

V. REPORT OF THE PRESIDENT

Budget Update

This will be an oral presentation.



Planning and Budgeting Brief

Date Prepared: April 16, 2009

Subject: **Update of Washington State Legislative Budget Process**

The Senate version of the 2009-2011 Washington State operating budget (PSSB 5600) has passed out of Senate Ways and Means with amendments favorable to higher education and the University of Washington. As amended; the key points for the University of Washington are:

- A reduction in state funding of 23% off of 2009-2011 maintenance level budget, mitigated with \$25 million of federal stimulus funding.
- Annual Increases in Resident Undergraduate Tuition of 14% for each year of the biennium coupled with provisions for a slight increase in return to aid.
- Local control of tuition for all non-residents, and resident academic and professional graduates.
- Authorization for fee increases subject to the provisions of Initiative I-960. These include summer quarter tuition, fee-based and self-sustaining degree and certificate programs, services and activity fees, student technology fees, course and lab fees, and other administrative fees.
- A slight decrease of 278FTE in budgeted enrollment from 38,626 FTE to 38,348 which is manageable within the funds provided.

The attached chart shows a comparison of the original Senate budget, the amended budget and the current House budget.

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UW Budget Scenarios	Senate		Ammended Senate		House	
	\$	%	\$	%	\$	%
2007-09 Expenditures	792,417		792,417		792,417	
2009-11 Maintenance (BASE)	834,370		834,370		834,370	
Policy Changes						
OPERATING ATB					(226,648)	
Admin	(43,500)					
Research & PS	(31,490)					
Instruction & SS	(89,512)					
Federal Stim State Offset	(24,730)				(33,975)	
CUT SUBTOTAL	(189,232)	-23%	(189,232)	-23%	(260,623)	-31%
Revenue						
CAPITAL to Operating*	???				-	
Federal Stim Funding	24,730		24,730		33,975	
Tuition	64,500	7%	94,733	14%	94,733	10%
REV SUBTOTAL	89,230	11%	119,463	14%	128,708	15%
Net Reduction to UW Budget		-12%		-8%		-16%

(69,769)

Tuition Revenue in 8,9 and 10% scenarios is based on:

Undergraduate Resident	14%	FY10	FY11
Undergraduate Non-Res	5%	18,600	21,204
Academic Grad Res/Non-Res	7%	3,780	3,969
Professional Grad Res/Non-Res	10%	8,000	8,800
		30,380	33,973
Biennial total		94,733	

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