

WASHBURN UNIVERSITY BOARD OF REGENTS
Budget and Finance Committee Meeting
June 10, 2014

Regents Present: Pam Trusdale (committee chair), Paul Hoferer (committee member), John McGivern (committee member), Bill Sneed, Jennifer Sourk

The meeting was called to order at 3:32 p.m. by Pam Trusdale, chair.

- 1) Minutes of the April 21, 2014 meeting were approved as distributed.
- 2) FY 2015 General Fund Budget - Vice President Rick Anderson presented the FY 2015 budget summary.
 - Washburn University -
 - The Legislature will restore the 1.5% reduction to the State Fund Grant for FY 2014 and abate the proposed 1.5% State Fund Grant reduction that was proposed for FY 2015.
 - Sales tax revenue will be flat for another year.
 - Tuition revenue has always been budgeted based on the enrollment of the previous fiscal year, minimizing the effect of an optimistic enrollment projection that does not materialize. When we have enrollment increases greater than what has been budgeted those funds are used for one-time expenses or to increase University reserves. For FY 2015 we must absorb the financial impact of the decline of current year enrollment revenue.
 - Priorities for FY 2015 will be funded through a combination of budget reductions and redistributions, along with a modest 4.6% average tuition increase, or \$11 per credit hour. We are still significantly below the percentage increases of other Kansas schools, and much lower than the average tuition of national and region institutions.
 - An average salary pool increase of 3% merit/market based salary program will be implemented effective January 1, 2015, provided Fall 2014 tuition net revenues reach a specific threshold of \$750,000. If sufficient new net tuition revenue is not generated whatever revenue is available will be rolled forward for future budgets. Any portion of the tuition increase not used to match new net tuition revenue increases will be allocated for one-time scholarships. Several other Kansas institutions have used this approach for the current year and in past years.
 - Washburn Institute of Technology -
 - The Legislature has proposed to abate the proposed 1.5% State Fund Grant reduction for FY 2015.

- Senate Bill 155 has benefited Washburn Tech since Tech is one-third driven by post-secondary students. The Legislature is proposing to fully fund SB 155 for FY 2014 and FY 2015.
 - Washburn Tech experienced a 20% enrollment increase in FY 2014. Washburn Tech will have sufficient past enrollment growth and State support to implement an average 3% merit based salary program effective July 1, 2014.
 - Infrastructure improvements are needed at Washburn Tech. Funds are being set aside for both capital improvements and computer infrastructure. Additional funds will also be put into recruitment for high school and post-secondary students.
 - In answer to a query about the reduction of \$118,000 from reallocated positions, Dean Clark Coco said the reductions are primarily from elimination of programs that have had minimal enrollment in recent years. He indicated they also eliminated some duplication in the various health programs.
 - VP Anderson said the Washburn Tech campus eliminated two positions and added four or five new positions for enrollment driven expansion and anticipated growth.
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- A campus-wide message will be sent regarding budget approval and the conditions that apply. A separate message will be sent to Washburn Tech employees.
 - It was moved and seconded to recommend Board of Regents approval of the FY 2014-2015 Budget as presented. Motion carried.

3) The meeting was adjourned at 4:18 p.m.