



**FINANCE, BUDGET & AUDIT
COMMITTEE**

February 20, 2026

ACCOUNTANTS' REPORT ON APPLICATION OF AGREED-UPON PROCEDURES, NCAA COMPLIANCE REPORT

REQUEST:

Acceptance of the Accountants' Report on Application of Agreed-Upon Procedures, NCAA Compliance Report for the year ended June 30, 2025.

FACTS:

Each year, Western Kentucky University contracts with our external auditing firm to issue a report on agreed-upon procedures to assist the University with respect to complying with the NCAA Constitution Article 3.2.4.17. The agreed-upon procedures were completed by Forvis Mazars for the fiscal year ended June 30, 2025, in accordance with attestation standards established by the American Institute of Certified Public Accountants. The Statement of Revenues and Expenses of intercollegiate athletics operations was prepared by staff in the Office of Athletics who are responsible for compliance with the NCAA Constitution Article 3.2.4.17. A listing of procedures performed by Forvis Mazars, along with associated findings, is included in Attachment B of the report.

Forvis Mazars's procedures do not constitute an audit or review and, therefore, does not contain an opinion on compliance with the NCAA Constitution Article 3.2.4.17. It provides information intended for use by the Board of Regents, management of Western Kentucky University, and any authorized representative of the National Collegiate Athletic Association solely for reporting with respect to procedures described within the report.

RECOMMENDATION:

President Timothy C. Caboni recommends that the Board of Regents accept the Independent Accountant's Report on Applying Agreed-Upon Procedures as required by the NCAA Constitution Article 3.2.4.17 for the year ended June 30, 2025.

MOTION:

Accept the Independent Accountant's Report on Applying Agreed-Upon Procedures for NCAA Compliance for the year ended June 30, 2025.



Western Kentucky University

Independent Accountant's Report on Applying Agreed-Upon Procedures Performed on the Intercollegiate Athletics Program as Required by NCAA Bylaw 20.2.4.18.1

Year Ended June 30, 2025



**Western Kentucky University
Intercollegiate Athletics Program
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June 30, 2025**

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Independent Accountant's Report on Applying Agreed-Upon Procedures

Dr. Timothy Caboni, President
Western Kentucky University
Bowling Green, Kentucky

We have performed the procedures enumerated in Attachment B to this report to assist you in evaluating whether the Statement of Revenues and Expenses (Attachment A) of Western Kentucky University (University) and related notes are in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 20.2.4.18.1 as of and for the year ended June 30, 2025. The management of the University is responsible for compliance with the NCAA Bylaw 20.2.4.18.1.

The University has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining compliance with the NCAA Bylaw 20.2.4.18.1 as of and for the year ended June 30, 2025. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are described in Attachment B to this report.

We were engaged by the University to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the NCAA Bylaw 20.2.4.18.1. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the University and is not intended to be, and should not be, used by anyone other than these specified parties.

Forvis Mazars, LLP

**Louisville, Kentucky
January 15, 2026**

**Western Kentucky University
Intercollegiate Athletics Program
Statement of Revenues and Expenses
Year Ended June 30, 2025**

Attachment A

	<u>Football</u>	<u>Men's Basketball</u>	<u>Women's Basketball</u>	<u>Other Sports</u>	<u>Nonprogram Specific</u>	<u>Total</u>
Operating Revenues						
Ticket sales	\$ 915,718	\$ 974,749	\$ 92,956	\$ 51,919	\$ 6,175	\$2,041,517
Student fees	-	-	-	-	4,751,005	4,751,005
Direct institutional support	6,513,874	1,909,441	1,560,017	6,484,841	-	16,468,173
Less transfers to Institution	-	-	-	-	(3,515,619)	(3,515,619)
Indirect institutional support	-	-	-	-	1,453,619	1,453,619
Indirect institutional support – athletic facilities debt service, lease, and rental fees	-	-	-	-	6,569,562	6,569,562
Guarantees	2,625,000	85,000	53,000	32,175	-	2,795,175
Contributions	544,432	75,188	82,911	252,518	1,215,329	2,170,378
Media rights	-	-	-	-	710,000	710,000
NCAA distributions	-	-	-	-	513,464	513,464
Post-season nonfootball NCAA expense reimbursements	-	-	-	49,975	-	49,975
Conference distributions (non-media and Non-post-season)	-	-	-	-	2,816,958	2,816,958
Program, novelty, parking, and concession sales	-	-	-	-	249,958	249,958
Royalties, licensing, advertisement, and sponsorships	-	-	-	-	2,043,496	2,043,496
Sports camp revenues	-	21,249	-	790	-	22,039
Other operating revenue	1,000	-	-	16,665	60,008	77,673
Post-season football expense reimbursements	810,966	-	-	-	-	810,966
Total Operating Revenues	<u>11,410,990</u>	<u>3,065,627</u>	<u>1,788,884</u>	<u>6,888,883</u>	<u>16,873,955</u>	<u>40,028,339</u>

**Western Kentucky University
Intercollegiate Athletics Program
Statement of Revenues and Expenses
Year Ended June 30, 2025**

(Continued)

	<u>Football</u>	<u>Men's Basketball</u>	<u>Women's Basketball</u>	<u>Other Sports</u>	<u>Nonprogram Specific</u>	<u>Total</u>
Operating Expenses						
Athletic student aid	\$2,348,420	\$ 421,890	\$ 381,550	\$2,248,232	\$ 185,153	\$5,585,245
Guarantees	325,000	87,000	17,500	41,048	-	470,548
Coaches salary, benefits, and bonuses paid by the University and related entities	3,241,333	1,329,308	621,196	2,144,070	-	7,335,907
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities	1,142,274	51,468	59,773	68,491	4,299,655	5,621,661
Recruiting	586,984	80,713	50,184	121,825	-	839,706
Team travel	1,023,049	577,852	416,220	1,127,135	2,621	3,146,877
Sports equipment, uniforms, and supplies	605,383	72,472	37,650	435,916	56,632	1,208,053
Game expenses	272,196	153,300	89,700	178,873	525,563	1,219,632
Fund raising, marketing, and promotion	15,036	15,147	-	30,252	887,330	947,765
Sports camp expenses	-	20,682	342	-	-	21,024
Spirit groups	-	-	-	-	327,289	327,289
Athletic facilities debt service, lease, and rental fees	-	-	-	-	6,569,562	6,569,562
Direct overhead and administrative expenses	143,920	56,583	31,839	46,824	848,292	1,127,458
Facilities Maintenance and Operations	10,959	-	-	19,665	213,582	244,206
Indirect institutional support	-	-	-	-	1,453,619	1,453,619
Medical expenses and insurance	1,585	551	360	322	642,333	645,151
Memberships and dues	49,536	6,843	-	24,573	438,004	518,956
Student-athlete meals (Non-Travel)	475,051	94,118	27,991	82,692	27,857	707,709
Other operating expenses	342,359	97,700	54,579	204,142	382,974	1,081,754
Post season football expenses	827,905	-	-	-	-	827,905
NCAA post-season Non-football expenses	-	-	-	114,823	13,489	128,312
Total Operating Expenses	<u>11,410,990</u>	<u>3,065,627</u>	<u>1,788,884</u>	<u>6,888,883</u>	<u>16,873,955</u>	<u>40,028,339</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Western Kentucky University
Intercollegiate Athletics Program
Notes to Statement of Revenues and Expenses
June 30, 2025**

Note 1. Basis of Presentation

The accompanying Statement of Revenues and Expenses (Statement) (Attachment A) of the Intercollegiate Athletics Program (Athletics) has been prepared on the accrual basis of accounting. The purpose of the Statement is to present a summary of revenues and expenses of Athletics of Western Kentucky University (University) for the year ended June 30, 2025. The Statement includes those Athletics' revenues and expenses made on behalf of Athletics by outside organizations not under the accounting control of the University. Because the Statement presents only a selected portion of the activities of the University, it is not intended to and does not present either the financial position, changes in financial position, or cash flows of the University as a whole, for the year ended June 30, 2025. Revenues and expenses directly identifiable with each category of sport presented are reported accordingly. Revenues and expenses not directly identifiable to a specific sport are reported under the category "Nonprogram Specific."

Note 2. Affiliated Organizations and Contributions

The College Heights Foundation receives gifts and contributions that are restricted for the related Athletics, as well as for the Touchdown Club and Men's Basketball Athletic Director Fund. Contributions of \$11,331,429 were received during FY25 from the College Heights Foundation. During the year ended June 30, 2025, the Foundation had one contribution exceeding 10% of total contribution received. These contributions were from an individual donor, and totaled \$5,006,450. Additionally, Athletics spent \$1,215,329 of contributions that were received in prior years.

Note 3. Capital Assets

Assets acquired, depreciated, and disposed of for Athletics purposes follow the University's capitalization policy of \$5,000. All capital assets, as defined by University policy, are recorded at cost at the date of acquisition, or if donated, at acquisition value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset and is not allocated to functional expense categories.

Note 4. Long-Term Debt

As of June 30, 2025, there are outstanding Athletics' debt associated with a portion of the General Receipts Bonds, Series 2015A and Series 2016A, totaling \$4,597,115, outstanding Athletics' debt related to the renovation of Diddle Arena and other Athletics' projects with the 2022 Series A & B, totaling \$44,350,000, and outstanding General Receipts Bonds Series 2024A, totaling \$7,849,222. Additionally, outstanding Athletics' debt for and software-based information technology arrangements of \$139,999. Long-term debt maturities relating to Athletics are as follows:

	<u>Principal</u>	<u>Interest</u>
2026	\$ 5,258,793	\$ 1,946,329
2027	4,656,408	1,757,211
2028	2,354,833	1,624,446
2029	2,438,707	1,543,230
2030	2,522,582	1,459,051
2031–2035	13,970,039	5,924,966
2036–2040	16,571,820	3,323,664
2041–2045	9,163,154	598,171
Total	<u>\$ 56,936,336</u>	<u>\$ 18,177,068</u>

**Western Kentucky University
Intercollegiate Athletics Program
Notes to Statement of Revenues and Expenses
June 30, 2025**

Note 5. Other Reporting Items

Certain other reporting items, which are required to be disclosed as of and for the fiscal year ended June 30, 2025 are:

Other Reporting Items

Total Athletics-related debt	\$ 56,936,336
Total institutional debt	\$ 170,169,853
Value of Athletics-dedicated endowments	\$ 20,167,524
Value of institutional endowments	\$ 314,208,232
Total Athletics-related capital expenditures	\$ 501,835

Our procedures and findings are described below. Our results and findings (greater than 0.1% of total revenue or total expenses) are also described below.

Internal Controls

1. We obtained an understanding of Western Kentucky University's (University) internal control structure and those controls unique to the Intercollegiate Athletics Program (Athletics).

Affiliated and Outside Organizations

1. Athletics' management identified all related affiliated and outside organizations and provided us with copies of audited financial statements for each such organization for the reporting period.
2. Athletics' management prepared and provided to us a summary of revenues and expenses for or on behalf of the Athletics by affiliated and outside organizations included in the Statement of Revenues and Expenses (Statement) (Attachment A).
3. Athletics' management provided to us any additional reports regarding internal control matters identified during the audits of affiliated and outside organizations performed by independent public accountants. We were not made aware of any internal control findings.

Statement of Revenues and Expenses

1. We will obtain the Statement for the year ended June 30, 2025, as prepared by management. We will compare the revenue and expense amounts reported on the Statement to the supporting schedules prepared by management of the University, for relevant revenue and expense categories which are greater than 4.0% of total operating revenues and operating expenses.

Results and Findings: We obtained Attachment A, as prepared by management. We recalculated the amounts on Attachment A, compared the amounts on Attachment A to management's worksheets and traced the amounts on management's worksheets to the general ledger for the University.

2. We will compare a sample of operating revenue receipts and operating expenses obtained from the above Statement to adequate supporting schedules.

Results and Findings: See procedures #4 to #72.

3. We will compare each major revenue and expense category greater than 10% of the total revenues or expenses in the Statement to prior year amounts and current year budgeted amounts. We will obtain and document an understanding of any significant variances greater than 10% from prior year amounts or current year budget estimates.

Results and Findings:

Current Year Actual Versus Prior Year Actual:

- Indirect Institutional Support – Athletic Facilities increased by \$1,888,032 or 40.33% from the prior year. The University's management represented the increase is due to a new arrangement between Athletics and the University in which the University now pays the full debt principal amounts in the current year rather than a portion.

Current Year Actual Versus Current Year Budget:

- The University's management represented that Direct Institutional Support was not budgeted for FY25 and that this amount is determined at year-end once management determines Athletics' costs that were not covered by sport revenues or student fees.
- The University's management represented that Indirect Institutional Support – Athletic Facilities Debt Service, Lease, and Rental Fees was not budgeted for FY25 and that this amount is determined at year-end once management determines Athletics' debt payments.

- The University's management represented that Athletic Student Aid was under budget by \$965,616 or 17.29% due to a decrease in the number of scholarships awarded for FY25.
- The University's management represented that Athletic Facilities Debt Service, Lease, Rental was not budgeted for FY25 and that this amount is determined at year-end once management determines Athletics' debt payments.

Ticket Sales

4. For football and men's basketball ticket revenue, we will compare the detail of tickets sold, complimentary tickets provided, and unsold tickets to the related revenue reported by the University in the Statement and the related attendance figures and recalculate totals.

Results and Findings: No matters are reportable.

Student Fees

5. We will compare and agree student fees reported by the University in the Statement to student enrollments and recalculate totals.

Results and Findings: No matters are reportable.

6. We will obtain and document an understanding of the University's methodology for allocating student fees to Athletics and inquire of the University's management as to whether there were any significant changes from prior year.

Results and Findings: No matters are reportable.

7. If Athletics is reporting that an allocation of student fees should be countable as generated revenue, we will recalculate the totals of Athletics' methodology for supporting that they are able to count each sport. We will agree the calculation to supporting documents, such as seat manifests, ticket sales reports, and student fee totals.

Results and Findings: No matters are reportable.

Direct State or Other Governmental Support

8. We will compare the direct state or other governmental support recorded by the University during the reporting period with state appropriations, University authorizations, and/or other corroborative supporting documentation and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

Direct Institutional Support

9. We will compare the direct institutional support recorded by the University during the reporting period with supporting budget transfers documentation and other corroborative supporting documentation and recalculate totals.

Results and Findings: No matters are reportable.

Transfers Back to Institution

10. We will compare the transfers back to the University with permanent transfers back to the University from Athletics and recalculate totals.

Results and Findings: No matters are reportable

Indirect Institutional Support and Indirect Institutional Support – Athletic Facilities Debt Service, Lease, and Rental Fees

11. We will compare the indirect institutional support recorded by the University during the reporting period with expense payments, cost allocation detail, and other corroborative supporting documentation and recalculate totals.

Results and Findings: Indirect Institutional Support line item was less than 4% of total revenues; therefore, no procedures were performed. Indirect Institutional Support – Athletic Facilities Debt Service, Lease, and Rental Fees: No matters are reportable.

Guarantees

12. We will select a sample of one settlement report for away games during the reporting period and agree the selection to the University's general ledger and/or the Statement and recalculate totals.

Results and Findings: No matters are reportable.

13. We will select a sample of one contractual agreement pertaining to revenues derived from guaranteed contests during the reporting period and compare and agree the selection to the University's general ledger and/or the Statement and recalculate totals.

Results and Findings: No matters are reportable.

Contributions

14. We will obtain a listing of all contributions of money, goods, or services received directly by Athletics from any affiliated or outside organization, agency, or group of individuals (two or more). For any individual contributions greater than 10% of total contributions received, we will obtain and review supporting documentation and recalculate totals.

Results and Findings: One individual contribution greater than 10% of total contributions received, \$5,006,450, was received by College Heights Foundation during the year. No matters are reportable.

In-Kind

15. We will compare the in-kind revenue recorded by the University during the reporting period with a schedule of in-kind donations and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

Compensation and Benefits Provided by a Third-Party

16. We will obtain the summary of revenues from affiliated and outside organizations (Summary) as of the end of the reporting period from the University and select a sample of one item from the Summary and compare and agree the selection to supporting documentation, the University's general ledger, and/or the Summary and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

Media Rights

17. We will obtain and inspect agreements to understand the University's total media rights received by the University or through its conference offices as reported in the Statement.

Results and Findings: Statement line item was less than 4% of total revenues; therefore, no procedures were performed.

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18. We will compare and agree the media rights revenues to a summary statement of all media rights identified, if applicable, and the University's general ledger and recalculate totals.

Results and Findings: Statement line item was less than 4% of total revenues; therefore, no procedures were performed.

NCAA Distributions

19. We will compare the amounts recorded in the Statement to general ledger detail for NCAA distributions and other corroborative supporting documents and recalculate totals.

Results and Findings: Statement line item was less than 4% of total revenues; therefore, no procedures were performed.

NCAA Host Revenue Settlements

20. We will compare the amount recorded in the statement to the supporting schedule or general ledger detail for NCAA Host Revenue Settlements received from the NCAA and recalculate the totals. We will agree the schedule to supporting documentation from the NCAA.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

Post-Season Non-Football NCAA Expense Reimbursements

21. We will compare the amount recorded in the statement to the supporting schedule or general ledger detail for a post-season non-football NCAA expense reimbursement and recalculate the totals. We will agree the schedule to supporting documentation from the NCAA.

Results and Findings: Statement line item was less than 4% of total revenues; therefore, no procedures were performed.

Conference Distributions (Nonmedia and Nonpost-season) and Conference Distributions of Post-Season Generated Revenue

22. We will obtain and read agreements related to the Institution's conference distributions and participation in revenues from tournaments during the reporting period for relevant terms and conditions.

Results and Findings: For Conference Distributions (Nonmedia and Nonpost-season), no matters are reportable. Conference Distributions of Post-Season Generated Revenue, there were no revenues in this line in the Statement; therefore, no procedures were performed.

23. We will compare and agree the related revenues to the Institution's general ledger and/or the Statement and recalculate totals.

Results and Findings: For Conference Distributions (Nonmedia and Nonpost-season), no matters are reportable. Conference Distributions of Post-Season Generated Revenue, there were no revenues in this line in the Statement; therefore, no procedures were performed.

Program, Novelty, Parking, and Concession Sales

24. We will obtain supporting schedules for revenue reported in the Statement from program, novelty, parking, and concessions sales and agree the amounts to the Statement and recalculate totals.

Results and Findings: Statement line item was less than 4% of total revenues; therefore, no procedures were performed.

Royalties, Licensing, Advertisements, and Sponsorships

25. We will obtain and read agreements related to the University's participation in revenues from royalties, licensing, advertisements, and sponsorships during the reporting period to gain an understanding of the relevant terms and conditions.

Results and Findings: No matters are reportable.

26. We will compare and agree the related revenues to the University's general ledger, and/or the Statement and recalculate totals.

Results and Findings: No matters are reportable.

Sports Camp Revenues

27. We will obtain and read sports camp contract(s) between the University and person(s) conducting University's sports camps or clinics during the reporting period to obtain an understanding of the University's methodology for recording revenues from sports camps.

Results and Findings: Statement line item was less than 4% of total revenues; therefore, no procedures were performed.

28. We will obtain schedules of camp participants and select a sample of one individual camp participant cash receipts from the schedule of sports camp participants and agree the selection to the University's general ledger and/or the Statement and recalculate totals.

Results and Findings: Statement line item was less than 4% of total revenues; therefore, no procedures were performed.

Athletics-Restricted Endowment and Investment Income

29. We will obtain and read endowment agreements (if any) to gain an understanding of the relevant terms and conditions.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

30. We will compare and agree the classification and use of endowment and investment income reported in the Statement during the reporting period to the uses of income defined within the related endowment agreement and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

Other Operating Revenue

31. We will obtain support schedules for other revenue reported in the Statement and recalculate totals.

Results and Findings: Statement line item was less than 4% of total revenues; therefore, no procedures were performed.

Post-Season Football Expense Reimbursements

32. We will obtain and inspect agreements related to the University's revenues from post-season football expense reimbursements during the reporting period to gain an understanding of the relevant terms and conditions.

Results and Findings: Statement line item was less than 4% of total revenues; therefore, no procedures were performed.

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33. We will compare and agree the related revenues to the University's general ledger and/or Statements and recalculate totals.

Results and Findings: Statement line item was less than 4% of total revenues; therefore, no procedures were performed.

Athletic Student Aid

34. We will select a sample of students (if the University used CA software, the sample is the lesser of 10% or 40 student-athlete recipients; if the University did not use CA software, the sample is the lesser of 20% or 60 student-athlete recipients) from the listing of student aid recipients during the reporting period.

Results and Findings: The University utilizes the CA software. We selected a sample of 32 students from the listing of student aid recipients during the reporting period.

35. We will obtain individual student account detail for each selection and compare total aid per the University's student information system to the student's detail in the University report that ties directly to the NCAA Membership Financial Reporting System.

Results and Findings: We obtained individual student account detail for each selection and compared to the aid allocated from the CRDE Report to the student detail, noting a difference of \$16,864. The University's management represented that the difference is due to a student who joined a team for Spring 2025 Semester and then, in March 2025, the student quit the team and left WKU all together and the Athletic Student Aid was cancelled. Due to timing, the aid was included on the CRDE report but was not paid to the student which caused the variance.

36. We will compare information for each student selected to their information reported in the NCAA's CA software or the NCAA Membership Financial Reporting System, using the following criteria:

- a. We will compare the equivalency value in the CA software for each student-athlete (rounded to two decimal places) to supporting documentation.
- b. We will note whether grants-in-aid were calculated by using the revenue distribution equivalencies by sport and in aggregate (Athletics' grant amount divided by the full grant amount).
- c. We will note whether other expenses related to attendance (also known as gap money or cost of attendance) are excluded from grants-in-aid revenue distribution equivalencies. Only tuition, fees, room, board and course-related books were counted for grants-in-aid revenue distribution per Bylaw 20.2.10.
- d. We will note whether the equivalency limits exceeded the maximum equivalency limits.
- e. We will note whether the grant amount represented the full cost of tuition for an academic year, rather than a semester.
- f. If an athlete participated in more than one sport, we will note whether the award was only included in one sport.
- g. We will note whether Athletics' grants were for sports in which the NCAA conducts championships competition, emerging sports for women and bowl subdivision football.
- h. We will note whether grants-in-aid were for sports that meet the minimum contests and participants' requirements of Bylaw 20.10.6.3.
- i. We will note whether any of the selected items represented grants to student-athletes listed on the calculation of revenue distribution equivalencies report as "exhausted eligibility" or "medical."
- j. We will note whether any sports were discontinued during the fiscal year.

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- k. We will note whether any of the student-athletes selected had exhausted their Athletics' eligibility.
 - l. If a selected student received a Pell Grant, we will note whether the value of the grant was excluded from the calculation of equivalencies or the total dollar amount of student Athletics' aid expense for the University.
 - m. If a student received a Pell Grant, we will compare the student's total grant to the total number and total value of Pell Grants reported for revenue distribution purposes in the NCAA Membership Financial Reporting System.

Results and Findings: No matters are reportable.

- 37. We will recalculate the detail amounts of Athletics' student aid and agree it to the total per the Statement. We will recalculate totals for each sport and overall.

Results and Findings: We were able to agree the Athletics' student aid total to the individual student-athlete listing report by including summer school and endowment adjustments.

Guarantees

- 38. We will obtain and inspect a sample of one visiting University's away-game settlement reports received by the University during the reporting period and agree related expenses to the general ledger and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

- 39. We will obtain and inspect a sample of one contractual agreement pertaining to expenses recorded by the University during the reporting period from guaranteed contests and agree related expenses to the general ledger and/or Statement and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Coaching Salaries, Benefits and Bonuses Paid by the University and Related Entities

- 40. We will obtain and inspect a listing of coaches employed by the University and related entities during the reporting period and select a sample of three coaches' contracts that include football and men's and women's basketball from the above listing.

Results and Findings: We selected the three coaches (one football and one men's and women's basketball) from the listing.

- 41. We will compare and agree the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses recorded by the University and related entities in the Statement during the reporting period.

Results and Findings: No matters are reportable

- 42. We will obtain and inspect payroll summary registers for the reporting year for each selection. We will compare and agree payroll summary registers from the reporting period to the related coaching salaries, benefits, and bonuses paid by the University and related entities expense recorded by the University in the Statement during the reporting period.

Results and Findings: No matters are reportable.

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43. We will compare and agree the totals recorded to any employment contracts executed for the sample selected and recalculate totals.

Results and Findings: No matters are reportable.

Coaching Salaries, Benefits, and Bonuses Paid by a Third-Party

44. We will obtain and inspect a listing of coaches employed by third parties during the reporting period and select a sample of three coaches' contracts that will include football and men's and women's basketball from the above listing.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

45. We will compare and agree the financial terms and conditions of each selection to the related coaching salaries, benefits and bonuses paid by a third party and recorded by the University in the Statement during the reporting period.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

46. We will obtain and inspect payroll summary registers for the reporting year for each selection. We will compare and agree payroll summary registers from the reporting period to the coaching salaries, benefits and bouses paid by third-party expenses recorded by the University in the Statement during the reporting period.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

Support Staff/Administrative Compensation, Benefits, and Bonuses Paid by the University and Related Entities

47. We will select a sample of one support staff/administrative personnel employed by the University and related entities during the reporting period.

Results and Findings: No matters are reportable.

48. We will obtain and inspect reporting period summary payroll register for each selection. We will compare and agree related summary payroll register to the related support staff/administrative salaries, benefits, and bonuses paid by the University and related entities expense recorded by the University in the Statement during the reporting period and recalculate totals.

Results and Findings: No matters are reportable.

Support Staff/Administrative Compensation, Benefits, and Bonuses Paid by a Third-Party

49. We will select a sample of one support staff/administrative personnel employed by third parties during the reporting period.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

50. We will obtain and inspect reporting period summary payroll register for the selection. We will compare and agree the related summary payroll register to the related support staff/administrative compensation, benefits, and bonuses expense recorded by the University in the Statement during the reporting period and recalculate totals.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

Severance Payments

51. We will select a sample of one employee receiving severance payments by the University during the reporting period and agree the severance payment to the related termination letter or employment contract and recalculate totals.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

Recruiting

52. We will obtain an understanding of the University's recruiting expense policies and compare to existing University and NCAA-related policies.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

53. We will obtain general ledger detail of recruiting expenses and compare to amounts reported in the Statement and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Team Travel

54. We will obtain an understanding of the University's team travel policies and compare to existing University and NCAA-related policies.

Results and Findings: No matters are reportable.

55. We will obtain general ledger detail of team travel expenses and compare to amounts reported in the Statement and recalculate totals.

Results and Findings: No matters are reportable.

Sports Equipment, Uniforms, and Supplies

56. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Game Expenses

57. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Fundraising, Marketing and Promotion

58. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Sports Camps Expenses

59. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Spirit Groups

60. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Athletic Facilities Debt Service, Leases, and Rental Fees

61. We will obtain a listing of debt service schedules, lease payments, and rental fees for Athletics' facilities and agree to the general ledger. We will compare a sample of facility payments including the top two highest facility payments, to additional supporting documentation and recalculate totals.

Results and Findings: No matters are reportable.

Direct Overhead and Administrative Expenses

62. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Facilities Maintenance and Operations

63. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Indirect Institutional Support

64. We will obtain general ledger detail and compare to supporting documentation.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Medical Expenses and Insurance

65. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Memberships and Dues

66. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Other Operating Expenses

67. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and compare to supporting documentation and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Student-Athlete Meals (Nontravel)

68. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was less than 4% of total expenses; therefore, no procedures were performed.

Post-Season Football Bowl Expenses, Post-Season Football Bowl Expenses – Coaching Compensation/Bonuses, and Football Host Expense Settlements

69. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: For Post-Season Football Bowl Expenses, the statement line item was less than 4% of total expenses; therefore, no procedures were performed. Post-Season Football Bowl Expenses – Coaching Compensation/Bonuses and Football Host Expense settlements, there were no expenses in this line in the Statement; therefore, no procedures were performed.

NCAA Post-Season Non-Football Bowl Expenses, NCAA Post-Season Expenses – Coaching Compensation/Bonuses, and NCAA Non-Football Host Expense Settlements

70. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: For NCAA Post-Season Football Bowl Expenses, the statement line items was less than 4% of total expenses; therefore, no procedures were performed. NCAA Post-Season Expenses – Coaching Compensation/Bonuses and NCAA Non-Football Host Expense Settlements, there were no expenses in this line in the Statement; therefore, no procedures were performed.

Enhanced Educational Expenses (Alston or Other)

71. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

Institutional NIL Revenue Share

72. We will obtain general ledger detail and compare to the total settlement-related cash benefit expenses reported for student-athletes and/or student athlete families. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

Additional Minimum Agreed-Upon Procedures

73. We will compare and agree the sports sponsored reported in the NCAA Membership Financial Reporting System to the supporting equivalency calculations of the University. We will compare current year grants-in-aid revenue distributions equivalencies to prior year reported equivalencies per the Membership Financial Report submission and note any variances greater than 4%.

Results and Findings: The grants-in-aid revenue distribution equivalency decreased by 11.13 or 6.29%. The University represented this decrease is a result of the decrease in number of scholarships awarded per sport as well as an increase in students who transferred out of the school due to NIL.

74. We will obtain the University's Sports Sponsorship and Demographics Forms Report for the reporting year. We will compare the countable sports reported by the University with the minimum requirements set forth by Bylaw 20.9.6.3 for the number of contests and the number of participants in each contest that is counted toward meeting the minimum contest requirement. We will note whether the University has reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System. We will compare the current year number of sports sponsored to prior year reported total per the Membership Financial Report submission.

Results and Findings: No matters are reportable.

75. We will agree the total number of Division I student-athletes who, during the academic year, received a Pell Grant award and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting system to a report, generated out of the University's financial aid system, of all student-athlete Pell Grants. We will compare the current year Pell Grants total to the prior year reported total per the Membership Financial Report submission and note any variance of student-athletes.

Results and Findings: No matters are reportable.

Minimum Agreed-Upon Procedures for Other Reporting Items

Excess Transfers to the University and Conference Realignment Expenses

76. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction to agree to supporting documentation and recalculate totals.

Results and Findings: There were no excess transfers to the University or conference realignment expenses for the reporting period; therefore, no procedures were performed.

Total Athletics-Related Debt

77. We will obtain repayment schedules for all outstanding Athletics-related debt during the reporting period and recalculate annual maturities. We will agree the total annual maturities and total outstanding Athletics-related debt to supporting documentation and the general ledger.

Results and Findings: No matters are reportable.

Total University Debt

78. We will agree the total outstanding debt of the University to supporting documentation and the University's audited financial statements.

Results and Findings: No matters are reportable.

Value of Athletics-Dedicated Endowments

79. We will obtain a schedule of all Athletics-dedicated endowments maintained by Athletics, the University and affiliate organizations. We will agree the fair market value in the schedule(s) to supporting documentation and the general ledger.

Results and Findings: No matters are reportable.

Value of Institutional Endowments

80. We will agree the fair market value of the University's endowments to supporting documentation and the general ledger.

Results and Findings: No matters are reportable.

Total Athletics-Related Capital Expenditures

81. We will obtain a schedule of Athletics-related capital expenditures made by Athletics, the University and affiliated organizations during the reporting period.

Results and Findings: No matters are reportable.

82. We will obtain general ledger detail and compare to the total expenses report. We will select a sample of one transaction and compare to supporting documentation and recalculate totals.

Results and Findings: We noted our capital expenditure selection in the amount of \$340,313 had \$118,875, which should have been included as a capital expenditure in fiscal year 2024 versus the fiscal year 2025. The construction invoices were for the period of March 2024 through June 2024. The \$118,875 was subsequently removed from the Statement.

2025-26 STATEMENT OF REVENUES & EXPENDITURES

REQUEST:

Accept for filing the Statement of Revenues & Expenditures for the Six Months Ended December 31, 2025 and 2024.

FACTS:

This report is a summary of revenue versus expenses for the second quarter of fiscal year 2026.

Total revenue was \$244.8 million or 70% of budget. The increase in revenue is primarily attributed to a \$9.5 million increase in Net Tuition Revenue. Gross Tuition and Fees were up slightly, but the reduction in Institutional Financial Assistance from improvements in the scholarship model also contributed to the increase.

Total expenses were \$186.9 million or 53% of budget. While Personnel Expense is relatively flat compared to the prior year, the primary year-over-year increases are in Supplies & Operating, Debt Service, and Maintenance.

RECOMMENDATION:

President Timothy C. Caboni recommends that the Board of Regents accept for filing the Statement of Revenues and Expenditures for the Six Months Ended December 31, 2025 and 2024.

MOTION:

Accept for filing the Statement of Revenues and Expenditures for the Six Months Ended December 31, 2025 and 2024.



	Budget 2026	Actual 2026	2026 % of Budget	Budget 2025	Actual 2025	2025 % of Budget
Revenue						
Revenues						
Gross Tuition & Fees	\$ 187,436,600	\$ 171,413,449	91%	\$ 184,154,000	\$ 168,423,897	91%
Less Institutional Financial Assistance	(54,341,900)	(43,437,374)	80%	(59,676,300)	(49,957,236)	84%
Net Tuition Revenue	133,094,700	127,976,075	96%	124,477,700	118,466,661	95%
State Appropriation	86,850,600	48,142,957	55%	86,741,900	47,708,100	55%
Grants & Contracts	77,966,000	39,839,256	51%	72,625,000	42,092,653	58%
Other Revenue	20,467,200	13,285,487	65%	18,269,000	11,580,274	63%
Sales & Services	16,205,000	7,376,358	46%	17,315,100	7,490,421	43%
Auxiliary	15,151,100	8,222,756	54%	15,125,000	8,011,524	53%
TOTAL Revenue	\$ 349,734,600	\$ 244,842,890	70%	\$ 334,553,700	\$ 235,349,632	70%
Expense						
Personnel Expense						
Wages/Salaries	131,197,400	64,194,964	49%	137,274,000	64,811,282	47%
Fringe Benefits	53,796,600	26,101,409	49%	56,997,000	25,012,948	44%
TOTAL Personnel Expense	184,994,000	90,296,374	49%	194,271,000	89,824,230	46%
Direct Expense						
Other Financial Assistance	68,958,000	40,811,263	59%	64,373,700	40,660,185	63%
Supplies & Operating Expenses	42,200,000	23,763,809	56%	45,748,000	21,896,127	48%
Debt Service	19,338,000	11,989,756	62%	16,635,000	10,208,802	61%
Maintenance	18,534,200	12,551,158	68%	20,138,000	11,277,894	56%
Utilities	9,498,200	3,959,679	42%	9,340,000	3,900,969	42%
Travel	6,212,200	3,561,535	57%	8,022,000	3,280,655	41%
Budget Realignment Strategy	0	0	N/A	(23,974,000)	0	0%
VSIP	0	11,917	N/A	0	0	N/A
TOTAL Direct Expense	164,740,600	96,649,118	59%	140,282,700	91,224,632	65%
TOTAL Expense	\$ 349,734,600	\$ 186,945,492	53%	\$ 334,553,700	\$ 181,048,862	54%
Net Operating Result	\$ 0	\$ 57,897,398		\$ 0	\$ 54,300,770	

**ASSET PRESERVATION POOL CAPITAL PROJECT
(VARIOUS PROJECTS)**

REQUEST:

Seeking approval for the initiation of various capital projects to preserve, renovate, modernize, and maintain the following facilities.

FACTS:

In the 2022-2024 Budget of the Commonwealth (22 RS, HB 1), the Kentucky General Assembly authorized \$68,080,000 in General Fund supported bond funds for Western Kentucky University. Included in the enacted 2022-2024 budget bill (HB 1) is language, specifying institutional matching requirements of 15% to access the Asset Preservation Pool funds. Total matching funds required by WKU are \$10,212,000. Total funds available are \$78,292,000.

In 2024-2026, the General Assembly made another major investment in renovation and renewal of existing postsecondary education facilities. The enacted *2024-2026 Budget of the Commonwealth* (24 RS, HB 6) authorized Asset Preservation Pool to provide funding “for individual asset preservation, renovation, and maintenance projects, (HB 6, p. 199), and “for fixed asset pedestrian and student parking areas, and for the razing of university-owned buildings” (SB 91, p. 17).

WKU’s allocation of AP funds totals \$57,162,000 over the next biennium with a no match requirement to access the funds.

Combined, both enacted AP Pool resources (22 RS HB 1 & 24 RS HB 6) total \$135,454,000 that will be utilized to complete these projects.

Project Approval

Regardless of funding source, campus governing board approval is required for all projects funded from the Asset Preservation Pool that meet or exceed an anticipated scope of \$1.0 million for construction and \$200,000 for an item of equipment.

Individual Authorization Amounts

- **Renovation of Gordon Wilson Hall - Increase scope of work from to \$2.0M up to \$2.4M**
 - 33,333 square feet, 3 floor facility originally constructed in 1927 is a historic building now 96 years old and is iconic to the top of the hill.
 - The project has been designed, bid and will be completed in 2026.
 - This project will fund a functional renovation in the existing building primarily the need to improve ADA accessibility, modernize restrooms and addition of an elevator.

- **Steam distribution system upgrades and replacement 2026 – Scope of Work up to \$1.5M**
 - The previous AP funded steam upgrades is improving our reliability, but we still have sections of infrastructure that was installed in 1967. Distribution failures in the system and condensate return leaks will be reduced by these improvements.

The total of the above listed projects \$3.9M.

BUDGETARY IMPLICATIONS:

No impact on existing M/O budget and expenses

RECOMMENDATION:

President Timothy C. Caboni recommends that the Board of Regents Approve the Asset Preservation Capital Projects as listed.

MOTION:

Move that the Board approve the Asset Preservation Capital Projects as listed.



Western Kentucky University

Quarterly Financial Statements
For the six months ended December 31, 2025 and 2024

Western Kentucky University

Quarterly Financial Statements

Statement of Net Position

As of December 31, 2025 and December 31, 2024

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 63,609,255	\$ 62,013,259
Accounts receivable, net of allowance	78,339,174	69,031,726
Federal and state grants receivables	14,862,549	33,812,655
Lease receivable	3,002,985	1,534,735
Inventories	40,798	89,692
Prepaid expenses and other	3,888,183	3,788,499
Total current assets	<u>163,742,944</u>	<u>170,270,566</u>
Noncurrent assets		
Restricted cash and equivalents	35,248,649	65,781,692
Noncurrent investments	498,143	292,004
Assets held in trust	23,716,518	19,506,281
Capital assets - non-depreciable	159,793,755	60,900,847
Capital assets - depreciable	922,333,475	931,532,329
Accumulated depreciation	(559,094,520)	(535,900,840)
Lease assets, net	25,174,850	27,613,850
Subscription assets, net	1,373,717	1,053,617
Net OPEB asset - KERS hazardous	976,313	-
Total noncurrent assets	<u>610,020,900</u>	<u>570,779,780</u>
Total assets	<u>773,763,844</u>	<u>741,050,346</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on bond refunding	814,413	1,214,871
Deferred outflows - Pension and OPEB	31,965,580	41,016,224
Total deferred outflows of resources	<u>32,779,993</u>	<u>42,231,095</u>
Total assets and deferred outflows of resources	<u>\$ 806,543,837</u>	<u>\$ 783,281,441</u>

Western Kentucky University

Quarterly Financial Statements

Statement of Net Position As of December 31, 2025 and December 31, 2024

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
LIABILITIES		
Current liabilities		
Accounts Payable	\$ 9,587,085	\$ 8,271,304
Self-insured health and workers' compensation liability	1,418,938	1,315,619
Accrued payroll and compensated absences	7,829,816	16,840,518
Accrued interest	1,405,664	982,597
Unearned revenue	53,807,831	65,258,127
Long-term obligations - current	5,405,867	5,230,131
Lease and subscription liabilities – current	2,280,873	1,896,739
Deposits held in custody for others	17,911,900	17,801,737
Total current liabilities	<u>99,647,974</u>	<u>117,596,772</u>
Non-current liabilities		
Long-term obligations	132,718,019	139,484,128
Accrued compensated absences	7,065,221	-
Lease and subscription liabilities	28,538,437	28,213,839
Net pension and OPEB liabilities	211,459,747	223,465,907
Total non-current liabilities	<u>379,781,424</u>	<u>391,163,874</u>
Total liabilities	<u>479,429,398</u>	<u>508,760,646</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - Pension OPEB	26,286,567	37,608,800
Deferred inflows - Leases	2,959,349	1,513,439
Total deferred inflows	<u>29,245,916</u>	<u>39,122,239</u>
NET POSITION		
Net investment in capital assets	412,525,546	378,622,255
Restricted		
Non-expendable - endowments	23,534,060	19,138,764
Expendable		
Loans	202,867	251,046
Net OPEB Asset	976,313	-
Unrestricted	(139,370,263)	(162,613,509)
Total net position	<u>297,868,523</u>	<u>235,398,556</u>
Total liabilities, deferred inflows, and net position	<u>\$ 806,543,837</u>	<u>\$ 783,281,441</u>

Western Kentucky University

Quarterly Financial Statements

Statement of Revenues, Expenses, and Changes in Net Position For the six months ended December 31, 2025 and December 31, 2024

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Operating Revenues		
Tuition and fees, net of discounts and allowances	\$ 88,013,583	\$ 81,079,264
Sales and services of educational activities	7,376,358	7,490,421
Auxiliary enterprise revenues, net of discounts and allowances	7,394,893	6,086,355
Other operating revenues	14,862,851	12,670,663
Total operating revenues	<u>117,647,685</u>	<u>107,326,703</u>
Operating Expenses		
Education and general		
Instruction	44,205,115	43,771,406
Research	3,057,152	3,335,242
Public service	8,179,257	8,802,072
Libraries	3,826,070	2,655,069
Academic support	12,966,331	12,898,102
Student services	19,793,347	18,455,787
Institutional support	24,378,413	32,377,442
Operation and maintenance of plant	13,706,063	12,037,307
Student financial aid	86,211	1,384,060
Depreciation and amortization	16,775,000	17,230,000
Auxiliary enterprises	8,332,857	7,963,494
Total operating expenses	<u>155,305,816</u>	<u>160,909,981</u>
Operating loss	<u>(37,658,131)</u>	<u>(53,583,278)</u>
Non-operating revenues (expenses)		
State appropriations	49,667,957	48,918,100
State capital appropriations	3,701,541	25,290,997
Grants and contracts	39,839,256	42,092,653
Net investment income (expense)	1,727,826	1,597,570
Interest on capital asset-related debt	(2,634,756)	(2,163,467)
(Loss) gain on disposal of capital assets	19,717	39,219
Other operating revenues (expenses)	(128,342)	(419,587)
Net non-operating revenues	<u>92,193,199</u>	<u>115,355,485</u>
Increase in net position	54,535,068	61,772,207
Net position, beginning of year	243,333,454	173,626,349
Net position, end of period	<u>\$ 297,868,522</u>	<u>\$ 235,398,556</u>



Quarterly Update

Board of Regents - Finance, Budget, & Audit Committee Meeting
February 20, 2026

FY26 Audit Plan Update

Number of Projects



Complete projects

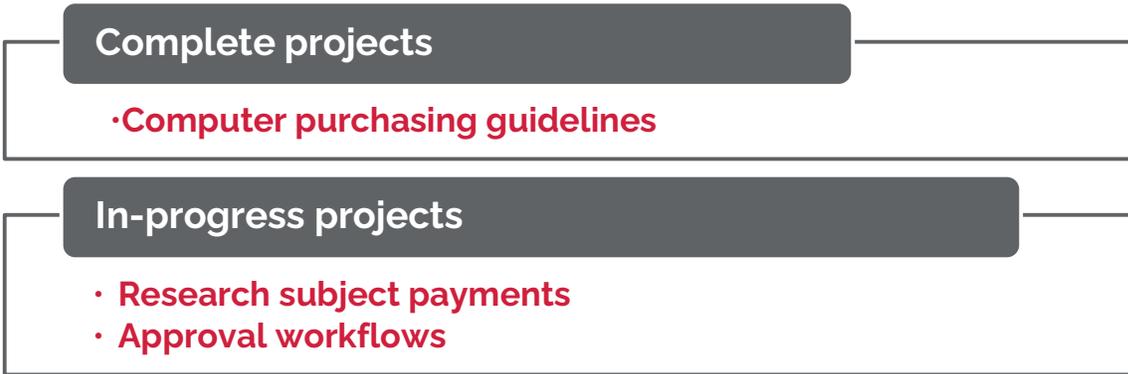
- President's Travel & Entertainment Expenses Audit
- Special License Plate Reconciliation
- Global Learning and Study Abroad*

In-progress projects

- College of Education and Behavioral Sciences
- Gordon Ford College of Business Academic Program Evaluations
- Ogden College of Science and Engineering

**Draft report issued to management*

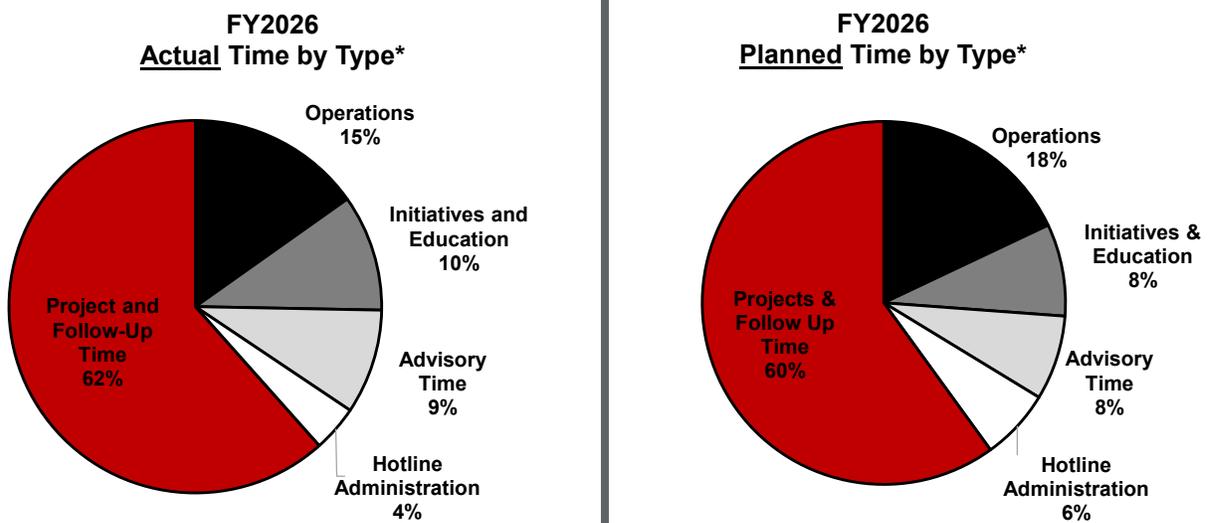
Process and System Optimization Workgroup



3

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FY26 Audit Plan Update

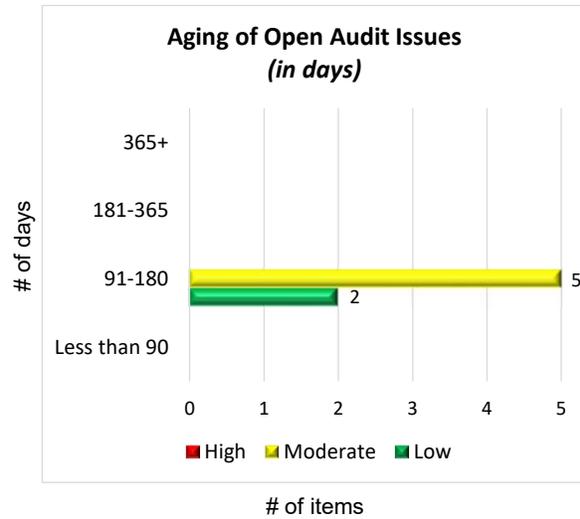
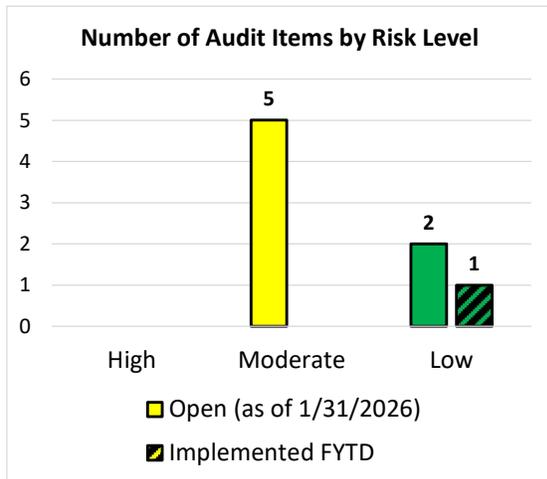


*Excludes holidays, vacation, sick, and leave time. Category totals may not equal 100% due to rounding.

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Follow-up Update



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WKU Ethics Hotline

Total cases worked	Closed	In-process
6 (includes 2 carry over)	5	1

Activity since November meeting

- 2 reports were opened
- 2 reports were closed

6

6

See something, say something

Office of Internal Audit

- bruce.weisman@wku.edu
- 270-745-8799

WKU Ethics Hotline

- www.wku.edu/ia/ia_reporting.php

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QAR – Action Plan Status

Number of Action Plans



Completed

- 1000 - Purpose, Authority, and Responsibility
- 1210 - Proficiency
- 1311/1320 - Internal Assessments/Reporting on QAIP Program
- 2210 - Engagement Objectives
- 2240 - Engagement Work Program
- 2600 - Communicating and Accepting Risks

In-progress

- 2000 - Managing the Audit Activity
- 2020 - Communication and Approval
- 2050 - Coordination and Reliance

Remaining

- Various - Performing Engagements Under New Standards

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Other Updates

Consultations

21 received during FYTD

Promoting Internal Audit

- Presented at WKU Professional Development Day
 - *Leadership: Going from Good to Great!*
 - *7 Habits of Highly Effective (Disney) Villains*
- Presented at Staff Leadership Institute
 - *What is Internal Audit?*

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Other Updates

Contributions to the profession

- Invited to speak at an Accounting class on campus
- On a team reviewing the University System of Georgia Office of Internal Audit

Committee participation

- RAMP Budget Model Steering Committee
- Financial Conflict of Interest Standing Committee
- Leading AVP of Human Resources Search Committee

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Other Updates

Looking Ahead

- **FY2027 Audit Plan Development**
- **Hotline Provider Change**
- **March Madness Bracket Challenge**
- **Complete all action plans from our Quality Assurance Review**

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Questions?

Bruce Weisman

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270.745.8799

If you suspect unethical or illegal behavior, the university's anonymous Ethics Hotline is available 24-hours a day, 7 days a week:

www.wku.ethicspoint.com

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