



Morehead State University

FACULTY SENATE

ALLIE YOUNG 17
MOREHEAD, KENTUCKY 40351-1689
TELEPHONE: 606-783-9424

May 29, 2016

Chair Goodpaster:

At the May 13, 2016 MSU Board of Regents work session, when you affirmed the Board's position as the final arbiter of personnel policy, you requested that all inquiries or comments regarding PAC-26 be directed to you before the June 10th meeting. This letter complies with this request.

The Faculty Senate respectfully contends that the reconciled version of PAC-26 (produced in a joint effort by both faculty and administration) is a dynamic and flexible document that will serve MSU well as we move through these trying times to our preferred future. The processes outlined therein, which can, it should be noted, be undertaken in a markedly shorter time frame than what was suggested in the meeting, are the policy's strengths, not its weaknesses. The reason the document has served us well for so long, and can continue to do so in the future, is that it requires the campus community to work in concert to uphold the academic mission of the university and enshrines proper planning alongside shared governance. These are the hallmarks of good stewardship.

The proposed revision to the policy undermines good stewardship by failing to differentiate between foreseeable and unforeseeable circumstances, and by granting administrators unchecked control over faculty personnel decisions. Unlike the current policy, which articulates clear standards for programmatic change, the recent revision, with its multiple references to special circumstances, allows almost any decision to be justified, including decisions that would undermine MSU's ability to function as a regional comprehensive university. Two of the criteria that could be utilized to determine program reorganization, consolidation, or elimination—"duplication of programs . . . among state institutions" and the "prioritization of current academic objectives of the University"—are "reasonable" only if one starts from the assumption that Morehead State is (or should be) a satellite of a larger institution or a narrowly focused specialty school. This "flexible" document destabilizes the very mission of the university while it dismantles the protections of tenure.

We as representatives of the faculty are opposed to the proposed revision of PAC-26 because we are deeply committed to the institution and know that Morehead State cannot thrive without the full exercise of academic freedom, which this revision effectively jettisons. This knowledge does not stand apart from our awareness of economic realities. We understand that there have been declines in state appropriations and that there are certain costs associated with being "open for

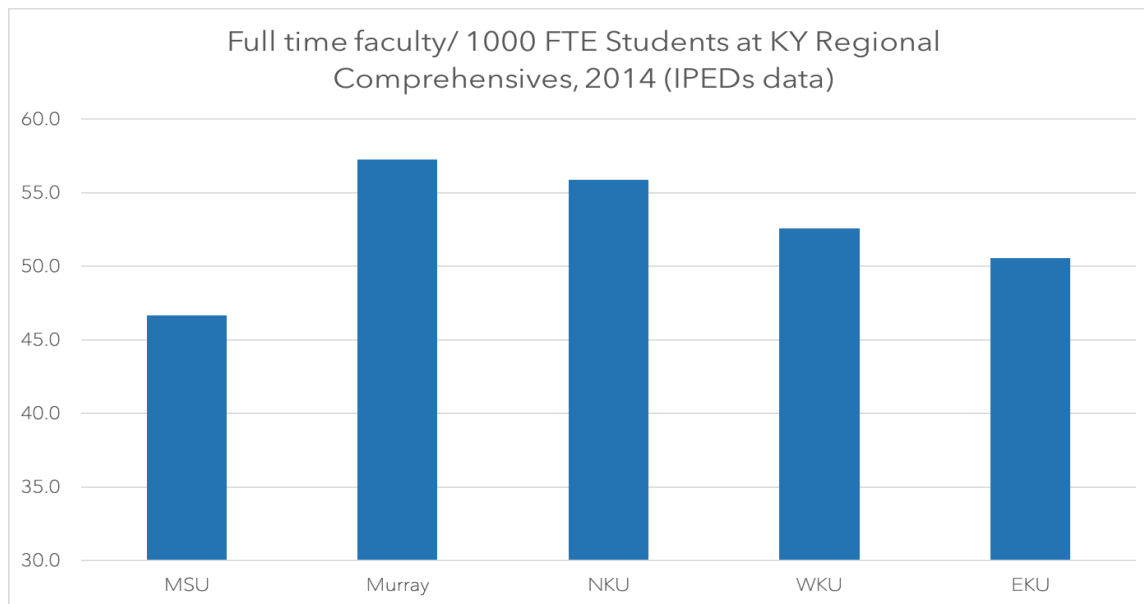
business”—which, it should be noted, is why we have been so vocal in our concerns over budgeting priorities and why so many of us are alarmed that the most recent computation of the remaining budget shortfall ballooned from \$1.2 million to \$1.45 million in a little less than a week. Fiscal soundness is a necessary precondition of operation, but this soundness alone is not what ensures the proper functioning of a university. Universities only function where there is a free exchange of ideas, including ideas that may question or critique the “business” of education itself. Tenure produces this freedom. There is a reason why the censure regarding budgeting and planning came from the Faculty Senate and not Staff Congress. Tenured faculty are not the only members of the campus community who have questioned the size of the administration, the robustness of our enrollment formulae, or the priorities enshrined in our budgeting process. We are, though, the only members who can openly cite institutional documents and Integrated Postsecondary Education Data (IPED) in order to document increases in administrative and athletic spending and decreases in instructional spending. (Please see the attached charts, which demonstrate, using institutional data, the relative underfunding of academics.) Perhaps most importantly, we are the only body who can repeatedly request a “seat at the table” in budgetary decisions. Tenure, the property right faculty earn through years of documented service, allows us to comment without fear of reprisal, and, perhaps even more importantly, it enjoins us to guard and protect that which has given us such freedom.

The desire to protect that which we hold dear is what impelled this letter. If MSU is indeed facing a “perfect storm,” as we were told in the Board of Regents work session, we need to acknowledge that much of this storm is of the institution’s own making, as administrative budgeting decisions drive up costs for students in our economically depressed region just as surely as recent cuts from Frankfort do. While the proposed revision to Pac-26 rightly acknowledges that we cannot just “fund the solution” ourselves, it errs in its implicit assumption that faculty are a part of the problem, and in failing to recognize that faculty are an integral part of any genuine solution.

Thank you for your attention.

Sincerely,

Annie Adams, Senate Chair
For and on behalf of the MSU Faculty Senate



Comparison of faculty to student ratios at regional institutions; MSU has the worst ratio (i.e., the fewest faculty)

Original source of this data is NKU's May 18, 2016 presentation to its Board of Regents, "Board of Regents 2016-17 Budget Presentation," pp. 14-15. NKU data was checked against IPEDS database.

<https://nces.ed.gov/ipeds/datacenter/InstitutionByName.aspx>

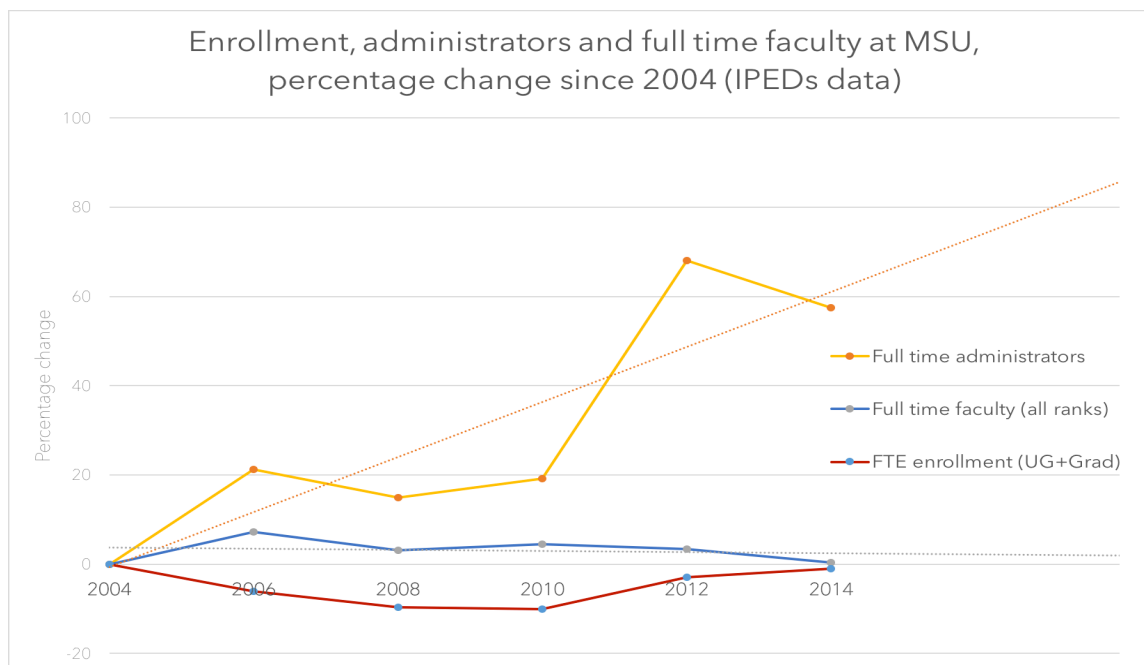


Chart recording percentage change in administrators, faculty, and students since 2004, showing relatively stable numbers for faculty and students and increases in administration

FTE student enrollment, number of full time faculty, and number of administrators were pulled from the IPEDS database.

<https://nces.ed.gov/ipeds/datacenter/SelectVariables.aspx?stepId=2>. Figures for administrators and faculty were pulled from institutional HR reports to IPEDS. Figures for full time equivalent enrollment were pulled from institutional 12-month enrollment reports to IPEDS. Number of administrators is based on those classified as "executive/administration/managerial" by MSU in its institutional submission to IPEDS.

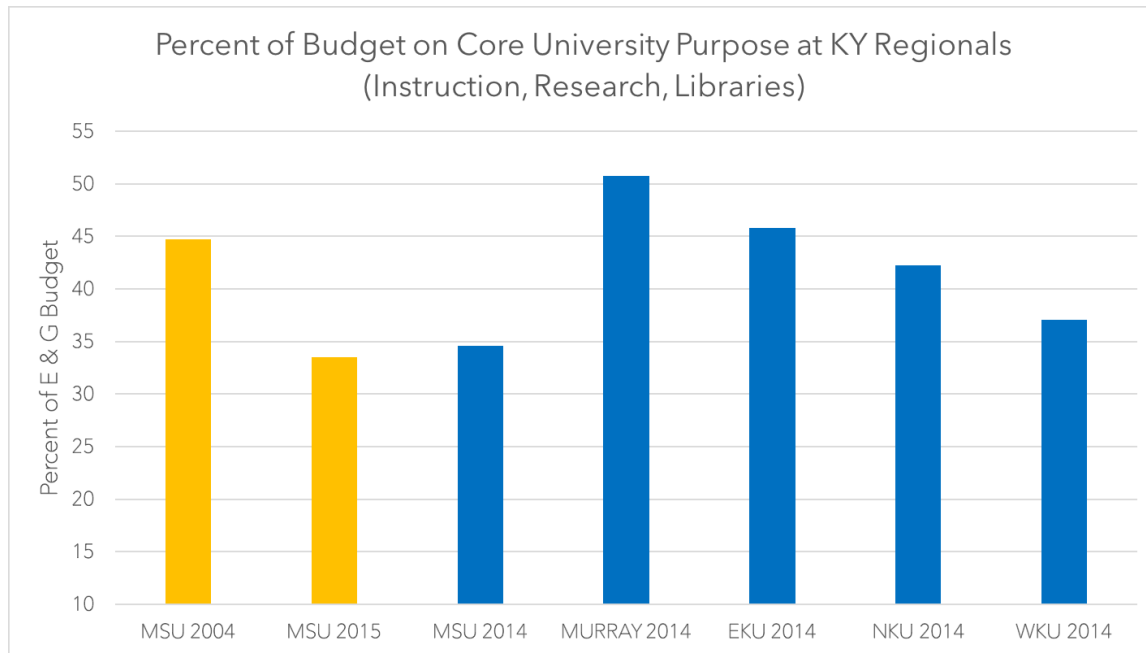


Chart showing the percentage of the E & G budget universities devote to the core mission of the university; MSU has the lowest percentage of all the regionals, and this percentage has suffered a steep decline since 2004

All data derived from institutional budgets as posted on university websites. ECU: <http://budgeting.eku.edu/transparency-and-accountability>, <http://budgeting.eku.edu/operating-budget>; NKU: <http://facultysenate.nku.edu/committees/budget.html>; WKU: <https://www.wku.edu/finadmin/budget/>; Murray: <http://www.murraystate.edu/headermenu/Offices/AccountingAndFinancialServices/BudgetOffice.aspx>; MSU: <http://www.moreheadstate.edu/budgets/>

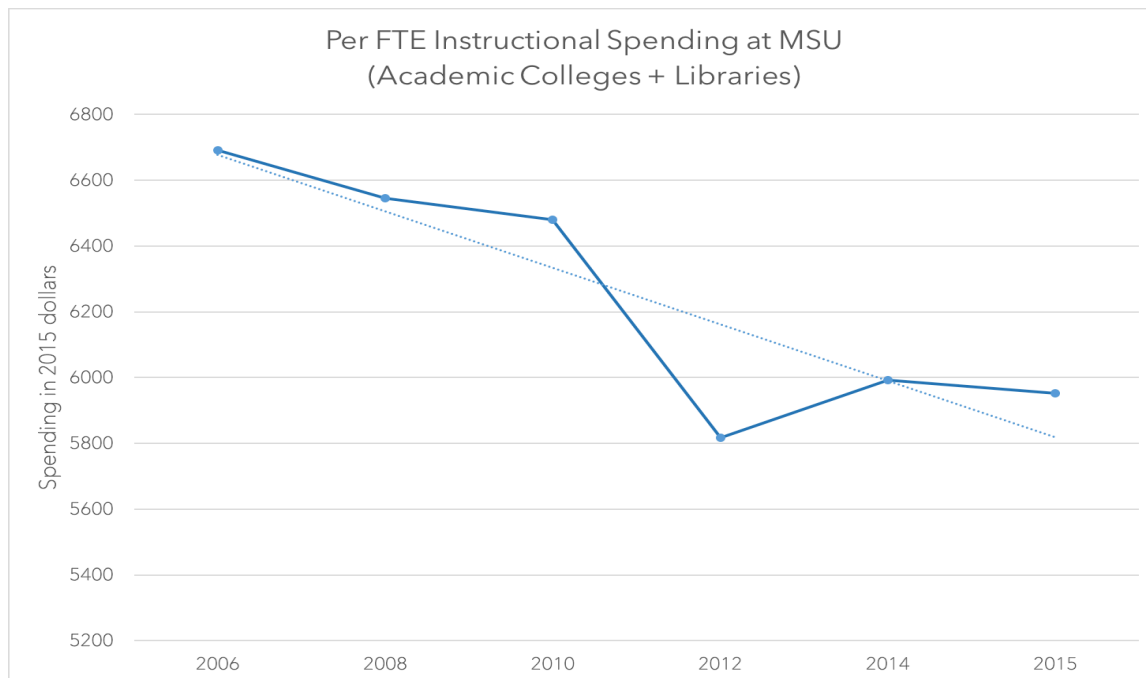


Chart showing the decrease in instructional spending at MSU over time

Data derived from MSU institutional budgets. <http://www.moreheadstate.edu/budgets/> Expenditures are adjusted for inflation and presented in 2015 dollars using Bureau of Labor Statistics inflation calculator.

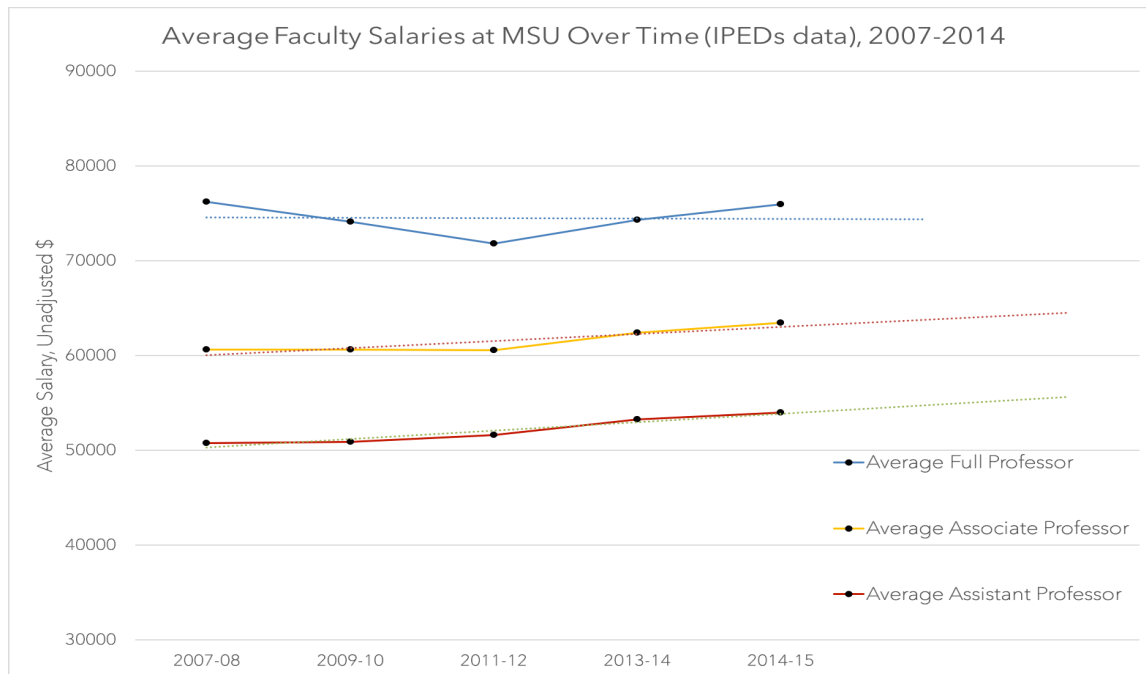


Chart showing average faculty salaries over time

Data drawn from IPEDS MSU "Data Feedback Reports" for 2008, 2010, 2012, 2014, 2015.

<https://nces.ed.gov/ipeds/datacenter/SelectVariables.aspx?stepId=2>

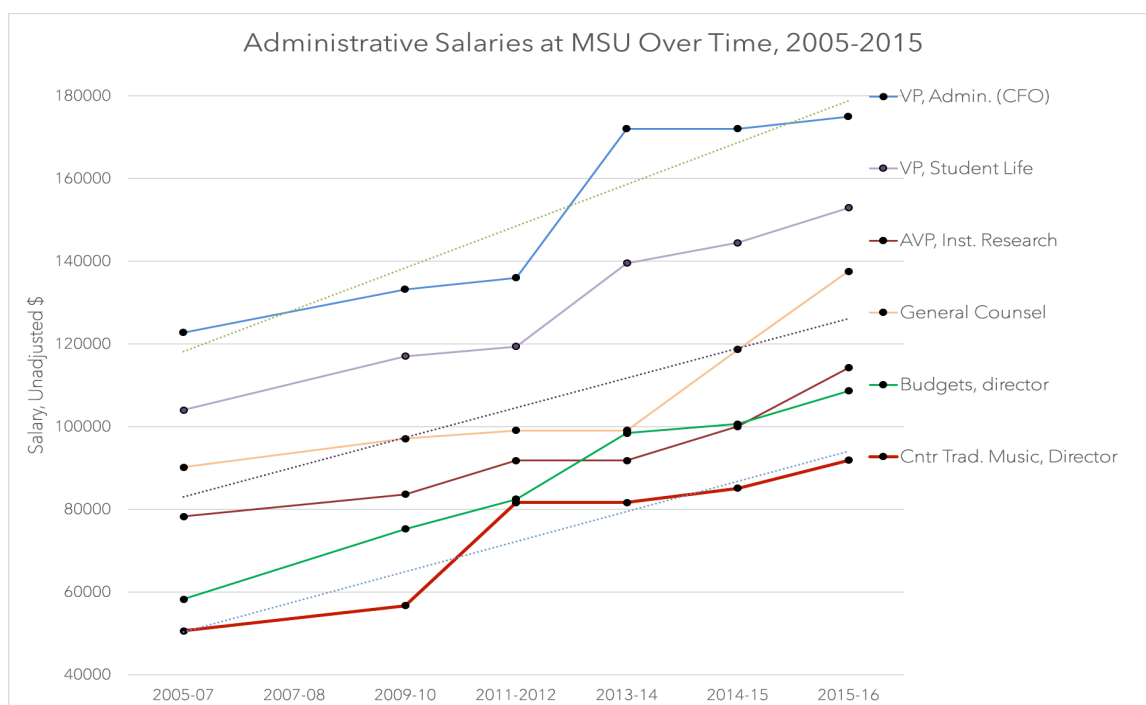
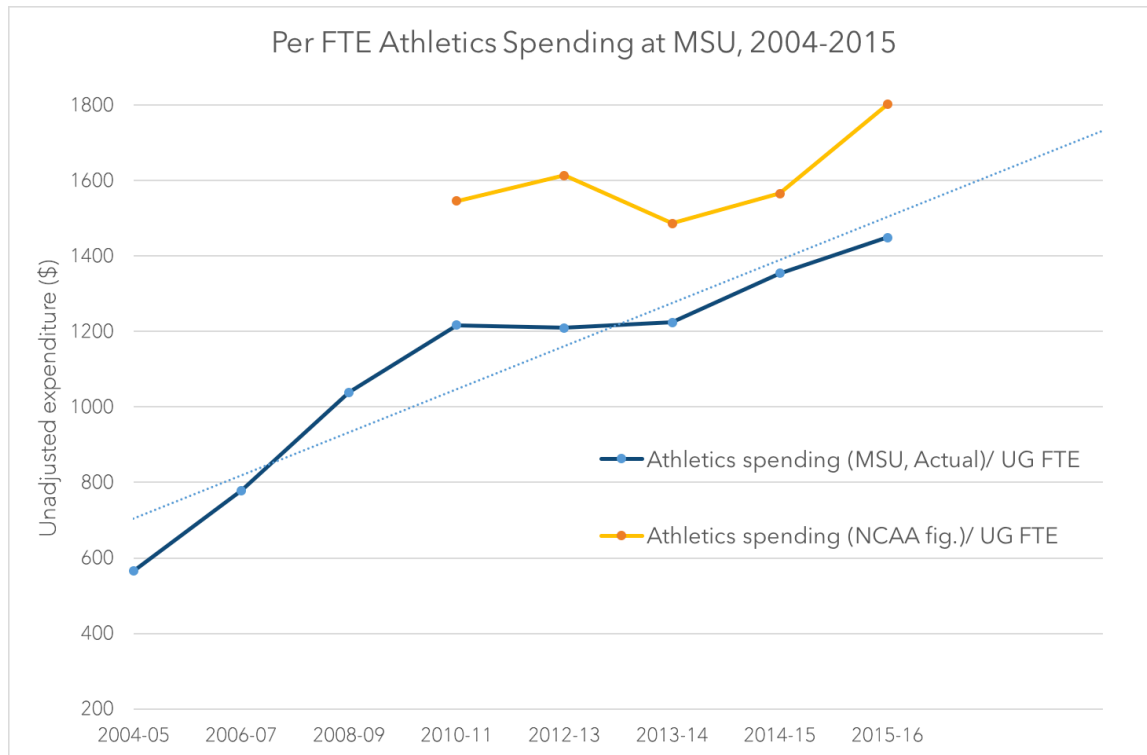


Chart showing high-ranking administrative salaries over time (does not include President, Provost, or Deans)

Data source for salaries at MSU is the MSU Personnel Rosters. 2007-08 roster was not accessible.



Athletic spending measured per FTE, using both NCAA reporting figures and MSU's budgets and financial summaries; both sets of data show a similar trajectory upward

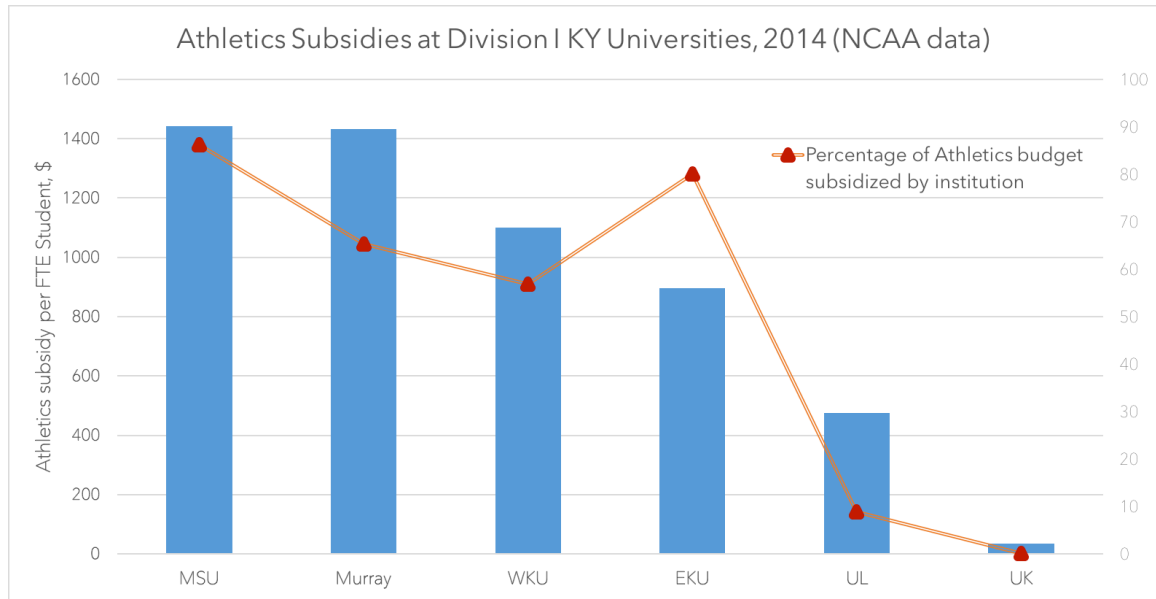
NCAA Athletics data for D-1 institutions based is based on institutional disclosures and was made available by the *Chronicle of Higher Education's* recent study of institutional athletics subsidies, "The \$10-Billion Sports Tab": http://chronicle.com/interactives/ncaa-subsidies-main#id=table_2014.

IPEDS Fulltime equivalent enrollment figures were used to calculate per FTE cost:

<https://nces.ed.gov/ipeds/datacenter/InstitutionByName.aspx> The per FTE subsidy would have been even higher had the NCAA's FTE data been utilized. Where IPEDS enrollment figures were yet not available (2014-15 and 2015-16), institutional data as reported to the Board of Regents was used (2014-15 and 2015-16).

MSU budgets and financial summaries were used to determine "MSU actual" Athletics spending. Over the last five years, actual athletics spending has exceeded the budgeted amount by an average of \$543,000/ year or 8.52%. Where "actual" figures were not yet published (2014-15 and 2015-16), this "rolling average" is used to project actual Athletics spending in a manner similar to the way MSU projects retention.

In its response to the *Chronicle of Higher Education's* athletics subsidy study, "MSU Athletic Program Overview," the administration contends that "If charged as a mandatory athletic fee[,] MSU's subsidy percentage would be significantly lower." This is not true. As the study explains, "Subsidies can come from three sources: student fees, funds allocated by the school, and government support." The authors combined all three forms of subsidy for each institution to ensure the validity of comparisons among institutions that do, and do not, charge dedicated athletics fees.



Regional comparison of athletic subsidies, showing both actual dollars spent (per FTE) and the percentage of the athletic budget that is subsidized by the institution

NCAA Athletics data, based on institutional disclosures, is available for all D-1 institutions at the *Chronicle of Higher Education*: http://chronicle.com/interactives/ncaa-subsidies-main#id=table_2014 Percentage was calculated by *Chronicle of Higher Education* study. Per FTE spending is calculated using the *Chronicle's* dataset.