

## Executive Summary

### Introduction

Western Kentucky University (WKU), home of the Hilltoppers, is a state-supported university located in Bowling Green, KY, the state's third most populous city. Our hilltop campus is a place of beauty and friendliness. WKU continues to be a strong community partner in Bowling Green and beyond, by preparing students to become productive, engaged, and socially responsible citizens of the Commonwealth, and the globe. WKU's total enrollment is approximately 17,500 and has five academic colleges offering undergraduate, graduate, and doctoral degrees in more than 200 academic programs. The university has a total endowment value of about \$240 million.

The 2021-22 academic year completed the fourth year of the WKU Strategic Plan, *Climbing to Greater Heights 2018-2028*. The Strategic Plan Implementation Committee and other WKU entities worked with the Kentucky Council on Postsecondary Education to arrive at strategies and metrics through 2025. The reaffirmation process through the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) is underway with final reports for this cycle due in 2024 and 2025. Despite the issues related to the pandemic, WKU continued to make excellent progress on its goals for the Strategic Plan. Our Students benefitted from WKU's enhanced scholarship program with over 9,500 students receiving support. The WKU Opportunity Fund reached its initial \$50 million goal and has extended its target to \$100 million. The Fund was of great benefit to students affected by the December 2021 tornado.

The care WKU extends to Our Students was reflected in their dedication to WKU with a historic decade high fall-to-spring retention rate of 90.9% of our first-year students in 2021-22. Retention rates for underrepresented minority and low-income students were especially noteworthy, indicating that the strategies of our Strategic Plan are effective. As part of our preparing students for a global stage, WKU extended the opportunity for common intellectual experiences through our First-Year Village and expanded Living and Learning Communities. The April 2022 opening of The Commons at Helms Library established another multipurpose space for dining, cooperative work, student engagement, and collaboration and education beyond the classroom.



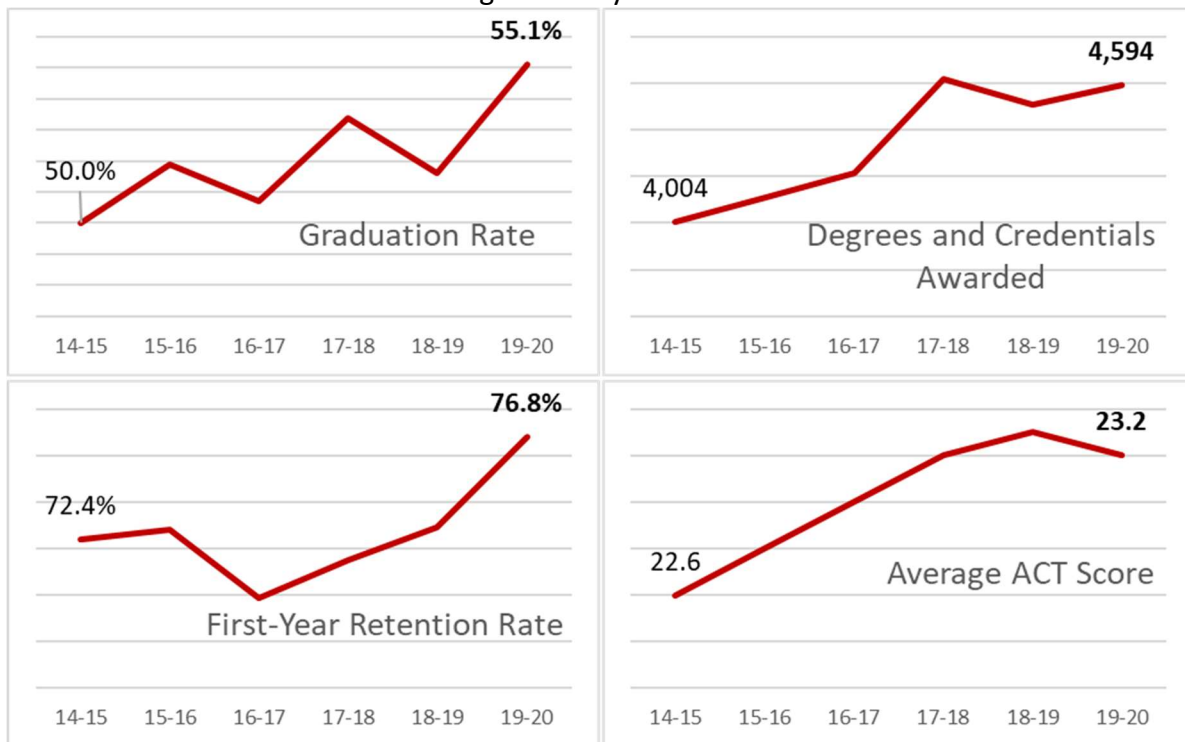
Our Hill and Our Community buoyed WKU during the difficult times of the pandemic through tireless efforts to maintain safety, assist those in need, and unify us through academic achievements, art exhibitions and performances, and athletics to name a few. As part of the Policies & Practices goal for Our Hill, a comprehensive market analysis is ongoing with initial implementation in 2022. In addition, Academic Affairs has led the way for reviewing and updating policies

to facilitate progress on diversity, equity, and inclusion; research and creative activities; and sustainable practices amongst others. In response to the restrictions imposed by the pandemic, new approaches were adopted to advance global learning and facilitate continuing education. Information Technology Services continued to step-up to the plate to support learning tools while the Center for Innovative Teaching & Learning provided training to implement high impact practices regardless of the instructional modality. Faculty and staff strove to provide hands-on learning through teaching, research, creative activities, and work opportunities, clearly reflecting that the Spirit Makes the Master.

The 2021-22 academic year revealed that education will be different moving forward, but different can be better. The WKU Strategic Plan will modify strategies to meet new challenges, but the goals remain steadfast. WKU will continue the climb for Our Students, Our Hill, and Our Community & Beyond.

Figure 1 displays several important student metrics at WKU. Graduation rate, degrees awarded, first-year retention rate, and average ACT score have all improved from Academic Year (AY) 2015 to AY 2020.

Figure 1: Key Student Metrics



## Budget Priorities and Strategic Initiatives

Reflective of WKU's commitment to caring for employees, it was a top priority for university leadership to include a compensation increase pool in the FY 2023 budget. The FY 2023 budget priorities include funding for the following important initiatives:

Figure 2: FY 2023 Budget Priorities



The Strategic Enrollment Planning process has evolved over the past several years with key implementations occurring each fall. To provide further access to a WKU education, in keeping with the first goal (Affordability & Accessibility) of the WKU Strategic Plan, the Hilltopper Guarantee: Commitment to the Commonwealth was announced for fall 2021. Coupled with this new program were the expansions of the WKU Family Scholarship, the Border State Scholarship, and the Tuition Incentive Program. While the pandemic delayed the application process in high schools and hindered our ability to meet in person with prospective applicants, another exceptional incoming class is eagerly anticipated.

The FY 2023 Budget is WKU's financial plan for the fiscal year beginning July 1, 2022 and ending June 30, 2023. The FY 2023 operating budget is \$383.4 million. The Operating Budget includes Education & General (E&G) and Auxiliary Enterprises revenues and expenditures. E&G revenue consists of unrestricted revenue (primarily state appropriation and tuition and fees), and restricted revenue (e.g. federal and state funds for student financial aid and for grants and/or contracts). Restricted funds are a separately identified resource which donors or agencies have placed limitations on how the funds may be used. Auxiliary Enterprises revenue is from self-supporting activities of WKU such as housing (reimbursed costs from the Student Life Foundation) and the WKU Restaurant Group.

Table 1: WKU Total Budget

Fund	FY 2022	FY 2023	\$ Change	% Change
Total E&G	359,383,525	366,711,700	7,328,175	2%
Unrestricted E&G	301,715,525	309,380,700	7,665,175	3%
Restricted E&G	57,668,000	57,331,000	337,000	-1%
Auxiliary Enterprises	16,293,845	16,736,000	442,155	3%
<b>Total Budget</b>	<b>\$375,677,370</b>	<b>\$383,447,700</b>	<b>\$7,770,330</b>	<b>2%</b>

## Resource Allocation, Management and Planning (RAMP)

WKU has embraced fiscal responsibility throughout the university by adopting and fully implementing a decentralized, resource allocation budget model. The FY 2023 budget marks WKU’s full transition to the Resource Allocation, Management and Planning (RAMP) budget model. Rather than a historical, incremental budgeting process, RAMP is an all-funds approach that uses the principles of responsibility-centered management (RCM) and is a financial management philosophy that supports decentralized decision-making to allow us to incentivize and reward performance. Administered by the provost, this budget model also creates a subvention fund to support internal investments for academic colleges based on strategic priorities. Key budget model principles include:

- Create incentives to advance campus goals
- Improve transparency
- Simplicity
- Revenue ownership and accountability for academic units

Table 2: FY 2023 RAMP Budget

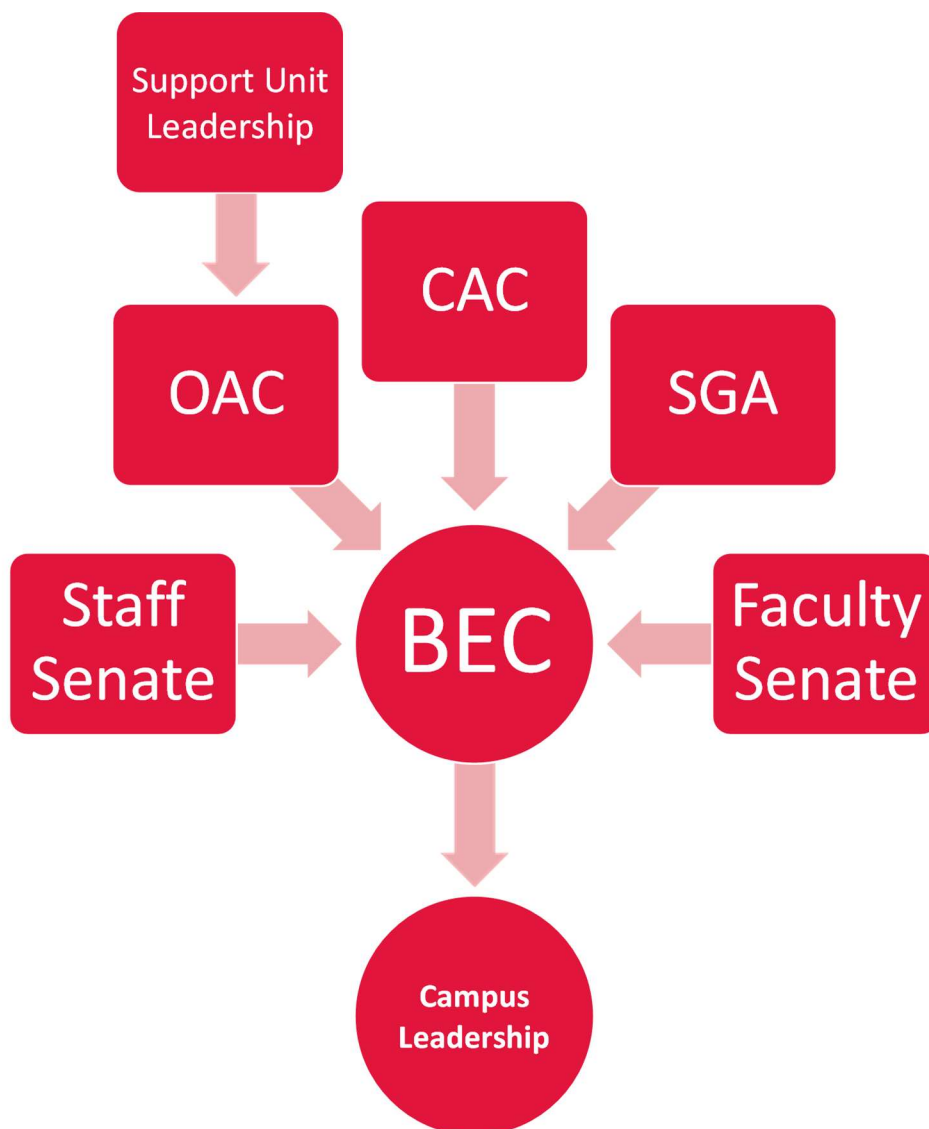
Metric	College of Health and Human Services	Ogden College of Science and Engineering	Potter College of Arts & Letters	Gordon Ford College of Business	College of Education and Behavioral Sciences	Academic Units Total
Total Revenues	44,598,204	55,303,367	49,428,218	25,698,201	36,769,743	211,797,732
Direct Expenses	23,919,516	30,385,464	22,670,225	12,652,364	19,641,998	109,269,566
Indirect Expenses	19,408,602	22,513,989	17,803,506	10,078,406	14,201,032	84,005,534
Total Expenses	43,328,118	52,899,453	40,473,730	22,730,770	33,843,029	193,275,100
<b>Margin</b>	<b>1,270,086</b>	<b>2,403,914</b>	<b>8,954,487</b>	<b>2,967,431</b>	<b>2,926,714</b>	<b>18,522,632</b>
Participation Fee Payment (Outflow)	(6,772,500)	(8,151,123)	(8,490,925)	(4,122,413)	(4,517,286)	(32,054,247)
Margin for Subvention Pool Disbursement	(5,502,414)	(5,747,209)	463,563	(1,154,983)	(1,590,572)	(13,531,615)
Subvention Fund Disbursement (Inflow)	4,099,212	4,335,489	50,000	2,000,000	2,000,000	12,484,700
<b>Margin After Fee Payment and Disbursement</b>	<b>(1,403,203)</b>	<b>(1,411,720)</b>	513,563	845,017	409,428	<b>(1,046,915)</b>

## Budget Governance Structure

Input from the campus community is an important part in planning the university’s budget. In alignment with RAMP, WKU’s budget process is a comprehensive planning effort representative of a transparent and collaborative environment for budget development guided by ongoing discussions between Deans, Support Unit leaders, budget governance committees, and campus leadership. The process involves participation beginning at the department level and reaching out to all campuses as we develop budgets that align with the WKU strategic plan, *Climbing to Greater Heights 2018-2028*.

Figure 2 summarizes the many opportunities for the campus community to provide input into the budget development process.

Figure 3: Budget Governance Structure



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### **Budget Executive Committee**

Co-Chairs: Bud Fischer – Provost & Vice President for Academic Affairs  
Susan Howarth – Executive Vice President for Strategy, Operations and Finance

- Reed Breunig – Student Government Association Representative
- Julie Lee – Faculty Senate Chair
- Brian Campbell – Staff Senate Representative
- Amanda Trabue – Vice President
- Corinne Murphy – Dean Representative
- Renaldo Domoney \*
- Jessica Gilland \*
- Kirk Atkinson – Faculty Senate Representative
- Jordan Basham – Staff Senate Chair
- Holli Drummond – Faculty Representative
- Christopher Shook – Dean Representative
- Ethan Logan – Vice President
- Bruce Schulte \*
- Brian Dinning \*

\* Denotes non-voting member

### **Capital Allocation Committee**

Co-Chairs: David Brown – Dean, Ogden College of Science and Engineering  
Bryan Russell – Chief Facilities Officer

- Tania Basta – Dean Representative
- Travis Wilson – Faculty Representative
- Ryanne Gregory – Staff Senate Representative
- Jessica Steenbergen – Staff Representative
- Ken Branch – Facilities Management
- Renaldo Domoney \*
- Les Forsythe – Athletics Representative
- Mark Ciampa – Faculty Representative
- Rodney Hounshell – Business Services
- Amy Fugate – Director of Accounting & Financial Reporting
- Ethan Logan – Vice President
- Brian Dinning \*

\* Denotes non-voting member

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## **Operating Allocation Committee**

Co-Chairs: Terrence Brown – Dean, Potter College of Arts & Letters  
Kristi Smith – University Controller/Treasurer

- John Sunnygard – Associate Provost Association Representative
- Ron Demarse – Interim Director, School of Media, PCAL
- Todd Seguin – Staff Senate Representative
- John-Mark Francis – Assistant Vice President
- Ranjit Koodali – Associate Provost
- Renaldo Domoney \*
- Jeppie Sumpter \*
- Anthony Paganelli – Faculty Senate Representative
- Bryson Davis – Staff Representative
- Stacy Wilson – Faculty Representative
- Zach Greenwell – Athletics Representative
- Ethan Logan – Vice President
- Bruce Schulte \*
- Brian Dinning \*

\* Denotes non-voting member