



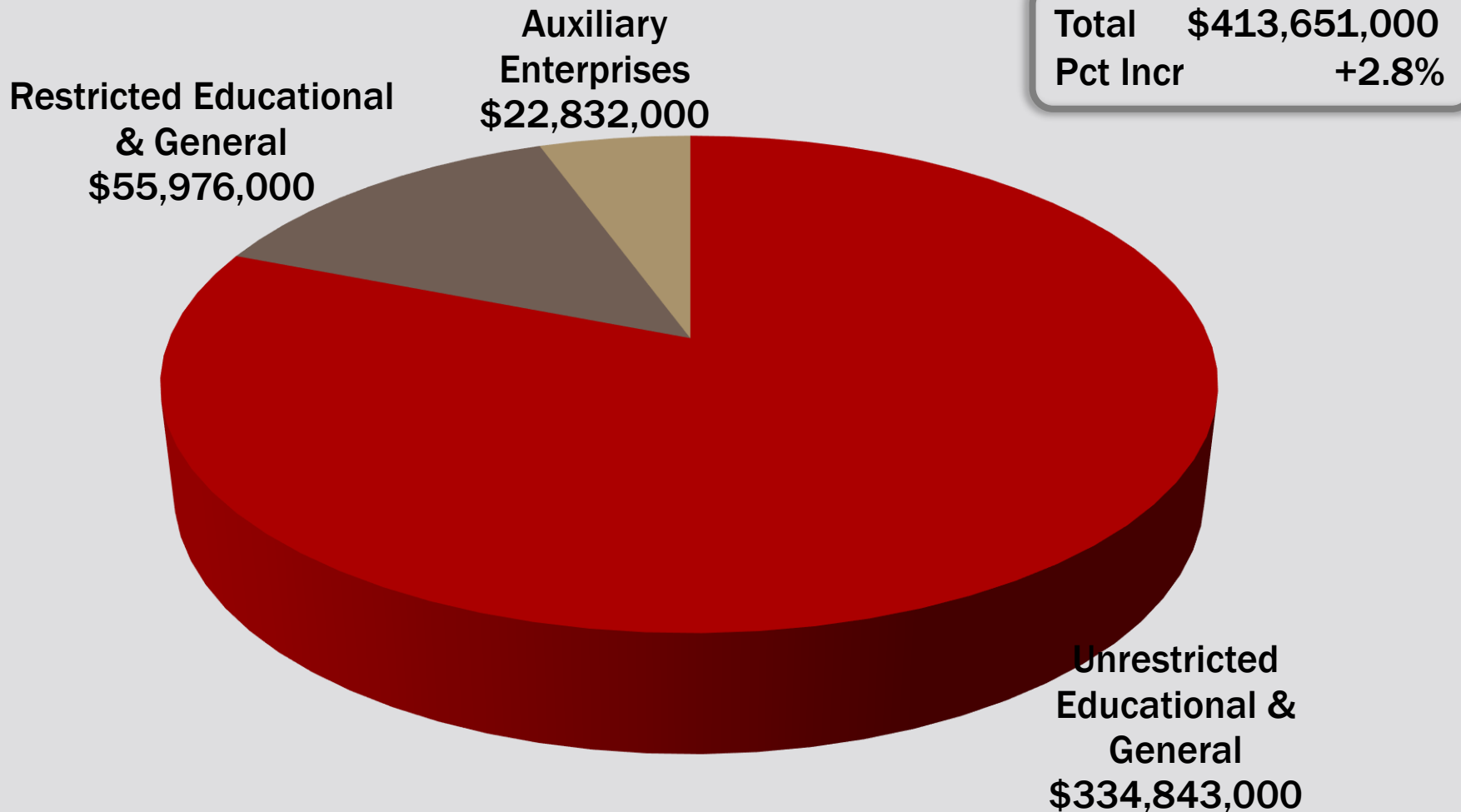
OPERATING BUDGET 2017-18

A LEADING AMERICAN UNIVERSITY WITH INTERNATIONAL REACH

BUDGET SUMMARY



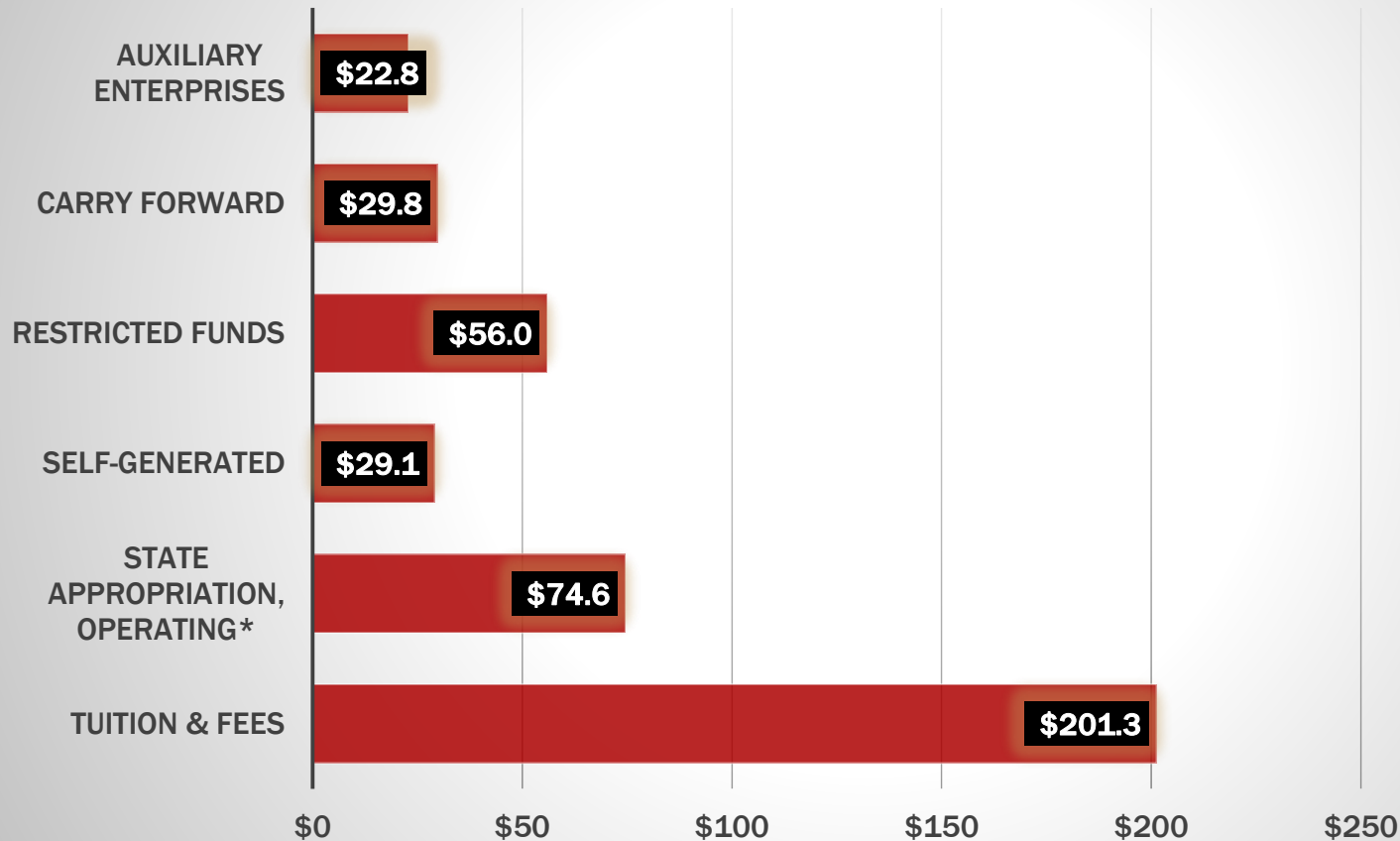
2017-18 OPERATING BUDGET



PROJECTED REVENUE BY SOURCE

In Millions

*Includes state funding for the Gatton Academy of Mathematics and Science and Kentucky Mesonet.



WKU'S 2017-18 OPERATING BUDGET

		<u>% of Total</u>
TOTAL BUDGET	\$413,651,000	
LESS:		
RESTRICTED FUNDS		
GRANTS AND CONTRACTS	15,500,000	
STUDENT FINANCIAL AID	40,476,000	
SELF-GENERATED REVENUE / CF	58,880,200	
AUXILIARY ENTERPRISES	22,832,000	
DESIGNATED STATE FUNDING		
ACADEMY FOR MATH & SCIENCE	4,822,800	
KENTUCKY MESONET	750,000	
STATE AND STUDENTS	270,390,000	65.4%

FROM EVERY STATE & STUDENTS DOLLAR RECEIVED

■ 26¢ comes from
State Appropriations

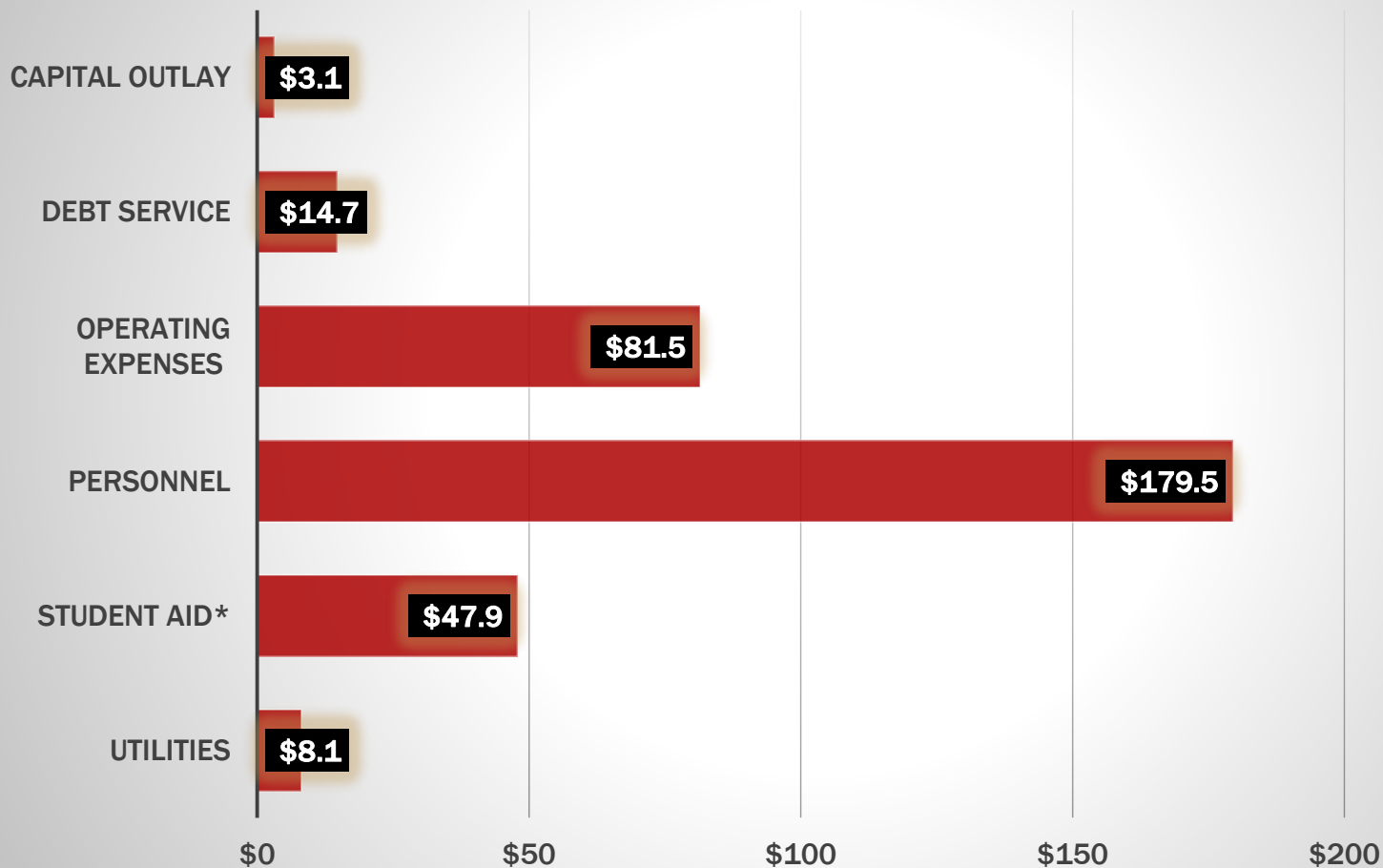
■ 74¢ comes from
Tuition and Fees



UNRESTRICTED E&G BUDGETED EXPENDITURES

In Millions

*Excludes Foundations, Federal and State.



EMPLOYEE BENEFITS COST CHART

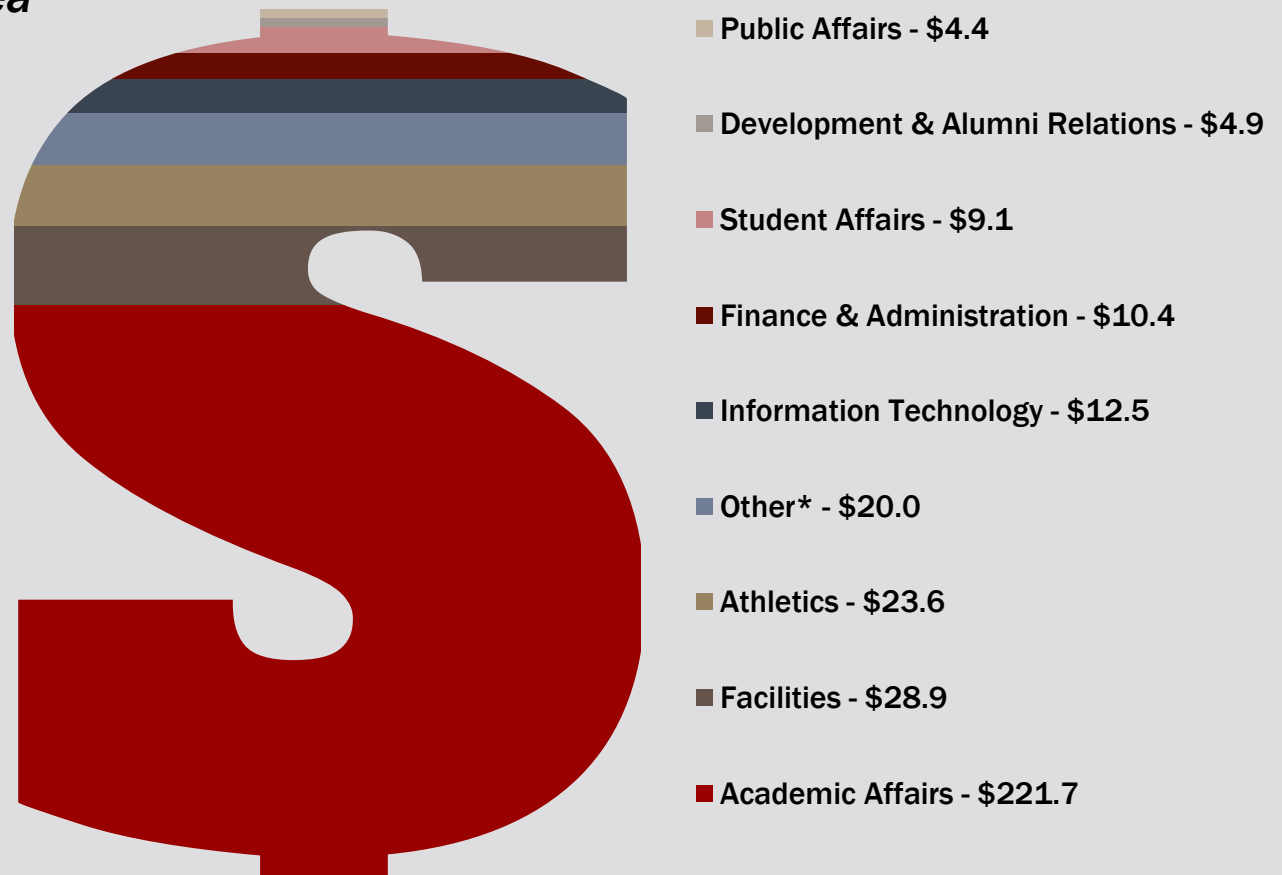
Effective July 1, 2017

Benefit Category	Percent/Amount
Retirement	
KTRS	15.865%
ORP	13.84%
KERS	49.47%
KERS – Hazardous	23.70%
KTRS TRP	23.56%
Social Security	7.65%
Unemployment Compensation	N/A (centrally funded)
Workers' Compensation	0.60%
Employer Disability Insurance	0.20%
Employer Life Insurance	\$50.40/year
Employer Health, Dental & Vision Insurance	\$7,417.00/year

UNRESTRICTED E&G BUDGETED EXPENDITURES

By Organizational Area

(In Millions)



*Other includes Office of the President, General Counsel and University-Wide.

BUILDING THE BUDGET: THE 2017-18 OPERATING BUDGET

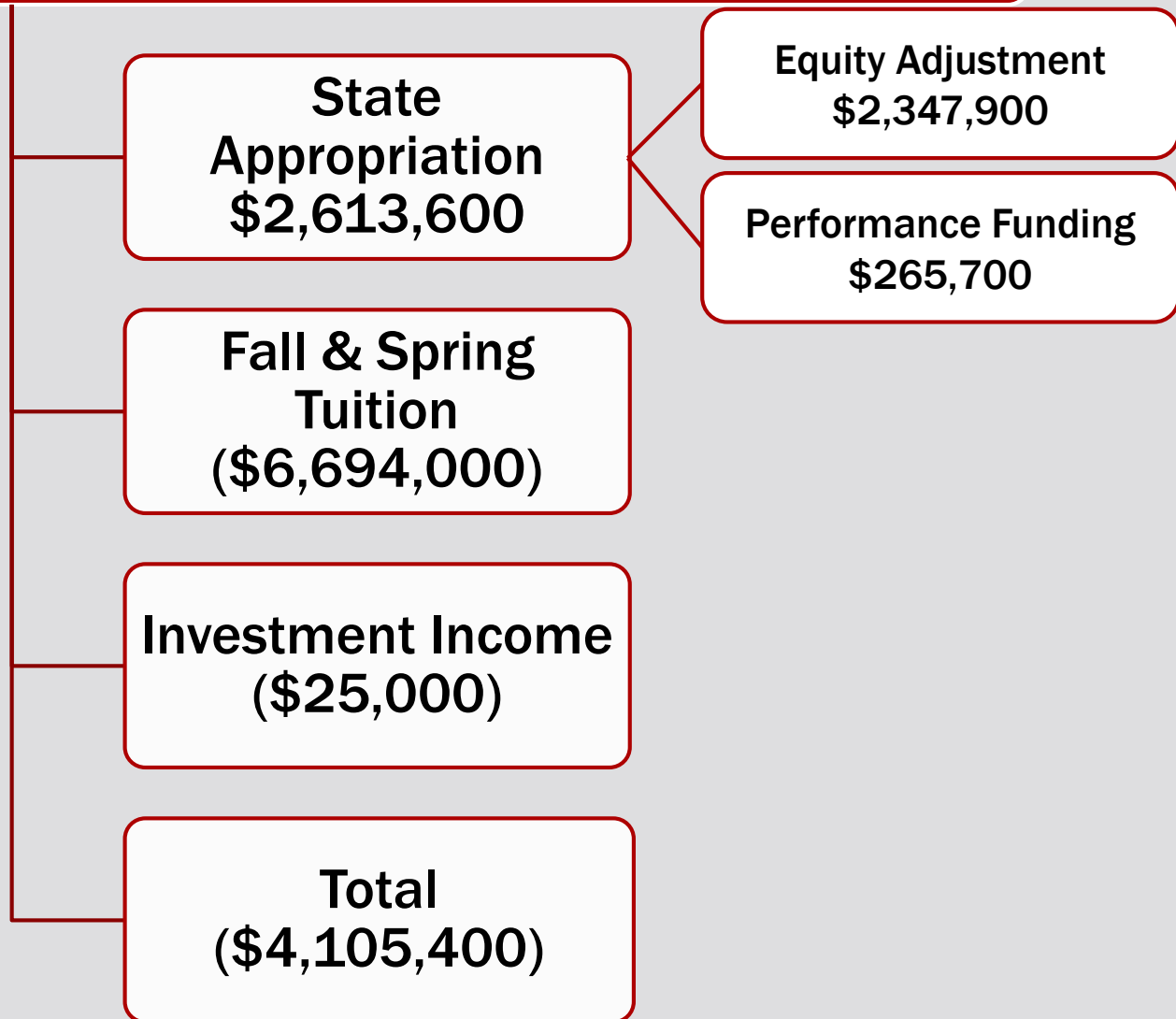


ALLOCATING PROJECTED UNRESTRICTED E&G REVENUE

- **Central Sources**
 - State Appropriation, Operating
 - Fall & Spring Tuition
 - Investment Income
- **Returned to Divisions**
 - State Appropriation, Designated
 - Tuition & Fees
 - Self-Generated Revenue
- **Carry Forward (Prior Year Funds)**

Central Sources

Projected Increases (Decreases)



EQUITY ADJUSTMENT

- **WKU received half of the CPE recommended equity adjustment.**
- **Why did we receive an equity adjustment?**
 - Disparities in state support in the comprehensive sector

PERFORMANCE FUNDING

DISTRIBUTION OF ALLOCABLE FUNDING

35% Student Success

Based on

- Degrees and credentials awarded
- Degrees per 100 full-time enrollments
- STEM+H degrees
- Degrees earned by minority and low-income students
- Student progression

35% Course Completion

Based on each institution's share of sector total student credit hours earned, weighted to account for cost differences by degree level and academic discipline.

10% Maintenance & Operations

Based on each institution's share of square footage dedicated to student learning.



10% Institutional Support

Based on each institution's share of sector total instruction and student services spending.

10% Academic Support

Based on each institution's share of sector total full-time enrollment.

Returned to Divisions Projected Increases

Tuition & Fees
\$3,210,000

Self-Generated Revenue
\$938,400

Total
\$4,148,400

CARRY FORWARD PROJECTED INCREASES

Provost/VP Academic Affairs	\$10,900,000
Athletics	25,000
Chief Facilities Officer	0
VP Development & Alumni Relations	268,000
VP Finance & Administration	141,000
VP Information Technology	(250,000)
VP Public Affairs	(45,000)
VP Student Affairs	400,000
Other*	(99,000)
Total	\$11,340,000

*Other includes Office of the President, General Counsel and University-Wide.

FIXED COSTS/RECURRING PROGRAMMATIC COMMITMENTS

State Appropriation	\$2.6M
Tuition Increase (Fall & Spring Only)	4.3M
Divisional Tuition	<u>2.0M</u>
Total Sources	\$8.9M
Fixed Costs	\$4.7M
Strategic Priorities	3.6M
Programmatic Obligations to Divisions	<u>2.0M</u>
Total Uses	\$10.3M
Shortfall Reallocation from Divisions	(\$1.4M)

FIXED COSTS

\$4,693,000

- **Faculty Promotions**
- **Retirement Systems Rate Increases**
- **Health Insurance Increase**
- **FICA/MQFE Federal Requirement**
- **Student Accessibility**
- **Contractual Obligations**
- **Utilities and M&O**
- **Scholarships**
- **Other Operating Expenses**

STRATEGIC PRIORITIES

\$3,593,000

- **2% Salary Increase (January & July 2017)**
- **Growing Private Giving Support**
- **Student Retention / Professional Advisors Project**
- **Admissions Student Recruiting / Retention Initiatives**
- **Campus & State Police Events Security**
- **Central Contingency**

PROGRAMMATIC INCREASES (DECREASES) TO DIVISIONS

\$1,978,000

- **WKU Pathways**
- **Summer School**
- **Doctoral Programs**
- **International Students Surcharge**
- **DELO Programs**
- **Cohort Programs Transition**

THE 2017-18 CAPITAL BUDGET



CAPITAL BUDGET

- General Assembly authorized agency bonds for Parking Structure III Construction.
- WKU funds authorization received for capital projects subject to availability of funds.

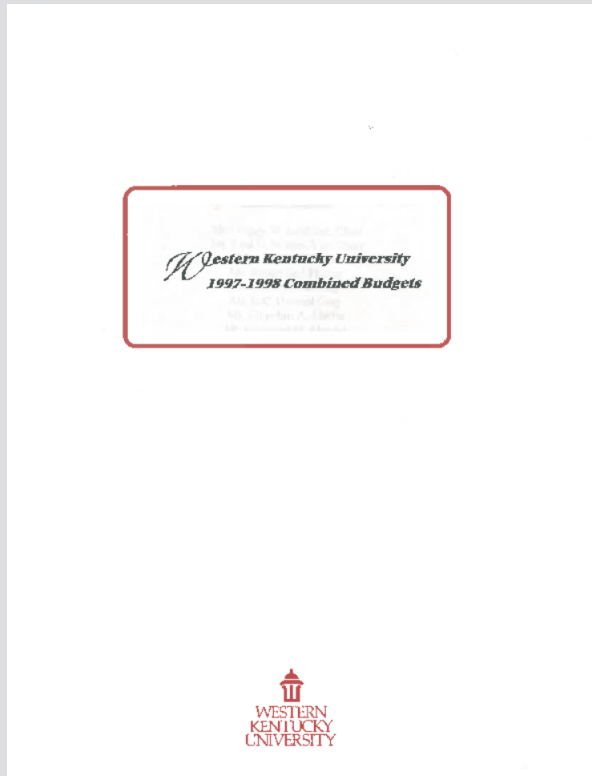
<u>Capital Summary by Funding Source</u>	
State Bonds – Science Complex	\$48,000,000
Agency Bonds	
Construct Parking Structure III	10,000,000
Restricted Funds	17,222,300
Private/Federal Funds	<u>14,089,200</u>
Total	\$89,311,500

TWENTY YEAR LEGACY OF PRESIDENT GARY A. RANSDELL

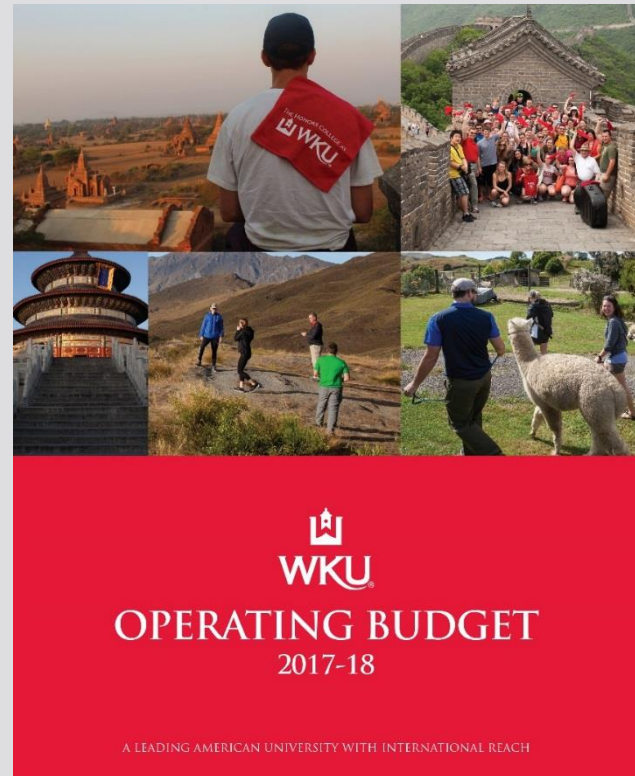


TWENTY YEAR LEGACY OF PRESIDENT GARY A. RANSDELL

\$130,070,900



\$413,651,000



Questions?

