

**West Liberty University
Board of Governors**

**Finance Committee
Minutes
May 28, 2026**

In Attendance: Mike Baker, Rich Lucas, Erikka Storch, David McKinley, Tom Cervone, Robert Kreisberg

Unable to Attend: None

Others in Attendance: Tim Borchers, Cyndi Galloway, Lori Hudson, Betsy Delk, Chris McPherson

Meeting called to order at 9:03 a.m.

Approval of Minutes

Minutes from the April 2, 2026, meeting were approved following a motion by Rich Lucas and a second by Erikka Storch.

Budget Status Report

Lori Hudson reviewed the budget status report through May 20, 2026. She reported that all tuition and fee revenue for the academic year had been billed and that the University exceeded budget projections for all tuition-related revenue lines. Waiver expenditures exceeded the original estimate of \$6 million due to enrollment surpassing projections. Lori noted that a portion of these waivers consisted of merit-based aid awarded to students.

Revenue in the “Other” category exceeded budget projections by approximately \$24,000. However, additional royalty income and commissions are still expected, which should further increase revenue in that category. Lori also reported that the University received its full state appropriation of approximately \$10.4 million.

On the expense side, personnel services and fringe benefits were slightly over budget. Lori explained that overtime costs had increased due to staffing vacancies in areas such as maintenance and campus police. Contracted services expenses were also higher than anticipated, largely due to increased payments associated with the Elmor dining services contract, which rose as more students lived on campus and purchased meal plans. Additional expenditures for software, maintenance, and necessary repairs also contributed to budget overruns in certain categories; however, increased revenues helped offset those expenses during the fiscal year.

FY27 Proposed Budget

Lori presented the proposed FY 2027 budget and reviewed the estimates used in developing revenue projections. She highlighted the continued expansion of the Pennsylvania program with

an anticipated enrollment of 25 students. Housing and meal plan revenue projections were also reviewed. The University's state appropriation is expected to increase slightly to \$10,879,707. Lori explained the University's budget development process, known as Procedure 10, through which departments identify annual needs and submit budget requests through their administrative divisions. Initial budget projections reflected a shortfall of approximately \$312,000, but adjustments were made throughout the process to achieve a balanced budget.

Additional discussion focused on utility costs, maintenance expenses, and the accumulation of indirect funds. Lori noted that the projected waiver expense for FY 2027 is \$6.5 million, based on enrollment and financial aid projections provided by Katie Cooper. The capital budget includes deferred maintenance. We'll be able to do roof replacements on multiple buildings, campus paving and sidewalk improvements, and replacement of the fire alarm panel in Main Hall. Lori also noted that Sherri Theaker had secured a grant that will support additional improvements to Main Hall, which are included in the capital budget.

***Action Item:** A motion to accept the proposed FY 2027 budget and recommend its approval to the full Board of Governors was made by Erikka Storch and seconded by Tom Cervone. The motion carried unanimously.

Deferred Maintenance Update

Lori reported that the Higher Education Policy Commission (HEPC) had notified the University of approved funding for several deferred maintenance projects. Funding allocations include \$1 million for the Rogers Hall roof replacement, \$500,000 for the Hughes Hall roof replacement, approximately \$879,000 for paving projects, and \$100,000 for the Main Hall fire panel replacement. She noted that the paving and fire panel allocations were slightly reduced from the amounts originally requested.

State Employee Raise Allocation

Lori reviewed recent legislation signed by the Governor providing funding for a 3% salary increase for state-supported employees. West Liberty University received \$343,551 to support salary adjustments for positions funded through the state appropriation. She explained that the University has approximately 170 positions funded by state appropriations but employs more than 300 employees overall. Because the allocated funding is insufficient to provide a 3% increase to all employees, the administration is proposing a 2% salary increase for employees who were employed as of June 30, 2025, and who hold appointments of at least 0.53 FTE. Lori noted that the proposed raise allocation will total approximately \$357,000, exceeding the amount received from the state. She also reminded the committee that the University covers approximately 85% of employee health insurance premiums, which have increased during the current year.

***Action Item:** A motion to approve the proposed allocation methodology for distributing the salary increase funding and recommend it to the full Board was made by Tom Cervone and seconded by Rich Lucas. The motion carried.

Functional Classification Overview

Lori provided an informational presentation on the University's functional expense classifications, which are reported annually as part of the audit process. The presentation included an overview of expenditures within the categories of Instruction, Student Services, and General Institutional Support, as well as benchmarking comparisons with similarly situated institutions, excluding dual-enrollment students.

The analysis showed that student services expenditures equate to approximately \$914 per student, while institutional support costs are approximately \$1,380 per student. Instructional costs were reported at approximately \$7,717 per student.

Lori noted that West Liberty University ranks highest among its peer institutions in instructional spending while ranking lowest in student services and institutional support costs. She attributed the higher instructional costs in part to a strong faculty base relative to enrollment. Overall, the benchmarking data demonstrates that the University operates with a lean and efficient staff structure. Committee members expressed that this information would be valuable to share with the full Board.

Tim Borchers added that the University has recently established a budget forum that includes representatives from multiple campus areas to review and discuss financial data and institutional priorities.

WLU Foundation Update

Betsy Delk provided an update on Foundation activities and fundraising efforts. As of May 11, 2026, the Foundation had raised approximately \$2.3 million, including \$143,000 for the annual fund. Significant gifts included a \$250,000 pledge from Marty and Patty Adams, as well as a \$100,000 estate gift from Theresa Lemasters to establish an endowed scholarship benefiting students from the Barnesville, Ohio area.

Additional contributions included a \$5,000 grant from Truist to support the AI Literacy Lab at West Liberty University and a \$6,000 gift from JB Chambers to support the Summer Music Camp for Ohio County students.

Betsy also reported positive results from the Make Your Topper Mark program, which generated 65 new donors. She highlighted the Aviation Center ribbon-cutting ceremony held in April, which included a special announcement regarding West Woods. Upcoming Foundation events include the Larry Lowe Golf Scramble on June 26 and the West Liberty University Foundation Board Meeting on July 24.

Betsy noted that the Foundation currently manages approximately 300 funds, including roughly 170 endowed and non-endowed scholarship funds. She explained that most University

scholarships are awarded on a one-year basis but may be renewed if students continue to meet eligibility requirements.

Adjournment

A motion to adjourn was made by Rich Lucas and seconded by David McKinley. The motion carried, and the meeting adjourned at 9:54 a.m.