

FCR 5

Office of the President
December 2, 2025

Members, Board of Trustees:

FY 2025-26 BUDGET REVISIONS

Recommendation: that the Board of Trustees authorize and approve the following revisions to the FY 2025-26 budget. The budget revisions outlined below will increase the University of Kentucky's current funds budget by a net \$91,940,700, from \$8,621,830,300 to \$8,713,771,000.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
A. <u>GENERAL FUND</u>			
1. Income Estimates			
Gifts, Grants and Contracts			
State and Local Grants and			
Contracts - Other	\$3,612,800	\$3,812,800	\$200,000
Sales and Services			
Departmental Sales and			
Services – Other	53,500,300	53,503,700	3,400
Appropriated Fund Balances	579,096,000	670,151,500	<u>91,055,500</u>
			\$91,258,900
2. Expenditures			
Provost			
College of Education			
Office of Research	\$444,900	\$644,900	\$200,000
College of Engineering			
Electrical Engineering	5,193,000	5,196,500	3,500
University Wide			
Operating and Capital Projects	334,079,200	425,134,600	<u>91,055,400</u>
			\$91,258,900
3. <u>Comments</u> – The \$200,000 increase in State and Local Grants and Contracts is due to an increase in funds from the Governor's Office Early Childhood evaluation project. The \$3,400 increase in sales and services reflect anticipated income from the Nanoscale Science Engineering recharge operation.			

Fund balances are generated and saved over multiple years. The FY 2025-26 Operating Budget, approved by the Board of Trustees on June 13, 2025, included planned expenditures supported with projected General Fund, fund balances of \$579,096,000. Based on actual funds remaining as of June 30, 2025, and committed for capital projects and various strategic initiatives, the budget for General Fund, fund balances will increase by \$91,055,500. Planned expenditures will be adjusted accordingly.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
B. <u>AUXILIARY FUND</u>			
1. Income Estimates			
Student Tuition and Fees			
Fees			
Noncredit	\$943,300	\$993,500	\$50,200
Sales and Services			
Departmental Sales and Services			
Other	9,275,800	9,119,300	(156,500)
Appropriated Fund Balances	9,572,500	10,141,900	<u>569,400</u>
			\$463,100
2. Expenditures			
Executive Vice President for Finance and Administration			
Auxiliary and Administration Services			
Auxiliary and Transportation Services			
Transportation Services	\$19,621,800	\$19,708,700	\$86,900
Facilities Management			
Capital Construction	5,000	21,700	16,700
Physical Plant	876,300	1,224,800	348,500
Utilities and Energy Management	897,500	950,800	53,300
Procurement, Risk Management and Other Services			
Procurement	51,600	56,800	5,200
Risk Management	0	500	500
University Police	0	16,700	16,700
Human Resource Services			
Temporary Employment	48,000	0	(48,000)
Information Technology Services			
Support Services	0	20,400	20,400
Provost			
Martin-Gatton College of Agriculture			
Food and Environment			
Ag Experiment Station			
Agriculture Motor Pool Security	0	30,300	30,300

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
2. Expenditures			
Provost			
Stanley and Karen Pigman			
College of Engineering			
Civil Engineering	\$118,700	\$124,500	\$5,800
Engineering Electron Microscopy	193,900	219,500	25,600
Mining Engineering	6,900	3,800	(3,100)
College of Medicine			
Anatomy and Neurobiology	32,700	57,300	24,600
Continuing Education	610,000	646,900	36,900
Office of Academic Affairs	0	700	700
Spinal Cord	200,900	7,300	(193,600)
Center for Cancer Prevention, Education, and Patient Care Operations	10,000	45,700	<u>35,700</u>
			<u>\$463,100</u>

3. Comments – The \$50,200 increase in Student Tuition and Fees is due to increased revenues from the continuing education and the Center for Environmental Systems Biochemistry service centers in the College of Medicine.

The \$156,500 decrease in sales and services is due to less external sales anticipated from several service center operations. The \$569,400 increase in Appropriated Fund Balances for several service centers reflects actual balances as of June 30, 2025. The funds will be used to support operations in the associated service centers.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
C. <u>RESTRICTED FUND</u>			
1. Income Estimates			
Endowment and Investment Income			
Endowment Spending Distribution	\$35,172,100	\$35,192,500	\$20,400
UK Gluck Equine Research Foundation, Inc.	400,500	350,000	(50,500)
Gifts, Grants and Contracts			
Gifts, and Other Grants and Contracts - Other	26,740,200	26,860,200	120,000
Appropriated Fund Balances	176,862,800	176,991,600	<u>128,800</u>
			<u>\$218,700</u>

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
2. Expenditures			
Research			
Center for the Environment -			
Operations	\$0	\$20,400	\$20,400
University Wide			
Student Financial Aid – Central	91,043,400	91,432,200	388,800
Affiliated Corporations			
UK Gluck Equine Research			
Foundation, Inc.	200,500	10,000	<u>(190,500)</u>
			\$218,700

3. Comments – The \$20,400 increase in Endowment and Investment income is due to additional endowment income that was not budgeted in the Center for the Environment during the initial budget development process.

The affiliated corporation budgets contained in the University's original operating budget are, in some instances, tentative and subject to the approval of the corporations' respective boards. The \$50,500 decrease in endowment and investment income reflects the UK Gluck Equine Research Foundation Inc. budget that was approved by its corporate board.

The \$120,000 increase in Gifts, Grants and Contracts is due to the Leads Bullard Family renewed gift agreement which funds scholarships.

The \$128,800 increase in Appropriated Fund Balances reflects the actual remaining balances as of June 30, 2025, for several Leads scholarships. These funds provide need-based scholarship awards to students.

Action taken: ☒ Approved ☐ Disapproved ☐ Other _____