

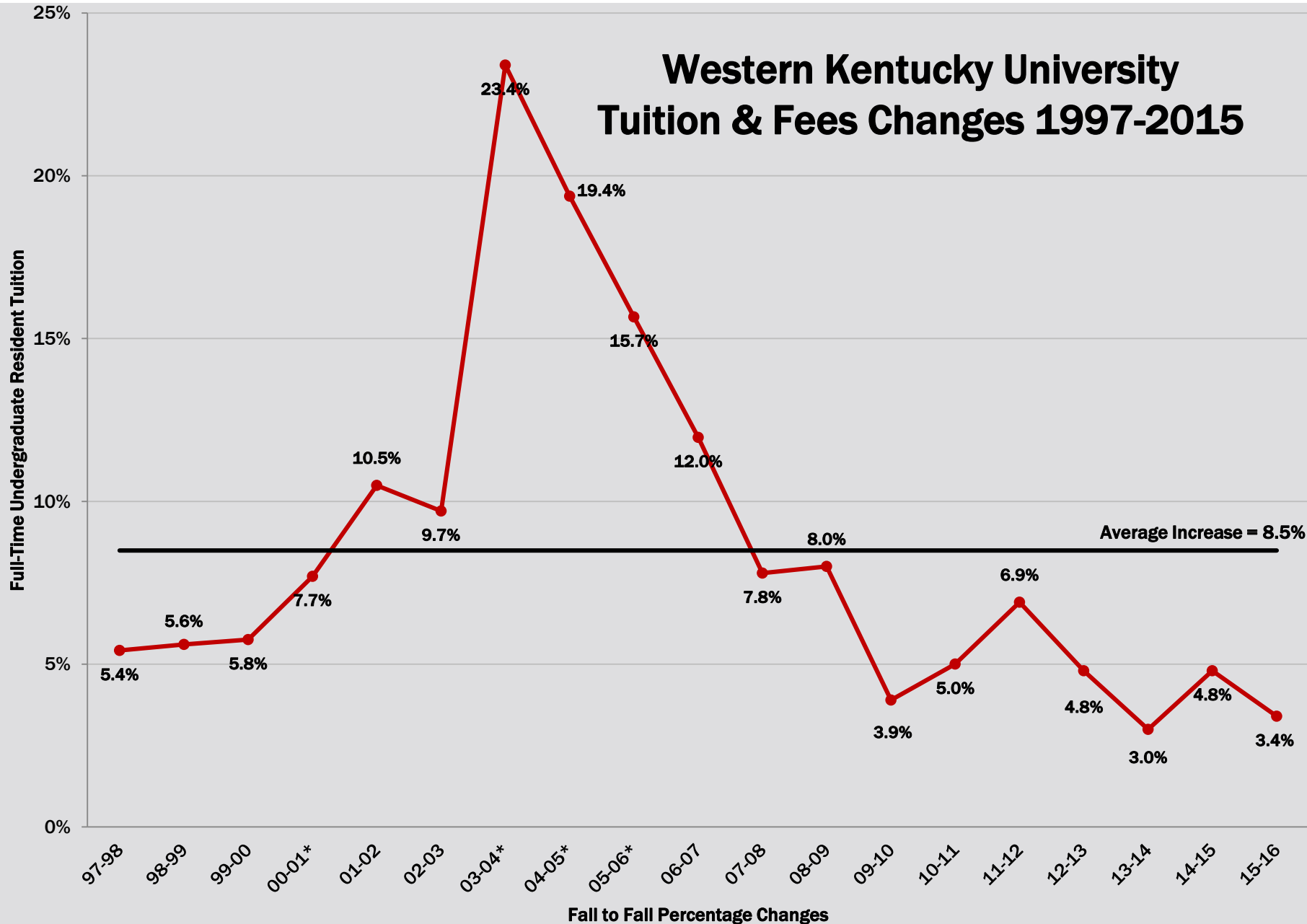


OPERATING BUDGET PRESENTATION TO UNIVERSITY SENATE

HISTORICAL PERSPECTIVE



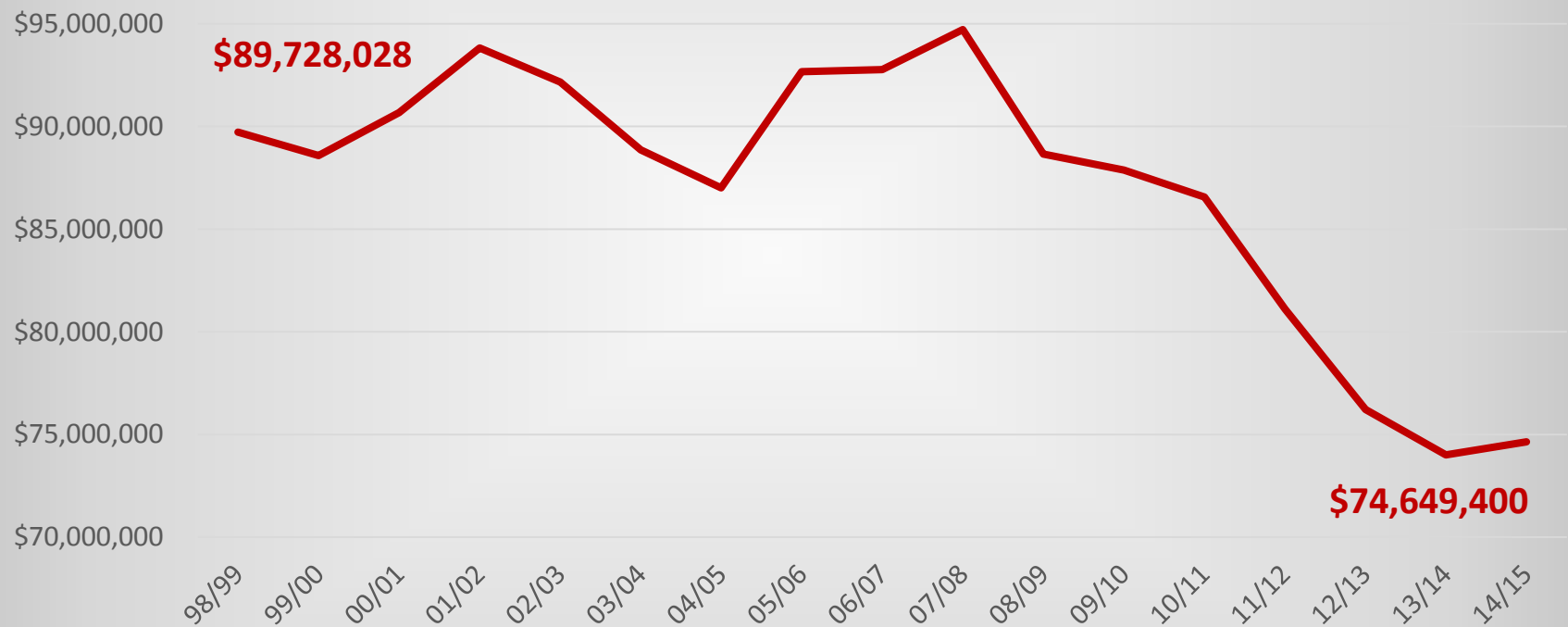
Western Kentucky University Tuition & Fees Changes 1997-2015



*Mid-year increases. Semester rate is the average tuition of fall and spring terms.

WKU Net General Fund Appropriations*

(in constant FY15 dollars)

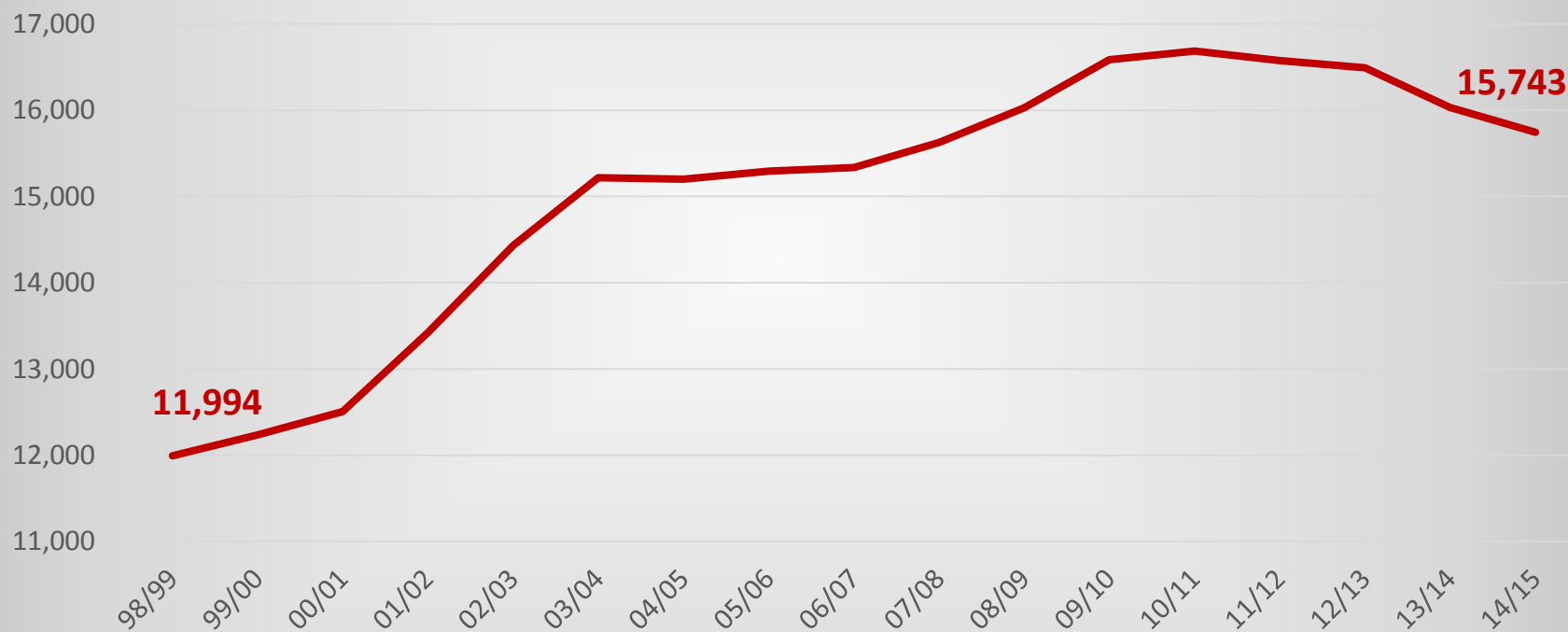


*Net General Fund appropriations do not include debt service.

Prepared by the Office of Institutional Research, August 2015



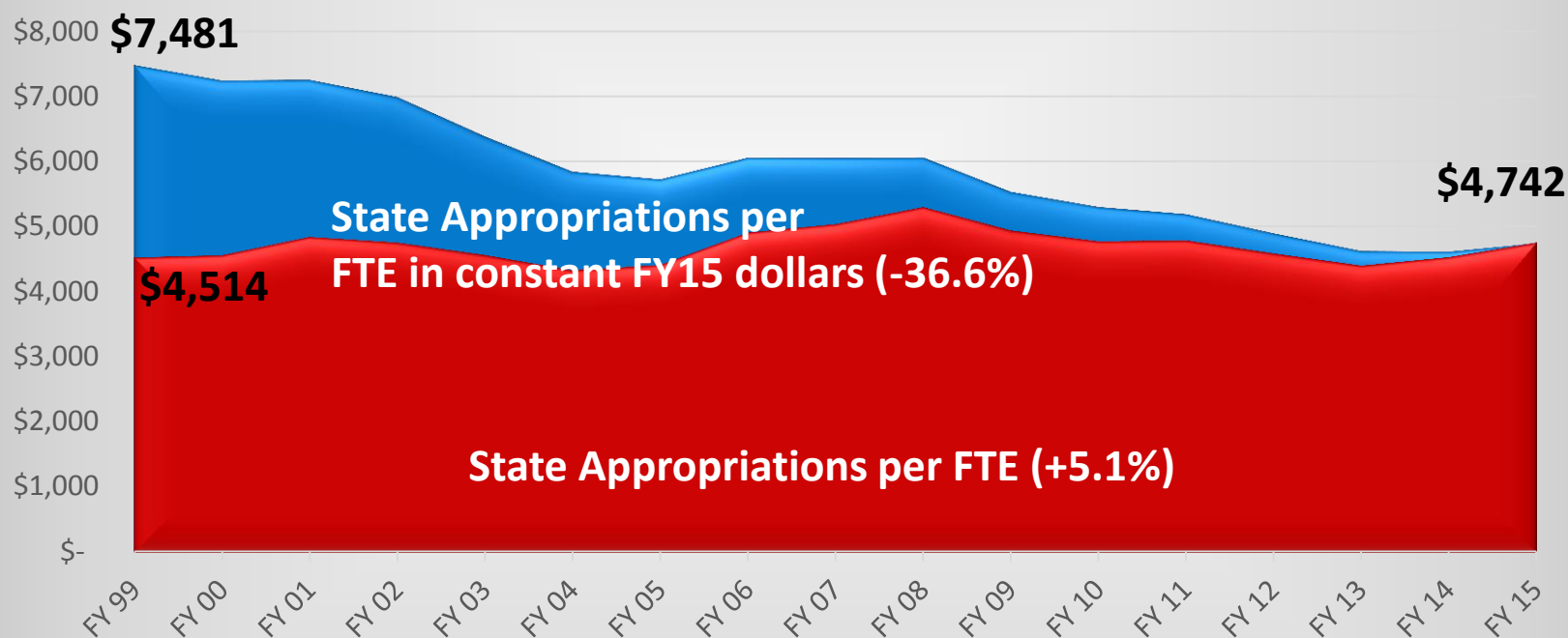
WKU FTE Students



Prepared by the Office of Institutional Research, August 2015



WKU Net General Fund Appropriations* per FTE Student: FY99-FY15



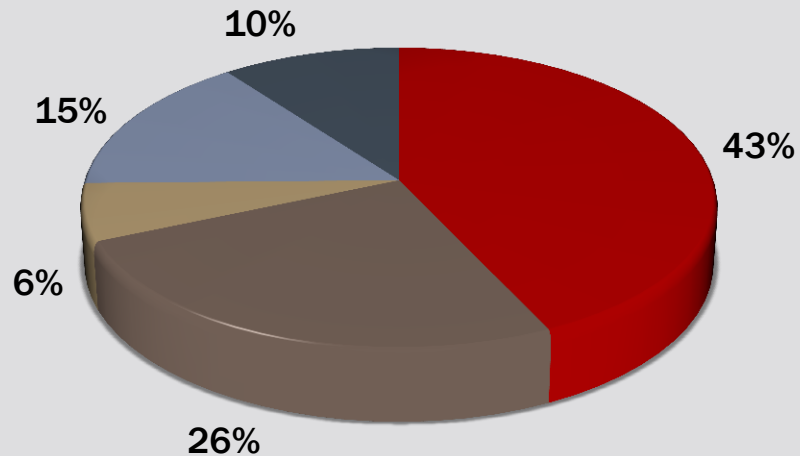
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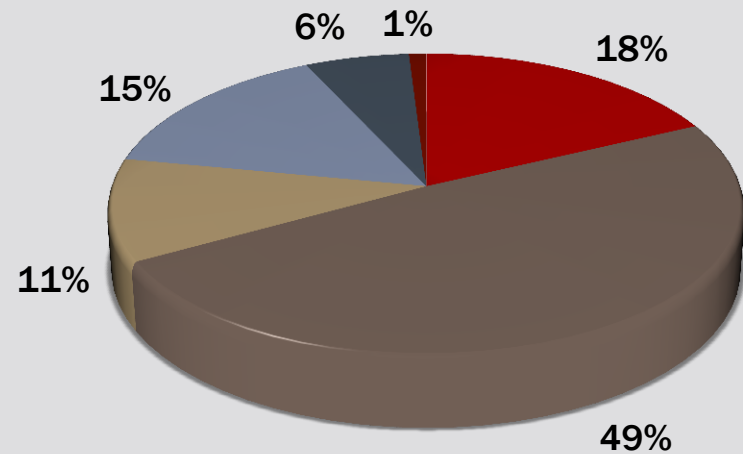


WKU OPERATING BUDGETS

FY 1998 Budget



FY 2016 Budget



State Appropriation
Tuition & Fees

Self-Generated
Restricted Funds

Auxiliary Enterprises
Designated State Funding

RECURRING STATE BUDGET REDUCTIONS & INSTITUTIONAL REALLOCATIONS

Summary	State Reduction	Reallocations of Base to Balance Budget*
FY 2009	\$ 5,047,100	\$ 352,500
FY 2010	2,399,700	1,612,500
FY 2011	1,123,100	—
FY 2012	781,600	407,000
FY 2013	4,952,100	—
FY 2014	—	1,848,000**
FY 2015	1,106,300	2,940,800***
FY 2016	—	7,937,400
Total	\$15,409,900	\$15,098,200

*Excludes reallocations within divisions to address cost increases and growth pressures.

**Excludes reallocation of redirected revenue.

***Includes \$26,000 reduction to Athletics as part of FY14 budget reduction decision (\$132K to be taken over five years).

WKU SALARY INCREASES

2015-16	0%
2014-15	1% (\$500 floor)
2013-14	0% (\$447,709 Faculty Equity Adjustments funded by Academic Affairs)
2012-13	2% Across the Board
2011-12	1% (\$500 floor/\$1,000 ceiling)
2010-11	1.5% (2009-10 increase made permanent) 2% Across the Board
2009-10	1.5% One Time Pay (\$500 floor/\$1,000 ceiling)
2008-09	\$500 Full Time Employees \$284,000 Faculty Salary Compression/Market Adjustment
2007-08	4% Merit \$317,000 Faculty Market Adjustments

THE 2015-16 OPERATING BUDGET



BUDGET SUMMARY

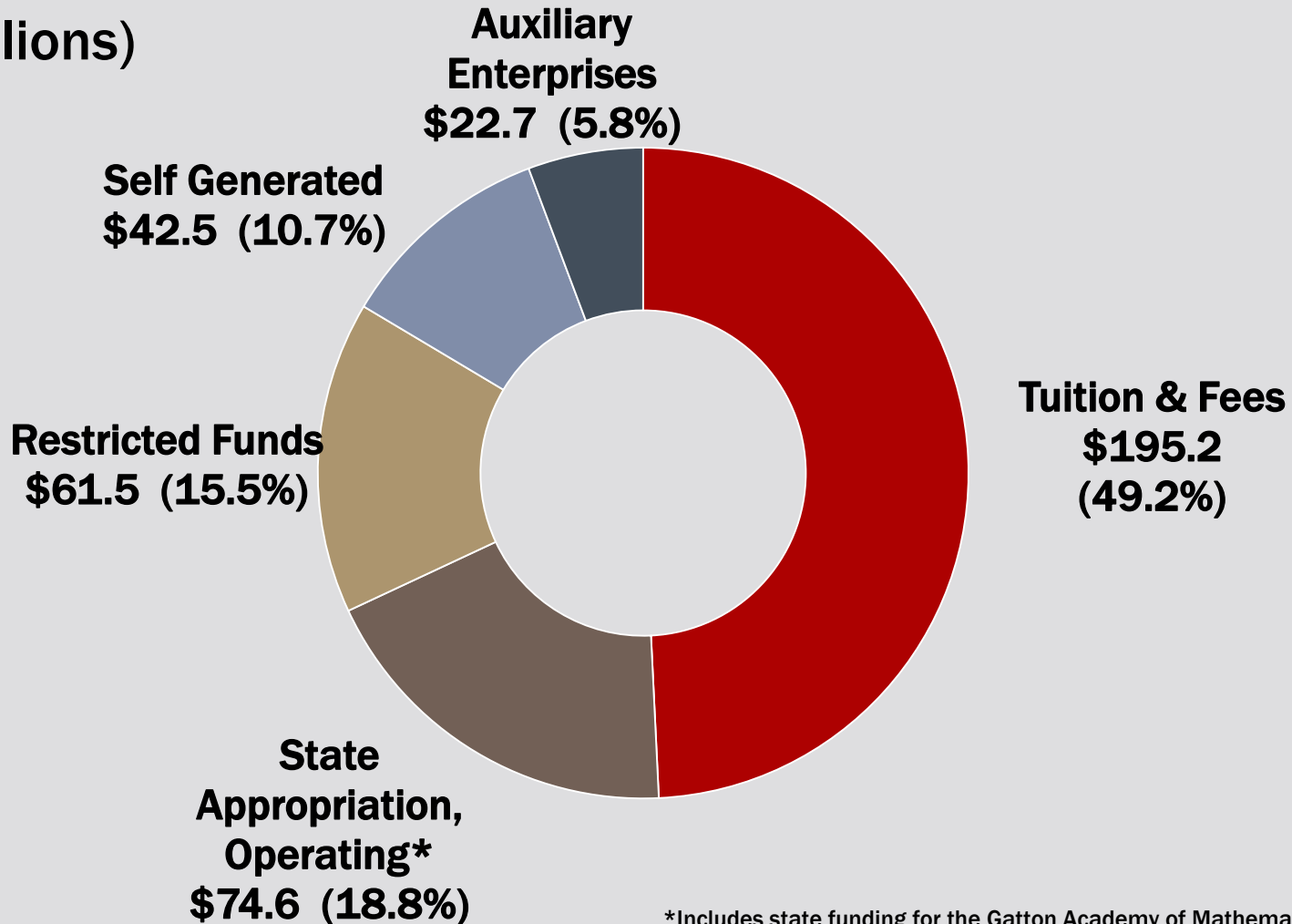


2015-16 OPERATING BUDGET

	2015-16 Budget	Dollar Incr/Decr	Percent Incr/Decr
Total Budget	\$396,565,000	\$4,268,000	1.1%
Total E&G	373,818,000	5,310,000	1.4%
Unrestricted E&G	312,289,000	5,163,000	1.7%
Restricted E&G	61,529,000	147,000	0.2%
Total Auxiliary Enterprises	22,747,000	(1,042,000)	(4.4%)

PROJECTED REVENUE BY SOURCE

(In Millions)



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

WKU'S 2015-16 OPERATING BUDGET

TOTAL BUDGET	\$ 396,565,000
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LESS:

RESTRICTED FUNDS

GRANTS AND CONTRACTS	18,725,000
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STUDENT FINANCIAL AID	42,804,000
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SELF-GENERATED REVENUE	42,457,600
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AUXILIARY ENTERPRISES	22,747,000
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DESIGNATED STATE FUNDING

ACADEMY FOR MATH & SCIENCE	4,926,800
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<i>PUBLIC FUNDS (State and Students)</i>	264,904,600
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FROM EVERY PUBLIC FUNDS REVENUE DOLLAR RECEIVED

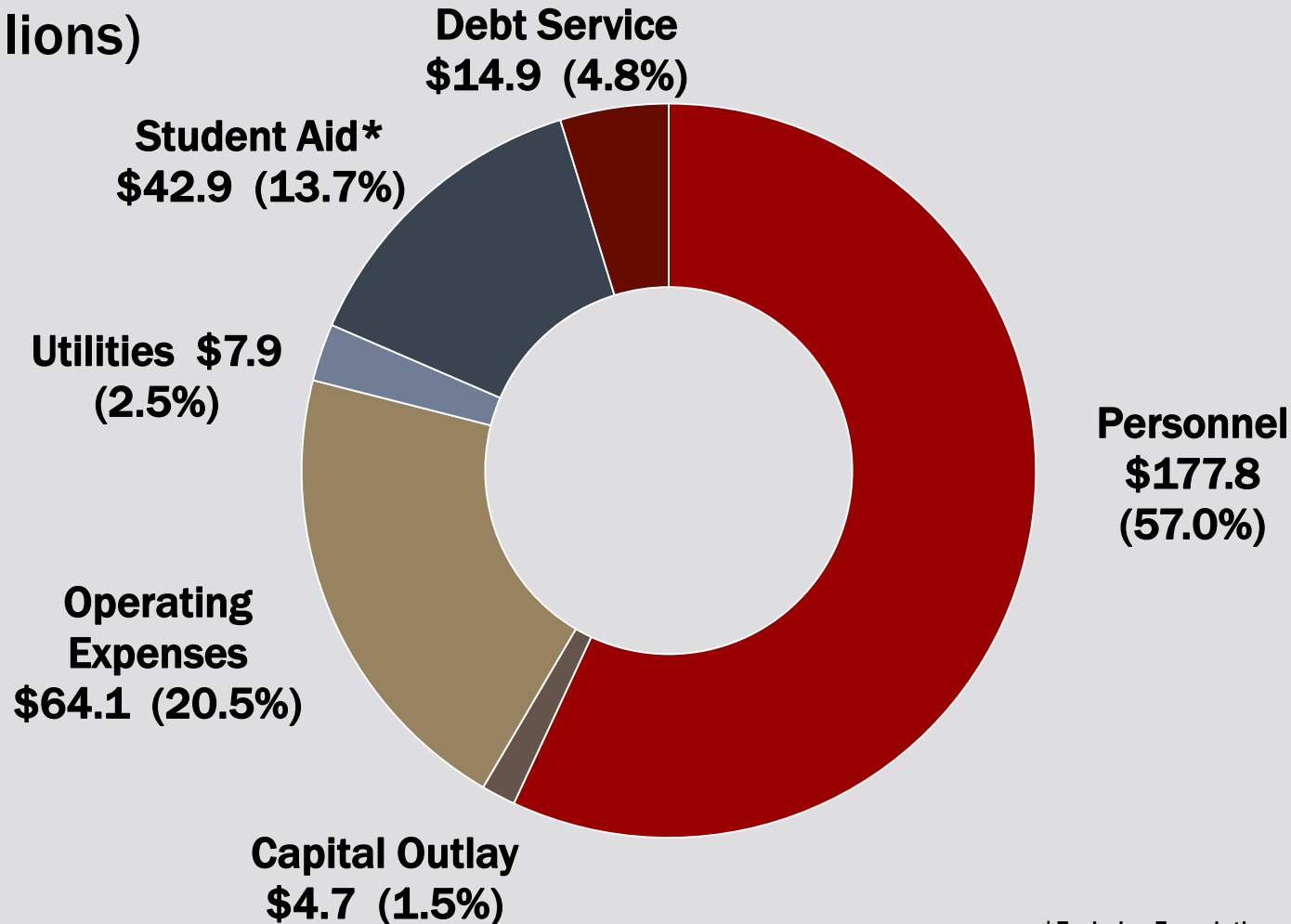
■ 26¢ comes from
State Appropriations

■ 74¢ comes from
Tuition and Fees



UNRESTRICTED E&G BUDGETED EXPENDITURES

(In Millions)



*Excludes Foundations, Federal and State.

UNRESTRICTED E&G BUDGETED EXPENDITURES

By Organizational Area
(In Millions)



- Development & Alumni Relations - \$4.1
- Public Affairs - \$4.3
- Student Affairs - \$7.9
- Finance & Administration - \$9.9
- Information Technology - \$12.0
- Athletics - \$23.3
- Other* - \$29.0
- Facilities - \$30.0
- Enrollment & Graduation - \$32.6
- Academic Affairs - \$159.8

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

BUILDING THE BUDGET



CHANGE IN STATE APPROPRIATION 2015-16

2015-16	
Base Operating Funds	\$0
Gatton Academy of Mathematics and Science	2,000,000
Total	\$2,000,000

FISCAL CHALLENGE

Tuition Available to Fund FY 2016 Fixed Costs*	\$1.8M
Investment Earnings Shortfall	\$0.2M
Fixed Costs / Programmatic Obligations	5.7M
Academic Scholarships	3.8M
Total Uses	\$9.7M
Reallocation to Balance Budget	\$7.9M

*Reflects FY 2015 \$2.4 million enrollment shortfall.

FIXED COSTS

\$2,865,000

- Health Insurance Increase
- Retirement Systems Rate Increases
- Worker's Compensation Increase
- Contractual Obligations
- Utilities and M&O
- DSU Debt
- Property and Auto Insurance
- Degrees and Certifications

PROGRAMMATIC OBLIGATIONS

\$6,733,400

- 
- **All Scholarships (Unrestricted)**
 - **Enrollment Management Permanent Base Budget**

SCHOLARSHIPS

■ Budget Includes

- Departmental scholarships
- Athletics grants-in-aid
- Academic scholarships (excluding foundations)
- State mandated waivers
- Faculty/staff scholarships
- Dependent child scholarships
- Institutional fellowships

SCHOLARSHIPS

■ Challenges

- Competing for the best and brightest students (competitive market)
- Uncertainty of acceptance rates
- Uncertainty of enrollment
- Increased competition for KCTCS transfer students
- Restructured academic scholarships in FY 2014 and eliminated the scholarship application in FY 2015

ACADEMIC SCHOLARSHIPS

Estimated returning students with renewable academic awards	1,512
Estimated first-time freshmen/first-time transfer awards	1,120
Total	2,632
Increase in budgeted awards	726

CAPITAL BUDGET

- General Assembly authorized state bonds for the Renovate Science Campus Phase IV Project.
- WKU funds authorization received for capital projects subject to availability of funds.

<u>Capital Summary</u>	
State Bonds	\$48,000,000
Agency Bonds	
Int'l Center/Honors Coll.	22,000,000
Restricted Funds	30,452,300
Private/Federal Funds	<u>14,389,200</u>
Total	\$114,841,500

LOOKING FORWARD TO 2016-2018



?????

- Enrollment
- State Funding
 - Performance Funding
 - Equity Funding
- Tuition Rates
- Fixed Costs
- Compensation Increases

PERFORMANCE FUNDING POTENTIAL METRICS



PERFORMANCE FUNDING POTENTIAL METRICS

- Degrees produced
- Graduation rates
- Retention rates
- Progression metrics
 - 30 credit hours
 - 60 credit hours
 - 90 credit hours
- Closing achievement gap
- Research productivity
- Degrees per 100 FTE students
- Type of degree (STEM+H)
- Transfer

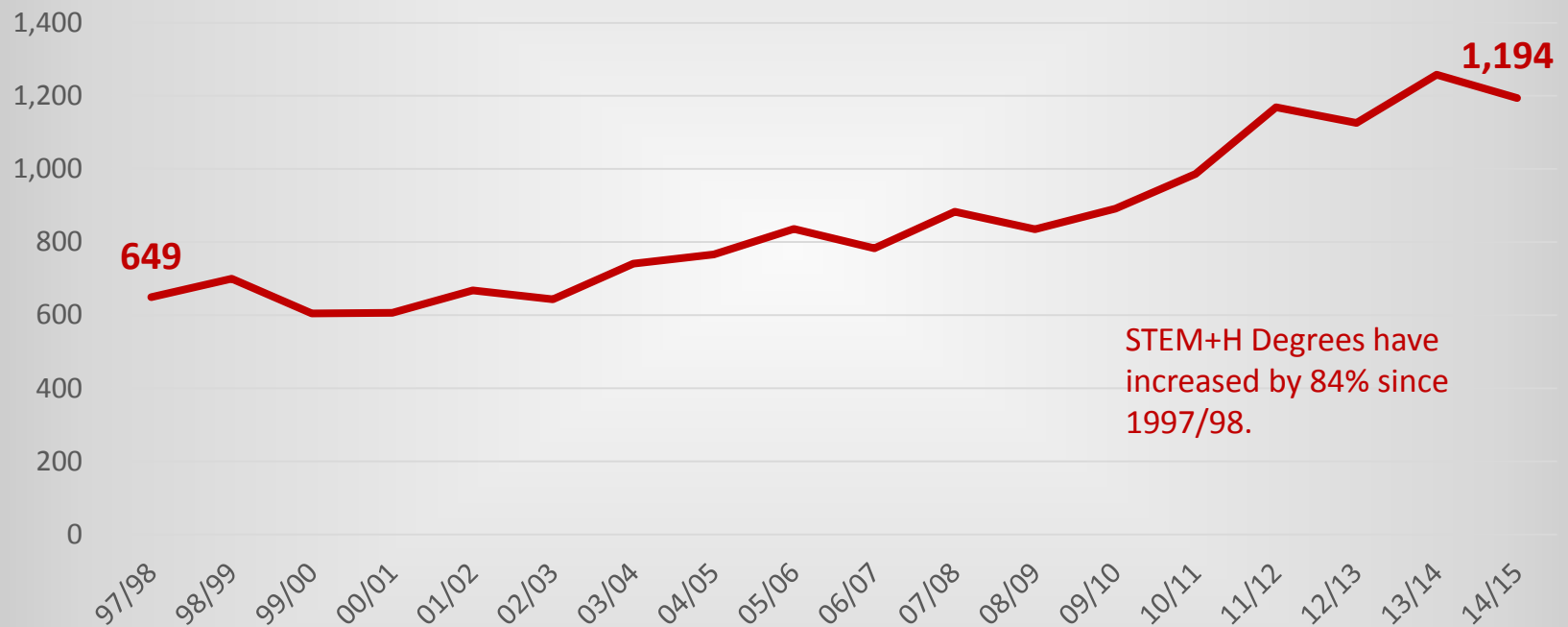
Total WKU Degrees: 1997/98 to 2014/15



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WKU STEM + Health Degrees: 1997/98 to 2014/15

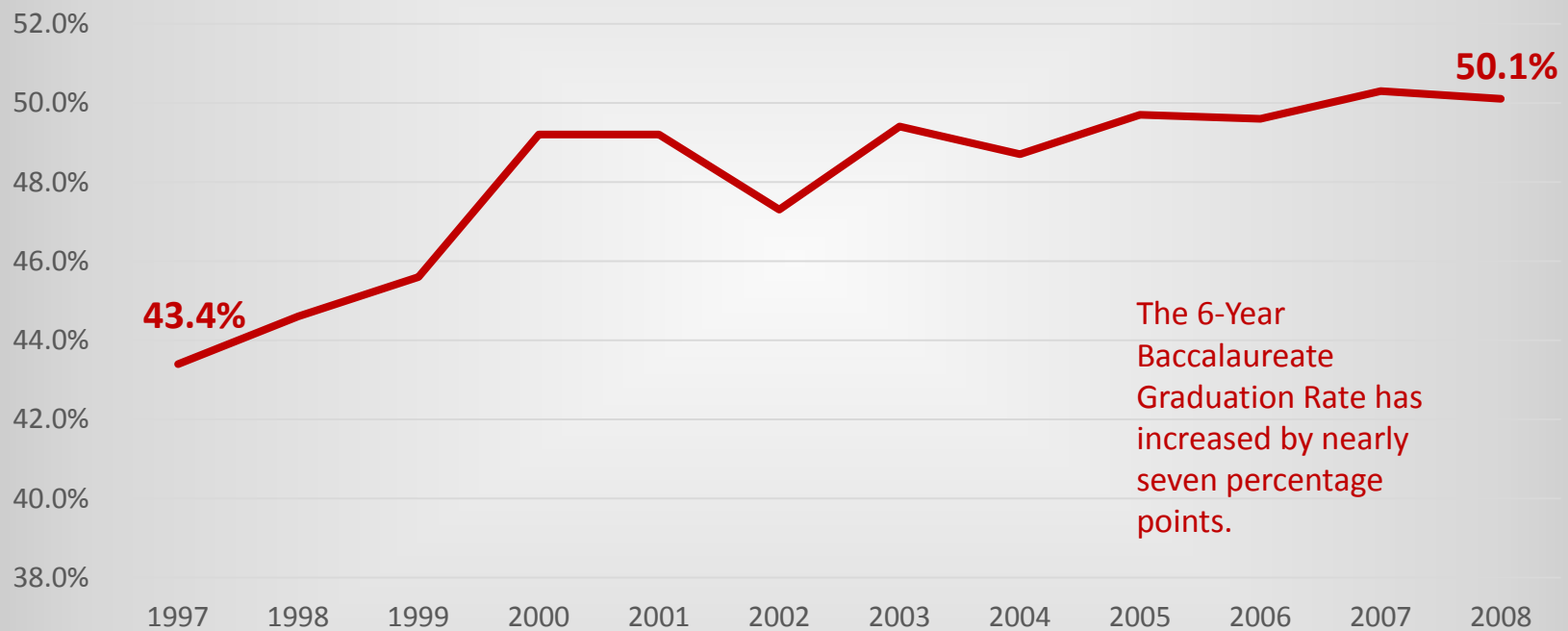


To aid in longitudinal comparison, STEM+H degrees are defined by the CPE's current listing of applicable CIP codes. Additionally, all CIPs have been converted to CIP 2010 codes.

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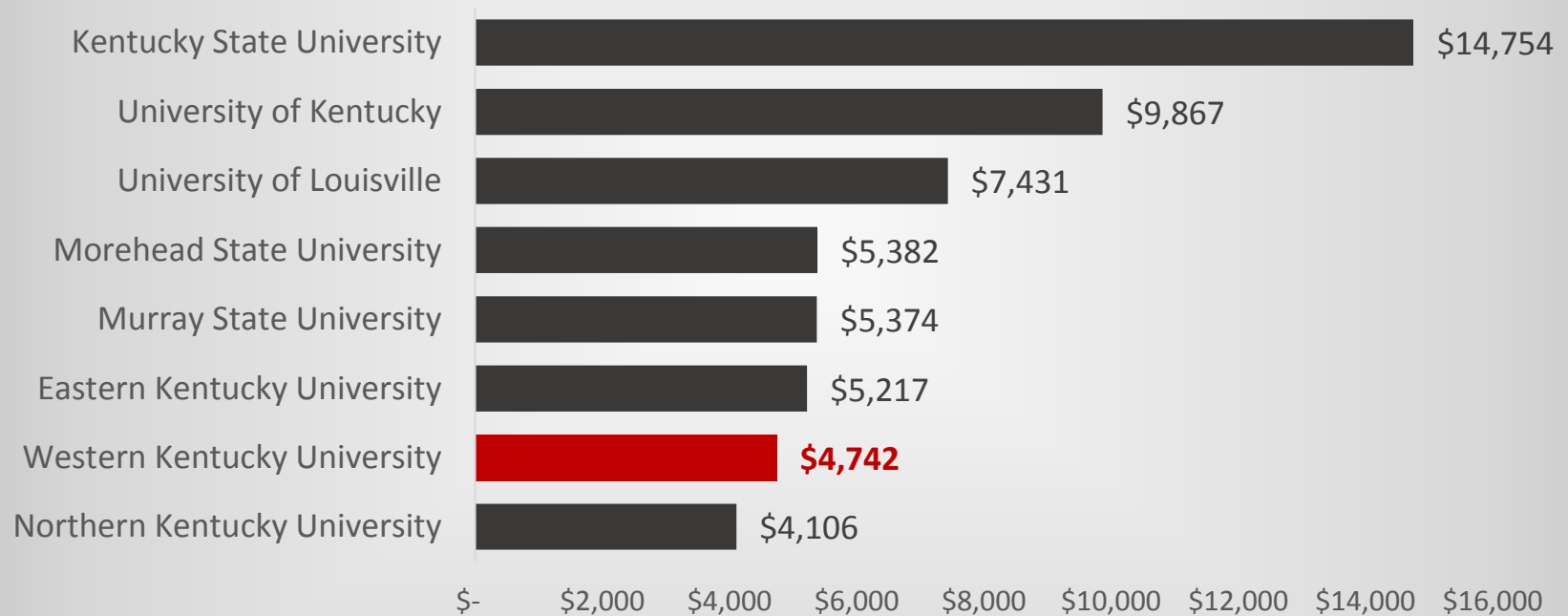
WKU 6-Year Graduation Rate: 1997 to 2008 Cohorts



Prepared by the Office of Institutional Research, August 2015



2014/15 Net General Fund Appropriations per FTE at Kentucky's Public Universities



Net General Fund appropriations do not include debt service.

Prepared by the Office of Institutional Research, August 2015



Questions?

