



Agenda Item Number & Type:	Agenda Item 13– Action
Title of Presentation:	FY26 Preliminary Operating Budget
Date of Presentation	May 22, 2025
Committee:	Finance and Administration
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## SUMMARY

This document is the FY26 Preliminary Operating budget, includes both the Education and General Fund Budget as well as the Non E&G funds. This preliminary budget was presented for acceptance at the April 30, 2025 EOU Board of Trustees Finance and Administration Committee.

## CONTEXT

This document outlines changes to the operating budget for FY26. The FY26 E&G ending fund balance is based on the FY25 projected ending fund balance. Currently, the FY26 budget reflects a gap creating a \$500K use of fund balance. In order for EOU to meet the board goal level of 20% of revenue, an additional \$784K in revenue or reduced expenses is required. Ongoing discussions focus on strategies to close this gap through temporary savings, position vacancy evaluations, and potential revenue opportunities. The university aims to present a final fiscally balanced budget, which also meets the board level goal in November 2025.

## STRATEGIC AND EQUITY LENS

As required by [Board Statement No. 12, Diversity and Equity](#), Section 3.1, answer the following questions:

- Which (if any) of [the Ten Essential Responsibilities of university governing boards](#) does this proposal apply to? If relevant, you may also refer to any of the [Nine Principles of Trusteeship](#).
  - Ensuring the institution’s fiscal integrity, preserving and protecting its assets for posterity.
  - Ensuring that the policies and processes of the institution remain current and are properly implemented.
  - Focus on what matters most to long term sustainability
- How is this proposal aligned with the [university’s mission, values](#), and [strategic plan](#)?
  - The institutional mission, values and strategic plan guide the work that goes into the budget planning and subsequent quarterly report. All financial decisions tie

back to the mission of the institution. Specifically, Goal #6: Financial Sustainability, Stewardship in fiscal sustainability and growing EOU's financial and capital resources.

- How does this proposal affect (positively or negatively) historically underserved persons or groups? N/A
- How does this proposal reduce existing equitable disparities? N/A

## **DISCUSSION QUESTIONS**

1. What are the key drivers of revenue and expense changes? How do they compare to historical trends and peer institutions?
2. If revenue projections fall short, what contingency plans are in place to maintain financial stability?
3. What measures are being taken to maintain the board approved fund balance goal in future years?

## **RECOMMENDED ACTION**

Approve the FY26 Preliminary Operating Budget as recommended by the EOU Board of Trustees Finance and Administration Committee..

## **FISCAL IMPACT**

The FY26 Preliminary E&G Operating Budget reflects increases in tuition as proposed and changes in state funding based on the released Co-chairs budget.

## **ATTACHMENTS**

[FY26 Preliminary E&G Operating Budget Overview Memo](#)

[FY26 Preliminary Non E&G Operating Budget Overview Memo](#)

[FY26 Preliminary E&G and Non E&G Operating Budget Slide Deck](#)