

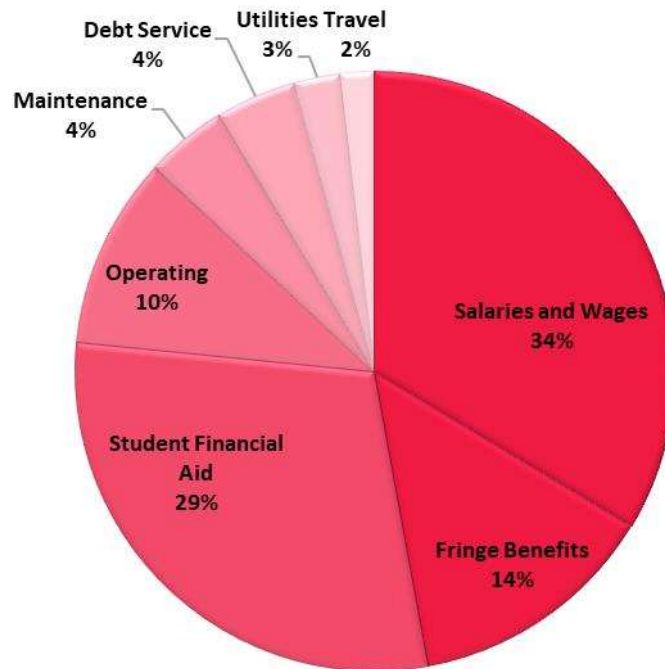
Expenditures

WKU’s expenditure budget for FY 2024 is \$389.9 million. This is \$6.5 million, or 2%, more than FY 2023. The largest expenditure category is personnel, which represents 48% of the total expenditure budget, followed by student financial aid, which represents 29% of the total expenditure budget.

Table 10: Expenditures by Natural Classification

Expense	FY 2023	FY 2024	\$ Change	% Change
Salaries and Wages	130,280,000	131,090,000	810,000	1%
Fringe Benefits	52,460,000	52,629,000	169,000	0%
Student Financial Aid	107,769,000	114,847,000	7,078,000	7%
Operating	41,353,900	40,377,000	976,900	-2%
Maintenance	16,904,000	17,147,000	243,000	1%
Debt Service	18,366,000	17,008,000	1,358,000	-7%
Utilities	9,740,800	9,641,000	99,799	-1%
Travel	6,574,000	7,205,000	631,000	10%
Total	\$383,447,700	\$389,944,000	\$6,496,300	2%

Figure 5: FY 2024 Expenditures



Personnel

Personnel costs are the largest expenditure category and account for 48% of the operating cost of the university. The FY 2024 salary budget is \$131.1 million, representing an increase of approximately \$800,000 over the prior year. The increase in personnel expenditures is attributable to a university-wide salary increase for January 2024, per the BEC recommendation. The BEC, in consultation with campus constituents, will recommend the allocation strategy of the 2% pool, which may include cost of living increases, as well as funding to address inversion, remedy compression, and reward performance.

WKU’s commitment to employees remains strong and extends beyond salary. The university offers a comprehensive total rewards package, including salary, benefits, and retirement programs to attract, engage, and retain a highly talented workforce. Other benefits, including paid time off, play an important role in building a competitive total compensation package. There was additional time off added to the benefit package this year, including paid time off for a portion of both spring and fall break as recognized by the university’s academic calendar.

Table 11: Personnel Expenditures

Personnel	FY 2023	FY 2024	\$ Change	% Change
Faculty and Staff Salaries	122,865,000	124,049,000	1,184,000	1%
Student & Graduate Assistant Salaries	7,415,000	7,041,000	374,000	-5%
Fringe Benefits	52,460,000	52,629,000	169,000	0%
Total	\$182,740,000	\$183,719,000	\$979,000	1%

Student Financial Aid

To maintain WKU’s commitment to remaining an institution of access and opportunity, changes were made to the scholarship model for incoming freshmen starting in the fall 2020 class. The scholarship budget represents the fourth incoming class to receive the more expansive model. These changes included removing the ACT requirement for almost all merit-based and targeted academic scholarships, increasing the minimum merit scholarship award from \$1,000 to \$2,500, and reducing the minimum GPA requirement from 3.3 to 3.0.

The additional institutional financial aid in the FY 2024 budget will be applied to the academic merit changes for the new incoming class. This increase will also support the Border State Scholarship program as well as the Hilltopper Guarantee. This Border State Scholarship provides a scholarship to offset the out-of-state cost for any first-time freshman from the seven contiguous states (Tennessee, Missouri, Illinois, Indiana, Ohio, West Virginia, and Virginia). In addition, the Hilltopper Guarantee provides a last-dollar scholarship



Expenditures

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for all PELL eligible students with a 3.0 GPA. These changes are essential to maintaining WKU's affordability and accessibility for all students and their families.

The Student Financial Assistance (SFA) office not only works with the institutional scholarship programs but applies all state and federal funds as well. The university will apply an estimated \$20.4 million in federal PELL assistance and another \$11.3 million in state assistance from KEES. The significant change is associated with increased state funding to the College Access Programs (CAP). The College Access Program is a state assistance award provided to low-income students by the Commonwealth. While the maximum award for the CAP grant was increased for the 2022-2023 academic year, the impact of this increase exceeded initial expectations, so the FY 2024 budget is adjusted to reflect the additional CAP funds. This increase is offset by the corresponding increase in state grant funding.

Table 12: Student Financial Aid

Student Financial Aid	FY 2023	FY 2024	\$ Change	% Change
Institutional Financial Aid	57,916,000	63,286,500	5,370,500	9%
Pell	22,000,000	20,410,000	1,590,000	-7%
College Access Program (CAP)	8,500,000	13,000,000	4,500,000	53%
KEES	12,000,000	11,250,000	750,000	-6%
Other Financial Aid	7,353,000	6,900,500	452,500	-6%
Total	\$107,769,000	\$114,847,000	\$7,078,000	7%

Operating Expenditures

Expenditures related to the operation of the university comprise maintenance costs, debt service, utilities, travel expenses, and other general operating expenses. The FY 2024 budget is \$91.4 million, representing a year-over-year decrease of \$1.6 million. The decrease is largely due to savings in debt payments resulting from the maturation of prior obligations and the refinancing of a previous bond issue.

Table 13: Operating Expenditures

Operating Expenses	FY 2023	FY 2024	\$ Change	% Change
Supplies & Operating Expenses	41,353,900	40,377,000	976,900	-2%
Maintenance	16,904,000	17,147,000	243,000	1%
Debt Service	18,366,000	17,008,000	1,358,000	-7%
Utilities	9,740,800	9,641,000	99,799	-1%
Travel	6,574,000	7,205,000	631,000	10%
Total	\$92,938,700	\$91,378,000	\$1,560,700	-2%

While inflationary costs are being closely monitored, a thorough analysis of past expenses and a conservative estimate of future expenses have determined the university should be able to stay within the allocated operating budgets. The adjustments made to supplies & operating, maintenance, utilities, and travel expense lines are ongoing and intended to bring the budget in line with actual activity. Many campus buildings utilize energy efficient lighting fixtures that are also occupancy controlled to reduce energy costs, and heating/cooling are kept at minimal levels when buildings are unoccupied to reduce utility costs. The university continues to benefit from these energy-savings efforts.