



February 10, 2026

Wolves,

As you know, we have been in the process of eliminating our structural deficit over the last few years. We have managed to reduce it while preserving as much fund balance (reserves) as possible. Below is a reminder of what has been discussed this year and a description of the needed actions moving forward.

I realize that some people may dismiss long emails and/or would rather have a quick list of points. So I have included an executive summary of this messaging as well as a much longer version for those who would like more details.

I realize that discussing fiscal realities can affect morale negatively. It also seems to be a continuous topic at WOU that never gets solved. Primarily because of insufficient state funding and enrollment decline, we have operated in an environment of scarcity for a decade. Recently, the evolving [news out of SOU](#) reinforced the importance of our fiscal work, however difficult it may be. I committed to achieving a balanced budget within my first five years, and we will. We've taken steps to move us in the right direction through implementation of new and better systems, best practices, and budgeting strategies. And now we are doing this work in the shadow of waning state resources and destructive federal policies. Things are uncertain and people are on edge.

But we must do this.

Executive Summary:

To put the university on a more sustainable path, we will reduce expenses by approximately **\$5.2 million over the next two years.**

- **\$2–\$3 million in reductions will be identified by June** and reflected in the FY27 preliminary budget.
- **An additional \$2–\$3 million will be achieved next year** through restructuring that reduces costs and reallocates resources to priority areas.
- Strategies under consideration include eliminating services, reducing or eliminating filled and vacant positions, streamlining programs, reducing operational and athletic costs, consolidating services, and adjusting budget allocations to better reflect actual spending.

Following the June BOT meeting, we will launch **Strengthening the Pack**, a university-wide process to guide this restructuring work and position WOU for long-term sustainability, innovation, and regional impact. This work will be difficult, and some decisions will affect



people and programs, but no single action will solve our challenges. We must make thoughtful, collective choices about what we continue, what we stop, and what we shift.

I appreciate the engagement, ideas, and feedback shared so far. UBAC will continue to seek input as this work moves forward.

Thank you for your dedication to WOU.

JP

Budget Narrative and Details:

As a reminder, here are some key points/moments over the last year.

- **April 8:** Budget Town Hall to explain structural deficit
- **May 7:** [Email](#) to campus explaining need to reduce expenses and that VP Boakye will implement a new budgeting process
- **May 20:** [Email](#) to campus with Vision Statement outlining where we were, where we are, and where we need to go
- **June 4:** Preliminary budget presented and approved by the BOT. We reduced costs by an additional \$1.9 million, but still showed a structural deficit
- **July 3:** [Email](#) circulating budget memo with procedure and timelines from VP Boakye
- **August 4:** [Email](#) to Campus reminding the community of the importance of addressing our budget in light of SOU declaring financial exigency
- **November 19:** Adjusted budget presented to BOT and approved (structural deficit of \$4.1 million)
- **November 20:** [Email](#) to campus explaining the increase to structural deficit. The deficit increase is due to a combination of events, including lower than expected enrollment, higher than expected tuition remissions, and declining indirect cost recoveries. I also explained the context of state revenue shortfalls and the potential for a percentage of current state allocations to be swept. Trustees expect us to address the deficit.
- **December 11:** [Email](#) to campus providing the HECC report on university spending, their recommendations (including “targeted integration”), and our response.
- **January 6:** HECC presents recommendations to commissioners and they vote to forward to legislature for action.
- **January 7:** Senior Leadership held a retreat to discuss budget strategies with focus on cost reduction while also maintaining vision towards revenue generation and program innovation.



- **January 16:** [Email](#) to campus addressing the HECC recommendations and the possible planning for “targeted integration” of universities.
- **January 23:** Budget Managers Workshop
- **January 27:** TRU and PSU presidents and VPFA’s met to discuss the Campus Works analysis of shared services.
- **February 12:** University Lobby Days at the Capitol
- **February 18:** UBAC Town Hall + Enrollment Insights

As stated above, and in light of the financial and enrollment realities facing institutions of higher education, I have informed the trustees that **we will reduce costs by approximately \$5.2 million dollars over two years**. Working within their units, the senior leadership will identify immediate reductions of \$2-\$3 million for the next fiscal year (FY27). These reductions will be reflected in the preliminary budget that will be presented to the BOT in June.

As we work to meet this **initial reduction** goal for the next fiscal year (FY 27), here are some of the actions being considered and discussed.

- Utility Savings
- Eliminating Software
- Shifting Software
- Reducing Number of Software Licenses
- Reducing Number of Computer Labs
- Sweeping Vacant Positions Permanently
- Updating Indirect Cost Policy
- Reducing S&S to Reflect Actual Spending Patterns
- Leasing Real Estate
- Reducing Athletic Travel and Pre-season Expenses
- Reducing Course Releases
- Streamlining Course Offerings & Degree Pathways
- Offering Retirement Incentives
- Reducing Summer Programming (Student Affairs & Academic Affairs)

Shortly after the June BOT meeting, we will launch **Strengthening the Pack**, a process and plan we develop together in order to significantly restructure the university operations and realize another \$2-\$3 million in cost savings. But be aware that this goal could be adjusted based on additional cuts to state funding and shifts in enrollment. It also could be affected by the HECC plan for targeted integration across institutions.

This plan will explore strategies to achieve efficiencies while also positioning us for innovation and growth in programs and services that address the needs of the state and region. We must face the fact that additional state support is not coming anytime soon. Therefore, we must do more to reallocate resources and position ourselves for



sustainability. To do new things, we must stop doing some things and shift how we do others.

How will we be innovative and reimagine how we serve the community?

Through this process, we will realize our strengths and lean into our strategic plan to guide us. This will be hard and difficult work, and it will demand participation from the entire community. We welcome conversations and ideas that push us forward.

Here is a list of the types of strategies we will consider as part of the **Strengthening the Pack** process, including strategies for investing in new programs/activities and/or reinvesting in existing programs/activities.

- Centralize Budgeting
- Centralize Support Services & Operations
- Explore and Implement Shared Services Across Institutions and Internally
- Explore Public/Private Partnerships to Grow Revenue
- Consider Leasing Properties and/or Space
- Reduce Athletic Expenses
- Explore Restructure in Academic Affairs and Student Affairs — Shift Resources and Reduce/Streamline Programs
- Focus on Regional Service
- Explore Stackable Degrees (Awarding AA, etc.)
- Link Programs and Student Support to Strategic Plan Directly (Maximize Strengths)
- Shift Financial Aid Strategy to Maximize Tuition Yield
- Develop Genuine and Seamless Transfer Pathways with Chemeketa
- Explore Adult Learning, Continuing Education, and College Completion Programs
- Explore Adding State Funded Programs for Workforce Development
- Consider Investment in and use of AI to Aid in University Functions
- Increase Advancement Scholarship Payouts

And members of this community will have many other ideas and proposals. The point will be to put things on the table, weigh costs and benefits, and then implement the change.

No one act, or one shift, will be the solution to our financial struggles. There will be difficult discussions and disagreement as we engage in this work. Since almost 80% of our budget is in personnel costs, some of our actions will sadly result in people losing their positions at WOU. There are no easy or simple decisions here, but I promise you I will consider all options and ramifications as we make these choices.



As I have said to you before, the key will be reimagining how we deliver on our strengths and how we differentiate ourselves within the shifting and tenuous world of higher education.

Thank you for your dedication and partnership.

JP