



INTRODUCTION

Western Kentucky University (WKU), home of the Hilltoppers, is a state-supported institution located in Bowling Green, Kentucky, the state's third most populous city. Nestled atop a scenic hill, WKU's campus is known for its beauty, welcoming atmosphere, and strong sense of community. The university plays an integral role as a regional partner, preparing students of all backgrounds to become productive, engaged, and socially responsible citizen-leaders in a global society.

With a total enrollment of approximately 16,300 students, WKU is composed of five academic colleges offering a comprehensive array of undergraduate, graduate, and doctoral programs. Through its work, WKU continues to enrich the quality of life for individuals across the region and beyond.



Two key components of the WKU strategic plan, *Climbing to Greater Heights 2018-2028* was to increase first-time, first-year (FTFY) student retention and the six-year graduation rate. The university has been working toward that goal, in part, by focusing on strategically shaping the incoming classes for several years, resulting in an improvement in the quality and persistence of enrolled students. The first-year retention rate and six-year graduation rate currently sit at record setting rates of 78.3% and 57.9%, respectively. In addition, the most recent fall 2024 undergraduate



class recorded a fall-to-spring retention rate of 85.7%, which is the highest rate since the university began tracking this statistic 15 years ago.

Figure 1: Six-Year Graduation Rate

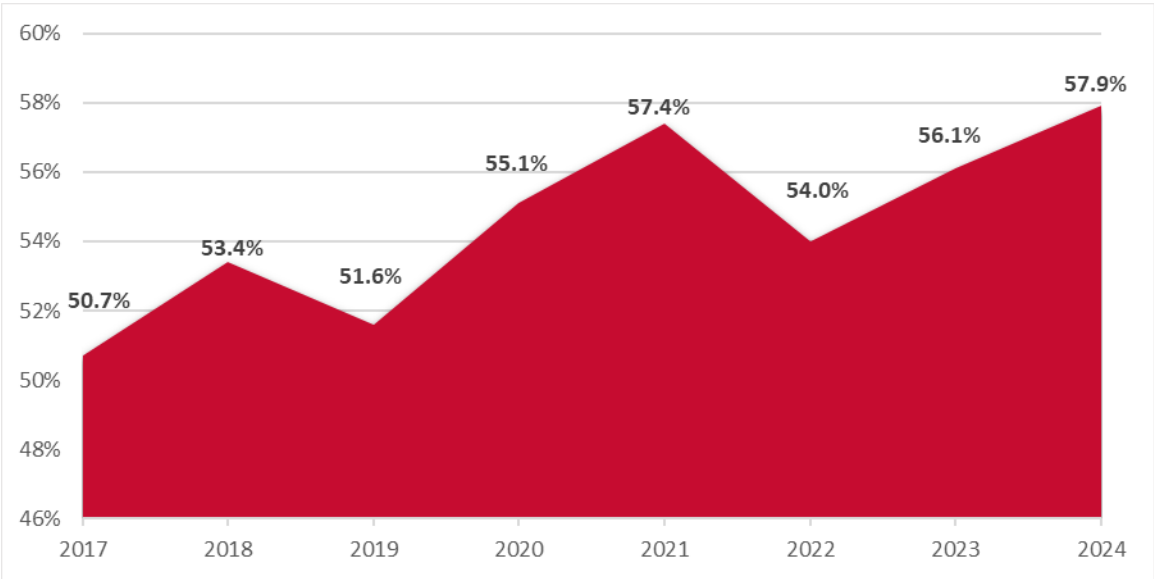
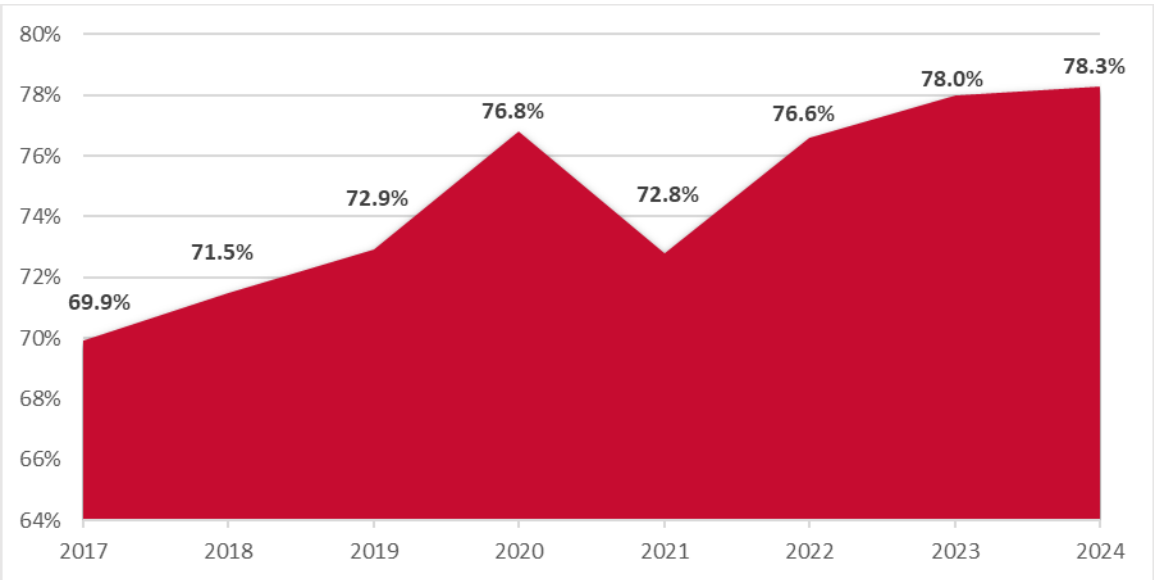


Figure 2: FTFY One-Year Retention Rate



Resource Allocation, Management and Planning (RAMP) Budget Model

A key component of the “Our Hill” pillar in WKU’s strategic plan, *Climbing to Greater Heights 2018-2028* calls for the implementation of a budget model that is sustainable, aligned with institutional priorities, and focused on student success.

In alignment with this vision, WKU’s transition to the Resource Allocation, Management and Planning (RAMP) budget model was completed with the development of the FY 2023 operating budget. Unlike traditional incremental budgeting, RAMP is based on the principles of responsibility-centered management (RCM), which emphasizes decentralized decision-making, performance incentives, and financial transparency. By assigning revenue and expense ownership to academic colleges, RAMP encourages entrepreneurial thinking, collaboration, operational efficiency, and sound academic decision-making. Administered by the Provost, the model also includes a subvention fund to support internal strategic investments.

FY 2026 RAMP Budget

Metric	CHHS	OCSE	PCAL	GFCB	CEBS	Academic Units Total
Tuition & Fees	43,265,648	39,765,849	43,113,205	26,810,680	26,375,851	179,331,233
Scholarships, Fellowships, and Waivers	(11,283,276)	(12,763,207)	(14,251,547)	(7,948,783)	(6,814,002)	(53,060,816)
Grants & Contracts	2,096,852	4,919,014	1,253,447	0	6,664,959	14,934,272
State Appropriations	16,248,990	22,634,032	18,557,012	9,247,732	14,548,683	81,236,448
Other Revenue	319,555	1,628,729	466,505	597,525	2,654,145	5,666,459
Total Revenues	50,647,769	56,184,417	49,138,622	28,707,153	43,429,636	228,107,597
Wages/Salaries	15,647,942	19,282,089	16,665,097	9,527,998	12,132,808	73,255,933
Fringe Benefits	5,473,243	6,167,352	5,441,404	3,081,900	3,985,871	24,149,770
Operating Expenses	2,841,014	5,200,760	1,974,100	352,503	5,623,506	15,991,883
Total Direct Expenses	23,962,199	30,650,201	24,080,601	12,962,400	21,742,185	113,397,586
Indirect Expenses	20,337,962	23,735,833	18,586,242	11,982,252	18,146,243	92,788,532
Total Expenses	44,300,161	54,386,033	42,666,843	24,944,653	39,888,428	206,186,117
Margin	6,347,608	1,798,384	6,471,779	3,762,501	3,541,208	21,921,479
Participation Fee Payment (Outflow)	(7,455,466)	(7,721,985)	(7,823,818)	(4,550,054)	(5,240,304)	(32,791,627)
Margin for Subvention Pool Disbursement	(1,107,858)	(5,923,601)	(1,352,039)	(787,553)	(1,699,097)	(10,870,147)
Subvention Fund Disbursement (Inflow)	1,482,858	6,248,601	1,677,039	1,312,553	2,149,097	12,870,147
Strategic and Mission Enhancement Fund	375,000	325,000	325,000	525,000	450,000	2,000,000



Budget Realignment Strategy

With the FY 2025 operating budget, WKU developed a budget realignment strategy to align budgeted revenues and expenditures without the use of one-time carry-forward dollars, a longstanding practice that has persisted for more than 20 years. This strategy took the form of a two-year plan, requiring approximately \$24 million in budget adjustments across FY 2025 and FY 2026.

Thanks to the diligent efforts of the Vice Presidents and Deans—who led divisional realignment strategies across the institution—and the sacrifices of every individual across campus, the FY 2026 budget is structurally balanced without the use of one-time carry-forward funds. This was achieved through several strategies:

- **7.5% unit-level budget alignment** applied to unrestricted Education and General budgets.
- **Reduction to the university's Transportation budget.**
- **Voluntary Separation Incentive Program (VSIP)** offered in fall 2024 in which 57 employees participated.
- **Physical plant critical needs reduction** to be replaced with asset preservation funds.
- **Reduction to WKU's KERS reserve** due to a decline in the university's fixed pension obligation.
- Implementation of a **vacant position credit**, a common practice in governmental and higher education budgeting, which functions by budgeting an annual target credit. The target is fulfilled throughout the year by transferring a portion of lapsed salary budgets from positions that become vacant during the fiscal year.
- **13% overhead charge** assessed to revenue dependent activities within support units. This aligns support units with the financial expectations already in place for academic colleges, which contribute a 13% participation fee in the RAMP budget model, and promotes financial equity across all sectors of the university.

Budget Governance Structure

The campus community plays a vital role in the budget planning process at WKU. Our budget development efforts reflect a comprehensive and collaborative approach, shaped by ongoing discussions among deans, support unit leaders, the Budget Executive Committee (BEC), and university executive leadership. This inclusive process ensures that decision-making considers the



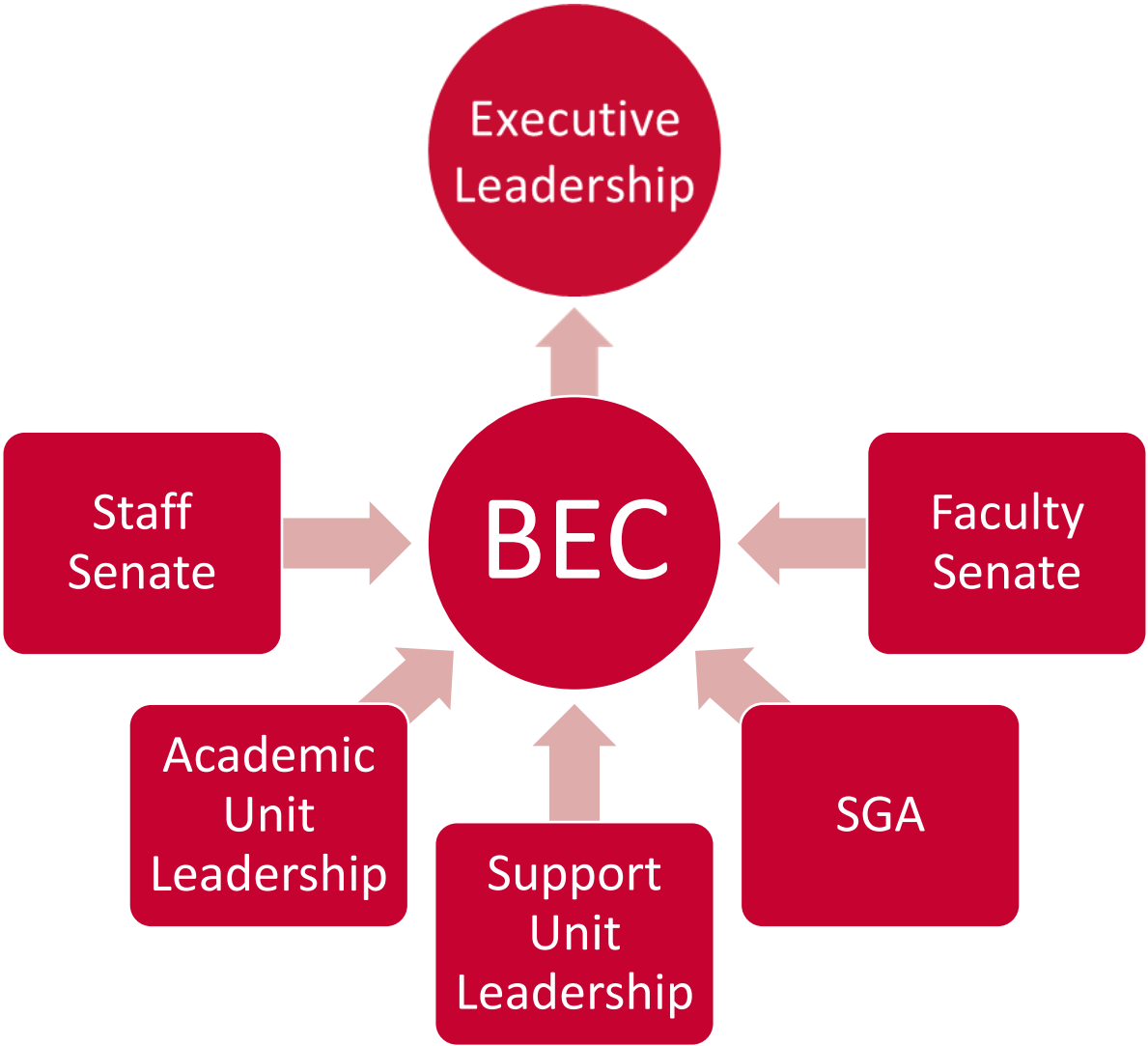
perspectives of all stakeholders, reinforcing our commitment to shared governance and transparency.

Opportunities have emerged to evaluate and refine the process as the university's budget governance structure continues to mature. In a recent effort to streamline operations, the Operating Allocation Committee (OAC) and the Budget Executive Committee (BEC) were consolidated, eliminating the duplication of efforts between the two groups. In the current fiscal year, the Capital Allocation Committee (CAC) was disbanded and its responsibilities restructured.



Figure 3 summarizes the many opportunities for the campus community to provide input into the budget development process.

Figure 3: Budget Governance Structure



The BEC includes representation from faculty, staff, and administrators, as well as members of the Faculty Senate, Staff Senate, and the Student Government Association. The committee is responsible for reviewing budget requests from support units as submitted by vice presidents and the Provost, recommending strategic funding priorities, and engaging in campus-wide outreach to gather input on resource allocation. The BEC also submits its final budget recommendations to university executive leadership.



Budget Executive Committee

Chairs:

Mr. Bryson Davis
Staff Representative

Dr. Corinne Murphy
Dean, College of Education & Behavioral Sciences

Members:

Dr. Tania Basta
Dean, College of Health & Human Services

Dr. Jason Bergner
Faculty Representative

Dr. David Brown
Dean, Ogden College of Science & Engineering

Dr. Terrance Brown
Dean, Potter College of Arts & Letters

Dr. Dan Clark
Faculty Senate Representative

Mr. John-Mark Francis
Interim VP for Enrollment Management

Mr. Herbert Hess
Staff Senate Representative

Mr. John McCammon
Staff Representative

Dr. Kurt Neelly
Faculty Senate Representative

Dr. Whitney Peake
Department Chair

Ms. Amanda Trabue
Vice Pres of Philanthropy & Alumni Engagement

Dr. Evelyn Thrasher
Dean, Gordon Ford College of Business

Mr. Ethan Taylor
Student Government Association Representative

Ms. Tanya Vincent
Staff Senate Representative

Non-Voting Members:

Mr. Brian Dinning *Executive Director of Budget and Financial Planning*

Mr. Renaldo Domoney *Assistant Vice President for Budget, Finance & Analytics*

Dr. Robert Fischer *Provost & Vice President for Academic Affairs*

Ms. Jessica Gilland *Director of Academic Budgets & Resources*

Ms. Susan Howarth *Executive Vice President for Strategy, Operations and Finance*