

ACTION ITEM #2
2018 State Supplemental Operating Budget Request
(Joan King)

September 22, 2016

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: 2018 State Supplemental Operating Budget Request

PROPOSED: That the Washington State University Board of Regents approve the 2018 State Supplemental Operating Budget Request and that the Board delegate authority to the President to approve changes or adjustments that may be needed before the final submission is presented to the Office of Financial Management.

SUBMITTED BY: Joan King, Associate Vice President & Chief University Budget Officer

SUPPORTING INFORMATION: The proposed list of projects for the 2018 State Supplemental Operating Budget Request as shown below.

1. WSU Energy Program.
This package seeks an appropriation of approximately \$1 million for the biennium to support ESSB 5939. The legislature passed and the governor signed this bill, which transfers the program management, technical review and tracking responsibilities for the state renewable energy cost recovery incentive program from the Department of Revenue to the WSU Energy Program. The budget bill should have included an appropriation to do this work, but due to the late passage of the budget bill, this appropriation was not included in the approved budget.
Request amount: \$1,035,000 biennially.
2. Joint Center for Deployment and Research in Earth Abundant Materials (JCDREAM). This package seeks a \$500,000 annual appropriation to hire a permanent director and support staff for JCDREAM, which is a 2-year-old, WSU-led collaboration with the Pacific Northwest National Laboratory and the University of Washington. Although WSU received a previous capital budget appropriation and temporary operating funds, permanent operating funds are needed to operate the center, better support research efforts and leverage federal funds. JCDREAM works closely with the Clean Energy Institute and the Joint Center for Aerospace Technology Innovation (JCATI), whose missions are

complementary to those of JCDREAM. Securing operating funds through philanthropy and grants is currently a primary objective of the Board of Directors.

Request amount: \$ 500,000 annually.

3. Washington Academy of Sciences, consolidation of fiscal agent duties. This package requests the consolidation of all fiscal agent responsibilities with WSU for the Washington Academy of Sciences. Beginning in FY2008, both WSU and the University of Washington were appropriated funds for the operation of the Academy. Over time, it has become clear that it would be much more efficient to have one agency handle all financial operations. UW has agreed to have WSU act as the sole fiscal agent. The State simply needs to transfer the appropriation from UW to WSU. The initial appropriation to each institution was \$85,000 per year; the amount to transfer will be less, due to budget cuts after 2008. Estimated transfer: \$74,000 annually.

TOTAL WSU STATE SUPPLEMENTAL OPERATING BUDGET REQUEST: \$1.61 M

BOARD OF REGENTS

2018 State Supplemental Operating Budget Request

Resolution #170922-565

WHEREAS, the Board of Regents of Washington State University by virtue of RCW 28B.10.528 has authority to delegate by resolution to the President of the University, or designee, powers and duties vested in or imposed upon the Board by law and to enable the President, or designee to act on behalf of the Board of Regents in matters relating to the administration and governance of the University.

RESOLVED: That the Washington State University Board of Regents approve the 2018 State Supplemental Operating Budget Request as outlined below and delegate authority to the President to approve any changes or adjustments that may be needed before the packages are presented to the Office Financial Management.

1. WSU Energy Program.

This package seeks an appropriation of approximately \$1 million for the biennium to support ESSB 5939. The legislature passed and the governor signed this bill, which transfers the program management, technical review and tracking responsibilities for the state renewable energy cost recovery incentive program from the Department of Revenue to the WSU Energy Program. The budget bill should have included an appropriation to do this work, but due to the late passage of the budget bill, this appropriation was not included in the approved budget.

Request amount: \$1,035,000 biennially.

2. Joint Center for Deployment and Research in Earth Abundant Materials (JCDREAM). This package seeks a \$500,000 annual appropriation to hire a permanent director and support staff for JCDREAM, which is a 2-year-old, WSU-led collaboration with the Pacific Northwest National Laboratory and the University of Washington. Although WSU received a previous capital budget appropriation and temporary operating funds, permanent operating funds are needed to operate the center, better support research efforts and leverage federal funds. JCDREAM works closely with the Clean Energy Institute and the Joint Center for Aerospace Technology Innovation (JCATI), whose missions are complementary to those of JCDREAM. Securing operating funds through philanthropy and grants is currently a primary objective of the Board of Directors.

Request amount: \$ 500,000 annually.

3. Washington Academy of Sciences, consolidation of fiscal agent duties.

This package requests the consolidation of all fiscal agent responsibilities with WSU for the Washington Academy of Sciences. Beginning in FY2008, both WSU and the University of Washington were appropriated funds for the operation of the Academy. Over time, it has become clear that it would be much more efficient to have one agency handle all financial operations. UW has agreed to have WSU act as the sole fiscal agent. The State simply needs to transfer the appropriation from UW to WSU. The initial appropriation to each

institution was \$85,000 per year; the amount to transfer will be less, due to budget cuts after 2008. Estimated transfer: \$74,000 annually.

TOTAL WSU STATE SUPPLEMENTAL OPERATING BUDGET REQUEST: \$1.61 M

DATED this 22nd day of September, 2017.

Chair, Board of Regents

Secretary, Board of Regents