Senator Murphy called the meeting to order. Minutes of the January 21st Senate were deferred to the February 11th meeting.

Absent without observers were: Cam Collins, Keith Gabehart, Gene Gallegos, Dorsey Grise, Gene Harryman, Mary Lazarus, Nathan Love, Mark Lowry, Edward T. Martin, James Martin, Michael Richardson, Walter Stomps, Brian Sullivan, Bob Tinsley, and Bart White.

The President spoke to the Senate, and a transcript of his message is enclosed. As well as the questions and answers which followed.

Senator Murphy introduced Dr. Alexander. The President asked for this special session in order to share some of the ideas which he had addressed to the Council on Higher Education.

At first, the President commented that his meetings with the Executive Committee have been productive. Each item brought before him has been dealt with, and there was nothing which he was asked to address that he disagreed with.

He thanked Senator Brunson for his work on the salary surveys which is helpful as background information in dealing with legislators and the Governor’s office.

Budget:

Today we have a situation with the legislature concerning the shortfall, it’s one that we have every time the legislature meets in every state. Fortunately, for Kentucky, it’s only every other year, when monies are simply not available, but afterwards we get a three or four percent raise. Over the years, we make a little bit of progress. Kentucky is not in that bad a condition. We just don’t have a tax rate that is very high, so we keep a low revenue level. Kentucky will never resolve its revenue problem without taxing its major revenue base, its property base. Forty-five to fifty percent of the state’s wealth is in property and we don’t touch it. Sooner or later, the state will have to deal with the issue, but we don’t know when that will be.

Not only do we have an overall revenue situation facing us that is coming out of this legislature, but what is important is the configuration of how resources are distributed within the state, and of how Western makes out in this.

Glasgow:

We have an extended campus in Glasgow where we promised to offer students in Glasgow a coordinated set of courses that would lead to a degree, not to randomly throw-together courses, but those which would lead to a degree, to a certification, lead to some type of degree or certification. We have not done that on any consistent basis. Last year, we
told them we would do that in Owensboro. We promised them in Fort Knox that we would do that there as well. It didn’t cause an uproar in Fort Knox, because U.K. was already established there. It didn’t cause an uproar in Owensboro, because they had their community college established.

It caused a tremendous publicity uproar and screaming on the part of Lexington in Glasgow, because they weren’t in Glasgow, and had planned to be there sometime, in fifty or seventy-five years from now.

We know they had been authorized to set up a community college there and we did not want to preempt anyone there. We just wanted to serve that area, because we had been charged to offer a service there.

Let me show you:

Right now Western is a state-wide institution. We have an area which we are assigned but we draw students from all over the state. We have no one from Elliott, Morgan, and Roberson. (See handout #1) Roberson is a very small county. I visited Morgan and Elliott a couple of years ago, and I met with their board and their superintendent. I do know that the valedictorian from Elliott became a school bus driver in the county that following year, and didn’t go to college.

The salutatorian from Morgan County graduated and drove a coal truck, so maybe some of those kids didn’t go to school.

But certainly, we cover this state. We are a state-wide university as far as we are concerned.

Most of you know this, but let’s review our area, that section assigned to Western to serve. We’ve been assigned it by the Council of Higher Education, and it is an area which includes 27 counties. (See handout #2) We did have Jefferson County and Bullitt, but the University of Louisville came on the scene, and now, south of Bullitt is the border. This does affect our off-campus enrollment, but we do have a large area to serve. It is appropriate for the Council to divide the areas for the different universities to serve, and we will try to serve our region.

In order to serve this region, the Board of Regents asked me to come up with a plan and to report back to them. Dr. Gray and others decided to divide the region into four areas in order to more efficiently administer it. We could offer courses all over the place, but Dr. Gray and others decided that it would be better to have sites where we could guarantee quality programs, where we could have some library facilities, several classrooms, a place where students could register, and a place where students would know what’s coming next year. So in our plan, which we presented to the board in August of ’87, was a plan where we would have Russellville, Glasgow, Fort Knox, and Owensboro as the main centers for those areas. We’re looking for efficiency. The only way to offer quality is to introduce centers where it is more efficient to offer quality programs.

Within our area, other institutions offer courses. (See handout #3) Eastern offers courses in the WKU area. Murray offers an MBA; 2 courses in Daviess and 4 in Breckinridge;
Eastern offers 13 courses at Fort Knox; UK offers 51 courses at Fort Knox; and U of L offers 51 courses at Fort Knox. Now the CHE tells us that UK and U of L can offer courses there because that's a federal reservation and the CHE can't control the federal government. But our rejoinder to that is that, no, but you can control the University of Kentucky and of Louisville. But I guess that they can't.

Now in addition to that, in our region we have all of these community colleges. (See handout #4) They are scattered in our area. Now the council guidelines say that a community college can only offer courses in its county. The next sentence after that says that a university cannot offer courses within thirty miles of the community college. So the council has ignored the first part of that in allowing community colleges to go outside their counties and have forbidden us to go within thirty miles around the community colleges. So what we have is a ring around us of community colleges. So they come from Russell County and from Somerset and from Lindsey Wilson and you can see the impact on our area from the community colleges.

As far as we are concerned, what we say, philosophically, is fine: we are expanding educational opportunities. That's fine, we'll cooperate, but we need to know where the community colleges are going to be. They need to coordinate their activities with us to put some order into this.

As you know, this is a very poor region. Cumberland County has the second lowest literacy rate in the state, and possibly in the nation. So we're in the area bordering the fourth and fifth districts, we have some major educational problems, and we need all the help we can get.

A major problem with extended campus in the state of Kentucky is that no one's been doing it. We've been declining rapidly. In 1978, there were 14,617 students in extended campus programs. (See handout #5) In 1986, 9,402 were enrolled. With a decline of 35%. Western declined by 27%. Northern, KSU, U of L increased, but over all, it declined. Even with the work of the community colleges, we had an overall decline of 20%. The net effect of everything we've been doing over these years has been to move back to the campus, and not to reach out and extend and increase our services largely to part-time students who seek higher education. There is a great need.

Some of you may have read of the Shakertown Seminar which the papers talked about last week. It said that women are now working more and they need to stay closer to their jobs and closer to their children, and they can't just quit and go off to campus and be a full-time student. We have men who cannot take the forgone earnings and go back to school and still support their families. So societal changes require part-time services, needs which our community colleges and universities do not meet. Nationwide, 80% of the students are part-time. Kentucky is about 30% part-time. So we have a gap to fill and we're trying to fill that gap.
And you say that Western is breaking its neck and trying to get off campus to gobble up these students, and is empire building. Well let's look at Western. This is student credit hours. (See handout #6). 6.17% of credits were off campus. In 1987 with all that we've done, we just went back to our 1978 point. I want you to see that, because some are crying that we are empire-building. I just want to point out that we've just gotten back to what we had 10 years ago. We are not running around pell mell creating empires. I want to use the term empire because that's how the Lexington-Herald reported it. From these figures, it doesn't look like much of an empire.

Now, let's talk about empires. We were called before the Council to defend the Glasgow situation; we decided we weren't going to defend Glasgow. We knew what we were doing, because we could read the regulations. What we are doing is perfectly appropriate and the council had a study done several years ago. In 1973, the CHE said that Western should serve Glasgow and there should not be a community college there. We had not served it well.

The Lexington-Herald, UK and the Courier-Journal pounded on us for empire-building. So we decided we didn't want to talk to the council about defending Glasgow, we wanted to talk about empire-building. Let's see who's building empires. We wanted to get statistics out to defeat this notion, and we built an Empire Index. (See handout #7) I didn't say before the Council that UK was an empire, I just said, 'These are the statistics, see if you can find an empire there.'

State appropriations per full-time, equivalent student as a ratio of per capital personal income. (See handout #7) Now the State spends a lot of money on UK. Look at the effort the State puts forth for the University of Kentucky: 2 1/2 times of taxpayers effort to support UK than for WKU. UK is the empire, not Western. A taxpayer in Glasgow, a taxpayer in Bowling Green puts forth 2 1/2 times more of their money towards UK than for WKU.

U. of Va. is a great school, it's ranked, but the state of Virginia does not put forth the effort for the University of Virginia that the state of Kentucky puts forth for the University of Kentucky. Knoxville receives half the effort from the state of Tennessee than that of the University of Kentucky. Ohio State, Indiana and Purdue, combined, do not have the effort of the state funding put into them as does the University of Kentucky.

When you look at that, you can see that the configuration of the distribution of state funds is skewed towards one university in Kentucky. So that we don't want to be accused of being an empire each time we stick our little heads out of the hole and go over to Glasgow to offer a course or a few courses. We don't want it said that we're hounding the University of Kentucky and they scream empire. We're going to continue to talk about this to the Council of Higher Education. I want to talk about the configuration of
the distribution of resources within the state.

This school (UK) as far as we know is not ranked. These schools (U. of Va., UT, Knoxville, Ohio State) with less effort from their states are ranked. I think this gives reason to the fact that we should have some programs and some additional resources, and when we ask for them, there's no empire being built.

Empires have two or three aspects. We've looked at fiscal, let's examine programmatic. Just look at the doctoral programs, and institutions granting doctorates. (See handout #8).

In the state of Illinois, they have 12 state institutions, and 6 of them offer doctorates. It's important for us to look at Tennessee and Ohio. In Tennessee, there are 10 universities and 7 offer doctorates. In Ohio, there are 11 universities and 10 offer doctorates. But in Kentucky, there are 8 universities and 2 offer doctorates.

Now this is what we presented to the Council. Now the Council has adopted Centers of Excellence and endowed chairs as a major thrust of higher education in the state of Kentucky. In these areas, the Council of Higher Education has followed the lead of three states: Florida, Tennessee and Ohio. Now, Florida has 9 state universities and 7 offer doctorates. The CHE brought in consultants from these three states and they helped decide where the money for these centers and endowed chairs would go. Centers of Excellence are designed for competition among doctoral granting institutions. Not master's degree granting institutions. Only doctorates. So Western is not in the competition for these centers. But in Ohio, all 10 out of 11 can compete and in Tennessee, 7 out of 10 can compete for the Centers which are research oriented.

We want the persons who make the decisions for the distributions of resources within Kentucky to know that. There is no reason why Western can't offer a doctorate. The only reason is that those distributing funds have said, 'We're going to have only one major state university.'

Now, by placing these constraints, the state of Kentucky and the state of West Virginia are falling out of the bottom on turning out doctorates. (See handout #9). W. Va. is the only one worse than Kentucky. Notice the ratios of doctorates within the population.

North Carolina brags about having more doctorates in that research triangle than any place in the United States. That's because they have more schools offering doctorates. They have a concentration there and they have attracted people.

The point is, not only are we spending money by concentrating on one institution, we're not showing productivity. (See handout #10). In '75-'76, Western Kentucky University had 10.6% of the state revenues that were allocated for higher education. By 1987-88, Western had 8.17% of those funds. We're on a steady decline of 2.5% down to this year. If the state funded our request which we
justified in the formula, we'd turn this around, and we'd start back up. But I don't know what our chances are. Nevertheless, Western has declined by 2.5%. Eastern has declined by 2.1%, but no one has declined as dramatically as Western.

Of major concern here is that not only has our percentage declined, but the whole part of funds for higher education has declined in the percentage of general funds. What we are trying to do is to argue for a reconfiguration of the distribution of these resources. What's affecting us now rather dramatically is that state formula. Now we're in for a request of 27% in the biennium. UK - 26%, but they are not increasing that many students. The formula gives us money because we're increasing students. It just gives them money for other reasons. One other fiscal condition that you ought to know about is that the state of Kentucky has not given Western any money to build buildings compared to the other universities in the state.

This is debt service per equivalent full-time students. (See handout #11). Debt service to pay off your buildings. To pay off the principle and interest on your buildings. And this is the amount appropriated from the general fund for our institution. Western receives $246 per student. The average for the state of Kentucky is $503. If they gave us per student hour, we could have our student center. We have not been getting that money, and we haven't had a building here for seventeen years. It's reflected in the fact that the state has not given Western any debt service.

Where are we apt to go in the future? With the present formula, and the way resources are distributed, and we go back to 1981 to project forward to 1991, we need to look at two figures (See handout #12). #1 is the percent that Western is of the UK appropriations and the other is the percent that Western is to the percent of the U of L appropriations. We will decline about 34% to about 22-23%. Relative to the U of L, our university is going to decline in strength by 1993. In comparison with the University of Kentucky, we are going to decline from about 21% to 11%.

The reason I'm showing you this is not to worry you, but to inform you.

We presented all of this to the Council; they wanted to talk about Glasgow, we talked about this. When we presented all of this, they were kind of quiet. The Lexington-Herald didn't put it in the paper, you notice. They were talking about Glasgow the next day. We're going to keep talking about all of this until we find a redesign in the formula. We have talked them into an reevaluation of the formula. They're going to start this after the legislature meets.

It is very important that they know that, and that we know that, and that we are all in concert in trying to bring Western out and make it competitive with the University of Louisville and the University of Kentucky. Or at least stabilize it as far as our relationships with them are concerned.
Now, we're not getting any help from any other of the regional universities. I don't know what they are doing, but UK and U of L are worried about Western, and as you can see, they're pounding us in the newspapers. But our situation here is that we just cannot stand by and hope that they will treat us well. We have to confront them on every issue and every budget matter. That's what we are going to be about. We will, hopefully, expand our graduate programs and hopefully expand our resources. This will allow us to reduce our student-teacher ratios and allow us to create new programs. All of the things we would like to do is dependent on our turning around the configuration of distribution of state resources.

That is generally what I wanted to tell you. That's the way we are going to be driving for the next few years. It is going to take faculty working with administration, and we're not worried about whether or not we make friends with the University of Kentucky and the University of Louisville. We just have to forge ahead to make this argument and work for this university, and not from our own selfish interests. The people from this region need the education and are requiring us to provide it.

QUESTIONS:

1. What is the explanation for Western's decline in enrollment? <There was more to this question, but someone coughed through it and we missed it. Sorry.>

(See handout #10). Western declined fairly dramatically in enrollment down through the years. More dramatically than the others. Now Kentucky State declined, but they had considerable funding from affirmative action. The University of Louisville increased and Northern Kentucky came on line and virtually built their university while we declined. Northern said they have not totally completed their total plan for the university, so they need more money. Of course we maintain that we've not had a new building since they built the entire Northern Kentucky University. There are a lot of factors contributing to this. For instance, the University of Louisville has gone up from 15 to 21%, and that has been a major drag on the resources.

Don't feel sorry for the University of Kentucky. I've already shown you the effort the state puts forth for them. This effort exceeds any state help received by Purdue and Indiana Universities combined. Even though they look stable here, they still have most of the money.

2) What sort of a time lag is there in the formula system for us to catch up?

That was one of the problems we got into this year, because of the feeling that a few years ago, we would have declining enrollment. It was inevitable. All the other universities went back to the average of the past three years instead of projecting enrollments forward. We got special permission to project forward. That's why we're in for the highest percent of the increase this year on the
recommendation of the Council. They recommended a 27% increase for Western because we did project forward.

The real problem is with other factors in the formula, such as matching gifts and grants and federal dollars which accrue to major universities, and more books for doctoral purposes. $57.00 is paid for a student credit hour for books for students for doctorates and $14.00 for Western. All of these things go into that formula, as well as our comparison to other institutions.

They compare us to benchmark institutions that we don’t want to be compared to. We want to be compared to the universities of South Florida, Virginia Commonwealth, Alabama, Birmingham, Charlotte.

They want to compare us to South West Texas State, to South East Mississippi and we look about right when they do. But we don’t want to be like them. We want to be like Miami, Univeriisty in Ohio, George Mason, Memphis State. That is a problem.

3. Do you think the Council and agencies are open to the ideas you’re talking about? Not many do. Just let them talk about us, we’ll benefit from the news papers. They are talking about Western and Western will benefit. I want faculty and administration to know what we’re up against and that when they’re looking over their shoulders, and they are crawling down I-65 after us, that we’ll crawl on I-65 and get them.

One last note. We have met with officials at the state level, the Budget Director and the Secretary of Finance Administration. By the way, the Secretary of Finance is from Glasgow. He came and stood in the doorway when we made our presentation and the council members are aware of that. We feel certain that if there is any money at the state level, that we’ll get our fair share. The problem is right now, that there is no money to speak of. The Governor will present his budget shortly, and it will be the worst budget that you’ve seen in your life. We’ll all have to apply political pressure. Don’t be downcast. The legislature will go to work and try to come up with federal compatibility the first year, then we could have 100 to 120 million to help us. The scenario is this, the Governor will present a budget. It will look terrible. The legislature will come up with resources, the Governor will veto them, and the legislators will try to override him. If they override him, they’ll come up with some new resources. I think Western will get its fair share. I feel relatively confident that we’re in solid enough with the legislature. The big question is whether resources will be available. We are stationed that if there is new revenue we can move reasonably well.

Our Senate, faculty and administration will have to apply political pressure. Don’t be too downcast, the state will have to move forward in higher education.

Thank you all for coming.

Senator Murphy thanked the President for sharing his
views, and continued with the Senate business at hand.

Old Business:

The motion was on the floor to endorse the COSFL legislative agenda.

See #4 of legislative agenda.

Senator Krenzin moved that the word commonwealth precede the words Kentucky college... Senator Wesolowski seconded the motion.

Rationale:

Without this insertion, scholarship funds would go to private schools and would thereby support church related schools.

The motion centered on the money aspect of awards rather than the church-state issue.

The motion carried.

Senator Krenzin moved, in agenda item #5 after the word representative, to insert the phrase: ‘rotating among all the universities of the commonwealth.’ Senator Wright seconded.

Rationale:

Currently, student representatives are only from the University of Kentucky and the University of Louisville.

The motion carried.

Senator Crume moved "to oppose taking any private trust money, including that of teacher retirement, to make up for the shortfall." Senator Wesolowski seconded.

Rationale:

Currently, there is nothing on the books to keep the Governor from dipping into these funds. Only a class action suit could remedy it. Unless the legislature takes action.

The motion carried.

Senator Campbell moved to drop item #3 completely. This item supports funding for Centers of Excellence. The motion was seconded.

Rationale:

See the President's 1/25 remarks on Centers of Excellence.

The motion carried unanimously.

Senator Campbell moved to endorse the COSFL Legislative Agenda as amended, here. Senator Dorman seconded.

The motion carried.

Senator Murphy reminded all of the rally on Feb. 16th and asked for names of those persons who would drive.
Senator Murphy also reminded the Senate of the President's invitation to dine with him at 5:30 at the President's house.

Adjournment was at 4:31 p.m.

Submitted and transcribed by:
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