

Angie Martin

Budgeting: Large Schools

Introductions

- University or Other?
 - Public or Private
 - Land-Grant
 - Medical School / Hospital System
 - Operating Budget Size

Topics

1. University of Kentucky facts
2. Operating and capital budgets
3. Operating budget:
 - a. Budget models
 - b. Budget development process, sources and uses
 - a. State appropriations
 - b. Tuition
 - c. Other revenues
 - d. Financial allocation models
4. Budget communications
5. Financial analyses
6. Student affordability

University of Kentucky

- Flagship, land-grant, public, R-1 university
- 16 degree-granting colleges
- 200+ academic programs
- 32,710 fall 2022 headcount enrollment
- 20,600 employees
 - 3,200 faculty
 - 9,000 healthcare
 - 8,400 staff
- FY 2023-24 budget \$6.8 billion

University of Kentucky Organizational Structure

- President's Cabinet
 - Chief Accountability Officer & Audit Executive
 - Director of Athletics
 - Executive Vice President for Finance & Administration
 - Executive Vice President for Health Affairs
 - General Counsel
 - Provost
 - Vice President for Institutional Diversity
 - Vice President for Land-grant Engagement
 - Vice President for Philanthropy and Alumni Engagement
 - Vice President for Research
 - Vice President for Student Success

University of Kentucky Organizational Structure

Fiscal Areas

1. Athletics
2. Finance & Administration
3. President
4. Provost
5. Research
6. Student Success
7. UK HealthCare
8. University-wide

Operating Budget

- Budget: “an estimate of income and expenditure for a set period of time”
-Oxford Online Dictionary
- Southern Association of Colleges and Schools Commission on Colleges requires “an annual budget that is preceded by sound planning, is subject to sound fiscal procedures, and is approved by the governing board”

Capital Budget

- Plan for spending large sums of money for investment in plant, equipment or infrastructure; separate from the operating budget
- Capital budget for a project generally extends for several years
- Project Fund Sources:
 - Cash (e.g., fund balances, private funds)
 - State or federal appropriations
 - University debt (university bonds or internal loan)
 - Public Private Partnership (P3)
- Approvals
 - Governing board
 - Legislative authorization

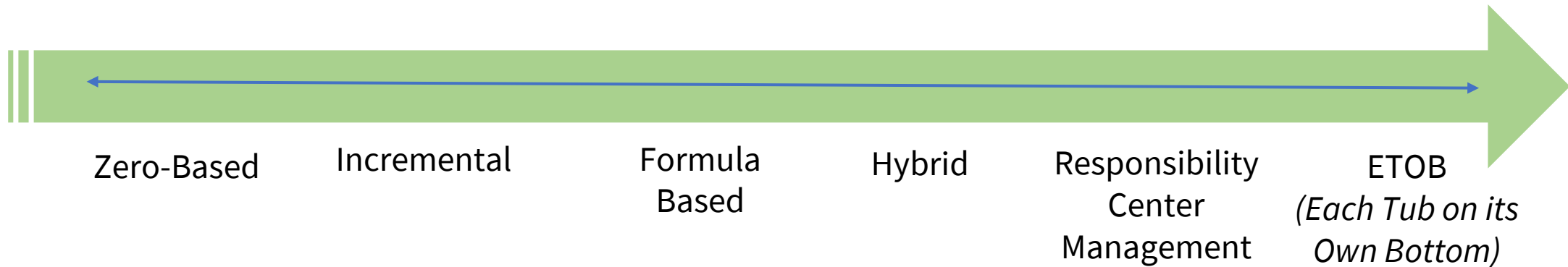
Operating Budget

- Fiscal year
- Balanced
- Sets expenditure authority
- Current funds
 - General Funds
 - Restricted Funds
 - Auxiliary Funds
- Modified accrual accounting:
 - Cash outlay for equipment and capital* (i.e., do not budget depreciation expense)
 - Mandatory transfers for debt service
 - Endowment spending distributions

Operating Budget Lifecycle

- Development
- Approval
- Implementation
 - Timing of apportioned allocations
- Maintenance
 - Budget transfers
 - Budget revisions
- Reporting

Budget Models

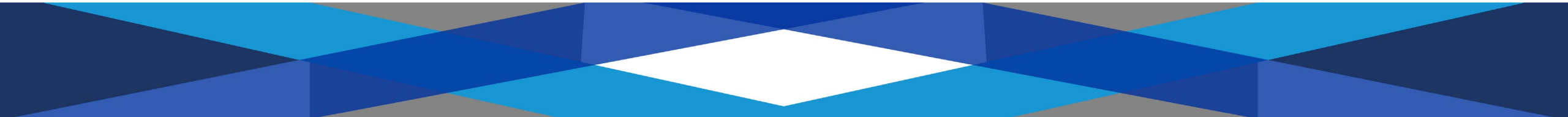


The Continuum

- Revenues (excluding tuition)
- Fund Balance Carry Forward
- Revenue Share Programs
- Administrative Responsibility

Budget Planning

- Strategic Plan
- Budget Development Principles



UK Strategic Plan



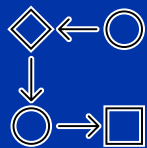
Putting Students First



Taking Care of Our People



Inspiring Ingenuity



Ensuring Greater Trust, Transparency and Accountability



Bringing Together Many People, One Community

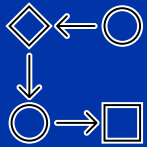
Enduring Budget Development Principles



Student access and affordability



Competitive pay for faculty and staff



Strategically plan to prevent across-the-board cuts and maintain and enhance academic quality

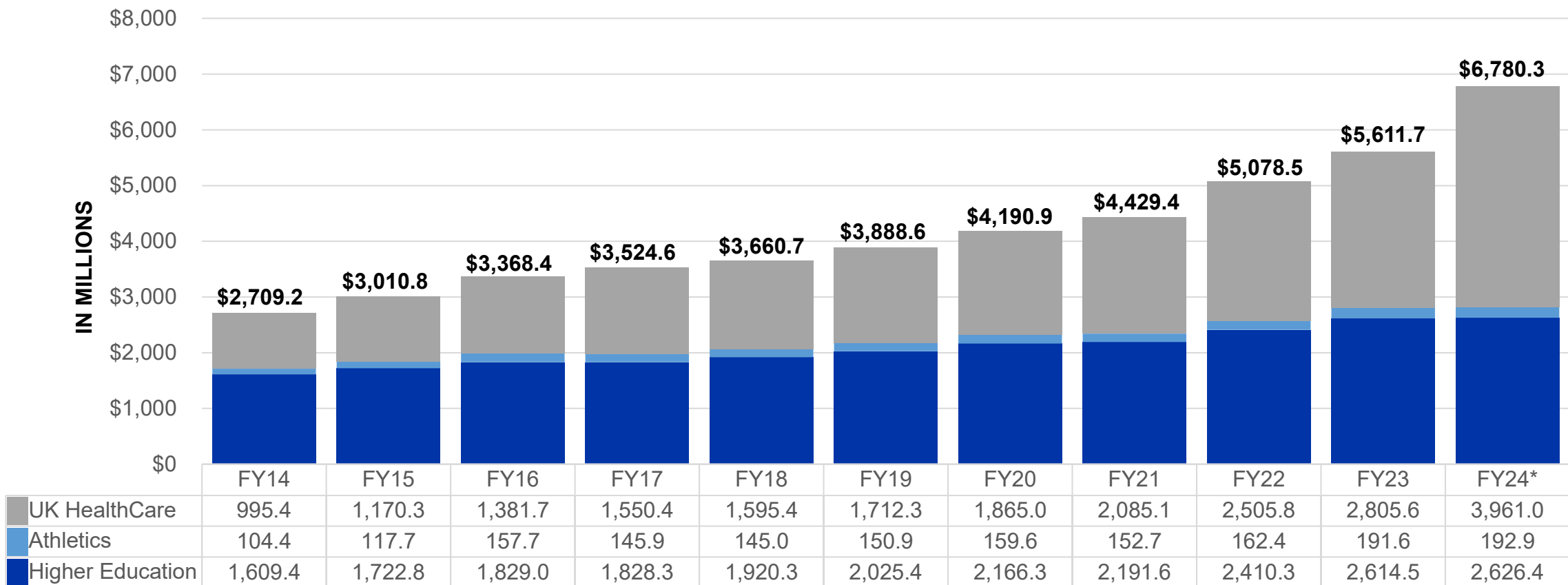


Building a community of belonging

Budget Development Process

- Budget calendar
- Operating budget process memorandum
- Internal review
- Revenue estimates (preliminary and final requests)
- Needs assessments (preliminary and final requests)
- Review and analysis of submissions
- Decisions
 - Who is involved in developing and analyzing scenarios?
 - Who makes decisions?
- Approval

University of Kentucky Consolidated Original Budget



Figures based on Revenues

Background:

The consolidated operating budget is balanced and:

- establishes expenditure authority for each area, college and department
- includes all components of the university (e.g., academic enterprise, hospital system, clinical patient care, research, philanthropy, athletics)
- includes Current Funds only`

Operating Budget: Current Funds

- General Funds
 - Undesignated
 - Designated
- Restricted Funds
- Auxiliary Funds

FISCAL YEAR 2023-24 BUDGET

**Undesignated
General Funds
14.4%**

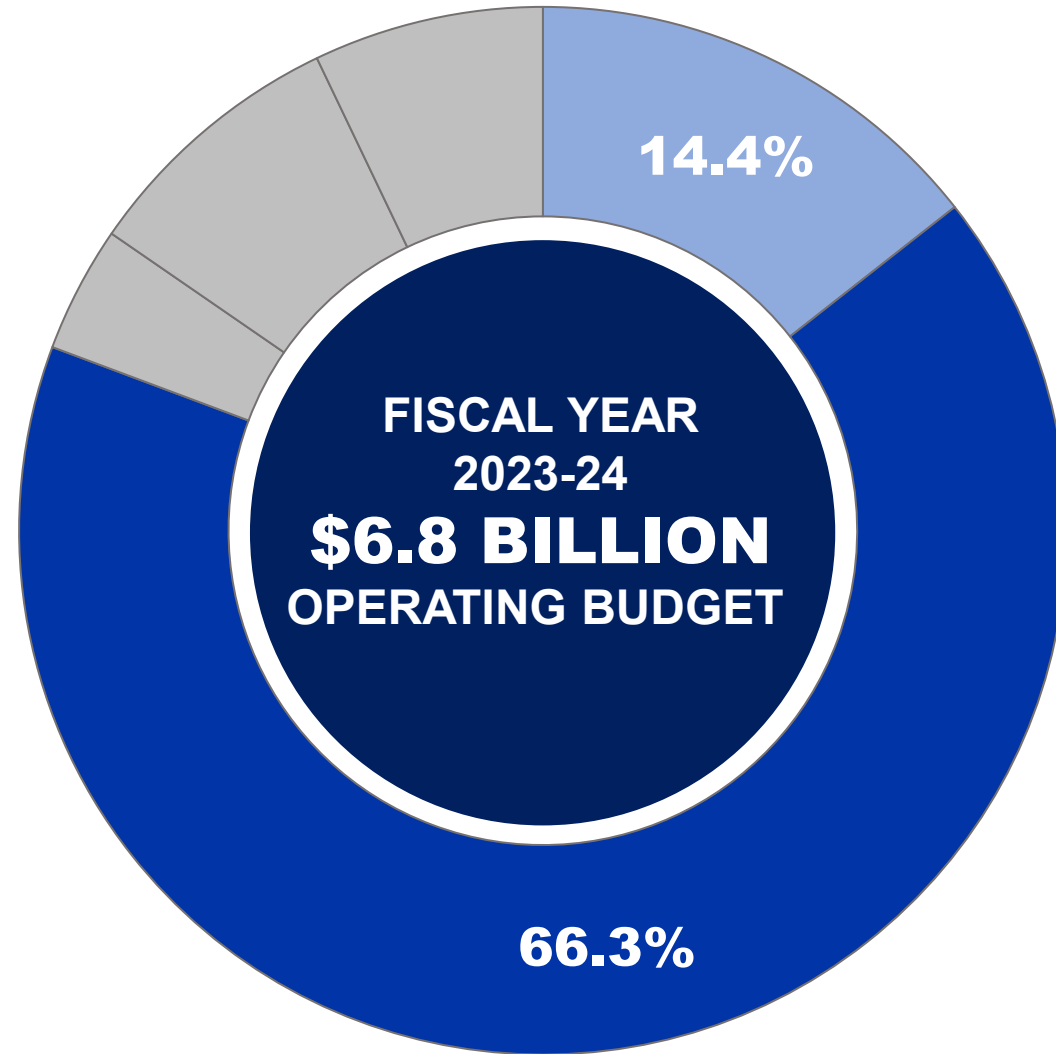
\$978.4 million

WHERE THE MONEY
COMES FROM
(in millions)

\$581.7 Tuition
\$310.1 State Appropriations
\$86.6 Other

HOW IT IS USED

- Instruction
- Public Service
- Utilities
- Administrative Support
- Institutional Student Aid



**Designated
General Funds
66.3%**

\$4,491.0 million

WHERE THE MONEY
COMES FROM
(in millions)

\$3955.7 UK HealthCare
\$392.5 Clinical Services
\$41.4 Fees
\$101.4 Other

HOW IT IS USED

- Patient Care
- Instruction
- Public Service
- Student Services
- Academic Support

FISCAL YEAR 2023-24 BUDGET

Auxiliary Funds
3.9%

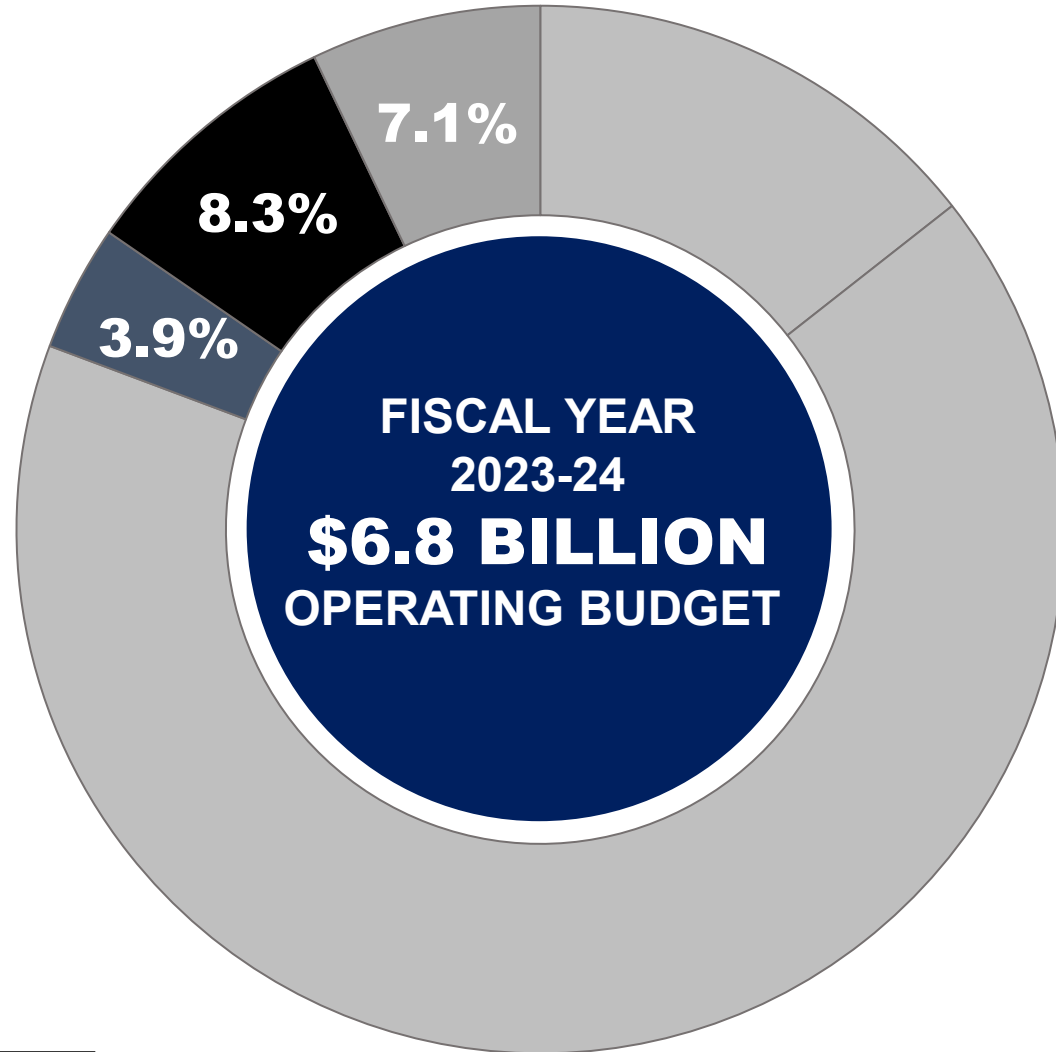
\$262.1 million

WHERE THE MONEY COMES FROM
(in millions)

- \$128.4 UK Athletics
- \$25.5 Housing
- \$11.6 Dining
- \$17.1 Transportation Services
- \$79.5 Service Centers and Recharge Units

HOW IT IS USED

Auxiliary units pay all of their expenses and receive no taxpayer or tuition support.



Restricted Funds
8.3%

\$565.2 million

WHERE THE MONEY COMES FROM
(in millions)

- \$501.7 Research Grants and Contracts
- \$30.9 Endowments and Investments
- \$32.6 Gifts and Other

HOW IT IS USED

- Research
- Student Financial Aid
- Public Service

Fund Balances
7.1%

\$483.6 million

WHERE THE MONEY COMES FROM
Savings from prior years

HOW IT IS USED

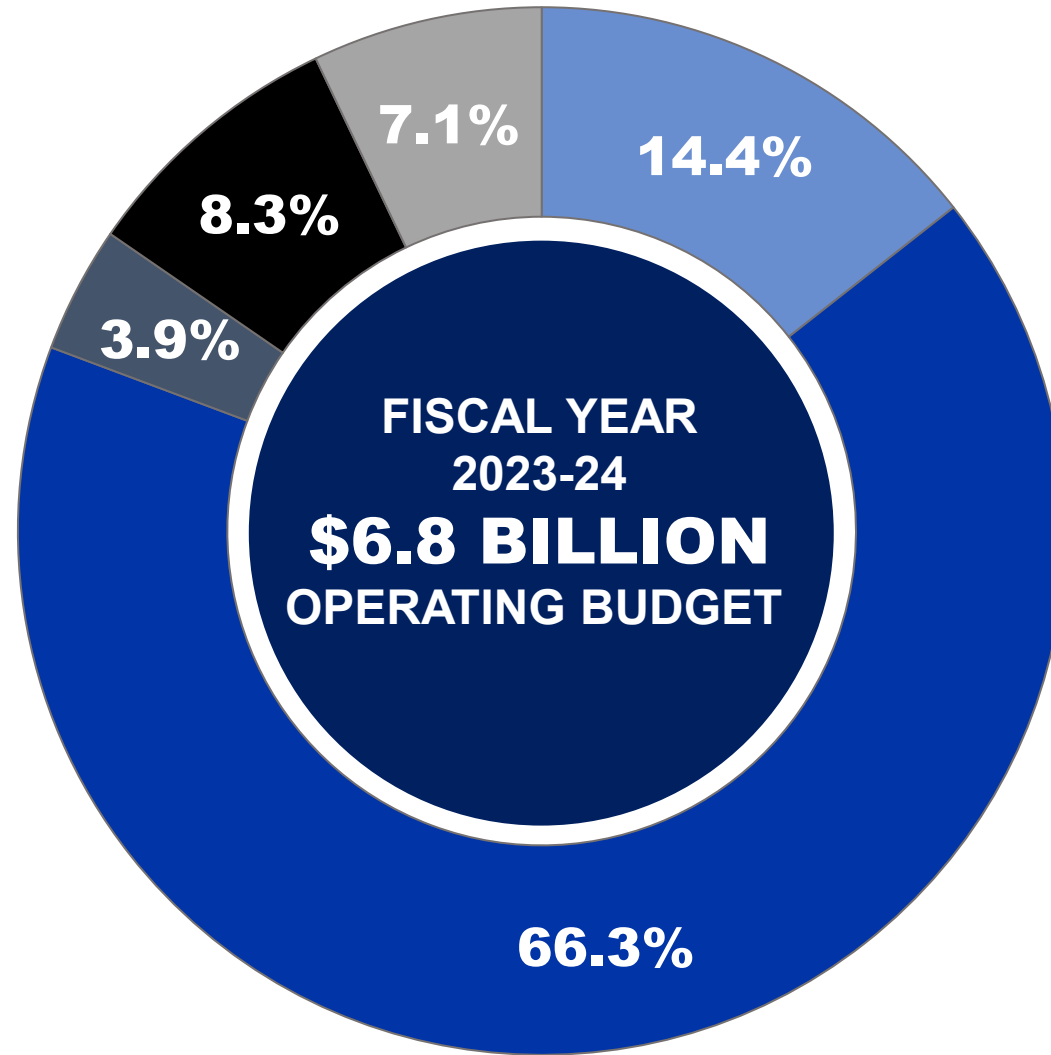
- Capital Projects
- Faculty Start-Up Packages
- Pilot Programs

FISCAL YEAR 2023-24 BUDGET

**Designated
General Funds
66.3%**

**Undesignated
General Funds
14.4%**

**Restricted
Funds
8.3%**



**Auxiliary
Funds
3.9%**

**Fund
Balances
7.1%**

Undesignated General Funds - Revenues

- State Appropriations
 - Performance funding
- Tuition Revenue
 - Enrollment
 - Tuition rates
 - Residency mix
- Other Revenues
 - Service assessments
 - Investment income

Undesignated General Funds: Five-Year Revenue History

RECURRING BUDGET	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	RECOMMENDED FY 2023-24
State Appropriations, Total*	\$261.1	\$265.2	\$271.3	\$318.6	\$310.1
<i>Performance Funds**</i>	\$14.5	\$6.6	\$6.1	\$30.9	\$33.3
<i>Mandated Programs</i>	\$79.40	\$80.6	\$80.6	\$91.7	\$91.7
<i>Special Appropriations</i>				\$11.4	\$.4
Student Tuition	\$514.3	490.0	507.2	557.0	581.7
Other	\$71.3	54.0	63.1	71.4	86.6
Total	\$846.7	\$809.2	\$841.6	\$947.0	\$978.4

IN MILLIONS

*State appropriations include funding for mandated programs. For example, more than \$91.7 million of UK's FY 2024 state appropriations must be allocated to mandated programs such as the Agricultural Cooperative Extension Service and the Center for Applied Energy Research.

**Effective FY 2022, performance funds are cumulative.

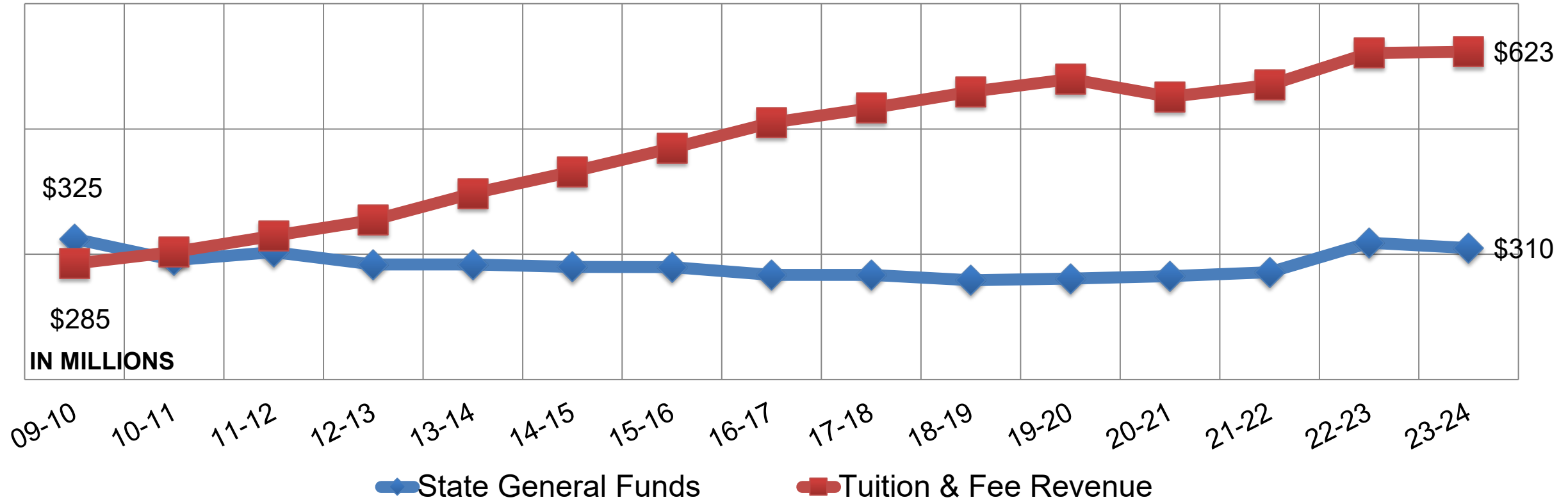
FISCAL YEAR 2023-24 BUDGET

Undesignated General Funds Incremental Change Projected FY 2024 Budget Sources

RECURRING BUDGET	RECOMMENDED FY 2023-24
State Appropriations	
Performance Funds	\$2.4
Special Appropriations	
Ky. Cannabis Center	(2.0)
Grain and Forage Center	<u>(9.0)</u>
Total	(8.6)
Student Tuition	24.9
2.75% Resident Rate Increase	
3.50% Non-Resident Rate Increase	
6,400 First-Year Undergraduate Cohort	
Other	15.1
Investment Income	
Service Assessments	
Total	\$31.4

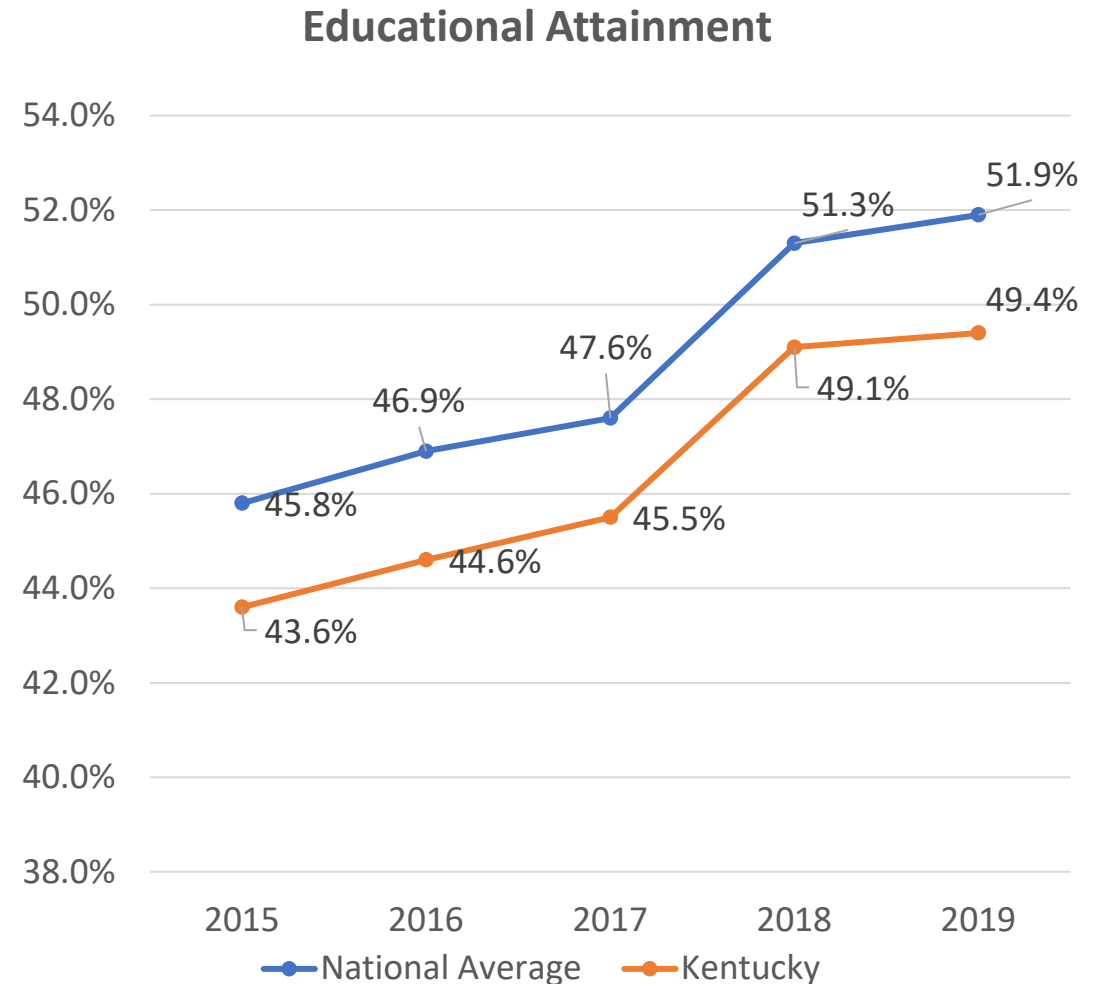
IN MILLIONS

University of Kentucky Public Funds Original Budget



Kentucky's Goal

- Increase educational attainment of working age adults to 60% by 2030
- Currently 49.4% of Kentucky adults have a postsecondary degree or certificate
- Benefits of increased attainment:
 - higher income (lower poverty)
 - accelerated job growth
 - better life choices and health
 - engaged citizens



Shortcomings of Previous Kentucky Method

- For more than a decade, state appropriations were distributed based on share of funding received the prior year (ATB base + or - approach)
- This approach failed to recognize changes in:
 - Enrollment
 - Program mix
 - Student outcomes (progression, degree completion)
- There were no financial incentives for achieving desired state goals

Kentucky Performance Funding Model Goals

- Increase retention and progression of students toward timely completion
- Increase the number of degrees and credentials conferred
- Produce more degrees and credentials in fields that garner higher wages upon completion (STEM+H fields, high demand fields, targeted industries)
- Close achievement gaps by growing degrees and credentials earned by minority, low income, and underprepared students

Kentucky Performance Funding Model Public Universities

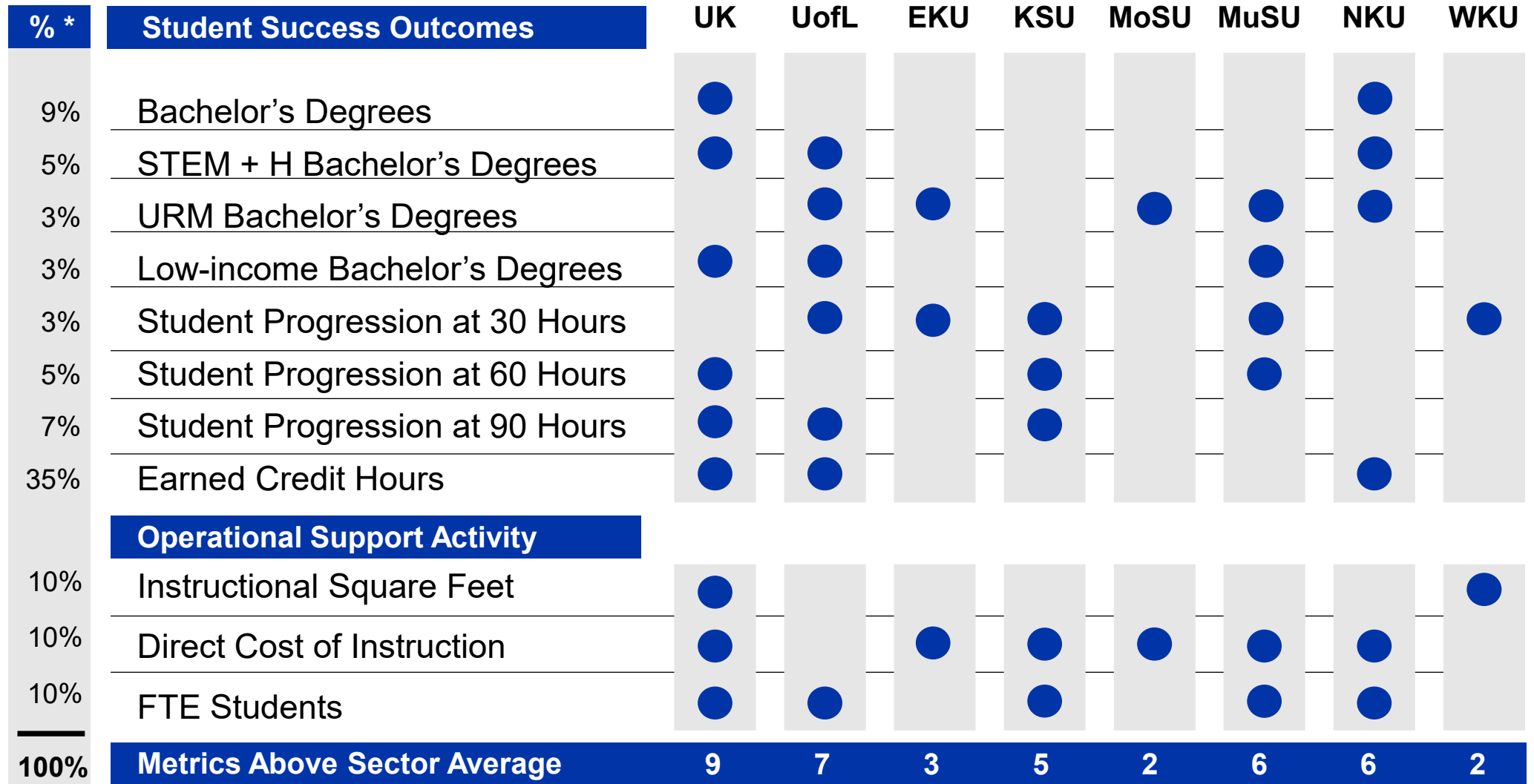
- 11 metrics primarily focused on student success (e.g., bachelor's degrees)
- Competitive-based model rewards universities with rates of growth that exceed the sector average
- Metric calculations
 - 3-year rolling average
 - Earned credit hours metric
 - Weighted for discipline and course level
 - Non-resident students weighted 50%

FISCAL YEAR 2023-24 BUDGET

Kentucky Performance Funding Model

Metrics where rates of growth exceeded sector average between FY 2022-23 and FY 2023-24

* Performance funding metric weights



State Performance Funding Model: Sources and Allocations

PERFORMANCE FUNDING POOL*

Fiscal Year	Universities Required Contributions	State Funding	Total Allocated Funding
2017-18	\$28.9	\$ --	\$28.9
2018-19	24.2	--	24.2
2019-20	38.6	--	38.6
2020-21	11.7	--	11.7
2021-22**	--	13.5	13.5
2022-23	--	75.8	75.8
2023-24	--	75.8	75.8

IN MILLIONS

UK RESULTS

UK Contribution	UK Awards
\$ 9.1	\$13.4
8.0	9.2
9.8	14.5
3.6	6.6
--	6.1
--	30.9
--	33.3

IN MILLIONS

* Represents state appropriations and required contributions from the universities that were added to the Performance Funding Pool, which were then distributed to the institutions based on outcomes produced.

** Effective FY 2022, performance pool allocations are cumulative.

Kentucky Results Achieved

- State funding is no longer being distributed based on historical share, but on outcomes produced
- Funding based on outcomes is providing incentives for student progression and timely completion
- Since 2014, bachelor's degrees up 5.4%, URM degrees up 36%, and STEM+H degrees up 22%

State Performance Funding: Bachelor's Degrees Produced

UK's contribution to Kentucky's public university system



BACHELOR'S DEGREES

	2013-14	2021-22	Increase	Growth
System	17,096	18,013	917	5.4%
UK	3,988	5,062	1,074	26.9%
UK SHARE OF SYSTEM GROWTH 117.1%				



URM BACHELOR'S DEGREES

	2013-14	2021-22	Increase	Growth
System	1,933	2,631	698	36.1%
UK	412	723	311	75.5%
UK SHARE OF SYSTEM GROWTH 44.6%				



STEM + H BACHELOR'S DEGREES

	2013-14	2021-22	Increase	Growth
System	5,093	6,212	1,119	22.0%
UK	1,345	1,921	576	42.8%
UK SHARE OF SYSTEM GROWTH 51.5%				

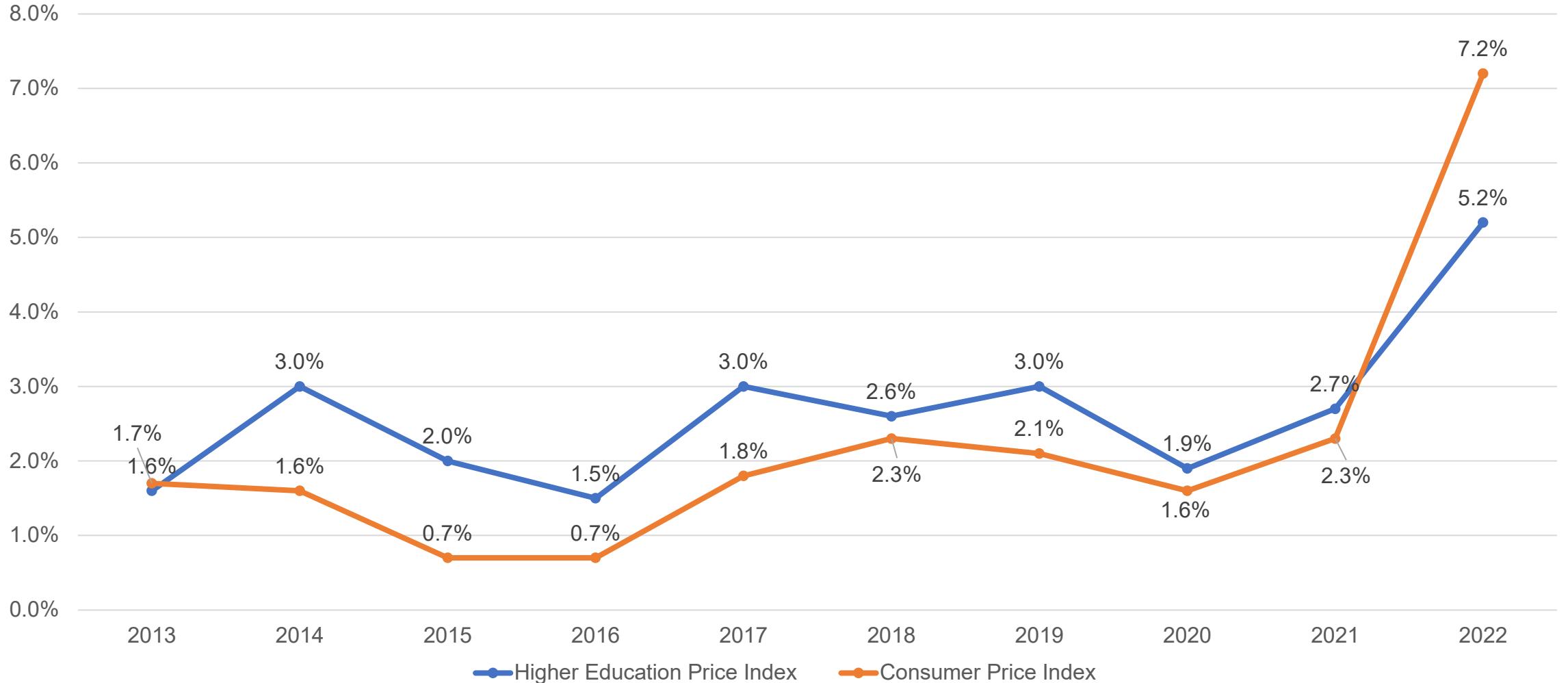


LOW-INCOME BACHELOR'S DEGREES

	2013-14	2021-22	Increase	Growth
System	7,784	7,451	(333)	-4.3%
UK	1,287	1,507	220	17.1%
UK SHARE OF SYSTEM GROWTH 17.1%				

FISCAL YEAR 2023-24 BUDGET

Higher Education Price Index and Consumer Price Index Year-Over-Year Change



Source: 2022 Commonfund Higher Education Price Index Report

Recommended Tuition and Mandatory Fees (per semester)

Undergraduate	Fall 2022	Fall 2023	% Change
Resident	\$ 6,429.50	\$ 6,606.00	2.75%
Non-resident	\$16,138.00	\$16,703.00	3.50%
UKOnline (Per Credit Hour)	\$ 594.50	\$ 611.00	2.78%

Graduate	Fall 2022	Fall 2023	% Change
Resident	\$ 6,973.00	\$ 7,165.00	2.75%
Non-resident	\$17,129.50	\$17,729.50	3.50%
Graduate Students Enrolled Exclusively in Distance Education Courses	\$ 6,427.00	\$ 6,619.00	2.99%

Headcount Enrollment

	Fall 2019 Actual	Fall 2020 Actual	Fall 2021 Actual	Fall 2022 Actual	Fall 2023 Target
Undergraduate First-time in College	5,348	4,891	4,721	6,061	6,400
Other Undergraduates	16,928	17,355	17,207	16,706	16,544
Graduate/Professional	8,269	8,864	9,608	9,943	10,020
TOTAL	30,545	31,110	31,536	32,710	32,964

Tuition Revenue Forecast

Retention by Undergraduate Cohort													
As of March 2, 2023						Fall Retention Rate Changes		0.0%					
						Fall 2023 Cohort Budget Target		6,400					
						Fall 2023 Cohort Residency Split		67.0%		Resident			
Resident													
Cohort Term	Cohort Size	Cohort Size with Exclusions	Retained 1st Spring	Retained 2nd Fall	Retained % 2nd Fall	Retained 3rd Fall	Retained % 3rd Fall	Retained 4th Fall	Retained % 4th Fall	Retained 5th Fall	Retained % 5th Fall	Retained 6th Fall	Retained % 6th Fall
Fall 2005	2,899	2,881	2,650	2,291	79.03%	2,021	69.71%	1,928	66.51%				
Fall 2006	3,140	3,103	2,811	2,411	76.78%	2,186	69.62%	2,035	64.81%				
Fall 2007	2,897	2,859	2,648	2,352	81.19%	2,089	72.11%	1,959	67.62%				
Fall 2008	3,118	3,090	2,892	2,534	81.27%	2,243	71.94%	2,104	67.48%				
Fall 2009	3,218	3,178	3,045	2,640	82.04%	2,319	72.06%	2,154	66.94%	1,034	32.13%	526	16.35%
Fall 2010	3,276	3,227	3,073	2,714	82.84%	2,446	74.66%	2,324	70.94%	1,286	39.26%	561	17.12%
Fall 2011	3,021	2,980	2,828	2,469	81.73%	2,281	75.50%	2,129	70.47%	1,138	37.67%	489	16.19%
Fall 2012	3,153	3,117	2,987	2,676	84.87%	2,429	77.04%	2,284	72.44%	868	27.53%	457	14.49%
Fall 2013	3,225	3,186	2,999	2,667	82.70%	2,437	75.57%	2,249	69.74%	842	26.11%	449	13.92%
Fall 2014	3,216	3,185	2,991	2,688	83.58%	2,425	75.40%	2,235	69.50%	716	22.26%	460	14.30%
Fall 2015	3,190	3,153	2,962	2,665	83.54%	2,437	76.39%	2,233	70.00%	645	20.22%	440	13.79%
Fall 2016	3,165	3,134	2,950	2,681	84.71%	2,414	76.27%	2,227	70.36%	674	21.30%	445	14.06%
Fall 2017	3,075	3,054	2,875	2,627	85.43%	2,354	76.55%	2,168	70.50%	623	20.26%	370	12.03%
Fall 2018	3,188	3,160	2,983	2,705	84.85%	2,479	77.76%	2,234	70.08%	608	19.07%	368	11.53%
Fall 2019	3,373	3,354	3,146	2,936	87.04%	2,632	78.03%	2,378	70.50%	607	17.99%		
Fall 2020	3,083	3,079	2,864	2,642	85.70%	2,426	78.69%	2,169	70.36%				
Fall 2021	3,147	3,146	2,945	2,673	84.94%	2,476	78.69%						
Fall 2022	3,769	3,769	3,573	3,158	83.79%								
Fall 2023	4,288												

FISCAL YEAR 2023-24 BUDGET

Service Assessments

4			2023-24					
5			Cost Study					Adjusted
6		2022-23	Analysis	2023-24	2023-24		Additional	2023-24
7		Actual	& Prior Direct	Recommended	Amount	%	Direct	Recommended
8		Assessment	Investments	Assessment	Change	Change	Investments	Assessment
9	Athletics	\$2,728,400	\$3,261,166	\$3,137,700	\$409,300	15%		\$3,137,700
10	Dining	383,600	629,603	421,960	38,360	10%		421,960
11	Housing	578,100	742,697	635,910	57,810	10%		635,910
12	Parking	529,600	405,017	503,120	(26,480)	-5%		503,120
13	UKRF	2,654,400	n/a	2,787,100	132,700	5%		2,787,100
14	UKHC	22,863,679	25,420,292	25,420,292	2,556,613	11%	\$3,182,000	28,602,292
15	UHS	248,600	221,811	248,600	-	0%		248,600
16	Student Center	856,100	556,253	856,100	-	0%		856,100
17		\$30,842,479	\$31,236,839	\$34,010,782	\$3,168,303	10%	\$3,182,000	\$37,192,782

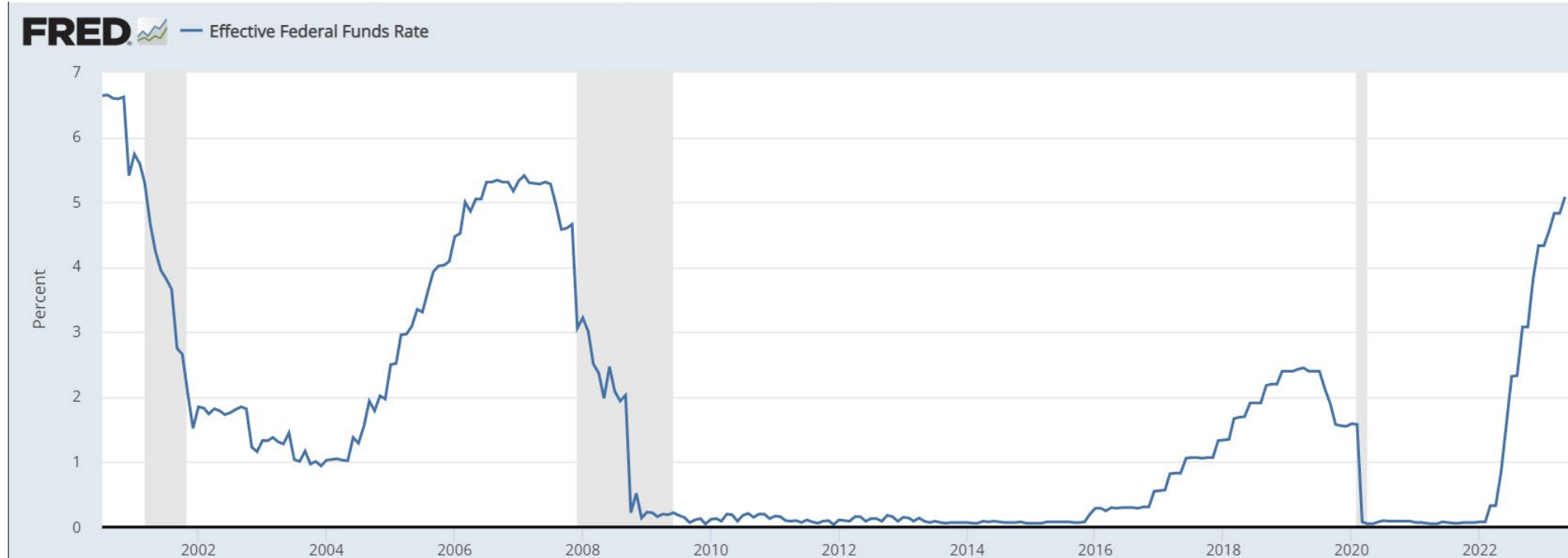
Support and Resource Units

- President's Office
- Provost Office
- EVP Finance & Administration
- Philanthropy
- Human Resource Services
- Internal Audit
- Legal Counsel
- Procurement
- University Financial Services
- Risk Management
- University Budget Office
- Environmental Management
- Office of Emergency Management
- Information Technology Services
- UK Police
- Facilities Management

FISCAL YEAR 2023-24 BUDGET

Investment Income

	FYE	Original Budget
6		
7	2014	\$1,068,000
8	2015	\$2,084,000
9	2016	\$3,479,000
10	2017	\$4,020,000
11	2018	\$9,552,900
12	2019	\$16,326,400
13	2020	\$24,173,000
14	2021	\$6,673,000
15	2022	\$9,813,000
16	2023	\$14,691,200
17	2024	\$22,691,200



U.S. recessions are shaded. Source: Federal Reserve Bank of New York myf.red/g/EHY2

FISCAL YEAR 2023-24 BUDGET

Undesignated General Funds Incremental Changes Projected FY 2024 Budget Uses

RECURRING BUDGET	RECOMMENDED FY 2023-24
People Faculty and Staff Salary Increase Benefits Faculty Promotions, Recruitment and Retention Funds	\$15.2
Financial Allocation Models Net Tuition Revenue (NTR) College Productivity Model (CPM) Performance Funding Allocation (PFA)	17.8
Strategic Investments Student Financial Aid Libraries QEP	5.8
Unavoidable Costs	3.6
State-Supported Programs	(11.0)
Total	\$31.4

IN MILLIONS

FY 2024: Our People

1. Salary increase: maximum flexibility for distribution of funds
2. Modest increase in employee health benefit costs
3. Carry over vacation leave for staff

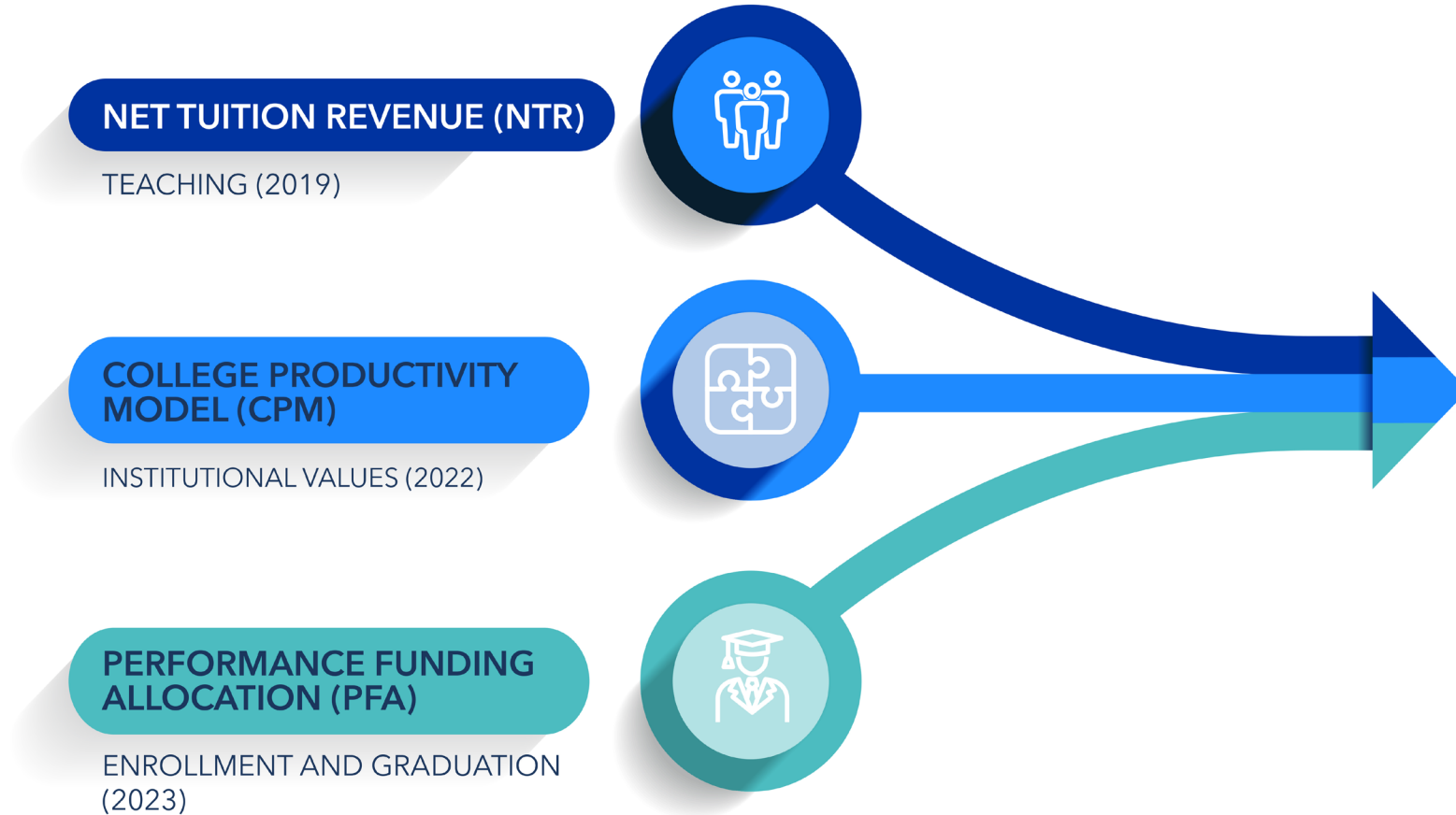


Base Salary Increases

Fiscal Year	Undesignated General Funds (in millions)
2013-14	20.1
2014-15	8.6
2015-16	15.5
2016-17	7.7
2017-18	12.4
2018-19	5.6
2019-20	7.4
2020-21	0.0
2021-22	8.8
2022-23	17.3
2023-24	12.5



Fueling Our Success: Financial Allocation Models



Fueling Our Success: Financial Allocation Models



NET TUITION REVENUE (NTR)

Incentivize enrollment growth by sharing increase in net tuition revenue

COLLEGE PRODUCTIVITY MODEL (CPM)

Incentivize institutional values

Colleges awarded funds if performance is above the mean for metrics:

- Degrees Awarded Per Faculty
- Percent of Research/External Compensation
- Percent of Attempted Student Credit Hours Taught by Tenured and/or Full-Time Faculty
- Percent of Diverse Tenured and/or Diverse Full-Time Faculty
- Work Life Survey Results



PERFORMANCE FUNDING ALLOCATION (PFA)

Incentivize enrolling and graduating more students and in-person instruction

Colleges awarded funds based on proportionate share of:

- Degree Production
- Enrollment of New Students
- Increase Percent of Courses with Traditional Modality



FISCAL YEAR 2023-24 BUDGET

Fueling Our Success: Financial Allocation Models

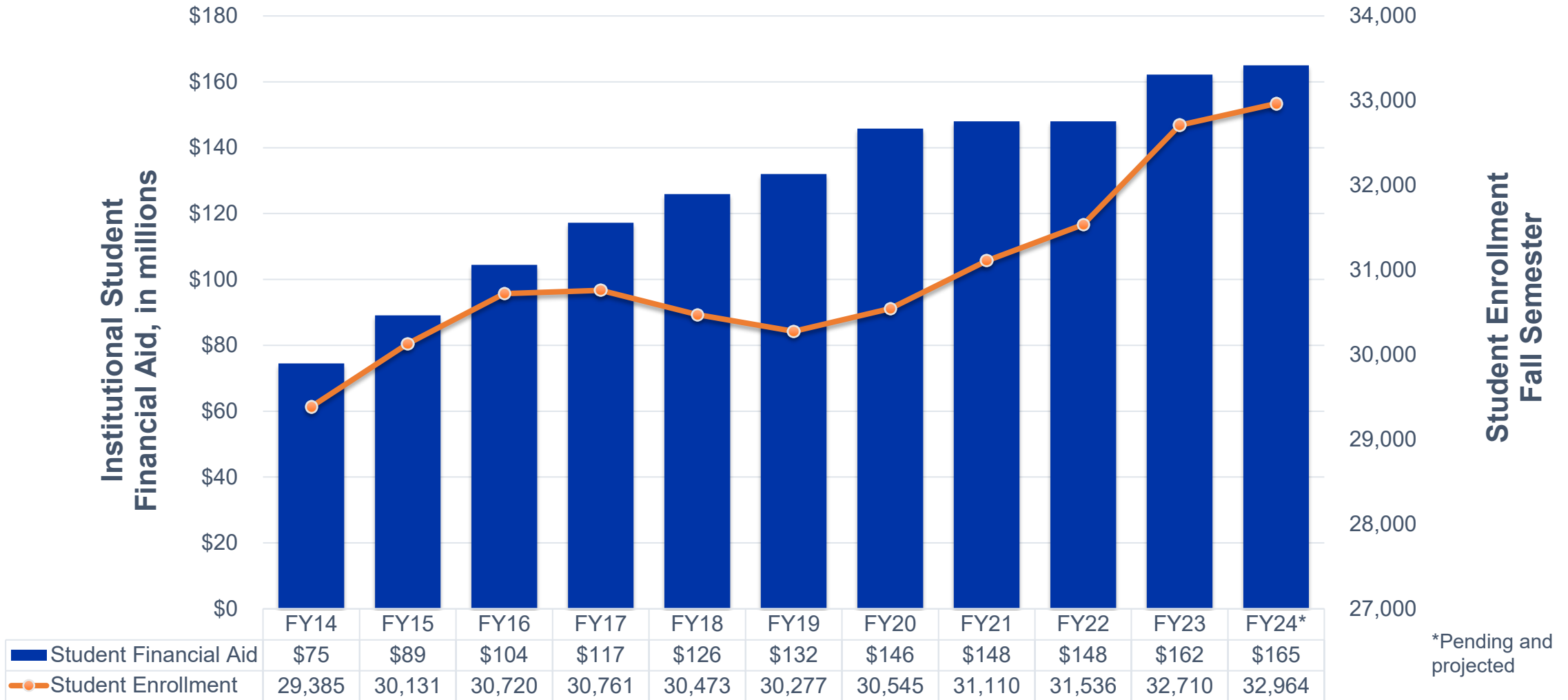
Actual Distributions

	FY 2020-21	FY 2021-22	FY 2022-23*
NTR			
Model	\$ 3.2	\$ 4.4	\$ 6.3
Outside Model	<u>9.0</u>	<u>19.6</u>	<u>5.4</u>
	\$12.2	\$24.0	\$11.7
CPM		\$3.0	\$4.5
PFA			\$3.0
College Reallocation (CPM 30% / PFA 70%)			\$7.5
Total	\$12.2	\$27.0	\$26.7

IN MILLIONS

*as of May 28, 2023

UK Institutional Student Financial Aid and Student Enrollment



*Pending and projected

FISCAL YEAR 2023-24 BUDGET

Aligning Our Investments with the Strategic Plan



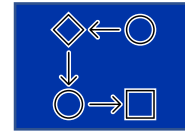
Putting Students First



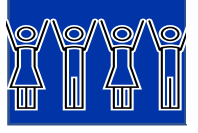
Taking Care of Our People



Inspiring Ingenuity



Ensuring Greater Trust, Transparency and Accountability



Bringing Together Many People, One Community

	Putting Students First	Taking Care of Our People	Inspiring Ingenuity	Ensuring Greater Trust, Transparency and Accountability	Bringing Together Many People, One Community
Financial Allocation Models	●	●	●	●	●
Student Aid	●				
Quality Enhancement Program (QEP)	●				
Salary Increases		●			
Health Benefits		●			●
Faculty "Fighting Fund"		●			●
Faculty Diversity Fund		●			●
Libraries Investment	●		●		
Efficiency and Effectiveness Initiatives				●	

Budget Communications

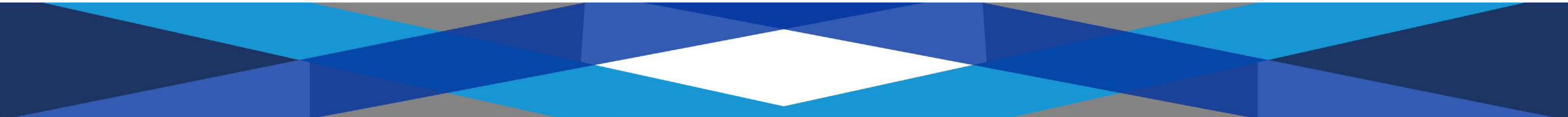
- Periodic messages to campus
- Salary & benefit changes
- Consolidated budget document www.uky.edu/ubo/
 - UK Leadership
 - President's Budget Message
 - Budget at a Glance
 - Revenue and Expense Summaries
 - Expenses by Colleges and Units
 - Tuition, Fee, and Rate Schedules
 - Capital Budget
 - Glossary

Specific Topics

- Financial Analyses
- Student Affordability

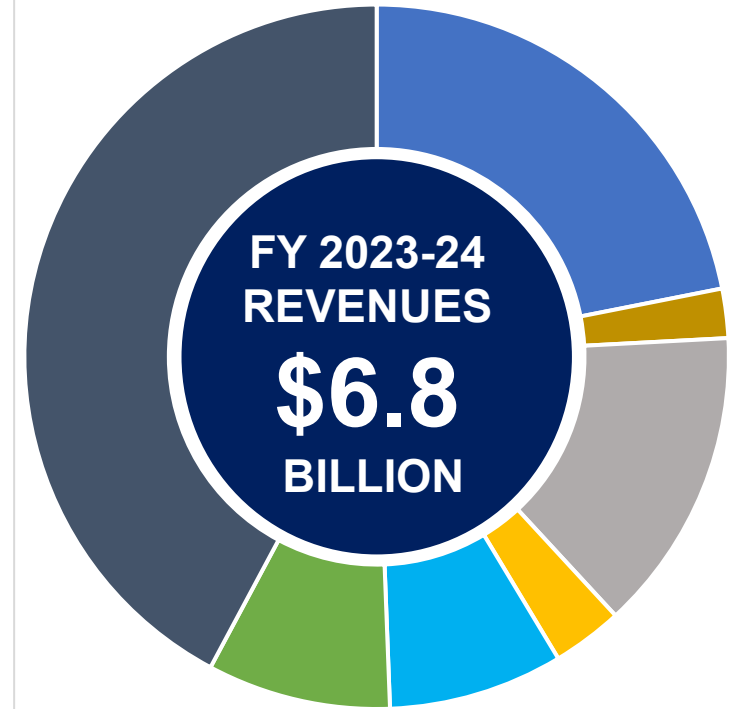
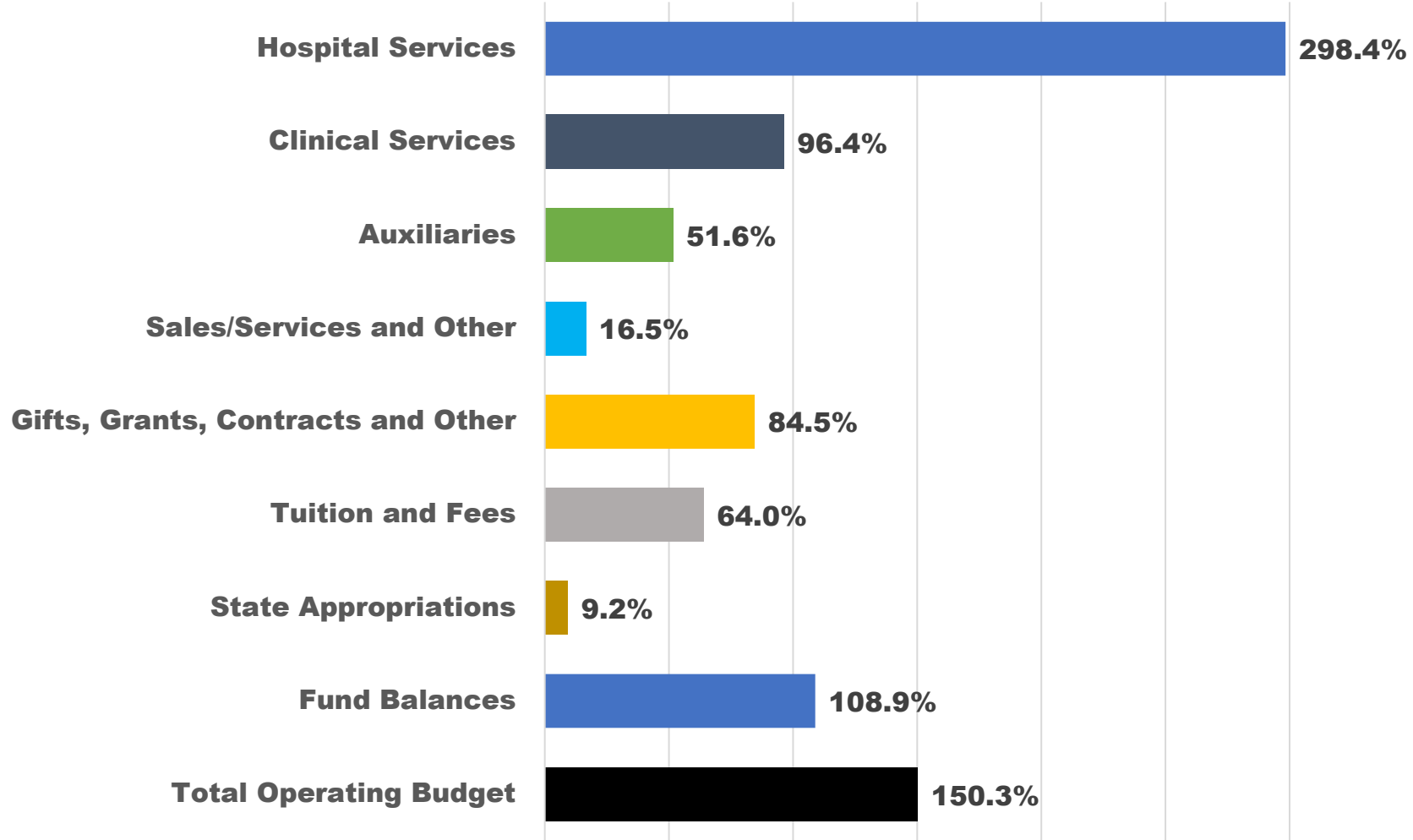
Financial Analyses

- Horizontal analysis
- Vertical analysis
- Ratio analyses



Horizontal Analysis

Operating Revenues Percent Change: FY 2013-14 to FY 2023-24

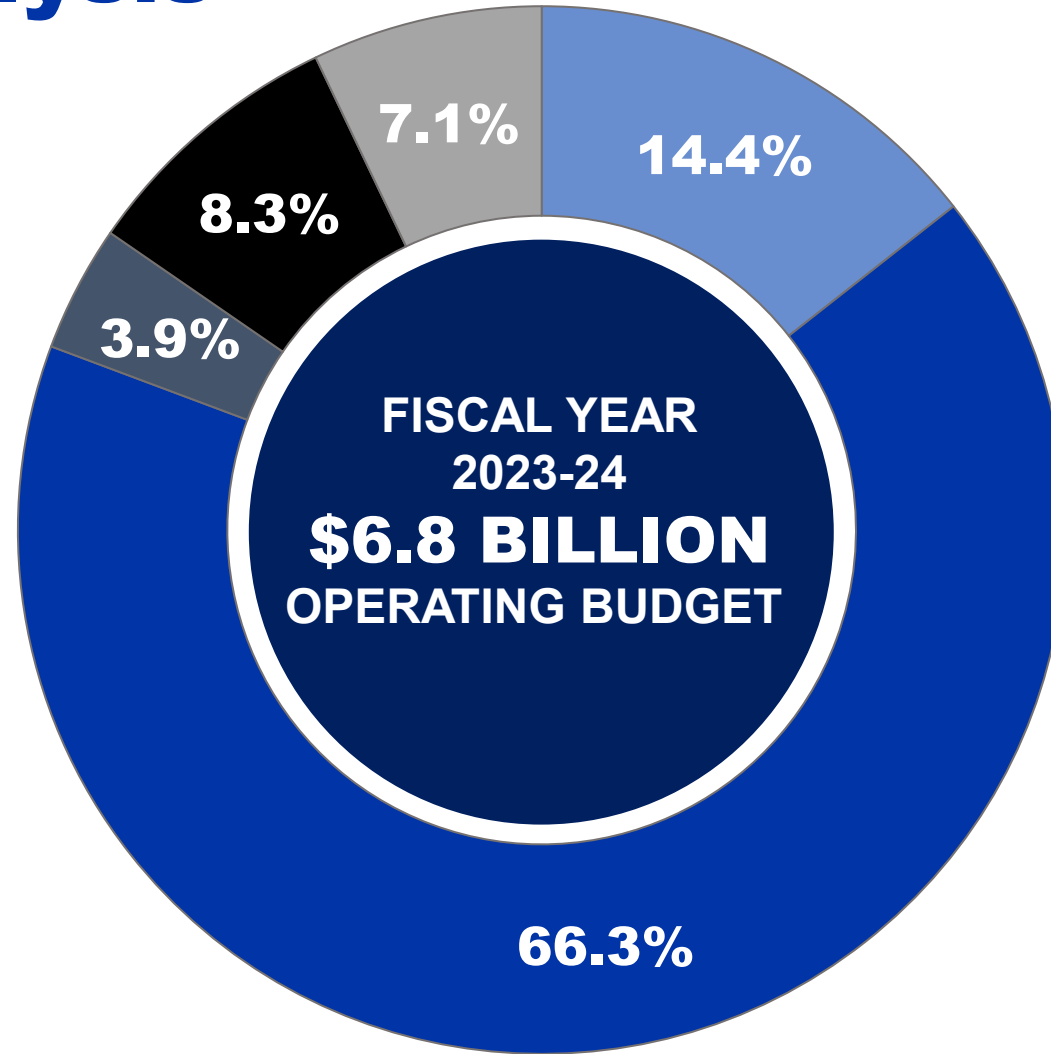


Vertical Analysis

**Designated
General Funds
66.3%**

**Undesignated
General Funds
14.4%**

**Restricted
Funds
8.3%**



**Auxiliary
Funds
3.9%**

**Fund
Balances
7.1%**

Ratio Analysis

- Examines proportional relationships between various items in the financial statements in the same year
- Ratios that analyze financial stability
 - **Operating ratios**
Evaluate revenue generation using income statement
 - **Liquidity ratios**
Measure the financial strength and viability of an institution using the balance sheet
 - **Solvency ratios**
Measure the ability to repay debt incurred to finance major projects

Ratio Analysis

Type	Ratio	Target Values (%)
Operating	Net Operating Revenues	2 to 5
Operating	Net Tuition and Fees Contribution	≤ 60
Liquidity	Current	200
Liquidity	Quick (acid test)	≥ 100
Liquidity	Primary reserve	≥ 40
Solvency	Viability	≥ 100
Solvency	Debt burden	≤ 7

Operating Ratios

Net Operating Revenue Ratio

$$\frac{\text{operating gain} + \text{net nonoperating revenue}}{\text{total operating revenues} + \text{total nonoperating revenues}}$$

Net Tuition and Fees Contribution Ratio

$$\frac{\text{net tuition and fees revenue}}{\text{total expenses}}$$

Liquidity Ratios

Current Ratio

$$\frac{\text{all current assets}}{\text{current liabilities}}$$

Quick Ratio

$$\frac{\text{cash} + \text{current investments} + \text{accts receivable}}{\text{current liabilities}}$$

Primary Reserve Ratio

$$\frac{\text{expendable net assets}}{\text{total expenses}}$$

Solvency Ratios

Viability Ratio

$$\frac{\text{expendable net assets}}{\text{long-term debt}}$$

Debt Burden Ratio

$$\frac{\text{debt service}}{\text{adjusted expenses}}$$

FISCAL YEAR 2022-23 BUDGET

Fiscal Health: Debt Service as a Percentage of Adjusted Operating Budget*

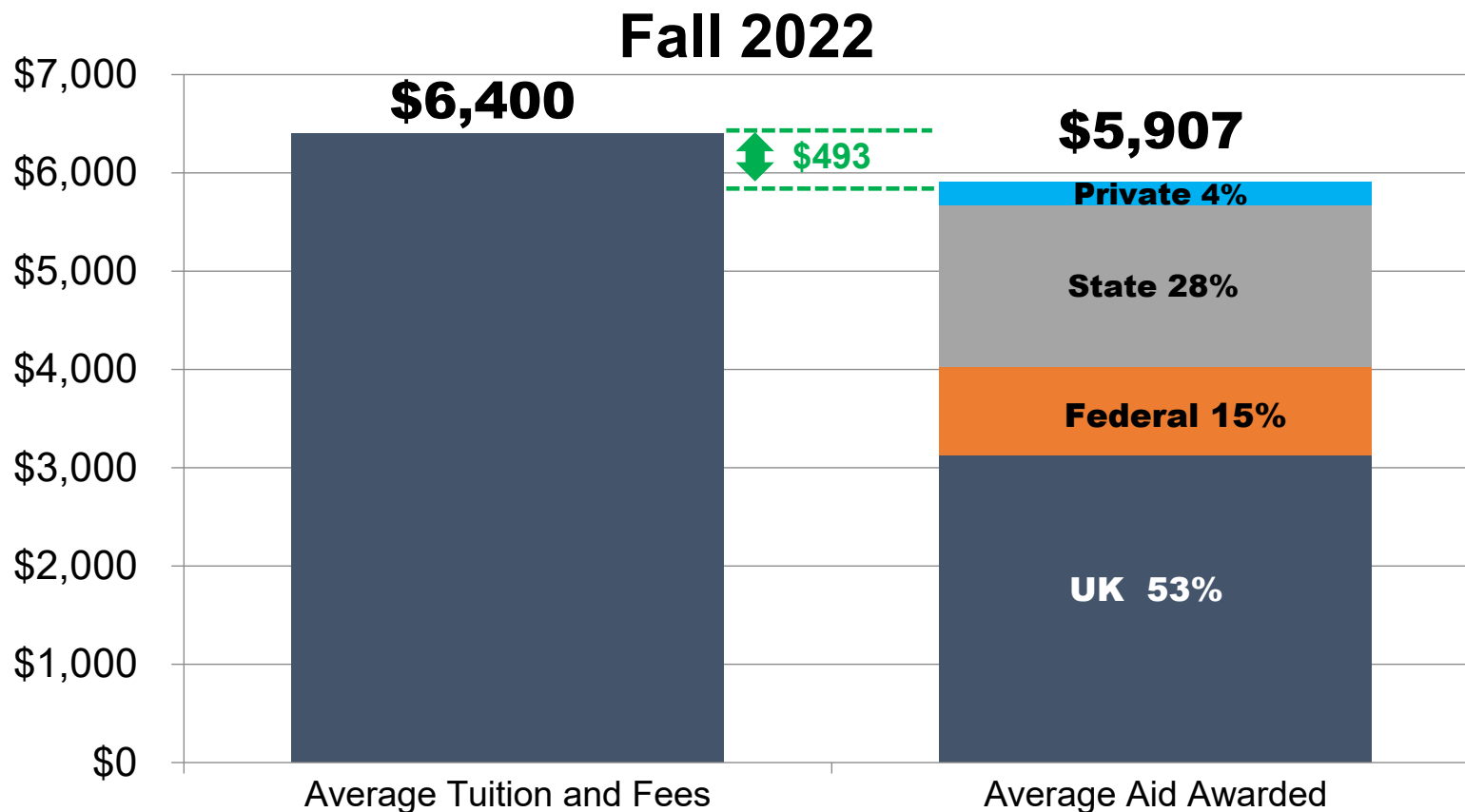
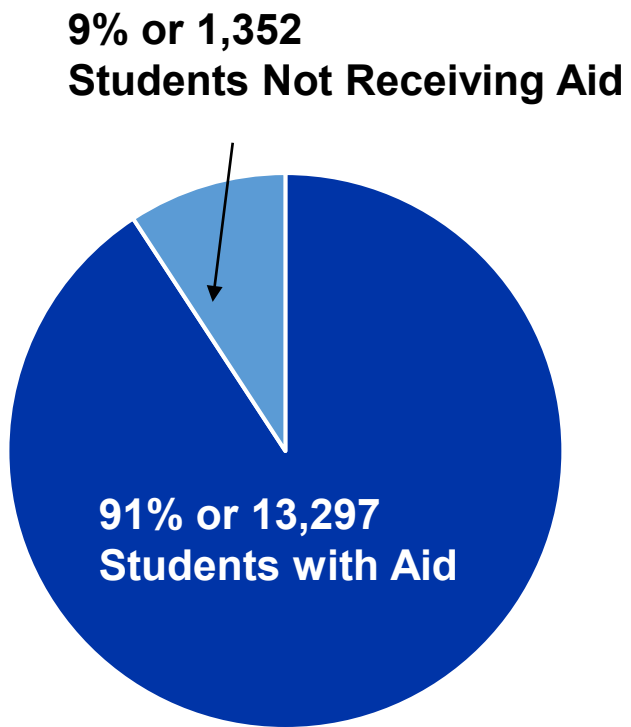


*Operating Budget less Restricted Funds and Fund Balances

Student Affordability

- Net tuition and fees for undergraduate, resident students
 - By income quartile
- Undergraduate unmet financial need
- Average debt of resident baccalaureate graduates
- Student success

UK Undergraduate Full-Time Resident Students Receiving Grants or Scholarships



91% of full-time resident undergraduates received student financial aid. These students paid, on average, \$493 out-of-pocket for tuition and fees in fall 2022.

UK Net Price by Income Quartile, Fall 2022

Average Tuition and Mandatory Fees Sticker Price \$6,375

25% of our undergraduate full-time Kentucky students are from families with a median income of \$24,644. For these students, grants and scholarships on average covered 100% of tuition and mandatory fees plus provided an additional \$3,171

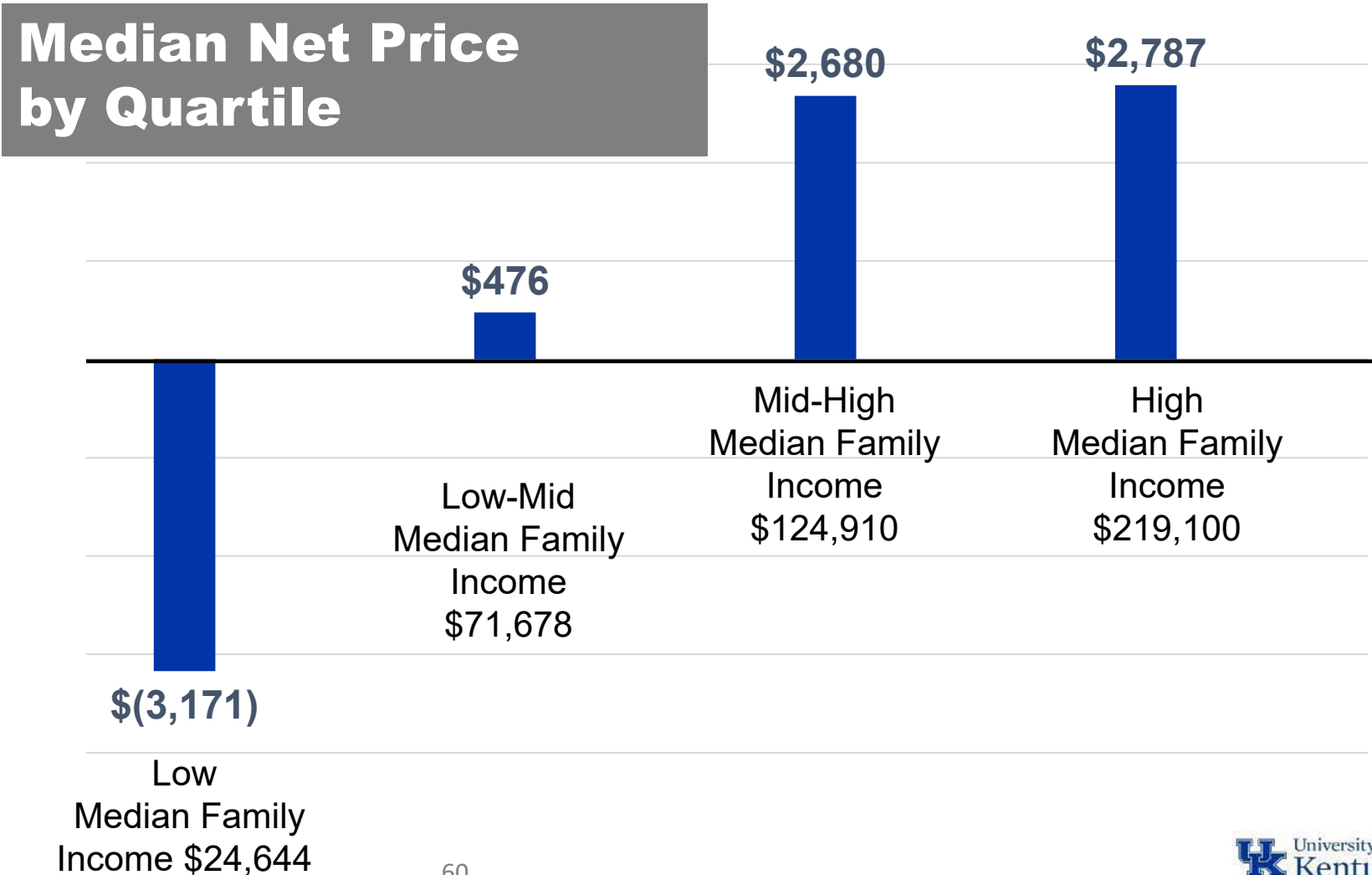
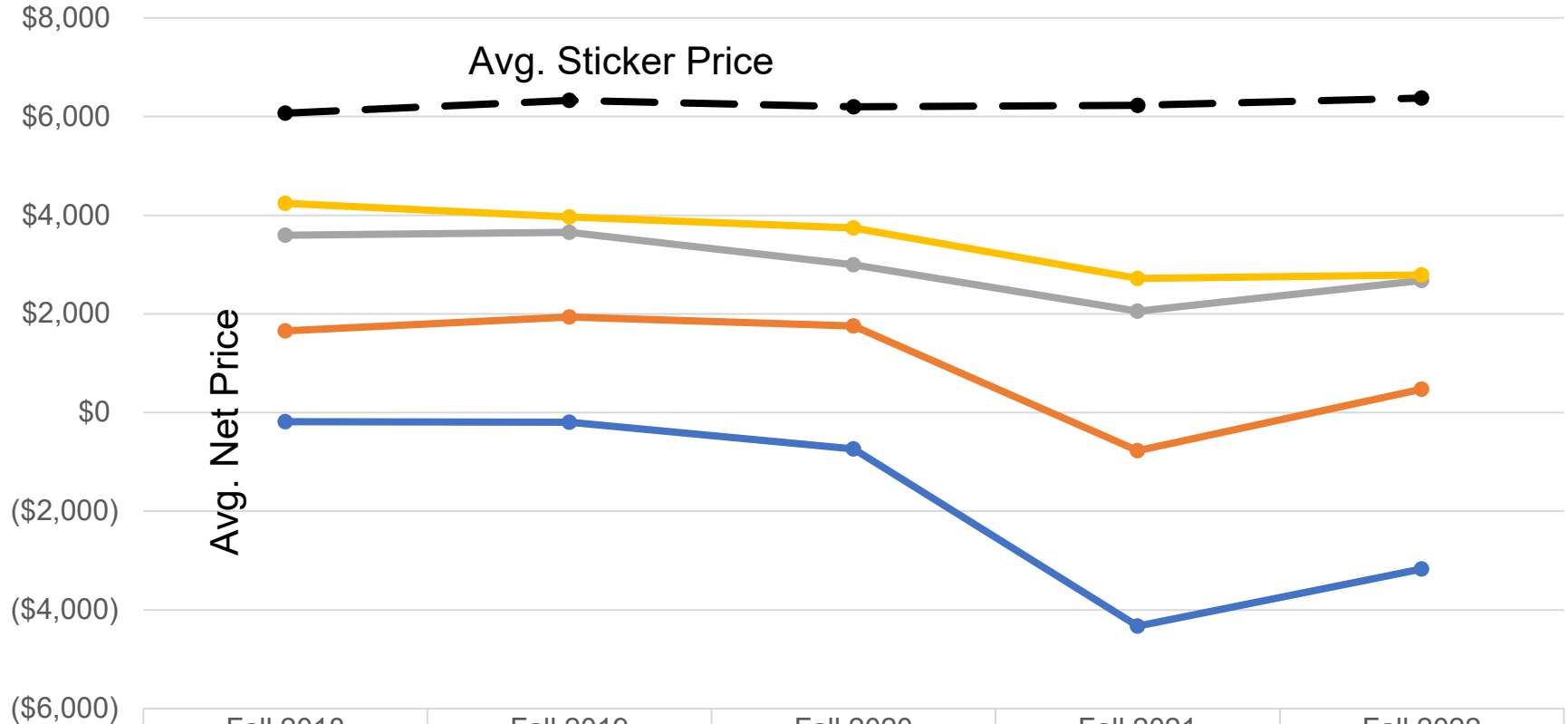


Chart based upon 9,540 full-time undergraduate, resident students who filed the FAFSA as dependents. Median family income based on adjusted gross income as reported.

UK Net Tuition and Fees Price by Income Quartile

Chart based upon full-time undergraduate, resident students who filed the FAFSA as dependents. Median family income based on adjusted gross income as reported.

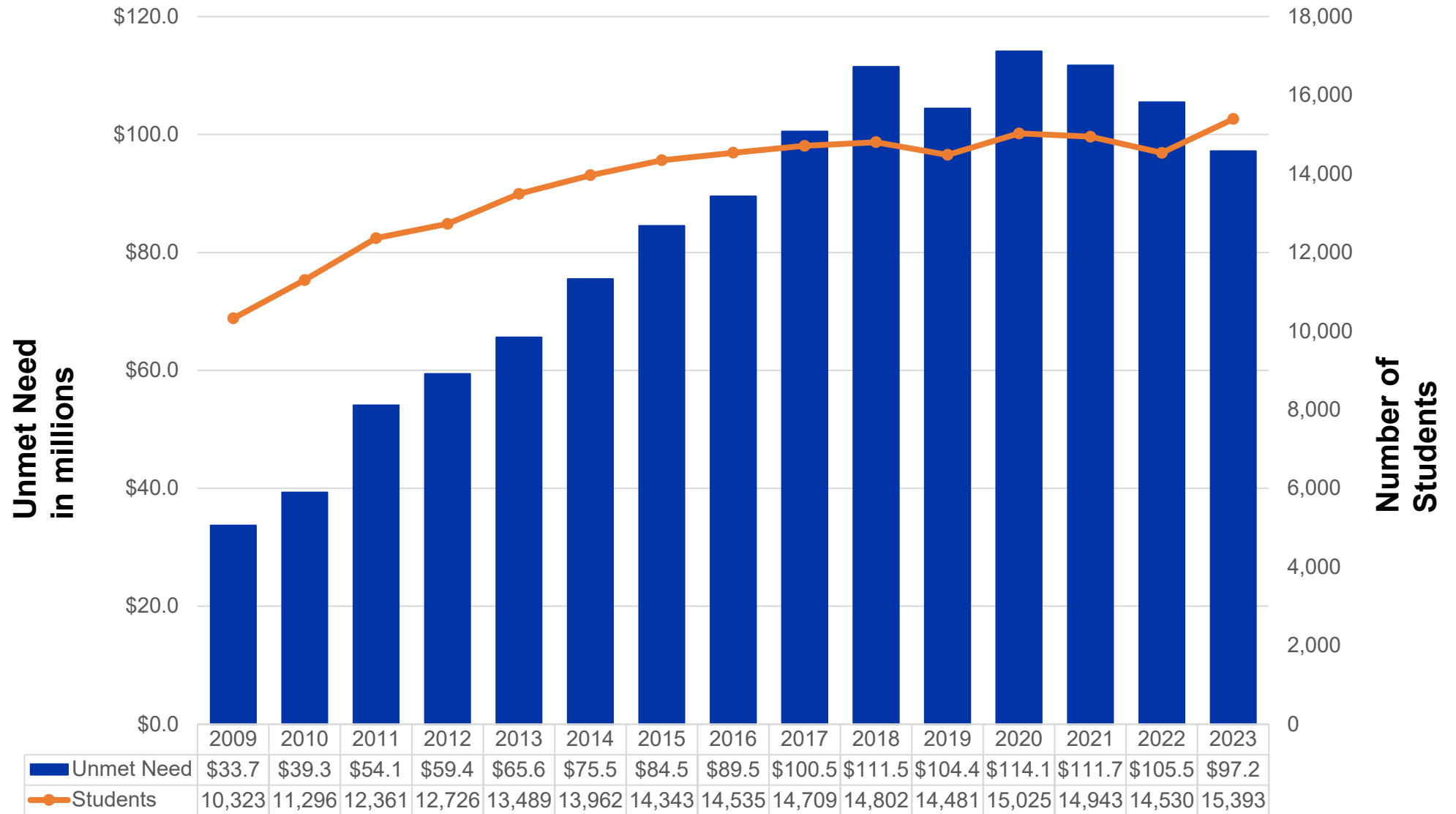


	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022
Low Median Family Income	(\$184)	(\$195)	(\$738)	(\$4,326)	(\$3,171)
Low-Mid Median Family Income	\$1,653	\$1,935	\$1,755	(\$770)	\$476
Mid-High Median Family Income	\$3,596	\$3,652	\$2,994	\$2,055	\$2,680
High Median Family Income	\$4,241	\$3,966	\$3,742	\$2,717	\$2,787
Avg. Tuition and Mandatory Fees	\$6,069	\$6,328	\$6,198	\$6,229	\$6,375

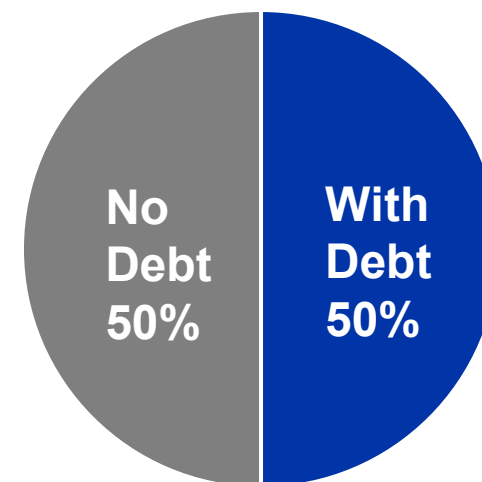
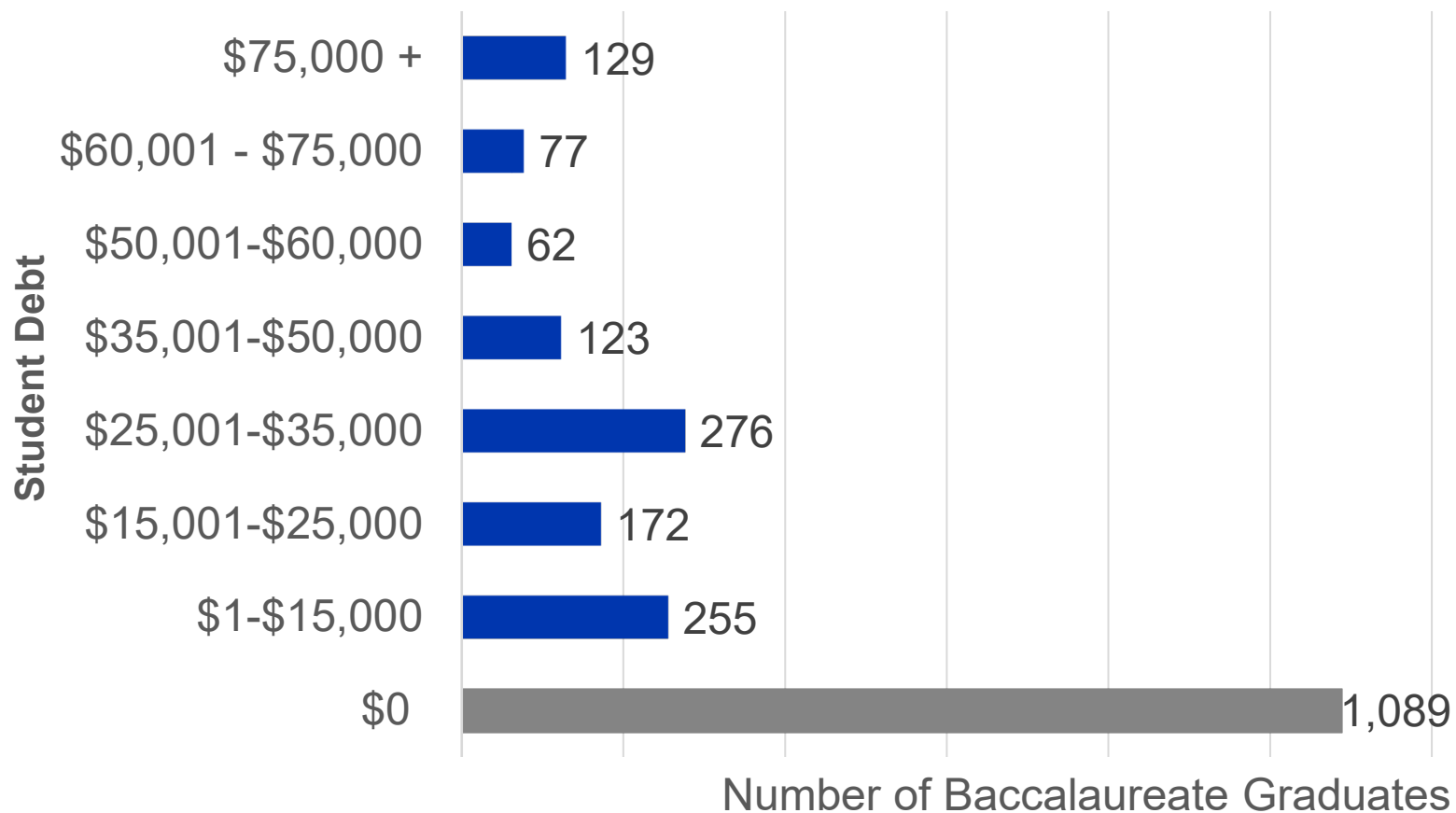
FISCAL YEAR 2023-24 BUDGET

Unmet Financial Need

- Shown by academic year
- Chart based upon undergraduate resident and nonresident students who filed the FAFSA.



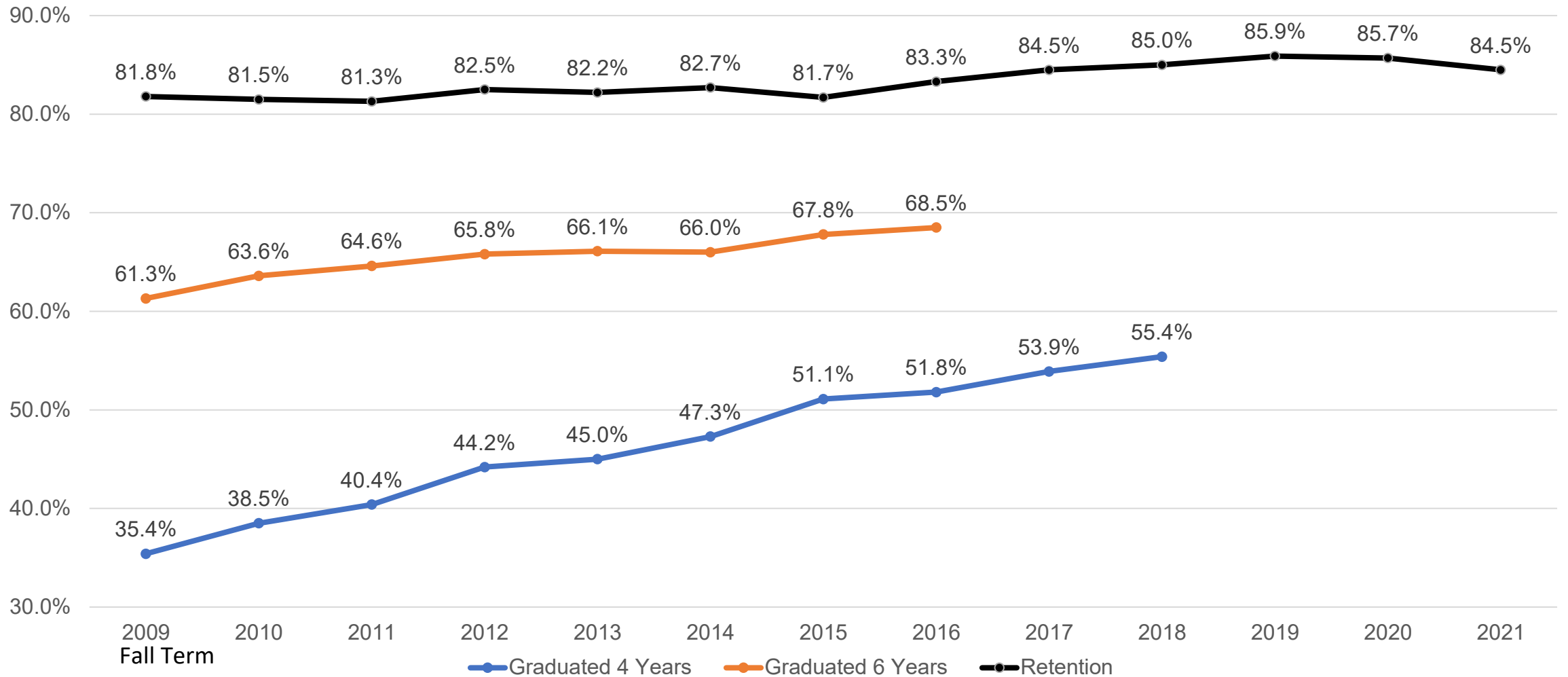
Average Debt of Resident Baccalaureate Graduates*



- 3,165 KY residents enrolled as first-time students in fall 2016
- 2,183 students, 69.0%, graduated by 2022 summer term (within six years)
- 50% percent of graduates had no student loans
- The average debt of graduates with loans was \$36,388; median debt of graduates with loans was \$27,458

*From the Fall 2016 Entering Cohort

Retention and Graduation Rates by Entering Cohort





Questions?