

Faculty Regent Report to the University Senate

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This report addresses four issues affecting faculty at WKU: 1) agenda items pending before the Board of Regents, which will meet on April 29, then again to approve budget items on June 24, 2), financial and bond debt, 3) issues facing higher education in the state of Kentucky, and 4) the short- and long-term direction of academics and faculty welfare.

First, there are two major agenda items for the Board's meeting on April 29. The first is the approval of the creation of the D.P.T. (Doctor of Physical Therapy); if enacted, this would begin the process of hiring personnel to create the program (timetable will appear in the Board of Regents agenda, to be posted shortly). Secondly, the Board will be asked to approve a student fee to fund the last phase of renovation for Downing University Center. This is a major undertaking, and the relevant facts are as follows: all full-time students will pay a \$70/semester fee (pro-rated for part-time students) for twenty years; this will be exempt from the Higher Education Price Index (HEPI), so the fee will remain flat. This will fund 60% of the estimated project costs of \$49,129,000; the other 40% will be generated from campus rebuilding fees and income from auxiliaries (such as food services, WKU Store, Parking and Transportation). Total estimated debt service is \$3,688,000 over twenty years. If passed, this fee is subject to CPE approval. Obviously, this is a major cost for students, who through their representatives have given their approval (or at least have failed to register their disapproval).

Concerning higher education issues in Kentucky, tuition increases are on the radar right now, and we will consider it at the June 24 budget meeting. Below is a link to the CPE agenda; at their April 28 meeting, WKU is requesting permission to increase tuition 5%. This is the maximum amount set by the CPE for WKU, and it is not enough to cover fixed cost increases for the new fiscal year. Please also look carefully at the tuition and fee schedule, as the Athletic Fee is enumerated (this fee is indexed to the HEPI and increases at approximately 8% per year so athletic revenue grows as enrollment grows): <http://www.cpe.ky.gov/about/cpe/meetings/April+2011+Meeting.htm>

Secondly, I want to report on bond debt issues. At the April BOR committee meetings, Vice-President of Finance Ann Mead presented a summary analysis of WKU's Standard & Poor's bond rating; as of February 23, 2011, WKU has an A rating from S&P, based on 2010 numbers that reflect WKU's enrollment growth trend and a "manageable debt burden of 4.6% of fiscal 2010 operating expenses." S&P bases this rating largely on enrollment growth that offsets the state funding problems. This is a good but not great rating, and I continue to be concerned about two things. First, every dollar spent on debt service is a dollar we cannot spend elsewhere. Secondly, enrollment growth has its limits, and increased costs for undergraduates (and possible cuts to federal grant funding

for students) make this even more tenuous. You can read more at the S&P website, which requires registration: <http://www.standardandpoors.com/home/en/us>

Thirdly, we are all aware of the budget cut here at WKU. Certainly, the “glass half full” view is that it could be worse, and that is a fair statement. However, faculty and academic concerns have lost significant ground as a result of successive cuts since January 2008, and we continue to do more with less. Of great concern are the declining numbers of tenure-line faculty positions and health insurance cost shifting to employees. My report to the University Senate in February 2011 details the effects of this cost shift to employees; you can read it here: <http://www.wku.edu/senate/wp-content/uploads/2011/03/Annual-Report-to-the-University-Senate-on-Benefits-Committee-Issues.pdf>

Combined with recent national reports which show a 22% decline in real wages in the United States, this is obviously a serious issue and I will continue to work on this on the Benefits Committee.

Below you will see the trend for tenure-track and tenured faculty positions; while staff positions have grown along with increased student enrollment between 2001 and 2011, the same is not true for full-time tenure-line faculty. The following information comes from the 2010 WKU Fact Book (links provided below):

2001

Total Enrollment = 16,579 (14,135 undergrad)

Avg. ACT score: 20.5

Tenure-track faculty = 486 (2002)

Student : Faculty ratio = 18 : 1

Student : Tenure-track faculty ratio = 34.1 : 1

2005

Total enrollment = 18,645

Avg. ACT score : 21

Tenure-track faculty = 548

Student : Tenure-track faculty ratio = 34.0 : 1

2010

Total Enrollment = 20,903

Tenure-track faculty = 559 (2009)

Avg. ACT score: 21.4

Student : Faculty ratio = 19 : 1

Student : Tenure-track faculty ratio = 37.4 : 1

https://sasweb1.wku.edu/2001_Quick_Facts.pdf

https://sasweb1.wku.edu/2010_Quick_Facts.pdf

https://sasweb1.wku.edu/2007_Fact_Book.pdf

https://sasweb1.wku.edu/Factbook_2010.pdf

Simply stated, we must continue to ask President Ransdell for more resources for academics. I could list all the usual suspects which receive funding that should instead go to our academic mission, but instead I'll keep it simple: Academics is the mission of this institution, and must come first in the struggle for resources in a difficult budget climate. Certainly other entities do important work, but as the statistics above clearly show, others have received funding while faculty funding has remained flat when compared to growth. As faculty face increasing pressure to retain students (and you can see from this message how our future is literally mortgaged to growth), we must have the resources and personnel to actually do it. To state the obvious, WKU must put the money into the academic mission and recognize the faculty and staff who fulfill it are as important as brick-and-mortar and extracurricular concerns, and when funding is scarce, non-academic projects and extracurriculars do not teach students, engage in research or public service, or retain the students which is obviously the key to our financial future. I will stay on this message.

As always, thank you for allowing me to represent you on the Board of Regents, and I welcome your comments as I prepare for future Board meetings.