




OFFICE OF THE PRESIDENT

May 28, 2019

MEMORANDUM

TO: **Board of Regents**
Dr. Phillip W. Bale, Chair
Ms. Linda G. Ball
Dr. Claus Ernst
Ms. Julie Harris Hinson
Mr. Jason McKinney
Mr. J. David Porter
Mr. Gillard B. Johnson III, Vice Chair
Mr. David Brinkley
Mr. Frederick A. Higdon
Mr. Stephen Mayer
Mr. George Nichols III

From: Timothy C. Caboni 

SUBJECT: 2019-20 Western Kentucky University Operating Budget

Enclosed for your review and approval is the proposed 2019-20 Western Kentucky University operating budget for the fiscal year that begins July 1, 2019, and ends June 30, 2020.

The budget is \$657,000 less than the 2018-19 budget, or one-half percent. To cover fixed cost increases and other obligations, about \$10 million in spending will need to be reallocated within the budget. Our process this year resulted in a \$2.5 million strategic investment fund that we will use to incentivize innovation, encourage growth and elevate performance.

The 2019-20 budget development process reflects our commitment to a new resource allocation process with more decentralized decision-making and shared governance engagement. Under the new process, unit allocations are based upon our new budget model. Colleges and divisions will manage their budgets and achieve targets throughout the academic year, instead of concentrating all budget decisions in a short period of time. This new process will create strategic opportunities for academic, support and auxiliary leadership to avoid and reduce costs, capture savings through attrition, utilize carry forward, and generate revenue to meet their individual targets.

I am appreciative of the collaborative efforts of the Executive Budget Committee and the Auxiliary and Support Allocation Committee, which include staff, faculty and student representation, to establish the 2019-20 budget.

Enclosure

xc: Ms. Julia McDonald, Assistant to the President for Board and Executive Relations

The Spirit Makes the Master