

WASHBURN UNIVERSITY BOARD OF REGENTS
Budget/Finance Committee Meeting
May 4, 2007

Regents Present: Bob Storey, chair, Jim Lagerberg, Jim Roth, Blanche Parks

Staff Present: Jerry Farley, Wanda Hill, Tom Ellis, Cynthia Hornberger, Rhonda Thornburgh, Nelda Gaito, Al Dickes, David Monical, Gordon McQuere, Chris Leach, Bill Rich, Melodie Christal, Willie Dunlap, JuliAnn Mazachek, Ron Wasserstein, David Sollars, Denise Ottinger

Students Present: Josh Shald, former WSGA President, and Lacey Keller, current WSGA Vice President

Minutes of the January 16, 2007 meeting were approved as distributed.

Debt Retirement and Construction Fund FY 07 Allocations for FY 08 Capital Projects, Other Equipment and Technology Equipment -

- Vice President Hill outlined the recommended allocations. The capital improvement project requests of \$1,667,590 include the final phase of classroom furniture replacements. Other equipment requests of \$349,770 include media podium cabinets for the mediated classrooms. Technology allocations of \$400,000 are recommended at this time. If additional funding becomes available, an additional amount up to \$270,000 will be recommended later. An ending fund balance of \$1,549,931 is projected.
- President Farley said every request was reviewed and scrutinized with input from many people, prior to narrowing the list down to the final recommendations.
- President Farley said we have a strong financial statement with a good revenue stream to handle our outstanding debt.

Fiscal Year 2008 General Fund Budget -

- President Farley said a four percent salary pool was approved at the January board meeting. There is no increase in the sales tax estimates. The Smoothing Fund will remain at the current level with no reduction. The recommendation from the Governor is an increase in the base budget of about 4%.
- President Farley noted Washburn tuition is substantially less than the national average. Fort Hays is the only state school with tuition and fees less than Washburn.
- The only fee Washburn currently charges is an activity fee. This year a base tuition increase of \$10 is being proposed along with differential tuition rates for the School of Nursing and the School of Business.
 - Due to a critical shortage of nurses, the State is implementing an initiative to assist institutions who are willing to increase enrollment in their nursing programs. To qualify for State funds Washburn must match the amount of money provided by the State. The School of Nursing plans to increase enrollment by 20%. A differential tuition amount of \$15 per credit hour is proposed for FY 08.
 - The School of Business has made a tremendous investment in their program in order to become AACSB accredited. Additional investments are needed to continue to maintain the quality program. A \$25 differential tuition is proposed.
 - When asked how the differential tuition would affect revenue, Vice President Hill said, based on twelve credit hours, Nursing students would see a \$180 increase per semester and Business students would see a \$300 increase per semester. The differential tuition would bring \$150,000 additional annual revenue to Nursing and \$374,000 additional annual revenue for Business.
 - When asked how the administration arrived at the recommended differential tuition amounts, President Farley indicated the rates are based on those charged by other institutions. He said differential rates are already being used for on-line courses and for Allied Health courses in the School of Applied Studies. Differential tuition for costly programs in the College of Arts and Sciences will be reviewed in the future.

- Regent Parks asked if additional enrollment was anticipated. The President said we have been very conservative in our estimates and the budget is based on no increase in enrollment.
- The Washburn Student Government Association (WSGA) has proposed an increase in the Student Activity Fee. Former WSGA President, Josh Shald, said the proposed increase is a well researched initiative. WSGA audited the organizations using the fees. It is important to keep the fee low and comparable to other schools. He distributed a list showing the dollar amount for fees charged by other institutions in the state. It was determined an increase is needed. Students surveyed indicated they will support an increase in activity fees. Students have direct control over this fund and WSGA has been a good steward of money by sponsoring trips and events on campus. It has been an invigorating year for student life. Regent Roth asked why student activity fees do not go towards the Rec Center, Student Health, parking, or athletic events. President Farley said the fee has just historically not been used for such things.
- President Farley discussed the salary increase analysis showing the distribution of merit salary increases. He said there are substantial differences in increases which peak at 3.1% to 5%.

Regent Roth moved to accept the recommendations as presented. It was seconded by Jim Lagerberg and the motion was carried. The recommendations included:

- approval of FY 07 allocations for FY 08 capital projects, other equipment, and technology equipment;
- approval FY 08 general fund budget, including tuition increases and differential tuition proposal; and
- an increase in student activity fee from \$31 to \$43.

Meeting was adjourned.