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State budget and staff compensation update

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State budget and staff compensation update

Dear Colleagues:

As you may have heard, Michigan Gov. Gretchen Whitmer signed the state's fiscal year 2020 budget late Monday night and made decisions about reprogramming agency funding levels on Tuesday. Like you, the entire WMU leadership team has been awaiting the outcome of this protracted process to arrive at final state-supported budget numbers.

Amid the 16 budget bills she signed, the governor approved the legislature's proposed higher education appropriation plan, which called for an increase of .5% in operating support, an increase in Indian tuition support and included a tuition cap for Michigan's 15 public universities.

This means that for this fiscal year, WMU will be able to proceed with the proposed budget approved by our Board of Trustees in June. In that budget, undergraduate tuition and fees increased by 4.3% and total state operational support increased by 1%.

These modest revenue increases for campus were more than offset by a nearly 5% drop in enrollment over 2018. The net result has been to place the campus in the difficult position to have to manage an \$11 million budget reduction.

Despite these significant challenges, we have prioritized student programming and services and the well-being of our faculty and staff. As such, we will continue to abide by the compensation adjustments set forth by agreements with our collective bargaining units and will provide a 2.25% pay increase for Staff Compensation System employees. This Staff Compensation System across-the-board increase will be effective July 1, 2019. The pay adjustment will be reflected in the Oct. 29 paycheck for hourly employees and the Nov. 5 paycheck for salaried employees.

As I have said repeatedly, our employees are our "special sauce" and are integral to our success. The work that you do to elevate our University and make it a place that is welcoming to students and open to innovation cannot be overstated.

Thank you again for your continued commitment to WMU.

Sincerely,

Edward Montgomery
President