

2017-19 Operating & Capital Budgets

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2017-19 Operating & Capital Budgets

2nd Read, June 30, 2017

EWU Board of Trustees

Statement of Budget Principles

Utilize budget
INVESTMENTS
in the
strategic plan
to achieve
the mission of
the university

Invest
in Eastern's
COMMITMENT
to student
access and
success

Conduct a
collaborative
and
transparent
budget
PROCESS

FOCUS
on the
teaching
mission of the
university

Place
university
PRIORITIES
over unit
priorities

Evaluate and
IMPLEMENT
any and all
feasible
revenue
enhancement
strategies

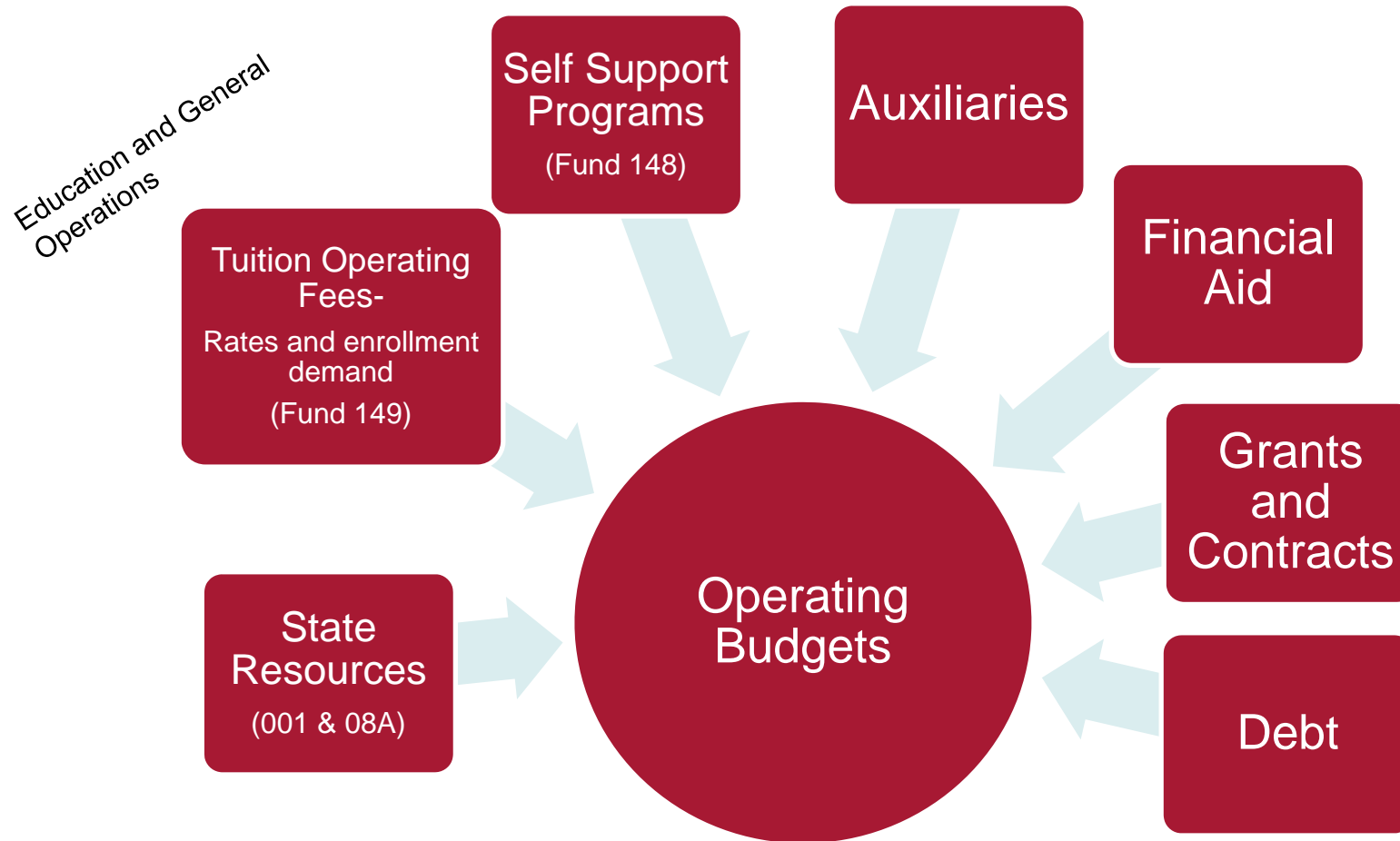


Budget Process Timeline

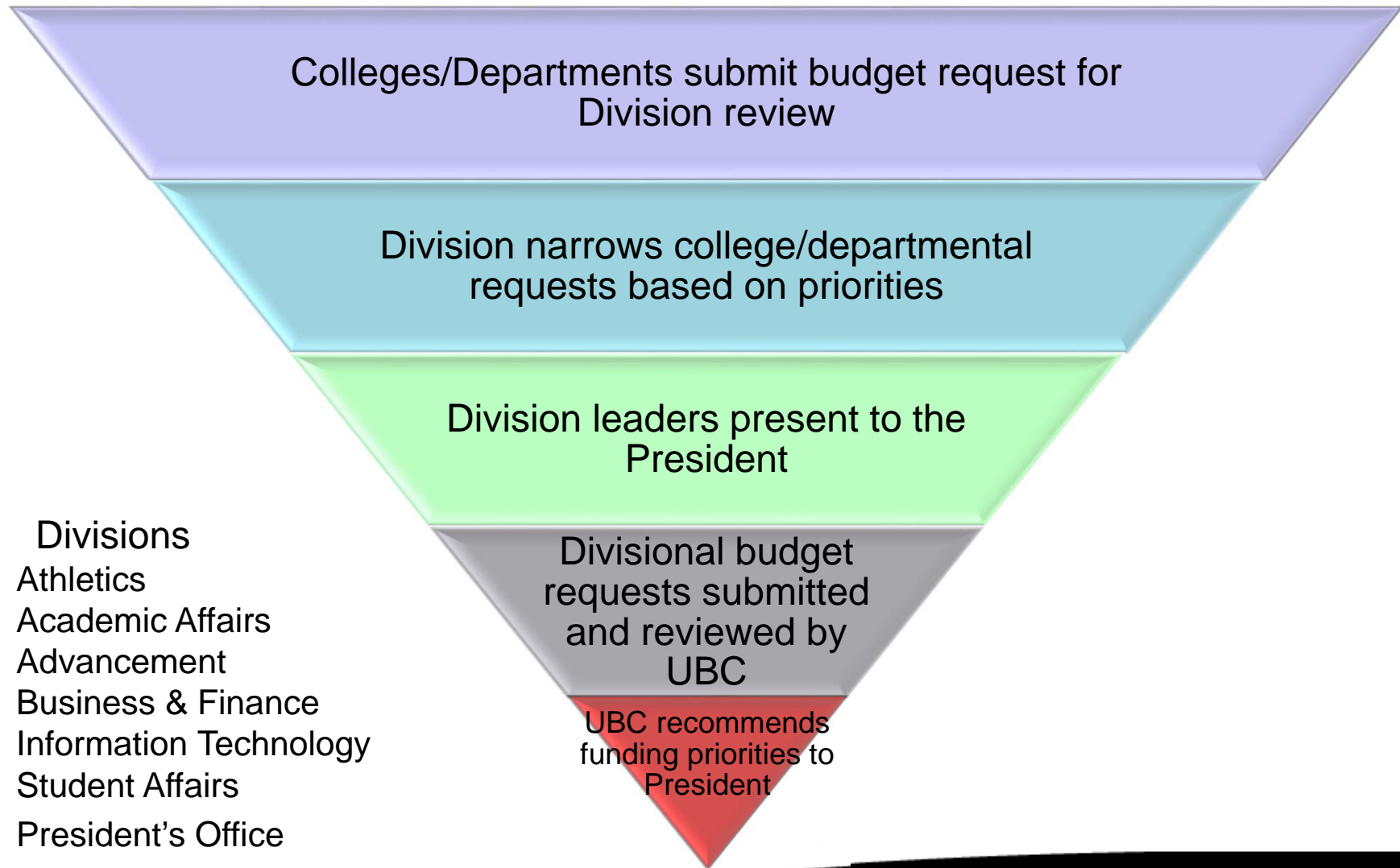
Fall 2016	▪ Unit level planning started 17-19 biennium
May 2017	▪ First read of FY18 & FY19 Budget
→ June 2017	▪ Approved biennial budget
July 2017	▪ Implement FY18 Budget July 1, 2017
Fall 2017	▪ Supplemental budget requests - technical adjustments
December 2017	▪ Governor's Budget released
March 2018	▪ House and Senate proposed budgets approved
April 2018	▪ Approved state supplemental budget
May 2018	▪ 1 st Read FY19 Budget with Board of Trustees
June 2018	▪ 2 nd Read (Approval) FY19 Budget – June Board of Trustees meeting
July 2018	▪ Implement FY19 Budget July 1, 2018



Impacts to Eastern's Budget Planning



Internal Budget Planning Process



- Divisions
- Athletics
 - Academic Affairs
 - Advancement
 - Business & Finance
 - Information Technology
 - Student Affairs
 - President's Office



University Budget Committee

Membership

UBC members are appointed by the president based on recommendations from each appropriate member affiliation. The committee meets monthly, and is chaired by the VP for Business and Finance, who exercises no voting rights.

Voting Membership

Six faculty members nominated by faculty senate representing each college and library

Faculty Senate Treasurer

One classified staff member

One student representative

One dean

One exempt staff member

One professional staff member (PSE – Exempt represented staff)

One representative from each of the Presidential/Vice Presidential divisions

One representative from Intercollegiate Athletics



Role of University Budget Committee

- Presidential advisory body consisting of representatives from faculty, classified staff, exempt staff, students, and administrators.
- The committee reviews and makes recommendations to the president in response to new budget proposals, including budget reduction plans in times of reversions.
- The committee works closely with the university president to consider the university's finances, enrollment, tuition, financial aid, the legislative session, and priority funding programs, and their interaction and connection with Eastern's values, mission, and vision.
- Committee members actively participate and represent their constituencies while applying a university wide perspective during budget deliberations to deliver comprehensive, thoughtful, and balanced recommendations to the university president.



Student Committees' Contribution to Operating Budget

Services and Activities Fee Committee

- Proposes to the administration and governing board program priorities and budget levels for the Services and Activities Fees
- Comprised of 12 members: six students, four university members and two ex-officio members

Student Technology Fee

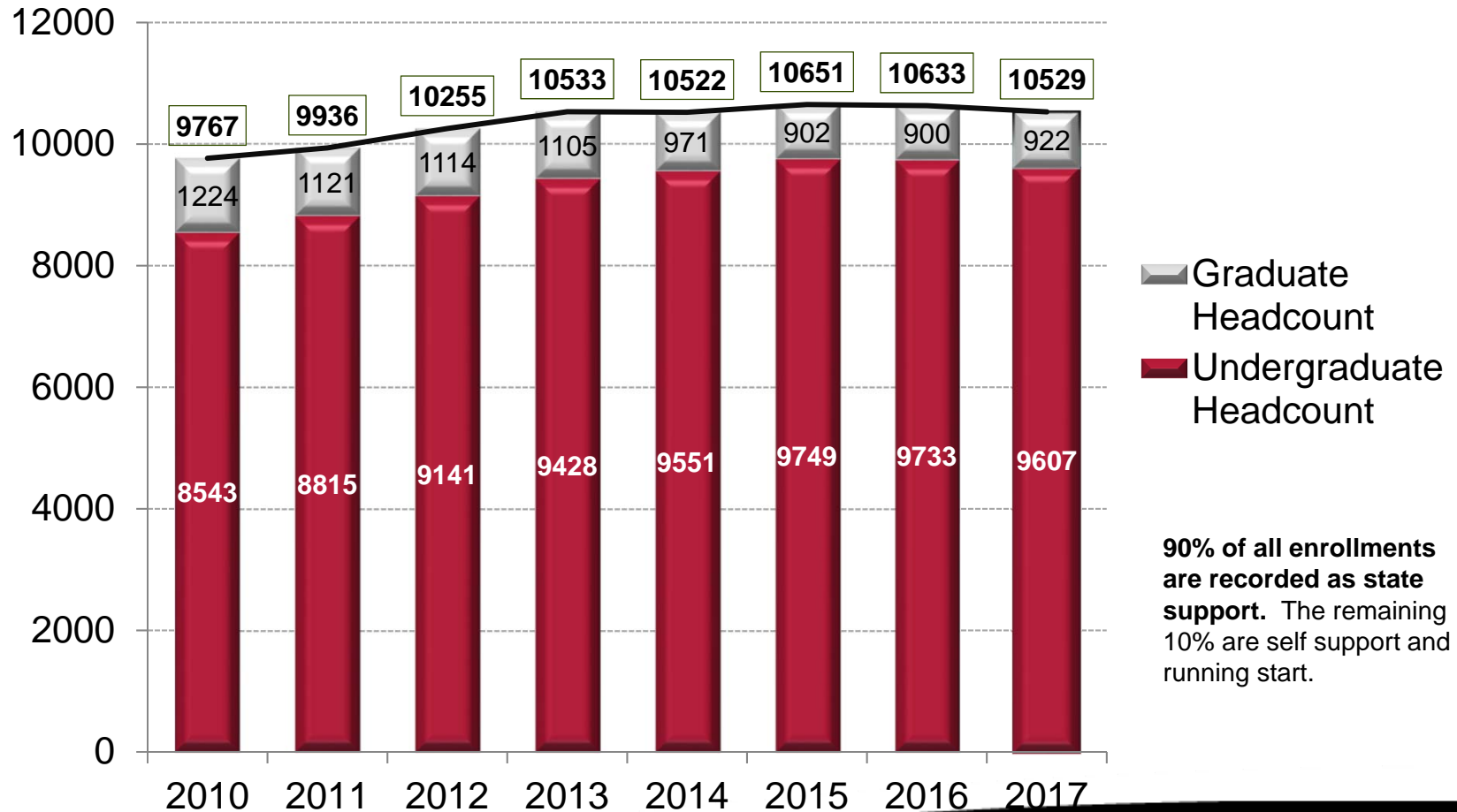
- All students taking 6 or more credits are assessed the full student technology fee are charged \$35 per quarter
- Allocation of resources is recommended by the Student Technology Fee Committee
- Fee funds general and open access student computing labs replacement and renewal of equipment and operations, key technology services such as student email and other web services
- Annual replacement of 250-350 computers along with software, printers, storage, servers
- Software renewal
- Investment in the storage area network
- New investment in the PUB renovation



Academic Year Enrollments

State Support (AAHC)

Eastern's enrollments remain stable with planned future growth. Future enrollment goals will consider access, capacity, and fiscal balance within the context of the strategic plan.



Source: 201635 201640 201710 201715
201720 Annual Enrollment Mix

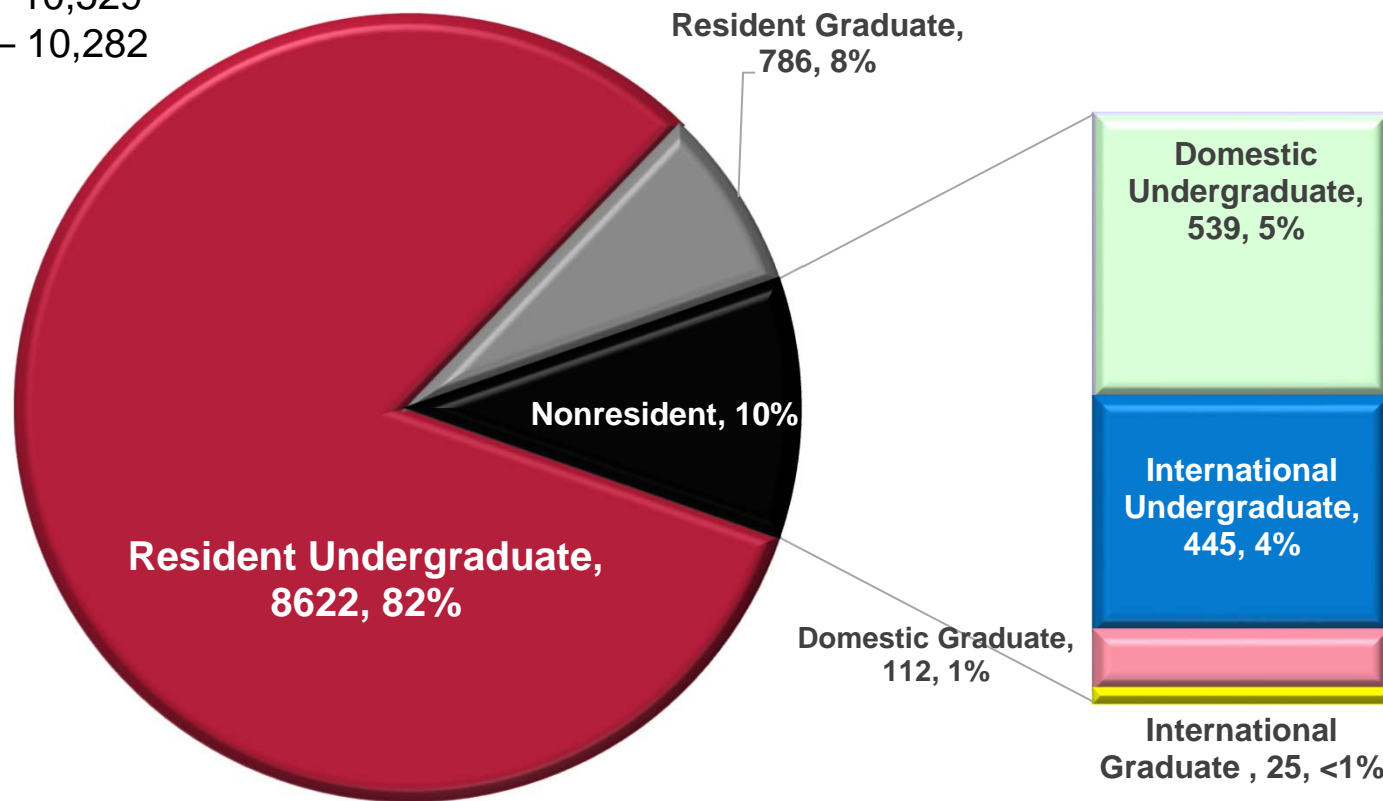


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FY17 State Enrollment

Enrollment Mix

Total HC – 10,529
Total FTE – 10,282



- Resident Undergraduate ■ Resident Graduate ■ Domestic Undergraduate
- International Undergraduate ■ Domestic Graduate ■ International Graduate

Source: 201635 201640 201710 201715
201720 Annual Enrollment Mix



OPERATING BUDGET



2017-19 Tuition and Fees

- Tuition Rates
- Mandatory Fees
- Housing and Dining Rates



2017-19 Operating (Tuition) Fee Assumptions

	FY2018	FY2019
Budgeted HC – state supported	10,651	10,651
Enrollment Growth over FY17 plan	0%	0%
Operating Fee -Resident Undergraduate	2.2%	2.2%
Operating Fee - Other	2.2%	2.2%
EWU Financial Aid	4%	4%

Operating fee increases subject to change based on legislative outcome



FY2018 Tuition & Fee Increases

	ESTIMATED		
	FY2018 % Change	FY2018 Annual Tuition	FY2019 Annual Tuition
Resident Undergraduate – Operating Fee	2.2%	\$6,258	\$6,382
Nonresident Undergraduate – Operating Fee	2.2%	\$23,010	\$23,508
Resident Graduate – Operating Fee	2.2%	\$11,206	\$11,440
Nonresident Graduate – Operating Fee	2.2%	\$26,010	\$26,575
Building Fee	2.2%		TBD
Service & Activity Fees	5.0%		TBD
Housing & Dining Rates	5.8%		5.5%
Transportation Fee		\$60.00	TBD
Comprehensive Health & Wellness Fee	4.08%	\$297.38	FGF
Student Technology Fee	\$5	\$40	\$40
Parking Permits – all lots	10%	Rates Vary	Rates Vary



FY18 & FY19 Operating (Tuition) Fee Revenue

Index 1

	FY2018	FY2019
Gross Operating (Tuition) Fee Revenue	77,693,109	79,362,251
Less: Tuition Waivers	(12,318,608)	(12,318,608)
EWU Grant	(2,597,980)	(2,664,746)
Uncollectible Allowance	(425,000)	(425,000)
Plus: Interest Income	275,000	275,000
Net Operating (Tuition) Fee Revenue	62,627,000	64,229,000

*Totals are rounded to nearest thousand



Total State Funding and Operating Fees

Index 1

	FY2018	FY2019	2017-19 Total
Estimated State Funding	\$62,000,000	\$65,000,000	\$127,000,000
Operating (Tuition) Fees	62,627,000	64,229,000	\$126,856,000
Recharges	2,396,773	2,429,773	4,826,549
Total	\$127,023,773	\$131,658,773	\$258,682,549

- Based on estimates of Governor, Senate and House budgets combined
- Estimated state funding assumes 100% compensation and benefits
- State funding levels will be adjusted based on final conference budget



Local Dedicated

Index 2

Significant Funding Sources

- Running Start/High School Programs
- Eastern On-line
- Summer Session
- Student Technology Fee/Health & Wellness Fee
- Course Fees
- Program Fees



FY2017-19 Local Dedicated Funds Budgets

Index 2

	FY2018			FY2019		
	Revenue/ Additions	Expenditures/ Deductions	Change in Unrestricted Net Assets	Revenue/ Additions	Expenditures/ Deductions	Change in Unrestricted Net Assets
Academic Affairs	\$26,716,206	\$27,923,341	(\$1,207,135)	\$27,990,530	\$28,677,710	(\$687,180)
Business & Finance	9,010,850	9,848,692	(1,001,142)	9,066,750	9,371,443	(467,993)
Student Affairs	5,388,500	5,435,919	(47,419)	5,575,180	5,604,222	(29,042)
Information Technology	1,391,182	1,384,632	6,550	1,410,090	1,403,340	6,750
Advancement	0	4,003	(4,003)	0	0	0
Funds Total	\$42,506,738	\$44,596,587	(\$2,253,149)	\$44,042,550	\$45,056,715	(\$1,177,465)
Change in Unrestricted Net Assets			4.8%			2.8%

These funds finance their own asset renewal and replacement.



FY2017-19 Service Funds Budgets

Index 3

	FY2018			FY2019		
	Revenue/ Recharges	Expenditures/ Deductions	Change in Unrestricted Net Assets	Revenue/ Recharges	Expenditures/ Deductions	Change in Unrestricted Net Assets
Workforce Construction	2,150,000	2,209,344	(59,344)	2,235,000	2,269,374	(34,374)
Telecommunications	1,105,763	1,093,110	12,653	1,116,251	1,095,937	20,314
Motor Pool	554,000	554,000	0	568,000	568,000	0
Service Funds Total	\$3,809,763	\$3,856,454	(\$46,691)	\$3,919,251	\$3,933,311	(\$14,060)
Change in Unrestricted Net Assets	5%			2%		

- Service funds provide goods and services to other university units.
- The funds finance their own asset renewal and replacement.
- Budget gaps may be mitigated with cash reserves.

FY2017-19 Auxiliary Funds Budgets







Index 3

	FY2018				FY2019			
	Revenue	Expense/ Debt	Xfer (In)/Out	Change in Unrestricted Net Assets	Revenue	Expense/ Debt	Xfer (In)/Out	Change in Unrestricted Net Assets
Housing & Dining	\$25,294,025	\$20,821,771	\$1,660,000	\$2,812,254	\$27,084,596	\$22,044,705	\$927,500	\$4,112,391
S&A Fee Fund (net of Housing debt and financial aid)	12,291,798	9,410,905	2,480,000	400,893	12,921,701	10,441,701	2,480,000	0
Recreation Center Fees	192,000	194,996		(2,996)	192,000	191,044		956
Intercollegiate Athletics	4,371,000	7,117,139	(2,150,000)	(596,139)	4,479,500	7,241,601	(2,150,000)	(612,101)
Bookstore	5,287,054	5,504,596		(217,542)	6,482,000	6,477,689		4,311
Pence Union Building	625,000	625,000		0	625,000	625,000		0
Parking	981,454	974,110	25,000	(17,656)	1,021,718	997,154	35,000	(10,436)
Auxiliary Funds Total	\$49,042,331	\$44,648,517	\$2,015,000	\$2,378,814	\$52,806,515	\$48,018,894	\$1,292,500	\$3,495,121

These funds finance their own asset renewal and replacement.



Housing and Dining Rates

	FY2018 Average Quarterly Rate		FY 2018 Annual Rate	FY2019 Average Quarterly Rate		FY2019 Annual Rate
Double Room/Gold Meal Plan	\$3,831		\$11,493	\$4,042		\$12,125
Single Room/Gold Meal Plan	\$4,231		\$12,693	\$4,464		\$13,391

* Ave increase over PY	5.8%		5.5%	
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Increases in accordance with Housing & Dining long-term financial plan

Housing and Dining offer 7 variations of room plans and 6 dining plans



Student Service and Activity Fee Fund

Index 3

Sources	FY2018	FY2019 <i>estimated</i>
S&A Fees (part of tuition)*	\$7,275,898	\$7,280,801
Recreation Center Fee	2,100,000	2,100,000
PUB Fee	2,100,000	2,725,000
Transportation Fee	610,000	610,000
Clubs (use of activity generated revenue)	205,900	205,900
Total Revenues	\$12,291,798	\$12,921,701

- FY2018 based on 5% increase, may be adjusted based on legislative authority
- FY2019 to be approved by Student Services and Activities Fee Committee in Spring 2018



Student Service and Activity Fee

Index 3

Uses: As Recommended by Student Service and Activity Fee Committee	FY2018	FY2019 <i>estimated</i>
Debt Payments	\$3,707,747	\$3,703,697
S&A Fee Allocation	3,352,743	3,358,921
Housing Allocation	645,000	645,000
Transportation Contract	610,000	610,000
Transfer to Athletics	2,150,000	2,150,000
Financial Aid, Admin Cost	535,075	536,030
Clubs (use of activity generated revenue and reserve)	205,900	205,900
Facility Improvements & Operations	353,810	1,382,153
URC equipment replacement	330,000	330,000
Total Uses	\$11,890,275	\$12,921,701



FY18 Athletics Budget

Index 1 and 3

Athletics Budget	Revenue	Expenses
Ledger 1 Support	\$5,367,286	\$5,367,286
Ledger 3		
Department Revenue	3,266,000	
Student Support	2,150,000	
Operating Expenses		5,994,393
Athletic Camps	1,105,000	1,122,746
Total	\$11,888,286	\$12,484,425
Projected Net Loss		(596,139)

6/30/17 estimated cumulative operating Net Assets deficit \$3.2M



Scholarships and Fellowships

Scholarships	FY2018 Budget	FY2019 Budget
Federal Financial Aid Grants (includes Pell grant and the Supplemental Educational Opportunity Grant – SEOG)	\$19,750,000	\$20,000,000
State Financial Aid Grants (includes State Need Grant)	17,750,000	18,000,000
EWU Financial Aid Grants (includes EWU grant, endowed scholarships and license plate)	3,200,000	3,400,000
Private Financial Aid Grants (foundation endowed scholarships)	950,000	1,000,000
Total	\$41,650,000	\$42,400,000

- Scholarships and Fellowships include funds for student aid programs, some federal and state aid programs and privately endowed scholarships.
- Funding levels assumed to remain relatively flat year-to-year.
- Total increases driven by assumed enrollment growth rates.

Sponsored Programs (Grants & Contracts)

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Sponsored Programs	FY2018 Budget	FY2019 Budget
Federal Research	\$5,495,000	\$5,495,000
State Research	3,855,000	3,855,000
Local Research	2,880,000	2,880,000
Private Research	2,460,000	2,460,000
Total	\$14,690,000	\$14,690,000

Funding and contracts are dependent on state and federal agency funding levels as well as the ability of local governmental and private agencies need for contracted services.



FY2017-19 University Operating Budget

Revenues- All Funds

	FY2018	FY2019	2017-19
Education and General			
General Fund State	62,000,000	65,000,000	127,000,000
Tuition Operating Fees	62,627,000	64,229,000	126,856,000
Recharges	2,396,773	2,429,773	4,826,546
Dedicated local Funds	42,506,738	44,042,550	86,549,288
Service Funds	3,809,763	3,919,251	7,729,014
Total Education and General	173,340,274	179,620,574	352,960,848
Auxiliary Enterprises	49,042,331	52,806,515	101,848,846
Scholarships & Fellowships	41,650,000	42,400,000	84,050,000
Sponsored programs	14,690,000	14,690,000	29,380,000
2017-19 Operating Revenues	278,722,605	289,517,089	568,239,694



FY2017-19 University Operating Budget

Expenditures- All Funds

	FY2018	FY2019	2017-19
Education and General			
General Fund State	62,000,000	65,000,000	127,000,000
Tuition Operating Fees	62,627,000	64,229,000	126,856,000
Recharges	2,396,773	2,429,773	4,826,546
Dedicated local Funds	44,596,587	45,056,715	89,653,302
Service Funds	3,856,454	3,933,311	7,789,765
Total Education and General	175,476,814	180,648,799	356,125,613
Auxiliary Enterprises	44,648,517	48,018,894	92,667,411
Scholarships & Fellowships	41,650,000	42,400,000	84,050,000
Sponsored programs	14,690,000	14,690,000	29,380,000
2017-19 Operating Budget	276,465,331	285,757,693	562,223,024

- Based on estimates of Senate and House budgets combined
- Estimated state funding assumes 100% compensation and benefits
- State funding levels will be adjusted based on final conference budget



2017-19 CAPITAL BUDGET

New Appropriations
Local Capital



2017-19 Capital Budget Proposals

	Legislative proposals*
Engineering Building	345,000
Interdisciplinary Science Center	67,009,000
Preservation/Infrastructure	5,000,000
Total State Capital Projects	\$72,354,000
Minor Works	9,155,000
Preventative Maintenance	2,217,000
Total EWU Capital Projects	\$11,372,000
Local Capital **	3,757,500
2017-19 Capital Budget	\$87,483,500

*Combined legislative proposals represent the highest funding totals from each budget. The final capital budget will be modified based on the conference budget.



2017-19 Capital Budget – Local Capital

Local Capital	FY2018	FY2019	2017-19
Housing Renewal and Replacement	735,000	735,000	1,470,000
Dining Renewal and Replacement	925,000	192,500	1,117,500
EWU Recreation Center	330,000	330,000	660,000
Parking Lot Repair and Maintenance	25,000	35,000	60,000
Student Athlete Academic Success Center	450,000	-	450,000
Total	\$2,465,000	\$1,292,500	\$3,757,500



Board of Trustees Action

2017-19 Operating Budget and 2017-19 Capital Budget



FY2017-19 University Operating Budget

Expenditures- All Funds

	FY2018	FY2019	2017-19
Education and General			
General Fund State	62,000,000	65,000,000	127,000,000
Tuition Operating Fees	62,627,000	64,229,000	126,856,000
Recharges	2,396,773	2,429,773	4,826,546
Dedicated local Funds	44,596,587	45,056,715	89,653,302
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Scholarships & Fellowships	41,650,000	42,400,000	84,050,000
Sponsored programs	14,690,000	14,690,000	29,380,000
2017-19 Operating Budget	276,465,331	285,757,693	562,223,024

- Based on estimates of Senate and House budgets combined
- Estimated state funding assumes 100% compensation and benefits
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2017-19 Capital Budget

For action by the Board of Trustees:

2017-19 Capital Budget	
Reappropriation	\$9,125,000
New Appropriation	\$84,726,000
Total State Capital	\$93,851,000
Local Capital	\$3,757,500
2017-19 Capital Budget	\$97,608,500

*Combined legislative proposals represent the highest funding totals from each budget. The final capital budget will be modified based on the conference budget.



Board of Trustees Motion

2017-19 Operating Budget

MOVED, The Board of Trustees of Eastern Washington University, upon the recommendation of the President, approve the FY 2017-19 Operating Budget in the amount of \$562,223,024. Upon passage of the state operating budget by the legislature and approval by the Governor, the preliminary state appropriation number will be modified to reflect the legislative authorized level. In addition, if necessary the Washington undergraduate tuition rate and student services and activity fee rate will be modified to reflect legislative authorized levels.

2017-19 Capital Budget

MOVED, upon recommendation of the President, that the Board of Trustees hereby delegates it authority to the President to make such expenditures out of the reappropriated capital funding as necessary to fund those contracted obligations as may become due and owing after July 1, 2017, as allowed by the Office of Financial Management; and, delegates permission to expend new Capital appropriations, once passed by the legislature and signed by the Governor.





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