

ACTION ITEM #4

2025-2027 Biennial Budget Operating Request (Leslie Brunelli/Glynda Becker-Fenter)

June 17, 2024

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: 2025-2027 Biennial Budget Operating Request

PROPOSED: That the Washington State University Board of Regents approve the 2025-2027 Biennial Operating Budget Request and that the Board delegate authority to the President to approve the final request and any adjustments that may be needed prior to the submission to the Office of Financial Management (OFM), including development of additional decision packages if required to address strategic needs. The delegation of authority would be contingent upon the final request being presented to the full Board of Regents as an information item at the September 2024 meeting.

SUBMITTED BY: Leslie Brunelli, Executive Vice President, Finance & Administration/CFO
Glynda Becker-Fenter, Vice President, External Affairs & Government Relations

SUPPORTING INFORMATION: The proposed request for the 2025-2027 State Biennial Operating Budget Request is described below:

1. Compensation:
 - a. WSU will request a compensation increase for both years of the biennium for faculty and staff commensurate with previous years' requests. The actual percentage will be determined just prior to the September submission to promote alliance with other public four-year institutions of higher education and reflect the most current outlook on the state's fiscal health.
 - b. WSU is also requesting improvements to the state appropriation-plus-tuition funding formula to make compensation enhancements at any prescribed level achievable. This change, if funded, would reduce prescribed reliance on tuition revenues unlikely to materialize over the next two years due to enrollment reductions and capped tuition rate increases.

c. WSU will also request an enhancement for civil service employees commensurate with what is awarded to such workers throughout state government.

Request amount: \$TBD.

2. Academic Student Employee (ASE) Bargaining Contract

The 2024 state supplemental budget partially funded the ASE bargaining contract on a one-time basis and the University reduced unit budgets to meet contract requirements. WSU will request a recurring appropriation to cover the total 2025-27 biennial costs of the contract for state-funded ASEs.

Request amount: \$10.5 million biennially.

3. College of Medicine Accreditation

Funding is needed to support the Elson S. Floyd College of Medicine's ongoing accreditation effort.

Request amount: \$3.6 million biennially.

4. Native American Scholarship

Funding is needed to make permanent the one-time appropriations authorized by the Legislature in 2023 and 2024 to establish the Native Cougar Scholars Fund at WSU, which helps meet unmet financial need for Native American students. The second cohort of program participants will receive scholarships this fall. State funding will discontinue if not reauthorized.

Request amount: \$2.2 million biennially.

5. Maintenance and Operations of New Buildings

Funds are requested as is commonplace to provide support for the Schweitzer Engineering Hall currently under construction at WSU Pullman.

Request amount: \$1.0 million biennially.

BOARD OF REGENTS
2025-2027 Biennial Budget Operating Request

Resolution #240617-716

WHEREAS, RCW 28B.30.095, RCW 28B.30.100, and RCW 28B.30.150 vest the governance and management of Washington State University (WSU) in the Board of Regents of WSU (Board); and

WHEREAS, the Board, by virtue of RCW 28B.10.528, has the authority to delegate by resolution to the President or designee any of the powers and duties vested in or imposed upon the Board by law; and

WHEREAS, the Board has delegated broad authority to the President or designee to act in matters relating to the general business and financial affairs of WSU.

NOW, THEREFORE, IT IS RESOLVED that the Board approves the 2025-2027 Biennial Operating Budget Request and that the Board delegates authority to the President to approve the final request and any adjustments that may be needed prior to the submission to the Office of Financial Management (OFM), including development of additional decision packages if required to address strategic needs. The delegation of authority is contingent upon the final request being presented to the full Board of Regents as an information item at the September 2024 meeting.

Signed the 17th day of June, 2024.

Chair, Board of Regents

Secretary, Board of Regents