

**WASHBURN UNIVERSITY BOARD OF REGENTS**  
**Budget and Finance Committee Meeting**  
**April 3, 2018**

Regents Present: Terry Beck (committee chair), Paul Hoferer (committee member), Bill Sneed (committee member), John McGivern (committee member), Blanche Parks

The meeting was called to order at 11:40 a.m. by Terry Beck, chair.

Minutes from the June 8, 2017 meeting and from the June 15, 2017 meeting were approved as distributed.

Vice President Jim Martin reviewed the proposed FY19 Capital Projects and Equipment requests which will be funded from the FY18 DRC Fund. It was moved and seconded to recommend approval of the Capital Projects and Equipment by the full Board of Regents. Motion carried.

The Faculty Salary Analysis for 2016-17 was distributed. VP Martin noted that we are not where we'd like to be. More updated salary information will be available prior to the June meeting. In answer to a query, Vice President JuliAnn Mazachek said the Voluntary Retirement Incentive Program (VRIP) is impacting salaries for the second year. We have slipped further behind in all three categories due to the VRIP. Much of the VRIP savings was due to eliminating positions rather than hiring new faculty at lower salaries. In answer to a query President Farley said a merit based program was implemented years ago but for the last several years salary increases have been very modest so it has not been possible to create performance based salary adjustments. He noted that about ten years ago we were able to get within 5% of the national average salaries of our peers, however, with the necessary budget cuts we have fallen further behind. In FY17 Washburn faculty salaries were 11.3% lower than the peer national average. We try to benchmark at 90% of the market for staff. When asked how community colleges keep their costs so low, VP Martin said they typically hire adjuncts at lower salaries and no benefits, have a lot of on-line classes, and little infrastructure to keep up.

VP Martin discussed the enrollment report, noting that the overall mix of students and credit hours has shifted. Although credit hours were up the tuition income is down making it necessary to make spending adjustments in the current budget. When asked what costs will be cut, VP Martin said we hope to capture savings in labor, utilities, and scholarships.

VP Martin led the discussion on budget planning saying we will not be budgeting any increase in state aid or sales tax. We will need to wait on the legislature to hear what funding will be available for Washburn Tech. President Farley said Senate Bill 155 provided reasonable budgeting for technical colleges, however, the funds aren't distributed until the semester is over.

We are waiting to receive an updated credit rating from Moody's. President Farley said Moody's looks at the capability to respond to undue stress on the finances, such as lowered enrollment and lower state funding.

The meeting was adjourned at 12:30 p.m.