

WLU Board of Governors

Finance Committee

Wednesday, May 18, 2022 – 9:00 a.m.

Location: Shaw Hall Board Room

Meeting ID: 938 4215 8113

Passcode: 374077

1. Call to Order/Roll Call
2. Approval of Minutes
 - A. March 16, 2022
3. April 30, 2022 Budget Status Report/Hudson
4. FY23 Budget/Hudson
5. Lease Facilities/Hudson
6. Long Term Goals for Modernizing Facilities and HEPC Funds for Deferred Maintenance/Capital/Rodella
7. Highlands Center/Koegler
8. Adjournment

**West Liberty University
Board of Governors**

**Finance Committee
Minutes
March 16, 2022**

Attendance:

David McKinley, Jack Adams, Michael Baker, Richard Carter, Rich Lucas, Jason Metz

Administration/Faculty/Staff:

W. Franklin Evans, Angie Hill, Lori Hudson, Joe Rodella, Monique Akassi

Recorded by: Dr. Monique L. Akassi

1. Call to Order/Roll Call
Chair McKinley called the meeting to order at 9:00 a.m.
2. Approval of Minutes
Minutes from November 16, 2021 and January 19, 2022 were approved by Richard Carter with no further corrections.
3. Budget Status Report Through February 2022
 - Ms. Hudson stated that we are currently 66% or eight months into the academic year and also explained that there was a plan in place to cover this year's deficit of \$2.7m most of which will come from CARES Act funds from lost revenue in tuition and fees and lost revenue from discharging student past due balances as well as additional monies received from royalties.
 - Currently 67% of the academic year is complete.
 - State appropriation is on target at \$9.1m.
 - Expenses from personal services and fringe benefits are on target with the adjusted budget with 18/26 pays posted plus the increment—which is good.
 - Utilities are over the adjusted budget at 81%
 - Other categories are on target or under budget which gives us an overall expense percentage of 67% overall, by 67%
 - It is expected that we will be close to breakeven at year end.
4. Tuition Rates for FY23
 - Tuition:
 - There will be an increase in tuition and room rates of 2% for residents and non-residents.
 - There's an emphasis on increasing tuition but leaving the metro rate the same.
 - Graduate tuition is \$425,000 under budget.
 - Room and Board is \$206,000 under budget.
 - There was a suggestion to assess what Pennsylvania is doing and hold off and keep an eye on what other neighboring states are doing regarding the metro rate for WLU.
 - Base tuition and differential by certain programs are currently charged to students based on what their programs are; there has also been an attempt to charge course fees on top of the differential; therefore, most UG course fees will be rolled into the differential for FY23. For example, the Anatomy & Physiology fee is not part of the cost differential.
 - By increasing UG tuition and fees there an additional \$250,000 in revenue should be generated based on the enrollment projection given.
 - The RN to BSN program which currently has 10 students will be increased to the current residential rate of \$4,273 from \$3,655
 - BLA per credit rate increased from \$345 to \$356
 - Graduate tuition had several differences per credit hour rates.
 - There was a meeting held with Deans, Program Directors, the Dean of Graduate Students and the Interim Provost regarding the increasing rates to make them more consistent. The proposed increases range between 1% and 4% with the exception of the MS in Art Therapy. That per credit hour rate will increase from \$475 to \$555 for resident and non-resident and will remain at \$600 for international students.
 - Dental Hygiene program increased by 4%

- Master of Science in Speech Language will be \$555 per credit hour for resident and \$690 for non-resident and international students. This is a new program.
- Projected additional revenue: \$40,000 but does not include new programs.
- The projection for the new graduate program revenue is \$271,000 based on the projected enrollment given.
- There will be a 2% increase for Physician Assistant Program.
- The Class of 2024 is confirmed and locked in.
- There will be a need to increase 2025.
- The first billing takes place in the month of June. Therefore, it is necessary to have the Class of 2025 approved.
- By increasing tuition, room, and board and based on the projected enrollment given, WLU is expected to bring in an additional \$970,000 in revenue.
- Room Rates:
 - On campus and leased buildings not fully occupied.
 - An assessment was conducted to look at competitors and similar housing.
 - There is a need to increase by 10% off campus leased housing.
 - WLU is currently taking a loss for leased buildings and all cost for utilities and overhead.
 - There is currently a \$252,000 loss per fiscal year with current occupancy.
 - A three-year analysis was conducted for the buildings, and if the buildings are at maximum occupancy, we would breakeven with a 10% increase.
 - Currently there are still questions regarding how to deal with the building deficit. Currently the lease is renewed each year for the buildings.
 - WLU currently leases Topper Village, Topper Towers, and University Place I and II.
 - WLU has 300 beds unoccupied and 900 students living on campus.
 - A decision needs to be made whether to let continue leasing the buildings or not.
 - Trustee McKinley reiterated the concern regarding 900 students living on campus and 300 unoccupied.
 - Many of the single units are not doubled occupancy.
 - President Evans shared that a lot of the athletes do not live on campus; it is optional.
 - There is a need to survey athletes about housing.
 - Trustee Adams suggest meeting with coaches and athletes regarding housing.
 - Trustee McKinley asked do athletes opt out of meal [plans].
 - Meal plans are optional.
 - A proposal will be drawn up to increase leasing by 10% to lease WLU buildings.
 - The estimate based on increasing rates of both on campus and leased buildings is an additional \$328,000.
- Meal Plan:
 - There will be a 2% increase. Aladdin Campus Dining has been selected for campus dining for the upcoming academic year, beginning the Summer of 2022.
 - Aladdin proposed a sliding scale at a lesser cost.
 - Through Aladdin, which outbid Sodexo, there will be a \$76,000 increase in revenue generated.
 - Aladdin is currently meeting with staff members of Sodexo to employ.
 - President Evans stated that Sodexo was \$200,000 more than Aladdin.
 - President Evans asked all three candidates for the dining contract how would things be different and how can WLU partner with the candidate that would win the bid. Aladdin provided the best benefits for WLU.
 - As WLU works toward a balanced budget, WLU may have to come back to the table to make adjustments.
 - Trustee McKinley asked when do students make a final decision whether to attend WLU?
 - Students will finalize decisions to attend WLU or not by August.
 - Ms. Hill stated that the Financial Aid process and more pro-active and private scholarships play a role. The Financial Aid Office will engage with new scholarship tools.
 - This will help with recruiting of students.
 - There will be a \$75 increase in private music lessons.

- Highlands Center
 - Currently working to create rates for the Highlands, which is not finalized. Classroom rentals are being proposed.
 - The Gary West Center is also being discussed.
 - Mr. Cook proposes a cleaning fee. Currently there is a \$150.00 rental fee for those internally with WLU, and there is a \$200.00 fee for externals. There is a \$300.00 fee for externals that would like to serve alcohol.
 - Currently there are not a lot of events at the Gary West building.
 - Mr. Rodella stated that three people tried to make a bar or restaurant in the past, but they were not successful.
 - President Evans explained WLU has not done its due diligence, and the pandemic played a major factor as well. However, facilities did a good job opening the buildings back up. The bottom line is that the buildings need to be used.
 - Gary West owns the cabins and the apartments.
 - President Evans stated that he does not like to carry losses for over a year and will be looked at to generate revenue.

5. FY 23 Budget Update

- Revenue portion \$44.3 million
- \$20.3 million from tuition
- \$3.7 million for graduate tuition and fees
- \$9.6 million from room and board
- \$9.1 million from State appropriations
- \$1.4 million other revenue
- Tuition and fees are due to the HEPC in May.
- Trustee Carter asked whether the waivers are expected to increase, and Ms. Hudson explained that the scholarship model has some awards that cover full tuition so if tuition increases so will waivers for those students.
- The enrollment projection is conservative
- Trustee Carter shared when to attack the expense side of things.
- Trustee Baker called a motion to approve the FY23 Tuition & Fees/FY23 budget as presented. Trustee Carter seconded the motion. A voice vote occurred and unanimously all were in favor.

6. Adjournment

Meeting adjourned at 10:00 a.m.

David McKinley

Chair