

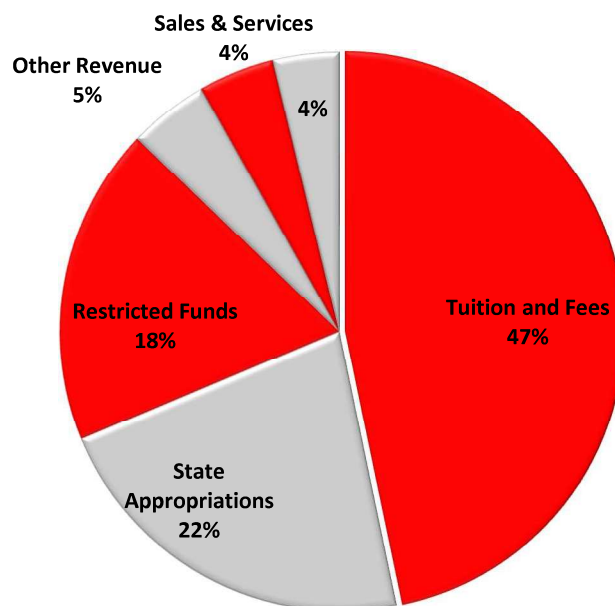
Revenue

WKU’s revenue budget for FY 2025 is \$394.2 million. This is \$4.3 million, or 1%, more than FY 2024. The largest source of revenue is tuition and fees, which represents 46% of the total revenue budget, followed by state appropriations, which represents 22% of the total revenue budget.

Table 4: Sources of Revenue

Revenue	FY 2024	FY 2025	\$ Change	% Change
Tuition and Fees	178,845,000	184,154,000	5,309,000	3%
State Appropriations	83,449,700	86,741,900	3,292,200	4%
Grants & Contracts	61,530,000	72,625,000	11,095,000	18%
Other Revenue	19,284,400	18,269,000	1,015,400	-5%
Sales & Services	15,317,000	17,315,100	1,998,100	13%
Auxiliary	13,933,000	15,125,000	1,192,000	9%
Budget Realignment Strategy				
RAMP - One time strategy	3,964,900	0	3,964,900	-100%
Carry Forward	13,620,000	0	13,620,000	-100%
Total	\$389,944,000	\$394,230,000	\$4,286,000	1%

Figure 3: FY 2025 Sources of Revenue



Tuition and Fees

WKU’s primary revenue source is tuition and fees, accounting for 46% of the university's total revenue budget. The budgeted tuition in this proposal is based on first-time, first-year student enrollment of 2,925. This increase over the prior year first-year student enrollment and the steady increase in retention rates account for the increase in year-over-year tuition revenue.

The university has focused on strategically shaping the incoming classes for the past four years, resulting in an improvement in the quality of students enrolled. The recent freshman classes have had higher average GPA scores over the past several years, which was essential in achieving record retention since the scholarship model was implemented. The most recent data on fall-to-spring retention shows an overall rate of 91.6%, a 5.3% increase since the 2017/2018 academic year. The first-time, first-year low-income students returned at a rate of 90%, an increase of nearly 5 percentage points since 2019. This successful retention boost improves returning student tuition revenue and the university’s overall financial position.

The Kentucky Council on Postsecondary Education (CPE) has the statutory authority to determine and approve tuition rates for Kentucky’s public universities. In March of 2023, CPE adopted resident undergraduate tuition and mandatory fee ceilings for academic years 2023-24 and 2024-25, enabling universities to increase tuition rates by a maximum of 5.0% over the two years and an increase of no more than 3.0% in any one year. Using these guidelines, the university is implementing a 2% tuition increase for the 2024-2025 academic year.

Table 5: Tuition and Fee Revenue

Tuition and Fees	FY 2024	FY 2025	\$ Change	% Change
Undergraduate	130,388,000	134,190,000	3,802,000	3%
Graduate	15,201,000	15,862,000	661,000	4%
Other Tuition (Facilitated Tuition, etc.)	23,073,000	23,500,000	427,000	2%
Fees	10,183,000	10,602,000	419,000	4%
Total	\$178,845,000	\$184,154,000	\$5,309,000	3%

Table 6: FY 2025 Tuition and Mandatory Student Fee Schedule

TUITION AND MANDATORY STUDENT FEES SCHEDULE PER SEMESTER

Student Level/Enrollment	FY 2024	FY 2025	Summer 2025/ Rate PCH
Undergraduate			
Resident	5,718	5,826	485.50
Military Veteran/Dependent	5,718	5,826	485.50
Nonresident	13,500	13,500	1,125
International	13,824	13,824	1,152
Incentive	7,068	7,068	589
Graduate (Per Credit Hour)			
Resident	607	607	607
Military Veteran/Dependent	607	607	607
Kentucky/Multi-state P-12 Educator*	350	350	350
Local Government Employee Discount Program	500	500	500
Nonresident, International	953	953	953
Nonresident, Domestic	917	917	917
Doctorate, Ed. Leadership (Per Credit Hour)			
Resident	607	607	607
Military Veteran/Dependent	607	607	607
Nonresident, International	953	953	953
Nonresident, Domestic	917	917	917
Doctorate, Psychology (Per Credit Hour)			
Resident	620	620	620
Military Veteran/Dependent	620	620	620
Nonresident, International	953	953	953
Nonresident, Domestic	917	917	917
Doctorate, Nurse Practitioner (Per Credit Hour)			
Resident	663	663	663
Nonresident	858	858	858
Doctorate, Physical Therapy (Per Credit Hour)			
Resident	643	643	643
Nonresident	909	909	909
Distance Learning (Per Credit Hour)*			
Undergraduate	551	551	551
Graduate (Excluding Kentucky P-12 Educator, DNP and DPT)	707	707	707
Active Military (Per Credit Hour)*	250	250	250
Dual Credit (Per Credit Hour)*	94.50	94.50	94.50
WKU On Demand (Per Credit Hour)			
Undergraduate	476.50	485.50	485.50
Graduate	707	707	707
Rates based on MOA/MOU			
KASA		450	450
KEA		425	425
SESC		425	425

Mandatory Student Fees Per Semester

Student Athletics Fee	218
Student Centers Fee	62
Student Centers Fee, DSU Renovation Bonds	70
Parking Structure Fee, Creason Bonds	30

*Mandatory student fees are not assessed to these students.

State Appropriation

The Kentucky General Assembly passes a state budget every two years. The state biennial budget was passed with House Bill 6 in April of this year. One of the highlights from this budget is a 4.5% inflationary increase in the base appropriation for the first year, although not increasing in the second year. In addition, an increase of \$2.2M was added to the base of offset mandatory rising fire and tornado insurance dues and an increase of 3% each year for the direct appropriation used to fund the Gatton Academy. WKU’s state appropriation budget for FY 2025 is \$86.7 million.

Table 7: State Appropriation

State Appropriation	FY 2024	FY 2025	\$ Change	% Change
Base State Appropriation	67,619,000	70,693,900	3,074,900	4.5%
Performance Funding	5,858,400	5,460,300	398,100	-6.8%
KERS Subsidy	3,237,200	1,522,200	1,715,000	-53.0%
Insurance Premium Subsidy	0	2,180,800	2,180,800	N/A
Gatton Academy	4,985,100	5,134,700	149,600	3.0%
KY Mesonet	1,750,000	1,750,000	0	0.0%
Total	\$83,449,700	\$86,741,900	\$3,292,200	3.9%

Another action approved during the budget process was an increase in the overall performance funding pool to \$105M for FY25. Although there was an increase to the overall pool, it will still not reflect as an increase to WKU. Kentucky’s performance funding pool is allocated to public universities and colleges based on how well each institution performs on 10 metrics. allocation and metrics are grouped into the following categories:

- 40% student success – degree production and student progression toward a degree
- 30% course completion – student credit hours earned
- 30% operational support – campus operations, services, and infrastructure that support student learning and success

It is important to note that performance funding allocations will fluctuate each year and are based on performance metrics. The model is largely volume driven, therefore certain efficiencies are not rewarded. Due to the demographic changes, there are simply fewer high school graduates coupled with a reduction in the college going rates in Kentucky, most state universities have relied on recruiting non-resident students. WKU’s aggressive enrollment cultivation, targeted border state scholarship, and the university’s proximity to fast-growing markets such as Nashville, TN, have favorably positioned our institution at recruiting these students.

Grants & Contracts

The restricted funds or grant revenue is increasing 18% in FY 2025 over the prior year. As the university enhances the focus on applied research and grows into a mature RAMP model, additional grant money will be received. These help benefit both the university and the students by increasing funding and increasing opportunity for additional learning. In an additional benefit to students, part of the increase in restricted funds is an anticipated increase to both federal PELL funding and state CAP grants, which go directly to students for tuition reimbursement.

Table 8: Grants & Contracts

Grants & Contracts	FY 2024	FY 2025	\$ Change	% Change
Pell	20,410,000	24,467,000	4,057,000	20%
External Grants	13,563,000	17,266,000	3,703,000	27%
College Access Program (CAP)	13,000,000	15,456,100	2,456,100	19%
KEES	11,250,000	11,611,000	361,000	3%
Restricted Financial Aid Funds	1,560,000	2,077,900	517,900	33%
Facilities and Administrative (F&A)	1,747,000	1,747,000	0	0%
Total	\$61,530,000	\$72,625,000	\$11,095,000	18%

Other Revenue

The Other Revenue includes transfers from the College Heights Foundation and outside contributions as well as endowments, camps, study abroad and investment income. This category is decreasing 5% over the prior year due to a reduction in the investment income.

Table 9: Other Revenue

Other Revenue	FY 2024	FY 2025	\$ Change	% Change
Other Revenue	7,941,300	7,751,000	190,300	-2%
Investment Income	4,127,000	2,800,000	1,327,000	-32%
Study Abroad	2,464,000	2,412,000	52,000	-2%
Transfer from Foundation	1,300,000	1,700,000	400,000	31%
Vehicle Parking Permits	1,285,000	1,425,000	140,000	11%
Educational Camp Revenues	1,129,000	1,129,000	0	-0%
Innovation Campus	1,038,100	1,052,000	13,800	1%
Total	\$19,284,400	\$18,269,000	\$1,015,400	-5%

Sales & Services

The Sales & Services includes multiple categories of sales revenue on campus, although the majority of the funding is from Athletics. This includes season ticket sales, conference distributions, game guarantees as well as other miscellaneous revenues. A 13% increase is budgeted over the prior year due to projected increased income, but also to better align the current budget with actual revenue.

Table 10: Sales & Services

Sales & Services	FY 2024	FY 2025	\$ Change	% Change
Athletics	9,158,000	11,652,000	2,494,000	27%
Other Sales & Services	5,050,500	4,616,600	433,900	-9%
Academic Professional Services	1,108,500	1,046,500	62,000	-6%
Total	\$15,317,000	\$17,315,100	\$1,998,100	13%

Auxiliary Revenue

The Auxiliary revenue includes reimbursements from Housing and Residence Life (HRL), as well as income received from the dining services and some activities in the Downing student center. These are primarily contracts with third parties such as the Student Life Foundation and Aramark, which administer the housing and dining services on campus. A 10% increase from the Student Life Foundation is anticipated due to the way housing scholarships are recorded for Resident Hall assistants.

Table 11: Auxiliary

Auxiliary	FY 2024	FY 2025	\$ Change	% Change
Student Life Foundation Reimbursement	10,500,000	11,542,500	1,042,500	10%
Food Services	1,660,500	1,797,000	136,500	8%
Student Fees	1,525,000	1,525,000	0	0%
Other Auxiliary	247,500	260,500	13,000	5%
Total	\$13,933,000	\$15,125,000	\$1,192,000	9%