

December 18, 2008

Members of the WSU Community:

Today, Governor Christine Gregoire released her biennial budget proposal for our state. Included in that budget is a cut of approximately 12 percent for Washington State University, or just under \$31 million of our state allocation for fiscal year 2010.

At a time when state agencies were warned to prepare for up to 20 percent in budget cuts, the governor's proposal shows that state leaders understand that even deeper reductions in university funding would undercut efforts to rejuvenate Washington's economy.

Still, I recognize these figures are likely to result in heightened concerns on our campuses and among our many alumni and supporters. I would like to take this opportunity to put them in perspective.

The governor's budget also presumes up to a 7 percent tuition increase in each of the two years of the biennium; an increase consistent with the increases we have seen in recent years. If that level of tuition is included in the final budget package, and if our Board of Regents votes to enact it, the action would provide us additional funding of more than \$9 million in each of the two years to offset a portion of these state cuts. That would leave the actual reductions at a bit over 8 percent of our budget.

It is important to remember that, under this proposal, our state allocation will remain stable in both years of the biennium. In other words, after making the cuts required to meet our budget in the first year, we would need only to maintain that level of spending in the second year to meet our budget targets.

We will continue to work closely with the governor's office, the Office of Financial Management and the Legislature to refine these numbers as the process goes forward.

There is no question that absorbing a cut of this size while staying on track to accomplish our goals will require ingenuity, dedication and much hard work.

Fortunately, the groundwork has been laid. We have completed a revised strategic plan to guide our efforts. We are in the latter stages of our academic affairs prioritization process which will help us determine where we should focus our resources. Continuing the in-depth self-examination that these efforts require is absolutely necessary as we determine the way forward. I greatly appreciate all the hard work that has gone into them.

The university budget committee will use those reports as a foundation for its deliberations. As the process moves forward, I invite you to [visit the committee's webpage](#) to receive updated information and provide suggestions. Also on that website, the committee has posted principles for its work.

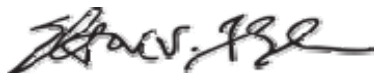
While everything is on the table — as it must be when attempting to absorb a reduction of this size — we will make every effort to protect student access, to stay true to our academic priorities, and to protect current employees.

The governor's budget, while an important milestone in this process, is only one step. We can expect the legislative deliberations over budget priorities to continue well into the spring. I know this will be an unsettling time here at our university. I also know the quality of the people we have working here.

Together, we can emerge from this as a stronger, more focused institution. The key word in that sentence is "together."

I thank you all for your dedication to Washington State University.

Sincerely,



Elson S. Floyd, Ph.D.  
President