

*Chancellor Cunningham
report 8/10/95*

**THE UNIVERSITY OF TEXAS SYSTEM
FISCAL YEAR 1996 OPERATING BUDGET**

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

August 10, 1995

THE UNIVERSITY OF TEXAS SYSTEM

PROPOSED FY 1996 BUDGET
(Millions Of Dollars)

METHOD OF FINANCING

| | <u>FY 1995</u> | <u>FY 1996</u> | <u>Dollar & Percent Increase/Decrease</u> | |
|--|----------------|----------------|---|--------------|
| GENERAL REVENUE | 1,089.4 | 1,161.1 | 71.7 | 6.58% |
| EDUCATIONAL AND GENERAL INCOME | 887.0 | 887.7 | 0.7 | 0.07% |
| OTHER SOURCES OF EDUCATIONAL AND GENERAL OPERATING FUNDS | 127.7 | 143.3 | 15.6 | 12.22% |
| FUNDING FROM PRIOR YEAR BALANCES | 32.1 | 27.9 | (4.2) | -13.20% |
| E&G CAPITAL PROJECTS | 33.3 | 28.9 | (4.4) | -13.13% |
| SYSTEM OFFICES | 24.9 | 25.9 | 1.0 | 4.09% |
| AUXILIARY ENTERPRISES | 213.0 | 212.2 | (0.8) | -0.38% |
| DESIGNATED FUNDS | | | | |
| MSRDP/DSRDP/PRS | 495.1 | 520.8 | 25.7 | 5.19% |
| OTHER DESIGNATED ACTIVITIES | 326.6 | 489.5 | 162.9 | 49.89% |
| CURRENT RESTRICTED | | | | |
| SPONSORED RESEARCH & SERVICES | 530.2 | 569.3 | 39.1 | 7.38% |
| PRIVATELY SPONSORED RESEARCH | 102.9 | 90.0 | (12.9) | -12.55% |
| GIFTS AND GRANTS | 125.8 | 134.3 | 8.5 | 6.76% |
| TOTAL BUDGET | <u>3,988.0</u> | <u>4,290.9</u> | <u>302.9</u> | <u>7.59%</u> |

Note:

See Pages 4 and 5 for comments.

Total System
METHOD OF FINANCING - ALL FUNDS

| | Fiscal Year | Adjusted | Original | Budget Increase (Decrease) | |
|--|------------------|-------------------|-------------------|----------------------------|---------|
| | 1994 | Budget | Budget | from 1995 to 1996 | |
| | Actual | 1995 ¹ | 1996 ² | Amount | Percent |
| 1 GENERAL REVENUE | \$ 1,162,528,237 | \$ 1,089,382,357 | \$ 1,161,117,753 | \$ 71,735,396 | 6.58% |
| 2 EDUCATIONAL AND GENERAL INCOME | | | | | |
| 3 Net Tuition | 130,483,380 | 137,721,149 | 154,903,238 | 17,182,089 | 12.48% |
| 4 Student Fees | 1,571,038 | 1,574,949 | 1,624,902 | 49,953 | 3.17% |
| 5 Overhead on Sponsored Projects | 103,632,767 | 100,928,102 | 107,174,153 | 6,246,051 | 6.19% |
| 6 Interest on Time Deposits | 14,123,589 | 11,675,746 | 15,361,663 | 3,685,917 | 31.57% |
| 7 Organized Activities Relating to Instruction | 1,950,279 | 2,222,304 | 2,248,169 | 25,865 | 1.16% |
| 8 Extension and Public Service | 370,510 | 374,659 | 597,201 | 222,542 | 59.40% |
| 9 Other Income | 3,384,356 | 3,316,512 | 5,540,142 | 2,223,630 | 67.05% |
| 10 Income from Patients | 568,258,605 | 629,215,670 | 600,222,128 | (28,993,542) | -4.61% |
| 11 Subtotal - Educational and General Income | 823,774,524 | 887,029,091 | 887,671,596 | 642,505 | 0.07% |
| 12 OTHER SOURCES | | | | | |
| 13 Higher Education Assistance Fund | 3,196,287 | 1,173,000 | 2,635,841 | 1,462,841 | 124.71% |
| 14 Transfers from Other Funds | 6,188,455 | 9,053,440 | 21,082,967 | 12,029,527 | 132.87% |
| 15 H.C.P.C. Funding (U.T.H.S.C. - Houston) | 24,554,177 | 24,716,169 | 23,366,169 | (1,350,000) | -5.46% |
| 16 Interagency Contract UTHSC-Houston | 60,000 | | | | |
| 17 Houston Recovery Campus | | | 6,500,000 | 6,500,000 | |
| 18 T.S.C. Contract | 15,407,375 | 15,875,683 | 15,700,000 | (175,683) | -1.11% |
| 19 Available University Fund (U.T. Austin) | 80,971,012 | 76,917,502 | 74,058,872 | (2,858,630) | -3.72% |
| 21 Subtotal - Other Sources | 130,377,306 | 127,735,794 | 143,343,849 | 15,608,055 | 12.22% |
| 22 FUNDING FROM PRIOR YEAR BALANCES | 22,109,542 | 32,085,473 | 27,850,787 | (4,234,686) | -13.20% |
| 23 TOTAL OPERATING RESOURCES | 2,138,789,609 | 2,136,232,715 | 2,219,983,985 | 83,751,270 | 3.92% |
| 24 E & G CAPITAL PROJECTS | 109,431,698 | 33,255,973 | 28,889,280 | (4,366,693) | -13.13% |
| 25 TOTAL - U.T. COMPONENTS | 2,248,221,307 | 2,169,488,688 | 2,248,873,265 | 79,384,577 | 3.66% |
| 26 SYSTEM OFFICES | | | | | |
| 27 System Offices - General Revenue | \$ 355,268 | \$ 350,273 | \$ 1,225,776 | \$ 875,503 | 249.95% |
| 28 System Office - AUF | 9,782,374 | 9,787,369 | 9,919,348 | 131,979 | 1.35% |
| 29 Resources for Rev. Bearing Property - AUF | 13,612,153 | 14,779,214 | 14,790,197 | 10,983 | 0.07% |
| 30 Subtotal SYSTEM OFFICES | 23,749,795 | 24,916,856 | 25,935,321 | 1,018,465 | 4.09% |
| 31 TOTAL E & G FUNDS | 2,271,971,102 | 2,194,405,544 | 2,274,808,586 | 80,403,042 | 3.66% |
| 32 AUXILIARY ENTERPRISES | 204,193,317 | 212,967,019 | 212,156,003 | (811,016) | -0.38% |
| 33 DESIGNATED FUNDS | | | | | |
| 34 MSRD/DSRD/PRS | 474,573,488 | 495,149,857 | 520,782,700 | 25,632,843 | 5.18% |
| 35 Designated Activities | 321,379,603 | 326,568,133 | 489,485,990 | 162,917,857 | 49.89% |
| 36 CURRENT RESTRICTED FUNDS | | | | | |
| 37 Sponsored Research and Services | 507,178,653 | 530,219,527 | 569,324,945 | 39,105,418 | 7.38% |
| 38 Privately Sponsored Research | 93,344,330 | 102,866,387 | 89,955,688 | (12,910,699) | -12.55% |
| 39 Other Gifts and Grants | 119,954,752 | 125,780,967 | 134,290,007 | 8,509,040 | 6.76% |
| 40 TOTAL RESOURCES | \$ 3,992,595,245 | \$ 3,987,957,434 | \$ 4,290,803,919 | \$ 302,846,485 | 7.59% |

**THE UNIVERSITY OF TEXAS SYSTEM
INSTITUTIONAL METHOD OF FINANCING - ALL FUNDS**

| | Actual | Adjusted | Original | Increase (Decrease) | |
|---|-------------------------|-------------------------|-------------------------|-----------------------|--------------|
| | Fiscal Year 1994 | Budget 1995 | Budget 1996 | Amount | Percent |
| ACADEMIC INSTITUTIONS | | | | | |
| UT Arlington | \$ 154,482,895 | \$ 146,005,913 | \$ 160,702,382 | \$ 14,696,469 | 10.07% |
| UT Austin | 834,011,744 | 825,958,189 | 868,052,166 | 42,093,977 | 5.10% |
| UT Brownsville | 39,965,192 | 39,239,131 | 47,665,178 | 8,426,047 | 21.47% |
| UT Dallas | 76,118,472 | 72,312,188 | 78,294,378 | 5,982,190 | 8.27% |
| UT El Paso | 125,801,649 | 121,277,128 | 139,787,626 | 18,510,498 | 15.26% |
| UT Pan American | 79,497,203 | 74,002,271 | 81,367,221 | 7,364,950 | 9.95% |
| UT Permian Basin | 13,648,306 | 13,612,693 | 17,028,704 | 3,416,011 | 25.09% |
| UT San Antonio | 94,851,058 | 94,250,188 | 107,309,305 | 13,059,117 | 13.86% |
| UT Tyler | 20,778,015 | 21,387,207 | 25,026,059 | 3,638,852 | 17.01% |
| Estimated Texas Advanced Research and Advanced Technology Program | | | 10,000,000 | | |
| <i>Subtotal</i> | <u>1,439,154,534</u> | <u>1,408,044,908</u> | <u>1,535,233,019</u> | <u>127,188,111</u> | <u>9.03%</u> |
| HEALTH RELATED INSTITUTIONS | | | | | |
| UTSW Medical Center - Dallas | 389,449,160 | 408,280,039 | 424,800,032 | 16,519,993 | 4.05% |
| UTMB - Galveston | 704,778,873 | 778,241,765 | 901,382,354 | 123,140,589 | 15.82% |
| UTHSC - Houston | 362,438,638 | 363,596,689 | 366,532,735 | 2,936,046 | 0.81% |
| UTHSC - San Antonio | 265,165,507 | 259,592,695 | 277,680,155 | 18,087,460 | 6.97% |
| UTMD Anderson Cancer Center | 726,935,173 | 677,600,815 | 683,324,589 | 5,723,774 | 0.84% |
| UTHC - Tyler | 61,582,433 | 65,770,408 | 69,224,873 | 3,454,465 | 5.25% |
| Estimated Texas Advanced Research and Advanced Technology Program | | | 5,000,000 | 5,000,000 | |
| <i>Subtotal</i> | <u>2,510,349,784</u> | <u>2,553,082,411</u> | <u>2,727,944,738</u> | <u>174,862,327</u> | <u>6.85%</u> |
| SYSTEM OFFICES | | | | | |
| UT System Administration | 29,478,774 | 12,050,901 | 12,835,965 | (120,906) | -1.00% |
| Resources for Revenue Bearing Property - Available University Fund | 13,612,153 | 14,779,214 | 14,790,197 | 297,635 | 2.01% |
| <i>Subtotal</i> | <u>43,090,927</u> | <u>26,830,115</u> | <u>27,626,162</u> | <u>796,047</u> | <u>2.97%</u> |
| TOTAL - The University of Texas System | <u>\$ 3,992,595,245</u> | <u>\$ 3,987,957,434</u> | <u>\$ 4,290,803,919</u> | <u>\$ 302,846,485</u> | <u>7.59%</u> |

THE UNIVERSITY OF TEXAS SYSTEM
FY 1996 BUDGET
COMMENTS ON METHOD OF FINANCING

- Net **GENERAL REVENUE** increased \$71.7 Million as a result of increased funding of \$15.1 Million for debt service requirements, \$40 Million previously appropriated to the Teacher Retirement System for employee benefits, and new Program Initiatives. The largest new program, \$6.5 Million, was appropriated to UT HSC San Antonio for medical education programs and related services in the Lower and Middle Rio Grande Valley and the Coastal Bend areas

- The net increase \$0.7 million in **EDUCATIONAL AND GENERAL INCOME** is the result of increased tuition, overhead recovery, and a decrease in income from patients. The tuition increase is largely the result of a rate increase from \$28 to \$30 per semester credit hour for resident students, additional graduate tuition differential and non-resident tuition increases. Income from overhead recovery increased by 6.19% (\$6.2 Million). Patient Income decreased \$28.9 Million. The decrease is due to \$30.0 Million reduction at U. T. MD Anderson Cancer Center and a \$1.4 Million reduction at U. T. Health Center Tyler.

- **OTHER SOURCES OF EDUCATIONAL AND GENERAL OPERATING FUNDS** increased by \$15.6 Million. The increase is due to appropriation increases in Higher Education Assistance Funds, Transfers from other Funds and the Houston Recovery Campus (\$6.5 Million), a new program at U.T. HSC Houston. The increase in transfers from other Funds (\$12.1 Million) is primarily general use fee revenue (\$11.6 Million) that is being used to finance the 1996 operating budgets. The Available University Fund transfer to U. T. Austin decreased \$2.9 Million.

- Decrease in **FUNDING FROM PRIOR YEAR BALANCES** is \$4.2 Million.

- **EDUCATIONAL AND GENERAL CAPITAL PROJECTS** decreased \$4.4 Million.

THE UNIVERSITY OF TEXAS SYSTEM
FY 1996 BUDGET
COMMENTS ON METHOD OF FINANCING

(Continued)

- **SYSTEM OFFICES** - funding requirements remained essentially flat considering that \$900,000 of the \$1.0 Million increase is the result of employee benefits previously appropriated to the Teacher Retirement System.

- Decrease of \$.8 Million in **AUXILIARY ENTERPRISES** is due to increased fees and charges necessary to cover anticipated operating costs offset by U. T. Austin's decrease of \$6.1 Million. The reduction is a result of privatization of the Student Union food services.

- **DESIGNATED FUNDS** increased 22.95%. Estimates of Practice Plan revenues increased by \$25.7 Million due to increases in number of patients and increases in rates. Other Designated Funds increased 49.89% or \$162.9 Million. This increase is largely the result of a contract between U. T. Medical Branch at Galveston and Texas Department of Corrections and increases in incidental fees at Academic institutions.

- **SPONSORED RESEARCH** is up 7.38% or \$39.1 Million while **PRIVATELY SPONSORED RESEARCH** has decreased \$12.9 Million or 12.55%. The decrease in Privately Sponsored Research is a result of under realization of funding at U. T. Southwestern Medical Center in FY 1995.

- **GIFTS AND GRANTS** show a increase of 6.76% or \$89.5 Million.

THE UNIVERSITY OF TEXAS SYSTEM

**PROPOSED FY 1996 BUDGET
(Millions Of Dollars)**

EXPENDITURES

| | <u>FY 1995</u> | <u>FY 1996</u> | <u>Dollar & Percent Increase/Decrease</u> | |
|--------------------------------------|-----------------------|-----------------------|---|---------------------|
| INSTRUCTION | 769.8 | 805.3 | 35.5 | 4.62% |
| RESEARCH | 91.0 | 93.3 | 2.3 | 2.59% |
| PUBLIC SERVICE | 7.1 | 15.9 | 8.8 | 123.82% |
| HEALTH CARE | 605.9 | 591.2 | (14.7) | -2.42% |
| INSTITUTIONAL & ANCILLARY OPERATIONS | 626.5 | 677.3 | 50.8 | 8.10% |
| CAPITAL PROJECTS | 69.3 | 65.9 | (3.4) | -4.90% |
| SYSTEM OFFICES | 24.9 | 25.9 | 1.0 | 4.09% |
| AUXILIARY ENTERPRISES | 206.3 | 201.0 | (5.3) | -2.53% |
| DEBT SERVICE | 7.5 | 7.6 | 0.1 | 1.80% |
| DESIGNATED | | | | |
| MSRDP/DSRDP/PRS | 504.8 | 525.3 | 20.5 | 4.05% |
| OTHER DESIGNATED ACTIVITIES | 294.4 | 425.6 | 131.2 | 44.56% |
| DEBT SERVICE | 13.4 | 16.8 | 3.4 | 24.58% |
| CURRENT RESTRICTED FUNDS | | | | |
| SPONSORED RESEARCH AND SERVICES | 530.2 | 569.3 | 39.1 | 7.38% |
| PRIVATELY SPONSORED RESEARCH | 102.9 | 90.0 | (12.9) | -12.55% |
| OTHER GIFTS AND GRANTS | 125.8 | 134.3 | 8.5 | 6.76% |
| TOTAL BUDGET | <u><u>3,979.8</u></u> | <u><u>4,244.7</u></u> | <u><u>264.9</u></u> | <u><u>6.66%</u></u> |

Note:
See Page 9 for comments.

Total System
SUMMARY OF EXPENDITURES BY CATEGORY

| | Fiscal Year | Adjusted | Original | Budget Increase (Decrease) | |
|--|-------------------------|-------------------------|-------------------------|----------------------------|----------------|
| | 1994 | Budget | Budget | from 1996 to 1996 | |
| | Actual | 1996 ¹ | 1996 ² | Amount | Percent |
| 1 INSTRUCTION | | | | | |
| 2 Faculty Salaries | \$ 480,885,655 | \$ 486,484,932 | \$ 502,321,085 | \$ 15,836,153 | 3.26% |
| 3 Departmental Operating Expense | 162,649,460 | 162,287,902 | 168,847,775 | 6,559,873 | 4.04% |
| 4 Instructional Administration | 31,146,691 | 31,314,668 | 33,862,058 | 2,547,390 | 8.13% |
| 5 Library | 41,443,558 | 40,629,230 | 42,058,462 | 1,429,232 | 3.52% |
| 6 Organized Activities | 13,355,079 | 13,853,760 | 13,281,317 | (572,443) | -4.13% |
| 7 Special Items - Instructional Support | 39,239,138 | 35,205,484 | 44,971,797 | 9,766,313 | 27.74% |
| 8 Subtotal - Instruction | <u>768,719,581</u> | <u>769,775,976</u> | <u>805,342,494</u> | <u>35,566,518</u> | <u>4.62%</u> |
| 9 RESEARCH | | | | | |
| 10 Research Enhancement | 36,070,319 | 48,544,081 | 49,191,050 | 646,969 | 1.33% |
| 11 Special Items - Research | 39,859,626 | 42,423,805 | 44,133,730 | 1,709,925 | 4.03% |
| 12 Subtotal - Research | <u>75,929,945</u> | <u>90,967,886</u> | <u>93,324,780</u> | <u>2,356,894</u> | <u>2.59%</u> |
| 13 PUBLIC SERVICE | | | | | |
| 14 Continuing Education | 468,402 | 560,581 | 791,719 | 231,138 | 41.23% |
| 15 Special Items - Public Service | 6,538,085 | 6,529,484 | 15,077,039 | 8,547,555 | 130.91% |
| 16 Subtotal - Public Service | <u>7,006,487</u> | <u>7,090,065</u> | <u>15,868,758</u> | <u>8,778,693</u> | <u>123.82%</u> |
| 17 HEALTH CARE | | | | | |
| 18 Patient Care Activities | 591,340,372 | 604,849,288 | 590,348,810 | (14,500,478) | -2.40% |
| 19 Special Items - Health Care | 497,591 | 1,012,523 | 823,198 | (189,325) | -18.70% |
| 20 Subtotal - Health Care | <u>591,837,963</u> | <u>605,861,811</u> | <u>591,172,008</u> | <u>(14,689,803)</u> | <u>-2.42%</u> |
| 21 INSTITUTIONAL & ANCILLARY OPERATION | | | | | |
| 22 Institutional Support | 127,615,437 | 135,888,314 | 145,322,887 | 9,434,573 | 6.94% |
| 23 Student Services | 32,810,994 | 27,195,798 | 28,483,444 | 1,287,646 | 4.73% |
| 24 Staff Benefits | 199,636,839 | 210,488,564 | 244,590,376 | 34,101,812 | 16.20% |
| 25 Operation & Maintenance of Plant | | | | | |
| 26 Utilities | 104,869,490 | 110,388,953 | 106,757,877 | (3,631,076) | -3.29% |
| 27 All Other | 124,500,939 | 117,939,589 | 116,107,810 | (1,831,779) | -1.55% |
| 28 Special Items - Institutional Support | 19,429,300 | 24,605,671 | 36,012,274 | 11,406,603 | 46.36% |
| 29 Subtotal - Inst. & Ancillary Operations | <u>608,862,999</u> | <u>626,506,889</u> | <u>677,274,668</u> | <u>50,767,779</u> | <u>8.10%</u> |
| 30 TOTAL OPERATING BUDGET | <u>2,052,356,975</u> | <u>2,100,202,627</u> | <u>2,182,982,708</u> | <u>82,780,081</u> | <u>3.94%</u> |
| 31 E & G CAPITAL PROJECTS | 67,713,554 | 69,286,061 | 65,890,557 | (3,395,504) | -4.90% |
| 32 TOTAL - U.T. COMPONENTS | <u>2,120,070,529</u> | <u>2,169,488,688</u> | <u>2,248,873,265</u> | <u>79,384,577</u> | <u>3.66%</u> |
| 33 SYSTEM OFFICES | | | | | |
| 34 U.T. System Administration | \$ 10,712,376 | \$ 10,137,642 | \$ 11,145,124 | \$ 1,007,482 | 9.94% |
| 35 Expenses of Revenue Bearing Property | 13,612,153 | 14,779,214 | 14,790,197 | 10,983 | 0.07% |
| 36 Subtotal SYSTEM OFFICES | <u>24,324,529</u> | <u>24,916,856</u> | <u>25,935,321</u> | <u>1,018,465</u> | <u>4.09%</u> |
| 37 TOTAL E & G FUNDS | <u>2,144,395,058</u> | <u>2,194,405,544</u> | <u>2,274,808,586</u> | <u>80,403,042</u> | <u>3.66%</u> |
| 38 AUXILIARY ENTERPRISES | | | | | |
| 39 Auxiliary Activities | 189,005,589 | 206,258,473 | 201,048,967 | (5,209,506) | -2.53% |
| 40 Debt Service | 7,327,806 | 7,464,266 | 7,598,467 | 134,201 | 1.80% |
| 41 DESIGNATED FUNDS | | | | | |
| 42 MSRDP/DSRDP/PRS | 446,877,218 | 504,826,807 | 525,269,672 | 20,442,865 | 4.05% |
| 43 Designated Activities | 208,319,066 | 294,433,246 | 425,635,533 | 131,202,287 | 44.56% |
| 44 Debt Service | 21,187,196 | 13,447,784 | 16,753,674 | 3,305,890 | 24.58% |
| 45 CURRENT RESTRICTED FUNDS | | | | | |
| 46 Sponsored Research and Services | 507,178,654 | 530,219,527 | 569,324,945 | 39,105,418 | 7.38% |
| 47 Privately Sponsored Research | 93,344,330 | 102,866,387 | 89,955,688 | (12,910,699) | -12.55% |
| 48 Other Gifts and Grants | 119,954,752 | 125,780,967 | 134,290,007 | 8,509,040 | 6.76% |
| 49 TOTAL EXPENDITURES | <u>\$ 3,737,589,669</u> | <u>\$ 3,979,703,001</u> | <u>\$ 4,244,685,539</u> | <u>\$ 264,982,538</u> | <u>6.66%</u> |

**THE UNIVERSITY OF TEXAS SYSTEM
INSTITUTIONAL SUMMARY OF EXPENDITURES - ALL FUNDS**

| | Actual Fiscal Year 1994 | Adjusted Budget 1995 | Original Budget 1996 | Increase (Decrease) from 1995 to 1996 | |
|---|-------------------------------|----------------------------|----------------------------|--|--------------|
| | | | | Amount | Percent |
| ACADEMIC INSTITUTIONS | | | | | |
| UT Arlington | \$ 146,057,305 | \$ 144,074,059 | \$ 156,042,651 | \$ 11,968,592 | 8.31% |
| UT Austin | 786,347,023 | 816,707,064 | 845,515,404 | 28,808,340 | 3.53% |
| UT Brownsville | 38,932,305 | 38,737,917 | 47,111,516 | 8,373,599 | 21.62% |
| UT Dallas | 71,920,237 | 72,880,435 | 76,528,935 | 3,648,500 | 5.01% |
| UT El Paso | 121,877,895 | 119,227,206 | 136,172,545 | 16,945,339 | 14.21% |
| UT Pan American | 73,909,309 | 69,665,805 | 78,891,179 | 9,225,374 | 13.24% |
| UT Permian Basin | 13,096,750 | 12,865,639 | 16,019,855 | 3,154,216 | 24.52% |
| UT San Antonio | 88,927,622 | 88,977,661 | 99,803,637 | 10,825,976 | 12.17% |
| UT Tyler | 20,658,431 | 20,676,403 | 24,131,575 | 3,455,172 | 16.71% |
| Estimated Texas Advanced Research and Advanced Technology Program | | | 10,000,000 | | |
| <i>Subtotal</i> | <u>1,361,726,877</u> | <u>1,383,812,189</u> | <u>1,490,217,297</u> | <u>106,405,108</u> | <u>7.69%</u> |
| HEALTH RELATED INSTITUTIONS | | | | | |
| UTSW Medical Center - Dallas | 371,283,786 | 415,248,972 | 421,518,301 | 6,269,329 | 1.51% |
| UTMB - Galveston | 683,780,265 | 775,252,324 | 898,469,761 | 123,217,437 | 15.89% |
| UTHSC - Houston | 338,359,063 | 368,102,937 | 375,169,765 | 7,066,828 | 1.92% |
| UTHSC - San Antonio | 253,853,086 | 259,477,659 | 274,139,969 | 14,662,310 | 5.65% |
| UTMD Anderson Cancer Center | 647,744,374 | 684,839,385 | 682,923,984 | (1,915,401) | -0.28% |
| UTHC - Tyler | 67,552,411 | 65,766,188 | 69,221,505 | 3,455,317 | 5.25% |
| Estimated Texas Advanced Research and Advanced Technology Program | | | 5,000,000 | 5,000,000 | |
| <i>Subtotal</i> | <u>2,362,572,985</u> | <u>2,568,687,465</u> | <u>2,726,443,285</u> | <u>157,755,820</u> | <u>6.14%</u> |
| SYSTEM OFFICES | | | | | |
| UT System Administration | (322,646) | 12,424,133 | 13,234,760 | 810,627 | 6.52% |
| Resources for Revenue Bearing Property - Available University Fund | 13,612,153 | 14,779,214 | 14,790,197 | 10,983 | 0.07% |
| <i>Subtotal</i> | <u>13,289,507</u> | <u>27,203,347</u> | <u>28,024,957</u> | <u>821,610</u> | <u>3.02%</u> |
| TOTAL - The University of Texas System | <u>\$ 3,737,589,369</u> | <u>\$ 3,979,703,001</u> | <u>\$ 4,244,685,539</u> | <u>\$ 264,982,538</u> | <u>6.66%</u> |

THE UNIVERSITY OF TEXAS SYSTEM
FY 1996 BUDGET
COMMENTS ON EXPENDITURES

- **Instruction** increased \$35.5 Million due, in part, to merit increases (2.5% - 3.0%) awarded to faculty, increased funding for departmental operating expenses, and special items at U. T. Austin (\$2.1 Million for Faculty Information Technology), U. T. El Paso (\$1.1 Million for Academic Infrastructure), U. T. Tyler (\$1.7 Million for Engineering Program), and the Health Science Center at San Antonio (\$6.5 Million for South Texas Area Health Initiative).
- **Research** increased \$2.3 Million due mostly to special item funding at U. T. Southwestern Medical Center (Cell Regulation Lab, Alzheimer's Disease Center).
- **Public Service** increased by \$8.8 Million as a result of special item funding at the Houston Health Science Center (\$6.5 Million for Houston Recovery Campus) and U. T. Permian Basin (\$890,000 for John Ben Shepperd Institute).
- The decrease in **Health Care** tracks the decrease in patient revenues.
- Increases in **Institutional Support** is due primarily to \$40 Million in fringe benefits previously appropriated to the Teachers Retirement System, and to Tuition Revenue Bond debt service of \$15.0 Million.
- The decrease in **Auxiliary Enterprises** budgets relates to the privatization of the Texas Union Dining Service at U. T. Austin.
- **Designated Fund** increases are due to Practice Plan expenses of \$20.5 Million, cost related to the U. T. Medical Branch at Galveston contract with Texas Department of Corrections (\$100 Million), inclusion of Designated Fund accounts not previously budgeted at U. T. Austin, and incidental fees at academic institutions.
- **Current Restricted Funds** expenditures track the increased revenue for these funds. The decrease in Privately Sponsored Research is a result of under realization of funding at U. T. Southwestern Medical Center in FY 1995.

The University of Texas System
 1995-96 BUDGET
 ALL FUNDS OPERATING BUDGET SUMMARY

| Fund Group | 1994-95 Budget | % of Budget | 1995-96 Recommended | % of Budget | Increase (Decrease) | % Inc. (% Dec.) |
|--|-------------------|----------------|------------------------|----------------|------------------------|--------------------|
| System Administration | 10,137,642 | 37.27% | 11,145,124 | 39.76% | 1,007,482 * | 9.94% |
| Available University Fund | 14,779,214 | 54.33% | 14,790,197 | 52.78% | 10,983 | 0.07% |
| Subtotal - Educational and General Funds | 24,916,856 | 91.60% | 25,935,321 | 92.54% | 1,018,465 | 4.09% |
| Designated Funds | 693,232 | 2.55% | 688,195 | 2.46% | (5,037) | -0.73% |
| Restricted Current Funds - Gifts | 1,593,259 | 5.85% | 1,401,441 | 5.00% | (191,818) | -12.04% |
| Totals | 27,203,347 | 100.00% | 28,024,957 | 100.00% | 821,610 | 3.02% |

* Includes \$900,000 of Fringe Benefit Reimbursement not budgeted in 1994-95

The University of Texas System

1995-96 BUDGET

ALL FUNDS OPERATING BUDGET SUMMARY

| Fund Group | 1994-95 Budget | % of Budget | 1995-96 Recommended | % of Budget | Increase (Decrease) | % Inc. (% Dec.) |
|--|-------------------|----------------|------------------------|----------------|------------------------|--------------------|
| System Administration | 10,137,642 | 37.27% | 11,145,124 | 41.09% | 1,007,482 | 9.94% |
| * Less: Art. III, Sec. 34, Fringe Benefit Offset | 0 | 0.00% | (900,000) | -3.32% | (900,000) | |
| Subtotal - System Administration | 10,137,642 | 37.27% | 10,245,124 | 37.77% | 107,482 | 1.06% |
| Available University Fund | 14,779,214 | 54.33% | 14,790,197 | 54.53% | 10,983 | 0.07% |
| Designated Funds | 693,232 | 2.55% | 688,195 | 2.54% | (5,037) | -0.73% |
| Restricted Current Funds - Gifts | 1,593,259 | 5.85% | 1,401,441 | 5.16% | (191,818) | -12.04% |
| Totals | 27,203,347 | 100.00% | 27,124,957 | 100.00% | (78,390) | -0.29% |

* Reimbursement of ORP/TRS matching for employees paid from local E&G Funds, and the ORP differential between 7.31% and 6.00%.

The University of Texas System Administration
Summary - Educational and General Capital Projects

| | | |
|-------------------------|--|---------------------|
| 1) U. T. System Complex | | |
| ● | Network/Telecommunications Upgrade Continuing upgrade of System Administration's Information Technology Network as approved by the Board of Regents in 1995 (to include Remote Access, upgrade of local area network, training, video presentation system, etc.). | \$ 372,775 |
| ● | Energy Cost Savings Modifications Matching funds for Federal grant received to make energy saving modifications recommended in Energy Study authorized by the Board of Regents. | 180,000 |
| ● | Landscape Modifications and Improvements Repair of granite pavers; removal/replacement of diseased trees, decorative planters. | 55,000 |
| ● | Replace and Upgrade CTJ Freight Elevator Replacement necessary to comply with state law and standards. Replacement will provide upgrade while modifications (costing as much as replacement) would not. | 50,000 |
| ● | Ashbel Smith Hall ADA Upgrade Required ADA upgrade to rest room facilities. | 60,880 |
| 2) Colorado Building | | |
| ● | HVAC and Electrical Renovations In addition to HVAC replacement approved by the Board of Regents in 1995, major electrical system modifications are needed based on a U. T. Austin A&E Services study. Electrical system is primarily original equipment from the 1930s. | 500,000 |
| ● | Replacement of Cooling Tower Cooling Tower is aged and has deteriorated. Study noted above recommends immediate replacement. | 115,000 |
| ● | Elevator Upgrade Required ADA upgrade and removal of broken tiles in elevators -- elevator cab renovation. | 60,000 |
| ● | Building ADA Upgrade Required ADA upgrade to rest room facilities. | <u>31,606</u> |
| | | <u>\$ 1,425,261</u> |

**The University of Texas System
Fiscal Year 1996
RESERVE ALLOCATIONS FOR LIBRARY, EQUIPMENT, REPAIRS AND REHABILITATION**

Summary

| | Allocation | |
|---|------------------------|----------------------------|
| | Library & Equipment | Repair & Rehabilitation |
| <u>Institutions</u> | | |
| <u>Academic Institutions</u> | \$ | \$ |
| University of Texas at Arlington | 830,438 | 100,000 |
| University of Texas at Austin | 0 | 2,000,000 |
| University of Texas at Dallas | 640,000 | 770,000 |
| University of Texas at El Paso | 736,106 | 318,000 |
| University of Texas of the Permian Basin | 300,000 | 746,000 |
| University of Texas at San Antonio | 1,216,200 | 0 |
| University of Texas at Tyler | 0 | 719,716 |
| Subtotal Academic Institutions | \$ 3,722,744 | \$ 4,653,716 |
| | | |
| <u>Health Institutions</u> | | |
| University of Texas Southwestern Medical Center at Dallas | 211,000 | 375,000 |
| University of Texas Medical Branch at Galveston | 393,540 | 0 |
| University of Texas Health Science Center Houston | 350,000 | 600,000 |
| University of Texas Health Science Center San Antonio | 407,000 | 270,000 |
| University of Texas M.D. Anderson Cancer Center | 200,000 | 214,000 |
| University of Texas Health Center at Tyler | 253,000 | 350,000 |
| Subtotal Health Institutions | \$ 1,814,540 | \$ 1,809,000 |
| | | |
| University of Texas System | 3,000,000 | 0 |
| | | |
| Grand Total | \$ 8,537,284 | \$ 6,462,716 |