar for FY26 budget development is now underway and will include elements from the planned academic and administrative reviews as well as critical dates for the state budget process.

ATTACHMENT: FY25 Budget Development Update