



Financial Area Representatives (FAR) Meeting

Debra Villanueva, Senior Business Operations Manager, Financial Affairs

Agenda

- Announcements
- Budget Update
- Financial Guidelines Update
- Supply Chain Update
- OREM/Fire Drills
- Controller Update
- FY2023 Year-End Financial Results & FY2024 Budget Update





Budget Update

Paula Pierson, Senior Director, Budget & Financial Planning

Welcome Our New AVP!

Phranses J. Williams

Assistant Vice President for Budget and Financial Planning

Leading the Budget and IRM Offices

Contact info:

phranses.williams@utsa.edu

or chat with me on Microsoft Teams!



UTSA Annual Operating Budget and IRM Budget Model Fiscal Year 2025

January	Budget Preparation: Revenue Projections (Net Sales & Service, Differential Tuition, Option 3, Fees, Other)
	IRM Preparation: Start Budget Forecast Model Updates based on Budget Preparation Inputs
February	BOR Reviews and Approves Budget Policies and Rules
	Budget Preparation: Revenue Projections (Sponsored Program, Gifts, Endowment)
	Budget Preparation: Enrollment Projections
	Budget Preparation: Position Budgeting
March	Budget Preparation: Investment and Interest Earning Projections
	Ongoing Discussions with Leadership: Reviewing Budget and IRM Forecast Reports
April	UT System provides Instructions for Library, Equipment, Repair and Rehabilitation (LERR) New Project Requests
	Budget Preparation: Cost Center Balancing in Hyperion
	IRM Preparation: Finalize IRM Forecast Model Development

UTSA Annual Operating Budget and IRM Budget Model Fiscal Year 2025

May	Institution Budget Meetings with UT System re: Annual Operating Budgets and Priorities
	UT System issues Final Budget Instructions
June	New LERR Project Requests due to UT System
	Draft Operating Budget due to UT System
	Ongoing Discussions with Leadership: Finalizing IRM Reports
July	Final Operating Budget due to UT System
	Final Reconciliation between Final Operating Budget and Final IRM Budget Model
August	BOR Reviews and Approves Institution Operating Budgets
	FY 2025 Operating Budget Details Loaded into PeopleSoft
	Final FY25 Operating Budget and IRM Budget Model Reports Shared with Departments

Legislative Appropriations Request (LAR) 2026 and 2027 Biennium

February	UT System Shares LAR Calendar
	Legislative Budget Board (LBB) Issues Strategic Planning Instructions
March	Budget Structure Changes (Changes to Existing Special Items) Due to UT System
April - May	UT System Provides Instructions
	Budget Office and UTSA Departments Prepare Individual LAR Schedules
	UT System Discussions regarding Exceptional Items and Capital Construction Projects (CCAP)
June	Due to UT System: Proposed Exceptional Items (New and Changes to Existing)
	Due to UT System: Proposed Capital Construction Projects (CCAP)
July	LBB Issues LAR Instructions
	UT System Completes Review of Exceptional Items and Capital Construction Projects
	Due to UT System: 1st Draft of LAR; Followed by Technical Review and Hearings with UT System
August	Due to UT System, LBB and Governor: Final Version of LAR
September - October	Joint LAR Hearings
	LAR Updates Due to LBB and Governor (Purpose: Updates to Projections)





Financial Guidelines Update

Lilian Man, Senior Policy Analyst & Training Coordinator, Financial Affairs



Updated Guidelines (1)

- Budget Transfers
- Cash Handling and Management (Cash, Checks, Credit Cards)
- Control Activities and Control Environment
- Department Financial Reviews
- Fee Waivers



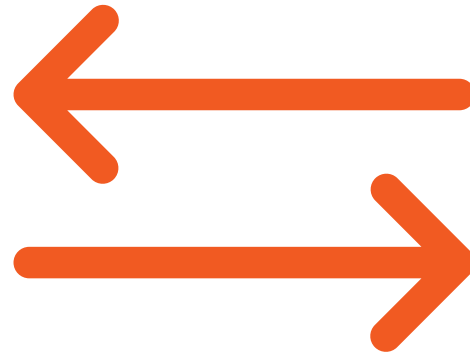
Updated Guidelines (2)

- Fiscal Accountability and Stewardship of University Resources
- Memberships Paid by University Funds
- Monitoring Plan for Segregation of Duties and Review of Financial Activity
- Purchasing
- Travel Reimbursement

Budget Transfers

Overhauled

- Added new Budgetary Accounts section
- Updated throughout for current processes



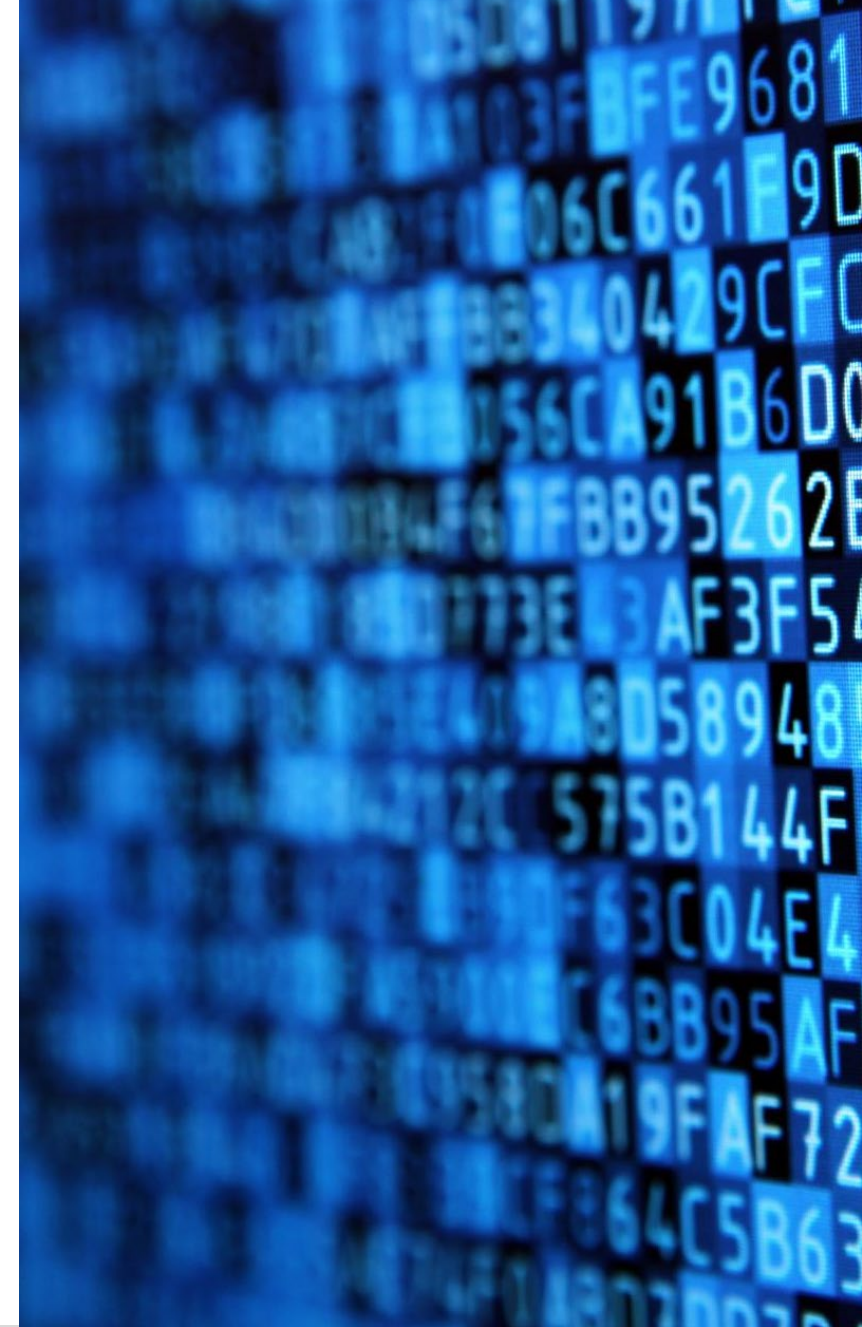
Internal Controls-related

- [Control Activities, Control Environment](#)
- Coming soon: [Information and Communication, Internal Control Overview](#)



Cash Handling and Management (Cash, Checks, Credit Cards)

- Updated for new Payment Card Industry (PCI) requirements
- Edited credit card **discount** charge to credit card **expense** charge
- Clarified departments' responsibilities (section C), processes throughout



Department Financial Reviews

- Updated department managers' responsibilities (section B)
- Clarified section D. Additional Resources



Fee Waivers

Now points undergraduate applicants looking for application fee waivers to the [freshman admissions Fee Waivers page](#)



Fiscal Accountability and Stewardship of University Resources

Updated for

- Organizational changes
- Department manager responsibilities
- Certification processes



Memberships Paid by University Funds

- Clarified disallowed organization types (including chambers of commerce)
- Added San Antonio Museum of Art



Monitoring Plan for Segregation of Duties and Review of Financial Activity

- Clarified department manager responsibilities (section A)
- Codified department reconciliation timeframes (section B. 4)
- Updated Quality Assurance Review and risk assessment processes (section D)



Purchasing

Updated the restricted commodities list (section J) for consistency with other financial guidelines.



Travel Reimbursement

Specified federally sponsored project funds are prohibited for first class, business class or other fare class upgrades beyond the basic air fare

- Except specific situations allowed in 2 CFR (Code of Federal Regulations) [Section 200.475\(e\)](#)
- Prohibition includes fees related to splitting upgrade costs between funding sources



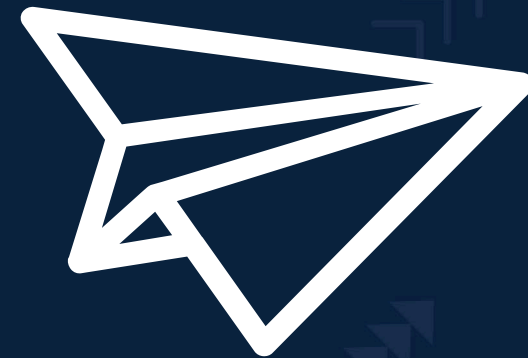




Supply Chain Update

Marco Garcia, Assistant Vice President, Supply Chain

eShip Global



What is eShipGlobal?

- Leading shipping solution provider
- Single point, centralized shipping solution
- UT System contracted shipping carrier

eShipGlobal

TRUSTED CARRIERS:



Benefits to UTSA

- Streamlines and simplifies shipping
- Automates billing and invoicing
- Enables export and hazmat compliance procedures
- Integration with financial, ERP or third party systems
- In depth reporting and analytics

Benefits to UTSA

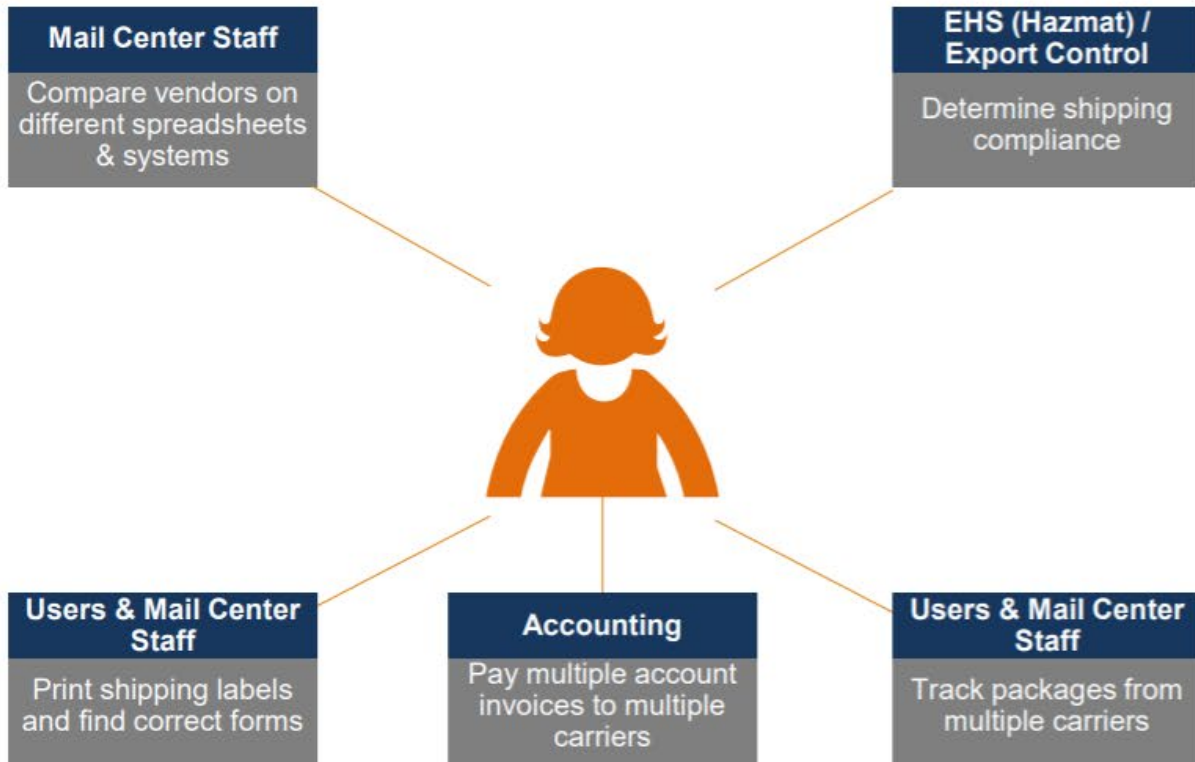
- Average cost savings of 50 to 80%!



eShipGlobal's Comprehensive Shipping Platform

- Consolidates all key aspects of the shipping process into a single and centralized platform

Typical Higher Education Shipping Procedures



Holistic Shipping Management Platform



Benefits to you!

- Starting March 1, Distribution Services will pick up packages for shipping
- Complete the [Shipping Request Form](#)
- Call Distribution Services at ext. 4019 to schedule pick up

Note: Packages collected after 2:30 pm will be shipped out on the next business day.



Surplus



UTSA Surplus

- Items available at no cost to departments
- Includes furniture, printers, scanners
- Some in “like-new” condition
- Monthly auctions open to the general public
 - Visit directbids.com for an inventory of items available for personal purchase



How can I acquire items?

- From the 1st – 10th of the month, all items are available for departments
- From the 11th – 25th of the month, all items are auctioned to the general public through directbids.com for personal use
- From the 26th – end of month, Surplus is restaging new items received



Did you know?

- In January 2024, Surplus auctioned off \$32K of items!



Contact

Phone: [\(210\) 458-6272](tel:(210)458-6272)

Fax: [\(210\) 458-5114](tel:(210)458-5114)

Email: surplus.property@utsa.edu

Address:

One UTSA Circle

CAR – Surplus Warehouse, West Campus





Fire Drills & Floor Captain Program

Risk & Emergency Management
February 22, 2024 - FAR

Program Details

Goals

Minimize impact to classes and operations

Promote safety and preparedness

Increase situational awareness

Prioritize high-occupancy campus buildings

Identify areas of opportunity

Floor Captains

- Receive training and resources to assist with evacuations, crime prevention awareness, etc.
- Support safe building evacuation
- Identify those with challenges exiting to first responders
- Help guide evacuees to assembly areas

Fire Drills Overview

Fire Drill Program	Logistics	Coordination	Partnerships
<p>High-occupancy areas, classrooms, & student housing</p> <p>To make this successful, we need your support!</p>	<p>15-20 minute duration</p> <p>Executed during times of normal occupancy</p>	<p>Coordination with primary building occupants to identify “blackout dates”</p> <p>Minimize impact to classes and operations</p>	<p>RPM, Campus Services, Lab Safety, UTSA PD, Academic/Research Leaders</p> <p>Floor Captains Support</p>

Evacuation Assembly Points (EAPs)

The screenshot displays the UTSA Campus Map interface. At the top left is the UTSA logo and a 'Campuses' dropdown menu. A search bar is located below the logo. The main map area shows an aerial view of the UTSA campus with numerous blue location pins indicating Evacuation Assembly Points (EAPs). On the left side, there is a sidebar menu with various categories: 'Locations' and 'Tours' at the top, followed by 'SORT: Default' and 'CLEAR'. Below this is a 'Back' button and a 'Health & Safety' section. The 'Health & Safety' section includes several items with checkboxes: 'Automatic External Defibrillators (AEDs)', 'COVID Testing', 'Emergency Phones', 'Evacuation Assembly Points (EAPs)' (which is highlighted with an orange border and has a checkmark), 'Fire Stations', and 'Police Stations'. At the bottom of the sidebar, there is contact information for 'The University of Texas at San Antonio' and social media icons for Facebook, Twitter, Instagram, and YouTube. The map itself shows various campus buildings, green spaces, and roads, with the EAP pins distributed across the campus area.

[UTSA Campus Map](#)

EAPs should be:

- Easily accessible; not a confined area.
- At a safe distance from the building (preferably 150–200 feet away).
- Away from secondary risk factors, such as dumpsters, gas mains or gas lines, high-voltage wires or transfer points, and sewer main access covers.

Try to Avoid:

- Blocking access routes or staging areas responders will use.
- Hydrants or utility shut-off valves/access points.

Key Takeaways

Fire Drill Support

- Encourage participation in Fire Drills
- Promote safety and preparedness
- Coordinate with primary building occupants to identify “blackout dates”
- For more information, contact Linda.Irshid@utsa.edu

Supervisor Responsibilities

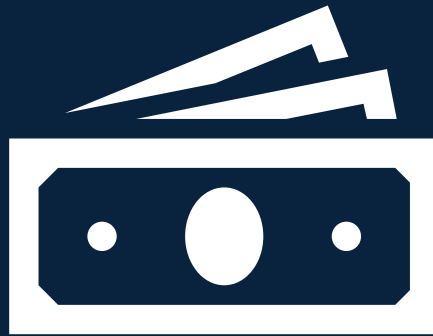
- Identify Floor Captains in your area and coordinate with OREM
 - Use this [survey](#) to register
- Assign additional Floor Captains as needed; at least one per floor
- Active [roster](#)
- For more information, contact Elizabeth.Rodriguez-Santo@utsa.edu



Controller Update

Greg Yturalde, Assistant Vice President, Financial Affairs & Controller

Grants



Grants Financial Process – Progress since May 1 Transition

- By last fall monthly sponsored on-time invoicing improved from 65% to 99% for eligible invoices
- Identified and applied over \$2.7 million in unapplied cash to open AR
- Addressed FY 22 Invoice backlog and have only two remaining items for FY 23
- Reallocated dedicated invoicing personnel to processing, award setups, closeouts, and accounts receivable management
- Set up a standard timeline and process to contact the sponsor to collect open AR while developing a collection letter to be sent after 90 days

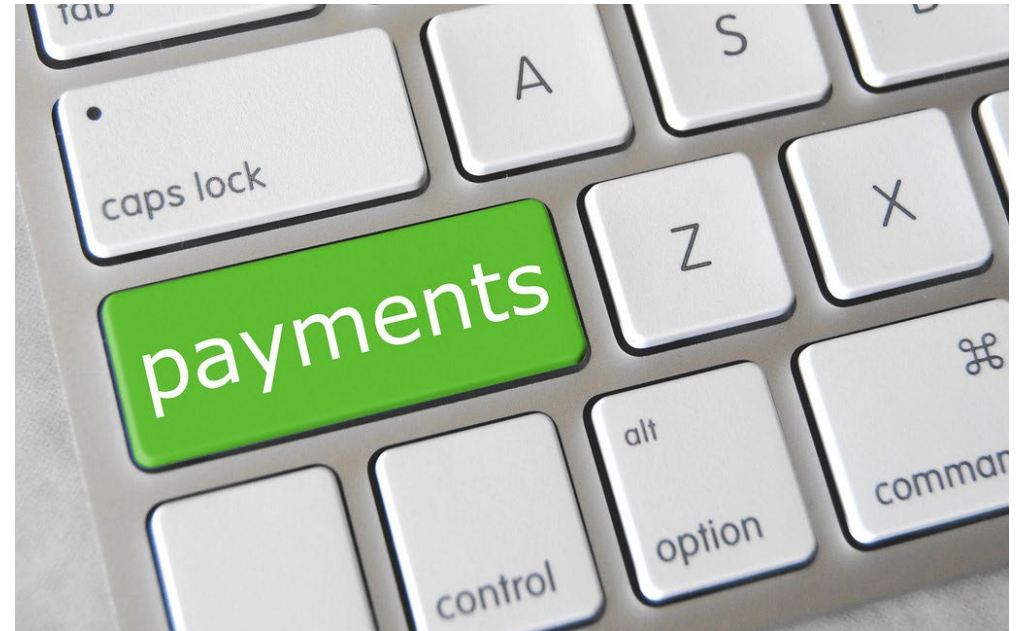
Grant Closeout

- Began to close projects in PeopleSoft that ended in prior years, and the staff are completing 35 per month
- Utilizing existing new robotics process automation process (RPA)
- GCFS staff, student staff, and temporary staff working to close projects and awards



Grant Closeout

- The team is applying unrecorded payments, processing refunds, and attempting to collect open accounts receivables (AR) from sponsors.
- Prioritizing projects and awards that recently ended, are associated with an external audit, fixed price, and awards in inactive departments.



eForms



eForm Deadline and Exception Process

- Soft launch began on February 1 and will run through March 31
- Instructional resources, including a new exemption documentation form will be available on Financial Affairs and People Excellence websites on March 1
- A touch point meeting with Financial Leads is scheduled on March 11
- UTSA This Week email on March 18
- Go live on April 1







FY2023 Year-End Financial Results & FY2024 Budget Update

FAR Meeting
February 22, 2024

Sheri Hardison

Chief Financial Officer & Senior Associate Vice President for Financial Affairs

Greg Yturralde

Controller & Assistant Vice President for Financial Affairs

Other Presentations

November 29 – University Leadership Council

January 10 – Faculty Senate Budget Committee

January 17 – Chairs Council

February 8 – Student Government Association

February 21 – Staff Senate

Today's Topics

- Financial Highlights
- Financial Ratios
- Administrative Costs
- FY2024 Budget
- Our Budget Model - IRM



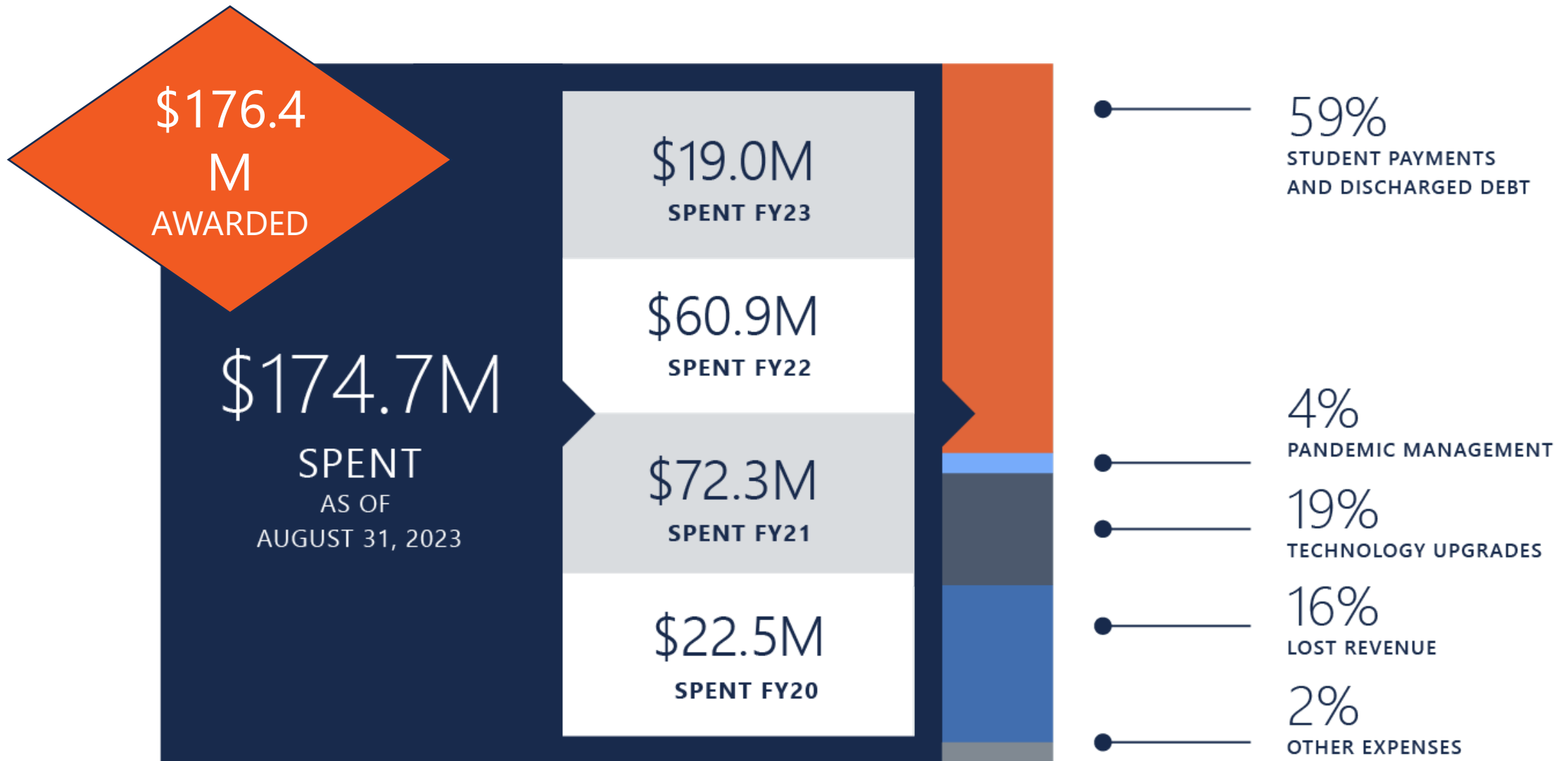
Financial Highlights - Fiscal Year Ended August 31, 2023



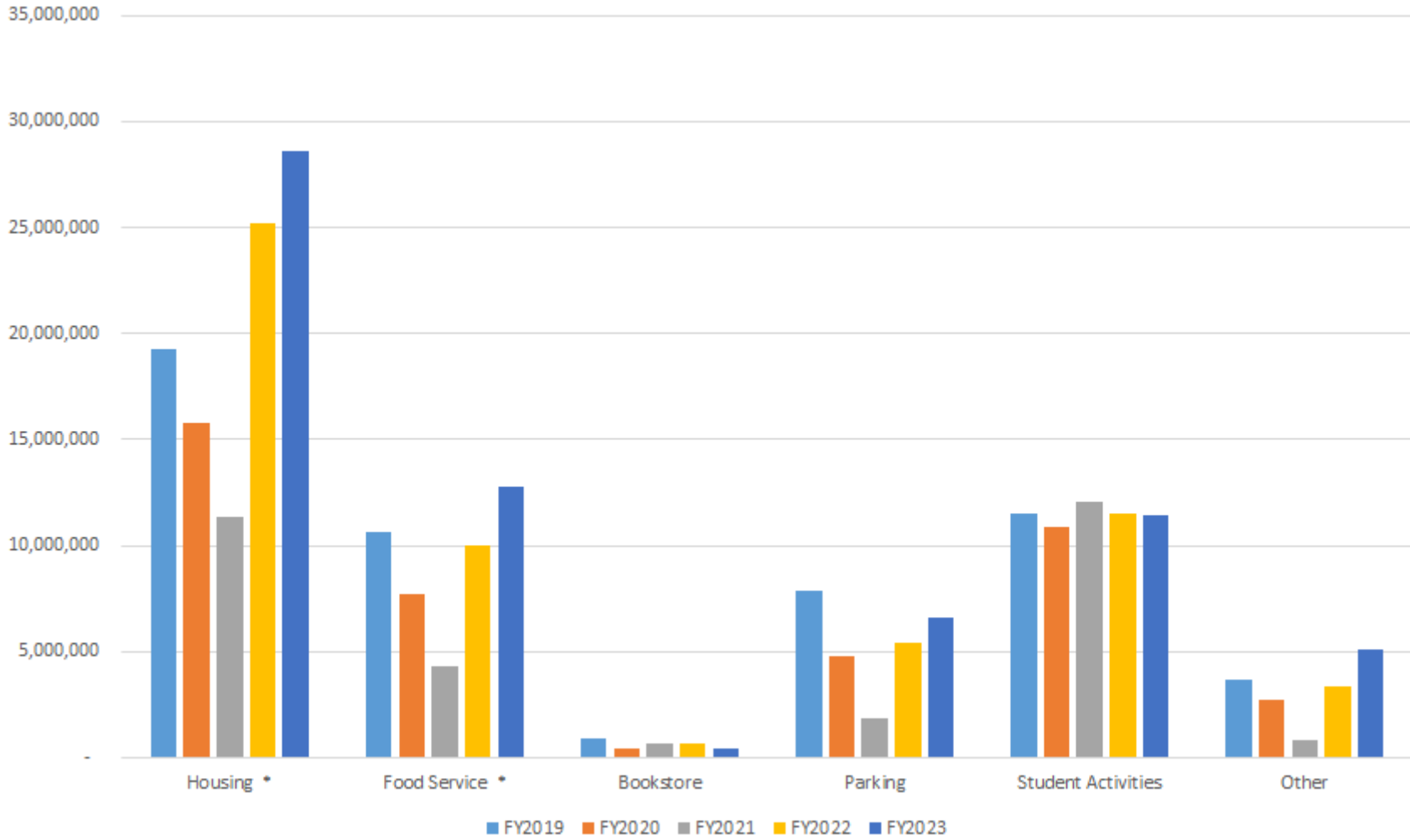
Annual Financial Report at a Glance

Total Operating Revenue	Total Expenses	Total Assets	Net Capital Assets	Total Endowment
\$751M FY2023	\$727M FY2023	\$2B FY2023	\$882M FY2023	\$287M FY2023
\$772M FY2022	\$703M FY2022	\$1.87B FY2022	\$854M FY2022	\$264M FY2022

HEERF Awards and Spending



FY2023 Auxiliary Revenues



Financial Highlights: Salary & Wage Expenses

	FY2023	FY2022	Difference	
			\$	%
Faculty - Tenure/Tenure track	\$ 75,313,610	72,548,638	2,764,973	3.8%
Faculty - Non-Tenure Track	\$ 29,460,774	27,375,210	2,085,563	7.6%
Faculty - Summer	\$ 16,466,231	14,656,651	1,809,580	12.3%
GTAs and GRAs	\$ 16,503,499	14,737,273	1,766,226	12.0%
Staff - Permanent	\$160,912,506	150,490,553	10,421,953	6.9%
Students - Regular and Work Study	\$ 11,601,958	9,748,347	1,853,611	19.0%
Other Salaries and Wages	\$ 5,177,496	3,532,927	1,644,569	46.5%
Moving Expense and Temporary Housing Allowance	\$ 634,437	579,479	54,958	9.5%
Staff - Temporary	\$ 1,105,503	1,368,684	(263,181)	-19.2%
Vacation Payout	\$ 1,072,679	1,282,205	(209,526)	-16.3%
Overtime and Hazardous Duty Pay	\$ 373,808	323,682	50,126	15.5%
Longevity Pay	\$ 2,228,341	2,188,476	39,864	1.8%
Tuition Remission	\$ 501,871	506,377	(4,506)	-0.9%
Total Salaries and Wages	\$321,352,714	299,338,502	22,014,212	7.4%

Financial Ratios

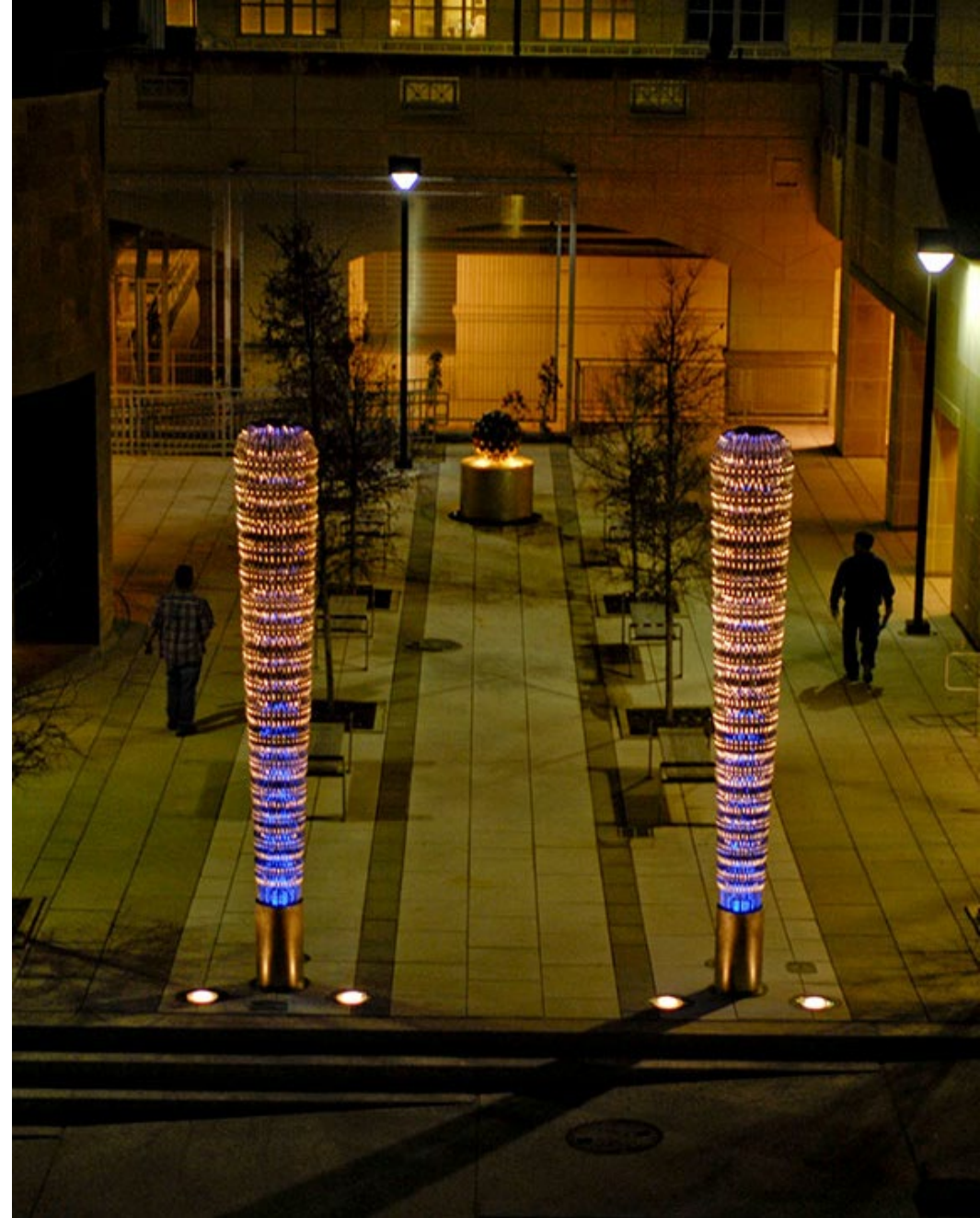


Why the Ratios Matter

UT System uses the ratios to evaluate financial condition

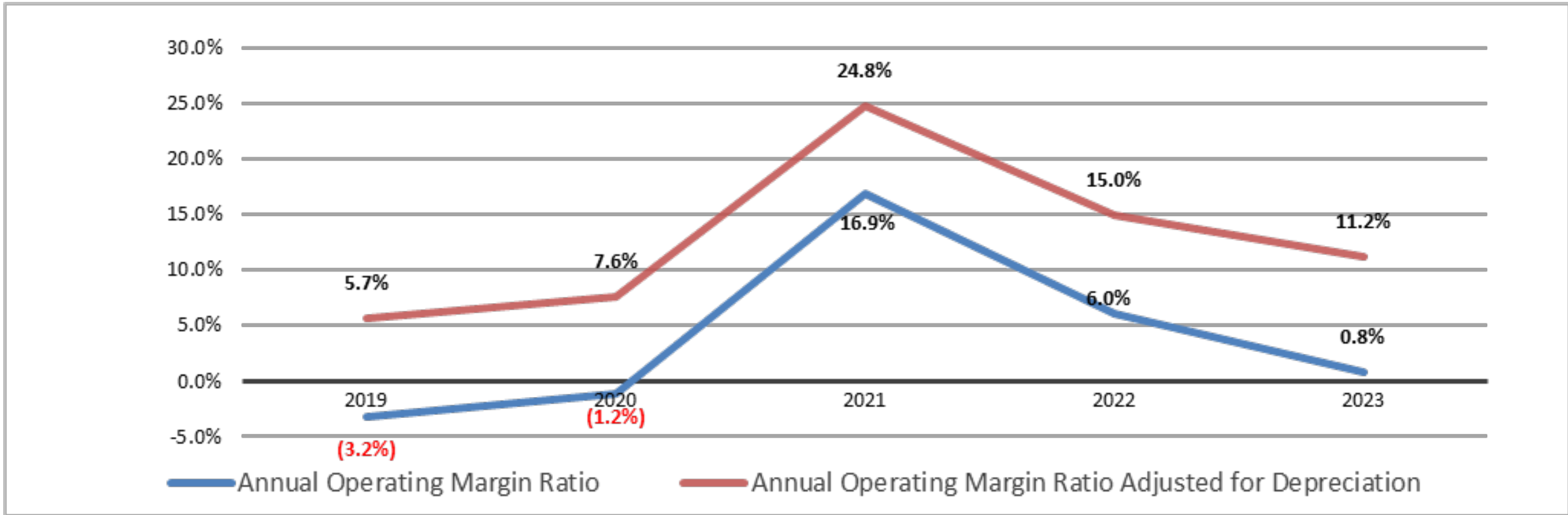
- Satisfactory/Watch/Unsatisfactory
- Satisfactory rating for FY22
- Not yet rated for FY23

Ratios are used to evaluate UTSA financial performance and debt capacity



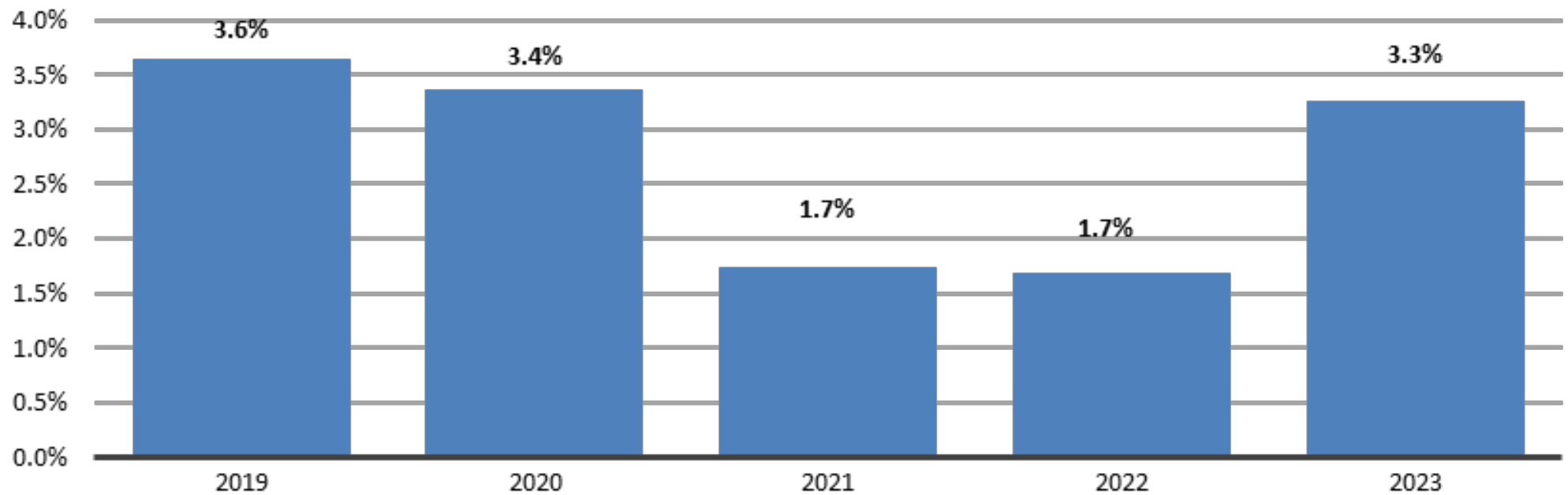
Annual Financial Condition Ratios

Operating Performance



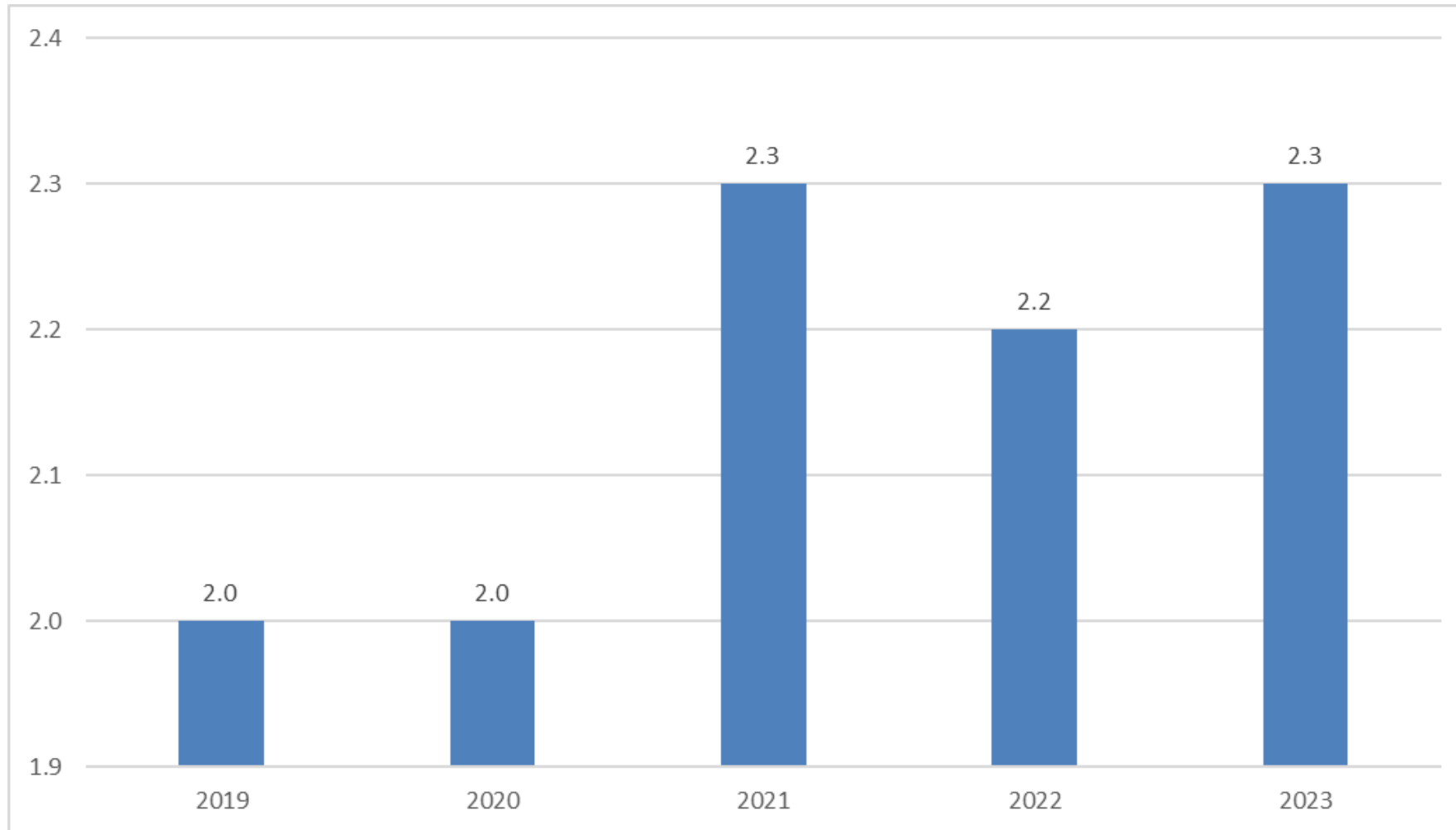
Annual Financial Condition Ratios

Debt Service to Operations



Annual Financial Condition Ratios

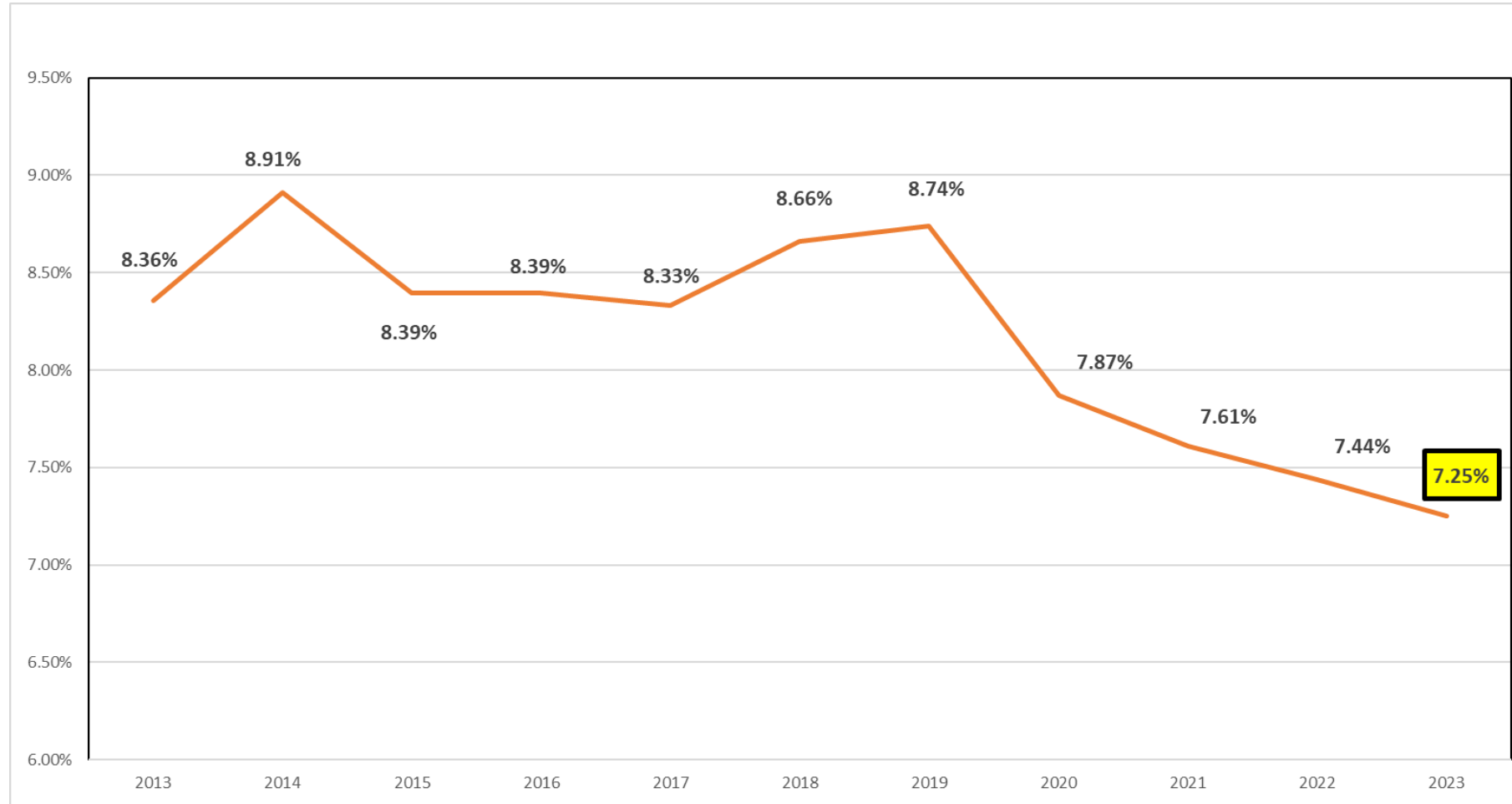
Spendable Cash & Investments to Total Debt



Administrative Costs

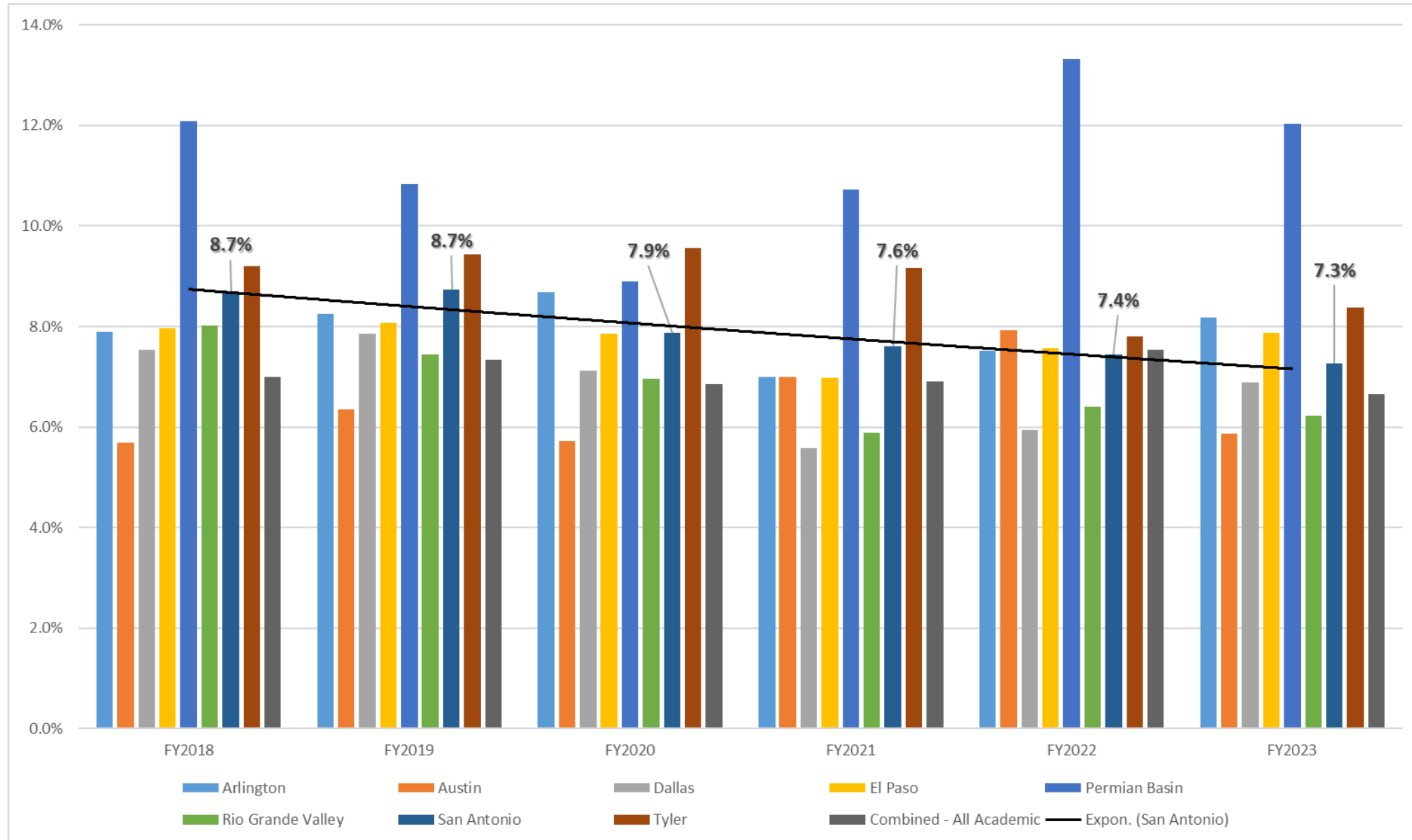


Administrative Cost Measure*



*The Administrative Cost Measure is a state/UT System calculation. The calculation excludes auxiliary expenses.

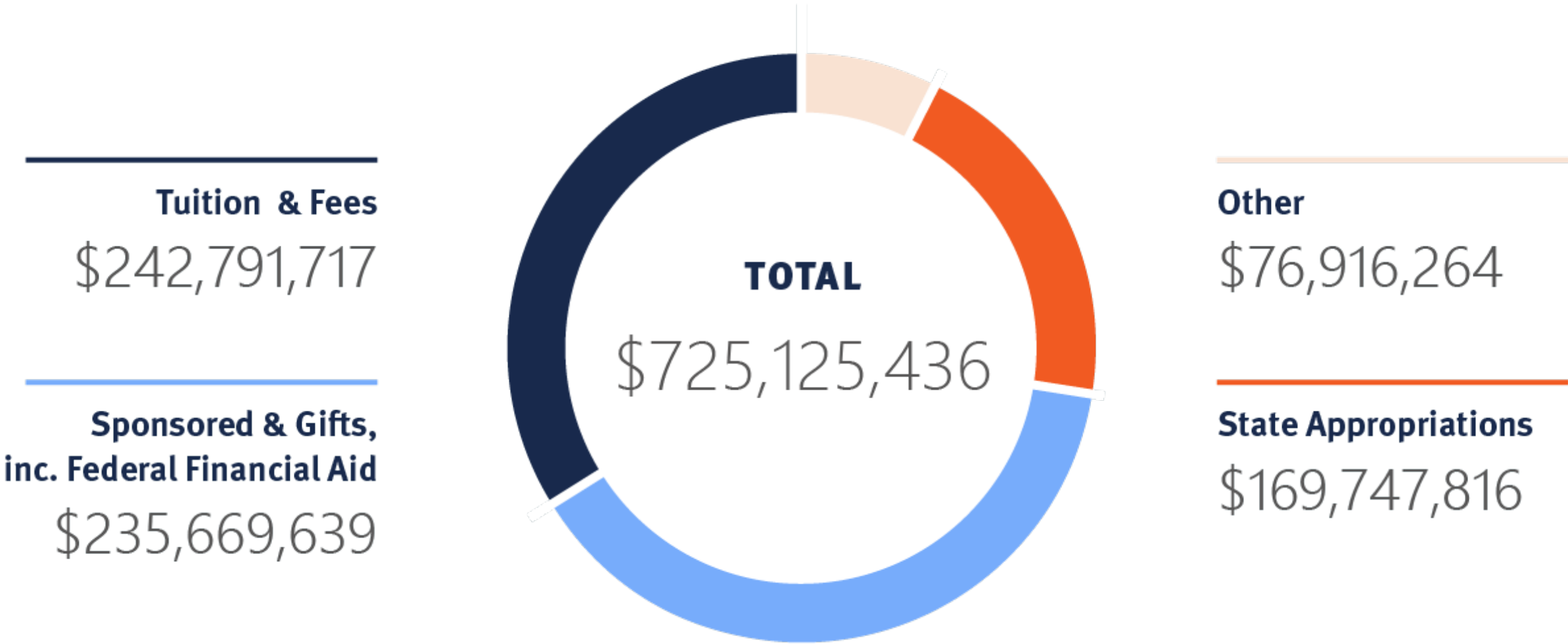
Administrative Cost Measure – UT System



FY2024 Budget

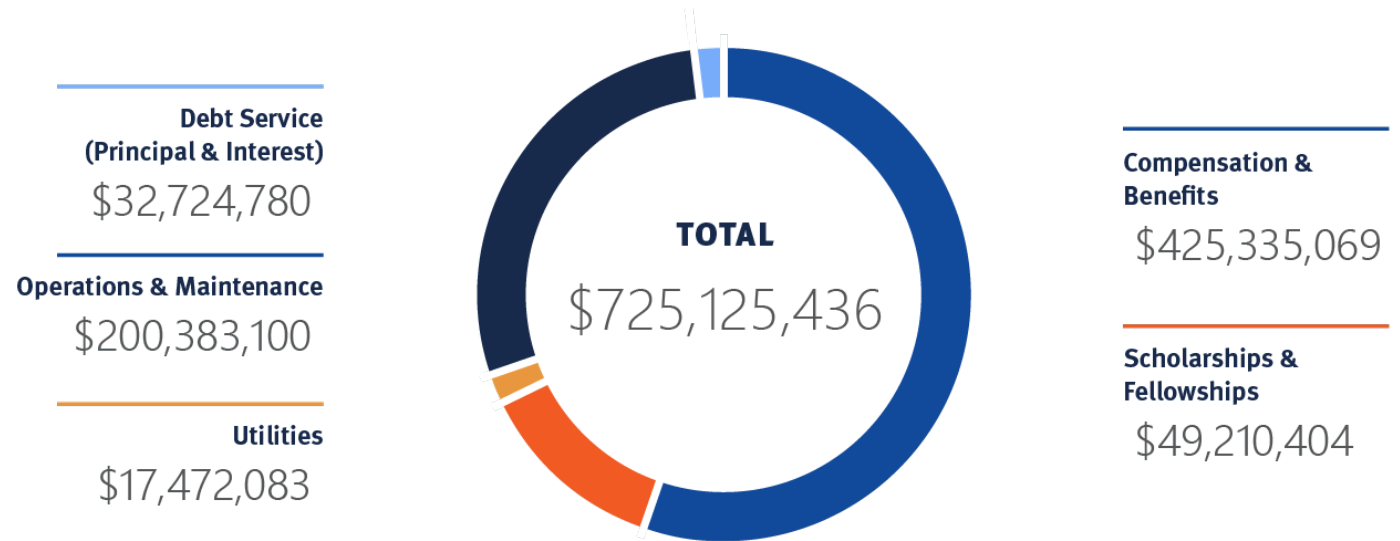


FY2024 Budgeted Revenue



UTSA's Expenses

- ➔ Debt Service
- ➔ Compensation
- ➔ Employee Benefits
- ➔ Utilities
- ➔ Scholarships & Fellowships
- ➔ Operations & Maintenance



FY2024 Expense Budget

UTSA's Expenses

- ➔ 58% of budget is salary and benefits
- ➔ Faculty and staff compensation is a permanent priority
 - ➔ 9% merit pool over FY2022 and FY2023 and FY2024
 - ➔ Promotion and tenure
 - ➔ Over \$27 million invested in all faculty/staff compensation strategies over the last three fiscal years
- ➔ Benefits increased \$2.3M (7.5%) in FY2023 and \$2.3M (7.5%) in FY2024
- ➔ Faculty start-up expenses - \$8.5M committed for FY2024
- ➔ Includes \$31.3M of institutional dollars, including tuition set asides, for financial aid
- ➔ *No UG tuition or academic fee increases for FY2023, FY2024 and FY2025*

Expense Growth

2020

Latte

\$3.65



Short
8 oz.



Tall
12 oz.



Grande
16 oz.



Venti
20 oz.

Expense Growth

2020



\$4.45

\$3.65

15% higher

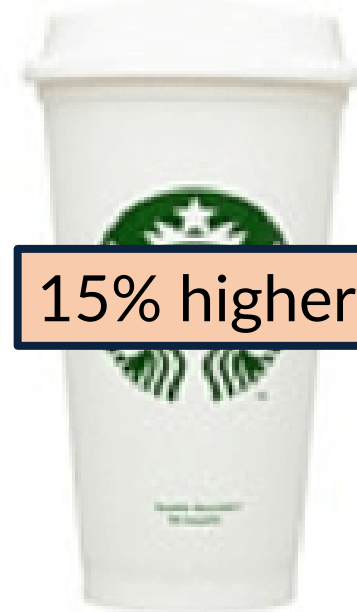
2024



Short
8 oz.



Tall
12 oz.



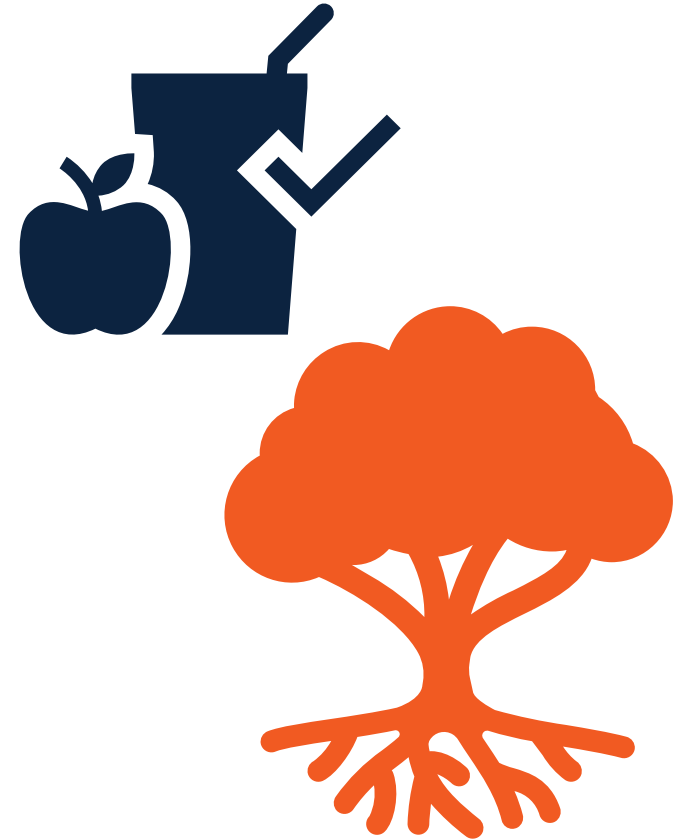
Grande
16 oz.



Venti
20 oz.

UTSA's Expenses

- ➔ Large service contracts increase every year and are also affected by labor cost increases
 - ➔ Food service
 - ➔ Housekeeping and grounds maintenance
 - ➔ Repairs and maintenance
- ➔ Other mandatory increases
 - ➔ Utilities
 - ➔ Insurance



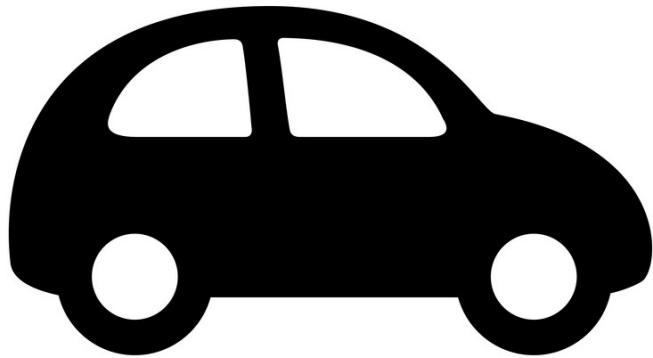
Expenses: Capital vs. Operating Funds

- ➔ Annual operating budget dollars are not used for capital purposes except the following:
 - ➔ Modest annual budget for deferred maintenance/repair projects
- ➔ Deferred maintenance backlog* is \$92.5M, comprised of \$64.7M E&G and \$27.8M non-E&G
- ➔ Departmental budgets used for renovations or equipment/technology replacement



*As reported in 2023 to UT System

What is Deferred Maintenance?



How are Capital Projects Funded?

Type of Funding	Examples
Capital Construction Assistance Project bonds (state program)	San Pedro II
Permanent University Funds (PUF)	San Pedro I & II
Debt (UT System's Revenue Financing System lending program)	Residence Halls
Gifts	San Pedro I
Auxiliary funds	Housing or food service renovations
Institutional funds	Department renovations

Our Budget Model - IRM



IRM vs. UT System Budget

IRM Incentivized Resource Management	UT System Budget
"Roadmap" for strategic investment decisions	Legislation requires Board of Regent approval on fiscal year budget
Revenue allocation of budget spending authority	Provides maximum spending authority for UTSA
Revenue from actuals for the prior formula year (summer 2020, fall 2020 and spring 2021)	Tuition revenue forecasted for the fiscal year (fall 2020, spring 2021 and summer 2021)
Follows UTSA established guidelines and governance structure	Prepared in accordance with Board Regents' Rules and UT System budget instructions
Activity driver allocations for both revenue and expense used throughout model for the various revenue and support units	No activity driver allocations used

What is IRM?

- ➔ Incentivized Resource Management
- ➔ Resource allocation budget model
- ➔ Incentivizes “activity”/revenue growth
- ➔ Aligns resources with institutional priorities
- ➔ Greater decision-making authority within revenue units

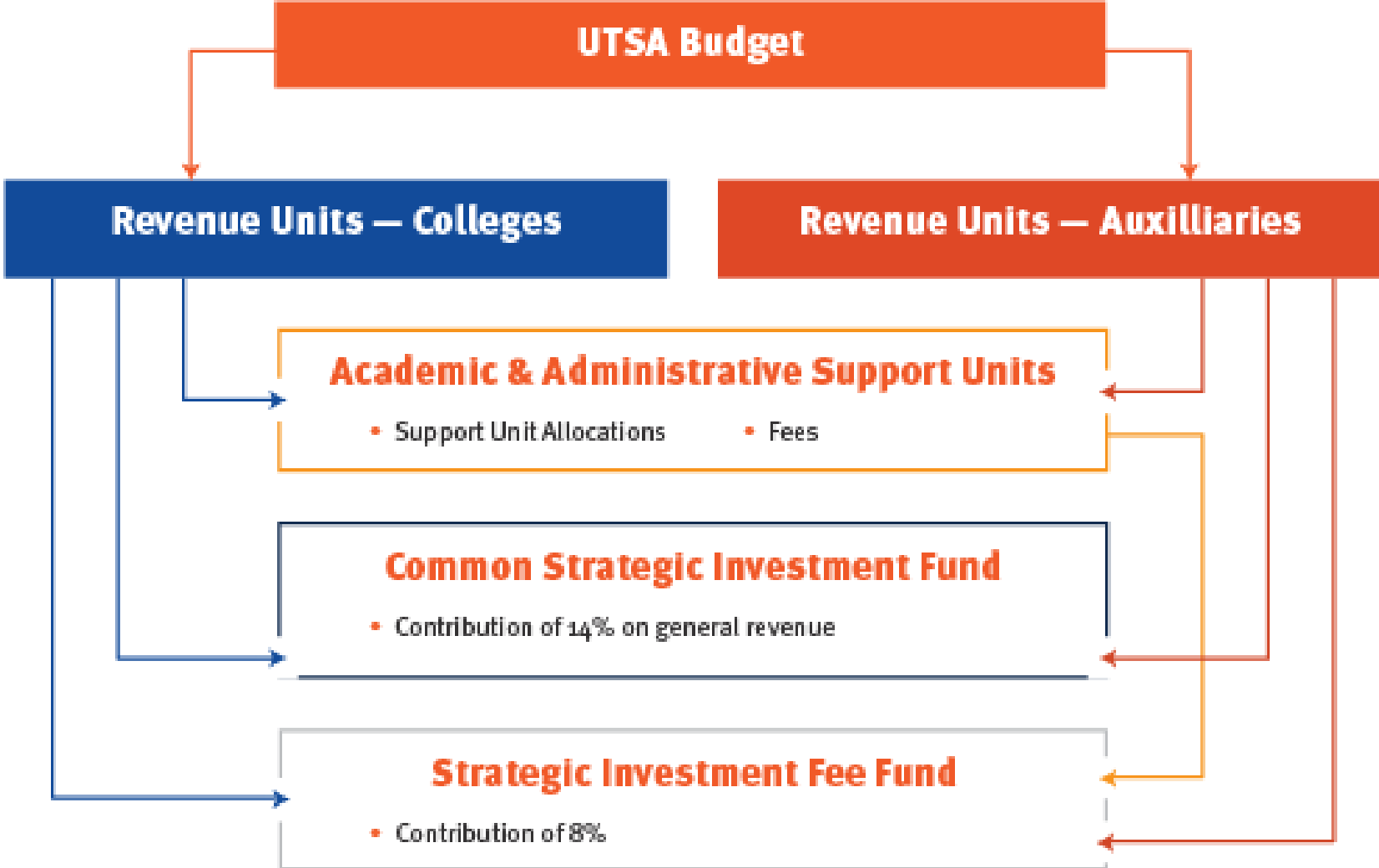


How Does IRM Work?

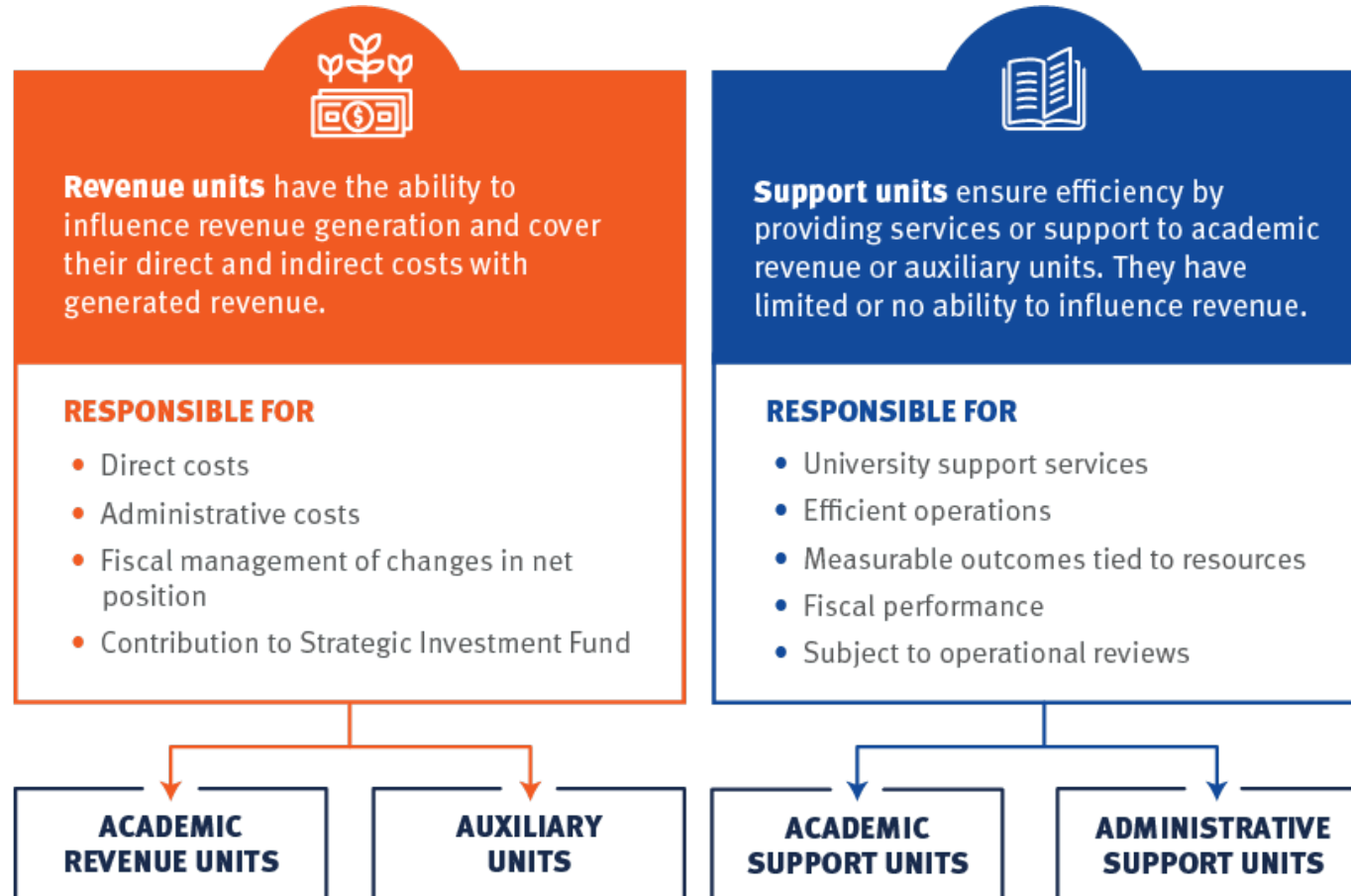
Revenue distributed to revenue units.

Distribution based on customized activities, such as credit hours.

Revenue units pay all support unit costs.



Types of Units in IRM



IRM Governance Structure



Governance Structure



IRM is governed by a collaborative, data-driven process, including regular touchpoints with unit representatives.

Under IRM, we all have shared responsibilities in deciding budget priorities. While ultimate budgetary decisions are made by the president, the Resource Management Team and University Leadership Council provide guidance and key insights to the overall decision-making process. The process also includes two major committees:

STRATEGIC INVESTMENT FUND COMMITTEE

Reviews, evaluates & prioritizes investment requests from the Strategic Investment Fund

OPERATIONAL REVIEW COMMITTEE

Participates in operational reviews of all support units and auxiliaries

IRM Roles

Institution	Colleges/Deans
Establishing and monitoring adherence to guiding principles and policies	Decision making and communication on allocation of college resources, with transparent processes for decision input
Oversight of model framework and methodologies	Oversight of college activity drivers and the actions needed to maximize activity
Ensuring adequate resources for UTSA to thrive, including best practice, efficient support unit operations	Ensuring adequate resources for College to thrive, including best practice, efficient supporting operations
Oversight and communication of mechanism for strategic investment at institutional and divisional levels	Oversight and communication of mechanism for allocating new or excess funding, including reserve balances
Regular communication of model outcomes and any methodology changes	Regular communication to Chairs regarding the connections between academic activity, IRM revenue/cost principles in the context of the specific college
Continuous improvement and agility to pivot in a dynamic environment	

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Next FAR – Summer 2024

Today's materials and agenda can be found on our [FAR website](#).

Submit suggestions for FAR topics by emailing financialaffairs@utsa.edu.

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