

IRMY22: Year in Review

UTSA[®]

The University of Texas at San Antonio[™]

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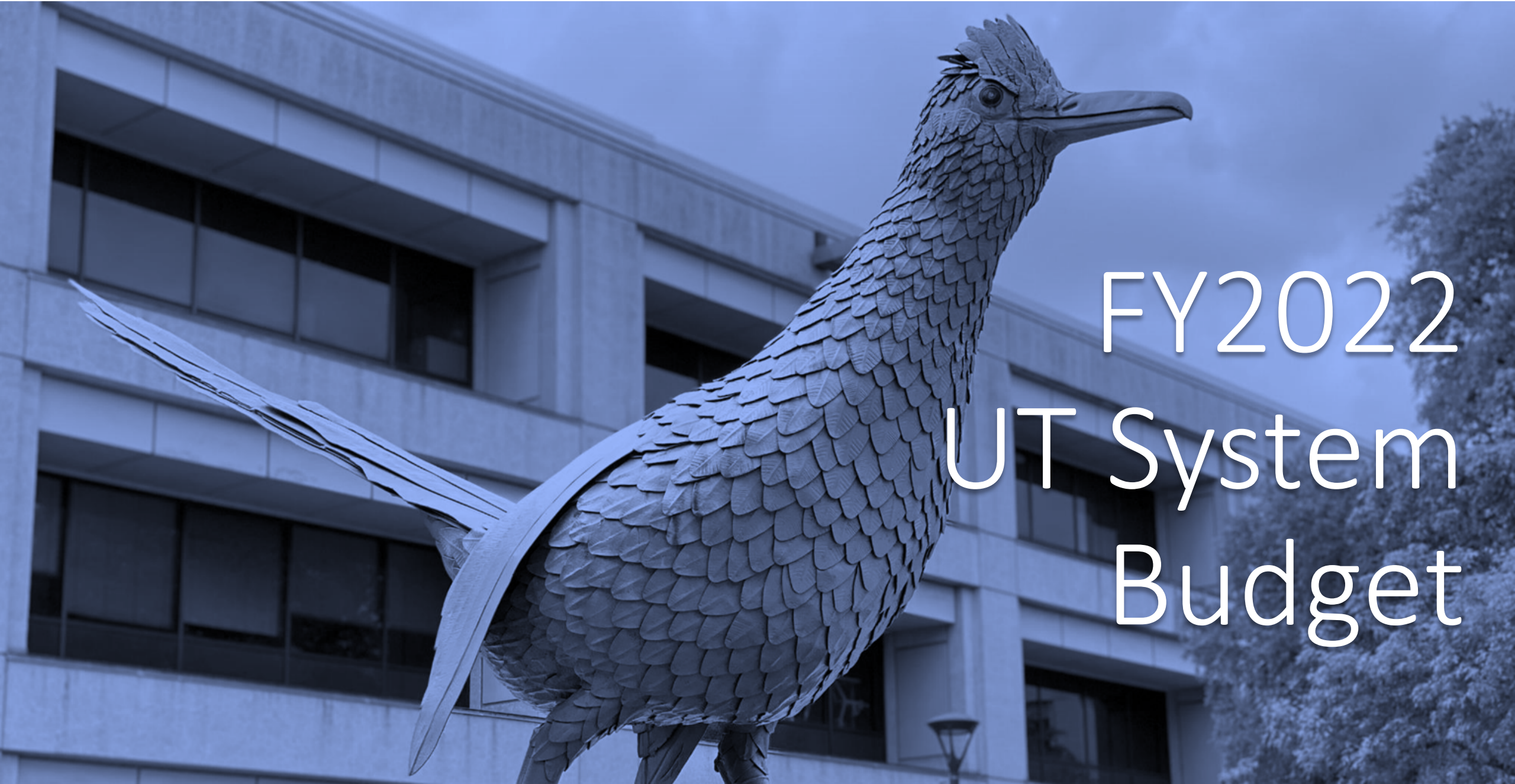
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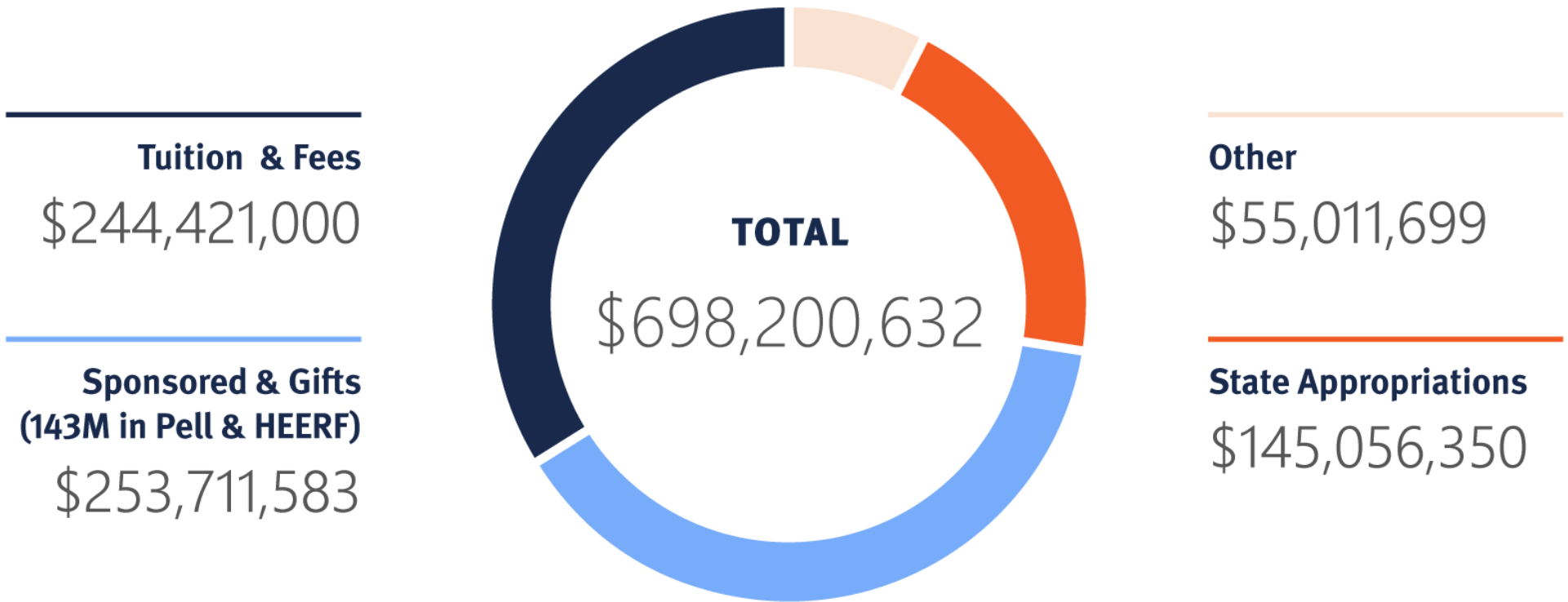
Agenda

- FY2022 UT System Budget
- IRM Model Overview
- IRM Process Improvements
- IRMY22 Outcomes
- IRMY22 “At Work”
 - Compensation Strategy Investments
 - Strategic Investment Fund
 - Operational Review Committee
- IRMY22 Conclusion




FY2022 UT System Budget

FY2022 Budgeted Revenue



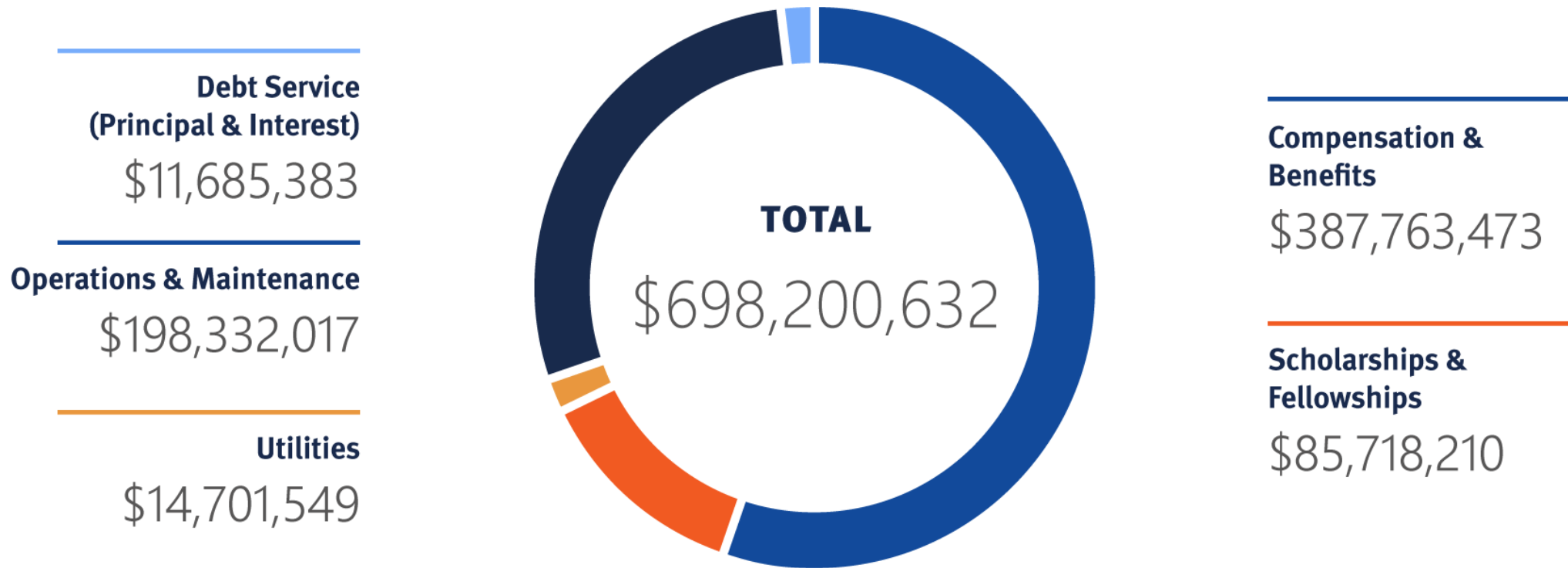
FY2022 Budgeted Revenue

STATE APPROPRIATIONS	FY2022
GENERAL REVENUE	\$114,129,800
STATE GROUP INSURANCE	\$13,577,249
OTHER BENEFITS (TRS/OPR/OASI)	\$17,349,301
TOTAL	\$145,056,350

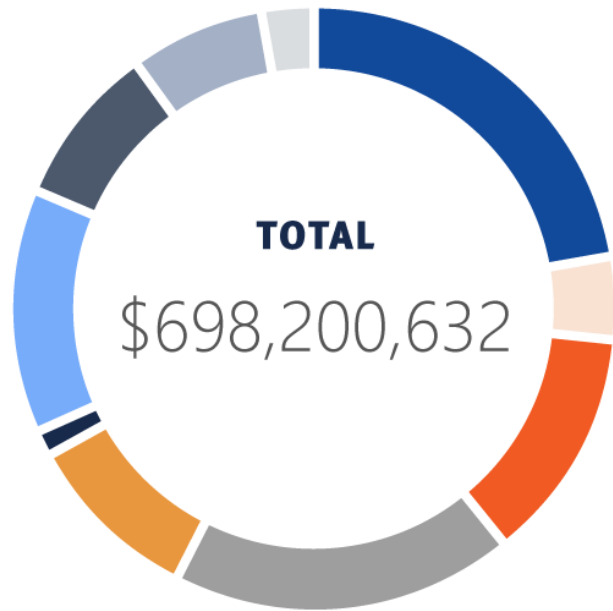


\$25M INCREASE

FY2022 Budgeted Expenses By Type



FY2022 Functional Budgeted Expense



Instruction
\$155,066,628

Research
\$127,377,490

Academic Support
\$90,285,595

Public Service
\$18,267,168

Student Services
\$31,369,077

Auxiliary Enterprises
\$66,749,714

Institutional Support
\$60,009,187

Scholarships & Fellowships
\$88,388,551

Debt Service Interest
\$9,419,483

Operations & Maintenance of Plant
\$51,267,739

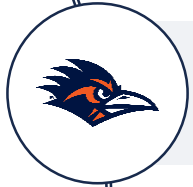


IRM Model Overview

Guiding Principles



•Align resources with institutional priorities and state investment processes.



Promote **collaboration** amongst the colleges, support units and auxiliaries to advance institutional and student success.



Support the decision-making process with reliable data and analysis.



Improve budget transparency.



Guiding Principles



•Incentivize enrollment growth and cost effectiveness while enhancing fiscal accountability and prudent management of resources.



Align college opportunities to develop resources for program support and to make “local” decisions that advance their college and students



Evaluate the budget process periodically and adjust as necessary.



Develop a budget model that promotes clarity and understanding for academic and administrative leaders with financial responsibilities.



How It Works

IRM aligns institutional goals and KPIs with academic planning and financial management.

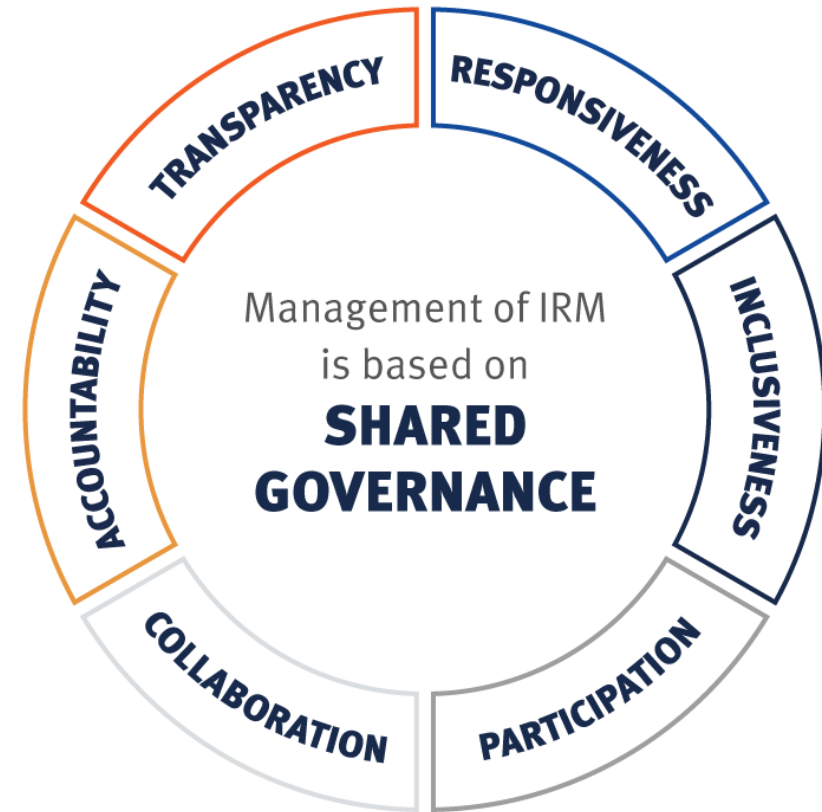
This ensures our budget supports the university's priorities, while encouraging campus units to own and develop their resources.



Governance Structure

IRM is governed by a collaborative, data-driven participatory process.

Under IRM, we all have shared responsibilities in deciding budget priorities. Regular touchpoints with campus stakeholders, shared governance bodies, and representative leadership is part of IRM. While ultimate budgetary decisions are made by the president, the Resource Management Team and University Leadership Council (which includes shared governance leadership of faculty, staff, and students) provide guidance and key insights to the overall decision-making process.

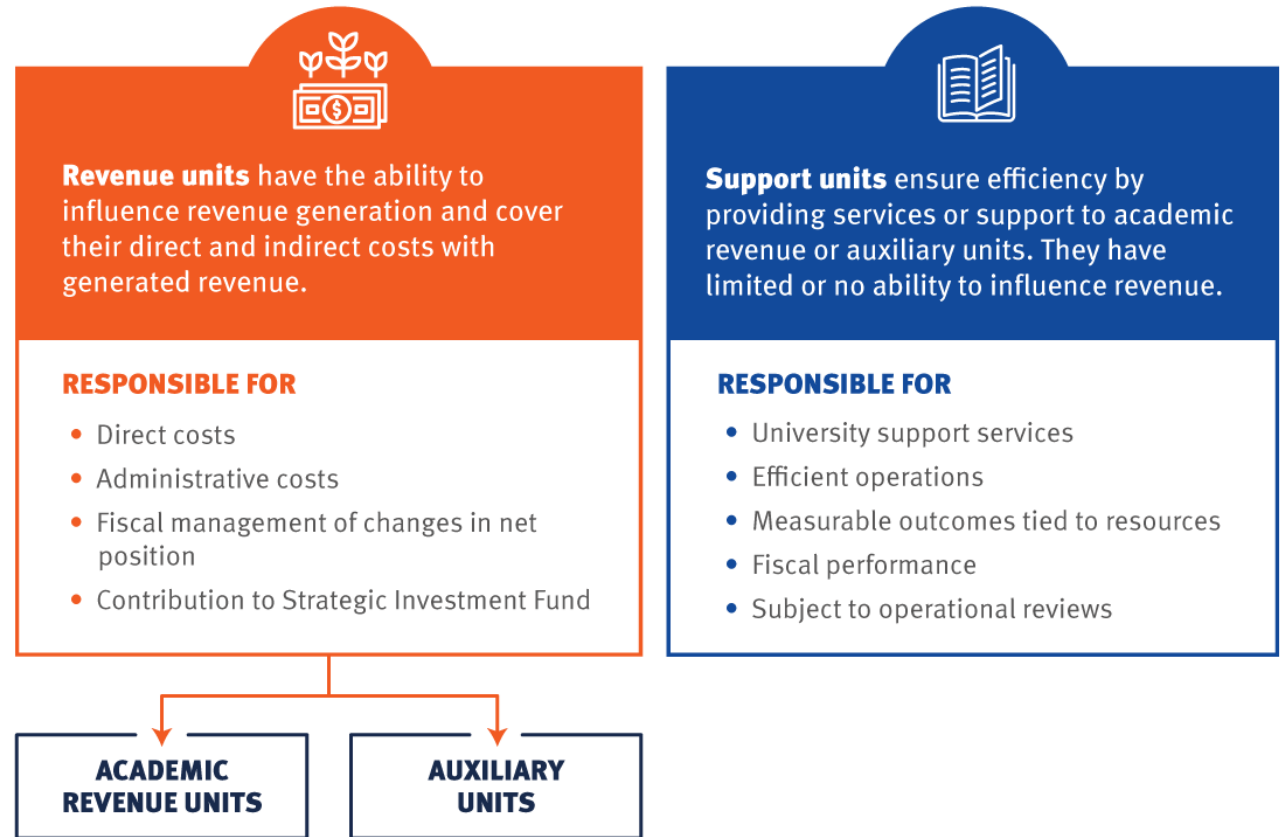


How Does UTSA use IRM?

Centered on activity generation, IRM aligns resource allocation model with activity.

IRM distinguishes campus units into two main types: revenue and support based on relative differences in expectations to directly generate activity and for financial sustainability.

Both Revenue and Support individual units have autonomy, transparency & clear financial data for decision making.



Implementation Progress

Despite delays from COVID in 2020, IRMY22 is the third year of the model.

 utsa.edu/budget/irm/annual-budget-statements

- Continuous Assessment
 - University Finance Team regularly reviews model inputs and effectiveness.
 - More regular communication with stakeholders

	FY2018 SEPTEMBER 17 – AUGUST 18				FY2019 SEPTEMBER 18 – AUGUST 19				FY2020 SEPTEMBER 19 – AUGUST 20				FY2021 SEPTEMBER 20 – AUGUST 21				FY2022 SEPTEMBER 21 – AUGUST 22			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
ACTUAL IMPLEMENTATION TIMELINE			Budget Model Development		Parallel Year / Hold Harmless Year + Infrastructure Development + Address Unit Level Modifications				Year 0 Baseline – Initial run of model.				Revised, re-baselined model based on lessons learned.				Realizing Activity-Based Gains			



IRM Process Improvements

Process Improvement

New Comprehensive Planning Process

- Ongoing Collaborative Meetings with Academic College Deans
 - Series of meetings with members of the University Finance Team and Deans.
 - Reviewed changes in activity, and associated revenue, expense, and strategic investment allocation concepts in detail with discussion and feedback.
- Planning meetings held individually with Auxiliary Revenue Units and collectively with Support Units.



Process Improvement

Continuous assessment led to model changes.

Support Expense for Revenue Units

- The previous allocation used nine activity drivers to allocate twenty support unit costs, which made planning for final expense amounts difficult.
- Auxiliaries were direct-billed for facilities costs. Academic Revenue Units bore unbalanced portion of facilities costs.
- In order to promote easier planning and more predictability, support unit expenses are now allocated to revenue units via a support rate.
- Support rate charged to eligible revenue sources such as tuition and sales and services revenue.
- Service Level Agreements set with auxiliaries that are primarily fee-funded.

Process Improvement

- Engaged Huron Consulting to provide feedback on our progress with IRM.
 - To evaluate our budget process and support our commitment to continuous improvement.
 - Interviews with more than 50 stakeholders
- In May, we began delivering results of Huron’s review to our various constituent groups.
- The **final Huron report** is posted on the **IRM website**:
utsa.edu/budget/irm/documents/irm-model-checkin-report.pdf



utsa.edu/budget/irm/documents/irm-model-checkin-report.pdf



IRMY22 Outcomes

IRMY22 in Summary

- Increases in WSCHs, majors, and total research expenditures led to earned increases in revenue distributed to the colleges, both from tuition and state appropriations.
 - IRMY22 tuition period is summer 2020, fall 2020 and spring 2021
- Record numbers in overall enrollment, increased SCHs, and majors and large gains in external research, other sponsored and gift expenditures.
- Both the total state appropriation to higher ed and UTSA's share increased, optimizing UTSA's new appropriation revenue.
- Increased general revenue from the state resulted directly from successful efforts by the colleges and academic support divisions to increase enrollment, retention and externally sponsored activity.
- Increased activity-based revenue created a unique opportunity, in turn, to make investments in our university priorities and community.

IRMY22 in Summary

- Third highest in state appropriations increase – efforts to grow WSCH were instrumental in this dramatic increase
- 9.1% increase in WSCH
- 19.4% increase in research expenditures
- 7.9% increase in student enrollment
 - 7.1% undergrad & 12.6% graduate
- \$39.5M or 12.2% academic revenue increase
- \$1.4M auxiliary revenue decrease
- \$14M allocated to colleges for additional investment

Note: Changes listed are based on prior year activity drivers.

IRMY22 in Summary

- Transitioned from multiple drivers to rates for support expense allocation
- \$14.3M provided as one-time assistance for Auxiliary Units:
 - \$11.7M of lost revenue claimed under Higher Education Emergency Relief Fund (HEERF)
 - \$2.6M of 8% relief from SIFF on mandatory fees



IRMY22 in Summary

Using changes in activity, IRMY22 allocated the earned activity-based revenue to units, creating additional opportunity for investment directed towards strategic goals and for hiring and retaining best-in-class faculty and staff to meet those goals.

- Minimum pay rates for Fixed Term Faculty and Staff
- Compression and market retention adjustments for Faculty & Staff
- Faculty promotions and tenure
- Institutional merit
- New Faculty hires
- Graduate student support
- Startup expenses
- Increased student services
- Operations
- Space enhancement



IRMY22 “At Work”: Compensation Strategy Investments

IRMY22 Investments : New Faculty Hires

21 TENURED / TENURE TRACK FACULTY

11 TRADITIONAL FACULTY HIRING

5 CLUSTERED / CONNECTED

3 FACULTY DIVERSITY HIRING PROGRAM (FDP)

2 DUAL CAREER PARTNERS HIRING PROGRAM (DCP)

1 POST-DOCTORAL FELLOW TO FACULTY

**SCHOOL OF DATA SCIENCE
STARTUP FUNDED AS NEW
ACADEMIC SUPPORT UNIT**

13 NEW FULL-TIME
FIXED TERM
TRACK FACULTY

IRM Y22 Compensation Investments – Already Implemented

Paid October 1

- Staff minimum wage increases
- Fixed Term Faculty minimums established
- Faculty market retention/compression adjustments
- One-time faculty Fall instruction transition supplements

Paid November 1

- Staff compression increases

Compensation Investments

Staff Minimum Wage Increase

- Increases staff minimum hourly pay rate from \$14 to \$15/hour
- Aligns with San Antonio's minimum rates
- Directly supports workforce retention
- Proactively addresses future federal minimum wage increases

Staff Compression Increases

- Focus on new \$15/hour minimum and raise select incumbent rates \$16 to \$17 to alleviate pay compression in lower salary grades

IRM Y22 Compensation Investments

Staff Market Retention Adjustments

- Hard-to-fill jobs / high turnover positions / highly skilled positions
- People Excellence meeting with each Senior VP/VP in November
 - Discuss purpose and intent of strategy
 - Review employee and position data
 - Discuss funding sources and strategies for non-E&G funded positions
- People Excellence will review data, based upon leader discussions, and make recommendations
- Approved changes will be effective March 1, 2022 with April 1, 2022 pay date

IRMY22 Compensation Investments

Fixed Term Track Faculty Minimum Pay Scale

- Leveraged new Fixed Term Track Title series and appointment structure
- 120 Fixed Term Track promotions
- Conversion of per course compensation to FTE based appointments with pay scale

Title	AY Compensation (1.0 FTE)
Lecturer	\$ 32,000.00
Senior Lecturer	\$ 35,000.00
Assistant Professor of Practice	\$ 40,000.00
Associate Professor of Practice	\$ 45,000.00
Professor of Practice	\$ 52,000.00
Assistant Professor of Instruction	\$ 42,000.00
Associate Professor of Instruction	\$ 47,000.00
Professor of Instruction	\$ 54,000.00

- Part-time instruction rate: \$3,500 per course
- 282 FTT faculty received increases
- \$1,611,000 investment across the institution

IRM Y22 Compensation Investments

Faculty Market Retention Compression Adjustment Process

- The proportionate share of academic activity determines the revenues allocated to the college, where the earned allocated revenue supports all faculty compensation costs.
- College Deans, using a college-specific consultation process, determined the proportion of funding allocation to college-specific purposes (e.g. new hires, market retention compression adjustments, graduate students investments, etc.)
 - Annually, deans review available resources to make plans and decisions regarding the funding allocation to new hires, retention compression adjustments, and other priorities for institutional review prior to implementation.
 - The dean, again with input from college consultation processes, used the institutional data provided in dashboards to determine the number and level of pay adjustments for individual faculty.
 - Dashboards included analysis and scatter plots with slicers of faculty information (e.g. department, rank, years of experience, teaching and research/scholarly work, last annual evaluation) and comparisons with R1 and R2 salary medians by CIP code .
 - The dean put forward their college plan for individual retention compression adjustments based on their “localized” knowledge and assessment, as well as their priorities for the college in light of its particular goals and context.

FY22 Faculty Salary Market Retention Compression Outcomes

97 FACULTY RECEIVING ADJUSTMENTS

COMPENSATION ADJUSTMENT INCREASES RANGED FROM \$2,000 TO \$15,794.64

Professors	Associate Professors	Assistant Professors
45	31	21

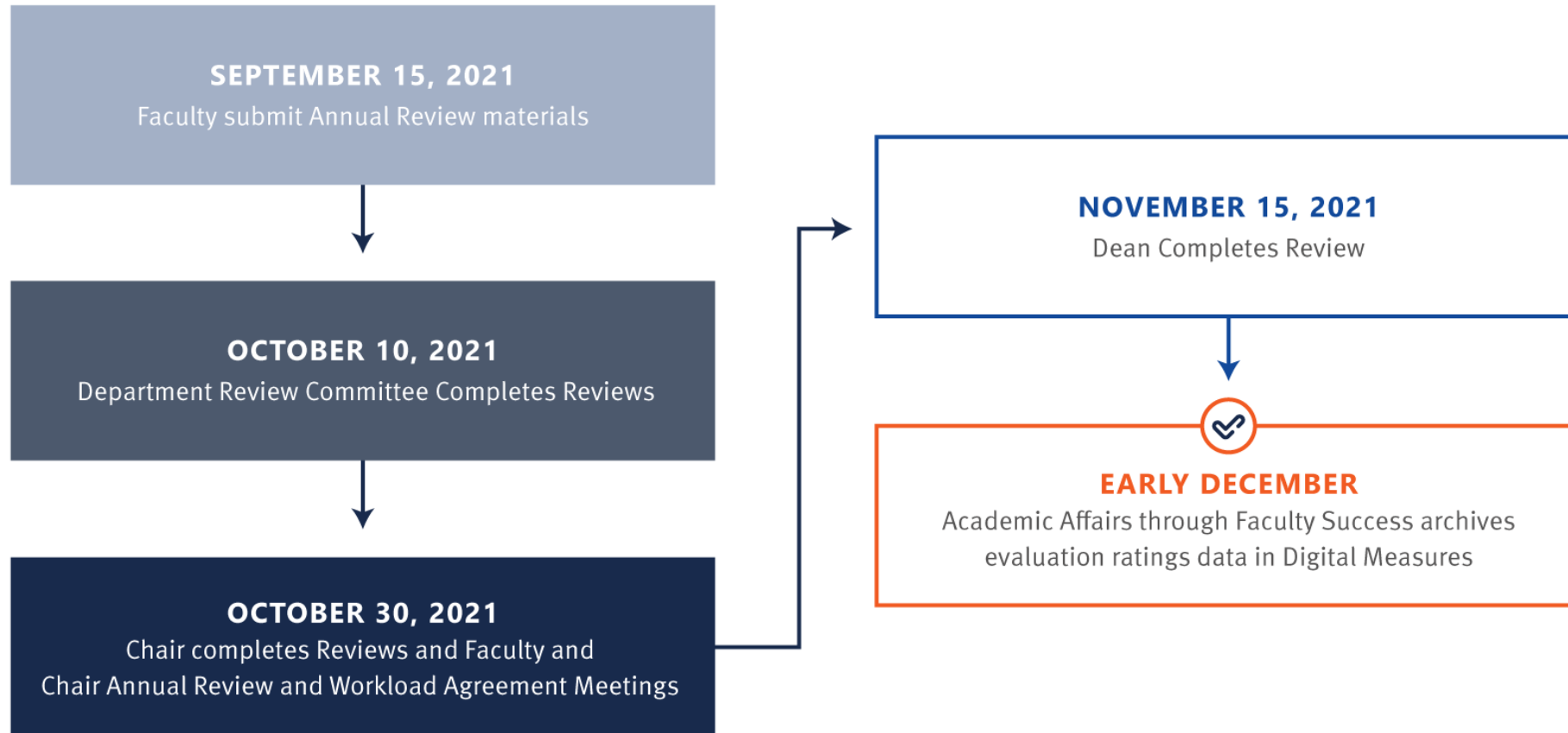
Adjustment > \$10,000	Adjustment \$5,000 - \$9,999	Adjustment < \$5,000
24	38	35

ACROSS THE FOLLOWING COLLEGES

ACOB	CEID	COEHD	COLFA	HCaP	COS
8	20	1	19	34	15

IRM Y22 Compensation Investments

Institutional Merit Process – Faculty Annual Review



IRM Y22 Compensation Investments

Institutional Merit Process – Staff Evaluations

When?	What happens?
November 15, 2020	SMART Goals due
August 1 – 31, 2021	Self-evaluation process
August 1 - September 10	Complete performance evaluation
September 11-30	Evaluation Review Period
October 1-22	One-on-one meetings to discuss evaluation
October 22	Performance evaluation complete

IRM Y22 Compensation Investments

Institutional Merit Increases

- Effective January 1, 2022 with February 1 pay date
- Merit percentage increases for each rating are institutionally set
- Merit award based on:
 - July 1, 2021 salary for staff
 - September 1, 2021 salary for faculty, based on faculty contract start date
- IRMY22 budget - \$6.3M E&G/Designated Tuition; \$3.6M other funds
- Total \$10M compensation investment in faculty and staff
 - Increases for positions paid from Education & General and Designated Tuition are supported by the IRM activity allocations and will be permanently reflected in budgets in early February
 - Increases for positions paid from other sources supported by existing budgets
 - Same for other institutionally-set compensation strategies



IRM Y22 “At Work”: Strategic Investment Fund

Strategic Investment Fund

- Strategic Investment Fund (SIF) Committee was launched.
- Committee comprised of faculty and staff representatives from throughout the university.
- SIF funded by allocation of revenues:
 - 14% on tuition, appropriation, sales and services and other revenue
 - 8% on mandatory fees (IRMY22 and forward)
- Allows for investment in critical strategic efforts that serve the best interests of the university.
- 32 distinct proposals were awarded SIF funding, totaling more than \$7 million!



Strategic Investment Fund

Examples of Funded Projects

Department

Projects

Strategic Enrollment

Implementation of new Graduate Application Platform to support UTSA's Strategic Enrollment goals

College of Sciences

Renovation Project, New COS Student Success Center

College of Engineering & Integrated Design

UTSA Drone Enclosure for Research, Training and Certification

College of Liberal & Fine Arts

UTSA Spanish Heritage Program



utsa.edu/budget/irm/strategic-investment-fund



IRM Y22 “At Work”:
Operational
Review
Committee

Operational Review Committee

- First reviews completed in IRMY22
- Collaborative review process
 - Assess internal policies, processes and priorities.
 - Identify opportunities to improve outcomes and recognize efficiencies.
- Committee Membership
 - Leadership from academic revenue units, auxiliary units, and support units.
 - Faculty and staff in financial, business, and at-large positions.



Operational Review Committee

- Reviews during IRMY21
 - Campus Recreation
 - Student Success
 - Facilities
- IRMY22 review units
 - University Technology Solutions
 - Strategic Enrollment
 - Inclusive Excellence
 - Child Development Center



<http://utsa.edu/budget/irm/operational-review-committee.html>



Operational Review Committee

Actions Taken Since Spring 2021 Reports

- Facilities
 - Working with People Excellence on improving job descriptions and analyzing salary equity issues to reduce employee turnover rate
 - Planning to publish key data highlights in their annual report
- Student Success
 - Continues to seek external funding to support student success programs
 - Initiated strategic planning to eliminate high turnover in critical advising roles
 - Maximizing resources through strategically hiring positions that can assess programmatic outcomes, build out the business service center and manage large-scale initiatives
- Recreation & Wellness
 - Adjusted hours to save costs within current revenue limits
 - Previously collected assessment data like annual survey and usage data now posted on website





IRMY22 Conclusion

Final Thoughts

- Commitment to communication and collaboration
- Commitment to continued process improvement
- We appreciate your ongoing feedback and will count on your continued engagement

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BOLD
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