Operating Budget Presentation
FY 2019
Faculty Senate
September 2018
Budget Process

1. Institutional Priorities Identified through Strategic Reviews
   September - December

2. Budget Development Process Including Final Forecast and Projections
   January - June

3. Budget Submitted to UT System Board of Regents
   July

4. Biennial Legislative Request Submitted to Governor
   August

Business Affairs
Sources of Revenue
FY 2016 to FY 2019

<table>
<thead>
<tr>
<th>Source</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriations</td>
<td>24.6%</td>
<td>25.5%</td>
<td>24.7%</td>
<td>23.7%</td>
</tr>
<tr>
<td>Tuition and Fees, Net</td>
<td>37.8%</td>
<td>36.2%</td>
<td>35.9%</td>
<td>36.4%</td>
</tr>
<tr>
<td>Sponsored Programs</td>
<td>3.7%</td>
<td>3.7%</td>
<td>3.9%</td>
<td>3.8%</td>
</tr>
<tr>
<td>Gifts, Endowment &amp; Interest Income</td>
<td>10.5%</td>
<td>10.9%</td>
<td>10.3%</td>
<td>9.7%</td>
</tr>
</tbody>
</table>
Budget Highlights to UT System

Major Goals Addressed by FY 2019 Budget
- Student Success
- Strategic Enrollment
- Finance and Budget Modeling
- Downtown Campus Redesign
- Carnegie R1 Research classification
- Facilities planning – Campus Master Plan
- SACSCOC Reaffirmation of Accreditation 2020
FY 2019 NEW FUNDING PRIORITYs $13.6M

- Financial Aid: 30.9%
- Faculty Salaries, Benefits and Other Instructional Increases: 28.7%
- Organization Changes in Support FY 2019 Goals: 22.1%
- Merit Increases: 10.3%
- Utility, Benefit, Software Licenses and Institutional Memberships: 8.1%
FY 2019 NEW FUNDING BY DIVISION

- Strategic Enrollment (Primarily Student Aid Support): 35%
- Academic Affairs: 33%
- Student Affairs: 2%
- Business Affairs: 2%
- Research: 1%
- All Divisions (Utilities, Merit Pool, Software, Memberships): 19%
- President: 6%
Revenue Highlights – All Funds

Tuition and Fees – Net Increase $13 million
- Increase over FY 2018 Budget Level $21.8 million
- Offset with $8.8 million in tuition discounts and allowances

State Appropriation – Year 2 of Biennium – continued reductions for
- Special Item appropriations – 30-34%
- Special Item for core research – 20% declines
Revenue Highlights – cont.

External-sponsored projects is expected to increase by a net of $13.5 million due to increases in:
- Local and private sponsorship
- Pell Federal sponsored program
- State sponsored financial aid for Texas Grants.

TRIP – Texas Research Incentive Program funding is $4.1 million less than the FY 2018 levels.

Hazelwood veterans’ exemptions - Projections are $19 million which is an increase of $2.6 million over FY 2018 level.
FY 2019 Budgeted Revenue – All Funds

- **State Appropriations**: $131.5 23.7%
- **Statutory Tuition, Net**: $33.8 6.1%
- **Other Tuition and Fees, Net**: $168.3 30.3%
- **Net Auxiliary Enterprise, Sales & Service & Other**: $53.8 9.7%
- **Local Govt & Private Sponsored Programs (G&C)**: $16.3 2.9%
- **Federal Sponsored Programs (G&C)**: $42.0 7.6%
- **Gifts, Endowment & Interest Income**: $21.2 3.8%
- **Federal Sponsored Programs (PELL)**: $55.0 9.9%
- **State Sponsored Programs (Primarily Student Aid)**: $32.8 5.9%

Business Affairs
FY 2019 vs. FY 2018 Budgeted Revenue

<table>
<thead>
<tr>
<th>Category</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition and Fees, Net</td>
<td>$189.2</td>
<td>$202.1</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>$130.3</td>
<td>$131.5</td>
</tr>
<tr>
<td>Net Auxiliary Enterprise, Sales &amp; Other</td>
<td>$54.0</td>
<td>$53.8</td>
</tr>
<tr>
<td>Federal Sponsored Programs (PELL)</td>
<td>$46.0</td>
<td>$55.0</td>
</tr>
<tr>
<td>Federal Sponsored Programs (G&amp;C)</td>
<td>$48.9</td>
<td>$42.0</td>
</tr>
<tr>
<td>State Sponsored Programs (Primarily Student Aid)</td>
<td>$31.0</td>
<td>$32.8</td>
</tr>
<tr>
<td>Gifts, Endowment &amp; Interest Income</td>
<td>$20.4</td>
<td>$21.2</td>
</tr>
<tr>
<td>Local Govt &amp; Private Sponsored Programs (G&amp;C)</td>
<td>$6.7</td>
<td>$16.3</td>
</tr>
</tbody>
</table>
Expense Highlights – All funds

• Organizational changes - $2.9 million
  Covering overall service areas including
  • Student Success
  • Enrollment Management
  • Title IX Services
  • Equal Opportunity Services
  • Behavioral Intervention
  • Dream Center
  • Sustainability
  • Students with Disabilities
  • College Recruiters
  • Admissions Advisors
Expense Highlights – cont.

- Faculty and Instructional support - $3.9 million
  - New Faculty Positions plus Benefits
  - PhD Students
  - Non-Tenure Track Funding for College of Business Cyber Security Program and the College of Liberal and Fine Arts
  - Summer Support
  - Faculty Award Programs

- Student Aid Funding $14.9 million
  - Institutional Commitment to Student Aid
  - State Supported Aid including TEXAS Grants and Top 10 Scholarships
  - Federal Pell Grants
Expense Highlights – cont.

- Research and other sponsored programs $6.7 million
- Projected increases of $1.1 million for
  - Utilities
  - Benefits
  - Software Licenses
  - Institutional Memberships
FY 2019 Budgeted Expense Functional Classification

- Instruction: $149.9 (25.9%)
- Academic Support: $63.2 (10.9%)
- Auxiliary Enterprises: $59.9 (10.4%)
- Scholarships & Fellowships: $42.3 (7.3%)
- Operations & Maintenance of Plant: $42.8 (7.4%)
- Institutional Support: $49.6 (8.6%)
- Public Service: $16.1 (2.8%)
- Research: $62.9 (10.9%)
- Student Services: $27.5 (4.8%)
- Debt Service Interest: $14.9 (2.6%)
- Depreciation: $48.6 (8.4%)
FY 2019 Budgeted Expense
Natural Classification

- Instruction Salaries: $99.3 (17.2%)
  (T/TT, NTT, & TA's)
- Admin & Staff Salaries: $160.4 (27.8%)
- Benefits: $73.7 (12.8%)
- Utilities: $13.7 (2.4%)
- Travel: $2.4 (0.4%)
- Operations: $46.4 (8.0%)
- Scholarships: $118.3 (20.5%)
- Depreciation: $48.6 (8.4%)
- Debt Service - Interest: $14.9 (2.6%)
FY 2019 Budgeted Expense
Natural Classification – Instructional Salaries

Instruction - Faculty Positions
$67.3  FTE 768.33

Instruction - TA Pooled Salaries
$3.3

Instruction - Summer Pooled Salaries
$5.1

Instruction - Faculty Reserves (NTT, Post Doc, etc.)
$23.6

Note: The salary budgets include budgeted positions with FTE of 768.33. Reserves, Summer and TA salaries are pooled and thus FTE’s are not determined at the time the budget is set.
FY 2019 Budgeted Expense
Natural Classification –Admin & Staff Salaries

Note: The salary budgets include budgeted positions with FTE for A&P at 658.63 and Classified at FTE pf 1,899.09. Wages and reserves are pooled salary budgets thus no FTE is determined at the time the budget is set.
FY 2019 vs. FY 2018 Budgeted Expense

<table>
<thead>
<tr>
<th>Category</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>$153.5</td>
<td>$149.9</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>$59.4</td>
<td>$59.9</td>
</tr>
<tr>
<td>Academic Support</td>
<td>$57.7</td>
<td>$63.2</td>
</tr>
<tr>
<td>Research</td>
<td>$48.8</td>
<td>$62.9</td>
</tr>
<tr>
<td>Depreciation</td>
<td>$48.3</td>
<td>$48.6</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>$45.6</td>
<td>$49.6</td>
</tr>
<tr>
<td>Operations &amp; Maintenance</td>
<td>$41.8</td>
<td>$42.8</td>
</tr>
<tr>
<td>Scholarships &amp; Fellowships</td>
<td>$29.5</td>
<td>$42.3</td>
</tr>
<tr>
<td>Student Services</td>
<td>$26.2</td>
<td>$27.5</td>
</tr>
<tr>
<td>Public Service</td>
<td>$18.0</td>
<td>$16.1</td>
</tr>
<tr>
<td>Debt Service Interest</td>
<td>$16.0</td>
<td>$14.9</td>
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### FY 2019 Operating Budget Change

#### The University of Texas San Antonio
2018-2019 Budget

**ALL FUNDS OPERATING BUDGET SUMMARY**

<table>
<thead>
<tr>
<th>Fund Group</th>
<th>2017-2018 Recommended</th>
<th>% of Budget</th>
<th>2018-2019 Recommended</th>
<th>% of Budget</th>
<th>Increase/ &lt;Decrease&gt;</th>
<th>%Inc/ %Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education and General Funds</td>
<td>$ 259,426,709</td>
<td>47.54%</td>
<td>$ 268,785,802</td>
<td>46.53%</td>
<td>$ 9,359,093</td>
<td>3.61%</td>
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<tr>
<td>Designated Funds</td>
<td>$ 144,857,361</td>
<td>26.54%</td>
<td>$ 159,903,872</td>
<td>27.68%</td>
<td>$ 15,046,511</td>
<td>10.39%</td>
</tr>
<tr>
<td>Auxiliary Enterprise Funds</td>
<td>$ 74,423,940</td>
<td>13.64%</td>
<td>$ 75,070,256</td>
<td>12.99%</td>
<td>$ 646,316</td>
<td>0.87%</td>
</tr>
<tr>
<td>Restricted Current Funds - Contracts and Grants</td>
<td>$ 98,400,000</td>
<td>18.03%</td>
<td>$ 114,685,000</td>
<td>19.85%</td>
<td>$ 16,285,000</td>
<td>16.55%</td>
</tr>
<tr>
<td>Restricted Current Funds - Gifts</td>
<td>$ 15,582,000</td>
<td>2.86%</td>
<td>$ 16,569,000</td>
<td>2.87%</td>
<td>$ 987,000</td>
<td>6.33%</td>
</tr>
<tr>
<td>Unexpended Plant Funds</td>
<td>$ 4,577,000</td>
<td>0.84%</td>
<td>$ 4,577,000</td>
<td>0.79%</td>
<td>$</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$ 597,267,010</strong></td>
<td><strong>109.44%</strong></td>
<td><strong>$ 639,590,930</strong></td>
<td><strong>110.71%</strong></td>
<td><strong>$ 42,323,920</strong></td>
<td><strong>7.09%</strong></td>
</tr>
</tbody>
</table>

**Adjustments:**

<table>
<thead>
<tr>
<th>Adjustment</th>
<th>2017-2018 Recommended</th>
<th>% of Budget</th>
<th>2018-2019 Recommended</th>
<th>% of Budget</th>
<th>Increase/ &lt;Decrease&gt;</th>
<th>%Inc/ %Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition Discounting</td>
<td>(70,953,796)</td>
<td>-13.00%</td>
<td>(79,734,582)</td>
<td>-13.80%</td>
<td>(8,780,786)</td>
<td>12.38%</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>(6,100,000)</td>
<td>-1.12%</td>
<td>(7,966,000)</td>
<td>-1.38%</td>
<td>(1,866,000)</td>
<td>30.59%</td>
</tr>
<tr>
<td>Debt Principal Transfers</td>
<td>(22,768,000)</td>
<td>-4.17%</td>
<td>(22,810,000)</td>
<td>-3.95%</td>
<td>(42,000)</td>
<td>0.18%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>48,294,710</td>
<td>8.85%</td>
<td>48,632,211</td>
<td>8.42%</td>
<td>337,501</td>
<td>0.70%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 545,739,924</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>$ 577,712,559</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>$ 31,972,635</strong></td>
<td><strong>5.86%</strong></td>
</tr>
</tbody>
</table>
FY 2019 Detailed Revenues and Expenses

• Budgeted Revenue and Expense
  • E&G
  • Designated
  • Auxiliary
  • Restricted
FY 2019 E&G Budgeted Revenue

- State Appropriations: $131.4 (64.6%)
- Tuition and Fees, Net: $47.1 (23.1%)
- State Sponsored Programs (Primarily Student Aid): $24.3 (11.9%)
- Net Investment Income: $0.7 (0.3%)
The E&G Budgeted Expense is partially funded with a transfer from Designated Tuition in the amount of $65.2M.
FY 2019 Designated Budgeted Revenue

- Tuition and Fees, Net: $201.4 (90.3%)
- Federal Sponsored Programs: $7.2 (3.2%)
- State Sponsored Programs: $1.3 (0.6%)
- Local and Private Sponsored Programs: $0.6 (0.3%)
- Net Sales and Services of Educational Activities: $8.6 (3.9%)
- Net Investment Income: $3.5 (1.6%)
- Other Operating Revenues: $0.4 (0.2%)
FY 2019 Designated Budgeted Expense

- Scholarships and Fellowships: $32.0 (20.4%)
- Operation and Maintenance Plant: $18.0 (11.5%)
- Student Services: $21.8 (13.9%)
- Institutional Support: $12.8 (8.2%)
- Public Service: $1.4 (0.9%)
- Research: $6.2 (4.0%)
- Instruction: $15.9 (10.1%)
- Academic Support: $42.3 (27.0%)
- Auxiliary Enterprises: $4.8 (3.1%)
- Debt Service - Interest: $1.5 (1.0%)

Total: $156.7 (100%)
FY 2019 Auxiliary Budgeted Revenue

- Tuition and Fees (Fees Only): $33.3, 43.5%
- Net Auxiliary Enterprises: $42.3, 55.3%
- Net Investment Income: $0.9, 1.2%
FY 2019 Auxiliary Budgeted Expense

- Debt Service - Interest
  - $8.3 12.4%

- Auxiliary Enterprises
  - $58.6 87.6%
FY 2019 Restricted Budgeted Revenue

- Federal Sponsored Programs (PELL is 52.2%) $89.7 (68.4%)
- State Sponsored Programs $7.2 (5.5%)
- Local and Private Sponsored Programs $15.8 (12.0%)
- Gifts in Support of Operations $8.3 (6.3%)
- Net Investment Income $7.8 (5.9%)
- Net Sales and Services of Educational Activities $1.9 (1.4%)
- Other Operating Revenue $0.5 (0.4%)
- Gifts in Support of Operations $8.3 (6.3%)
FY 2019 Restricted Budgeted Expense

- Scholarships and Fellowships: $62.50 (47.7%)
- Auxiliary Enterprise: $1.60 (1.2%)
- Instruction: $6.30 (4.8%)
- Academic Support: $2.30 (1.8%)
- Research: $48.50 (37.0%)
- Oper & Maint of Plnt: $0.02 (0.0%)
- Student Services: $0.20 (0.2%)
- Institutional Support: $1.70 (1.3%)
- Public Service: $7.90 (6.0%)
Incentivized Resource Management

Come back to Faculty Senate in Late Fall 2018

Compare and Contrast IRM
Thank You

Your partner for successful solutions

www.utsa.edu/businessaffairs