



Budget Forum

April 21, 2020

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Opening Comments

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Spring Commencement

Let's celebrate the Class of 2020!

SUBMIT YOUR APPLAUSE: <https://wsu.mn/applause>

ASK GRADUATING STUDENTS TO SUBMIT THEIR
AUDIO: <https://wsu.mn/warrior-memories>

Look for a follow-up email with these two links

Up Front Summary

- COVID-19
- \$5.8 million of FY21 budget reductions
- Key uncertainties: Enrollment and State Appropriation



COVID-19

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COVID-19: Budget Impacts

- Current estimate of \$7M+ to FY20 budget
 - \$4.5M+ Room and Board refunds
- Measuring potential FY21 impacts
 - Increased expenses
 - Lost revenue
- Have not seen an increase in student withdrawals
- Fall semester interest has continued
- Thankful for Faculty, Staff and Students

COVID-19: Student Financial Assistance



- All students that were scheduled to work will be paid for their scheduled hours through the end of Spring semester
- Spring payment due dates extended
- Financial registration holds released
- Application fee waived
- Federal CARES Act payments

COVID-19: Federal CARES Act

- \$5,696,956 allocated to WSU
 - 50% (\$2,848,478) for direct student payments
 - 50% (\$2,848,478) for institutional uses
- Direct student payments now, institutional aid later
- After consulting with Student Senate, distribution plan is being forwarded to Chancellor for approval
- Components of plan include:
 - Across the board payments to all students
 - PELL eligible student payments
 - Emergency fund

COVID-19: Mn State BOT – Mn Legislature

- Mn State system guidance is to continue with current planning assumptions and timelines
 - 3% tuition
 - May and June BOT meetings – Budget/Tuition Approval
- MMB will produce new state budget projection first week of May
 - State had a \$1.5 billion surplus – now rumored to be a deficit
- No Administrator salary increases for FY20



Budget Reduction Process

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Budget Reduction Process

- Cabinet given \$3M, \$4M, \$5M and \$6M budget reduction targets
- All University Finance and Facilities Committee examined the budget principles
- Initial Cabinet level budget reduction review meeting in December

Budget Reduction Process

- Uncertainty in enrollment and other items forced us to focus on the \$6M reduction scenario
- An outcome of the December budget meeting was to offer a focused BESI
- BESI Offer – Due March 16th, 2020
 - Results avoided other more serious personnel reductions

BESI Results

- 24 BESI Acceptances
 - 12 retiring in 2020, 12 retiring in 2021
 - FY20: IFO-6, AFSCME-4, MAPE-2. Acad Aff: 9, Fin/Admin: 3
 - FY21: IFO-9, AFSCME-1, MAPE-2. Academic Affairs: 12
- Total Incentive Payout over the Two Years: \$1.4M
- Total Number of Positions Not Replaced: 13



Budget Reductions

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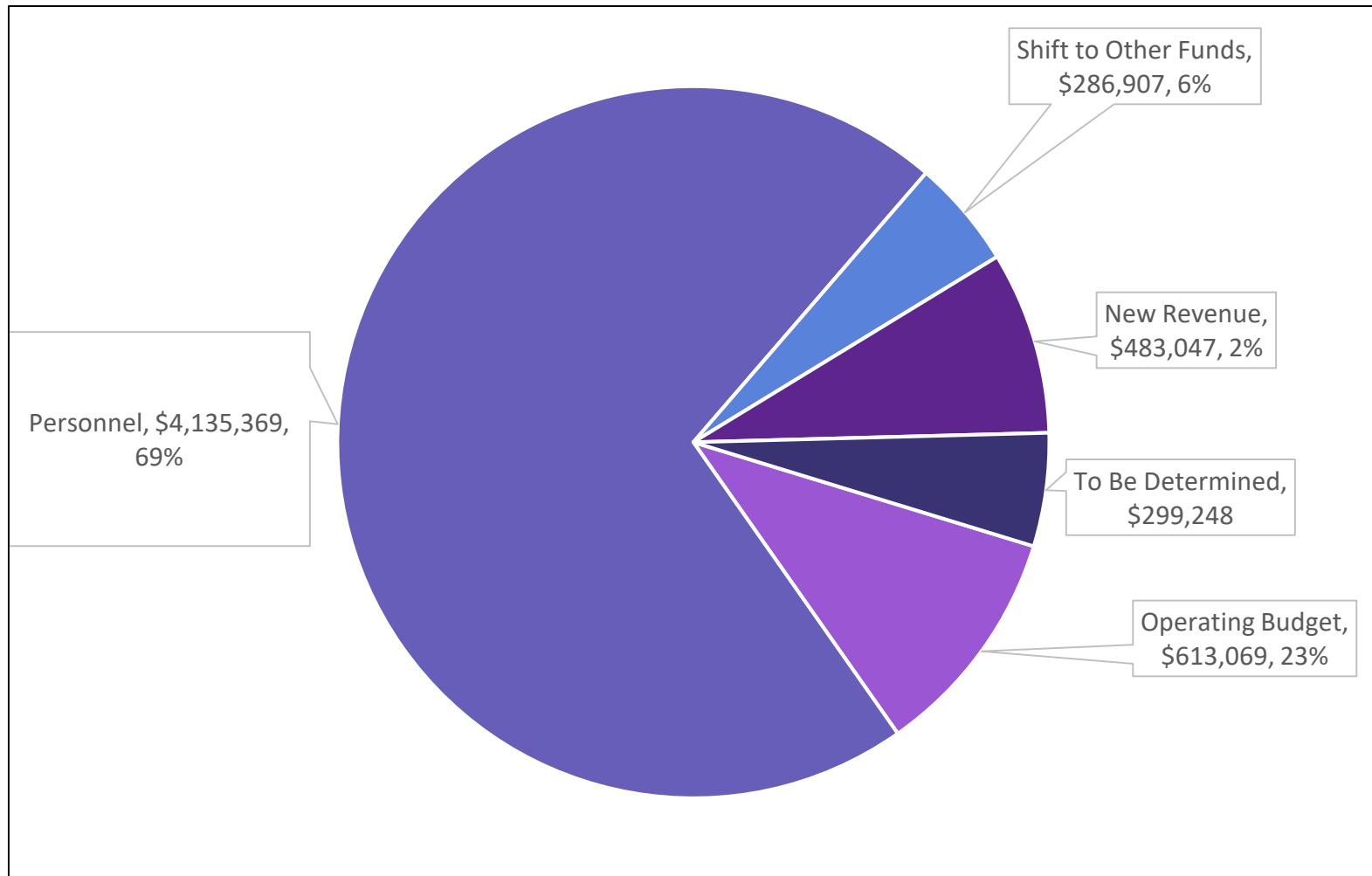
Budget Reduction Notes

- Certain budget actions require bridge funding
 - BESI not in effect until end of FY21
- High level summary
 - Details from administrator or supervisor

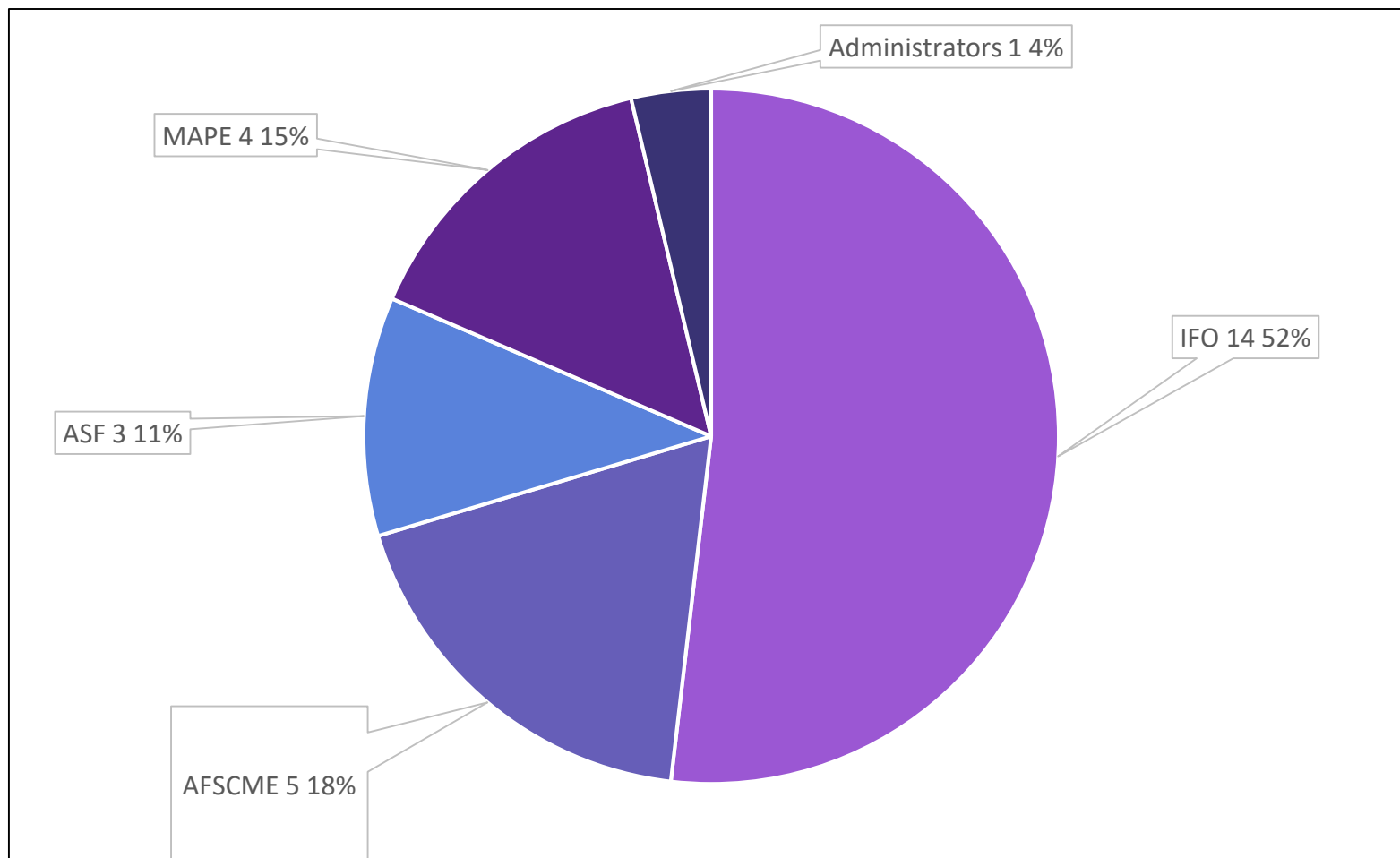
Budget Reduction Summary

- 0 Layoffs
- 27 Vacant positions reduced
- To Be Determined Section
 - COVID-19 crisis
 - Direction from system office to not layoff employees
 - Holding for now to see duration of crisis
- Total reductions identified \$5,817,640
- Less: To Be Determined section \$299,248
- Net Reductions \$5,518,392

Budget Reductions by Function



Vacant Positions Reduced by Bargaining Unit



Vacant Positions Reduce % of Total

Unit	Vacant Positions Eliminated	Headcount	Headcount %	FTE	FTE %
IFO	14	567	2.5%	490	2.9%
AFSCME	5	195	2.6%	183	2.7%
ASF	3	130	2.3%	128	2.3%
MAPE	4	71	5.6%	67	6.0%
Administrators	1	22	4.5%	22	4.6%
MMA	0	15	0%	15	0%
Commissioners	0	10	0%	10	0%
MNA	0	4	0%	3	0%
Total	27	1,014	2.7%	917	2.9%

Budget Reductions Detail

- **Colleges:**
 - Reduce 13 faculty positions
 - Reduce adjunct and overload budget
 - Reduce operating budgets
 - Savings from replacement of faculty positions
 - Revenue generation from new programs – Nursing and Education
- **Library:**
 - Reduce 3 vacant positions
- **Information Technology:**
 - Reduce 4 vacant positions
- **Academic Affairs (ex: Colleges, Library and IT):**
 - Reduce administrator position
 - Reduce equipment and innovation budgets
 - Reduce graduate assistants
 - To be determined

Budget Reductions Detail

- **Presidents Office:**
 - Reduce operating budget
- **University Advancement:**
 - Reduce two vacant positions
 - Reduce operating budgets
- **Enrollment Mgmt and Student Life:**
 - Reduce testing proctor services
 - Shift funding of a position to other funds
 - Shift commencement budget to other funding source
 - Salary savings leave
 - Reduce operating budgets
 - To be determined

Budget Reductions Detail

- **Finance and Administration:**

- Reduce 2 vacant positions
- Reduce operating budgets
- Shift funding of a position to other funds
- Salary savings from replacement positions
- Revenue: Charge for facility use – off campus groups

- **Athletics:**

- Reduce 1 vacant position
- Salary savings from replacement positions
- Scholarship reduction in Men's Sports
- Reduce graduate assistant's budget
- Revenue: Winona Health Athletic Training contract

Looking Ahead

- Implement budget reductions by July 1, 2020 (other than bridge funding)
- Budget and tuition action at May/June Board of Trustees
- COVID-19
- Budget and COVID-19 websites
- Future budget communications



Questions and Answers



All U – COVID-19 Update Meeting
Tuesday, 4/28/20, 2pm