

## **Trends in WKU Budgets since FY 2004**

Budget and Finance Committee, March 2016

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### **Acknowledgement**

We would like to thank the division of Finance and Administration (Ann Mead VP for Finance and Administration; Kim Reed Budget Director; Jim Cummings, Chief Financial Officer; and Stacy Garrett, Budget Assistant Director) for their assistance and help. They have answered questions, provided us with data, and helped improve the accuracy of this report.

### **Sources**

WKU budgets are online and can be found under:

<https://www.wku.edu/finadmin/budget/>

WKU fact books are online and can be found under:

[https://www.wku.edu/instres/fact\\_book.php](https://www.wku.edu/instres/fact_book.php)

Most of the data in this report have been obtained using the above links. However, additional data that cannot be found easily from online sources, were provided to us by members of the WKU administration.

## 1. Introduction and Context

This study examines WKU budgets beginning with AY 2003/4 and ending at Jan. 2016. The reason for examining this time frame is two-fold: 1) it is long enough to reveal long term fiscal trends; 2) and ease of access: for this time period many documents are posted online, while prior budgets only exist as hard copies.

All growth patterns discussed below refer to this time period unless otherwise specified. Yearly expenditures refer to a WKU July-June fiscal year. We will use FY 20xx to denote the fiscal year starting in xx minus one and ending in xx. For example FY 2016 will refer to the 2015/16 academic year, which ends on 30 June 2016. One exception to this rule involves the numbers relating to health insurance, which use a calendar year.

### **Benchmark:**

WKU's unrestricted E&G budget has grown from \$143 million to \$290 million, or 102.5% (equivalent to 5.8% per year, compounded annually).<sup>1</sup>

It is important to note that the current E&G budget of \$290 million includes carry forward amounts (referred to as CF in the future). Without CF the FY2016 number would be \$277 million. In a certain sense the \$277 million number is the correct number to use (as we will explain), even though \$290 million is the number we find in the official budget. Using the unrestricted E&G budget without CF, we see a growth of about 94% between FY2004 and the present.

### **WKU Employee Salaries:**

Faculty: Between 2003 and 2014, WKU's full-time faculty grew from 650 to 776 (about 19%). In that same period, WKU's total number of full time employees grew from 1,797 to 2,329 (about 30%). The relative proportion of full-time faculty thus declined from 36.2% to 33.3% in this period.

Between 2003 and 2014, the faculty salary average increased from \$53,645 to \$63,989 (19%, at an average rate of 1.62% per year, compounded). Faculty salaries, therefore, have not kept pace with inflation, which averaged 2.4% per year for a compounded total of 29.75%.

Indeed, when adjusted for inflation (using 2003 dollars as a base) the value of today's average faculty salary has *declined* to \$49,604, revealing an effective *decrease* in pay (-7.6%). It must be noted that this calculation does *not* take into account real decreases in actual take-home pay caused by higher taxes, increased social security contributions (2013), increased health plan contributions, and the like; nor does it account for issues of salary compression. It must also be noted that this does not account for faculty rank. A sizeable proportion of the faculty salary increases over the past several years have been due to promotion increases, e.g., assistant to tenured-associate. However new faculty hires are often assistant professors replacing full professors decreasing the faculty average salary. Without an in-depth analysis we cannot say if many employees are falling even *further* behind the inflation curve than the numbers above might indicate.

We assume that an examination of averages for staff salaries would reveal a similar trend.

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<sup>1</sup> Rate of inflation estimates for the same period: CPI about 29%, HEPI (Higher Education Price Index) about 47%.

## Benefits:

Retirement: Between FY 2004 and 2016, WKU contributions to retirement have grown from \$8,365,284 to \$21,907,561 (162%).

Health Insurance: From insurance calendar year (1 Jan. to 31 Dec.) 2003 to 2015, WKU contributions to the health insurance fund rose from \$7,306,000 to \$14,130,000 (93%).

Calculated on a *per employee basis*, WKU's 2003 average contribution was approximately \$4,066 per full-time employee; its 2015 average contribution was approximately \$6,067 per full-time employee. This represents a 49.21% increase per full-time employee over this 12-year period, which is equivalent to an average annual increase of 3.13% (compounded annually). These increases have stayed only slightly ahead of the inflation rate: when adjusted for inflation (using mid-2003 dollars as a base) the value of today's average contributions is \$4,703, equivalent to an effective increase of 15.6%.

## Students and Tuition (per credit hour): Fall 2003 to Fall 2015

From FY 2004 to FY 2013, WKU's student enrollments rose from 18,391 to 21,124; it has since declined to 20,068 (FY 2016). The net increase from FY 2004 to FY 2016 is 9.1%.

The following chart indicates the rise in per-credit-hour tuition rates from Fall 2003 to Fall 2015:

	FY 2004	FY 2016	% Change	Change Rate
In-state undergraduate	\$152	\$395	160%	↑ 8.3% per yr
Out-of-state undergraduate	\$354	\$1,006	184%	↑ 9.1% per yr
In-state graduate	\$222	\$543	145%	↑ 7.7% per yr
Out-of-state graduate (domestic)	\$242	\$763	215%	↑ 10% per yr.

Overall, tuition and fees revenue nearly doubled between FY 2006 and FY 2014, growing from \$68,682,426 to \$129,435,073, an 88% increase over an 8-year period, reflecting an average increase of 8.2% per year for this period.<sup>2</sup>

The first academic year in which the CPE reasserted its tuition setting authority was FY 2009. The Council did not establish tuition parameters (i.e., ceilings) that year, but rather used tuition hearings to determine tuition and fee increases for each institution. The first academic year in which the Council established tuition and fee ceilings was FY 2010. Thus, it is highly unlikely that the next decade will yield a similar dramatic tuition increase.

## State Appropriation

Our state appropriations were reduced during this period, from \$78,038,800 in FY 2006 to \$72,425,200 in FY 2014. While this change appears to be a 7.19% drop over 8 years, the inflation-adjusted value of appropriations for FY 2014 is approximately \$60,861,500, making the effective reduction in state appropriations about 22% in terms of purchasing power. More important is that, when adjusted for inflation and the rise in student population, the state appropriations per WKU student shows a much *steeper* decline:

<sup>2</sup> Note: Adjusted for inflation (1 July 2005 to 30 June 2014), \$129,435,073 is equivalent to \$106,971,134 in mid-2005 dollars, revealing an effective increase in tuition and fees of 55.7% since that time.

### **State Appropriation**

FY 2006	\$78,038,800	(= \$4,185.51 / student)
FY 2010	\$74,071,400	(= \$3,576.26 / student)
FY 2014	\$72,425,200	(= \$3,540.54 / student)*

The reduction of per-student state appropriations, FY 2006 to FY 2014, is -\$644.97, or -15.4%.

Adjusted for inflation, state appropriations per student in FY 2014 represent \$2,975.24 in mid-2005 dollars (the starting point for FY 2006). This represents an *effective* reduction in per-student state appropriations of -29% (equivalent to -\$1,210.27) over this 8-year period.

The last couple of years also show a slight decline in enrollment and the number of employees (faculty and staff).

## **2. Comparing different divisions within WKU**

The WKU unrestricted E&G budget is split into different divisions: President, General Counsel, Provost (Academic Affairs), Research, Diversity, Enrollment & Grad, Campus Services, Student Affairs, Public Affairs, Info Tech, Finance & Admin, Development & Alumni, and University Wide. (The division University Wide does not really consist of WKU units with personnel but serves as name to budget different items - as is explained in the footnote on the next page.) During the time frame under investigation the university has undergone several reorganizations (some units have changed divisions, and some divisions have been created and dissolved). For the overview of budgeted expenses, see the file [2003\_2015comparison] included in this report, or the Appendix.

We note that dramatic increases and decreases in a division's funding can be misleading, as these are sometimes the result of internal reorganization.<sup>3</sup> However, even taking these into account, WKU has increased funding to its different divisions at different rates.

### **Comparing FY2004 with FY2016**

A direct comparison of the percentage increases between the different divisions of the budgeted amounts from FY2004 with FY2016 is quite difficult. The reorganization of WKU divisions has been frequent, and needs to be taken into account. We list the following changes between the two years:

- FY 2004 General Counsel included Internal Audit. Moved to Finance and Administration (F&A)
- FY 2004 President included EEO. Moved to General Counsel
- FY 2004 Student Affairs and Campus Services included HR, P&T and Postal Services. Moved to F&A.
- FY 2004 Student Affairs and Campus Services included Office of Diversity Programs and KY Equal Opportunity. Moved to Chief Diversity Officer.
- FY 2004 Facilities Management included Center for Research and Development and Shuttle Service. Moved to Finance and Administration

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<sup>3</sup> For instance: in FY15, the Center for R & D moved to Finance & Admin. along with the Alumni Square Garage payment, the Registrar returned to Academic Affairs, Research was dissolved, and Radio/Television moved from IT to Public Affairs; in FY14 all Campus Services units became part of Finance and Administration, and Student Health Education moved to Student Affairs; in FY13 Internal Audit moved from President/General Council to Finance & Administration; FY03 Diversity was part of Student Affairs, Research had a small budget under Facilities, and Environmental Health moved from Student Affairs to Finance (and later to Campus Services).

FY 2004 Development included University Relations. Moved to Public Affairs.  
FY 2004 Chief Financial Officer included deferred maintenance matching pool. Moved to Campus Services (Chief Facilities Officer)  
FY 2004 Information Technology included Public Radio and ETS. Moved to Public Affairs

### **Summary of Budgeted expenditures by division, 2004 – 2015:**

[see Appendix or 2003\_2015comparison or all\_years\_budget]; percentages discussed below have *not* been adjusted for inflation unless otherwise noted]

The division central to faculty interests is Academic Affairs. In order to put the numbers below in perspective we want to remind the reader that unrestricted E&G budget, less Carry Forward, grew by about 92.6% (102.5% *with* CF) during that time period. Academic Affairs (including Enrollment Management, which only recently became its own unit) has only seen an 82% (93.45% *with* CF) increase since 2004. Thus, the increases for academic affairs have been below the average of increases in the unrestricted E&G budget. Athletics has seen a 137.79% increase – probably reflecting the expansion of athletics to a full division program. We note that athletics also increased revenue during this time period and we report on this in a separate section. The division “University Wide”<sup>4</sup> has increased by 240.72%. This increase might reflect the considerable bond payments WKU is making due to increased debt undertaken for building projects.

The position of Academic Affairs in the WKU budget shows a continuing decline when measured as a percentage of the unrestricted E&G budget. For example, in FY1999 Academic Affairs was about 64% of the budget, in FY2004 this declined to 62% and is currently (FY2016) about 58% (59% *with* CF). These numbers include the funds for Enrollment Management (which has seen large increases in funding over the past several year). Without Enrollment Management (now its own division) and CF, Academic Affairs consists of \$127m out of \$277m, or about 46% of the unrestricted E&G budget. While still the largest division within WKU, it now commands less than half of the unrestricted E&G budget (as compared to nearly two-thirds in FY1999).

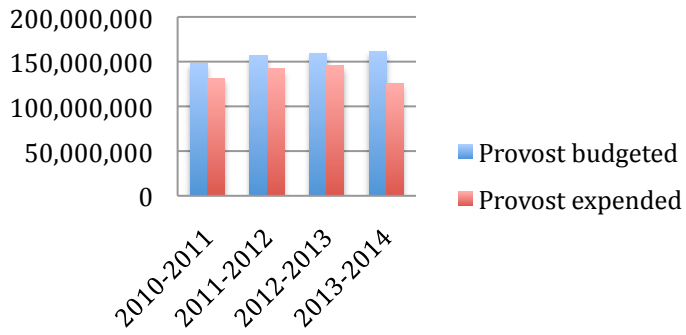
### **3. Comparing Budgeted vs. Actual Expenditures, FY10 – FY14**

Our narrative refers to the Appendix: Budgeted v Actual Expenditures and Appendix: Budget vs. Expenditure FY2011 to FY2015. Within a division, a unit can overspend at the discretion of the head of that division, but our understanding is that divisions can only overspend with the approval of the Administrative Council. Over the past several years, some units have routinely been allowed to overspend; the overall expenditures are more or less in balance with the budget, implying that the divisions that underspent take up the slack. Details are available on the spreadsheet, but a few illustrative examples are given below.

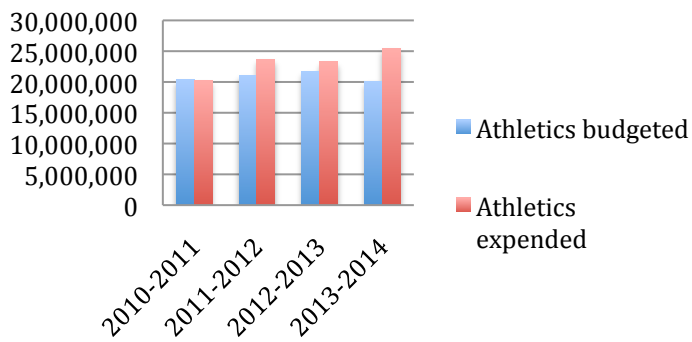
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<sup>4</sup> University Wide: Instruction Contingency, Institutional Contingency, General Institutional Expenses, Institutional Acquisitions & Leases, Central Carry Forward, Mandated Tuition Waivers, Staff Benefits Undistributed, Principal & Interest Agency Bonds, DSU Renovation Debt, Diddle Arena/Parking Debt, NDSL University Contribution.

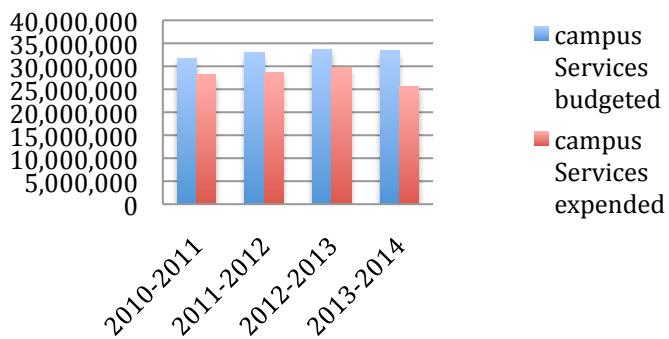
## Provost

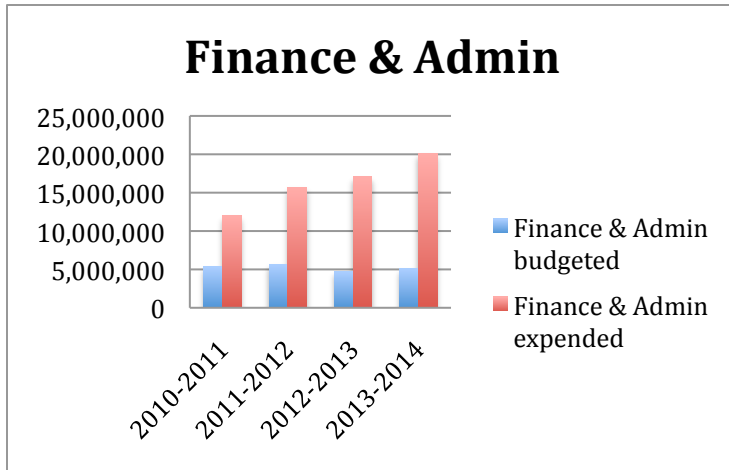


## Athletics



## Campus Services





(The overspending in Finance & Admin is remarkable. Finance & Admin includes Human Resources, Employee Wellness, Parking, Transit, and Purchasing, among other things.<sup>5</sup> Out explanation for this “overspending” is that Fin&Admin has taking on a role similar to the University Wide category: it has become a bucket to catch all sorts of things. In FY 14 the following items were not original budgeted items for this division

- Diddle Arena/Parking Debt (interest exp) \$2,468,630.8
- Mandated Tuition Waivers (includes veterans) \$3,931,898.78
- General Inst.Expenses \$1,663,717.43
- Institutional Acquisitions and Leases \$1,839,254.17
- Staff Benefits - Undistributed \$2,297,304.52

Thus this does not seem to be “overspending” by a division, but more an issue of how to we account for these expenditures.)

At this point we do not yet have a clear understanding of how WKU balances these discrepancies. We were told that this balancing is something that is discussed at the Administrative Council.

#### 4. Remarks on Athletics

President Ransdell has made the creation of an athletics department that can compete at the division I level in *all* sports a top priority for WKU. Athletics’ allocations have been consistently increasing above the university average. This becomes even more apparent if we look further into the past: the 1998/1999 budget for athletics was \$5,496,358, and since then Athletics has increased by about 325%. The increase for the WKU unrestricted E&G budget over the same time period is 182%.

One argument frequently made in connection with athletics is that the athletic department has also seen a dramatic increase in revenue. Athletic revenue as budgeted in FY2004 was \$2,603,000 and in FY 2016 was \$8,865,000. Thus if we compute the increase in the difference between budgeted expenditure and budgeted revenue then the percentage increase of athletics

<sup>5</sup> Staff Council, VP for Finance & Admin, Finance & Admin CF, Assistant VP Resources Mgmt, Budget, Office of the Chief Financial Officer, Purchasing & Accounts Payable, Accounting & Financial Reporting, Bursar, Human Resources, Parking Services, Employee Wellness, Transit Services, Postal Services, Internal Auditor.

decreases from the 137.79% to about 100%. This increase is pretty much in line with the unrestricted E&G budget growth of 102.5% for the same period.

We also note that increases in grants-in-aid are funded in a manner similar to mandated waivers, institutional fellowships, departmental scholarships, and institutional scholarships. Thus, if we raise tuition rates, then the athletic budget must reflect these increases in our tuition and fees rates.

Some divisions are revenue producing while others are not. In many cases, we deal with revenue production (by an academic department, for example) as belonging to the organization as a whole, which is to be shared by all units (including those, like HR and the Library, which do not produce revenue directly). To allow a particular unit to claim revenue as exclusively theirs is a decision made at the highest level of our administration. It has been a WKU policy for other divisions besides athletics that revenue generated by divisions is returned to the divisions generating the revenue. Examples: WKU Farm receipts are returned to Academic Affairs, which returns funds to the farm for operations; and Preston Center generates revenue much like fees generated by Parking and Transportation. It is important to state that the budgeted expenditures include revenue generated by the respective programs to supplement their budgets.

A final example to demonstrate how athletics differs in comparison to other divisions: Athletics show an increase in wages from \$4,287,167.5 in FY10 to \$6,457,279.48 in FY14. What other division saw an increase of 51% in the same period?

## **5. Remarks on Carry Forward**

Academic Affairs is unique in that it has a very large carry forward account. This has a long tradition and has become central to the way the division operates. FY 13 provides a good example of the magnitude of this process, as seen in the summary provided by Academic Affairs.

### **Summary of FY 13 Carry Forward Allocations**

#### **College / Instructional Areas    \$9.0 Mil**

Includes CEBS, CHHS, GFCB, PCAL, University College, Summer School, College DELO Distributions, University Libraries, Regional Campuses, Faculty Professional Development Funds

#### **Major Areas                            \$1.6 Mil**

Includes Honors, Internationalization, Enrichment and Effectiveness, Enrollment Management, Int'l Enrollment Management, Graduate School / Research, Gatton Academy, Faculty-Led Study Abroad, University Distinguished Professor Funds

#### **Divisional Funds<sup>6</sup>                        \$2.0 Mil**

Includes Navitas Royalties, ESLI Royalties, Classroom Improvement Funds, Funds to Support the SACS Reaccreditation, Provost's DELO Distribution, Provost's DELO Distribution, Research Incentive Funds

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<sup>6</sup> These funds are often carried forward to help offset one-time budget reduction during the subsequent year. In FY 15, for example, \$1.3 million in Divisional funds were used to fund an Enrollment shortfall.



**Total**

**\$12.6 Mil**

As faculty we know that the colleges and department are dependant on these funds. Every year, when planning a new budget, colleges and departments assume these funds will be there and plan with an estimated amount when they think about a budget for the next academic year.

The question here is: Do we need to operate this way? Or would it be better to create a clean budget where recurring expenses are actually budgeted? Would this make the academic affairs budget more transparent?

**6. Remarks on Travel**

When examining a summary of expenditures over the last five years we noticed that there was a substantial increase in travel allocations throughout the university. Travel expenses rose by 40% from \$4.5 million in FY2010 to \$7.9 million in FY2014. In Academic Affairs, travel expenses rose by 26%, from \$2.5 million in FY2010 to \$3.2 million in FY2014. Most faculty members have not seen any substantial increase in travel funds available to them over the last 5 years, so we wonder where this increase occurred.

We compared travel in FY2010 with FY2014 for different units; however, the picture we obtained was mixed. Travel increased slightly in Potter (6%) and Odgen (3%), it increased significantly in CHHS (63% which may be explained by the growth of some programs). It also increased in CEBS (45% which may be explained by the doctoral program or by the increased recruiting efforts to compensate for the enrollment decline during that time period). In addition, we have a travel category “Campus Internationalization” which increased from \$37,441.35 in FY2010 to \$541,574.24 in FY2014, reflecting our increased international reach. However this one-time comparison between two academic years is not enough to conclude that there is a trend. As a final remark, we wish to point out that the travel increase in Academic Affairs is below the university average.

**7. Health Insurance and Benefits**

The increase WKU is making to various retirement plans has increased substantially during the period under observation. In FY2004, WKU contributed \$8,365,284 and in FY2016 WKU contributed \$21,907,561, which represents a 162% increase. We note that contributions to state retirement systems are mandated by the state and have increased dramatically.

The table below shows WKU contributions to the health insurance fund. It is important to know that the year for health insurance is the actual calendar year. Numbers are rounded to the nearest thousand.

<b>Year</b>	<b>WKU contributions</b>	<b>Employee premiums</b>	<b>Employee Out-of pocket</b>
<b>2015</b>	\$14,130,000	\$3,169,000	N/A
<b>2014</b>	\$13,397,000	\$3,523,000	\$2,626,000
<b>2013</b>	\$11,955,000	\$3,297,000	\$2,464,000
<b>2012</b>	\$11,722,000	\$3,216,000	\$2,377,000

<b>2011</b>	\$11,505,000	\$3,233,000	\$2,347,000
<b>2010</b>	\$9,938,000	\$3,184,000	\$2,255,000
<b>2009</b>	\$9,131,000	\$2,305,000	\$1,810,000
<b>2008</b>	\$8,966,000	\$2,024,000	-
<b>2007</b>	\$8,051,000	\$2,149,000	-
<b>2006</b>	\$8,982,000	\$2,149,000	-
<b>2005</b>	\$8,150,000	\$2,018,000	-
<b>2004</b>	\$7,767,000	\$1,845,000	-
<b>2003</b>	\$7,306,000	\$1,697,000	-

WKU contributions have risen by about 93.4%, or 5.7% annually on average. During that same time employee contributions have risen by about 87%, or 5.3% annually on average.

It is not possible to account for the total expenses of WKU employees for the entire time period, as Anthem did not provide information on out-of-pocket expenses until 2009. However, our data for 2009-2014 indicates that employee out-of-pocket expenses that *can* be accounted for have grown by 45%, at a rate of 7.7% per year.

Overall, it appears that the cost share percentage for employees has remained constant: in 2009 it was about 31.1% and in 2014 about 31.5%. Similar data for the years before 2009 does not exist. The data for 2015 will be available soon – however our consultants predict that it will still remain constant.

In the future, we will attempt to nuance this information by determining how many employees and dependents were actually covered under WKU’s health plans in each year, how many took waivers, etc., in order to determine how much WKU is and has been spending per employee.

It is also worth noting that employee contributions and out-of-pocket expenses far outpace inflation while most of their salaries have remained stagnant.

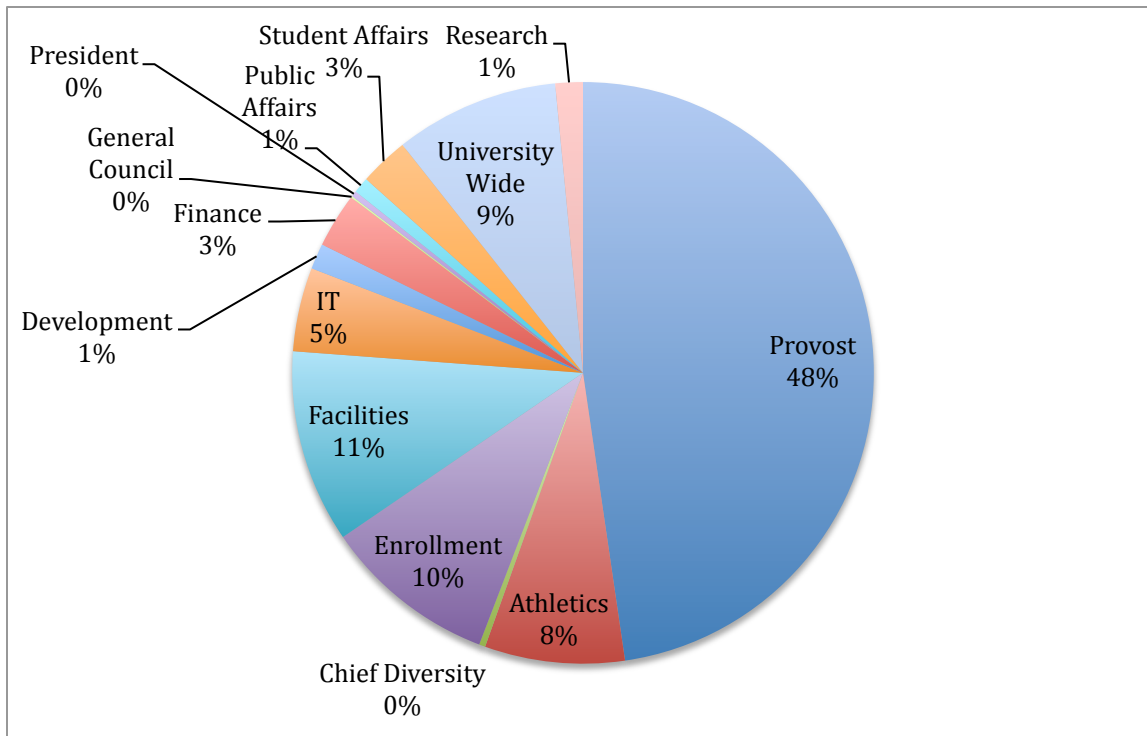
## **8. Reallocations in FY15**

In FY15, WKU reallocated \$7.9 million. We would not expect to see a reallocation precisely proportional across divisions, but in line with the university’s strategic priorities. For instance, enrollment is a priority at WKU, so we would not expect to see it take as large a hit, proportionally, as other divisions. Academics are apparently not as high a priority: though accounting for only 48% of the budget, Academic Affairs absorbed a 70% of the reallocation.

Despite the reallocation, the unrestricted E&G budget increased in FY15 by \$5,163,000 or by 1.7%. These funds come from the following sources: State appropriation: \$2,000,000 for the Gatton Academy; Tuition increase returned to doctoral programs \$1,212,000; Tuition increase less doctoral programs \$1,415,000; Mandatory student fee for parking garage \$846,000; College specific student fees \$650,000.

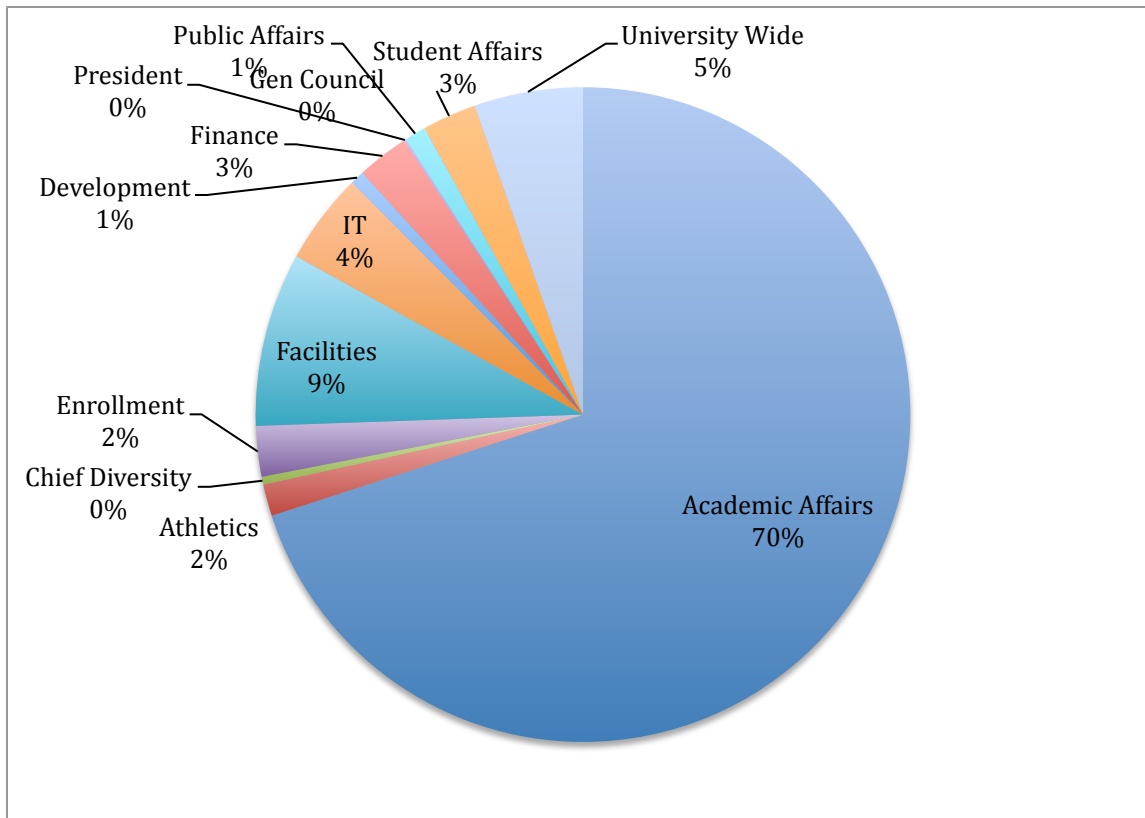
### **WKU’s FY15 budget**

Source: [https://www.wku.edu/finadmin/budget/2014\\_2015docs/1415\\_expenditure\\_summary\\_unrestricted.pdf](https://www.wku.edu/finadmin/budget/2014_2015docs/1415_expenditure_summary_unrestricted.pdf)



**FY16 reallocation**

Source: [https://wku.edu/transparency-and-accountability/documents/1516\\_budget\\_presentation.pdf](https://wku.edu/transparency-and-accountability/documents/1516_budget_presentation.pdf)



## 9. Resolutions and Recommendations

The WKU Faculty Senate Budget & Finance Committee recommends the following:

The budget numbers show that Academics has not been a priority in the WKU budgeting process. This does not mean that there is less money for instruction. Academics has seen its budget expand at a rate that should have allowed Academic Affairs to increase the budget directly used for instruction to keep up with enrollment increases and inflation given by the HEPI index.

However, the fact that the percentage apportioned to Academics from the total unrestricted E&G budget shows a continuing decline is of deepest concern to faculty. This must stop. Academics must be a priority both when it comes to increases in funding and reallocation decisions. After all, teaching and learning are the most important tasks of a university. Thus, we would like to offer the following resolution for the next senate meeting.

### Resolution:

In the coming fiscal year WKU anticipates a significant cut to our state funding. We ask that at the very least this cut be distributed more proportionally, with Academic Affairs (excluding Enrollment Management) absorbing no more than 46% since this seems to be its share of the budget (Here enrollment management is excluded in the 46%).

### Recommendations:

We want to start a discussion at the SEC and at the Senate about the following topics. The intent

is to generate agreement that will lead to additional resolutions before the end of the academic year. We all would like if WKU can create a pool for compensation increases.

The following points present ideas that could be pursued with this goal in mind:

1. Is it worthwhile to re-budget from base? In the absence of cuts, WKU gives each unit the same budget they received the previous year, regardless of performance, need, or spending. If there are cuts, they are often distributed to every division based on their percentage of the budget. This process can create inequalities over time. (In some sense this is similar to the state process that allocates funds to various universities. WKU has been rightfully complaining about inequities we experience with state funding created by such a process over time.)

A university-wide assessment of *every* unit will enable WKU to reevaluate its spending habits, and reallocate based on our Statement of Purpose. However, such a process can be painful, controversial, and time consuming.

2. Earmark any savings from freezing positions for compensation. Former Provost Emslie attempted this process; however, the Provost, in consultation with the Deans, ultimately agreed to give up this money to balance the Academic Affairs budget and cover Academic Affairs' share of the budget cuts. This reabsorption should not be possible: like a bond payment, or the AC in summer, funds accumulated through attrition of positions need to stay in place for compensation.
3. Wage increases must be a priority for our base budget. To free up funds to accomplish this, areas must be identified where we can be more efficient. It seems clear that for an organization where the majority of expenses are salaries and wages that this process is hard and would ultimately demand more from employees. However, our analysis has shown that even within Academic Affairs the increases in funding have kept pace with HEPI inflation and with changes in enrollment. This must also be true for the institution as a whole. Thus we must ask the question: what were we doing in FY 2016 that we did not do in FY2004? Are these additional things that we are now doing really essential or are they things that we can reduce again?
4. The building and renovation spree must stop. Only fully state-funded construction and renovation should be allowed to proceed. We also should carefully consider how to deal with additional maintenance costs for any new building. We have too many buildings funded by dedication of tuition and fees that are *not* essential to instruction and research, the core mission of any university. Once these buildings are constructed, repaying the bonds ultimately takes priority over wages or any other WKU budget priority. This process is crippling future budgets: our current bond service payments in FY2106 are around \$12,000,000; see the Appendix:DebtServiceFY2016 and Buildings/Renovations financed by Bonds for a list of new and renovated buildings that are serviced by bonds. Furthermore, it seems that we have created additional square footage at a rate that cannot be justified, unless we are projecting future growth in our student population.

## 10. Appendix Data

<b>Full time faculty</b>		<b>Faculty Full time + part time</b>		<b>Avg. Faculty Salary (full time)</b>	
FY 2003	620	FY 2003	1072	FY 2003	\$52,814
FY 2004	650	FY 2004	1127	FY 2004	\$53,645
FY 2005	682	FY 2005	1120	FY 2005	\$54,495
FY 2006	694	FY 2006	1106	FY 2006	\$56,022
FY 2007	726	FY 2007	1109	FY 2007	\$57,061
FY 2008	729	FY 2008	1152	FY 2008	\$59,031
FY 2009	722	FY 2009	1120	FY 2009	\$60,090
FY 2010	735	FY 2010	1153	FY 2010	\$60,098
FY 2011	747	FY 2011	1177	FY 2011	\$61,554
FY 2012	771	FY 2012	1201	FY 2012	\$61,693
FY 2013	785	FY 2013	1130	FY 2013	\$62,052
FY 2014	791	FY 2014	1251	FY 2014	\$63,143
FY 2015	776	FY 2015	1199	FY 2015	\$63,989

### **WKU employees full time**

FY 2003	1778
FY 2004	1797
FY 2005	1856
FY 2006	1940
FY 2007	2035
FY 2008	2088
FY 2009	2108
FY 2010	2192
FY 2011	2260
FY 2012	2314
FY 2013	2351
FY 2014	2367
FY 2015	2329

### **WKU employees FT + part time**

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FY 2007	3012
FY 2008	3197
FY 2009	3135
FY 2010	3274
FY 2011	3373
FY 2012	3412
FY 2013	3350
FY 2014	3529
FY 2015	3455

### **Tuition per credit hour (undergraduate)**

#### **In-state /Out of state**

FY 2003	130	333
FY 2004	152	354
FY 2005	185	450
FY 2006	215	524
FY 2007	248	600
FY 2008	267	645
FY 2009	289	712
FY 2010	300	741
FY 2011	315	785
FY 2012	337	834
FY 2013	353	875
FY 2014	363	927
FY 2015	381	973
FY 2016	395	1006

### **Tuition per credit hour (graduate domestic)**

#### **In-state /Out of state**

FY 2003	191	210
FY 2004	222	242
FY 2005	243	266
FY 2006	283	310
FY 2007	326	357
FY 2008	351	384
FY 2009	382	418
FY 2010	396	435
FY 2011	417	461
FY 2012	445	489
FY 2013	467	583
FY 2014	490	640
FY 2015	515	691
FY 2016	543	763

### Annual estimated expenses to attend WKU

FY 2007	\$11,300	
FY 2015	\$16,310	(+44.3%)

### Total Revenue in Tuition & Fees

FY 2006	\$68,682,426	-----	(= \$3,684 / student)
FY 2010	\$104,669,230	(+52.4%)	(= \$5,189 / student = + 40.9%)
FY 2014	\$129,435,073	(+23.7%)	(= \$6,327 / student = + 21.9%)

### State Appropriation

FY 2006	\$78,038,800	(= \$4,185.51 / student)
FY 2010	\$74,071,400	(= \$3,576.26 / student)
FY 2014	\$72,425,200	(= \$3,540.54 / student)

### WKU Enrollment

FY 2002	16,579	-----
FY 2003	17,818	(+7.5%)
FY 2004	18,391	(+3.2%)
FY 2005	18,513	(+0.7%)
FY 2006	18,645	(+0.7%)
FY 2007	18,664	(+0.1%)
FY 2008	19,265	(+3.3%)
FY 2009	19,761	(+2.6%)
FY 2010	20,712	(+4.8%)
FY 2011	20,903	(+0.9%)
FY 2012	21,048	(+0.7%)
FY 2013	21,124	(+0.4%) High mark of WKU enrollment
FY 2014	20,456	<b>(-3.2%)</b>
FY 2015	20,178	<b>(-1.4%)</b>
FY 2016	20,068	<b>(-0.5%)</b>

### FY 2004 to FY 2016 Comparison

#### WKU Budget Comparison FY 2004 and FY 2016

Division	FY 2004 Budget (non revenue dependent)	FY 2016 Budget (non revenue dependent)	Change in \$ from FY 2004 to FY 2016	% Change from FY 2004 to FY 2016	FY 2016 Budget less Carry Forward	Change in \$ from FY 2004 to FY 2016, less Carry Forward	% Change from FY 2004 to FY 2016, less Carry Forward
Provost	\$88,345,981	\$137,687,510	\$49,341,529	55.9%	\$126,687,510	\$38,341,529	43.4%
Athletics	\$9,803,136	\$23,311,126	\$13,507,990	137.8%	\$23,256,126	\$13,452,990	137.2%
Diversity		\$604,655			\$569,655		
Enrollment		\$32,613,416			\$32,613,416		
Facilities / Campus Services	\$13,602,438	\$29,991,641	\$16,389,203	120.5%	\$28,791,641	\$15,189,203	111.7%
IT	\$7,793,805	\$12,010,854	\$4,217,049	54.1%	\$11,410,854	\$3,617,049	46.4%
Development & Alumni	\$2,727,656	\$4,050,462	\$1,322,806	48.5%	\$4,011,462	\$1,283,806	47.1%
Finance	\$4,306,213	\$9,284,110	\$4,977,897	115.6%	\$8,934,110	\$4,627,897	107.5%
Gen Council	\$338,692	\$685,436	\$346,744	102.4%	\$685,436	\$346,744	102.4%
President	\$792,133	\$907,321	\$115,188	14.5%	\$907,321	\$115,188	14.5%
Public Affairs	\$421,857	\$3,919,356	\$3,497,499	829.1%	\$3,754,356	\$3,332,499	790.0%
Student Affairs	\$7,022,609	\$7,719,767	\$697,158	9.9%	\$7,424,767	\$402,158	5.7%
Univ Wide	\$7,851,329	\$26,750,946	\$18,899,617	240.7%	\$26,350,946	\$18,499,617	235.6%
	\$143,005,849	\$289,536,600	\$146,530,751	102.5%	\$275,397,600	\$132,391,751	92.6%

Adjusted Value / Increases in  
July 2003 dollars (based on  
CPI calculator)

\$143,005,849	\$224,446,977	\$81,441,128	56.9%	\$213,486,512	\$70,480,663	49.29%
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## Budgeted v Actual Expenditures

<b>DIVISION</b>	<b>FY2011</b>	<b>FY2012</b>	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>
Student Affairs budgeted	6,011,445	6,841,735	7,265,178	7,521,418	7,791,090
Student Affairs expended	6,709,390	7,435,104	7,554,489	7,489,862	
Provost budgeted	147,735,568	156,640,553	158,986,178	161,903,254	135,686,611
Provost expended	131,363,742	142,112,881	145,147,275	125,773,478	
Athletics budgeted	20,385,126	21,069,629	21,762,171	20,125,916	22,127,291
Athletics expended	20,183,105	23,632,496	23,269,012	25,511,564	
Campus Services budgeted	31,604,023	33,061,985	33,758,543	33,392,082	30,545,101
Campus Services expended	28,129,227	28,752,555	29,633,641	25,512,926	
Chief Diversity Officer budgeted	650,232	558,125	698,334	829,848	977,131
Chief Diversity Officer expended	622,752	541,073	652,380	815,812	
Development budgeted	3,604,579	3,533,837	3,710,354	3,997,302	4,047,047
Development expended	5,023,485	5,624,011	4,481,323	4,277,332	
Enrollment Mgmt budgeted					27,437,133
Enrollment Mgmt expended	16,198,924	20,524,296	22,639,984	25,454,557	
Finance & Admin budgeted	5,347,498	5,625,113	4,736,165	5,098,295	8,627,594
Finance & Admin expended	11,985,654	15,665,001	17,081,715	20,120,491	
General Council budgeted	464,629	453,924	523,746	358,977	258,505
General Council expended	244,487	302,530	310,224	341,251	
IT budgeted	12,378,480	12,627,314	13,648,372	13,492,041	13,273,774
IT expended	14,358,511	14,736,187	15,914,899	14,606,895	
President budgeted	782,703	810,852	837,563	810,571	902,077
President expended	773,266	818,982	842,532	919,432	
Public Affairs budgeted	2,079,949	2,139,150	2,157,825	2,422,328	2,527,811
Public Affairs expended	2,137,937	2,197,409	2,493,726	4,190,664	
Research budgeted	4,045,065	5,163,422	4,615,143	4,372,916	4,348,254
Research expended	3,672,771	3,745,469	3,896,884	3,739,307	



Budget vs. Expenditure FY2011 to FY2015  
A detailed look at budgets and expenditures

	FY 2011	FY 2011	FY 2011	FY 2012	FY 2012	FY 2012	FY 2013	FY 2013
	Budgeted	Expended	% Dif.	Budgeted	Expended	% Dif.	Budgeted	Expended
Student Affairs	\$6,011,445	\$6,709,390	11.6%	\$6,841,735	\$7,435,104	8.7%	\$7,265,178	\$7,554,489
Provost	\$147,735,568	\$131,363,742	-11.1%	\$156,640,553	\$142,112,881	-9.3%	\$158,986,178	\$145,147,275
Athletics	\$20,385,126	\$20,183,105	-1.0%	\$21,069,629	\$23,632,496	12.2%	\$21,762,171	\$23,269,012
Campus Service	\$31,604,023	\$28,129,227	-11.0%	\$33,061,985	\$28,752,555	-13.0%	\$33,758,543	\$29,633,641
Chief Diversity	\$650,232	\$622,752	-4.2%	\$558,125	\$541,073	-3.1%	\$698,334	\$652,380
Development	\$3,604,579	\$5,023,485	39.4%	\$3,533,837	\$5,624,011	59.1%	\$3,710,354	\$4,481,323
Enrollment Mgmt		\$16,198,924			\$20,524,296			\$22,639,984
Finance & Adm	\$5,347,498	\$11,985,654	124.1%	\$5,625,113	\$15,665,001	178.5%	\$4,736,165	\$17,081,715
General Council	\$464,629	\$244,487	-47.4%	\$453,924	\$302,530	-33.4%	\$523,746	\$310,224
IT	\$12,378,480	\$14,358,511	16.0%	\$12,627,314	\$14,736,187	16.7%	\$13,648,372	\$15,914,899
President	\$782,703	\$773,266	-1.2%	\$810,852	\$818,982	1.0%	\$837,563	\$842,532
Public Affairs	\$2,079,949	\$2,137,937	2.8%	\$2,139,150	\$2,197,409	2.7%	\$2,157,825	\$2,493,726
Research	\$4,045,065	\$3,672,771	-9.2%	\$5,163,422	\$3,745,469	-27.5%	\$4,615,143	\$3,896,884
	FY 2013	FY 2014	FY 2015	FY 2014	FY 2015			
	% Dif.	Budgeted	Expended	% Dif.	Budgeted			
Student Affairs	4.0%	\$7,521,418	\$7,489,862	-0.4%	\$7,791,090			
Provost	-8.7%	\$161,903,254	\$125,773,478	-22.3%	\$135,686,611			
Athletics	6.9%	\$20,125,916	\$25,511,564	26.8%	\$22,127,291			
Campus Service	-12.2%	\$33,392,082	\$25,512,926	-23.6%	\$30,545,101			
Chief Diversity	-6.6%	\$829,848	\$815,812	-1.7%	\$977,131			
Development	20.8%	\$3,997,302	\$4,277,332	7.0%	\$4,047,047			
Enrollment Mgmt			\$25,454,557		\$27,437,133			
Finance & Adm	260.7%	\$5,098,295	\$20,120,491	294.7%	\$8,627,594			
General Council	-40.8%	\$358,977	\$341,251	-4.9%	\$258,505			
IT	16.6%	\$13,492,041	\$14,606,895	8.3%	\$13,273,774			
President	0.6%	\$810,571	\$919,432	13.4%	\$902,077			
Public Affairs	15.6%	\$2,422,328	\$4,190,664	73.0%	\$2,527,811			
Research	-15.6%	\$4,372,916	\$3,739,307	-14.5%	\$4,348,254			

## **Debt-Service FY2016**

Principal & Interest Agency Bonds \$ 11,127,160

DSU Renovation Bond Payment \$ 900,000

Source: [https://www.wku.edu/finadmin/budget/2015\\_2016docs/1516\\_expenditure\\_summary\\_unrestricted.pdf](https://www.wku.edu/finadmin/budget/2015_2016docs/1516_expenditure_summary_unrestricted.pdf)

### **Buildings/Renovations financed by Bonds**

CEBR Series P issued September 1, 2003

Principal \$11.135 million Proceeds \$10 million (Parking Structure)

Funding source per bond documents - mandatory Parking & Transportation fee \$36/semester

CEBR Series Q issued December 1, 2003

Principal \$11.145 million Proceeds \$10 million (DUC \$7 million, Combustion Lab \$3 million)

Funding source per bond documents - effective spring 2004 \$200/semester tuition increase

General Receipts 2006 Series A issued December 19, 2006

General Receipts 2007 Series A issued May 30, 2007

Total Principal \$53.180 million Proceeds \$52 million

Funding source not specified in bond documents because general receipts

Allocation: Student Health Services Bldg \$4 million

IT Infrastructure \$1 million

Renovate Academic Athletic #2 \$35 million

Math & Science Academy \$5 million

South Campus Expansion \$7 million

General Receipts 2009 Series A issued February 18, 2009

Total Principal \$47.610 million Proceeds \$46.9 million

Funding source not specified in bond documents because general receipts

Allocation: Van Meter Hall \$17.540 million

Science Campus Phase 3 \$7.3 million

Preston Center Phase 2 \$7.462 million

Ivan Wilson Fine Arts Phase 1 \$8.198 million

College of Business Phase 1 \$2.4 million

Acquire Property/Parking Lots \$4 million

General Receipts 2011 Series A issued November 15, 2011

Total Principal \$6.905 million

Allocation: Refund CEBR Series P bonds

General Receipts 2012 Series A issued June 6, 2012

Total Principal \$35.86 million Proceeds \$36.213 million

Funding source Student fee  
Allocation: Downing Student Union

General Receipts 2012 Series B issued June 6, 2012  
Total Principal \$6.45 million  
Allocation: Refund CEBR Series Q

General Receipts 2013 Series A issued October 29, 2013  
Total Principal \$36.095 million  
Allocation: Downing Student Union \$13.786 million  
Honors/International Bldg \$22 million

General Receipts 2015 Series A issued October 13, 2015  
Total Principal \$5.96 million  
Allocation: Partial refunding of 2006 Series A Bonds