



# FY2022 Financial Results

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# Today's Topics

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- Annual Financial Report (AFR)
- HEERF Awards
- Other Financial Highlights
- Financial Ratios
- Functional Expense Comparison
- Administrative Costs



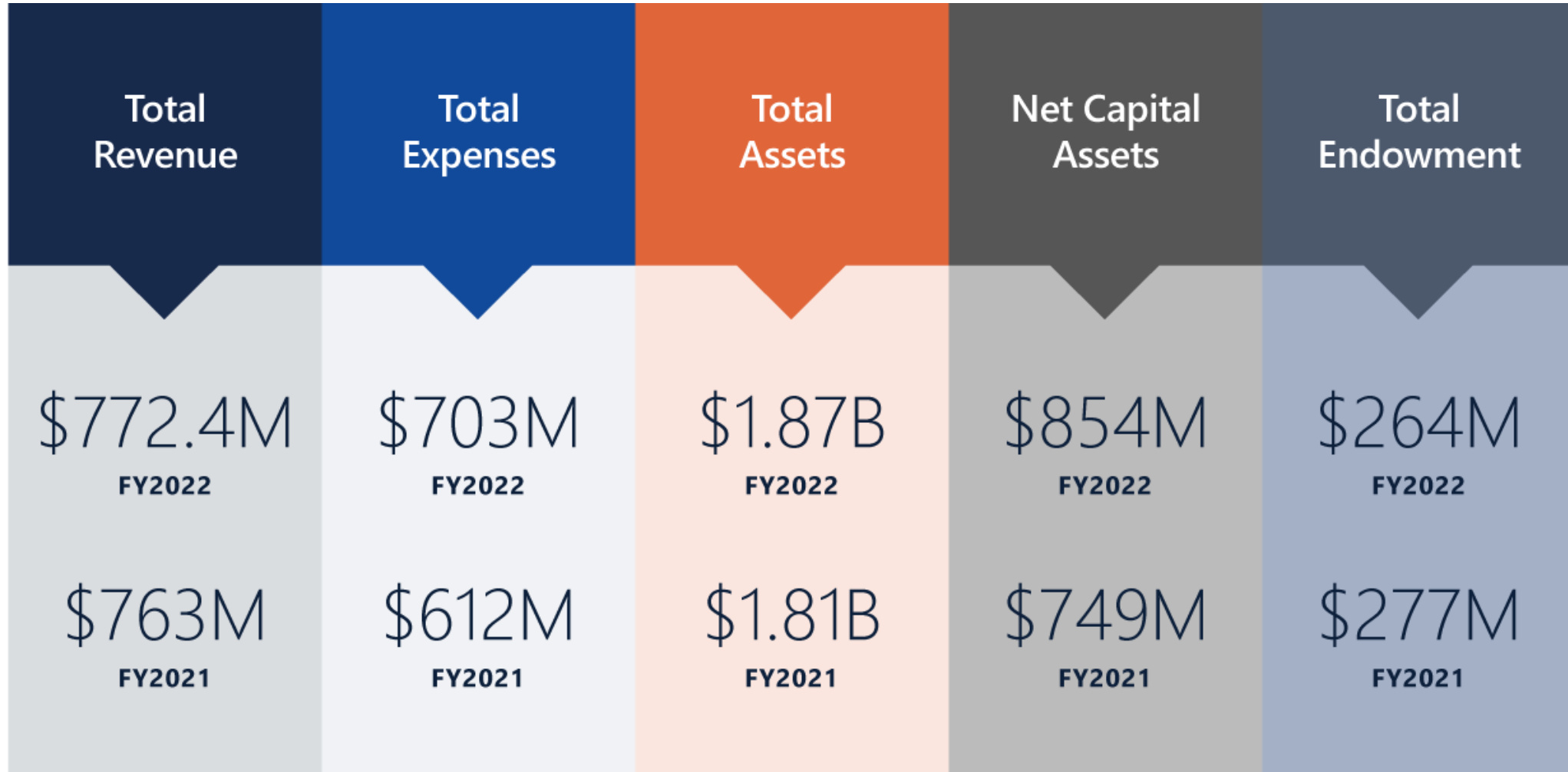


# Annual Financial Report (AFR)

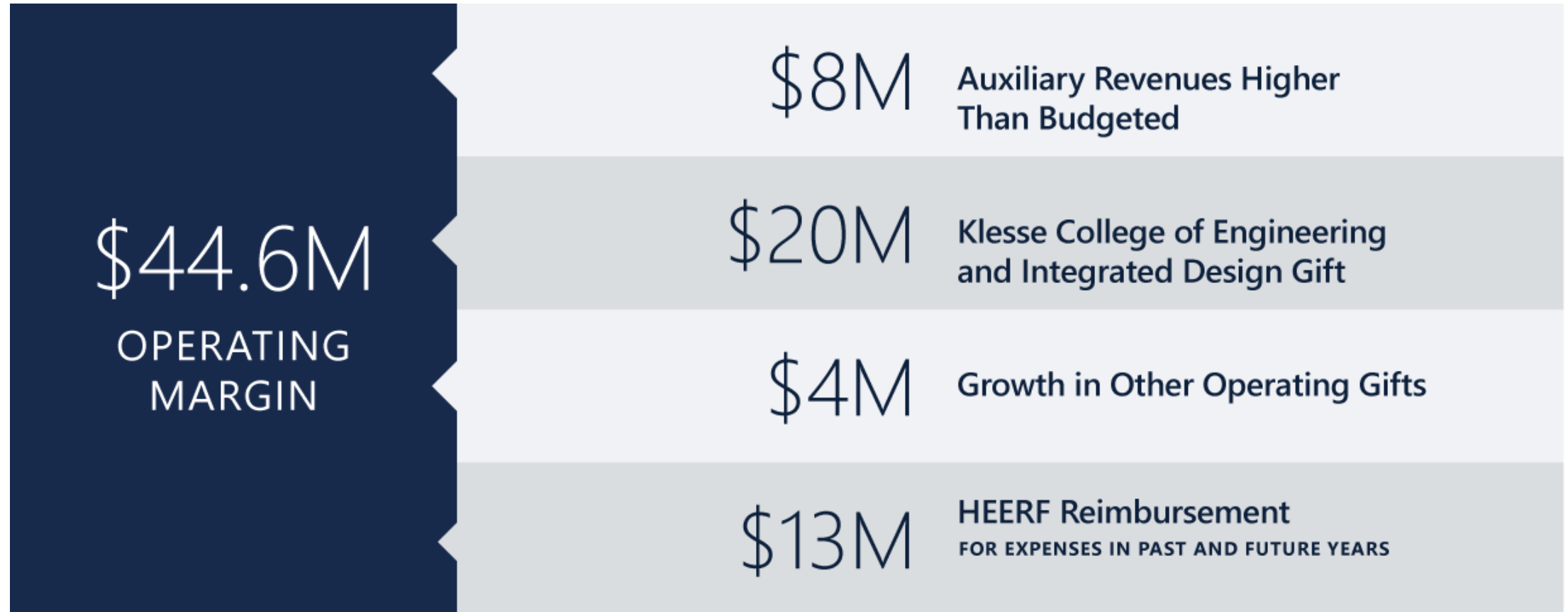
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# AFR at a Glance



# Operating Surplus

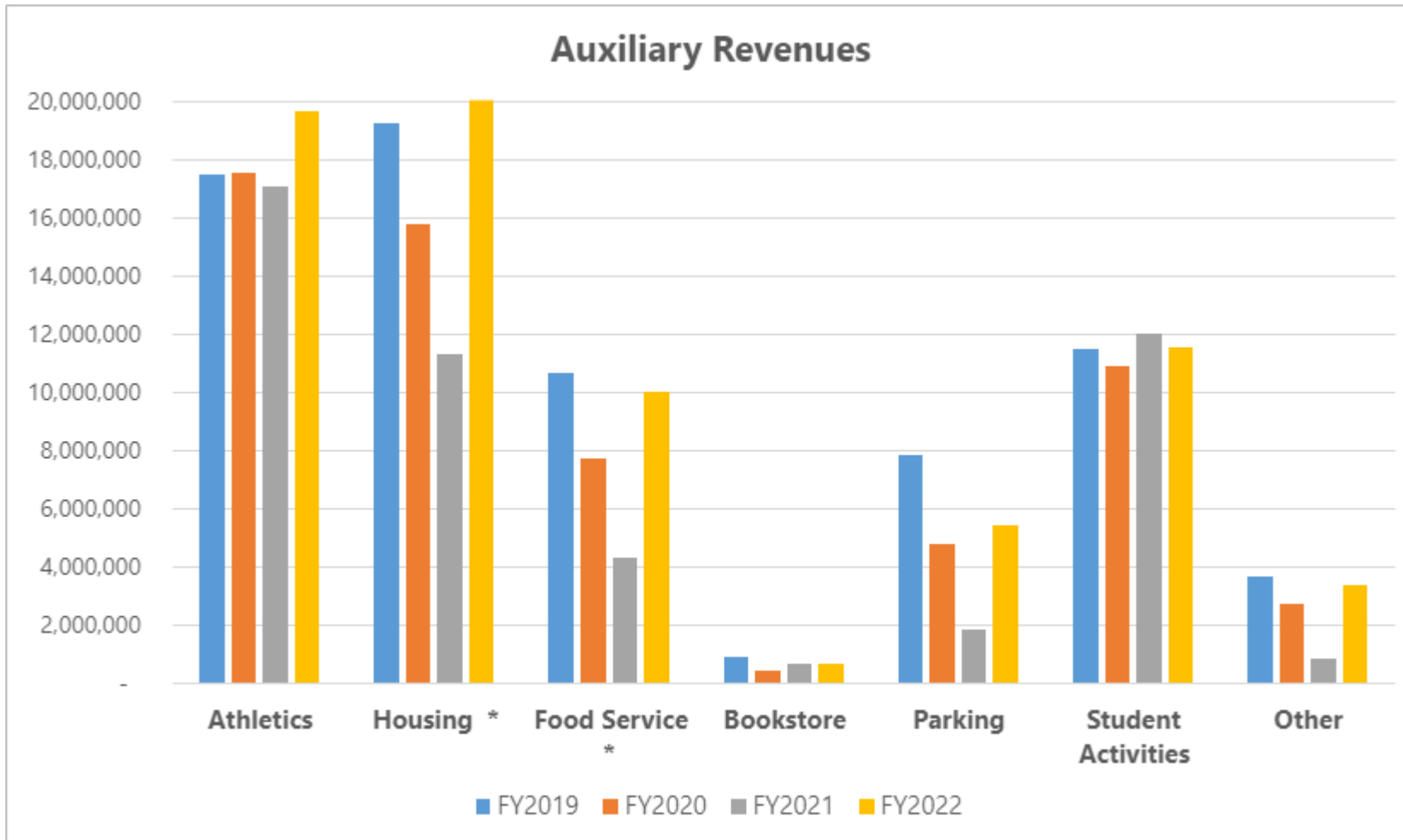


# Operating Surplus

		FY2022	FY2021	DIFFERENCE	
				\$	%
Operating Revenues	\$	425,969,150	379,728,571	\$46,209,933	12.2%
Operating Expenses	\$	703,208,131	611,888,527	91,285,582	14.9%
<b>Operating Loss</b>	<b>\$</b>	<b>(277,238,981)</b>	<b>(232,159,956)</b>	<b>(45,075,648)</b>	<b>19.4%</b>
State Appropriation	\$	161,949,677	136,194,839	25,754,838	18.9%
Reimbursement for Pell & HEERF	\$	126,878,674	139,384,619	(12,505,945)	-9.0%
Gifts for Operations	\$	30,903,245	78,967,784	(48,064,539)	-60.9%
Other Non-Operating Income	\$	(39,342,101)	107,070,851	(146,370,566)	-136.8%
<b>Income Before Other Activity</b>	<b>\$</b>	<b>3,150,514</b>	<b>229,458,137</b>	<b>(226,261,860)</b>	<b>-98.6%</b>
Other Activity	\$	42,845,812	73,680,406	(30,834,594)	-41.8%
<b>Change in Net Position</b>	<b>\$</b>	<b>45,996,326</b>	<b>303,138,543</b>	<b>\$(257,096,454)</b>	<b>-84.8%</b>

# FY22 Financial Effect of COVID-19

## Auxiliary Recovery from COVID-19



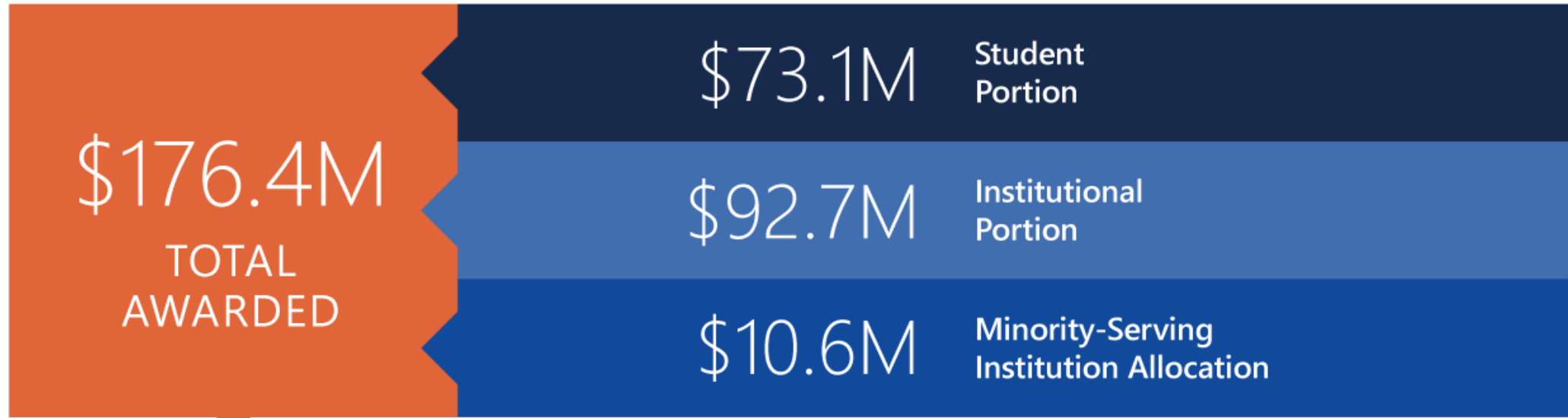


# HEERF Awards

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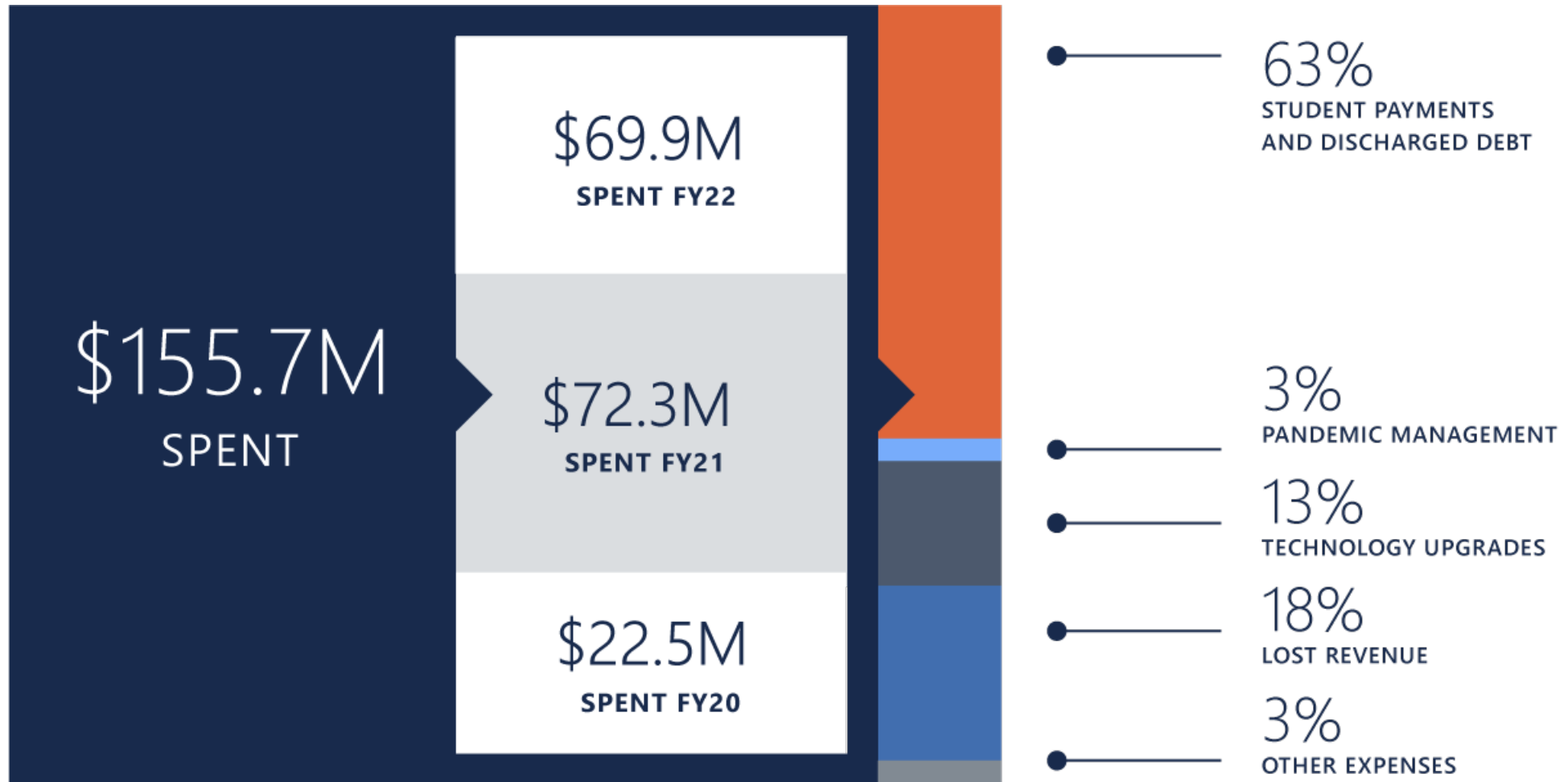
# HEERF Awards



\$155.7M  
TOTAL SPENT AS OF  
AUGUST 31, 2022

63%  
STUDENT PAYMENTS  
OR DISCHARGED DEBT

# HEERF Spending





# Other Financial Highlights

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# SW Campus Transaction

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- Transaction closed with Southwest School of Art on July 1, 2022
- \$2.4M paid to SSA to payoff their liabilities
- \$2.1M operating cash balance transferred to UTSA
- \$8 million of endowments transferred
- Campus renovations are debt-financed (\$10M estimate)
- Significant value in land





# San Pedro I

- Opening scheduled January 2023\*
- 167,000-square-foot, six-story structure
- Project cost of \$91.8 million
- Home of School of Data Science and National Security Collaboration Center
- Part of a comprehensive plan to evolve the Downtown Campus into an anchor for San Antonio's downtown development
- 16 UTSA research centers, institutes and college-level labs
  - MATRIX AI Consortium for Human Well-being
  - The Open Cloud Institute



# Fundraising

\$31M Gifts For Operations Include



# Investments





# Other Significant Items

Significant change in accounting rules for leases  
(GASB Pronouncement No. 87)

## Previous

- Most leases/rental agreements expensed as paid
- Unless they met certain criteria

## Now

- All leases/rental agreements are booked as assets and liabilities if longer than 12 months
- Asset/Liability is the current value of all payments from the agreement reduced by lease payments.





# Financial Highlights: Salary & Wage Expenses

			DIFFERENCE	
	FY2022	FY2021	\$	%
Faculty - Tenure/Tenure Track	\$ 72,548,638	70,163,524	2,385,113	3.4%
Faculty - Non-Tenure Track	\$ 27,375,210	20,917,516	6,457,694	30.9%
Faculty - Summer	\$ 14,656,651	14,360,531	296,120	2.1%
GTAs and GRAs	\$ 14,737,273	15,327,276	(590,003)	-3.8%
Staff - Permanent	\$ 150,490,553	137,575,727	12,914,826	9.4%
Vacation Payout	\$ 1,282,205	1,096,655	185,550	16.9%
Students - Regular and Work Study	\$ 9,748,347	7,907,947	1,840,400	23.3%
Other Salaries and Wages	\$ 3,532,927	731,306	2,801,620	383.1%
Moving Expense and Temporary Housing Allowance	\$ 579,479	629,672	(50,193)	-8.0%
Staff - Temporary	\$ 1,368,684	1,389,188	(20,503)	-1.5%
Overtime and Hazardous Duty Pay	\$ 323,682	235,131	88,550	37.7%
Longevity Pay	\$ 2,188,476	2,175,578	12,898	0.6%
Tuition Remission	\$ 506,377	512,236	(5,859)	-1.1%
<b>Total Salaries and Wages</b>	<b>\$ 299,338,502</b>	<b>273,022,287</b>	<b>26,316,215</b>	<b>9.6%</b>



# Financial Ratios

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# Why the Ratios Matter

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UT System uses them to evaluate financial condition

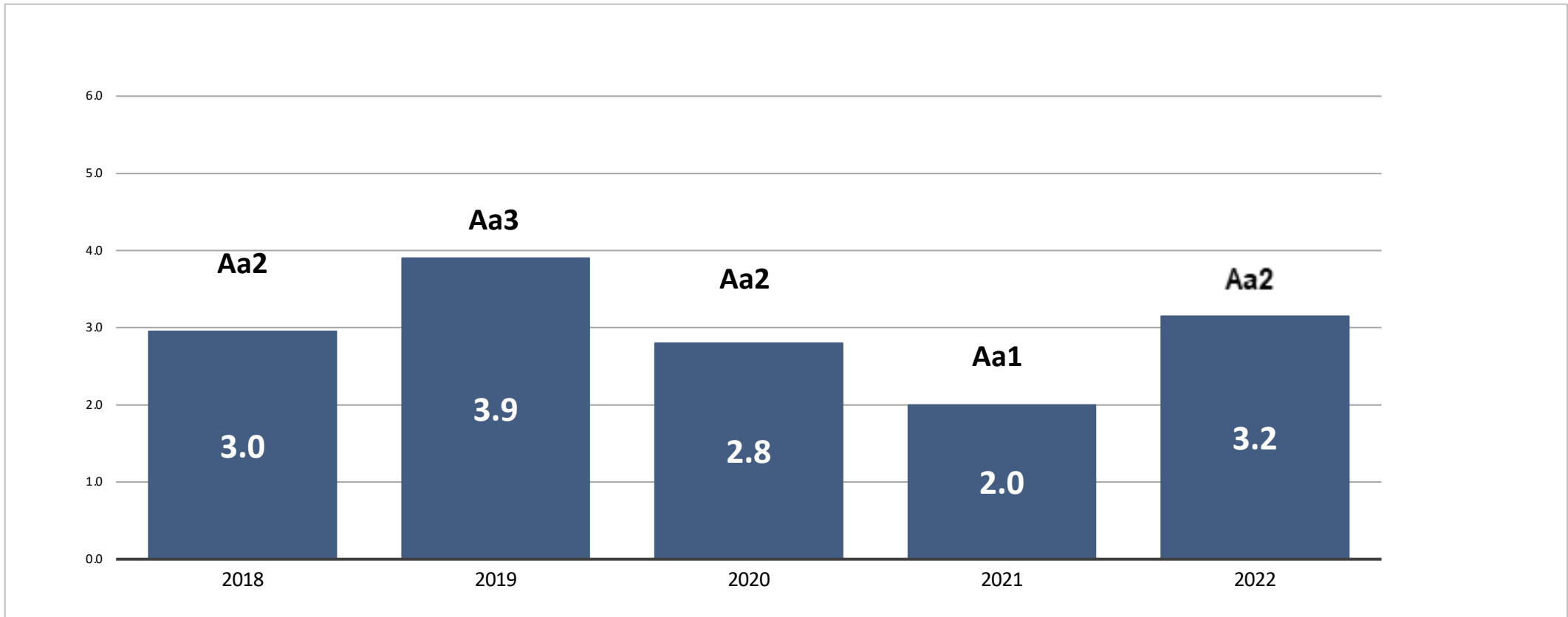
- Satisfactory/Watch/Unsatisfactory
- Satisfactory rating for FY22

Ratios are used to evaluate UTSA financial performance and debt capacity



# Annual Financial Condition Ratios

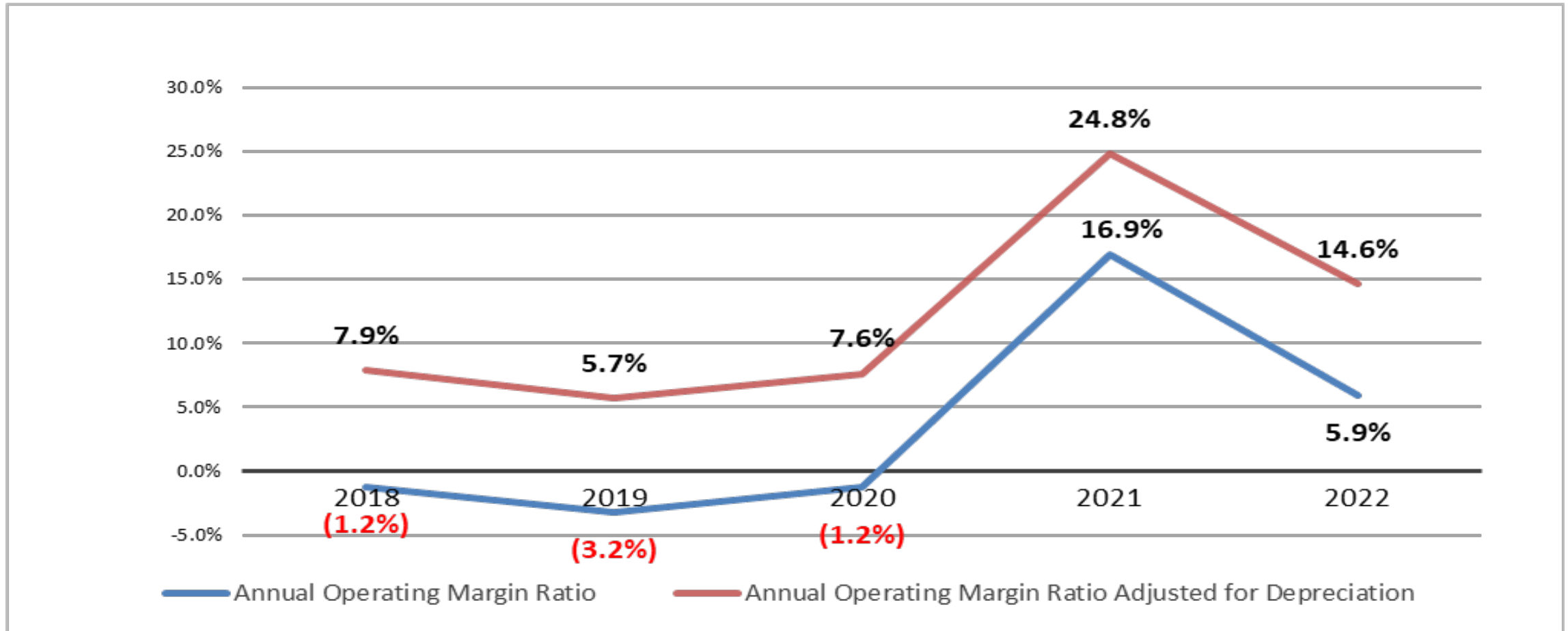
## Overall Scorecard Rating





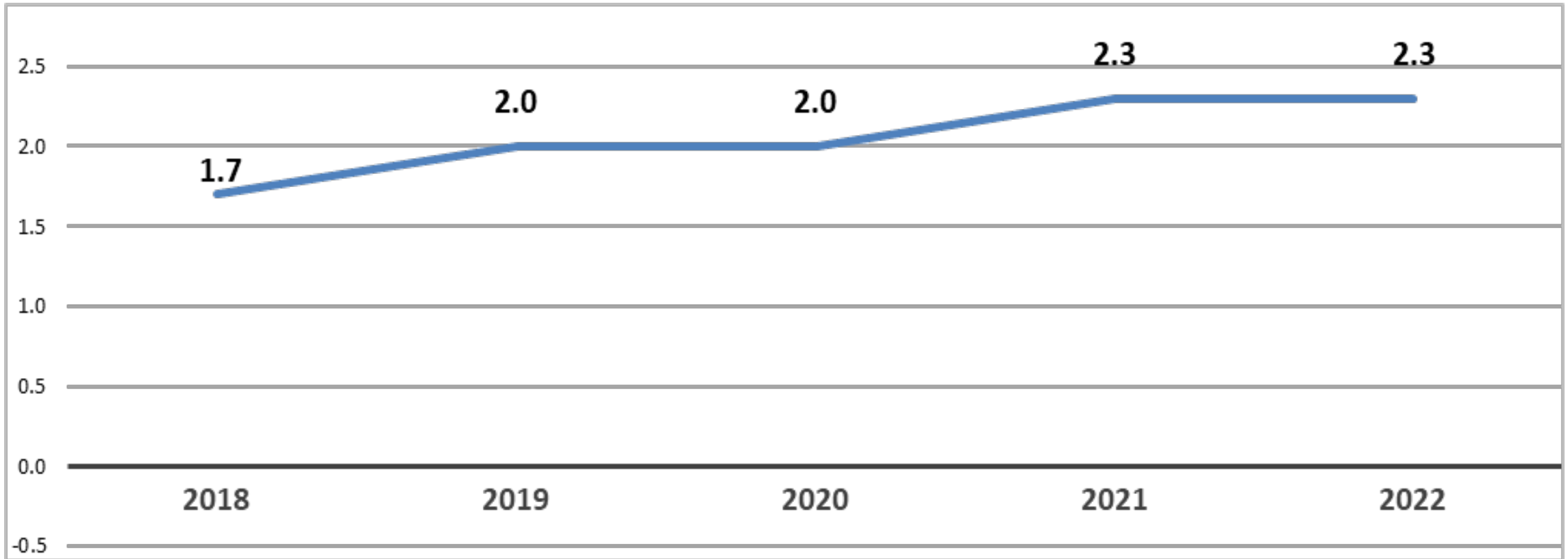
# Annual Financial Condition Ratios

## Operating Margin



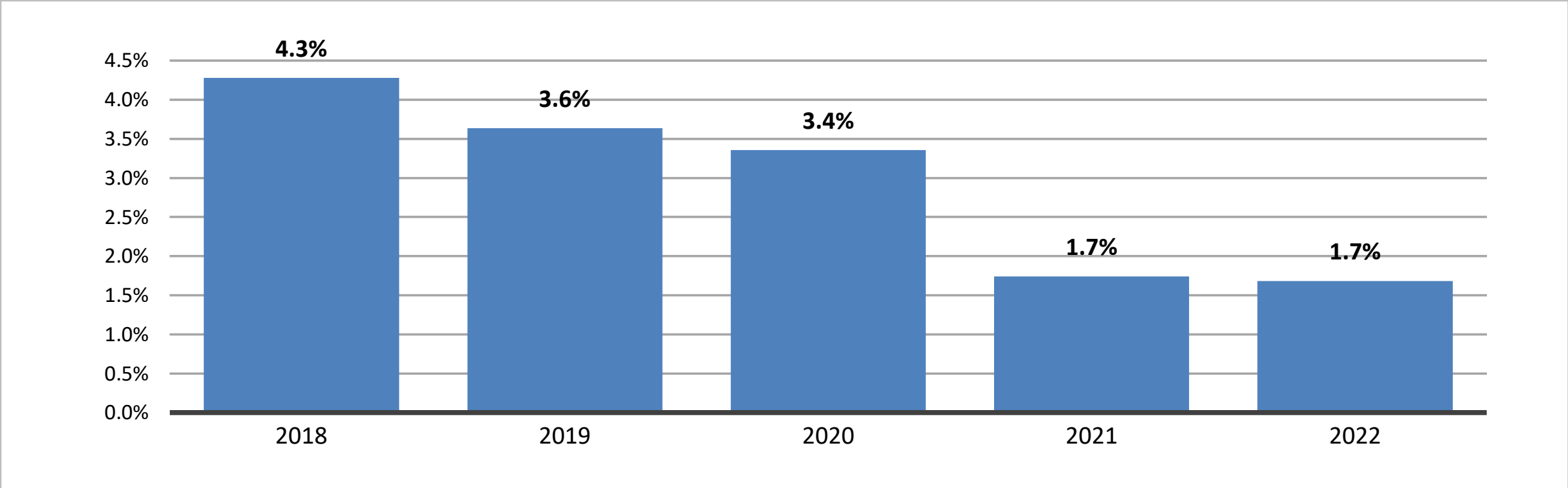
# Annual Financial Condition Ratios

## Spendable Cash & Investments to Total Debt



# Annual Financial Condition Ratios

## Debt Service to Operations







# Functional Expense Comparison

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# Functional Expenditures

	FY2022	FY2021	\$ CHANGE	% CHANGE
Instruction	\$ 129,625,562	115,902,355	13,723,207	11.84%
Research	\$ 123,083,474	108,189,847	14,893,627	13.77%



## Instruction

- Expenses for institution's instruction program
- Credit and noncredit courses



## Research

- Externally funded research
- Separately budgeted departmental research

# Functional Expenditures

	FY2022	FY2021	\$ CHANGE	% CHANGE
Public Service	\$ 15,449,811	15,662,717	(212,906)	-1.36%
Academic Support	\$ 79,402,515	71,708,636	7,693,880	10.73%



## Public Service

Expenses to provide non-instructional services for the benefit of external groups

*Example: Institute for Economic Development*



## Academic Support

Expenses incurred to provide support services for instruction, research and public service

*Examples: College level academic support, majority of information technology costs, libraries, advising*



# Functional Expenditures

	FY2022	FY2021	\$ CHANGE	% CHANGE
Student Services	\$ 33,117,291	30,539,304	2,577,987	8.44%
Institutional Support	\$ 48,760,338	42,934,639	5,825,700	13.57%
Operations & Maintenance	\$ 57,018,126	40,643,999	16,374,126	40.29%



## Student Services

Expenses for offices and activities that contribute to students' wellbeing and development outside the context of the formal instruction program

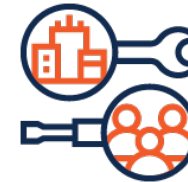
*Examples: Registrar, Financial Aid, Counseling Services*



## Institutional Support

Expenses for central activities concerned with management and planning for the entire institution

*Examples: Executive Management, Development and Alumni Relations, Business Affairs administrative services*



## Operations and Maintenance of Plant

Expenses for the administration, supervision, operation, maintenance, preservation and protection of the institution's physical plant

# Functional Expenditures

	FY2022	FY2021	\$ CHANGE	% CHANGE
Scholarships and Fellowships	\$ 87,453,384	86,093,922	1,359,461	1.58%
Auxiliary Enterprises	\$ 62,784,113	41,166,889	21,617,224	52.51%
Depreciation of Buildings and Equipment	\$ 66,513,516	59,046,219	7,467,297	12.65%



## Scholarships and Fellowships

Grants that neither require the student to perform service to the institution nor require the student to repay the amount

Does not include all financial aid; most financial aid is presented as direct offset to tuition revenue.

Total aid for FY22 was \$211 million, which was a \$12 million increase due to HEERF student payments.



## Auxiliary Enterprises

Managed to operate as a self-supporting activity

*Examples: Housing, Athletics, Parking*



## Depreciation

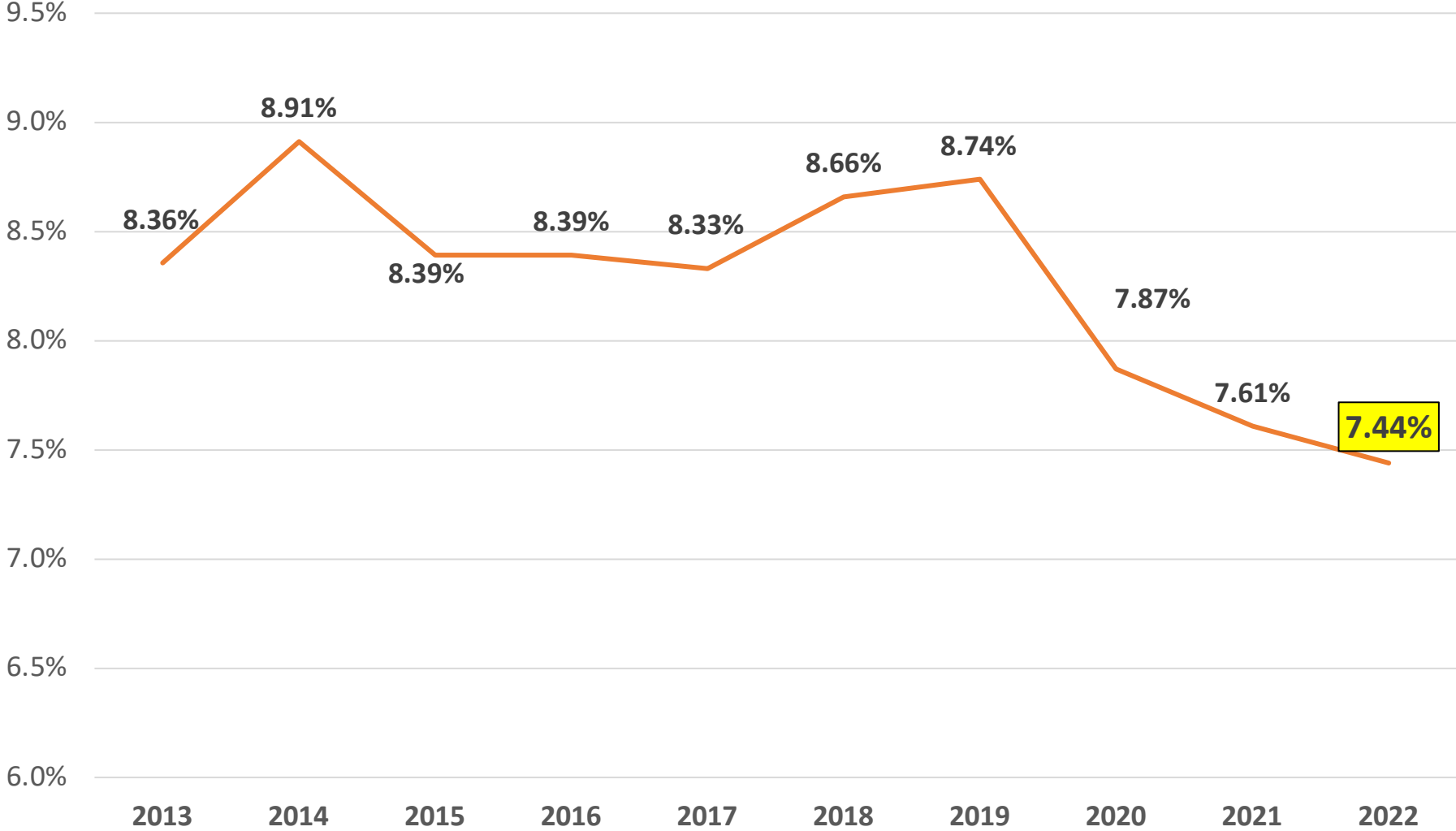
Buildings and capital equipment are expensed over their useful life rather than at the time of purchase.



# Administrative Costs

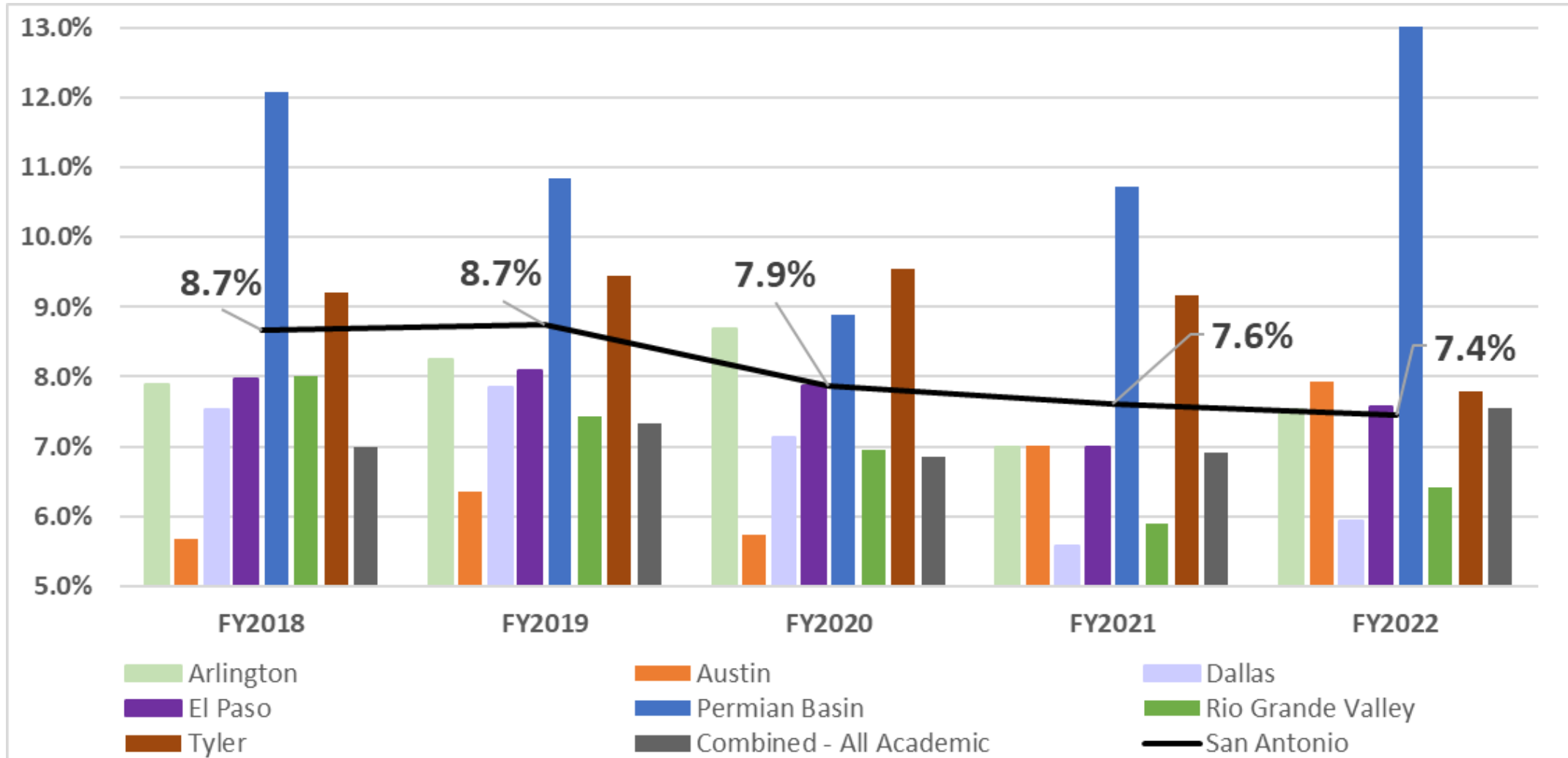
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# Administrative Cost Measure





# Administrative Cost Measure – UT System



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**BOLD**  
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