

To: Faculty Senate  
From: Malcolm P. Frisbie  
Date: 20 September 2010  
Re: Regent's Report

### 7 June 2010, Regular Quarterly Meeting of the Board of Regents

The Board acted upon a number of academic proposals that came to it via the Senate and CAA. Included in these actions was the approval of a new doctoral program in Nursing Practice (DNP). In addition, the Board approved 51 other program proposals which included new majors, new minors, new certificate programs, many program revisions and one program suspension. The Board also approved the Progressive Admission Plan, which will steadily raise our criteria for full and clear admission between this fall and the summer/fall of 2014. At that point, students will need to have a composite ACT score of at least 19, among other criteria, to qualify for full admission to the university with no academic restrictions.

A substantial portion of the Board meeting was devoted to financial concerns of the University. The Board had authorized its Executive Committee to set tuition levels for this year on its behalf during the period between the April and June meetings, after actions had been taken by the legislature and CPE. As you know by now, those tuition increases were set at 5% for undergraduate tuition, 4% for graduate tuition, and a change in online course charges to a per credit basis at 130% of the in-state per credit charge. At the June meeting, the Board heard reports about the financial status of the University and reviewed the budget proposal for 2010-2011, which, of course, needed to be built using projected tuition revenues. The Board approved the budget proposal for ECU and for Model Laboratory School.

Several features of the budget deserve highlighting. The budget anticipates a further reduction of up to 1.5% (slightly more than \$1M) in our base budget appropriations from the state during the year. We do not know whether this will happen, but the economy remains sluggish, and so there is reason to believe that a further reduction in state appropriations will come our way. Building the budget with a projected reduction in place provides us with a cushion with which to absorb a hit, if one should materialize. Because we are also carrying a contingency fund in the budget, we are in a position to deal with a somewhat larger reduction if necessary. This is not to say that appropriation reductions will not hurt – we are not doing things that we otherwise would do because of concern about future reductions. What this budgeting does do is give us the ability to meet painful cuts in a more planned fashion than we otherwise would be able to do.

Within the budget, there are several redistributions of funds that may be of interest to you. The budget increases the allocation for insurance benefits by \$1.1M in recognition of rising medical costs, and in keeping with the philosophy that the university needs to provide for its employees as well as possible, even if it is unable to grant salary and wage increases. Because the employee scholarship benefit has been heavily used, the budget also adds \$200,000 to that budget line. With the increases in tuition, our financial aid liabilities also rise. Thus, the budget includes a \$1.1M increase in the line for tuition-tied financial aid. Academic Affairs and Student Affairs continue to scrutinize our various scholarship programs with an eye toward redistributing monies there so that we can be as effective as possible at attracting and retaining students with our expenditures. Several redistributions within the budget result from strategic initiatives that emerged from the joint work of the Financial Planning and Strategic Planning Councils. These include adding \$120,000 for faculty development, allocating \$100,000 to create a base operating budget for our growing online instruction efforts, adding \$25,000 to the ECU Now program budget, increasing by \$100,000 the budget of Enrollment Management for recruiting initiatives, and increasing funding for the Honors Program by \$50,000. The last item provides a few more resources for the Honors Program, but leaves that program substantially below its former funding levels, when it was largely funded by endowment-generated income.

On another note, six members of the ECU Board participated in the annual Governor's Conference on Postsecondary Trusteeship on 12-13 September. In addition to Board members, a number of ECU administrators and leaders participated, with several serving as session moderators or panelists. The conference targeted twin themes: increasing student success and becoming more efficient and effective with limited financial resources. Several speakers from outside our state system – e.g., Elizabeth Gutierrez from the Lumina Foundation for Education, Cheryl Blanco from the Southern Regional Education Board, and William Kirwin, Chancellor of the University System of Maryland – provided views from afar, and were both enlightening

and inspiring. At ECU, we are already thinking and working in many of the areas they highlighted, which is gratifying. Challenges remain, so we will be discussing and moving forward this year, I am sure, in both areas.

The ECU Board will next convene for a regular quarterly meeting on 24 September 2010.

Please feel free to contact me for further information about any of these items or to discuss topics of concern to you.

Respectfully submitted,  
Malcolm P. Frisbie  
622-1507 / [malcolm.frisbie@ecu.edu](mailto:malcolm.frisbie@ecu.edu)