



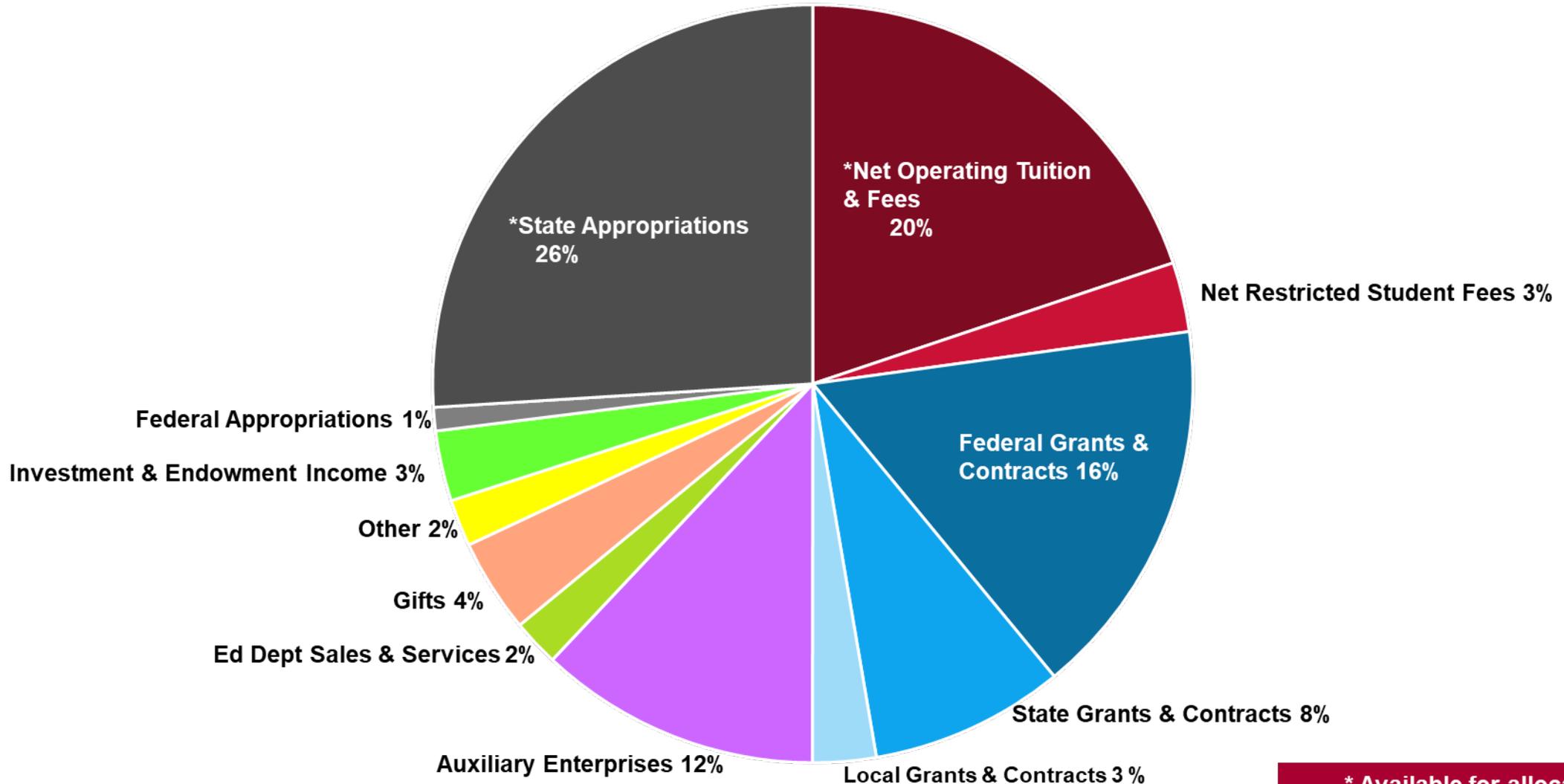
WASHINGTON STATE  
UNIVERSITY



# WSU Budget Summary

# FY24 WSU Annual Operating Sources

## All Funds – Estimated Total: \$1.2 Billion

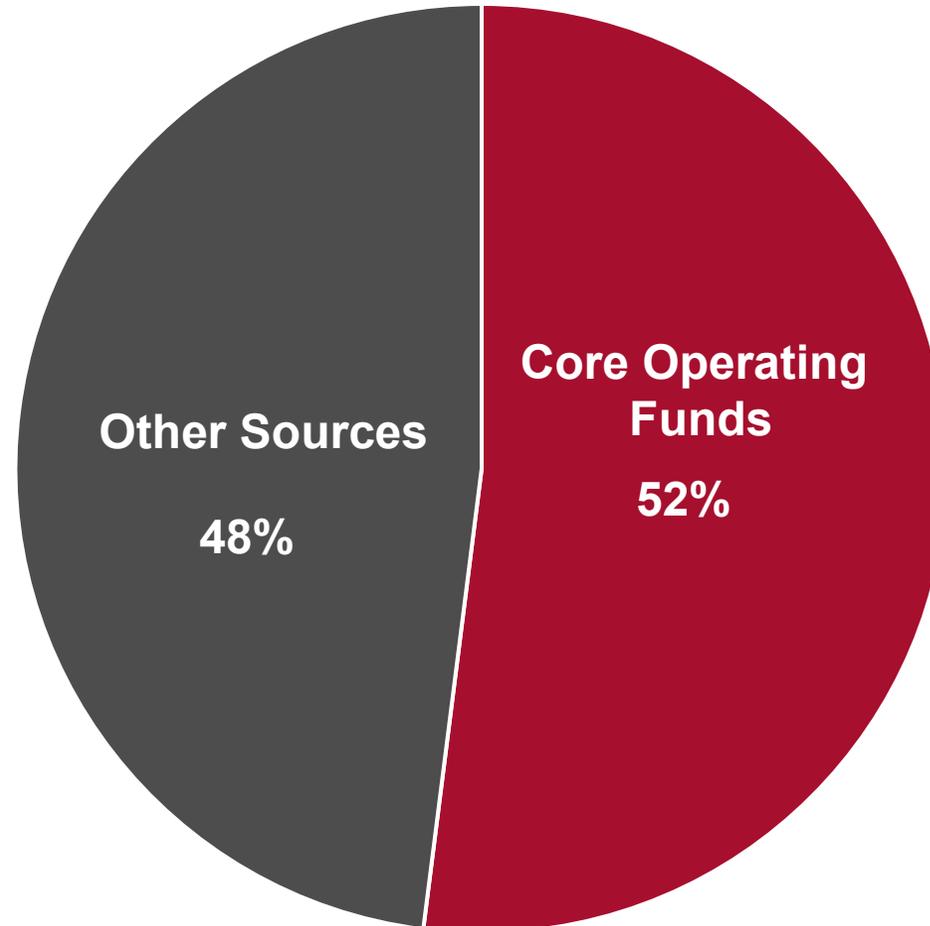


\* Available for allocation

# FY24 WSU Annual Operating Revenue

## Core Funds \$635M & Other Sources \$593M

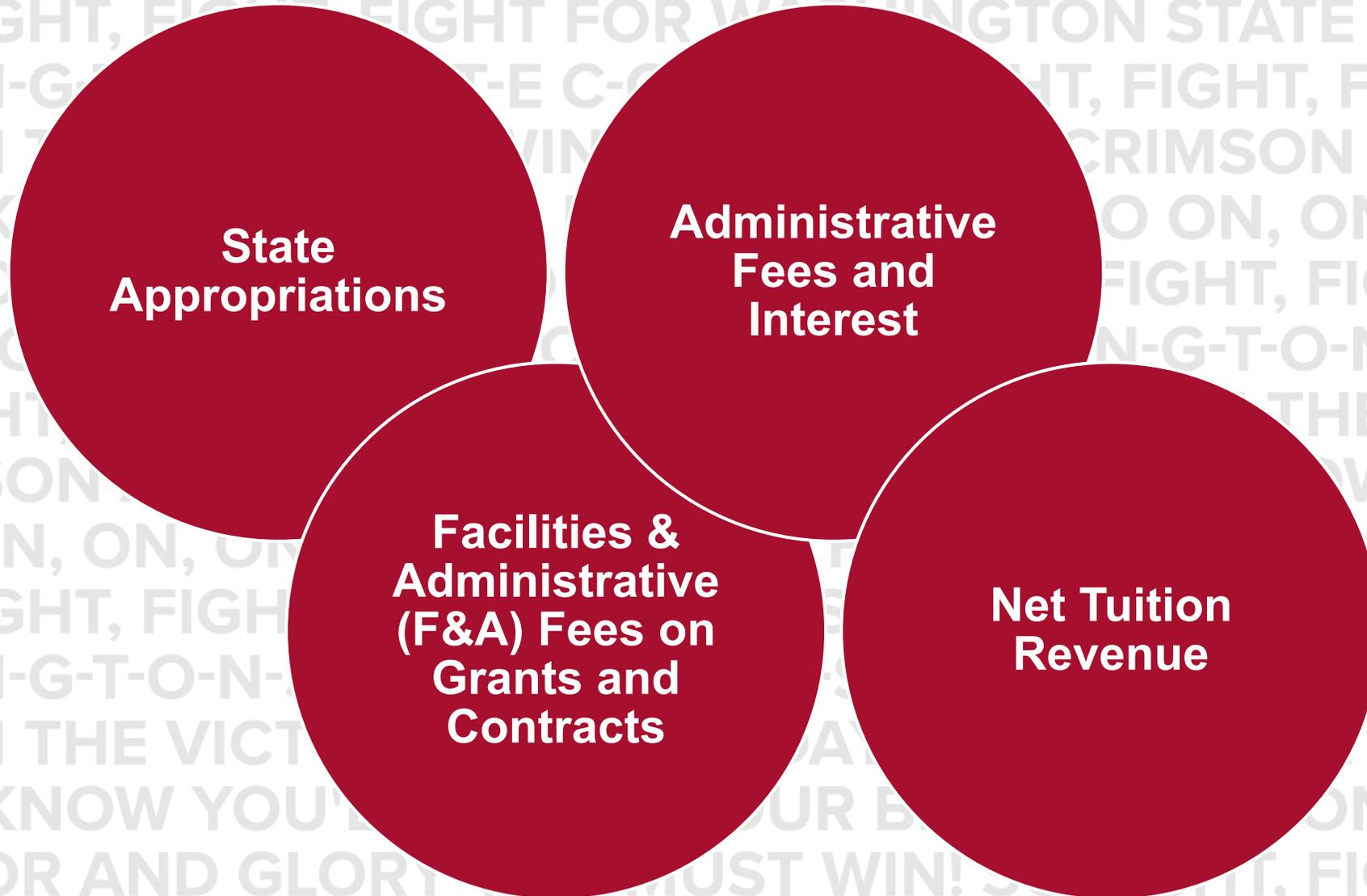
### Estimated Total: \$1.2 Billion



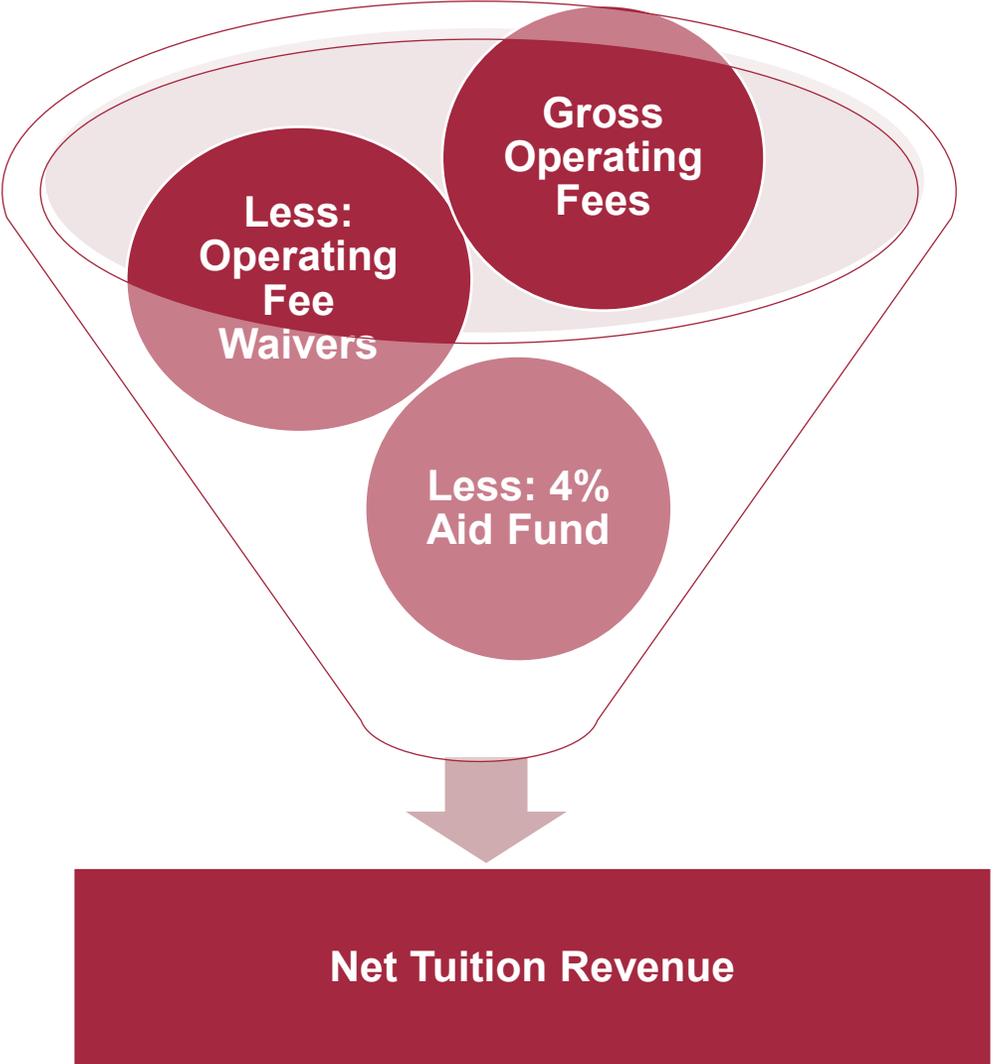
Other Designated Funds Include:

- Contracts & Grants
- Auxiliary Enterprises
- Gifts
- Restricted Student Fees

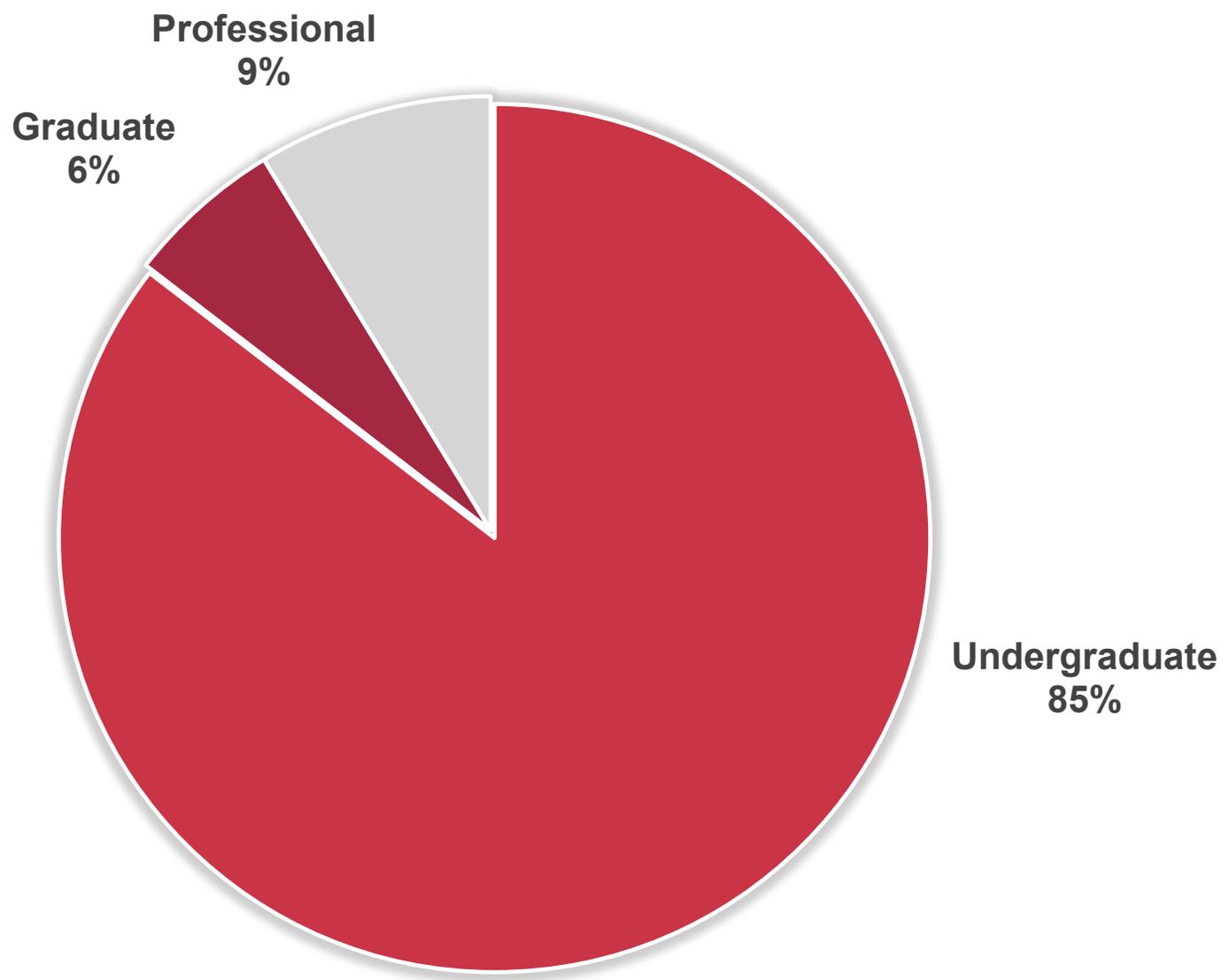
# Sources of Funds for Core University Budget



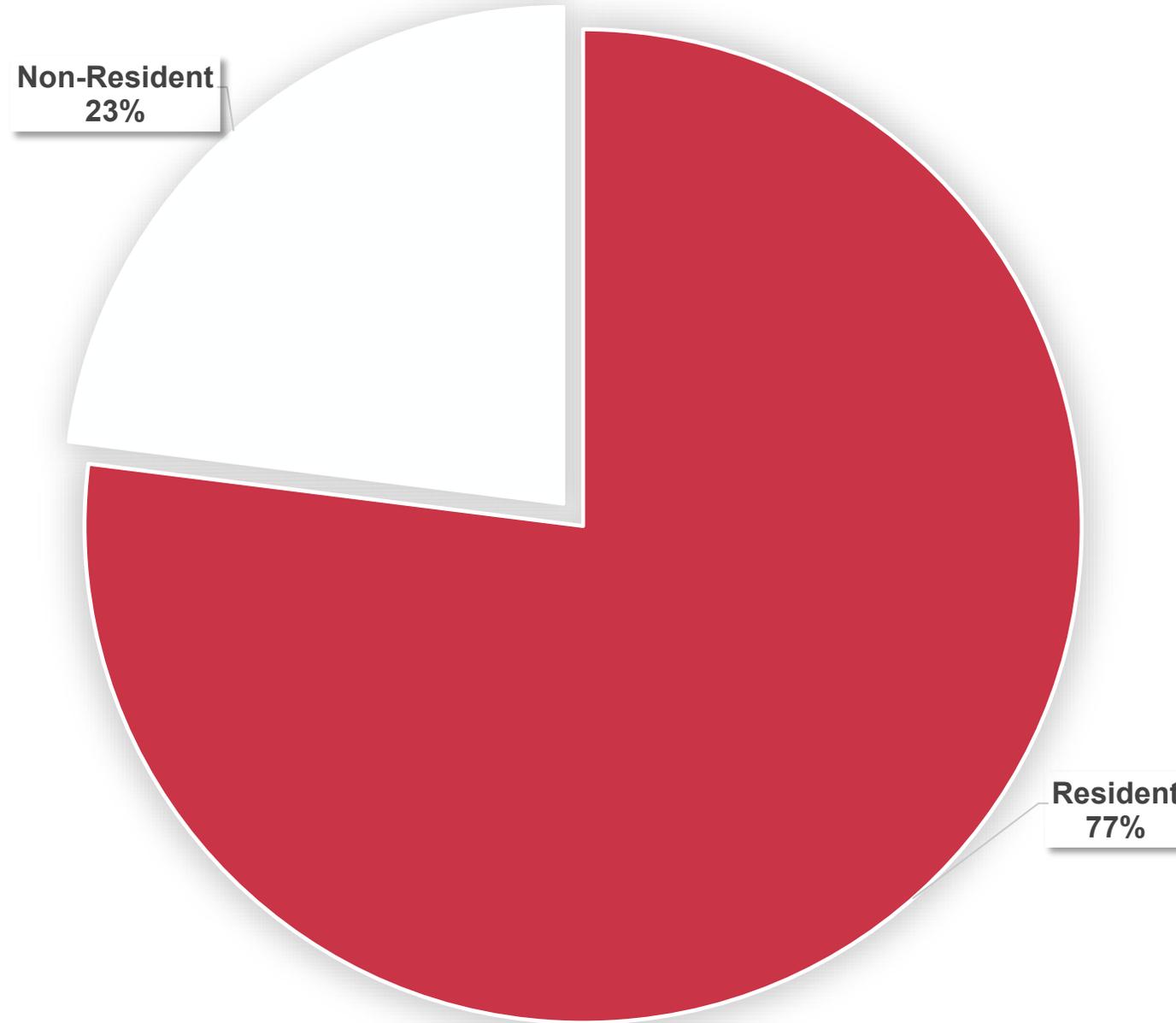
# Net Operating Tuition



# Net Operating Tuition by Student Category



# Undergraduate Net Operating Tuition



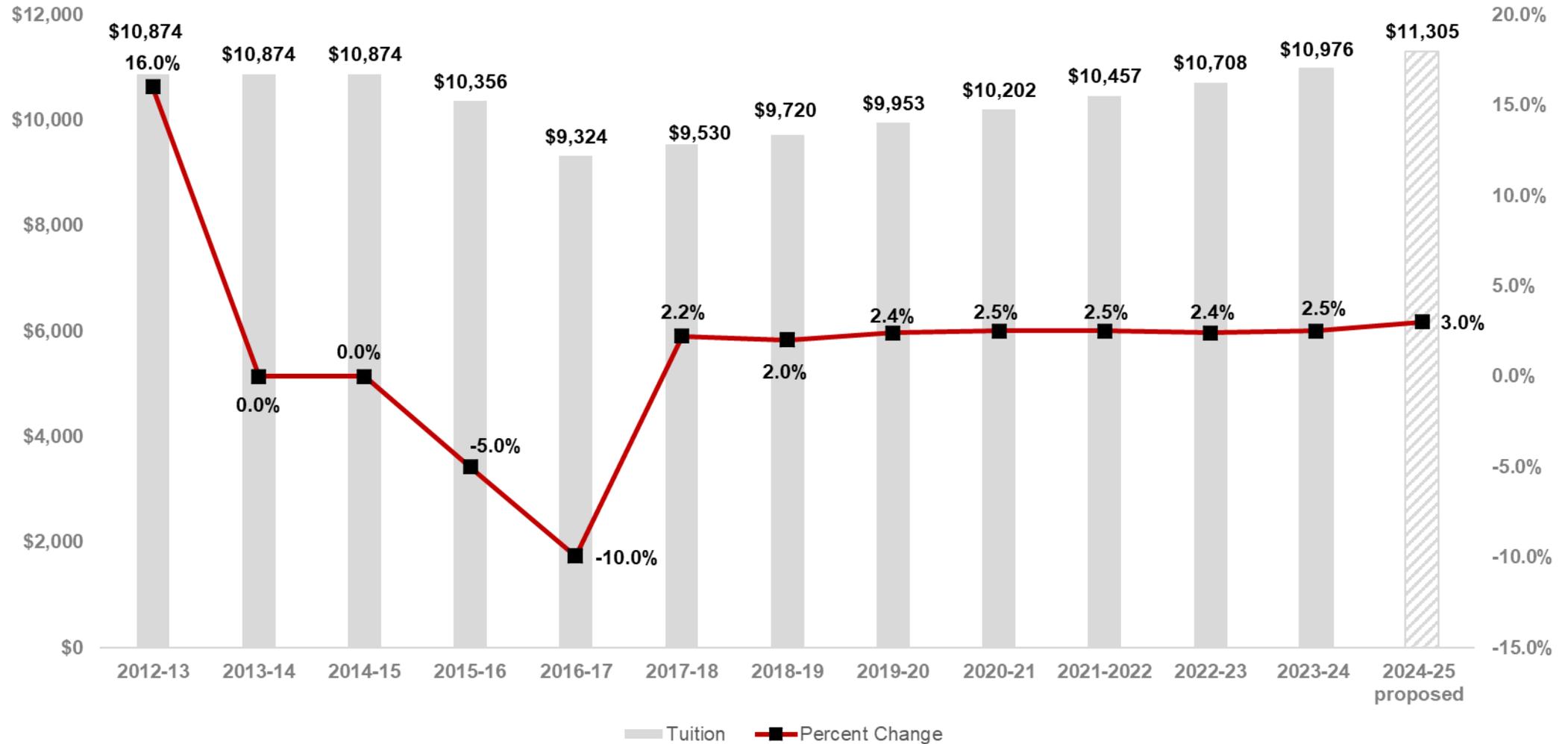
# Tuition Rate Changes

AY	Resident Undergraduate	Non-Resident Undergraduate	Non-Resident Undergraduate Online	Resident Graduate	Non-Resident Graduate	Non-Resident Graduate-Online
2010-11	14.0%	5.3%	14.0%	5.0%	5.0%	5.0%
2011-12	16.0%	8.0%	16.0%	16.0%	8.0%	16.0%
2012-13	16.0%	16.0%	0.0%	16.0%	8.0%	0.0%
2013-14	0.0%	0.0%	-22.6%	0.0%	0.0%	-22.7%
2014-15	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2015-16	-5.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2016-17	-10.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2017-18	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%
2018-19	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2019-20	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
2020-21	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
2021-22	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
2022-23	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
<b>2023-2024</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.5%</b>

- Resident Undergraduate rate increases have been modest (inflationary) or decreased since FY14
- Non-resident undergraduate and graduate rates were held flat at FY13 rates until FY20

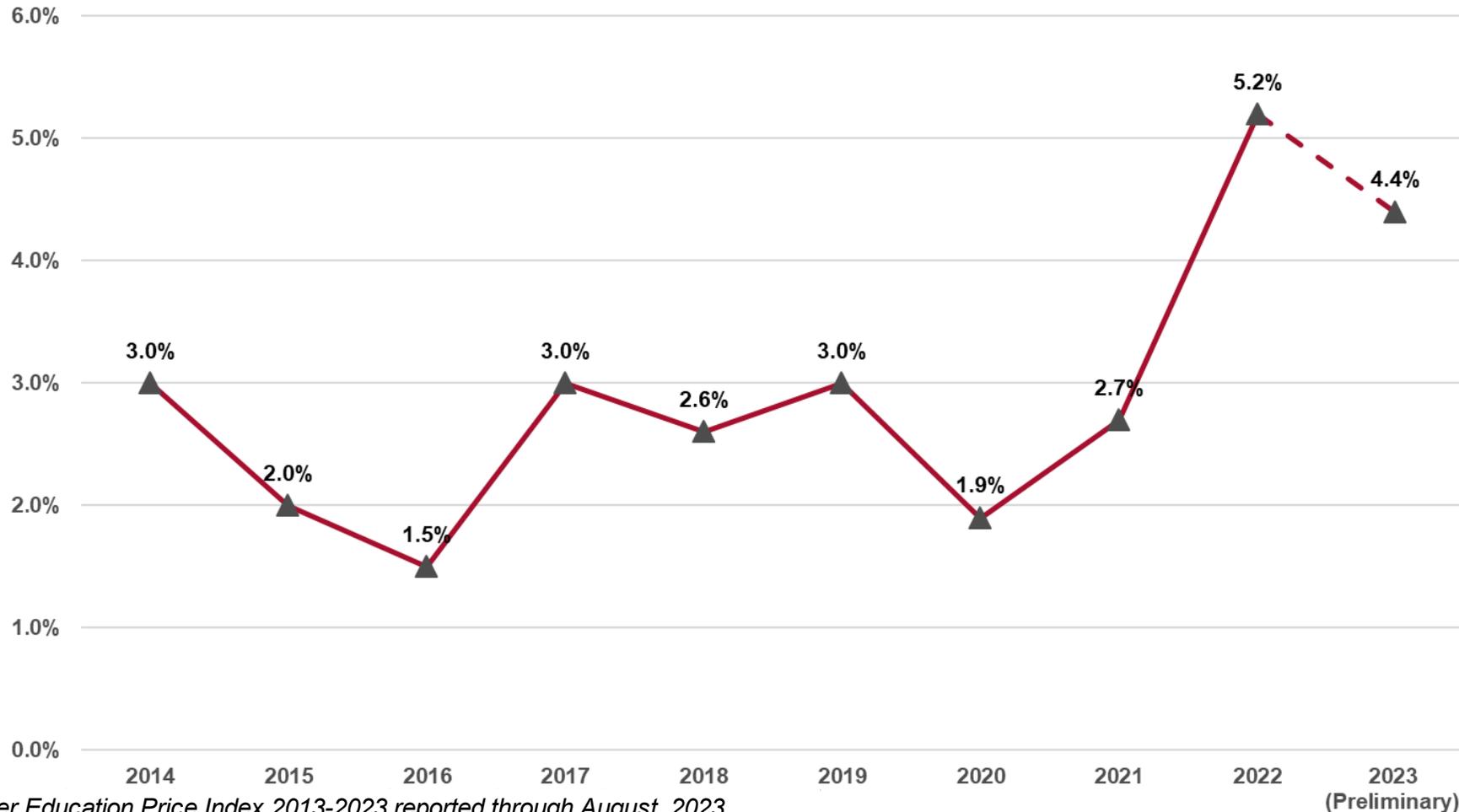
# Resident Undergrad Rates

## Academic Years 2012/13 – 2024/25 (proposed)



# Higher Education Price Index (HEPI)

CommonFund measures the HEPI based on average relative level of prices in a fixed basket of goods and services purchased by colleges and universities each year, therefore more accurate than the CPI for the higher education industry.

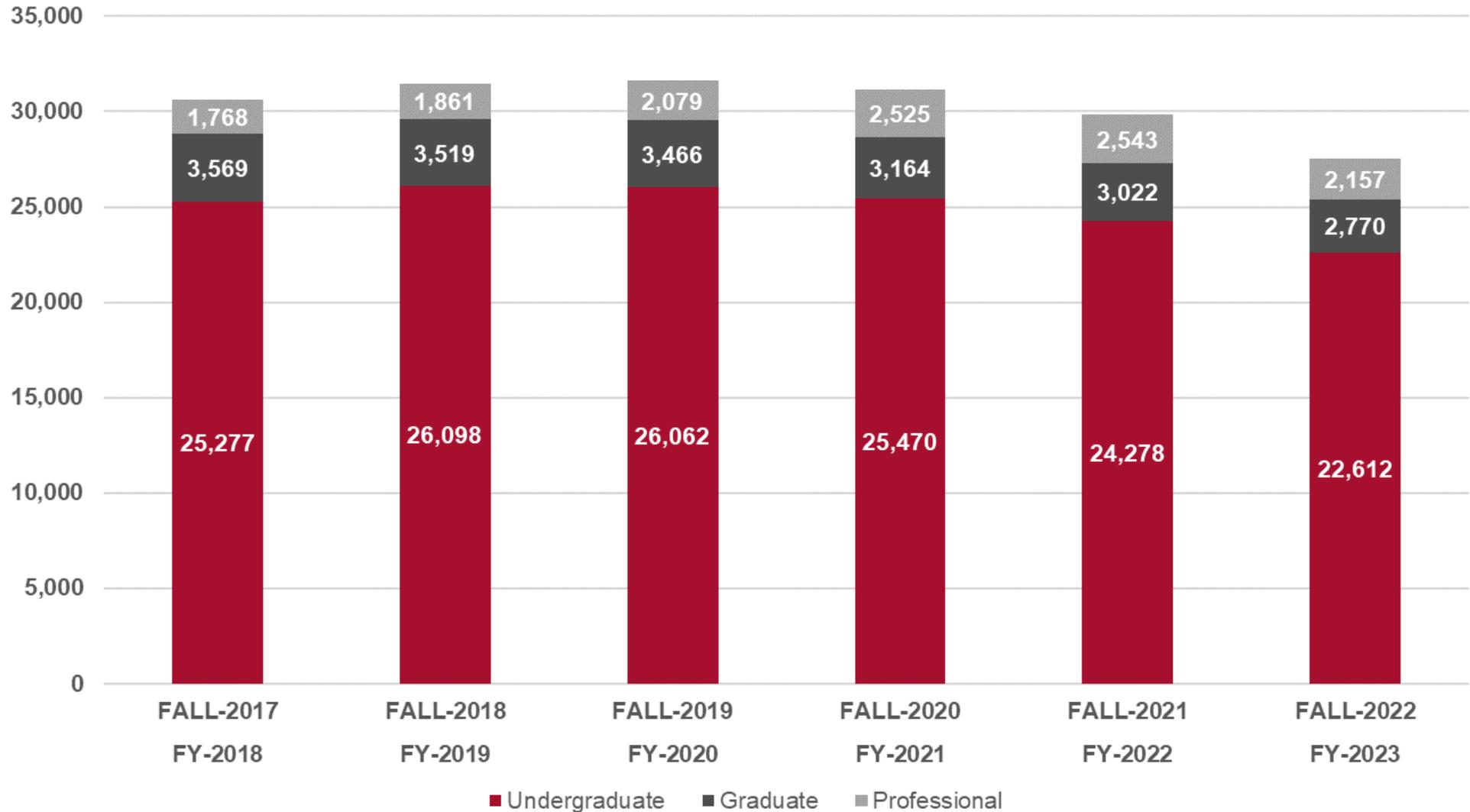


source: Higher Education Price Index 2013-2023 reported through August, 2023

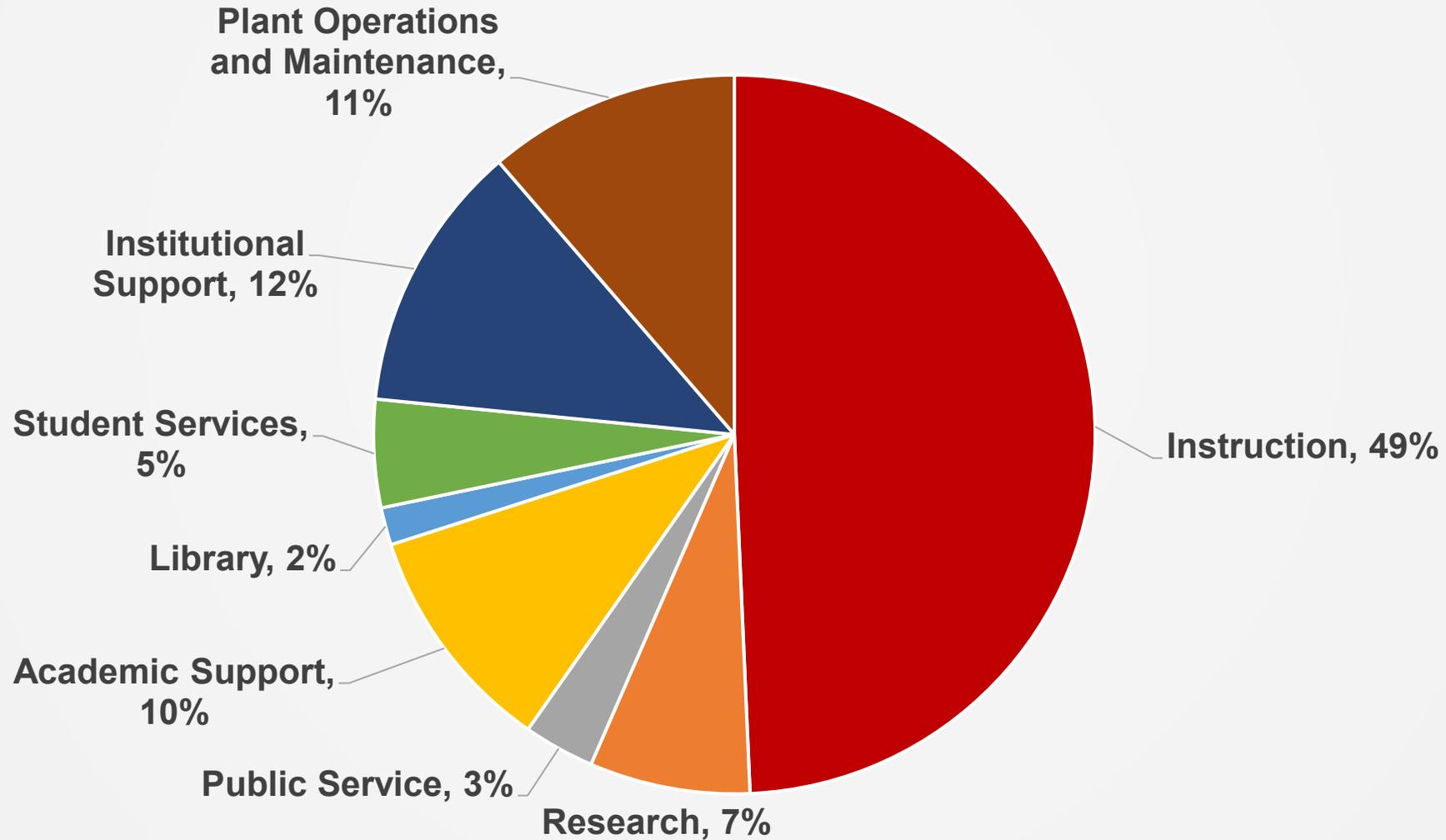
The factors that impact HEPI include:

Salaries for faculty, administration, and other employees | Fringe benefits | Utilities | Supplies and materials | Miscellaneous services

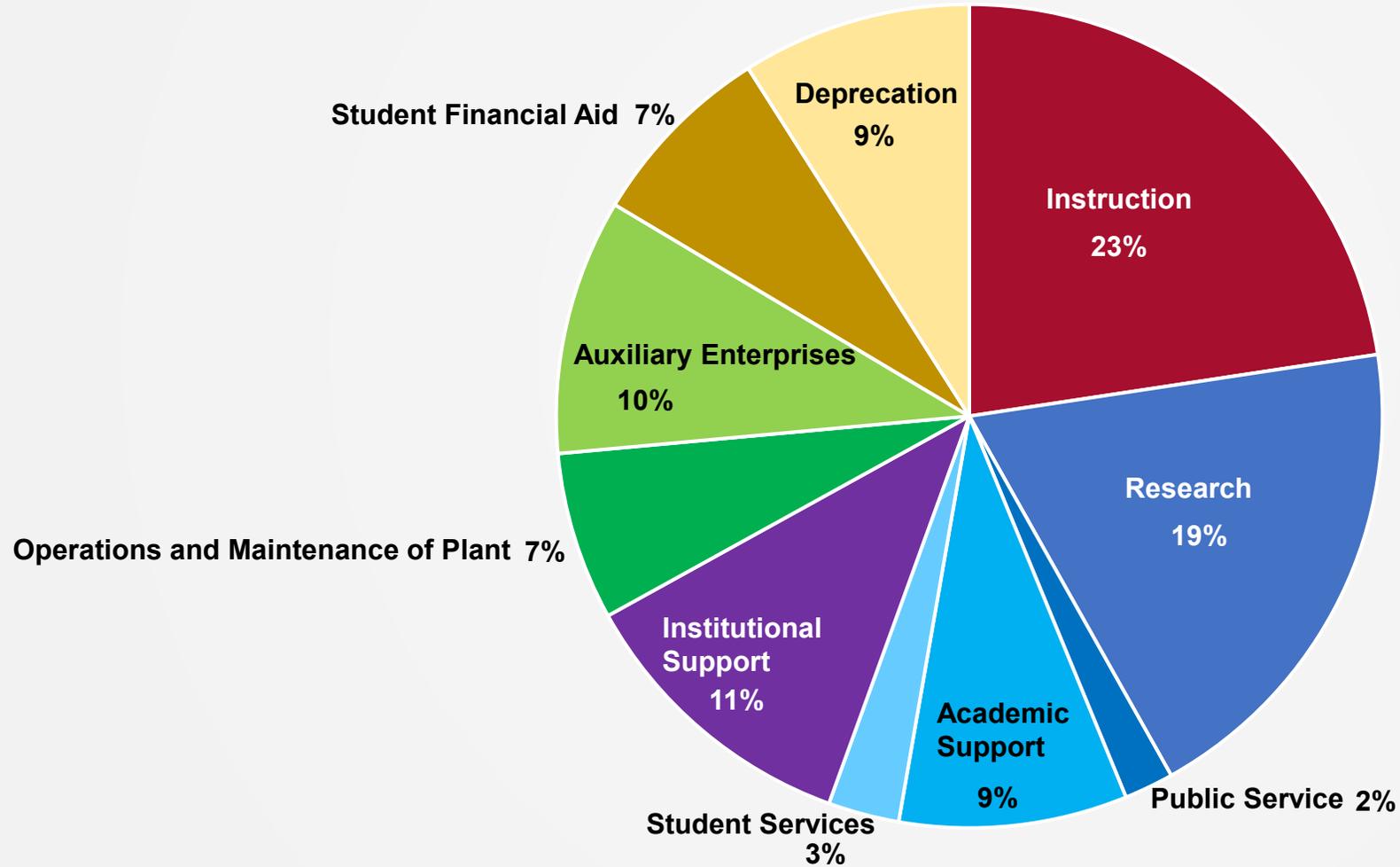
# Total Student Enrollment



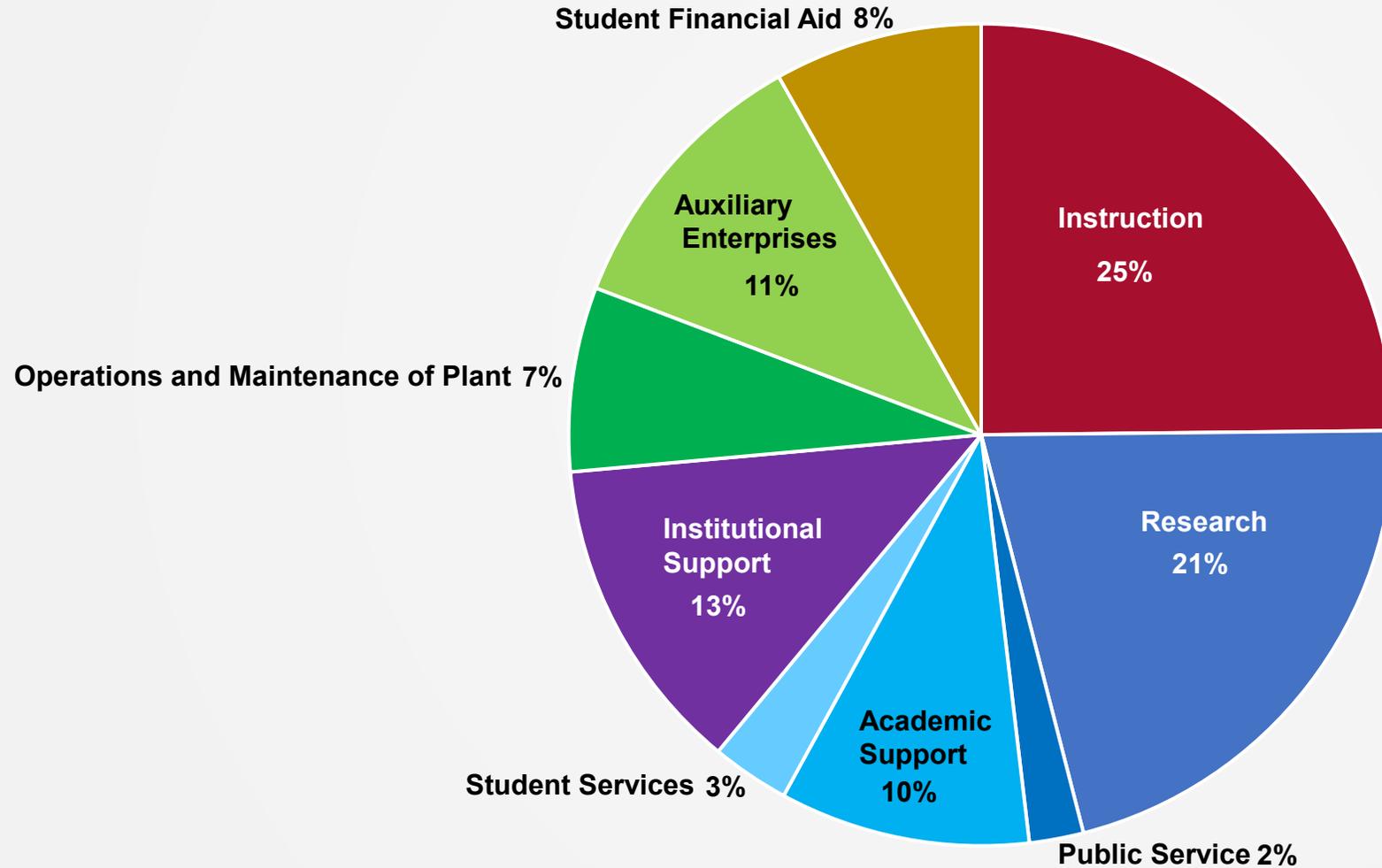
# FY24 Operating Budget Expenditures by Function



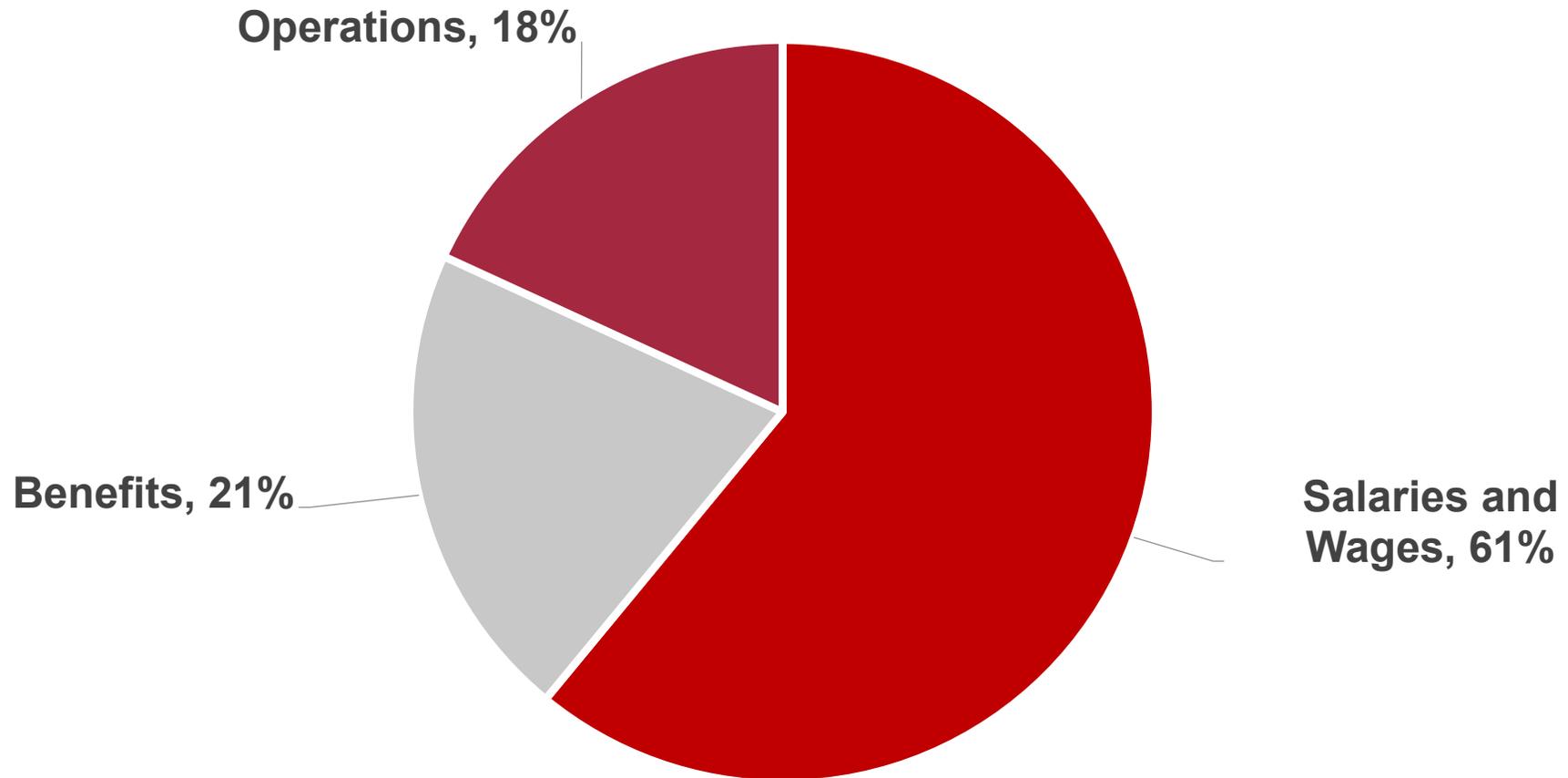
# FY22 Expenditures with Depreciation



# FY22 Expenditures without Depreciation



# FY24 Operating Budget Expenditures by Type



# Budget Development Challenges

Campus and unit reductions required to balance budget

- FY21 – At the onset of the COVID pandemic, WSU was given a state appropriation reduction target of \$37M and unit budgets were reduced by 10% through one-time reductions
- FY22 – Declining enrollment led to lower tuition revenue. Campuses and units were reduced 7.5% through one-time reductions
- FY23 – Continuing enrollment losses and underfunded state compensation increases required a recurring 2.5% reduction for campuses\* and units
- FY24 – Persistent enrollment losses and underfunded state compensation increases required a recurring 6% reduction for campuses\* and units

\*WSU Tri-Cities and WSU Vancouver absorb their campus tuition reductions

# Revisioning the WSU Budget Model

A comprehensive, all-funds preliminary budget model was developed in partnership with Huron to highlight transparency and fiscal accountability, as well as provide incentives for increasing revenue and efficiency in operations.

WSU has not robustly budgeted funds beyond the core operations and external grant awards.

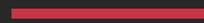
Current financial reporting does not support the implementation of a new budget model. Budget variance-to-actual and timely financial statements are lacking.

Expanding annual budgeting to all funds, analyzing fund balances and deficits, developing cash flow projections that align with budget expectations and creating a template for multi-year financial planning need to be in place before revisiting a new budget model.

Budget models do not produce new revenue nor make the difficult financial decisions that all higher education institutions are facing.

# FY25 Budget Development

- Full budget development calendar planning is underway
- Undergraduate tuition discussion & approval process shifted
- FY23 Financial Statements complete and to the Board of Regents on January 25, 2024
- Presentation of financial position relative to FY23 actual and FY24 budget-to-actual in advance of FY25 planning process
- \*\*Budget Hearings – March 11-22, 2024
- Templates from Budget Office, request for needs and for impact of 1%-3% and 5% reductions
- FY25 Budget to Board of Regents – May 2, 2024



Questions