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WKU president announces new group to develop budget changes

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Facing enrollment declines and pressure to compete under a new performance funding model, Western Kentucky University is revamping how it distributes its internal resources through a new group.

WKU President Timothy Caboni announced the group's creation in an email to faculty and staff Thursday.

“As part of our strategic rethinking that continues this spring, we will create a new resource allocation model that will best serve WKU in the future,” Caboni wrote.

He named Provost David Lee and Ann Mead, senior vice president of finance and administration, as the two co-chairs of the steering committee. Both administrators will lead the group as it gathers feedback from the campus community and organizes and hosts an open forum later this spring. The entire process is expected to play out over the next six months.

The process is needed, Caboni wrote, because the university's current method for distributing resources “was constructed in a different era and is not sustainable.”

“We will need to rebalance our internal investments based on strategic priorities while ensuring that our budgeting system supports our core mission, and we must take an approach that allows us to incentivize and reward performance,” he wrote.

“Ultimately, a new budget model should position WKU to be competitive in Kentucky’s new performance funding model as existing dollars within the state’s higher education system shift between institutions,” he said.

That performance funding model ties university funding to degree production in science, technology and health fields, among other outcomes.

WKU has hired the Chicago-based Huron Consulting Group to help with the process.

Allie Blovis, the firm’s public relations manager, said in an email that the firm does not comment on engagement with clients or work with clients.

Mead told the Daily News that the firm has done similar work with other universities, including Northern Kentucky University.

The cost for Huron’s services cannot contractually exceed more than \$437,000, Mead said. The contract expires June 30.

In an email, Mead said the model should address financial headwinds facing WKU, including enrollment declines, along with how to distribute funds in a way that supports WKU’s new strategic plan, rewards performance and invests in strategic priorities fairly and increase transparency and simplicity in how resources are distributed.

“It’s more than just budget,” Mead said in a follow-up interview.



She said the process will be much more fluid and decentralized and could affect other resources such as personnel and facilities.

“This is going to be a very significant project,” she said.

Mead said she and Lee will invite faculty and staff representatives to be a part of the process, but that there will also be other ways for the campus community to engage with it.

A website that will provide updates on the steering committee’s work is currently under construction and will be completed by the end of the month. It’s available at www.wku.edu/ramp.

Mead said the group will function separately from another group, called the Budget Council, which is currently devising recommendations for addressing problems in the current fiscal year’s budget. Those recommendations are expected to be finalized by mid-February, she said.

The first meeting of the steering committee will be Jan. 30, according to Mead. Although the project will be completed by June 30, full implementation will not happen until fiscal year 2020, or July 1, 2019.

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