

Report for the Budget & Finance Committee Meeting of Mar. 6, 2025

The Budget & Finance Committee last met on Feb. 6, 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)
[Not Present: Bud Fischer (Provost)]

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 02/06/2025 meeting – approved.
- B. Discussion of B&FC Chair's attendance at Faculty Welfare Committee meeting of 2/21 to present information prepared by Eric Reed on current state of WKU faculty salaries a pathway forward. Faculty Welfare was asked to consider providing a position statement (in conjunction with the B&FC) on the following issues:
- A salary increase (or lack of thereof)
 - The importance of a COLA.
 - Internal salary equity
 - External salary equity
 - Merit pay
 - Recruiting Ph.D. program salaried faculty
 - Consultant-led compensation
 - Strategic initiatives
 - VSIP

Further discussion with Faculty Welfare focused on the need to update the data presented as much as possible and to revisit the benchmark schools used for previous salary studies (faculty, staff, admin) as some are seen as not properly comparable (which may skew the data unfavorably for WKU). The committee ultimately decided that they wanted to spend more time reviewing new data when provided, as well as questions of what else the University might do to ensure faculty feel valued before deciding on a course of action, which must in any case be "solution-based" above all else (Note: the follow up meeting was held on 3/14, and Eric Kondratieff for B&FC and Eric Reed were both in attendance):

Data presented for consideration came from the following sources:

- PEDS data: <https://nces.ed.gov/ipeds/use-the-data>
- AAUP: <https://data.aaup.org/ipeds-ft-faculty-salaries/> (same IPEDS data plus their annual compensation survey, and nice visualization tools)
- WKU Salaries and Budget: <https://www.wku.edu/strategyopfin/budget/>
- WKU Benchmarks: <https://www.wku.edu/instres/benchmark.php>

3. New Business (3:55-4:50 pm)

- A. Continuation of topic from Chair's report: The foregoing discussed among B&FC members along with previous small equity adjustments of which Staff has had two market equity adjustments while some faculty have had one. Also, the use of one set of benchmark schools on the WKU website and different sets for salary studies of faculty and admin.

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- B. It was noted that President Caboni's salary was set at the 50th percentile of the presidents at other Kentucky institutions (including EKV, NKU, KSU, Murray, Morehead, UK and UofL) and comparable benchmark schools (10 C-USA schools [some of which have since changed] and 10 published benchmarks) to put his pay "in the middle of the pack." As such, it was suggested that WKU faculty salaries should be likewise situated in a similar model with the aim of hitting the median (which would result in a substantial raise in all categories as opposed to being at or near the bottom of all our benchmarks) as opposed to 90% of the median or 90% of the average, etc., etc.
- C. Maddox: Do the benchmark differences reflect cost of living differences. For instance, do NKU's substantially higher wages reflect a higher cost of living in Covington KY (greater Cincinnati area)? (post-meeting lookup indicates that Bowling Green's cost of living is 1% HIGHER than Covington's: <https://www.forbes.com/advisor/mortgages/real-estate/cost-of-living-calculator/bowling-green-ky/?city=covington-ky&income=60000>)
- D. Boamah: We are not comparing faculty directly to administrators but should have salaries based on a similar model; if it is good enough for President Caboni, it should be good enough for faculty.
- E. Spiller and Kondratieff: Both noted that C-USA schools being as far-flung as they are now compared to the conference members 8-9 years ago, such a comparison might not be useful. Ultimately, the point is to have a comparable model for faculty salaries.
- F. General discussion of whether such an ask is "reality" and what is it that can be done, and where would the money come from.
- G. Kondratieff: We recognize that a) WKU has put a generous amount of permanent resources toward the rising costs of healthcare (paying approx. — is now paying 85% of premiums as opposed to the historic 70%, while also tasking the Benefits Committee with continually working toward cost-saving measures— ; b) there is no hidden pot of gold, no cash reserves, and a limit by CPE on how much tuition can be raised per annum (2%-3%); but c) WKU is also providing several millions in scholarships, some of which might need to be clawed back. Also, silence indicates complacency, so if faculty say nothing or make no position statement that Admin needs to make solving the salary problem a priority, then no progress will be made. It is also important to remember the long-term compounding effects of salary levels, not only on one's ability to pay bills in the future, but also to set aside money toward retirement.
- H. Neely suggests we get Renaldo or Susan to come to Senate and show us the "red numbers" of the deficit; they are getting smaller, but still there, and the state is not increasing appropriations.
- I. Maddox notes that comparative salaries do not tell the whole story, as local cost of living or total compensation levels (retirement, health benefits, etc.) may be different. We may be getting more in some areas where faculty in other schools is getting less. It is thus unclear whether the 50th percentile goal suggested earlier "holds water."
- J. Kondratieff notes that, historically, while WKU has been on the upper end of health care premium contributions per employee compared to other Kentucky institutions, Bowling Green has relatively high housing costs and local taxes (property and city wage taxes) which balances out that advantage.
- K. Additional group discussion over the problems of increasing class size, diminishing staff support, and the aspirational goal of R2 status.
- L. The committee discussed perhaps supporting an "advisory statement" on salaries with a firm objective in mind.
- M. Boamah points out that the minimum we can do (as a committee) is to raise awareness of the issues (across the board) and support the idea of an advisory statement (at the very least) on behalf of the people we represent.
- N. Maddox: There are many different facets of problems in faculty compensation; there should be some prioritization and consensus about where to put whatever limited resources we might get toward faculty compensation.
- O. Spiller: The president is to be commended for putting so much toward benefits and keeping them "affordable for the whole campus population, because there is a wide range of staff here at various pay levels...."

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4. Faculty Regent – Shane Spiller 4:50-5:00 PM

- A. BoR met, lots of budget stuff and report from External Auditors.
- B. BoR received the NCAA Compliance audit which includes not financial numbers that reflect the reality of Athletics' spending, but calculations based on the NCAA model for looking at things, which can cause confusion (as seen in Herald articles that came out). NCAA version of "costs" is based on a calculation of Athletics' "footprint" at WKU: square footage of spaces used by Athletics to which NCAA assigns a "cost" and then "bills" to WKU as "indirect support." This includes Diddle Arena, which is ALSO used by ROTC (for instance) and the rest of campus for various events, etc. yet that is not accounted for, just Athletics' use. In sum, the compliance audit only means to ensure that these calculations were done according to NCAA guidelines, not to ascertain the actual dollars spent each year on Athletics. The actual Athletics budget is reflected in the numbers presented to our committee by Todd Stewart in our January meeting (for which see report posted on Senate website). Spiller met with Renaldo Domoney, Susan Howarth, and the CFO of Athletics to ascertain the nature of the different sets of numbers and to confirm that WKU did not in fact supplement Athletics by \$28m in actual dollars. There is a lot charged to Athletics that is not in fact Athletics.

6) Provost Bud Fischer: Not present

7) Open Discussion N/A

8) Motion to adjourn: G. Ellis-Griffith; adjourned @ 5:05 p.m.