



A Compact Report on EKU's Operating Budget

FY 2017-2018 to FY 2021-2022

**Submitted by Faculty Senate Budget Committee
February 2022**

Thanks to Senior VP of Finance and Administration Barry Poynter,
Director of Budgeting, Emily Watters,
and Director of Institutional Research, Chad Adkins

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Budgeting, Financial Planning, and Fiscal Effectiveness

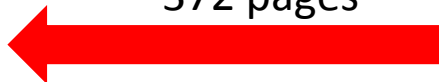
Operating Budget



The University Operating Budget is approved by the Eastern Kentucky University Board of Regents prior to the beginning of the new fiscal year. It includes summaries of unrestricted and restricted fund revenues, expenditures, and tuition and fees.

- [FY 2021-22](#)
- [FY 2020-21](#)
- [FY 2019-20](#)
- [FY 2018-19](#)
- [FY 2017-18](#)
- [FY 2016-17](#)

372 pages

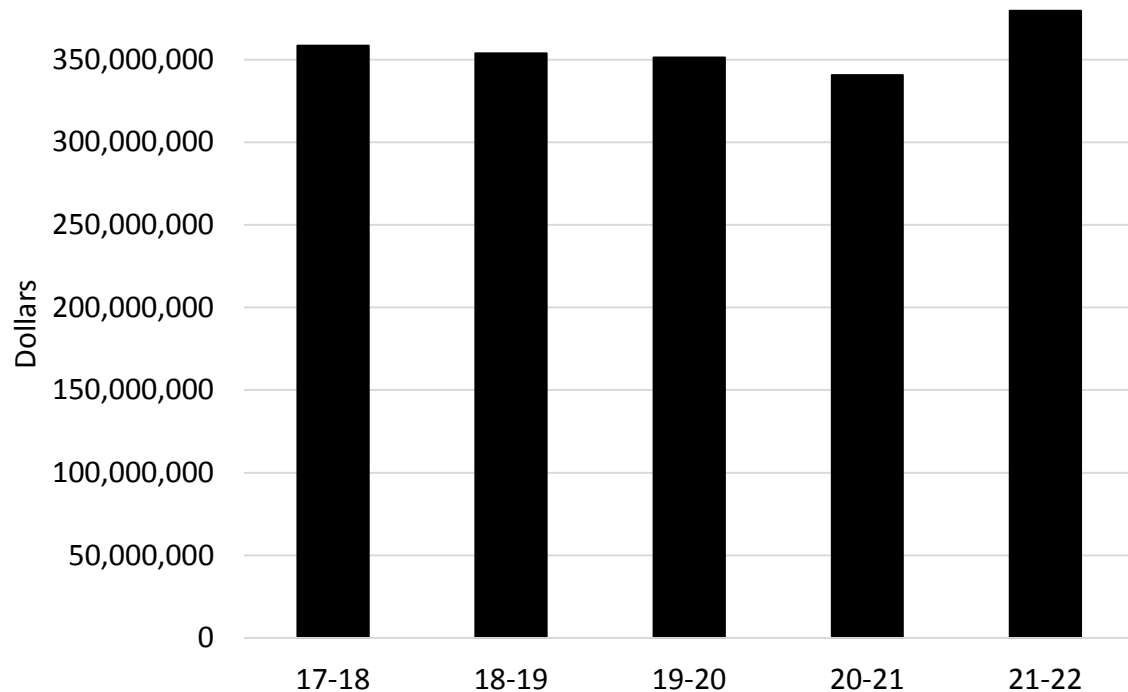


- Total Revenues/Expenses and Enrollment Data
- Revenue Breakdown
 - Tuition and Class Fees
 - State Appropriations
 - Government Grants and Contracts
 - Auxiliary Revenue
 - Education Sales and Services
- Expenses Breakdown
 - Instruction
 - Research
 - Academic Support
 - Student Services
 - Institutional Support
 - Operation & Maintenance of Plant
 - Scholarships & Fellowships
 - Auxiliary Enterprises

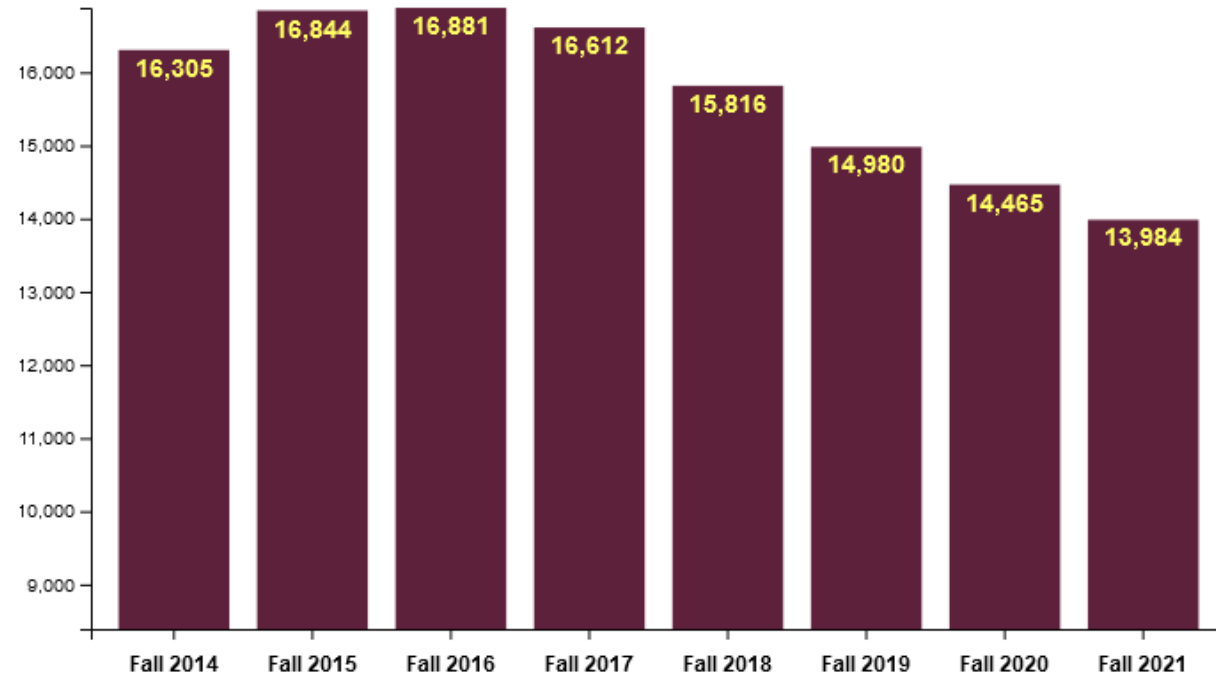
<https://budgeting.eku.edu/operating-budget>

Total Annual Budget and Student Enrollment

Total Revenue/Expenditures



Fall Enrollment



\$38,990,281 increase in 21-22
21-22 had \$34.9M in COVID-19 Relief
and \$8.1M in KERS unfunded liability support

Revenue Breakdown (Average % over past 5 years)

- Tuition and Class Fees (~42% of total revenue)
- Government Grants and Contracts (~25%)
- State Appropriations (~18.5%)
- Auxiliary Revenue (~5.8%)
- Educational Sales and Services (~2%)
- Collectively ~94% of total revenue

- Revenue not considered in this part of the report
 - Private Gifts, Grants, and Contracts
 - Non-recurring funding sources such as COVID relief funds
 - “Other” sources (Such as event revenue, food service commission, recharges, rebates, interest, insurance recoveries, surplus sales revenue, etc.)

Revenue: Tuition and Class Fees

Average \$150.60M

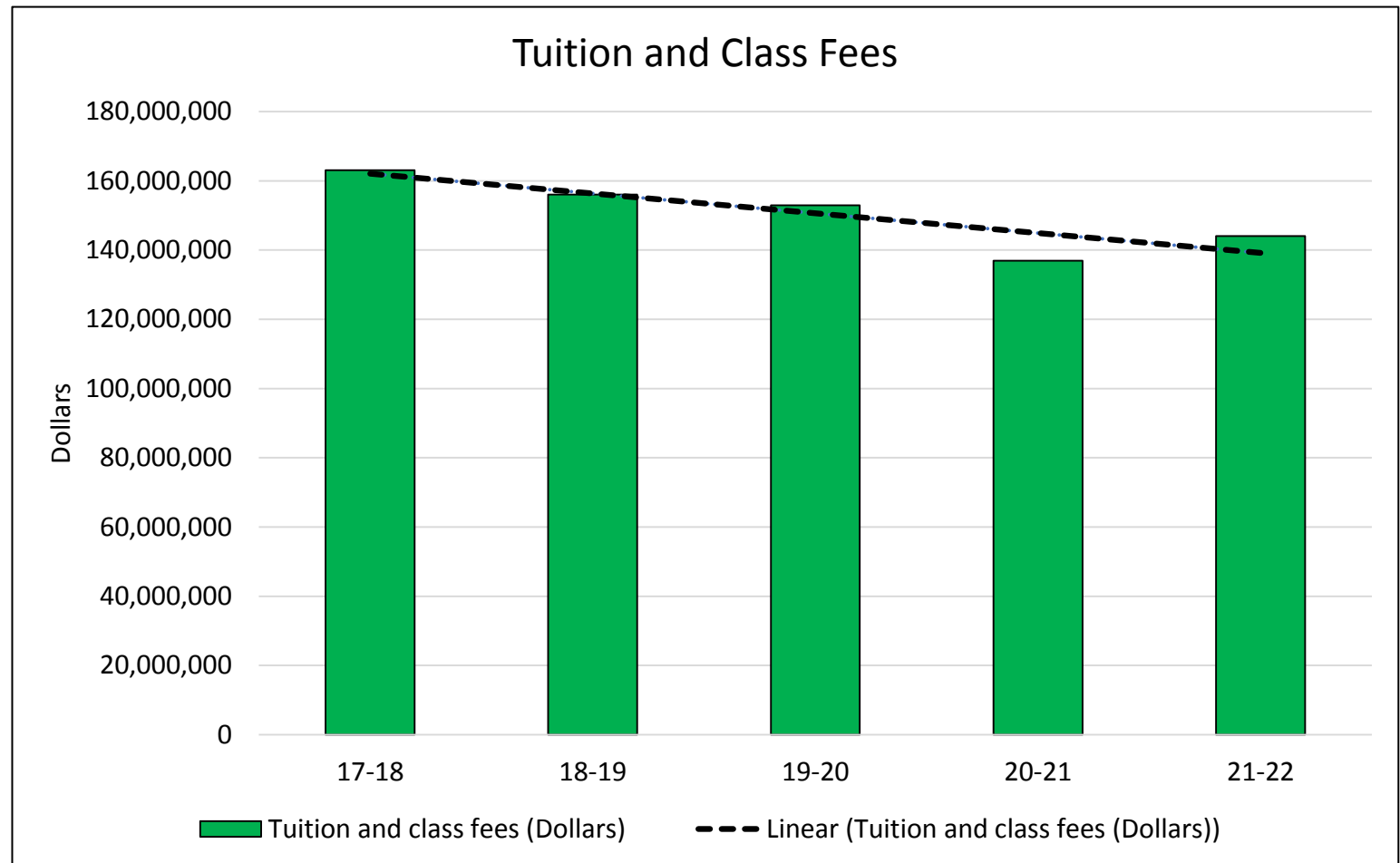
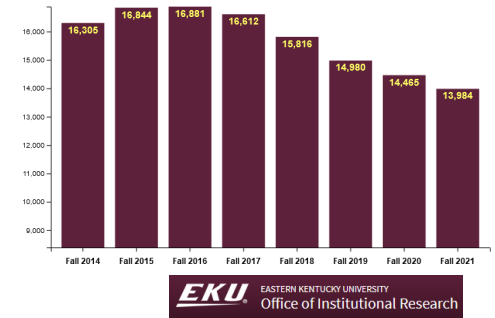
Range \$136.95M-\$163.03M

Tuition accounts for ~95.5% of this revenue on average, Fees ~4.5%.

2021-22 is \$7.09M more than 2020-21

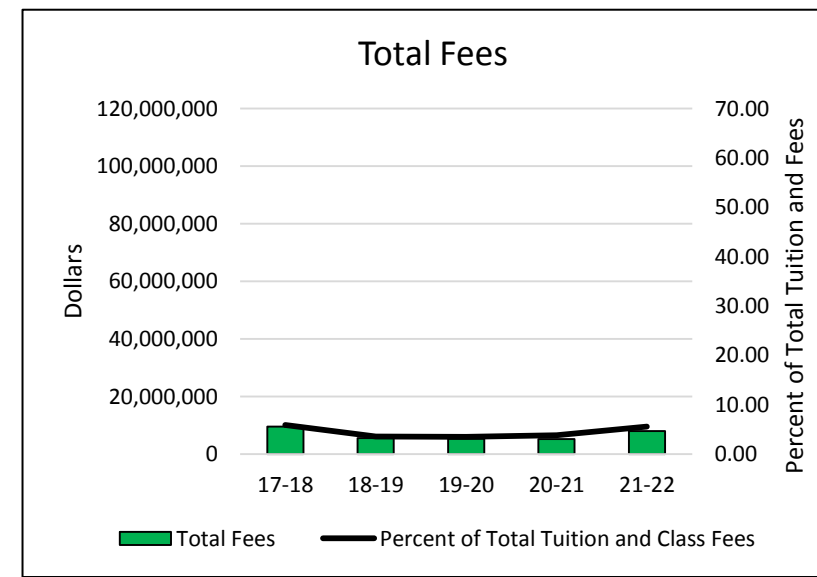
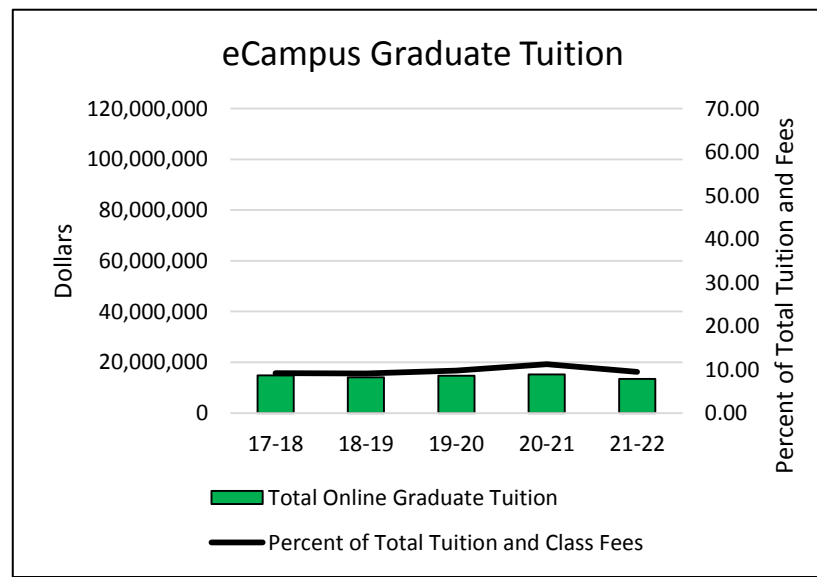
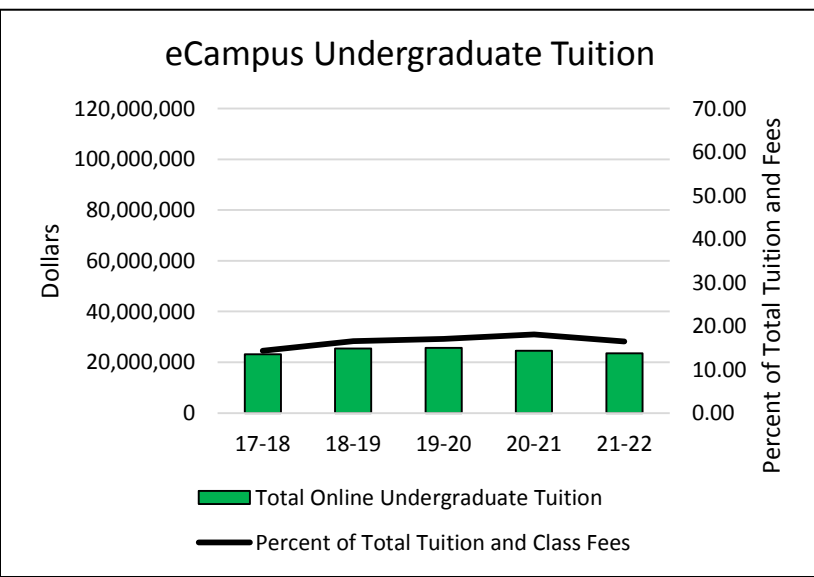
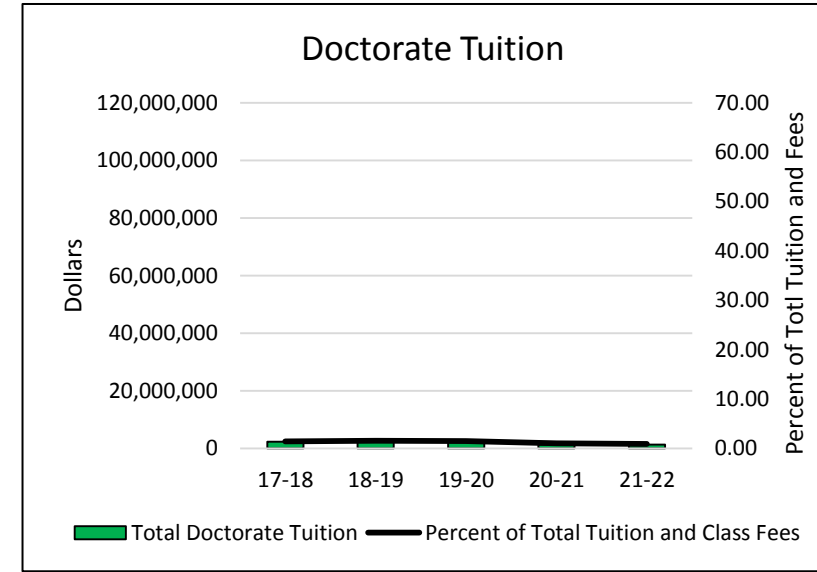
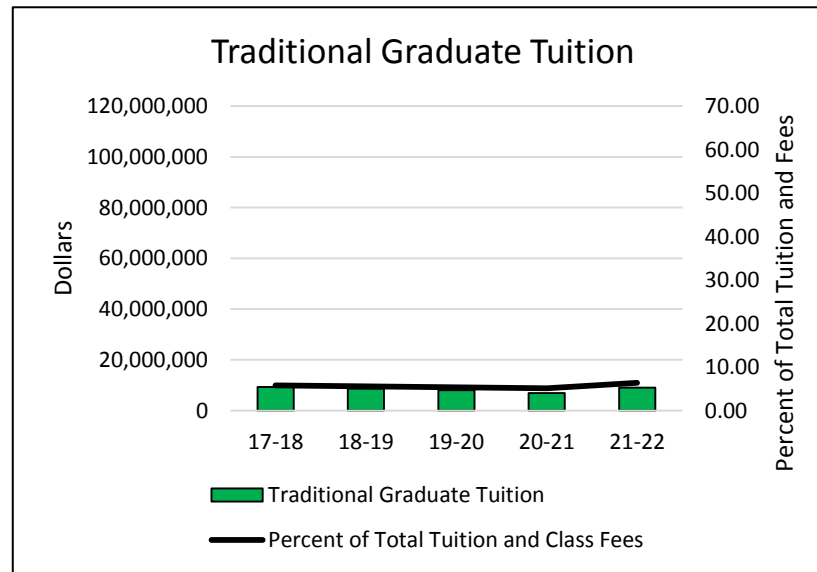
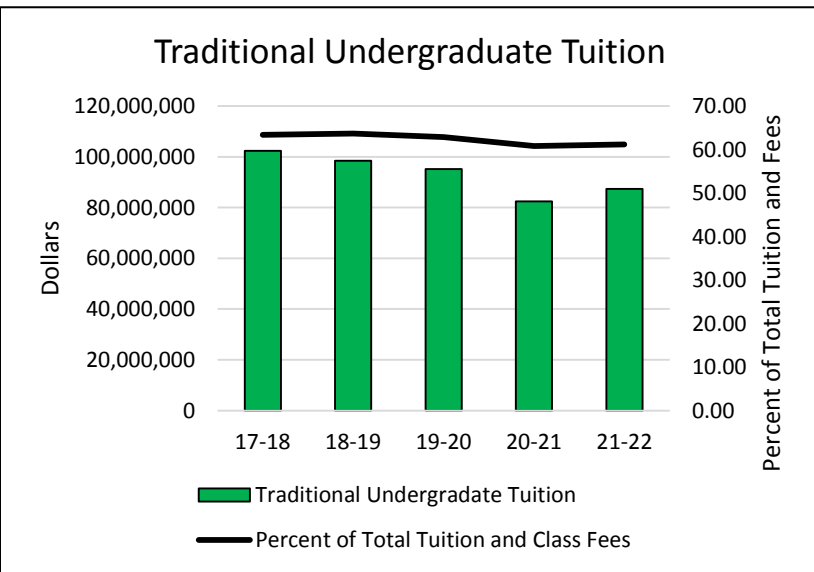
- Tuition increased 2%
 - \$4,297,405
- New Fees
 - \$2,783,432

Fall Enrollment



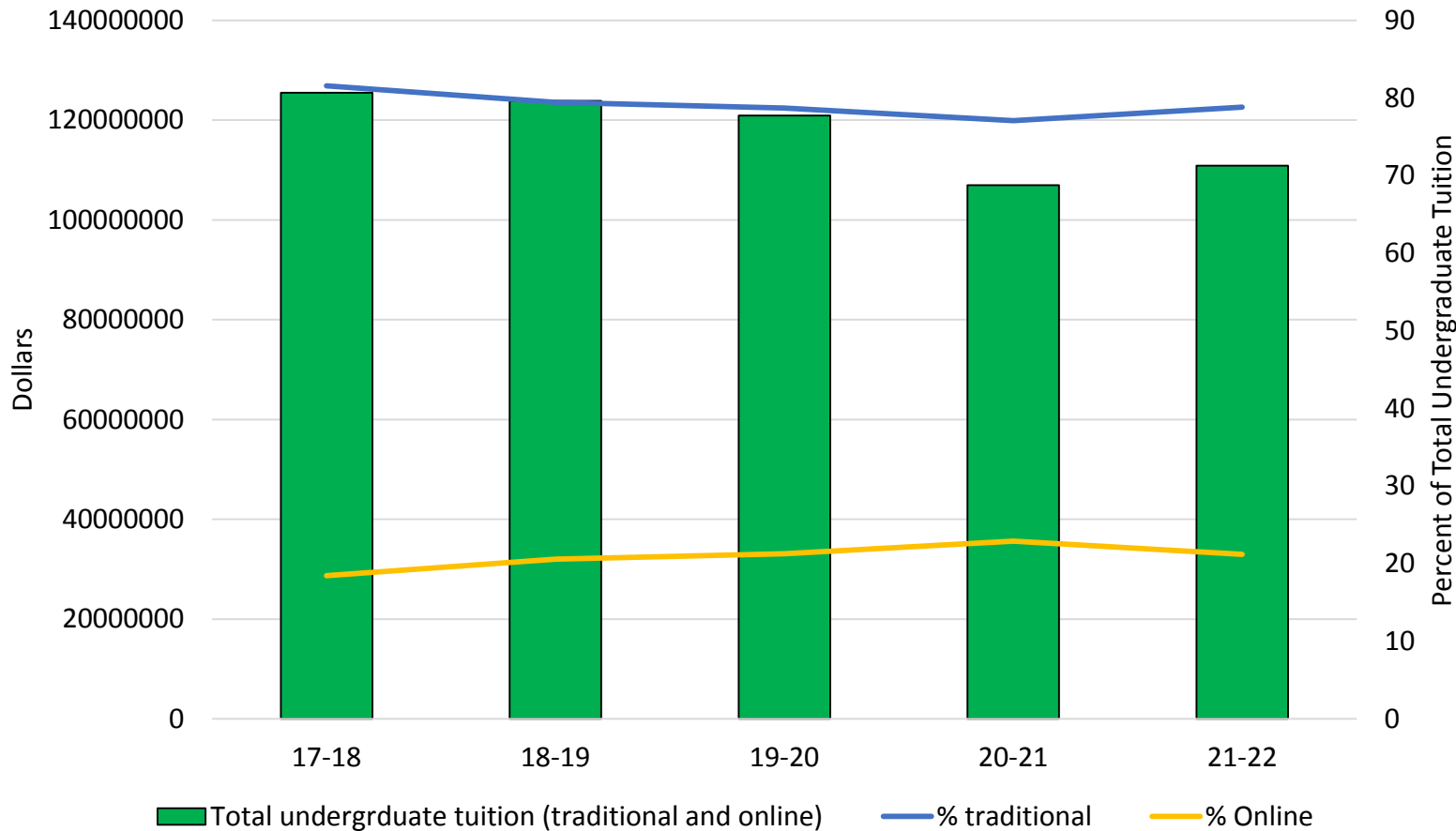
Tuition Breakdown

Undergraduate Traditional/eCampus, Graduate Traditional/eCampus, Doctorate, Total Fees

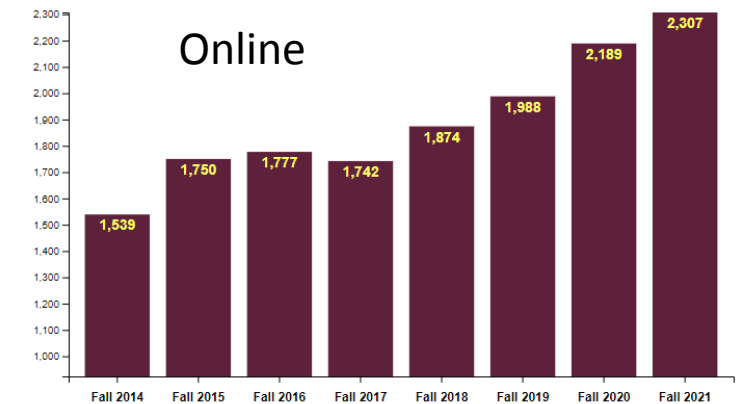
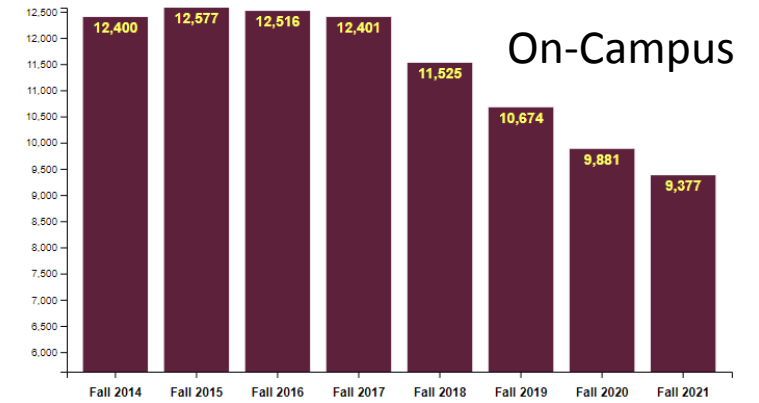


Traditional and eCampus Undergraduate Tuition

Undergraduate Tuition Traditional vs. eCampus

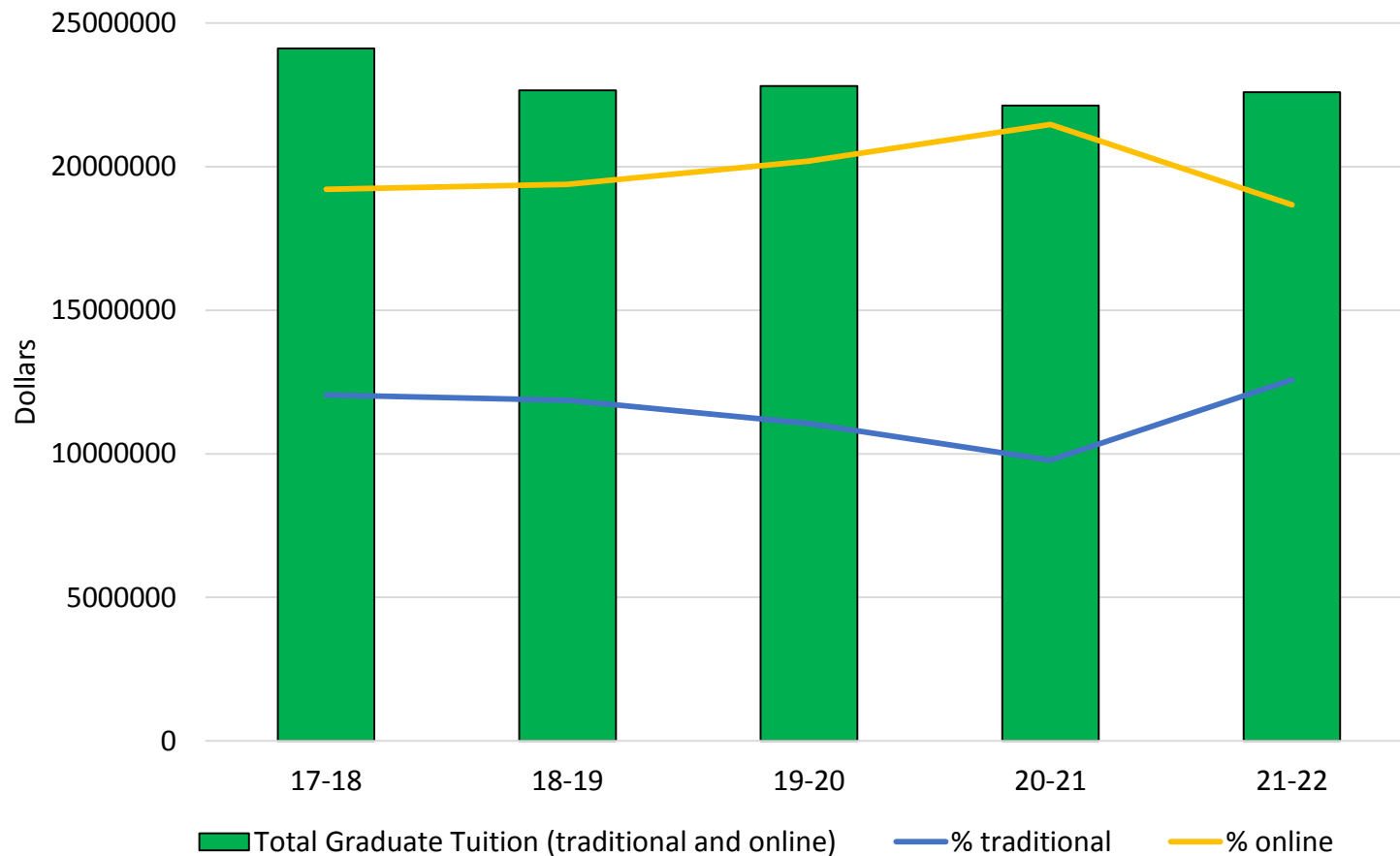


Fall Undergraduate Enrollment

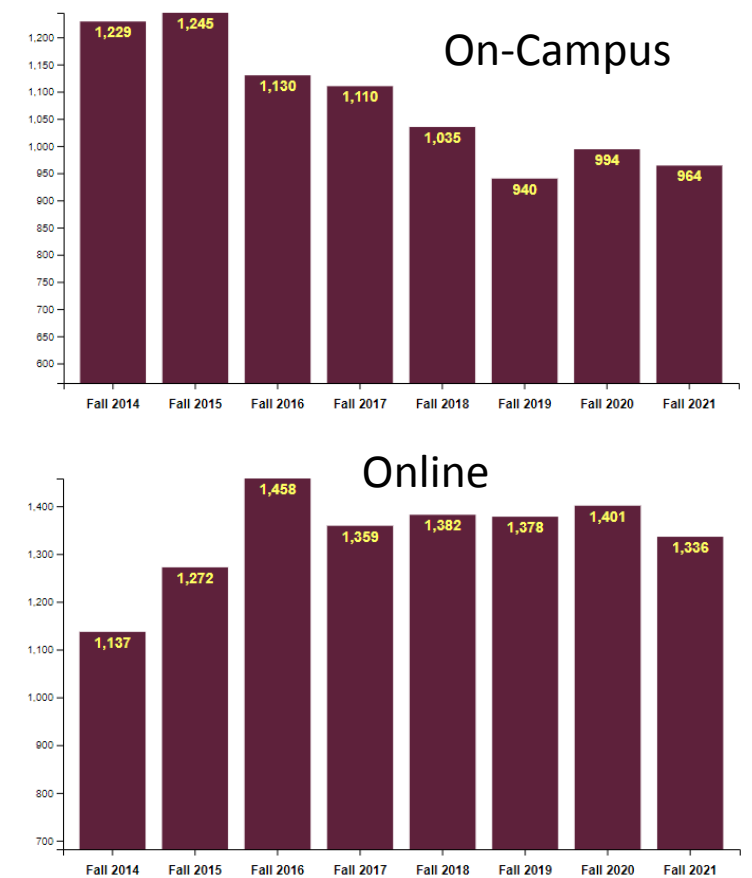


On-campus and eCampus Graduate Tuition

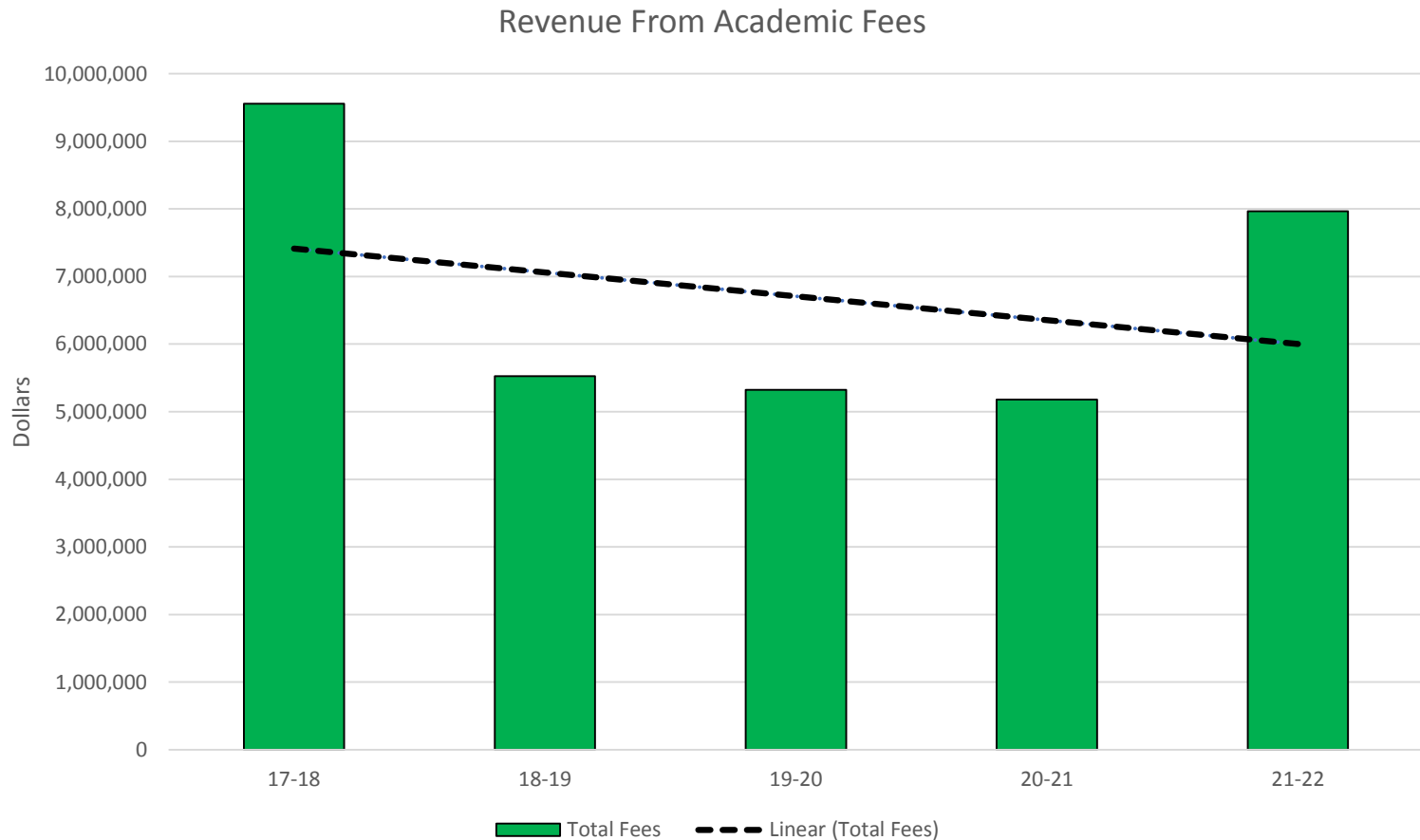
Graduate Tuition
Traditional vs. eCampus



Fall Graduate Enrollment



2021-22 Revenue from Fees is \$2,783,432 more than 2020-21



There was an “Activity Fee”

- 2017-18 (~4.06M)
- 2019-20 (~1.44M)
- (Change in classification)

There are two new fees in 2021-22:
\$125 Student Health Fee (\$2M),
\$75 Eastern Experience Fee (\$685K)
formerly \$35 Rec Fee

Class Fees increased \$675,302 from
2020-21 to 2021-22

Revenue: Government Grants and Contracts

Includes state grants/contracts administered by the University--such as the Training Resource Center (TRC) and University Training Consortium (UTC)

Average \$88.86M

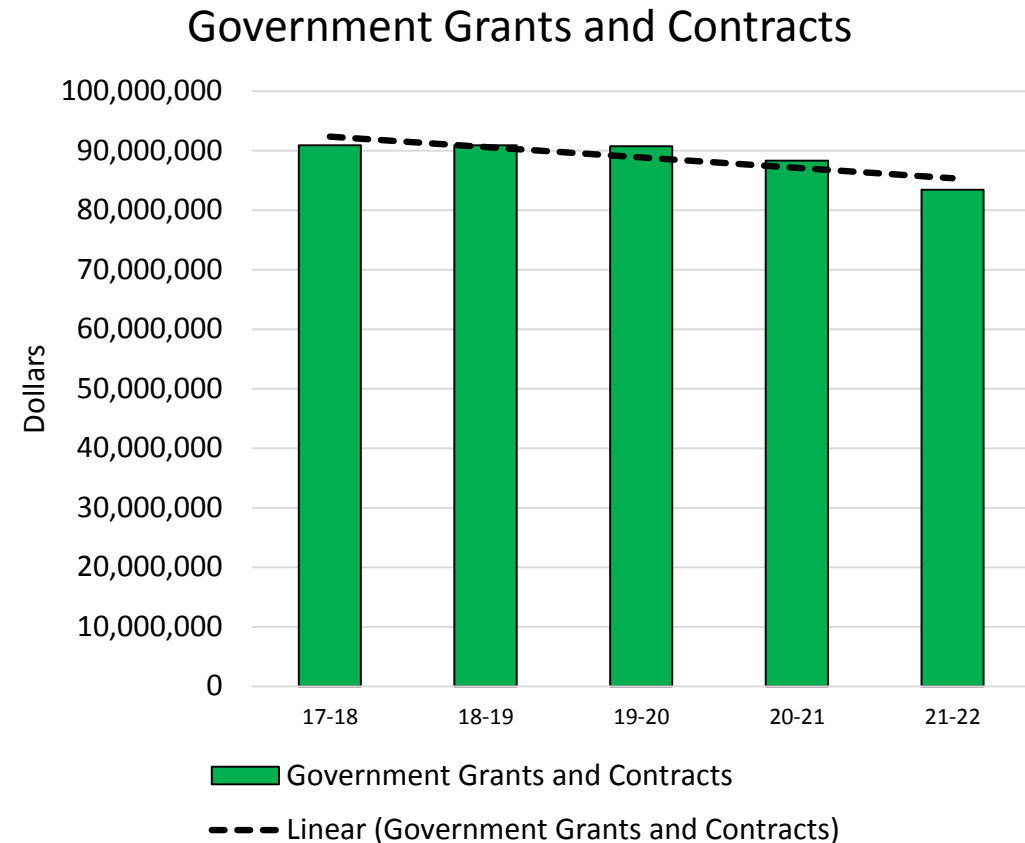
Range \$83.43M - \$90,91M

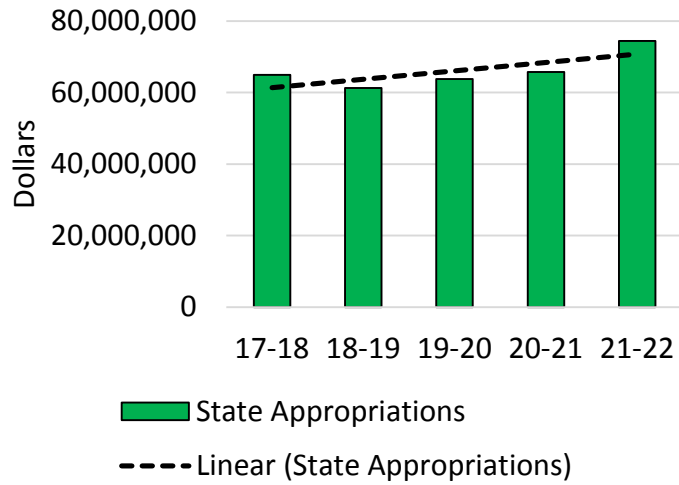
Gradual decline in grant activity overall, everywhere

Grants/Contracts that ended:

- Bluegrass Community Health Center (BCHC)
- TRC Mental Health Training

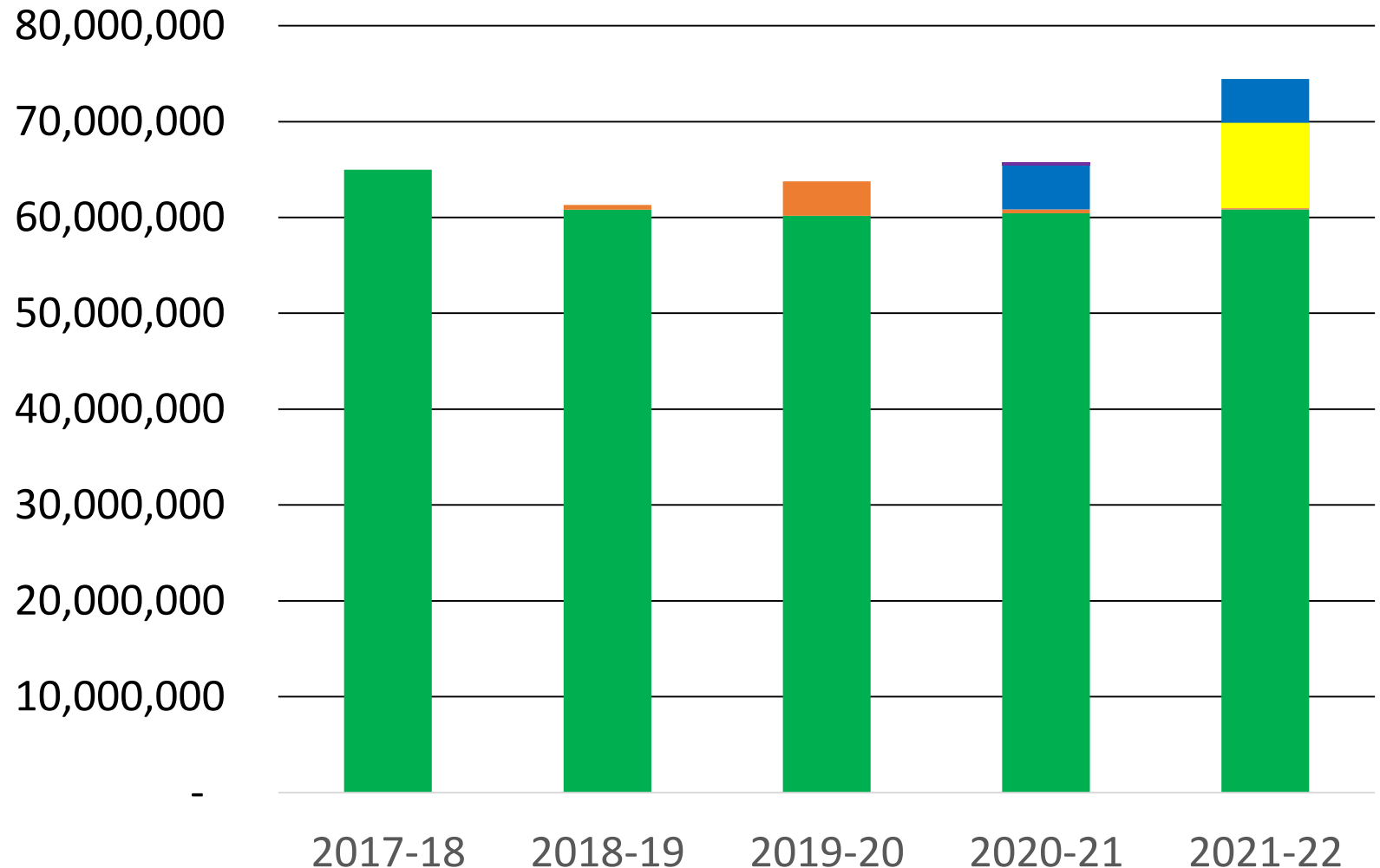
The reduction in Grants and Contracts-Restricted revenue is offset or balanced by a reduction in Grants and Contracts-Restricted expenditures.





- Average \$66.04M
- Range \$61.3M - \$74.4M
- \$4M decrease in Regular state appropriations after 2017-18. Slowly increasing past 3 years
- Performance Funding variable
- Increase this year largely due to restricted funds
 - **KERS (\$8.9M)**
 - **Model appropriation(\$4.5M)**

Revenue: State Appropriations

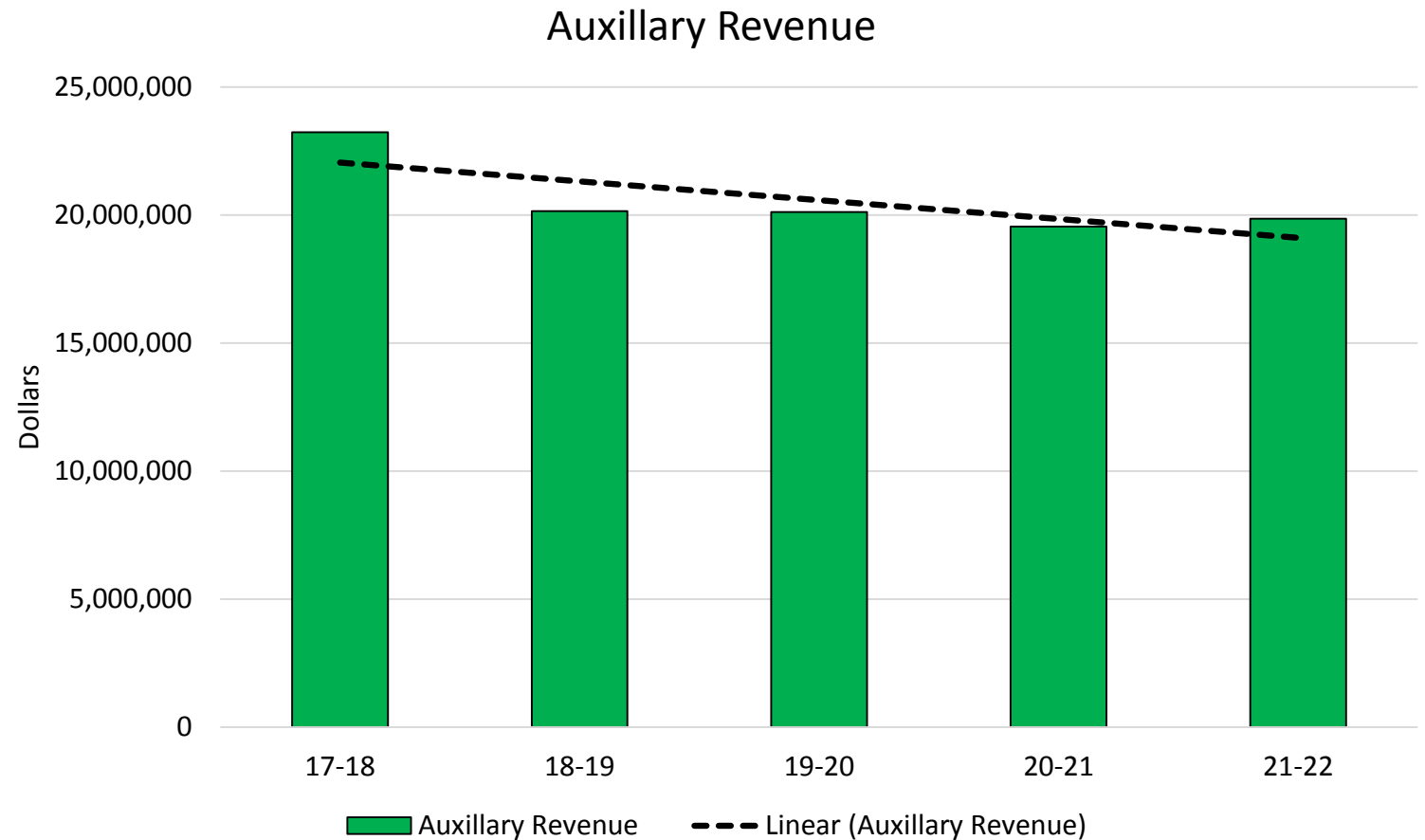


- Aviation Debt Service 3
- Addl State Appropriations to cover KERS Unfunded Liability
- Regular State Appropriations
- Model Lab School Mandated Appropriations 2
- Performance Funds 1

Revenue: Auxiliary

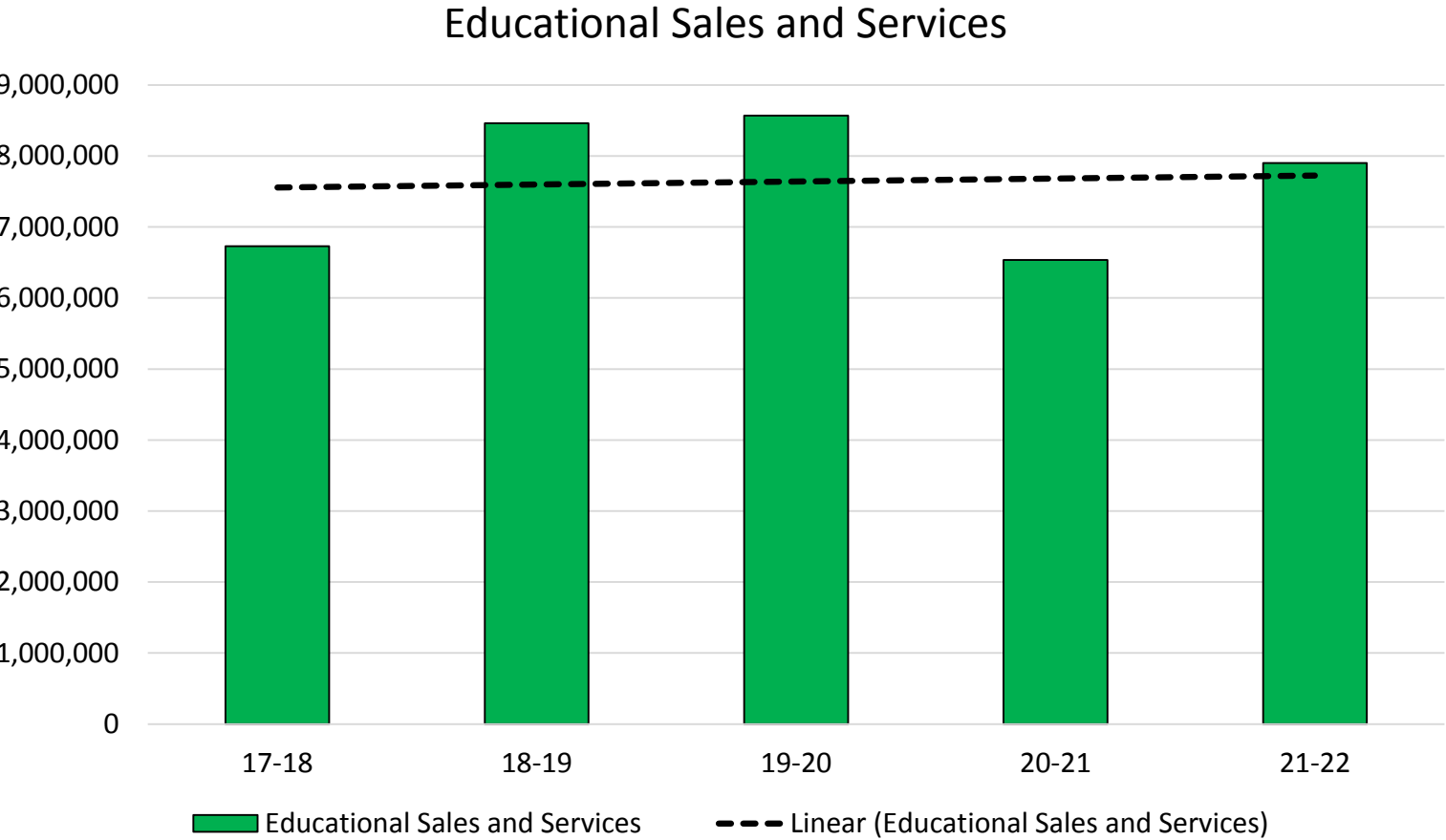
Student housing is the biggest part. Auxiliary also includes Campus Rec Center, White Hall, Parking, Arlington, Airport, etc.

\$2.5M decrease after 17-18 due to change in accounting method for P3 residence halls. (Public-Private Partnerships)



Revenue: Educational Sales and Services

Model Tuition is the biggest part. ESS also includes NCAA income, Athletic guarantees and sponsorship, Center for the Arts, Meadowbrook Farm, Facility usage fees, child development, and other fees



COVID impact

Center for the Arts was closed during 20-21

Lost NCAA revenue

Fewer conferences/events

Revenue Summary

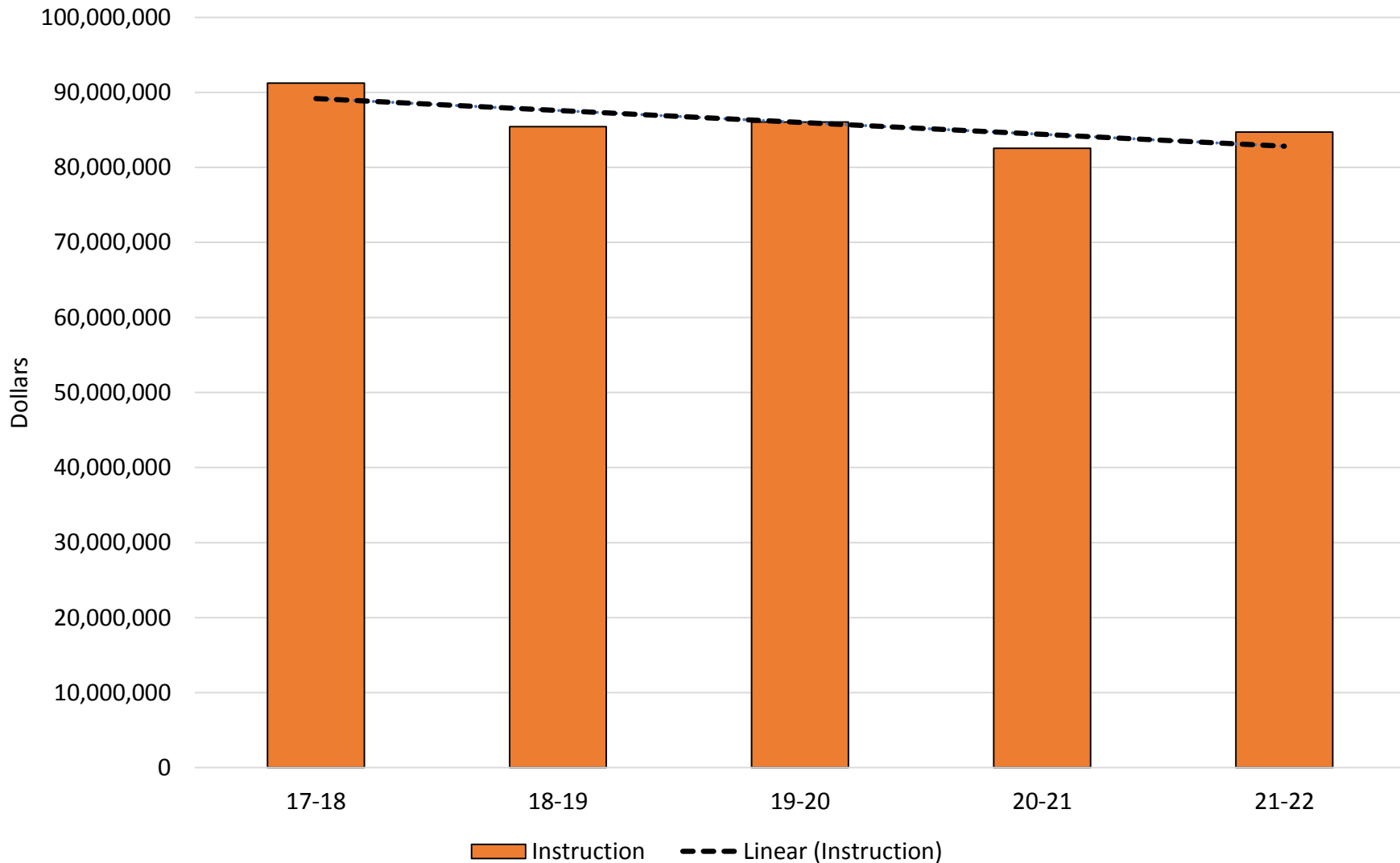
- Tuition and Fees is the largest source of revenue.
 - Revenue from tuition and fees has steadily declined over the past five years.
 - \$163,034,717 in 2017-18
 - \$144,037,554 in 2021-22
 - 2021-22 revenue increased because of increases in tuition and fees
- Government Grants and Contracts have decreased ~\$7.5M the past two years
 - Lost revenue balanced by decreased expenditures
- State Appropriations have increased each year since FY 2018-19
 - \$61,301,700 (2018-19); \$74,444,100 (2021-22)
 - Performance funding
 - KERS
 - Model appropriation
- Auxiliary revenue has been relatively constant the past four years
 - \$19,850,591 ± \$305,976.5
- Educational Sales and Services have fluctuated the past five years
 - \$7,647,408 ± \$919,763

Expenses Breakdown (Average % over past 5 years)

- Instruction (~24% of total expenses)
- Restricted Funds – General (~23.75%)
- Scholarships & Fellowships (~11.4%)
- Institutional Support (~9.9%)
- Auxiliary Enterprises (~7.6%)
- Academic Support (~7%)
- Operation & Maintenance of Plant (~6.9%)
- Student Services (~5.2%)
- Research (~0.03%)

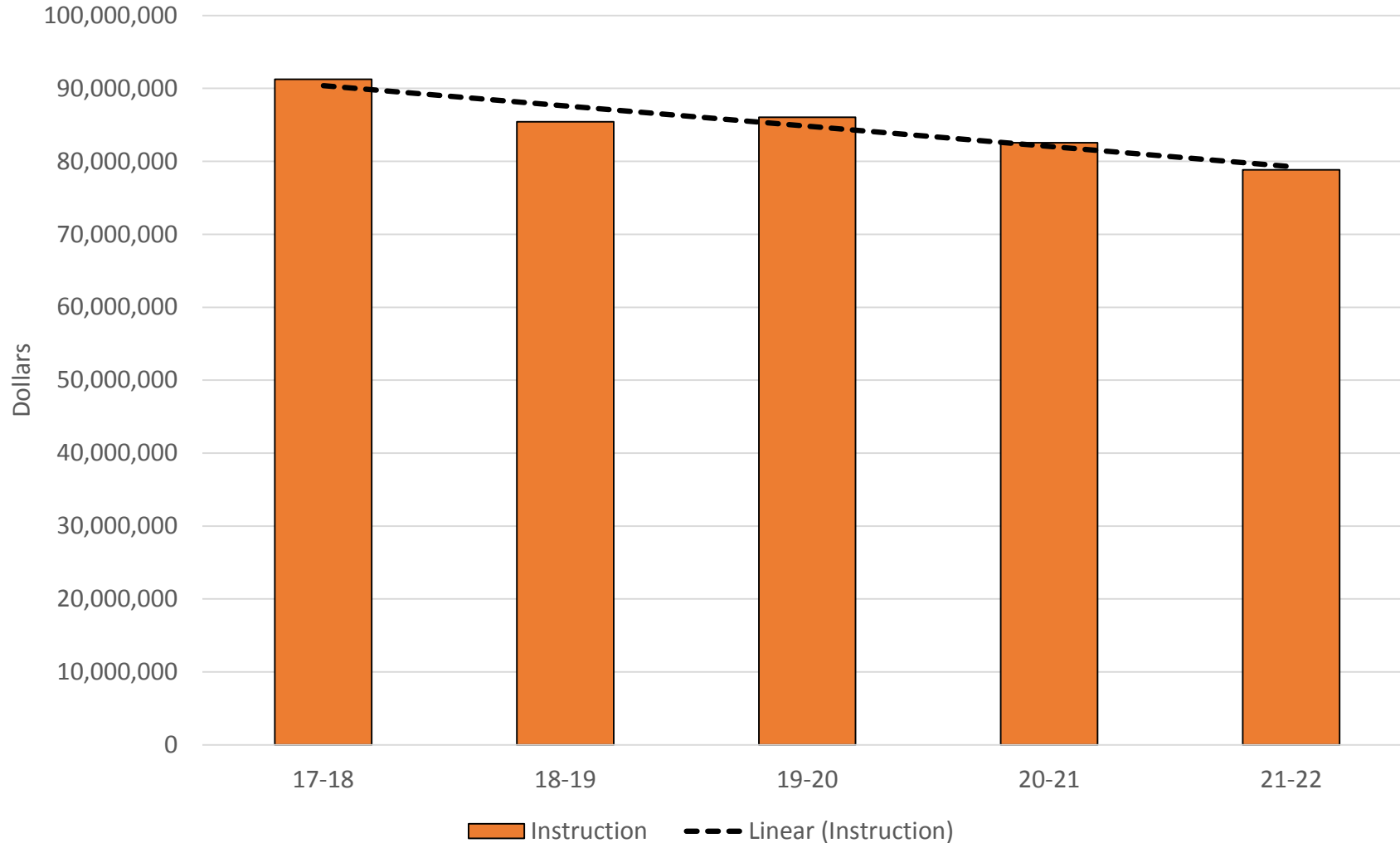
- Collectively ~97% of total expenses

Expenses: Instruction



21-22 includes \$5.9M
for the BookSmart
Program

Expenses: Instruction (Not Including BookSmart Program in FY 2021-22)

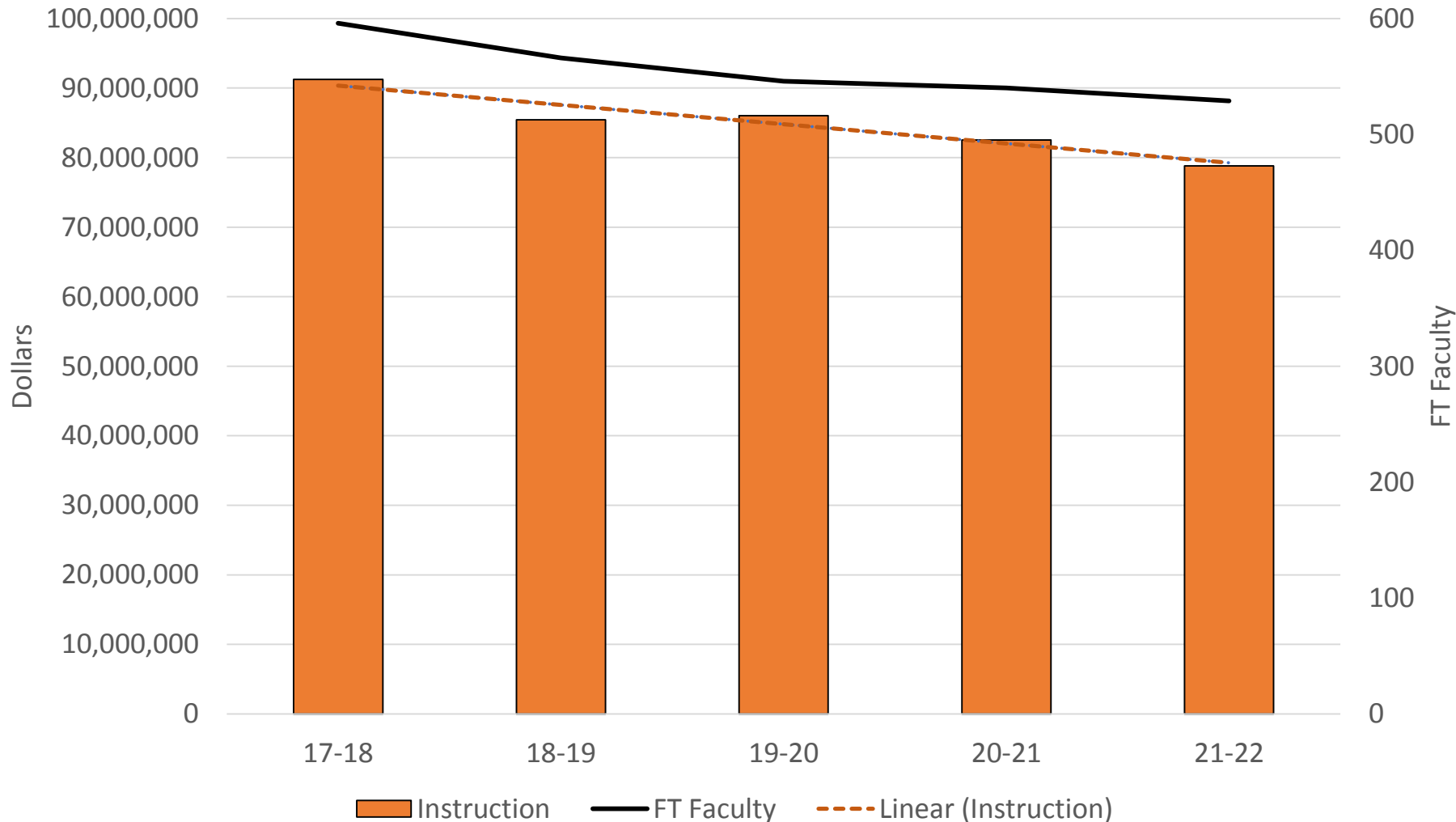


Average \$84.8M
Range \$91.2M -
\$78.8M

Total Decrease of
\$12.4M, (13.6%)
over last 5 years

Instruction Expenses* and FT Faculty

(*Not Including BookSmart Program in FY 2021-22)

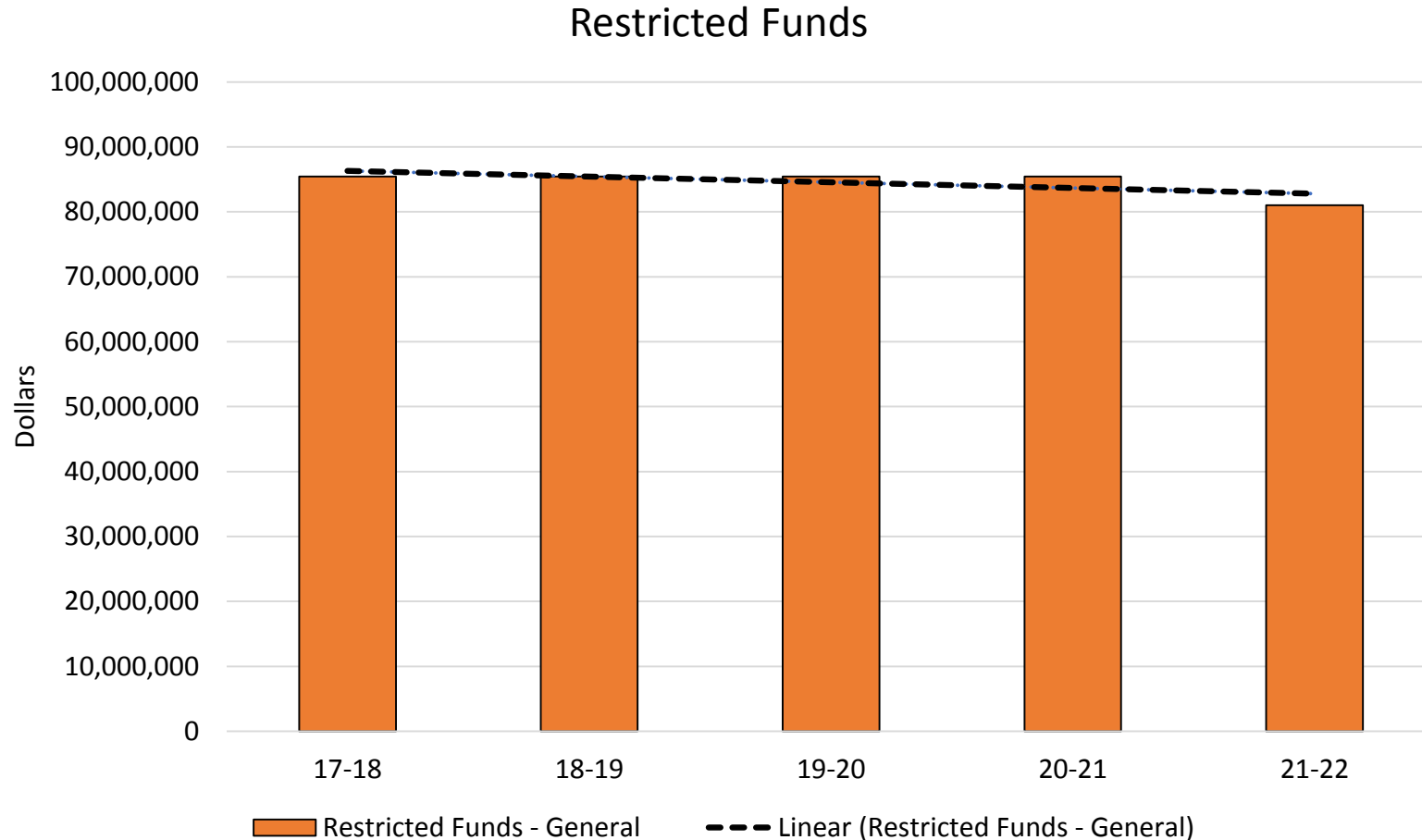


From Fall 17-Fall 20, annual decreases in FT Faculty closely follow decreases in instruction expense

67 fewer FT faculty in Fall 21 than Fall 17 (11.24% decrease)

Expenses: Restricted Funds

(Federal and state grants and contracts)

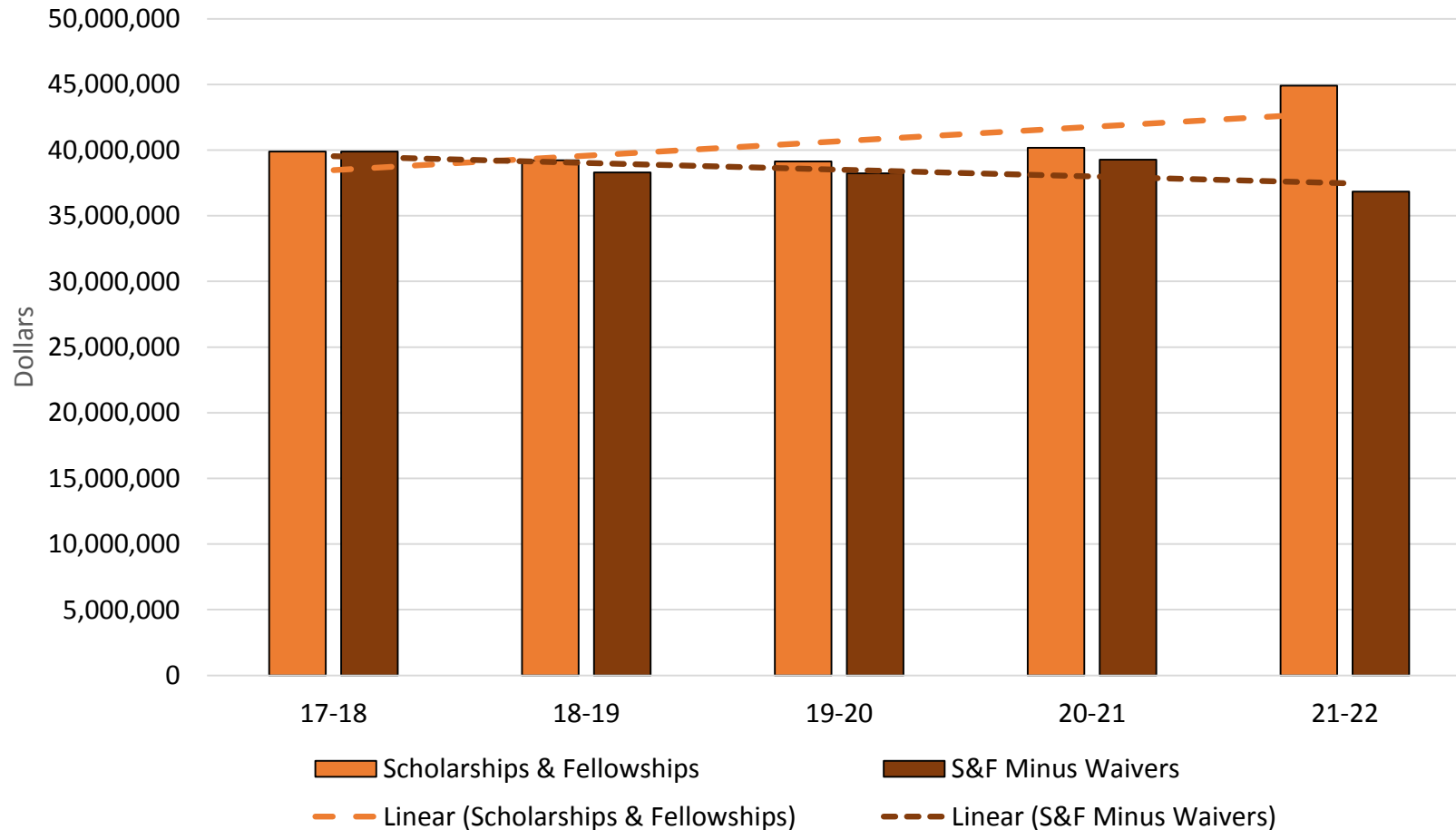


Average \$84.5M

Total amount almost constant first four years; decreased \$4.4M (5.17%) between 2020-21 and 2021-22 due to lost contracts

Expenses: Scholarships and Fellowships

With and Without Out of State Waivers



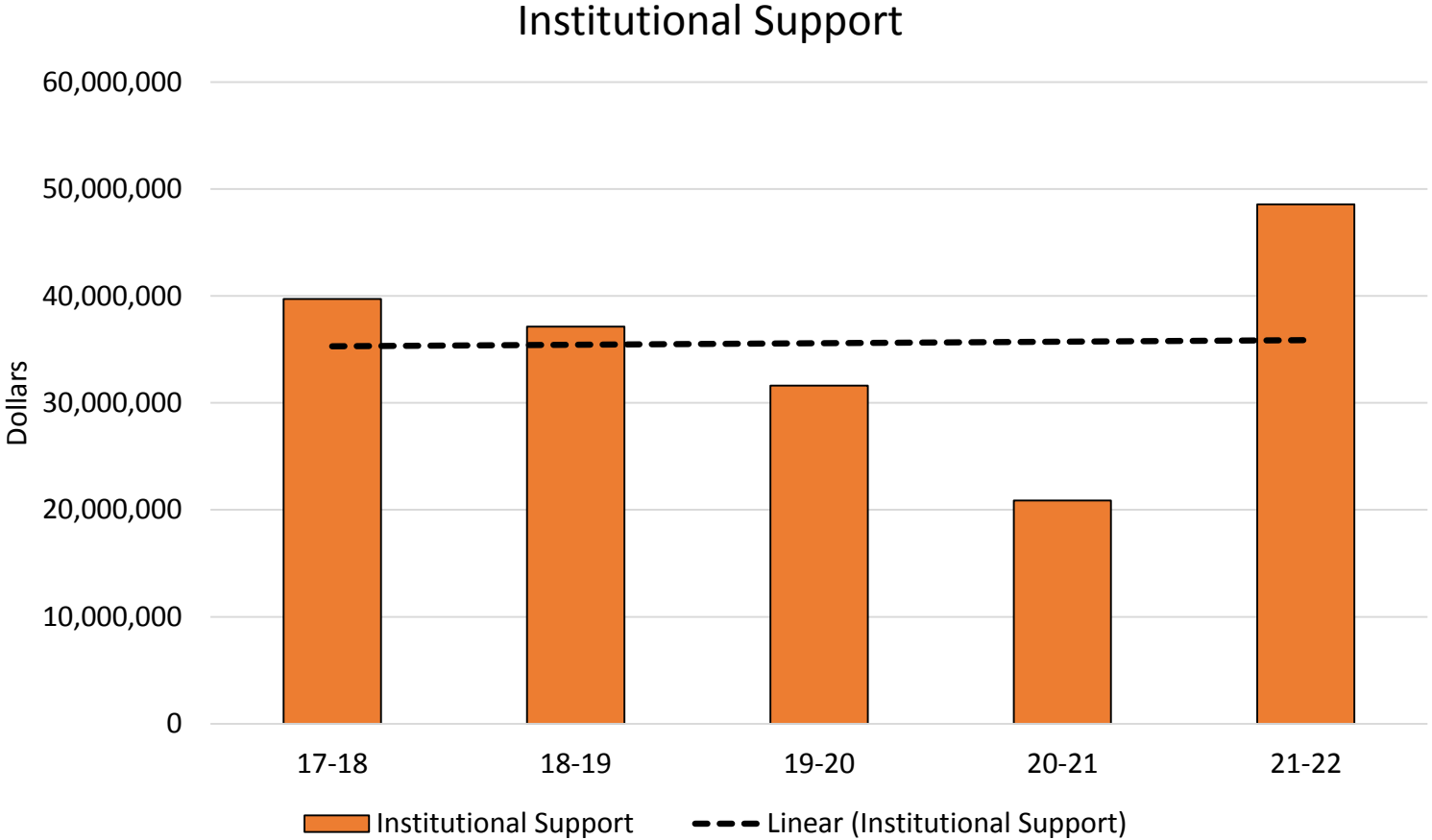
Average \$40.7M

2021-22 was \$5.8M higher than 2019-20

- \$1M was added in 2020-21 for Online Program Scholarships.
- Funding for the non-resident tuition waiver increased 7.2M this year.

Expenses: Institutional Support

Includes Benefits clearing, IT, HR, Administration Finance, President, Provost, Public Relations, Development, Police, Insurance, Budgeting, etc.



Average \$35.6M

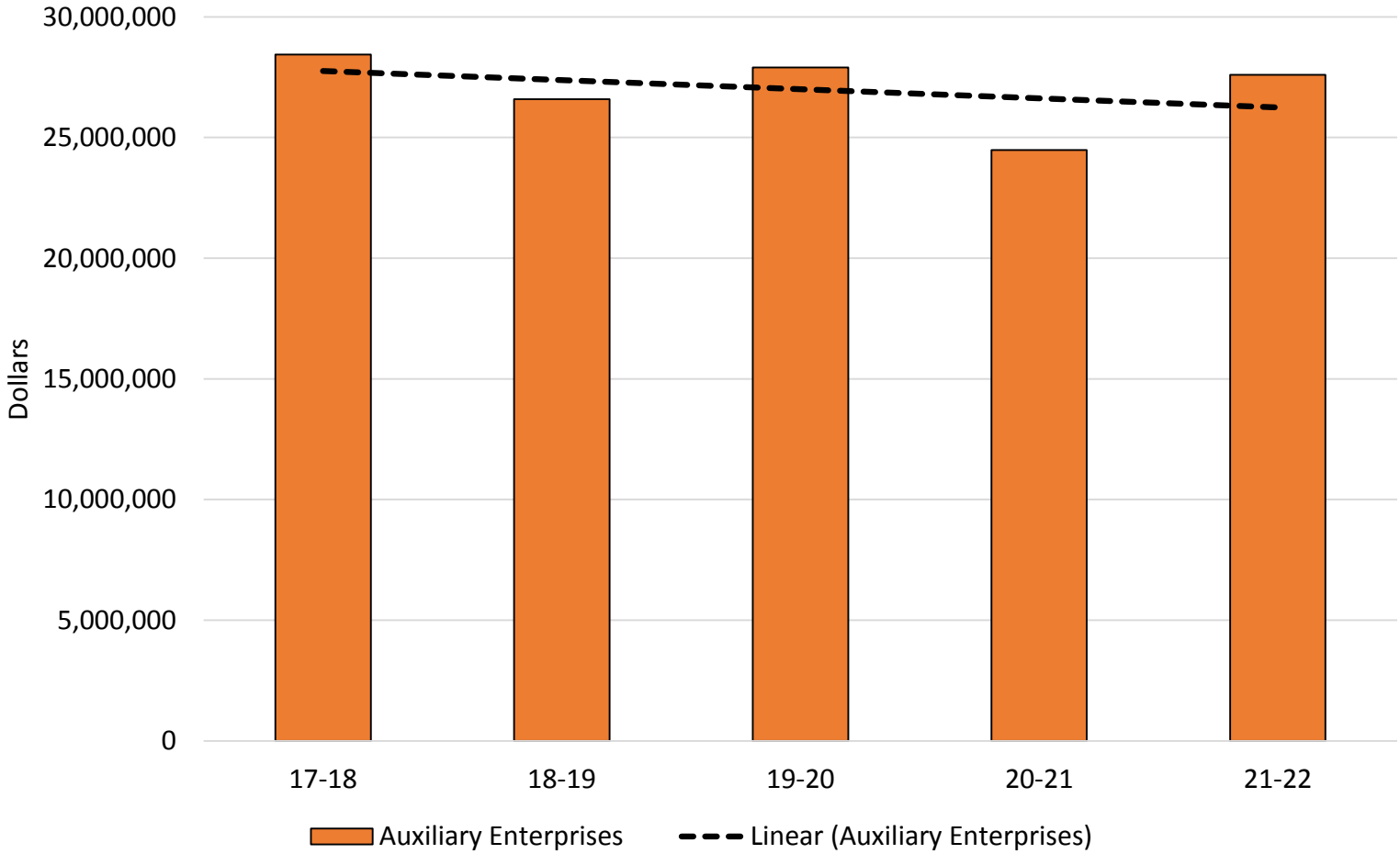
Range \$20.9 - \$48.6M

2021-22 is \$27.7M (132.8%) more than 2020-21

- KERS and COVID relief funds

Expenses: Auxiliary Expenses

Includes: Student housing operations, Faculty and non-student housing, printing services, parking operations, White Hall, Adams Tennis Center, Arlington, and Airport



Average \$27.0M

Range \$24.5 - \$28.4M

Reduction after 17-18 (P3)

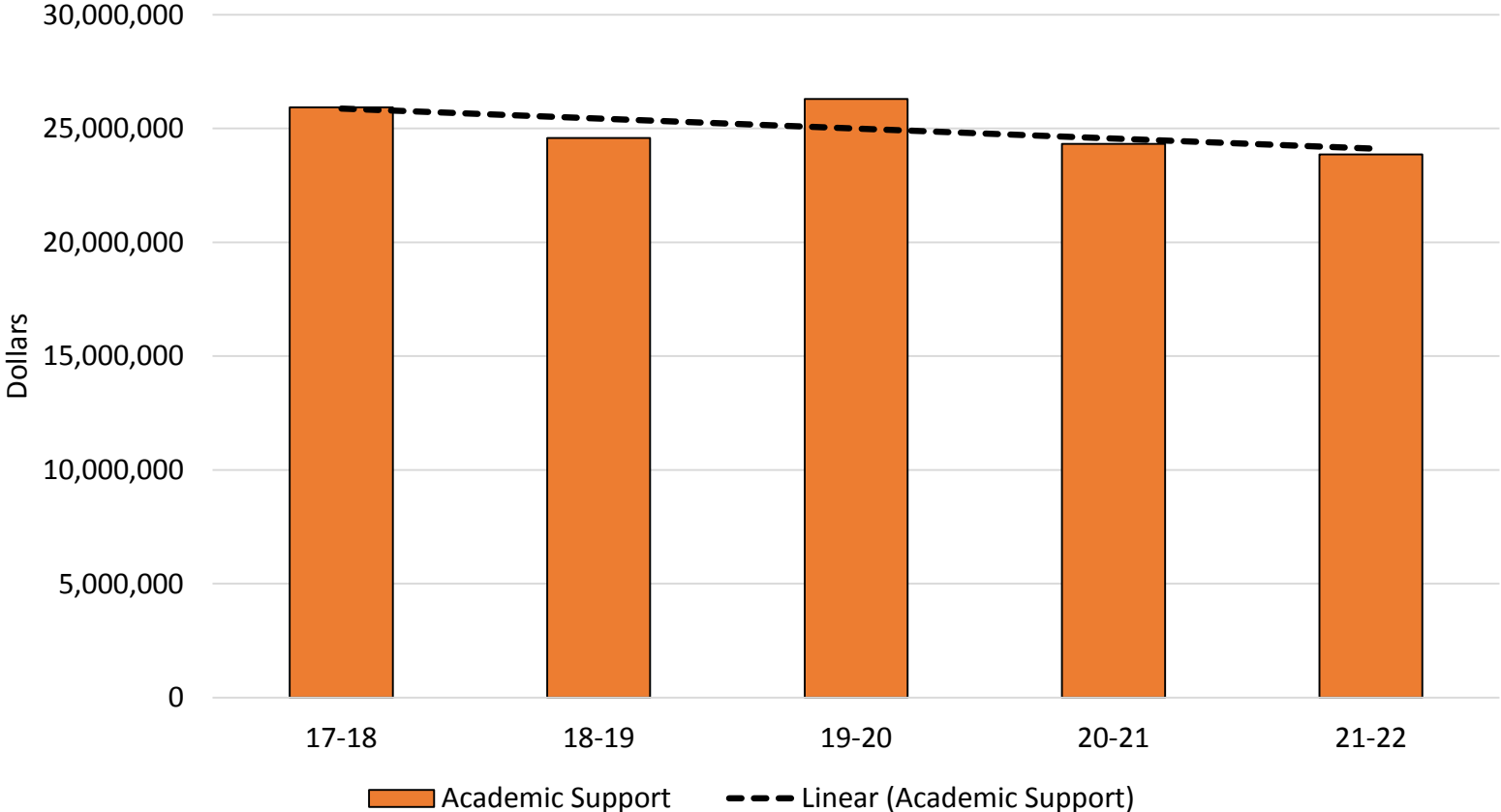
New auxiliaries added
WEKU, Facilitation Center, OSHA
Training Center, Community Workforce
Development, and the Eastern Progress

COVID in 20-21

Expenses: Academic Support

Includes: college dean budgets, the library, regional programming, retention and graduation, military and veteran affairs, and student labs like Model, Burrier Child Development, Natural Areas and Meadowbrook Farm

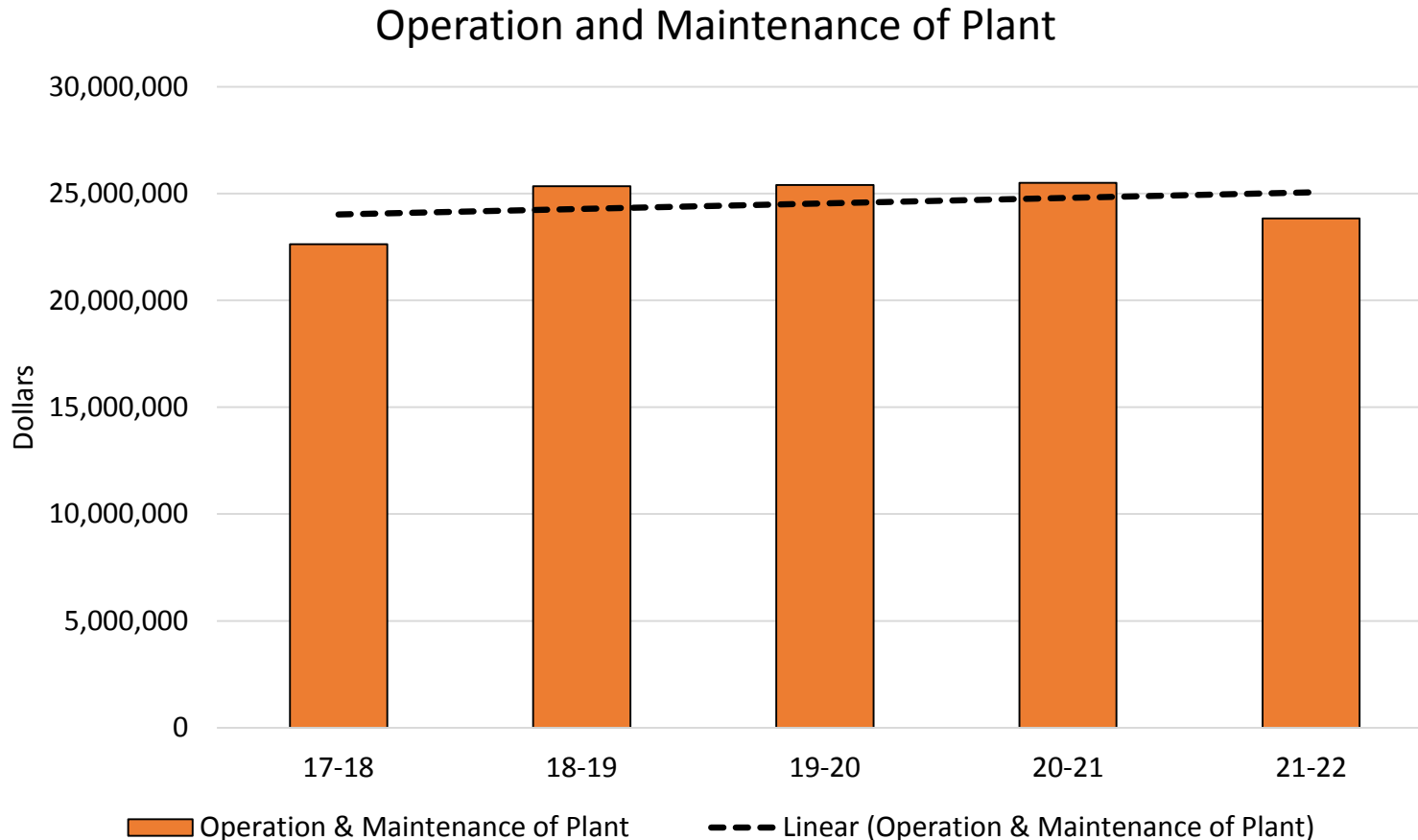
Academic Support



Average \$25.0M

Range \$23.9 - \$26.3M

Expenses: Operation and Maintenance of Plant Includes Aramark Custodial and Grounds



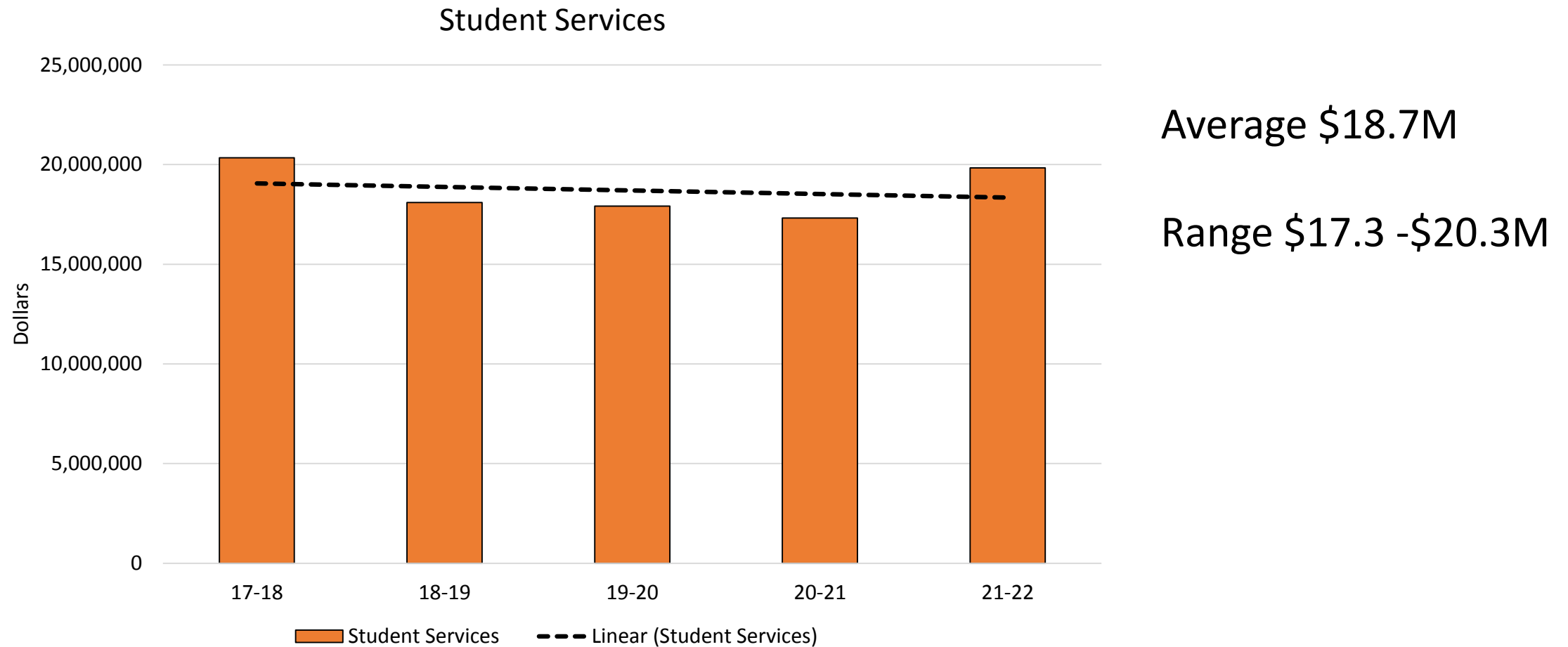
Average \$24.5M

Range \$22.6 - \$25.5M

21-22 has a reduction of the
KERS fringe rate (-\$1.3M.)

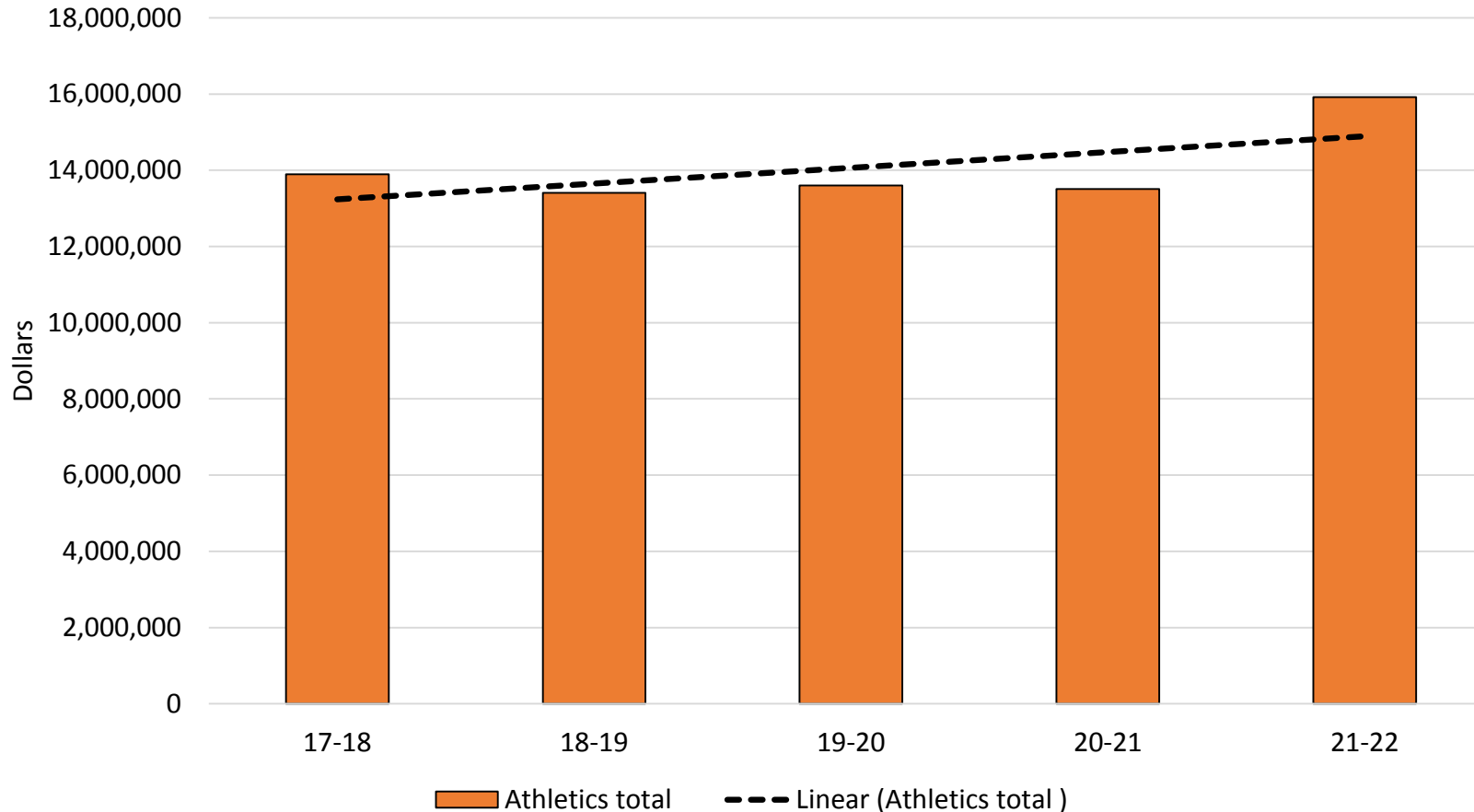
Expenses: Student Services

(Primarily personnel; includes Admissions, Registrar's Office, Athletics, Accessibility Services, Student Conduct & Standards, Counseling Center, Student Health Services, Graduate Studies, Enrollment Management, Student Financial Aid Administration (office budget), recruitment expense, student life and activities.



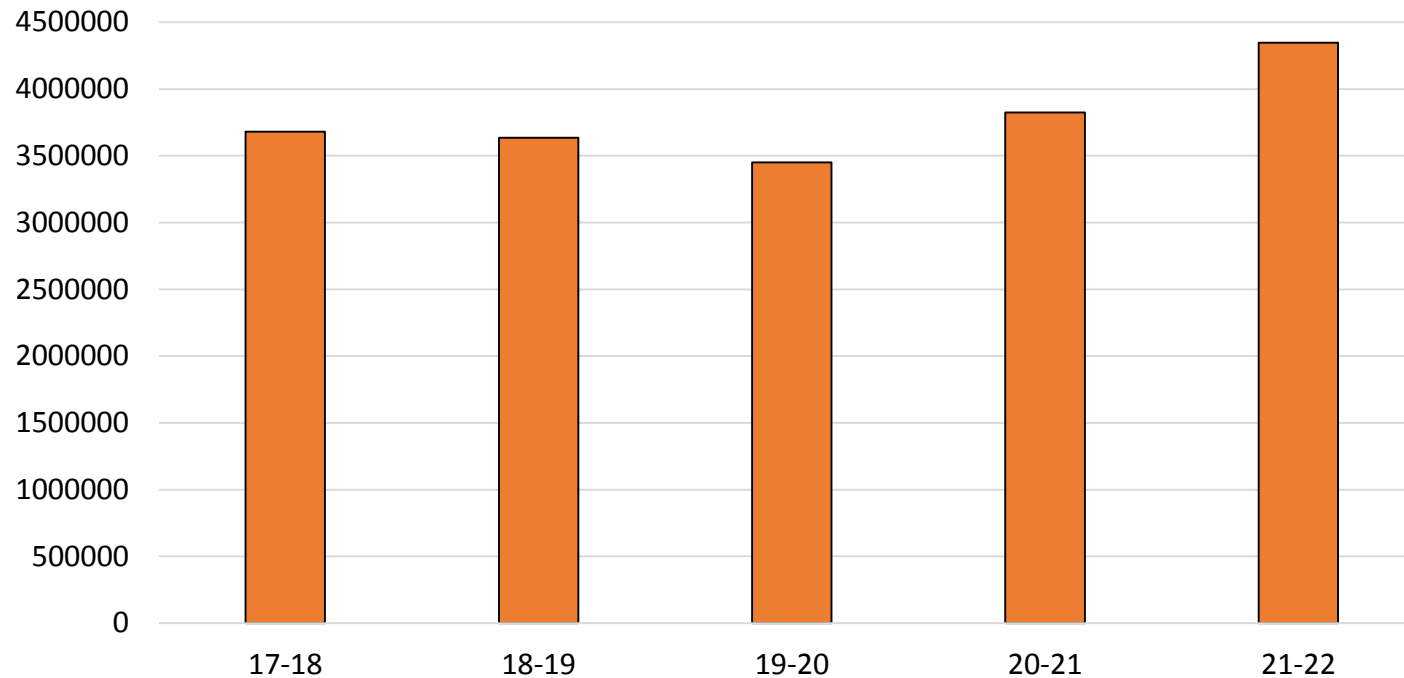
Athletics - (Salaries, Benefits, Operating, and Scholarships)

Athletics Expenses



Athletics Expenses increased \$2,405,104 from 2020-21 to 2021-22 (partially offset by increase of \$965K in athletics revenue)

Total Football Expenses (Salaries, Benefits, Operating, and Scholarships)

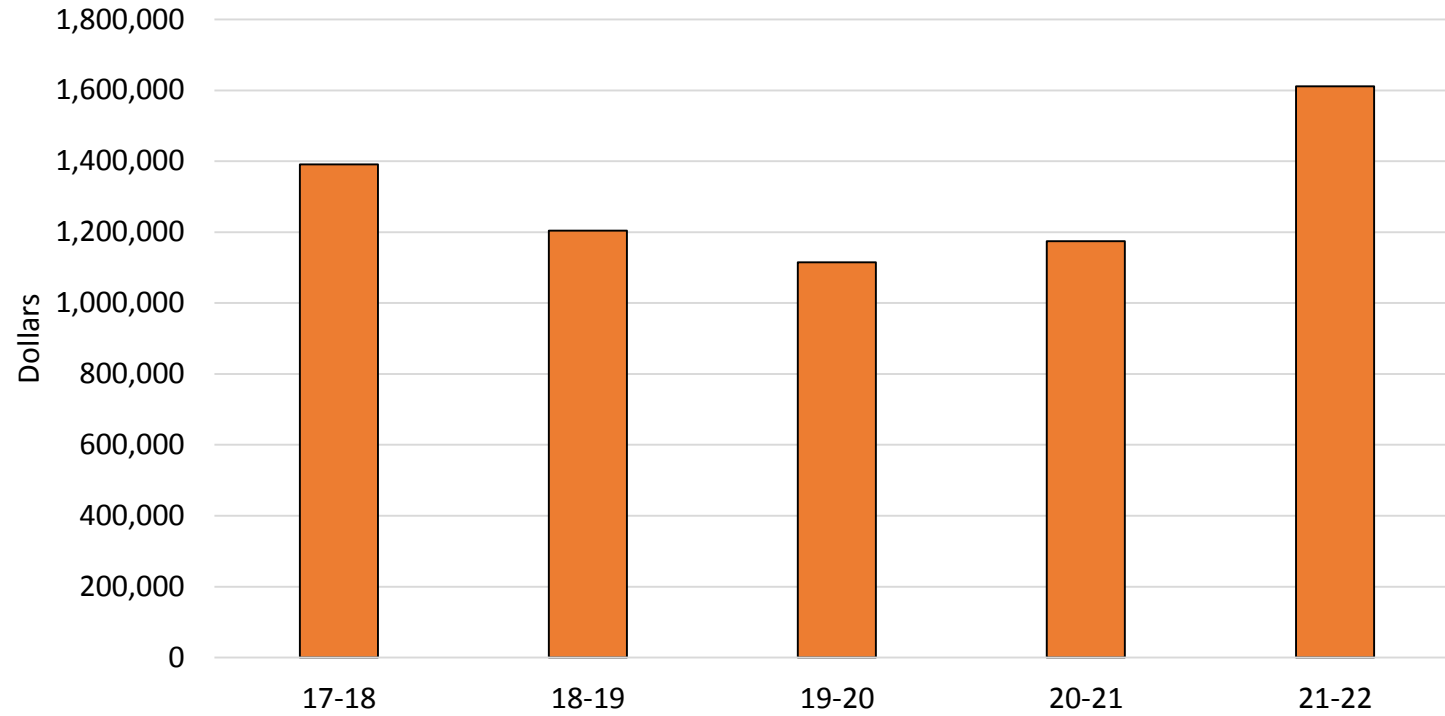


- Football expenses increased \$373,031 from 2019-20 to 2020-21
- Football expenses increased \$522,557 from 2020-21 to 2021-22

(\$895,588 increase in expense over past two years)
(25.95% increase over 19-20 budget)
(football revenue increased \$514K over same period)

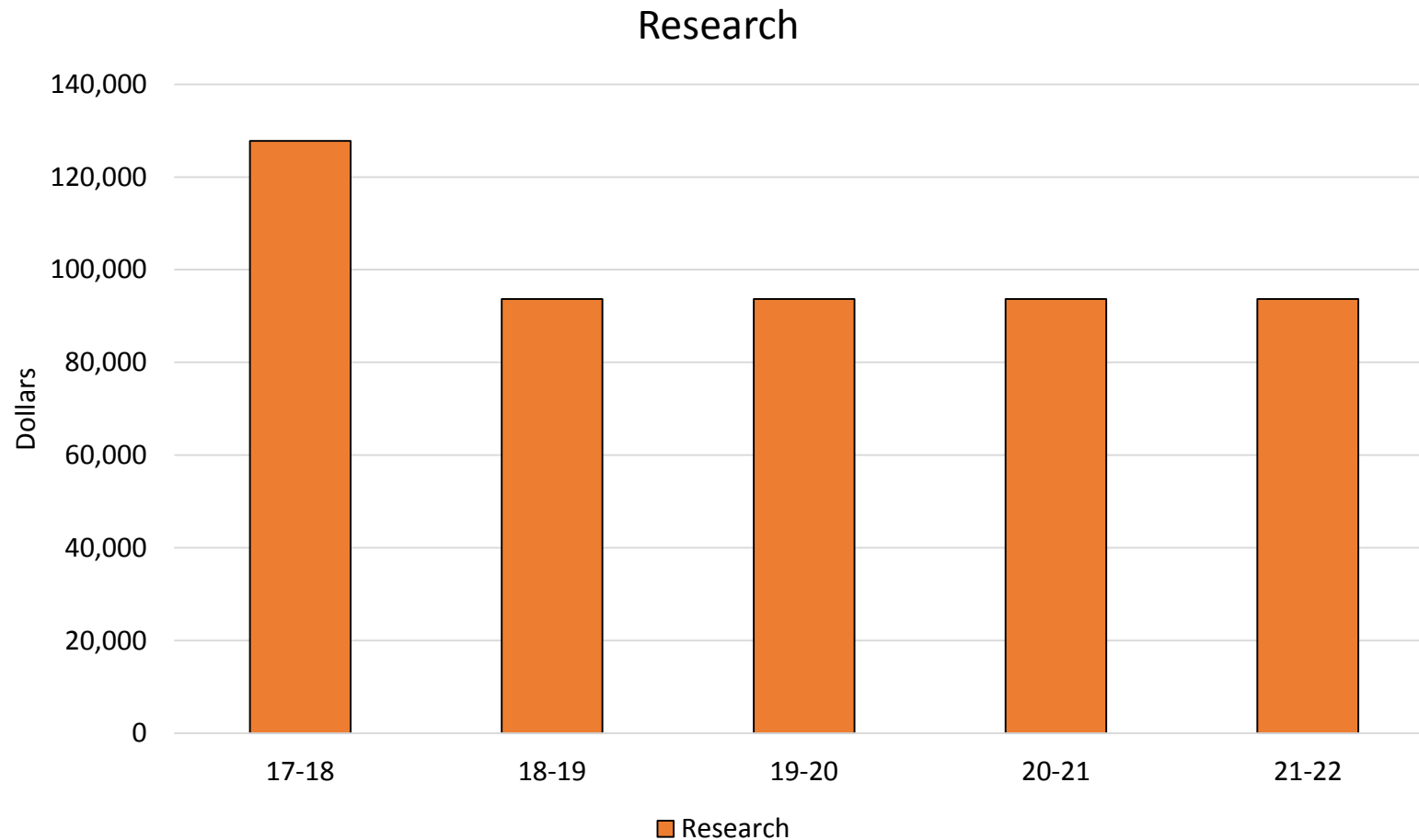
Mens Basketball Expenses

(Salaries, Benefits, Operating, and Scholarships)



- Mens Basketball expenses increased \$495,940 (44%) from 2019-20 to 2020-22
 - MBB revenue increased \$120K since FY20

Expenses: Research (Internal grants/awards)



Research expenses were \$127,796 in 2017-18 and has been \$93,685 every year since.

Expenses Summary

- Instruction is largest single expense (24.13% of all expenses on average)
 - BookSmart Program added \$5.9M in 2021-22
 - Removing Booksmart from calculations:
 - Instruction expenses were \$12.4M less in 2021-22 than in 2017-18
- Restricted Funds were relatively constant the first four years, but decreased \$4.4M (5.17%) between FY21 and 22
 - Balanced by lost revenue
- Scholarships and Fellowships
 - decreasing trend first 4 years
 - increasing trend this year due to \$7.2M increase in out of state waivers
- Institutional Support declined each year 2017-18 through 2020-21
 - Inst. Supp. increased \$27.7M (132.8%) from 2020-21 to 2021-22
 - ~\$23M for COVID
 - \$8.1M for KERS

Other major expenses have remained relatively constant

- Auxiliary expenses accounted for 7.565% \pm 0.375% of total expenses each of the past five years
- Academic Support accounted for 6.89% \pm 0.60% of total expenses each of the past five years
- O&M of Plant accounted for 6.885% \pm 0.605% of total expenses each of the past five years
- Student Services accounted for 5.38% \pm 0.29% of total expenses each of the past five years
 - \$2.4M increase in Athletics this year
- Research expenses have been constant the past four years (\$93,685)
 - 0.025% of this year's budget