

**WASHBURN UNIVERSITY BOARD OF REGENTS**  
**Budget and Finance Committee Meeting**  
**June 11, 2015**

Regents Present: John McGivern (committee chair), Bill Sneed (committee member), Pam Trusdale (committee member), Robba Moran, Paul Hoferer, Mayor Larry Wolgast, Jennifer Sourk, Brent Boles, Blanche Parks

The meeting was called to order at 3:15 p.m. by John McGivern, chair.

1) Minutes of the April 24, 2015 meeting:

- Mayor Wolgast noted that the minutes should be amended to show he was present at the meeting.
- The minutes were approved as amended.

2) FY 2016 General Fund Budget:

- Chairman McGivern said he and Vice President Anderson met yesterday to discuss the budget which includes a \$12 credit hour tuition increase for Washburn and a \$13 increase for Washburn Institute of Technology. He said there was a question from Regent Sneed about where our market position would be if the legislature caps tuition for the Regent schools.
- Vice President Anderson presented the Budget information. Even if the Regent schools tuition is capped at 3.6% our position in relation to the Regent schools would remain lower than KU and KSU, relatively even with WSU, but higher than the other regional State schools. Mandatory fees are not subject to the legislative cap. VP Anderson said it is important to point out that unlike most institutions Washburn does not have a lot of mandatory fees. Most institutions mandatory fees are around 20%.

Regent Parks arrived at 3:21 p.m.

- Regent Trusdale asked if the Regent schools generally increase fees when tuition is increased. Regent Moran said usually fees are increased with tuition and they generally go up significantly for new building construction or other specific purposes. President Farley said it is simply another way for schools to generate revenue, however, the Washburn administration prefers to not specify fee allocations because once you identify a fee for a specific purpose then students who do not use that facility or service feel they should not be paying the fee. From an administrative perspective it is easier to have overall fees rather than specific use fees. Regent Sourk said her concern is that students are not shopping apples to apples when comparing schools.
- President Farley said the national and midwest average tuition has increased significantly in the last five years. Tuition and fees are 58% of the budget. Our reliance on the State is less than other schools. President Farley said we have been very conservative, but we do not have the resources available to many other schools.

- If the legislature makes changes to the State budget then the administration would bring any necessary changes to the July Board meeting.
- When asked about the funding for the Forensic Center President Farley indicated it is subject to funding from the State and would be brought back to the Board at the July Board meeting. None of the Forensics positions are included in the budget currently being presented since they will not be funded without money from the State.
- Washburn Tech enrollment is at capacity except for three or four programs. The Tech budget is not as people intensive since they rely more on equipment and supplies. VP Anderson said we will closely monitor the enrollment as it peaks with Senate Bill 155.
- Regent McGivern asked when the tuition tipping point would be. When will the price of tuition exceed the return making people decide they can no longer afford a college education? President Farley said this has been debated all across the country and so far the value of a baccalaureate degree outweighs the cost. He said there could come a time when education is only available to the elite. Washburn is a modest tuition institution and we do a better job than most at controlling costs. This will be discussed further at the Board retreat to be held this summer.
- A tuition rate increase of \$12 per credit hour at Washburn and a \$13 per credit hour at Washburn Tech is proposed. A 2% salary program increase, starting October 1, 2015, is also proposed.
- Mayor Wolgast mentioned that at the Association of Governing Boards (AGB) meeting they emphasized the importance of the total cost of education with tuition being only a part of the cost to educate students.
- President Farley said the fact that our revenue from the State makes up only 13% of our revenue puts us in a better position than other schools.
- It was moved and seconded to recommend to the Board of Regents that the FY 2016 Budget for Washburn University and Washburn Institute of Technology be adopted as outlined. Motion carried.

3) Bond Information:

- Vice President Anderson reported the bonds for the new housing and dining project were sold yesterday at a rate of 4.25% which is a very low and competitive rate.

4) Regent Sourk thanked everyone for their assistance during her service as Board chair. President Farley thanked Regents Sourk and Trusdale for all their help with the Designer Showhouse and President's house renovation.

5) The meeting was adjourned at 4:01 p.m.