



The University of Nebraska Report from the Board of Regents

January 2011

A report from the January 2011 meeting of the University of Nebraska Board of Regents

Board of Regents

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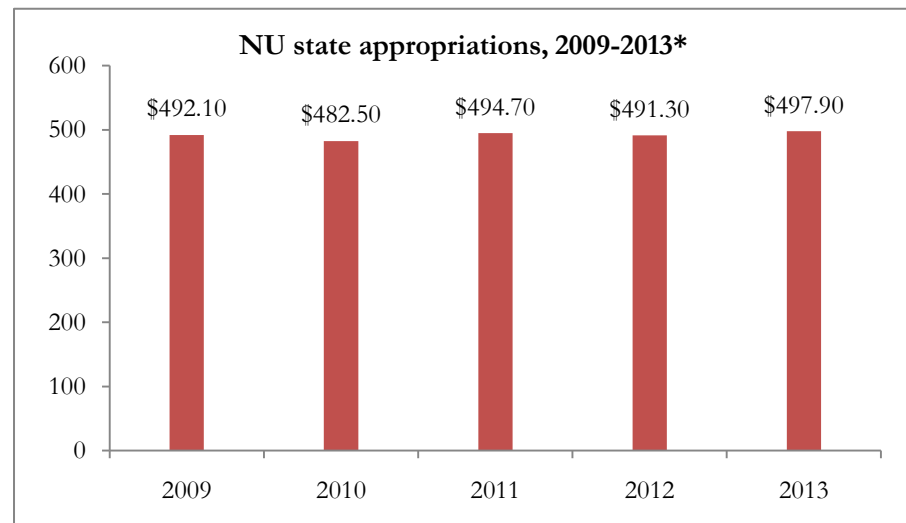
James B. Milliken
President

President Milliken: Cuts will be necessary even with flat funding

While the University of Nebraska is grateful for the strong support of education Gov. Dave Heineman has shown in his biennial budget recommendation, NU still will need to make significant reallocations in order to meet its obligations, President James B. Milliken told the Board of Regents during its Jan. 28 meeting.

Milliken pointed out that while state appropriations to other agencies have risen, funding for the university has remained essentially flat for five straight years. Furthermore, he noted, the university has not provided general salary increases for the past two years.

“It’s clear that if we are going to do the things this biennium that we need to do – obviously health care costs and utilities, but also compensation and remaining competitive – we are going to be reducing our budget,” Milliken said. “That’s not a complaint. That’s just a recognition of the realities of our budget over the next couple of years.”



**2012 and 2013 reflect Governor's recommendations.*

With no salary or tuition increases factored in, the university faces a \$13.2 million shortfall over the biennium. A 1 percent salary increase in each year of the biennium would cost a total of \$11.3 million.

State support funds about two-thirds of the university’s general operations. For the 2011-2013 biennium, the Governor has proposed flat funding for higher education. He also has proposed a \$25 million investment in Nebraska Innovation Campus and support for other important programs in which the university would be a key partner, such as the Virtual High School and an internship program for college students.

UNL reports on voluntary retirements

About 80 faculty members – or about one-third of those eligible to participate – have agreed to a voluntary retirement program at the University of Nebraska-Lincoln, Chancellor Harvey Perlman reported to the Board. Those faculty will receive a year's pay in exchange for retiring early.

Faculty needed to be at least 62 and have at least 10 years of service at UNL to participate. The program will give UNL more flexibility with its resources, though the campus will miss the experience and talents of the retiring faculty, Perlman said.

University of Nebraska at Omaha Chancellor John Christensen and University of Nebraska at Kearney Chancellor Doug Kristensen reported that they plan to offer similar retirement programs on their campuses.

Regents hear report on graduation rates

Executive Vice President and Provost Linda Pratt reported to the Board of Regents that six-year graduation rates at UNO and UNK continue to improve. UNO's graduation rate is 44.7 percent, compared to its peer average of 39.7 percent; while UNK's rate is 59.2 percent, well above the peer average of 50.8 percent.

UNL's graduation rate dipped slightly from the previous year, to 63.1 percent. Its peer average is 69.2 percent.

A variety of factors influence graduation rates and must be factored into the discussion, Pratt said, including college readiness as measured by ACT score and financial concerns.

News briefs

- President Milliken and Ronnie Green, vice president and vice chancellor of the Institute of Agriculture and Natural Resources, briefed the Board on rural initiative planning. Green said a proposed Institute for the Rural Future would be a university-wide institute dedicated to revitalizing Nebraska's rural economy and improving the quality of life for rural residents, among other goals.
- David Lechner, vice president for business and finance, presented a financial update to the Board. He reported that NU had been successful in meeting or exceeding its operating targets, including: return on assets exceeding benchmarks; completion of construction projects on time and on budget; and judicious use of debt, where NU maintained its strong Aa1 bond rating.

The Board also approved:

- A remodeling at the Peter Kiewit Institute at UNO, which will allow PKI to meet a demand for more graduates and significantly grow its research enterprise.
- Creation of shell space at Memorial Stadium's East Stadium to house the proposed Center for Brain, Biology and Behavior.
- Improvements at the Bob Devaney Sports Center, including renovated space for the Husker volleyball, wrestling and gymnastics teams.
- A new Doctor of Nursing Practice at the University of Nebraska Medical Center.
- A new bachelor's degree and new master's degree in athletic training at UNO.

Board elects Whitehouse as new chairman; new UNMC student regent welcomed

The Board of Regents elected Bob Whitehouse to serve as chairman for 2011. Whitehouse, of Papillion, represents District 4 and has served on the Board since 2006. Whitehouse was principal of Bryan Senior High School in Omaha from 1987 to 2000, and he has served in a variety of teaching and leadership positions in Omaha Public Schools and within Nebraska's education community.

Regent Jim McClurg of Lincoln, who represents District 5, was elected vice chairman. McClurg has served on the Board since 2002. He is president of Technical Development Resources Co. and chairman of the board of directors at Bio Nebraska Life Sciences Association.

The Board also welcomed the new student regent from UNMC, Jeremy Peterson. Regent Peterson, a graduate of West Holt High School in Atkinson, is a third-year medical student.