A Primer on the University Budget

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Senior Vice Provost
for Resource Management
A Primer on The University Budget

Fiscal Year 2014-15

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2014-2015 Budget Summary
(Operating Budget)
$ Millions

- Academic Core: $1,349
- Academic Enhancement: $892
- Self Supporting: $417

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Total Budget: $2,658
2014-2015 Total University Sources
(Operating Budget)
$2,658 Million

- Tuition: $596M, 22%
- State General Revenue: $317M, 12%
- AUF Recurring: $206M, 8%
- AUF Payout Increase: $32M, 1%
- AUF Medical School: $25M, 1%
- Indirect Cost: $84M, 3%
- Other Academic Core: $89M, 3%
- Academic Enhancement: $892M, 34%
- Self Supporting: $417M, 16%

The Permanent University Fund (PUF)

PUF Lands (Leases) → PUF Cash Investments (Return on Investment) → Available University Fund (AUF)

- 2/3 UT System
- System Costs
- PUF Bonds
- UT Austin

- 1/3 A&M System

UT Austin receives about 30% of the total AUF income from the PUF

FY 14/15 $206M (recurring)
2014-2015 Total University Uses
(Operating Budget)
$2,658 Million

- Salaries & Benefits: $1,348M, 51%
- Maintenance & Operating: $536M, 20%
- Scholarships: $307M, 12%
- Utilities: $77M, 3%
- Transfer for Debt Service: $92M, 3%
- Transfer to Capital: $32M, 1%
- Other: $266M, 10%

2014-2015 Academic Core Sources
(Operating Budget)
$ Millions

- Academic Core $1,349
  - State General Revenue $317
  - AUF* $206 R
  - Tuition $596
  - Indirect Cost $84
  - Other** $89

*AUF includes annual payout (varies annually), $32M for FY 14-15 as a result of an increase in the payout rate that may not recur to FY 15-16, and the $25M allocation for the Medical School for FY 14-15
**Other includes Budgeted Balances, Intellectual Property Income, and Administrative Fee, etc.
2014-2015 Academic Core Uses
(Operating Budget)
$1,349 Million

Salaries & Benefits: $805M, 60%
Maintenance & Operation: $128M, 9%
Scholarships: $101M, 7%
Utilities: $62M, 5%
Transfer for Debt Service: $53M, 4%
Transfer to Capital: $22M, 2%
Other: $178M, 13%

8014-2015 Academic Core Salaries & Benefits
(Operating Budget)
$805 Million

Faculty: $273M, 34%
Staff: $276M, 34%
Teaching Assistants: $30M, 4%
Wages: $17M, 2%
Fringe Benefits: $209M, 26%
2014-2015 Academic Enhancement Budget
(Operating Budget)
$ Millions

Academic Enhancement $892

Contracts & Grants* $562
Gifts $221
Other $109

Other includes budgeted balances, Library Resource Sharing Project, and income collected for specific academic purposes (Executive MBA, Field Trips, Orientation, Application, & Library fees, etc.)

*Indirect Cost of $84M is included in the Academic Core

2014-2015 Self Supporting Budget
(Operating Budget)
$ Millions

Self Supporting $417

Auxiliary Enterprises $304
Other $113

Auxiliary Enterprises include:
- Intercollegiate Athletics: $146M
- Housing & Food: $84M
- AT&T Exec. Ed & Conference Ctr. $26M
- Erwin Center: $23M
- Parking & Transportation: $18M

Other include:
- Continuing Education, Performing Arts Center, UIL, KUT,
- McDonald Observatory, Option III programs, Dana Center,
- LBJ Wildflower Center, etc.
Academic Core Budget

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>State General Revenue (GR)</td>
<td>316.9</td>
<td>317.5</td>
<td>318.0</td>
<td>318.6</td>
<td>319.1</td>
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<tr>
<td>Flat Rate Tuition (net of Texas Tomorrow incl Environment Service Fee and Student Activity Center Fee)</td>
<td>582.7</td>
<td>580.8</td>
<td>580.0</td>
<td>579.8</td>
<td>579.5</td>
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<tr>
<td>Enrollment Differential</td>
<td>13.0</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
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<tr>
<td>AUF System Estimate - Recurring</td>
<td>206.2</td>
<td>227.0</td>
<td>250.4</td>
<td>250.1</td>
<td>269.2</td>
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<tr>
<td>AUF – One-time Increase in Payout</td>
<td>32.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td>AUF – Medical School</td>
<td>25.0</td>
<td>25.0</td>
<td>25.0</td>
<td>25.0</td>
<td>25.0</td>
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<tr>
<td>Indirect Cost</td>
<td>83.8</td>
<td>83.8</td>
<td>83.8</td>
<td>83.8</td>
<td>83.8</td>
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<tr>
<td>Other Revenue</td>
<td>64.8</td>
<td>64.0</td>
<td>64.0</td>
<td>64.0</td>
<td>64.0</td>
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<tr>
<td>Balances</td>
<td>24.9</td>
<td>6.6</td>
<td>6.6</td>
<td>6.6</td>
<td>6.6</td>
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<tr>
<td>Total Budget Sources</td>
<td>1,349.3</td>
<td>1,316.7</td>
<td>1,339.8</td>
<td>1,339.9</td>
<td>1,359.2</td>
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# FY 2014-15 to FY 2018-19

## Academic Core Projected Budget Forecast

<table>
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<tr>
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<tbody>
<tr>
<td>Increase/(Decrease) over Prior Year:</td>
<td>71.3</td>
<td>(32.6)</td>
<td>23.1</td>
<td>0.1</td>
<td>19.3</td>
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<tr>
<td>Total Budget Sources</td>
<td>1,349.3</td>
<td>1,316.7</td>
<td>1,339.8</td>
<td>1,339.9</td>
<td>1,359.2</td>
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<tr>
<td>Total Status Quo Uses</td>
<td>1,278.0</td>
<td>1,306.1</td>
<td>1,317.1</td>
<td>1,317.1</td>
<td>1,314.0</td>
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<td>Net Funds to Allocate</td>
<td>71.3</td>
<td>10.6</td>
<td>22.7</td>
<td>22.8</td>
<td>45.2</td>
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<td>Less: Required Fringe, Financial Aid, and Facility Increases</td>
<td>20.6</td>
<td>31.5</td>
<td>43.1</td>
<td>72.7</td>
<td>86.3</td>
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<tr>
<td>Net Funds to Allocate</td>
<td>50.7</td>
<td>(20.9)</td>
<td>(20.4)</td>
<td>(49.9)</td>
<td>(41.1)</td>
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</table>

## 2014-2015 Budget

### Academic Core Budget

**$ Millions**

### REVENUE INCREASES

<table>
<thead>
<tr>
<th>Item</th>
<th>2013-14 to 2014-15</th>
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</thead>
<tbody>
<tr>
<td>General Revenue Appropriations (incl Article 0)</td>
<td>(1.0)</td>
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<tr>
<td>General Revenue - Staff Group Insurance (HEGI)</td>
<td>1.9</td>
</tr>
<tr>
<td>General Revenue - State Paid Fringe Benefits</td>
<td>0.5</td>
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<tr>
<td><strong>TOTAL GENERAL REVENUE INCREASES</strong></td>
<td>1.4</td>
</tr>
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</table>

### OTHER REVENUE SOURCES:

<table>
<thead>
<tr>
<th>Item</th>
<th>Increase/(Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>E&amp;G/Designated Tuition from Flat Rate (incl SAC) from Increased Tuition Rates</td>
<td>1.7</td>
</tr>
<tr>
<td>E&amp;G/Designated Tuition from Flat Rate (incl SAC) from Budgeting Higher Enrollment</td>
<td>0.1</td>
</tr>
<tr>
<td>Available University Fund (AUF) (incl non-recurring and Medical School)</td>
<td>45.2</td>
</tr>
<tr>
<td>Interest</td>
<td>6.9</td>
</tr>
<tr>
<td>Administrative Fee Income</td>
<td>0.5</td>
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<tr>
<td>Indirect Cost</td>
<td>10.2</td>
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<tr>
<td>Other Income</td>
<td>2.2</td>
</tr>
<tr>
<td>Balances</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>TOTAL OTHER REVENUE INCREASE</strong></td>
<td>69.9</td>
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</table>

**NET REVENUE INCREASE:**

71.3

**Net Available Funds to Allocate**

71.3
# 2014-2015 Budget

## Academic Core Budget

<table>
<thead>
<tr>
<th>$ Millions</th>
<th>Incr/(Decr) from 2013.14 to 2014.15</th>
</tr>
</thead>
</table>

### Required Budget Increases

- **Medical School** 8.0
- **Baseline Fringe Benefit Increases** 16.2
- **Additional Financial Aid (TX Tomorrow, TPEG, B-on-Time, TA/TA)** 6.5
- **New Space Maintenance and Utilities** (4.1)

**Subtotal Required Budget Increases** 26.6

### Net Available Funds to Allocate

66.7

### Priority Increases

- **Student Success Initiatives** 3.7
- **Academic Program Initiatives** 30.0
- **Faculty Promotions and Distinguished Teachers** 6.8
- **Programmatic Support**
  - Natural Sciences Faculty Support 2.0
  - Thematic Hires 6.3
  - Institute for Urban Policy and Research 6.1
  - Center for Mexican American Studies 6.4
  - Additional AUF Pending Prioritization 13.4

**Subtotal Priority Increases** 46.7

### NET BUDGET (SHORTFALL)/SURPLUS

-6.0

*Decreases in transfers to capital debt.*