

**WKU University Senate Executive Committee (SEC) Meeting**  
**August 17, 2015 -- 3:15 p.m.**  
**WAB 227 - AA Large Conference Room**

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**A. Call To Order**

1. Chair Hudepohl called to order a regular meeting of the University Senate Executive Committee on Monday, August 17, 2015 in WAB 227. A quorum was present.
  - a. Members Present: Heidi Álvarez, Barbara Burch, Thad Crews, Laura DeLancey, Gordon Emslie, Kate Hudepohl, Molly Kerby, Jeremy Maddox, Gayle Mallinger, Patricia Minter, Kurt Neelly, Bryan Reaka, Jay Todd Richey, Julie Shadoan, and Liz Sturgeon.
  - b. Guests Present: Kim Reed, Gary Ransdell.
  - c. Members Absent: Rick Grieve. There are not currently representatives for GE, FWPR, and B&FC.

**B. [Approve May Meeting Minutes](#)**

- A motion to approve the May 2015 meeting minutes by Patricia Minter was seconded by Laura DeLancey. There was no discussion. The minutes were approved unanimously as posted.

**C. Reports**

1. Chair
  - Chair Hudepohl took some time to explain why she invited Vice President Mead to this month's SEC meeting. In May, the budget shortfall allocation took money from academic priorities. Hudepohl stated that she feels the budget will play a central role in the University Senate this year. She invited Mead to speak with the SEC and Senate in August. She invited President Ransdell to the September meeting. Chair Hudepohl stated that she wants faculty to have as much context as possible so that they can ask President Ransdell thoughtful questions.
  - Hudepohl attended all of the Board of Regents meetings this summer. She stated that this helped her to understand what was going on.
  - On behalf of Ann Mead, today, Kim Reed will present a "dry run" of the budget presentation that will be presented to the University Senate.
  - The athletic committee requested two members. When someone rotates off, the dean gives the name to the chair, and President Ransdell approves.

## 2. Vice Chair

- Vice-Chair Shadoan is working on staffing for the At-Large Committee population.
- The Senate Charter was recently emailed.
- Names can be forwarded or nominated for the at-large committee positions.
- Current vacancies include: Academic Quality (Francesca Sunkin from Potter College is the only one who offered); Budget & Finance needs one (2 faculty Shura Pollatsuk, Eric Reed volunteered, one more is needed); Faculty Welfare (3 at-large volunteers: Shanaz Ali, Patricia Minter, Lauren McClain. Regional Campus nominee has already served and it needs to rotate; also need a part-time faculty representative.); Curriculum (Brinkley and Mienaltowski, need one more); Colonnade (not populated – will caucus in August. At-Large=Dietle; need 2 more at-large); New Faculty Award Committee (not in charter – Robin Ayres sent for volunteers, and they technically need to be appointed by senate. Shadoan will get more information such as brief statements, most current document, etc.)

## 3. Secretary

- Please speak slowly and audibly during meetings so your thoughts can be recorded accurately in the minutes.

## 4. Committee Chairs:

- Committee Chairs will be named after the committees meet. All committees have chairs except for two (Budget & Finance and Academic Quality don't have chairs yet). Graduate Council needs one representative from SGA.
- a. Academic Quality Committee: No Report
  - b. Faculty Welfare and Professional Responsibility Committee: No Report
  - c. Budget and Finance Committee: No Report
  - d. Colonnade Implementation Committee / General Education Curriculum Committee: No Report
  - e. Graduate Council: No Report
  - f. Undergraduate Curriculum Committee: No Report

## 5. Advisory Reports

### a. Faculty Regent (Regent Burch)

- The summer Board of Regents meeting discussed enrollment, accreditation, board behavior, faculty compensation. The new Board Chair, Mr. Johnson, was appointed to the Finance Committee. He is charged to look specifically at faculty compensation this fall.
- The Confucius Institute exists outside of faculty ownership. A budget-related issue is that the contract signed by President Ransdell is a 50-year contract, with a commitment to have the Confucius Institute and that it has to be used exclusively for Confucius Institute. If used for any other purpose, a percentage of the money has to be returned to Hanban. For example, if used for ten years, 40% will have to be returned to Hanban. This is still an issue. The SEC should make a recommendation to the President. \$800,000 of the Foundation for Research is going to this. \$1.5 million is matched (in kind – facilities, furnishing, staffing). Money is unspent. Ground has not been broken. This is an extraordinary financial commitment. The contract is signed by President Ransdell.
- Julie Shadoan asked if the contract comes with a penalty clause. It is terminate (there are only so many days to give the money back).
- Molly Kerby asked if the Budget and Finance Committee will look at gender and minority compensation. Regent Burch responded that the President will look at gender compression and equity issues, plus merit. This is included in information item #2). There is a lot of compression of people promoted pre-cycle.
- Regarding the Confucius Institute, a renegotiation of the contract has to happen soon because there are already plans to break ground. The SEC decided to make a motion to have Regent Burch urge President Ransdell to renegotiate the contract.
- Regent Burch stated that the President has the right to bring anything to the Board of Regents for consideration. It was a unanimous approval because it has been signed. Regent Burch stated that she has spoken previously with President Ransdell about this and he is thinking about it. If it continues to go forward, she will bring it up with the board; no one was aware of the 50-year obligation and commitment. There are four on the Confucius staff and they only come at the beginning of the semester.
- Resolutions on something they believe, they deliver and get hurt; resolutions made and followed up on get attention. The faculty needs to speak up with their genuine base of concern in a positive and professional way.
- The following motion by Laura DeLancey was seconded by Gayle Mallinger at the August 17, 2015 meeting of the WKU University Senate Executive Committee: “The WKU Senate Executive Committee strongly believes that the Confucius Institute building contract signed by President Gary Ransdell is not in the best interest of Western Kentucky University. For that reason, the WKU Senate Executive Committee asks that Faculty Regent Barbara Burch suggest to President Ransdell, and to the Board of Regents if needed, that the contract be revisited and no contractual obligations be undertaken until that time.” A quorum

was present. The Senate Executive Committee voted unanimously in favor of this resolution. The motion as stated above passed unanimously. The SEC requests that Regent Burch act on this motion and report any results at the next SEC meeting.

- There was a suggestion that SGA also make a similar resolution; September 1 is their first meeting.

b. Academic Affairs (Provost Emslie): No report.

**D. Old Business:** No old business.

**E. New Business:**

1. [Appoint At-Large Senate Standing Committee Members](#)

- See Vice Chair report above.

2. [Policy 1.1280 Affiliated Faculty/Professional Staff](#)

- A motion by Julie Shadoan to table Policy 1.1280 definitely until the next meeting was seconded by Molly Kerby. There was no discussion. The motion to table definitely until the next meeting passed unanimously.

**F. Information Items:**

1. [Ann Mead presentation about the WKU budget](#)

- Kim Reed, the Budget Director for WKU, presented budgetary information to the SEC, including a historical prospective of how we landed with today's budget.
- From the Fall of 1997 until the Fall of 2015, there has been an increase in tuition and fees. 1998 had a flat 5%, and it went up from there. 2005 & 2006 had increases in both the fall and the spring. In 2009, it dove down; the CPE reasserted authority to set tuition limits; each university presented a case in a hearing. In 2009-2010, the CPE put a ceiling on what could be charged as a tuition increase. In 2015-2016, a two-year time span was given an 8% increase factor over two years to be distributed as the university saw necessary.
- How the general fund appropriations have been distributed; since 1999, it is down by 17%.
- State appropriation versus full-time student equivalent shows a 36.6% decrease in state funding. Blue in the slide represents state appropriation; \$4742 per student.

- Regent Burch asked what the actual tuition fee for 1997-1998 was, and commented that it is hard to compare percentages to dollars.
- These are true percentage changes. An 8.5% average increase with 2.5% inflation. There were three years where tuition increased – two were primarily academic and one was tuition building points – to get the price point at a median national level. Had we not done that, we would have been in a worse spot with the 1998 recession. 2002-2007 put the price point at a better position when the recession did occur.
- Patricia Minter suggested breaking out this fee from tuition, stating that the audience will want to see full figures. She suggested showing what part is tuition and what part is fees.
- A question about how many were indexed for HEPI and over what time period. President Ransdell responded that some were indexed for athletics, but not any more. Regarding the tuition and price point, \$85 of the student athletic fee goes to the city for renovation of Diddle Arena.
- Not all one-time fees are imbedded in tuition. President Ransdell stated that in 2009-2010, all \_\_\_\_ fees were imbedded in tuition. CPE wanted to simplify the total number for students to avoid confusion.
- Regent Burch added that some stayed up and were HEPI based. What you can see in the difference of fee allocations will be a challenge to identify.
- Provost Emslie clarified that it includes tuition and mandatory fees that are course specific.
- The 1998 budget compared to 2016: State appropriation in 1998 was 43% and in 2016 it is 18%. Tuition and fees in 1998 were 26% vs. in 2016 49%. Recurring state reductions and institutional reallocations: in 2009, there was a state reduction of \$15.4 million.
- Regarding salary increases since 2007-2008, in most years there was something, even though it was not as much as we like. Of the total budget, this is 1.1%; total E & G is 1.4%.
- For the 2015-2016 budget, the total budget is \$396,600,00; 1.1%; Total E&G is 1.4%; Unrestricted is 1.7%; Restricted is .2% (grants/contracts, federal and state assistance (cannot be allocated), total auxiliary enterprises is 4.4%.
- Tuition is unrestricted. The state appropriation for the Gatton Academy goes specifically for Gatton.
- Own business operations (ie. self-supporting): the state money cannot go into auxiliary (ie. WKU Store, Dining/Aramark (8% of Aramark, WKU keeps). It was suggested that it might be helpful to provide a list of auxiliary enterprises. If any one of them is short, decreases occur in many ways: 1. for example, students buy used books; 2. Student center fees (less students equal less income).
- Patricia Minter asked what happens when the revenue decreases? Add to fixed cost.
- Jay Todd Richey said it becomes a part of the total contractual obligation for next year.
- President Ransdell said the only revenue stream is tuition increase.
- Jay Todd Richey said utilities and maintenance all have an increase. If “x” number of students help pay, it does not become an issue.

- Kate Hudepohl said that we are spending with the assumption that there will be tremendous enrollment growth. She stated that she is concerned with where that is taking us, and thinks the shortfall seems to be from internal choices that we have made. She added that she thinks different internal choices need to be made.
- Thad Crews said if additional state resources are given, we need to make different decisions going forward.
- Projected Revenue by Source: President Ransdell said he hopes that this fall, there can be a presentation of higher education requests going into the 2016 session, with a funding model and how funding would be distributed. He wants the faculty to know what higher education is seeking.
- The CPE financially rewarded the institution for growth. Because our tuition was growing, we watched state funding grow.
- The equity variable and funding request that makes up for the decline in student enrollment was negotiated in the funding model last week.
- State appropriations are going to fund compensation OR reallocating of the budget. With a tuition increase and fixed compensation, it is hoped that the state can help.
- Kim Reed said that budget varies; compared to other institutions in the state, it does not compare apples to apples.
- Julie Shadoan asked what is plan B if enrollment tanks? She understands that state appropriation fluctuates, but is concerned with a budget model that is based on enrollment. A population based on international students does not seem reliable.
- Kim Reed responded that many variables will play into it.
- Kate Hudepohl said that this is more of a question for Dr. Ransdell rather than Ann Mead. She is concerned about cuts in departmental budgets and faculty and staff having minimal resources to do our job.
- Dr. Ransdell said that tuition is better this year. Undergraduate and full-time are both stabilized. Graduate and part-time student enrollments are hurting us, as is freshman/sophomore retention. We are losing 23.5% of freshmen returning. Retention of part-time graduates are currently low.
- Provost Emslie said that 1 in 6 are flunking out. Others either transfer out or drop out of higher education completely (for financial or social reasons).
- President Ransdell added that some do not have support at home.
- Provost Emslie said the 75-76% retention rate is based on full-time cohort. According to the national average for masters, we do pretty well. From a budget prospective: the number of sophomores this year with the number of sophomores last year is not related to retention, but a smaller pool to begin with. It takes four years to work this through.
- President Ransdell added that transfers are modestly up.
- Patricia Minter asked a question about the presentation two years ago at the Board of Regents retreat and the Faculty/Staff Convocation: How has the model for full-paying state and international played out? International goes toward debt service on the honors building.
- President Ransdell said that 1.) For 145 Navitas students; we keep the in-state equivalent. We have 180 Navitas at this point; international students are continuing to grow and are important in the revenue mix. 2.) he does not know the data print

for this year's class and wants to grow out-of-state enrollment. His goals are to get it to 70/30 or 60/40. President Ransdell wants to grow out-of-state numbers. His goal this year is to stabilize the \$2.4 million short-fall, adult part-time numbers, we are \$3.8 million over in scholarships due to a 30% increase in scholarship acceptance (we got better students but we have to pay for it). There is a \$6.2 million challenge.

- Faculty Regent Burch thinks when looking at numbers comparatively, there is no question that good things are being done. The question is where are we and what are we going to do? She added that having a plan B is very important. Changes in enrollment and population are happening around the country. Plan B has to be based on what if we do have to become a smaller institution? She cited those who earn electronic degrees and those who get a job without a four-year degree as examples. Even if we do our best, how do we plan for being a smaller campus and a significant change?
- President Ransdell stated that part of plan B is DELO.
- Regent Burch said this is modeled after the Hilltopper Athletic Foundation, and is worried about what will happen if DELO takes part of the base. She said with Plan B will be healthy; if tuition is 60/40, this will completely change the mission of the institution.
- Laura DeLancey said that 10.7% is self-generated (athletics, farm revenue, floral shop, etc.).
- Projected Revenue by Source: 49.2% tuition and fees; 15.5% restricted funds; state appropriated operating 18.8%; auxiliary enterprises 5.8%.
- Regent Burch said that retention rates have gone up.
- Patricia Minter said she wants to know about in-state declining. It is made up with international and out-of-state paying. The 80's had a more diverse group of students in terms of entry-level.
- 2015-2016 Operating Budget breakdown: Total Budget \$396,565,000 less restricted funds (grants & contracts \$18,725,000 and student financial aid \$42,804,000), self-generated revenue (\$42,457,600), auxiliary enterprises (\$22,747,000), designated state funding for Gatton (\$4,926,800), and public funds (state & students \$264,904,600).
- From every public state fund dollar, 26 cents comes from state appropriation and 74 cents comes from tuition and fees.
- Unrestricted E&G budgeted expenditures: 57% personnel; 1.5% capital auxiliary; 20.5% operating expenses; 2.5% utilities; 13.7% student aid; 4.8% debt service (low for an institution of our size – does not include leases (ie. nursing building, DSU, & agency bond; they are listed under operating budget – it gets up to 6 or 7% with a few of these).
- Regent Burch said it would help if anything we are obligated to would be viewed as debt service (for example, a thirty or forty-year debt obligation).
- President Ransdell said that nursing and student life are not on the books. The university is not paying for residence halls; student life foundation manages both income and expenses. He added that the listing of leases across the campus is quite large.
- Unrestricted E & G budgeted expenditures by organizational area: 51%= academic affairs. For 2015-2016, there is no increase in state appropriation; \$0 for base

operating funds. Gatton received \$2,000,000 for 80 additional students (this includes tuition, room, board, books).

- Fiscal Challenge: \$1.8 million tuition available; \$.2 million shortfall; \$5.7 million fixed costs/program obligations (includes non-academic scholarships); \$3.8 million academic scholarships; \$9.7 million total uses. \$7.9 million is the reallocation to balance the budget. \$2.4 million really hurt us.
- Fixed Costs: \$2,865,00 includes health insurance increase, retirement systems rate increase, contractual obligations, utilities and M & O, DSU debt, property & auto insurance, degrees & certifications.
- Patricia Minter said the benefits committee is building their plan for next year. Now is the time to communicate ideas. She asked if the DSU debt is covered by students – shortfall.
- Programmatic obligations: \$6,733,400 includes all scholarships (unrestricted), enrollment management permanent base budget. Adjustment - not funded completely with that program was completed.
- Scholarships: budget includes: departmental scholarships, athletics grants in aid, academic scholarships (excluding foundation), state-mandated waivers, faculty/staff scholarships, dependent child scholarships, institutional fellowships.
- Programmatic Obligations: \$6,733,400 includes all scholarships (unrestricted) and enrollment management permanent base budget.
- \$23 million = academic scholarship award for this year. President Ransdell wants to stay within that for next year. Regent Burch commented that the high-end students have cost more. President Ransdell said that next year, we will move toward fixed numbers of scholarships. Students will compete and WKU will have very stringent guidelines. More money will go toward the middle-line (3.5 GPA, 25 ACT).
- Increase in “other scholarships”: \$2 million (state-mandated scholarships), waivers, general assembly passed a law; it is statutory. Total state-mandated is 4.?
- Scholarships Challenges: competing for best and brightest; uncertainty of acceptance rates; uncertainty of enrollment; increased competition for KCTCS transfer students; restructured academic scholarships in fiscal year 2014 and; eliminated the scholarship application in fiscal year 2015.
- Academic Scholarships: 1512 estimated returning students with renewable academic awards plus 1120 estimated first-time freshmen/first-time transfer awards = total 2632. Increased budget awards = 726.
- Ratio of entering students: 1 in 3 freshmen gets an award. This does not include academy students.
- Increase in budgeted awards costs \$3.8 million for 726 students (450 returning scholarship students plus 276 new freshmen/transfer scholarship students).
- Capital budget: \$48 million state bonds; new sciences \$48,000,000; international honors college \$22,000,000; restricted funds (ie. renovation of Garrett) \$30,452,300; private federal funds \$14,389,200. Total: \$71,641,500
- Looking forward to 2016-2018: enrollment, state funding performance funding/equity funding, tuition, fixed costs, compensation increases.
- Performance funding potential metrics: degrees produced, graduation rates, retirement rates, progression metrics (30 credit hours, 60 credit hours, 90 credit

hours), closing achievement gap, research productivity, degrees per 100 FTE students, type of degree (Stem + H), transfer

- Dr. Ransdell said total scholarships package for next year will be presented at the September meeting or via email.
- The budget for next year is based on fall 2015 enrollment.
- Jay Todd Richey said that the decreasing number of graduates from Kentucky high schools, shouldn't we reduce that number by 2%. That would be an automatic cut. Provost Emslie said there are unavoidable fixed costs. The flat student number is budgeted. Budgeting down even if the dollar amount goes up, we would have to \_\_\_\_
- Regent Burch said costs and what we have, everything is about choice. What goes into fixed costs? Some are choices. The faculty does not understand priorities and how choices are made. Other costs the university is obligated to are also choices. Budget is very difficult to understand. The agency bond has to come from the base budget. What agency bonds are we paying for? The Alumni Center, for example, DELO pays for part of it. For every good thing you decide to do, what are you deciding not to do? \$4 million for the academy (non-inflationary); \$2.4 or \$2.5 million; the increment is \$2 million. When talking about numbers, lots of students do not pay much. We are looking at numbers but are not talking about choices. We need to look at obligations that CAN change. The issue is transparency and communication. We are getting more in tuition and fees than we are in state funds. What are we going to grow and what are we going to give up?
- Kate Hudepohl said that the faculty are becoming wiser about choices and want to know how the choices are being made. The intention was to present in a reflective way so the faculty can ask educated questions to President Ransdell. The numbers are so big that it becomes vague.
- Jay Todd Richey added that the breakdown is online.
- Molly Kerby made a suggestion to give examples of each category. For example, define auxiliary and give examples of what each item is. Give examples of buildings, athletics, etc. This creates an atmosphere of transparency.
- Provost Emslie cited three things that really caused things to fall apart: 2.4 tuition, 3.9 scholarships, 2.4 unmandated waivers. He looked at the last six years' budget books and revenue dependent went up by \$2 million. \$21,552,000 for Potter College went up last year because of gained positions that were not in their budget. University College went down. The steady percentage of unrestricted non-revenue budget, the number of faculty increased by 10%, this could have gone toward faculty compensation; but instead, we got 77 new faculty. Regarding the student/faculty ratio -- the same money spread over less faculty, increases compensation for faculty. Phase 1 faculty recruiting: \$2 million; 66 new faculty at today's orientation. Phase 2 faculty recruiting: \$1.5 million reallocation; if applied to the budget, it would mean losing these vacancies. The \$6 million cut will be done in 2 or 3 steps. We are being forced to make these choices because of bigger choices that were made; other things have taken money from the academic mission. Academic Affairs are 70% -- cuts affect academic mission and quality of work life every day. Internal reallocations -- if enrollment decreases, CAD will consider not doing Phase 2 in November. Departments hate to lose faculty lines. Nobody wants to give up what they already have. Of \$6 million, \$2 million is set aside. So was unbudgeting

“stuff” into lines (ie. classroom budget was moved into faculty lines). 7% in the last 4-5 years is a combination of more people and slight raises; not much stuff is left to budget. The faculty realizes there is less and that the shells are empty. The argument is about “shell games” and the bigger picture and perception are important.

- Regent Burch responded that with buildings and grounds and athletics and honors and academies, recognizing and rewarding the people gets lost. What choices are being made that could be or should be made differently? International students are recruited for the money. 96% are on government funding; if things go wrong politically, these students could be lost. If something goes wrong with, NAVITAS would collapse.

2. [President Ransdell and Provost Emslie joint response to the May 2015 University Senate Resolution for Appropriate Emphasis; Academics](#)

- a. [May 2015 University Senate Resolution for Appropriate Emphasis: Academics](#)

3. [Senate budget](#)

- Chair Hudepohl requested that the SEC look at this and we will talk about it at a later meeting.

4. [Results of 2015 Faculty Welfare Study](#)

- The faculty work life study is posted and will be sent to Faculty All in September. Patricia Minter ran the survey. Margaret Crowder was the Chair. Kate Hudepohl met with President Ransdell. She wants to wait until there is a chair for Faculty Welfare in September.

5. [21st Edition of the Faculty Handbook](#)

- The revised edition of the Faculty Handbook is posted.

A motion to adjourn by Molly Kerby was seconded by Gayle Mallinger. The meeting adjourned at 5:52 PM.

Respectfully Submitted,

Heidi Álvarez  
Secretary