

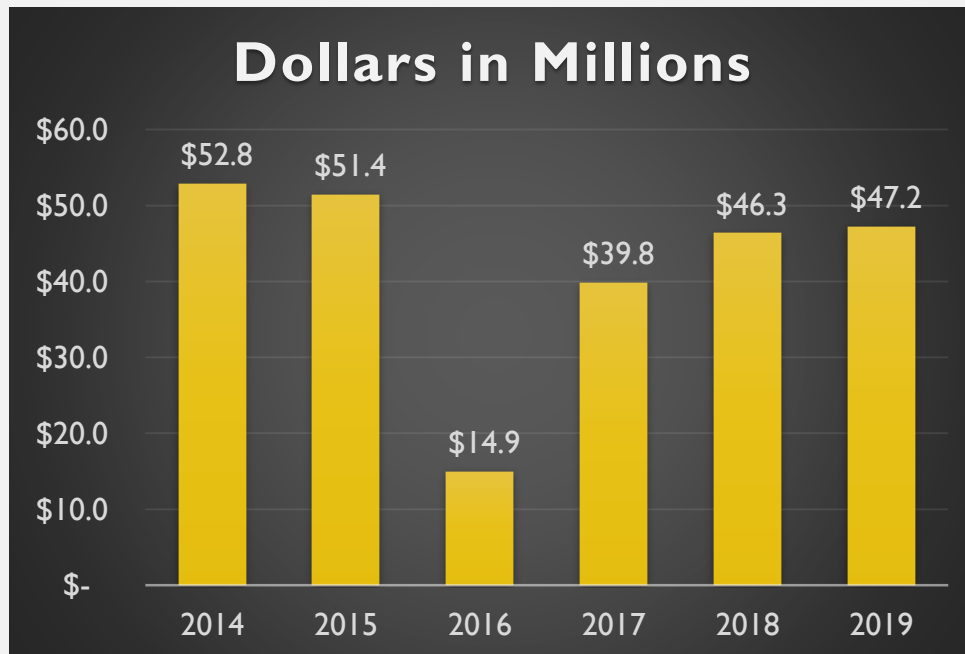
# **POSITIONING WESTERN ILLINOIS UNIVERSITY FOR THE FUTURE**

Presented to the  
Western Illinois University Board of Trustees  
September 28, 2018

# BACKGROUND

Presented to the  
Western Illinois University Board of Trustees  
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## STATE FUNDING: FISCAL YEARS 2014-2019



- **Prior to the Statewide Budget Impasse:** WIU received \$104.2 Million in FY14-15
- **During the Budget Impasse:** **WIU** Received \$54.7 Million

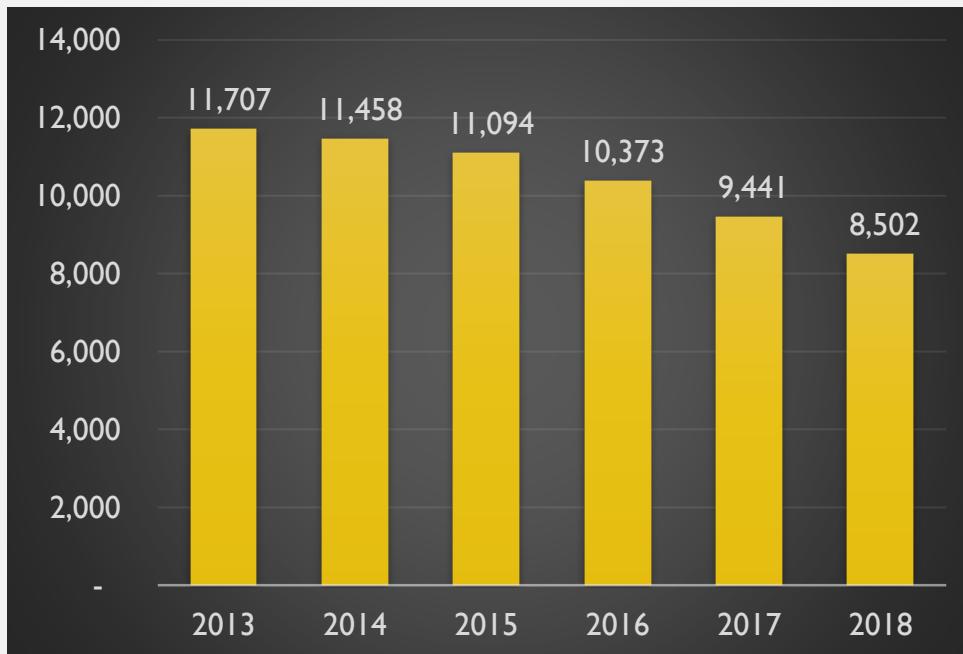
This is the equivalent of receiving one year of revenue for two years of expenses

- **After the Budget Impasse:** WIU received \$93.5 Million

This is \$10.7 Million (10,3%) less than FY14-15

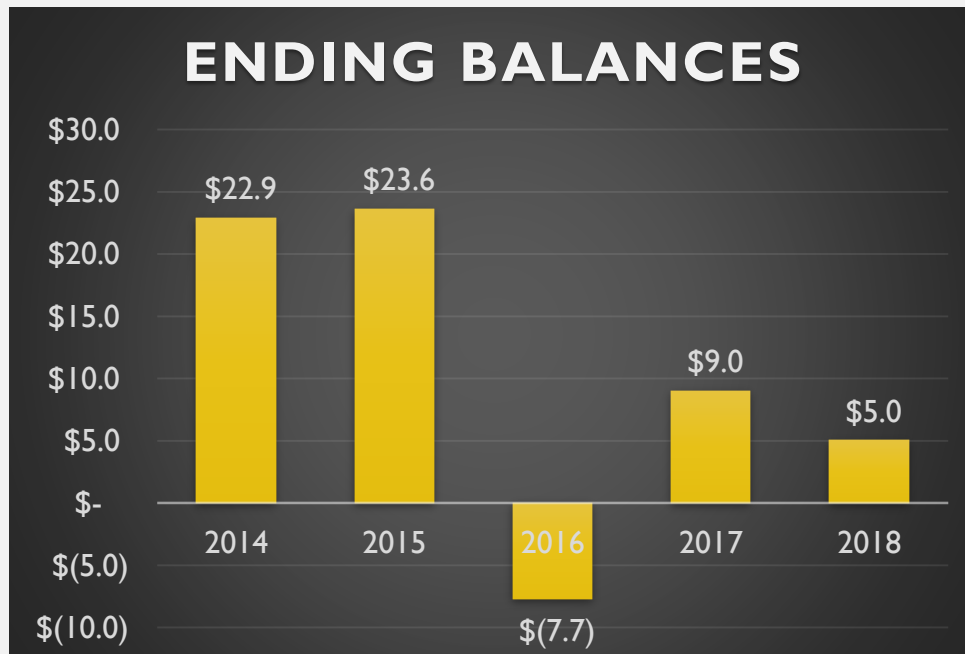
And it does not compensate for the one year “lost” revenue

# TOTAL ENROLLMENT FALL 2013-2018



- Total headcount enrollment decreased by 3,205 students (27.4%) since fall 2013
- **Before the Budget Impasse:** Enrollment maintained at over 11,000 students (Fall 2013-2014)
- **During the Budget Impasse:** Enrollment declined to just slightly above 10,000 students
- **After the Budget Impasse:** Enrollment decline has escalated

# UNIVERSITY RESERVES FISCAL YEARS 2014-2018



- **Exhausted Reserves**
- **From 2 months of payroll to 2 weeks on payroll**
- **University projected to deficit spend in FY19**

# SUMMARY OF FISCAL CHALLENGES

## The State:

1. Investing less in higher education
2. Allocating partial funding in FY16 and FY17
3. Retaining cash flow issues
4. Demonstrating a history where funding increases are unlikely

## The University addressing:

1. Declining Enrollment
2. Increasing Tuition Dependency
3. Diminished University Reserves

# FY16-18 PRIORITIES AND REINVESTMENT PLAN

- Create Reinvestment Pool
- Provide High Demand Programs
- Remove Enrollment Barriers
- Improve Retention
- Increase Revenue
- Decrease Expenses
- Enhance Operational Efficiencies
- Engage in All Funds Budgeting

# FY16-18 PRIORITIES AND REINVESTMENT PLAN

- Diversified Revenue Streams
  - Increases in Foundation Revenue
  - Increases in Grants and Contracts
  - Established PEI
- Reduced Personnel and Operating Expenditures
- Disestablished Academic Programs
- Engaged in Shared Sacrifices
  - Voluntary No Pay Program
  - Furloughs
  - Deferred Raises



## UNIVERSITY STAFFING: FALL 2014-2017

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>		<u>Number</u>	<u>Percent</u>
Faculty	709	679	615	608		(101)	(14.2%)
A/P	459	451	413	397		(62)	(13.5%)
CS	807	781	657	630		(177)	(21.9%)
Total	<u>1,975</u>	<u>1,911</u>	<u>1,685</u>	<u>1,644</u>		<u>(331)</u>	<u>(16.8%)</u>

Protected the academic core by reducing  
staff to faculty at a ratio of 2.4:1

## UNIVERSITY STAFFING: FALL 2014-2017

	<u>2014</u> <u>(FY15)</u>	<u>2015</u> <u>(FY16)</u>	<u>2016</u> <u>(FY17)</u>	<u>2017</u> <u>(FY18)</u>		<u>Number</u>	<u>Percent</u>
Tenure/Tenure Track	456	454	412	412		(44)	(9.6%)
Non-Tenure Track	121	130	120	106		(15)	(12.4%)
Non-Negotiated Temporary/Adjunct	94	57	52	57		(37)	(39.4%)
Department Chairs	38	38	31	33		(5)	(13.2%)
Faculty Subtotal	<u>709</u>	<u>679</u>	<u>615</u>	<u>608</u>		<u>(101)</u>	<u>(14.2%)</u>

## UNIVERSITY EXPENDITURES FISCAL YEARS 2015-2017

	FY15	FY16	FY17	FY18	Cumulative Reduction	
					Amount	Percent
<b>A/P</b>	\$23,092,806	\$21,965,529	\$20,106,450	\$19,976,500	(\$3,116,300)	(13.5%)
<b>Faculty</b>	50,807,647	50,964,699	46,443,196	46,349,200	(4,458,500)	(8.8%)
<b>Civil Service</b>	22,094,879	20,575,680	17,681,424	17,911,700	(4,182,800)	(18.9%)
<b>Extra Help/ Overtime</b>	502,224	390,193	534,442	328,400	(173,800)	(34.6%)
<b>Student Help</b>	1,148,841	978,977	998,905	992,100	(156,700)	(13.6%)
<b>Graduate Assistants</b>	2,563,030	2,495,397	2,445,528	2,456,000	(107,000)	(4.2%)
<b>Summer Session</b>	1,510,489	1,586,896	1,551,125	1,465,500	(45,000)	(3.0%)
<b>Reimburse- ment/Award</b>	26,499	9,167	7,043	6,100	(20,400)	(77.0%)
<b>Total</b>	<u>\$101,746,415</u>	<u>\$98,976,538</u>	<u>\$89,768,113</u>	<u>\$89,485,500</u>	<u>(\$12,260,500)</u>	<u>(12.1%)</u>

UNIVERSITY EXPENDITURES  
FISCAL YEARS 2015-2017

# BOARD DISCUSSIONS

## The State:

1. Investing less in higher education
2. Allocating partial funding for FY16 and FY17
3. Retaining cash flow issues
4. Demonstrating a history where funding increases are unlikely

## The University addressing:

1. Declining Enrollment
2. Increasing Tuition Dependency

## Implement an 8-point *Priorities and Reinvestment Plan*

- Create Reinvestment Pool
- Provide High Demand Programs
- Remove Enrollment Barriers
- Improve Retention
- Increase Revenue
- Decrease Expenses
- Enhance Operational Efficiencies
- Engage in All Funds Budgeting

# PRIORITY I: CREATE REINVESTMENT POOL

- Holding 25% of appropriated operating budgets across the University
  - Actual FY17 appropriated funds operating expenses were 20.7% of appropriated funds expenditures (and are budgeted at 22.5% for FY18)
- Evaluating replacement hires with regard to mission centrality and priority need

## PRIORITY 2: PROVIDE HIGH DEMAND PROGRAMS

- During the last three years:
  - Established new educational opportunities
  - Expanded the online degree portfolio
  - Introduced new hybrid programs

<b>Established</b>
B.S. Cybersecurity
B.S. Mechanical Engineering
B.S. Middle Level Education
B.A. Broadcasting and Journalism (formerly separate degrees)
Integrated Degree History
Integrated Degree B.A. in General Studies/M.A. in LEJA
Master's Degree Program: B.A. in Anthropology/Master of Liberal Arts and Sciences
M.A. Community and Economic Development
M.S. Applied Statistics and Decision Analytics
M.S. Ed. Educational Studies
<u>10 new opportunities</u>



Established	New Online
B.S. Cybersecurity	B.B. Accountancy
B.S. Mechanical Engineering	B.A. Anthropology
B.S. Middle Level Education	B.A./B.B. Economics
B.A. Broadcasting and Journalism (formerly separate degrees)	B.B. Management
Integrated Degree History	M.A. Law Enrolment and Justice Administration
Integrated Degree B.A. in General Studies/M.A. in LEJA	
Master's Degree Program: B.A. in Anthropology/Master of Liberal Arts and Sciences	
M.A. Community and Economic Development	
M.S. Applied Statistics and Decision Analytics	
M.S. Ed. Educational Studies	
<u>10 new opportunities</u>	<u>5 new online opportunities</u>

Established	New Online	New Hybrid
B.S. Cybersecurity	B.B, Accountancy	MBA
B.S. Mechanical Engineering	B.A. Anthropology	M.A. Community and Economic Development
B.S. Middle Level Education	B.A./B.B. Economics	M.S. College Student Personnel
B.A. Broadcasting and Journalism (formerly separate degrees)	B.B. Management	
Integrated Degree History	M.A. Law Enrolment and Justice Administration	
Integrated Degree B.A. in General Studies/M.A. in LEJA		
Master’s Degree Program: B.A. in Anthropology/Master of Liberal Arts and Sciences		
M.A. Community and Economic Development		
M.S. Applied Statistics and Decision Analytics		
M.S. Ed. Educational Studies		
<u>10 new opportunities</u>	<u>5 new online opportunities</u>	<u>3 new hybrid opportunities</u>

## PRIORITY 2: PROVIDE HIGH DEMAND PROGRAMS

- Reinststate 1 Hour Counselor Education Courses
  - Planning for Counselor Summits in the Fall
- Place the Honors College at the Forefront of the University

## PRIORITY 3: REMOVE ENROLLMENT BARRIERS

- Increasing timeliness of communications
  - Implementing Customer Relationship Management Software
  - Implementing ACT self-report and validation
- Using federal SEOG funding to eliminate the “MAP GAP”

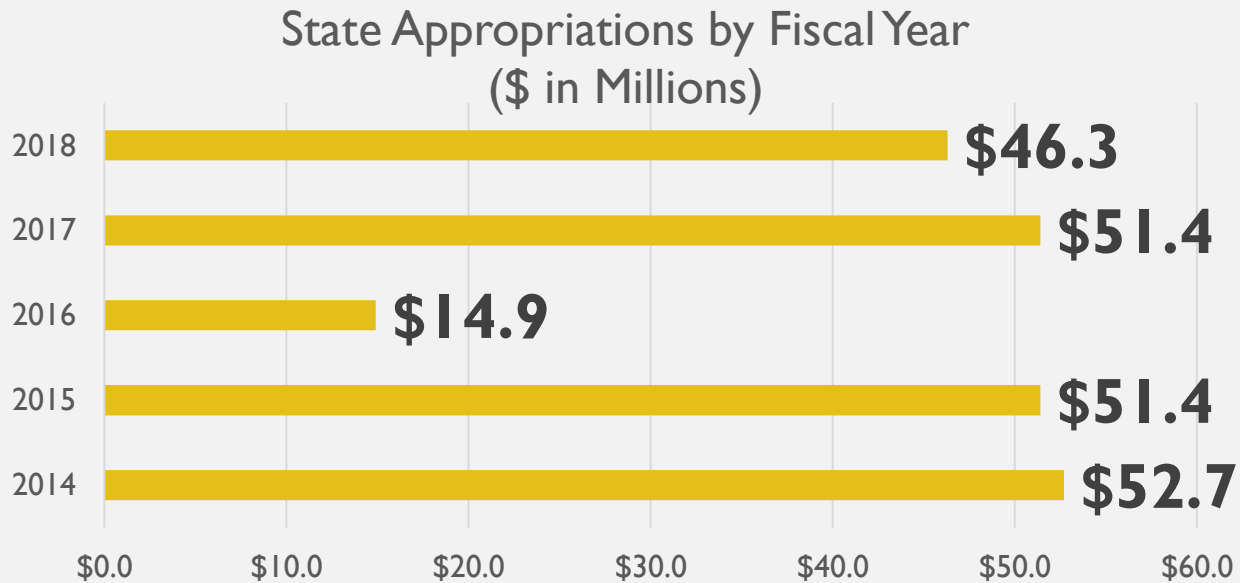
# PRIORITY 4: IMPROVE RETENTION

- Yield Rate (enrolled/applied)
- Show-Rate (enrolled/accepted)
  - Increased educational outreach activities exemplified in today's President's Executive Institute Power Point
- 85.2% of the 1,135 eligible spring 2017 undergraduate students had not re-enrolled as of June 1, 2017
- 86.7% of the 906 eligible spring 2018 undergraduate students had not re-enrolled as of May 31, 2018

# PRIORITY 5: INCREASE REVENUE

- **Advocate for the Restoration of Fair and Predictable Funding**
  - Higher Education Working Group
  - Illinois Public Higher Education Reception
  - Senate Budget Testimony
  - House Budget Testimony
- **Carefully Monitoring Enrollment**
  - Applications
  - Acceptances
  - Enrollment and Housing Deposits
- **Carefully Monitor State Funding**

# PRIORITY 5: INCREASE REVENUE



## PRIORITY 5: INCREASE REVENUE APPROPRIATIONS RECEIVED BY MONTH

	\$55,788,588	
July	6,793,900	\$251,931
August	--	4,930,081
September	2,986,203	4,842,930
October	--	8,452,865
November	--	5,995,190
December	1,999,021	3,702,880
January	2,205,266	4,488,896
February	--	--
March	6,071,738	4,302,007
April	--	324,134
May	--	8,808,780
June (to date)	--	--
% Received	100.0%	99.6%



# FY19 Operations and Grants Recommended Increases

	<b>IBHE</b>	<b>Governor</b>
Chicago State	2.0%	0.0%
Eastern Illinois	2.3%	0.0%
Governors State	2.5%	0.0%
Illinois State	2.2%	0.0%
Northeastern Illinois	2.4%	0.0%
Northern Illinois	2.1%	0.0%
Southern Illinois	2.1%	0.0%
Western Illinois	2.2%	0.0%
University of Illinois	2.2%	0.0%
Total	2.2%	0.0%

## PRIORITY 6: DECREASE EXPENSES

- Conserve and Limit Operational Expenditures
- Carefully Evaluate Replacement Hires

# TOTAL UNIVERSITY FACULTY AND STAFF

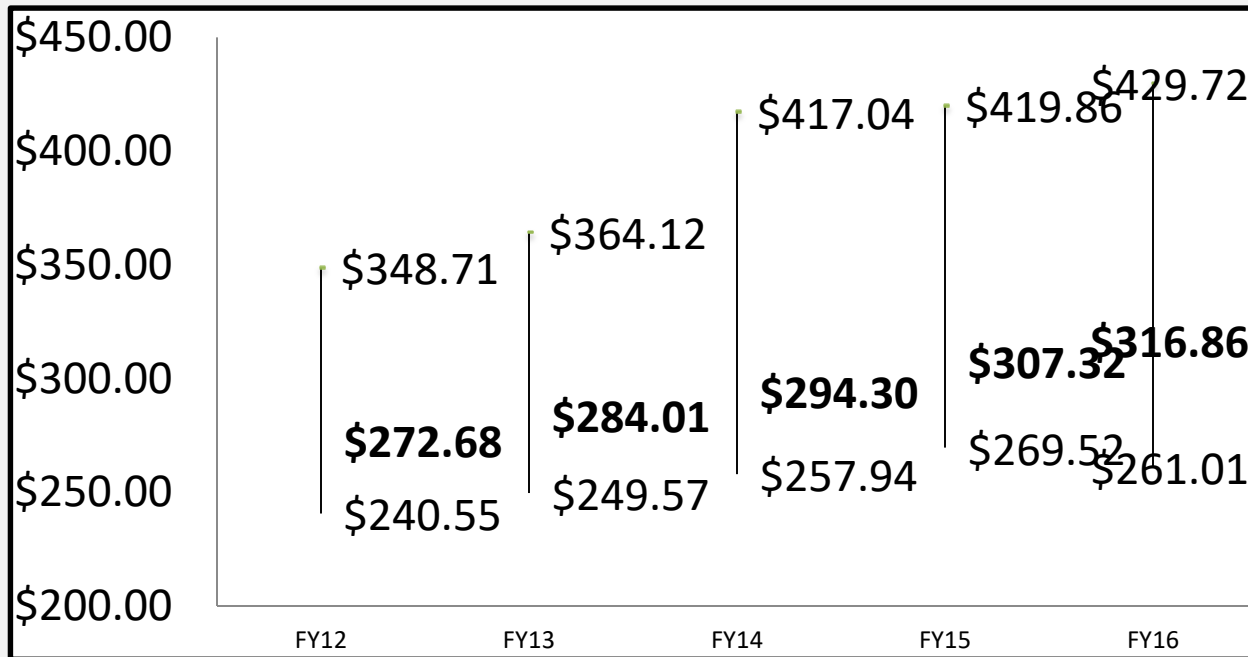
**TOTAL UNIVERSITY FACULTY  
FALL 2014 THROUGH FALL 2017**

# PRIORITY 7: ENHANCE EFFICIENCY

## Instructional Costs per Credit Hour

Fiscal Year	WIU	% Below State Avg.
2012	\$272.68	(10.1%)
2013	\$284.01	(10.6%)
2014	\$294.30	(12.3%)
2015	\$307.32	(19.6%)
<b>2016</b>	<b>\$316.86</b>	<b>(11.7%)</b>

## INSTRUCTIONAL COSTS PER CREDIT HOUR: STATEWIDE LOW, HIGH, AND WIU

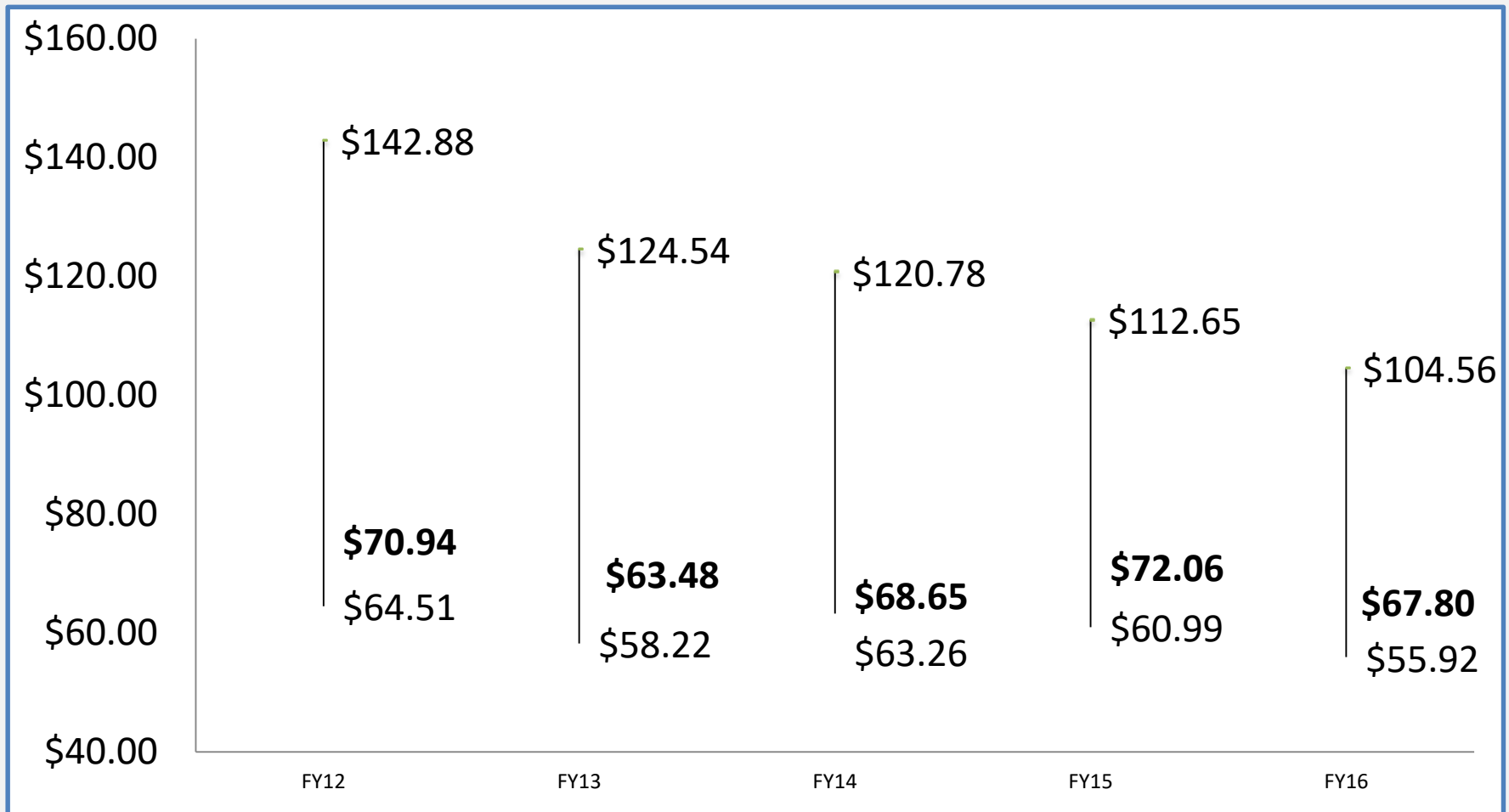


*Source: Illinois Board of Higher Education Cost Study*

## PRIORITY 7: ENHANCE EFFICIENCY

<u>Fiscal Year</u>	<u>WIU</u>	<u>% Below State Average</u>
FY 2012	\$70.94	(19.3%)
FY 2013	\$63.48	(26.9%)
FY 2014	\$68.85	(24.0%)
FY 2015	\$72.06	(20.5%)
<b>FY 2016</b>	<b>\$67.80</b>	<b>(18.4%)</b>

# ADMINISTRATIVE COSTS PER CREDIT HOUR: STATEWIDE LOW, HIGH, AND WIU



Source: Illinois Board of Higher Education Cost Study



# Disestablished

1. B.A. African-American Studies

2. B.S. Athletic Training

3. B.S. Media & Instructional Technology

4. B.A. Music

5. B.A. Philosophy

6. B.A. Religious Studies

7. B.A. Women's Studies

Disestablished	Eliminated	Created
1. B.A. African-American Studies	1. Departments of African American Studies, Philosophy and Religious Studies, and Women's Studies	A) Department of Liberal Arts and Sciences (housing African American Studies, Religious Studies, Women's Studies minors)
2. B.S. Athletic Training		B) Department of Mathematics and Philosophy
3. B.S. Media & Instructional Technology		
4. B.A. Music		
5. B.A. Philosophy		
6. B.A. Religious Studies		
7. B.A. Women's Studies		

Disestablished	Eliminated	Created
1. B.A. African-American Studies	1. Departments of African American Studies, Philosophy and Religious Studies, and Women's Studies	A) Department of Liberal Arts and Sciences (housing African American Studies, Religious Studies, Women's Studies minors)
2. B.S. Athletic Training		B) Department of Mathematics and Philosophy
3. B.S. Media & Instructional Technology		
4. B.A. Music	2. Eliminated Department of Dietetics, Fashion Merchandising and Hospitality	A) B.S. in Apparel and Textile Merchandising moved to Management and Marketing
5. B.A. Philosophy		B) B.S. in Dietetics moved to Kinesiology
6. B.A. Religious Studies		C) B.S. in Hospitality Management moved to RPTA
7. B.A. Women's Studies		D) B.S. in Family and Consumer Sciences moved to College Office

Disestablished	Eliminated	Created
	3. Eliminated Department of Geography, Geographic Information Sciences and Meteorology and Department of Geology	A) Department of Earth, Atmospheric, and Geographic Information Sciences
Total	6 Departments	3 Departments

# PRIORITY 8: ENGAGE IN ALL FUNDS BUDGETING

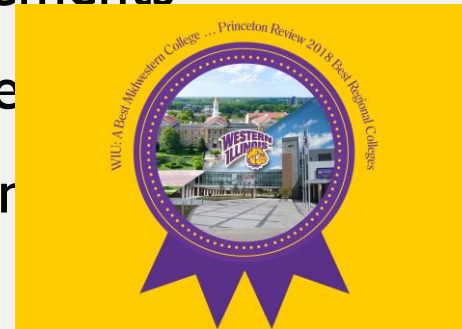
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- Intensify fundraising
- Increase contracts and grants
- Establish new revenue streams through the President's Executive Institute
- Support other forms of entrepreneurialism

# EVALUATE THE POSITION OF THE UNIVERSITY

## Continued Advancement

- Higher Values in Higher Education
- Strategic Plan Supplements



# THE STATEWIDE BUDGET CONTEXT AND WESTERN ILLINOIS UNIVERSITY'S MISSION-DRIVEN PLANNING AND RESULTS

Presented to the  
Western Illinois University Board of  
Trustees  
June 8, 2018