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## [WOU President] Budget Update

1 message

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**Jesse Peters** <djpeters@wou.edu>  
To: wou-president@wou.edu  
Cc: Betty Komp <kompb@wou.edu>

Tue, Jan 24, 2023 at 9:28 AM

WOU Community:

When we held the town hall in the Fall, I set out a general timeline for our work to map budget reductions. This is not an easy process, but it is one we must engage with. With the cost savings we can realize this fiscal year, and with the projected \$5 million dollar cut for academic year 23-24, we should be in a position that helps us achieve financial sustainability within five years. And our accrediting body will need to know we have a plan and are moving towards our goal.

Of course, we **all** need to remain focused on growing enrollment and retaining students at higher levels. That is a process that will take time, but ultimately WOU will be a stronger institution. New efforts in marketing and admissions (EAB, Slate, etc.), along with the new programs (OTD, Destination Western, etc.) and partnerships (SEIU, Amazon, Chemeketa, etc.) will start to yield positive results for us. New leadership in Advancement and Government Relations will help us connect in new and better ways with our constituents, bringing name recognition and awareness of the value WOU offers to Oregon and the region.

The leadership group has been working to develop guidelines for evaluating cuts and explaining what the ramifications of those cuts are. I want us to have quality information with which to make final decisions. Honestly, this is a difficult time, and we will have to make hard decisions. And we will consider all options, but a budget reduction this large will probably result in some layoffs. Over 80% of our expenses are in salaries and benefits.

For example, reducing budget in Academic Affairs means reducing instructional spending. Academic Affairs, as part of the necessary budget cuts for next year, has already reduced the instructional budget more than \$1 million dollars by reducing non-tenure track (NTT) FTE. This will directly impact a large number of our colleagues.

As a reminder, we will be engaged in the following:

**\* All employees should be making efforts to reduce spending for the current fiscal year; this will increase the fund balance for the next fiscal year. Those strategies have been communicated to campus. We must do much more in this area, as spending does not seem to be slowing.**

**\* By the end of this week, Vice Presidents and direct reports to the president will have tools to manage their strategies as they meet goals for reduction amounts in their areas. The overall goal is to reduce the E&G operating budget by \$5 million dollars for the next fiscal year.**

**\* Area leaders will develop plans for meeting those goals while soliciting feedback from their units. The plans will articulate the ramifications of the reductions. The date for submitting those plans to the President's Office is February 17<sup>th</sup>.**

**\* February 20-March 3 will be used to refine the overall budget reduction plan, taking time to solicit additional discussion if needed.**

**\* If layoffs are necessary to meet the reductions, we will notify the affected employees as soon as possible.**

**\* The University Budget Advisory Committee and the Academic Sustainability Committee are engaged in discussion as we move through the process.**

**\* We are posting information on the Budget Office's website as well: <https://wou.edu/budget/>**

**\* Next week, we will hold an informal, in-person Q&A meeting, open to all of campus. (Tuesday, Jan. 31 3:00-4:00 Pacific Room)**

Early on I indicated that I wanted us to have enough time to make the best decisions we can and to consider multiple scenarios. I appreciate all of your help and patience during this process. The budget reduction process will feel fast to some and slow to others, and emotions will swing between "let's just get it over with" and "let's take enough time to make good decisions." I'll try to find a balance between the two. And I do feel we were fortunate to be in a situation where we could plan budget reductions for the next academic year rather than implementing them immediately. But we also committed to decreasing spending during this academic year.

Believe me, I wish things were different. Every four-year institution in Oregon, except for UO and OSU, lost enrollment and is facing budget deficits. Declining enrollments and budget shortages are common across the country, especially at smaller, regional institutions. We will get through this. And we will be honest and deliberate when making the decisions we must make.

Thank you.

JP

## **The Promise We Live By**

BY SIMON J. ORTIZ

On the West Coast, days of rainstorm wrestle  
the Coast Range, their wet fury driven landward.  
We never quite know what the sky promises,  
and there is certain assurance in that fate.  
It is for that we wait. We've already weathered  
more than promises. They've passed us by.  
So I'm not sure this morning when I step outside,  
and suddenly it's not winter anymore but some  
warm mask that molds the contours of my face  
with unbidden warmth. It's almost unnatural  
but I hope not, having already found reliable  
the promise of loss. My expectation is unfulfilled.

Somewhere within the universe of the prairie hills  
is a climate that is yet unnoticed, and from it  
is welling a warm rupture of another sure season.  
Believe it is not unusual, I urge myself  
whose myths are always changing in the light.  
So it's this we arrive into daily, always  
another season, warm or frigid, and it's we  
who wage weather within our furious spirits.

Tomorrow's dawn is a promise that will fulfill.  
Never mind if the sky does not quite agree.