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THE UNIVERSITY OF TEXAS SYSTEM

Fiscal Year 1997 Operating Budget

**Presentation to the University of Texas
System
Board of Regents**

August 8, 1996

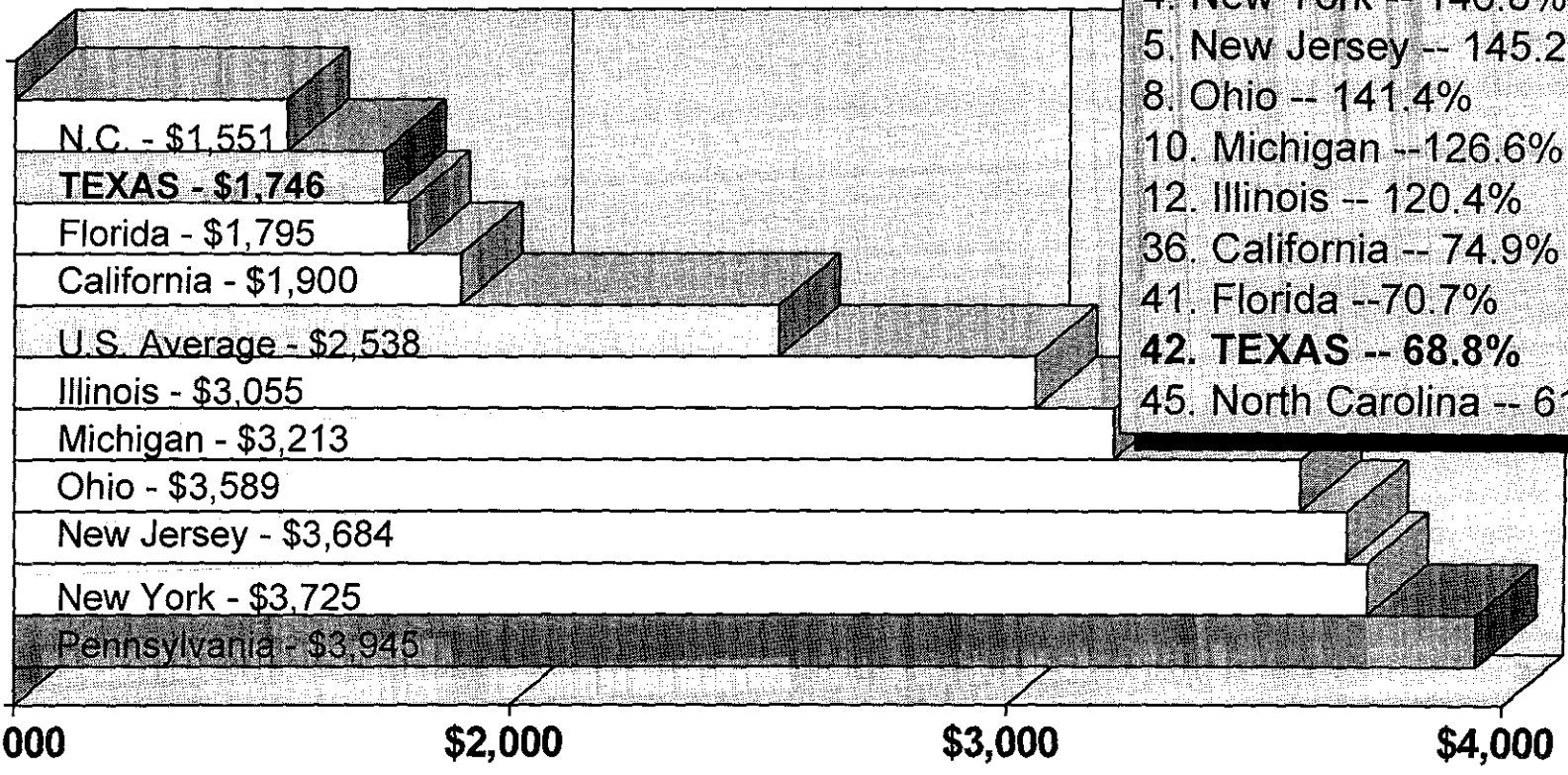
*Handout by
Chancellor Cunningham*

Basic Facts about the U. T. System

- 149,779 students (35% of students at public universities and 66% of students at public health institutions).
- \$4.48 (FY 1997) billion annual operating budget.
- \$9.25 billion under management.
- \$14 billion in total assets.
- \$750 million in annual research spending.
- \$740 million annually in indigent care.
- Permanent University Fund bonds rated AAA (S&P, Moody's, and Fitch Investors Service).
- U. T. System generates 2.1% of non-agricultural employment in Texas.
- With 69,000 employees, U. T. System would rank as the fifth largest company in Texas -- behind J.C. Penney, AMR Corp., Exxon, and EDS.

Tuition and Fees at Public Universities 10 Most Populous States -- 1995-96

Resident undergraduate rates -- 30 semester hours



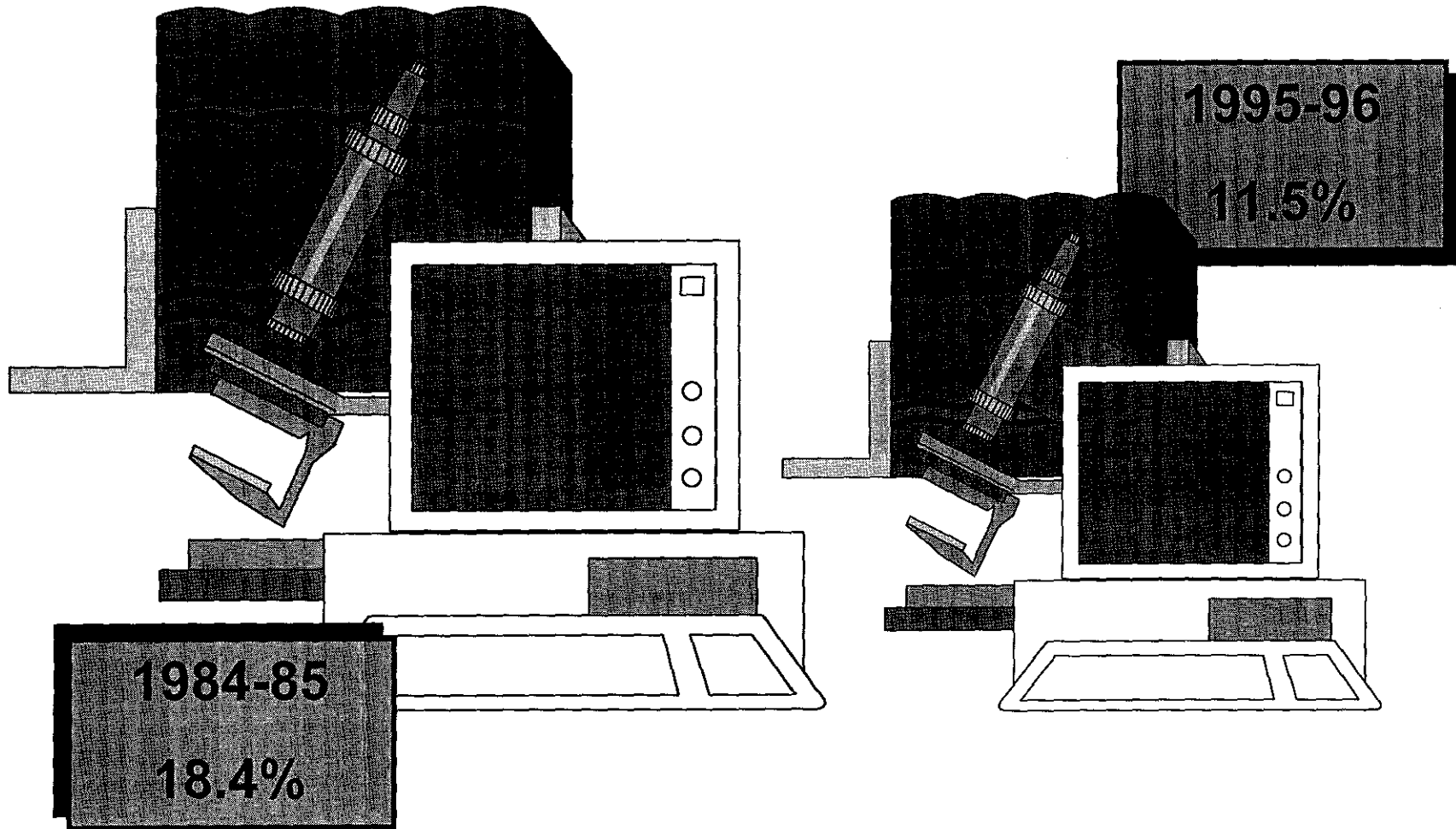
National Ranking and % of U.S. avg.

- 3. Pennsylvania -- 155.4%
- 4. New York -- 146.8%
- 5. New Jersey -- 145.2%
- 8. Ohio -- 141.4%
- 10. Michigan -- 126.6%
- 12. Illinois -- 120.4%
- 36. California -- 74.9%
- 41. Florida -- 70.7%
- 42. TEXAS -- 68.8%
- 45. North Carolina -- 61.1%

Source: Preliminary report from State of Washington, Higher Education Coordinating Board

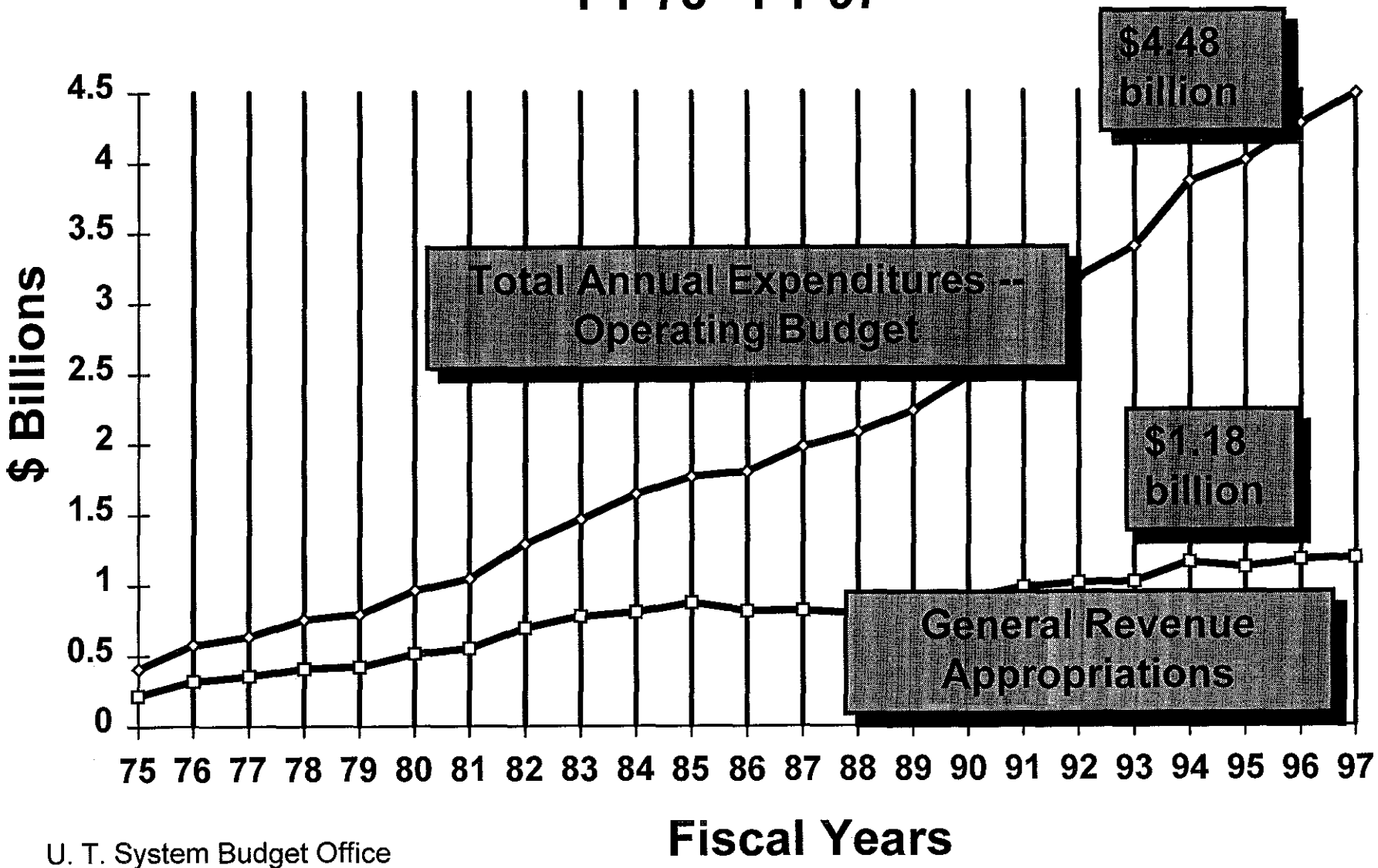
Percentage of the Texas State Budget that Goes to Higher Education

All Funds Appropriations



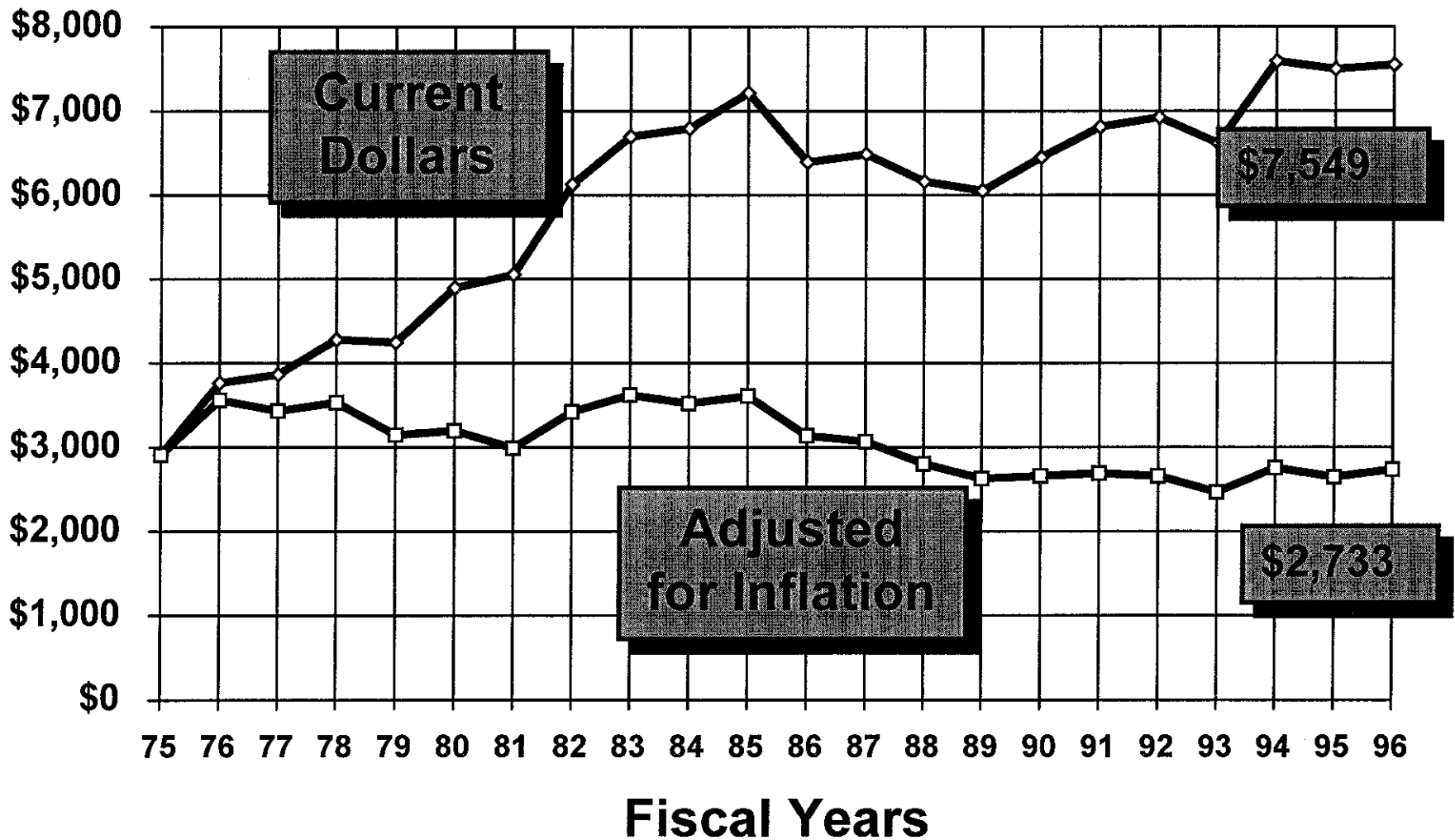
U. T. System Operating Budget

Total Annual Expenditures and G.R. Appropriations FY 75 - FY 97

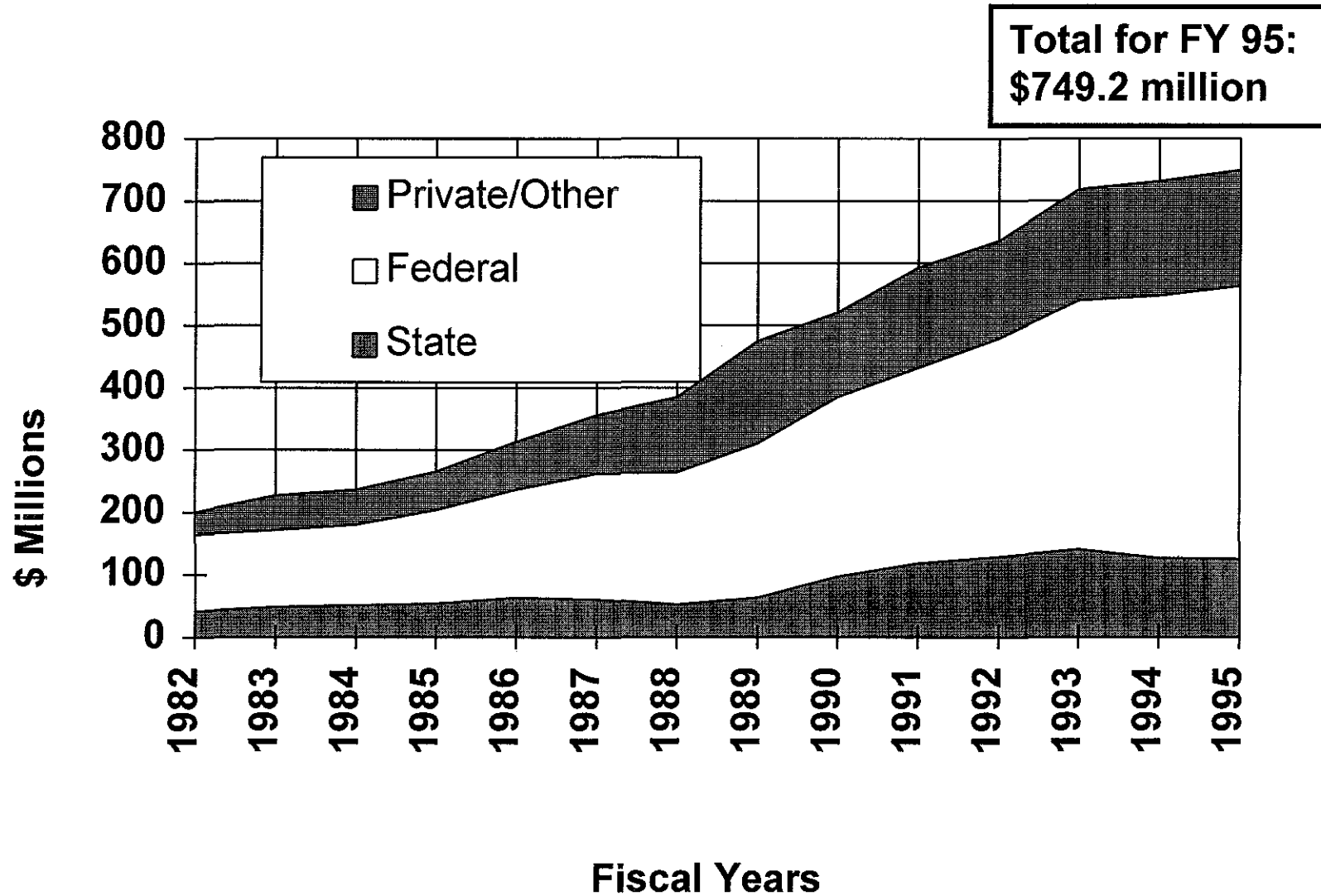


General Revenue Appropriations Per Student

U. T. System -- FY 75 - FY 96



Sources for Research Spending by U. T. System Institutions

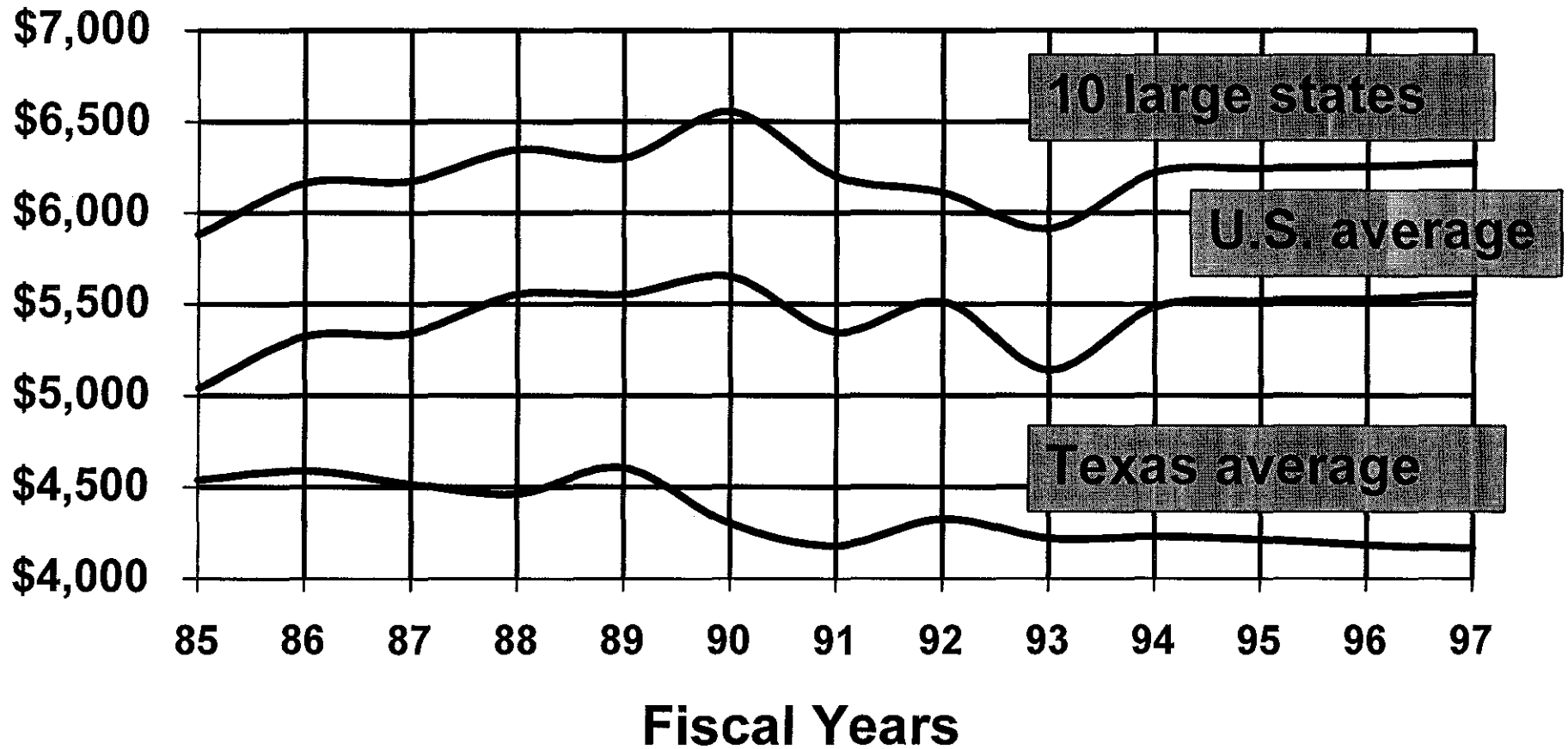


Per-Student Expenditures

for Instruction, Academic Support, Student Services, and Plant Operations and Maintenance

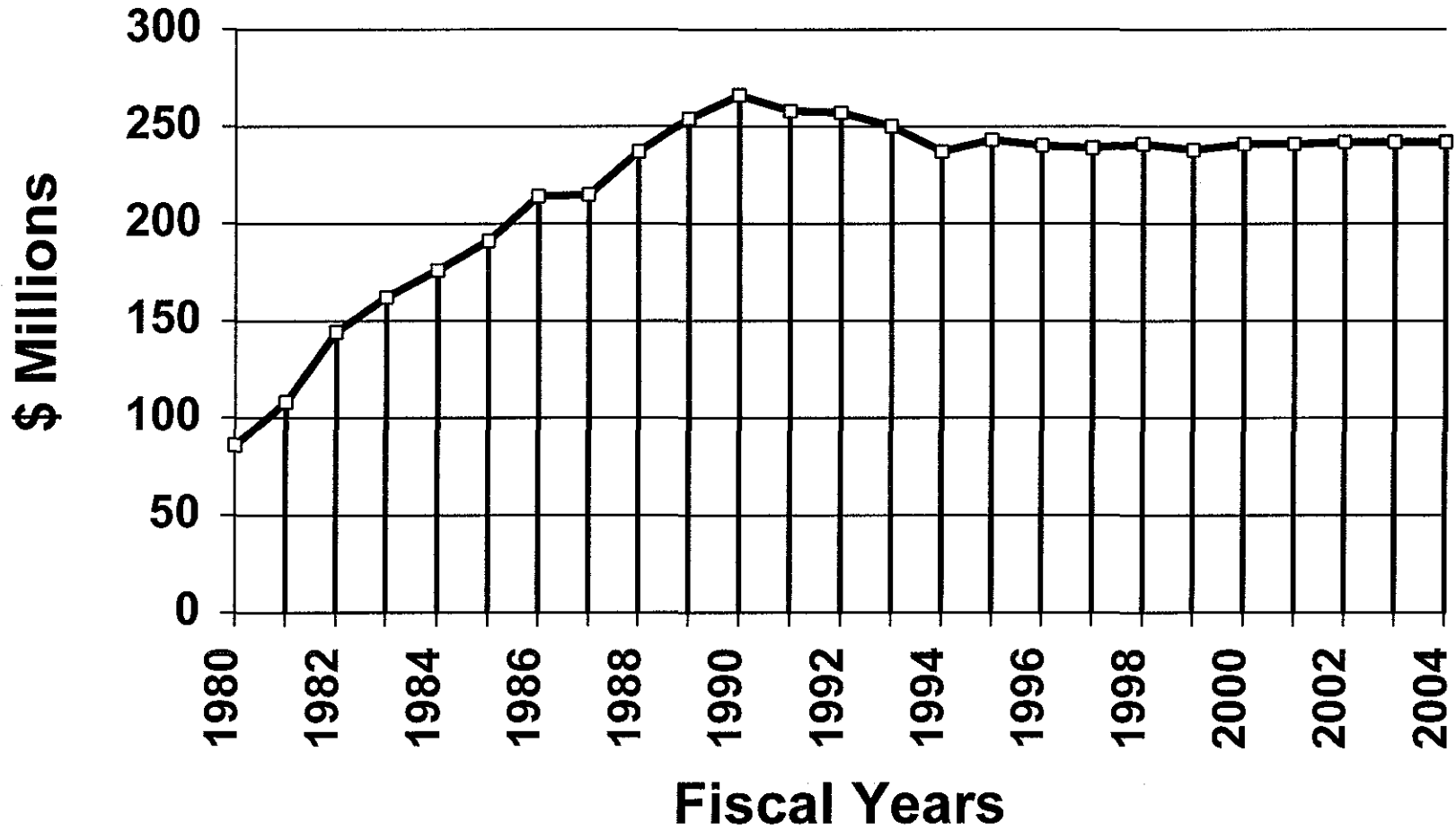
Adjusted for Inflation

Public Universities



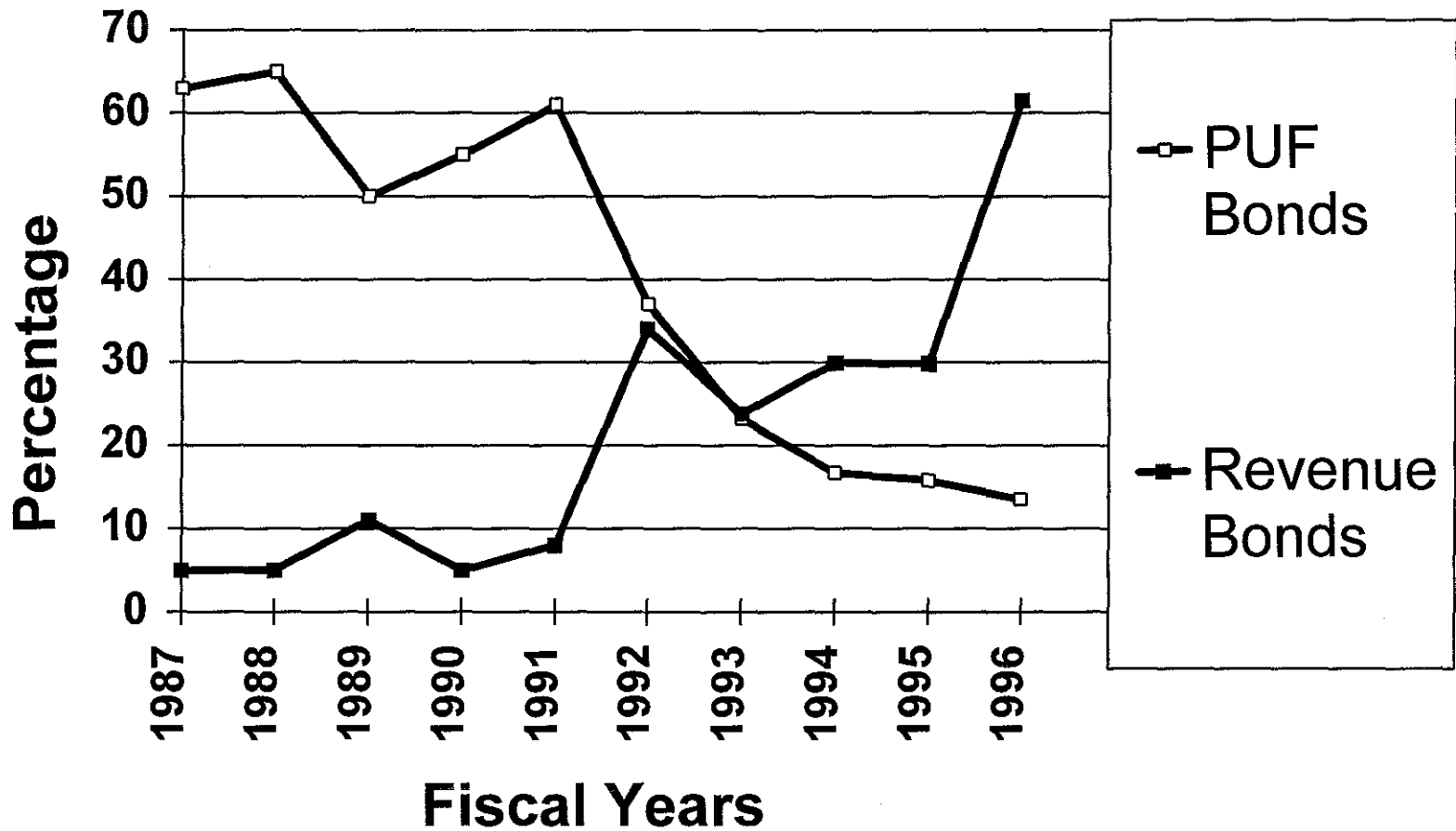
Decline in PUF Investment Income

1980 - 1995 Actual 1996 - 2004 Projected



U. T. System Capital Improvement Program

% of Funding from PUF Bonds and Revenue Bonds



THE UNIVERSITY OF TEXAS SYSTEM
PROPOSED FY 1997 BUDGET

(Millions Of Dollars)

METHOD OF FINANCING

	FY 1996	FY 1997	Dollar & Percent Increase/Decrease	
General Revenue	\$ 1,172.5	\$ 1,180.7	\$ 8.2	0.70%
Educational And General Income	896.9	916.0	19.1	2.14%
Other Sources Of Educational And General Operating Funds	138.3	156.8	18.5	13.35%
Funding From Prior Year Balances	27.8	12.9	(14.9)	-53.61%
E&G Capital Projects	28.9	29.8	0.9	3.03%
System Offices	25.9	27.6	1.7	6.59%
Auxiliary Enterprises	212.2	219.1	6.9	3.30%
Designated Funds				
MSRDP/DSRDP/PRS	520.8	553.8	33.0	6.34%
Other Designated Activities	490.4	574.0	83.6	17.05%
Current Restricted				
Sponsored Research & Services	575.8	618.7	42.9	7.44%
Privately Sponsored Research	90.0	91.5	1.5	1.71%
Gifts And Grants	134.3	161.1	26.8	19.95%

Total Budget	\$ 4,813.8	\$ 4,642.0	\$ 171.8	3.57%
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**THE UNIVERSITY OF TEXAS SYSTEM
INSTITUTIONAL METHOD OF FINANCING - ALL FUNDS**

	Actual Fiscal Year 1995	Adjusted Budget 1996	Original Budget 1997	Increase (Decrease) from 1996 to 1997	
				Amount	Percent
<u>ACADEMIC INSTITUTIONS</u>					
UT Arlington	\$ 154,981,455	\$ 161,662,382	\$ 165,185,625	\$ 3,523,243	2.18%
UT Austin	826,193,166	878,839,033	920,452,971	41,613,938	4.74%
UT Brownsville	43,546,000	47,815,178	51,983,898	4,168,720	8.72%
UT Dallas	76,919,774	79,300,599	89,143,659	9,843,060	12.41%
UT El Paso	132,845,357	141,310,903	143,283,944	1,973,041	1.40%
UT Pan American	81,980,887	82,210,228	90,554,552	8,344,324	10.15%
UT Permian Basin	15,067,532	17,168,864	17,355,976	187,112	1.09%
UT San Antonio	95,888,146	108,560,158	118,434,950	9,874,792	9.10%
UT Tyler	21,527,376	25,382,059	32,499,712	7,117,653	28.04%
<i>Subtotal</i>	1,448,949,693	1,542,249,404	1,628,895,287	86,645,883	5.62%
<u>HEALTH RELATED INSTITUTIONS</u>					
UTSW Medical Center - Dallas	420,652,690	426,474,221	460,506,332	34,032,111	7.98%
UTMB - Galveston	857,691,623	913,570,105	979,376,524	65,806,419	7.20%
UTHSC - Houston	376,799,838	369,746,383	385,759,962	16,013,579	4.33%
UTHSC - San Antonio	280,023,738	278,786,380	287,702,196	8,915,816	3.20%
UTMD Anderson Cancer Center	692,840,322	684,324,589	692,835,740	8,511,151	1.24%
UTHC - Tyler	63,327,028	70,094,005	76,523,845	6,429,840	9.17%
<i>Subtotal</i>	2,691,335,239	2,742,995,683	2,882,704,599	139,708,916	5.09%
<u>SYSTEM OFFICES</u>					
UT System Administration	33,768,479	13,719,395	14,212,319	492,924	3.59%
Resources for Revenue Bearing Property - AUF	14,001,482	14,790,197	16,206,460	1,416,263	9.58%
<i>Subtotal</i>	47,769,961	28,509,592	30,418,779	1,909,187	6.70%

UT System Administration 138,054,893 \$ 133,754,679 \$ 144,201,366 \$ 10,446,686 \$ 7.79%

**THE UNIVERSITY OF TEXAS SYSTEM
PROPOSED FY 1997 BUDGET
(Millions Of Dollars)
EXPENDITURES**

	FY 1996	FY 1997	Dollar & Percent Increase/Decrease	
Instruction	\$ 806.1	\$ 814.6	\$ 8.5	1.06%
Research	87.1	88.4	1.3	1.48%
Public Service	9.4	9.6	0.2	1.97%
Health Care	600.4	592.1	(8.3)	-1.38%
Institutional & Ancillary Operations	695.6	717.2	21.6	3.11%
Capital Projects	65.9	74.3	8.4	12.74%
System Offices	25.9	27.6	1.7	6.59%
Auxiliary Enterprises	201.0	207.4	6.4	3.16%
Debt Service	7.6	7.6	0.0	0.65%
Designated				
MSRDP/DSRDP/PRS	525.3	563.2	37.9	7.23%
Other Designated Activities	426.5	484.8	58.3	13.67%
Debt Service	16.8	19.8	3.0	17.96%
Current Restricted Funds				
Sponsored Research And Services	575.8	618.7	42.9	7.44%
Privately Sponsored Research	90.0	91.5	1.5	1.71%
Other Gifts And Grants	134.3	161.1	26.8	19.95%
Total Budget	\$ 4,267.7	\$ 4,477.9	\$ 210.2	4.93%

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

	Actual Fiscal Year 1995	Adjusted Budget 1996	Original Budget 1997	Increase (Decrease) from 1996 to 1997	
				Amount	Percent
<u>ACADEMIC INSTITUTIONS</u>					
UT Arlington	\$ 151,096,353	\$ 157,002,651	\$ 159,949,060	\$ 2,946,409	1.88%
UT Austin	798,241,159	856,302,271	884,674,495	28,372,224	3.31%
UT Brownsville	42,690,142	47,261,516	51,807,523	4,546,007	9.62%
UT Dallas	73,333,690	77,535,156	85,907,100	8,371,944	10.80%
UT El Paso	128,447,444	137,695,822	139,727,336	2,031,514	1.48%
UT Pan American	76,252,335	79,734,186	86,077,770	6,343,584	7.96%
UT Permian Basin	14,287,607	16,160,015	16,424,452	264,437	1.64%
UT San Antonio	91,297,792	101,054,490	110,275,969	9,221,479	9.13%
UT Tyler	21,320,519	24,487,575	31,128,946	6,641,371	27.12%
<i>Subtotal</i>	1,396,967,041	1,497,233,682	1,565,972,651	68,738,969	4.59%
<u>HEALTH RELATED INSTITUTIONS</u>					
UTSW Medical Center - Dallas	389,999,216	423,192,490	455,787,869	32,595,379	7.70%
UTMB - Galveston	851,236,183	910,657,512	977,332,877	66,675,365	7.32%
UTHSC - Houston	353,074,877	378,383,413	398,277,190	19,893,777	5.26%
UTHSC - San Antonio	264,751,795	275,246,194	282,376,812	7,130,618	2.59%
UTMD Anderson Cancer Center	657,750,708	683,923,984	691,450,375	7,526,391	1.10%
UTHC - Tyler	69,304,170	70,090,637	75,990,240	5,899,603	8.42%
<i>Subtotal</i>	2,586,116,949	2,741,494,230	2,881,215,363	139,721,133	5.10%
<u>SYSTEM OFFICES</u>					
UT System Administration	12,149,758	14,142,855	14,558,442	415,587	2.94%
Resources for Revenue Bearing Property - AUF	14,001,482	14,790,197	16,206,460	1,416,263	9.58%
<i>Subtotal</i>	26,151,240	28,933,052	30,764,902	1,831,850	6.33%

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 1,009,235,230 \$ 1,228,660,964 \$ 1,477,972,976 \$ 210,291,932 \$ 16.99%

**THE UNIVERSITY OF TEXAS SYSTEM
FISCAL YEAR 1997
RESERVE ALLOCATIONS FOR LIBRARY, EQUIPMENT,
REPAIRS AND REHABILITATION**

Summary

Institutions	Allocation	
	Library & Equipment	Repair & Rehabilitation
<u>Academic Institutions</u>		
UT Arlington	\$ 300,000	1,288,865
UT Austin	1,620,000	2,000,000
UT Dallas	610,330	400,000
UT El Paso	2,450,000	367,000
UT Permian Basin	250,000	210,000
UT San Antonio	1,434,910	-0-
UT Tyler	410,000	-0-
Subtotal Academic Institutions	\$ 7,075,240	4,265,865
<u>Health Institutions</u>		
UTSW Medical Center - Dallas	\$ 2,000,000	-0-
UTMB Galveston	1,376,000	345,000
UTHSC - Houston	-0-	2,000,000
UTHSC - San Antonio	581,000	560,000
UTMD Anderson - Cancer Center	369,000	1,100,000
UTHC - Tyler	685,000	185,000
Subtotal Health Institutions	\$ 5,011,000	4,190,000
UT System Administration	\$ 707,895	-0-

7,783,135 8,455,865

