



Council of Trustees
 West Chester University
 West Chester, Pennsylvania 19383

Council of Trustees
 Resolution
 2011-11

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Proposed

RESOLUTION
 COUNCIL OF TRUSTEES
 WEST CHESTER UNIVERSITY OF PENNSYLVANIA
 MARCH 24, 2011

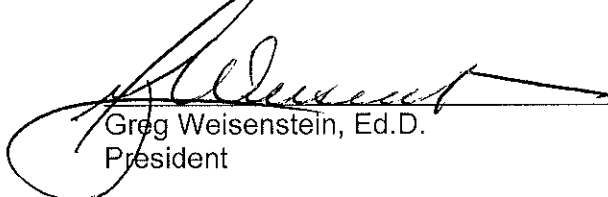
RESIDENCE HALL FEES

BE IT RESOLVED THAT THE COUNCIL OF TRUSTEES OF WEST CHESTER UNIVERSITY OF PENNSYLVANIA HEREBY APPROVES THE FOLLOWING FEES BE ESTABLISHED EFFECTIVE THE FALL SEMESTER 2011:

Room Type	Fee/Semester
North Campus (double occupancy)	\$2,424
North Campus (single occupancy)	\$3,238
South Campus double occupancy)	\$2,816
South Campus (single occupancy)	\$3,064
College Arms Single Apartment (single occupancy)	\$4,800
College Arms 1-Bedroom Apartment (double bedroom)	\$4,000
College Arms 1-Bedroom Apartment (triple bedroom)	\$3,400
College Arms 1-Bedroom Apartment (quad bedroom)	\$3,100
College Arms 2-Bedroom Apartment (single bedroom)	\$4,400
College Arms 2-Bedroom Apartment (double bedroom)	\$3,700

THESE FEES HAVE BEEN DETERMINED IN ACCORDANCE WITH THE PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION POLICY REQUIRING SELF SUFFICIENCY OF AUXILIARY ENTERPRISES.

APPROVED PENDING ACTION BY THE COUNCIL OF TRUSTEES


 Greg Weisenstein, Ed.D.
 President

3/7/11
 Date

APPROVED BY VOTE OF THE COUNCIL OF TRUSTEES


 Thomas Philippe, Chairperson
 Council of Trustees

3-24-11
 Date

**WEST CHESTER UNIVERSITY OF PA
FY 2011-2012 RATE PROPOSALS**

A preliminary meeting was held November 30, 2010 to begin discussion of the FY2012 Auxiliary Budget process. Representatives from each division/area were present, as well as the Vice Presidents for Administration & Finance and Student Affairs.

All proposed rate increases for FY2012 have been reviewed and approved by University constituencies, including ABC (Administrative Budget Committee), UBC (University Budget Committee), and SGA (Student Government Association), which included members of the President's Breakfast Group (campus student leaders).

As in previous years, many of the increases incorporated in the attached budget proposals are beyond the direct control of the individual managers (i.e. contractual salary increases and benefits, utility increases, debt service, etc.). Listed below are the issues that impact all areas proportionally and cannot be controlled by the Auxiliary directors or department managers.

Salaries/Benefits:

All collective bargaining agreements will expire on June 30, 2011 and negotiations are ongoing. Little information is available at the current time related to possible salary increases and continuation of step increments that are part of current contracts. All position lines budgeted and funded from Auxiliary operations have been adjusted in FY2012 to reflect the residual budgetary impact of the FY 2011 collective bargaining increases. In order to situate the Auxiliary operations to fund possible increases in the new contracts, all position and pool budgets (including manager positions) have been incremented by 3%. This 3% increase does not reflect PASSHE's or the Commonwealth's position in ongoing negotiations, but is a reasonable estimate in the event that the new contracts include salary increases and/or step increments. If the new contracts do not include increases, these monies will simply be reallocated to other expenses in support of the specific Auxiliary operation.

Benefit assumptions have been provided by the System office for use in developing all FY 2012 budgets. All benefit calculations are based on the rate assumptions supplied by the System Office as of October 20, 2010. Projected increases for Hospitalization, Annuitant, and Health & Welfare (H&W) are as follows:

AFSCME Annuitant	20.0%
All Other Annuitant	10.0%
AFSCME & SCUPA/SUA Hospitalization	0%

All Other Hospitalization	10.0%
AFSCME & SCUPA/SUA H&W	N/A
All Other H&W	10.0%

As noted in previous years, all of the above increases are subject to change prior to the start of FY 2012. AFSCME & SCUPA/SUA employee hospitalization benefits are managed through the Pennsylvania Employee Benefit Trust Fund (PEBTF), and employer contributions are negotiated as part of collective bargaining agreements. APSCUF H&W contributions are also negotiated as part of collective bargaining agreements. Therefore, because collective bargaining agreements are currently being negotiated, all rates identified above could change as a result of those negotiations. However, any changes in actual rates will be reflected during review of FY 2012 actual expenses.

Retirement calculations are based on the retirement selection (SERS vs. TIAA-CREF) for the employee currently assigned, while vacant positions continue to be budgeted based on the TIAA-CREF retirement rate (9.29%). Projected employer retirement contribution rates used for development of the Auxiliary budgets are as follows:

SERS	7.11%
TIAA-CREF	9.29%
PSERS	5.82%

FY 2012 rates for SERS and PSERS contributions reflect increases of 72.99% and 106.38% over the current year. While these increases are significant for FY 2011-12, they are not as large as originally anticipated due to a restructuring of the pension fund's liabilities. This restructuring includes amortizing the System's liabilities over 30 years, with an incremental phase-in to higher contributions.

Utility Costs:

Bruce Wilson, the University's Energy Manager, reviews square footage between the E&G and Auxiliary budgets annually to verify the current formula for allocating utility costs. Adjustments were made to square footage calculations due to the addition of College Arms as new University-owned student housing. Utility projections for FY 2012 also include all applicable rate increases. It should be noted that the spike in electric rates is not as great as originally anticipated, as the University's new electric contract is at a lower rate than projected last year.

AUXILIARY FEES (INCLUDING UNIVERSITY HEALTH CENTER FEE)
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Overview: Total projected \$48 increase in Room, Food Service, Sykes Union, Health Center and Recreation Center (or a 1.28% increase).

- Includes projected salary increases based on residual budgetary impact of FY 2011 bargaining agreements and FY 2012 benefit rate increases as provided by PASSHE.
- Reallocation of projected utility expenditures based on review/revision of utility allocation formula, current usage, anticipated rate increases, and impact of the University's campus-wide energy savings project. Those savings, which began impacting the budget in mid-FY 2009, are now reflected in projected annual costs.
- Increase in Custodial Management costs in Residence Life and Sykes Union budgets due to implementation of new contract starting in FY 2012.
- Revenue projections for Health Center and Sykes Union budgets based on FY2012 approved enrollment growth plan approved by Cabinet on December 17, 2010.
- No increase in fire safety costs.
- Continuation of contribution to Information Services Long-Range Plan to update infrastructure and incorporate new technology.

Health Center Fee: \$115/semester (no increase)

- No increase in student co-pay.
- Increase in "Wages – Graduate" and "Grad Asst Tuition Waivers" to reflect addition of two graduate assistants; one for Alcohol, Tobacco & Other Drugs (ATOD) program; the other to support the Women's Center.
- Increase in operating budget for the Women's Center.
- Increase in "Wages – Temp Faculty" and "Benefits" budget lines in the Counseling Center to cover cost of post-doctoral student to provide additional counseling services.
- Increase in operating expense in the "Counseling Center" to cover the cost of additional psychiatric services.

Sykes Union Fee: \$65/semester (no increase)

- Increase in allocation for the "After Dark" program, which was implemented during FY 2010 to provide a late night programming series running every

Friday night from 9 pm–1 am. This program started in FY 2010 as a collaborative effort between the Auxiliary operations, University President and Student Services, Inc. The After Dark planning committee, which is comprised of students and staff, offers a wide range of free programs, including a casino night, poetry, comedy show, games night and dances. Due to the success of this program since inception, it was decided to continue the program and support with permanent funding.

Food Service Fees:

**\$968/semester 14-meal plan, which is a decrease of \$71/semester or -6.83%
\$250/semester for Mandatory Flex, which is an increase of \$100/semester or 66.75%**

- All meal plan rates are based on new contractual costs effective June 1, 2011.
- Elimination of the 19- and 10-meal plans, as well as the blocks plans.
- Addition of 12-meal, 9-meal, 7-meal and unlimited meal plans, effective FY 2012.
- Increase in "Transfers (Renovation Costs)" line to provide additional funding for facility upgrades.

Residence Hall Fees:

**\$2,424/semester North Double, which is a \$19/semester or .79% increase
\$2,816/semester South Double, which is a \$22/semester or .79% increase**

- The budget as proposed reflects only ongoing mandatory salary, as well as benefit and operating increases necessary to maintain services in those facilities.
- Includes August 2011 opening of College Arms apartments (revenue and expenditures).

**Recreation Center Fee: Second year of phased-in fee implemented in fall 2010.
Rates for FY2012 are: Juniors (\$59/semester), Sophomores (\$79/semester),
and First-Year Students (\$79/semester)**

- Graduated fee for first-year students, sophomores and juniors. A graduated fee is charged during the construction period (August 2010 - July 2012); when the building opens (anticipated in August 2012), the full \$133 fee will be charged to all students. Seniors are exempt from the fee in FY 2012.
- The budget for FY 2012 includes the hiring of an Assistant Director. The Assistant Director will assist the Recreation Center Director in startup activities necessary to open the building in fall 2012.

FY 2011/12 Auxiliary Summary				
Budget Proposal	FY 2010/11 Approved Budget	Adjustments	FY 2011/12 Projected Budget	Percent Change
Student Health Center				
Rate	\$115.00	\$0.00	\$115.00	0.0%
Revenue				
Student Health Fee	2,699,792	286,818	2,986,610	10.6%
Student Co-Pay	85,000	(15,000)	70,000	-17.6%
Health Center Supply Fee	9,000	-	9,000	-
Prescription/Immunization Revenue	49,000	-	49,000	-
GYN Revenue	40,000	(15,000)	25,000	-37.5%
Interest Income	30,447	(8,556)	21,891	-28.1%
Total Revenue	2,913,239	248,262	3,161,501	8.5%
Expenditures				
Health Center	2,026,648	129,340	2,155,988	6.4%
Emergency Med Svc	20,000	-	20,000	-
ATOD	30,000	-	30,000	-
Wellness Center	8,000	2,000	10,000	-
Women's Center Support	10,682	-	10,682	-
Counseling Center	817,909	116,922	934,831	14.3%
Total Expenditures	2,913,239	248,262	3,161,501	8.5%
Surplus/(Shortfall)	-	-	-	

Sykes Student Union				
Rate	\$65.00	\$0.00	\$65.00	0.0%
Revenue				
Sykes Auxiliary Fee	1,449,804	124,904	1,574,708	8.6%
Other Revenue	158,050	(3,050)	155,000	-1.9%
Total Revenue	1,607,854	121,854	1,729,708	7.6%
Expenditures				
Sykes Administration	784,501	29,834	814,335	3.8%
Sykes Student Programming	15,000	-	15,000	-
Sykes "After Dark"	40,000	97,801	137,801	-
Sykes Custodial Service	340,957	(2,053)	338,904	-0.6%
Sykes Custodial Management	25,078	1,343	26,421	5.4%
Sykes Grounds	30,174	721	30,895	2.4%
Sykes Utilities	233,849	(6,767)	227,082	-2.9%
Sykes ESCO Debt	20,244	(788)	19,456	-3.9%
Sykes Maintenance	104,998	1,764	106,762	1.7%
Sykes Fire Safety	13,052	-	13,052	-
Total Expenditures	1,607,854	121,854	1,729,708	7.6%
Surplus/(Shortfall)	-	-	-	

FY 2011/12 Auxiliary Summary		FY 2010/11 Approved Budget	FY 2011/12 Projected Budget	Percent Change
Budget Proposal		Adjustments		
Residence Halls				
Revenue				
North Campus Rate	\$2,405	\$19	\$2,424	0.79%
South Campus Rate	\$2,794	\$22	\$2,816	0.79%
North Campus Revenue	8,304,946	65,611	8,370,557	0.79%
South Campus Revenue	2,647,920	20,866	2,668,786	0.79%
Residence Reserve	(192,000)	-	(192,000)	-
College Arms Revenue	-	779,600	779,600	-
Sub-Total Room Revenue	10,760,866	866,076	11,626,942	
Other Revenue	365,506	(71,789)	293,717	-19.6%
Total Revenue	11,126,372	794,288	11,920,660	7.1%
Expenditures				
Residence Life	1,915,300	118,446	2,033,746	6.2%
Res Hall Debt Service*	1,618,488	317,259	1,935,747	19.6%
Res Hall Transfer (Plant)	757,461	25,757	783,218	3.4%
Residence Life Programs	36,000	-	36,000	-
Res Hall Telephones	37,999	-	37,999	-
Res Hall Non-Allocated	687,342	72,807	760,149	10.6%
Res Hall Damage Fee	21,893	-	21,893	-
Res Hall Custodial Services	1,882,223	84,112	1,966,335	4.5%
Res Hall Custodial Management	140,681	5,165	145,846	3.67%
Res Hall Grounds	196,071	16,890	212,960	8.6%
Res Hall Logistical Services	71,367	(737)	70,630	-1.0%
Res Hall Utilities	1,381,297	6,937	1,388,234	0.5%
Res Hall ESCO Debt	298,599	(19,247)	279,352	-6.4%
Res Hall Boiler Plant	278,610	26,200	304,810	9.4%
Res Hall Maintenance	566,830	75,797	642,627	13.4%
Res Hall Contracted Services	70,000	-	70,000	-
Res Hall Fire Safety	179,263	11,231	190,494	6.3%
Res Hall Public Safety	316,376	(3,982)	312,394	-1.3%
Res Hall Security	638,572	57,654	696,226	9.0%
Res Hall Security Intg Sys Maint	32,000	-	32,000	-
Total Expenditures	11,126,372	794,288	11,920,660	7.1%
Surplus/(Shortfall)	-	-	-	

*Includes Debt Service for South Campus, Lan Upgrade and Sprinkler Installation.

FY 2011/12 Auxiliary Summary		FY 2010/11 Approved Budget			FY 2011/12 Projected Budget		Percent Change
Budget Proposal			Adjustments				
Food Service							
Flex	\$	150	\$	100	\$	250	66.7%
14-Meal Plan (plus \$250 flex)	\$	1,039	\$	(71)	\$	968	-6.83%
12-Meal Plan (new FY12) (plus \$250 flex)	\$	-	\$	941	\$	941	
9-Meal Plan (new FY12) (plus \$250 flex)	\$	-	\$	871	\$	871	
7-Meal Plan (new FY12) (plus \$250 flex)	\$	-	\$	810	\$	810	
Unlimited Meals (new FY12) (plus \$250 flex)	\$	-	\$	1,250	\$	1,250	
10-Meal Plan (discontinued FY12)	\$	938	\$	(938)	\$	-	-100.00%
19-Meal Plan (discontinued FY12)	\$	1,131	\$	(1,131)	\$	-	-100.00%
Block 75 Plan (discontinued FY12)	\$	515	\$	(515)	\$	-	-100.00%
Block 175 Plan (discontinued FY12)	\$	1,004	\$	(1,004)	\$	-	-100.00%
Block 225 Plan (discontinued FY12)	\$	1,110	\$	(1,110)	\$	-	-100.00%
Revenue							
Fall/Spring/Summer Board		9,851,199		1,115,341		10,966,540	11.3%
Interest Income		139,336		(60,307)		79,029	-43.3%
Commissions		440,483		100,521		541,004	22.8%
Total Revenue		10,431,018		1,155,555		11,586,573	11.1%
Expenditures							
Meal Plan Cost		8,641,460		1,066,076		9,707,536	12.3%
Food-Related Expenses		859,943		80,577		940,520	9.4%
Food Service Debt Service		365,921		37		365,958	0.01%
Food Service Personnel		36,723		1,216		37,939	3.3%
Food Service Utilities		189,014		6,787		195,801	3.6%
Food Service ESCO Debt		40,488		(1,576)		38,912	-3.9%
Food Service Maintenance		208,397		2,436		210,833	1.2%
Food Services Contracted Services (new FY11)		70,000		-		70,000	
Food Service Fire Safety		19,073		-		19,073	-
Total Expenditures		10,431,019		1,155,554		11,586,573	11.1%
Surplus/(Shortfall)		-		-		-	

Recreation Center (new FY2012)							
Juniors (phased in fee)	\$	-	\$	59	\$	59	
Sophomores (phased in fee)	\$	59	\$	20	\$	79	33.9%
1st Year (phased in fee)	\$	79	\$	-	\$	79	-
Revenue							
Recreation Center Fee		-		1,236,583		1,236,583	
Interest Income		-		20,628		20,628	
Total Revenue		-		1,257,211		1,257,211	
Expenditures							
Recreation Center Administration		-		69,399		69,399	
Recreation Center Debt Service		-		509,207		509,207	
Recreation Center Plant Transfer		-		678,605		678,605	
Total Expenditures		-		1,257,211		1,257,211	
Surplus/(Shortfall)		-		-		-	

West Chester University FY 2011/12 Proposed Fees														
Mandatory Fees (per semester)	FY12		FY11 Increase		FY11		FY10 Increase		FY10		FY09 Increase		FY08	
	Rate	Cost	Percent	Rate	Cost	Percent	Rate	Cost	Percent	Rate	Cost	Percent	Rate	Cost
Tuition														
Undergraduate In-State (UGIS) -- TBD	\$ 2,902.00	\$ -	-	\$ 2,902.00	\$ 125	4.5%	\$ 2,777.00	\$ 98.00	3.7%	\$ 2,679	\$ 91	3.5%	\$ 2,588.50	
Undergraduate Out-State (UGOS) -- TBD	7,255.00	-	-	7,255.00	312.00	4.5%	6,943.00	245.00	3.7%	6,698	226	3.5%	6,472	
Graduate In-State (GRIS) -- TBD	3,483.00	-	-	3,483.00	150.00	4.5%	3,333.00	118.00	3.7%	3,215	108	3.5%	3,107	
Graduate Out-State (GROS) -- TBD	5,573.00	-	-	5,573.00	240.00	4.5%	5,333.00	189.00	3.7%	5,144	172	3.5%	4,972	
General Fees (Mandatory)														
Educational Services Undergraduate -- TBD	290.20	-	-	290.20	12.50	4.5%	277.70	9.70	3.6%	268	9	3.5%	259	
Educational Services Graduate -- TBD	392.88	-	-	392.88	22.20	6.0%	370.68	102.68	38.3%	268	9	3.5%	259	
GSA (graduate students only)	10.00	-	-	10.00	-	-	-	10.00	-	-	10	-	-	
Health Center*	115.00	-	-	115.00	2.65	2.4%	112.35	33.35	42.2%	79	5	6.8%	74	
Parking Improvement Fee	48.32	-	-	48.32	-	-	48.32	12.32	34.2%	36	-	-	36	
SSI -- TBD	164.33	-	-	164.33	-	-	164.33	164.33	76.7%	93	-	-	93	
Student Union Expansion Fee	60.00	-	-	60.00	-	-	60.00	60.00	-	60	-	-	60	
Technology Fee -- TBD	116.00	-	-	116.00	13.00	12.6%	103.00	12.50	13.8%	90.50	3	3.4%	87.50	
Subtotal Tuition & General Fees (using Ed Servs UG)	\$ 3,695.85	\$ -	0.0%	\$ 3,695.85	\$ 153.15	4.3%	\$ 3,542.70	\$ 166	5.0%	\$ 3,306	\$ 108	3.4%	\$ 3,198	
Auxiliary Fees														
Student Recreation Center:														
Seniors														
Juniors	59				59									
Sophomores	79	\$ -		59										
First Year Students	79			79										
Sykes Student Union Fee	65			65	2	3.2%	63				2	3.3%	61	
Room (North Campus)	2,424			2,405	59	2.51%	2,346	108	4.83%	2,238	44	2.0%	2,194	
Food Service: Flex**	250			150			150			150	50	50.0%	100	
14-Meal Plan (plus \$250 flex)	968	(71)	-6.83%	1,039	19	1.86%	1,020	56	5.81%	964	45	4.9%	919	
12-Meal Plan (new FY12) (plus \$250 flex)	941													
9-Meal Plan (new FY12) (plus \$250 flex)	871													
7-Meal Plan (new FY12) (plus \$250 flex)	810													
Unlimited Meals (new FY12) (plus \$250 flex)	1,250													
10-Meal Plan (discontinued FY12)	-	(938)	-100.00%	938	17	1.85%	921	51	5.86%	870	41	4.9%	829	
19-Meal Plan (discontinued FY12)	-	(1,131)	-100.00%	1,131	20	1.80%	1,111	62	5.91%	1,049	48	4.8%	1,001	
Block 75 Plan (discontinued FY12)	-	(515)	-100.00%	515	9	1.78%	506	28	5.86%	478	22	4.8%	456	
Block 175 Plan (discontinued FY12)	-	(1,004)	-100.00%	1,004	18	1.83%	986	55	5.91%	931	43	4.8%	888	
Block 225 Plan (discontinued FY12)	-	(1,110)	-100.00%	1,110	20	1.83%	1,090	60	5.83%	1,030	48	4.9%	982	
Total Auxiliary Fees (w/14-Meal Plan)	\$ 3,786.00	\$ 48	1.28%	\$ 3,738.00	\$ 159.00	4.44%	\$ 3,579.00	\$ 164	4.80%	\$ 3,415	\$ 96	4.1%	\$ 2,355	

*Not an "Auxiliary" for accounting purposes; however, Health Center fees are developed through the Auxiliary review process and require Council of Trustees approval.
**Flex split out from meal plans starting in FY09 budget.

FY 2011/12 Proposed Fees Miscellaneous Fees (per event)	FY12		FY11		FY10		FY09		FY09 Increase		FY08	
	Rate	Cost	Rate	Cost	Rate	Cost	Rate	Cost	Percent	Rate	Cost	Rate
Undergraduate Application Fee	\$ 35		\$ 35		\$ 35		\$ 35					\$ 35
Graduate Application Fee -- Online	35		35		35		35					35
Graduate Application Fee -- Paper (new FY09)	55		55		55		55					55
Acceptance Deposit -- Commuter	200		200		200		200					200
Acceptance Deposit -- Resident	300		300		300		300					300
CLEP Fee (external automatic increase)	89		89	7	82	8.5%	75	3	9.3%	4.2%		72
Commencement Fee	82		82	26	56	46.4%	56					56
Credit by Exam Fee (automatic increase w/CLEP)	89		89	7	82	8.5%	75	3	9.3%	4.2%		72
Deferred Payment Plan	35		35		35		35					35
Deferred Payment Plan Late Fee	25		25		25		25					25
Housing Deposit Fee	200		200	100	100	100.0%	100					100
International Student Services (rescinded 5/4/2005)	-		-		-		-					-
Late Payment Fee (new FY05)	50		50		50		50					50
Late Registration Fee	35		35		35		35					35
Music Instrument & Rental Fee	20		20		20		20					20
National Student Exchange Fee	100		100		100		100					100
Orientation Fee	155		155		155		155					155
Parking Fines	20		20		20		20					20
Parking Permits	30		30		30		30					30
Recording Fee (new FY10) -- hourly rate	75		75		75		75					75
Transcript Fee	5		5		5		5					5

University Fee Survey

2010-11

Prepared 10/2010

	Fee Description				
	Tuition/Semester	General Fee/Semester	Housing/Semester-Double	14 Meal Plan	Total
West Chester University (Traditional)	\$2,902	\$928	\$2,405	\$1,189	\$7,424
West Chester University (Affiliated)	\$2,902	\$928	\$3,220-\$4,175	\$1,189	\$8,239-\$9,194
Cheyney	\$2,902	\$957	\$2,385	\$1,705	\$7,949
Drexel	\$19,000	\$1,318	\$4,200	\$2,512	\$27,030
IUP	\$2,902	\$884	\$2,065	\$1,230	\$7,081
Kutztown	\$2,902	\$964	\$2,512	\$1,298	\$7,676
Millersville	\$2,902	\$948	\$2,436	\$1,634	\$7,920
Penn State	\$7,206	\$419	\$2,270	\$1,915	\$11,810
St. Josephs	\$17,540	\$450	\$3,775	\$2,212	\$23,977
Temple	\$5,917	\$295	\$3,199	\$1,590	\$11,001
University of Delaware	\$4,520	\$674	\$3,042	\$1,905	\$10,141
Villanova	\$19,675	\$580	\$2,635	\$2,680	\$25,570
Widener	\$16,375	\$520	\$3,365	\$2,600	\$22,860

*All based on Undergraduate, InState

2011 MONTHLY OFF CAMPUS HOUSING RATES	
Type	Rent per person*
Apartments	\$419-514
House	\$448-\$481
Townhouse	\$388-\$467
Room	\$512

* Rates might need to be adjusted for utilities, cable and phone.

**WEST CHESTER UNIVERSITY OF PA
TOTAL RETURN ENDOWMENT SPENDING RATE**

In January of 1998, the Council of Trustees approved a "total return" spending policy for the University's endowment. Under the "total return" concept, a pre-set and fixed annual return is provided regardless of actual return. The "total return" approach provides a good level of predictability when estimating the return that will be available for spending. It also reduces the spending fluctuations that would occur if spending were tied directly to the actual investment return.

A spending rate of 3.5% has been in place for the current year. **The Investment Subcommittee of the WCU Foundation has made their annual review of the spending rate and has recommended the continuance of the 3.5% spending rate for the 2011-12 fiscal year.** This recommendation is based on guidance from the investment managers, as well as aggregated information from other colleges that show their spending rates at or above 3.5%.