Faculty Regent Report to the University Senate
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The Board of Regents met twice this summer, first on June 22, 2012 to approve the 2012-2013 operating budget and for committee meetings, and again for a two-day retreat on July 26-27, 2012 as a full board. This report covers three topics: 1) the actions passed at the summer Board of Regents meetings; 2) the budget challenges WKU faces and implications for academic quality and student affordability, and 3) analysis of some previous budgetary decisions.

At the June 22 meeting of the full Board of Regents, there was lengthy discussion about the only agenda item before us: passing the operating budget for fiscal year 2012-2013. You may find the approved budget here: http://www.wku.edu/finadmin/budget/budget2012_13.php

There was lengthy discussion about the five percent tuition increase, how it would be used, and its implications not only for students but for the academic community in general. You may find the minutes of the discussion here, and please pay special attention to the discussion between myself, Vice-President for Finance Ann Mead, President Ransdell, and Student Regent Cory Dodds: http://www.wku.edu/regents/documents/bor_minutes_06_22_12_approved.pdf; see also the Herald’s coverage http://wkuherald.com/news/wku_administration/article_78c50e30-bc7f-11e1-83ba-001a4bcf6878.html

Many of my questions concerned the decision to charge all online students the full amount of tuition per credit hour, as communicated by faculty constituents:

1) Faculty are concerned that we are hitting right at or above our price point, and that we may see diminishing returns from raising tuition and fees, which will result in declining enrollment. Can we ensure that we continue to get the number of students we need to hit our budgeted tuition revenue?

2) Distance Learning was established by Academic Affairs as an entrepreneurial way to create new revenue streams for the colleges. This revenue is created by faculty and their hard work in creating these opportunities and teaching online courses; our labor and student tuition payments create this revenue stream. Therefore, it is imperative that every dollar we earn go back into the academic budget for the benefit of those who generated it.

3) By charging the same amount for Distance Learning courses as we do for traditional face-to-face courses with a budget that charges all students the online tuition fee instead of only charging the fee for part-time students, we may, to use a figure of speech, “kill the goose that lays golden eggs.” The faculty and the Distance Learning staff have created a very productive and valuable goose, and we must cautious when setting our price points that WKU doesn’t ultimately damage this revenue stream, which would harm academic budgets and faculty compensation for teaching these courses.
Student Regent Cory Dodds also pointed out that WKU is now the third most costly public university in the Commonwealth, and asked a very important question: at what point “with these rising tuition costs, not enough attention to faculty salaries and other academic matters, when does it happen that we no longer provide the same experience and level of academic quality that we have in the past?” He raises an excellent point, one that the University Senate asked President Ransdell, Provost Emslie, and the Board of Regents to consider at our May Senate meeting: [http://www.wku.edu/senate/wp-content/uploads/2012/05/StrategicPlanResponseMay20121.pdf](http://www.wku.edu/senate/wp-content/uploads/2012/05/StrategicPlanResponseMay20121.pdf)

President Ransdell and Provost Emslie’s response, which I find troubling in several ways, is posted with the September Senate agenda, and I will share the Board’s response with you once I receive it: [http://www.wku.edu/senate/wp-content/uploads/2012/09/Post_Information_Response-to-Senate-Resolution-Appropriate-Emphasis-for-Academics.pdf](http://www.wku.edu/senate/wp-content/uploads/2012/09/Post_Information_Response-to-Senate-Resolution-Appropriate-Emphasis-for-Academics.pdf)

Although the final vote included only one dissent from Regent Dodds, my comments raised a caution flag about our spending priorities and urged continued scrutiny of the impact of tuition increases on all aspects of our enrollment, in traditional classrooms and online. The current Fall 2012 enrollment numbers, which show a clear decline in the number of students, suggest that these concerns have merit. It is time for a serious conversation about academic priorities, tuition price points, and determining what we need versus what we want (for example, our debt service on bonds is now 15.1 million dollar, or 4% of total budget, as noted on p.7 of the Budget Book, suggesting that incurring more debt would be unwise).

When the Board of Regents convened in July for our two day retreat, we heard presentations on the Strategic/Action Plan for 2012-2018 and the proposed emphasis on scheduling bi-term courses. Unfortunately, the Board of Regents was removed from the discussion between Provost Emslie and department heads which followed the presentation, so I was unable either to hear or participate in the discussion. It is also without precedent to present such an important proposal in front of the Board, even as an information item or work in progress, prior to its presentation to and discussion in the shared faculty governance system. However, Student Regent Cory Dodds and I had a very good meeting with Provost Emslie on June 22, at which the provost shared this idea with us for the first time and solicited feedback. At the provost’s request, the Senate Executive Committee convened in July prior to the Board retreat to join the conversation and provide feedback; you can read the summarized comments here: [http://www.wku.edu/senate/wp-content/uploads/2012/09/Post_SEC-Minutes_7-23-2012.pdf](http://www.wku.edu/senate/wp-content/uploads/2012/09/Post_SEC-Minutes_7-23-2012.pdf) I greatly appreciate Provost Emslie’s continued assurance, both in our private meeting and at the Senate Executive Committee, that this is not a *fait accompli*, not a “done deal,” but is instead a proposal that must have faculty support before the conversation can continue. When given the opportunity to speak to the Board during our informal retreat following the bitern presentation, I shared the concerns raised by my colleagues at the Senate Executive Committee, and, most importantly, we have no idea what the effects of such a dramatic shift would be. From academic quality concerns to student enrollment, this is a challenging time in the life of Western Kentucky University,
and we cannot afford to make any decisions that would damage our academic quality, intellectual lives, or student enrollment.

At the full Board meeting on July 27, there were several contracts and two real estate purchases on the agenda, which you can find here: http://wkuherald.com/public_records/pdf_460f2be8-d772-11e1-815c-0019bb30f31a.html

The College Heights Herald correctly reports that I voted against approving the contracts for the athletic director and the men’s and women’s basketball coaches, which were considered as a group. This is consistent with the my comments at the January Board of Regents meeting; the university must quit over-funding entertainment, particularly Coach Harper’s very lucrative contract, instead of funding education. The latest college rankings from U.S. News and World Report speak directly to this point; WKU’s percentage of full-time faculty has decreased from 86% to 84% in one year. Until that trend is reversed, and until faculty salaries reach benchmark for the first time in my nineteen years at WKU, then I cannot support any additional funding for entertainment that should either produce its own revenue or face the same difficult decisions that other underperforming programs do.

My vote was the only dissent against using $330,000 from the university’s reserve fund to purchase two properties currently owned by fraternities, both of whom will now move to the Greek Village. This was a business deal that President Ransdell described in his remarks as “frankly, not a good business deal for the university.” As your faculty regent, I take my fiduciary responsibilities very seriously, and if it’s not a good business deal in these challenging economic times, I am frankly not sure why this was even brought before the Board of Regents. Both items passed, and soon one of the houses will be razed to expand the Chestnut Street parking lot by fifty spaces. To spend $200,000 on fifty parking spaces surely makes them the most expensive spots in the university’s history.

To conclude, these are challenging times for higher education in the commonwealth and in the nation as a whole. It is time for our governing board, our administration, our faculty, staff, and students to think carefully about what we need to keep the academic mission and the intellectual life of the university healthy. Brick-and-mortar projects and entertainment are nice, but the economic realities we face make clear that things cannot go on as before. There is a difference between what we want and what we need, and I will always advocate for what we need to maintain and improve academic quality and intellectual life on this campus. That is our mission, and thank you for sharing your concerns with me and for allowing me to represent you and your concerns on the Board of Regents.