



Budget Forum
FY 22 Budget
April 6, 2021

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Presentation Format

- Zoom webinar format
- All lines are muted - Chat function is disabled
- Please submit questions through the Q&A function



This session is being recorded
and will be available on the
WSU budget site

Agenda

- Opening Remarks – President Olson
- COVID-19 Budget Impact
- FY22 Budget Deficit
- Budget Reductions

Opening Remarks



Dr. Scott R. Olson
President



COVID-19 Budget Update

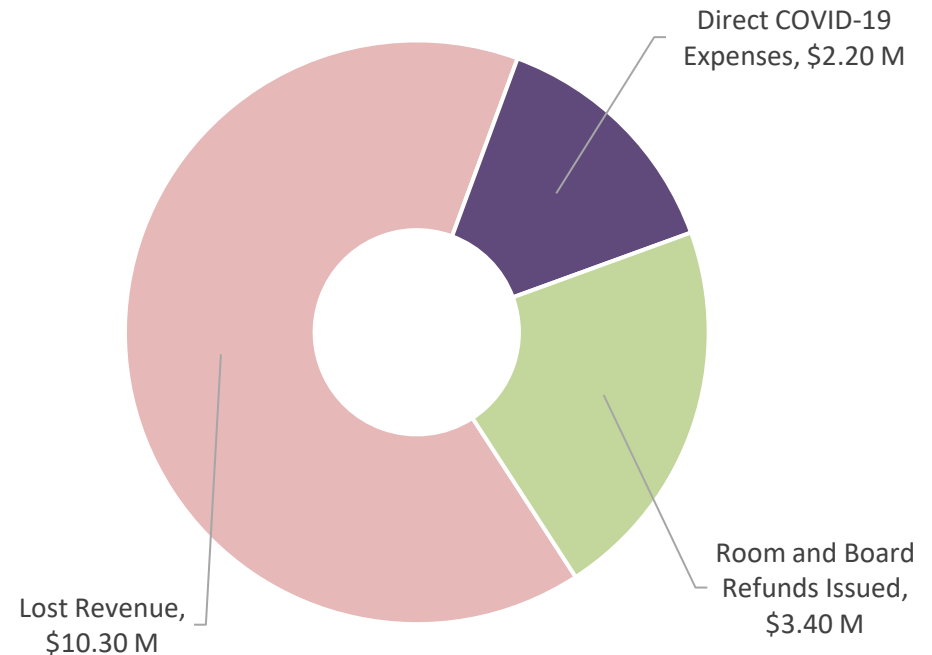
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COVID-19 Budget Impact

- **Direct COVID-19 Expenses**
 - Testing
 - Staffing (Health Service, Facilities)
 - Cleaning Supplies
 - Technology
- **Lost Revenue**
 - Tuition and Fees
 - Room and Board
 - Summer Camps
 - Bookstore Sales
 - Chartwells Commissions
 - Child Care Center
- **Refunds**
 - Room and Board – Spring 20

\$15.9M COVID-19 Impact to Budget

All figures in millions



Federal COVID Relief Funding

Bill	Date Signed	Total Amount to WSU	Student Portion	Institutional Portion
CARES	March 2020	\$5.70M	\$2.85M	\$2.85M
CRRSAA	December 2020	\$8.90M	\$2.85M	\$6.05M
ARP (estimated)	March 2021	\$15.0M	\$7.5M	\$7.5M
Total		\$29.6M	\$13.1M	\$16.5M



FY22 Budget Reduction Process

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Budget Timeline – FY22



- Super Meet and Confer – Thursday, 10/29/2020
- Budget Forum – Thursday, 10/29/2020
- Updated State Economic Forecast – Tuesday, 12/1/2020
- *Initial Budget Reduction Proposals Reviewed by Cabinet – Tuesday, 1/5/2021*
- Extended Deadline of IFO Retirement Notification to Monday, 2/15/2021
- Updated State Economic Forecast – Friday, 2/26/2021
- *Refinement and Clarification of Budget Reduction Submittals – February and March 2021*
- Tuition/Budget Presentation to SFMC – Monday, 3/15/2021
- Interim Operating Budget Report to System Office for March Board Meeting – March 16/17
- Tuition/Budget Presentation to Student Senate – Tuesday, 3/23/2021
- *Cabinet Meeting to Finalize Budget Reductions – Thursday, 4/1/2021*

- **Super Meet and Confer – Monday, April 5th, 2021**
- **Budget Forum – Tuesday, April 6th, 2021**

- Budget Materials Due to System Office – 4/30/2021
- MnState Board of Trustees Meetings to Approve Budget/Tuition – May 18/19 and June 15/16

Budget Scenarios – FY22

- Budget deficit scenarios currently:
 - “Best” -\$3.7M
 - “Likely” -\$5.5M
 - “Worst” -\$7.1M
- Variables that primarily impact budget:
 - Final Legislative funding – May 2021
 - Tuition approval from MnState Board of Trustees – May/June 2021
 - Final contract settlements with bargaining units (IFO 0% ATB for FY22)
 - Enrollment – Fall 2021

Budget Summary – FY22

- -\$5.5M “likely case” scenario has been selected to focus planning around
- \$4.4M of base budget reductions have been determined
 - Admissions and student recruitment are being held harmless in budget reductions
 - WSU Children’s Center re-organization proposal is pending consultation with ASF
- Budget plan will use \$1.1M of one-time Federal COVID relief funds to balance the FY22 budget

Budget Summary – FY22

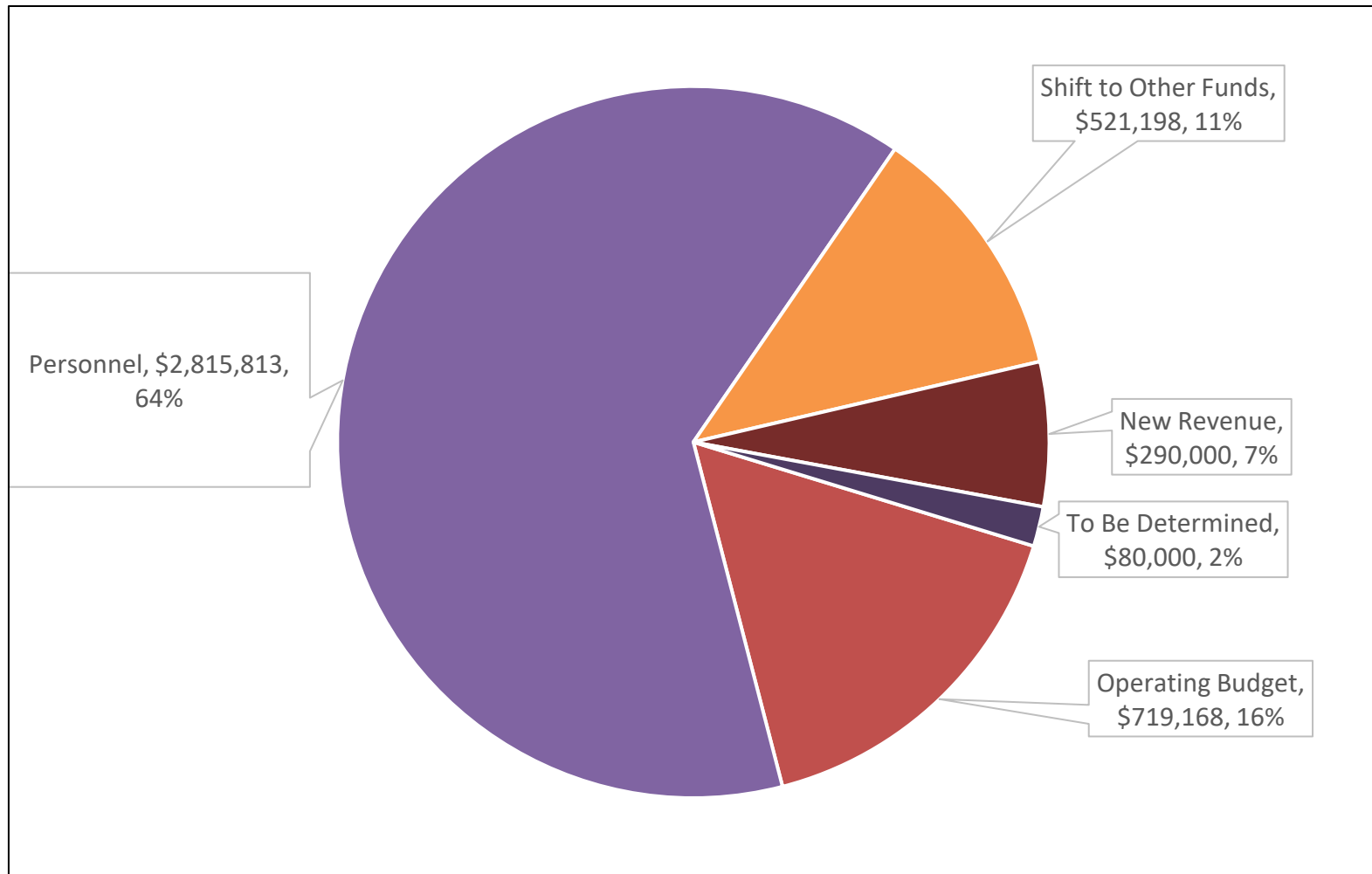
- 23 vacant positions will be eliminated from the budget
- No layoffs where a person moves from employed to no employment
 - There are reduction plans to reduce number of hours for a small number of employees that constitutes a layoff according to their bargaining unit contract
- Certain budget actions require bridge funding
 - Retirement at the end of FY22 and actual reduction will not take place until FY23
- High level summary
 - Details from administrator or supervisor



Budget Reductions

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Budget Reductions by Function



Vacant Positions Reduce % of Total

Unit	Vacant Positions Eliminated	Headcount	Headcount %	FTE	FTE %
IFO	15	540	2.8%	486	3.1%
AFSCME	4	189	2.1%	175	2.3%
ASF	1	121	0.8%	117	0.9%
MAPE	2	71	2.8%	69	2.9%
Administrators	1	22	4.5%	22	4.6%
MMA	0	13	0%	14	0%
Commissioners	0	10	0%	10	0%
MNA	0	4	0%	3	0%
Total	23	970	2.4%	896	2.6%

Budget Reductions by Area

- **Colleges:**
 - Reduce 15 faculty positions (8 COLA, 4 COB, 2 COSE, 1 COE)
 - Reduce adjunct and overload budget
 - Reduce operating budgets
 - Savings from replacement of faculty positions
 - Revenue generation from new programs – Nursing and Business
- **Library:**
 - Salary savings from vacancies
 - Reduce operating budget
- **Information Technology:**
 - Reduce 1 vacant position
 - Salary savings from vacancies
 - Reduce operating budget
 - Shift funding of a position to other funds

Budget Reductions by Area

- **Academic Affairs (ex: Colleges, Library and IT):**
 - Reduce administrator position
 - Reduce operating budget
 - Shift funding of a position to other funds
 - Salary savings from position adjustments
- **Presidents Office:**
 - Reduce operating budget
- **University Advancement:**
 - Reduce two vacant positions
 - Shift funding of a position to other funds
 - Reduce operating budgets
- **Enrollment Mgmt and Student Life:**
 - Reduce operating budgets
 - Shift funding of a position to other funds
 - Salary savings from position adjustments

Budget Reductions by Area

- **Finance and Administration:**
 - Reduce 4 vacant positions
 - Reduce operating budgets
- **Athletics:**
 - Shift funding of scholarships to other funds
- **Non-General Fund Reductions**
 - Enrollment Management and Student Life
 - Salary savings from positions adjustments

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



Thank You!

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