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WKU takes stock of priorities with new budget approach

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Faculty and staff at Western Kentucky University raised questions Wednesday about an ongoing process that's re-examining how the university distributes budget dollars in the long term.

WKU officials fielded questions during an open forum in the Downing Student Union auditorium. It marked the latest step in the development of a new university budget model that officials hope will better match WKU's strategic priorities going forward.

"I want to see the numbers. I want to see how it's going to play out," Kelly Madole, a professor and department head of Psychological Sciences, told the Daily News after the forum.

Although Madole said she favors a new decentralized budget model, she stressed that the devil is in the details. She wanted to know how faculty can voice concerns and more details about how WKU would reward departments' performance under such a system.

In January, WKU President Timothy Caboni announced formation of a group to revisit the university's existing budget model, which he said in a campus email was "constructed in a different era and is not sustainable." He named provost David Lee and senior vice president for finance and administration Ann Mead as the steering committee co-chairs.

WKU contracted with the Chicago-based Huron Consulting Group at a compensation rate that cannot exceed \$437,000. The contract expires June 30.

Huron has done similar work for other universities, such as Northern Kentucky University.

During the forum Wednesday, faculty and staff asked about how liberal arts degree programs would fare under the new model and how graduate programs with fewer students would be sufficiently funded, among other questions.

Andrew Laws, Huron's managing director, outlined several approaches WKU could borrow from when customizing its own model. One of those included a decentralized, incentive-based model that focuses on academic units.

"These are ones generally that allocate out revenues," he said. "They ask units to be accountable for their direct costs and then they allocate out indirect costs. They ask units to be accountable for their consumption of simple services."



While that approach does create incentives for growing revenue, Laws said it has been criticized for hurting collaboration or having profits drive units. However, he suggested that the new system could be designed in a way that isn't a zero-sum game for academic units.

Laws noted that stakeholders surveyed as part of the process have described the university's current budgeting approach as opaque and top down.

“We hope that you will take away from this that the end goal is to have a budget model and budget process that is more data-informed and creates a forum for decision-making, not a model that makes the decisions for us,” Laws said.

Officials hope to have the new model in place by July 1 next year in time for the beginning of the 2019-2020 budget year.

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