



Office of Government Relations

Faculty Senate Budget
Update

February 2022

Overview

- WMU Government Relations is preparing for state and federal budget cycles for FY23.
- Wild swings in revenue at state level; from ominous deficit projections to unprecedented one-time surpluses in just over 18 months.
- New higher education funding model debate expected in Lansing. Despite flat state operating budgets for five years, WMU has had success with special project funding.
- Gridlock in DC has prevented completion of last year's federal budget. \$1.85 million in WMU projects are pending.

State Budget Overview

- The State of Michigan has historic budget surpluses.
- Approximately \$5B in remaining Federal funds – ARPA (spending deadline of 2024).
- Approximately \$7B in surplus State revenues from FY21 and FY22. Compare to May 2020 when over \$4B in deficits were projected through the current fiscal year.
- State economists are not forecasting the surpluses to continue for multiple years.
- The pandemic's turbulent nature will make lawmakers resistant to permanent spending. Expect a healthy debate over one-time funding in a campaign year.

State Budget Timeline

- January: Governor's State of the State & Revenue Estimating Conference
- February: Governor's budget proposal released
- March-May: Budget deliberations by Legislature
- May: Revenue Estimating Conference
- June: Budget negotiations
- July 1: Statutory deadline for budget to be adopted
- WMU fiscal year begins on July 1
- State fiscal year begins on October 1

State Funding Success: Over \$67 million for WMU since 2019

Budget Year	Amount	Project
FY 2022	\$750,000	Resiliency Center
	\$18,000,000	MPSERS Liability
FY 2021	\$1,500,000	Resiliency Center
	\$500,000	Geological Survey
FY 2020	\$30,000,000	Dunbar Hall Renovation
	\$500,000	Geological Survey
FY 2019	\$15,000,000	Aviation Building Construction
	\$500,000	Seita Scholars



Federal Overview

- Congress has yet to finalize a budget for FY 2022
- COVID and Infrastructure debates took precedent over annual appropriations in 2021
- WMU distributed over \$42 million to our most needy students in federal emergency relief in 2020-21; \$5 million more than required.
- \$1.85 million pending in Congressionally Funded Projects
 - Cong. Upton and Sen. Stabenow: WMU STEM Workforce Collaboratory (\$1.5M)
 - Sen. Peters: WMU Interdisciplinary Research on Secure, Efficient and Sustainable Energy Technology (\$350,000).



WMU State and Federal Priorities for 2022

- Advocate for more investment in higher education budget after 20 years of disinvestment
- Actively engage in discussions over new funding formulas
- Seek state and federal special project funding for WMU:
 - Final Resiliency Center project
 - Sustainable investment in MI Geological Survey
 - Campus infrastructure investments (water, sewer, roads, sustainability, etc.)
 - Multiple research and community-based projects
 - Knauss Hall renovation

Summary

- Unprecedented one-time surpluses will be debated.
- Higher education funding for FY23 will focus on one-time funding and potentially new funding formulas.
- Advocacy for unique WMU funding projects is top priority.
- Gubernatorial and congressional mid-term elections, combined with redistricting, will make 2022 a wild ride on both the policy and political fronts.
- Please advocate for WMU priorities with our elected officials!



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Questions?

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