

Report for the Budget & Finance Committee Meeting of Nov. 9, 2023

The Budget & Finance Committee met once in November (11/09/2023).

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

Attendees:

Eric Kondratieff, Chair (PCAL)
John Erickson (GFCB)
Jeremy Maddox (OCSE)
Kurt Neelly (At-Large)
Julie Shadoan (PCAL)
Tanner Blood (SGA)
Faculty Regent Shane Spiller (non-voting)
Provost R. "Bud" Fischer (non-voting)

Guests

Absent:

Ben Dinan (At-Large)
Martha Day (CEBS)
Daniel Boamah (CHHS)
Sean Kinder (Libraries)

Positions currently unfilled:

Alternates for CEBS, GFCB, PCAL, SGA

2. Chair Report – E. Kondratieff

- a) Minutes from 10/05/2023 meeting – approved

3. New Business:

- a) Kondratieff asked for a committee member to volunteer to take minutes; Neelly agreed to take notes on a trial basis.
- b) Brief informal discussion re: WKU Herald article: "Who's Paid the Most at WKU?" and followup editorial.
- c) Spiller and Kondratieff have been working on getting Susan Howarth to meet with Budget and Finance committee. Prior commitments (e.g., B.O.R. meeting, etc.) require that her visit be pushed back to January meeting in 2024.

4. Old Business: N/A

5. Report from Faculty Regent – Shane Spiller

- a) Reviewed recent October Board of Regents Committee meetings and recent budget overspending. He emphasized that the budget and external audit report discussed in October will again be presented and acted upon at the December Board of Regents meeting.
- b) Mentioned comments heard concerning President Caboni's statement to the Faculty Senate that they would not understand the budget; Spiller reiterated that the Budget is indeed extremely complex.
- c) Additionally, he noted that he has heard and been questioned about the groundbreaking for the new field house / athletic complex; he discussed how WKU has restructured some bonds and is working on its Moody rating to ensure that new bonds to finance this undertaking can be issued at as favorable a rate as possible.
- d) Neelly asked Regent Spiller and Provost Fischer if administration might consider a refresher for faculty about how some aspects of the RAMP model implementation impacts academic units.
 - i) Regent Spiller agreed that clarification to units about what the incentives are for faculty to go above and beyond to help their units succeed.
 - ii) Provost Fischer agreed that it would be beneficial to provide updates to faculty since the RAMP rollout has taken 5+ years since it was initially explained to WKU stakeholders. He also noted that any incentive for academic units and financial rewards would be sent to the respective Deans to distribute as they see fit.

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6. Report from Provost – Bud Fischer

- a) Informed the committee that next fiscal year budget work began this week. He also explained further the need for regular budget updates, on quarterly or even monthly basis, in conjunction with RAMP budget procedures. Provost Fischer did state the academic units in the “red” at the conclusion of the fiscal year would be expected to carry over their deficit to the next fiscal year.
- b) Also explained that Kentucky university presidents and provosts have been pressing Aaron Thompson, President of the Council on Post-Secondary Education (CPE) the need to set aside the annual tuition increase cap of 3%, which is unsustainable due to the current rates of inflation (hovering around 9%). Additionally, university and college administrators are organizing to lobby KY state legislature for an increases in base funding models.

7. Open Discussion

- a) Neelly: brief report on the recent HelioCampus presentation to the WKU Budget Executive Committee at its October meeting. HelioCampus presented benchmarking budget and spending data for a few universities that were designated as peer / benchmark institutions for WKU; however Neelly and Provost Fischer agreed that the universities utilized for these comparisons were in most cases not nearly similar enough to WKU to count as benchmarks. Administration did make requests to Heliocampus to choose more appropriate universities for comparison purposes.
- b) Kondratieff: suggested that Provost Fischer inquire with Mercer Consulting, whom WKU has recently hired to replace Segal Consulting for such matters as health cost projections, etc. The Budget and Finance Committee will follow up with the Provost at the November meeting to see if HelioCampus and/or Mercer can and will provide data more benchmark institutions that more closely match WKU’s profile (i.e., R3 regional state university).

8. Meeting adjourned (4:35 pm).