

**THE UNIVERSITY OF WYOMING
MINUTES OF THE TRUSTEES**

August 17-18, 1989

**For the confidential information
of the Board of Trustee**

THE UNIVERSITY OF WYOMING

Minutes of the Trustees

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THE UNIVERSITY OF WYOMING

Minutes of the Trustees
August 17-18, 1989

Prior to the Trustees' special meeting on August 17 and 18, 1989, an executive session dealing with litigation and personnel matters was held at 2:40 p.m. on August 17 in the Beta House on campus.

The Budget Committee met at 3:50 p.m., August 17 in the Concert Hall of the Fine Arts Center. Members present were Schutte, chairman; Bonner, Dray, Hammons, Kirk, Sharratt, and ex officio members Bussart and Roark, along with other Trustees and members of University staff. Committee members Brown and Mickelson were not present.

During the meeting of the Budget Committee, the desire was expressed by some Trustees that the Budget Committee items to be presented for action and discussion be tabled to allow Trustees additional time to study the President's budget recommendations. Following discussion, it was moved by Mr. Miracle, seconded by Mr. Schutte, and carried, that members of the Budget Committee recommend to the Trustees of the University of Wyoming that the entire Budget Committee agenda be tabled until August 18, 1989 at 8:00 a.m. at which time Trustees would consider the President's budget recommendations. Trustees Dray and Sharratt opposed the motion. This concluded the business of the Budget Committee.

The business meeting was called to order by President Bussart at 4:30 p.m., August 17, 1989 in the Concert Hall of the Fine Arts Center with the following Trustees present: Bonner, Bussart, Dray, Hammons, Jorgensen, Kirk, Miracle, Schutte, Sharratt, Updike, and ex officio members Roark, Simons and Miller. Trustees Brown and Mickelson, and ex officio member Governor Sullivan were not present.

It was moved by Mr. Schutte, seconded by Mr. Miracle, and carried, that Trustees of the University of Wyoming recess until 8:00 a.m., August 18, 1989 in the Board Room of Old Main at which time they reconvene to consider and act upon the President's budget recommendations. There being no further business to come before the Trustees, the meeting recessed at 4:35 p.m.

The special meeting of the Trustees of the University of Wyoming reconvened at 8:00 a.m., August 18, 1989 in the Board Room of Old Main.

ROLL CALL

The following Trustees were in attendance:

Bonner, Bussart, Dray, Hammons, Jorgensen, Kirk, Miracle, Schutte, Sharratt, Updike, and ex officio members Roark, Simons, and Miller. Trustees Brown and Mickelson and ex officio member Governor Sullivan were not present.

Upon a motion by Mr. Dray, seconded by Mr. Jorgensen, it carried that Trustees of the University of Wyoming conduct business as a Committee of the Whole for the purpose of considering Budget Committee recommendations prepared by President Roark. Trustee Schutte chaired the meeting.

SALARY REQUESTS
FACULTY SALARIES

President Roark addressed the Committee of

the Whole by saying that he continues to place salaries as the number one priority at the University of Wyoming, with particular emphasis on faculty and academic professional salaries. President Roark said the University's ability to compete for the brightest and best academic professionals has seriously deteriorated leaving the future quality of University programs in jeopardy. He continued by saying the University's faculty turnover rate is approaching eight percent per year, which is twice the average turnover for typical American universities.

Following discussion, it was moved by Mr. Miracle and seconded by Mr. Dray, that Trustees of the University of Wyoming authorize an annual adjustment for faculty salaries of approximately 8.45% for the biennium only, at a total cost of \$9,119,735. The motion carried.

SALARY REQUESTS
STAFF SALARIES

President Roark told members of the Committee of the Whole that the University of Wyoming Personnel Services Office has completed a review of staff positions at the University in relation to the new salary and compensation system that was implemented July 1, 1989, for state government. The study has revealed that approximately 21% of University staff positions are currently paid below the minimum 'green-line' salary for similar positions in state government. To bring these positions to a comparable wage for similarly classified employees in the state system will cost \$480,000 for the biennium. In addition, President Roark recommended a general staff salary increase of 2.2% for the purpose of restoring the purchasing power lost to UW employees over the past five years. This adjustment for 1991-1992 will cost \$951,500. The last component of the President's staff salary recommendation was for a 4.1% salary adjustment for each year of the biennium to maintain staff salaries with expected changes in the cost of living. This adjustment will require a biennium budget increase of \$2,681,000.

Following discussion, it was moved by Mr. Bonner, seconded by Mr. Dray, and carried, to eliminate the recommended general staff salary increase of 2.2% for the purpose of restoring the purchasing power lost to University of Wyoming employees over the past five years.

It was then moved by Mr. Dray, seconded by Mr. Bonner, and carried, that Trustees of the University of Wyoming authorize the following salary request for the 1991-1992 biennium:

Staff 'green-line' adjustment	\$ 480,000
Staff Salary Adjustments	<u>2,681,000</u>
Total Staff Salary	\$ 3,161,000
Staff Employer Paid Benefits	<u>600,590</u>
Total	<u>\$ 3,716,590</u>

SECTION I STANDARD
BUDGET REQUEST FOR
1991-1992 BIENNIUM

Mr. Phill Harris, Deputy to the Vice President
for Finance, told members of the Committee of

the Whole that the University has been working in concert with the DAFC Budget Office to prepare the Standard Budget for next biennium. This budget provides the base funding enabling the institution to perform current programs and services for the next biennium. Included in this budget are salary allocations for every authorized position at the University and basic supportive costs (exclusive of equipment and contractual expenses).

Following discussion, it was moved by Mr. Dray that Trustees of the University of Wyoming eliminate the Casper and Cheyenne residency centers (accounts 2-90150 and 2-90200) from the FY 1991-1992 budget. The motion failed due to lack of a second.

Discussion followed regarding the possibility of the Wyoming State Legislature cutting the University budget versus Trustees cutting the budget. Mr. Dray emphasized that he believed the Trustees should recognize the need to set University priorities rather than have the Legislature set them.

It was then moved by Mr. Jorgensen, seconded by Mr. Bonner, and carried, that Trustees of the University of Wyoming approve the 1991-1992 Standard Budget as follows. Mr. Dray is recorded as opposing the action.

Standard Budget

Expenditure
Category:

Salaries	\$151,389,657
Supportive Services	38,165,754
Scholarships/Grants	14,537,093
Non-Operating	1,767,160
Contractual Services	<u>1,092,444</u>
Total Expenditures	<u>\$206,952,108</u>

Funding Sources:

General Fund	\$143,836,522
Federal Funds	5,315,617
University Funds	36,760,000
Water Development	1,425,734
Family Practice Inc.	2,600,000
Federal Mineral Royalty	<u>17,014,235</u>
Total Funding	<u>\$206,952,108</u>

EXCEPTION BUDGET REQUEST
1991-1992 BIENNIUM
TEACHING, RESEARCH, AND
SERVICE

Provost Karnig discussed the teaching, research,
and service area of the Exception Budget
request with members of the Committee of the

Whole. In particular, he noted that in the period from fall 1986 to fall 1988, overall enrollment at the Laramie campus increased from 9,693 to 10,383 (7%). For the same two-year period, the number of freshman increased from 2,167 to 2,743 (27%), and the number of sophomores grew from 1,436 to 1,678 (17%). The Provost said the impact of this substantial increase in freshman and sophomore students has already severely strained instructional resources in such areas as English, mathematics, biology, communications, certain foreign languages, and a variety of courses meeting general education requirements.

He continued by saying that the most economical way to meet the recent surge in lower division enrollment is through hiring continuing temporary faculty. He emphasized that the high cost of recruiting faculty in today's market has severely impacted some programs. With recent budget reductions, such programs are concerned about maintaining a program quality that will ensure accreditation

by external professional agencies. Business, nursing, and pharmacy have therefore requested additional support funds to alleviate these problems.

President Roark recommended to members of the Committee of the Whole that Business receive \$250,000 in additional full-time salary support in order to raise salaries in vacant lines to the prevailing market level and \$31,700 in additional travel funds to support recruiting efforts. For nursing, he recommended an additional \$33,000 for supportive services and \$7,000 for travel, and for pharmacy, President Roark recommended an additional \$20,000 for supportive services, and an additional \$5,000 for travel.

It was moved by Mr. Miracle and seconded by Mr. Updike that Trustees of the University of Wyoming approve an allocation of \$350,000 in funds in the teaching, research, and service area of the Exception Budget for a satellite uplink.

President Roark told Trustees that he had serious doubts about his ability to support the recommendation. He said estimates for an uplink run as high as \$600,000, exclusive of operating costs, and that information he has may indicate that such a request could face opposition in the Governor's Office.

It was then moved by Mr. Bussart and seconded by Mr. Updike to amend the original motion to allocate \$600,000 in funds from the teaching, research, and service area of the Exception Budget for a satellite uplink. The amendment carried. The amended motion carried. The Trustees instructed the Budget Office to include the funding for the satellite uplink in the appropriate budget section per the Department of Administration and Fiscal Control (DAFC) requirements.

A motion was then made by Ms. Hammons and seconded by Mr. Bussart to eliminate the business program request of \$250,000 in additional full-time salary support in order to raise salaries in vacant lines to prevailing market level and \$31,700 in additional travel funds to support recruiting efforts. After

discussion, which centered on the importance of additional salary support and travel funds for the business program, the motion and second were withdrawn.

The institutional support area of the Exception Budget was then discussed. President Roark said that recent increases in tuition and mandatory fees, as well as increases in room and board charges, necessarily increase the award amount of student scholarships and financial aid needed to cover the full cost of tuition, or of tuition, room and board.

It was moved by Mr. Jorgensen, seconded by Mrs. Kirk, and carried that Trustees of the University of Wyoming approve the following 1991-1992 Exception Budget items, with the condition that \$600,000 be included in the request for a satellite uplink:

Enrollment Impacts	\$ 700,000
Business Programs Support	281,700
Nursing Programs Support	40,000
Pharmacy Programs Support	25,000
Student Financial Aid Scholarships	1,200,000
Athletic Scholarships	540,000
Graduate Assistantships	600,000
Microcomputer Support	180,000
Library Acquisition Cost Adjustment	200,000
Office of Institutional Analysis	200,000
Risk Management	250,000
University Relations and Media Services	70,000
Satellite Uplink	<u>600,000</u>
Total Exception Budget	<u>\$4,886,700</u>

EXPANDED BUDGET REQUEST
1991-1992 BIENNIUM

President Roark reviewed for Trustees
the Expanded Budget containing requests for
additional funds and/or personnel to address new or expanded programmatic acti-

vities. In addition, the Expanded Budget contains all requests for new or replacement equipment and contractual services. President Roark then discussed both the teaching, research, and service requests of the Expanded Budget and the institution support requests. It was noted in the area of student support that the University is obligated under Section 504 of the Rehabilitation Act of 1973, to provide services to students with disabilities. Federal funds currently paying for these services are no longer available and general fund support has been requested to continue these essential services (e.g., interpreters for the deaf, readers for the blind). President Roark recommended approval of a total of \$112,404 for support of these services. Superintendent Simons said there may be a possibility that the Board of Charities and Reform could provide funds for this request through the Montgomery Home for the Blind fund. President Roark agreed to contact the Board.

Following discussion, it was moved by Mr. Miracle, seconded by Mr. Bonner, and carried, that Trustees of the University of Wyoming approve the following Expanded Budget requests:

Nursing Program Expansion	\$ 64,800
CES/Human Development Specialist	38,100
UW/CC - Business Faculty	131,070
Extension Veterinarian	72,180
TV Classroom	170,000
New Faculty Start-up support	360,000
Instructional Support Center	182,000
University Studies Program	102,000
Groundwater Research and Instruction	269,240
Plant Biotechnology Center	99,000
Center for Excellence in Wool	100,000
Law Program Expansion	80,000
Reference Librarian	61,982
Libraries/Cataloging & Map Access	55,000
Section 504 Services	112,404
Career Exploration Opportunities Program	51,000
Alcohol/Drug Reference Center	100,800
Funding for Restoring 89-90 Equipment Base	2,436,517
Science/Engineering Equipment	290,000
Scientific Equipment Maintenance Specialists	118,528
Specialized Equipment Maintenance Specialists	219,400

Funding for Restoring 89-90 Contractual Base	989,478
Asbestos Assessment	270,000
Campus Services	260,172
Risk Management Position	68,000
Academic Computing	174,000
Administrative Computing	495,124
Physical Plant	134,388
American Heritage Center	<u>26,300</u>
Total Expanded Budget Request	<u>\$7,531,483</u>

TUITION ADJUSTMENTS

President Roark told Trustees the need for a long-range plan to guide future decisions for tuition increases and to set goals for tuition income for the support of University programs has been discussed extensively. He said that all of the plans discussed were reviewed with a sensitivity to the financial burden placed on students and parents in obtaining higher education degrees, and an awareness of the political implications associated with any discussion or plan to increase University of Wyoming tuition. Two compelling arguments have emerged supporting the recommendation for a tuition adjustment for the upcoming biennium. First, the revenue forecast for the next biennium clearly indicates that state finances will remain relatively stagnant. The legislature will have an extremely difficult time balancing needs with means. Second, last session the University accepted a commitment to the Governor that it would increase tuition rates to match an additional \$1 million salary recommendation. Although the legislature did not fund the entire salary request recommended by the Governor, the University still allocated last year's tuition increase for salary improvements. Such an allocation will again be required in FY 1991 in order to maintain the current salary base in the next biennium.

Discussion again centered on the five-year faculty salary objective, and it was moved by Mr. Jorgensen, seconded by Mrs. Hammons, and carried, that Trustees of the University of Wyoming endorse the philosophy of raising faculty salaries to the 50th percentile over a five-year period.

Mr. Sharratt said he believed tuition increases are contrary to the Wyoming State Constitution which states in part that the instruction furnished may be as nearly free as possible.

It was moved by Mr. Jorgensen and seconded by Mr. Dray that Trustees of the University of Wyoming adopt a long-range tuition plan for the University geared toward benchmarking tuition rates at the 15th percentile of public doctoral institutions with the goal of achieving this objective in five years. This approach would require an annual adjustment of \$143 per year for in-state tuition rates, and \$527 per year for non-resident students. No vote was taken on this motion.

It was suggested that the Associated Students of the University of Wyoming (ASUW) be given the opportunity to provide input into any proposed tuition adjustments.

Upon a motion by Mr. Miracle, seconded by Mr. Dray, it carried that Trustees of the University of Wyoming table the issue of tuition adjustment until spring 1990.

Upon President Roark's recommendation, it was moved by Mr. Bussart, seconded by Mr. Sharratt, and carried, that Trustees of the University of Wyoming authorize an additional \$2,000,000 in the Expanded Budget to offset the one-year funding used in the 1989-90 biennium to adjust salary levels.

It was moved by Mr. Updike and seconded by Mr. Jorgensen to reconsider the tabled motion regarding tuition adjustments. The motion to reconsider carried, with two Trustees opposed.

There was some discussion with regard to increasing out-of-state tuition to the 25th percentile.

Following further discussion, it was moved by Mr. Jorgensen and seconded by Mr. Dray that Trustees of the University of Wyoming adopt the President's recommendation of a long-range tuition plan for the University geared toward bench-

marking tuition rates at the 15th percentile of public doctoral institutions with the goal of achieving this objective in five years by requiring an annual adjustment of \$143 per year for in-state tuition rates, and \$527 per year for non-resident students with the condition that it be funded for the biennium only. The motion failed with four in favor and five opposed.

SECTION II BUDGET
REQUEST
1991-1992 BIENNIUM

Vice President Baccari reviewed for Trustees the Section II budget of the University which represents the self-sustaining operations and programs of the institution. Mr. Baccari noted that since this budget is driven by self-generated revenues, the budget submitted to the Governor and legislature becomes, in effect, a request for authorization to spend the revenues the University anticipates it will receive from revenue sources.

Upon a motion by Mrs. Hammons, seconded by Mr. Bonner, it carried that Trustees of the University of Wyoming adopt the Section II budget request as follows:

SECTION II
PROJECTED BUDGET NEEDS
FOR 1991-1992 BIENNIUM

Funding Source	1989-1990 Biennium Budget	1991-1992 Biennium Projected	1991-1992 Expanded Budget
Sponsored Funding	\$43,276,000	\$ 57,133,000	\$13,857,000
Gifts & Contributions	6,962,000	6,962,000	-
Auxiliary Enterprises	35,725,000	40,354,000	4,629,000
ASUW	1,401,000	1,401,000	-
Debt Service	8,400,650	9,711,100	1,310,450
Intercollegiate Athletics	2,531,000	5,745,000	3,214,000
	<u>\$98,295,650</u>	<u>\$121,306,100</u>	<u>\$23,010,450</u>

SECTION IV BUDGET
REQUEST FOR 1991-1992
BIENNIUM

President Roark reviewed with Trustees the Section IV Budget request for the 1991-1992 biennium. Dr. Roark said fund-raising effectiveness at public universities is bound directly to fund-raising expenditures. He noted that private fund raising

at the University of Wyoming has increased every year from \$3.7 million in Fiscal Year 1985 to \$5 million in Fiscal Year 1988, and during that same period the Development Office budget remained flat or declined. President Roark said the Development Office is fast reaching the point where the amount of money raised cannot increase without increasing support.

Following discussion, it was moved by Mr. Dray, seconded by Mrs. Kirk, and carried, that Trustees of the University of Wyoming approve an expanded biennial budget request of \$105,678 for the Development Office to include one new full-time position and expanded funding to increase two part-time positions to full-time status.

**CAPITAL OUTLAY REQUEST
1991-1992 BIENNIUM**

President Roark asked Trustees to consider
the Capital Outlay Request for the 1991-1992

Biennium in four major categories:

Safety - to include Regulated Materials Management Center and the Arts and Sciences Auditorium;

Maintenance - to include the Arena Roof and Deferred Maintenance;

New Construction - to include the Geology Addition, Law Library Addition, and the Commerce and Industry Classroom East;

Remodeling - to include the Elevator in the Education Building, Access in McWhinnie Hall, and Knight Hall - Student Services.

It was moved by Mr. Bussart, seconded by Mr. Updike, and carried, that Trustees of the University of Wyoming consider and address separately the \$6,000,000 funding requested for the American Heritage Center/Art Museum bridge financing at the September 1989 Trustees' meeting. Mr. Miracle opposed the motion.

Upon a motion by Mr. Jorgensen, seconded by Mr. Bonner, it carried, that Trustees of the University of Wyoming approve the following capital construction projects for the 1991-1992 biennium as shown below, with the condition that the \$6,000,000 request for the American Heritage Center/Art Museum bridge financing

remain in the capital outlay request as a place holder:

<u>Capital Project</u>	<u>Funding Requested</u>	
Regulated Materials Management Center	\$ 1,983,000	
Arts & Sciences Auditorium	814,000	
American Heritage Center/Art Museum Bridge Financing		(place holder)
Arena Roof	400,000	
Deferred Maintenance	3,540,000	
Geology Addition	17,905,500	
Law Library Addition	1,700,000	
Commerce & Industry Classroom East	11,294,200	
Elevator - Education Building	167,000	
Access - McWhinnie Hall	88,900	
Knight Hall-Student Services	<u>347,700</u>	
	\$ 38,240,300	

BUDGET FLEXIBILITY
REQUEST FOR 1991-1992
BIENNIUM

President Roark said that all indications are that funding for the next biennium will continue to be restrained and that the University must have increased flexibility to adjust resources within the constraints of the appropriation to meet the ever-changing circumstances at the University.

It was moved by Mr. Jorgensen, seconded by Mr. Dray, and carried, that Trustees of the University of Wyoming seek legislative authorization to transfer between programs at least 25 percent of the General Fund appropriation granted to the University for the 1991-1992 biennium.

TRUSTEE REQUEST FOR
INTERNAL AUDIT FUNCTION

President Roark said that in May 1989, the Budget Committee requested a proposal for an internal audit plan that would allow audits of all University accounts at regular intervals. The Committee also expressed an interest in audits of state

appropriated accounts. Mr. Van Jacobson, Internal Auditor, prepared such a plan for Trustees' consideration. To implement the plan, the Internal Audit staff would have to be increased by two auditors and one electronic data processing (EDP) auditor. The total cost to fund this proposal would be \$236,732 for the 1991-1992 biennium.

Following discussion, it was moved by Mr. Jorgensen, seconded by Mr. Bonner, and carried, that Trustees of the University of Wyoming take no action on the proposed internal audit function at this time.

APPROVAL OF MINUTES

President Bussart asked if there were any corrections or additions to the minutes of the meeting of July 12, 1989. There were no corrections or additions, and Mr. Miracle moved that the minutes of July 12, 1989, be approved as circulated. Mr. Schutte seconded the motion, and it carried.

RATIFICATION OF EXECUTIVE
COMMITTEE MINUTES OF
JULY 27, 1989

President Bussart reported on the Executive Committee meeting of the Trustees which was held on July 27, 1989 in the Governor's Board Room in Cheyenne. Present were Trustees Bussart, Sharratt, Hammons, and Schutte. Trustee Updike was not present. The Executive Committee acknowledged that the Trustees of the University of Wyoming would become plaintiff in the matter of litigation on behalf of the University of Wyoming against Ernie Trujillo/DBA Shirts-N-Things of Casper, Wyoming; and that this action would be subject to ratification by Trustees at their July 1989 meeting.

It was moved by Mr. Schutte that the above Executive Committee action of July 27 be ratified. The motion was seconded by Mr. Jorgensen, and it carried with Mr. Miracle opposed.

ENDORSEMENT OF DEPARTMENT
OF COMMUNICATION AND
MASS MEDIA

It was moved by Ms. Hammons, seconded by Mr. Bonner, and carried, that Trustees of the University of Wyoming endorse the merger of the departments of Journalism and

Telecommunication and Communication into a new unit to be entitled the Department of Communication and Mass Media.

ANNOUNCEMENTS

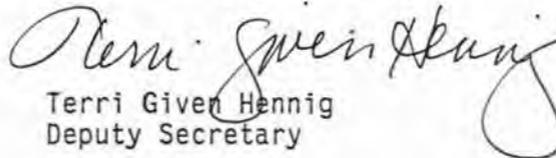
President Roark noted that the University of Wyoming Foundation Board will meet on campus September 21, 1989, and indicated that a joint breakfast will be scheduled for Trustees and the Foundation Board on September 22, 1989.

President Roark thanked Trustees for their efforts toward very productive meetings August 17 and 18 to consider budget recommendations.

**ANNOUNCEMENT AND
DATE OF NEXT MEETING**

The next meeting of the Trustees of the University of Wyoming is scheduled for September 22-23, 1989 on the University campus. There being no further business to come before the Trustees, the meeting adjourned at 2:30 p.m.

Respectfully submitted,


Terri Given Hennig
Deputy Secretary