

**2005-2007
OPERATING BUDGET REQUEST**

September 1, 2004

The Honorable Gary Locke
Governor of the State of Washington
PO Box 40002
Olympia, WA 98504-0002

Dear Governor Locke:

I am pleased to submit Western Washington University's 2005-2007 Operating Budget Request. In preparing this request, we have worked carefully to respond to guidance from three primary sources:

- Western's Strategic Action Guidelines, which our trustees adopted to focus our efforts to preserve and enhance the quality of undergraduate education the university provides, to ensure and nourish a diverse learning community, and to continue working with and serving the community which supports this public university.
- The Higher Education Coordinating Board's 2004 Master Plan for Higher Education, which advocates expanding access to top quality education, especially at baccalaureate and graduate levels, and supporting the state's economic recovery, and
- Your own Priorities of Government, which rank improving and expanding Washington's education system among the state's most important goals.

We also have carefully aligned this operating budget proposal with Western's 2005-2015 Capital Plan and the University's 2005-2007 Capital Budget Request. Together, these companion requests represent a coordinated expression of Western's highest priorities, thoughtfully identified, advanced through the university's shared governance system and approved by Western's Board of Trustees.

Our 2005-2007 operating budget goals are listed below:

- 1) Preserve and enhance academic program quality by providing competitive salaries to attract and retain faculty and staff.
- 2) Protect university services and resources by obtaining full funding for carry-forward and maintenance costs.
- 3) Secure state support for an additional 120 FTE students annually and continue carefully managing WWU's enrollment to bring *actual* enrollment levels closer to *budgeted* enrollment targets. Work through the HECB to obtain additional support for students in high demand programs.
- 4) Add faculty positions to keep pace with recent enrollment growth and maintain Western's commitment to a learning environment that provides student access to first-rate faculty and ensures close faculty-student interaction.
- 5) Sustain the quality of WWU's current academic programs by rebuilding core funding for basic instruction, technology, student support and library services, and by enhancing safety and security programs.
- 6) Implement streamlining of General Education Requirements, including increasing writing requirements and expanding first-year experiences.
- 7) Continue developing local and regional community partnerships, including economic and potential waterfront development.
- 8) Expand Western's fundraising partnerships with the state to enhance student scholarships and faculty teaching and research.

We request \$126.5 million in General Fund-State for 2005-2007, an increase of \$14.4 million or 12.8% over the 2003-2005 carry-forward level of \$112.1 million, the level needed to carry our commitments through next biennium, including funds for current high demand FTEs, community college transfers, and 2004-05 enrollment increases.

The biennial budget request for NSIS will be submitted under separate cover. Since collective bargaining is still in process at Western, compensation request amounts for classified staff will be submitted at a later date.

Western's highest priority is to preserve and enhance quality by addressing compensation issues. Because we recognize that human talent constitutes our most

Governor Locke
September 1, 2004
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crucial tool in providing high quality academic programs, we urge you to support our number one budget priority --- to meet our strategic faculty salary goals and improve salaries for exempt and classified staff.

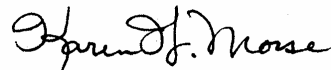
In addition to the urgent need to improve faculty and staff compensation and obtain full funding of our carry-forward and maintenance levels, we also seek your help in lowering Western's long-term deficit in core funding by raising our per student state support, as well as your endorsement of our other decision packages.

For too many years, this top-ranked university has lagged significantly behind the per-FTE support provided to *all* other Washington public baccalaureates. We need to start reducing this deficit now so we can begin rebuilding support for basic instruction, and for academic support services (academic advising, financial aid, admissions, degree auditing, counseling and career services); safety and security; external communications; and internal controls and accountability. Renewed investment in each of these areas after years of inequitable funding is vital for Western to continue its record of academic excellence.

As actual enrollment levels continue to exceed budgeted enrollment targets, inflation continues to outpace state appropriations, and funding for faculty and staff salary increases is severely constrained or unavailable, Western's ability to produce top graduates who will help this state compete in a global economy could be compromised.

We are ready and eager to discuss this request with you and answer any questions you and your staff may have. Thank you for your enduring commitment to public higher education and your continuing support of Western Washington University.

Sincerely,

A handwritten signature in cursive script, reading "Karen W. Morse".

Karen W. Morse
President

KWM/pr
Enclosures

WESTERN WASHINGTON UNIVERSITY
2005-2007 Operating Budget Request

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WESTERN WASHINGTON UNIVERSITY ROLE AND MISSION STATEMENT

Objectives

Western Washington University's objective is to provide high quality undergraduate education with a core focus on the liberal arts; programs of a practical and applied nature directed to the educational and professional needs of state residents; and selected graduate programs through the Master's degree.

Mission Statement

As a public comprehensive university focusing primarily on serving undergraduate students throughout the region, the University is dedicated to the pursuit of truth, learning, and the dissemination and development of knowledge, and service to the community. Its programs contribute to the educational, economic and cultural needs of its community which centers on Washington state and extends to the world beyond. This mission is addressed principally through teaching which embraces the liberal arts and professional preparation.

The University nurtures the intellectual, ethical, social, physical and emotional development of each student. It aims to teach learning skills useful in a rapidly changing and highly technical world and to develop a consciousness of the challenges and responsibilities of living in a diverse and pluralistic society. It strives for graduates who are skilled communicators, able to critically analyze and use information, able to recognize and address the complex issues of the modern world, and who are willing to serve as responsible stewards of natural resources.

In its research, the University strives to develop new knowledge and to apply that knowledge, where appropriate, to the solution of problems. The goal of its cultural programs is to enrich the lives of all people touched by them. Through all of its programs, on and off-campus, the University seeks to improve the life of the community by teaching people to solve problems and meet the challenges of a complex world.

WESTERN WASHINGTON UNIVERSITY STRATEGIC ACTION GUIDELINES

PREFACE:

The Strategic Action Guidelines, approved by Western Washington University's Board of Trustees on December 6, 1991, were revised on February 7, 1992. Because a number of the action plans had been achieved or factual data needed to be changed, it was deemed appropriate that the Guidelines be reviewed and updated. The 1997 review retains the three major goals of the 1991-92 document: Quality, Diversity, and Community Service. These goals have served the University well and should continue to beneficially shape the Western Washington University education experience into the twenty-first century.

The goals of Quality, Diversity and Community Service have been woven into the assumptions and strategic actions so as to be pervasive throughout the Western educational experience. They constitute the fundamental definition of a Western education and are of equal importance.

The Task Force broadened the concept of a quality Western education to include the contributions made by all divisions of the University to the students' experience. In addition to the student's classroom experience, student support services, residence hall life, and the physical environment, both in the classroom and outdoors, were considered to be of importance to the student's education and were explicitly included in the assumptions, goals and strategic actions.

The roles played in a quality education by technological developments in electronic telecommunications, distance learning, and international programs have increased dramatically in the past five years. The revised Guidelines include a number of provisions recognizing these changes.

I. INSTITUTIONAL CONTEXT

On February 24, 1893, Gov. John H. McGraw signed legislation that created New Whatcom Normal School. Since the first class of 88 students entered in 1899, the school has grown into a comprehensive university of over 11,000 students, making it the third largest institution of higher education in the state. The Normal School became Western Washington College of Education in 1937, Western Washington State College in 1961, and achieved university status in 1977. In 1993, Western held its 100-Year Founders Celebration. The Centennial observance will take place in 1999-2000, marking the beginning of Western's second century.

In the early years, Western's growth and development pattern closely resembled that of other state normal schools. Then, in 1922, the institution's Board of Trustees invited Dwight B. Waldo, who had been president of Western State Normal School in Kalamazoo, Michigan for 18 years, to serve as interim president while leading a full-scale review of the school's prospects and direction.

Upon Dr. Waldo's departure the following year, Charles T. Fisher was selected to initiate a new phase of campus and curricular development. Before the end of the 1920's, the institution's faculty had begun developing a curriculum that drew national attention and was built upon an emphasis that would remain constant in Western's academic programs and planning. Although committed exclusively for many years to the preparation of teachers, Western adopted a curriculum that required a liberal arts core as well as pedagogical courses and practice teaching. That liberal arts core remains, while the institution's mission has expanded to that of a comprehensive university. As the university has developed and changed, there has also been a growing recognition of the important role scholarship plays in enhancing the educational mission of the institution.

Today, Western Washington University looks forward to the beginning of its second century with enthusiasm and confidence. It has earned a strong national reputation. Program reviews, accreditation studies, public surveys and nationally published guides to higher education identify it as among the best public comprehensive universities in the West. More than 90 percent of the university's students are Washington residents and over 80 percent come from the western side of the state. The university competes effectively for faculty and staff in the national and international market place. Nearly 90 percent of faculty hold full or terminal degrees, and faculty, staff and administrators participate in national and international forums in their areas of expertise. Western is distinguished academically by the high quality of its students and faculty and has distinctive, sometimes unique, programs of study. The core programs, the majority of which are located in the College of Arts and Sciences, remain strong. Teacher education continues as an important all-university program, coordinated by Woodring College. The College of Business and Economics and the College of Fine and Performing Arts offer accredited programs of high quality, while Fairhaven and Huxley Colleges have earned national reputations for their distinctive programs of study. Although the university is primarily committed to undergraduate study, the Graduate School maintains a number of selected high quality graduate programs at the Master's level that provide opportunities for research and professional development.

Western derives special advantages from its location and immediate physical environment. University students, faculty, staff, and administrators enjoy the quality of life in the mid-sized city of Bellingham, while having easy access to the large metropolitan centers of Vancouver, B.C., and Seattle. Proximity to mountains, sea, lakes and forest affords outstanding recreational opportunities and environmental amenities. The university is set against Sehome Hill Arboretum, which the school shares with the City of Bellingham. The campus's natural beauty, architectural excellence in a variety of styles, well-landscaped grounds and gardens, and the internationally acclaimed Outdoor Sculpture Collection are considered part of the educational experience. The character of the campus is all the more significant because of the ongoing residential nature of Western, which houses about a third of its students on campus with more housing planned as needed. A similar number of students resides within one mile of the campus.

In the twenty-first century, Western Washington University will continue to emphasize the central importance of the liberal arts and sciences and at the same time will retain a commitment to provide professional, applied, and technical programs of high quality. The principal question will continue to be how to continue to improve the quality of the learning experience for which the university is known. This document sets forth strategies for responding to that question. The Plan's basis is a strategic planning phase that began in 1990 with President Kenneth P. Mortimer's

appointment of a University Strategic Planning Committee, which included faculty, staff, administrators, and students and was chaired by then-acting Provost Roland L. De Lorme. The Strategic Planning Committee appointed subcommittees to examine several major areas to be embraced by planning efforts: the educational experience; the student experience; cultural and ethnic pluralism; the community; governance; environmental health, safety, and security; and information and communication services.

After extensive campus involvement and discussions with the Faculty Senate and other university governance committees, the planning process ended with submission of a final report to the President in April, 1991. The original Strategic Action Guidelines were approved by the Board of Trustees in December, 1991 and again with revisions in February, 1992.

The Strategic Action Guidelines are used to help write university budgets that reflect and support the plan's short and long-term objectives and by the University Planning Council to recommend funding allocations in a manner consistent with our goals. The Comprehensive Campus Master Plan also supports the long-term strategic action guidelines in defining priorities for building and campus development projects. Significant progress has been achieved under the strategic plan: rapid and orderly application of new technologies; the electronic transformation of Western's libraries; major improvements in admissions, registration, and financial systems; programmatic changes in virtually every area of the university; rapid increases in student diversity and academic quality; curricular improvements; and completion of several new facilities, including a three-building science complex that complements existing facilities. As we move into the next century, the university community must continue to participate in an on-going planning process that ensures informed, consistent decisions.

In 1997, a Role and Mission Task Force, convened by President Karen W. Morse and chaired by Provost De Lorme, was charged with review of the Strategic Action Guidelines in light of changing economic, social, demographic and political conditions as well as technological changes. After review and discussion by the campus community, these Strategic Action Guidelines were adopted by the Board of Trustees on December 5, 1997.

II. ASSUMPTIONS

1. Western Washington University is a public comprehensive, residential university. It is a community engaged in the active pursuit of truth -- a pursuit which includes teaching, learning, curriculum development, scholarly and creative endeavor, personal development, and service to the university and community. The university exists to promote learning and scholarship of the highest possible quality, and all parts of the institution are justified by the extent to which they support that mission.

2. The common core of the university-wide educational experience is the liberal arts and sciences, including at least these dimensions: analysis and communication; creative and aesthetic expressions; knowledge of civilization and cultural pluralism; scientific and mathematical understanding; and a sense of perspective on the nature and processes of human development. Professional and applied programs are built upon institutional strengths and are responsive to national, state and regional needs. At the same time, the university values its historical role in

preparing future teachers, in preserving unique curricular emphases, and its more recent efforts to integrate new technologies in teaching and learning.

3. The university seeks to provide the best undergraduate education in those areas consistent with our mission. Key factors in creating and maintaining a learning environment committed to the pursuit of quality education are:

- A commitment to institutional integrity;
- A clear and coherent institutional vision that guides resource allocation decisions;
- A diverse faculty of the highest quality, committed to excellence in teaching and learning, and actively engaged in scholarship, research and creative activity both to support teaching and for the advancement of knowledge;
- A diverse professional staff of the highest quality, actively supported in their contributions to the mission of the university, including training, support for creative endeavors, institutional research, and well maintained equipment and work places;
- Well-prepared and highly motivated students with diverse backgrounds;
- High quality support facilities, including well-equipped and well-maintained classrooms and laboratories, library resources, academic and administrative computing, and other learning resources, including access to and use of the technological knowledge base;
- A healthful and safe campus on which integrated student support services, well-maintained residence halls, recreational and athletic programs, and healthy relationships with the university's alumni, friends, businesses and surrounding communities contribute significantly to the learning environment;
- An aesthetically beautiful and well-maintained campus;
- A university governance structure that encourages the participation of all of the university. Well-prepared and highly motivated students with diverse backgrounds;
- A campus atmosphere that reflects a sense of community respect and civility in its human relations with a strong emphasis on ethics and ethical behavior.

4. The learning environment is enriched by including people from diverse backgrounds and by reducing barriers to their success on campus and in later life. The university conceives of diversity broadly as encompassing a wide variety of characteristics, such as age, ethnicity, gender, nationality, religious and ethical beliefs, sexual orientation, socio-economic background, and the differently abled. Diversity is viewed as an educational opportunity for the entire university community.

5. The quality of the over-all student experience is considered to be an integral component in the university's success. This view of education mandates incorporating all aspects of the student experience, including curricular and co-curricular dimensions, into a comprehensive program of learning and development.

6. The greater university community -- students, faculty, administrators, staff, alumni, retired employees, and friends of the institution -- contribute to the quality of the student experience. Maintaining and strengthening a sense of community within the university and among the university, its neighbors and the greater community is considered an integral part of providing a quality educational experience.

7. Most of the university's on-campus students will continue to be of traditional age and be primarily residents of western Washington. The university's comprehensive educational program, distinctive locale and opportunity for a residential experience will remain strong attractions for these students.

8. Forces of external change over the next decade will require Western to respond to an array of challenges and opportunities. Among them are:

- Increased pressure to expand access for students, both in on-campus and off-campus programs, due to predicted strong growth between now and 2015 in the traditional university-age (17-29) population, especially in western Washington;
- Increased competition for admission to Western;
- Continued and increased diversity among all university constituencies;
- Increased student financial need;
- Continued growth and faculty retirements which will provide opportunities to hire new faculty and shape academic programs;
- Significant governmental regulation and external oversight;
- Expanded efforts to increase public and legislative awareness of the university's needs, costs, benefits and service;
- Continued emphasis on private fund-raising to support the "margin of excellence" for university initiatives;
- Rising public needs for specialized preparation and technological sophistication.

9. Western will grow by 150 FTE students per year on-campus to a maximum of 12,500 FTE students and by 100 FTE students per year in off-campus programs. If funding is provided, the university's enrollment could reach 11,250 FTE students in 2005 and, 12,000 FTE students in 2010.

10. University operations reflect institutional integrity and engender a sense of public respect and confidence in its accountability and efficiency. Resources will continue to be allocated and reallocated to pursue strategic priorities.

III. GOALS

1. Quality: Western Washington University's principal goal is to maintain primacy in providing an excellent public undergraduate education to students of the region by making ongoing improvements in the quality of its educational programs and services. Western is, and seeks to remain, a university with national significance -- an institution that is looked to for educational leadership and one to which others turn for advice and counsel as to the quality of an undergraduate education.

The university will emphasize policies and programs that enhance recruitment, retention, and development of promising students, faculty, administrators and staff. It will demonstrate its commitment to excellence in instruction, complemented by scholarly and creative endeavor.

In all of its programs, Western will proceed on the basis of a clear sense of priorities. Facilities and resources will be distributed in a manner consistent with supporting the mission of providing a quality educational experience.

The university will strengthen its commitment to a liberal education and increase involvement of all units in that effort.

The university's policies and practices, developed through processes that seek to involve all elements of the campus community, will endeavor to create and sustain a campus atmosphere that is conducive to furthering academic rigor, encouraging the spirit of free and open inquiry so necessary to an intellectual community, and fostering human relations built upon mutual trust and respect.

In all programs, policies, and endeavors, the university will demonstrate a commitment to principled and responsible action. This commitment will guide the university in all of its roles: as an institution of learning; an employer; a public agency; a campus community; a member of the broader community and environment; and in the wise use of all resources.

Strategic Action Principles and Strategies for Achieving Quality

1. Continuing improvement in quality will be imperative for each of Western's ongoing activities. Programs are expected to achieve quality levels consistent with those of a first-class university. In professional areas, that usually will mean professional accreditation. In other areas, effective program reviews by peers will continue to serve as a significant measure of quality.

- Allocation of resources will be based on providing a quality educational experience;
- Where appropriate, the university will reduce its scope of offerings to improve its depth in areas of distinction.

2. Continuous improvement requires constant attention to outcomes, demonstrated by the characteristics, abilities, and skills of Western graduates.

- Emphasis will be placed on developing written and oral communication skills; critical thinking; and mathematical skills;
- Active modes of teaching and learning, with attention paid to information seeking skills, access to and use of the technological knowledge base, and critical evaluation of information, will be stressed;
- Ongoing efforts will be made to ensure that programs of study are coherent, reflect current methodologies, technologies and information, and are intellectually challenging;
- Continued assessment of student learning is required to gauge programmatic and student success effectively.

3. The university will strengthen interdisciplinary and graduate programs, particularly in fields where it possesses special strengths in terms of faculty, location and resources.

4. The university will continue to improve library holdings and access to library resources, including using advanced information technologies to improve information procurement.

5. The university will maintain and improve the technological infrastructure of the campus, including the library information system, academic and administrative computing, media, and other forms of technology to enhance the learning environment for students and faculty and to maintain technological currency.

6. The quality of co-curricular programs, integrated student support services, and recreational and athletic programs which embrace those aspects of a student's educational experience that lie outside the traditional classroom, will be ensured by focusing on key elements:

- Support the university's commitment to a quality first-year experience for freshman and transfer students;
- Support development of writing and communication skills;
- Strengthen counseling and academic advising;
- Support for evolving telecommunication systems;
- Focus greater attention and resources to opportunities for active student learning; and added attention to internships, credit and non-credit experiences in campus activities and employment, practicums, and volunteerism;
- Ensure that comprehensive student services and programs are congruent with Western's emphasis on the residential college experience.

7. The university will continue to improve enrollment planning and management policies and procedures that reflect its commitment to diversity; an appropriate upper/lower division mix; on- and off-campus student demand for courses and majors; and academic program goals. Enrollment management will include at least the following elements:

- Admissions goals and criteria for campus, off-campus and distance learning programs;
- An enrollment mix that reflects the state's racial and ethnic composition; balances freshman and transfer students; and includes a student population that is 40 percent lower division, 50 percent upper division, and 10 percent graduate level;
- Assurance of access to courses, especially gateway courses for academic majors;
- Appropriate controls on entry to selected programs, departments and/or colleges;
- Enrollment goals for off-campus and graduate programs;
- Graduation rates that reflect equitable and efficient use of university resources.

8. The university will promote professional development as a key ingredient in recruiting and retaining an active, vital faculty, staff, and administration, recognizing the centrality of the teaching and learning environment as a key factor in student and faculty success.

- Faculty, administrators and staff in all university units should participate in developing the skills necessary to provide the best learning environment;
- All institutional units will support with funding and other resources the efforts of faculty, staff and administrators in sustaining and improving the learning environment;
- Guidelines for professional assessment will continue to be clarified;
- Faculty professional development, including teaching enhancement opportunities, professional leaves, research grants, summer teaching grants, and travel monies, will continue to be strengthened;
- Professional development of staff and administrators, including skill training and travel to professional workshops and meetings, will continue to be strengthened.

9. The physical aspects of campus will be maintained and improved with special attention to the aesthetic beauty of campus. Western will strive to:

- Improve traffic flow on campus with particular attention to encouraging safe pedestrian and bicycle transport, through development of bicycle paths and parking areas, and use of public and other alternative means of transportation;
- Increase and improve recreational areas on campus to reflect enrollment increases and campus growth;
- Continue to improve campus and building accessibility for persons of disability;
- Maintain and enhance the physical and artistic beauty of Western's campus;
- Plan for long-range growth of facilities necessary to accommodate increased enrollments and more specialized and technical requirements of academic programs. The Campus Master Plan process will reflect future academic program requirements while addressing proper accommodation of support activities.

2. Diversity: Western Washington University will become more diverse in its populations of students, faculty and staff and in its educational experiences. This goal recognizes the changing composition of society as a whole and its impact on the world for which students are educated.

At Western, diversity is considered to be an integral component of a quality education. Western recognizes that its learning environment is enriched by including people from diverse backgrounds in its populations of students, faculty and staff, and in its educational experiences. The University is committed to a curriculum which includes the examination of issues of diversity. Today, an educated person will need to have examined attitudes about these and other aspects of diversity.

Strategic Principles and Action Strategies for Achieving Diversity

1. Western recognizes that an educated person must have an understanding of, and experience with, diversity and, thus, will strive to provide a diverse environment:

- The university will continue to recruit and retain a diverse student population;
- The recruitment and retention of a diverse faculty and staff will remain a priority;
- The university commits itself to recruiting and retaining culturally and ethnically diverse persons for positions of institutional leadership;
- The university will seek to provide a campus atmosphere that reflects respect for the richness of diversity;
- The university will continue to work with the community and region to provide more diversity related educational and cultural opportunities;
- The university will demonstrate enhanced awareness of and sensitivity to diversity, and will examine and revise its policies and procedures in light of these issues.

2. The university is committed to providing an educational experience that reflects the realities of diversity:

- The university curriculum will include programs and courses that examine issues related, for example to age, race, gender, ethnicity, nationality, religious and ethical beliefs, sexual orientation, socio-economic background, and the differently abled;

- Academic programs, study abroad opportunities, student/faculty exchanges, and internships in International Studies will be enhanced;
- The university will continue to emphasize diversity issues in co-curricular programs.

3. Community service: While working to create a strong campus community of students, faculty and staff, alumni, parents and friends, Western Washington University also strongly values the rich partnership it enjoys with the broader community and the public it serves. The university remains committed to preserving and augmenting that relationship by continuing to contribute significant educational, economic, cultural and technological resources and expertise to Washington citizens, as well as the nation and other areas of the world.

Sensitive to its civic and cultural responsibilities as well as to the mutual benefits of interaction and cooperation, Western will strive to maintain good relations with and contribute to the greater community of which it is a part.

Strategic Principles and Action Strategies Directed toward the Community Service Goal

1. The university will continue to address responsibly and responsively the educational needs of Washington residents through provision of both state-funded (e.g., service-learning) and self-sustaining programs, located on- and off-campus;
2. As part of its contributions to the educational, economic and cultural life of the greater community, scholarship and research activity at Western which enhances and benefits the community will be viewed as public service;
3. The university will seek mutually valuable inter-institutional partnerships with other regional agencies;
4. The university will continue to involve alumni, friends, neighbors and parents on an active, on-going basis in the intellectual and cultural life of the university;
5. Private support from friends and alumni will be increased to provide the university with a margin of excellence beyond that which is possible with state support. Fundraising efforts will reflect academic and institutional program priorities;
6. The university will continue to encourage community involvement by its faculty, staff and students off-campus and to provide access to its libraries, galleries, lecture and performance halls, athletic arenas, recreational facilities, and expertise.

Relationship of 2005-2007 Decision Package Items to Western Washington University's Strategic Plan

Decision Packages for 2005-2007

Recruit and retain quality faculty and staff through competitive compensation	Continue Managing Enrollment Growth: Obtain state support for 120 FTE students annually	Add Faculty Positions to Keep Pace with Enrollment Growth	Address Western's Core Funding Issues	Implement Streamlining of Western's General Education Requirements	Continue Developing Local and Regional Economic Partnerships	Expand Fundraising Partnerships with the State
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WWU Strategic Plan Goals and Principles

Strategic Action Goal 1: Quality

1. Continue to improve quality.	X	X	X	X	X	X	X
2. Monitor graduate outcomes	X	X	X	X	X	X	X
3. Strengthen interdisciplinary and graduate programs	X	X	X	X	X	X	X
4. Improve library holdings and access to library resources	X			X			X
5. Maintain and improve technological infrastructure	X			X			X
6. Ensure quality of co-curricular programs	X	X	X	X	X	X	X
7. Improve enrollment planning and management	X	X	X	X	X		
8. Promote employee professional development	X		X	X			X
9. Maintain physical aspects of the campus	X			X			

Strategic Action Goal 2: Diversity

1. Strive to provide a diverse environment	X	X	X	X	X	X	X
2. Provide an educational experience reflecting diversity	X	X	X	X	X	X	X

Strategic Action Goal 3: Community Service

1. Respond to State program needs	X	X	X	X	X	X	X
2. Contribute scholarship and research to the community	X	X	X	X	X	X	X
3. Seek inter-institutional partnerships	X	X	X	X	X	X	
4. Involve alumni, friends, neighbors and parents	X	X		X		X	X

Higher Education Accountability Plan
Western Washington University
August 14, 2003

Part I. Strategies Implemented in 2001-2003

Support for On-going Efforts

In our 1998, 1999, 2000, and 2001 reports, Western listed numerous specific initiatives that we planned to begin or had recently begun, in the attempt to improve students' experiences and thereby enhance our accountability performances. Western's highest priority in relation to accountability performance is continuing the accountability efforts we began between 1998 through 2003. Some of these efforts were quite demanding to implement; all require ongoing vigilance and effort, and all are long-term. Western's first and foremost strategy has been to maintain an enduring commitment of organizational resources to provide that ongoing support and oversight.

One strategy announced in 1999, requiring a third writing course as part of the General Education requirements, has been delayed pending Western's planned general education reform process, and pending plans to provide funding without undercutting other key academic offerings. All others have been implemented fully or are gradually being implemented. These include:

- Initiated first-year experience initiatives, including launching and gradually enlarging the Freshman Interest Group program (FIGS), providing instructional development for large freshman lecture classes, increasing access for students by reserving some seats in appropriate courses during all quarters of the first year, and planning for increased use of undergraduate teaching assistants to provide small discussion sections in large lecture courses. Demand for the FIGS program has exceeded our resources and expectations.
- Supported and enlarged the "departmental advising model" aimed at ensuring improved advising for sophomore through senior levels with special emphasis on transfer advising. These include departmental advising pages (e.g., <http://www.ac.wvu.edu/~socad/>), which won a national award for an "outstanding and creative" academic advising Web page model from the National Academic Advising Association in October 2000, the national association of university advisors.
- Enlarged university advising staff and strengthened advising/study skills programs for new freshmen identified through Admission Index scores and personal interviews of potentially at-risk students (disproportionately ethnic minority students).
- Worked with departments that offer the Bachelor of Science degree, to develop advising, enrollment management and curricular options that may improve time-to-degree and Graduation Efficiency Index for B.S. students.
- Expanded the General Studies degree, designed for students who want to focus their studies across departments in humanities or social sciences and introduced to increase efficiencies for those students and other who have difficulty entering restricted major fields. In 2003-04

extensive program assessment of General Studies will be conducted by the Academic Coordinating Committee, a standing committee of the Faculty Senate.

- Introduced a policy directing students to connect with a departmental advisor before earning 60 credits and receive personalized advice concerning a major. This also applies to transfer students, and helps direct them into majors more rapidly.
- Increased course access for incoming transfers by reserving seats, providing enhanced information about course requirements and access, and encouraging earlier contact with departmental advisors.
- Collaborated with CTCs to enlarge and support the Associate of Science degree and explore ways to smooth transitions for transfers.
- Piloted efforts to integrate residential and academic experiences by offering some Freshman Interest Group (FIGS) courses in university residence settings.
- Continued to expand the number of computer-mediated classrooms, and increased the number of computer labs capable of supporting instruction.
- Created a Central Data Warehouse, enabling faster analysis and identification of students at risk.
- Performed a “Close-in” analysis of retention and academic adjustment, to identify aspects of the Western experience that can be enhanced to improve retention.
- Supported and enlarged a university-wide advising web page that is proving very popular and useful to students and their advisers: the Classfinder, which rapidly locates available course sections by course, type of course, hour, etc. (see https://www.admin.wvu.edu/wwis_dcd/owa/wwsktime.SelClass). This service is reducing students’ frustration and improving course selection and access.
- Expanded the capacity of the Center for Instructional Innovation to support improved use of instructional technology and innovative teaching practices.
- Created and supported a web-based “showcase” portfolio featuring student learning outcomes. The site features the assessment of student learning outcomes at both the program and course level. See <http://pandora.cii.wvu.edu/showcase/> and <http://pandora.cii.wvu.edu/cii/resources/outcomes.asp>.
- Analyzed classroom utilization patterns, as part of an attempt to address problems students have gaining access to desired courses. We found a serious deficit of classroom space and instituted a new block schedule to increase course access by squeezing more courses into the same classrooms. Western also developed plans for future capital construction that emphasize the addition of classrooms including the new Communication Building scheduled to open in the summer 2004.
- Assessed and began planning for improved freshman orientation.

Laying the groundwork for Large Scale Developments

During the 1999-2001 and 2001-2003 biennium, Western also took the first steps in what will become significant and far-reaching curricular reform and advising enhancement. Both projects are aimed in particular at lower division students, with an emphasis on the first year experience and freshman retention.

- General Education Curricular Assessment and Reform. During spring, 2000, Western began laying the foundation for extensive curricular reform by establishing a special taskforce to examine what Western wants its graduates to have achieved. This report, named the Quality Undergraduate Education report, has been adopted and provides the foundation for a major reform of the General Education program. This effort was especially important to our accountability efforts. Our analysis has shown weak academic engagement with the first-year curriculum to be an important stumbling block to retention and eventual graduation. More about this effort is included below, under Strategies for the 2003-2005 biennium.
- General University Advising Reform. Western's assessment and accountability research has identified lower division advising as a significant weakness, which negatively impacts retention. A new Assistant Vice President for Academic Support Staff is leading a strategic planning effort which constantly reviews alternative advising delivery models and identify specific areas for improvement of our advising of students who have not declared a major. Ongoing enhancement of current advising programs to better serve our current students is also a priority. In addition, new elements of advising may arise in coordination with the revision of the General Education program.
- Assessing and Revising Strategies. Western is also laying the groundwork for assessing the strategies we have instituted over the past six years. During the 2003-2005 biennium, Western will continue to assess the success of each of these strategies, in terms of both implementation and effectiveness. We will seek to determine which strategies should be retained and expanded, and which have proven ineffective. Assessment and institutional research initiatives and activities will be coordinated with recent research to more fully understand what influences students' retention/non-retention at Western.

Part II. Baselines, measures, targets and strategies.

1-5. (baseline, measures, goals and targets)

Western's measures, revised baselines and targets are displayed below, in a table built on the template provided by the HECB. Western does not propose to change any of its measures. Below, we offer explanations for our selection of targets.

- As we have reported previously, a twelve-year assessment of the Graduation Efficiency Index (GEI), now extended to 17 years, shows almost no change despite significant relevant policy changes. Although the measure for freshmen has been particularly steady and traditionally shows little variation due to changes in policy or procedures, we have seen a slight increase over the past few years. Although last year saw a slight dip, we have succeeded in reaching our goal, and we raise our target for freshman GEI by one full point. Our special efforts to improve the transition from CTCs to Western begun in the last biennium resulted in the setting of extremely aggressive transfer GEI targets. As we

continue to work to reduce the gap between GEI scores of freshmen and transfers, we will retain the targets set in the last accountability plan.

- Western's freshman retention has varied slightly each year over the past seven years. We have conducted extensive analyses to identify factors that contribute to improved retention rates at WWU. While the primary reasons are beyond our ability to affect directly—declining selectivity over that period, rapid enrollment growth that changes the nature and underpinnings of most aspects of the university, and course access problems stemming from a severe classroom space deficit—Western is actively engaged in addressing the freshman retention issue. The most fundamental changes we can make to improve retention are in the first year curriculum and its impact on academic engagement. Some of our programs are working well. For example, students enrolled in the FIGS program have higher fall-to-fall retention rates compared to freshman students overall (for 2001-2002, 86% for 253 FIGS students and 81% for 2217 non-FIGS students). Also, we believe our recent focus on freshman advising will improve retention. We have seen retention increase in the past two years, but because general education curriculum reform is still on the horizon and we are experiencing a slight decline in selectivity, we retain the targets set in the last biennium.
- Overall retention is at the realistic maximum for Western, as our past analyses have shown. We have seen an increase in the past two years, primarily because of increased freshman retention. However, we recognize that our retention rate is approaching a ceiling set by the number of students who take temporary leaves of absence (desirable), who enter pre-professional curricula with the intention of transferring into professional programs not offered at Western (desirable), and who leave Western because their grades are insufficient to continue pursuing the degree (some of this is desirable in that it maintains standards, while some is problematic in that it indicates weak academic attachment). The Board of Trustees at Western has set a policy to aim for a long-term goal of 85% retention rate which seems to be a realistic target for WWU based on past performance indicators.
- Western's five-year graduation rate of native freshmen has increased very slightly in the past two years but will almost inevitably fluctuate this biennium. The reason is that freshman year retention has fluctuated up until two or three years ago. With fewer students retained in the graduation pipeline, fewer will graduate. This will continue to strain our graduation rate for another two or three years. However, because of slight increases in the graduation rate even as freshman retention 5 years prior has fluctuated, we set an extremely aggressive target that is equal to the HECB stated long-term performance goal for Western.
- Our individualized credit per FTE student measure remains important, but it is very expensive in terms of faculty time and will be difficult to improve due to shrinking fiscal resources. Thus, we anticipate that the number of individual internships, independent study options, and student-faculty research projects will decline as undergraduate enrollments increase and resources shrink, thus necessitating greater need for large lecture sections to accommodate access at a lower cost.
- Our goal to increase the SCH devoted to specialized writing courses has been partially achieved, but far from the level we envisioned. Western's plan to implement an additional writing requirement is part of the recommendations under consideration regarding comprehensive general education reform. Implementation of the proposed recommendation to increase the required number of lower division writing credits cannot be implemented until

fall 2005 at the earliest. Thus, we do not expect an appreciable increase in this measure in the next few years. However, since our 2001-02 performance was above target, and we are expecting a larger-than-average junior class, we will increase the goal for this biennium.

- The hours Western students are instructed in computer labs has far exceeded our original targets. We are now probably at or close to the most desirable level, because over the last four years we have added computer mediation to about 45 new classrooms, allowing some of the instruction previously requiring a computer lab to take place in regular classrooms; 14 new classrooms will be added in the new Communications Building scheduled to open in the summer 2004. This in turn means that much of the new instruction in computer labs can be accommodated during the hours vacated by others who were able to use mediated classrooms instead of labs. Our target, while an increase over present levels, is therefore more an estimate than a policy directive at this point. We will move to a more ideal level of this measure during 2003-2005.
- Our newest measure, the proportion of departments adopting our “departmental advising model,” was base-lined at zero because no department had incorporated all the elements we defined as necessary to high quality advising. Our goal is extremely aggressive in that we believe all departmental advising should incorporate all these elements, and we are committed to making that happen. As of the end of the 2001-2003 biennium close to 98% of Western’s programs and departments adopted the advising Web-based model. In the summer of 2003 Western’s Academic Advising Office developed and launched a new Web page that should help undergraduate students find information about a department’s major quickly and easily (see <http://www.acadweb.wvu.edu/advising/advising.html>). Western’s target stops short of 100% because some elements are not appropriate for the very smallest departments and there is a lag in the implementation of any program that is demanding enough to make a difference.

Western Washington University		
<i>Common Measures</i>	1999-02 Baseline Performance	2003-05 Plan Target
Graduation Efficiency Index		
a. Freshman	87.2	88.0
b. Transfers	80.3	82.0
c. Transfers graduating with B.S. in science	71.7	74.0
Undergraduate retention (overall)	86.6	86.0
Undergraduate retention (frosh to soph.)	79.6	82.0
5-Year Freshman Graduation Rate	53.9	55.0
5-Year Frosh Grad. Rate Among Minorities	41.4	42.0
<i>Institution-Specific Measures</i>		
Faculty productivity		
a. Individualized Credit/FTE student	1.65	1.52
b. SCH/Undergrad FTE in Writing Courses	2.20	2.30
Hours Scheduled in Computer Labs	23.3	25.0
Departments Adopting Advising Model	55%	98%

What the Measures Mean

Individualized Credit/FTE Student: Measures number of credits generated per FTE student through individual instructional activities, including internships, work on faculty research projects, and other one-on-one activities.

SCH/Undergrad FTE in Writing Courses: Student credit hours per undergraduate FTE in courses designated as principally or specifically writing based.

Hours Scheduled in Computer Labs: Measures the number of student hours scheduled in university or departmental computer labs per FTE undergraduate.

6. Strategies for the 2003-2005 biennium.

While a number of modest initiatives may arise during the biennium, Western will focus on significant large-scale changes that are partly stimulated by assessment and accountability findings that are core to the way the university does business, and that will significantly impact our performance on accountability measures. The largest of these change efforts targets the General Education program and first-year experience. The second focuses on advising of lower division students who have not yet declared a major.

The Academic Coordinating Committee will make final considerations on the proposed model in AY 2003-04. If the Task Force recommendations are accepted, the revised general education program will reduce the number of required credits from 87 (on average) to 60. Furthermore, a detailed synopsis of expected student learning outcomes will be part of the new curriculum and subsequent efforts to work with faculty in mapping and assessing student learning that results in general education courses will ensue. During summer 2003 a pilot effort called the Teaching and Learning Fellows Project paired faculty with students to redesign syllabi to better articulate the learning outcomes in general education offerings, develop strategies for student learning assessment, and consider ways to infuse outcomes assessment in all or most general education courses.

While still pending, if the revised general education program is adopted it is anticipated that it will enhance the graduation efficiency index, the undergraduate retention rate (most specifically freshmen to sophomore rate), and the five-year graduation rate.

In addition to making revisions in the general education offerings, a number of other campus-wide initiatives are directed toward enhancing the educational quality at WWU. To name a few of these institutional level change initiatives, the Teaching and Learning Academy consisting of a broad spectrum of faculty, students, administrators, and student support professionals continues to dialogue and work on educating the campus-community about the learning experiences of students at Western. Some of the initiatives they will foster during the 2003-04 academic year include professional development in cooperative learning strategies, effective learning in large lecture courses, and facilitating workplace climate for organizational change. Continuing to build on the partnership between Academic and Student Affairs, several new initiatives to enhance the first-year experience at WWU are underway. These include revisions in the orientation program for freshmen and transfer students, expanded offerings in honors, and recognition of excellence in meeting institutional goals.

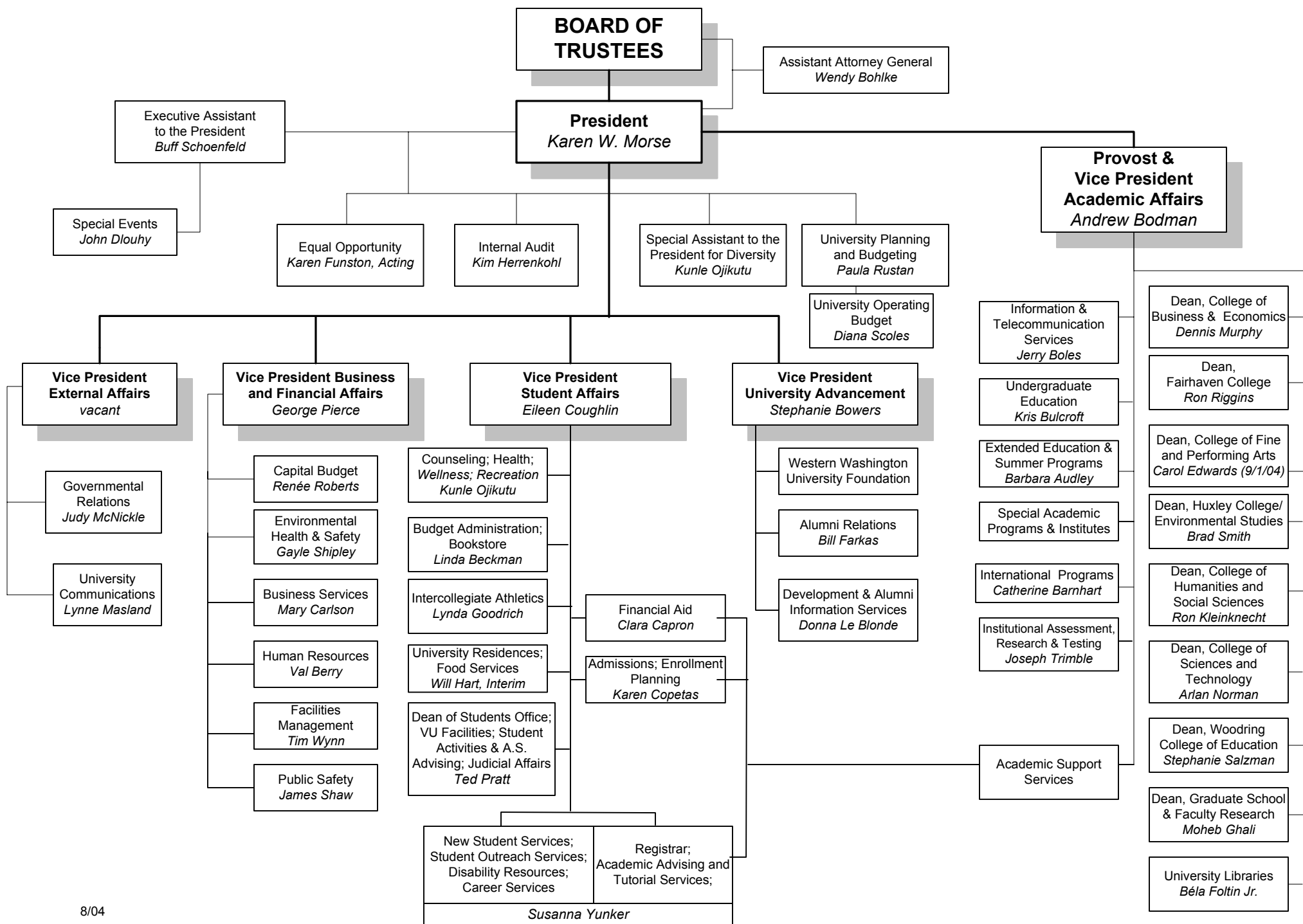
Advising constitutes a second area that assessment research has demonstrated to be weaker than desired and to have significant impact on retention and graduation. Western is now completing a cycle of significantly upgrading advising by major departments. Since students are required to declare the major by no later than mid-junior year, these changes have enhanced the advising received by upperclassmen and many sophomores. Freshmen and sophomores who have not yet declared a major are not, however, affected by these changes. Western is now moving into a planning phase to overhaul lower division advising. The changes proposed will be articulated with the effort to reform the General Education program, to create an integrated and more effective first-year experience.

Western has a new Assistant Vice President of Academic Support Services, whose charge includes developing a strategic plan for lower division advising. That planning process has begun

this fall and will continue throughout the year and perhaps into next year. That process will focus heavily on freshman retention and academic engagement, as well as the efficiencies involved in providing good advising into a wise major choice, made early enough to allow graduation with few credits beyond the minimum required. Given our assessment research demonstrating the centrality of advising for student engagement, academic performance, retention, time to degree and graduation, we expect this process to enhance Western's performance on nearly all accountability measures.

In addition to these two major reform efforts, Western expects to undertake smaller initiatives arising from ongoing efforts to facilitate efficient transfer to Western and to retain and graduate students of minority background. However, for the upcoming biennium, Western will focus on these two large-scale reform efforts, especially General Education program revisions. These efforts will engage significant attention and scarce resources, meaning that fewer other initiatives will be undertaken. However, these two efforts are very likely to have lasting impact on both the quality of students' experiences at Western and the accountability measures that result from that quality.

WESTERN WASHINGTON UNIVERSITY ADMINISTRATION



WESTERN WASHINGTON UNIVERSITY

2005-2007 Biennial Budget Request General Fund-State Only (in thousands \$000)

*supports academic, administrative and departmental operations**

Current Biennium (NSIS not included*)	2003-04	2004-05	2003-2005
2003-2005 Western Washington University	\$ 52,665	\$ 54,971	\$ 107,636
2003-2005 Budgeted FTE Student Enrollment**	11,242	11,350	
2005-2007 Biennial Budget Request (NSIS not included*)	2005-06	2006-07	2005-2007
Carry-Forward 2004-05 Service Levels for 2005-06 & 2006-07*	\$ 55,951	\$ 56,120	\$ 112,071
2005-2007 Maintenance Level Adjustments (<i>\$1.4 million per year for building maintenance returned to operating budget</i>)	\$ 1,571	\$ 2,355	\$ 3,926
Decision Packages			
1) Secure Competitive Compensation for Faculty and Exempt Staff			
2) Bargaining Unit A – WFSE/Clerical			
3) Bargaining Unit B – WFSE/Trades			
4) Bargaining Unit C – WPEA/Professional			
5) Bargaining Unit D – PSE/Supervisory Units A & C			
6) Bargaining Unit E – WFSE/Supervisory Unit B			
7) Continue Managing Enrollment Growth (+ 120 FTE student enrollments annually)	\$ 909	\$ 1,855	\$ 2,764
8) Add Faculty Positions to Keep Pace with Enrollment Growth	\$ 934	\$ 1,880	\$ 2,814
9) Address Western's Core Funding Issues	\$ 1,800	\$ 1,840	\$ 3,640
10) Implement Streamlining of Western's General Education Requirements	\$ 200	\$ 200	\$ 400
11) Continue Developing Local and Regional Economic Partnerships	\$ 150	\$ 150	\$ 300
12) Expand Fundraising Partnerships with the State	\$ -	\$ 588	\$ 588
Total Decision Packages	\$ 3,993	\$ 6,513	\$ 10,506
TOTAL REQUEST 2005-2007 GENERAL FUND-STATE* (compensation increases for faculty and staff not included)	\$ 61,515	\$ 64,988	\$ 126,503
GF-S Increase over Carry-Forward Level	\$ 5,564	\$ 8,868	\$ 14,432
Percent Increase over Carry-Forward Level	9.9%	15.8%	12.9%
GF-S Increase over 2003-2005 Appropriation Level	\$ 8,850	\$ 10,017	\$ 18,867
Percent Increase over 2003-2005 Appropriation Level	16.8%	18.2%	17.5%
2005-2007 Proposed Budgeted FTE Student Enrollment** (includes decision package request for an additional 120 FTE students per year)	11,470	11,590	

*GF-S for NSIS is not reflected in this table. A separate biennial budget request has been developed and submitted for NSIS.

**Budgeted student enrollments are shown in accordance with the 2004 supplemental budget. Accordingly, an increase of 39 FTE student enrollments for 2004-05 high demand programs is not included in the 2003-2005 budgeted FTE enrollments or in the 2005-2007 proposed FTE enrollments.

DECISION PACKAGE TITLE: Secure Competitive Compensation for Faculty and Exempt Staff.

Agency Recommendation Summary Text

Improving the quality of University programs by recruiting and retaining highly qualified personnel remains Western's number one priority. Our commitment to the highest quality learning environment goes hand-in-glove with student access to top-class faculty. This must be accomplished with competitive salary levels, recruitment and retention salary adjustments, and maintenance of current employee participation rates for benefits.

Quality faculty results in quality educational experiences for students. Academic programs remain innovative and responsive to the most recent knowledge and technologies within academic disciplines. Employing and retaining highly qualified faculty and staff will ensure that University programs and services continue to be provided in an effective and efficient manner critical to delivering high quality undergraduate education.

Fiscal Detail

As has been the general practice of the state baccalaureate institutions, Western's 2005-2007 biennial budget request does not include a dollar request amount for compensation increases for faculty and exempt staff. Western will provide detailed calculations on the cost of implementing compensation adjustments for faculty and exempt staff as required during the biennial budget process and 2005 legislative session. The narrative discussion below provides justification and details the importance of competitive compensation to maintaining the quality of our academic programs.

	2005-06	2006-07	2005-07
RESOURCES			
Fund 001, General Fund - State	\$0	\$0	\$0
Total Resources	\$0	\$0	\$0
USES (EXPENDITURES)			
Faculty	\$0	\$0	\$0
Exempt	\$0	\$0	\$0
Classified	\$0	\$0	\$0
Hourly	\$0	\$0	\$0
Salaries and Wages	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0

The cost of implementing a 1% per year compensation adjustment in 2005-2007 for Western faculty and exempt staff is estimated to be \$1.7 million including associated benefits. It is therefore estimated that \$8.6 million GF-S will be required to implement a 5.0% per annum salary increase in the 2005-2007 biennium and that additional funds will be required for recruitment and retention increases (at a minimum, an additional \$1.7 million).

Package Description

Western's ability to retain our current highly qualified faculty and staff and to recruit new faculty and exempt professionals of a similar caliber depends in significant measure on the competitiveness of salaries at the university.

With the exception of recruitment and retention funds provided in 2003-2005 to higher education, it has been three years since the state has been able to fund a general salary increase for any class of state employees at Western: faculty, exempt or classified. After an increase of 3.7% in 2001-02, state-funded salary increases were eliminated by the 2002 legislature for 2002-03, and no general salary increases were provided by the state in 2003-2005. During this time, Western relied upon the use of local revenue to provide a 1% salary increase for faculty and exempt staff in 2002-03, and to authorize a 2% increase for faculty and exempt staff for 2004-05.

Faculty and Exempt Staff: As indicated above, Western's Board of Trustees approved two locally funded salary increases for faculty and exempt staff. During this three-year period, the state's inability to provide state funds for salary increases has curtailed Western's progress towards meeting its primary goal of attaining competitive peer status for faculty salaries. Western's faculty salary strategy since 1999-00 has been to reach the 75th percentile of its peer institutions, as defined by the Higher Education Coordinating Board (HECB). As shown in Table 1 below, while Western rose from the 48th percentile in salary rank in 1999-00 to the 54th in 2001-02, the lack of state salary increases set Western back to the 42nd percentile in 2003-04. Despite slipping to the 42nd percentile,

Western's average faculty salary in FY 2004 remains ahead of EWU, CWU and TESC (see Tables 1 & 2 below).

TABLE 1

**Western's Average Faculty Salaries
Percentile Rank among Peers
1999-00 to 2003-04**

	WWU Average Salary, All ranks	WWU Rank*	EWU Rank	CWU Rank	Evergreen Rank
1999-00	\$51,746	48 th	43 rd	24 th	17 th
2000-01	\$54,606	52 nd	43 rd	27 th	24 th
2001-02	\$57,017	54 th	46 th	28 th	32 nd
2002-03	\$57,448	50 th	35 th	23 rd	29 th
2003-04	\$57,224	42nd	31 st	29 th	32 nd

FY 2004 Peer 75th Percentile: **\$65,715**

Data Source: HECB Fact Book. Note: the salary and ranking information for 1999-00 is corrected per advice from K. Raudenbush of the HECB on 8-2-2004.

*Note: Each year HECB staff produces a report comparing average faculty salaries at Washington's public institutions of higher education with national data for comparable institutions. For the Washington comprehensive institutions, the comparison group is made up of all public comprehensive institutions in the nation. One of the problems with the data comparisons from year to year is that the institutions included in this comparison group change each year. The number of institutions within the comparison group has ranged from 232 to 270 institutions since FY98. The fluctuation in the data set alters the annual data comparison. In a recent review of the HECB data reports by Western, 187 common institutions only have been included in each of the five annual reports from FY98 to FY02. A second problem with these data is that the average salary comparisons are not adjusted on a campus by campus basis by number of faculty in each rank.

TABLE 2

Average Faculty Salaries FY 2004

		FY 2004
Western Washington University	42 nd Percentile	\$57,224
The Evergreen State College	32 nd Percentile	\$54,995
Eastern Washington University	31 st Percentile	\$54,745
Central Washington University	29 th Percentile	\$54,607

(data source: HECB Fact Book)

Original Six-Year Faculty Salary Plan: Initiated in 1999-00 by the President and affirmed by the Board, WWU's six-year salary plan called for a 5% increase per year in

order to reach the 75th percentile of faculty peer salary levels by 2004-05. For the first three years of the plan, WWU, in partnership with the state, fulfilled its commitment to faculty by steadily progressing towards meeting this goal. As shown in Tables 3 and 4 below, Western's unwavering commitment to improving the competitiveness of salaries has seen an improvement in the relative position of the university as compared to the other Washington public comprehensives. In Table 3, while Western is behind the peer average 75th percentile by 14.8% in 2003-04, the other comprehensives are behind by 20.0%, on average. A similar situation exists with regard to peer average salaries, as demonstrated in Table 4. Unfortunately, WWU's original six-year salary plan was curtailed in 2002-03 by the state's revenue crisis and subsequent inability to provide state-funded general salary increases from 2002-03 to 2004-05.

TABLE 3

**Western's Average Faculty Salaries
Progress to Peer 75th Percentile
Compared to Other Washington Comprehensive Universities**

FY 2004 Peer 75th Percentile: \$65,715

	<u>FY 2004 Gap to 75th Percentile</u>	
	<u>Dollars</u>	<u>Percent</u>
Central Washington University	\$11,107	20.3%
Eastern Washington University	\$10,970	20.0%
The Evergreen State College	\$10,720	19.5%
Western Washington University	\$ 8,490	14.8%

TABLE 4

**Western's Average Faculty Salaries
Progress to Peer Average
Compared to Other Washington Comprehensive Universities**

FY 2004 Peer Average: \$62,158

	<u>FY 2004 Gap to Peer Average</u>	
	<u>Dollars</u>	<u>Percent</u>
Central Washington University	\$7,550	13.8%
Eastern Washington University	\$7,413	13.5%
The Evergreen State College	\$7,163	13.0%
Western Washington University	\$4,933	8.6%

2005-2007 and Future Biennia: Significant financial commitments from the state are needed in the next two biennia (2005-2007 and 2007-2009) to improve faculty salaries at Western and to improve our position within the peer group. Two possible scenarios for general salary increases are charted below. Chart A shows Western reaching its expressed goal of the 75th percentile of its peer institutions in two biennia with a general average salary increase of 6.25% each year for four years; and Chart B shows Western reaching the 75th percentile in three biennia with a general average salary increase of 5.0% each year for six years. In addition to a state-supported general salary increase, faculty and exempt staff recruitment and retention funds remain critical components for Western's competitiveness.

While we recognize that the state will be unlikely to fully fund Western's strategic salary goals in the upcoming biennium, it is important to Western's President that we continue to propose levels of compensation that reflect a steady and lasting commitment to improving faculty salaries. It is equally important that Western continue to spotlight its strategic goals for the budgeting bodies in Olympia (HECB, OFM, and the legislature) to underscore how a lack of general salary increases funded by the state compromises our efforts to improve faculty salaries and retain our best faculty.

Recruitment and Retention: As national market conditions improve, Western risks losing faculty and having difficulty attracting desired candidates. Between 1999-2000 and 2001-2002, there was an average loss of ten key faculty per year to more attractive offers from other universities, many to doctoral granting institutions for higher salaries. Recruitment and retention salary funding is used to protect our highest performing faculty and staff by offering retention incentives. Additionally, these funds make it possible for

Western to continue to recruit high caliber faculty by matching competing market-based salary offers. An important component of the faculty retention and recruitment is the provision of equipment for new faculty. New faculty expects, and can command from other potential employers, new equipment as part of their recruitment. Many institutions of higher education with whom we compete for the best faculty, include equipment in their employment offers to faculty who need modern technology to continue their scholarly activities. In the 2003-2005 biennium, the legislature provided recruitment and retention funds equivalent to an average increase of .5% per year for faculty, an amount that Western carefully targeted to its most productive employees. As part of the 2005-2007 biennial budget request, Western is requesting a minimum of 1% per year in recruitment and retention funds as part of an overall compensation package for faculty and exempt staff.

CHART A

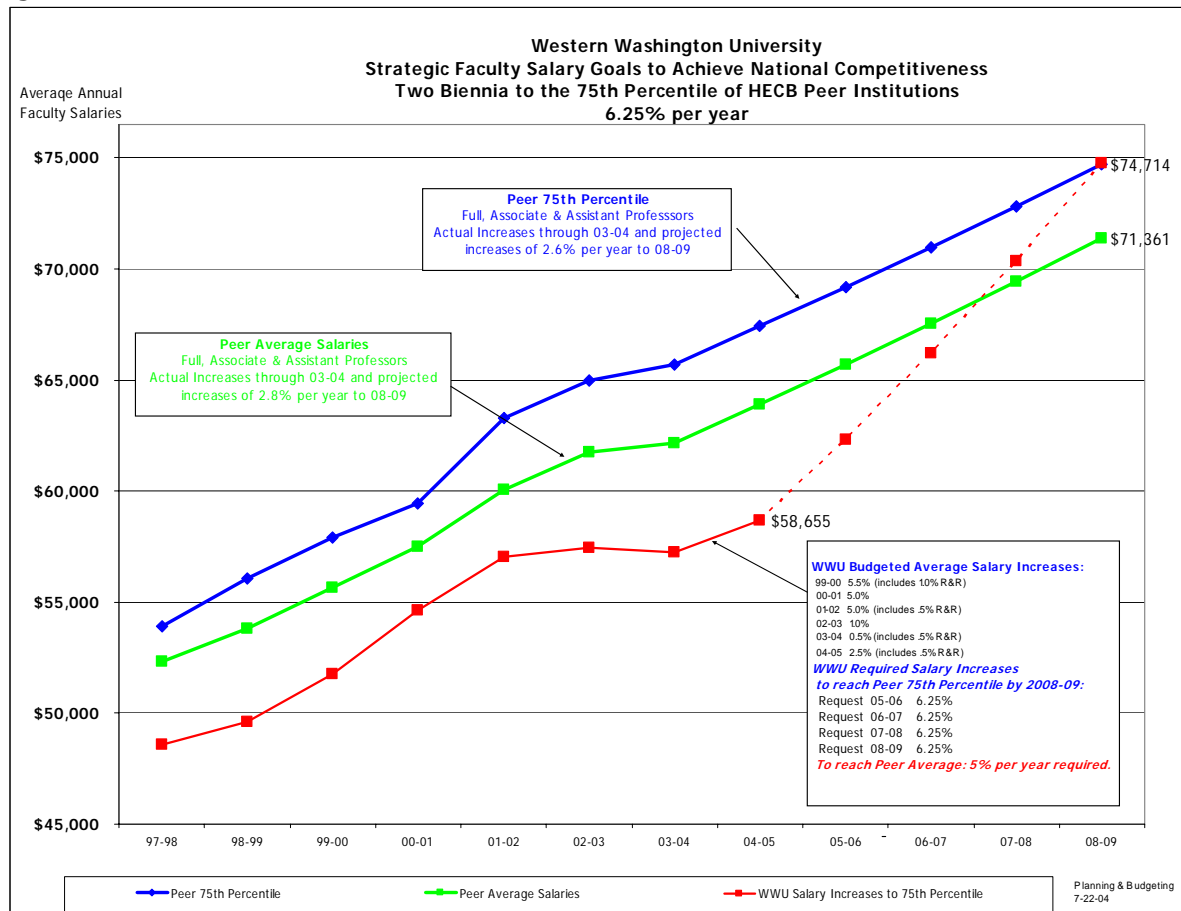
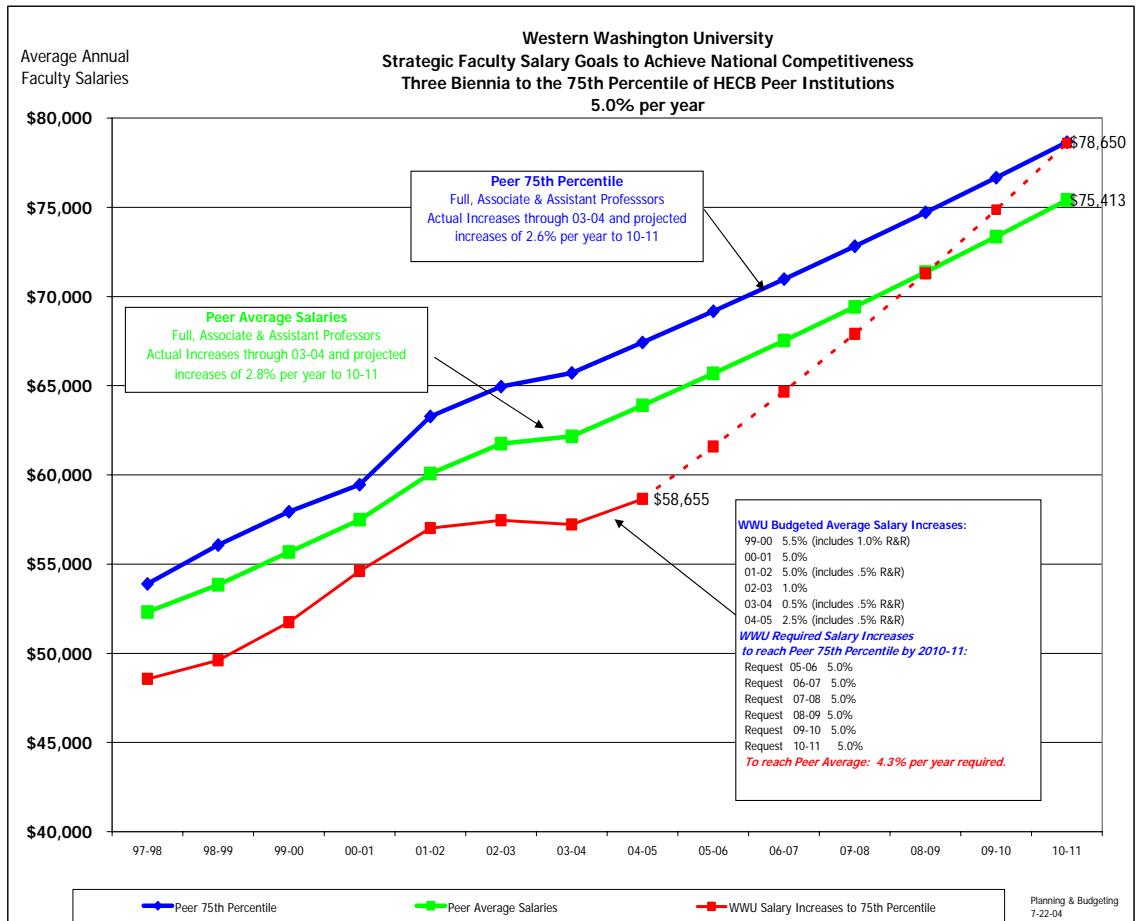


CHART B



How the Decision Package Contributes to the University's Strategic Plan.

The University's Strategic Plan requires continuous improvement in quality. Competitive compensation levels are essential to attract and retain personnel who will guarantee Western's current level of quality. To address this element, Western has established a strategic objective of improving faculty salaries to the 75th percentile of its peer institutions.

Measurement of Objectives and Performance Measures.

Measurement of this objective will continue to be the peer salary percentile as reported by the HECB.

The Reason for the Change.

It is critical to the quality of Western's programs to continue to invest in retaining and recruiting the best-qualified personnel. Requested salary increases are required to keep pace with faculty salary levels at peer institutions.

It is increasingly difficult to recruit and retain quality faculty and exempt personnel with salary increases that do not keep pace with peer institutions. Western also recognizes that new faculty members possess expertise and recent advances in knowledge that require the University's investment in leading-edge equipment, computing hardware and software, and laboratories that are appropriately equipped to accommodate undergraduate instruction and scholarly activity consistent with faculty interests and University expectations.

To maintain Western's recognized excellence, the University has to meet demands in competitive recruitment. Thus, the University requests continuation of the recruitment and retention strategy supported with state appropriations in 1999-2001 and 2003-2005.

The Impact on Students and Services.

Quality faculty is essential to the University's core mission to maintain Western's niche as one of the highest quality public comprehensive universities in the country, a niche engendered by creating a learning environment that permits close faculty-student interaction and student access to top-class faculty. To provide a quality competitive educational experience for students, academic programs must continue to be innovative and responsive to the most recent knowledge and technologies within academic disciplines. Employing and retaining highly qualified faculty and staff will assure that services to the University community continue to be provided in an effective and efficient manner critical to delivering the high quality undergraduate education that has taken Western years to build.

The Impact on Other State Programs or Other Units of Government.

None.

The relationship, if any, to the state's capital budget.

None.

Revisions required in an existing statute, Washington Administrative Code (WAC), contract, or state plan in order to implement the change.

None.

Alternatives Explored by the University.

While Western continues to recognize the enormity of the budget difficulties facing the state of Washington, being unresponsive to the marketplace for competitive salary levels results in failure to recruit the best candidates for available positions and increased attrition of our best faculty and employees to other institutions or employment opportunities. In the decade of the 1990s, Western experienced the negative and long-lasting impact on recruitment, retention and employee morale of receiving no salary adjustments in three years of a four-year period. This resulted in Western losing talented employees and, in a number of cases, not having the resources to hire first choice candidates. Notably, again due to state revenue constraints, with the exception of recruitment and retention funds provided to higher education in 2003-2005, it has been

three years since the state has been able to fund a general salary increase for faculty and exempt employees.

Budget Impacts in Future Biennia.

Compensation increases are permanently added to the base budget of the University. Salary increases implemented in the second year of the biennium must be funded for both years of the ensuing biennium. The funding of appropriate equipment is an ongoing budget requirement, adjusted in subsequent biennia for inflation.

A distinction Between One-Time and Ongoing Functions and Costs.

All components of this decision package item are ongoing costs.

Effects of Non-Funding.

There will be continuing decreases in the University's ability to recruit and retain highly qualified and talented faculty and staff. This will have a potentially dramatic impact on the quality of the University's programs. It is also critical to note that Western's faculty, responsible to their careers and families, will be demoralized should reasonable salary increases fail to be reinstated for both years of the new biennium.

The continuation of minimal or no salary adjustments for could result in repeating an unfortunate pattern set in the 1990's when similar moratoriums on salary increases resulted in the loss of many talented Western employees. In addition, continuing budget constraints in the area of faculty compensation will create enormous difficulties for Western in the future recruitment of talented replacement faculty or new faculty. Western will find it extremely difficult to attract top-talent to an institution that is not in a position to provide -- even at a minimum -- increases to keep pace with cost-of-living inflation.

Expenditure Calculations and Assumptions.

Detailed calculations will be provided upon request and as required.

DECISION PACKAGE TITLE: Bargaining Unit A – WFSE/Clerical.

Competitive Compensation for Classified Staff

Agency Recommendation Summary Text

Bargaining Unit A – Washington Federation of State Employees/Clerical – includes all non-supervisory office and clerical classes.

Fiscal Detail:

	2005-06	2006-07	2005-07
RESOURCES			
Fund 001, General Fund - State	\$0	\$0	\$0
Total Resources	\$0	\$0	\$0
USES (EXPENDITURES)			
Faculty	\$0	\$0	\$0
Exempt	\$0	\$0	\$0
Classified	\$0	\$0	\$0
Hourly	\$0	\$0	\$0
Salaries and Wages	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0

Package Description

Contrary to the general practice of the state baccalaureate institutions in the past, classified staff compensation increases for 2005-2007 will be included as part of Western's biennial budget request. These request amounts will be submitted as an update to Western's September 1, 2004, budget submittal to OFM, after bargaining processes have ended and upon OFM director certification of Western's bargained agreements.

Due to state revenue constraints, in only one year (2001-02) of the previous four years or two biennia (2001-2003 and 2003-2005) did classified staff at Western receive a general increase from the state (a 3.7% general increase was funded by the state in 2001-02). Consequently, as we approach the 2005-2007 biennium, classified staff will have been without a general salary increase for three full years.

Under the provisions of the current state classified personnel plan, however, Western did provide state-mandated (though not state-funded) 5% step increases to approximately 27% of its classified employees in each one of these three years. Under current agreements, once a classified employee's salary reaches the maximum of the assigned

range of his or her position, he or she is no longer eligible for the 5% annual step increases (approximately 73% of Western's classified employees are currently at the maximum step). For 2005-2007, these longevity step increases will be subject to bargaining.

Western recognizes that significant cost increases are required to maintain existing employee benefits, especially health insurance programs. The University encourages the state to preserve the same level or reduce these costs to the employees. Salary increases that are reduced by higher benefit costs demoralize employees and further reduce our competitive ability to recruit and retain the top-notch personnel necessary for quality programs and services.

DECISION PACKAGE TITLE: Bargaining Unit B – WFSE/Trades.

Competitive Compensation for Classified Staff

Agency Recommendation Summary Text

Bargaining Unit B – Washington Federation of State Employees/Trades – includes all non-supervisory operations classes; skilled crafts, semi-skilled operatives, unskilled laborers, service workers and apprentices.

Fiscal Detail

	2005-06	2006-07	2005-07
RESOURCES			
Fund 001, General Fund - State	\$0	\$0	\$0
Total Resources	\$0	\$0	\$0
USES (EXPENDITURES)			
Faculty	\$0	\$0	\$0
Exempt	\$0	\$0	\$0
Classified	\$0	\$0	\$0
Hourly	\$0	\$0	\$0
Salaries and Wages	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0

Package Description

Contrary to the general practice of the state baccalaureate institutions in the past, classified staff compensation increases for 2005-2007 will be included as part of Western's biennial budget request. These request amounts will be submitted as an update to Western's September 1, 2004, budget submittal to OFM, after bargaining processes have ended and upon OFM director certification of Western's bargained agreements.

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Under the provisions of the current state classified personnel plan, however, Western did provide state-mandated (though not state-funded) 5% step increases to approximately 27% of its classified employees in each one of these three years. Under current

agreements, once a classified employee's salary reaches the maximum of the assigned range of his or her position, he or she is no longer eligible for the 5% annual step increases (approximately 73% of Western's classified employees are currently at the maximum step). For 2005-2007, these longevity step increases will be subject to bargaining.

Western recognizes that significant cost increases are required to maintain existing employee benefits, especially health insurance programs. The University encourages the state to preserve the same level or reduce these costs to the employees. Salary increases that are reduced by higher benefit costs demoralize employees and further reduce our competitive ability to recruit and retain the top-notch personnel necessary for quality programs and services.

DECISION PACKAGE TITLE: Bargaining Unit C – WPEA/Professional.

Competitive Compensation for Classified Staff

Agency Recommendation Summary Text

Bargaining Unit C – Washington Public Employees Association/Professional – includes all non-supervisory technical classes.

Fiscal Detail

	2005-06	2006-07	2005-07
RESOURCES			
Fund 001, General Fund - State	\$0	\$0	\$0
Total Resources	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
USES (EXPENDITURES)			
Faculty	\$0	\$0	\$0
Exempt	\$0	\$0	\$0
Classified	\$0	\$0	\$0
Hourly	\$0	\$0	\$0
Salaries and Wages	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Employee Benefits	\$0	\$0	\$0
Total Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Package Description

Contrary to the general practice of the state baccalaureate institutions in the past, classified staff compensation increases for 2005-2007 will be included as part of Western's biennial budget request. These request amounts will be submitted as an update to Western's September 1, 2004, budget submittal to OFM, after bargaining processes have ended and upon OFM director certification of Western's bargained agreements.

Due to state revenue constraints, in only one year (2001-02) of the previous four years or two biennia (2001-2003 and 2003-2005) did classified staff at Western receive a general increase from the state (a 3.7% general increase was funded by the state in 2001-02). Consequently, as we approach the 2005-2007 biennium, classified staff will have been without a general salary increase for three full years.

Under the provisions of the current state classified personnel plan, however, Western did provide state-mandated (though not state-funded) 5% step increases to approximately 27% of its classified employees in each one of these three years. Under current agreements, once a classified employee's salary reaches the maximum of the assigned

range of his or her position, he or she is no longer eligible for the 5% annual step increases (approximately 73% of Western's classified employees are currently at the maximum step). For 2005-2007, these longevity step increases will be subject to bargaining.

Western recognizes that significant cost increases are required to maintain existing employee benefits, especially health insurance programs. The University encourages the state to preserve the same level or reduce these costs to the employees. Salary increases that are reduced by higher benefit costs demoralize employees and further reduce our competitive ability to recruit and retain the top-notch personnel necessary for quality programs and services.

DECISION PACKAGE TITLE: Bargaining Unit D – PSE/Supervisory Units A & C.

Competitive Compensation for Classified Staff

Agency Recommendation Summary Text

Bargaining Unit D – Public School Employees/Supervisory Units A & C – includes all supervisory/manager classes.

Fiscal Detail

	2005-06	2006-07	2005-07
RESOURCES			
Fund 001, General Fund - State	\$0	\$0	\$0
Total Resources	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
USES (EXPENDITURES)			
Faculty	\$0	\$0	\$0
Exempt	\$0	\$0	\$0
Classified	\$0	\$0	\$0
Hourly	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Salaries and Wages	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0
Total Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Package Description

Contrary to the general practice of the state baccalaureate institutions in the past, classified staff compensation increases for 2005-2007 will be included as part of Western's biennial budget request. These request amounts will be submitted as an update to Western's September 1, 2004, budget submittal to OFM, after bargaining processes have ended and upon OFM director certification of Western's bargained agreements.

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increases (approximately 73% of Western's classified employees are currently at the maximum step). For 2005-2007, these longevity step increases will be subject to bargaining.

Western recognizes that significant cost increases are required to maintain existing employee benefits, especially health insurance programs. The University encourages the state to preserve the same level or reduce these costs to the employees. Salary increases that are reduced by higher benefit costs demoralize employees and further reduce our competitive ability to recruit and retain the top-notch personnel necessary for quality programs and services.

DECISION PACKAGE TITLE: Bargaining Unit E – WFSE/Supervisory Unit B.

Competitive Compensation for Classified Staff

Agency Recommendation Summary Text

Bargaining Unit E – Washington Federation of State Employees/Supervisory Unit B – includes all supervisory maintenance classes; custodial services, grounds, security, carpentry, electrical, engineer, painter; and plumbers, pipe fitters, and/or steamfitters.

Fiscal Detail

	2005-06	2006-07	2005-07
RESOURCES			
Fund 001, General Fund - State	\$0	\$0	\$0
Total Resources	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
USES (EXPENDITURES)			
Faculty	\$0	\$0	\$0
Exempt	\$0	\$0	\$0
Classified	\$0	\$0	\$0
Hourly	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Salaries and Wages	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0
Total Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Package Description

Contrary to the general practice of the state baccalaureate institutions in the past, classified staff compensation increases for 2005-2007 will be included as part of Western's biennial budget request. These request amounts will be submitted as an update to Western's September 1, 2004, budget submittal to OFM, after bargaining processes have ended and upon OFM director certification of Western's bargained agreements.

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range of his or her position, he or she is no longer eligible for the 5% annual step increases (approximately 73% of Western's classified employees are currently at the maximum step). For 2005-2007, these longevity step increases will be subject to bargaining.

Western recognizes that significant cost increases are required to maintain existing employee benefits, especially health insurance programs. The University encourages the state to preserve the same level or reduce these costs to the employees. Salary increases that are reduced by higher benefit costs demoralize employees and further reduce our competitive ability to recruit and retain the top-notch personnel necessary for quality programs and services.

DECISION PACKAGE TITLE: Continue Managing Enrollment Growth.

\$2.8 million in General Fund-State for the Biennium \$1.1 million in Tuition Operating Fees for the Biennium
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Agency Recommendation Summary Text:

Obtain state support for 120 FTE students annually and continue carefully managing WWU's enrollment to bring *actual* enrollment levels closer to *budgeted* enrollment targets. Work through the Higher Education Coordinating Board (HECB) to secure additional support for high demand FTE.

Fiscal Detail:

	2005-06	2006-07	2005-07
RESOURCES			
Fund 001, General Fund - State	\$909,168	\$1,854,720	\$2,763,888
Fund 149, Operating Fee Account	\$379,440	\$758,880	\$1,138,320
Total Resources	\$1,288,608	\$2,613,600	\$3,902,208
Additional General Enrollments FTE	120	240	360
USES (EXPENDITURES)			
Faculty	\$460,005	\$920,010	\$1,380,015
Exempt	\$159,000	\$318,000	\$477,000
Classified	\$74,000	\$148,000	\$222,000
Hourly	\$10,000	\$17,000	\$27,000
Salaries and Wages	\$703,005	\$1,403,010	\$2,106,015
Employee Benefits	\$196,841	\$392,843	\$589,684
Goods and Services	\$208,887	\$469,419	\$678,305
Equipment	\$179,875	\$348,329	\$528,204
Total Expenditures	\$1,288,608	\$2,613,600	\$3,902,208

STAFFING FTE (B6)

Faculty	7.00	14.00
Exempt	3.00	6.00
Classified	2.00	4.00
Hourly	0.00	0.00
Total FTE	12.00	24.00

Note: Operating fee revenue is based on 2004-05 tuition and fee rates.

Package Description:

As Western continues to experience a strong demand for enrollment, the University will continue to improve enrollment planning and management policies and procedures that reflect its commitment to diversity; an appropriate upper/lower division mix; on- and off-campus student demand for courses and majors; and academic program goals. The number of applicants for admission continues to exceed by far the number of students the University can accept due to space limitations and Western's low average per student

funding level among the baccalaureate institutions. The charts below (Charts A-C) provide basic information on enrollment growth at Western and demonstrate that actual enrollments have exceeded budgeted or state-funded enrollments for many years (see Chart C), from a low of 63 FTE or 0.6% in 1996-97 to a high of 365 FTE or 3.4% in 2000-01. An over-enrollment of approximately 321 FTE (2.8%) is estimated for 2004-05. As a direct result of enrollment management strategies practiced over the last four years, WWU has successfully managed its enrollment levels closer to budgeted enrollment targets.

CHART A

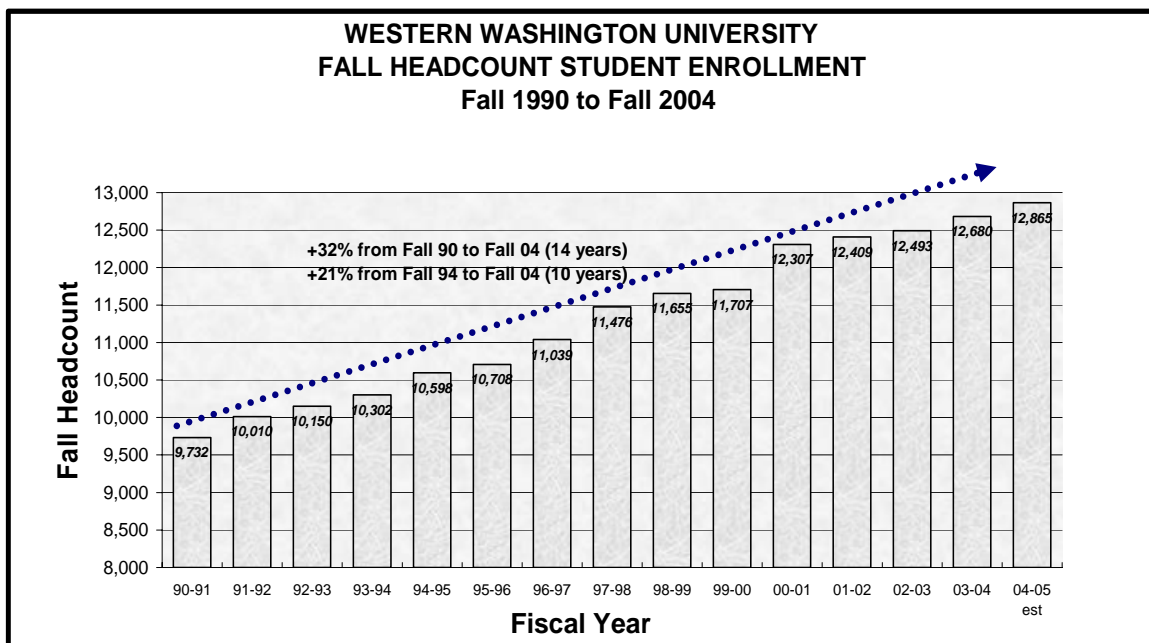


CHART B

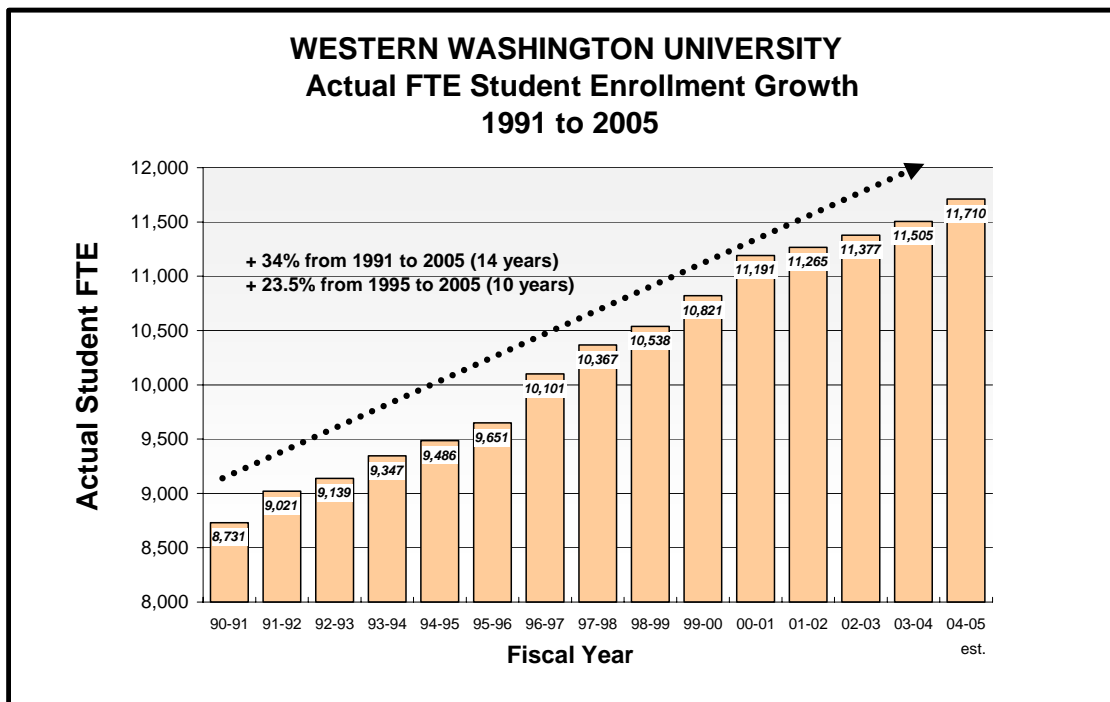
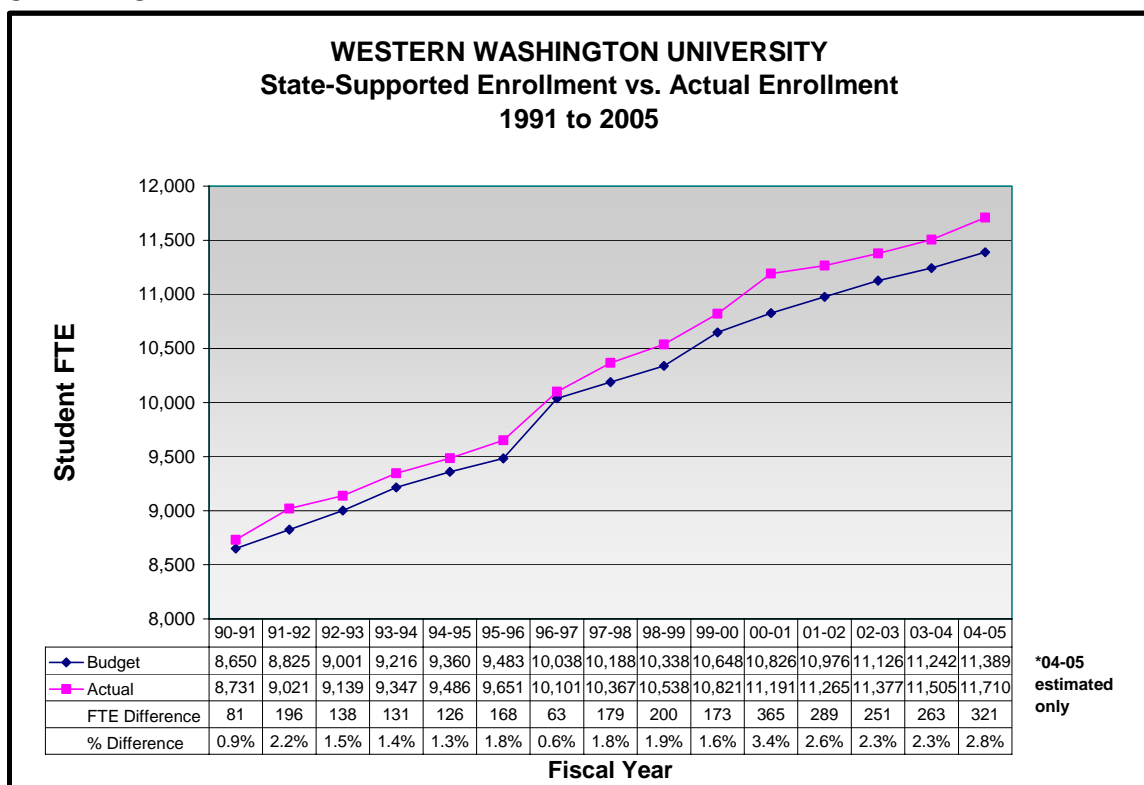


CHART C



While Western's Strategic Plan calls for budgeted FTE student enrollment growth on campus of 150 FTE per year to a maximum of 12,500 FTE average annual students, the proposed 2005-2007 biennial budget includes an annual growth rate request of only 120 FTE general enrollment students per year.

This slow-down was initiated by the University in its 2001-2003 biennium budget and continued in 2003-2005 as Western found it necessary to slow growth due to a variety of factors related to funding: 1) capital facility limitations; 2) the difficulty in continuing to support enrollments when the University's base budget is effectively reduced on an incremental basis year after year; and 3) the University's historical low average funding per FTE.

Western will continue to seek improvements in all of these areas through the state budgetary process. For 2005-2007, in accordance with the University's strategic plan, state funding is requested for general enrollment growth of 120 FTE students per year. In response to the state's workforce needs, Western will continue to focus on obtaining funding

through the Higher Education Coordinating Board for enrollment increases in select “high state need” fields (High Demand Enrollments).

To sum, this decision package is included to request state funding for 120 FTE students per year. If additional funding to support student enrollment growth is not provided, Western’s ability to maintain quality educational services for its students will be significantly impacted.

Narrative Justification and Impact Statement:

How contributes to strategic plan:

Enrollment management touches on each one of the University’s Strategic Plan goals and principles. The requested funds will reduce the number and complexity of barriers that students meet in completing their degrees; improve students’ first-year experience, enhance student advisement; and improve support to students-at-risk and support for those with financial need. The University will be made more efficient and effective in providing a quality higher education experience for state citizens.

The University will continue to improve enrollment planning and management policies and procedures that reflect its commitment to diversity; an appropriate upper/lower division mix; on- and off-campus student demand for courses and majors; and academic program goals. Enrollment management will include at least the following elements:

- *Admission goals and criteria for campus, off-campus and distance learning programs;*
- *An enrollment mix that reflects the state’s racial and ethnic composition; balances freshman and transfer students; and includes a student population that is 40 percent lower division, 50 percent upper division, and 10 percent graduate level;*
- *Assurance of access to courses, especially gateway courses for academic majors;*
- *Appropriate controls on entry to selected programs, departments and/or colleges;*
- *Enrollment goals for off-campus and graduate programs; and*
- *Graduation rates that reflect equitable and efficient use of University resources.*

Performance Measure Detail

Western provides detailed enrollment data to the Office of Financial Management OFM) that shows progress in the University’s enrollment objectives for each academic year. In addition, on an annual basis, Western submits data on accountability performance

measures to the Higher Education Coordinating Board (HECB). This specific decision package should, over time, improve at least four of Western's accountability measures: the graduation efficiency index, five-year graduation rate, student retention rate, and measurable success in academic advising.

Reason for change:

This is an ongoing issue for all state universities as enrollment levels continue to increase in response to the growing demands for access to higher education.

Impact on students and services:

Primary benefits to students include: improved retention and degree completion; improved support services to first-year students; improved academic advising and advising in students' major courses of study; improved support for students who are academically at-risk; increased access to higher education and completion of programs for students of color; increased diversification of the University community; and improved quality of the academic experience.

Impact on other state programs:

Individuals completing undergraduate and/or graduate degrees will experience significant improvement in their standard of living through higher wages. All components of state and local government and all facets of the economy are dramatically improved as citizens improve their personal financial circumstances. Reliance on state and federal assistance should decline when citizens have access to better workforce opportunities.

Relationship to capital budget:

There is a direct relationship between Western's growth rate and its capital budget. The University currently exceeds the classroom utilization standard set by the Higher Education Coordinating Board. Additional capital facilities are required for Western to meet its planned maximum enrollment level of 12,500 FTE students. The relationships among enrollment, programs and space are discussed in detail within Western's capital budget plan for 2005-2015.

Required changes to existing RCW, WAC, contract, or plan:

None.

Alternatives explored by university:

Western recognizes that the demand for a residential, high-quality undergraduate experience, for which the University has a national reputation, continues to grow within the state. By planning for on-campus enrollment growth, the University is focusing on its strengths in serving state citizens.

Budget Impacts in future biennia:

Carry-forward costs related to any budgeted enrollment increase in the second year of the upcoming biennium (2006-07), must be funded for both years or 24 months of the 2007-2009 biennium.

Distinction between one-time and ongoing costs:

Enrollment funding is an ongoing cost. All program and service level components of this request decision package item are intended as permanent increases to the University's base budget level.

Effects of non-funding.

Failure to increase enrollment funding will reduce Western's ability to effectively serve state citizens.

Expenditure Calculations and Assumptions.

In order to make progress toward Western's strategic objective of having an enrollment mix of 40 percent lower division, 50 percent upper division, and 10 percent graduate enrollments, the University requests that the FTE student average funding be profiled as 80 percent upper division students and 20 percent graduate students. Western is requesting funding within this decision package at the General Fund-State average funding level of \$7,576 per student for 2005-06 and \$7,728 for 2006-07, reflecting this weighted distribution between upper division and graduate students. These averages are based on amounts from the HECB Educational Cost Study for 2001-02 adjusted for inflation.

DECISION PACKAGE TITLE: Add Faculty Positions To Keep Pace With Enrollment Growth.

\$2.8 million in General Fund-State for the Biennium

Agency Recommendation Summary Text

Add faculty positions to keep pace with recent enrollment growth and maintain Western's commitment to a learning environment that provides student access to first-rate faculty and ensures close faculty-student interaction.

Fiscal Detail:

	2005-06	2006-07	2005-07
RESOURCES			
Fund 001, General Fund - State	\$934,000	\$1,879,627	\$2,813,627
Total Resources	<u>\$934,000</u>	<u>\$1,879,627</u>	<u>\$2,813,627</u>

USES (EXPENDITURES)			
Faculty	\$696,110	\$1,431,203	\$2,127,313
Exempt	\$0	\$0	\$0
Classified	\$0	\$0	\$0
Hourly	\$0	\$0	\$0
Salaries and Wages	\$696,110	\$1,431,203	\$2,127,313
Employee Benefits	\$187,950	\$386,425	\$574,374
Goods and Services	\$12,000	\$24,000	\$36,000
Equipment	\$38,000	\$38,000	\$76,000
Total Expenditures	<u>\$934,060</u>	<u>\$1,879,627</u>	<u>\$2,813,687</u>

STAFFING FTE (B6)		
Faculty	10.00	20.00
Exempt	0.00	0.00
Classified	0.00	0.00
Hourly	0.00	0.00
Total FTE	<u>10.00</u>	<u>20.00</u>

Package Description:

Central to Western's ability to maintain and enhance our niche as a high quality public comprehensive university is our commitment to a learning environment that ensures close faculty-student interaction and access to first rate faculty. This requires additional investment in faculty who are fully engaged in teaching, research/creative/scholarly activity, and service.

A commitment to hiring additional tenure-track faculty is essential if we are to reverse our slowly-rising dependence on part-time and adjunct faculty. The proportion of non-tenure track faculty to total faculty FTE was 22.7% in 2003. While this proportion is well below the national average, it represents an unwelcome trend for Western. For a variety of reasons, it is clearly important to retain some flexibility in distribution of faculty, especially in response to enrollment fluctuations and budgetary pressures. However, the role played by part-time and adjunct faculty is fundamentally different from that played by full-time faculty. Improving the quality of the student experience and the quality of the learning environment at Western clearly requires additional investment in full-time faculty lines, especially in areas with a record of strong student-faculty interaction and/or heavy responsibilities in general education.

How does the package contribute to Western's Strategic Plan

The University's Strategic Plan requires continuous improvement in quality and states that faculty is to be committed to excellence in teaching and learning, and actively engaged in scholarship, research and creative activity both to support teaching and for the advancement of knowledge. Additional investment in full-time faculty lines will improve the quality of the student experience and the quality of the learning environment at Western.

Measurement of Objectives and Performance Measures.

Measurement of this objective will be the University's student-faculty ratio, tenure-track to adjunct faculty ratio, and time and credit to degree performance data.

The Reason for the Change.

To meet the instructional needs of more students while maintaining quality, Western proposes to appoint additional faculty in programs that have experienced significant enrollment increases over the past few years, and to provide additional operational support and equipment for these programs.

Western seeks to increase, broaden, and guarantee access to courses and programs that facilitate students' timely progress toward a degree and make the most efficient use of campus resources, without threatening quality. To maintain the quality of the undergraduate experience at Western, the university must address its student/faculty ratio and allocate more full-time resources to disciplines heavily involved in the provision of general education. Western is committed to maintaining an outstanding learning environment by creating a learning environment that permits close faculty-student interaction and student access to top-class faculty.

The Impact on Students and Services.

Quality faculty is essential to the University's core mission to maintain Western's niche as one of the highest quality public comprehensive universities in the country. To provide a quality competitive educational experience for students, academic programs must continue to be innovative and responsive to the most recent knowledge and technologies within academic disciplines. Employing and retaining highly qualified faculty and staff will assure that services to the University community continue to be

provided in an effective and efficient manner critical to delivering the high quality undergraduate education that has taken Western years to build.

The Impact on Other State Programs or Other Units of Government.

None.

The relationship, if any, to the state's capital budget.

None.

Revisions required in an existing statute, Washington Administrative Code (WAC), contract, or state plan in order to implement the change.

None.

Alternatives Explored by the University.

Without funding to hire additional tenure-track faculty, Western will continue its slowly-rising dependence on part-time and adjunct faculty. The proportion of non-tenure track faculty to total faculty FTE was 22.7% in 2003. While this proportion is well below the national average, it represents an unwelcome trend for Western. For a variety of reasons, it is clearly important to retain some flexibility in distribution of faculty, especially in response to enrollment fluctuations and budgetary pressures. However, the role played by part-time and adjunct faculty is fundamentally different from that played by full-time faculty. Improving the quality of the student experience and the quality of the learning environment at Western clearly requires additional investment in full-time faculty lines, especially in areas with a record of strong student-faculty interaction and/or heavy responsibilities in general education.

Budget Impacts in Future Biennia.

The funding of an additional 10.00 FTE faculty lines in the second year of the biennium must be continued for a full 24 months in the ensuing biennium, resulting in carry-forward costs. Funding for an additional 20.00 FTE faculty lines for the biennium will be permanently added to the base budget of University.

A distinction Between One-Time and Ongoing Functions and Costs.

All components of this decision package item are ongoing costs.

Effects of Non-Funding.

There will continue to be a slowly-rising dependence on part-time and adjunct faculty.

DECISION PACKAGE TITLE: Address Western's Core Funding Issues.

\$3.6 million in General Fund-State for the Biennium

Agency Recommendation Summary Text:

Total per-student funding will continue to lag behind the national peer average unless the state makes progress in the 2005-2007 biennium towards strengthening Western's funding. Funds requested in this decision package will advance Western's per student funding toward the average funding of its HECB peers and toward the per FTE state funding support provided other Washington comprehensives.

Fiscal Detail:

	2005-06	2006-07	2005-07
RESOURCES			
Fund 001, General Fund - State	\$1,800,508	\$1,839,500	\$3,640,008
Total Resources	<u>\$1,800,508</u>	<u>\$1,839,500</u>	<u>\$3,640,008</u>

USES (EXPENDITURES)			
Faculty	\$85,000	\$85,000	\$170,000
Exempt	\$312,000	\$312,000	\$624,000
Classified	\$228,800	\$228,800	\$457,600
Hourly			\$0
Salaries and Wages	<u>\$625,800</u>	<u>\$625,800</u>	<u>\$1,251,600</u>
Employee Benefits	\$162,708	\$162,708	\$325,416
Goods and Services	\$1,012,000	\$1,050,992	\$2,062,992
Equipment			\$0
Total Expenditures	<u>\$1,800,508</u>	<u>\$1,839,500</u>	<u>\$3,640,008</u>

STAFFING FTE (B6)		
Faculty	1.00	1.00
Exempt	6.00	6.00
Classified	6.50	6.50
Hourly		
Total FTE	<u>13.50</u>	<u>13.50</u>

Package Description:

Western's Niche: Western remains committed to the state of Washington in providing a nationally recognized, high-quality learning environment that ensures close faculty-student interaction and student access to first rate instruction. Maintaining a special mix of academic excellence, active learning and teaching, personal attention to students, respect for diversity and community participation, and a residential experience amid beautiful surroundings makes Western one of the nation's top comprehensive universities

as reflected in national rankings. With the \$3.6 million in GF-S requested for the biennium for this decision package, core support will be provided for the programs listed and explained below.

<u>2005-2007</u> (in thousands \$000)	
\$1,778	a) <i>Improving basic instruction</i>
\$ 488	b) <i>Improving academic support services</i>
\$ 729	c) <i>Improving safety and security</i>
\$ 198	d) <i>Improving internal controls and accountability</i>
\$ 447	f) <i>Improving external communications</i>
\$3,640	Total General Fund-State for the 2005-2007 Biennium

- a) *Improving Basic Instruction:* Western seeks to increase, broaden, and guarantee access to courses and programs that facilitate students' timely progress toward degrees and make the most efficient use of campus resources, without threatening quality. Western has consistently achieved national recognition for its academic quality. To maintain that reputation, Western must improve operational support for departments and colleges; effectively address library inflation; meet the enhanced demand for computer support services on campus; provide adequate recruitment packages for new faculty; complete the reorganization of the Provost's office by adding a Vice Provost of Faculty Affairs; and strengthen graduate education through adding 20 more Graduate Fellowships per year.
- b) *Improving Academic Support Services:* Minimal base funding is required to improve critical student services and efficiency of delivery in the following areas: i) financial aid application processing; ii) admissions selectivity and recruitment; iii) degree audit and continuation of transfer articulation; and iv) counseling and career services.
 - i. Financial Aid Application Processing: Western's financial aid applications have more than doubled over the past 13 years from 7,800 to over 16,000; financial aid disbursements have more than quadrupled from \$18 million to \$75.4 million; student aid recipients have increased from 5,933 to 8,777; aid applicants for summer session have more than tripled from 300 to well over 1,000; and review of requests have gone from a 3-day turnaround to 4-6 weeks or longer. Permanent staffing increases have lagged behind these staggering increases in workload and timely distribution of financial aid remains critical to improving Western's yield.

- ii. Admissions Selectivity and Recruitment: To preserve our niche and better serve the state, Western must continue to target recruitment efforts to support talented students, transfer and high demand enrollments. It is important to emphasize that the majority of WWU's recruitment efforts are focused on resident or in-state students. Western's peer institutions invest significant scholarship dollars in recruitment. However, because WWU has fewer scholarships available, our recruitment outreach efforts are labor intensive, requiring significantly more staff hours because we depend on repeated personal contacts with potential students.
 - iii. Degree Audit and Continuation of Transfer Articulation: To improve transfer articulation for AA degree holders remains a priority at Western. An automated degree audit system strengthens coordination with academic departments, enabling automated prerequisite checking, assisting faculty in advising roles, providing information to students in a more timely and consistent manner, and helping departments to better plan for course demands.
 - iv. Counseling and Career Services: Increasing the availability of counseling services will assist with retention and student progress towards a degree. Western has a counseling wait list of at least 80 students during peak times of most quarters and wait time (for non-urgent requests) can be up to four weeks. The fall 2003 site visit from International Association of Counseling Services (IACS) reports that WWU has a minimal level of staffing. As enrollment growth continues, counseling staffing levels need to increase. Similarly, Career Services are critical for student success beyond first year support programs, and require more operating support. Career Services works in partnership with Academic Advising to assist students in identifying and planning for major and academic degree programs.
- c) *Improving safety and security:* This request seeks to strengthen campus safety and security through several measures: i) by adding a 1.00 FTE campus police officer to improve the officer to student ratio; ii) by adding staff in the campus locksmith office; iii) by adding a 1.00 FTE fire safety specialist; iv) by securing matching funds to help departments purchase safety-related equipment, including personal protective equipment and ergonomic equipment or aids; and v) by securing \$200,000 per year to establish a comprehensive shuttle program to increase safety and security and support the state's alternative transportation initiatives.

- d) *Improving internal controls and accountability:* Funds for 2.0 additional classified staff to provide additional focus on billing and collecting for University services rendered. Recent audits have identified areas needing improvement in the accounts receivable and collections areas. Additionally, workload in student accounting has increased with the increase in enrollment and changes in federal legislation. Two additional accountants would be added to Student Fiscal Services to address current deficiencies in reconciling and reporting and to allow increased focus on reporting and compliance of financial aid, and would also improve cash flow through improved collections of accounts.
- e) *Improving external communications:* Western is concerned about the public's perception of higher education and its activities. We are interested in sharing more information on Western's activities, including admissions, accountability, efficiencies, public service and responsibility to the community and state.

STATE FUNDING PER FTE ENROLLMENT

Western's average state funding per budgeted student FTE has, for many years, lagged behind the two state university campuses that are considered comparable to WWU in needs: Central Washington University and Eastern Washington University.

In the 2003-2005 biennium, for example, while the average state funding per student FTE at Central and Eastern combined is estimated to be \$5,154 on a biennial basis; the average for WWU is estimated to be considerably lower at \$4,859, a difference of \$295 per student FTE. This number becomes significant when applied to 11,350 student FTEs, WWU's 2004-05 budgeted enrollment level, carried forward for two years into the 2005-2007 biennium. 11,350 student FTE, multiplied by the estimated \$295 per student FTE funding difference over two years, results in a total core funding shortfall of approximately \$7.6 million for the 2005-2007 biennium. While it is recognized that any comparison in funding per student must take into consideration programmatic and locale differences, it is clear that this difference in state support is excessive and needs correction. Improving WWU's average per student FTE state funding for current and future enrollments would significantly bridge this gap and provide WWU with the core support it needs.

**General Fund-State Support per Budgeted FTE Enrollment
for the 2003-2005 Biennium**

Institution	2003-2005 GF-S Appropriation	2003-2005 Budgeted FTE Enrollment	\$GF-S Per Budgeted FTE Enrollment	Per FTE Funding Compared to WWU
WSU	\$376,312,000	39,987	\$9,411	\$4,552
UW	\$637,296,000	70,712	\$9,013	\$4,154
TESC	\$46,891,000	7,779	\$6,028	\$1,169
CWU	\$82,056,000	15,743	\$5,212	\$353
EWU	\$83,481,000	16,378	\$5,097	\$238
WWU	\$109,772,000 *	22,592	\$4,859	\$0
Totals	\$1,335,808,000	173,191	\$7,713	\$2,854
CTCs	\$1,035,647,000	255,601	\$4,052	(\$807)

CWU & EWU Average Funding Per FTE Compared to WWU

CWU & EWU Total	\$165,537,000	32,121	\$5,154	\$295
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*The amount of \$109,772,000 for Western includes the NSIS appropriation of \$1,960,800.
Source: LEAP 2003-05 Legislative Notes

Comparison of WWU Total Funding per FTE with Peer Average Total Funding per FTE:
In 1999-00 it was calculated by the HECB that WWU's total funding per FTE student was \$1,188 below the average of the national peer group identified by the HECB, including state general fund and tuition operating fee revenue. For the purposes of this discussion, it is assumed that WWU total funding per FTE student in FY 2002-03 at \$8,203 will continue to remain \$1,197 below an assumed peer average of \$9,400.

Total per-student funding will continue to lag behind the national peer average unless the state makes progress in the 2005-2007 biennium towards strengthening Western's funding. The \$3.6 million requested for this decision package will advance Western's per student funding toward the average funding of its HECB peers and toward the per FTE state funding support provided other Washington comprehensives.

Narrative Justification and Impact Statement:

How contributes to strategic plan:

The University's Strategic Plan states that Western exists to promote learning and scholarship of the highest possible quality, and all parts of the institution are justified by the extent to which they support that mission. Also, the Strategic Plan states that faculty is to be committed to excellence in teaching and learning, and actively engaged in scholarship, research and creative activity both to support teaching and for the advancement of knowledge. This decision package request supports the following Western Washington University Strategic Plan goals and principles:

Goal 1: Quality: Increased academic and instructional support will ensure the quality of the academic experience. The quality of the undergraduate environment will be improved by supporting improvements in student support services to assist in outreach, transfer student articulation and advising for undeclared students.

- Continue to improve quality
- Carefully monitor graduate outcomes
- Strengthen interdisciplinary and graduate programs
- Improve library holdings and access to library resources
- Maintain and improve technological infrastructure
- Ensure quality of co-curricular programs
- Improve enrollment planning, management and outreach
- Promote employee professional development
- Preserve and enhance the physical aspects of the campus

Goal 2: Diversity: Additional funding for student support services will assist Western in outreach and retention.

- Create and sustain a diverse environment
- Provide an educational experience that reflects diversity

Goal 3: Community Service:

- Respond to state program needs
- Contribute scholarship and research to the community
- Seek inter-institutional partnerships
- Involve alumni, friends, neighbors and parents

Performance Measure Detail

These proposals can be measured by time and credit to degree performance data, alumni survey response, and inter-institutional accountability measures related to progress to a degree and the University's student-faculty ratio.

Reason for change:

Western Washington University's principal goal is to maintain primacy in providing an excellent public undergraduate education to students of the region by continually improving the quality of educational programs and services. Western is, and seeks to remain, a university distinguished for providing exemplary leadership as a high quality undergraduate institution. The steps proposed in the decision package constitute improvement of basic support.

Western Washington University is dedicated to maintaining an outstanding learning environment by providing high quality support facilities, including well-equipped and well-maintained classrooms, laboratories and libraries; meeting the students' needs for a healthy and safe campus on which integrated student support services are provided; and providing effective and efficient administrative support and services. The University's operations reflect institutional integrity and engender a sense of public respect and confidence in its accountability and efficiency. Western will continue to allocate and

reallocate resources carefully to pursue strategic priorities; however, Western needs increased help from the state to sustain its core operational services.

Impact on students and services:

Western will emphasize policies and programs that enhance recruitment, retention, and development of promising students, faculty, administrators and staff. Through this decision package, the University will strive to sustain a campus atmosphere that is conducive to furthering academic program quality.

Impact on other state programs:

None.

Relationship to capital budget:

Western's capital plan for 2005-2015 supports the development of quality academic programs. Without adequate capital resources, educational quality will suffer.

Required changes to existing RCW, WAC, contract, or plan:

None.

Alternatives explored by university:

This decision package addresses Western's historic funding shortfall reflected in dollars-per-student comparisons among public baccalaureates. Because the University receives significantly fewer dollars per student than the average of its Washington peers, Western has consistently been forced to reallocate resources to achieve strategic goals – an alternative that erodes quality.

Budget Impacts in future biennia:

The decision package has second-year budget improvements that will need to be funded as maintenance level adjustments in the 2007-2009 biennium.

Distinction between one-time and ongoing costs:

All request items in this decision package are ongoing funding requirements.

Effects of non-funding.

Continued erosion of the quality of university programs and the inability of the University to assure the same program quality and educational experience to future students.

DECISION PACKAGE TITLE: Implement Streamlining of General Education Requirements.

\$400,000 in General Fund-State for the Biennium

Agency Recommendation Summary Text

Implement streamlining of WWU's General Education Requirements for undergraduates, including increased writing requirements, the addition of quantitative and symbolic reasoning requirements, better defined multicultural and international experiences, and a smaller credit requirement.

Fiscal Detail:

	2005-06	2006-07	2005-07
RESOURCES			
Fund 001, General Fund - State	\$200,000	\$200,000	\$400,000
Total Resources	<u>\$200,000</u>	<u>\$200,000</u>	<u>\$400,000</u>

USES (EXPENDITURES)

Faculty	\$93,700	\$93,700	\$187,400
Exempt	\$0	\$0	\$0
Classified	\$37,000	\$37,000	\$74,000
Hourly	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Salaries and Wages	\$130,700	\$130,700	\$261,400
Employee Benefits	\$33,982	\$33,982	\$67,964
Goods and Services	\$25,318	\$25,318	\$50,636
Equipment	\$10,000	\$10,000	\$20,000
Total Expenditures	<u>\$200,000</u>	<u>\$200,000</u>	<u>\$400,000</u>

STAFFING FTE (B6)

Faculty	2.00	2.00
Exempt	0.00	0.00
Classified	1.00	1.00
Hourly	<u>0.00</u>	<u>0.00</u>
Total FTE	3.00	3.00

Package Description

The process of reviewing WWU's general education program has been underway at Western since 2002-03. A task force, appointed in 2002-03, brought forward a reform proposal that was reviewed this year by the faculty senate and which will be implemented in fall 2005. This review of WWU's General Education Requirements addressed concerns about the quality of the first year experience at Western as reflected in current student and alumni surveys and in numerous committee reports. It is anticipated that the proposed changes, including an increased writing requirement, the addition of quantitative and symbolic reasoning requirements, a smaller credit requirement

(approximately 61 credits), better defined multicultural and international experiences, and the possibility of expanding first-year experiences, will result in a more coherent and better integrated general education program. Additional costs of \$200,000 per year are anticipated for two faculty positions, peer advisors, a curriculum coordinator, operating funds for course development and equipment funds for mapping and degree audit.

Narrative Justification and Impact Statement:

How contributes to strategic plan:

Graduates of WWU must be prepared to face a complex, rapidly changing world. In keeping with the University's mission statement, WWU's new General Education Program prepares students to be informed and effective participants in that world, as educated private persons, as citizens, and as employees and employers.

Reason for change:

For Western Washington University to retain its reputation as a top-ranked undergraduate institution, review and revision of curricular structures at both the departmental and general education level need to take place on a periodic basis. Improving the graduation efficiency index (GEI) of our students which is a state-wide accountability measure is one of the primary reasons for the implementation of WWU's streamlined general education requirements.

Impact on students and services:

Western's new General Education Requirements should provide immediate improvements in the quality of the first year experience and time to degree at Western. The new requirements are crafted to strike a balance between study of the methods, subject matters, values and diverse disciplinary viewpoints of the traditional liberal arts (humanities and the arts, social sciences, natural sciences) and the consideration of relationships among fields of knowledge. Additionally, the recommended curriculum is designed to be one that challenges students to think about the values of their own and other cultures, as well as to develop college-level skills through a set of key competencies required for continued life-long learning. These competencies, additionally, set the foundation for higher learning in the context of the major. The new requirements also acknowledge that an important role of higher education is to prepare students living in a democratic society and within a diverse global context to become informed, effective and responsible citizens and members of their communities.

Impact on other state programs:

None

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by university:

None.

Budget Impacts in future biennia:

This funding would be permanently added to the base budget of the University.

Distinction between one-time and ongoing costs:

All components of this decision package represent ongoing costs.

Effects of non-funding.

Non-funding will impact the University's ability to rapidly and successfully implement this program change.

DECISION PACKAGE TITLE: Continue Developing Local and Regional Economic Partnerships.

\$300,000 General Fund-State for the Biennium

Agency Recommendation Summary Text

Continue developing local and regional community partnerships, including economic and potential Bellingham waterfront development.

Fiscal Detail:

	2005-06	2006-07	2005-07
RESOURCES			
Fund 001, General Fund - State	\$150,000	\$150,000	\$300,000
Total Resources	<u>\$150,000</u>	<u>\$150,000</u>	<u>\$300,000</u>

USES (EXPENDITURES)

Faculty	\$0	\$0	\$0
Exempt	\$0	\$0	\$0
Classified	\$0	\$0	\$0
Hourly	\$0	\$0	\$0
Salaries and Wages	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Employee Benefits	\$0	\$0	\$0
Goods and Services	\$150,000	\$150,000	\$300,000
Equipment	\$0	\$0	\$0
Total Expenditures	<u>\$150,000</u>	<u>\$150,000</u>	<u>\$300,000</u>

STAFFING FTE (B6)

Faculty	0.00	0.00
Exempt	0.00	0.00
Classified	0.00	0.00
Hourly	0.00	0.00
Total FTE	<u>0.00</u>	<u>0.00</u>

Package Description:

As part of a long-term strategic direction for the University, WWU is considering options for increasing its involvement off the main campus, including the city of Bellingham waterfront. To support this strategy, additional resources are needed to be dedicated solely to planning and implementing university and community plans and partnerships. It is anticipated that possible planning efforts will include Western's participation in numerous public processes; coordination with federal, state, city and port entities; surveying and developing community and University support; and the creation of

proposals for campus expansion. These funds will provide needed resources to ensure release time for faculty and staff participation and to secure ongoing professional planning advice and assistance.

With the upcoming development of the waterfront areas in Bellingham, a window of opportunity is opening that could allow Western to expand its campus and build a visible presence in the Bellingham community. It has been made clear to the university that opportunities exist for Western to partner with the city and the Port of Bellingham in the future of this historical development. Is this a direction that Western should pursue? If so, what are the possibilities and how would the University proceed? What kind of role can or should WWU have? Can Western's mission and academic programs be enhanced by a presence in Bellingham and how might Bellingham benefit? WWU's involvement could enable the university to accommodate more students to meet state access needs while simultaneously serving the community.

During the past year, members of the university community have engaged in university discussions on the advantages for enhancement of academic programs and the ways such arrangements might benefit the state, faculty, students, and the community. Western representatives are currently participating in Bellingham City's discussion regarding planning for the future, particularly related to waterfront development and downtown renaissance. The President has appointed a working group of faculty, staff and students to examine possible approaches. Western needs to be ready to respond to the state and participate actively with the city of Bellingham when the time comes and we want to do so with thought and care for the well-being and future of the university.

Establishing a stronger relationship with the city of Bellingham and Whatcom County in the arena of economic development is an initial investment in the future development of mutually beneficial economic enterprises.

Narrative Justification and Impact Statement:

How contributes to strategic plan:

The primary goals of Western's Strategic Plan are quality, diversity and community service. This decision package has the potential to touch on each one of these goals; however, community service will be the primary focus of this package. Western's Strategic Plan calls for student and faculty involvement with our local and statewide business communities. The partnerships that could develop as a result of this program will provide opportunities for Western and the community to work together to address educational, and economic issues and problems.

Performance Measure Detail

Outcome measures will track faculty, staff and student participation in planning efforts as well as the new university-community relationships fostered through these efforts. Objectives will also be measured in the area of university planning efforts that result in additional opportunities for Western's faculty and students.

Reason for change:

As described in the narrative for this decision package, the city of Bellingham and Whatcom County, in coordination with the smaller cities and rural communities in the area, have accelerated their economic development activity. In part, this has been in response to the permanent closure of the Georgia-Pacific pulp mill (the tissue plant remains open). There is also the need to respond to the growing population pressures in the area. The Port of Bellingham has taken the lead with county and local governments in creating a “Partnership for a Sustainable Economy” to develop an economic development plan for the region. Simultaneously, the city of Bellingham and Whatcom County have formed a ‘public facility district’ authorized under recent state legislation to create a new cultural district in downtown Bellingham, and a master plan is under development and consideration for the redevelopment of 200 acres of the former pulp and paper mill site. There will be a need for more extensive community and University involvement in these activities, including broad public discussion and public hearings.

Impact on students and services:

Students will have increased opportunities to participate in “real-life” learning experiences related to local and statewide businesses and city/county planning processes. It is anticipated that faculty and students will develop curriculum, possibly locate both academic and non-academic programs on the waterfront, and collaborate with the community at large to propose solutions to city, county, regional and state planning, budgeting and policy issues.

Impact on other state programs:

Educational opportunities for students and faculty; stronger relationships with the city of Bellingham and Whatcom County; imaginative approaches to student access as well as participating in building the economic base of the area.

Relationship to capital budget:

None at this time.

Required changes to existing RCW, WAC, contract, or plan:

None.

Alternatives explored by university:

Western’s current role in local economic development activity has been to use the University’s Center for Economic and Business Research (CEBR) to analyze local economic trends, to offer business development assistance through Western’s Small Business Development Center (SBDC) and to involve the leadership of the University in important discussions regarding the organizational structure and efforts of area economic development groups, the future of downtown Bellingham and the waterfront area.

Budget Impacts in future biennia:

Funding used for professional service contracts will be ongoing, though the scope of each project or study may change from year to year.

Distinction between one-time and ongoing costs:

All components of this decision package item will be ongoing.

Effects of non-funding:

As described in this package, Bellingham and Whatcom County are facing rapid and significant economic development, requiring expedient responses to complex planning issues. This presents an extraordinary opportunity for Western to increase its involvement and to strengthen the economic viability of the area through its partnerships. The funding that is being sought to ensure Western's participation these programs is necessary if Western is to fully participate and participate in new ways.

DECISION PACKAGE TITLE: Expand Fundraising Partnerships with the State.

\$588,000 in General Fund-State for the Biennium

Agency Recommendation Summary Text

The aim of this decision package is twofold: a) to obtain state support to expand Western's fundraising opportunities by using state dollars to leverage private individual and corporate donations for student financial aid and faculty support; and b) to obtain state support to assist Western in launching its next campaign.

Fiscal Detail

	2005-06	2006-07	2005-07
RESOURCES			
Fund 001, General Fund - State	\$0	\$588,000	\$588,000 *
Total Resources	\$0	\$588,000	\$588,000
USES (EXPENDITURES)			
Faculty	\$0	\$0	\$0
Exempt	\$0	\$70,000	\$70,000
Classified	\$0	\$0	\$0
Hourly	\$0	\$0	\$0
Salaries and Wages	\$0	\$70,000	\$70,000
Employee Benefits	\$0	\$18,000	\$18,000
Goods and Services	\$0	\$500,000	\$500,000 **
Equipment	\$0	\$0	\$0
Total Expenditures	\$0	\$588,000	\$588,000

* \$400,000 to be matched by private and/or corporate donations.

**\$100,000 non-recurring

STAFFING FTE (B6)

Faculty	0.00	0.00
Exempt	0.00	1.00
Classified	0.00	0.00
Hourly	0.00	0.00
Total FTE	0.00	1.00

Package Description

a) *State Endowment Match Programs*: This is a multi-year request for phased-in funding for two separate state endowment incentive-match programs. One program invests in Washington State students and emphasizes keeping our student talent in-state. The second program supports the top priority funding goal that Western has noted for several years: increasing faculty salaries and support. Both programs would be achieved by

providing an incentive to private donors to double their financial commitment to the university.

It is currently estimated that \$200,000 GF-S would be required in 2006-07 for each one of these programs, to be matched by private individual or corporate cash gifts. State matching funds would then increase annually at an agreed upon rate (\$100,000 GF-S per program, per biennium) until earnings (projected at an allocation rate of 4.5%) are sufficient on an annual basis to provide salary and/or operational incentives to 30 faculty per year; and for financial aid for students from middle- and lower-income Washington families.

The state of Washington already provides endowment matching dollars for distinguished faculty professorships and graduate fellowships. These have proven to be so successful and beneficial that universities have a waiting period to be eligible to participate. This request takes a successful model with a proven track record, and seeks to expand it to undergraduate scholarships and faculty support in addition to professorships. Western is confident that donors are available who would respond to this generous incentive and help build the University's endowment resources.

b) *Campaign Investment:* Western anticipates the launch of a major comprehensive campaign within the next few years. Private dollars will be raised for faculty support, for student scholarships, and for campus-wide projects and technology. The campaign is intended to grow the WWU endowment, which can then provide on-going support for the university's highest priorities.

Funds are needed in 2006-07 for a one-time feasibility study (\$100,000 GF-S) and to hire a campaign director (\$88,000 GF-S). Both of these investments are critical to the planning and the early implementation of a major fund-raising initiative.

Narrative Justification and Impact Statement:

How contributes to strategic plan:

Raising private funds to support a public university has become an integral part of the life of every Washington institution. At Western, dollars given by alumni, parents, friends, corporations and foundations are all designated to enhance the mission and goals of the university. Scholarships, faculty support, and technology expansion funds are used to ensure quality in the classroom, and recruit and retain the best and most diverse corps of faculty and students. All gifts support the overall strategic goals of Quality, Diversity and Service through specific programs and through the President's Fund for the greatest needs of Western.

Performance Measure Detail

The success of the endowment match program will be measured by private and corporate donations. Without such donations, the general fund-state match will be reverted. The success of the investment provided for campaign funding will be measured in the success of the campaign. Accepted fund-raising standards indicate a 5:1 return on investment as reasonable in a program with the maturity and size of Western's. The return on campaign investment would be far greater.

Reason for change:

- a) The promise of a 100% general-fund state match will help Western attract private individual and corporate donations. A match to build endowment is a proven strategy in attracting donors.
- b) It has been several years since the conclusion of Western's first and only campaign, and funds are required to prepare for and jump-start the next campaign. One common measure of the success of a university is the size of its endowment. Western's endowment lags behind when compared to national peers, and it is imperative that the University build and strengthen its long-range resources.

Impact on students and services:

Students will benefit in a twofold manner: one of the endowments will be used directly for student scholarships, and the second endowment will benefit faculty. As conditions improve for faculty, students will be the indirect beneficiaries. The campaign will benefit students and services by providing funds that are integrated throughout the campus.

Impact on other state programs:

None.

Relationship to capital budget:

None.

Required changes to existing RCW, WAC, contract, or plan:

None.

Alternatives explored by university:

University Advancement continues to seek private individual and corporate donations; however, the advent of a state match will create an important opportunity to attract significant donations.

Budget Impacts in future biennia:

a) Endowment Match Program:

Please note that for every dollar invested by the state, Western will be required to obtain private individual or corporate matching funds.

2005-2007: A phase-in approach is recommended so that Western has adequate time to secure the donations needed to match state funds. Future biennia budget impacts will depend upon increases in the general fund-state investment. Phase I of the program is initiated in the second year of the 2005-2007 biennium, or 2006-07, with a state investment of \$200,000 per program or \$400,000 GF-S in funding. (Note: with the required private match of \$400,000, Western would increase its endowment by \$800,000.)

2007-2009: A recurring amount of \$400,000 GF-S per year is required to continue the program at the Phase I level or \$800,000 GF-S for the 2007-2009 biennium. In the second year of the biennium, or 2008-09, a \$100,000 GF-S increase per program will be

requested (Phase II of the program), adding \$200,000 GF-S to the original Phase I investment, for a 2008-09 GF-S investment of \$600,000. Phase I funding continued and the implementation of Phase II funding will require a \$1 million GF-S investment for the biennium. (Note: with the required private match of \$1 million for the biennium, Western would increase its endowment by \$2 million, and the program total would reach \$2.8 million).

2009-2011: A recurring amount of \$600,000 GF-S per year is required to continue the program at the Phase II level or \$1.2 million GF-S for the 2009-2011 biennium. In the second year of the biennium, or 2010-11, a \$100,000 GF-S increase per program will be requested (Phase III of the program), adding \$200,000 GF-S to the Phase II investment level, for a 2010-11 investment of \$800,000 GF-S, or a total of \$1.4 million GF-S for the biennium. (Note: with the required private match of \$1.4 million for the biennium, Western would increase its endowment another \$2.8 million, and the program total would reach \$5.6 million).

2011-2013 and subsequent biennia: A continuation of \$800,000 GF-S per year in recurring funds will be requested or \$1.6 million for each biennia. (Note: with the required private match of \$1.6 million for the biennium, Western would increase its endowment another \$3.6 million, and the program total would reach \$9.2 million).

b) Campaign Investment

2005-2007: An amount of \$100,000 GF-S is non-recurring; these funds are needed for a feasibility study. The amount of \$88,000 GF-S for a campaign director is a recurring amount for salaries and benefits for 1.00 FTE.

2007-2009 and subsequent biennia: Since campaigns generally continue for several years, the campaign director will be on staff until the campaign ends. At the end of the campaign, the campaign director will continue as an experienced fundraiser for the institution.

Distinction between one-time and ongoing costs:

With the exception of \$100,000 GF-S in one-time funds for a feasibility study, the general fund support required for this package will be ongoing.

Effects of non-funding:

Without the investment of state matching funds, it will be difficult for Western to significantly increase its endowment or to provide students with increased financial aid and faculty with additional resources.

See separate
NSIS budget submission
for Decision Package PL-PM
NSIS Enrollment

**Western Washington University
Additional Questions Related to Priorities of Government
2005-2007 Biennial Budget Request**

The Office of Financial Management's Priorities of Government Results Team for Higher Education has requested the following additional information as part of our 2005-2007 biennial budget development process. Western Washington University appreciates the opportunity to respond to the questions posed to higher education institutions in Director Brown's memorandum of June 11, 2004 (appended). The University believes that identifying Priorities of Government (POG) is an important initiative, and we strongly support the Governor's efforts and look forward to continued conversations.

POG Request for Information #1: A status report of Western's ongoing efforts to improve student retention, progress to degree, and graduation rates, specifically in the areas of a) timely availability of prerequisites and required coursework; b) mentoring and counseling; and c) other strategies as identified by the university.

A status report of Western's ongoing efforts to improve retention, progress to degree and graduation rates, is included below. Each one of these efforts has proven successful; however, each would greatly benefit from improved funding support. Western's 2005-2007 biennial budget request includes several decision package requests that, if funded, would enhance these programs.

Improving Student Retention, Progress to Degree and Graduation Rates

Enrolling an academically prepared and diverse student body, providing a solid foundation for the transition to Western, and supporting success of all students are high priorities at Western Washington University. Success in these areas has the natural by-product of improving student retention, progress to degree and graduation rates.

Student Affairs and Office of Admissions Initiatives:

Initiatives coordinated by the Office of Admissions, in conjunction with academic departments and other offices in Student Affairs include:

- 1) Providing pre-enrollment information about academic departments to admitted freshmen and transfer students in order to facilitate early connection with academic departments.
 - a) Creating merit scholars programs in the College of Business and Economics and the Department of Computer Science that help connect students to their majors and offer opportunities for accelerated admission to the major.
 - b) Providing detailed and easily accessible pre-enrollment advising to prospective transfer students, including a variety of online resources.

- c) Hosting “Transfer Days,” a quarterly recruitment program designed to serve potential transfer students and ease their transition to Western.
- 2) Considering major preparation as part of the admissions application review for all transfer students. Admitting students who have completed or partially completed appropriate prerequisite courses at the community college is linked to a significant improvement in transfer retention over the past 5 years. (See Table #1).

As a result of recommendations from the First-Year Experience Task Force and the newly implemented (Fall 2004) Enrollment and Orientation fee, all new students to Western will benefit from an expanded program of First-Year Experiences. This program includes:

- 1) Developing a comprehensive advising program for entering students who are undecided on an academic major. This past year, resources were devoted to insuring all entering undeclared students received academic advising from a staff member in the Academic Advising Center with intentional and regular follow-up and assistance until the student transitions to a major.
- 2) Developing consistent advising services for transfer students and encouraging early transfer contact with WWU departments.
- 3) Strengthening the academic component of the first-year experience for entering freshmen and transfer students, including first-year experience seminars, and enhancing faculty development on instructional strategies for general education courses. This year will be spent planning with faculty and administrators on how best to offer these options.
- 4) Expanding the scope and length of new student orientation programs. This year’s focus is civic engagement and civil discourse and requires a common reading for all new undergraduates. Orientation activities and community building events will occur throughout the year rather than during the first week of classes. Research shows that persistence and success in higher education increases when students make meaningful connections with their peers, faculty and the greater university community.
- 5) Continuing a variety of additional programs that support academic success of students of color, first generation students, and targeted populations who traditionally have had lower retention rates than our general student body. (See Table #2) These include:
 - a) Student Outreach Service’s “first alert” program which provides active intervention during the quarter for students having academic difficulties.
 - b) Academic success for class freshmen placed on academic warning after their first quarter of studies fell below a 2.0 g.p.a.
 - c) Academic success class for Northwest Indian College transfers.
 - d) Mentoring for Washington Achiever’s Scholars

Academic Initiatives

Academic Affairs efforts to increase access to major and reduce time to degree include:

- 1) General Education Requirements: Review and restructuring of the general education requirements to help students move into their major in a more timely manner while continuing to promote a solid foundation in the liberal arts. The streamlining and restructuring of this program reduces by approximately 20 credits the amount of general university course work required and should enable students to focus sooner on their majors. The new requirements will be implemented in fall 2005.
- 2) Academic Advising: Support of a fall workshop for Academic Departmental Advisors to strengthen their professional development in academic advising and create connections across academic departments to help facilitate student time to degree and access to majors.
- 3) First-year Interest Groups: Continue to refine and develop the First-year Interest Group program that provides first-quarter freshmen with a small, integrative seminar experience.

Other Initiatives

Additional ongoing efforts include:

- 1) Enrollment Management: Enrollment management efforts are tied to Western's strategic plan which calls for a student distribution of 40% freshman/sophomore and 60% upper division/post baccalaureate/ graduate students. In the mid-1990s, Western was top heavy with upper division students who were in direct competition with junior level transfers for prerequisites and major courses. By closely aligning new student enrollments to the University's strategic plan, Western is better able to accommodate incoming transfer students in their desired courses. Fall-to-fall increases in transfer retention provide one indication that this effort is working (see Table 1).
- 2) Improving Time to Degree for Transfer Students: Western's Faculty Admissions Committee is developing a fall 2004 proposal to increase from 90 to 105 the number of transferable community college credits Western will accept. If approved by the Academic Coordinating Commission, this proposal will decrease some community college students time to degree at Western.

POG Request for Information #2: Proposals that explore opportunities to utilize existing physical capacity not only within the institution, but also in other public or private buildings (public high schools, private or community facilities). OFM mentions evening and weekend classes and other strategies to expand the academic calendar so that we are able to serve additional students within our existing capital resources.

Maximize Facilities Utilization

Western Washington University remains a high demand institution for students in the state. One of the critical issues that face the University is a lack of classroom capacity. We have the highest student-to-space ratio of any public university in the state, and our facilities are already used more intensively than in any of our sister institutions. According to our latest report to the Higher Education Coordinating Board, our current utilization of classroom space exceeds the expected standard of 22 hours per week by 22.3%.

Western has employed three principal strategies to enhance space utilization. First, as part of our Master Plan for the campus, we have moved many of our non-academic operations off the main campus into new facilities, either purchased or leased. An example is the movement of our Human Resources department to space at 32nd. Street. This has enabled us to convert prime space on campus into needed faculty offices, classrooms and laboratories.

Second, we took steps in 2000-2001 to enhance the efficiency of class scheduling through use of common block scheduling for all departments. Previously, each department had constructed its own schedule, which led to significant inefficiencies and some inconvenience for students. We estimate that block scheduling improved our efficiency by approximately five per cent, a vital margin of improvement given our continued high demand from students and our continued space deficit.

Third, we have leased space off campus in special circumstances. We have found it necessary, for example, to lease space for our Dance program at a studio in downtown Bellingham for the past three years. This reflects the continuing pressure on suitable space for physical activities.

Western has explored how to further enhance its space utilization in Bellingham. Programmatic innovations and offerings, in addition to the development of block scheduling, have led to a “stretching” of the school day, most notably through creation of an evening MBA degree, but we feel that the possibilities are limited. Western students appear to have little interest in evening or weekend courses, and there is not a larger market of students who seek additional access during these hours.

Western’s extended programs, though not state-supported, consistently utilize existing physical capacity, generally facilities at other public higher education institutions. We serve more than 800 FTE in baccalaureate, post-baccalaureate and graduate work at several sites in the Puget Sound area. These programs are generally offered in rented space at community colleges, high schools or ESDs. We have evolved particularly strong partnerships with Everett, Olympic and

North Seattle Community College and Peninsula College; and we serve place-bound students with programs in Education, Human Services, Rehabilitation Counseling and Environmental Studies. From the state's perspective, the University serves seven percent more students than would normally be indicated in state enrollment numbers, and this is done at no cost to the state in existing state or local public facilities.

POG Request for Information #3: Tactics and other “innovative” strategies for improving faculty recruitment and retention (e.g., as suggested by OFM, increasing advanced degree production thereby "growing our own" faculty, assuming that a candidate's experience and familiarity with the hiring institution is one factor in attracting candidates).

Western's 2005-2007 biennial operating budget request includes a decision package focused on competitive compensation for faculty. Western's primary operating budget goal for 2005-2007 is to preserve and enhance academic program quality by providing competitive salaries to attract and retain the highest caliber faculty. To this end, Western has requested additional funds to provide both general salary increases and recruitment and retention salary increases.

We concur fully with the premise that the recruitment and retention of a top quality faculty, administrators and staff is absolutely critical to the health of public universities in the state. Western has been fortunate in its ability to recruit and retain a caliber of faculty that compares well to any public comprehensive in the country. However, there may be a wide variety of factors that could influence the ability of any University to recruit or retain faculty.

It has been suggested that one by-product of enhancing advanced degree production in the state would be to enable universities to “grow their own”. This is certainly one option for providing a cadre of talented faculty, but we feel it is limited at Western. On the positive side, we note that the presence of major research universities in the region has been highly significant as a source of faculty for public comprehensives. Western already derives a high proportion of its faculty from universities in the Pacific Northwest.

While we do not routinely keep statistics on this, our 1998 accreditation report shows a strong homing tendency. At that time, 30 of our faculty had received master's degrees from Western and 29 had received undergraduate degrees from WWU, indicating the local appeal of the University. Fifty-nine Western faculty received doctoral degrees from the University of Washington and another eight earned terminal degrees from Washington State University. In addition, 29 faculty came from the University of Oregon and seven from Oregon State University, which means more than a quarter of our faculty were educated within the region.

This does suggest that the possibility for absorbing increases in local production of doctoral degrees may be limited. It also suggests that there may be a problem with regional in-breeding if we move further in the direction of hiring locally. We are committed to diversification of our

faculty and this suggestion runs counter to a healthy opening up of our institutions to traditionally under-represented groups and to persons from other regions.

We would suggest that the benefits of training and retaining your own may be offset, in the long term, by two other factors, though we would clearly defer to the research universities in their appraisal. First, we would argue that the tendency to hire your own will, in the long run, prove deleterious to the national reputation of the research universities. Their continued status depends on the constant introduction of new ideas and the willingness to develop and pursue new lines of research. If they select their new faculty from among their own graduates, their ability to continuously refresh themselves may be compromised. Their continued success, especially in competitive research, rests on their ability to draw the most talented faculty from a national or international market. Secondly, and of equal importance, the national reputation of the research universities rests on their ability to place their graduates in prestigious institutions around the country or the world. If they are seen to be unsuccessful in that goal, then their national reputation may be compromised over time.

On balance, we think that the proposal to “grow your own” doctoral faculty might generate some limited, short-term benefits, but will carry with it some substantial long-term costs, which may erode rather than enhance competitiveness and limit diversity in the faculty.

We should note, however, that we do believe there is a significant opportunity to “grow our own” faculty to meet the burgeoning demand for faculty in community colleges. Western has recently developed a graduate program in Continuing and College Education, which is designed to address this state need. This innovative program received approval from the Higher Education Coordinating Board in July 2004.

Framing the problem of recruitment and retention more broadly, we would suggest three sets of critical elements in attracting and keeping a high quality faculty. The first is obviously economic. It is absolutely vital that faculty salaries and benefits in this state keep pace with trends in the national market. The paucity of salary increases over the past three years in Washington would have had a much larger effect at Western had it not been coupled with a very sluggish national market for faculty, as other states retrenched. The three-year period from 1999-2002 is perhaps more instructive. During that interval, Western lost an average of ten faculty each year to competitive offers from other universities. The majority of our losses were to research universities. The salary differences were stark, ranging up to \$30,000, frequently coupled with lower teaching loads, enhanced research support, generous start-up packages and the opportunity for more work with graduate students. Since 2002, the raids on our faculty have been fewer and less successful. We have temporarily returned to our historical average of losing two to three faculty per year to competitive offers.

The availability of recruitment and retention funds has been significant, and we would encourage the legislature to continue the practice. The appropriated funds in fiscal year 1999-00, and for the 2003-2005 biennium, as well as a locally-created pool in 2001-02, have enabled us to develop a pro-active strategy, which appears to have been reasonably successful. We have tried to identify faculty who might be retention risks, typically highly productive junior and mid-level

faculty, and target them for multi-year guarantees of salary augmentation. We have also responded with counteroffers to a number of faculty who have received offers from other institutions. The funds have also been helpful in providing the flexibility to “top-up” entry level salaries for new hires.

A second notable factor is that Western has quite specific expectations for the faculty we hire and the need for a good fit with the institutional mission. At Western, we seek faculty who display a strong balance in their responsibilities: they are expected to be high quality teachers, but there are now significant and rising expectations for research, scholarly and creative activity, that were not present 20 years ago. We have been very successful in improving the caliber of our faculty. In doing so, we have managed to retain our reputation as an excellent undergraduate institution, while enhancing our national reputation and our external support for research. Western now ranks ninth in the country among public comprehensives in federal funding for Sciences and Technology; it also ranks among the top 15 public master’s granting universities in the nation, according to August 2004 *U.S. News & World Report* college ratings for academic reputation.

The enhanced emphasis on research expectations means that we are increasingly competing with research universities for new faculty and explains why we have become more vulnerable to raiding of our faculty. There is a tendency in the state to assume segmentation between research and comprehensive universities. In the practical world of faculty hiring, this division is much less clear. We compete with research universities in an increasingly overlapping market place for faculty.

The third element in the recruitment and retention of faculty is clearly location. This is not to be under-rated and is the major premise that underpins the proposition that we should “grow our own”. There is undoubtedly a willingness among substantial numbers of doctoral degree holders to stay in the region. Our data illustrate the potent attraction of the Northwest for advanced degree holders. However, the environmental quality of the region and the quality of the universities in the state cannot, in the long-term, offset the disadvantages that will accrue from uncompetitive salaries.

POG Request for Information #4: Programmatic Student Funding Levels -- Because all students within an institution get the same level of per-student funding support, there could be a financial incentive for the institutions to emphasize low-cost programs rather than high-cost programs. Many of the high need programs, like nursing and engineering, are also high-cost programs. This results in an increasing challenge (given tight fiscal environment) for colleges to train workers in high demand occupations such as health care and high-tech. We are requesting that the HECB and the SBCTC work with the colleges and universities to provide information about the costs to educate students in various program areas.

There is clearly an apparent economic incentive for universities to move students from high-cost programs to low-cost ones, regardless of whether they are areas designated by the state as being

“high need”. If universities were able to behave in this economically rational manner, the result would be little investment in “high-cost” programs and an expansion of investment in “low-cost” programs. Note that “high need” and “high cost” programs may not be identical. The practice is, however, quite different. Programmatic investment decisions in universities are driven, not by economics, but rather by a larger demographic imperative: genuinely “high demand” from students. This has been the primary driver for the expansion and contraction of programs at Western over the past decade.

The general expansion of university enrollment (a growth from 9,001 funded FTE in 1992-93 to 11,242 in 2003-04 – a growth of 24.9% at Western) has led to increased demand from students across a very wide range of fields. This has, in turn, necessitated continuing investment in new faculty positions across a spectrum of disciplines. At the same time, the decrease in state support per FTE student has reduced the resources available for expansion.

The strategies open to universities in the face of rising student demand and diminished financial capacity vary significantly. We can identify at least five.

The first and most general has been an increasing tendency to rely on the services of part-time faculty who provide flexibility and are less expensive than full-time tenured and tenure-track faculty in the same discipline. Part-time faculty allow universities to meet the vagaries of student demand. Rather than shifting students from high-cost programs into those with lower-cost, the general operational approach, if Western is representative, has been to expand programs on a temporary basis through the use of lower-cost faculty, regardless of the cost of the degree program.

Second, there are clearly different elasticities of demand for different academic programs. In other words, if we add faculty positions in some disciplines, we will almost automatically generate sufficient student demand to fill these new seats: in other disciplines, we cannot guarantee this will occur. Faculty lines will be added in “popular” disciplines, almost regardless of the costs involved. Allied to this, some disciplines, of which engineering would be a notable example, have long cycles of student demand. In these instances, continuing to enhance full-time faculty resources to meet student demand in the cyclic upturn will leave much greater numbers of faculty in the area than are needed once student demand wanes. The optimal strategy for universities will tend to be risk-averse: add sparingly in high-cost areas.

The third consequence may simply be to increase the productivity of departments and majors, reducing the average cost of providing the program, but at the risk of diminishing the quality of the student experience. Fourth, where we have seen student interest expand in “high cost/high need” areas, we have, at times, faced a critical shortage of qualified faculty. This has been particularly critical at Western in a discipline like computer science. The irony, in this case, is that at precisely the time we saw a significant upsurge in student demand for the major, we were unable to attract faculty because of the range of opportunities qualified candidates had available to them in the private sector. There was also intense competition for excellent faculty from other universities.

Fifth and finally, if we are unable to find faculty or to deploy resources to meet student demand, we restrict the demand side by capping the numbers of students who can enter particular majors. This phenomenon is not restricted to “high cost” programs. It has applied equally to Management Information Systems, one of our “high cost” majors, and Communication, one of our lowest cost programs.

Universities have evolved a variety of coping strategies for dealing with the rising tide of student demand. These responses are demographically rational as we struggle to match fluctuations in the student marketplace with the resources we have available.

Attachments:

- 1) Table 1 – Transfer Retention History
- 2) Table 2 – Graduation Rate by Ethnicity
- 3) June 11, 2004, memorandum from OFM to WWU

**Western Washington University
One-Year Transfer Retention 1995 - 2002**

WWU Office of Institutional Research

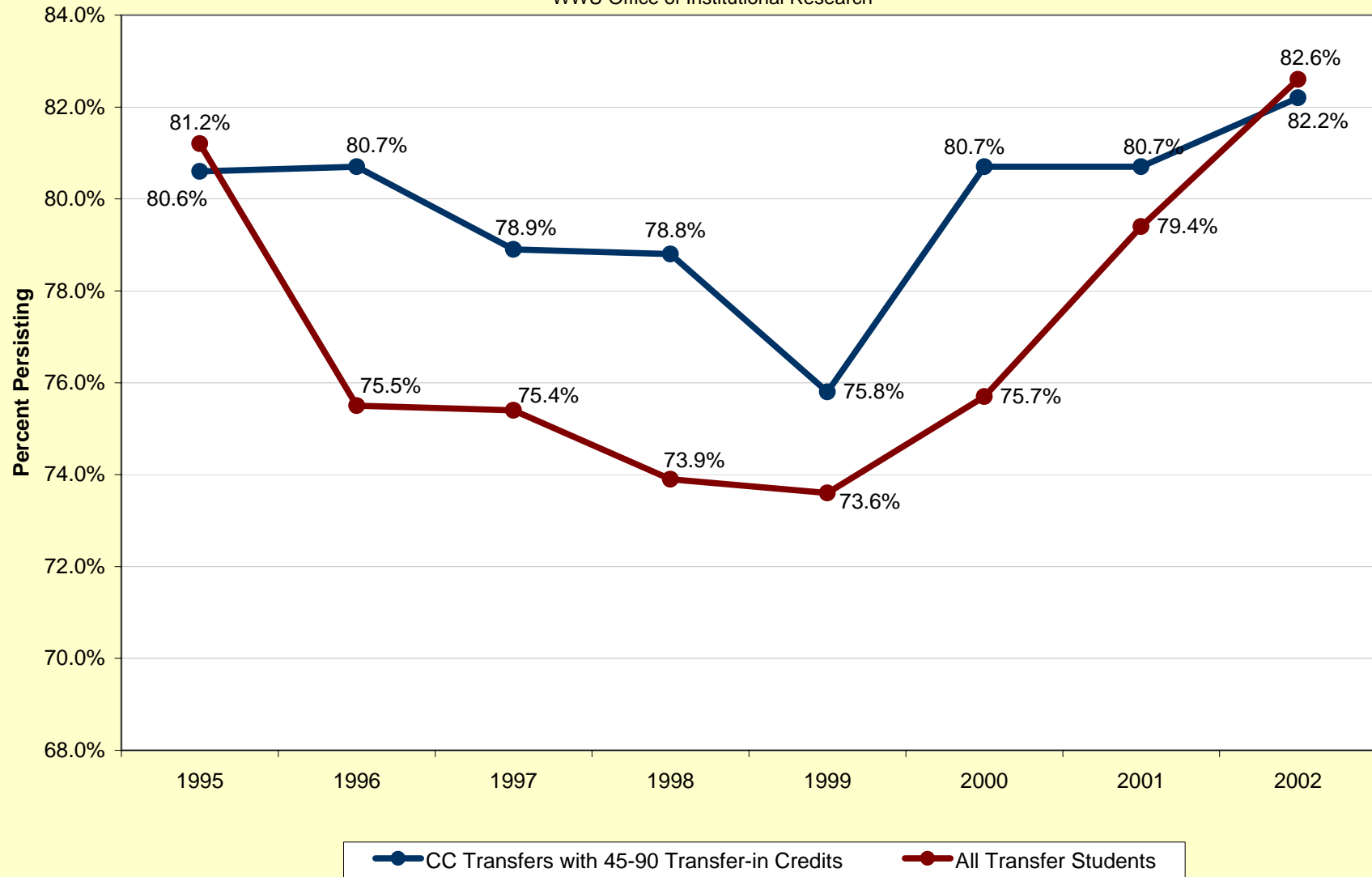
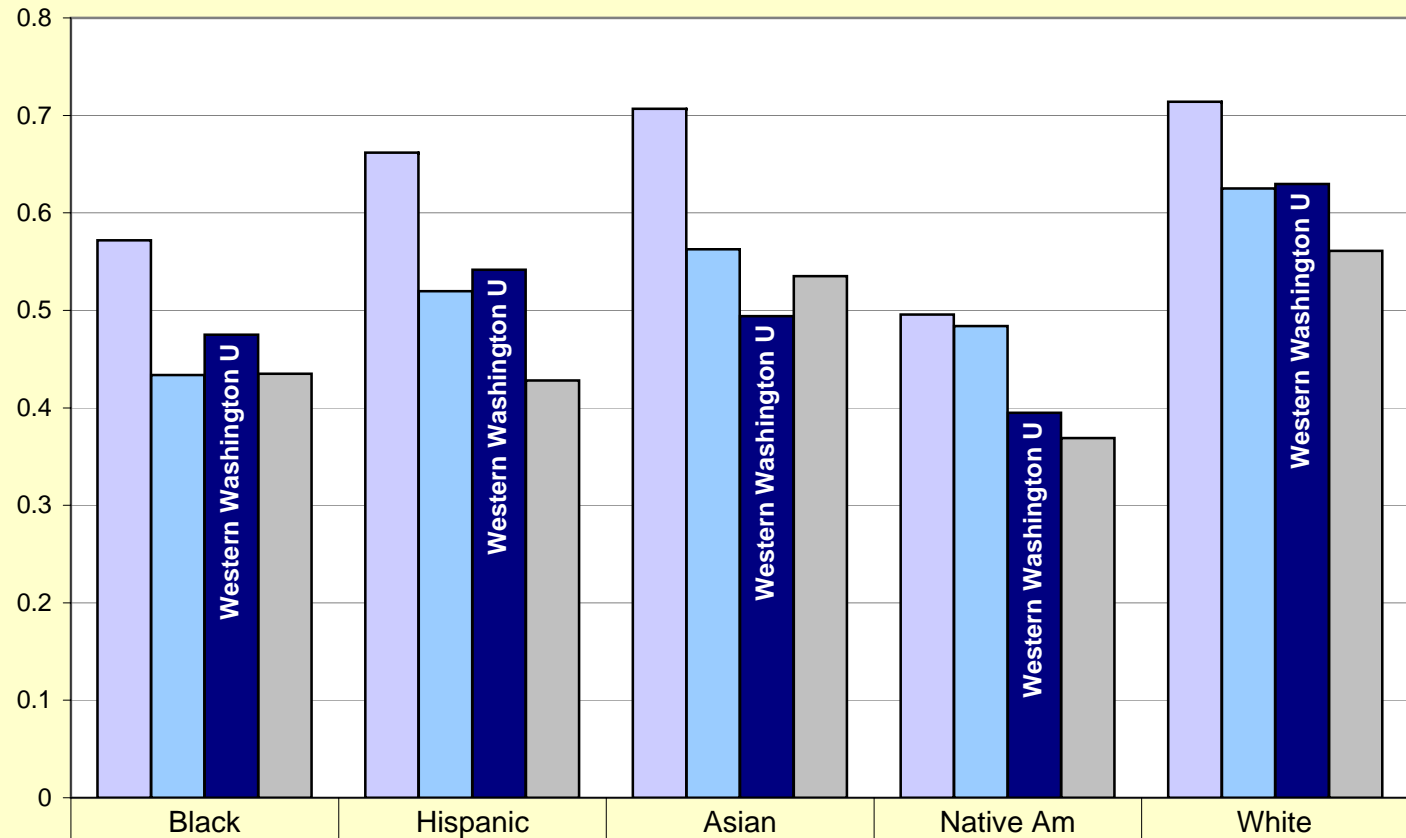


Table 2

6-year Graduation Rate by Ethnicity
Average of Fall 1996 & Fall 1997 Freshman Cohorts
Washington Publics and 96 Selective Institutions (SAT between 1045 & 1100)
 WWU Office of Institutional Research



■ U of Washington	0.571925	0.661825	0.70664	0.49567	0.71389
■ Washington State U	0.4335	0.5195	0.5625	0.484	0.625
■ Western Washington U	0.475	0.5415	0.494	0.395	0.6295
■ 96 Selective Institutions	0.435	0.428	0.535	0.369	0.561

Data are from the Consortium for Student Retention Data Exchange (CSRDE). University of Oklahoma Center for Institutional Data Exchange & Research. www.outreach.ou.edu/csrde



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

June 11, 2004

TO: Karen Morse, President
Western Washington University

FROM: Marty Brown, Director *MB*

SUBJECT: ADDITIONAL INSTRUCTIONS FOR AGENCY BUDGET SUBMITTALS

The Priorities of Government (POG) Results Teams recently completed work on the high-level purchase strategies that they believe will best achieve statewide results. As part of this effort, Teams also made suggestions about specific analyses and initiatives that will help them in the fall when they reconvene to produce detailed purchase plans for implementation of proposed strategies. Because Results Teams will be reviewing agency budget requests for activities that can be included in these purchase plans, we are communicating their ideas to you as you prepare your budgets.

Although the state is not facing quite the same fiscal challenges that generated the initial Priorities of Government process in 2002, initial estimates for 2005-07 indicate a \$700 million shortfall between forecasted state General Fund (GFS) revenues and the cost of continuing current GFS-funded services. The POG budget approach helps us focus on core services that contribute the most toward statewide results. This, in turn, provides a framework for OFM decisions and budget recommendations to the Governor.

High-Level Strategies will Guide Budget Decisions

We strongly urge your consideration of the information contained in this memo as you develop your agency budget proposal.

1. You will find enclosed a list of the high-level indicators of success and the purchase strategies recommended for each statewide result. This information is the investment criteria that Results Teams will use to create their purchase recommendations. Review the indicators and strategies for all 11 results and focus on areas that you believe can be influenced with activities in your agency. For example, if your budget includes activities that affect indicators in Result #4 (Improve Health) because they contribute to the statewide strategy of "mitigating environmental hazards," then your budget should help make that connection for the Results Team.

A summary is provided in this memo, but we encourage you to read the full reports of the Teams, particularly those prepared for Tollgate #2, to understand the context in which these recommendations were made. The reports are available at <http://www.ofm.wa.gov/budget/pog/teamreports.htm>.

2. For some agencies, there are recommended initiatives or research projects listed at the end of this memo. This means one or more Results Teams indicated interest in these ideas and are asking for additional information before they complete their purchase plan recommendation in the fall.
3. The Teams also suggested criteria that agencies could use to assess the activities they propose for funding. As you determine your budget request, we recommend you address these questions in your deliberations:
 - Are there options for earlier, preventative interventions as alternatives to more expensive services later?
 - Are those options evidence-based or supported by research as to their effectiveness toward the intended result?
 - Are we paying the right price for the services delivered?
 - Are activities properly coordinated for maximum effect?
 - Do activities have explicit outcomes and measures of performance?
 - Are there opportunities for outcome-based contracts?

Additional Information Requested for the Budget Submittal

OFM has selected a number of the recommendations mentioned in the team reports to be completed as part of the budget development process. We ask that your agency submit the following information, either as part of your budget request, as an addendum to your budget submittal, or as a separate submittal on the date indicated.

1. Improve student retention and graduation rates – While we recognize that our colleges and universities already emphasize student retention and progress to degree, we are interested in exploring opportunities for improvement in these areas. We are requesting that the colleges and universities provide a status report of ongoing efforts to improve student retention and graduation rates. Please provide proposals to enhance efforts in the following areas:
 - Timely availability of prerequisites and required coursework
 - Mentoring and counseling
 - Other strategies as identified by the institution
2. Maximize facilities utilization – Evening and weekend classes and other strategies to expand the academic calendar allow institutions to serve additional students within existing capital resources. We are interested in seeing proposals that explore opportunities to utilize existing physical capacity not only within the institution, but also in other public or private buildings (i.e., public high schools, private or community facilities).
3. Improve faculty recruitment and retention – Attracting and retaining quality faculty is vital to providing quality programs. A number of factors can influence an institution's ability to attract quality candidates, including the candidate's experience and familiarity with the hiring institution. By increasing advanced degree production, the state could take advantage of new opportunities to "grow their own" faculty, which could provide the state with an important advantage as they compete for the best and the brightest faculty. We are requesting that the HECB work with the institutions to explore this and other innovative strategies to improve faculty recruitment and retention.

June 11, 2004

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4. Programmatic student funding levels - Because all students within an institution get the same level of per-student funding support, there could be a financial incentive for institutions to emphasize low-cost programs rather than high-cost programs. Many of the high need programs, like nursing and engineering, are also high-cost programs. This results in an increasing challenge (given tight fiscal environment) for colleges to train workers in high demand occupations such as health care and high-tech. We are requesting that the HECB and the SBCTC work with the colleges and universities to provide information about the costs to educate students in various program areas.

If you have questions about any of these recommendations, please consult your assigned OFM Budget Analyst, who will then coordinate assistance with the appropriate Results Team.

Finally, I want to thank all of you for your energy and dedication as we head into another round of POG. Your efforts are critical to its success, and I know from experience that I can count on you.

Attachment

cc: Agency Budget Director