

WVU BUDGET 101: CHALLENGES & OPPORTUNITIES

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What we will do today

Review how the WVU budget works

Share challenges & opportunities

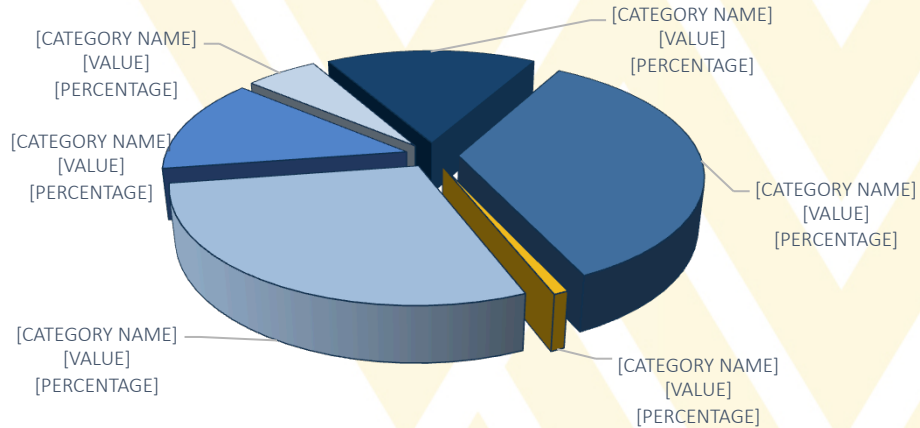
Transformation Teams

Open Discussion



FY 2016 Sources – All Campuses

Operating & Non-Operating Revenues - \$1,137,919,000



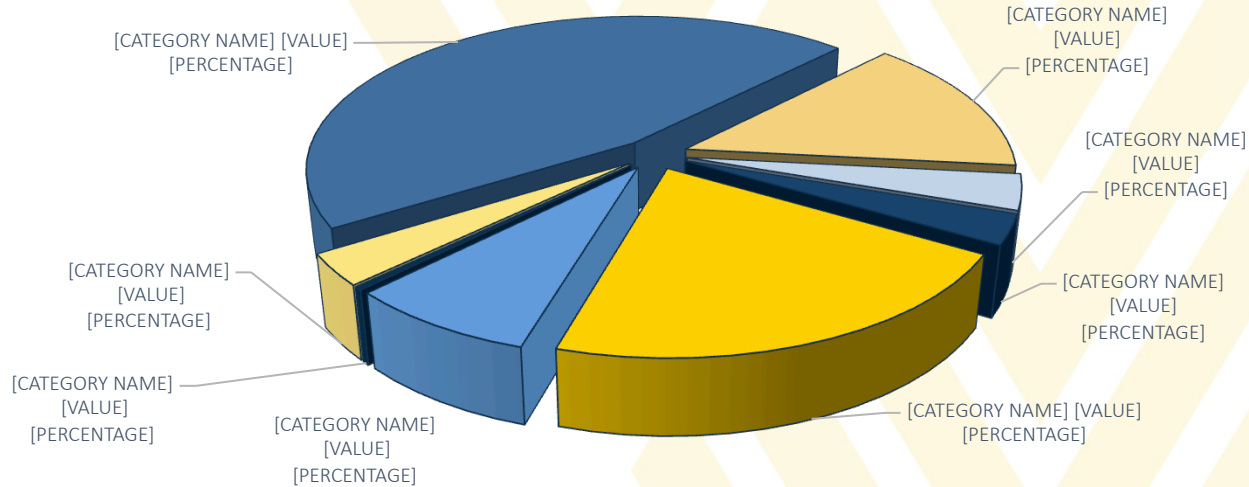
FY 2016 Budget:

- 51% of the revenues were generated from a combination of tuition and state appropriations.
- Grants and contracts contributed 29% of the revenue and is the second largest source of funds.



FY 2016 Uses – All Campuses

Operating & Non-Operating Expenses - \$1,036,959,000

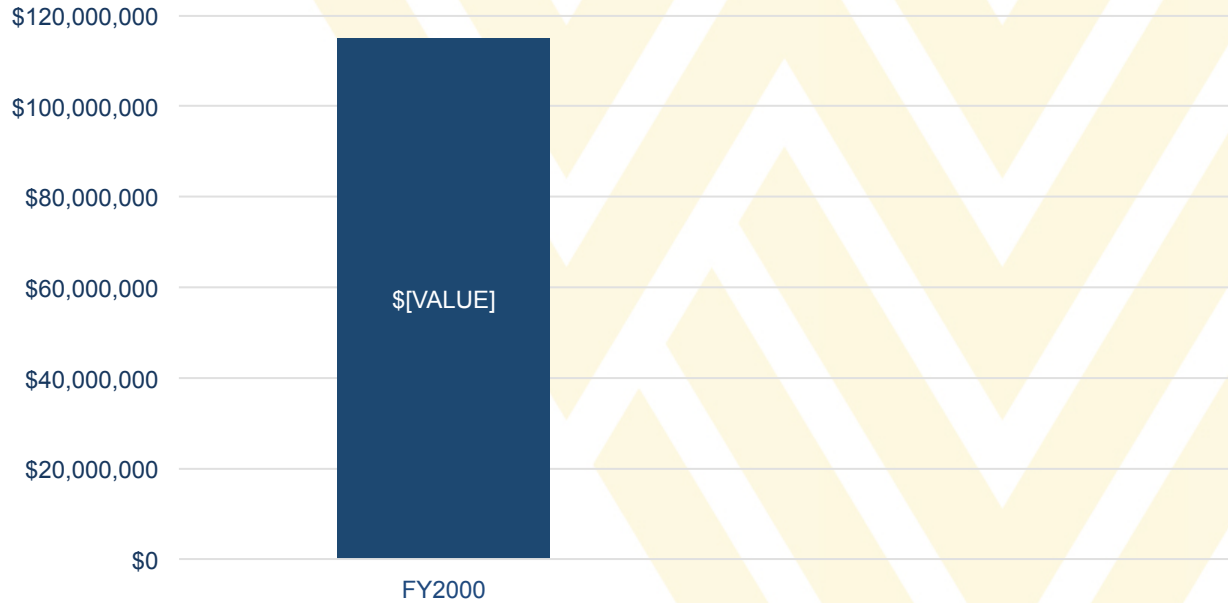


FY 2016 Actuals:

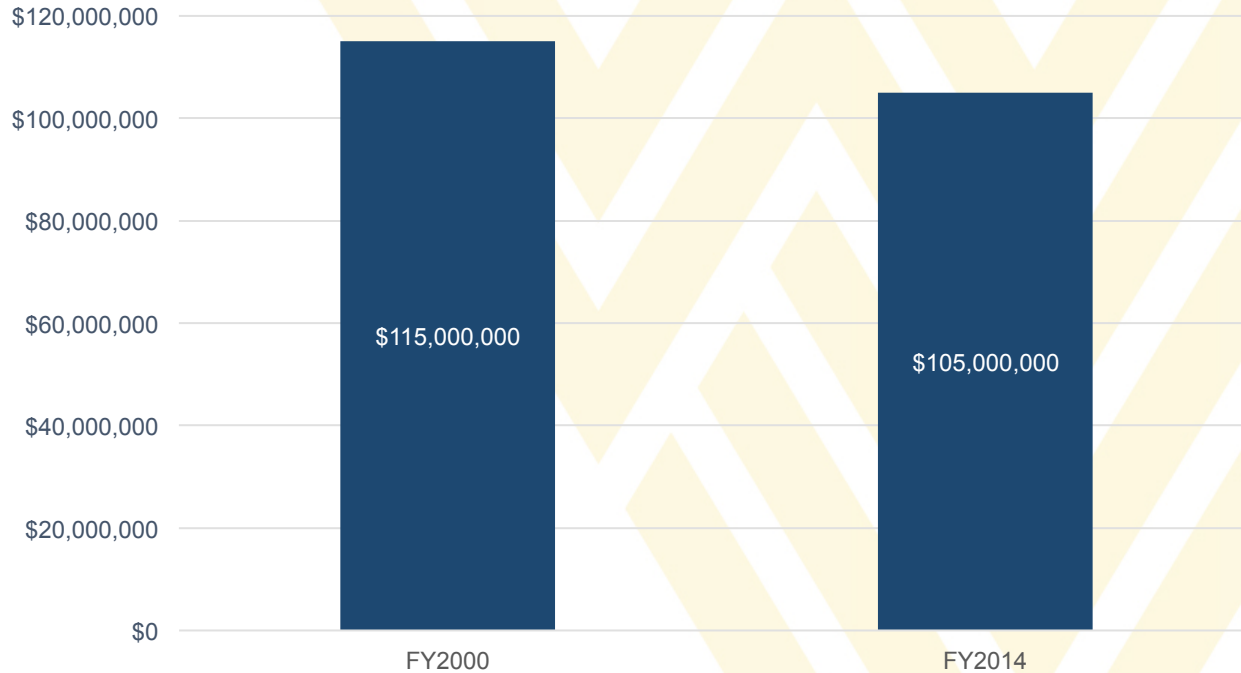
- Salaries wages and benefits consume 61% of the budget.



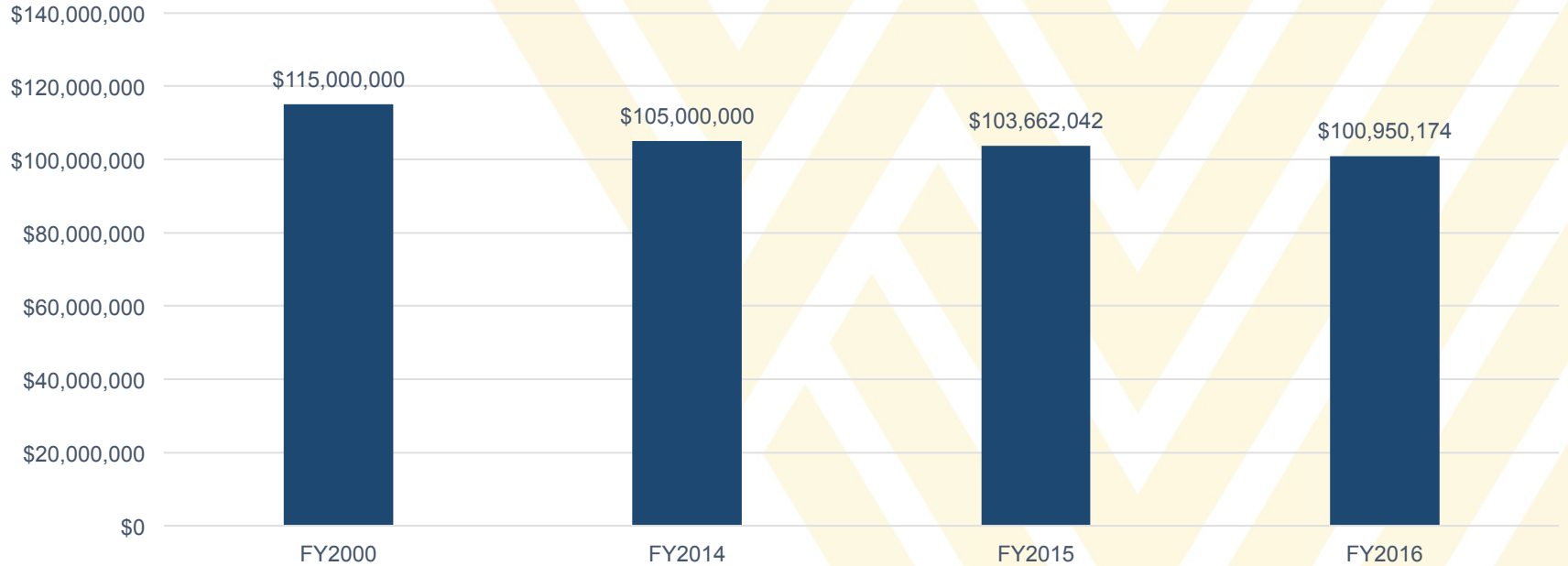
Change in General University Appropriations



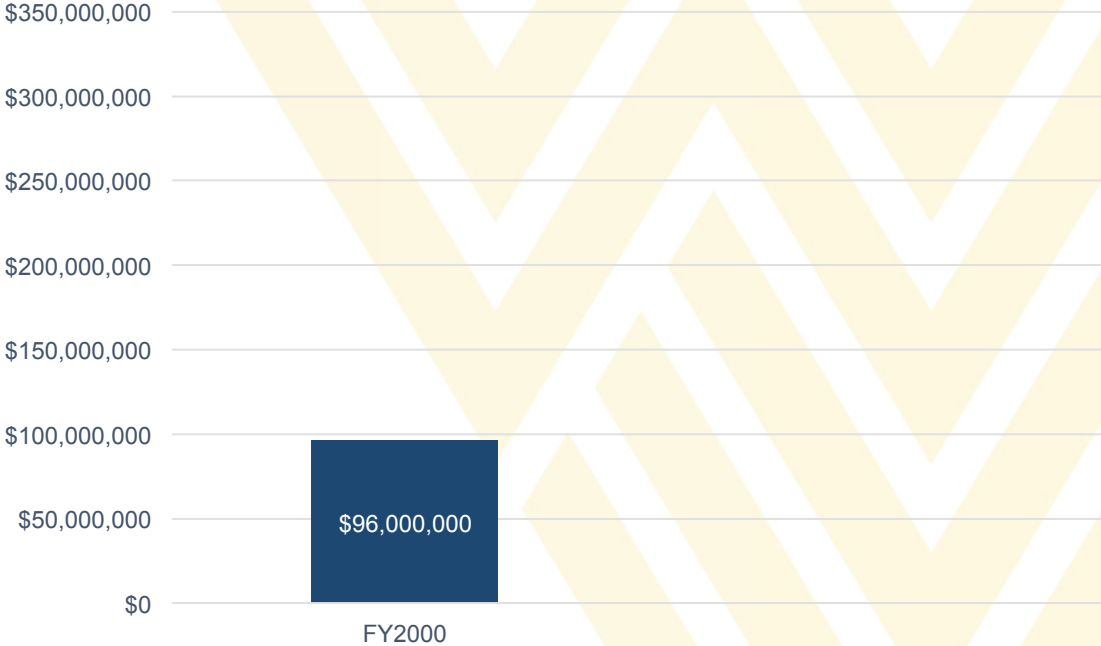
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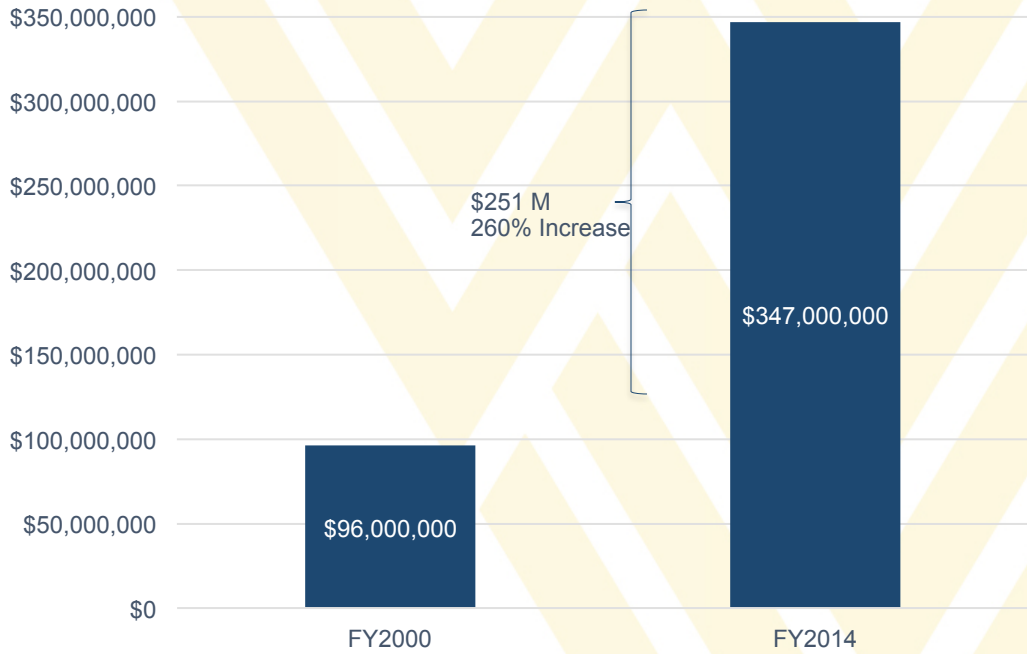
Change in General University Appropriations



Change in Tuition Rates



Change in Tuition Rates



Financial Aid

In addition to increasing institutional financial aid at the rate of tuition and fee increases, \$2.25 million was added in FY2016 to provide additional need-based scholarship aid.



Strategic Investments

Base budget of \$4.5 million to support

- Project 168
 - 4-year academic plan
 - 4-year financial plan
 - Career Planning
- Adventure WV
- Live-Learn Communities
- EAB Student Success Collaborative



Highlights for FY 2016

- Positive margin after adjustment for the effect of GASB 45, amortization of software and unrealized gains from investments
- Positive contribution to cash balance
- Continued investment in the 2020 Strategic Plan
- Continued investment in our employees and students
- Continued investment in infrastructure



Transformation: Strategic Initiatives

Develop and strengthen academic, research and outreach programs that serve the state of West Virginia.

May include:

- developing academic programs
- raising research productivity
- encouraging outreach
- expanding philanthropy
- hiring faculty
- augmenting salaries
- increasing enrollment
- revamping advising and other student support
- attending to capital needs through construction or renovation
- streamlining bureaucracy



Transformation: Opportunities

- Enrollment growth will only be achieved if student recruitment and retention improve significantly.
- Tuition revenue growth will be achieved only if tuition discounting strategies are managed effectively.
- Must be innovative in our thinking.
- Transformation Teams are charged with identifying at least \$45 million in cost savings and revenue generation over the next five years.



Transformation: Teams

- **Team No. 1:** Adjust the financial assumptions used in developing the FY16 five-year financial plan and fiscal strategies used to manage the University's resources.
- **Team No. 2:** Position management and authorization to fill vacant positions.
- **Team No. 3:** Fully utilize available dollars in the WVU Foundation.
- **Team No. 4:** Simplify and standardize business functions; reduce the cost of procuring goods and services; and curtail spending while improving services and quality.
- **Team No. 5:** Consolidate or coordinate student academic support services.



Transformation: Teams

- **Team No. 6:** Evaluate supervisor positions.
- **Team No. 7:** Generate new sources or expand existing revenues; review auxiliary business models.
- **Team No. 8:** Assess if unit functions/tasks are needed to support the primary mission; assess how to begin and end new initiatives; increase overhead recovery; and reduce the cost of research.
- **Team No. 9:** Consolidate, coordinate or reduce the number of marketing, fundraising, event planning and corporate relations positions and/or events.
- **Team No. 10:** Implement behavior-based utility management programs.



Transformation: Teams

- **Team No. 11:** Transform the support of general education and improve quality measures.
- **Team No. 12:** Explore how graduate students are being funded, particularly through graduate assistantships and tuition waivers.



Open Discussion

To learn more or share ideas,
visit www.bureaucracybusters.wvu.edu

