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# Memorandum

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**Date:** November 28, 2018  
**Subject:** “Three boxes” recommendations from spring 2018 faculty budget priorities survey  
**To:** President Vaidya and the Strategic Framework Core Team  
**Cc:** [President’s Cabinet](#) [Sue Ott Rowlands \(Provost\)](#), [Mike Hales \(Chief Fi](#)  
**From:** Faculty Senate Budget Committee

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The Northern Kentucky University Faculty Senate Budget Committee developed and conducted a faculty budget priorities survey in Spring 2018 in response to the impact of decreasing state funding, increasing fixed costs, declining enrollments, and great uncertainty regarding the state pension crisis (KERS) on Northern Kentucky University’s budget. The survey was conducted to provide input into the budgeting process for fiscal year 2019 (FY 19) and beyond. There were 277 completed responses to the survey.

We have previously provided you with a copy of a detailed report of this survey. To provide input into the proposed three-year university strategic framework beginning FY 19, below is a brief discussion of some of the recommendations from this report based on Vijay Govindarajan’s Three Box Solution. These recommendations also note implications for the immediate issues of recruitment, retention, and marketing.

## Managing the Present (Box 1)

Investments related to academics and student support should be maintained; these include undergraduate program breadth, faculty positions, and resources devoted to student enrollment, both faculty and student retention, and student financial aid.

Budgetary allocations for faculty positions, including non-tenure track temporary and renewable faculty and undergraduate programs should remain a priority because faculty have direct contact with students and generate revenues for the university.

The faculty’s role is critical in supporting NKU’s mission of excellent education for students. Enabling more students to collaborate with faculty on various projects can help them feel more connected to NKU, complete degree programs, be more prepared for future careers and community engagement, and perhaps even more likely to want to “give back” to the university.

The following comments from the survey illustrate these points:

- We need dedicated teachers to energize the next generation... we need to focus on our core mission to educate our regional population in reading, thinking, exploring, and creating.
- Bottom line, faculty funding (all faculty types) is first priority so we can fulfill the university mission. Without faculty, there are no students. Without both faculty and students, there is no university.
- I wish we were talking about how to redefine and re-find our mission as a regional comprehensive

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university - serving the academic gap in the northern Kentucky region by creating first-generation college graduates poised to alter their family's outcomes rather than looking for what is easiest to cut. Let's be strategic and think through which programs are needed in northern Kentucky now and in the future and which programs have been lost to other universities.

- Putting resources into academic advising may be the most critical issue right now. Those positions have a direct impact on performance-based funding from the state, take needed pressure off faculty to free them up to teach more courses, and help the retention of our students, keeping dollars in place. This should be a key part of the new strategic plan.
- Ultimately, I believe NKU's priority should be to NOT disrupt the student experience as much as possible. Support programs like those offered by Learning PLUS (tutoring, supplemental instruction, Writing Center, etc.), Career Services, and first-year support are essential to student success and retention efforts.

Additionally, salary issues—cost of living and/or merit as well as equity—must continue to be addressed and given high priority, as illustrated by this comment from the survey:

- I believe that to maintain quality educators, they must feel respected and valued, and the fact that we have such compression issues contributes to quality professor loss and poor morale amongst all faculty.

Likewise, continuing involvement and communication of upper administration with the Faculty Senate Budget Committee to increase faculty understanding and input into the details surrounding NKU's budgeting and expenditures will foster joint effort in achieving student success.

### **Selectively Forgetting the Past (Box 2)**

The survey brought out several ideas for things that could be changed. Many of the suggestions revolved around athletics, administration, and consultants, as illustrated by the points below.

- As NKU has grown in size, its management structure has naturally become more layered and hierarchical. Going forward, NKU should evaluate this structure and identify ways of simplifying it.
- While the survey report indicated many issues with faculty salaries, administrative salaries are perceived to be very generous overall. A key area of faculty concern is the policy regarding salaries of administrators who return to faculty positions, which stipulates that these individuals receive 85% of the administrative salary (see <https://inside.nku.edu/content/dam/policy/docs/Policies/Administrators%20Returning%20to%20Faculty%20Status.pdf>), even though their faculty salary would be substantially less. While this policy may be beneficial to those administrators, it can negatively affect morale of ~~other~~ another faculty. A more efficient utilization of administrative costs could help free up funds for encouraging innovation of faculty and staff in providing student-centered education.
- Faculty would like to see evidence of the continued benefits of the investment in Division I athletics.
- Instead of paying large fees to consultants, when appropriate, faculty and staff would like opportunities to help address problems using their areas of expertise, much like is currently being done with the strategic framework resource teams.

### **Creating the Future (Box 3)**

Student success depends heavily on students' ability to afford college education. The faculty budget survey report suggests the following points:

- A new strategic framework for NKU should provide flexible and varied financial assistance to students. This assistance could include the traditional need-based and merit-based financial

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aid but should also include options such as the new EDGE program or scholarship funds that will directly incentivize students to complete their degrees.

- Efforts should also be devoted to incentivize as well as recognize faculty and staff efforts for recruitment and retention. NKU could, for example, consider ways of refocusing the RPT process to better align faculty rewards with strategic priorities.
- A vibrant future for NKU must include not only the supports for students, but also faculty and staff. The new strategic framework should encourage creativity, collegiality, and evidence-based decision-making after input from all of the NKU community. The following comments, for example, indicate that the budget model might be revisited to ensure that it is incentivizing the desired decisions:
  - Collegiality is eroding. The new budget model is seeing courses created within disciplines with external courses being eliminated. The provost and others said this would not happen and would be restricted, yet that is happening. Departments are making decisions without having discussions with other departments, even going in a direction other than regional colleges/universities.
  - Classes with 35+ students have been cancelled due to budget concerns from the rent the college has to pay for teaching space to the university.
- Transparency of expenditures, such as seeking faculty input on newly created or vacant administrative position postings, is critical in fostering understanding among all at NKU. Further, providing times and venues for allowing faculty and staff input into expenditure alignment with NKU's priorities is of utmost importance.

Student success requires joint efforts of all at NKU. Without understanding and buy-in from all constituencies regarding the university's budgeting and expenditures, competition over funds and the "silo-effect" will continue to exist at NKU. The following comments illustrate the need to continually focus on NKU's overall goal of student success: -

- We need to carefully consider what is possible and desirable in terms of our mission. Much time and energy are spent on redundant processes and overtaxing faculty and staff as a result.
- When trying to decide how to deal with these challenges, we need to stay true to our mission of excellent education for our students. We may need to temporarily or even permanently change how we do things, but we should be mindful of how those changes impact our mission. Hopefully, that will help us make good decisions in difficult times.

Thank you for considering our recommendations. If you have any questions, please contact Janel Bloch, Faculty Senate Budget Committee chair at [blochj1@nku.edu](mailto:blochj1@nku.edu).