



## FACULTY REGENT REPORT

August 12, 2014

**Dr. Patricia Minter, Faculty Regent**

*Board meetings summarized:*

*April 17*

*June 27*

*July 3*

*July 10,*

*July 24-25 (Annual Retreat)*

### SUMMARY

**Approval and recognition of Associate Professors to full rank**

**Internal audit reveals WKU lacks formal whistleblower procedure, all other aspects are good**

**WKU fares better than expected in legislative cuts**

**The value of YOUR voice as it relates to the growth of administrators, institutional priorities, athletic spending and more!**

**The agreement to privatize WKU Health Care through a partnership with Graves Gilbert Clinic**

**Enrollment concerns**

**2014-2015 budget concerns**

### HIGHLIGHTED ACTIONS FROM APRIL 17

**Approval and recognition of Associate Professors to full rank**

I had the privilege to vote on something very meaningful to the faculty, the approval for tenure and promotion actions for our colleagues who will become Associate Professors on July 1, and the approval of several promotions of Associate Professors to Full Professors. Let me take this opportunity to congratulate you on these milestones in your professional lives and in the intellectual life of this university. Well done!

**Internal audit reveals WKU lacks formal whistleblower procedure, all other aspects are good**

At April's Board committee meetings, we heard reports from many groups, although the enrollment report was not yet complete since our meeting was held on Census Day. Provost Emslie can fill you in on this in his report. We also heard an internal audit report from Bailey Jordan of Grant Thornton, and the report was a fairly clean bill of health for internal controls. However, their audit has determined that WKU has no formal whistleblower procedure, and that must be addressed immediately. So, a proper whistleblower procedure has been developed. The process protects the individual's identity beyond any question. You may now call the Ethics & Compliance hotline and access their web site to report unethical behavior or fiscal misconduct activities. To reiterate, the 1-800 number and web site contacts **go to a third party to insure beyond a shadow of a doubt that we are compliant with federal whistleblower statutes and that identities are protected.**

■ You may now call (1-877-318-9178 ) or access the link to the web site ( [www.wku.ethicspoint.com](http://www.wku.ethicspoint.com) )

**WKU fares better than expected in legislative cuts**

Moving on to the legislative report, the General Assembly has now adjourned and the news could be much worse than it is. The final cut in WKU's state funding is a 1.5% budget cut instead of a 2.5% cut. That saved WKU \$750,000. On the issue of funding state-mandated increases to KERS, the Governor's budget included 50% of the increase in our base budgets. Lawmakers agreed. This is essentially a cost avoidance issue for the comprehensive universities, which for WKU amounts to approximately \$1.3 Million that we will not have to pay. And for academics we welcome the good news that WKU will receive funding for the completion of the Science Complex as well as \$2 million dollars to fully fund the expansion of Gatton Academy by 80 students (note that the expansion of Schneider Hall to house them will be funded by a private donor). So, it could have been a lot worse, but please take every opportunity to remind our lawmakers that without significant tax reform in this state we will continue in every legislative session to face choices such as raiding higher education budgets to fund K-12 and other false either/or dichotomies that undermine the future of and quality of life in Kentucky for everyone.

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## The value of YOUR voice as it relates to the growth of administrators, institutional priorities, athletic spending and more!

On May 3, I represented WKU AAUP at the state AAUP meeting, and I appeared on a panel discussion about faculty leadership. I attended the keynote address from Joerg Tiede, editor of the 2015 AAUP Redbook (Centennial Edition) and member of the Committee on Academic Freedom and Tenure, who spoke on "Faculty Communication with Governing Boards." If you have not yet joined and are interested in doing so, please contact Dr. Eric Reed. If we have not yet convinced you how important their work is to protect academic freedom and to advocate for faculty and students, you should check out their latest report which came out in March. Its title, "Losing Focus: The Annual Report on the State of Profession, 2013-14," tells the story, and you can read it at:

- <http://www.aaup.org/reports-publications/2013-14salarysurvey>

You can read more about it and its authors here:

- <http://www.insidehighered.com/news/2014/04/07/faculty-salaries-are-22-report-sees-many-financial-issues-facing-professors#sthash.xamVPwlk.dpbs>

It addresses the growth of administrators, institutional priorities and spending, athletic spending and its impact on the academic mission, and their data shows clearly that the so-called advertising benefit of big-time athletics to attract students and donors is largely a myth. The report also confirms what I mentioned in the last report—that even though expensive head coach salaries may be financed through private monies, the huge increases in assistant coach salaries are always paid from base budget, which in WKU's case means subsidized by the university budget and student fees. In their words, it is an "institutional arms race" and we are losing this one, to the detriment of not only the academic mission but also to students themselves, as their data show even greater funding disparities between student-athletes and the rest of the population than the Knight Commission report does. In short, someone is paying for the party, and it is all of us. So as we start a new academic year, I thank you in advance for the great work you do and ask that as we welcome our new senators, we all commit to step up and take an active role in faculty governance, because our collective voices have never been more important than they are right now.

### STATEMENT FROM BOARD MEETING JUNE 27

#### 2014-2015 budget concerns

*"We must invest in our human resources—in our faculty and staff—if we are really serious about becoming a leading university with international reach, instead of just saying that we are. Only with an appropriately compensated faculty and staff whose contributions to the university's mission are recognized in meaningful ways will this will ever happen. I urge the university's decision makers and this board to take this opportunity to rethink our spending priorities, and to invest in our human resources. It is the best potential we have for a good return on investment."*

I don't think anyone on this board is under the illusion that this is budget situation is anything other than unpleasant, and I think we are also aware that it could be far worse. For that I am grateful.

As always, the cuts have fallen disproportionately on the academic mission; and to those who would say that Academic Affairs is the largest part of the budget and therefore the cut would logically be proportionally bigger, my reply is this: let us not forget that this is a university that we are governing, a place where teaching, research, and service ARE what we do, where the life of the mind is the paramount consideration. I've spoken to the Board before about the concerns that I and my faculty constituents have about the university's priorities and how monies are spent on too many things that promote entertainment or brick-and-mortar over education. I have also shared with you that we have long been living beyond our means, or well on our way to doing so. If we are not at that point today, and we may well be there, then I think we are dangerously close to being there.

**This budget before us will provide a 1% across the board salary increase for all faculty and staff with a \$500 floor. Anything is better than nothing, but I have two serious concerns:**

ONE Faculty salaries remain below benchmark, and as faculty leaders and the Senate have discussed with President Ransdell many times in public forums, it would take several years of larger percentage increments to get us where we need to be. Before 2007, when the money was available

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to make those investments in faculty and staff salaries, the President and this Board chose to use the money for other things, namely brick-and-mortar and non-academic pursuits. Faculty and staff representatives to the Benefits Committee have repeatedly asked for greater contributions to employee benefits, and that investment did not happen either (although that negotiation remains ongoing for the coming calendar year). There is no question, however, that increased benefits costs, from premiums to co-pays, have eaten up most employees' small raises in the past few years and leave people further behind than they were, particularly if they cover dependents. Since the difficult financial times have hit the Commonwealth, we've had to navigate diminishing state appropriations and pass much of this on to our students in tuition increases. But at the same time, we did not stop spending money on non-academic pursuits, from athletics to buildings and our obligation list has grown. Last year's vote to fund debt service on a building with international student tuition revenue, which pulls 1.6 million dollars a year out of our tuition revenue, represents the culmination of this unfortunate trend. And while this budget contains \$9,166,000 of new revenue. It also cites "unavoidable" costs of \$4,233,000 for student financial assistance (scholarships, waivers, grants in aid). It is by far the largest fixed cost increase cited in the document - representing nearly 37.8% of the total fixed cost increases (of \$11 million) and half of every tuition dollar generated. It is nearly three times more than the 1% "cost of living" increase provided to WKU employees. This is a demoralizing situation, because after all who does the work of teaching, directing, and mentoring this small percentage of high-achieving scholarship students, student athletes, and students on waivers? The faculty and staff do.

**TWO** The budget we have before us contains a major cut to the Academic Affairs budget. 2 million dollars out of the 3.1 million dollar cut to the Academic Affairs budget, according to Provost Emslie, represents 26 vacant faculty positions that have now been captured to cover this cut, and to use as part of the funding for the raise. Those are real cuts, future jobs for which we will not hire, positions that are now gone and can only be added back in better budgetary times, if ever. What does this say about the priority that we give to the academic mission?

- *Budget meeting:* <http://www.wku.edu/regents/documents/2014-2015/bor-special-budget-approval-meeting-062714.pdf>
- *Link to budget:* [http://www.wku.edu/finadmin/budget/budget2014\\_15.php](http://www.wku.edu/finadmin/budget/budget2014_15.php)
- *Committee meeting:* <http://www.wku.edu/regents/documents/2014-2015/bor-committee-meetings-062714.pdf>
- *Daily News article on June 27 BOR meeting:* [http://www.bgdailynews.com/news/wku-jobs-in-jeopardy/article\\_02e2be03-513d-52ac-bccc-87c6ef7e2f5e.html](http://www.bgdailynews.com/news/wku-jobs-in-jeopardy/article_02e2be03-513d-52ac-bccc-87c6ef7e2f5e.html)
- *Herald:* [http://wkuherald.com/news/article\\_815bd3a8-fe59-11e3-8420-0017a43b2370.html](http://wkuherald.com/news/article_815bd3a8-fe59-11e3-8420-0017a43b2370.html)
- *WKYU:* <http://wkyufm.org/post/wku-regents-pass-392-budget-two-dissenting-votes>

## **HIGHLIGHTED ACTIONS SPECIAL CALLED BOARD MEETING JULY 3**

### **The issue of privatizing WKU Health Care and the potential relationship with Graves Gilbert Clinic**

On July 3 at a special called meeting of the full Board of Regents to consider an agreement between WKU and Graves Gilbert Clinic to privatize WKU Health Services, the Board deferred action on the contract, first by failing to second a motion to pass the contract as written and then passing a new motion to ask for further documentation on why privatization was necessary and further financial information to help us make a more informed decision. You may find the original contract motion here:

- <http://www.wku.edu/regents/documents/2014-2015/bor-special-called-meeting-7-3-14-agenda-packet.pdf>

## **HIGHLIGHTED ACTIONS SPECIAL CALLED BOARD MEETING JULY 10**

### **The agreement to privatize WKU Health Care through a partnership with Graves Gilbert Clinic**

Services, the Board passed a revised agreement between WKU and Graves Gilbert Clinic, by a vote of 8-1 with two regents not voting. I attended the meeting by video conference while I was abroad for a conference presentation; because my video link dropped before the vote was taken, I was not allowed to vote per Kentucky Revised Statutes which requires visual contact with the Board as well as audio contact. The loss of staff posi-

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tions is troubling, and the fact that this decision was driven largely by the need to fill a deficit of \$1.1 million in the budget raises more questions about the university's spending priorities and incurring fixed costs such as long-term agency bond debt. You can read the final contract here:

- <http://www.wku.edu/regents/documents/2014-2015/bor-special-called-meeting-7-10-2014-agenda.pdf>

## **HIGHLIGHTED DISCUSSION SPECIAL CALLED BOARD MEETING JULY 24-25**

### **Enrollment concerns**

On July 24 and 25, the Board of Regents met for its annual retreat and third quarterly meeting. Given that most of the serious issues were addressed at June's budget meeting and the subsequent called meetings in July, there is little to report at this time. One issue that bears watching is the enrollment report, which the Board heard in preliminary form. I expect to share more substantive news with you on enrollment and financial issues in September when the picture becomes clearer. You can look over the agendas for both meetings here:

- <http://www.wku.edu/regents/documents/2014-2015/bor-annual-retreat-packet-july-24-2014.pdf>
- [http://www.wku.edu/regents/documents/2014-2015/bor-third-quarterly-meeting-packet-july\\_25\\_2014.pdf](http://www.wku.edu/regents/documents/2014-2015/bor-third-quarterly-meeting-packet-july_25_2014.pdf)

## **CONTACT YOUR FACULTY REGENT**

*Please contact me with any questions, comments or concerns.*

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