



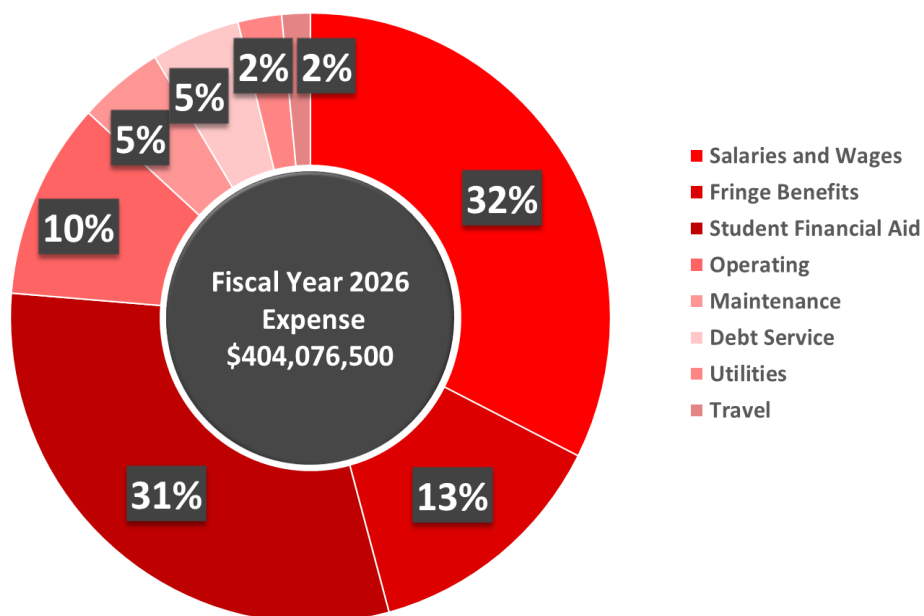
## EXPENDITURES

WKU's expenditure budget for FY 2026 is \$404.1 million. This is \$9.8 million, or 2%, more than FY 2025. The largest expenditure category is personnel, which includes all faculty and staff salaries and fringe benefits, followed by student financial aid.

*Expenditures by Natural Classification*

Expense	FY 2025	FY 2026	\$ Change	% Change
Salaries and Wages	137,274,000	131,197,400	6,076,600	-4%
Fringe Benefits	56,997,000	53,796,600	3,200,400	-6%
<b>Total Personnel</b>	<b>194,271,000</b>	<b>184,994,000</b>	<b>9,277,000</b>	<b>-5%</b>
Student Financial Aid	124,050,000	123,299,900	750,100	-1%
Operating	45,748,000	42,200,000	3,548,000	-8%
Debt Service	16,635,000	19,338,000	2,703,000	16%
Maintenance	20,138,000	18,534,200	1,603,800	-8%
Utilities	9,340,000	9,498,200	158,200	2%
Travel	8,022,000	6,212,200	1,809,800	-23%
Budget Realignment Strategy	23,974,000	0	23,974,000	-100%
<b>Total</b>	<b>\$394,230,000</b>	<b>\$404,076,500</b>	<b>\$9,846,500</b>	<b>2%</b>

*Figure 5: FY 2026 Expenditures*





## Personnel

Personnel costs are the largest expenditure category and account for 45% of the operating cost of the university. The FY 2026 salary and fringe budget is \$185.0 million which is decreased from the prior year due to the VSIP initiative as well as the new vacant position credit stemming from the budget realignment strategy.

Since 2019, WKU has prioritized employee compensation, implementing six salary increases. The BEC recommended a 2% faculty and staff compensation pool effective January 1, 2026, which was accepted by executive leadership and is included in the budget. Final decisions regarding the feasibility of this salary increase will be made in the fall once revenue projections have been reviewed. At that time, the distribution methodology will be determined through collaboration between the BEC and executive leadership.

WKU's commitment to its employees remains strong and extends well beyond salary. The university offers a comprehensive total rewards package, including salary and retirement programs, designed to attract and retain a highly talented workforce. While total fringe benefits are decreasing from the prior year due to the VSIP and the vacant position credit, it includes an increase in health insurance funding. Other benefits, such as paid time off, continue to play a key role in building a competitive total compensation package. In addition to standard holidays, employees receive paid time off during portions of both spring and fall break, as well as a four-day work week throughout the summer months.



*Personnel – Wages/Salaries & Fringe Benefits*

<b>Wages/Salaries</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>\$ Change</b>	<b>% Change</b>
Faculty & Staff Salaries	129,771,600	124,316,000	5,455,600	-4%
Student & Graduate Assistant Salaries	7,502,400	6,881,400	621,000	-8%
<b>Total Wages/Salaries</b>	<b>\$137,274,000</b>	<b>\$131,197,400</b>	<b>(\$6,076,600)</b>	<b>-4%</b>

<b>Fringe Benefits</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>\$ Change</b>	<b>% Change</b>
Retirement	22,064,700	20,282,300	1,782,400	-8%
Health Insurance	17,375,200	18,816,200	1,441,000	8%
FICA	8,199,500	7,851,300	348,200	-4%
Other Fringe Benefits	7,447,600	4,936,800	2,510,800	-34%
Employee Tuition Waivers	1,910,000	1,910,000	0	0%
<b>Total Fringe Benefits</b>	<b>\$56,997,000</b>	<b>\$53,796,600</b>	<b>(\$3,200,400)</b>	<b>-6%</b>

<b>Total</b>	<b>\$194,271,000</b>	<b>\$184,994,000</b>	<b>(\$9,277,000)</b>	<b>-5%</b>
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## Student Financial Aid

Student financial aid is a significant portion of the budget and is necessary to recruit and provide the ability to keep the WKU experience affordable for our students. The institution awards merit scholarships as well as other programs such as the Hilltopper Guarantee and Border State Scholarship. The President’s Enrollment Council continually reviews and updates these programs to ensure that the university experience is affordable while minimizing the overall discount rate.

WKU’s Department of Student Financial Assistance (SFA) will apply an estimated \$29 million in federal Pell assistance and \$11 million in state assistance from KEES. The College Access Program (CAP) is a state award provided to low-income students by the Commonwealth. These funds are essential in providing financial stability to low-income students and have shown to improve the retention rate for this population of students.



#### Student Financial Aid

Student Financial Aid	FY 2025	FY 2026	\$ Change	% Change
Institutional Financial Aid	59,676,300	54,341,900	5,334,400	-9%
Pell	24,467,400	29,000,000	4,532,600	19%
College Access Program (CAP)	15,456,100	17,000,000	1,543,900	10%
KEES	11,611,000	11,000,000	611,000	-5%
Other Financial Aid	6,990,300	6,262,000	728,300	-10%
Mandated Tution Waivers	4,450,000	4,450,000	0	0%
Governmental Scholarships	1,398,900	1,246,000	152,900	-11%
<b>Total</b>	<b>\$124,050,000</b>	<b>\$123,299,900</b>	<b>(\$750,100)</b>	<b>-1%</b>

## 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 2026 budget is \$95.8 million, representing a year-over-year decrease of \$4.1 million.

#### Operating Expenditures

Operating Expenditures	FY 2025	FY 2026	\$ Change	% Change
Supplies & Operating Expenses	45,748,000	42,200,000	3,548,000	-8%
Debt Service	16,635,000	19,338,000	2,703,000	16%
Maintenance	20,138,000	18,534,200	1,603,800	-8%
Utilities	9,340,000	9,498,200	158,200	2%
Travel	8,022,000	6,212,200	1,809,800	-23%
<b>Total</b>	<b>\$99,883,000</b>	<b>\$95,782,600</b>	<b>(\$4,100,400)</b>	<b>-4%</b>

As part of the university's budget realignment strategy, additional efforts were made by each unit to reduce expenditures across all budget categories. This is particularly evident in reductions to Maintenance, Supplies & Operating, and Travel budgets. These adjustments represent meaningful progress toward the university's budget realignment goals.

It is anticipated that inflation will continue to impact operating costs. While these pressures are being closely monitored, a thorough analysis of historical spending, combined with conservative projections for future expenses, indicates that the university should remain within its allocated operating budgets.