

Report on Budget & Finance Committee Meeting of 13 April 2023

The Budget & Finance Committee met once in April (04/13/2023).

I. Meeting called to order: E. Kondratieff (3:45)

Attendees: Eric Kondratieff (Chair), Daniel Boamah, Susan Eagle, Landon Elkind, Anthony Paganelli, Kevin Schmaltz, Provost Bud Fischer, Faculty Regent Shane Spiller, special guest Todd Stewart (WKU Director of Athletics)

II. Chair Report – E. Kondratieff

- A. Minutes from 03/09/2023 meeting – approved
- B. Turned time over to Todd Stewart.

III. Todd Stewart, WKU Director of Athletics

NB: the following report is fairly detailed for the benefit of Senate members and other faculty who are interested but don't have an extra hour to watch the recorded session.

- A. Slide presentation (slides attached at end of this report)
 - a. (Slide 3) WKU Athletics, 37 Conference USA Championships since AY 2014-2015
 - b. (Slide 2) Student Athlete Graduation Success Rate: 87% with APR (Academic Progress Rate) for 4-year (Multiyear) and 2021-22 broken down into 14 subsets (6 men's sports, 8 women's sports). All rates well above NCAA eligibility requirements.
 - c. (Slide 4) C-USA Success vs. Budget Analysis: WKU spends the second lowest amount on its Athletics Operating budget (\$23.5m, well below the \$27.55m avg) of all 14 C-USA schools, and has second lowest student fees of 12 C-USA schools that charge such fees (\$3.2m/yr vs. avg of \$9.25m/yr)
 - d. Benefits of Athletics to WKU:
 - i. School spirit;
 - ii. work experience for student interns;
 - iii. marching and pep band members get performance experience;
 - iv. community service (4,000 hours/year by student athletes);
 - v. tremendous value of free advertising exposure for WKU's televised sports events, which was independently evaluated at \$35m for 2019 alone. Additional examples were discussed.
 - e. Salaries remain within state budget unless enhanced by donations for HAF (the budget doesn't change, even if numbers change from person to person)
 - f. HAF also underwrites other projects that fall outside state-budgeted items (e.g., recent football locker-room renovation, first since 2008), and pays for two academic advisors for student athletes, a mental health counselor, and strength, nutrition & wellness advising.
 - g. Provided breakdown of scholarships (about 200 student athletes – many of them walk-ons – are not on full scholarship). Scouting costs for athletes vary by sport.

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B. Q & A with Todd Stewart

- a. **Q.** Is HAF keeping its commitments to Athletic Budget? Has there ever been any shortfall?
A. HAF always meets its commitments, and HAF's growth has permitted Athletics to hire better coaches, do special projects, etc.
- b. **Q.** How is Athletic budget broken down—Self-generated, Student Fees, HAF, WKU Budget?
A. Budget totals \$23m: \$10+m is self-generated; \$3.2m is student fees; HAF is \$1.2 – \$1.3m; the rest comes from the WKU budget for salaries and benefits (not including the extra funded by HAF) along with the value of scholarships allowed for athletes (equivalent of 200 full-time scholarships, approximately \$5m all in).
- c. **Q.** What about changes to C-USA membership (other schools)?
A. 6 schools leaving, 4 coming in next year, Kennesaw State coming in the following year.
- d. **Q.** Re: Transfer Portal and how APR scores affect our overall scores when athletes transfer?
A. WKU is only negatively affected when student athletes with GPAs lower than 2.6 transfer out (per NCAA rules). In addition, Transfer Portal makes it difficult for college coaches to plan year by year.
- e. **Q.** From senate re: change in Basketball leadership and how those contracts worked out?
A. By extending Rick Stansberry's contract, WKU was able to reduce his buyout from \$1m to \$.5m; with buyout triggered, WKU did not have to pay prorated salary for 3.5 months (\$150k) which means buyout's actual net cost was \$350k. (Add'l discussion re: coaching contract buyouts and how it is industry standard and unavoidable in order to get good coaching staff).
- f. **Q.** How are student athletes taken care of in terms of their nutrition and food security?
A. Student athlete welfare is well covered; WKU Athletics ensures students athletes have access to good food plans as well as recuperative food (protein shakes, etc.) to compensate for extra calory expenditures in training and competitions.
- g. **Q.** What is the value that athletics brings to athletics (and by extension, student athletes)?
A. There is an enormous value to the academic component of an athlete's time at WKU, in terms of value of education, having no debt when leaving school, having a degree that can help them in other areas of life (including post athletic careers for those who go pro). T.S. notes Athletics' policy that students be engaged and respectful in class and on campus.
- h. **Q.** Are the two academic advisors the only ones available to student athletes, or supplementary?
A. The two extend advising given to Football and Basketball athletes by their departmental advisors; all student athletes advised also make use of tutors, advisors, etc.
- i. Thanks from committee chair for T.S.'s visit; T.S. offered to meet with entire senate next year if so desired (presentation and Q&A concluded @ 4:40 pm)

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IV. Faculty Regent – S. Spiller

- A. Discussion of upcoming B.O.R. meeting (4/14/23). Of note: Finance and Budget committee of B.O.R. with extensive agenda the budget (projected) vs. (actual) expenditures. Very clear that net tuition revenues are in decline year-over-year (forecasted, not a surprise – covid effect, demographic changes, etc.), so future raises are largely dependent on recruitment and retention.
- B. Personnel actions: reiterated that TOTAL coaching salaries remain largely the same, but are repositioned when there are changes in personnel.
- C. Bonds to be voted on.
- D. Asset preservation pool (separate money from state legislature, NOT part of annual appropriation). Putting a number of projects into “high need” category for this year.
- E. Q. re: overall picture of finances, are we within budget? A. We are within budget thanks to larger state appropriation this year. But, we are in an increasingly challenging environment.

V. Provost – B. Fischer

- A. Q. About preliminary report on admin salary analysis, request to revisit that with only the schools that were used for faculty evaluation. A. Consulting firm used the ones that had similar jobs; Provost will work with Mindy Hutchins to update. To revisit in coming AY.
- B. BEC was told by President Caboni that there will be a 2% raise pool next year, and they need to start thinking about how they want to allocate it so they can work on it at the start of next AY.
- C. Discussion of 30% increase for part-time faculty, gratitude (from committee) for that positive movement.

VI. Old Business

- A. Brief follow up discussion of report by Andrea Sherrill and Mindy Hutchins including limited costs for recruiting local talent for administrative positions (as compared to nation-wide searches for faculty, senior admin., etc.). No additional steps needed.
- B. Anthony Paganelli on BEC membership; discussion of keeping an eye on that for next year. Recommendation discussed that faculty members on BEC should have a lot of experience / institutional knowledge from being at WKU (whether tenured, tenure-track, or non-tenure-track).

VII. New Business

- A. Discussion of who might be continuing on senate and on Budget and Finance Committee; possibly four members returning for the next AY.

VIII. Motion to Adjourn: A. Paganelli (5:13 p.m.)

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Todd Stewart Slide 1

- The single year APR for a scholarship student-athlete is a maximum of four points per year. Each semester a student can earn one point for keeping NCAA eligibility and one point for staying at the university. The total number of points earned by all student-athletes in that sport for that year is the single-year score for that sport.
- The multi-year APR score for a team is calculated by combining all of those APR points for scholarship student-athletes on one team each year over the previous four completed academic years.



Todd Stewart Slide 2

Sport	APR Multiyear Rate (# of SA)	APR 2021-22 (# of SA)
Baseball	969 (117)	980 (29)
Men's Basketball	971 (50)	952 (13)
Men's Cross Country	940 (15)	1,000 (4)
Football	969 (382)	989 (97)
Men's Golf	985 (35)	1,000 (9)
Men's Track & Field	969 (61)	1,000 (14)
Women's Basketball	969 (52)	1,000 (12)
Women's Cross Country	1,000 (15)	1,000 (4)
Women's Golf	1,000 (30)	1,000 (6)
Softball	986 (78)	1,000 (17)
Women's Soccer	997 (104)	1,000 (29)
Women's Tennis	983 (33)	1,000 (9)
Women's Track & Field	985 (58)	1,000 (17)
Volleyball	995 (51)	1,000 (15)



Student-Athlete Graduation Success Rate: 87%

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Todd Stewart Slide 3



Todd Stewart Slide 4

