

# WSU admin defends financial decisions

## Faculty group questions 'grim budget projections'

By Kelsey Husky Daily News Staff Writer

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The Washington State University chapter of the American Association of University Professors released a statement Tuesday saying while cuts to WSU's state appropriations are real, there's enough money in other areas to combat their effects.

But WSU administration said it's not that easy - the money can't be moved.

Statistics professor Rich Alldredge said he and other faculty members of AAUP, an advocacy group, decided it's important to try and understand the university's financial situation. Lowered state funding has been used as an explanation for realignments and termination of employees.

There is a "major inconsistency between the grim budget projections provided by WSU administration and the robust financial condition as reported in the university's audited annual statements," writes Alldredge in the news release. He said state allocations only make up 27 percent of WSU's budget. The overall annual revenue from all income streams has been increasing steadily for the university in recent years, and the current financial condition does not appear to warrant the types of personnel and program cuts being proposed.

Allredge said the point of the news release was not to blame anyone or catch someone in the act, but rather to initiate a broader conversation involving more of the WSU community including students, staff and faculty.

"I don't mean to say cuts aren't real," he said. "They are extremely damaging to the university. Given that, it behooves us to look at the larger picture."

WSU Chief Budget Officer Joan King said the AAUP's findings are based on old information from before major cuts were made - a financial report released in June 2009. Since then, state appropriations have lowered by \$133 million.

As for the remaining 73 percent of WSU's budget - most of that money isn't transferable.

"There are accounting rules and regulations that go behind all this," King said. For instance, capital funds cannot be used for a person's salary. That would be illegal according to a state statute. Money collected from students for housing and dining or other purposes also cannot be

used for a person's salary, partially because it comes in once a year and is used that year - student fees can't sustain a permanent position.

Although tuition was increased as an attempt to "fill the gap," it doesn't come close - the state-authorized 14 percent tuition increases in fiscal year 2010 and 2011 generated approximately \$42 million.

King said the WSU budget office receives many calls from those concerned with the university's capital projects. They wonder why WSU can cut positions but begin construction on new buildings, but money from grants, gifts and other areas can't be transferred to salaries. She said the questions and concerns will continue, and the university's budgetary situation will get worse before it gets better.

- AAUP's press release can be read online at <http://wsu-aaup.blogspot.com>.

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