WESTERN WASHINGTON UNIVERSITY
ITEM SUBMITTED TO THE BOARD OF TRUSTEES

TO: Members of the Board of Trustees

FROM: President Bruce Shepard *by Paula M. Gilman, Executive Director for University Planning and Budgeting*

DATE: October 9, 2009

SUBJECT: **Western Washington University**
Approval of 2010 Supplemental Operating Budget Request (impacting the 2010-11 Operating Budget)

PURPOSE: Action Item

Purpose of Submittal:

The Governor's Office of Finance and Management (OFM) notified Western on September 23 that all state agencies will be required to submit a supplemental operating budget request on October 17. The primary purpose of the 2010 Supplemental Operating Budget submission will be to reflect General Fund-State reductions announced in OFM's July 1, 2009, notification to all state agencies reducing 2009-2011 appropriations.

For higher education, the Governor's biennial reductions are wholly applied to the second year of the 2009-2011 biennium or 2010-11, in order to protect the 2006 maintenance of effort 'floor' used to obtain federal stimulus funds for 2009-10. Applying the total cut to year two, of course, results in greater ongoing reductions.

For Western, the Governor indicated a $995,000 reduction which is equivalent to an approximate 1.9% annual reduction on Western's General Fund-State appropriation for operations and a .7% annual reduction on all funding sources (Please see attachment). Details regarding the implementation of this reduction will be determined as Western finalizes the 2010-11 Annual Operating Budget for Board approval in June 2010.

Proposed Motion:

> ***MOVED*, that the Board of Trustees of Western Washington University, upon the recommendation of the President, approve a 2010 Supplemental Operating Budget reflecting a $995,000 General Fund-State reduction to the 2010-11 operating budget, as directed and required by the Governor.**

Supporting Information:

See attachment for revised 2010-11 operating budget.

Source of Funding:

General Fund-State.

PMG/xx
Attachment

2009-2011
State Operating Budget
by Funding Source (including 2010 Supplemental Request reflecting Governor's 7-1-09 Reduction)

Funding Source	FY 2010	FY 2011	FY 2011 REVISED	$ Change
General Fund State	$43,141,000	$52,752,000	$51,757,000	-$ 995,000
Education Legacy Trust	$6,518,000	$6,518,000	$6,518,000	
Federal Stimulus	$8,885,000	$0	$0	
Education Construction Account	$1,807,000	$1,807,000	$1,807,000	
State Appropriations	**$60,351,000**	**$61,077,000**	$60,082,000	-$995,000
Net Tuition Operating Fees*	**$59,903,924**	**$65,767,953**	$65,767,953	
Administrative Services Assessment	$1,233,163	**$1,472,114**	$1,472,114	
One-Time Funds**	**$6,310,942**	**$2,326,697**	$2,326,697	
State Operating Budget	**$127,799,029**	**$130,643,764**	$129,648,764	-$995,000

* FY 2009 & FY 2010 include estimated interest income revenue on tuition in the amounts of $447,000 and $493,000, respectively.
** Combination of one-time institutional fund balances of $2.2M and a non-recurring draw $162,000 from budgeted contingency reserve.