

*Chancellor Crenshaw's
Handout @ 8/14/97
Board Meeting*

THE UNIVERSITY OF TEXAS SYSTEM

FISCAL YEAR 1998 OPERATING BUDGET



**PRESENTATION TO THE UNIVERSITY OF TEXAS
SYSTEM**

BOARD OF REGENTS

August 14, 1997

THE UNIVERSITY OF TEXAS SYSTEM

PROPOSED FY 1998 BUDGET
(Millions Of Dollars)

METHOD OF FINANCING

	<u>FY 1997</u>	<u>FY 1998</u>	<u>Dollar & Percent Increase/Decrease</u>	
GENERAL REVENUE	1,166.6	1,228.2	61.6	5.29%
EDUCATIONAL AND GENERAL INCOME	916.0	957.7	41.7	4.55%
OTHER SOURCES OF EDUCATIONAL AND GENERAL OPERATING FUNDS	170.9	179.5	8.6	5.05%
FUNDING FROM PRIOR YEAR BALANCES	12.9	13.4	0.5	3.41%
E&G CAPITAL PROJECTS	29.8	34.3	4.5	15.09%
SYSTEM OFFICES	27.6	27.4	(0.2)	-0.92%
AUXILIARY ENTERPRISES	219.1	227.8	8.7	3.94%
DESIGNATED FUNDS				
MSRDP/DSRDP/PRS	553.8	573.1	19.3	3.48%
OTHER DESIGNATED ACTIVITIES	574.0	609.9	35.9	6.26%
CURRENT RESTRICTED				
SPONSORED RESEARCH & SERVICES	618.7	699.7	81.0	13.09%
PRIVATELY SPONSORED RESEARCH	91.5	88.5	(3.0)	-3.26%
GIFTS AND GRANTS	161.1	160.3	(0.8)	-0.46%
TOTAL BUDGET	<u>4,542.0</u>	<u>4,799.8</u>	<u>257.8</u>	<u>5.68%</u>

THE UNIVERSITY OF TEXAS SYSTEM

PROPOSED FY 1998 BUDGET

(Millions Of Dollars)

EXPENDITURES

	<u>FY 1997</u>	<u>FY 1998</u>	<u>Dollar & Percent Increase/Decrease</u>	
INSTRUCTION	814.6	878.0	63.4	7.79%
RESEARCH	88.4	95.6	7.2	8.17%
PUBLIC SERVICE	9.6	10.1	0.5	5.77%
HEALTH CARE	592.1	611.4	19.3	3.26%
INSTITUTIONAL & ANCILLARY OPERATION	717.2	734.1	16.9	2.36%
CAPITAL PROJECTS	74.3	83.8	9.5	12.74%
SYSTEM OFFICES	27.6	27.4	(0.2)	-0.92%
AUXILIARY ENTERPRISES	207.4	214.8	7.4	3.58%
DEBT SERVICE	7.6	14.4	6.8	88.69%
DESIGNATED				
MSRDP/DSRDP/PRS	563.2	588.3	25.1	4.45%
OTHER DESIGNATED ACTIVITIES	484.8	532.9	48.1	9.92%
DEBT SERVICE	19.8	19.8	0.0	0.00%
CURRENT RESTRICTED FUNDS				
SPONSORED RESEARCH AND SERVICES	618.7	699.7	81.0	13.09%
PRIVATELY SPONSORED RESEARCH	91.5	88.5	(3.0)	-3.26%
OTHER GIFTS AND GRANTS	161.1	160.3	(0.8)	-0.46%
TOTAL BUDGET	<u>4,477.9</u>	<u>4,759.1</u>	<u>281.2</u>	<u>6.28%</u>

THE UNIVERSITY OF TEXAS SYSTEM
FY 1998 BUDGET
COMMENTS ON METHOD OF FINANCING

- Net **GENERAL REVENUE** increased \$61.6 Million as a result of funding gains made by higher education in the 75th Legislative Session. General Revenue declined as a percent of the Total Expenditure Budget from 26.1% in Fiscal Year 1997 to 25.8% in Fiscal Year 1998.

- The net increase of \$41.7 Million in **EDUCATIONAL AND GENERAL INCOME** is the result of increased tuition, overhead recovery, interest on time deposits and income from patients. The tuition increase is largely the result of a rate increase from \$32 to \$34 per semester credit hour for resident students, additional graduate tuition differential and non-resident tuition increases. Income from overhead recovery increased by 6.12% (\$7.1 Million) which corresponds to the increase in Sponsored Research. The increase of \$11.1 Million in time deposit interest is mostly at U. T. Medical Branch at Galveston (\$2.3 Million) and U. T. M.D. Anderson Cancer Center (\$7.9 Million). Patient Income decreased \$9.5 Million and \$1.2 Million at U. T. Medical Branch at Galveston and U. T. Health Science Center Houston respectively, and increased \$24.9 Million and 7.6 Million at U. T. M.D. Anderson Cancer Center and U. T. Health Center Tyler. Overall, there is a \$21.9 million increase in Patient Income.

- **OTHER SOURCES OF EDUCATIONAL AND GENERAL OPERATING FUNDS** increased by \$8.6 Million. The increase is largely due to an increase of \$2.0 Million in AUF funds at U. T. Austin, transfers of Designated Tuition (formerly General Use Fee) into the E&G operating Budget (\$2.8 Million), and Texas Southmost contract increase with U. T. Brownsville of \$1.1 million. It is also estimated that state grants and contracts for Advanced Research and Advanced Technology will increase by \$2.5 Million.

- Increase in **FUNDING FROM PRIOR YEAR BALANCES** is \$0.5 Million.

- **EDUCATIONAL AND GENERAL CAPITAL PROJECTS** increased \$4.5 Million.

THE UNIVERSITY OF TEXAS SYSTEM
FY 1998 BUDGET
COMMENTS ON METHOD OF FINANCING

- **SYSTEM OFFICES** - funding requirements show a decrease of \$0.2 Million, however, this is due to a change in funding source for UTIMCO LTF contract from AUF to Designated Funds. The overall increase in the U. T. System Budget is \$2.1 Million with the majority being UTIMCO Management fees (\$1.3 Million) and \$0.4 Million for across the board and merit salary increases.

- Increase of \$8.7 Million in **AUXILIARY ENTERPRISES** is due to increased fees and charges necessary to cover anticipated operating costs.

- **DESIGNATED FUNDS** increased 4.89%. Estimates of Practice Plan revenues increased by \$19.3 Million due to increases in number of patients and increases in rates. Other Designated Funds increased 6.26% or \$35.9 Million due to increases at the academic institutions. Designated Tuition (formerly General Use Fee) is up \$8.7 Million and an assortment of new and increased fees makes up the difference.

- **SPONSORED RESEARCH** is up 13.09% or \$81.0 Million. This increase is due to increased research activities and a result of reclassifying \$25.9 million of grants and contracts from Privately Sponsored Research to Sponsored Research and Services. **PRIVATELY SPONSORED RESEARCH** shows a decrease of \$3.0 Million as a result of this reclassification. Substantial increases were shown at U. T. Austin (\$34.2 Million), U. T. MB Galveston (\$15.1 Million), U. T. HSC Houston (\$12.6 Million), U. T. M.D. Anderson Cancer Center (\$10.2 Million).

- **GIFTS AND GRANTS** show a decrease of \$0.8 Million.

THE UNIVERSITY OF TEXAS SYSTEM
FY 1998 BUDGET
COMMENTS ON EXPENDITURES

- **Instruction** increased \$63.4 Million due to merit increases awarded to faculty, \$1,200 per year across the board salary increase for non-faculty, increases in Library and other program enhancements. Merit increases for faculty ranged from 2.5% to 5.0%. Non-faculty increases included the \$1,200 across the board increase, plus at some institutions, an additional merit pool ranging from 2.5% to 3.0% was awarded. Also, Benefit Replacement Pay authorized by the 74th Legislature was treated as a separate element of pay in the 1997 Budget. Salary rates for 1998 were increased to include Benefit Replacement Pay which increased each expenditure category with a corresponding decrease in staff benefits.
- **Research** increased \$7.2 Million due to increased research activity at U. T. M.D. Anderson Cancer Center and a projected first year increase of Advanced Research and Advanced Technology Appropriations that are awarded during the first year of the biennium.
- **Public Service** increased by \$0.5 Million.
- **Health Care** increased \$19.3 Million due primarily to a shift in expenditures categories from Institutional Support to Patient Care Activities at U. T. Medical Branch at Galveston.
- Increases in **Institutional & Ancillary Operations** of \$16.9 Million is due to increased cost in utilities and maintenance of the Physical Plant. Merit increases awarded to non-faculty of \$1,200 per year would make up a large portion of this increase as would new facilities that are coming on line.
- **Auxiliary Enterprises** increased by \$14.2 Million and corresponds to the increase in revenues to cover anticipated operating cost and debt service.
- **Designated Fund** increases of \$73.2 Million is due to Practice Plan expense increase of \$25.1 Million, cost related to the U. T. Medical Branch at Galveston contract with Texas Department of Corrections of \$20.0 Million, and increase expenses at U. T. Austin for various fee increases of \$22.6 Million.
- **Current Restricted Funds** expenditures track the increased revenue for these funds.

Total Academic Components
METHOD OF FINANCING - ALL FUNDS

	Fiscal Year	Adjusted	Original	Budget Increase (Decrease)	
	Actual	Budget	Budget	from 1997 to 1998	
	1996	1997 ^{1/}	1998 ^{2/}	Amount	Percent
1 GENERAL REVENUE	\$ 484,846,368	\$ 496,186,706	\$ 528,369,790	\$ 32,183,084	6.49%
2 EDUCATIONAL AND GENERAL INCOME					
3 Net Tuition	125,206,522	132,996,551	139,186,811	6,190,260	4.65%
4 Student Fees	1,383,431	1,385,836	1,417,814	31,978	2.31%
5 Overhead on Sponsored Projects	36,332,986	32,564,340	36,610,000	4,045,660	12.42%
6 Interest on Time Deposits	7,301,764	5,345,000	5,636,804	291,804	5.46%
7 Organized Activities Relating to Instruction	2,255,255	2,662,093	3,087,713	425,620	15.99%
8 Extension and Public Service	699,852	661,855	489,495	(172,360)	-26.04%
9 Other Income	884,558	630,333	623,000	(7,333)	-1.16%
11 Subtotal - Educational and General Income	174,064,368	176,246,008	187,051,637	10,805,629	6.13%
12 OTHER SOURCES					
13 Available University Fund (U.T. Austin)	75,878,705	75,176,372	77,176,372	2,000,000	2.66%
14 Higher Education Assistance Fund	10,174,500	2,635,841	2,635,841		0.00%
15 Transfers from Other Funds	6,641,209	29,755,647	32,627,029	2,871,382	9.65%
16 T.S.C. Contract	15,120,236	16,800,000	17,870,349	1,070,349	6.37%
18 State Grants and Contracts	17,762,277	9,440,102	10,449,907	1,009,805	10.70%
19 Subtotal - Other Sources	125,576,927	133,807,962	140,759,498	6,951,536	5.20%
20 FUNDING FROM PRIOR YEAR BALANCES	7,310,829	8,621,080	7,690,958	(930,122)	-10.79%
22 E & G CAPITAL PROJECTS					
29 TOTAL E & G FUNDS	791,798,492	814,861,756	863,871,883	49,010,127	6.01%
30 AUXILIARY ENTERPRISES	175,898,347	181,996,891	191,600,856	9,603,965	5.28%
31 DESIGNATED FUNDS					
33 Designated Activities	218,709,796	241,192,798	277,390,063	36,197,265	15.01%
34 CURRENT RESTRICTED FUNDS					
35 Sponsored Research and Services	304,802,753	299,853,428	340,092,040	40,238,612	13.42%
36 Privately Sponsored Research	9,100,720	4,771,478	9,355,348	4,583,870	96.07%
37 Other Gifts and Grants	75,388,324	86,218,936	89,623,897	3,404,961	3.95%
38 TOTAL RESOURCES	\$ 1,575,698,432	\$ 1,628,895,287	\$ 1,771,934,087	\$ 143,038,800	8.78%

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2/ The 1998 Budget has been increased by \$12 million for estimated Advanced Research and Advanced Technology Appropriations not yet allocated to individual components.

Total Academic Components
SUMMARY OF EXPENDITURES BY CATEGORY

	Fiscal Year	Adjusted	Original	Budget Increase (Decrease)	
	Actual	Budget	Budget	from 1997 to 1998	
	1996	1997 ^{/1}	1998 ^{/2}	Amount	Percent
1 INSTRUCTION					
2 Faculty Salaries	\$ 291,799,051	\$ 300,360,317	\$ 319,075,901	\$ 18,715,584	6.23%
3 Departmental Operating Expense	68,135,707	73,702,335	83,240,530	9,538,195	12.94%
4 Instructional Administration	18,674,751	20,097,603	22,025,192	1,927,589	9.59%
5 Library	31,322,744	31,476,441	33,376,595	1,900,154	6.04%
6 Organized Activities	2,006,417	2,467,367	2,911,514	444,147	18.00%
7 Special Items - Instructional Support	34,074,583	31,824,137	33,509,507	1,685,370	5.30%
8 Subtotal - Instruction	446,013,253	459,928,200	494,139,239	34,211,039	7.44%
9 RESEARCH					
10 Research Enhancement	17,372,551	16,381,611	17,383,356	1,001,745	6.12%
11 Special Items - Research	18,415,964	18,262,123	20,903,058	2,640,935	14.46%
12 Subtotal - Research	35,788,515	34,643,734	38,286,414	3,642,680	10.51%
13 PUBLIC SERVICE					
14 Continuing Education	728,798	696,660	559,462	(137,198)	-19.69%
15 Special Items - Public Service	7,123,637	7,423,068	8,059,599	636,531	8.58%
16 Subtotal - Public Service	7,852,435	8,119,728	8,619,061	499,333	6.15%
21 INSTITUTIONAL & ANCILLARY OPERATIONS					
22 Institutional Support	57,142,238	58,079,338	65,445,197	7,365,859	12.68%
23 Student Services	17,264,282	18,308,010	22,160,444	3,852,434	21.04%
24 Staff Benefits	94,568,054	106,623,269	96,175,606	(10,447,663)	-9.80%
25 Operation & Maintenance of Plant					
26 Utilities	49,516,934	55,853,671	57,722,410	1,868,739	3.35%
27 All Other	48,203,947	49,735,403	54,281,913	4,546,510	9.14%
28 Special Items - Institutional Support	18,528,991	23,570,403	27,041,599	3,471,196	14.73%
29 Subtotal - Inst. & Ancillary Operations	285,224,446	312,170,094	322,827,169	10,657,075	3.41%
30 TOTAL OPERATING BUDGET	774,878,649	814,861,756	863,871,883	49,010,127	6.01%
31 E & G CAPITAL PROJECTS					
37 TOTAL E & G FUNDS	774,878,649	814,861,756	863,871,883	49,010,127	6.01%
38 AUXILIARY ENTERPRISES					
39 Auxiliary Activities	159,311,530	174,947,503	180,898,536	5,951,033	3.40%
40 Debt Service	3,903,524	5,955,845	12,437,908	6,482,063	108.84%
41 DESIGNATED FUNDS					
43 Designated Activities	151,901,842	159,600,644	190,999,309	31,398,665	19.67%
44 Debt Service	20,861,336	19,763,061	19,822,638	59,577	0.30%
45 CURRENT RESTRICTED FUNDS					
46 Sponsored Research and Services	304,802,753	299,853,428	340,092,040	40,238,612	13.42%
47 Privately Sponsored Research	9,100,720	4,771,478	9,355,348	4,583,870	96.07%
48 Other Gifts and Grants	75,388,324	86,218,936	89,623,897	3,404,961	3.95%
49 TOTAL EXPENDITURES	\$ 1,500,148,678	\$ 1,565,972,651	\$ 1,707,101,559	\$ 141,128,908	9.01%

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Total Health Components
METHOD OF FINANCING - ALL FUNDS

	Fiscal Year	Adjusted	Original	Budget Increase (Decrease)	
	Actual	Budget	Budget	from 1997 to 1998	
	1996	1997 /1	1998 /2	Amount	Percent
1 GENERAL REVENUE	\$ 646,784,749	\$ 670,400,119	\$ 699,872,785	\$ 29,472,666	4.40%
2 EDUCATIONAL AND GENERAL INCOME					
3 Net Tuition	25,257,150	25,894,821	25,374,805	(520,016)	-2.01%
4 Student Fees	274,652	208,670	244,934	36,264	17.38%
5 Overhead on Sponsored Projects	78,268,471	83,060,326	86,088,496	3,028,170	3.65%
6 Interest on Time Deposits	15,798,756	10,218,546	21,041,615	10,823,069	105.92%
9 Other Income	6,255,900	5,515,158	1,096,033	(4,419,125)	-80.13%
10 Income from Patients	629,136,701	614,880,159	636,848,882	21,968,723	3.57%
11 Subtotal - Educational and General Income	754,991,630	739,777,680	770,694,765	30,917,085	4.18%
12 OTHER SOURCES					
15 Transfers from Other Funds	6,801,066	8,822,353	8,822,353		0.00%
17 H.C.P.C. Funding (U.T.H.S.C. - Houston)	23,372,676	23,592,069	23,787,876	195,807	0.83%
18 State Grants and Contracts	3,243,495	4,642,075	6,124,975	1,482,900	31.94%
19 Subtotal - Other Sources	33,417,237	37,056,497	38,735,204	1,678,707	4.53%
20 FUNDING FROM PRIOR YEAR BALANCES	11,539,958	4,297,634	5,667,855	1,370,221	31.88%
21 TOTAL OPERATING RESOURCES	1,446,733,574	1,451,531,930	1,514,970,609	63,438,679	4.37%
22 E & G CAPITAL PROJECTS	28,889,280	29,765,462	34,257,879	4,492,417	15.09%
29 TOTAL E & G FUNDS	1,475,622,854	1,481,297,392	1,549,228,488	67,931,096	4.59%
30 AUXILIARY ENTERPRISES	36,790,989	37,151,410	36,190,901	(960,509)	-2.59%
31 DESIGNATED FUNDS					
32 MSRDP/DSRDP/PRS	569,077,457	553,825,834	573,112,908	19,287,074	3.48%
33 Designated Activities	315,114,583	331,442,608	331,793,128	350,520	0.11%
34 CURRENT RESTRICTED FUNDS					
35 Sponsored Research and Services	311,605,150	318,839,639	359,562,329	40,722,690	12.77%
36 Privately Sponsored Research	93,983,878	86,725,059	79,154,697	(7,570,362)	-8.73%
37 Other Gifts and Grants	64,738,304	73,422,657	69,229,315	(4,193,342)	-5.71%
38 TOTAL RESOURCES	\$ 2,866,933,215	\$ 2,882,704,599	\$ 2,998,271,766	\$ 115,567,167	4.01%

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Total Health Components
SUMMARY OF EXPENDITURES BY CATEGORY

	Fiscal Year	Adjusted	Original	Budget Increase (Decrease)	
	Actual	Budget	Budget	from 1997 to 1998	
	1996	1997 ^{/1}	1998 ^{/2}	Amount	Percent
1 INSTRUCTION					
2 Faculty Salaries	\$ 202,449,693	\$ 206,732,124	\$ 221,268,723	\$ 14,536,599	7.03%
3 Departmental Operating Expense	93,738,533	94,915,015	108,279,114	13,364,099	14.08%
4 Instructional Administration	16,494,221	17,366,411	20,157,848	2,791,437	16.07%
5 Library	11,410,217	11,902,824	12,997,792	1,094,968	9.20%
6 Organized Activities	11,649,801	11,196,418	11,955,228	758,810	6.78%
7 Special Items - Instructional Support	7,293,770	12,563,873	9,243,515	(3,320,358)	-26.43%
8 Subtotal - Instruction	343,036,235	354,676,665	383,902,220	29,225,555	8.24%
9 RESEARCH					
10 Research Enhancement	32,015,504	33,607,564	35,869,083	2,261,519	6.73%
11 Special Items - Research	19,262,728	20,165,279	21,487,790	1,322,511	6.56%
12 Subtotal - Research	51,278,232	53,772,843	57,356,873	3,584,030	6.67%
13 PUBLIC SERVICE					
14 Continuing Education	105,479	104,282	109,949	5,667	5.43%
15 Special Items - Public Service	1,087,663	1,329,409	1,375,623	46,214	3.48%
16 Subtotal - Public Service	1,193,142	1,433,691	1,485,572	51,881	3.62%
17 HEALTH CARE					
18 Patient Care Activities	569,085,308	591,469,189	610,761,580	19,292,391	3.26%
19 Special Items - Health Care	769,342	629,553	649,670	20,117	3.20%
20 Subtotal - Health Care	569,854,650	592,098,742	611,411,250	19,312,508	3.26%
21 INSTITUTIONAL & ANCILLARY OPERATIONS					
22 Institutional Support	93,513,245	103,706,423	103,807,586	101,163	0.10%
23 Student Services	11,446,303	11,606,881	9,856,138	(1,750,743)	-15.08%
24 Staff Benefits	129,084,459	154,836,586	143,005,733	(11,830,853)	-7.64%
25 Operation & Maintenance of Plant					
26 Utilities	50,790,807	53,685,182	57,776,799	4,091,617	7.62%
27 All Other	70,884,507	69,496,108	78,956,150	9,460,042	13.61%
28 Special Items - Institutional Support	12,091,110	11,698,593	17,919,927	6,221,334	53.18%
29 Subtotal - Inst. & Ancillary Operations	367,810,431	405,029,773	411,322,333	6,292,560	1.55%
30 TOTAL OPERATING BUDGET	1,333,172,690	1,407,011,714	1,465,478,248	58,466,534	4.16%
31 E & G CAPITAL PROJECTS	56,151,772	74,285,678	83,750,240	9,464,562	12.74%
37 TOTAL E & G FUNDS	1,389,324,462	1,481,297,392	1,549,228,488	67,931,096	4.59%
38 AUXILIARY ENTERPRISES					
39 Auxiliary Activities	30,956,532	32,448,514	33,920,306	1,471,792	4.54%
40 Debt Service	3,117,689	1,692,275	1,993,606	301,331	17.81%
41 DESIGNATED FUNDS					
42 MSRDP/DSRDP/PRS	511,161,106	563,236,494	588,291,979	25,055,485	4.45%
43 Designated Activities	297,184,110	323,553,333	337,960,742	14,407,409	4.45%
44 Debt Service	4,374,429				
45 CURRENT RESTRICTED FUNDS					
46 Sponsored Research and Services	311,605,150	318,839,639	359,562,329	40,722,690	12.77%
47 Privately Sponsored Research	93,983,878	86,725,059	79,154,697	(7,570,362)	-8.73%
48 Other Gifts and Grants	64,738,304	73,422,657	69,229,315	(4,193,342)	-5.71%
49 TOTAL EXPENDITURES	\$ 2,706,445,660	\$ 2,881,215,363	\$ 3,019,341,462	\$ 138,126,099	4.79%

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**The University of Texas System
Academic Components**

Method of Financing

		Adjusted Budget 1997	Original Budget 1998	Budget Increase (Decrease) from 1997 to 1998	
				Amount	Percent
U. T. Arlington	General Revenue	\$ 71,337,571	\$ 70,340,496	\$(997,075)	-1.40%
	Total Resources	165,185,625	176,427,127	11,241,502	6.81%
U. T. Austin	General Revenue	222,756,689	233,400,224	10,643,535	4.78%
	Total Resources	920,452,971	1,015,496,326	95,043,355	10.33%
U. T. Brownsville	General Revenue	11,512,571	13,131,614	1,619,043	14.06%
	Total Resources	51,983,898	58,940,616	6,956,718	13.38%
U. T. Dallas	General Revenue	37,467,923	41,836,001	4,368,078	11.66%
	Total Resources	89,143,659	101,960,872	12,817,213	14.38%
U. T. El Paso	General Revenue	50,291,171	53,620,089	3,328,918	6.62%
	Total Resources	143,283,944	147,455,386	4,171,442	2.91%
U. T. Pan American	General Revenue	35,974,966	38,839,068	2,864,102	7.96%
	Total Resources	90,554,552	92,816,212	2,261,660	2.50%
U. T. Permian Basin	General Revenue	9,379,971	9,810,662	430,691	4.59%
	Total Resources	17,355,976	17,650,213	294,237	1.70%
U. T. San Antonio	General Revenue	45,158,535	53,354,826	8,196,291	18.15%
	Total Resources	118,434,950	128,146,107	9,711,157	8.20%
U. T. Tyler	General Revenue	12,307,309	14,036,810	1,729,501	14.05%
	Total Resources	32,499,712	25,041,228	\$(7,458,484)	-22.95%

Expenditures

		Adjusted Budget 1997	Original Budget 1998	Budget Increase (Decrease) from 1997 to 1998	
				Amount	Percent
U. T. Arlington	Personnel	\$ 81,398,278	\$ 84,772,279	\$ 3,374,001	4.15%
	Total	159,949,060	171,474,793	11,525,733	7.21%
U. T. Austin	Personnel	418,562,502	446,853,786	28,291,284	6.76%
	Total	884,674,495	980,828,873	96,154,378	10.87%
U. T. Brownsville	Personnel	23,793,631	26,325,129	2,531,498	10.64%
	Total	51,807,523	58,624,931	6,817,408	13.16%
U. T. Dallas	Personnel	44,610,145	50,960,711	6,350,566	14.24%
	Total	85,907,100	96,977,044	11,069,944	12.89%
U. T. El Paso	Personnel	50,683,222	54,563,535	3,880,313	7.66%
	Total	139,727,336	142,926,147	3,198,811	2.29%
U. T. Pan American	Personnel	40,220,043	42,941,180	2,721,137	6.77%
	Total	86,077,770	89,714,266	3,636,496	4.22%
U. T. Permian Basin	Personnel	8,226,196	8,513,796	287,600	3.50%
	Total	16,424,452	16,750,635	326,183	1.99%
U. T. San Antonio	Personnel	51,066,418	56,176,386	5,109,968	10.01%
	Total	110,275,969	118,195,081	7,919,112	7.18%
U. T. Tyler	Personnel	13,171,970	13,270,009	98,039	0.74%
	Total	31,128,946	23,609,789	\$(7,519,157)	-24.15%

**The University of Texas System
Health Components**

Method of Financing

		Adjusted Budget 1997	Original Budget 1998	Budget Increase (Decrease) from 1997 to 1998	
				Amount	Percent
U. T. SWMC - Dallas	General Revenue	\$ 81,606,647	\$ 85,562,843	\$ 3,956,196	4.85%
	Total Resources	460,506,332	473,004,467	12,498,135	2.71%
U. T. MB - Galveston	General Revenue	220,190,455	228,895,077	8,704,622	3.95%
	Total Resources	979,376,524	995,540,205	16,163,681	1.65%
U. T. HSC - Houston	General Revenue	111,097,104	114,440,157	3,343,053	3.01%
	Total Resources	385,759,962	393,128,154	7,368,192	1.91%
U. T. HSC - San Antonio	General Revenue	109,108,614	111,945,949	2,837,335	2.60%
	Total Resources	287,702,196	296,363,847	8,661,651	3.01%
U. T. MDA Cancer Center	General Revenue	124,149,426	133,172,698	9,023,272	7.27%
	Total Resources	692,835,740	753,256,581	60,420,841	8.72%
U. T. HC - Tyler	General Revenue	24,247,873	25,856,061	1,608,188	6.63%
	Total Resources	76,523,845	82,978,512	6,454,667	8.43%

Expenditures

		Adjusted Budget 1997	Original Budget 1998	Budget Increase (Decrease) from 1997 to 1998	
				Amount	Percent
U. T. SWMC - Dallas	Personnel	\$ 230,555,698	\$ 239,427,501	\$ 8,871,803	3.85%
	Total	455,787,869	477,137,923	21,350,054	4.68%
U. T. MB - Galveston	Personnel	467,873,299	490,525,033	22,651,734	4.84%
	Total	977,332,877	1,006,415,776	29,082,899	2.98%
U. T. HSC - Houston	Personnel	183,648,559	186,560,059	2,911,500	1.59%
	Total	398,277,190	406,888,385	8,611,195	2.16%
U. T. HSC - San Antonio	Personnel	158,059,395	165,721,017	7,661,622	4.85%
	Total	282,376,812	290,153,840	7,777,028	2.75%
U. T. MDA Cancer Center	Personnel	302,769,843	339,214,614	36,444,771	12.04%
	Total	691,450,375	751,969,451	60,519,076	8.75%
U. T. HC - Tyler	Personnel	43,501,694	48,661,296	5,159,602	11.86%
	Total	75,990,240	82,776,087	6,785,847	8.93%

**TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY
1997-98 BUDGET REQUEST SUMMARY**

	<u>1997-98 One-Time Costs</u>	<u>1997-98 Operating Costs</u>	<u>Total</u>
A. Information Technology Initiatives			
(1) Telecommunications Infrastructure			
Capital Equipment	\$ 940,000		
Staff		\$ 90,000	
Increase network bandwidth		240,000	
Subtotal, Telecommunications Infrastructure	<u>940,000</u>	<u>330,000</u>	\$ 1,270,000
(2) Distance Education /Virtual University			
Capital Equipment	100,000		
MBA Program	200,000		
Staff including travel and M&O		200,000	
Subtotal, Distance Education/Virtual Univ.	<u>300,000</u>	<u>200,000</u>	500,000
(3) Knowledge Management Center			
Capital Equipment	60,000		
Staff		100,000	
Subtotal, Knowledge Management Center	<u>60,000</u>	<u>100,000</u>	160,000
(4) Telehealth			
Pilot projects	<u>200,000</u>		200,000
(5) Multimedia Education Information			
Pilot projects	<u>400,000</u>		400,000
(6) Identification Smart Card			
Pilot projects	<u>500,000</u>		500,000
(7) Initiatives 7 - 11			
Pilot projects	<u>250,000</u>		250,000
B. Office of Telecommunications and Information Technology			
Capital Equipment	48,300		
Staff		101,948	
Other Operating Expenses		22,484	
Subtotal, Office of Telecommunications and Information Technology	<u>48,300</u>	<u>124,432</u>	<u>172,732</u>
Total	2,698,300	754,432	3,452,732
Less: Funds From LERR Appropriations	(1,100,000)		(1,100,000)
Total Budget Request	\$ 1,598,300	\$ 754,432	\$ 2,352,732

**The University of Texas System
Appropriations Summary/Expenditure Analysis
FY 1998-99 Biennium**

Academics

<i>Revenue Increases FY 1998-99 Biennium</i>	UT ARLINGTON	UT AUSTIN	UT DALLAS	UT EL PASO	UT PAN AMERICAN	UT BROWNSVILLE	UT PERMIAN BASIN	UT SAN ANTONIO	UT TYLER	Total
General Revenue										
Tuition Revenue Bond	682,450	1,249,532	503,399	629,178	949,903	860,940	990,374	2,499,168	431,900	8,796,844
Special Items	300,000	716,288	162,192	2,050,302	400,000	(170,233)	0	7,700,000	700,000	11,858,549
Formula/Other	(3,273,634)	18,558,445	7,537,888	3,762,749	4,861,367	2,821,596	352,804	7,586,206	508,157	42,715,578
Salary (Appropriated Article IX)	1,860,000	5,049,600	873,600	1,600,000	1,062,838	212,880	306,000	1,495,680	263,520	12,724,118
Group Insurance	2,934	(2,014,361)	94,594	395,618	153,693	294,692	169,854	(90,650)	371,485	(622,141)
Total General Revenue Increase	(428,250)	23,559,504	9,171,673	8,437,847	7,427,801	4,019,875	1,819,032	19,190,404	2,275,062	75,472,948
Other Sources										
Other E&G Income Incr.	/1 3,328,704	14,309,766	4,300,762	1,182,431	1,338,122	298,486	282,735	(757,330)	(355,775)	23,927,901
AUF Incr.	0	3,650,000	0	0	0	0	0	0	0	3,650,000
Texas Southmost Contract Incr.	0	0	0	0	0	3,820,462	0	0	0	3,820,462
Designated Tuition Incr.	/2 8,375,536	19,552,000	5,600,756	2,417,056	752,194	330,742	208,178	2,214,747	1,110,760	40,561,969
Total Other Sources	11,704,240	37,511,766	9,901,518	3,599,487	2,090,316	4,449,690	490,913	1,457,417	754,985	71,960,332
Total Revenue Increases	11,275,990	61,071,270	19,073,191	12,037,334	9,518,117	8,469,565	2,309,945	20,647,821	3,030,047	147,433,280

**The University of Texas System
Appropriations Summary/Expenditure Analysis
FY 1998-99 Biennium**

Academics

<i>Expenditure Increases FY 1998-99 Biennium</i>	UT ARLINGTON	UT AUSTIN	UT DALLAS	UT EL PASO	UT PAN AMERICAN	UT BROWNSVILLE	UT PERMIAN BASIN	UT SAN ANTONIO	UT TYLER	Total
Direct Faculty										
1 Faculty Salary Incr. (5% Goal for Biennium)	3,031,617	11,672,180	1,599,212	1,925,000	1,644,829	1,730,431	311,107	1,689,069	592,204	24,195,649
2 Faculty Salary Incr. (Above 5% for Biennium)	0	0	190,000	0	0	137,560	0	721,194	0	1,048,754
3 Instruction Expense for Increased Enrollment	0	0	5,474,000	0	0	168,988	0	0	0	5,642,988
4 Enhanced Instruction (e.g. lower student faculty ratio, additional experienced faculty, etc.)	0	5,315,226	2,706,932	1,000,000	0	0	100,000	307,951	0	9,430,109
Subtotal Direct Faculty	3,031,617	16,987,406	9,970,144	2,925,000	1,644,829	2,036,979	411,107	2,718,214	592,204	40,317,500
Direct Staff										
5 Non-Faculty Salary Increase-\$1200	2,424,960	9,644,184	1,204,800	1,794,872	2,234,998	528,400	352,800	2,012,894	310,022	20,507,930
6 Non-Faculty Salary Increase-Above \$1200	795,000	3,743,257	1,548,632	0	0	98,772	0	933,572	0	7,119,233
7 Enhanced Support Staff	610,782	2,428,098	200,000	360,000	1,855,734	0	0	1,031,893	0	6,486,507
Subtotal Direct Staff	3,830,742	15,815,539	2,953,432	2,154,872	4,090,732	627,172	352,800	3,978,359	310,022	34,113,670
Indirect Personnel (Faculty & Non-Faculty)										
8 Associated Benefits Due to Salary Incr.	216,500	3,969,448	161,106	204,952	299,328	100,000	25,892	250,746	20,694	5,248,666
9 Group Insurance	59,620	1,417,311	375,636	395,618	263,066	200,000	159,590	0	(272,324)	2,598,517
Subtotal Indirect Personnel	276,120	5,386,759	536,742	600,570	562,394	300,000	185,482	250,746	(251,630)	7,847,183
Total Direct Faculty, Staff & Indirect Personnel	7,138,479	38,189,704	13,460,318	5,680,442	6,297,955	2,964,151	949,389	6,947,319	650,596	82,278,353
Operation & Maintenance of Plant										
10 New Building Operations & Maintenance (excluding utilities)	0	1,539,912	80,000	375,606	0	355,628	0	1,196,378	144,000	3,691,524
11 Increased Utility Cost	18,409	3,893,002	112,003	1,586,108	536,542	211,855	(92,084)	0	537,781	6,803,616
Subtotal Operation & Maint. Plant	18,409	5,432,914	192,003	1,961,714	536,542	567,483	(92,084)	1,196,378	681,781	10,495,140
Miscellaneous										
12 Tuition Revenue Bond	682,450	1,249,532	503,399	629,178	949,903	860,940	990,374	2,499,168	431,900	8,796,844
13 Special Items	300,000	716,288	162,192	2,050,302	400,000	(170,233)	0	8,578,786	700,000	12,737,335
14 Graduate Tuition Differential Returned to Dept.	215,000	3,268,380	509,677	0	0	0	0	0	0	3,993,057
15 New Retention Programs	436,684	309,844	0	0	0	0	0	300,000	0	1,046,528
16 Designated Tuition (Designated Fund Expenditures/Transfers)	2,484,968	2,818,125	1,152,360	1,500,000	440,737	0	208,178	0	89,156	8,693,524
17 Other (Detail on separate page)	0	9,086,483	3,093,242	316,000	892,980	4,247,224	254,088	1,126,170	0	19,016,187
Subtotal Miscellaneous	4,119,102	17,448,652	5,420,870	4,495,480	2,683,620	4,937,931	1,452,640	12,504,124	1,221,056	54,283,475
Total Expenditure Increase	11,275,990	61,071,270	19,073,191	12,137,636	9,518,117	8,469,565	2,309,945	20,647,821	2,553,433	147,056,968
Excess Resources over Estimated Expenditures	0	0	0	(100,302)	0	0	0	0	476,614	376,312

/1 Includes Net Tuition, Student Fees, Overhead on Sponsored Projects, Interest Income, Other.

/2 Designated Tuition (formally General Use Fee) total increase.

/3 Designated Tuition Expenditures (Non-E&G related to designated fund expenditures/transfers, e.g. debt service, capital expenditures).

The University of Texas System
Other Expenditure Analysis Summary
FY 1998-99

Academics

Other Expenditure Increases 1998-99 Biennium	UT ARLINGTON	UT AUSTIN	UT DALLAS	UT EL PASO	UT PAN AMERICAN	UT BROWNSVILLE	UT PERMIAN BASIN	UT SAN ANTONIO	UT TYLER	Total
1 UT System Insurance Premiums		1,176,600								1,176,600
2 Admission Changes due to Hopwood		826,212								826,212
3 Graduate Fellowships		960,000								960,000
4 Natural Science Equipment		1,500,000								1,500,000
5 Cellular and Molecular Biology Programs		676,664								676,664
6 Increase in Departmental M&O Budgets		565,118								565,118
7 1996-97 Salary & Other Commitments Sustained into the new biennium		2,164,976						307,951		2,472,927
8 Other Miscellaneous Increases/Decreases		1,216,913	1,135,458			73,416	152,088	368,219		2,946,094
9 Callier Center Increase			1,102,218							1,102,218
10 Increased Research Enhancement/Start Up Funds			530,566					200,000		730,566
11 Information Resources Upgrade Base Salaries			325,000							325,000
12 Remedial Education Augmentation				40,000						40,000
13 Library				276,000	426,357					702,357
14 Institutional Support					425,007	1,695,700				2,120,707
15 Operation of Plant					41,616	524,237	102,000			667,853
16 Datatel						1,060,000				1,060,000
17 Student Services						510,411				510,411
18 Lease of Facilities						383,460				383,460
19 Building Relocation Expenses								250,000		250,000
20 Cooperative Nursing Programs										0
21 Long Term Capital Plan										0
22 Debt Service-Bertner Complex										0
23 Transitional Care Unit										0
24 Food and Nutrition										0
Total Other Expenditure Increase	0	9,086,483	3,093,242	316,000	892,980	4,247,224	254,088	1,126,170	0	19,016,187

**The University of Texas System
Appropriations Summary/Expenditure Analysis
FY 1998-99 Biennium**

Health Components

<i>Revenue Increases FY 1998-99 Biennium</i>	UT SWMC at Dallas	UT MB Galveston	UT HSC- Houston	UT HSC- San Antonio	UT M.D. Anderson Cancer Center	UT HC Tyler	Total
General Revenue							
Tuition Revenue Bond	627,739	136,552	310,651	(39,406)	0	0	1,035,536
Special Items	0	0	0	0	0	0	0
Formula/Other	5,146,879	7,713,997	4,645,587	7,144,183	15,469,124	2,393,845	42,513,615
Salary (Appropriated Article IX)	1,972,920	8,000,000	2,544,480	2,782,080	2,711,454	965,280	18,976,214
Group Insurance	1,208,332	3,779,301	(237,224)	(1,747,181)	395,013	(239,416)	3,158,825
Total General Revenue Increase	8,955,870	19,629,850	7,263,494	8,139,676	18,575,591	3,119,709	65,684,190
Other Sources							
Other E&G Income Incr.	/1 4,543,227	(5,573,674)	1,294,980	358,094	34,323,504	14,152,233	49,098,364
AUF Incr.	0	0	0	0	0	0	0
Texas Southmost Contract Incr.	0	0	0	0	0	0	0
Designated Tuition Incr.	/2 0	0	0	0	0	0	0
Total Other Sources	4,543,227	(5,573,674)	1,294,980	358,094	34,323,504	14,152,233	49,098,364
Total Revenue Increases	13,499,097	14,056,176	8,558,474	8,497,770	52,899,095	17,271,942	114,782,554

**The University of Texas System
Appropriations Summary/Expenditure Analysis
FY 1998-99 Biennium**

Health Components

<i>Expenditure Increases FY 1998-99 Biennium</i>	UT SWMC at Dallas	UT MB Galveston	UT HSC-Houston	UT HSC- San Antonio	UT M.D. Anderson Cancer Center	UT HC Tyler	Total
Direct Faculty							
1 Faculty Salary Incr. (5% Goal for Biennium)	3,004,778	1,800,000	3,556,760	4,562,310	3,654,230	539,722	17,117,800
2 Faculty Salary Incr. (Above 5% for Biennium)	571,153	0	0	506,924	0	804,070	1,882,147
3 Instruction Expense for Increased Enrollment	0	0	0	0	0	0	0
4 Enhanced Instruction (e.g. lower student faculty ratio, additional experienced faculty, etc.)	1,627,156	0	0	0	0	0	1,627,156
Subtotal Direct Faculty	5,203,087	1,800,000	3,556,760	5,069,234	3,654,230	1,343,792	20,627,103
Direct Staff							
5 Non-Faculty Salary Increase-\$1200	2,722,989	8,000,000	3,200,000	3,316,320	12,019,374	2,640,000	31,898,683
6 Non-Faculty Salary Increase-Above \$1200	904,690	0	0	1,649,026	0	2,859,822	5,413,538
7 Enhanced Support Staff	238,568	0	0	750,000	0	2,917,402	3,905,970
Subtotal Direct Staff	3,866,247	8,000,000	3,200,000	5,715,346	12,019,374	8,417,224	41,218,191
Indirect Personnel (Faculty & Non-Faculty)							
8 Associated Benefits Due to Salary Incr.	0	1,298,897	229,546	559,022	1,727,549	1,834,198	5,649,212
9 Group Insurance	1,664,200	5,583,781	453,866	(1,403,898)	(864,000)	284,404	5,718,353
Subtotal Indirect Personnel	1,664,200	6,882,678	683,412	(844,876)	863,549	2,118,602	11,367,565
Total Direct Faculty, Staff & Indirect Personnel	10,733,534	16,682,678	7,440,172	9,939,704	16,537,153	11,879,618	73,212,859
Operation & Maintenance of Plant							
10 New Building Operations & Maintenance (excluding utilities)	0	0	0	0	9,014,930	1,920,000	10,934,930
11 Increased Utility Cost	503,966	345,008	605,685	0	8,390,085	0	9,844,744
Subtotal Operation & Maint. Plant	503,966	345,008	605,685	0	17,405,015	1,920,000	20,779,674
Miscellaneous							
12 Tuition Revenue Bond	627,739	136,552	310,651	(39,406)	0	0	1,035,536
13 Special Items	0	0	0	0	0	0	0
14 Graduate Tuition Differential Returned to Dept.	0	0	0	0	0	0	0
15 New Retention Programs	0	0	0	0	0	0	0
16 Designated Tuition (Designated Fund Expenditures/Transfers)	0	0	0	0	0	0	0
17 Other (Detail on separate page)	3,609,580	0	201,966	200,000	18,956,927	3,472,324	26,440,797
Subtotal Miscellaneous	4,237,319	136,552	512,617	160,594	18,956,927	3,472,324	27,476,333
Total Expenditure Increase	15,474,819	17,164,238	8,558,474	10,100,298	52,899,095	17,271,942	121,468,866
Excess Resources over Estimated Expenditures	(1,975,722)	(3,108,062)	0	(1,602,528)	0	0	(6,686,312)

/1 Includes Net Tuition, Student Fees, Overhead on Sponsored Projects, Interest Income, Other.

/2 Designated Tuition (formally General Use Fee) total increase.

/3 Designated Tuition Expenditures (Non-E&G related to designated fund expenditures/transfers, e.g. debt service, capital expenditure

The University of Texas System
 Appropriations Summary/Expenditure Analysis
 FY 1998-99

Health Components

<i>Other Expenditure Increases 1998-99 Biennium</i>	UT SWMC at Dallas	UT MB Galveston	UT HSC- Houston	UT HSC- San Antonio	UT M.D. Anderson Cancer Center	UT HC Tyler	Total
1 UT System Insurance Premiums							0
2 Admission Changes due to Hopwood							0
3 Graduate Fellowships							0
4 Natural Science Equipment							0
5 Cellular and Molecular Biology Programs							0
6 Increase in Departmental M&O Budgets	1,100,000					1,500,000	2,600,000
7 1996-97 Salary & Other Commitments Sustained into the new biennium							0
8 Other Miscellaneous Increases/Decreases			201,966				201,966
9 Callier Center Increase							0
10 Increased Research Enhancement/Start Up Funds							0
11 Information Resources Upgrade Base Salaries							0
12 Remedial Education Augmentation							0
13 Library	807,476						807,476
14 Institutional Support	0						0
15 Operation of Plant	1,702,104						1,702,104
16 Datatel							0
17 Student Services							0
18 Lease of Facilities							0
19 Building Relocation Expenses							0
20 Cooperative Nursing Programs				200,000			200,000
21 Long Term Capital Plan					10,000,000		10,000,000
22 Debt Service-Bertner Complex					8,956,927		8,956,927
23 Transitional Care Unit						700,792	700,792
24 Food and Nutrition						1,271,532	1,271,532
Total Other Expenditure Increase	3,609,580	0	201,966	200,000	18,956,927	3,472,324	26,440,797