

## **Fiscal/Economic/Political Environment Workgroup February 15 Minutes**

**Meeting began in SU 109 at 1:06 p.m.**

**Members Present: Ken Kline (Facilitator), Charles Brown (Strategic Planning Committee Liaison), Natasha Dempsey, Russ Kerdolff, Mary Paula Schuh (Strategic Planning Committee Liaison), Sue Hodges Moore, Gary Clayton, Sara Kelley, Kristi Haik, Joe Wind (Writer), Erik Pederson, Eric Brose (Recorder)**

**Federal/Fiscal Economic Issues – Ken did not receive a write-up report on February 13.**

### **Discussion:**

Leah will update on fed financial aid. What we know is that academic progress tied to Pell eligibility started last year. It ties into preparedness. Federal funding is a priority from Pres. Obama, but there isn't funding for it. Sparse federal contracts and we'll see decreases, except for STEM disciplines. 5.3% decrease on average for non-defense. Federal grants/projects = \$7 mill annually at NKU. Indirect = \$600,000. It's a small slice of the overall \$200+mill budget. Quadrupling our grants won't solve our budget problems. There are faculty members that stopped writing grants because of how to spend the monies once the grant is approved. We saw \$2 mill decline in earmarks in the past year. It is increasingly difficult to deal with internal regulations to expend grant dollars. However, these regulations are, in fact, external regulations set by agencies and they are becoming more burdensome for the university.

Can we do better for opportunities? Yes. There will be grants, but we need to pick areas that we feel we have capacity. Our picks should match our regional potential. We're a transport hub, but we don't have a transport/informatics program. We could then be in the Transport. Cabinet's pool of potential applicants. We can't be research intensive, but we can look at areas for research projects and grants. We need to add people that can return on these investments. We need to go after some of the bigger names in Informatics and Tech and we need to have the appropriate resources to do so.

### **State issues, laws, regulations, and mandates/trends**

#### Possible changes to KEES and CAP funding:

The funding for KEES and Cap will likely increase as the revenue from the lottery continues to increase. NKU students will likely continue to receive their current share of funding. However, the slow increase in the lottery revenue growth will not allow for fully funded needs based programs. In 2011, 84,000 students, or 62% of eligible applicants for needs based programs were denied assistance due to lack of funding. *Source: The Affordability Crunch in Kentucky, Nov. 2, 2011*

### Adult learning at NKU:

Online enrollment continues to grow at double-digit rates, increasing from 2,100 in 2007 to 7,800 in 2012. Of the 1,100 students attending NKU through fully online programs, 90% are over 24 years old and older, 64% are over 30 years old. Over 75% of online students are female. 65% of online students are from Kentucky, 27% are from Ohio.

Tuition rates: Tuition rates and year-to-year increases are commiserate with other Kentucky universities<sup>i</sup>. Significantly cheaper than UK and U of L, NKU's tuition falls between WKU and EKU. There has been no change in the way that tuition rate increases are set (see \_\_\_\_\_). Most attempts to address tuition costs (i.e. \$10,000 degree) focus on changes in financial aid packages.

Graduation and retention rates: The US Department of Education defines the standard cohort of entering students as 'full-time, degree-seeking undergraduates who enroll for the first time in the fall semester' (referred to as 'IPEDS'). This narrow definition necessarily excludes from NKU data many students who ultimately graduate from NKU or transfer and graduate from another KY institution. It is important to keep this limitation in mind when interpreting data.

Prior to Fall 2012, NKU admitted entering students with two or more deficiencies (considered not college ready) into its baccalaureate programs, therefore they were included in IPEDS reporting. As of Fall 2012, NKU is following the lead of some KY comprehensives and admitting those students into its associate programs, thus removing them from IPEDS reporting. Currently retention and graduation rates at NKU are statistically lower<sup>ii</sup> than some KY comprehensives but this data collection modification may improve those retention and graduation rates.

Beginning in Fall 2013, admitted students with deficiencies will participate in a mandatory new initiative which provides intensive wrap-around services to assist those students in becoming college ready and completing a degree. These services incorporate the work of Norse advising, Academic Affairs, and the Pathfinder program.

Institutional research has recently made data on student subpopulations available to Academic Affairs for analysis and follow-up. As a result, beginning in Spring 2013, Academic Affairs initiated a calling campaign where all Fall 2012 entering students who do not continue in Spring 2013 will be contacted and interviewed as to their reason(s) for not returning. Academic Affairs will gather and aggregate this data to improve retention and graduation rates.

Given the institution of the Student Success Center, Pathfinder, the calling campaign, and other initiatives; NKU has committed to the goal of increasing retention rates by 2% over the next 3 years.

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<sup>i</sup> [http://cpe.ky.gov/NR/rdonlyres/38C9B1BB-1CA5-4379-AA1C-2015B3B9347D/0/Tuition\\_History\\_1987\\_2010.pdf](http://cpe.ky.gov/NR/rdonlyres/38C9B1BB-1CA5-4379-AA1C-2015B3B9347D/0/Tuition_History_1987_2010.pdf)

<sup>ii</sup> <http://cpe.ky.gov/info/retention/index.htm> and <http://ppb.nku.edu/ir/index.php>

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## Discussion:

(Cap grant has not kept up with funding. KEES has been stable. Push down to secondary students taking dual credit courses. Are they free or not? Rates range from \$150-200/credit. Free if it's a secondary teacher instructing, but not if it's a college instructor. School is charged, not the student. Numbers have jumped. There are eligibility requirements per term and by school for the student. Schools generally pay and, to some extent, the student. Thomas More College is also doing this along with Morehead and NKU. Morehead is recovering costs through administrative fees. KCTCS went down 10% enrollment and that is related to increased dual credit numbers. This also links to common course transferability.

For KEES eligible students with 2 years of credits, what happens to revenue available the last two years of college with those credits? What is the best way to utilize the funds? Morehead is matching KEES awards. It's big for students, but credit struggle for Morehead. It's weak financially and trying to get students. We should follow up on students to see their progression. We need to be careful about fishing for bodies or we're looking at a future high drop-out rate. Are they making good grades before enrolling and once they're here? We're still enrolling students with 2 or more deficiencies. Academic affairs are contacting former students to see why they haven't returned. Who we admit and how we report. Non-finishers – waste of taxpayer dollars and do we have a role in that by admitting those that aren't at first successful? Shouldn't a larger number go to community colleges? Are they not ready coming from Gateway? The KCTCS GPA has been re-worked so students can get academic assistance earlier and aren't on probation as early. Look at high school classes that are supposedly comparable. Standards – Math ACT 25 for BIO 150 success, true in CHE as well and BUS. Degrees are now more important than enrollments.

We need more adults. Adult women will more likely get the A or B. Traditional students may not have as high a grade. Online seems to be the discussion. It's assumed that online has been more attractive to adults. State metrics are to increase adult enrollment. Instructional designers needed to design the technology for the class. Blackboard is not online education; we cannot consider it for that. We need portals designed by online experts for learning. Fraud and cheating are more predominant. Online needs profusion of cash. MOOCs beat out NKU creating more online classes. Bring in students physically for exams in online classes. What if they're not in-state or local? Nursing has them come in on a set weekend as a requirement. We cannot handle over 50 students in an online class. Consider methods to effectively utilize teaching assistants in online classes. We have a testing center, but it may not be consistently used. Larger groups served on weekends for a test. It needs to be coordinated for space during the week. Have we examined benchmarks for best practices and to answer some of our issues? Vicki Berling has come to the College of Arts & Sciences – her staff is looking into these practices, but it's slow. We want to expand.)

More need based aid shifting to institution; state aid is on the decline. Legislation is in committee to examine funding for tuition. No legislative directive to control tuition, though there are recommendations.

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**Meeting adjourned at 1:50 p.m.**

**Please email write-up reports to Ken (klinek1@nku.edu).**

**Write-up reports due: Federal fiscal/economic issues**

**State fiscal/economic issues/trends on February 20**

**CPE rules and regulations/Statewide Coordinating/Governing Board trends  
on February 20**

**Next Meeting is Friday, February 22, 2 – 3 p.m. in SU 105.**