

MINUTES
OF THE FINANCE COMMITTEE
OF THE BOARD OF REGENTS
WESTERN KENTUCKY UNIVERSITY

April 21, 1995

AGENDA ITEM 1 - Call to Order

Required statutory notice having been given, a meeting of the Finance Committee of the Board of Regents of Western Kentucky University was held in the Regents Conference Room of the Wetherby Administration Building. The meeting was called to order by Mr. Burns E. Mercer, Chair, at approximately 8:30 a.m. CST.

AGENDA ITEM 3 - Roll call

The following members of the Committee were present:

Mr. C.C. Howard Gray
Mrs. Peggy Loafman
Mr. Cornelius A. Martin
Mr. Burns Mercer

Mr. Preston was absent.

Other members of the Board who were in attendance were:

Mrs. Kristen Bale
Mr. Robert D. Evans, Jr.
Mr. Robert Earl Fischer
Ms. N. Joy Gramling
Dr. Ray Mendel

Also present were Dr. Thomas C. Meredith, President; Mrs. Liz Esters, Staff Assistant for Special Projects and Secretary to the Board of Regents; Dr. Robert Haynes, Vice President for Academic Affairs; Dr. James R. Ramsey, Vice President for Finance and Administration; Mr. Robert M. Rutledge, Vice President for Institutional Advancement; Dr. Jerry Wilder, Vice President for Student Affairs; Mr. Fred Hensley, Director of University Relations, and Ms. Deborah Wilkins, University Counsel.

In keeping with the policy of the Board, the agenda for the meeting and information and materials pertinent to items thereon had been mailed in advance of the

**meeting by the President to members of
the Board.**

The following items were reviewed by the Committee:

- **Review of Third Quarter Financial Statement for 1994-95**

Background:

As a matter of information, the University provides to the Finance Committee and the Board of Regents a quarterly report of revenues and expenditures. The current reporting format has been identified by the Finance Committee over time.

A copy of the quarterly report for the period ending March 31, 1995 is attached to the minutes as Exhibit A. The quarterly report for March 31, 1995, shows total operation revenues are 87.44% of the revised budget. Total expenditures are 79.99% of the revised budget. Departmental accounts are currently being reviewed to determine any areas that appear to be significantly out of budget with regard to revenues or expenditures.

Dr. Cecile Garmon, Assistant Vice President for Finance and Administration, presented the Third Quarter Financial Statement for 1994-95 and answered questions regarding the document. Dr. Garmon noted that, in reviewing departmental accounts, none appeared to be significantly out of budget. These accounts will continue to be monitored during the fourth quarter. This was an informational item requiring no action by the Committee.

- **President Thomas C. Meredith recommends the Board of Regents approve the revised budget as presented for the Quarter ending March 31, 1995.**

Background:

As discussed at previous meetings of the Finance Committee and the Board of Regents, ongoing revisions are made to the budget, primarily to reflect the impact of grants received by the University during the quarter. The revised budget for the period March 31, 1995 is included in Exhibit A.

Dr. Garmon reported that the only changes that have been made in the budget for the third quarter reflect the additional revenues that have been received. The next item on the agenda is a recommendation that will reflect adjustments to the external funding for grants.

Motion for approval of the revised budget was made by Mrs. Loafman, seconded by Mr. Martin, and passed.

- **President Thomas C. Meredith recommends that the Board of Regents approve an additional revision to the 1994-95 operating budget in the amount of \$1,200,000, distributed as follows:**
 - **\$1,000,000 in external resources for public service and \$200,000 in external resources for research.**

Background:

External funding during 1994-95 has surpassed expectations, and it is again necessary to increase the budgets for outside funding in the areas of public service and research. No institutional resources are involved in this action; the entire amount reflects externally funded projects.

Motion for approval was made by Mrs. Loafman, seconded by Mr. Gray, and carried. It was requested that, for future purposes, revisions in external resources be submitted for informational purposes.

- **President Thomas C. Meredith recommends approval of the proposal to provide out-of-state registration fee waivers to qualified non-resident graduate assistants in graduate programs designated as "Prominent" by Western XXI**

Background:

Budget limitations have not allowed the university to provide additional support to graduate programs designated as Prominent by Western XXI. Graduate assistants are vital to graduate programs and contribute to the institution's teaching, research, and service missions. For several years, Western has been unable to be competitive for high quality graduate assistants. Due to the large differential between resident and non-resident fees (\$1,030.50 vs. \$2,870.50 per semester for Western) few students can afford to cross state boundaries for graduate study without a waiver of the out-of-state portion of registration fees.

Raising non-resident graduate assistant requirements from the previous 2.8 undergraduate GPA or 1350 on the GRE general test to the recently approved 4500 points based upon the GPA X GRE will ensure higher quality graduate assistants for the Prominent programs.

Budget Implications:

By restricting the number of graduate assistants qualifying for this waiver, there is no appreciable cost to the university.

President Meredith noted that this proposal was brought forward by Vice President Haynes and the Deans and considered by the Executive Officers and by the Budget Committee, all of whom feel it would be very positive for the Institution. Vice President Haynes stated, "What this will allow us to do is attract a higher quality, out-of-state graduate students in those academic programs at the graduate level that we are interested in advancing without placing any serious financial problems on the Institution." Qualifications for this fellowship are higher than for other students. The proposal is a

pilot program and is limited at this time to "prominent" programs as designated in Western XXI.

Mr. Mercer asked if the Masters in Accounting is designated as a prominent program. Dr. Haynes indicated that when Western XXI was approved, Western did not have a Masters in Accounting; however, it is now appropriate to add that program to the listing of prominent programs.

Motion was made by Mr. Gray to revise the recommendation as submitted to read as follows:

President Thomas C. Meredith recommends approval of the proposal to provide graduate **fellowships** for out-of-state registration fee waivers to qualified non-resident graduate assistants in graduate programs designated as "Prominent" by Western XXI. **This recommendation would add the masters of accounting to the listing of graduate degrees designated as "Prominent" in Western XXI.**

The motion was seconded by Mr. Martin and carried.

- **Update on budget preparation for 1995-96**

This item on the agenda was held for the full Board meeting.

There was no further business on the agenda. Motion for adjournment was made by Mrs. Loafman and seconded by Mr. Martin. The meeting adjourned at approximately 9 a.m.