



# WESTERN CONNECTICUT STATE UNIVERSITY

## Reserve Compliance Plan, March 5, 2026

Western Connecticut State University is committed to restoring and maintaining reserves equal to at least 30 days of operating expenses through disciplined financial management, structural cost improvements, and responsible revenue growth. The actions outlined below represent a coordinated institutional effort already underway to stabilize operations, reduce structural pressures, and rebuild reserves while protecting the university's core academic mission and service to students.

The President has initiated development of a comprehensive deficit-closing fiscal blueprint, which will be finalized during the current academic term and will guide the university's multi-year financial stabilization strategy. This work is being refined with input from a representative Budget Advisory Group established in March 2026, advising on actions that promote transparency and enable the full university community to identify opportunities for efficiency, cost containment, and responsible revenue generation.

As these efforts bring the institution into a rightsized structural financial model, reserve levels will be stabilized and maintained at or above Board of Regents policy requirements.

### **1. Reserve Funding Practices**

- Establish formal reserve funding practices directing available non-recurring resources toward reserve stabilization.
- Allocate a portion of positive operating variance to reserves when available.
- Direct appropriate one-time funds (vacancy savings, carryforward balances, lapse funds) toward reserve rebuilding.
- Restrict use of reserves to non-recurring strategic purposes.

### **2. Personnel Controls and Vacancy Management (Actions underway)**

- Presidential review and pause on hiring and appointments reflected on the Personnel Review Committee (PRC) list.
- Monitoring staffing levels relative to enrollment and operational need.

### **3. Operating Expenditure Controls (Actions underway)**

- Permanent operational efficiency actions reducing operating expenditures by approximately \$2.7M below the FY26 allocation.
- Strengthen monitoring controls of operating expenses and corrective action when needed.

### **4. Overtime and Premium Pay Management (Actions underway)**

- Cap overtime in Facilities and Public Safety at FY25 levels.
- Scheduling adjustments and staffing pilots to reduce reliance on overtime.

### **5. Net Tuition and Enrollment Revenue Improvement (Actions underway)**

- Review institutional financial aid packaging to improve net tuition performance.
- Targeted adjustments to dual and concurrent enrollment strategies.
- Continued focus on enrollment growth and retention improvement.

### **6. Financial Monitoring and Budget Controls (Actions underway)**

- Monthly budget variance reviews and strengthen in-year financial monitoring.
- Rapid decision cycles to identify savings opportunities, reduce reliance on one-time solutions, and continuous refinement of financial forecasts.

### **7. Organizational Realignment (Completed / underway)**

- Administrative restructuring completed to streamline leadership roles and operational alignment.
- Academic structure design beginning with faculty leadership, aligning programs with enrollment demand and long-term sustainability.
- Ongoing evaluation of service delivery models to improve operational efficiency.

### **8. Impact Investments and Strategic Initiatives**

- Hawkes Innovation Fund supporting faculty and staff initiatives that advance academic innovation, workforce partnerships, and student success.
- Targeted one-time strategic initiative investments designed to strengthen enrollment, retention, and revenue generation.
- All investments include defined return-on-investment benchmarks, ongoing performance monitoring, and formal outcome assessment.

### **9. Policy Review and System Alignment**

- Review of block grant allocation model.
- Review of systemwide contra-revenue policy.
- Evaluation of inter-campus shared services opportunities.

### **10. Short-Term System and State Partnership**

- As WCSU implements its multi-year financial stabilization plan, short-term system or state support may be necessary to bridge the transition period while structural reforms take effect.
- The scope and structure of any support will be determined in collaboration with CSCU leadership and state partners.

### **Compliance Path**

- Structural cost containment.
- Responsible revenue growth.
- Organizational realignment.
- Strategic investments with measurable outcomes.
- Once the institution reaches a rightsized operating structure, reserves will be maintained at or above the 30-day operating threshold required by policy.