

## Report of the WKU Senate Budget & Finance Committee

October 22, 2020

Present: Lester Archer, Margaret Crowder, Guy Jordan, Jim Lindsay, Anthony Paganelli, and Kevin Schmaltz

Guest: Ethan Logan, VP Vice President of Enrollment and Student Experience.

Our meeting on 10/22/2020 consisted of a conversation with Ethan Logan, VP Vice President of Enrollment and Student Experience. The following is a summary of the conversation as recorded by Guy Jordan. It is not a transcript, but whenever possible I tried to record the words of our guest as accurately as possible. This is an informational item only.

Guy Jordan: “What are your biggest challenges right now re: your role at WKU, and in particular our response to COVID?”

Ethan Logan: “I am focusing on enrollment management and student affairs, which is now morphing more into student engagement and student success. I also work with recruitment and admissions and financial aid. Our divisions include student services like counseling and also student wellness (Preston Center), and student activities and student life. We also run AC/DC, career counseling, and academic support pieces that are not necessarily endemic to a specific college or program. We do a lot! Our goal is twofold: 1. We find students and bring them to WKU and graduate them as Hilltoppers. 2. We provide co-curricular support outside the classroom.

We give students opportunities for maturation and personal growth and we also provide support for student diversion and relaxation—these are important parts of college also.”

Guy Jordan: “Are you also involved with student housing and the student life foundation?”

Ethan Logan: “It is a dotted line. The Student Life Foundation is separate from WKU as an independent 501(c)3. It’s safest to keep that separate from the institution. That protects their revenue source. But the corollary is that they are responsible for costs. I don’t have an official role on the board—that’s Mike Regal, the Assistant VP for Housing and Residence Life. I attend their meetings and may formalize a role as an ad hoc member.”

Guy Jordan: “How does Housing and the financial health of the Student Life Foundation impact our COVID decisions? Even though the SLF is separate from the university, is there still a big budgetary impact on WKU if there aren’t students living in the dorms, paying room and board, and spending money on campus for food and other things?”

Ethan Logan: “There is an impact. We came off a declining enrollment trend for three years, but now we have a boost. This is good because it helps to stabilize us in a bad cycle. The current situation with enrollment is that we’ve stopped the bleeding and that helps maintain the health of the institution. But the shift in modality can cause problems, especially students come from nearby/Warren County, because then they can shift out of their housing obligations because of proximity. While we saw a 400+ enrollment boost, we are still fairly low occupancy re: residence life. I just attended the first board meeting of this quarter. Where we are sitting right now (this year) is that they (the Student Life Foundation) is in a deficit, but they can balance their budget with cost-cutting and there’s nothing that will effect students...they are not laying anyone off at this time and there is no need to close dorms or anything like that. They are not cutting into reserve—they are just flattening out revenue. That won’t impact us this year—that will get spread out in the future and could impact some deferred maintenance, but otherwise they are weathering the storm. The increase in enrollment is also related to proximity—students are staying closer to home for college in a pandemic-driven climate.”

Jim Lindsay: “In the spring, if things improve and there is a vaccine, is there a potential for the housing situation to improve?”

Ethan Logan: “Maybe. Spring is typically slow for growth—there are fewer new students in spring than in fall. We do not gain many freshmen in the spring, but we often see transfer students. If there is a change in the social and medical environment, a vaccine certainly help drive that and maybe return us closer to normal next fall. We bucked the national trend in terms of enrollment this fall...most places saw a decline in enrollment, but we did not. Tier I (i.e. Ivy League) schools are insulated by this, but many of our peers suffered—we are poised to be as successful or more successful next fall than this past fall. We should also be able to tap larger volumes of students outside of our state.”

Kevin: “In April we were pessimistic about the budget and faculty proactively took a pay-cut; but it seems that student numbers and the state budget outlook are not as bad as we thought. What is the most likely spring scenario? The student side of things right now is looking good through the end of the year. Hopefully, we get that vaccine. Are you comfortable with where we are right now?”

Ethan Logan: “I am comfortable where we are right now. Our division alone had \$800,000-\$900,000 to return to meet the centralized reductions. We need to budget conservatively because the cycle is still one of decline and state appropriations are historically trending downwards. I think we have handled it gracefully so far. Projections are stronger than the current model. I want to be optimistic about next fall’s recruitment, too. I attribute our growth in being progressive re: test score requirements and financial assistance. We are opening up opportunities for students that weren’t there before, and we are doubling down on that. As we look at opportunities that students have, especially out of state, for instance Nashville, we provide a lot of opportunity there. When I think about a liberal arts student, we have a place for them that is competitive re: cost. We were at 3163 freshman before census, up from 2700 the previous year. I’d like to be at 3200 or 3300 next fall. The President would like to see a little more than that. Enrollment is up but occupancy is down. We are anxious about the rate of student application activity right now but that is down nationwide. To measure that, we look at historical trend

performance compared to what application activity looks like year-to-date. It is early yet. Students who graduate from high school are going to be attending college in the fall—this is just a disruptive market and things are working a little differently. HS guidance counselors are telling us that they are running 4-6 weeks behind where they normally are.”

Jim Lindsay: “Is there an opportunity to pull more local high school graduates to WKU?”

Ethan Logan: “It is. We work this region very thoroughly. There is a large population center just down the street in Tennessee, but we work KY very hard.”

Kevin Schmaltz: “You can help enrollment by getting rid of tuition, but that doesn’t help our revenue. How do you know that is working or not? We are doing a good job of increasing opportunity, but we need money to keep doing what we do. What is the right balance?”

Ethan Logan: “We are looking at tuition discounting, but many of those students still pay some amount of tuition. That is still net tuition revenue positive. We offset revenue lost by increasing volume—enrollment gain. We look at the feasibility of the discount vs. the positives of enrollment gain. We need for the TIP program expansion to succeed to add just a bit north of 100 more out of state students. That will make that net revenue positive. Tennessee and Evansville are good recruiting spots, but we are also doing well in Ohio as well. We are going to push hard in all these places.”

Margaret Crowder: “Curious if these general scholarship changes have had any positive impact (so far) on our student population diversity numbers.”

Ethan Logan: “Yes. Our changes to our scholarship model last year had a positive impact on diversity. More minority students are eligible for our merit scholarships under the new model and our new Pell Grant program is also going to help. This will be good for them and for us.”

Guy Jordan: “What about the new Freshman Village? Has COVID impacted any of that? Will it be more difficult to handle the payments if residency is down?”

Ethan Logan: “The first building will be ready this November (2020) and the second building will be ready in the spring. Part of that is also the Barnes-Campbell demolition and landscaping. That timeline gets us into the summer when that work is complete and we’re on track for an August opening and it’s a net gain of about 100 beds. That’s a good size for us. The bond payments for that aren’t in jeopardy, but we want the dorm filled. The hallmark of the village is the learning community with pods/wings of 25 students who are in the same programs. That will help with recruitment and retention.”