February 6, 2025

K.D. Chapman-See
Director, Washington State Office of Financial Management
PO Box 43113
Olympia, WA 98504-3113

Dear Director Chapman-See,

Thank you for the opportunity to identify spending reductions that will support the state in closing the budget deficit anticipated over the next four years. As a result of the decrease in enrollment and the state funding model for wage increases, Central Washington University has spent the last five years identifying cost savings across university operations while preserving critical job functions and the student-centered programs that support the academic achievements of Washingtonians. It has been difficult work, but we are prepared to continue to contribute to the state-wide effort to reduce spending in support of a balanced budget.

From 2019 through 2024 we have worked to reduce our compensation costs by eliminating a total of 221 FTE. We have reduced our tenured faculty lines by 72 FTE, non-tenure track faculty lines by 82 FTE, and staff FTE by 67. In 2021 we consolidated administrator positions by eliminating 1 Vice President and 1 Dean. In 2025, through our strategic position control process, we plan to reduce compensation costs by an additional $2.4 million by the end of the fiscal year. This process pools salary savings as positions are vacated and prohibits the re-hire of any vacancy until a total savings of $200,000 per month is realized. This process has impacted an additional 16 FTE at a savings of $1.4 million as of January 2025 close, pushing us to reimagine and reorganize the work that must be done to educate the citizens of Washington. We have begun restricting equipment purchases through a centralized computer replacement model and have cut an additional $1 million in goods and services spending from our 2025 budgets.

As we move forward into the next two biennia, our budget reduction proposal attempts to preserve our workforce while meeting the 3% target requested by the Governor. We are targeting several areas for possible reductions. First, reductions to funding through the Workforce Education Investment Account (WEIA) will impact proviso items that support student programming and the compensation and central services support that has been funded since the account's inception. Second, additional reductions are proposed to our State General Fund (001) appropriations which will target goods and services spending, including out-of-state travel, equipment purchases, and non-essential spending. Reductions to the proviso items will preserve the statutorily funded FTE while reducing goods and services and student-employee spending within those programs. The compensation and central services support reductions (WEIA) will target faculty and staff compensation and FTE. We recognize that continued reductions to staffing levels and program support will inevitably hurt our ability to attract and retain students and impact our ability to provide the same levels of institutional aid we currently offer students, impacting their ability to complete their education, so we take these reductions seriously.

**Office of the President**
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We support the state's desire to pause legislative reporting, especially the program tracking and reporting associated with the policy proviso items we have received funding for over the past three biennia. Eliminating the need to track this spending and report on program outcomes would also eliminate our need to hire an additional person to do this work. In the past 6 years, while these programs have grown, so has our need to develop unique tracking and reporting mechanisms requiring more staffing support. Eliminating the need to report on this funding would be a cost savings measure that would be beneficial to the university; allowing the university to move these policy funded initiatives into the general fund would allow us to manage our budget more holistically.

It is our desire to be a partner with the Governor's office and OFM in identifying cost-saving measures while also providing sufficient support for the mission of CWU to be a model learning community of equity and belonging. The hard work we have accomplished to date to manage an approximately $15M reduction in funding over the last several years has pushed us to evolve and adapt how we deliver educational opportunities to all Washingtonians and how we provide economic stability to the communities we partner with and support.

If you have questions or would like more information, please let us know.

Sincerely,

A. James Wohlpart

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President

**Budget Savings Options 2025**

*Dollars in Thousands*

**Agency:** Central Washington University (375)

| Agency Priority H, M, L | Impact 1-5 | Program/Activity | GF-S (001) | | | | NGF-O (24J) | | | | FTE Change | | | | Brief Description and Rationale | Effective Date (MM/YY) | Impacts of Reductions and Other Considerations | Law/Reg. Change Required (cite) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | FY 26 | FY 27 | FY28 | FY 29 | FY 26 | FY 27 | FY28 | FY 29 | FY 26 | FY 27 | FY28 | FY 29 | | | | |
| H | 3 | Compensation/Central Services Support (WEIA) | | | | | 1,000 | 1,000 | 1,000 | 1,000 | (10) | (10) | (10) | (10) | Reduces the annual appropriation of $1,118 identified as Compensation & Central Services Support, affecting an estimated 10 FTE (Faculty and Staff) | 07/25 | To offset reductions in compensation funding the level of institutional aid provided to students will likely be impacted. | |
| M | 2 | Proviso Funded Items (WEIA) | | | | | 800 | 800 | 800 | 800 | | | | | Reduces funding for proviso items in the WEIA account; internally budgets will be reduced for goods & services and student employee spending in those programs while preserving the funded FTE in those programs | 07/25 | Reductions in these programs will reduce our ability to deliver services and supports to students. | |
| H | 3 | State General Fund Salaries and Expenses | 900 | 900 | 900 | 900 | | | | | | | | | Reduces funding in GF-S(001). Out of state travel, non-essential spending, and equipment purchases will be impacted. | 07/25 | A reduction in SGF appropriations will impact goods & services spending, including travel, equipment purchases, and non-essential spending. | |
| | | | 900 | 900 | 900 | 900 | 1,800 | 1,800 | 1,800 | 1,800 | | | | | | | | |

**Priority**:

L = Low priority agency activity or program
M = Medium priority agency activity or program
H = High priority agency activity or program

**Impact:**
1 = Allows continuation of the program/activity at a reduced level
2 = Eliminates the ability to perform program objectives
3 = Eliminates agency function
4 = Long term implications (moves the problem to next biennium)
5 = Short term (reduction to one time increase)