



2027-2028 Legislative Budget Request

Board of Governors

Board Office

Ten Percent Reduction Exercise

Legislative Budget Request instructions from the Legislature and Governor require all state agencies and the state universities to prepare a 10% reduction plan in the event state revenues decline and budget reductions must be implemented.

The Board Office recurring base budget of \$12.3 million is predominately salaries and benefits (80%) to support 66 authorized positions plus student interns. The remaining 20% of the budget includes support for office activities (such as; building rent payments, technology, data collection/security, legal expenses and travel for staff and board members) and pass-through funds to the Northwest Regional Data Center and to the Department of Management Services for human resource services and risk management.

The System Strategic Plan is monitored via university Accountability Plans, which are data driven and includes historical and planned data. Tremendous work goes into the collection and analysis of data to provide information to key stakeholders so that strategic investments and decisions can be made by the Governor and legislature about the university system. The Board Office has been fortunate to receive the financial support needed to ensure the success of these critical areas.

A 10% budget reduction would total approximately \$1.2 million and significantly hamper the progress that has been made in moving the office forward to ensure a successful Accountability Plan and improving data collection, security, and technology. Strategic decisions would need to be made on which areas of the budget need to be reduced.

For planning purposes, basic operating costs would be reduced, which may include travel expenses; training and professional development for staff; operating capital outlay; hiring freezes, and/or elimination of student interns. There would be insufficient operating expenses to absorb the full 10% reduction; therefore, the balance may come from the elimination of any vacant or filled positions. Strategic decisions would need to be made on which positions would be eliminated.

The Board has worked tirelessly over the last several years to increase data security, improve data collection, streamline accountability plans, improve office fiscal operations, implement legislation through required regulations, and have taken on numerous additional responsibilities including, but not limited to, implementation of carryforward spending plans, a PECO points system, and improvements to the performance-based funding model. Given our small office and lack of redundancy in many areas, reductions of this magnitude to the Board Office would be impactful.