

Minutes, Budget Committee of the Academic Senate

Meeting of September 23, 2008

Present: Donald DeGracia, Thomas Killion, Rob Kohrman (Liaison, Office of Budget, Planning and Analysis), Winston Koo, Richard Needleman (Liaison, AAUP-AFT), Frederic Pearson, Louis Romano, Assia Shisheva, Lothar Spang, William Volz (chair), James Woodyard

Invited guests: Nancy Barrett, Provost & Senior Vice President for Academic Affairs; John L. Davis, Vice President for Finance & Facilities Management

Absent With Notice: Charles Elder, Charles Parrish, Linea Rydstedt

- The meeting was convened at 1:30 p.m. The minutes for the meeting of July 25, 2008 were approved without objection.
- Report from the Chair: The chair reported on the Board of Governors (BOG) budgetary actions over the summer, including the tuition increases of 5.9% for undergraduates and 7.5% for graduate students. The FY 2009 General Fund Budget is \$535 million and the FY 2009 Current Fund Budgets are \$822 million.
- Report from the Provost: Provost Barrett presented a brief report on the budget implications of the adopted tuition rates and of the projected \$7 million to \$9 million shortfall (2.6% - 3.3% of \$272 million) in estimated net tuition and fee revenues during the 2008-09 academic year.
- Mr. Kohrman then shared a draft of an informational report that he would make to the BOG meeting on September 24, 2008. The report highlighted the drop in fall semester enrollment that materialized in the middle of the summer. Wayne State and Eastern Michigan were the only two of the fifteen MPUs that had declining enrollments. A wide-ranging discussion followed on potential causes and solutions of this enrollment decline, including its relationship to tuition increases.
- The Committee briefly reviewed the agenda for 9/24/08 BOG meeting.

A. Several members commented on the Grants and Contracts Report from the Office of the Vice President for Research that showed a decline in total awards year-to-date for FY 2007 (Oct – Jun) to FY 2008 (Oct – Jun) from \$125,011,438 to \$106,959,315, a 14.4% decline. A discussion on the effectiveness of incentives to reverse this trend followed.

B. The WSU Capital Campaign Report (10/1/2001 to 8/31/2008) showed that total giving reached \$876,323,582. It was noted that more than half of this total came from the Fund for Medical Research and Education (FMRE), \$84.3 million, and the in-kind PACE gift valued at \$407.8 million.

- The meeting was adjourned at 3:10 p.m.

William H. Volz