

FACULTY SENATE BUDGET COMMITTEE MEETING - MINUTES

September 18, 2024

Zoom, 3:15 p.m.

Attendance: Members Present: Ryan Alverson, Janel Bloch, Nick Brummer, Dick Durtsche, Irene Encarnacion, Chad Greenfield, Jack Harrison, Lynissa Hillman, Kevin Jiang, Jennifer Kaiser, Edward Kwon, Scott Nutter, Jeff Smith. **Members Absent:** David Agard, Majed Dabdoub, Corrie Danieleley, John Farrar, Carrie Hipple, Merle Heckman, Karen Tapp. **Guests:** Chris Calvert, Vickie Cooper, Diana McGill, Chad Ogle, Ryan Padgett

The meeting began at 3:17 p.m.

The minutes of the May 8, 2024, meeting were approved.

Chair's Report

Chair Janel Bloch announced that a secretary for the committee is needed, so anyone interested should volunteer. To orient new members, Janel pointed out key features of the committee's Canvas site, including links to salary information and previous faculty budget surveys. Janel discussed the key purposes of the Faculty Senate Budget Committee, including communicating faculty budget priorities and ensuring that they get addressed, monitoring the budget process, and acting as a liaison between members' units and the administration; several guests typically attend each meeting, including the CFO; the Provost; the Assoc. Vice Provost for Academic Affairs, Budget and Operations; and the Assoc. Provost for Strategic Enrollment Planning and Student Success.

Janel stated that this year the committee will review some NKU compensation-relation policies that are in need of periodic review, such as the Faculty Summer/Winter Compensation policy, the Faculty Extra Compensation policy, and the Tuition Waiver policy, which will be reviewed in conjunction with the Faculty Senate Benefits Committee and Staff Congress.

Introductions

Members of the committee introduced themselves and mentioned several budget-related issues impacting their units, including hiring new faculty (especially in units that have not lost enrollment at the same rate as faculty), limited budget for part-time/temporary faculty, and construction/renovation issues. Raises and the lack of salaries keeping up with the cost of living continue to be an important concern.

Updates on NKU Budget, State Budget, and Other Issues

The most recent Board of Regents meeting included a financial update; the slides are posted on the Canvas site. CFO Chris Calvert explained that this is the second year of a biennial budget. When the Kentucky General Assembly meets in the spring, budget-wise, it will be addressing the performance funding aspect only. The NKU budget is done on an annual basis, so that process will be starting shortly. Longer-term planning projections will be done as well, which is something that NKU has not historically done.

Ryan Padgett gave a brief update on enrollment, which was also reported on in the recent Board of Regents meeting. Currently, there still appears to be a small increase in FTE and headcount for the semester. Final numbers will be available at the end of October.

There was discussion about the faculty/staff Rec Center fee and how much money has been generated by it. It was stated that total number of visits went down by about half, and the revenue generated by the fees from faculty/staff members is about \$60K. The average number of visits per person went from 22 (2022-23) to 26 (2023-24). The argument was made that faculty/staff previously had free use of the rec center, which helped compensate for the lack of salary increases, and now there are still no salary increases, yet the rec center is no longer free. Provost McGill pointed out that \$60K might not seem like much, but it funds a faculty member (at least one with a low salary such as in communication, English, history, philosophy). It was pointed out that perhaps the \$60K could be cut from elsewhere other than faculty.

A committee member raised the issue of the loss of full-time faculty positions in a unit that really has not shrunk and asked whether it will be possible to get back to hiring where it is needed. Provost McGill indicated that the deans have prioritized needs and identified over \$3million worth of requests for new positions and there are \$1.7 million to put towards these positions and rebuilding instructional equipment funds, which were cut to meet targets last year. So there are 18 base-funded full-time positions and 3 other full-time positions that will come from other sources of income. The deans will need to prioritize which positions to search.

There was also some discussion of the new tuition plan and whether it is going to amount to a discount to students and thus a revenue loss for the university. CFO Chris Calvert explained that the EDGE scholarship is being eliminated for new students to simplify the tuition structure. If the student population stayed the same, then revenue would remain the same. The hope is that this new fee structure will attract more students. Provost Diana McGill explained that a lot of work went into determining this plan, including modelling and calculations. So if 250 new Ohio students (say, from Cleveland) come that would not have come before, that is new revenue, even if the tuition is less than what they would have paid before. The hope is that it will increase revenue, e.g., attract more students from Indiana, which right now has few students attending. NKU is also excited about the direct admit, so the direct admit in combination with the simplified tuition could result in higher revenue. It was also clarified that students coming in with dual credit are treated like first-time, full-time students because they are classified as non-degree seeking as high school students. The objective was for the cost under this new plan to be about the same as what students are paying now with the EDGE scholarship. Marcom has been communicating this to current students. Graduate tuition rates are different, vary by program, and are reviewed each budget cycle.

Other Issues

- Chair Janel Bloch requested volunteers to begin looking at the Faculty Summer/Winter Compensation policy for discussion in the next meeting. Issues with it might be its inconsistent application and limiting courses to one per faculty member or prioritizing those with lower salaries. The previous policy had a system for reducing salaries based on enrollment and the current policy specifically states that should not be done. It was pointed out that deans are told to pay for summer out of the part-time faculty budget. So one recommendation might be that the summer school budget should be a separate budget from the part-time faculty budget and also that revenues generated come back to units in some way. It should also be considered how summer school contributes to performance metrics.
- Additionally, in an upcoming meeting, we will review this Committee's bylaws to see if anything should be modified or added recording meetings or anything else.
- Another issue mentioned was reviewing the policies and process for the allocation of indirect costs, e.g., compliance audit.

The meeting concluded at 4:20 p.m.