
FACULTY SENATE NEWSLETTER

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MEETING SUMMARY

With Tom Coohill out of town, the meeting was chaired by John Parker, who presided over a potentially difficult session with unusual ability and grace.

Bylaws and Elections

Nancy Baird reminded the senate of the upcoming elections. Notice of the elections will be posted in department mailrooms. At large elections are scheduled for the first week in March, with run-offs after spring break if the first round of voting proves inconclusive.

COSFL

Harry Robe reported on the most recent COSFL meeting in January. Delegates from Murray complained that in the wake of last semester's upheaval their university's health plan is in abeyance. Faculty must pay their own premiums in full and in return receive only reduced services. But harsher terms and curtailed coverage may not be Murray's problem alone. According to Harry insurance carriers in general are taking a cold look at all group health plans, raising rates and restricting benefits. It is likely that Western will experience unwelcome revisions to its plan in the future.

Faculties at Louisville and UK continue to be concerned about the talk of merger between those schools and are doing what they can to prepare a unified faculty response to merger plans.

COSFL is considering expansion. The organization may grow to include more voting members drawn from professional faculty organizations. (Harry was not entirely explicit at this point, but he seemed to be talking about such things as AAUP chapters or AFT locals.) At any event the group encourages faculties around the state to consider organizing, with or without national affiliation, to address professional concerns. COSFL is ready to act as a conduit of information between such local groups, beginning with existing AAUP chapters at Louisville, UK, and Northern.

COSFL is also sponsoring a statewide convention, tentatively set for Lexington on the last or next-to-last Saturday in April. The Governor may be on hand to give the keynote address, and there will be panels and workshops where faculty and legislators can discuss higher education issues. Also on hand will be representatives of AAUP, AFT, KEA, and other organizations to

explain what advantages their groups offer to interested teachers and campuses.

Fiscal Affairs

February's special topic, of course, was athletic spending at Western, with an impressive report from David Lee and his committee to serve as centerpiece for the meeting. The report was as complete as conditions permitted and some of its salient points are summarized later in the Newsletter. Their lengthy investigation led David's group to a few central findings and recommendations expressed in the committee's introductory "Synopsis":

The committee concludes there is no strong evidence linking successful athletic programs with either fund-raising activities or patterns of enrollment at Western Kentucky University. Moreover, we find that the established university budget has repeatedly failed to restrain spending in this area. As a result, intercollegiate athletics has persistently been plagued with budget overruns, especially in 1982-83 and 1983-84 when expenditures exceeded the budget by more than 20% each year. Football has played a major role in creating the current situation. In light of all this, the committee recommends the university study the advisability of moving to Division III in football. Because Division III schools offer no grants-in-aid, the pressure on the athletic budget would ease substantially, freeing more resources for other athletic and academic programs. At the same time, the university would still offer competitive intercollegiate football for interested members of the Western community.

Discussion was general and occasionally spirited. Chuck Crume worried that the report overstated actual athletic spending. "Money" for tuition and housing, for example, is really money the university pays itself—a paper exchange. We still don't have the "hard-dollar" cost of athletics, he said. How can we make recommendations when we don't know which expenses are real and which are merely bookkeeping entries? Savings on football might not be net savings at all, he warned. Those scholarship players fill desks and generate credit hours. If they disappeared overnight, so might some faculty positions.

David Lee explained that his committee used the university's own accounting principles, categories, and totals in compiling its report. If the university considered a particular item an expense, he said, so did the committee. Besides, instruction does cost money and so, assuredly, do housing, books, and food, the other benefits covered by athletic scholarships.

Barry Brunson was concerned lest people get a distorted idea of the senate's motives. Faculty are not anti-athletics he announced to a roomful of approving nods; nor are they trying to kick the football program when it's down. The question is one of priorities. What can the university afford to support in a time of limited resources? If football seems the primary target, it's because football runs the most appalling deficits. Other sports lose much less.

Spectator interest was another topic broached. If Western goes to Division III in football, won't the spectators go elsewhere? David thought not. After the Ohio States, he said, "all cats are gray in the dark." There's no reason to suppose that competitive Division III games would be less avidly attended than IAA contests. If anything, the fact that Western would play more local teams and that our squad would likely showcase "hometown heroes" might increase spectator interest, which is currently at less than fever pitch in any case.

The University of Dayton attracted much senatorial interest. When Dayton dropped to Division III in football, what happened? David wasn't sure, but he's from the Dayton area and offered his impression that the consequences weren't remarkable. Like Western, Dayton is a basketball school, and football was never central to its sports program in the first place.

Like a good economist, Frank Hollenbeck raised the larger picture. Why should taxpayers be compelled to support any university teams? What value do they get for their money? Couldn't it be spent in any number of ways more to their benefit?

Chuck Crume replied that this is a dangerous argument. Why should taxpayers be asked to pay for debate teams or any other "frills"? No one thought to point out how unfortunate Chuck's choice of example was. Western's debate team was axed some years ago as an austerity measure. John Parker did remind the senate that the university orchestra met the same fate.

Harry Robe reported that State Senator Maloney is in agreement with Faculty Senator Hollenbeck. The legislature will probably rule soon that athletic must programs pay their own way or be abolished. If this comes to pass, football will not be the only program handed its head.

Bob Otto returned to the point that spending is a question of priorities. Can we afford IAA football in view of all that we can't afford? Sam McFarland was more aggressive. Western's sports budget overruns, he said, may be intentional--a conscious strategy to increase allocations: ask for less than you expect to spend; blow the budget, as you knew you would; and use actual expenditures to justify a bigger budget next year--which you then deliberately exceed . . . and so on, until somebody makes you stop.

Gene Evans said no one had a formula to estimate food costs per athlete. Nonsense! said Chuck Crume. His information was that while other athletes' actual meals are billed to their programs, football pays \$12.50 a day to food services, allowing the players to eat all they want.

This issue brought the senators to a standstill. Could Chuck's information be correct? If so, then, according to senators with quick pencils, the football program must have known each year it was already committed to spend about twice as much for food as ever appeared in its budget.

And it was at this point the body noticed what had been missing from the discussion all along. Looking around for someone to settle the \$12.50 dispute, it became apparent that no one representing athletics (except for Charles Daniel, Western's articulate volleyball coach) or the student affairs branch of the administration was at the meeting.

Senator Glaser asked if athletic officials and administrators who oversee sports budgets had not been invited to attend. They had, but apparently declined to come, leaving the senate to talk to itself.

With that further discussion began to appear futile. A motion to accept the Lee committee's report, including the implications and recommendations contained in its "Synopsis" passed unanimously. Glaser's motion asking that the administration reply to the report passed by voice vote.

Priorities

As its final action of the meeting the senate adopted this resolution from Bob Otto:

That the university in allocating funds for the 1985-86 year, reaffirm a pattern of expenditures that recognizes ACADEMICS as the highest budget priority within the university.

Out-of-State Waivers

Vice President Haynes reported the university is reopening the matter of out-of-state tuition waivers for residents of some Tennessee and Indiana counties. You'll remember these were dropped when the Council decided they could no longer be funded with state money, although it was left up to each university to decide whether or not to extend waivers of its own. Western is thinking of reviving out-of-state tuition waivers to attract more students from Nashville and southern Indiana, but before doing so an elaborate system of trade-offs and policy decisions must be considered.

Waivers would encourage higher enrollment, which would increase our student load as an institution and feed revenues into auxiliary services. On the other hand, the state might count us as having received all the out-of-state tuition we waive voluntarily and cut allocations accordingly. Moreover, we'd lose the tuition now paid by present out-of-state students who would come under the new plan. Which course would be best, not just for next year but in the remoter future? What sort of entrance requirements could we demand of out-of-state students subsidized by the program? The university is carefully weighing these matters, which are clearly far from simple, and must reach a decision before the next senate meeting.

ATHLETIC SPENDING AT WESTERN

Athletic spending is plainly a gripping topic just now, and the full report of David Lee's Fiscal Affairs Committee is well worth reading. All department and college senators should have a copy.

David's committee took a two-pronged approach to its inquiry, and both lines of investigation bore fruit. Topic one was the often-heard rationale that funding athletic deficits is a good investment because good teams increase enrollments and private gifts to the university. The committee found no important link between any of these variables: won/lost records, even in major sports, are not apparently related to enrollment trends here or at other schools, and private donations have steadily increased at Western over the past few years even as our teams floundered in football and basketball. We also know from the past few years that even very large deficits hardly guarantee successful teams.

The other area of investigation was actual athletic costs. Some numbers that one hears in association with athletic expenditures and deficits--for example the figures provided to the senate and reported in the Newsletter last October--are based on the university's budget. David's committee found, however, that actual expenses for athletic programs can vary dramatically from budgeted expenses. Athletic budgets at Western allow for large deficits, but some programs--especially football--regularly overspend, producing losses considerably greater than planned.

The last year for which the numbers are in is 1983-84. In October, the senate found the football budget for that year was \$632,354, but that's not what the football program spent. At the end of the year when all the checks were cashed, the bill was actually \$832,116. Football had overspent (like an defense contractor) by about \$200,000.

Disparities like this have caused the true cost of Western's athletic programs to be systematically underestimated. In 1983-84, for example, the budget shows a total athletic expenditure of \$1,704,048 and revenues of \$971,866, for an annual deficit of \$732,182. But the athletic programs did not spend \$1,704,048; they spent \$2,085,497--\$381,449 over their budget. And revenues were not \$971,866; they were \$946,217--\$25,000 under budget. What this means, of course, is that the athletic deficit for that year was not \$732,182, as reported last October. It was \$1,139,280, or \$400,000 more than it at first appeared. The actual deficit was a half again greater than we had reason to think.

The differences between projected and actual figures in Western's athletic revenues are usually not great, and sometimes the university underestimates what sports will bring in. But since 1980-81, the budget has always underestimated what sports will cost--and by progressively greater amounts. Athletics exceeded its budget by 13.6% in 1980-81, by 17.4% in 81-82, by 21%

in 82-83, and by 22.4% in 83-84. Over those four years athletics overspent by a total of \$1,030,684, on its way to a total cumulative deficit of \$3,281,921, based on expenditures and actual revenues.

Where is the money going? Mostly, to football. In each of the four years studied, football had the biggest budget of any athletic program, exceeded its budget by the widest margin (by up to 31.5% in 1982-82), and ran up incomparably the largest deficits. In 1980-81 football spent \$466,130 and took in \$170,596. In 1983-84 football spent \$832,116 and brought in \$89,303. If that progression should continue, by 1988-89 we'd be spending \$1,600,000 on football against receipts of \$45,000. Other sports lose money too, but football has lost \$1,860,913 during the last four years. That's about 56% of our total athletic deficit over those years.

Where is the money coming from? Here it is probably best to make a distinction between budgeted and unbudgeted losses. Budgeted losses, some \$2,428,528 over the last four years, are part of the university's spending plan, and some of these losses are really paper transactions, "money" the university pays itself for athletes' tuition, for example. Budgeted losses may be excessive, but they are up front and widely publicized. They represent the money that some fatalists refer to when they say "Why save money on athletics? The state would only cut our appropriations to take up the difference."

More troublesome are the unbudgeted losses, which amount to \$853,432 over the same four-year period (\$513,791 of this coming in the form of football deficit overruns). This money can only be made up by transfers from other budget categories, and the required total seems to be growing. In 1983-84 the university made up its unbudgeted athletic shortfall from other accounts to the tune of \$407,098, the amount by which athletics programs overspent that year. This subsidy may have come from unallocated funds, or it may have come from other sources, but it represents money Western was not publicly committed to spending on sports, and money that could certainly have been used elsewhere in that year, the most recent of several lean ones for academic programs.

A TWO-BIT MERIT PLAN

According to Sunday's Courier-Journal, Murray's regents have endorsed a plan for faculty merit increases, which, given the meager resources the university has to work with, makes the hair-splitting of Thomistic philosophy look like crude hatchet work. Teachers doing an acceptable job will get 2.25% raises under this scheme, while meritorious performers will get 3%. Assuming a \$25,000 base salary and total deductions in the 40% range, this means that "merit" will be worth roughly \$100 extra dollars to a representative Murray teacher. That's about 27 cents a day.