

**UTSA** Incentivized Resource Management

# Budget Model Overview

*Updated May 2025*





# Introduction and Background

The UTSA Finance and Budget Modeling Task Force was created in the fall of 2017 as a presidential initiative under President Taylor Eighmy, with the charge to create a new budget model based on a set of guiding principles.

More details on the process and testimonials from those involved can be found at

[utsa.edu/budget/irm/resources/implementation-history/](https://utsa.edu/budget/irm/resources/implementation-history/).

## 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.
- » 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.

Based on that process, UTSA now follows an Incentivized Resource Management (IRM) budget model, a highly customized budgeting approach for the needs of the university. IRM provides increased transparency into budgetary decisions that support the university’s ability to meet its goals. UTSA’s strategic implementation of the IRM model maintains and supports the guiding principles listed above.

This document is designed to provide more detail about how IRM works as a guide for unit leaders, college financial leads and other campus stakeholders who work closely with budgets.

# Creating a New Budget Model

A Responsibility Center Management (RCM) budget model approach was compared to our previous incremental based budget model, and a hybrid of RCM was developed with customized incentives for UTSA. This hybrid for UTSA is called Incentivized Resource Management (IRM) Budget Model.

The new budgeting process features significant differences from the legacy process. These differences will enable the university to more effectively plan and manage its resources.

While this model contains structural elements that are unlikely to dramatically change, the task force recognized that as the university continues under an incentive-based model, there will be a need for periodic assessment and future refinements or changes. The new model brings about several improvements in processes related to resource allocations and provides for a better understanding of university financial and budgetary matters that impact core operations.

Former "Incremental" Budget Model	IRM Budget Model
<b>Centrally-driven approach</b> to resource planning that mostly occurs over several months	<b>Alignment of institutional KPIs/goals</b> , academic planning and financial management
<b>Separate set of conversations</b> for academic planning and financial management	<b>Entrepreneurial</b> spirit and ownership of resource development through unit activities
<b>Lack of broad-based communication</b> on the allocation of discretionary funds	<b>Strategic priorities</b> - clear path and formal communication that links central investments to university-wide strategic priorities
<b>Limited formal review</b> of unit-level financial performance	<b>Systemic data-driven</b> review of unit-level performance
<b>Limited scope</b> for stakeholder groups to inform budgetary decisions	<b>Broader scope</b> for stakeholder groups to inform budgetary decisions in a coordinated way
<b>Shorter term outlook</b> that plans for the next year	<b>Longer term outlook</b> that plans for the next 3-5 years





# Revenue and Support Units

Focused on activity generation, IRM is primarily a resource allocation model. Incentive-based models require that campus units be categorized into two main groups based on their impact on revenue generation and level of financial self-sustainability. Individual units have autonomy, transparency and clear financial data for decision-making.

**Revenue Units** have the ability to influence revenue generation and cover their direct and indirect costs with generated revenue. Revenue units include both academic revenue units, such as the academic colleges, and auxiliary revenue units, such as the bookstore and parking.

All revenue units are responsible for the following:

- » Direct costs
- » Fully allocated administrative (central) costs
- » Fully allocated share of central support costs
- » Fiscal management of changes in net position
- » Contribution to Strategic Investment Fund

Revenue Units	
Academic Units	Auxiliary Units
Alvarez College of Business	Athletics
College for Health, Community and Policy	Bookstore
College of AI, Cyber and Computing	Campus Recreation
College of Education and Human Development	Campus Services
College of Liberal and Fine Arts	Business
College of Sciences	Food Services
Klesse College of Engineering and Integrated Design	Housing Services
University College	Parking
	Student Health Services
	Student Union
	Transportation
	UTSACard
	Vending

Whereas UTSA's colleges were traditionally expected to budget only unrestricted direct expenditures, IRM calls for the colleges to budget for revenues and manage to a bottom line (revenues less expenses). In short, colleges are allocated the revenues that they are responsible for generating.

College deans can grow revenues by utilizing various financial levers, such as:

- » Increase online enrollment
- » Develop stackable certificate programs
- » Increase summer term enrollment
- » Launch market-driven degree programs
- » Increase class fill rates
- » Improve student persistence and retention rates

- » Generate more sponsored research
- » Improve indirect cost recovery rate
- » Attract more non-resident students (net student increase)
- » Implement differential tuition based on market demand
- » Secure new gifts and external sponsorships

**Support Units** ensure efficiency by providing services or support to academic revenue or auxiliary units. They have limited or no ability to influence revenue. Support units include both academic support units, such as student affairs and the library, and administrative support units such as business affairs and public safety.

All support units are responsible for the following:

- » University support services
- » Efficient operations
- » Measurable outcomes tied to resources
- » Fiscal performance
- » Subject to operational reviews

Support Units	
Academic Support	Administrative Support
Academic Affairs Student Success, Student Affairs, Global Initiatives, Graduate School, Academic Innovations, Strategic Enrollment, All Other (including SVP Office), Honors College Library Research Administration School of Public Health	Advancement and Alumni Engagement Business Affairs Business Affairs Admin & Ops Financial Affairs Institutional Strategic Planning & Compliance Risk Management President's Division Public Safety Real Estate and Property Management University Relations University Technology Solutions

In aggregate, revenue units are responsible for generating enough revenue to cover the costs of the support units. For more information on the Support Allocation Methodology, see the following section.



# Support Allocation Methodology

Net academic and administrative support costs are allocated out to revenue generating units by assessing an allocation rate. Support unit allocation rates are determined each year through the IRM governance process in collaboration with senior leadership. For IRM year 2023, the rates were 26.3% for administrative support cost and 12.8% for academic support cost. Academic revenue units will incur the full support cost (for IRMY23: 39.1%) and auxiliary revenue units will only incur the administrative support cost (for IRMY23: 26.3%).

For an academic revenue unit, the revenue that is eligible for support rate is tuition, state appropriation, sales & services, and other revenue. For an auxiliary revenue unit, the revenue that is eligible for support rate is sales & services and other revenue.

Below are some examples of the net expenditure allocation, based on the IRM year 2023 rate.

Net expenditures are allocated out to the revenue units (revenue less expenses = net expenditures).

## Example of Academic Support Cost Calculation

- » Only assessed to academic revenue units
- » College A has \$55M in eligible revenue (tuition, state appropriation, sales & services, and other operating revenue)

$\$55M * 12.8\% = \$7.04M$  in academic support cost

## Example of Administrative Support Cost Calculation

- » Assessed to both academic & auxiliary revenue units
- » College A has \$55M in eligible revenue (tuition, state appropriation, sales & services, and other operating revenue)

$\$55M * 26.3\% = \$14.5M$  in administrative support cost

- » Auxiliary Unit 1 has \$8M in revenue (sales & service and other operating revenue)

$\$8M * 26.3\% = \$2.1M$  in administrative support cost



# Data Input Drivers

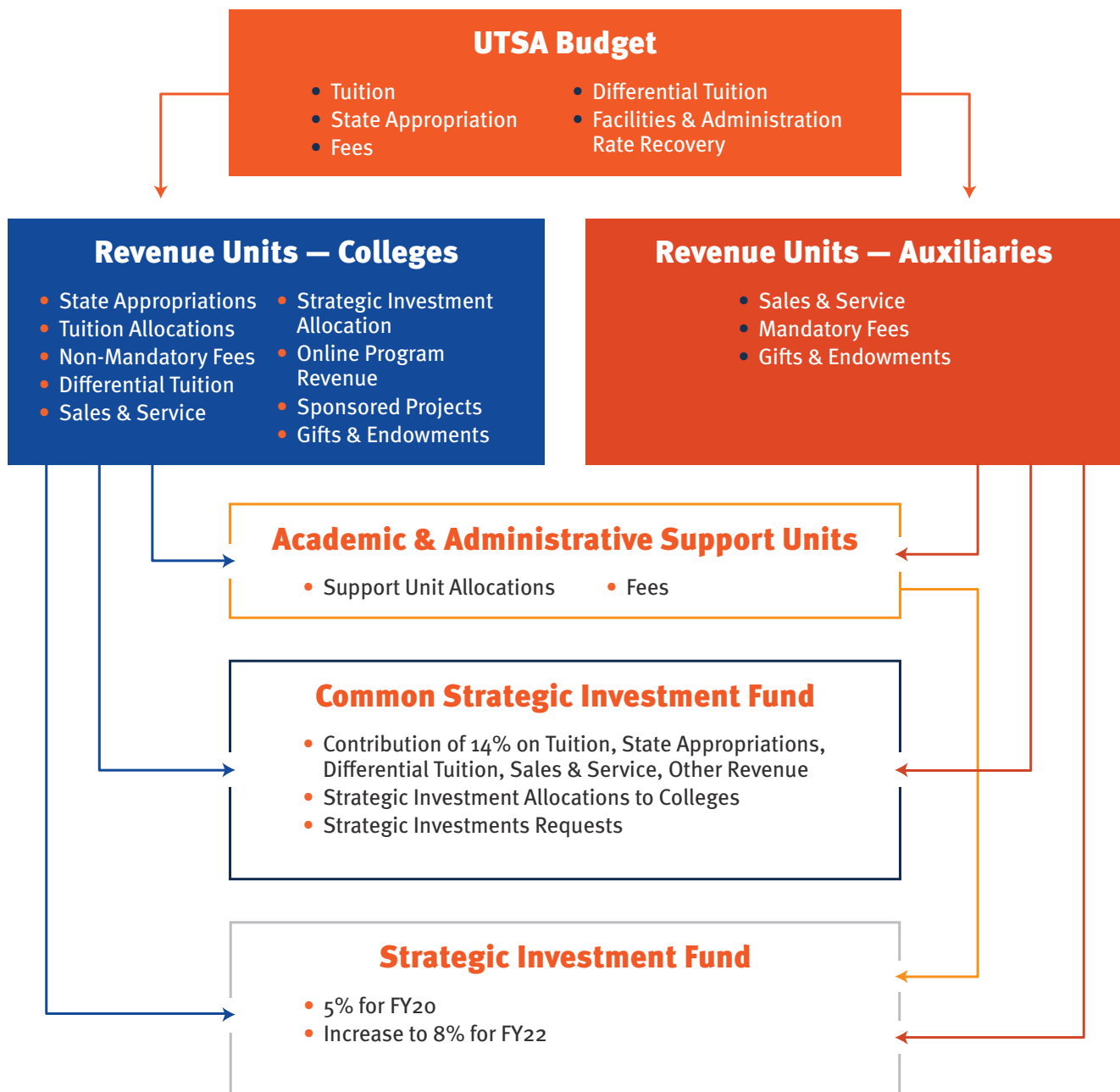
In the IRM model, data input drivers are used to determine how revenue funds flow to revenue units. The use of these drivers is in line with IRM's goals for data-driven decision making and budget transparency.

Below is a list of the input drivers in the IRM model by allocation type.

Source	Allocation Type
Net Tuition	66% WSCH (Weighted Semester Credit Hour) & 34% COR SCH (Semester Credit Hour) [Actuals from Summer, Fall, and Spring Prior to Budget Year] Dollars are net of set asides (i.e, Hazelwood and Financial Aid).
Student Fees (Mandatory)	Direct from units
Student Fees (Incidental)	Direct from units
State Appropriations (set every 2 years, but allocated each year)	66% WSCH
	34% Total External Restricted Research Expenditures
F& A Revenue	Pro-rata share is based on indirect F& A allocation net of direct expense in VPR and debt
Personnel Expenses	Majority is derived directly from the units
Non-Personnel Expenses	Majority is derived directly from the units
Support Unit	Allocation rates for Administrative Support and Academic Support (academic revenue units only) are determined on a yearly basis. Please see section titled "Support Unit Allocation Methodology."

# Funds Flow Model

Revenue is based on customized activities, such as credit hours taught. Revenues are allocated to the unit generating those activities. Support units have limited or no ability to influence or earn revenue. They provide services to revenue units, and as such, their net costs are allocated out to revenue generating units.





# Model Structure for Revenue and Expense Allocations

The following highlights the structure of how tuition, course fees and formula funding from state appropriations are allocated to the academic revenue units.

Revenue Source	Allocation Basis
<b>Tuition and Course Fees</b>	
66% to College of Instruction (COI)	WSCH (Weighted Semester Credit Hours)
34% to College of Record (COR)	SCH (Semester Credit Hours)
Differential Tuition	Direct, College of Record
Graduate Incremental Tuition	SCH, College of Record
Course, Lab and Optional Fees	Direct, College of Record
<b>State Appropriations From Formula</b>	
66% Instruction/Operations Portion	WSCH
34% Instruction/Operations Portion	Total External Restricted Research Expenditures

Additional detail is provided below related to tuition and state appropriation allocations.

Category	Description
Allocated undergraduate tuition & fees	<ul style="list-style-type: none"> <li>• Allocate 66% to academic units based on each unit's share of undergraduate WSCH</li> <li>• Allocate 34% to academic units based on each unit's share of undergraduate enrolled credit hours (i.e., College of Record)</li> </ul>
Allocated graduate tuition	<ul style="list-style-type: none"> <li>• Allocate 66% to academic units based on each unit's share of graduate WSCH</li> <li>• Allocate 34% to academic units based on each unit's share of graduate enrolled credit hours (i.e., College of Record)</li> <li>• Allocate graduate incremental tuition (GIT) based on graduate College of Record semester credit hours at the rate set by residency status - FY23 rates = \$50 per resident graduate SCH, and \$458 per non-resident graduate SCH. Rates are subject to change.</li> </ul>
Allocated state appropriations	<ul style="list-style-type: none"> <li>• Allocable state appropriations include the following sources: Instruction &amp; Operations, Teaching Experience Supplement, and Infrastructure Support Allocate 66% of allocable pool for instruction based on each revenue unit's share of weighted semester credit hours and tenure-track instructed credit hours in proportion to the State's funding formula</li> <li>• Allocate 34% of the allocable state appropriations based on each revenue unit's pro-rata share of total external restricted research expenditures.</li> </ul>

Overall, the table below reflects how revenue and expenses are allocated or assigned to both revenue and support units. Revenue units receive the revenues that they have generated and pay for their portion of support unit costs.

	Academic Colleges	Auxiliary Units	Academic Support Units	Administrative Support Units
<b>REVENUE</b>				
Tuition	✓	-	-	-
Student Fees	✓	✓	✓	✓
State Appropriation	✓	-	-	-
Sales & Services	✓	✓	✓	✓
Sponsored Research and F&A	✓	-	_*	_*
Gifts	✓	✓	✓	✓
Sponsored Programs	✓	-	✓	✓
Other Revenue	✓	✓	✓	✓
<b>EXPENSES</b>				
Administrative Support Unit Costs	✓	✓	-	-
Academic Support Unit Costs	✓	-	-	-
Direct Expenses	✓	✓	✓	✓
<b>OTHER</b>				
Eligible for Strategic Investment Allocation	✓	✓	✓	✓
Strategic Investment Contribution	✓	✓	✓	✓

\*Not all Academic & Administrative Support Units receive F&A. VPREDKE receives a portion of F&A based on MOU

# Strategic Investment Fund

There are 2 types of strategic funding, the Common Strategic Investment fund (CSIF) and the Strategic Investment Fee Fund (SIFF).

The Strategic Investment Fund is primarily intended to “align resources with institutional priorities.” The fund allows us to meet many of our objectives for transitioning away from incremental budgeting that were listed previously in this document.

- » Alignment of institutional KPIs/goals, academic planning and financial management
- » Entrepreneurial spirit and ownership of resource development through unit activities
- » Strategic priorities - Clear path and formal communication that links central investments to university-wide strategic priorities
- » Longer term outlook that plans for the next three to five years

The funding identified is grouped into a Common SIF (CSIF), which is funded from sources other than student fees.

The SIFF is funded from sources that are set aside from student fees that will be used to support strategic priorities that align with the purpose of the fee as designated by statutory language. The goal overall is to utilize a portion of our revenues to meet our strategic planning needs and provide financial support to fund and manage those priorities moving forward.

Strategic Investment Fund is composed of two parts:

1. Common Strategic Investment Fund (“CSIF”) Fee assessed on unrestricted revenues: Net Tuition Revenue, State Appropriations, Sales & Services and Other Operating Revenue

14% CONTRIBUTION

2. Strategic Investment Fee Fund (“SIFF”) Mandatory Fees, e.g., Student Service Fee, UTSA Card Fee, Medical Services Fee, Rec Center Fee. Non-institutional program and course fees allocated directly.

8% CONTRIBUTION

## STRATEGIC INVESTMENT FUND

### COMMON SIF “CSIF”

#### SIFFs

SSF

Card Fee

Rec Fee

Med Svc

Etc.

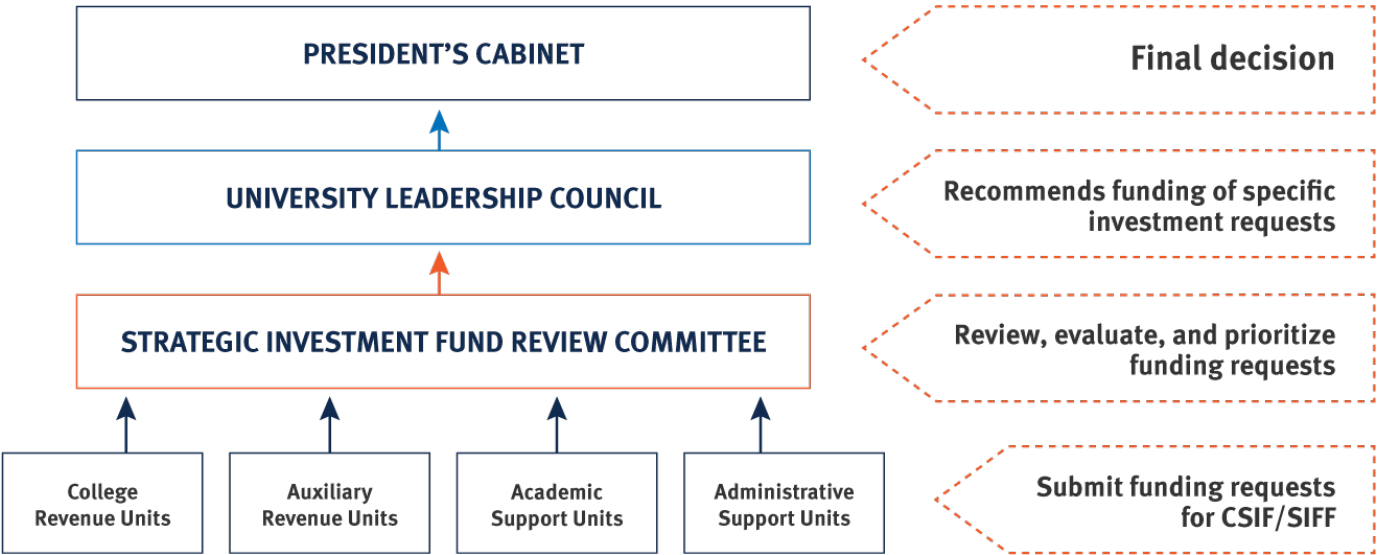
## Strategic Investment Allocations

In the IRM “Base Year,” the colleges had a set level of strategic investment allocation (SIA) equal to their negative operation margin in order to bring the college to a break-even point. Going forward, a portion of the CSIF is used to provide SIA to colleges or auxiliary revenue units to help support operations when a college

or auxiliary revenue unit is expecting a negative operating margin. This need may arise due to scenarios where revenue units are not expected to fully fund a program or the revenues generated will not fully fund a program and a contribution from CSIF is an important investment by the university for that programmatic purpose. The level of SIA is neither permanent nor static. Changes to the level of SIA may occur over time due to data-informed, strategic decisions. As such, an increase in revenues would not necessarily result in a formulaic and corresponding decrease to SIA.

## Strategic Investment Fund Governance

The Strategic Investment Advisory Committee reviews funding requests, prioritizes requests, and makes their evaluations available to the University Leadership Council (ULC). The ULC reviews the committee’s evaluations and recommends specific requests to the President’s Cabinet for funding. The President’s Cabinet makes the final decision on funding allocations from the Strategic Investment Funds.







# Operational Reviews

All auxiliary units, administrative support units, and academic support units will submit formal reviews each year (as notified by the IRM Team) to the Operational Review Committee. Each year, on a rotating basis, some units will be asked to make a full presentation to the committee.

Since all units cannot present every year, a schedule will be implemented and discussed annually with the University Finance Team (UFT). The UFT, at their discretion, may modify the scheduling of unit reviews as deemed necessary. Notification to the units will be made by the IRM team with advance notice to prepare their materials for the committee.

## Operational Review Presentations

The standard presentation to the committee will consist of the following topics for all presenting units:

### General Information to "Tell Your Story"

- » Define unit mission
- » Define how unit goals align with university destinations and strategic initiatives
- » Organizational Chart

### Challenges and Opportunities

- » Define processes/services that are exceptional
- » Define processes/services that require refinement

### Key Performance Indicators (KPIs), Benchmarks & Surveys

- » Grid comparison of similar entities
- » Benchmarks and/or surveys

### Reserves & Balances

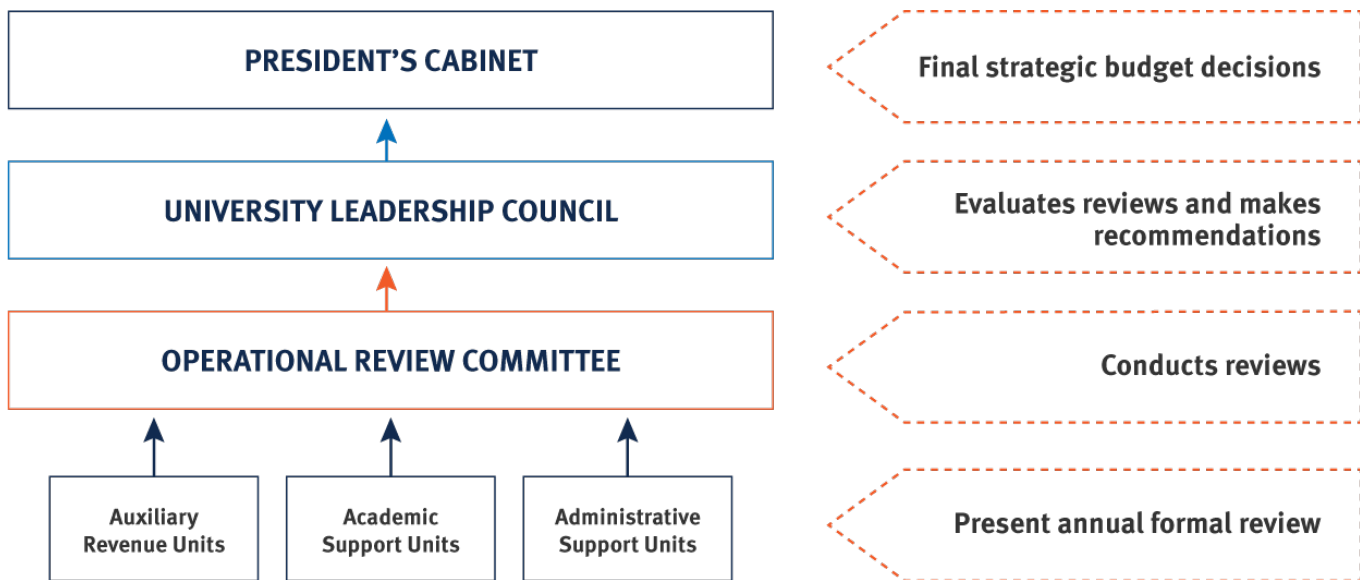
- » Total dollars and how they will be utilized
- » Alignment with strategic goals and initiatives
- » Current year, past 2-year actuals, and 2-year forecast

Previous ORC presentations and committee final reports can be found on the IRM website.  
[utsa.edu/budget/irm/operational-review-committee.html](https://utsa.edu/budget/irm/operational-review-committee.html)

# Operational Review Governance

The Operational Review Committee completes reviews of auxiliary and support units, providing their reviews to the ULC. The ULC evaluates the reviews and makes recommendations to the President's Cabinet, who use these recommendations to make strategic budget decisions.

The Operational Review Committee consists of campus leaders, financial representatives and at-large employees across campus who participate in a governance process that results in improved fiscal accountability and management of resources.



# Model Sample

Each revenue unit receives an Excel file summarizing the model components. The following pages show an example of the spreadsheet given to units.

UTSA						IRMY23 Statement All Academic Units Total				
University-Wide Activity-Level Drivers						Projected Revenues and Expenses				
Unrestricted Revenues										
Tuition Allocation										
Summer 2021, Fall 2021, Spring 2022 - Total University Undergrad SCH						IRMY23 Undergrad Tuition Revenue Allocation				
		IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total		IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total
COR Undergraduate SCH		766,952	744,086	744,086	100.0%	COI Undergraduate (WSCH)	\$ 88,016,996	100.0%	\$ 88,317,401	\$ 88,317,401
COR UG Resident SCH		755,631	732,917	732,917	100.0%	COI UG WSCH	88,016,996	100.0%	88,317,401	88,317,401
COR UG Non-Resident SCH		11,321	11,169	11,169	100.0%	COR Undergraduate	\$ 50,603,846	100.0%	\$ 50,674,444	\$ 50,674,444
Summer 2021, Fall 2021, Spring 2022 - Total University Graduate SCH						COR UG Resident SCH	44,492,285	100.0%	44,646,623	44,646,623
		IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total	COR UG Non-Resident SCH	849,829	100.0%	850,211	850,211
COR Graduate SCH		80,266	78,701	78,701	100.0%	COR UG Non-Resident SCH - Premium	5,261,732	100.0%	5,177,610	5,177,610
COR Grad Resident SCH		78,014	76,258	76,258	100.0%	Studies Distribution (IRMY22 One-time Distribution)	-	100.0%	(0)	(0)
COR Grad Non-Resident SCH		2,252	2,443	2,443	100.0%	For Information Only - Tuition Value is included in the COI above				
Summer 2021, Fall 2021, Spring 2022 - Total University WSCH								WSCH Dual Credit	% of College COI Dual Credit	Tuition Value
WSCH - Used for COI Tuition Allocation		IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total	Dual Credit Tuition (COI - WSCH & State Appropriation)		2,900	2.1%	\$ 161,965
Undergraduate WSCH		1,315,596	1,248,916	1,248,916	100.0%	WSCH Honors % of College COI Tuition Value				
Graduate WSCH		544,318	580,147	580,147	100.0%	Honors Program Tuition (COI - WSCH & State Appropriation)		4,176	4.4%	\$ 233,230
Total WSCH		1,859,914	1,829,063	1,829,063	100.0%	For Information Only - Not Included in Tuition Values for COI or COR				
						Online Programs (Option 3) Estimated Distribution	\$ 1,030,021			\$ 1,400,000
						IRMY23 Projected Grad Tuition Revenue Allocation				
		IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total		IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total
						COI Graduate (WSCH)	\$ 14,316,901	100.0%	\$ 14,891,709	\$ 14,891,709
						COI Grad WSCH	14,316,901	100.0%	14,891,709	14,891,709
						COR Graduate	\$ 7,375,373	100.0%	\$ 7,671,487	\$ 7,671,487
						COR Grad Resident SCH	6,948,030	100.0%	7,180,380	7,180,380
						COR Grad Non-Resident SCH	427,343	100.0%	491,107	491,107
						Graduate Incremental Tuition (GIT)	\$ 4,313,514		\$ 4,323,544	\$ 4,323,544
						GIT Grad Resident SCH	3,629,200	100.0%	3,574,100	3,574,100
						GIT Grad Non-Resident SCH	684,314	100.0%	749,444	749,444
						IRMY23 Differential Tuition				
						Differential Tuition	10,371,900	100.0%	10,196,600	10,196,600
						Studies Distribution (IRMY22 One-time Distribution)	-			(0)
						Total Net Tuition Revenue	\$ 174,998,530	100.0%	\$ 176,075,185	\$ 176,075,185
						IRMY23 Projected Fees				
		IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total		IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total
						Student Fees - Mandatory	151,985			153,196
						Student Fees - Course, Lab, and Optional	12,354,689			13,131,790
						Student Fees - Credit Hour and Course Repeat Fee	-			-
Student Fees are a Direct Allocation: No Activity Drivers						Total Fees	\$ 12,506,674			\$ 13,284,986
State Appropriations						IRMY23 Projected State Appropriations				
Summer 2021, Fall 2021, Spring 2022 WSCH (66%)						IRMY23 Projected State Appropriations				
		IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total		IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total
Total WSCH		1,859,914	1,829,063	1,829,063	100.0%	State Appropriations - Instruction	59,939,045	100.0%	59,937,298	59,937,298
FY21 Total Restricted Research Expenditures (34%)						State Appropriations - Research	30,877,691	100.0%	30,876,789	30,876,789
		IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total			Direct		
External Research Expenditure	FY2021	50,264,878	52,866,838	52,866,838	100.0%	State Appropriations - CORE	-		-	-
IRMY23 State Appropriations Special Items						State Appropriations - Non-Formula Special Items	797,203	Direct	801,201	801,201
State Appropriation - Special Items is a Direct Allocation: No Activity Drivers						State Appropriations - Benefits	19,390,230	Direct	20,303,203	20,303,203
						Total University State Appropriations	\$ 111,004,169		\$ 111,918,491	\$ 111,918,491

					Other Revenue																																												
Other Revenue are a Direct Allocation: No Activity Drivers					<table><tr><th colspan="5">IRMY23 Projected Other Revenue</th></tr><tr><td></td><td>IRMY22 Comparison</td><td></td><td></td><td>Academic Units Total</td></tr><tr><td>F&amp;A Allocation</td><td>4,635,800</td><td></td><td></td><td>3,935,700</td></tr><tr><td>Sales &amp; Services</td><td>2,403,700</td><td></td><td></td><td>2,265,200</td></tr><tr><td>State Agency Transfer In</td><td>-</td><td></td><td></td><td>-</td></tr><tr><td>Other Operating Revenue</td><td>-</td><td></td><td></td><td>-</td></tr><tr><td>Use of Prior Year Balances for Current Year Expense</td><td>-</td><td></td><td></td><td>-</td></tr><tr><td>Total Other Revenue</td><td>\$ 7,039,500</td><td></td><td></td><td>\$ 6,200,900</td></tr></table>					IRMY23 Projected Other Revenue						IRMY22 Comparison			Academic Units Total	F&A Allocation	4,635,800			3,935,700	Sales & Services	2,403,700			2,265,200	State Agency Transfer In	-			-	Other Operating Revenue	-			-	Use of Prior Year Balances for Current Year Expense	-			-	Total Other Revenue	\$ 7,039,500			\$ 6,200,900
IRMY23 Projected Other Revenue																																																	
	IRMY22 Comparison			Academic Units Total																																													
F&A Allocation	4,635,800			3,935,700																																													
Sales & Services	2,403,700			2,265,200																																													
State Agency Transfer In	-			-																																													
Other Operating Revenue	-			-																																													
Use of Prior Year Balances for Current Year Expense	-			-																																													
Total Other Revenue	\$ 7,039,500			\$ 6,200,900																																													
University Strategic Investment Participation					<table><tr><th colspan="5">IRMY23 Projected University Strategic Investment</th></tr><tr><td></td><td>IRMY22 Comparison</td><td></td><td></td><td>Academic Units Total</td></tr><tr><td>Strategic Investment Contribution (Tuition, State Approp, Sales &amp; Service, Other Operating Revenue)</td><td>268,218,965</td><td></td><td></td><td>269,154,472</td></tr><tr><td>Total Strategic Investment Contribution (14% + 8%)</td><td>\$ (37,550,655)</td><td></td><td></td><td>\$ (37,681,626)</td></tr><tr><td>Operating Margin with SIA Unallocated</td><td>28,363,141</td><td></td><td></td><td>\$ 30,750,879</td></tr><tr><td>SIA Adjustments</td><td>\$ (2,399,408)</td><td></td><td></td><td>\$ (520,837)</td></tr><tr><td>SIA After All Adjustments</td><td>\$ 28,363,141</td><td></td><td></td><td>\$ 32,099,154</td></tr></table>					IRMY23 Projected University Strategic Investment						IRMY22 Comparison			Academic Units Total	Strategic Investment Contribution (Tuition, State Approp, Sales & Service, Other Operating Revenue)	268,218,965			269,154,472	Total Strategic Investment Contribution (14% + 8%)	\$ (37,550,655)			\$ (37,681,626)	Operating Margin with SIA Unallocated	28,363,141			\$ 30,750,879	SIA Adjustments	\$ (2,399,408)			\$ (520,837)	SIA After All Adjustments	\$ 28,363,141			\$ 32,099,154					
IRMY23 Projected University Strategic Investment																																																	
	IRMY22 Comparison			Academic Units Total																																													
Strategic Investment Contribution (Tuition, State Approp, Sales & Service, Other Operating Revenue)	268,218,965			269,154,472																																													
Total Strategic Investment Contribution (14% + 8%)	\$ (37,550,655)			\$ (37,681,626)																																													
Operating Margin with SIA Unallocated	28,363,141			\$ 30,750,879																																													
SIA Adjustments	\$ (2,399,408)			\$ (520,837)																																													
SIA After All Adjustments	\$ 28,363,141			\$ 32,099,154																																													
Total Unrestricted Revenue					<table><tr><td>Total Unrestricted Revenue</td><td>\$ 239,635,077</td><td></td><td></td><td>\$ 239,047,057</td></tr></table>					Total Unrestricted Revenue	\$ 239,635,077			\$ 239,047,057																																			
Total Unrestricted Revenue	\$ 239,635,077			\$ 239,047,057																																													
Restricted Revenue																																																	
Sponsored Programs Revenue					<table><tr><th colspan="5">IRMY23 Estimated Sponsored Programs Revenue</th></tr><tr><td></td><td>IRMY22 Comparison</td><td></td><td></td><td>Academic Units Total</td></tr><tr><td>Sponsored Programs</td><td>48,446,403</td><td></td><td></td><td>47,000,723</td></tr><tr><td>Total Sponsored Program</td><td>\$ 48,446,403</td><td></td><td></td><td>\$ 47,000,723</td></tr></table>					IRMY23 Estimated Sponsored Programs Revenue						IRMY22 Comparison			Academic Units Total	Sponsored Programs	48,446,403			47,000,723	Total Sponsored Program	\$ 48,446,403			\$ 47,000,723																				
IRMY23 Estimated Sponsored Programs Revenue																																																	
	IRMY22 Comparison			Academic Units Total																																													
Sponsored Programs	48,446,403			47,000,723																																													
Total Sponsored Program	\$ 48,446,403			\$ 47,000,723																																													
Gifts, Endowment, & Other Investment Income					<table><tr><th colspan="5">IRMY23 Projected Gifts, Endowment &amp; Other Income</th></tr><tr><td></td><td>IRMY22 Comparison</td><td></td><td></td><td>Academic Units Total</td></tr><tr><td>Gift Contributions for Operations</td><td>4,426,578</td><td></td><td></td><td>3,227,200</td></tr><tr><td>Direct Endowment &amp; Other Investment Distribution</td><td>4,528,516</td><td></td><td></td><td>4,777,600</td></tr><tr><td>Official Occasions - Investment Income Allocations</td><td>-</td><td></td><td></td><td>-</td></tr><tr><td>Total Gifts, Endowment, &amp; Other Income</td><td>\$ 8,955,094</td><td></td><td></td><td>\$ 8,004,800</td></tr></table>					IRMY23 Projected Gifts, Endowment & Other Income						IRMY22 Comparison			Academic Units Total	Gift Contributions for Operations	4,426,578			3,227,200	Direct Endowment & Other Investment Distribution	4,528,516			4,777,600	Official Occasions - Investment Income Allocations	-			-	Total Gifts, Endowment, & Other Income	\$ 8,955,094			\$ 8,004,800										
IRMY23 Projected Gifts, Endowment & Other Income																																																	
	IRMY22 Comparison			Academic Units Total																																													
Gift Contributions for Operations	4,426,578			3,227,200																																													
Direct Endowment & Other Investment Distribution	4,528,516			4,777,600																																													
Official Occasions - Investment Income Allocations	-			-																																													
Total Gifts, Endowment, & Other Income	\$ 8,955,094			\$ 8,004,800																																													
Gift Allocated based on Prior Year Activity and Endowment is Direct Allocation: No Activity Drivers																																																	
Total Restricted Revenue					<table><tr><td>Total Restricted Revenue</td><td>\$ 57,401,497</td><td></td><td></td><td>\$ 55,005,523</td></tr></table>					Total Restricted Revenue	\$ 57,401,497			\$ 55,005,523																																			
Total Restricted Revenue	\$ 57,401,497			\$ 55,005,523																																													
Expenses																																																	
Support Unit Expenses					<table><tr><th colspan="5">IRMY23 Support Unit Expense Allocations</th></tr><tr><td></td><td>IRMY22 Comparison</td><td>Academic Units Total</td><td>Academic Units Total</td><td>Academic Units Total</td></tr><tr><td>Academic Support Unit Total</td><td>37,014,217</td><td>100.0%</td><td>\$ 34,451,772</td><td>\$ 34,451,772</td></tr><tr><td>Administrative Support Unit Total</td><td>65,713,647</td><td>100.0%</td><td>\$ 70,787,626</td><td>\$ 70,787,626</td></tr><tr><td>Total Support Unit Expenses</td><td>\$ 102,727,864</td><td>100.0%</td><td>\$ 105,239,399</td><td>\$ 105,239,399</td></tr></table>					IRMY23 Support Unit Expense Allocations						IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total	Academic Support Unit Total	37,014,217	100.0%	\$ 34,451,772	\$ 34,451,772	Administrative Support Unit Total	65,713,647	100.0%	\$ 70,787,626	\$ 70,787,626	Total Support Unit Expenses	\$ 102,727,864	100.0%	\$ 105,239,399	\$ 105,239,399															
IRMY23 Support Unit Expense Allocations																																																	
	IRMY22 Comparison	Academic Units Total	Academic Units Total	Academic Units Total																																													
Academic Support Unit Total	37,014,217	100.0%	\$ 34,451,772	\$ 34,451,772																																													
Administrative Support Unit Total	65,713,647	100.0%	\$ 70,787,626	\$ 70,787,626																																													
Total Support Unit Expenses	\$ 102,727,864	100.0%	\$ 105,239,399	\$ 105,239,399																																													
<table><tr><th colspan="5">Support Unit Expense Allocations</th></tr><tr><td></td><td>IRMY22 Comparison</td><td></td><td>Current</td></tr><tr><td>Academic Support Rate</td><td>13.8%</td><td></td><td>12.8%</td></tr><tr><td>Administrative Support Rate</td><td>24.5%</td><td></td><td>26.3%</td></tr><tr><td>Total Support Rate</td><td>38.3%</td><td></td><td>39.1%</td></tr></table>					Support Unit Expense Allocations						IRMY22 Comparison		Current	Academic Support Rate	13.8%		12.8%	Administrative Support Rate	24.5%		26.3%	Total Support Rate	38.3%		39.1%																								
Support Unit Expense Allocations																																																	
	IRMY22 Comparison		Current																																														
Academic Support Rate	13.8%		12.8%																																														
Administrative Support Rate	24.5%		26.3%																																														
Total Support Rate	38.3%		39.1%																																														
<table><tr><th colspan="5">IRMY23 Sponsored Programs</th></tr><tr><td></td><td>IRMY22 Comparison</td><td>Academic Units Total</td><td>Academic Units Total</td></tr><tr><td>Sponsored Programs</td><td>IRM 48,446,403</td><td>47,000,723</td><td>47,000,723</td></tr></table>					IRMY23 Sponsored Programs						IRMY22 Comparison	Academic Units Total	Academic Units Total	Sponsored Programs	IRM 48,446,403	47,000,723	47,000,723																																
IRMY23 Sponsored Programs																																																	
	IRMY22 Comparison	Academic Units Total	Academic Units Total																																														
Sponsored Programs	IRM 48,446,403	47,000,723	47,000,723																																														



# Shared Governance

Incentive-based budget models are inherently transparent. They are most effective when there is a high degree of trust and accountability among academic and administrative stakeholders.

The IRM planning and governance process has identified two areas that are part of a review and recommendation process: strategic investment fund requests and operational support unit reviews. Each of these areas has its own committee composed of faculty and staff representatives from throughout the university.

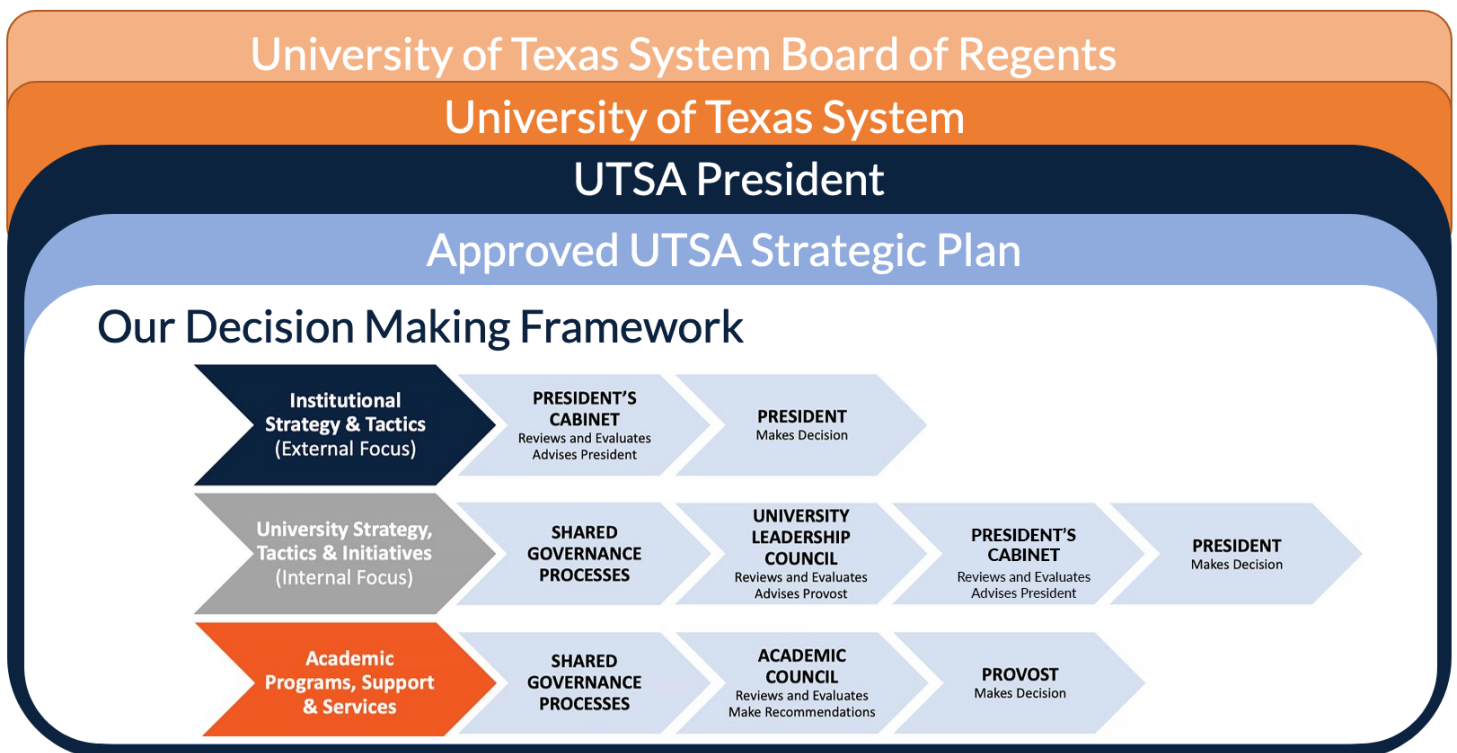
These committees are utilized for recommendations related to the requests or the reviews through the decision-making process identified below.

[Strategic Investment Fund Review Process](#)

[Operational Review Process](#)

## Decision Making Process

UTSA's executive leadership structure provides a clear process for campus planning, prioritization and decision making that reflects our core as an academic enterprise.



# Conclusion

## What does the UTSA incentivized budget model do?

The IRM Budget Model will help to evolve the mission of the university by providing transparent and data-driven financial information that supports decision-making responsibilities for investment of financial resources.

The IRM model creates a set of structures, rules, and incentives to prompt decisions and behaviors that can yield new resources long term.

Finally, the IRM model brings together academic, financial, and operational needs to create a coherent system that works toward the university's strategic destinations.

