

Summary of 2015-17 Final Compromise Operating Budget

The 2015 Legislature passed a [final compromise operating budget](#) for the 2015-17 biennium last week after two special 30-day sessions. The final budget includes targeted investments in computer science and engineering, health sciences and medical residencies, and a reduction in the tuition fees charged to resident undergraduate students.

The budget assumes the provisions of the Second Engrossed Substitute SB 5954, which reduces the operating fee portion of resident undergraduate tuition at all public institutions. In 2015-16, resident undergraduate operating fees are to be 5 percent below the 2014-15 rates. In 2016-17, resident undergraduate operating fees at the state universities (the UW and WSU) are to be 15 percent below the 2014-15 rates.

Thus, the UW's resident undergraduate tuition rates are to be as follows:

Table 1: UW Full-Time Resident Undergraduate Tuition Rates¹

| Academic Year | Operating Fee | Building Fee | Tuition Total |
|---------------|---------------|--------------|-----------------|
| 2014-15 | \$10,740 | \$565 | \$11,305 |
| 2015-16 | \$10,203 | \$565 | \$10,768 |
| 2016-17 | \$9,129 | \$565 | \$9,694 |

¹ Please note, these rates do not include other mandatory fees such as the UPASS and Services & Activities fees.

The operating fee reduction is not fully backfilled with state appropriations due to the timing of published enrollment figures – which the state uses to calculate the backfill. However, we expect this backfill shortfall will be corrected in the 2016 supplemental budget.

Table 2 shows how the UW's general operating fund is expected to change in FY16. As a reminder, GOF is the combination of state appropriations and net operating fee revenue from all students (not just resident undergraduates).

Table 2: Impact on the UW's General Operating Fund (GOF)

| Revenue and Expenditures | FY16 Adopted Budget | FY15 Adopted Budget | Change from FY15 to FY16 | % Change |
|-------------------------------|---------------------|---------------------|--------------------------|----------|
| State Appropriations | 291,886,000 | 246,471,000 | 45,415,000 | 18.4% |
| Tuition Operating Fee Revenue | 625,502,600 | 608,730,000 | 16,772,600 | 2.7% |

Although state appropriations in FY16 are 18.4 percent higher than they were in FY15, the legislature has assigned specific uses to those additional funds. These required uses are outlined below in Table 3 and are explained in detail in a [comprehensive brief](#) by the Office of Planning & Budgeting.

Table 3: UW State Funding in Compromise Budget – Detail by Fiscal Year (in \$1000s)

| | | Proposed Compromise Operating Budget | | |
|---|---|--------------------------------------|------------|------------|
| | | FY16 | FY17 | Total |
| Total 2015-17 Carry Forward Funding: | | \$ 259,960 | \$ 259,002 | \$ 518,962 |
| Total 2015-17 New Funding: | | \$ 31,926 | \$ 68,684 | \$ 100,610 |
| Recognized Maintenance Needs | | \$ 1,066 | \$ 1,089 | \$ 2,155 |
| O&M for UW Bothell’s Discovery Hall | | \$ 881 | \$ 881 | \$ 1,762 |
| Recognized Policy-Level Needs | | \$ 112 | \$ 89 | \$ 201 |
| College Affordability Program (2ESSB 5954) | | \$ 10,018 | \$ 34,053 | \$ 44,071 |
| Computer Science | | \$ 2,000 | \$ 4,000 | \$ 6,000 |
| WWAMI Medical Education | | \$ 3,600 | \$ 5,400 | \$ 9,000 |
| Medicine Residency Network | | \$ 4,000 | \$ 4,000 | \$ 8,000 |
| Latino Health Center | | \$ 250 | \$ 250 | \$ 500 |
| Climate Impact Group | | \$ 200 | \$ 200 | \$ 400 |
| Labor Archives | | \$ 200 | \$ 200 | \$ 400 |
| Compensation | State Support for Compensation | \$ 5,014 | \$ 9,414 | \$ 14,428 |
| | General Wage Increase | \$ 4,827 | \$ 7,745 | \$ 12,572 |
| | WFSE Compensation Increase | \$ 125 | \$ 199 | \$ 324 |
| | SEIU Compensation Increase | \$ 530 | \$ 850 | \$ 1,380 |
| | Public Employee Benefit Rate Adjustment | \$ (516) | \$ 181 | \$ (335) |
| | Represented Employee Benefit Rate Adj. | \$ (381) | \$ 133 | \$ (248) |
| Total 2015-17 Funding: | | \$ 291,886 | \$ 327,686 | \$ 619,572 |