

WASHBURN UNIVERSITY BOARD OF REGENTS
Budget and Finance Committee Meeting
January 17, 2011

Regents Present: Maggie Warren, Chair, Jim Klausman, Bob Storey, Dan Lykins, Christel Marquardt, Blanche Parks

Staff Present: Jerry Farley, Rick Anderson, Nancy Tate, Randy Pembroke, Cindy Hornberger, Richard Liedtke, Chris Leach, Rhonda Thornburgh, JuliAnn Mazachek, Loren Ferre, Bill Roach, Russ Jacobs, Dorothy Hedman

Students Present: Lucas Mullins, Regina Budden

The meeting was called to order at 4:00 p.m. by Maggie Warren, Chair.

1. Minutes of the December 3, 2010 meeting were approved, with the correction to include Regent Parks as being present at the meeting.
2. Background Supplemental Schedules –
 - a. The *Ten Year Comparison of Tuition and Fees* was reviewed. President Farley noted that in the 2000-01 school year, Washburn was \$242 behind the national tuition average, however, we have now fallen behind by \$1,309.
 - b. A *Thirteen Year Comparison of Average Faculty Salaries at Public Masters Institutions* was also reviewed. Thirteen years ago we were almost 12% behind the average. A concerted effort has been made to close the gap and in fiscal year 2007 it was narrowed to within 5%, however, with no salary increases in the last two years we have again lost ground and are currently at 8.8% behind the national average. We are in the same situation with classified positions that we compare locally with State, City, and County government positions. An increase in health insurance costs had to be passed on to employees and another increase is predicted for next year.
 - c. *Washburn Tech Tuition and Fee Comparison with Other Kansas Technical Colleges* was reviewed. In most cases Washburn Tech is less than the other institutions. Mr. Klausman asked why the non-resident and international rates are so much higher. President Farley said the rates were in place prior to Washburn taking over WIT, however, there are very few students in those categories. He indicated a change would be proposed for the non-resident and international tuition after consultation with the WIT Advisory Council.
3. Fiscal Year 2011 – 2012 Budget Discussion – Mr. Anderson presented the preliminary budget assumptions. He noted that tuition and fees provide 54% of the University's revenue and salaries account for 47.6% of the operating expenses.

Regent Warren asked what operating expenses made up the Other/Transfers line item and Mr. Leach said matching grants, employee tuition waivers and other miscellaneous expenses, as well as regents contingency transfers are included there. It is used on rare occasions for one time expenditures and gives the University flexibility to ask the Board of Regents to use reserves for emergencies.

Regent Warren asked if the Governor's proposed 6% across the board reduction will affect Washburn. President Farley said there is no proposed reduction for higher education, however, there will be no funds provided for KTWU, who received \$260,000 last year. He noted KTWU is a very important asset for Washburn, and the entire community, and will be significantly affected by this.

A large reduction is not expected for Washburn Tech. They may be able to make up for some of the reductions with more collaboration with business and industry.

Mr. Lykins noted there will be no new money from the State this year. We need to consider the possibility of additional budget cuts.

4. Preliminary planning approval for a FY 2012 budget salary increase of 2% was proposed. A 10% increase in health insurance and a 5% increase in utilities are projected. Commitments include the library database, a new Social Work position, faculty promotions, the First Year Experience, and expansion of Allied Health.

Regent Storey inquired about student retention. President Farley said the administration is looking at best practices of other schools. Some changes and modifications will be made based on results of exit interviews. We are looking into offering an intensive summer “bridge” program to try to help students who may be destined for failure.

The WIT budget was discussed. Regent Warren noted the WIT buildings are old and will be requiring upgrades. President Farley agreed it will be necessary to discuss the facilities with the Advisory Board.

Regent Klausman moved, and Regent Storey seconded, a motion to recommend to the Board of Regents that they accept the outlined budget assumptions which will allow the administration the ability to move forward with the budget process and bring back a Fiscal Year 2012 proposal including a tuition increase and updated funding for both the University and Washburn Tech. Motion carried with Regent Storey abstaining from the vote.

5. Next meeting will be held in April and will be scheduled later.
6. Meeting was adjourned at 5:00 p.m.