

REPORT for the Budget & Finance Committee Meeting of Feb. 6, 2025

The Budget & Finance Committee last met on Jan. 9, 2025.

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

Attending Committee Members (Voting):

Eric Kondratieff, Chair (PCAL, History)
Daniel Boamah (CHHS, Social Work)
Greg Ellis-Griffith (At-large, CHHS, Public Health)
Sean Kinder (Libraries)
Blair Thomas (At-Large, PCAL)
Jeremy Maddox (OCSE, Chemistry)
Kurt Neelly (At-Large, CHHS, Physical Therapy)
Jim Lindsey (GFCB, Alt. for J. Erickson, GFCB, AIS)

Attending Committee Members (Ex-Officio)

Shane Spiller (Faculty Regent)
Bud Fischer (Provost)

Guest Speaker:

Dr. Corinne Murphy, Dean CEBS

Absent:

John Erickson, GFCB (on leave)

Positions currently unfilled:

CEBS and SGA; Alternates for CEBS, PCAL, SGA

2. Chair Report – E. Kondratieff

A. Minutes from 01/09/2025 meeting – approved.

3. New Business: Guest Speaker Corinne Murphy, Dean of CEBS (3:45-5:15 pm)

- I. **Intro remarks:** Dean Murphy came to WKU from West Chester University (a regional comprehensive R2) in 2018, recruited by alumni due to connections between her work in Special Ed. Autism and what was needed at WKU. As Dean of CEBS, she is passionate about budgeting as it “allows us to make mission, and mission for us is preparing educators and future community leaders...”
- II. **Presentation/Discussion** (using slides presented to CEBS faculty and staff)
 - a. **Centralized budgeting at WCU** required multiple levels of approval—which meant rarely getting lines in her dept. despite growing enrollments.
 - b. **RAMP Model at WKU** (or “responsibility centered management”) provided an opportunity to “establish a culture of education and budget within [CEBS].”
 - c. **CEBS embraces multiple academic enterprises and service units.** Some are “very staff heavy” and “support students and faculty [in CEBS] as well as staff within the university.” Among these are the counseling center and services for military students and veterans within the college; also, the head start program, the childcare program, and the autism unit at the Clinical Education complex, etc.
 - d. **¹QUESTIONS from B&F Committee on Faculty Participation in Budgeting Process:**
 - President Caboni and Provost Fischer frequently tell faculty they should approach their Deans with questions and concerns about their college’s budget and strategic allocation of resources. *What process would you suggest that faculty could implement and participate in that would be both constructive and reflective of shared governance?*
 - The budget process is ongoing and we get updates on that from the Provost; yet faculty know nothing concrete until the budget is presented as complete. *How can faculty have input into a process that is both mostly secret and then only reports out?*
 - e. **²RESPONSE: Discussion of CEBS’s participatory budgeting process** that includes faculty and staff in discussions to determine CEBS funding priorities, resources available to allocate, etc.
 - i. **Informal process:** Dean Murphy frequently observes CEBS faculty and staff at work “to see what’s happening and where we need to make sure we have resources to help people be successful in their work.”

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² Some discussion points have been rearranged so related topics will appear together.

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- ii. **Formal processes:** To “provide and intentional opportunity to participate in budget conversations,” Dean Murphy communicates with faculty and staff in multiple venues:
1. **College Happenings — quarterly college-wide meetings:** Updates provided on progress made or challenges to meet in the current budget year; also discussed are “opportunities we might forecast into the next budget cycle” (usually in the April meeting).
 2. **24-7 Access to college budget information:** CEBS provides “24/7 access to the college budget information... [including] all of the slides and all of those documents [presented in College Happenings] we actually keep on ... the college shared drive... all tenure track faculty, and our administrative staff have access to that information...” Also noted: Faculty mentors frequently access previous budget documents to help first-year faculty get up to speed on college budget.
 3. **Department leadership meetings:** To keep dept. heads up to date on budget issues, etc.
 4. **Department visits every semester:** To talk through budget, travel and professional development funding needs, etc., with the entire dept. on hand.
 5. **1:1 Faculty & Staff Consultation:** Faculty and staff can schedule individual meetings with the Dean anytime to discuss and strategize funding needs.
 6. **Open office hours:** Dean Murphy holds open office hours every Friday (open to non-CEBS folks as well) and keeps a copy of the University Budget on her office wall for consultation with any who are interested in visiting to discuss budgeting, or who might want to know what opportunities for growth exist under the RAMP model.
 7. **Participation through Anonymous Surveys on spending priorities:** Each year CEBS faculty and staff are asked to indicate how ongoing budget items should be prioritized, areas that need additional or new funding, and then to rank / weight the options, then aggregate the data to determine strategic spending in the next Fiscal Year:
 - Approx. 10-12% of the CEBS budget is available for strategic investment; the rest is largely fixed.
 - Survey participation for CEBS faculty has increased from 50% in 2018/19 to 70-75%.
 - **Budget Priorities for FY25 as determined by the faculty (and staff) survey** (things to continue if at all possible based on fund availability):
 - 1) CEBS Computer Renewal Program
 - 2) 1st Generation Peer Mentoring Program
 - 3) Faculty And Staff Professional Development
 - 4) Competitive Graduate Assistantships (to retain Grad Students)
 - 5) Competitive Student Worker Compensation
- iii. **Faculty Support 2018-2025:** CEBS faculty professional development funds rose from \$1500/year in 2018/19 to \$2200 in 2024/25; also, discussion of other funding options, e.g., FUSE grants, AI grants, and internal grant-writing assistance. How is faculty support funding managed?
1. **Direct Appeals – Funding Dependent:** CEBS admin help faculty find pathways to grant money to fund projects for which internal dollars may not be available.
 2. **Encumbrance and Reallocation - 2nd chance funds:** Faculty identify what dollars they will use in the academic year by Feb. 1st; unplanned or unused funds are then reallocated to faculty who are using more for the last part of the school year.

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f. ³QUESTION from B&F Committee on CEBS's overspending in 2023/2024:

- President Caboni reported that CEBS was among several units that overspent last year, and that these units would be required to pay back their overspend. *How has CEBS corrected any issues, and what does repayment look like in its case?*

g. RESPONSE / DISCUSSION

i. **APPARENT Overspend was \$534,243**, but a good portion of it was not an overspend but a “negative variance”:

1. CEBS in fact underspent most of its budget (spread sheet presented; Provost Fischer agreed)
2. There were challenges in transferring some units into the new budget program
3. Some CEBS partnerships generate revenue other than tuition; some of the revenues from these partnerships were maintained centrally instead of attributed properly to CEBS (in short: booked in the wrong category for the accounting year, making CEBS look as if its expenditures for those partnerships exceeded revenues when they in fact did not)
4. **Provost Fischer** noted that this was a simple accounting oversight at the upper level and will be rectified.

ii. **ACTUAL Overspend** (summarized here from various parts of the discussion):

1. **Doctoral Program projected revenues** have been based on outdated historic estimates.
 - a. FY23 projected was \$1.6m, actual revenue was \$1.2m. These are now readjusted for FY25 to reflect actual revenue trends.
2. **Grow Your Own Scholarships partnership with school districts**: “the[se] revenues were booked against the university expenses against the college...”
 - a. Budgeted was \$634k, actual scholarships were \$1.3m which generated a lot of money for the university that was not attributed back to CEBS.
3. **Military and DLO partnerships** also being readjusted to more closely reflect actual revenues and expenses.
 - a. Travel budget for Military partnership was \$134k, but actual was \$220k. this expense was not fully underwritten for CEBS because “it was sitting in a different unit at the University.”
4. **Graduate Assistantships**: Even though CEBS generates more graduate credit hours than any other college except for CHHS, the allocation formula from the Grad School only allocated \$152,000 to CEBS for G.A. stipends; the allocation was not requisite, and CEBS was using revenues generated in “other programs to underwrite a \$450,000 graduate footprint.”
 - a. **Solution**: currently “working across colleges to find a more equitable way to distribute those graduate assistant dollars so that it recognizes the effort that it takes to get graduate students to campus, but without trying to undermine any one program. We are trying to be good stewards of the total university as opposed to putting one college over another.”
5. CEBS is currently working through all these issues with Central, but not all will be fixed this year but next year (referring to the “Grow Your Own Scholarship” program, where the expense—a dollar-matching discount offered by the university to school districts that support students at WKU—is still attributed to CEBS while the benefit accrues to the University). Dean Murphy has made that clear to her college, the Provost, and the president.
6. Dean Murphy provided a mini-preview of updated discussion points for her 6-month “College Happenings” meeting. Except for the scholarship issue noted in 3.g.ii.5, above, other areas in this year’s budget — areas

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over which CEBS has actual control — are looking very good: “we are maintaining our obligation to the university realignment of the 7.5%.”

7. NB: CEBS took a \$1m hit on the 7.5% across-the-board budget realignment and accepted it to “play well with our peers”; however, based on performance as outlined in the RAMP (responsibility centered) model, CEBS should only have experienced a \$400k realignment. Murphy continues to work with faculty to ensure there is sufficient staffing despite fewer ways to support it.

III.Q&A (Note: except where quoted questions and answers are mostly summarized)

- a. **Neelly:** “How did you calculate the amount that CEBS should have received for G.A. positions?”
- b. **Murphy:** \$450k “is the actual footprint of graduate assistance it takes to run the college” (for various graduate assistant work in labs, classrooms, etc.); “we were receiving \$150k of that footprint from Graduate Studies; the remainder” (\$300k) was being underwritten by “things like contract work that we had with the military course.”
- c. **Ellis-Griffith:** CEBS faculty have 24/7 access to the budget. Does it have all the information that you here?
- d. **Murphy:** Yes, the entire PowerPoint used in our College Happenings meetings, and a recording of the meeting.
- e. **Maddox:** “How do you adjust your allocations based on feedback from your faculty?”
- f. **Murphy:** One year we only increased Faculty and Staff PD funds by \$100 and allocated more to graduate assistantships and student worker compensation to ensure less disruption in faculty work thanks to graduate assistant and student worker retention. CEBS was able to increase the number of Grad Assistants as well as increasing the graduate stipends to be more competitive. I would also like to increase annual PD funds to \$2500 each.
- g. **Maddox:** “What percentage of faculty use the entirety of their allocated funds?”
- h. **Murphy:** I do not have the exact number, but approximately 10-15% of the total allocation will be reallocated.
- i. **Ellis-Griffith:** Have you modeled the impact on CEBS of different percentages of the military contract dollars being reallocated back to the college?
- j. **Murphy:** “The participation fee for the university that’s baked into the responsibility centered management addresses the revenues on those programs.” If CEBS gets 100% of the contract and is paying 100% of the expenses it expects 100% of the revenues and will pay the 13% participation fee. If WKU only gives back 50% or 75% of the revenues, “they’ve already taken a tax, and they don’t get to tax it twice” (WKU must stick with its RAMP model).
- k. **Fischer:** We have moved all amounts, full amounts, out to the colleges (re RAMP functions)
- l. **Neelly:** “Under the RAMP model, what is the incentive for a dept. or unit to go above and beyond when the process is to then reward the Dean who can do whatever they want with that revenue? There does not seem to be any incentive to try to cut costs... recruit more students, because that just makes more work ... within the department.”
- m. **Fischer:** “Well, I would hope, if the Dean is doing their job and strategically moving forward, that they would then be allocating the additional funds that come associated with tuition and all the other areas to the areas that are growing and not the areas that are not growing.... That why I think, as they have been told, that they must show you a couple times a year. Those are the kinds of questions that need to be asked of them, because this model, as set up, is strategically designed to ultimately ... reward or incentivize winners, and ask people who are struggling to figure out how to move forward.”
- n. **Murphy** noted that recent Dean searches have included vetting along the lines of Kurt’s question; also, that in CEBS she talks with faculty about enrollment, staffing needs, and what needs doing to grow. Murphy expects faculty to provide feedback if they do not like where money is being spent, and they do; but she also listens “on the front end” of the budgeting process so that they are satisfied with how and where she allocates the CEBS funds. Murphy relies on faculty “to say what’s working and what’s not” and to tell their chairs if they do not want to bring it directly to her; just so the feedback gets where it needs to go (hence the anonymous surveys; open office hours, 24/7

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access to budget information). Further discussion of WKU's budget needing to be made whole, which makes the concept of strategically incentivizing faculty difficult to address right now (the hole in the budget when she arrived in 2018 was \$42m). (See also y., below)

- o. **NB:** Murphy was given \$250k by the Provost to spend in her college but returned it to central to satisfy part of the across-the-board "7.5% realignment" requirement.
- p. **Kondratieff:** It seems that not all Deans are as open and transparent as Dean Murphy.
- q. **Fischer:** Has asked the Deans to meet with their colleges at least twice a year to discuss what their budgets look like. If the Deans are not doing that, faculty need to tell the Provost so he can go back and hold them to it.
- r. **General discussion...**
- s. **Kondratieff:** You have already answered the first question about processes that faculty could implement and participate in for shared governance. Is there anything else you would want to add?
- t. **Murphy:** Discussion of RAMP model taking a while to learn and requiring patience.
- u. **Fischer:** Agrees that it takes time to learn the RAMP model, but it will ultimately provide stability and viability.
- v. **Kondratieff:** "You share a lot about the budget process with your people [in CEBS]. Do you also share with them the development of the next year's budget while it is ongoing? Or do you ... show them the completed model and then take feedback on that?"
- w. **Murphy:** "It's kind of in the middle..." Ensuing discussion covers
 - i. Budget variables coming available at various times of the year (e.g., state appropriations and funding performance numbers become available in April)
 - ii. Conferring with faculty and staff about changing needs / priorities
 - 1. Asking them what they need to do their jobs, then figuring out sourcing for funds (including grants, etc.) some time in Jan. – March.
 - iii. Discussions with the Provost re: subventions for anticipated expenses, etc.
- x. **Kondratieff:** Are there any other things you would like to comment on?
- y. **Murphy** on the question B&F asked about Merit Pay (the following is mostly paraphrased)
 - i. Not attempting to represent all five Deans... Last time a merit pool came up (4%) — after many years of no raises and no merit increases — it was mass chaos. There was little time to prep, we were told to split the pool and departments instructed to build a formula that went back up the chain to the Deans and Provost.
 - ii. "Bud's been trying to make sure that each department is working through the structure that is necessary for us to fairly evaluate a merit-based situation, and we are getting there. But are we at 100%? Not quite."
 - iii. Murphy also notes that the processes developed to distinguish levels of performance on the faculty side (at various ranks, etc.) have not been mirrored on the staff side; thus, it is not currently possible to fairly implement merit raises for both faculty and staff. Also, WKU needs more available dollars for merit pay to work.
 - iv. **Murphy** and **Fischer** agree a 5-7% pool would be required to provide COLA raises as well as merit Increases.
 - v. With all the external pressures on budget [e.g., rising energy costs, large, fixed costs, variable tuition revenues, and relatively flat state appropriations] it is going to be difficult to manage simultaneous conversations about merit, cost-of-living, and healthcare. The work of the BEC is crucial, as is that of the Benefits Committee and HR to manage costs as an institution.
- z. **Kondratieff:** Any other questions from committee members?

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- aa. **Neelly:** “Each of our colleges function differently and that presents tremendous challenges when faculty across the campus hear that a unit or college doing things differently than in their own unit or college. You (Dean Murphy) have been increasing PD funds for your faculty while ours are being cut every year. Those kinds of differences are extremely disturbing and they add to a tremendous amount of discontent among faculty [and staff]. I would like to see some unification on certain factors and procedures, some uniformity, or at least similarity.... the different ways things are functioning [in different colleges / units] don’t lead to anybody being happy.”
- bb. **Murphy:** Can appreciate the desire for a continuum of sameness, but notes that would also pose challenges, as CEBS’ faster growth rate things it can do are a result of having some independence from the other colleges.
- cc. **Fischer:** “Every college is at a different stage” of growth and budget priorities are different depending on the stage a college is at. Trying to force even a similar model on each would not work well. “That is why I think asking the college [faculty and staff]... what are your priorities, and then trying to fit the budget to that model is what Deans should be looking at strategically.” Also, different groups will have different needs; RAMP provides that flexibility.
- dd. **Murphy** on additional sources of external funding through philanthropy and partnerships, etc.
- ee. **Kondratieff:** In some colleges faculty feel like they have zero input on the budget except, perhaps, through their chairs; it would be good for faculty morale to at least have some input, and then to see that input realized in concrete terms through rearranged budget priorities. How about putting on a Dean Development Seminar, or Master Class in Deanship to share some of the participatory elements of your budget-building process?
- ff. **Fischer:** “I would say that we’ve had those kinds of conversations as a group.” ... and other conversations about how to succeed and to generate revenues within the model, e.g., through strategic offering of classes in Summer Sessions as that is the money that goes directly to the colleges.
- gg. **Kondratieff:** My interest is in implementation of a healthy, interactive, thriving culture like CEBS’s in other colleges.
- hh. **Murphy** notes that the culture of CEBS has been 7 years in the making and is very different from when she arrived. People were used to being told what was going to happen, so she had to shake things up to get them to talk, provide input, and participate. The other “Deans have good intentions and... want cultures where people feel like they are heard and consulted, and part of the process... Bud and I are happy to be helpful in that.” She also mentioned that anyone is welcome to come talk to her during her open office hours on Fridays.
- ii. **Kondratieff** (after additional comments) Thanks to Corinne for an impressively illuminating presentation.

5) Faculty Regent – Shane Spiller 5:15-5:19 PM

- a. BoR committee and quarterly meetings coming up within the next week. Has seen but not digested the Finance and Budget documents.
- b. BoR to look at NCAA Compliance audit; they are not financial numbers but calculations based on the NCAA model for looking at things, which can cause confusion (as seen in a couple of Herald articles last year)
- c. BoR to look at Second Quarter numbers as well; Spiller to meet with Susan Howarth and her staff.

6) Provost Bud Fischer: 5:19-5:23 PM

- a. Budget work on 2026 budget has begun; Axiom is up and running.
- b. Still tweaking RAMP model (example: CEBS negative variance discussed above)

7) Open Discussion N/A

Jim Lindsey suggests we invite Academic Director Todd Stewart to meet with the Faculty Senate for Q&A

8) Motion to adjourn: J. Maddox; adjourned @ 5:23.