

WLU Board of Governors

Finance Committee

March 15, 2023– 9:00 a.m.

Location: President's Conference Room

Meeting ID: 964 65961565

Passcode: 015360

1. Call to Order/Roll Call
2. Approval of Minutes
 - A. January 26, 2023
3. FY23 Budget Status Report through 2/28/2023
4. FY24 Tuition & Fees
5. FY24 High Level Revenue Estimate for building detailed budget
6. Adjournment

**West Liberty University
Board of Governors**

**Finance Committee
Minutes
January 26, 2023**

In Attendance: Richard Carter, Mike Baker, David McKinley

Administration/Faculty/Staff: Cathy Monteroso, Lori Hudson, Joe Rodello, Cyndi Galloway

Unable to Attend: Jack Adams, Rich Lucas, Sherri Rocchio

1. Call to Order/Roll Call

Chair McKinley called the meeting to order at 9:00 AM

2. FY23 Budget Status Report through December 31, 2022

Lori Hudson-The budget status report was run as of the end of December. We are halfway through the academic year. Revenue Components of Budget-As part of the budget creation process, enrollment projections are received from both undergraduate admissions and graduate studies offices.

Undergraduate and graduate tuition revenue and fees are projected to be down 1.2 million dollars. This is considering that summer revenue hasn't been billed yet.

Tuition & Fees revenue down 1.2 million

R&B is greater than budgeted by 726K

Spring enrollment hadn't been verified at the time the report was pulled (students attending in Spring had until 1/19/23 to make schedule changes). There are still some adjustments that will be made to these numbers. As of the date of this report this information wasn't available.

The positive to this is that there is a decrease in institutional waivers. The Foundation agreed to give us additional student support in scholarships, and this is helping greatly. 100k was given a couple years back (50k Fall, 50k Spring). This year Lori asked for 250k Fall 2022 and 50k for Spring 23. This is really helping with balancing our budget.

Richard Carter led a discussion about looking at our mission and continuing to develop the collaboration with our Foundation to support student success. Lori noted that when she spoke with the Foundation Board her impression was that student experience is their mission.

Royalty Income

500k was budgeted, and as of the end of December we're already at 538k. This is helping to offset T&F being down. Richard warned Lori to be cautious with 23-24 natural gas. It seems to be coming back down pretty quickly. Next year's estimate will need to be lower. Richard recommends Lori call Jean Bailey's Husband, Mike Bailey to see what he thinks next year will look like and use this as a ratio to what was used in 22-23. Mr. Bailey might be able to give a volume estimate as well.

David McKinley mentioned that there are depletion rates as well.

Mike Baker asked about the 1.3 million listed in “other”. Of that, 538k is royalty income and others are from contracts with Aladdin, Coke, etc. All of these are in line with the budget.

Personal services 49% and fringe benefits show 46% (50% is expected). We do have some vacancies that are attributing to these being down. We do have presidential transition expenses, search firm expenses, that weren’t originally planned for. Richard thought that the Foundation was covering the search firm expenses. Before Angie left, she noted that she could only budget 50k towards the total bill. We’ll have to come up with additional which will be around 30k (80k total expense).

Richard received a letter from the American Council of Trustees and Alumni. The letter lists every WV college and university and the only school that graded B or better is WLU. A discussion continued on economics.

David wants to have a clear story. Clarifying that we’re not at a shortfall. Net impact 26k (royalty income isn’t being included at this point).

Other line will be plus 500k potentially. Revenue side is positive.

Overall-we’re coming in at a 26k deficit for the year. We’ll also have a surplus in royalty income, no way to gauge what this will be at this point. With 538k already in, it’s reasonable to expect at least 26k more.

3. Approval of November 30, 2022, Minutes

On a motion by Michael Baker and seconded by Richard Carter, the West Liberty University Finance Committee unanimously approved the minutes of November 30, 2022.

4. Highlands Update

Cathy has taken lead on the Highland’s future. Randy Russel and Zach Abraham have met with Cathy and this will be high on our list of discussions over the next few months. Cathy doesn’t think that the state’s mission matches up with our mission. Seems that the vision/purpose has been lost.

David asks when will this be resolved? The end of fiscal year, June 2023. Our mission is education first. Right now the Highlands Center isn’t contributing to that mission. It would be a possibility that we take this to zero and it would have a positive impact on the budget. Joe mentioned that staff still have to clean up there and it’s not productive.

5. FY24 Budget update

2024 budget creation is underway. Lori is meeting with new Dean of Grad Studies, Sherri Theaker, and all other dean’s and program chairs regarding graduate tuition. They’ll be submitting plans to Sherri. Sherri and Lori will then need to discuss changes to rates for graduate tuition and create an enrollment projection for graduate tuition.

Lori will be working with Bill Sliwa, discussing undergraduate enrollment projections. He has ideas on institutional waivers and how they’re awarded. We’ll most likely have to increase meal plan rates for students due to food cost increases.

Richard asked about the contract with Aladdin. Lori clarified that Aladdin has an opportunity to increase each year and they'll let us know by March. They're currently providing food now at inflated prices based on the contract rate determined last year-they'll probably increase next year to make up for the current year.

Lori provided cabinet members with a budget template for expenses. Includes a 5-year history of expenditures and our current operating budget to use as a resource.

Next Finance Committee meeting will be March 29th (will technically be the April meeting) Lori will have the budget approved on June 2nd. At the March 29th meeting Lori will give revenue components projections and expenditure numbers. Richard asked Lori about projected expenses and if she sees anything that would come in unusually high next year. Lori mentioned that we're having some fleet issues and asked that Joe speak on that. Joe brought up that we have the wrong fleet. Cars, vans, trucks, police vehicles, etc. We've tried over the last year to change it.

State bid went out last year and no one responded. We currently have a 5-year history with Enterprise Rentals. The fleet is leased with enterprise, but the lease expired. We could renew the lease, but we can't choose the vehicles that we want. We aren't getting the types of vehicles that we need. It's just the wrong configuration of vehicles and the configuration was chosen before any of the current administration took over.

Cathy mentioned that since the original fleet configuration was created we've acro and tumbling, the track team doubled, wrestling team doubled, and softball team more than doubled. This has caused a need for other vehicle arrangements.

Michael asked what our options are for the fleet? Joe responded that we can renegotiate with Enterprise. Joe is meeting soon to look for answers. State regulations make things complicated. This process is more complex than you'd think. Michael suggested we talk with Whiteside, but Joe said that anything more than 50k has to go through a state bid. Michael asked that Joe give him a call to discuss some ideas.

David asked Cathy for any closing information/statements—Cathy said that although student numbers aren't where they were projected, she thinks that we're still in a good place. Instead of just counting heads we're looking how we count revenue. We are the best regional institution in the state. Cathy is more encouraged every day and is excited to remove barriers and believes we're truly in a good place.

6. Adjournment

Richard Carter motions to adjourn, David seconds the motion.

Meeting adjourned 9:59 AM

Finance Committee Chair, David McKinley _____

Minutes Submitted by: Cyndi Galloway