AN EVOLVING VISION

LONG RANGE FINANCIAL PLAN | 2023-2028

Dr. Taylor Eighmy
President, UTSA

U.T. System Board of Regents Meeting
Academic Affairs Committee
November 2023
UTSA IS THE UNIVERSITY OF THE FUTURE IN THE CITY OF THE FUTURE
10-YEAR STRATEGIC PLAN

2018-2023 TIMELINE

Please see detailed description of each initiative in appendix.
UTSA is the largest university in San Antonio, which is the 7th biggest city in the United States.
## Long Range Financial Planning Framework

### Inputs
- 10-Year Strategic Plan
- Enrollment Management
- Student Success
- Great Research University
- Incentivized Resource Management
- Campus Master Plan
- Campus Climate Survey
- COVID Response
- Ideation Retreat
- Strategic Plan Refresh

### Key Performance Indicators (KPI)
- Enrollment and Degrees Awarded
- Research Expenditures
- Operating Margin
- Balance Sheet
- Financial Ratios

### Risks
- Competition
- Demographic Cliff
- Tuition Revenue Dependence
- State Funding
- Perception of Higher Ed

### Outputs
- Enrollment Growth
- Regents’ Professors Strategic Hires
- Research Expenditures Growth
- Projected Operating Margin
- U.T. System Scorecard Rating
- Capital Projects

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**Incentivized Resource Management**

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UTSA
**Outputs**

**Refreshed Strategic Plan**
- Strategic enrollment growth
- Regents' Professors strategic faculty hires
- Federal research expenditures growth
- Ph.D. production growth
- Classroom to Career expansion
- Lifelong learning and credentials
- Compensation strategy
- Online programs growth
- Great Place to Work
- Economic driver
- Workforce driver
- Process improvement
- Be Bold Capital Campaign
- "Campusness"
- Downtown expansion
- Wellbeing

**Capital Plan**
- Football Pavilion FY25
- San Pedro II FY26
- Softball and Baseball Facilities FY25
- Roadrunner Village FY25
- Performing Arts Center FY25
- Blanco Hall FY25
- Volleyball and Basketball Facility FY26

**Strategic Targets 2028**

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
<th>FY23</th>
<th>FY28</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Enrollment</td>
<td>34.8K</td>
<td>41K</td>
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<tr>
<td>Faculty Headcount Increase</td>
<td>1,429</td>
<td>1,695</td>
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<tr>
<td>Endowment</td>
<td>$280.4M</td>
<td>$400M</td>
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<tr>
<td>Students with Experiential Learning</td>
<td>47%</td>
<td>75%</td>
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<tr>
<td>Student-to-Faculty Ratio</td>
<td>24:1</td>
<td>20:1</td>
</tr>
<tr>
<td>Average (Federal) Student Debt</td>
<td>$20,580</td>
<td>&lt; $20K</td>
</tr>
<tr>
<td>Research Expenditures</td>
<td>$145M</td>
<td>$209M</td>
</tr>
<tr>
<td>Ph.D. Degrees Awarded</td>
<td>140</td>
<td>200</td>
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**Financial Targets**

<table>
<thead>
<tr>
<th>Financial Targets</th>
<th>FY23 Preliminary</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>FY27</th>
<th>FY28</th>
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</thead>
<tbody>
<tr>
<td>Operating Margin</td>
<td>2.2%</td>
<td>3.5%</td>
<td>1.3%</td>
<td>1.2%</td>
<td>1.0%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Operating Margin (without depreciation)</td>
<td>15.8%</td>
<td>16.8%</td>
<td>13.8%</td>
<td>13.5%</td>
<td>12.6%</td>
<td>12.7%</td>
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<tr>
<td>Debt Service to Operations</td>
<td>3.2%</td>
<td>3.2%</td>
<td>3.2%</td>
<td>3.2%</td>
<td>3.2%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Spendable Cash/Investment to Operational Expenses</td>
<td>1.0%</td>
<td>1.0%</td>
<td>0.9%</td>
<td>0.9%</td>
<td>1.0%</td>
<td>1.0%</td>
</tr>
<tr>
<td>U.T. System Scorecard: Score</td>
<td>3.1</td>
<td>2.7%</td>
<td>3.0%</td>
<td>2.9%</td>
<td>3.5%</td>
<td>3.3%</td>
</tr>
<tr>
<td>U.T. System Scorecard: Rating</td>
<td>Aa2</td>
<td>Aa2</td>
<td>Aa2</td>
<td>Aa2</td>
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</tbody>
</table>
MAJOR KEY PERFORMANCE INDICATORS

Enrollment
- Graduate/Undergraduate Enrollment Mix
- Retention Rate
- Graduation Rate

Financial Stability
- U.T. System Scorecard
- Annual Operating Margin
- Operating Margin without Depreciation
- Debt Service to Operations
- Spendable Cash and Investments to Operating Expenses
- Spendable Cash and Investment to Total Debt

Research Excellence
- Total Research Expenditures
- Federal Research Expenditures
- Faculty in National Academies
- Faculty Prestigious Awards
- Ph.D. Production Growth

Strategic Growth
- Total Endowment
- Overall Giving
- Strategic Partnerships
- Cumulative New Construction

A full list of key performance indicators is included in the Appendix
RISK MITIGATION

Demographic Cliff: Strategic enrollment strategies

Attraction and Loss of Talent: Annual institutional compensation strategies, cluster hire focus, strategic partnerships

Unfunded Mandates: Strategic Investment Fund

Unanticipated Financial Event: Ongoing review of operating reserves
## 10-YEAR STRATEGIC PLAN

### FINANCIAL PLANNING DRIVERS

<table>
<thead>
<tr>
<th>STRATEGIC</th>
<th>CAPITAL</th>
<th>FINANCIAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Enrollment</td>
<td>Institute of Texan Cultures</td>
<td>Strategic Investment Fund</td>
</tr>
<tr>
<td>Regents’ Professors Growth</td>
<td>San Pedro II</td>
<td>Capital Financial Plan</td>
</tr>
<tr>
<td>Ph.D. Production Growth</td>
<td>Housing Plan</td>
<td>Capital Campaign Plan</td>
</tr>
<tr>
<td>Capital Master Plan</td>
<td>Convocation Center Refresh</td>
<td>Athletics Financial Plan</td>
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<tr>
<td></td>
<td>Basketball and Volleyball Training Facility</td>
<td>Real Estate Monetization</td>
</tr>
<tr>
<td></td>
<td>Softball and Baseball Facilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Deferred Maintenance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Performing Arts Center</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Roadrunner Village</td>
<td></td>
</tr>
</tbody>
</table>
**ACTIVE INITIATIVES**

### Attract Talent
- Compensation Strategy
- Great Place to Work
- Process improvement

### Enrich the Student Experience
- Classroom to Career Expansion
- Lifelong Learning and Credentials
- "Campusness"
- Wellbeing

### Increase Research Profile
- Regents’ Professors Strategic Faculty Hires
- Federal Research Expenditures Growth
- Ph.D. Production Growth

### Invest in Institutional and Community Growth
- Strategic Enrollment Growth
- Online Programs Growth
- Economic Driver
- Workforce Driver
- Be Bold Capital Campaign
- Downtown Expansion

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**Active Planning Programs** (to 2028)

**STRATEGIC OPERATIONAL**
- Attract Talent: $40.6M
- Enrich the Student Experience: $5M
- Increase Research Profile: $16M
- Invest in Institutional and Community Growth: $49.5M

**STRATEGIC CAPITAL**
- San Pedro II: $124M
- Housing Plan: $185M
- Athletics Facilities: $42.5M
- Center for Performing Arts: $230M
- Building Revitalization Initiative: $155M

- **Secured Funding**
- **Planned Funding**
- **Pending Funding**
### OPERATING ASSUMPTIONS

#### REVENUE*
- 41,000 student headcount by 2028
- 200 Ph.D.s awarded annually by 2028
- 3% tuition and fee rate increases beginning FY26
- 5% biennial appropriation growth
- 6% sponsored revenue growth
- 5% gifts for operations growth
- 4% self-supporting auxiliary enterprise growth

#### EXPENDITURES*
- 3% salary expense growth from institutional compensation strategies
- 1.8% staff headcount growth
- Faculty headcount
  - 40 Regents’ Research Excellence Program faculty for FY24/FY25
  - To maintain Faculty to Student ratio
    - 100 tenure/tenure-track by FY28
    - 165 fixed term by FY28
- Other expenses grow at rates commensurate with historical rates from 2% to 8%

*Annual unless indicated*
STRATEGIC ENROLLMENT PLAN

41,000 students by FY 2028

41,000 students provides $61M more revenue than FY23 enrollment levels

Tuition and Fee Revenue, Net of Discounts

First Time in College  New Transfer  Continuing Undergraduate  Masters  Doctoral  Tuition and Fee Revenue, Net of Discounts

Enrollment

FY18  FY19  FY20  FY21  FY22  FY23  FY24  FY25  FY26  FY27  FY28

5,029  3,419  18,341  2,994  4,121  21,092  5,846  2,862  4,624  8,663  1,200

3,419  3,419  18,341  2,994  4,121  21,092  5,846  2,862  4,624  8,663  1,200

$-  $50  $100  $150  $200  $250  $300  $350
FACULTY HEADCOUNT INCREASE

<table>
<thead>
<tr>
<th>Year</th>
<th>Tenured and Tenure Track (T/TT) Faculty</th>
<th>Fixed Term Faculty (Full-Time)</th>
<th>Fixed Term Faculty (Part-Time)</th>
<th>Regents Research Excellence Program T/TT Faculty</th>
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</thead>
<tbody>
<tr>
<td>FY18</td>
<td>625</td>
<td>268</td>
<td>341</td>
<td>0</td>
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<tr>
<td>FY19</td>
<td>632</td>
<td>320</td>
<td>353</td>
<td>0</td>
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<tr>
<td>FY20</td>
<td>611</td>
<td>348</td>
<td>383</td>
<td>0</td>
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<tr>
<td>FY21</td>
<td>645</td>
<td>313</td>
<td>293</td>
<td>0</td>
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<tr>
<td>FY22</td>
<td>639</td>
<td>359</td>
<td>288</td>
<td>0</td>
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<tr>
<td>FY23</td>
<td>664</td>
<td>414</td>
<td>351</td>
<td>0</td>
</tr>
<tr>
<td>FY24</td>
<td>664</td>
<td>423</td>
<td>361</td>
<td>16</td>
</tr>
<tr>
<td>FY25</td>
<td>664</td>
<td>448</td>
<td>361</td>
<td>35</td>
</tr>
<tr>
<td>FY26</td>
<td>674</td>
<td>478</td>
<td>361</td>
<td>50</td>
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<tr>
<td>FY27</td>
<td>704</td>
<td>513</td>
<td>361</td>
<td>50</td>
</tr>
<tr>
<td>FY28</td>
<td>736</td>
<td>548</td>
<td>361</td>
<td>50</td>
</tr>
</tbody>
</table>

Actuals vs Forecast
Appendix
10-YEAR STRATEGIC DESTINATIONS
2018-2028

DESTINATIONS DEVELOPED IN 2018

1. A model for student success

2. A great public research university

3. An exemplar for strategic growth and innovative excellence
STUDENT SUCCESS PRESIDENTIAL INITIATIVE

FIRST-YEAR RETENTION

85% | 2028 Minimum Goal

- Academic Inquiry Studies, University College - Multidisciplinary Studies
- Advising Reorganization, First Year Experience, Presidential Scholarships
- Prepare, Inspire, Validate, Orient and Transition (PIVOT), DegreeWorks, Success Marker Courses
- Graduation Help Desk, Retention Grants, Resiliency and Retention Program, Success, Opportunity, Achievement, and Resilience (SOAR), Lead Academies, Scholarship Management, Transfer Equivalency Portal, Dreamers Resource Center
- Bold Promise, Civitas-Impact, Academic Success District, AI Chatbot, Online Tutoring, Teaching/Learning Software
- Civitas-Illume, 24/7 TeleCounseling, Lumina Educational Success Pathways, College Student Success Centers, Banner Transfer Credit Calculator
- Civitas-Inspire, Salesforce Customer Relationship Management / Funnel Management, Ruffalo Noel Levitz (RNL)
- Financial Aid Leveraging, First Gen Support Programs, Housing and Res Life Integration, Adobe Creative Campus, Classroom to Career Initiative, Fostering Educational Success Center, Transfer and Transition Success Services, Student Affairs Integration

Canvas transition, UERU Curriculum Analytics, Strada Credentials Pilot, Bold Promise and Bold Futures Scholars, Student Assistance Services, Association of Public and Land-Grant Universities Student Experience Project

Data as reported to the Integrated Postsecondary Education Data System (IPEDS)
ENROLLMENT MANAGEMENT PRESIDENTIAL INITIATIVE

UNDERGRADUATE DEGREES AWARDED
TIME TO DEGREE and AVERAGE LOAN DEBT

Source of Average Loan Debt: THECB Accountability
## KEY PERFORMANCE INDICATORS (2017-2028)

### Total Enrollment
- **2017 Baseline:** 30.7K
- **Current:** 34.7K
- **2028 Target:** 41K

### First-Year Retention Rate
- **2017 Baseline:** 74%
- **Current:** 80.4%
- **2028 Target:** 85%

### 4-Year Graduation Rate
- **2017 Baseline:** 15%
- **Current:** 32.2%
- **2028 Target:** 35%

### 6-Year Graduation Rate
- **2017 Baseline:** 37%
- **Current:** 53.5%
- **2028 Target:** 60%

### Freshman in the Top 25% of their Class
- **2017 Baseline:** 55%
- **Current:** 51%
- **2028 Target:** >55%

### Students With Experiential Learning
- **2017 Baseline:** n/a
- **Current:** 45%
- **2028 Target:** >75%

### Student-to-Faculty Ratio
- **2017 Baseline:** 24:1
- **Current:** 24:1
- **2028 Target:** 20:1

### Average (Federal) Student Debt
- **2017 Baseline:** $24,445
- **Current:** $20,580
- **2028 Target:** <$20K

### Undergrad Degrees Awarded
- **2017 Baseline:** 4,728
- **Current:** 5,810
- **2028 Target:** 7,081

### Master’s Degrees Awarded
- **2017 Baseline:** 1,224
- **Current:** 1,445
- **2028 Target:** 1,463

### Ph.D. Degrees Awarded
- **2017 Baseline:** 112
- **Current:** 140
- **2028 Target:** 200

### Faculty in National Academies
- **2017 Baseline:** 5
- **Current:** 11
- **2028 Target:** 15

### Faculty Prestigious Awards
- **2017 Baseline:** 3
- **Current:** 7
- **2028 Target:** 25

### Federal Research Expenditures
- **2017 Baseline:** $29.9M
- **Current:** $54.3M
- **2028 Target:** $85M

### Total Research Expenditures
- **2017 Baseline:** $70.2M
- **Current:** $145M
- **2028 Target:** $209M

### New Endowed Chairs, Professorships, and Fellowships
- **2017 Baseline:** 75
- **Current:** 78
- **2028 Target:** 300

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R1 AND NRUF GREAT RESEARCH UNIVERSITY PRESIDENTIAL INITIATIVE

PLANNED TRAJECTORY

R1
Carnegie’s highest research classification 2021

NRUF
Tier One in the State of Texas 2023

AAU
Eventual membership in the nation’s most premier research university category
PRESIDENTIAL INITIATIVE

INCENTIVIZED RESOURCE MANAGEMENT

• Incentivized Resource Management
• Resource allocation budget model
• Incentivizes “activity”/revenue growth

• Aligns resources with institutional priorities
• Greater decision-making authority within revenue units

STRATEGIC PRIORITIES are clearly linked to central investments

STAKEHOLDERS inform budgetary decisions in a coordinated and transparent way

DATA-DRIVEN DECISIONS are based on regular systematic reviews of unit-level performance

ACTIVITY DRIVERS incentivize growth through direct revenue allocation

LONGER-TERM PLANNING provides an outlook for the future
UTSA’s budget redesign began in 2018, resulting in greater transparency, accountability and alignment of resources with institutional priorities.
San Pedro I and II will connect across San Pedro Culture Park, creating a space that supports the campus and local communities.

- **Sustainable**
  - San Pedro I is UTSA’s first LEED Gold-certified building

- **Placemaking**
  - Revitalize the historic area
  - Connect students with local industry
The Campus Climate initiative began with a faculty and staff Campus Climate Survey in fall 2020 and continues through campus conversations, action plans and communication from leaders.

- Action Plan Themes
  - Communication
  - Feedback
  - Transparency
  - Recognition
  - Professional development
  - Compensation
COVID RESPONSE TACTICAL TEAMS
PRESIDENTIAL INITIATIVE

<table>
<thead>
<tr>
<th>COVID Response</th>
<th>TACTICAL TEAMS</th>
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<tbody>
<tr>
<td>Separate from the <strong>Public Health Task Force</strong>, five tactical teams explored how best to prepare UTSA to come out of the pandemic best prepared for the future.</td>
<td>1 Undergraduate and Masters Education Recovery Team</td>
</tr>
<tr>
<td></td>
<td>2 Advancing Belonging and The “Out of Classroom” Experience in the Digital Era</td>
</tr>
<tr>
<td></td>
<td>3 Enabling Clear Pathways to Degree Completion Tactical Team</td>
</tr>
<tr>
<td></td>
<td>4 Increasing Inclusive Access to Higher Education in our Communities</td>
</tr>
<tr>
<td></td>
<td>5 Research Excellence and Doctoral Education Recovery Team</td>
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IDEATION FOR THE FUTURE PRESIDENTIAL INITIATIVE

Main Efforts
- Five meetings (Summer ‘23)
- 65 attendees
- 10 presentations/panels
- Inform leadership/institution
- Strengths, weaknesses, opportunities and threats (SWOT) analysis

Outputs
- Augment refreshed strategic plan
- Augment five-year financial plan
- Inform strategic communications plan
## UTSA’s S.W.O.T. ANALYSIS

### STRENGTHS
1. Positive Trajectory
2. Diversity and Culture
3. Location
4. Human Capital
5. ROI (Social / Econ Mobility)
6. Student Success
7. Real Estate (Downtown)
8. Collaborative and Bold
9. Community Engaged
10. Career-Engaged Learning
11. Data-Driven Decisions
12. Athletics

### WEAKNESSES
1. Staffing Levels, Salaries, Retention
2. Relative Resource Availability
3. Research Culture and Infrastructure
4. Unrealized National Brand
5. Overreliance on Undergraduate Enrollment
6. Change Management and Silos
7. Process Improvement
8. Deferred Maintenance
9. Young Alumni Donor Base
10. “Campusness”
11. Young Research Culture
12. Online Programs (young, but growing)

### OPPORTUNITIES
1. Enrollment Growth (UG and Grad)
2. Research Expansion
3. Geographic Opportunities
4. Strategic Partnerships (e.g., UT Health San Antonio)
5. Optimization and Growth Real Estate (Downtown)
6. Responsiveness to the Marketplace / Distinctiveness
7. P3
8. The Leader in Lifelong and Career Engage Learning
9. Athletics
10. Proximity to the Americas
11. International Engagement
12. Artificial Intelligence

### THREATS
1. Competition
2. Political Landscape
3. Demographic cliff drives competition for students
4. Revenue diversification beyond UG enrollment
5. State Funding
6. Perception of Higher Ed
7. Economic Uncertainty and Inflation
8. Labor Market
9. Wellbeing
10. Disruptive Technologies
11. “Remoteness” / Post-Pandemic Disruption
10-YEAR STRATEGIC DESTINATIONS 2018-2028

1. A model for student success
2. A great public research university
3. An innovative place to work, learn and discover

DESTINATION ADJUSTED IN 2023 STRATEGIC PLAN REFRESH

UTSA