



CENTRAL WASHINGTON UNIVERSITY

November 14, 2024

Pat Sullivan
Director, Washington State Office of Financial Management
PO Box 43113
Olympia, WA 98504-3113

Dear Director Sullivan,

In response to the November 8, 2024 memo directing agencies to identify areas for budget reductions in the current fiscal year and into the 2025-27 biennium, CWU has reviewed all current appropriations, including proviso budget items.

This request to identify areas where CWU could temporarily delay or reduce funding comes at a time when we are already experiencing sustained budget reductions due to the state-imposed fund split on compensation costs, enrollment declines, and the rising cost of goods and services. As articulated in our Compensation and Fund Split decision package submitted in September, CWU finds itself grappling with ongoing budget deficits caused by the state's position to only partially fund our compensation costs, legislative limits on our tuition-raising authority, and rising inflation on operating expenses.

CWU continues to be a university that provides accessible education opportunities to the degree-seeking residents of Washington State. With a student body mix, made up of 88% resident undergraduates, limits on tuition increases coupled with inadequate compensation funding from the state puts us in a precarious budget situation where choices of investment are often sidelined to meet more immediate needs.

Finding programs where budget reductions would not have an impact on our faculty and staff is impossible given that 96% of our annual appropriations are tied to compensation. CWU has already taken steps to reduce our workforce and capture salary savings while reducing goods and services spending wherever possible. Our efforts to make reductions to our workforce have led to a 13% decline in our overall employee base, which has largely impacted the instructional faculty. These actions have allowed us to balance our budget for the current fiscal year but have negatively impacted our efforts to ensure we are living into our vision of being a model learning community of equity and belonging; this is especially critical as we are working to grow enrollment and retain more students to support statewide workforce attainment goals that carry a residual economic benefit for our state. Further reductions will result in the loss of critical student services, reductions in course offerings, and a need for larger class sizes, all of which will have devastating impacts on the 46% of first-generation and the 42% of people of color attending CWU who rely on these services throughout their academic careers.

Office of the President

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CWU is an EEO/AA/Title IX Institution. For accommodation email: DS@cwu.edu.

This is an electronic communication from Central Washington University.

Central Washington University has already engaged in the difficult task of identifying areas where short-term cost savings could be realized while minimizing the impact on our students and employees. If budget reductions are determined to be necessary, CWU will comply with any state-mandated requirements that apply to all agencies. We understand that higher education will not be exempt from directives that remedy a state budget deficit, but want to emphasize that any such directive for a budget reduction would be in addition to the cuts we have already endured and will require us to cut additional FTE, reduce critical student services, and cut spending to academic programs.

CWU fully understands the difficult task that lies ahead to close this budget shortfall. Since the pandemic, we have engaged in an array of strategies to curb spending, reduce our employee base, and adapt to the realities of high inflation and lower enrollments. We are confident the state will develop a thoughtful long-term plan to address both revenue shortfalls and spending to avoid any ongoing disruptions to funding levels in the 2025-27 biennium and beyond.

Sincerely,

A handwritten signature in cursive script that reads "A. James Wohlpart".

A. James Wohlpart
President