Report from the January 19, 2007 Board of Regents Meeting

The full agenda packet is available online at [http://www.nebraska.edu/board/board_agendas.shtml](http://www.nebraska.edu/board/board_agendas.shtml) or hardcopies of the agenda and presentations are available by request in my office. Included in the packet is a copy of the official BOR minutes (BOR Min1-19-07.pdf) and the summary report (BOR-Report-January-2007.pdf)

Morning Working Committee Sessions:

Business Affairs Committee

UNO Housing and Parking Proposal: The Regents heard details on a proposal for the construction and financing of new residence halls and a parking structure on the UNO campus. The plan is to have all the new construction finished by Fall 2008 and will include 400 new beds (total 1600). The new residence halls will be suite style rooms with most requiring a 12 month lease agreement. With the new halls, UNO will be able to accommodate 11% of the student body in on-campus housing compared to 13% in their peer group.

State Fiscal Climate: Budget analysts from both the legislature and university presented analysis of the state budget and fiscal climate. Much public discussion has been centered on aspects of the state and local “tax burden” and what must be done to ease the burden. An embedded problem with the budget lies with Medicaid cost and growth (~10% historical, 7% allowed in current budget) and with K-12 education cost and growth (~12% over last biennium, 5% allowed in current budget). The governor has recommended a larger budget increase to K-12 as a percentage of new spending relative to its share of the prior budget. The governor’s budget included a moving $30 million out from individual aid (Medicaid) and adding $60 million in aid to local governments (mostly K-12).

UN Budget Request: State law requires university faculty to be paid at least at the midpoint of the compensation in the peer group. However, a 1% increase in the state appropriations will not fund a 1% increase in the salaries, even if all other costs remained unchanged. About 50% of the new spending in the governor’s budget is allotted to K-12 education. The NU system accounts for 14% of the state appropriations, but only 6% of the new spending is allocated to NU. In 1994, the state appropriation to NU was sufficient to pay 95% of the salaries in the NU system; by 2007, the state appropriation can pay for only 87% of the salary base. According to the Governor’s budget plan, the NU system will see a 3.3% increase in the 2-yr budget cycle (1.1% first year, 2.2% second year). The 1.1% proposed increase will be the 3rd lowest in the last 40 years, with the only two lower values occurring in 1986 (1% real cut) and 2004 (4.7% real cut). The share of the state budget allocated to the NU system has fallen from 21.9% in 1989 to 13.8% in 2009 (proposed). In that same time span, state spending has increased 306.3% while the state appropriation to NU has grown 164.5%. By comparison, the Nebraska GDP has grown 253.3%. Excluding additional costs due to salary increases, or additional revenue from tuition increases, NU expects a 1.5% increase in expenses in 2008 and 2.2% in 2009 (based on 2007 values). NU has submitted an expense request increase of 4.5% in 2008 and 3.5% (additional) in 2009. (Included in your packet is the full presentation made to the BOR (NU Budget Request 2008-2009.pdf)

Strategic Framework Taskforce

Need Based Financial Aid: The Regents were given a presentation about the Need-Based Financial Aid measure in the Strategic Framework. A couple of interesting points: the state provides 100% tuition aid to students for K-12 education but a much smaller amount to students
in higher education; as state aid to higher education has diminished, tuition has increased to compensate which has placed lower income students at a disadvantage. Nebraska currently rates high (16th) in the number of students continuing on to higher education (~60%) and very high (5th) in the proportion of low income-students continuing on to higher education (~37.6%) among the 50 states. The Board of Regents has set as a 1-yr target the goal of increasing the number of students using the Tuition Assistance Program which covers the unpaid tuition of Pell-Grant eligible students. Their 3-yr target is to establish a plan to expand TAP, perhaps covering more students. The full presentation can be seen in my office.

Workforce Development: The Regents were given suggested targets for their workforce development goal: 1yr: compile and present data on workforce demand including potential opportunities in non-growth (rural) communities; 3-yr: align NU programs to workforce needs and provide distance education consistent with university curriculum to prepare Nebraskans for job opportunities.

Academic Affairs Committee

Graduation Rates: The Regents heard a report on the Graduation Rates goal set earlier: 1-yr target: each campus will maintain or show progress toward reaching the average six-year graduation rate of its peers. Currently UNK is the only undergraduate campus with 6-yr graduation rates above its peer average. UNK has seen a marked rise in its graduation rate from 36.5% in 2000 (freshman class of 1994) to 55.2% in 2005 (freshman class of 1999) while the peer group has changed from 44.1% in 2000 to 50.2% in 2005. Additionally, UNK’s freshman retention rate is very high: 84% vs. 73.3% in 2005 compared to the peer group. This freshman retention rate is best in the NU system (tied with UNL, UNO = 75%). I have additional information in my office about comparative numbers of credit-hours completed per year for each of the three campuses. Unfortunately, the data also shows that UNK students are working far more than their peers at off-campus jobs (according to NSSE). Over 50% of senior students at UNK reported working in excess of 20 hours per week while the national average was 3%; 84% of senior students nationally reported working fewer than 10 hours each week at off-campus jobs.

BOR Meeting

Those BOR items affecting UNK:

- Chancellor Kristensen presented the UNK Facilities Master Plan to the Regents ([http://www.unk.edu/offices/facilities/index.php?id=14015&eklist=masterplan](http://www.unk.edu/offices/facilities/index.php?id=14015&eklist=masterplan)). The plan was well received.
- Items approved by the Regents at the meeting:
  - UNK Faculty Senate Constitution and Bylaws!
  - UNK CNSS Constitution and Bylaws
  - UNK Facilities Development Plan
  - Bruner Hall of Science Program Statement
  - Joint Operating Agreement with Kearney Public Schools for the shared operation of the Merryman Performing Arts Center
  - $394,500 expenditure from the Surplus Fund of the Revenue Bonds to provide wireless access in residence halls
- Other items of note:
  - The BOR approved a campus-wide policy prohibiting concealed weapons and firearms on all University controlled property, in all University vehicles, and at University sponsored events.
  - The BOR approved program statements for the construction and financing of residence halls and a parking structure at UNO.