

November 15, 2024

Pat Sullivan, Director  
Office of Financial Management  
302 Sid Snyder Avenue SW  
Suite 300  
Olympia, WA 98504

Director Sullivan,

In response to your memo requesting potential budget reduction or savings strategies, Western Washington University (Western) has worked to identify any investments into programs that could be delayed or reduced.

Due to a number of factors, Western is currently facing a structural operating budget deficit of approximately \$18 million per year. If state funding for Western were to be delayed, paused, or reduced the institutional budget deficit would continue to grow, and the University would be left without any further options for addressing the funding shortfall.

In recent years, Western has taken fiscally prudent approaches to counteract this deficit. The following budget reduction strategies are already reflected in our budget:

- 3% across the board budget decreases (\$6.3 million permanent reduction in FY24)
- Eliminated a university division administrative structure, saving approximately \$500k/year
- Reduced the number of course sections available to students over the next two years (1,500+ sections eliminated which will yield over\$1.5 million in reduced expenses)
- University wide travel restrictions in place since 2020
- University wide hiring freeze without presidential approval in place since May 2024
- Holding open vacant positions for 6 months
- Elimination of 55 permanent positions
- Tightening operations budgets
- Reducing goods and services purchased by the university
- Outsourcing our police dispatch services
- Temporary use of University reserves (reserves went from 11% of university operating budget to 5% from FY19 to FY25)

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Pulling back funding associated with these strategies would compound our existing deficit. We have taken every possible effort to avoid impacting student outcomes through our response to the budget challenges. However, additional reductions from the state would have unavoidable and significant impacts to student outcomes, including completion rates and time to degree. Delays in degree completion for students mean lost wages, increased student debt, and greater risk of leaving higher education without a degree.

Western is limited in our ability to shift costs to other funding sources. Tuition revenues are driven by the state's college affordability plan and by the challenging enrollment environment. We do not foresee tuition revenue growth sufficient to maintain the current balance of state and tuition funds, let alone fund a shift in expenses.

If cuts are required, we urge the state to look first at one-time funding not specifically related to a decision package request from the university or fundamental to our educational mission.

Thank you,

A handwritten signature in black ink, appearing to read 'Faye Gallant', with a large, stylized flourish at the end.

Faye Gallant  
Assistant Vice President for Strategy, Management & Budget  
Western Washington University

C: Sabah Randhawa, President, Western Washington University  
Joyce Lopes, VP, Business and Financial Affairs, Western Washington University