

*Handout @ 8/12/93
Board of Regents'
Meeting*

*III Business &
Budgetary*

**THE UNIVERSITY OF TEXAS SYSTEM
FISCAL YEAR 1994 OPERATING BUDGET**

**PRESENTATION TO THE UNIVERSITY OF TEXAS SYSTEM
BOARD OF REGENTS**

AUGUST 12, 1993

THE UNIVERSITY OF TEXAS SYSTEM

PROPOSED FY 1994 BUDGET
(Millions Of Dollars)

FUNDING SOURCES

	<u>FY 1993</u>	<u>FY 1994</u>	<u>Dollar & Percent Increase/Decrease</u>	
GENERAL REVENUE	1,085	1,153	68	6.22%
EDUCATIONAL AND GENERAL INCOME	783	856	73	9.32%
OTHER SOURCES OF EDUCATIONAL AND GENERAL OPERATING FUNDS	131	130	(1)	-0.89%
FUNDING FROM PRIOR YEAR BALANCES	21	22	1	7.29%
E&G CAPITAL PROJECTS	53	109	56	106.18%
SYSTEM OFFICES	27	25	(2)	-7.64%
AUXILIARY ENTERPRISES	196	210	14	6.77%
DESIGNATED FUNDS				
MSRDP/DSRDP/PRS	392	449	57	14.58%
OTHER DESIGNATED ACTIVITIES	160	210	50	31.26%
CURRENT RESTRICTED				
SPONSORED RESEARCH & SERVICES	415	493	78	18.99%
PRIVATELY SPONSORED RESEARCH	81	85	4	4.52%
GIFTS AND GRANTS	129	141	12	9.17%
TOTAL BUDGET	<u>3,473</u>	<u>3,883</u>	<u>410</u>	11.80%

**THE UNIVERSITY OF TEXAS SYSTEM
METHOD OF FINANCING – ALL FUNDS**

	Fiscal Year 1992 Actual	Adjusted Budget 1993 (2)	Original Budget 1994 (3)	Budget Increase (Decrease) from 1993 to 1994	
				Amount	Percent
1 GENERAL REVENUE	\$ 1,069,852,352 (1)	1,085,091,046 (1)	1,152,549,933 (3)	67,458,887	6.22%
2 EDUCATIONAL AND GENERAL INCOME					
3 Net Tuition	101,575,497	118,848,294	130,548,811	11,700,517	9.84%
4 Student Fees	1,346,725	1,962,143	1,768,856	(193,287)	-9.85%
5 Overhead on Sponsored Projects	84,306,446	81,941,539	92,079,434	10,137,895	12.37%
6 Interest on Time Deposits	21,110,729	19,444,681	14,039,742	(5,404,939)	-27.80%
7 Organized Activities Relating to Instruction	1,910,942	2,245,906	2,162,561	(83,345)	-3.71%
8 Public Service – Continuing Education	268,008	311,259	389,605	78,346	25.17%
9 Other Income	7,451,273	6,722,275	5,568,305	(1,153,970)	-17.17%
10 Income from Patients	501,458,271	551,208,519	609,096,058	57,887,539	10.50%
11 Subtotal – Educational and General Income	719,427,891	782,684,616	855,653,372	72,968,756	9.32%
12 OTHER SOURCES					
13 Higher Education Assistance Fund (U.T. Pan American, U.T. Brownsville)	3,196,287	1,526,613	1,273,000	(253,613)	-16.61%
14 Transfers from Other Fund Groups	2,674,349	6,827,404	7,454,121	626,717	9.18%
15 H.C.P.C. Funding (U.T.H.S.C. – Houston)	24,341,644	25,064,233	24,515,430	(548,803)	-2.19%
16 T.S.C. Contract (U.T. Brownsville)		13,788,481	15,732,436	1,943,955	14.10%
17 Interagency Contract (U.T. Pan American)			60,000	60,000	100.00%
18 Available University Fund (U.T. Austin)	81,917,502	83,917,502	80,917,502	(3,000,000)	-3.57%
19 Subtotal – Other Sources	112,129,782	131,124,233	129,952,489	(1,171,744)	-0.89%
20 FUNDING FROM PRIOR YEAR BALANCES	25,640,839	20,607,859	22,109,542	1,501,683	7.29%
21 TOTAL OPERATING RESOURCES	1,927,050,864	2,019,507,754	2,160,265,336	140,757,582	6.97%
22 E & G CAPITAL PROJECTS	90,775,840	53,075,557	109,431,698	56,356,141	106.18%
23 TOTAL – U.T. COMPONENTS	2,017,826,704	2,072,583,311	2,269,697,034	197,113,723	9.51%
24 SYSTEM OFFICES					
25 System Offices – General Revenue	331,505	286,264	355,268	69,004	24.11%
26 System Offices – Available University Fund	9,821,055	10,388,179	9,782,374	(605,805)	-5.83%
27 Resources for Revenue Bearing Property – Available University Fund	14,389,024	15,981,750	14,481,579	(1,500,171)	-9.39%
28 TOTAL SYSTEM OFFICES	24,541,584	26,656,193	24,619,221	(2,036,972)	-7.64%
29 TOTAL E & G FUNDS	2,042,368,288	2,099,239,504	2,294,316,255	195,076,751	9.29%
30 AUXILIARY ENTERPRISES	188,340,131	196,326,721	209,611,153	13,284,432	6.77%
31 DESIGNATED FUNDS					
32 MSRDP/DSRDP/PRS	343,505,250	392,176,930	449,373,578	57,196,648	14.58%
33 Designated Activities	219,254,922	159,990,164	209,999,608	50,009,444	31.26%
34 CURRENT RESTRICTED FUNDS					
35 Sponsored Research and Services	420,413,496	414,683,843	493,415,359	78,731,516	18.99%
36 Privately Sponsored Research	77,881,828	81,368,188	85,042,778	3,674,590	4.52%
37 Other Gifts and Grants	108,715,646	129,460,470	141,328,056	11,867,586	9.17%
38 TOTAL RESOURCES	\$ 3,400,479,561	3,473,245,820	3,883,086,787	409,840,967	11.80%

**THE UNIVERSITY OF TEXAS SYSTEM
SUMMARY OF FUNDING – ACADEMIC INSTITUTIONS**

	Fiscal Year	Adjusted	Original	Budget			
				1992	Budget	Increase (Decrease)	
				Actual	1993	1994	Amount
UT Arlington	\$ 139,316,938	141,443,818	145,303,915	3,860,097	2.73%		
UT Austin	739,844,546	734,519,563	804,178,529	69,658,966	9.48%		
UT Brownsville	6,131,815	29,051,327	38,487,009	9,435,682	32.48%		
UT Dallas	69,599,604	69,355,800	74,167,301	4,811,501	6.94%		
UT El Paso	97,092,449	102,776,016	119,306,634	16,530,618	16.08%		
UT Pan American	66,144,519	62,283,839	71,695,613	9,411,774	15.11%		
UT Permian Basin	11,104,099	11,726,792	13,307,190	1,580,398	13.48%		
UT San Antonio	75,774,307	79,782,235	91,975,007	12,192,772	15.28%		
UT Tyler	16,685,465	17,543,243	21,716,088	4,172,845	23.79%		
Estimated Texas Advanced Research and Advanced Technology Program			10,000,000				
<i>Total Academic Institutions</i>	<i>\$ 1,221,693,742</i>	<i>1,248,482,633</i>	<i>1,390,137,286</i>	<i>141,654,653</i>	<i>11.35%</i>		

**THE UNIVERSITY OF TEXAS SYSTEM
SUMMARY OF FUNDING – HEALTH RELATED INSTITUTIONS**

	Fiscal Year	Adjusted		Original Budget	Budget	
		1992	Budget		Increase (Decrease)	
		Actual	1993 (2)		1994	from 1993 to 1994
					Amount	Percent
UTSW Medical Center – Dallas	\$ 330,676,681	333,347,084	367,583,409	34,236,325	10.27%	
UTMB – Galveston	588,660,871	592,145,912	660,708,416	68,562,504	11.58%	
UTHSC – Houston	308,432,166	330,683,513	354,661,200	23,977,687	7.25%	
UTHSC – San Antonio	221,310,266	221,107,007	250,421,294	29,314,287	13.26%	
UTMD Anderson Cancer Center	635,997,836	658,494,989	762,947,973	104,452,984	15.86%	
UTHC – Tyler	58,722,716	60,285,035	64,973,823	4,688,788	7.78%	
Estimated Texas Advanced Research and Advanced Technology Program			5,000,000			
<i>Total Health Related Institutions</i>	<i>\$ 2,143,800,536</i>	<i>2,196,063,540</i>	<i>2,466,296,115</i>	<i>270,232,575</i>	<i>12.31%</i>	

**THE UNIVERSITY OF TEXAS SYSTEM
SUMMARY OF FUNDING – SYSTEM OFFICES
AND COMBINED SYSTEM TOTAL**

	Fiscal Year 1992 Actual	Adjusted Budget 1993	(2)	Original Budget 1994	Budget	
					Increase (Decrease) from 1993 to 1994	
					Amount	Percent
UT System Administration	\$ 20,596,259	12,717,897		12,171,807	(546,090)	-4.29%
Resources for Revenue Bearing Property – Available University Fund	14,389,024	15,981,750		14,481,579	(1,500,171)	-9.39%
<i>Total System Administration</i>	<u>34,985,283</u>	<u>28,699,647</u>		<u>26,653,386</u>	<u>(2,046,261)</u>	<u>-7.13%</u>
<i>Total Academic Institutions</i>	<u>1,221,693,742</u>	<u>1,248,482,633</u>		<u>1,390,137,286</u>	<u>141,654,653</u>	<u>11.35%</u>
<i>Total Health Related Institutions</i>	<u>2,143,800,536</u>	<u>2,196,063,540</u>		<u>2,466,296,115</u>	<u>270,232,575</u>	<u>12.31%</u>
TOTAL – The University of Texas System	<u>\$ 3,400,479,561</u>	<u>3,473,245,820</u>		<u>3,883,086,787</u>	<u>409,840,967</u>	<u>11.80%</u>

THE UNIVERSITY OF TEXAS SYSTEM

PROPOSED FY 1994 BUDGET
(Millions Of Dollars)EXPENDITURES

	<u>FY 1993</u>	<u>FY 1994</u>	<u>Dollar & Percent Increase/Decrease</u>	
INSTRUCTION	738	788	50	6.79%
RESEARCH	76	79	3	3.66%
PUBLIC SERVICE	5	7	2	40.37%
HEALTH CARE	581	620	39	6.77%
INSTITUTIONAL SUPPORT	570	628	58	10.19%
CAPITAL PROJECTS	102	147	45	44.63%
SYSTEM OFFICES	27	25	(2)	-7.64%
AUXILIARY ENTERPRISES	193	202	9	4.69%
DEBT SERVICE	7	8	1	17.82%
DESIGNATED				
MSRDP/DSRDP/PRS	382	449	67	17.74%
OTHER DESIGNATED ACTIVITIES	127	171	44	35.32%
DEBT SERVICE	12	12	0	1.87%
CURRENT RESTRICTED FUNDS				
SPONSORED RESEARCH AND SERVICES	414	493	79	18.99%
PRIVATELY SPONSORED RESEARCH	81	85	4	4.52%
OTHER GIFTS AND GRANTS	129	141	12	9.17%
TOTAL BUDGET	<u>3,444</u>	<u>3,856</u>	<u>411</u>	11.99%

**THE UNIVERSITY OF TEXAS SYSTEM
SUMMARY OF EXPENDITURES BY BUDGET CATEGORY**

	Fiscal Year 1992 Actual	Adjusted Budget 1993	Original Budget 1994	Budget Increase (Decrease) from 1993 to 1994	
				Amount	Percent
1 INSTRUCTION					
2 Faculty Salaries	\$ 433,369,986	467,080,607	492,300,901	25,220,294	5.40%
3 Departmental Operating Expense	130,629,840	160,908,376	171,094,902	10,186,526	6.33%
4 Instructional Administration	27,208,043	29,230,527	30,464,074	1,233,547	4.22%
5 Library	38,230,320	39,546,175	41,005,276	1,459,101	3.69%
6 Organized Activities					
7 Faculty Salaries	50,135	72,899	305,646	232,747	319.27%
8 Other	12,395,142	13,462,163	13,982,230	520,067	3.86%
9 Special Items – Instructional Support					
10 Faculty Salaries	1,247,365	1,605,120	4,778,829	3,173,709	197.72%
11 Other	17,102,317	26,449,219	34,521,674	8,072,455	30.52%
12 <i>Subtotal – Instruction</i>	<u>660,233,148</u>	<u>738,355,086</u>	<u>788,453,532</u>	<u>50,098,446</u>	<u>6.79%</u>
13 RESEARCH					
14 Research Enhancement					
15 Faculty Salaries	1,504,657	1,818,027	1,899,332	81,305	4.47%
16 Other	45,423,023	36,546,205	34,034,554	(2,511,651)	-6.87%
17 Special Items – Research					
18 Faculty Salaries	1,396,471	2,240,949	2,443,712	202,763	9.05%
19 Other	35,729,237	35,291,533	40,293,222 (3)	5,001,689	14.17%
20 <i>Subtotal – Research</i>	<u>84,053,388</u>	<u>75,896,714</u>	<u>78,670,820</u>	<u>2,774,106</u>	<u>3.66%</u>
21 PUBLIC SERVICE					
22 Continuing Education	623,113	417,052	471,513	54,461	13.06%
23 Special Items – Public Service					
24 Faculty Salaries		139,944	531,303	391,359	279.65%
25 Other	2,670,195	4,466,111	6,048,165	1,582,054	35.42%
26 <i>Subtotal – Public Service</i>	<u>3,293,308</u>	<u>5,023,107</u>	<u>7,050,981</u>	<u>2,027,874</u>	<u>40.37%</u>
27 HEALTH CARE					
28 Patient Care Activities					
29 Faculty Salaries	7,275,879	9,394,681	10,390,658	995,977	10.60%
30 Other	511,954,297	569,364,289	608,333,141	38,968,852	6.84%
31 Special Items – Health Care					
32 Faculty Salaries	1,087,148	1,133,410	611,912	(521,498)	-46.01%
33 Other	731,933	1,064,622	945,978	(118,644)	-11.14%
34 <i>Subtotal – Health Care</i>	<u>521,049,257</u>	<u>580,957,002</u>	<u>620,281,689</u>	<u>39,324,687</u>	<u>6.77%</u>
35 INSTITUTIONAL SUPPORT					
36 General Administration and Student Services	87,805,798	97,196,334	102,452,888	5,256,554	5.41%
37 General Institutional Expense	40,096,437	47,582,803	53,320,991	5,738,188	12.06%
38 Staff Benefits	154,949,505	176,156,615	207,816,547	31,659,932	17.97%
39 Physical Plant – Operation & Maintenance					
40 Utilities	88,719,260	107,209,411	110,534,791	3,325,380	3.10%
41 All Other	121,181,727	120,622,064	127,919,752	7,297,688	6.05%
42 Special Items – Institutional Support	13,873,598	21,341,134	26,167,365	4,826,231	22.61%
43 <i>Subtotal – Institutional Support</i>	<u>506,626,325</u>	<u>570,108,361</u>	<u>628,212,334</u>	<u>58,103,973</u>	<u>10.19%</u>
44 TOTAL OPERATING BUDGET	<u>1,775,255,426</u>	<u>1,970,340,270</u>	<u>2,122,669,356</u>	<u>152,329,086</u>	<u>7.73%</u>
45 E & G CAPITAL PROJECTS	<u>50,525,769</u>	<u>101,658,373</u>	<u>147,027,678</u>	<u>45,369,305</u>	<u>44.63%</u>
46 TOTAL – U.T. COMPONENTS	<u>1,825,781,195</u>	<u>2,071,998,643</u>	<u>2,269,697,034</u>	<u>197,698,391</u>	<u>9.54%</u>
47 SYSTEM OFFICES					
48 U.T. System Administration	10,117,647	10,674,443	10,137,642	(536,801)	-5.03%
49 Expenses of Revenue Bearing Property	14,389,024	15,981,750	14,481,579	(1,500,171)	-9.39%
50 TOTAL SYSTEM OFFICES	<u>24,506,671</u>	<u>26,656,193</u>	<u>24,619,221</u>	<u>(2,036,972)</u>	<u>-7.64%</u>
51 TOTAL E & G FUNDS	<u>1,850,287,866</u>	<u>2,098,654,836</u>	<u>2,294,316,255</u>	<u>195,661,419</u>	<u>9.32%</u>
52 AUXILIARY ENTERPRISES					
53 Debt Service	178,322,436	192,552,067	201,579,351	9,027,284	4.69%
	6,911,093	6,648,864	7,833,408	1,184,544	17.82%
54 DESIGNATED FUNDS					
55 MSRDP/DSRDP/PRS	319,647,192	381,626,579	449,328,892	67,702,313	17.74%
56 Designated Activities	129,860,708	126,551,596	171,251,377	44,699,781	35.32%
57 Debt Service	20,340,794	12,111,290	12,337,470	226,180	1.87%
58 CURRENT RESTRICTED FUNDS					
59 Sponsored Research and Services	420,413,496	414,683,843	493,415,359	78,731,516	18.99%
60 Privately Sponsored Research	77,881,828	81,368,188	85,042,778	3,674,590	4.52%
61 Other Gifts and Grants	108,715,646	129,460,470	141,328,056	11,867,586	9.17%
62 TOTAL EXPENDITURES	<u>\$ 3,112,381,059</u>	<u>3,443,657,733</u>	<u>3,856,432,946</u>	<u>412,775,213</u>	<u>11.99%</u>

**THE UNIVERSITY OF TEXAS SYSTEM
SUMMARY OF EXPENDITURES – ACADEMIC INSTITUTIONS**

	Fiscal Year 1992 Actual	Adjusted Budget 1993	Original Budget 1994	Budget	
				Increase (Decrease) from 1993 to 1994	
				Amount	Percent
UT Arlington	\$ 131,492,098	139,917,014	142,365,925	2,448,911	1.75%
UT Austin	699,231,259	726,725,439	796,159,402	69,433,963	9.55%
UT Brownsville	4,906,272	28,774,596	38,141,283	9,366,687	32.55%
UT Dallas	64,916,166	68,708,128	73,779,063	5,070,935	7.38%
UT El Paso	96,030,566	100,340,797	116,704,847	16,364,050	16.31%
UT Pan American	56,628,664	60,408,088	67,056,160	6,648,072	11.01%
UT Permian Basin	10,911,480	11,060,036	12,031,988	971,952	8.79%
UT San Antonio	71,150,472	76,329,336	85,636,340	9,307,004	12.19%
UT Tyler	16,495,078	17,395,835	21,596,594	4,200,759	24.15%
Estimated Texas Advanced Research and Advanced Technology Program			10,000,000		
<i>Total Academic Institutions</i>	<i>\$ 1,151,762,055</i>	<i>1,229,659,269</i>	<i>1,363,471,602</i>	<i>133,812,333</i>	<i>10.88%</i>

**THE UNIVERSITY OF TEXAS SYSTEM
SUMMARY OF EXPENDITURES – HEALTH RELATED INSTITUTIONS**

	Fiscal Year	Adjusted	Original	Budget			
				1992	Budget	Increase (Decrease)	
						Actual	1993
				Amount	Percent		
UTSW Medical Center – Dallas	\$ 315,403,687	340,018,112	375,562,562	35,544,450	10.45%		
UTMB – Galveston	507,997,186	584,018,378	655,429,373	71,410,995	12.23%		
UTHSC – Houston	300,187,138	321,644,240	357,051,705	35,407,465	11.01%		
UTHSC – San Antonio	217,262,660	222,021,610	249,833,396	27,811,786	12.53%		
UTMD Anderson Cancer Center	556,665,833	657,565,565	758,671,814	101,106,249	15.38%		
UTHC – Tyler	58,056,377	60,030,912	64,759,108	4,728,196	7.88%		
Estimated Texas Advanced Research and Advanced Technology Program			5,000,000				
<i>Total Health Related Institutions</i>	<i>\$ 1,955,572,881</i>	<i>2,185,298,817</i>	<i>2,466,307,958</i>	<i>281,009,141</i>	<i>12.86%</i>		

**THE UNIVERSITY OF TEXAS SYSTEM
SUMMARY OF EXPENDITURES – SYSTEM OFFICES
AND COMBINED SYSTEM TOTAL**

	Fiscal Year 1992 Actual	Adjusted Budget 1993	Original Budget 1994	Budget	
				Increase (Decrease) from 1993 to 1994	
				Amount	Percent
UT System Administration	\$ (9,342,901)	12,717,897	12,171,807	(546,090)	-4.29%
Expenses of Revenue Bearing Property	14,389,024	15,981,750	14,481,579	(1,500,171)	-9.39%
<i>Total System Administration</i>	<u>5,046,123</u>	<u>28,699,647</u>	<u>26,653,386</u>	<u>(2,046,261)</u>	<u>-7.13%</u>
<i>Total Academic Institutions</i>	<u>1,151,762,055</u>	<u>1,229,659,269</u>	<u>1,363,471,602</u>	<u>133,812,333</u>	<u>10.88%</u>
<i>Total Health Related Institutions</i>	<u>1,955,572,881</u>	<u>2,185,298,817</u>	<u>2,466,307,958</u>	<u>281,009,141</u>	<u>12.86%</u>
TOTAL – The University of Texas System	<u>\$ 3,112,381,059</u>	<u>3,443,657,733</u>	<u>3,856,432,946</u>	<u>412,775,213</u>	<u>11.99%</u>

**THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
FY 1994 BUDGET
SUMMARY**

	<u>FTE</u>	<u>ADJUSTED 1993</u>	<u>FTE</u>	<u>1994</u>	<u>INCREASE (DECREASE)</u>	<u>%</u>
GENERAL ADMINISTRATION	146.3	\$ 10,674,443	130.7	\$ 10,137,642	\$ (536,801)	-5.0%
REVENUE BEARING PROPERTY – AUF						
Asset Management		8,350,725		7,504,177	(846,548)	-10.1%
University Lands		2,849,150		2,731,123	(118,027)	-4.1%
General Counsel		2,423,183		2,122,006	(301,177)	-12.4%
Other		2,358,692		2,124,273	(234,419)	-9.9%
Subtotal	173.8	<u>15,981,750</u>	163.3	<u>14,481,579</u>	<u>(1,500,171)</u>	-9.4%
DESIGNATED FUNDS	0.0	<u>403,875</u>	0.0	<u>428,800</u>	<u>24,925</u>	6.2%
CURRENT RESTRICTED FUNDS	<u>2.1</u>	<u>1,639,579</u>	<u>1.1</u>	<u>1,605,365</u>	<u>(34,214)</u>	-2.1%
SUBTOTAL	322.2	28,699,647	295.1	26,653,386	(2,046,261)	-7.1%
REVOLVING FUNDS	<u>80.1</u>	<u>4,705,109</u>	<u>86.0</u>	<u>5,458,969</u>	<u>753,860</u>	16.0%
TOTAL	<u>402.3</u>	<u>\$ 33,404,756</u>	<u>381.1</u>	<u>\$ 32,112,355</u>	<u>\$ (1,292,401)</u>	-3.9%
SALARY FUNDS ONLY		<u>\$ 17,956,236</u>		<u>\$ 17,723,200</u>	<u>\$ (233,036)</u>	-1.3%
FULL TIME EQUIVALENT EMPLOYEES		402.3		381.1	(21.2)	-5.3%

THE UNIVERSITY OF TEXAS SYSTEM

FY 1994 BUDGET

MAJOR ISSUES

CONCERNS

- Faculty and Staff Salaries
- Threat of additional General Revenue reductions.
- Increased enrollment demands.
- Reduction in income to PUF.
- Reduction in AUF transfer to U. T. Austin.
- Financing of Center for High Performance Computing.
- Restructuring of investment portfolio.