MINUTES
BOARD OF REGENTS
MIDWESTERN STATE UNIVERSITY
June 17, 2015

The Board of Regents, Midwestern State University, met in special session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 9:00 a.m., Wednesday, June 17, 2015. Regents in attendance were Mr. Shawn Hessing, Chairman (via teleconference); Mr. Mike Bernhardt, Vice Chairman; Mr. Kenny Bryant, Secretary; Mr. R. Caven Crosnoe; Dr. Lynwood Givens; Mr. Jeff Gregg; Ms. Nancy Marks; and Mr. Sam Sanchez.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Betty Stewart, Provost and Vice President for Academic Affairs; Dr. Howard Farrell, Vice President for University Advancement and Public Affairs; and Dr. Robert Clark, Vice President for Administration and Institutional Effectiveness. Other university personnel attending the meeting included Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Matthew Park, Associate Vice President for Student Affairs and Dean of Students; Mr. Charlie Carr, Director of Athletics; Mr. Barry Macha, General Counsel; Ms. Dawn Fisher, Director of Human Resources; Ms. Valarie Maxwell, Director of Budget and Management; Dr. David Carlston, Chairman of the MSU Faculty Senate; Mr. Dirk Welch, Chairman of the MSU Staff Senate; Ms. Sara Webb, Business Manager for Facilities Services; Ms. Julie Gaynor, Director of Marketing and Public Information; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the news media were Ms. Lana Sweeten-Shults, *Times Record News*, and Mr. Cody King, KAUZ News Channel 6.

Chairman Hessing called the meeting to order at 9:00 a.m. and Ms. Gaynor introduced the guests.

Opening Comments
Mr. Hessing welcomed everyone to the meeting and thanked the board members for their participation. He apologized that the weather had kept him from attending the meeting in person. He reminded everyone that the meeting was being streamed live on the internet and asked everyone to silence or turn off their cell phones.

Public Comment
Mr. Hessing stated that in accordance with the Board of Regents By-Laws, MSU Policy 2.22, members of the public are invited to address the Board of Regents through written and oral testimony. He noted that no one had signed up to speak during this time.

Electrical Utility Contract
15-164. Mr. Hessing noted that the board must approve certain contracts for the purchase of electricity. He stated that the administration was requesting board authorization for the president to enter into a contract with an electricity provider, with the contract having a yearly value of up to $2 million for as many as five years. He noted that this authorization would ensure the administration can make a timely decision when negotiating the best rate for the institution. Dr. Fowlé reported that the board previously authorized the president to sign a similar electrical contract. She stated that the current contract expires in May 2017. She added that while this is still a good contract, the company has informed the university that the pricing is very good at the present time.

They have offered to extend the contract and blend the current pricing with the pricing on the current contract. This new contract would save money for the university. She noted that Ms. Sara Webb and Mr. Kyle Owen were available to answer questions the board might have.

Dr. Givens moved approval of this item as presented. Mr. Bernhardt seconded the motion and it was unanimously approved.

FY 16 Budget Workshop

15-165. Mr. Hessing apologized for not being in attendance at the university. He expressed appreciation for the board's participation in this meeting. He noted that the administration had provided general budget information for the board's review (see Attachment 1). He asked Dr. Rogers and Dr. Fowlé to present the information and stated his hope that the meeting would be very interactive and participatory.

Dr. Rogers indicated that board members should feel free to ask questions at any time during the discussion. He reminded the board that the FY 15 budget was balanced with the use of $2.2 million in one-time funds. He added that the administration knew the FY 16 budget would be challenging since the one-time funds would no longer be available. Dr. Rogers reported that he and the cabinet began working on the budget in October, knowing that much of the information would not be available until the end of the 2015 legislative session. Budget hearings were held in the spring and the colleges and major program areas were given the opportunity to present budget requests to the administration. He noted that the budget was not yet final and that the current working document was within $135,000 of being balanced. Dr. Rogers reported that the outcome of the legislative session determined major funding for the university. The key funding areas during the 2015 session included the Higher Education Assistance Fund (HEAF), Hazlewood exemptions, and formula funding. He added that unanticipated changes were made to the Be-On-Time program that will positively affect the university's FY 16 budget. He reported that outcomes-based funding was recommended to the legislature but was not approved. This was an area that would have likely provided additional funding for MSU. Dr. Rogers stated that MSU was approved for $58.4 million in bonding authority for campus construction and improvement. He stated that this would not affect the FY 16 budget but he wanted the board to be aware. He noted that this would require a great deal of planning during the coming year.

Dr. Rogers reported that as soon as figures from the appropriations bill were known, the administration reviewed projected revenue changes. The changes totaled $2.8 million and covered the $2.2 million in one-time funds that were no longer available. The administration also determined areas of funding that could be reduced. He stated that the categories of budget reductions included one-time items, areas that did not use the funds currently allocated, and temporary reductions in funding. These reductions totaled approximately $717,000 and, together with the $590,000 remaining after covering the one-time monies used, the university had $1.3 million to fund budget priorities. Dr. Rogers stated that MSU's budget generally increases by approximately $2 million each year before any program or employee additions. The anticipated increased cost for FY 16 was estimated at $1.9 million. He noted that the cabinet then reviewed the administration's high-priority budget items, which included salary increases for faculty and staff. He reminded the board that three years ago the administration changed the rate of summer pay for faculty and moved the difference in funding into the regular academic year salaries. His commitment to the faculty was that the administration would allocate $500,000 to faculty salaries for the next three years. He added that the 2016 budget was the third year of the commitment. He noted that $200,000 was in the budget for staff salary increases that would be made at mid-year.

Dr. Rogers reported that in order to meet the majority of the administration's high priority budget items a solution totaling $1.67 million was needed. The administration determined that HEAF could be used as part of the solution. Dr. Rogers explained that HEAF dollars can be used to pay debt on the construction and renovation of E&G facilities. Such debt can also be paid with designated tuition. MSU's HEAF allocation will increase by $1.5 million in FY 17 when compared to the allocation in FY 15. During FY 16 a portion of HEAF will be used to pay debt rather than the university using designated tuition. This change will provide $950,000 for the operating budget. Dr. Rogers stated that work on the budget continues and that he was pleased with the work that had been done thus far.

Mr. Hessing asked for additional information regarding the source of funds for the one-time money in the current year budget. Dr. Fowlé responded that the one-time funds included $735,000 in undesignated donations, $400,000 in lease money that the university receives periodically, a one-time Hazlewood appropriation of $270,000 that was not previously budgeted, and $865,000 in left over tuition and fee dollars. Mr. Hessing asked about the balance of the university's reserves. Dr. Fowlé responded that the university maintains restricted reserves that cannot generally be used to fund the central budget. She added that at the end of the current fiscal year MSU's centrally funded reserves would total approximately $6.7 million. Dr. Fowlé indicated that she would provide information to the board regarding reserve balances. Dr. Rogers stated that he felt Dr. Shipley would have a good workable budget for FY 16.

Dr. Givens noted that Dr. Rogers mentioned that university costs increase by approximately $2 million each year. He asked how many new students would be needed to cover that increased cost. Ms. Maxwell provided information indicating that approximately 117 full-time equivalent students would generate approximately $2 million.

Dr. Rogers asked Ms. Barrow to present information regarding the legislative session. She reported that there were a number of items in the session that were critical to MSU and higher education as a whole. She outlined the major changes as follows:

A. Formula Funding – Ms. Barrow reported that formula funding for public higher education institutions increased by approximately 3%. While higher education is still not receiving funding at the level experienced prior to 2011, the legislature worked to increase funding for higher education during the session. Universities are funded according to their enrollment during a base period. For the 2015 session the base period included enrollment in the summer and fall 2014 and spring 2015. With the approval of the appropriations bill MSU will receive an additional $865,000 each year of the biennium to fund the operation of the university.

B. Higher Education Assistance Fund (HEAF) – HEAF is a constitutionally dedicated fund that provides consistent funding to HEAF schools for infrastructure projects, capital equipment, and library books and materials. The legislature reviews the amount of funds appropriated for this purpose every ten years and reviews the allocation of funds to institutions every five years. The Texas Higher Education Coordinating Board (THECB) appointed a committee to make recommendations as required. The THECB recommended a 50% increase, which is the amount the fund was increased 10 years ago. The legislature approved a 50% increase; however, the increase will not be allocated until FY 17.

C. Hazlewood Act Funding – Ms. Barrow reported that MSU's foregone tuition and fees in FY 2014 for the Hazlewood program was $1.2 million, with the Legacy portion totaling $800,000. Dr. Rogers commented that he had hoped the state would allocate funds to cover the cost of the program. Unfortunately, such funding was not approved. Ms. Barrow stated that legislators worked to address some of the policy issues related to this exemption but such legislation was not approved. She added that funding established in 2013 was continued and MSU's portion of the allocation was estimated to be $195,000.

D. Be-On-Time Program – Ms. Barrow reported that this program will be discontinued beginning in FY 16. State universities must currently transfer 5% of its undergraduate tuition above $46 per semester credit hour (SCH) to the state for this program. Some institutions were sending funds to the state and not getting the benefit of the money owing to the fact that they did not have enough students taking advantage of the program. With this change state universities will no longer be required to set aside this 5% and MSU's funds will be available for MSU's use. This policy change results in an additional $375,000 for MSU.

Ms. Barrow reported that from a fiscal standpoint this was a good session for higher education and for Midwestern State University.

Mr. Sanchez asked about the status of the campus carry bill. Ms. Barrow responded that the bill passed and the law goes into effect August 1, 2016. She noted that this would give the campus time to communicate and provide input in determining what is best for MSU. The law requires the president of each institution to consult with students, faculty, and staff regarding the nature of the student population, safety considerations, and the campus environment. The president must establish rules regarding the carrying of concealed handguns on campus, but the president may not "establish provisions that generally prohibit or have the effect of generally prohibiting CHL holders from carrying concealed handguns on the campus." The rules must then be reviewed and approved by the Board of Regents.

Mr. Sanchez asked about the university's Tuition Revenue Bond (TRB) request. Dr. Fowlé responded that MSU's capital construction request of $73 million was approved in the amount of $58.4 million. Ms. Barrow added that the legislature had not approved TRB funding authorization for all higher education institutions since 2006. The value of the projects authorized totaled $3.1 billion. Dr. Fowlé reported that the details of how the funds will be allocated had not yet been worked out and that the THECB would work with the institutions on the allocation of funds. She stated that each institution was instructed to submit the original request based on 20 year financing and 6% interest. She noted that MSU's most recent bond issue was just below 4%. She reported that funds needed to cover $3.1 billion in projects at 6% would total $260 million. The legislature appropriated $240 million beginning in FY 2017. She stated that the administration was waiting on information from the THECB with regard to how funds will be allocated. Dr. Fowlé added that institutions may issue bonds for these projects as early as September 1, 2016. Dr. Givens asked if the institution had to pledge its funds to bond the $58.4 million. Dr. Fowlé responded that the bonding agency would look at whether the institution has resources to pay the debt service, which would be approximately $5 million each year. Dr. Rogers added that they also understand that the state appropriates funds to pay the debt service. Dr. Givens asked if the institution had to pledge certain funds or pledged the pool of funds. Dr. Fowlé responded that the university pledges the pool of funds. Mr. Crosnoe asked what the $58.4 million would be used for. Dr. Rogers responded that the original request for $73 million was for a new health sciences and human services building as well as ADA and fire safety projects in several university buildings. He noted that the administration and board would have to determine how to best utilize the $58.4 million to address these needs.

Dr. Givens asked if there was any possibility that the increase in HEAF might be delayed beyond FY 17. Dr. Rogers responded that the increase was included in the appropriations bill and was essentially guaranteed in FY 17. It would take a special session of the legislature and new legislation to make a change to the HEAF funding. He added that HEAF is authorized by the Texas Constitution. While the amount of funding could be changed when the funding is reviewed in 10 years, a constitutional amendment would have to be approved by the voters if there was a movement to abolish HEAF. Mr. Hessing noted that he understood that it was constitutional but he wanted to be certain that this action with HEAF would not hurt the university budget in 2017. Dr. Rogers responded that it would not.

Dr. Fowlé then reviewed the budget planning document shown in Attachment 1. She reminded the board that the budget was not yet final and this was a working document.

She first presented the enrollment projections. She indicated that the budget would be developed based on the fall 2015 projected enrollment. Dr. Fowlé reported that Ms. Valarie Maxwell, Director of Budget and Management, had tracked these numbers since 1999, and the projections were based on historical trends. Mr. Gregg asked why the number of juniors to seniors increased so much from one year to the next. Dr. Fowlé responded that a senior is anyone with more than 90 hours and can also include new transfer students. She reported that the graduate student numbers were calculated based on input from the provost and deans. She added that outside of the graduate programs, several freshmen classes of 900 students would be needed for the university to reach enrollment of 7,000. Dr. Rogers added that the university continues to suffer from the years of very small freshmen classes and very large graduating classes.

Mr. Hessing expressed concern that the enrollment projection for the fall of 2015 showed an increase of only one student when compared to the fall of 2014. Dr. Rogers responded that the administration was being very conservative with its projections. He stated that the worst thing the administration could do is to be overly optimistic in its enrollment projections and start the year with a budget deficit. Dr. Rogers noted that funds were included in the budget planning to help with student retention, which also affects enrollment. Mr. Hessing stated that based on the figures previously given eight additional students, assuming they generate $17,000 in revenue, could make up for the projected $135,000 budget deficit.

Mr. Bernhardt indicated that while he understood the projections were based on historical trends, he asked the administration to bring the board some ideas on how these enrollment projects could be accelerated by two or three percent. Dr. Rogers reported that a new Director of Admissions was recently hired. He stated that she had a great deal of experience in the Dallas-Ft. Worth area and had good ideas that would help grow MSU enrollment. Dr. Givens encouraged the administration to look at creative ways to increase enrollment. He indicated that many state universities have increased enrollment through dual-credit and online courses. He stated his belief that it was going to take more than getting more students from the Metroplex. He challenged the administration to be more aggressive in the areas of dual-credit and online offerings and to bring the board more ideas to consider. Dr. Rogers commented that other institutions in the state have also grown by opening educational centers in larger communities. He stated that universities are definitely growing with dual enrollment, online courses, and extension campuses. Dr. Givens commented that he had not seen those ideas brought to the board for consideration. Dr. Rogers stated that the university had put a great deal of effort into distance education but not into dual enrollment. Dr. Stewart added that in her initial conversations with Dr. Shipley they had discussed the possibility of an education center in the Metroplex. She added that retention is also a big part of enrollment growth. She reported that for every 10 students who enroll at MSU, three are not retained. She noted that one of the administration's new initiatives is the new First-Year Seminar. Funds in the budget have been designated to implement this program for freshmen. She stated that the program would get students engaged on campus early to help them identify with the campus and want to stay here. She noted that this is a proven method that is used at institutions across the United States. She commented that another effort that is needed to retain students is to provide tutoring. Funding has been added to the budget to provide additional student tutoring.

Mr. Sanchez noted that while it was good to be conservative, he worried that the new academic programs might have great growth and the university might not be prepared with the necessary faculty. Dr. Rogers commented that the budget would include five new lecturer positions to teach lower level courses. Dr. Fowlé added that the university would begin moving to the DegreeWorks software program in FY 16. She stated that this program will provide chairs and deans better information in planning courses that need to be offered each semester. She noted that this would be an important planning tool for the academic administration.

Mr. Crosnoe stated that in looking at the enrollment plan it was apparent that without increasing tuition the university was not planning on enrolling enough students to cover a $2 million budget increase each year. Dr. Rogers responded that other sources of revenue can increase, including appropriations from the state. He added that MSU cannot continue raising tuition and fees to meet its budget needs each year. Dr. Stewart commented that the enrollment projections were based on the university's historical retention rates. She noted that retaining a greater number of students would result in increased enrollment.

Dr. Fowlé then reviewed the Revenue Projections Summary. She stated that the projected SCH projections were used to calculate the tuition and fees revenue. She noted that while the headcount was not projected to increase by more than one student between FY 15 and FY 16, the SCH were predicted to increase by 2,500. She explained that this increase was the result of adding the five lecturer positions. Mrs. Marks asked about the Excessive Hours Fee. Dr. Fowlé responded that MSU does not receive formula funding for hours a student takes beyond 150 SCH and students pay this fee to make up for the lost formula funding. Mrs. Marks asked about the background on the fee. Dr. Fowlé responded that the state took action several years ago to penalize students for staying in school too long without graduating. It was intended to be an incentive for students to graduate. Dr. Rogers added that at the same time the state mandated the Three-peat Tuition. MSU does not receive formula funding if a student takes the same class for the fourth time and the student must pay additional tuition for these hours. Mr. Crosnoe asked if there were a lot of students that take a course more than three times. Dr. Rogers responded there were more than he thought and noted that the Three-peat Tuition generated $176,000 in FY 15.

Dr. Fowlé reported that the summary showed revenue grouped into two categories: General Tuition and Fees, and Other Fees. She explained that General Tuition and Fees was money that can be used to fund the centrally-funded budget. The Other Fees are restricted to the use for which they were established. She noted that the Instructional Enhancement Fees can only be used for instructional expenses related to college courses. These funds could not be taken and used to pay for faculty or the Business Office operation. Dr. Fowlé commented that the board approved the University Services Fee increase at the May board meeting. She noted that the increase was not included in the revenue projections because the funds were designated to be used for intramural and athletics facilities. Mr. Bernhardt asked about the slight decline in the Instructional Enhancement Fees (IEF) between FY 16 and FY 17. Ms. Maxwell responded that as the IEF continues over time the number of bad debts against it would increase and would reduce the funding that is available.

Page three outlined the revenue sources used to pay for the centrally funded budget as well as the self-funded operations. She noted that the self-funded operations, such as Housing and the Recreation Center, must live within its own budget. Dr. Rogers added that the centrally-funded revenue is used to fund the academic operation. These funds are not used to supplement housing, student centers, or other self-funded operations. Dr. Fowlé noted that the administration charges a small portion of overheard to some of the self-funded areas, such as housing. These funds are then used to help fund the centrally funded areas. She noted that the Student Service Fee pays for student services such as the Counseling Center, Disability Services, Recreational Sports, some aspects of the Clark Student Center, Student Development, and other types of student programming. Dr. Givens asked if perhaps the administration should consider a model wherein the self-funded areas would support themselves and produce an additional percentage that could be used to support the centrally funded budget. He noted that the auxiliary areas could be challenged to put money into the general revenue. Ms. Maxwell noted that the auxiliaries are charged an administrative overhead of approximately 4%. She added that the fee is based on their expenditures. Dr. Givens indicated that he was referring to a percentage beyond the overhead fee. He asked if that was a model the university should consider in the future. Mr. Park responded that 60% of all housing revenue is used currently to pay debt service. He indicated that institutions that do not have a debt load in their housing operations have excess funds that can be used to help fund the university. Dr. Rogers stated that it was important for MSU to maintain adequate reserves to maintain housing facilities over time. Dr. Fowlé mentioned that when she was at another university they were able to fully fund a new residence hall with gift dollars. The hall opened without any debt service and the majority of the revenue went into the university's operating budget. She indicated it was a great strategy. Dr. Givens commented that donors would be more likely to contribute to a new residence hall as opposed to contributing to the operating costs of the university. Dr. Rogers responded that MSU donors have been very generous and the majority of the institution's donors have specific academic interests to which they want to contribute.

Mr. Bernhardt asked how MSU housing costs compared to those charged at other Texas universities. Mr. Park indicated that the May board packet included a comparison sheet with this information. He stated that MSU room rates were in the middle in the comparison and that when board rates were included MSU ranked toward the bottom in the comparison. Mr. Bernhardt asked if the administration would consider increasing room and board rates by 10% to help fund the budget. He indicated that he understood that if costs increased too much the university might lose students, but asked if a model could be developed for consideration. Mr. Park indicated that the university had worked to remain competitive in its pricing. He noted that the cost of room and board affects the overall cost of attendance for students. Mr. Bernhardt indicated that he would like to see MSU's overall cost of attendance compared with university peers.

Dr. Fowlé reviewed the FY 16 Budget Review and noted this was the information Dr. Rogers spoke about at the beginning of the meeting. The document showed projected revenue changes. She noted the anticipated decline in Tier II Tuition owing to a drop in international students. She stated that the university experienced an increase in international students in the graduate computer science program. Owing to the fact that the SCH generated by graduate computer science courses is funded at a high level, the international students in this program were taken off of Tier II and were given scholarships. In so doing, the SCH generated by these students would be recognized by the state and MSU could receive formula funding for these hours. The SCH generated by Tier II students are not recognized by the state and MSU does not receive formula funding for those hours. Dr. Rogers asked Dr. Fowlé to explain international student tuition. Dr. Fowlé explained that all students pay statutory tuition and designated tuition. The Board of Regents sets MSU's designated tuition and the funds collected are kept by the institution. Statutory tuition is set by the legislature and is currently $50 per SCH for in-state students. International students are required to pay approximately $400 per SCH. The money paid for international tuition is sent to the state to help pay a portion of the formula funding the institution receives. This results in the university receiving less general revenue rather than benefitting from additional student. Dr Fowlé gave the following example. If MSU was to receive $1000 in formula funding and collected $50 in statutory tuition, the state would give the university $950 only rather than $1000. If MSU was to receive $1000 and an international student enrolled and paid $450, the state would send $550 to the university rather than $1000. She indicated that international students paying the full rate do not benefit the university from a financial perspective. She stated that the university is generally better off putting the international student on Tier II even though they are not counted by the state for headcount or SCH. Dr. Fowlé added that if an international student qualifies for a teaching assistantship or a competitive scholarship of $1,000, the students may pay in-state tuition and are counted by the state.

Dr. Fowlé noted the next section outlined proposed budget cuts. She indicated they were grouped into various categories and totaled $717,000. She stated that after covering the one-time monies, adding the projected revenue changes, and considering the proposed budget cuts, $1.3 million was available for new expenditures. The next section showed proposed additional expenses, to include items previously approved by the board and items required by state law or by contract. These items totaled $1.9 million. The next section listed the administration's high-priority budget items. The largest two items were salary increases for faculty and staff. She noted that the two items Dr. Stewart referred to for the freshmen seminar development and student tutoring were included in this section. She added that if necessary these two items would be funded by university reserves in FY 16. The addition of the high-priority items left the university over-budget by $1.6 million.

The next section showed possible solutions to this shortfall. Dr. Fowlé noted that the administration was considering consolidating and reorganizing the facilities area for an anticipated savings of approximately $370,000. She stated that the change in HEAF was previously discussed and noted that two priority items would be delayed until FY 17. She noted that $130,000 in additional budget reductions would need to be made and added that the budget would be fine-tuned during the next month.

Mr. Gregg asked if he was correct in saying that the budget plan did not include outsourcing of the Facilities Services employees. Dr. Rogers responded that his statement was correct. Dr. Givens noted that Mr. Owen and his area were taking on a heavy load with the reduction of $370,000 in his operation.

Mr. Sanchez asked what the increase to the athletics budget would be used for. Dr. Rogers responded that the increase would cover increased travel costs. He stated that athletics was getting an increase but that it was not as much as they could get from the $1.20 included in the $6 fee increase that was approved in May.

Mr. Park asked the administration and board to consider not delaying the funding for the Office of Student Transition. He noted that this office would work closely with the first-year experience efforts to better connect and engage students, particularly during their first year.

Dr. Fowlé noted that the next page of the budget presentation outlined budget concerns in FY 17 and FY 18. Dr. Rogers stated that he reviewed this information with Dr. Shipley so that she would have an idea of future issues that would need to be addressed. The next page presented information regarding HEAF allocations in FY 15, 16, and 17. The final page showed restricted funds and what they were used for in the current budget.

Mr. Hessing expressed appreciation to the administration for their efforts in putting the information together for this meeting. He indicated it was very helpful and well done.

Mrs. Marks stated that the session was extremely beneficial to her as a relatively new board member.

Recess

The meeting recessed at 11:25 a.m. and reconvened at 11:32 a.m.

Executive Session

Mr. Hessing announced that the Board of Regents would go into closed session as allowed by the Texas Government Code Chapter 551, Section 551.072 and 551.074, to consider Items 15-165 (Fiscal Year 16 Budget) and 15-166 (Real Property). The closed session began at 11:32 a.m. Mr. Hessing, Mr. Bernhardt, Mr. Bryant, Mr. Crosnoe, Dr. Givens, Mr. Gregg, Mrs. Marks, Mr. Sanchez, Mr. Macha, and Ms. Barrow remained for the entire session. Dr. Rogers, Dr. Stewart, Dr. Fowlé, Dr. Clark, Mr. Owen, and Mr. Park remained for a portion of the discussion, leaving the meeting at 11:43 a.m.

Open Meeting Resumes

The closed session ended at 11:58 a.m. with an announcement by Mr. Hessing that no action was taken during the Executive Session.

Adjournment

There being no further business, the meeting was adjourned at 11:59 a.m.

I, J. Kenneth Bryant, the fully appointed and qualified Secretary of the Midwestern State University Board of Regents, hereby certify that the above and foregoing is a true and correct copy of the minutes of the Midwestern State University Board of Regents meeting June 17, 2015.

J. Kenneth Bryant, Secretary

ATTACHMENT:

1. MSU FY 16 Budget Information

MSU FY16 Budget Information
Prepared for the Board of Regents
June 17, 2015

The attached packet of information was used in developing the general outline of the FY16 budget. Below is an explanation of each page in the packet.

Page One – Enrollment Projection Data

The main driver of the university's budget is enrollment. This page displays historical and projected enrollment levels by class during the fall semesters. The predictions are based on 1) new freshmen levels derived from the number of applications, summer orientation attendance, housing reservations, etc. and 2) the historical tracking of one class to the next. For example, beginning and re-enrolling classes historically track to the next year's sophomore class at about 80%. Sophomore to the next year's junior class tracks at about 100% (because transfers are also affecting class size at this point). This continues through the classes. Individual graduate programs are predicted separately.

For FY16 (Fall 2015), enrollment is predicted to remain flat. The last several years have produced extraordinarily large senior graduating classes. Even with record-breaking freshmen enrollment, the growth will not build on itself until FY17 (Fall 2016), when the model predicts an increase of 69 head count. After that point, freshmen class size grows a small amount each year, as well as graduate programs, but the large freshmen classes build on themselves enough to realize an enrollment of 6,501 by 2021.

Page Two – Revenue Projections Summary

The university's budget office has built a sophisticated tuition and fee revenue projection model based on the information from the enrollment projections discussed above. The model is complicated by the fixed rate tuition program; students fall into a fixed rate "cohort" that may not match with the class status they identify with. Each cohort pays a different rate of designated tuition for four years. An example is a junior class student may be in a "first-year" fixed-tuition cohort because they just transferred to the institution and are therefore considered a new student.

The model also contains exemptions, waivers, and state-mandated set asides netted against the tuition and fees shown on the summary. Exemptions and waivers decrease the amount of tuition and fees collected by approximately 8%. The Hazlewood exemption is one that is included and decreases the amount of tuition and fees the university collects. State-mandated set-asides from designated tuition above $46, which must be spent on financial aid, have reduced tuition further by 20%. In FY16, this amount will be reduced to 15% and the institution will thus receive additional net tuition.

The information is grouped into two categories: General Tuition and Fees and Other Fees. General Tuition and Fees is the revenue the institution can use to cover general expenses of the university. Other fees are collected for specific purposes and cannot be used for anything other than what the fees were originally established to cover.

FY16 Revenue from tuition and fees is projected to increase overall by $1,222,724. The General Tuition and Fees the university can use to offset centrally supported budgets will increase by more than $1M. Other fee budgets will remain flat generally with an overall increase of only $124,000.

Page Three – Comparison of FY15 – FY16

This sheet outlines the revenue sources that are used to pay for the centrally-supported areas of the university, which would include such areas as faculty, college operations, most administrative offices, and academic and administrative facilities. When analyzing year-to-year changes, the administration is most concerned with the funding of these areas from centrally-collected revenues. Areas not factored in are those that collect their own revenue and must live within their own means. Examples would be housing, student recreation center, and student union.

Pages Four and Five – FY16 Budget Review

These two pages contain the essence of reconciling the FY16 budget. The FY16 budget starts with the FY15 budget. Reconciling FY16 is done by listing items that increase or decrease various centrally-funded items to the FY15 budget.

The FY15 budget was balanced by using $2.2M in one-time funds. To balance FY16's budget, this shortfall must first be covered. This is shown as a negative on the listing. The next category on the listing is increased revenues. Between increased appropriations, additional tuition, etc., new revenues to the university are projected to be more than $2.8M. Therefore, the $2.2M shortfall from FY15's budget will be covered in FY16 through these new revenues and provide an additional $600K of new funds.

The next category includes cuts to the FY15 budgeted expenses. These are grouped by type of cut; some cuts are because the funding was only one-time, other cuts are because the expense will be moved off the centrally-funded revenues to another restricted source, etc. Total cuts amount to more than $700K. After new revenue, budget cuts, and the $2.2M in one-time FY15 funding is covered, the university is projected to have $1.3M of available resources to cover "new" expenses in FY16.

The next section includes new expenses which have been approved by board action or are required by the state, university policy, or contract. Also included are those items which are an adjustment to the FY15 budget because original expense budget estimates were short. The last item on the list is the net difference (still unknown) of new faculty hires to faculty vacancies. Each year the university loses about 8% of its faculty through retirement or resignation. Because of the academic schedule of hiring, many times the faculty line will remain vacant for a year and the classes are covered by adjunct faculty, thus saving the university money. The balance from year-to-year of the number of vacancies can change and thus the amount of savings varies. Overall, the total of new, mandatory expenses is $1.9M.

The last section of new expenses shows items the administration has identified as "high priority." This section includes faculty and staff pay raises, and increases to various budgets or programs. The total of this group is an additional $1.1M.

The net of the surplus funds of $1.3M to new expenses of $3M results in the university being $1.7M short of balancing. The administration has outlined possible solutions for balancing the $1.7M difference. The proposed solution includes a section of additional cuts, one-year temporary reduction in cuts, and the delaying of some of some new desired expense items. Reserves in the amount of $135,000 are proposed to be used for two of the new one-time expenses in FY16. It should be noted that the university still needs to identify an additional $130,000 in cuts from next year's budget to be fully balanced.

Page Six – FY17 and FY18 Concerns

Part of a good budget process includes anticipating future year changes. While FY16 is still of main priority, FY17 will present additional budget challenges. The university will experience a minimum of $2M in increased centrally-funded costs that will need to be covered by additional revenues or cuts to existing budgets. This does not include any pay raises or additional funds for new positions, or the expansion of existing programs. FY18 will also require an additional $900K as a best guess of known items. Also in FY18, the legislature will have met and the possibility exists for additional state appropriations.

Page Seven – HEAF Allocations

While the university's HEAF allocation will increase by $1.5M in FY 17, the amount remains relatively flat in FY 16. In order to cover the budget shortfall in FY16, the administration proposes decreasing its regular allocations to departments and instead picking up existing debt service that in the past was paid from designated tuition. Designated tuition can be used to pay centrally-funded salaries and operating budgets; HEAF can only be used for capital expenses (including debt service). By temporarily decreasing HEAF allocations to the university departments and reallocating these funds to pick up the tuition-paid debt service, the administration is able to use $950,000 to help cover centrally-funded budgets. In FY17, HEAF will continue to pay the debt service, but with the additional HEAF appropriation, the allocations to departments will be restored to the former (if not increased) levels.

Pages Eight and Nine – Restricted Funds
Although restricted funds are not included in the centrally-funded category, their use does have an effect on these budgets. The university receives more than $17M a year in restricted funds. The majority of these funds are from federal and state financial aid benefits ($12.2M), with the balance of these funds made up from gifts, endowed funds, and grants. Additionally, some of the restricted funds pay for faculty salaries and scholarships. The university is able to invest $1.8M in salaries, wages, and benefits from restricted fund sources and more than $800K in scholarships is paid from donated funds.

As noted on the FY17-18 Concerns page, some restricted funds have a limited life, and once the gift/grant is spent down, the institution must cover the expense from other funds if the programs are to continue.

Page nine breaks out the restricted funds by general source and also shows the expenditure categories the funds are used to support (faculty salary, scholarships, M&O, etc.).

Midwestern State University

Fall Semester Enrollment Projection Data

	Actual Fall Enrollments			Projected Fall Enrollments						
	2012	2013	2014	2015	2016^	2017	2018	2019	2020	2021
BEG FRESHMAN	612	817	813	825	855	865	870	875	875	875
RE-ENR FRESHMAN	427	358	468	511	533	552	565	573	578	580
SOPHOMORE	1,049	991	1,011	1,077	1,134	1,183	1,222	1,249	1,267	1,278
JUNIOR	1,227	1,175	1,095	1,066	1,084	1,123	1,167	1,209	1,244	1,271
SENIOR	1,923	1,852	1,757	1,654	1,577	1,544	1,547	1,574	1,614	1,657
POST-BACCALAUREATE	63	75	58	58	60	60	60	60	60	60
GRADUATE	615	602	672	684	700	725	745	760	770	780
Total Fall Headcount	**5,916**	**5,870**	**5,874**	**5,875**	**5,944**	**6,051**	**6,176**	**6,299**	**6,407**	**6,501**

^ Open new freshmen residence hall

New Graduate Programs:								
Master's in CJ	20	25	35	40	45	50	50	50
MBA Energy Mgmt	0	5	10	15	20	25	25	25
Master's in Geosciences	0	4	10	15	20	25	25	25
	20	34	55	70	85	100	100	100

Midwestern State University Revenue Projections

June 1, 2015

	FY15	FY16	FY17
Fall Headcount	5,874	5,875	5,944
Annual Semester Credit Hours (SCH)	146,956	149,440*	151,148*
General Tuition and Fees:			
Net Designated Tuition	14,603,684	15,661,595	16,165,207
University Services Fee	7,701,310	7,831,475	7,920,987
Distance Learning Fee	1,307,849	1,321,245	1,406,591
Tier 2	506,719	415,129	415,129
3-Peat Tuition	176,361	162,252	154,139
Distance Learning Tuition	134,931	137,651	142,988
Excessive Hours Fee	60,000	60,000	60,000
Subtotal General Tuition/Fees	24,490,854	25,589,347	26,265,041
Change from prior year		*1,098,493*	*675,694*
Other Fees:			
Instructional Enhancement Fees	2,581,055	2,638,437	2,605,646
Student Service Fee	2,268,253	2,306,591	2,332,954
Athletic Fee	1,268,199	1,285,228	1,299,918
Rec Center Fee	1,192,763	1,200,834	1,209,519
Student Union/Center Fee	549,287	552,698	556,673
Application Fee	124,595	124,595	124,595
Int'l Advising Fee	58,200	58,200	58,200
Subtotal Other Fees:	8,042,352	8,166,583	8,187,505
Change from prior year		*124,231*	*20,922*
Total Local Revenues	**32,533,206**	**33,755,930**	**34,452,546**
Change from prior year		*1,222,724*	*696,616*

Note: Projections include a 2% increase in designated tuition in FY17 for incoming students. Based on Fall FY16 and FY17 projected enrollment numbers. No other increases for FY17 are included.

* Includes additional SCH projected from adding lecturer positions in core areas.

Comparison of FY15 to FY16

Comparisons are based on budgets centrally funded, including those paid from:

*State Appropriations
*Designated Tuition
*University Service Fee (not including $6/SCH designated for intramural/athletic facilities)
*Distance Education Fee
*Tier Two
*3-Peat Tuition
*Distance Learning Tuition
*Athletic Fee
*Excessive Hours Fee
*Investment Income
*Endowed funds income (primarily scholarships)
*Vending income
*Miscellaneous Fees (returned check fees, late fees, etc.)

Comparisons do NOT include self-funded operations, such as:

*Student Service Fee
*Student Union/Center Fee
*Recreation Center Fee
*Housing
*Food Service
*Application Fee
*International Advising Fee
*Grant funded operations

FY16 Budget Review

FY15 one-time monies used	**($2,253,913)**	
FY16 Projected Revenue Changes		
Funds Received Through Legislative Action		
Hazlewood Reimbursement Funds	$195,000	Est.
Formula Funding/Appropriations Increase	865,650	
Be-On-Time Fund Set-Aside Elimination	375,000	
Increase in core class sections taught by new Lecturers	660,000	
Designated tuition increase for new students	225,000	
Redwine Endowment earning increase for merit scholarships (TAMUS investment)	263,000	
Vending income increase from new contract	25,000	
Food Service income increase from new contract	200,000	
Increased University Services Fee (USF) swap for Ligon debt	121,850	
Returned Check Fee rate increase	3,000	
Projected decrease in Tier II Tuition	(90,000)	
Total Additional Revenue	**$2,843,500**	
FY16 Proposed Budget Cuts		
Eliminate funding of one-time or limited time items		
One-time Noel Levitz money from admissions	$50,000	
One-time Presidential Search expenses	160,000	
Eliminate scoreboard payment (paid-off)	49,700	
Change funding source		
Self-fund Bureau of Buiness and Governmental Research in College	13,715	
Move science field trips to Instructional Enhancement Fee (IEF) funds	2,216	
Move funding for Teaching and Learning Resource Center to PEC	5,000	
Move funding for Speakers and Issues to PEC	5,000	
Move funding for Study Abroad scholarships to University's Greatest Need	50,000	
Reduce funding for currently overfunded areas		
On-line course fee - course development funds	20,000	
Accreditation budget	14,200	
Degree completion scholarships	20,000	
Eliminate TRS Surcharge savings (from hiring back retirees) - overbudget	20,000	
Temporary funding suspensions/reductions		
Eliminate transfer to Plant Funds Reserve	50,000	
Reduce funding for summer school athletic scholarships	15,000	
Reduce Dependent Education Waiver funding	20,000	
Reduce funding for Employee Education Incentive Program	13,000	
Other necessary budget reductions or elimination of funding		
Reduce university support of museum 10%	20,000	
Reduce travel budgets	50,000	
Reduce cell phone stipends	35,000	
Reduce non-auxiliary utilities (recalcuated amounts)	100,000	
Eliminate funding for Center for Study of Reform	4,500	
Total Budget Cuts	**$717,331**	
Total Available After Covering FY15 One-Time Monies	**$1,306,918**	
FY16 Proposed Additional Expenses		
IT technician plus benefits (per Board action 5/15)	55,000	
Five new lecturer positions plus benefits (per Board action 5/15)	260,000	
Asst/Assoc Professor of Computer Science (per Board action 5/15)	93,600	
Compliance Audit (per Board action 5/15)	50,000	
Estimated increase in staff longevity (required by state law)	25,000	

Increase in group insurance costs (required by state)	200,000	
Faculty promotions/adjustments (includes difference for new faculty hire)	154,600	
Admissions Director plus benefits (position vacant for two years)	$118,880	
Volleyball Coach plus benefits	70,000	
McAllister and Quinn balance of two-year contract through Feb 2016	48,000	
Telephone switch maintenance	100,000	
Chiller maintenance	56,000	
IT Software maintenance increases (includes 9K for Marketing software)	70,416	
Replace marketing and development funds no longer funded by Foundation	168,500	
General Merit Scholarship increases	155,000	
Increase cost of International Recruiting Fees	60,000	
Increase cost of International Legal Fees	40,000	
Police parking fee shortfall	80,000	
Continue additional pay for full-time assistant soccer coach (added in FY 15)	6,850	
Building insurance, credit cards, and workers comp	100,000	Est
Net difference in faculty vacancies/hires year-to-year	?	
Total	**$1,911,846**	
Administration's High-Priority Budget Items		
Faculty Pay Raise ($500K pool with benefits)	$572,250	
Staff Pay Raises (2% with $700/min w/o aux) - one-half year	200,000	*
One-Time faculty stipends for Freshmen Seminar development	85,000	**
Increased Student Tutoring	50,000	**/*
Fain College of Fine Arts increase in travel (underfunded compared to all other colleges)	10,000	
Reorganization - Office of Student Transition	38,000	
McAllister and Quinn new 2-year contract (beginning Feb. 2016)	48,000	
Increase engineering DOE for accreditation	14,400	
Athletic budget increase	45,000	
Subtotal High Priority	**$1,062,650**	

Total Shortfall after Administration's High-Priority Budget Items — $1,667,578

Possible Solution

1 Permanent Base Cuts		
Budget cuts in facilities (Delay chiller maintenance one year, consolidate purchases with Housing/Clark Student Center, and other reductions)	$370,000	
Other cuts not yet identified	$130,000	
2 One-Year Temporary Reduction in Expenses		
HEAF cuts from existing allocations (funds will be used to pay existing debt service that is currently paid from Designated Tuition	$950,000	***
3 One-Year delay in funding priority increases in the budget		
Reorganization - Office of Student Transition	38,000	
Athletics increase	45,000	
Subtotal	$83,000	*
4 Use of Reserves	135,000	**
Total Found to Balance	**$1,668,000**	

* Commits new resources to FY17 in this plan.

** $85K of one-time faculty stipends for development of freshmen seminar will be taken from reserves. If funding is needed beyond that, it should be included in the base budget and additional on-going funds will need to be identified. $50K for additional tutoring will also be provided from reserves, with the expectation that this funding will be added as a base expense in FY17.

***Use $1.25M of additional $1.7M allocation in HEAF in FY17 to cover FY16 HEAF cuts and mass comm debt service.

FY 17 Concerns

Note: Amounts in both years do not include any faculty and staff payraises or additional faculty positions as might be required with growth in program areas.

Gunn funds for Health Sciences salaries end	$550,000
Bolin funds for Geosciences end	183,263
Must find funds for full year of FY16 staff payraise (1/2 year in FY 16)	200,000
If wish to pursue new items delayed for one year in FY 16	83,000
Continue with additional tutoring money taken from reserves in FY 16	50,000
Funds no longer available from Foundation	100,000
Summer school shortfall	100,000
Add additional internal auditor (per Board action 5/15)	80,000
Reinstate some cuts from FY16	?
Subtotal	1,346,263
Normal Increases to expect:	
Health Insurance costs	200,000
Longevity increases	20,000
Software Maintenance Agreements	70,000
Chiller Maintenance (delayed one year in FY 16)	56,000
General Merit Scholarship Increase	200,000
Faculty Promotions	80,000
Subtotal	626,000
Total	**$1,972,263**

FY18 Concerns

Note: FY18 will be the start of a new biennium with a change in state appropriations.

McCoy funds for EUREKA terminate	$150,000
Utilities and maintenance for new HSHS building	300,000
Reinstate some cuts from FY16	?
Subtotal	450,000
Normal Increases to expect:	
Health Insurance costs	200,000
Longevity increases	20,000
Software Maintenance Agreements	70,000
General Merit Scholarship Increase (may stablize)	100,000
Faculty Promotions	80,000
Subtotal	470,000
Total	**$920,000**

MSU Proposed HEAF Allocations - FY 2016 & FY 2017

General:	Final 2015	FY 2016 Proposed	FY 2017 Draft
Master Plan project funding	$ 369,638	$ -	$ 249,926
Debt service (relief for operating budget)		950,000	900,000
Mass Communication debt service		290,000	290,000
Mass Communication furniture			200,000
University landscape/hardscape repairs		250,000	150,000
Prothro Yeager room renovation		31,900	
Fain Fine Arts theater dimming project		169,300	
West Campus Annex infrastructure	100,000		
Museum parking lot project	73,000		
Jesse Rogers Promenade - phase 2			125,000
Hardin South office renovation			250,000
Parking and Library consultants	58,000		
Landscape project	100,000		
Total General University	700,638	1,691,200	2,164,926
Provost and VP Academic Affairs			
Allocations to Colleges	410,000	240,000	500,000
Library - books and materials	550,000	500,000	550,000
Total Provost	**960,000**	**740,000**	**1,050,000**
VP Business Affairs & Finance			
Technology/equipment support	7,000		4,300
Business Office security upgrade			15,000
Capital lease - vehicles	30,000	30,000	30,000
Human Resource suite renovation	40,000		
Physical Plant (deferred maintenance)	1,000,000	579,805	1,010,000
Total VP Business Affairs & Finance	**1,077,000**	**609,805**	**1,059,300**
VP Student Affairs & Enrollment Management			
Testing computers	9,775		
Disability Support Services	4,000		
Admissions electric cart			20,000
University Police equipment			14,809
Total VP Student Affairs & Enrollment Mgmt.	**13,775**	**0**	**34,809**
VP University Advancement & Public Affairs			
Technology/equipment support	8,020		1,156
Webmaster - new calendar software		13,200	
Total VP University Adv. & Public Affairs	**8,020**	**13,200**	**1,156**
VP Administration & Institutional Effectiveness			
VP Office			1,221
Information Technology:			
Classroom technology	250,000	169,070	360,000
Hardware replacements	400,000	36,000	40,000
Wireless expansion	50,000	35,000	50,000
Computer labs	100,000	60,000	80,000
Degree Works		20,000	20,000
Hardin South 1st and 2nd floor rewire			200,000
Total VP Administration & Institutional Eff.	**800,000**	**320,070**	**751,221**
Total	**$ 3,559,433**	**$ 3,374,275**	**$ 5,061,412**

Midwestern State University
FY15 Donor and Other Restricted Fund Fund Summary

FY15 Expenses:

Faculty	1,099,031
Adjunct Faculty	32,592
Staff	216,487
Wages	204,586
Fringe Benefits	383,445
Maintenance & Operations (M&O)	2,233,180
Travel	41,250
Capital Outlay	152,320
Longevity	4,727
Scholarships	839,518
Pell Grants	8,500,000
College Work Study	142,927
Supplemental Education Opportunity Grant (SEOG)	124,825
Texas Grants	3,331,667
	17,306,555

FY 15 Revenue:

Sources	Amounts	Comments
Donor Funds		
MSU Foundation	880,420	Unrestricted reduced by $312,000 in FY16.
Charitable Trust	423,731	Endowed fund revenue.
Dillard Family	420,708	Gifts outside of foundation.
Gunn Family	1,000,000	This gift ends after FY16.
McCoy EURECA	150,000	3-year grant that ends after FY17.
Bolin Petroleum	183,263	Gift will end after FY15, however, there is a balance.
Redwine Interest	310,446	Used for scholarships. Will increase by $280,000 in FY16.
Mustangs Club	110,974	Donations for Athletics
Gifts to Annual Fund - University's Greatest Need	80,000	Used for merit scholarship ($70,000) and Rainforest Study ($10,000).
Miscellaneous Gifts	1,257,326	One-time gifts used for merit scholarships and M&O.
State, Federal, or Government Funds		
US Dept of Education	8,980,932	Funds SEOG, Federal College Workstudy, Pell Grants
Carribean State	15,000	Funds travel expenses for international recruiting.
Small Business Development Center (SBDC)	108,451	Federal passthrough grant for SBDC
Texas Higher Education Coordinating Board (THECB)	3,331,667	Funds Texas Grants
University of Texas	15,000	Passthrough grant for JAMP program.
Local Tuition	38,637	Local tuition used for salary and fringe not covered by donor funds.
	17,306,555	

Midwestern State University

Current Restricted Funds Summary

FY15

	MSU Foundation	Charitable Trust	Dillard Family	Gunn Family	McCoy EURECA	Bolin Petroleum	Redwine Interest	Mustangs Club	US Dept of Educatin	Caribbean State	Small Business Assoc	THECB	The Univ of Texas	Local Tuition	UGN Annual Fund	Misc Gifts	Total
Current Restricted Funds:																	
International Recruiting										15,000							15,000
Rainforest Study															10,000		10,000
Mustangs Athletic Club								2,000									2,000
Mustangs Club Special Reserve								38,974									38,974
MAC- Post Season								70,000									70,000
Deferred Compensation - Maskill														15,000			15,000
SBDC											108,451						108,451
SEOG FY 14-15									124,825								124,825
Federal CWS 14-15									142,927								142,927
Pell 14-15									8,500,000								8,500,000
Student Support Services Grant									213,180								213,180
Joint Admission Medical Program													15,000				15,000
THECB - Texas Grants												3,331,667					3,331,667
Honors Scholarships							310,446										310,446
Merit Scholarships	41,986	114,506													70,000	257,326	483,818
Fndtn - Wilson Professorship	6,169																6,169
Fndtn - University Activities	35,000																35,000
Fndtn - D.P. Bolin Piano Chair	50,046													13,837			63,883
Fndtn - Madera Professorship	8,000																8,000
Fndtn - Rabom/Economic Educ	8,829																8,829
Fndtn - McCoy Engineering	217,263																217,263
Fndtn - Other Allocations	513,127																513,127
CT - International Scholarships		60,000															60,000
CT - Dillard Special Fund		84,438															84,438
CT - Finance Chair		9,136															9,136
CT - Lalani Center		8,630															8,630
CT - Other Allocations		147,021															147,021
McCoy EURECA 3 Yr Grant					150,000												150,000
Bolin Petroleum Geology						183,263											183,263
Dillard Distinguished Professor			75,000											9,800			84,800
Dillard Energy Center			345,708														345,708
Gunn - Health Sciences				1,000,000													1,000,000
Miscellaneous Gifts and Donations																1,000,000	1,000,000
Budgeted Expense Total	880,420	423,731	420,708	1,000,000	150,000	183,263	310,446	110,974	8,980,932	15,000	108,451	3,331,667	15,000	38,637	80,000	1,257,326	$17,306,555
Uses:																	
Faculty	228,429	74,325	339,150	351,950		104,000								1,177			
Adjunct				15,586			17,000							6			
Staff				50,076				28,000	96,000		42,411						
Wages				0	92,000				51,759		38,323		9,504	15,000			
Fringe	51,865	16,249	58,558	131,933	2,000	26,943	2,748	10,974	36,560		24,704		459	22,454			
M&O	552,140	158,651	25,000	350.000	42,000			72,000	14,951		4,101		4,337		10,000	1,000,000	
Travel	6,000			0	14,000				5,550	15,000			700				
Capital Outlay				100,000		52,320											
Longevity				455					3,360		912						
Scholarships	41,986	174,506					290,700		8,772,752			3,331,667			70,000	257,326	
Total	880,420	423,731	420,708	1,000,000	150,000	183,263	310,448	110,974	8,980,932	15,000	108,451	3,331,667	15,000	38,637	80,000	1,257,326	17,306,555