

Invest in Instruction and Student Achievement:

WKU Strategic Goal #1

The University faces long-term, structural academic and financial weaknesses that must be addressed in the 2012-17 Strategic Plan.

1. WKU's academic indicators are relatively weak compared to proposed benchmarks. WKU is not retaining or graduating students as well as our proposed benchmark institutions. In 2010, WKU's overall 6-year graduation rate (48.7 percent) lagged behind the median of the proposed benchmarks (56 percent) and had improved approximately 3 percent since 2005. In 2010, WKU's full-time and part-time student retention rates (74 and 46 percent respectively) were significantly lower than the medians of the proposed benchmarks (79 and 50 percent). WKU's retention and graduation rates for minority students are dramatically lower than proposed benchmark averages.¹

2. WKU spends an ever-shrinking percentage of its growing operating budget on instruction and student achievement. The University's structural, relative weakness in student achievement compared to the proposed benchmarks results in part from WKU's relatively weak investment in instruction and student achievement:

- Between 2005 and 2010, WKU's per-student expenditures on instruction shrunk from 43.9% of operating budget expenditures to 38.4%. Of the 18 proposed benchmarks, this -5.5% difference was the worst.
- In 2010, WKU ranked below all but one of the 18 proposed benchmarks in the percentage of its unrestricted operating budget devoted to instruction, measured on a per-student basis.
- Between 2005 and 2010, WKU's overall student-related expenditures, measured on a per-student basis, declined from 57.8% of operating budget expenditures to 43.9%. Of the 18 proposed benchmarks, this -13.9% difference was the 5th worst.
- In 2010, WKU ranked below all but four of its 18 proposed benchmarks in student-related expenditures as a percentage of operating budget expenditures, measured on a per-student basis.²

3. The WKU's relatively high faculty-to-student ratios and low faculty compensation reveal the erosion of WKU's investment in instruction. Compared to our proposed benchmarks in 2010, WKU ranked 15th of 18 reporting schools in faculty to student ratio (19:1) and 14th out of 18 in percentage of faculty on the tenure track (48.5%). WKU had the highest faculty to student ratio of any comprehensive university in the Commonwealth. In terms of academic and other professional support staff, WKU is nearly at parity with benchmarks. Compared to our proposed benchmarks in 2012, WKU's faculty compensation ranked in the lowest quarter at each rank. Faculty salaries have stagnated dangerously since 2006, compared to our proposed benchmarks, and it may become increasingly difficult for WKU to compete with benchmarks for the best faculty.³

¹ Table: New Benchmark Expenditure and Achievement Comparisons, Sortable; *WKU IPEDS Data 2011*, http://www.wku.edu/academicaffairs/documents/ipeds_2011_feedback_report_proposed_benchmarks.pdf.

² Table: New Benchmark Expenditure and Achievement Comparisons, Sortable.

³ Table: New Benchmark Salaries and Faculty Data; *WKU IPEDS Data 2011*, http://www.wku.edu/academicaffairs/documents/ipeds_2011_feedback_report_proposed_benchmarks.pdf

4. WKU has the means to do better. Tuition growth has expanded the University's operating budget significantly. In the decade after 2002, WKU's tuition has increased 179%, the largest percentage increase in the Commonwealth. Amid the economic downturn and cuts in state funding, WKU's operating budget increased 49% between 2006 and 2012, an increase of \$94.6 million in six years.⁴

5. The University must refocus its funding priorities in the new Strategic Action Plan to correct these deficiencies and weaknesses. The University must invest more in instruction and activities directly related to student learning and achievement if it wishes to make significant progress compared to our benchmarks. Instruction and other operations that are directly related to student learning and achievement must receive a significantly larger percentage of revenue growth than they have received in recent years and significantly more funding than is projected in the Draft Strategic Plan.

6. Investment in Instruction: Suggested Strategic Goals, 2012-2017, offered as supplements to those outlined in the Draft Strategic Plan:

- Increase per-student operating budget expenditures on instruction from 38% to 44%;
- Increase per-student, student-related operating budget expenditures from 43.9% to 50%;
- Increase faculty salaries at every rank by 15% (3% per year);
- Increase percentage of tenure-track faculty to 53%;

7. Investment in Instruction: Suggested Financial Means, offered as supplements to those outlined in the Draft Strategic Plan:

- Redirect larger portion of DELO revenues to instruction: Move to 85%/15% revenue split (from 70%/30%) for DELO revenues generated beginning in Fall 2012;
- Devote 70% of 2012-17 tuition growth revenue to instruction and student-related academic operations;
- Athletics Payback: Athletics budget pay back to Academic Affairs new Student Athletic Fee revenues equal to revenues generated by annual HEPI increase minus 1%;
- Slow hiring of professional non-faculty staff beginning Fall 2012.

⁴ WKU Faculty and Budgets, Kentucky Comparisons. In that fact sheet, note the useful clarifications offered by WKU's CFO.

WKU Faculty and Budgets, Kentucky Comparisons

WKU compared to other Kentucky 4-year public universities

Faculty Statistics:

- WKU faculty to student ratio ranks 7th out of 7 public universities in Kentucky
- WKU ranks 6th out of 7 public universities in Kentucky in percentage of tenure-track faculty
- WKU Full Professor salaries rank 4th out of 7 Kentucky public universities
- WKU Associate Professor salaries rank 5th out of 7 Kentucky public universities
- WKU Assistant Professor salaries rank 6th out of 7 Kentucky public universities
- WKU Instructor salaries rank 4th out of 5 Kentucky public universities that reported instructor salaries

Source: <http://chronicle.com/article/faculty-salaries-table-2012/131433>

Note: Kentucky State University not reported to AAUP Salary Survey

Budget Statistics:

- WKU is the most expensive state school other than UK and U of L:

Annual Tuition, 2011-12 (Resident, in-state, full-time, \$)

UK	9,128 (144% increase since 2001-02)
U of L	8,930 (126% increase since 2001-02)
WKU	7,948 (179% increase since 2001-02)
NKU	7,488 (166% increase since 2001-02)
EKU	6,960 (157% increase since 2001-02)
Morehead State	6,812 (151% increase since 2001-02)
Murray State	6,576 (139% increase since 2001-02)
Kentucky State	6,532 (147% increase since 2001-02)

Sources:

1. http://cpe.ky.gov/NR/rdonlyres/799C5D65-02D8-44CB-A359-295C2B7CCB49/0/2011_12_Tuition_and_Fee_Rates.pdf
2. http://cpe.ky.gov/NR/rdonlyres/38C9B1BB-1CA5-4379-AA1C-2015B3B9347D/0/Tuition_History_1987_2010.pdf

- WKU's operating budget (unrestricted E & G) increased 49 percent between 2005-06 and 2011-12:

2005-06 = \$193.5 million

2011-12 = \$288.1 million

Source: <http://www.wku.edu/finadmin/budget/>

Note: WKU's CFO explains that the WKU's recurring unrestricted E & G budget, excluding state-supported debt, increased 45% (\$82.4 million) and budgeted nonrecurring funds increased 186% (\$15.4 million) during this period.

New Benchmark Salaries and Faculty Data (2012, AAUP/Chronicle Data)

[illegible]

% Tenure-Track Fac. (2012)
58.5
56.2
54.9
58.6
55.3
60.4
59.4
47.1
63.9
41.7
48.5
45.8
64.4
37.2
55.4
60.2
69.3
54.0
14th of 18

New Benchmark Expenditure and Achievement Comparisons, Sortable

University	6-Year Grad Rate (2010)	6-Year Grad Rate (2005)	E & G Expend / Total FTE (2010)	Instructional Expend / Total FTE (2010)	Student Related Expend / Total FTE (2010)	Student Related Expend per Total FTE / E&G Expend per Total FTE (2010)	Student Related Expend per Total FTE / E&G Expend per Total FTE (2005)	Student Related Spending, Per Student (Percentage Difference, 2005 to 2010)	Instruction Expend per Total FTE / E&G Expend per Total FTE (2010)	Instruction Expend per Total FTE / E&G Expend per Total FTE (2005)	Instruction Spending, Per Student (Percentage Difference, 2005 to 2010)
UNC at Greensboro	52.8%	46.0%	\$18,268	\$7,623	\$9,060	49.6%	42.9%	6.7%	41.7%	41.8%	-0.1%
East Carolina U	56.1%	54.4%	\$19,636	\$10,766	\$10,572	53.8%	47.2%	6.6%	54.8%	42.5%	12.3%
Florida Atlantic U	42.2%	36.8%	\$16,761	\$7,089	\$7,890	47.1%	45.3%	1.8%	42.3%	32.4%	9.9%
Northern Illinois U	56.4%	53.3%	\$18,736	\$8,708	\$8,997	48.0%	46.3%	1.7%	46.5%	35.9%	10.6%
UNC at Charlotte	55.2%	32.9%	\$16,022	\$7,789	\$8,713	54.4%	54.5%	-0.1%	48.6%	53.7%	-5.1%
Appalachian State U	65.9%	64.0%	\$14,844	\$7,117	\$9,061	61.0%	65.6%	-4.5%	47.9%	46.5%	1.4%
B G State U	60.4%	54.2%	\$15,550	\$7,802	\$9,565	61.5%	67.3%	-5.8%	50.2%	45.9%	4.3%
Indiana State U	43.6%	39.3%	\$17,584	\$7,330	\$9,251	52.6%	59.4%	-6.8%	41.7%	45.2%	-3.5%
James Madison U	82.5%	79.7%	\$13,314	\$6,675	\$7,853	59.0%	66.6%	-7.6%	50.1%	50.1%	0.0%
Ball State University	56.7%	59.8%	\$16,606	\$7,986	\$9,631	58.0%	66.2%	-8.2%	48.1%	48.9%	-0.8%
Towson University	68.2%	56.3%	\$12,024	\$5,099	\$6,313	52.5%	61.8%	-9.3%	42.4%	40.7%	1.7%
Central Michigan U	54.3%	55.4%	\$12,503	\$6,414	\$7,111	56.9%	66.5%	-9.6%	51.3%	51.5%	-0.2%
Ohio University	65.3%	70.9%	\$19,531	\$9,152	\$9,666	49.5%	60.3%	-10.8%	46.9%	46.7%	0.2%
Illinois State U	71.0%	63.3%	\$17,631	\$7,455	\$8,658	49.1%	60.2%	-11.1%	42.3%	43.3%	-1.0%
WKU	48.7%	45.5%	\$14,108	\$5,420	\$6,196	43.9%	57.8%	-13.9%	38.4%	43.9%	-5.5%
East Tennessee St.	39.2%	39.1%	\$20,724	\$9,699	\$10,098	48.7%	63.9%	-15.2%	46.8%	50.5%	-3.7%
MTSU	45.6%	40.2%	\$12,826	\$5,518	\$6,248	48.7%	66.3%	-17.6%	43.0%	47.0%	-4.0%
U of Southern Miss	46.6%	51.0%	\$20,295	\$6,848	\$4,998	24.6%	57.1%	-32.5%	33.7%	34.6%	-0.9%
U of South Alabama	36.8%	48.7%	\$23,695	\$9,243	\$7,910	33.4%	67.8%	-34.4%	39.0%	41.7%	-2.7%
WKU Rank in Category	13th of 19	14th of 19	15th of 19	18th of 19	18th of 19	17th of 19	13th of 19	15th of 19	18th of 19	11th of 19	19th of 19

Source: <http://www.collegeresults.org/> (Compiles federal filing information)

Explanation of Terms/Statistical Categories:

Instructional Expenditures / FTE: “Instruction expenses” is a discrete reporting category. It includes expenditures for the colleges, schools, departments, and other instructional divisions of the institution and departmental research and public service that are not separately budgeted. It also includes general academic instruction, occupational and vocational instruction, community education, preparatory and adult education, and regular, special, and extension sessions. It includes expenses for both credit and non-credit activities. It excludes expenses for academic administration where the primary function is administer academic deans). Information technology expenses related to instructional activities if the institution separately budgets and expenses information technology resources are included (otherwise these expenses included in “academic support”). (IPEDS)

Student and Related Expenditures / FTE: This is an intermediate financial measure, including instructional, student services, and academic support expenditures. The specific formula was developed by the Center for Higher Education Management Systems (NCHEMS). Student-related expenditures are calculated as $(\text{Instruction} + \text{Student Services} + \text{Academic Support}) \times (\text{Instruction} / (\text{Instruction} + \text{Public Service}))$ (IPEDS)

Educational and General Expenditures / FTE: This is a broader category, which includes the instructional expenditures listed above, plus expenditures for research, public service, academic support, student institutional support, plant operation & maintenance, and scholarships. (IPEDS)

Instructional Expenditure per Total FTE / E&G Expenditure per Total FTE (A statistic created by Eric Reed, not collegeresults.org): Divides instruction expenditure per student by overall operating budget per student. In essence, a measure of what percentage of operating budget expenditures (per student) is spent on instruction.

Student Related Expend per Total FTE / E&G Expend per Total FTE (A statistic created by Eric Reed, not collegeresults.org): Divides total student-related E & G expenditures per student by overall operating expenditures per student. In essence, a measure of what percentage of per-student operating budget expenditures are spent on instruction as well as student services, academic support, public service and

<i>Full-Time Undergr Student to Faculty Ratio (2010)</i>
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16
17
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17
17
15
18
17
19
23
17
20
19
13
21
15
12
15th of 19

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e National
+ Research))).

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expenditure

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research.