Board of Governors

BUDGET AND FINANCE COMMITTEE

June 24, 2016

Minutes

The meeting was called to order at 10:56 a.m. in Room FGH of the McGregor Memorial Conference Center. Secretary Miller called the roll. A quorum was present.

Committee Members Present: Governors Kelly, Nicholson, Thompson, Pollard, and Massaron; Linda Beale, Faculty Representative, Louis Romano, Faculty Alternate Representative; Zachary Rich, Student Representative, and Aaron Szpytman, Student Alternate Representative

Also Present: Governors Dunaskiss, O'Brien, and Trent, and President Wilson; Provost Whitfield, Vice Presidents Burns, Decatur, Hefner, Lessem, Lindsey, Staebler, and Wright; and Secretary Miller

APPROVAL OF MINUTES, May 6, 2016

There were no objections or corrections to the Minutes, and the Minutes of the May 6, 2016 meeting were adopted as submitted.

CONTINGENCY RESERVE

There was no request for transfers from the Contingency Reserve. The remaining balance for FY 2016 stands at $290,643.

TUITION AND FEE RATES AND BUDGET RECOMMENDATIONS FOR FY 2017

President Wilson advised that Mr. Rob Kohrman, Associate Vice President for Budget Planning and Analysis, will be presenting information on tuition and fee rates and the budgets for FY 2017 that will provide the Committee with information to form a recommendation, and the Board to make to make a decision later at the Board meeting. Before the presentation is given, the President made statement regarding the proposed vote:

> In forming this recommendation, we considered many aspects of our university, our mission and vision, what we stand for, what we hope to accomplish, the needs of our students, the legacy entrusted to us to lead this great university that was

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founded nearly 150 years ago. These are challenging times, and the decisions we face are difficult decisions. To make them we need the guidance of our mission, which is to create and advance knowledge, prepare our diverse student body to thrive and positively impact our local and global communities. This is our North Star, and we cannot compromise this mission, even when we are burdened with difficult financial challenges.

Today we will be proposing a tuition increase of 3.8% for lower division students, and 4.5 percent for upper division students. The average of these rates is 4.1% which is below the state tuition cap. We did not reach this decision on this proposal easily. We spent the last several months discussing our budget in detail with our faculty, administration, students, and most importantly our Board. A decision to raise tuition is always a difficult one because it adds to the financial pressure our students and families face. The authority to make this decision, of course, rests with our Board. We hope any action they may take to consider the current situation that confronts us, in particular the issue of declining state funding overall and to Wayne State in particular.

A few points. Despite the state's modest increases to higher education, the funding remains woefully inadequate. Over the past few years Wayne State University has received the lowest increase in state funding due in large part to a flawed performance funding approach that fails to recognize the unique mission and contributions of this University. We support performance-based funding, but the current formula fails, for example, to give credit to graduate and professional students in the calculation of full-time equivalent students. This penalizes research universities with large graduate student populations and professional schools like law and medicine.

Wayne State has always been a university of excellence, but also a university of opportunity. Many of our students work full or part-time, have families or come from challenging economic situations, but have the talent and the desire to succeed. We believe that providing these students with an opportunity for an outstanding college education is important both for the students and for the state. Unfortunately, our current metric formula does not fully recognize this critical mission. The state has referenced this goal to restore higher education to 2011 levels prior to the 15% cut received that year. However, Wayne State's appropriation is $16.5 million below this 2011 level, while most of the other universities in Michigan have been fully restored.

Past tuition increases are in direct proportion to state disinvestment in higher education. In 2000 the University's state appropriation accounted for approximately two-thirds of our General Fund budget, and tuition accounted for one-third. State appropriation has in absolute dollars dropped $61,587,000 between 2003 and 2014. Now, one-third of our General Fund budget comes from the state and two-thirds from tuition, but costs have continued to rise, and maintaining academic excellence is both expensive and critical to the success of our students. Knowing this, we have managed our budget with care and reduced our costs by more than $75 million over the last decade. These cuts include eliminating hundreds of positions, restructuring

benefits, eliminating programs, freezing wages and hiring, revamping our processes, and deferring much needed basic maintenance. What we have attempted thus far is to spare cuts to our core academic mission, and we have been relatively successful in doing so. And I say relatively because I would guess that many of our faculty would probably argue that the academic programs have already been affected. However, we are at the point where academic programs will inevitably be further compromised if revenues do not match expenditures, many of which we have no control over. It is difficult to ask students and their families to pay higher tuition, but the value of a Wayne State degree must be maintained and the only way to accomplish this in this era of disinvestment in higher education is, unfortunately, to raise tuition.

Whatever the Board decides, we are doing our best to mitigate the financial difficulty to our students through financial aid. This proposed budget includes an increase to financial aid of 9.1%. With this increase, our institutional funding of financial aid is now $72.7 million, an increase of more than 200% over the past decade. The total financial aid budget, including loans, is $342 million.

Ultimately, our student success is why we exist. We hope that the decision of our Board, even if difficult today, will benefit students both now and in the future, and ensure the value of a Wayne State degree to help our graduates succeed in the world.

President Wilson added that along with the recommendation for undergraduate tuition, the recommendation raises Law School tuition 1.9% for incoming J.D. and LL.M. program students, but freezes tuition for other Law students at the prior year's rate.

Mr. Kohrman said his presentation will cover three areas; first an enrollment overview; the second part will focus on the General Fund budget and tuition, and the third will cover the Auxiliary Fund budgets.

Enrollment Preview, Fall 2016

A graph representing the 26-week registration process showed that at the half-way point, there was a slight decrease in undergraduate enrollment. Mr. Kohrman attributed that to the fact that there are fewer orientation sessions this year; however, registration for each orientation session is about 5% higher this year, so that a decrease, if any, is not expected in undergraduate enrollment. About 55% of the graduate students have registered by this point. Graduate registration currently is at 4,728 students, about 11% more compared to this time last year, so that the enrollment increase may be a little higher than the 5% projected increase. The two schools that are driving these increases are Business Administration and Engineering.

Overall, an enrollment of 27,429 is expected. Mr. Kohrman noted this is the first time in many years that enrollment will have increased for the University, and he credited the work done by the staff in Student Success, Admissions, Enrollment Management, and the Graduate School to bolster enrollments.

***General Fund Budget and Tuition and Fees, FY 2017;* Auxiliary Budgets, FY 2017**

Turning to the General Fund budget, Mr. Kohrman said the Board will be asked to approve a budget of $631,182,548. He proceeded to discuss several charts illustrating different aspects of the budget. The revenue chart showed that two-thirds of the revenue comes from tuition, with only one-third from state appropriations. The expenditure chart showed the four main expenditure categories: compensation, about 64%; operating expenses about 17%; facility service, including deferred maintenance, service and utilities; and financial aid which has been the fastest growing expenditure over the last several years.

Mr. Kohrman pointed out the relationship between enrollment and budget for the schools and colleges. The budgets for the academic units total $216 million. When contrasted with the enrollment charts, the College of Liberal Arts and Sciences has about 40% of the enrollment but 26% of the budget, while the School of Medicine has about 27% of the budget and about 6% of the enrollment.

Next, Mr. Kohrman discussed the impact of the state appropriations on the University. The overall increase for higher education is $42.4, with WSU receiving $4.6 million or 2.4%. Half of this increase for all higher education was across-the-board as part of the restoration back to 2011; the other half was performance-based. Wayne State loses about $500,000 in the metrics because graduate enrollments are not included in the calculations. However, Mr. Kohrman pointed out that Wayne State received a score on the performance metric calculations right in the middle, but received the lowest appropriation. He explained that the score is multiplied by the number of undergraduates in the institution, even though many of the metrics include graduate students, resulting in a score for WSU that does not include the entire student body.

In terms of recapturing appropriations to get back to 2011 levels, WSU is at 8.5% or about $18 million below its 2011 level, significantly below every other institution. By contrast, other institutions such as Grand Valley, Ferris State, or Flint have had significant appropriations increases, allowing them to have lower increases on their tuition rates when formulating their budgets. The state has consistently neglected higher education, and WSU in particular, over the last 20 years. A chart showed that if the state would have allocated only the Consumer Price Index every year, instead of reducing the budget, WSU's state appropriations would be approximately $350 million rather than today's $195 million. Instead, the state has reduced the budget each year. The result is that while in 2000, state appropriations accounted for two-thirds of the cost of a student to attend school, the situation has now reversed and the student is responsible for two-thirds of the cost, with the state picking up only one-third.

In the final budget chart, Mr. Kohrman showed that of the $72 million cut over the last six years, schools and colleges were cut about $44.5 million and the divisions about $27.5 million. However, since the divisions are smaller in terms of dollar amount, their percentage cuts have been much larger than on the academic side.

The tuition and fees recommendation consists of 3.8% for lower division undergraduates and 4.5% for upper division; the graduate programs at 4.1%. Three new tuition

differentials are proposed, one for freshmen in Nursing, representing the first year that freshmen will be admitted into the Nursing program; a differential in Kinesiology for both the graduate and undergraduate levels, and for a new Bachelor's in Public Health in CLAS. The Law School proposes a 1.9% increase for incoming J.D. and LL.M. students, but all other levels are frozen. Student Services is requesting a 4.2% increase and registration 2.4%. Mr. Kohrman noted that to date, the average dollar increase for the Michigan Public Universities that have taken action is about $385; Wayne State's is $370 for a student taking 24 credit hours.

The Auxiliary budgets, at $47.8 million, are comprised primarily of Housing and Parking, which total 85% of the budget. Mr. Kohrman concluded his presentation and asked if there were questions.

President Wilson commented that much of the focus, both in his formal comments and in Mr. Kohrman's presentation, has been on the lack of funding by the State. However, the main rationale for the tuition and budget recommendations is that the University is now at the point where it cannot do what is necessary to comply with all of the federal standards, and also making sure that students get the quality experience that they should be getting, and that they graduate. The University has made significant strides in those areas over the past several years, and the additional revenues are needed to ensure that the University continues to build on that growth.

Governor Kelly asked for a motion on the tuition and fee recommendation.

> **MOTION** by Governor Pollard and seconded by Governor Massaron that the Budget and Finance Committee recommend that the Board of Governors approve the FY 2017 tuition rates and mandatory fees as presented below. In summary, the base tuition and fees for Wayne State University are increased by 3.8 percent for lower division undergraduates, 4.5 percent for upper division undergraduates and 4.1 percent for most graduate students. Rates for Law School J.D. and LLM program students are increased by 1.9 percent from FY 2016 rates but are frozen for other Law students at the prior years' amount.
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> In terms of mandatory fees, Wayne State University requires all students to pay a Registration Fee (on a semester basis) and a Student Services Fee, formerly the omnibus fee (on a per credit hour basis). Previously, a per-semester Recreation and Fitness Center (RFC) Maintenance Fee was charged to all students. This fee is now folded into the per-credit hour Student Services Fee and no longer charged separately. It is proposed that the registration fee increase by 4.2 percent for all undergraduate students and 4.1 percent for all graduate and professional students (excluding Medicine M.D. program students who are charged a separate fee). The Student Services Fee rate is proposed to increase by 4.2 percent for undergraduates and 4.1 percent for graduates and professional students (M.D. program students are charged a rate based on their class level.

Further, it is recommended that the Board of Governors authorize the President or his designee to make adjustments to the rates for special programs or where otherwise appropriate.

The floor was open for discussion, and Mr. Rich asked about two bar graphs that Mr. Kohrman presented to the Student Senate illustrating which expenditures are covered by tuition, and which by the state. Mr. Kohrman retrieved the slides and explained that the graphs showed the expenditure components that the tuition rate increases of 4.2% are covering. For example, compensation is a 2% increase for faculty and staff; the Fair Labor Standards Act represents an additional expense to the University; $800,000 to cover salary increases for post-docs; a 9% increase in the financial aid budget. Money is set aside for academic mandates such as performance targets, faculty lines, library acquisitions, learning enhancements such as libraries and classroom technology, and accreditation mandates to help certain schools meet their accreditation standards. Additional money is set for the Development Office to permanently fund staff positions for the capital campaign that up to now have been funded with one-time money. There will be a bond issuance in 2017, and funds must be set aside now to pay for some of the debt service. Finally, funds have been set aside for capital improvements. The revenue graph shows how the budget was built, with revenue from indirect cost recovery and the state appropriation amount, with every additional percent getting to a level of $24 million. To keep the tuition rates lower and at the same time to balance the budget, the University was forced to go through budget reductions and therefore not able to fund all of its priorities. About $1.3 million was taken from the schools and colleges and $1.0 million from the divisions. Money was subtracted from the debt service fund, and classroom technology received only $300,000 of the $600,000 requested.

Governor Thompson asked if tuition increases impact enrollment and retention of students. Mr. Kohrman replied that an analysis was done to see if there was any correlation between tuition increases and enrollment. It does play a factor, but he would not say there is a direct correlation. Other external forces influence enrollment, especially the economy. During the last 20 years, certain years have had enrollment growth in spite of 5-7% tuition increases; in other years there was an enrollment drop even though tuition increases were limited to 2 or 3%. In both instances the economy played a factor. When enrollment declined four or five years ago but community colleges increased, it was primarily due to the economy and families unable to afford a four-year institution. Today, families feel more secure and enrollment at four-year institutions is increasing, but community colleges are now having enrollment challenges. In terms of retention, financial aid to help students stay in school has increased over the last decade by 200%. This year it is a 13.9% increase for undergraduates and overall a 9.1% increase.

Governor Thompson asked if there are other universities comparable to Wayne State that have had enrollment challenges. Mr. Kohrman replied that some of WSU's competitors in southeastern Michigan such as Oakland and Eastern have had some enrollment challenges in the last few years. However, some schools in the state are immune to some of the market conditions, specifically U of M Ann Arbor and Michigan State. They nevertheless have increased their tuition rates to help soften the blow from the state appropriation decrease. Michigan has gone to a higher non-resident mix, with the freshman class approaching 50/50. Michigan State has also tried to increase their non-resident mix, and both have capped their classes now as well.

Professor Beale noted the last sentence in the Motion that read "... to make adjustments to the rates for special programs or where otherwise appropriate." She asked if that provision has been used in the past. Vice President Lessem said there have been instances, but they dealt with very small issues. For example, the President has the right to consider tuition appeals. Another time the Med Tech program experienced an issue that required mid-term adjustments. In general, the issues are local and parochial, and have been in the President's discretion as long as Mr. Lessem was aware. Professor Beale asked if the phrase could be amended to say that when and if such changes are made, notice would be provided with rationale on a quarterly basis, in the interest of transparency. President Wilson agreed, although he does not expect to make adjustments in the near future and has not done so in his three years of presidency.

Several Board and Committee members made statements regarding the tuition increase.

Governor Kelly

The people should know that all the Board members have been given an opportunity to spend considerable time with staff asking questions about the budget, about the recommendation for tuition increases. It has been done on a one-on-one basis with Board members for about as much time as Board members want to spend. I took part in that as well of course as the meetings where we met as a group. In my view a vote is a weighing of a financial burden on students against the University's financial needs for the purpose of offering a quality education. And to avoid the tuition increase is to compel future serious cuts in existing programs and in programs planned to strengthen Wayne. I cannot make a decision to deny the tuition increases, although I would really like to, because I cannot sanction the additional budget cuts that will occur if I did. I hope in future years that I can vote not to raise tuition at all, or certainly not to raise it to the cap, and I will work toward that end. But today I cannot make a principled decision to refuse the request of a tuition increase. So I will vote for it.

Governor Pollard

Governor Kelly, if I could use your explanation, as my Yes vote. I would like it to be recorded by the Secretary. I think it is right on point. This is very uncomfortable to a parent of college students such as myself to increase, but I know the result of not doing this. It would further injure our students who are being denied the aid that the State of Michigan, this is a state school, should be doing. I do not know what they are thinking about in Lansing when they deny the future of our state the necessary funding to get a decent education in this state. It does not put Michigan's future in a good position. So if I can use your explanation, I think it is right on point. I applaud you for making it, Governor Kelly. Thank you.

Mr. Rich

It is difficult being a student and then being asked to vote on a tuition increase. It's something that I have done in the past when it came up last year and it is something that I am going to do again this year. You have to look at the snapshot of expenses and revenues; what are we going to cut out in order to provide a high quality education to people in Michigan who frankly are not the typical college

student. We're not going to be a U of M, we are not going to be a Michigan State; we are not supposed to be. We cater to students who might otherwise not have a chance at a higher education. Even a 2% increase would barely cover compensation, the Fair Labor Standards Act, and operating costs, leaving the rest of the burden to the University and the students. And while a tuition increase is more of a short-term solution, it is what we need to do right now in order to provide the kind of education that Wayne State is able to afford students. So for that reason I will be voting Yes on the tuition increase.

Professor Beale

I think I should add the faculty's concern. Obviously, every time we increase tuition it is probably as difficult for us in some way as it is for students, because we know that access is tremendously important. But we are also concerned about the decline in the number of tenure track faculty which is in part a reflection of the years of budget cuts that we have undergone, the cuts to the state's decline in support of higher education. And the fact that that has not been made up here at Wayne is a driving force in the need to increase tuition as well. And so I, too, feel that we must increase tuition and that we need to increase it in an amount that will allow us to maintain the integrity of our academic programs, and especially of those that are the core part of academics. So I will also be voting yes.

Governor Nicholson

I plan to vote to abstain. I initially had a view, but I think some of the comments made today, I would like to think further about it before the final vote this afternoon. But I am weighing the idea of the University's having significant financial losses over the past few years, and this tuition increase would help reduce some of that, so that is a positive. Also your comments that this University's research and academic mission not only for this generation of students but for the next one needs to be strong, and that cannot be done without money. This weighs against my concerns about the families of southeastern Michigan who have not seen significant increases in income so this really puts the squeeze on them when we ask them for more money. And secondly, it also concerns me that those additional tuition dollars avoid some of the hard discussions and actions that may make this university more efficient and effective. So, I will be voting to abstain in the Committee; I will vote Yes or No this afternoon at the Board meeting.

Governor Thompson

I do plan to vote No on the motions, and I do understand the financial needs of the university. I understand the State cuts that we have undergone over the last ten years. I understand the need to maintain the quality and integrity of our academic programming. But I am very concerned, as everybody else has expressed their concerns, about affordability and access to families in southeastern Michigan, and I am concerned that we are not having those discussions and making those, as David referred to, hard decisions that need to be made, and not making short-term decisions year by year, and I think that this is the time to do it is now, if we're going to turn the corner. I care very deeply about this University; I care very deeply about the students and the faculty. And I think it's time for us to begin to make those hard decisions. And that is the reason why I'm going to vote No.

Governor Massaron

I intend to vote Yes on the recommendations for a whole series of reasons. I think it is important in looking at this institution, there have always been discussions about taking on the hard issues and dealing with them. This has gone on over a period of time, for 16 years that I am aware of. And I would also like to say that we have taken on serious issues. If we look at the kinds of things we have cut and that have had a damaging effect on the ability of this institution to provide to the people we believe this institution exists to provide for. And there may be more hard decisions to make. I look forward to being able to watch you make them. (laughter) I would like to suggest to you that you are going to find it difficult, unless you wish Wayne to not be a world class institution, an institution that does research and provides a quality education for people. That is the kind of decision you would have to make, at the point where you start looking at the money and how you spend it. And I intend to vote Yes because I think we as an institution have done that, and the severity with which we have done it, we have begun to have evidence of that. As we spent our time doing that, we have seen parts of the institution suffer dramatically, including the Medical School, by not paying attention because we were so busy worrying about the dollars for the institution itself and the survival of the institution. So, I am going to vote Yes; I am going to vote Yes on all three motions.

Governor Thompson said that she was aware that hard decisions have been made. Nevertheless, she believes that the situation that exists at the Medical School is partially the result of not asking tough questions and demanding certain answers. Governor Massaron restated his opinion that the fundamental problem is that Wayne State has not been financed properly by the state of Michigan since 2000.

The Committee proceeded to vote on the tuition and budget recommendations.

ACTION — Upon motion by Governor Pollard and seconded by Governor Massaron, the Budget and Finance Committee recommended that the Board of Governors approve the FY 2017 tuition rates and mandatory fees as presented below. In summary, the base tuition and fees for Wayne State University are increased by 3.8 percent for lower division undergraduates, 4.5 percent for upper division undergraduates and 4.1 percent for most graduate students. Rates for Law School J.D. and LLM program students are increased by 1.9 percent from FY 2016 rates but are frozen for other Law students at the prior years' amount.

In terms of mandatory fees, Wayne State University requires all students to pay a Registration Fee (on a semester basis) and a Student Services Fee, formerly the omnibus fee (on a per credit hour basis). Previously, a per-semester Recreation and Fitness Center (RFC) Maintenance Fee was charged to all students. This fee is now folded into the per-credit hour Student Services Fee and no longer charged separately. It is proposed that the registration fee increase by 4.2 percent for all undergraduate students and 4.1 percent for all graduate and professional students (excluding Medicine M.D. program students who are charged a separate fee). . The Student Services Fee rate is proposed to increase by 4.2 percent for undergraduates

and 4.1 percent for graduates and professional students (M.D. program students are charged a rate based on their class level.

Further, it is recommended that the Board of Governors authorize the President or his designee to make adjustments to the rates for special programs or where otherwise appropriate, with the friendly amendment that any such adjustments be reported to the Board.

The motion carried with a vote of 6-1-1. Governor Thompson voted No; Governor Nicholson abstained.

General Fund Budget, FY 2017

MOTION by Mr. Rich and seconded by Governor Pollard that the Budget and Finance Committee recommend that the Board of Governors approve the proposed FY 2017 General Fund budget, its projected revenues and expenditures, and the budgets for individual University units and specifically funded programs as summarized in the document. Also, that the Board of Governors authorize the President to implement the budget management procedures, and budget-related policies, with such modifications as may be deemed necessary during the fiscal year.

Finally, that the Board authorize the President to make budget adjustments and/or recommend tuition adjustments to the Board in sufficient amount to offset any subsequent state appropriation funding adjustment from the projected amount as shown in the proposed FY 2017 General Fund budget.

Professor Beale noted that the budget recommendation contains a statement that the budget procedures and policies be implemented "with such modifications as may be deemed necessary during the fiscal year". She added that three or four years ago, Vice President Nork had agreed to give the Academic Senate notice of those adjustments on a regular basis, but never did so. Professor Beale asked that the same provision be added to the budget recommendation as was added to the tuition recommendation, that notice of such changes and the rationales for them be provided on a quarterly basis to the Academic Senate's budget and policy committees, as a friendly amendment. President Wilson agreed to the request.

ACTION — Upon motion by Mr. Rich and seconded by Governor Pollard, the Budget and Finance Committee recommended that the Board of Governors approve the proposed FY 2017 General Fund budget, its projected revenues and expenditures, and the budgets for individual University units and specifically funded programs as summarized in the document. Also, that the Board of Governors authorize the President to implement the budget management procedures, and budget-related policies, with such modifications as may be deemed necessary during the fiscal year.

Finally, that the Board authorize the President to make budget adjustments and/or recommend tuition adjustments to the Board in sufficient amount to offset any subsequent state appropriation funding adjustment from the projected amount as

shown in the proposed FY 2017 General Fund budget, with the friendly amendment that any such adjustments be reported to the Board.

The motion carried with a vote of 7-1. Governor Thompson voted No.

Auxiliary Activities Budgets, FY 2017

ACTION – Upon motion by Governor Pollard and seconded by Governor Nicholson, the Budget and Finance Committee recommended that the Board of Governors approve the proposed FY 2017 budgets for the Auxiliary Activity units as presented and as detailed in the FY 2017 Current Funds Budget book. The motion was adopted with a vote of 7-1. Governor Thompson voted No.

PUBLIC COMMENT

Governor Kelly said that Mr. Anthony Eid, President of the Student Senate, asked to make a statement at the Committee. Mr. Eid's statement is as follows:

> Hello, thank you all for your time. My name is Anthony Eid, I'm the President of the Student Senate. It is my responsibility to say that this vote comes with great reservation from the student body. While we are happy that the summer tuition discount is in the budget, which I must say is one of the only reasons my appointees are voting Yes, it is simply unacceptable and unsustainable and greatly hinders student success to continue to raise tuition. I have been a student at our university for about six years and every single year tuition has gone up, one time over the state tuition cap. This has totaled to about 20% in this time frame. The Student Senate feels like it is the University's responsibility and job to find more unique ways to generate revenue besides raising tuition. The Senate will be working hand-in-hand with the administration to do this, as well as try to identify ways to cut wasteful spending. We do understand the concerns of the current political climate, and we want to continue to work with you in Lansing. However, students need to be clearly educated on how exactly they can do this, and the University must put pipelines in place for students to be able to do so. We have been hearing about state appropriations for years, and if the state refuses to work with us, perhaps it is time to look at other innovative ways to raise revenue and get students to graduation. I personally know many, many students who are within 20 credits of graduation, who cannot get to graduation in part due to these tuition increases.
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> To conclude, again this vote comes with great reservation from the Senate, and I hope you hear these words and remember them when it comes to make budgets in the future. Thank you.

Governor Kelly asked for clarification of the Student Senate's recommendation. Mr. Eid replied that the Senate's representative, Mr. Rich, will be voting Yes, mainly due to the mainstay of the summer tuition decrease. However, the Senate's vote comes with a reservation.

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PURCHASING EXCEPTIONS

In Vice President Decatur's absence, Mr. Ken Doherty presented an informational report on purchases greater than $25,000 issued during March, April, and May of FY 2016 without soliciting competitive bids. There were no questions regarding the report.

ADJOURNMENT

There being no further business, the meeting adjourned at 11:45 a.m.

Respectfully submitted,

Julie H. Miller
Secretary to the Board of Governors

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