EXPENDITURES


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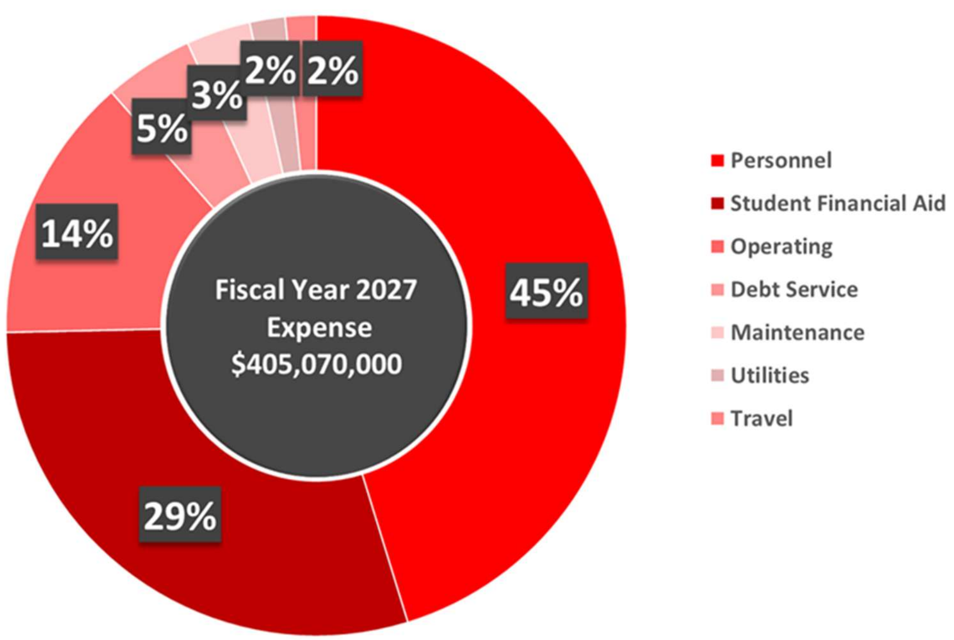
EXPENDITURES

WKU's expenditure budget for FY 2027 is $405.1 million. This is $9.8 million, or 2%, more than FY 2025. The largest expenditure category is personnel, which includes all faculty and staff salaries and fringe benefits, followed by student financial aid.

Expenditures by Natural Classification

Expense	FY 2026	FY 2027	$ Change	% Change
Salaries and Wages	131,197,400	128,455,000	2,742,400	-2%
Fringe Benefits	53,796,600	54,799,000	1,002,400	2%
Total Personnel	**184,994,000**	**183,254,000**	**1,740,000**	**-1%**
Student Financial Aid	123,299,900	119,132,000	4,167,900	-3%
Operating	45,934,200	56,232,000	10,297,800	22%
Debt Service	19,338,000	18,881,000	457,000	-2%
Maintenance	14,800,000	13,589,000	1,211,000	-8%
Utilities	9,498,200	7,472,000	2,026,200	-21%
Travel	6,212,200	6,510,000	297,800	5%
Total	**$404,076,500**	**$405,070,000**	**$993,500**	**0%**

Figure 7: FY 2027 Expenditures



Personnel

Personnel costs remain the university's largest expenditure category, accounting for approximately 45% of WKU's total operating expenses. The FY 2027 salary and fringe benefits budget is projected at $183.3 million.

WKU has maintained a strong commitment to employee compensation. For FY 2027, the BEC recommended deferring the inclusion of a salary increase in the operating budget until updated enrollment and revenue projections can be evaluated in the fall. At that time, university leadership will assess the financial feasibility of a compensation adjustment.

WKU's investment in its employees extends well beyond salary and reflects a comprehensive approach to total rewards. The university continues to provide competitive salary and retirement programs designed to attract and retain a highly talented workforce. In addition to compensation and healthcare benefits, WKU offers a strong work-life benefits package that enhances the overall employee experience. Employees receive generous paid time off, including standard holidays, additional leave during portions of the spring and fall academic breaks, and participation in a four-day work week throughout the summer months. These benefits remain an important component of WKU's commitment to fostering a supportive and competitive workplace environment.

Personnel – Wages/Salaries & Fringe Benefits

Wages/Salaries	FY 2026	FY 2027	$ Change	% Change
Faculty & Staff Salaries	124,316,000	120,824,400	3,491,600	-3%
Student & Grad Assistant Salaries	6,881,400	7,630,600	749,200	11%
Total Wages/Salaries	**$131,197,400**	**$128,455,000**	**($2,742,400)**	**-2%**

Fringe Benefits	FY 2026	FY 2027	$ Change	% Change
Retirement	20,282,300	20,201,000	81,300	0%
Health Insurance	18,816,200	19,838,100	1,021,900	5%
FICA	7,851,300	7,848,200	3,100	0%
Other Fringe Benefits	4,936,800	4,971,700	34,900	1%
Employee Tuition Waivers	1,910,000	1,940,000	30,000	2%
Total Fringe Benefits	**$53,796,600**	**$54,799,000**	**$1,002,400**	**2%**
Total	**$184,994,000**	**$183,254,000**	**($1,740,000)**	**-1%**

Student Financial Aid

Student financial aid represents a significant component of the university's operating budget and plays a critical role in both student recruitment and maintaining the affordability of the WKU experience. The university continues to invest in a broad range of financial aid initiatives, including merit-based scholarships and targeted programs such as the Hilltopper Guarantee and Border State Scholarship. The President's Enrollment Council regularly evaluates and refines these programs to ensure they effectively support student affordability while also managing the institution's overall discount rate in a fiscally responsible manner.

In addition to institutional aid, WKU's Department of Student Financial Assistance (SFA) anticipates administering approximately $28.6 million in federal Pell Grant funding and an additional $28 million in state-funded assistance through programs such as KEES and the College Access Program (CAP). CAP, which is funded by the Commonwealth of Kentucky, provides critical financial support to low-income students. These resources are instrumental in improving access, strengthening financial stability, and supporting retention and student success among financially vulnerable populations.

Student Financial Aid

Student Financial Aid	FY 2026	FY 2027	$ Change	% Change
Institutional Financial Aid	54,341,900	51,268,000	3,073,900	-6%
Pell	29,000,000	28,632,000	368,000	-1%
College Access Program (CAP)	17,000,000	16,000,000	1,000,000	-6%
KEES	11,000,000	10,750,000	250,000	-2%
Other Financial Aid	6,262,000	5,932,000	330,000	-5%
Mandated Tution Waivers	4,450,000	4,950,000	500,000	11%
Governmental Scholarships	1,246,000	1,600,000	354,000	28%
Total	**$123,299,900**	**$119,132,000**	**($4,167,900)**	**-3%**

Operating Expenditures

Expenditures associated with the operation of the university include maintenance costs, debt service, utilities, travel, and other general operating expenses. The FY 2027 operating budget totals $102.7 million, reflecting a year-over-year increase of $6.9 million.

The increase is primarily attributable to pass-through funding related to new lease agreements, with corresponding revenue generated to offset the associated expenses. In addition, the budget includes increased Athletics expenditures supported by additional private funding sources.

Operating Expenditures

Operating Expenditures	FY 2026	FY 2027	$ Change	% Change
Supplies & Operating Expenses	45,934,200	56,232,000	10,297,800	22%
Debt Service	19,338,000	18,881,000	457,000	-2%
Maintenance	14,800,000	13,589,000	1,211,000	-8%
Utilities	9,498,200	7,472,000	2,026,200	-21%
Travel	6,212,200	6,510,000	297,800	5%
Total	**$95,782,600**	**$102,684,000**	**$6,901,400**	**7%**