

Comments of Ron A. Rhoades, JD, CFP®, Pedagogical Associate Professor, Department of Finance, Gordon Ford College of Business, and Director, Personal Financial Planning Program to the WKU Faculty Senate Executive Committee, February 4, 2024

These comments are my own, and do not necessarily represent the views of any department, organization, firm, cult, gang or motley crew of characters to which I now belong or have ever been kicked out of.

Thank you for this opportunity to speak with you today.

In my memorandum, previously provided, I summarized the impact of House Bill 6, passed by the House and sent to the Senate last week, on WKU's budget for the next two years. If my calculations were correct, after making adjustments for certain mandates, the net cash from the Legislature's appropriations available to meet WKU's ongoing expenses, including faculty and staff salaries, will increase by an average of *less than 1% per year* over the next two years.

From 1980 to 2022, Kentucky state legislative appropriations fell 18.9% per full-time equivalent student, adjusted for inflation.¹ In 2022 tuition comprised 52.6% of total revenue for Kentucky's colleges and universities, up from just 20.6% of total revenue in 1980.² The truth is that most of the increase in tuition is because of the fall of state subsidies. Yet, it is obvious to us that no dramatic legislative policy changes will occur in the next decade to reverse these trends; the aging electorate is focused on the needs of the old, not the needs of the young. Higher education will remain under political attack.

Nor can we rely upon increased enrollment from 2025 onward, as it is extremely difficult for any institution to counter the demographic trend of a substantial reduction in the number of high school graduates. Also, many voices continue to question the relevancy of college education, likely leading to further future enrollment declines.

In the 2023 Faculty WKU Work-Life Study, nearly 70% of faculty rated general faculty morale as very poor (33%) or poor (37%). This should be no surprise, as WKU faculty salaries ranked "dead last" compared to similar institutions in 2021.³ This is not a recipe for excellence, in research, in pedagogy, nor in service. The faculty and staff are WKU. We are the soul of WKU. Without us, the magic of transforming lives does not happen. If we cannot both attract and retain top faculty, WKU's current path will remain long and tedious, like a Russian novel, where everyone dies at the end.

WKU has made progress over the years, including recently, in many, many areas. But, to thrive, given the challenges we now face and the greater challenges we will face in the years ahead – we need to become "uncommon."

¹ [State Higher Education Finance \(SHEF\) 2022 Report](#), p.45. 1980 appropriations, in constant adjusted dollars, fell from \$11,125 per FTE in 1980, to \$9,022 in 2022. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Enrollment Mix Index (EMI). The COLI is not a measure of inflation over time.

² *Id.*, p.72.

³ <https://wkuherald.com/71694/news/wku-to-increase-part-time-faculty-pay-grades/>, quoting James Parker, Assistant Professor. The article noted: "According to the provost's [April 10, 2023] email, WKU has attracted and retained 'highly qualified faculty' through competitive compensation, increasing faculty compensation by 3.5% over the prior two years as well as providing additional compensation "where needed to ensure all full-time faculty are compensated at 80% of the midpoint of their tier."

To this end, in my memorandum, I posed a series of questions. In essence, I suggested that the WKU Faculty Senate take the reins, and to act with **all deliberate speed** to formulate, lead and then, together with the Administration, implement changes, with these goals:

- That WKU become known as the place students go to learn better, and to graduate with the skills, including a very high degree of emotional intelligence, that lead to a lifetime of success;
- That employers throughout our region rush to hire our graduates;
- That faculty want to come here, and stay here, knowing that they will be well-compensated for the substantial impact they make in our student's lives and society at large.

There are a number of initiatives I suggested that involve tough choices to improve upon our efficiency in achieving learning outcomes. These may involve larger class sizes for some of our courses, a reduction in our percentage of tenure-track faculty, and some form of required instruction for faculty in modern pedagogical techniques. Such changes should be driven through careful, but speedy, study of the research on learning effectiveness. Other initiatives I suggested included instruction to all students on "learning how to learn," and undertaking a job task analysis, campus-wide, with the goal of reducing staff positions on campus.

But **we cannot ask the faculty and staff at WKU to tackle these initiatives** – to undertake the very hard work to substantially improve the quality of education at WKU while also delivering learning outcomes more efficiently – **without the promise of concrete rewards**. To this end, I now propose the following goals be adopted:

- That, within five years, the average salary for faculty and staff at WKU be increased by 30%, in addition to salary increases that keep up with the rate of consumer inflation along the way;
- That alumni be informed of our plans, and that we seek their support, with a goal of raising an additional \$100 million for the WKU Opportunity Fund by 2029 (for a total of \$200 million), in order to further lower the cost of attending WKU for those in need of such support;
- That research grants, which totaled \$26 million last year, and with a goal set for \$40 million in five years, have a larger goal of \$50 million by 2029, with instruction to WKU's Administration to proactively reach out to each and every Department on campus to explore the opportunities for more grants;
- That the percentage of first-year students participating in Living Learning Communities, which stood at nearly one-third of the entering class, be increased to 60% of all freshmen residing on campus; and that the LLCs extend their reach by also covering 40% of all sophomores residing on campus, within five years; and
- That the WKU Faculty-Student Ratio, which now stands at about 18:1, be permitted to increase to as high as 23:1, reflecting greater efficiency, but without sacrificing the quality of education as measured by students' SITE scores.

We must also make the legislators immediately aware of our goals. If we choose to move forward with this transformation, we cannot at the same time take multiple steps back.

We cannot accept additional substantial debt service burdens – we can't raise \$100 million in one hand, while accepting \$160 million or more in debt service with the other hand.

Nor can we see our competitiveness for talent destroyed by a Legislature that, with every cut in appropriations, also seeks greater control. We must demonstrate that the proposed legislation this year that would effect dramatic changes to tenure, the abandonment of DEI initiatives, and limits on free speech and

academic freedom, would likely destroy our efforts to transform WKU into a university more highly prized by prospective and current students, employers, faculty and staff.

We know that education in our society is the great equalizer, lifting up those who graduate, and providing them opportunities that they otherwise would not possess. We are also aware that this generation of students possess new and stronger needs than previous ones, and that the teaching techniques and guidance we provided in the past must evolve.

I have had four major careers in my life. In the entertainment industry. As an attorney. As an investment adviser and financial planner. And now as a professor. The greatest challenge I have faced, in all these careers, has been finding ways to motivate students to learn effectively and efficiently, and to develop the personal skills they will need to thrive in a rapidly changing work environment.

I also observe, coming from the world of business, that typically change at universities occurs slowly, and incrementally. WKU has done good work in recent years, with our tree's branches covered with successful initiatives. But the trunk of our tree – talented, motivated faculty and staff – continues to wither. We must focus on supporting WKU's *human infrastructure*, if WKU is to survive - and excel - in the years and decades ahead.

I know that my comments, as a mere professor, are way out of bounds. There are many initiatives on campus of which I am not fully aware. There are likely competing plans already adopted. Yet I am asking you to consider both modified and some new strategic ideas, and even a modified university mission.

I am further asking that the WKU Faculty Senate take the lead – or at least partner even more aggressively with the Administration. And I am asking that new paradigms be embraced quickly, and that a few long-held tenets be cast aside, in favor of the rapid evolution necessary in order to tackle a greater set of goals.

I am not present today to seek something different for myself. I have 100 students in my Personal Financial Planning Program to whom I dedicate my own time and efforts. I absolutely adore my focus on these students, their learning, their personal development, and facilitating excellent career opportunities for them with top firms. And I am pleased to also focus on my own continuous self-improvement, including how to effect even better learning outcomes in my classes.

In conclusion, I believe the current path WKU is on is one in which the WKU tree will die – a slow and painful death, driven by a hollowing out of its exceptionally talented faculty and staff. I hope that you will take advantage of the exceptional talent we possess at WKU, from so many different disciplines, to diligently consider and adopt new goals, and to then undertake the hard work to implement such goals.

I hope that the Faculty Senate lead the way with all deliberate speed, so that WKU can remain a great regional university, and so that WKU will become even more attractive to students, employers, and especially to talented faculty and staff, as an innovative, forward-thinking, and wholly relevant university.

Thank you.