

# THE UNIVERSITY OF TEXAS SYSTEM

## OPERATING BUDGET SUMMARIES

AND RESERVE ALLOCATIONS FOR  
LIBRARY, EQUIPMENT, REPAIR  
AND REHABILITATION  
AND FACULTY STARS

FISCAL YEAR 2025



AUGUST 2024

The University of Texas at Arlington ♦ The University of Texas at Austin ♦ The University of Texas at Dallas ♦ The University of Texas at El Paso ♦ The University of Texas Permian Basin ♦ The University of Texas Rio Grande Valley ♦ The University of Texas at San Antonio ♦ Stephen F. Austin State University ♦ The University of Texas at Tyler ♦ The University of Texas Southwestern Medical Center ♦ The University of Texas Medical Branch at Galveston ♦ The University of Texas Health Science Center at Houston ♦ The University of Texas Health Science Center at San Antonio ♦ The University of Texas M. D. Anderson Cancer Center ♦ The University of Texas System Administration



# THE UNIVERSITY OF TEXAS SYSTEM

## OPERATING BUDGET SUMMARIES AND RESERVE ALLOCATIONS FOR LIBRARY, EQUIPMENT, REPAIR AND REHABILITATION AND FACULTY STARS

For Fiscal Year Ending August 31, 2025

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# THE UNIVERSITY OF TEXAS SYSTEM

## Operating Budget Highlights

For the Year Ending August 31, 2025

### INTRODUCTION

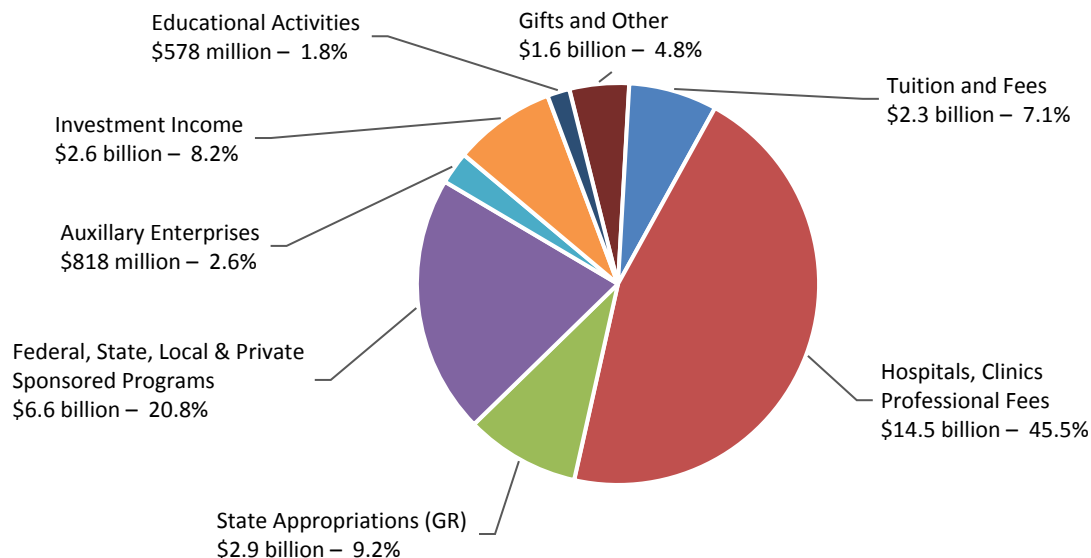
For 140 years, The University of Texas System (the “U. T. System”) has improved the lives of Texans and people all over the world through education, health care and research.

The U. T. System is one of the largest public university systems in the nation and the world. With 14 institutions, more than 256,000 students are enrolled in both academic and health institutions across the state. Each year, U. T. System institutions produce more than 67,000 graduates including more than one-third of the state’s undergraduate degrees and more than 60 percent of the State’s medical degrees. Almost half of all undergraduate degrees are awarded to students who qualified for a Pell Grant based on financial need while enrolled at a U. T. System institution. More than three-fourths of undergraduate students secure jobs in Texas within a year after graduation, providing a skilled workforce and fueling the state’s economy. U. T. students who entered the Texas workforce between 2002 and 2019 had cumulative earnings through 2020 of \$350 billion. The U. T. System is one of the largest employers in the state with more than 122,000 faculty, health care professionals, researchers, support staff, and student workers.

Transformational initiatives implemented over the past several years have cemented U. T. System as a national leader in higher education, including the expansion of educational opportunities in South Texas with the opening of U. T. Rio Grande Valley and its medical school in 2015 , the combining of U. T. Tyler and U. T. Health Science Center – Tyler in 2020 and the opening of its medical school in the fall of 2023 as the seventh U. T. medical school. On September 1, 2023, the Board of Regents welcomed Stephen F. Austin State University as the 14<sup>th</sup> U. T. System institution following approval by the 88<sup>th</sup> Texas Legislature. In August of 2023, plans were announced regarding a monumental healthcare initiative to accelerate and expand U. T. Austin’s medical district into a world-class academic medical center for education, research and patient care. This will include U. T. M. D. Anderson Cancer Center expanding its footprint into Austin by building and operating a new comprehensive cancer center. In addition, U. T. Austin and the Dell Medical School will build and operate a new specialty hospital with groundbreaking anticipated in 2026. U. T. Southwestern Medical Center is currently partnering with Children’s Health System of Texas to build a new pediatric hospital facility slated to open in 2031. Partnerships with the Texas Health and Human Services Commission between both U. T. Southwestern Medical Center and U. T. Health Science Center - Houston are advancing with hospital support for psychiatric care in each of those areas. In December of 2024, U. T. Health Science Center - San Antonio Multispecialty and Research Hospital will open for care centered on treating cancer patients and on those who need to undergo complex surgical intervention using innovative technology. Creating a healthier Texas is a fundamental mission of U. T. institutions. Collectively, U. T. owned and affiliated hospitals and clinics accounted for more than 10.6 million outpatient visits and more than 2 million hospital days each year.

In addition to world-class patient care, U. T. researchers are on the front lines of advancing treatments and therapies for deadly and debilitating diseases. Total annual research expenditures across the U. T. institutions exceeds \$4.3 billion, and the U. T. System is first in Texas and second in the nation in federal research expenditures among public higher education systems.

For FY 2025, changes in the operating budget are largely driven by growth in health care activities related to hospital patient income and professional fees charged by U. T. faculty physicians and contractual arrangements with affiliated hospitals and health care systems. Tuition and fees revenues have largely remained flat with the exception of U. T. Arlington, U. T. Austin, U. T. Tyler, and U. T. Health Science Center - San Antonio where revenue forecasts indicate minimal growth in enrollment for certain programs. Flat or low increases to tuition and fee revenue are a reflection of a freeze in in-state undergraduate tuition and mandatory fees for FY 2024 and FY 2025 and stable enrollment across most of the institutions. Sponsored programs revenue has significantly improved overall with both federal funding and local and private sponsored program funding. Other drivers reflecting increases include gift in support of operations and net investment income.



The budget includes both operating and nonoperating revenue used to support the System’s activities. Combined revenue for FY 2025 is \$32.0 billion, up 9.6 percent or \$2.8 billion from FY 2024. The growth in revenue is attributed to **Net Sales and Services of Hospitals and Clinics** (\$1.3 billion or 12.9 percent), **Federal Sponsored Programs - Operating** (\$495 million or 21.4 percent), **Local and Private Sponsored Programs** (\$260 million or 10.5 percent), and **Net Investment Income** (\$185 million or 7.6 percent).

Overall, institutions with hospitals are anticipating growth in **Net Sales and Services of Hospitals and Clinics**, most significantly at U. T. M. D. Anderson Cancer Center (\$620 million), U. T. Southwestern Medical Center (\$331 million), and U. T. Medical Branch - Galveston (\$118 million). These institutions are anticipating patient volume increases and, in some cases, price increases based on the latest market and consumer price index data.

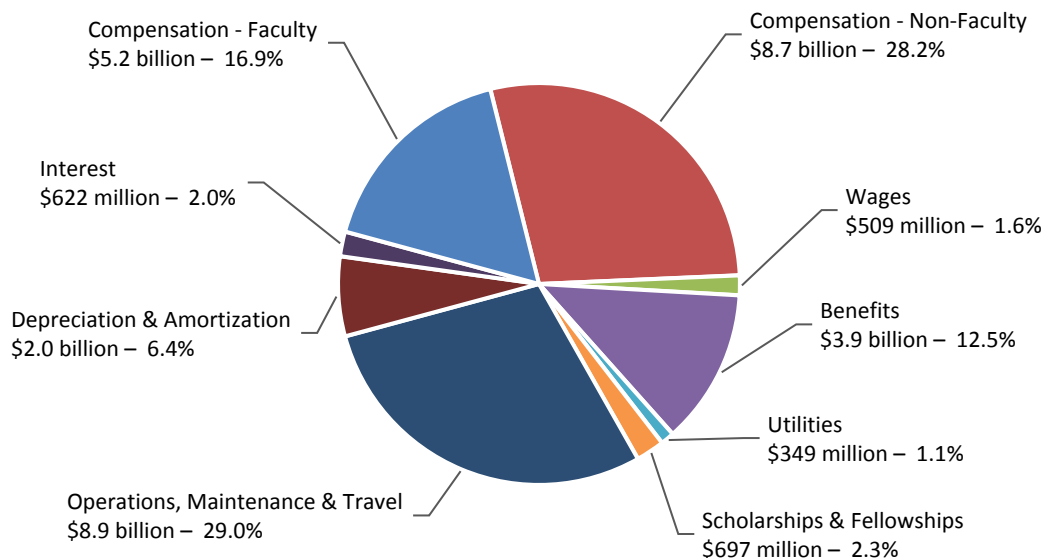
The institutions forecasting the most significant growth in **Federal Sponsored Programs - Operating** are U. T. Austin (\$281 million), U. T. M. D. Anderson Cancer Center (\$50 million), U. T. Southwestern Medical Center (\$46 million), U. T. Health Science Center - Houston (\$44 million), and U. T. Health Science Center - San Antonio (\$42 million). In all cases, the growth projection is based on historical trends and anticipated increases in future sponsored program activity.

The **Local and Private Sponsored Programs** growth forecast is primarily U. T. Southwestern Medical Center (\$105 million), U. T. Health Science Center - Houston (\$69 million), U. T. M. D. Anderson Cancer Center (\$37 million), U. T. Health Science Center - Tyler (\$20 million), and U. T. Health Science Center - San Antonio (\$19 million). In most cases, the growth is attributed to increases in contract revenues with clinical plans and hospital partners.

Growth in the annual distribution from the Permanent University Fund (PUF) available to the U. T. System, which is budgeted as **Net Investment Income**, along with related Available University Fund (AUF) and other interest at U. T. System Administration (\$68 million) is a leading factor in the additional **Net Investment Income** anticipated for FY 2025. Most other institutions project budget increases from growth in Long Term Fund distribution rates, other investment holdings, and rising deposit interest rates. The most significant institution increases are projected at U. T. M. D. Anderson Cancer Center (\$36 million), U. T. Austin (\$26 million), U. T. Health Science Center - Houston (\$14 million), and U. T. Dallas (\$13 million).

**State Appropriations** declined slightly reflecting a decrease in Capital Construction Assistance Project (CCAP) debt service appropriations (\$15 million) for planned bond payments in FY 2025. An additional decline results from the FY 2024 recognition of the full biennial appropriation received for the Trauma Research and Combat Casualty Care Collaborative (TRC4) (\$20 million).

Based on type of institution, the most significant areas of growth for health care institutions include **Net Sales and Services of Hospitals and Clinics** (\$1.3 billion or 12.9 percent), **Local and Private Sponsored Programs** (\$248 million or 11.5 percent), and **Federal Sponsored Programs - Operating** (\$169 million or 12.5 percent). The most significant areas of growth for academic institutions include **Federal Sponsored Programs - Operating** (\$322 million or 34.6 percent), **Federal Sponsored Programs - Nonoperating** (\$70M or 15.2 percent), and **Net Investment Income** (\$54 million or 9.9 percent).



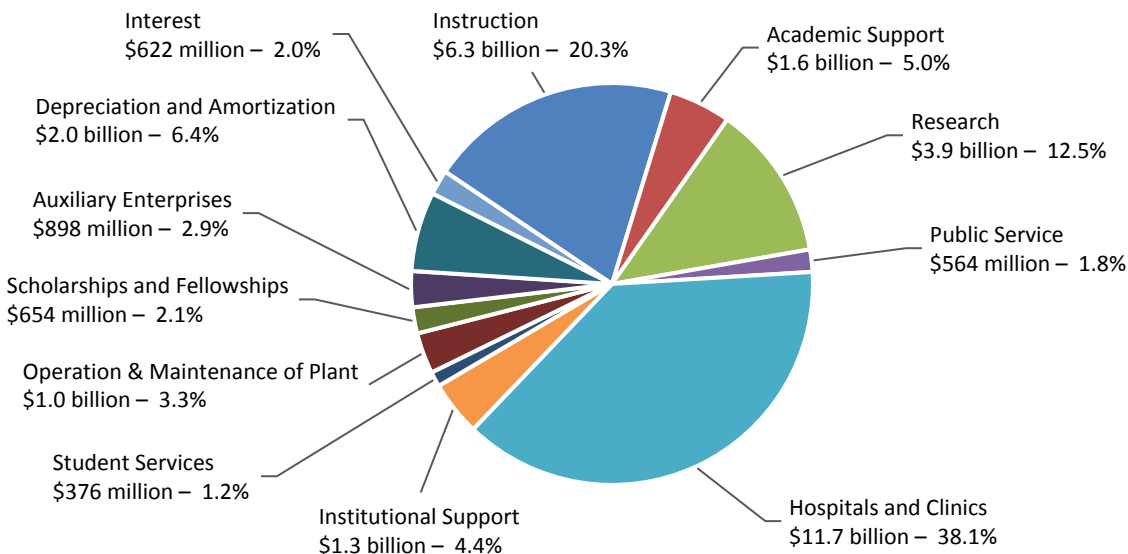
Expenses reflected in the budget include all operational activities, limited nonoperating expenses, and transfers to U. T. System Administration made to fund debt service interest. Depreciation and amortization expenses are also included in the budget. Conversely, capital outlay, capitalized lease payments, subscription-based information technology arrangement (SBITA) payments and transfers for debt service principal payments are excluded. Combined expenses for FY 2025 are \$30.9 billion, up 9.3 percent or \$2.6 billion from FY 2024.

**Personnel Costs** including compensation for both faculty and non-faculty along with wages for temporary employees and students and associated benefits costs for all classes of employees are budgeted to increase by \$1.6 billion, up 9.7 percent over FY 2024. For U. T. System, these costs represent 59.3 percent of Total Expenses and 61.7 percent of the overall expense increase. FY 2025 continues to experience changing labor market and inflationary pressures. Most institutions have included plans for merit salary increases and market/equity adjustments in current budget requests. Additionally, patient care volumes and sponsored program activity are requiring new faculty and staff at health-related institutions to meet demands. The most significant increases are projected at U. T. M. D. Anderson Cancer Center (\$488 million), U. T. Southwestern Medical Center (\$434 million), U. T. Austin (\$163 million), U. T. Health Science Center - Houston (\$141 million), U. T. Health Science Center - San Antonio (\$136 million), and U. T. Medical Branch - Galveston (\$100 million).

Among the non-personnel costs, the most significant change is to **Operations, Maintenance and Travel** which increases \$787 million or 8 percent before adjustment for the capitalized portion. U. T. Southwestern Medical Center (\$169 million), U. T. M. D. Anderson Cancer Center (\$140 million), and U. T. Health Science Center - San Antonio (\$124 million) have the most significant increases resulting from a combination of patient care volume growth, medical and pharmaceutical increase and/or increased sponsored programs expenditures. U. T. M. D. Anderson specifically identifies an expected increase in medical and drug supplies of \$200 million. Other health institutions experience similar increases but on a smaller scale. Growth at the academic institutions ranges from 3 percent to 20.8 percent due to new sponsored programs and research start-up funding. The largest dollar increase is anticipated at U. T. Austin (\$123 million). The largest percentage change is at U. T. El Paso and is attributed to startup costs resulting from implementation of the Regents' Research Excellence Program. **Scholarships and Fellowships** (before adjustment for tuition discounts and allowances) are anticipated to increase (\$151 million or 9.9 percent) overall. The largest increase is at U. T. Austin (\$76 million).

## EXPENSES BY FUNCTIONAL CLASSIFICATION

**\$30.9 BILLION**



The most significant functional areas of growth include **Hospitals and Clinics** (\$1.3 billion or 12.4 percent), **Instruction** (\$479 million or 8.3 percent), and **Research** (\$421 million or 12.2 percent).

The most significant changes in **Hospitals and Clinics** are related volume growth and supply costs associated with patient care as well as proposed staff merit and market adjustments. Of note for U. T. Health Science Center - San Antonio is the opening of the new Multispecialty and Research Hospital in December 2024. The most significant growth is anticipated at U. T. M. D. Anderson Cancer Center (\$630 million), U. T. Southwestern Medical Center (\$311 million), U. T. Health Science Center - San Antonio (\$119 million), and U. T. Medical Branch - Galveston (\$112 million).

**Instruction** expenses will increase largely due to planned merit salary increases, market increases, and additional faculty resulting from patient care volume growth. The most significant increases are projected to be at U. T. Southwestern Medical Center (\$214 million), U. T. Austin (\$94 million), and U. T. Health Science Center - Houston (\$69 million), U. T. Health Science Center - San Antonio (\$52 million) and U. T. Medical Branch - Galveston (\$39 million).

The most significant changes in anticipated **Research** expenses are projected to occur at U. T. Austin (\$143 million), U. T. M. D. Anderson Cancer Center (\$89 million) and U. T. Southwestern Medical Center (\$62 million) and are commensurate with changes in sponsored program revenue streams.



## BACKGROUND

The System reports financial information based on Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements – Management’s Discussion and Analysis – for Public Colleges and Universities*, as amended by GASB Statements No. 37, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus*, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. These statements establish standards for external financial reporting for public colleges and universities and require that financial statements be presented on a consolidated basis to focus on the entity as a whole. Previously, financial statements focused on the accountability of individual fund groups rather than on the entity as a whole.

The U. T. System Annual Operating Budget has historically presented sources and uses of funds in select fund groups rather than on operating results of the entity as a whole. As a result, several significant differences existed between the budget and the financial reporting presentations at year-end. Beginning in the FY 2007 budget, the underlying operating budget maintains the sources and uses information but allows the focus of the budget to conform more closely to the entity-wide financial performance measures of the annual financial report and the internal monthly financial report through a series of adjustments incorporated into the budget totals. The major differences that have been resolved included the following items:

- The budget reflects tuition discounting and related scholarship/fellowship activities in a manner comparable to the GASB *Rules* for the annual financial report.
- Depreciation expense is incorporated into the budgeted expense totals.
- Capital outlay from operating funds is eliminated from budgeted expenditure totals.
- Debt service principal repayments are eliminated from budgeted expenditure totals.
- Capitalized lease activity payments and subscription based information technology arrangements (SBITA) payments are eliminated from budgeted expenditure totals with associated capitalized lease interest, capitalized lease principal and amortization of right-of-use assets being recorded in their place.

The information presented in this summary document nets budgeted revenues and expenses to arrive at a “Budget Margin (Deficit)” that is comparable to the operating margin in the internal monthly financial report.

Expenses are reported in the budget by natural classification meaning that expenses are accumulated based on the nature of each type of expense. This contrasts with functional classification which is a presentation method under which expenses are aggregated and reported by the activities for which they were incurred. Reporting of functional classifications is included as supplemental information.

As part of a desire to align the Operating Budget with the Monthly Financial Report and Analysis of Financial Condition prepared by the U. T. System Office of Budget and Planning, all appropriation of general revenue for Capital Construction Assistance Projects (CCAP) bond debt service and the related transfer activity for principal and interest have been moved from the respective institutions to the budget of U. T. System Administration. In addition, certain transfers to institutions from U. T. System Administration such as the Promise Plus program funding have been included as budgeted revenue to adjust margin presentation and in contradiction to the way the funds are presented in each institution’s Statement of Revenues, Expenses, and Changes in Net Position (SRECNP) included in the U. T. System Annual Financial Report.

## BACKGROUND (CONTINUED)

### PRESENTATION OF FY 2024 PROJECTED ACTUAL TOTALS

All U. T. institutions have prepared a projection of FY 2024 activity in a format comparable to that presented for the FY 2024 adjusted and FY 2025 proposed budgets. This projection was based on activity through May 2024.

### RESTATEMENT AND RECLASSIFICATION OF FY 2024 BUDGET TOTALS

At the August 24, 2023 meeting of the U T. System Board of Regents, the Chancellor was authorized to make editorial corrections and other non-substantive changes to the FY 2024 U. T. System Operating Budgets with subsequent adjustments and any material changes reported to the Board of Regents through the Consent Agenda to the extent required by the Budget Rules and Procedures. Several institutions made adjustments which when combined totaled a \$101.6 million increase in revenue and a corresponding \$99.7 million increase in expenses. FY 2024 budgets presented herein have been restated for those changes. A summary of the changes made for affected institutions follows:

<b>Institution</b>	<b>Increase (Decrease) in Revenue</b>	<b>Increase (Decrease) in Expenses</b>
<b>U. T. Arlington</b>	\$ 13,822,685	\$ 7,802,373
<b>U. T. Southwestern Medical Center</b>	2,112,159	2,204,626
<b>U. T. Medical Branch - Galveston</b>	45,815,465	45,815,465
<b>U. T. Health Science Center - Houston</b>	51,106,224	50,628,808
<b>U. T. Health Science Center - Tyler</b>	1,444,837	1,444,837
<b>U. T. System Administration</b>	(12,673,020)	(8,202,820)
<b>Total</b>	<u>\$ 101,628,350</u>	<u>\$ 99,693,289</u>

## GLOSSARY OF TERMS

### **Operating Revenues:**

**TUITION AND FEES** – All student tuition and fee revenues earned at the U. T. institutions for educational purposes. Tuition is reported gross with an identified offset “Less Discounts and Allowances” to reflect the related scholarship/fellowship discount activities in a manner comparable to the GASB rules for the annual financial report.

**SPONSORED PROGRAMS** – Funding received from local, state, and federal governments or private agencies, organizations, or individuals. Includes amounts received for services performed on grants, contracts, and agreements from these entities for current operations. This also includes indirect cost recoveries and pass-through federal and state grants. Contractual relationships with clinical partners such as hospitals are reported as Local and Private Sponsored Programs.

**NET SALES AND SERVICES OF EDUCATIONAL ACTIVITIES** – Revenues related to the conduct of instruction, research, and public service and revenues from activities that exist to provide an instructional and laboratory experience for students that create goods and services that may be sold. Examples include revenues received from activities such as performing arts, continuing education, charter schools, the University Interscholastic League, trademarks programs, and sports camps.

**NET SALES AND SERVICES OF HOSPITALS AND CLINICS** – Revenues (net of discounts, allowances, and bad debt expense) generated from U. T. health institutions’ daily patient care, special or other services, as well as revenues from health clinics that are part of a hospital.

**NET PROFESSIONAL FEES** – Revenues (net of discounts, allowances, and bad debt expense) derived from the fees charged by the professional staffs at U. T. health institutions, U. T. Austin, and U. T. Rio Grande Valley as part of the medical, dental, and other practice plans. Examples of such fees include doctor’s fees for clinic visits, medical and dental procedures, professional opinions, and anatomical procedures, such as analysis of specimens after a surgical procedure, etc.

**NET AUXILIARY ENTERPRISES** – Revenues derived from a service to students, faculty, or staff in which a fee is charged that is directly related to, although not necessarily equal to the cost of the service (e.g., bookstores, dormitories, dining halls, snack bars, intercollegiate athletic programs, etc.).

**OTHER OPERATING REVENUES** – Other revenues generated from sales or services provided to meet current fiscal year operating expenses, which are not included in the preceding categories. Also included in this category are, Texas Incentives for Physician and Professional Services (TIPPS) and Comprehensive Hospital Increase Reimbursement Program (CHIRP) programs. TIPPS is a directed payment program for certain physician practice groups providing health care services to children and adults enrolled in the State of Texas’ STAR, STAR+PLUS and STAR Kids Medicaid managed care programs. CHIRP is a statewide program that provides for increased Medicaid payments to hospitals for inpatient and outpatient services provided to persons with Medicaid.

### **Operating Expenses:**

**NATURAL CLASSIFICATION** - A natural expense classification is a method of grouping expenses according to the type of costs that are incurred. The classifications indicate what was purchased rather than why an expense was incurred. Categories included are Compensation-Faculty; Compensation-Non-Faculty; Wages; Benefits; Utilities; Scholarships and Fellowships; Operations, Maintenance, and Travel; and Depreciation and Amortization.

**FUNCTIONAL CLASSIFICATION** – A presentation method for expenses under which expenses are aggregated and reported by the activities for which they were incurred. The classifications indicate why an expense was incurred rather than what was purchased. Functional classification definitions are set by the National Association of College and University Business Officers.

## GLOSSARY OF TERMS (CONTINUED)

**INSTRUCTION AND ACADEMIC SUPPORT** – Expenditures for salaries, wages, and all other costs related to those engaged in the teaching function including operating costs of instructional departments. This would include the salaries of faculty, teaching assistants, lecturers, and teaching equipment. Library materials and related salaries are also included.

**RESEARCH** – Expenditures for salaries and wages and other costs associated with the support of research conducted by faculty members.

**PUBLIC SERVICE** – Expenditures for activities providing noninstructional services beneficial to individuals and groups external to the institution (e.g., conferences, institutes such as the Institute for Texan Cultures, general advisory services, reference bureaus, radio, and television).

**HOSPITALS AND CLINICS** – Expenditures of U. T. health-related institutions with teaching hospital affiliations for costs associated with providing patient care and operating the entity (i.e., labs, pharmacies, personnel salaries, etc.).

**INSTITUTIONAL SUPPORT** – Expenditures for central executive-level activities concerned with management and long-range planning for the entire institution, such as the governing board, planning and programming, and legal services; fiscal operations, including the investment office; administrative data processing; space management; employee personnel and records; logistical activities that provide procurement, storerooms, printing, and transportation services to the institution; support services to faculty and staff that are not operated as auxiliary enterprises; and activities concerned with community and alumni relations, including development and fund raising.

**STUDENT SERVICES** – Expenditures for offices of admissions and of the registrar and activities with the primary purpose of contributing to students' emotional and physical well-being and intellectual, cultural, and social development outside the context of the formal instruction program.

**OPERATION AND MAINTENANCE OF PLANT** – Expenditures of current operating funds for the operation and maintenance of the physical plant. This includes all expenditures for operations established to provide services and maintenance related to grounds and facilities. Also included are utilities, fire protection, property insurance, and similar items. Specifically included are: salaries, wages, supplies materials, and other expenses necessary to keep each building in good repair and usable condition. Also includes expenses necessary to keep the buildings in a clean and sanitary condition, provide upkeep of all lands designated as campus proper (improved and unimproved) not occupied by actual buildings.

**SCHOLARSHIPS AND FELLOWSHIPS** – Expenditures for scholarships and fellowships in the form of grants to students resulting from selection by the institution or from an entitlement program. Amounts reported are net of the effects of tuition discounting.

**AUXILIARY ENTERPRISES** – Expenditures of essentially self-supporting institution enterprises (e.g., bookstores, dormitories, inter-collegiate athletic programs, etc.).

**DEPRECIATION AND AMORTIZATION** – A noncash expense that reduces the value of a capital asset as a result of wear and tear, age, or obsolescence. Also includes amortization expense, which is the gradual elimination of a liability in regular payments over a specified period of time. Also included is amortization of right-of-use assets in accordance with GASB guidance on accounting for leases and SBITA.

## GLOSSARY OF TERMS (CONTINUED)

### **Nonoperating Revenues (Expenses):**

STATE APPROPRIATIONS – Appropriations from the State of Texas General Revenue Fund, which supplement the U. T. institutional revenue in meeting operating expenses, such as faculty salaries, utilities, and institutional support. The category also includes estimated state-paid fringe benefits costs. Although appropriated to each institution, funding for debt service on CCAP bonds has been budgeted at U. T. System Administration, where the debt service is actually paid.

FEDERAL SPONSORED PROGRAMS - NONOPERATING – Funding received from the federal government for which no exchange of goods or services is perceived to have occurred. This typically includes federal Pell Grants and other miscellaneous federal awards from the State of Texas.

STATE AND LOCAL SPONSORED PROGRAMS - NONOPERATING – Funding received from state or local governments for which no exchange of goods or services is perceived to have occurred. This typically includes Texas Research Incentive Program awards from the State of Texas and funding for the U. T. Austin Dell Medical School provided by the local health care district.

GIFTS IN SUPPORT OF OPERATIONS – Consist of public and private gifts used in current operations, excluding gifts for capital acquisition and endowment gifts.

NET INVESTMENT INCOME – Interest and dividend income, Long Term Fund and Permanent Health Fund distributions paid from current year income and patent and royalty income. The U. T. System share of distributions from the PUF to the AUF are also included for budget purposes.

OTHER NONOPERATING REVENUES (EXPENSES) – Revenues and expenses not directly associated with the primary missions of System institutions and not included in another category.

### **Transfers and Other:**

AUF/APPROPRIATION TRANSFERS RECEIVED FOR OPERATIONS – State Appropriation or Available University Fund (AUF) transfers received from U. T. System Administration or other state agencies that are used to finance operational expenses included in this budget. This line item includes appropriation transfers received by institutions such as state Hazlewood and Texas Child Mental Health Care Consortium support. AUF and Appropriation Transfers Received for Operations are included in budgeted “revenue” in order to be incorporated into margin calculations.

AUF TRANSFERS (MADE) for Operations – Transfers made from U. T. System Administration’s AUF primarily used to finance excellence at U. T. Austin and general administration at U. T. System Administration. To allow revenue totals to balance Systemwide, AUF Transfers Made are reported as a contra-revenue at U. T. System Administration.

TRANSFERS FOR DEBT SERVICE – INTEREST/LEASE/SBITA INTEREST – Reflects debt service activity at all U. T. institutions and includes only the interest portion of mandatory debt service transfers under the Revenue Financing System, CCAP bond and Permanent University Fund (PUF) bond programs. Also reported on this line is the reclassified portion of GASB 87 capitalized lease and SBITA activity that is attributable to interest.





# **THE UNIVERSITY OF TEXAS SYSTEM INSTITUTION BUDGET HIGHLIGHTS AND BUDGET SUMMARIES**

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**The University of Texas System**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 3,252,775,727	3,127,443,912	3,232,281,342	104,837,430	3.4%
Less Discounts and Allowances	(974,710,827)	(872,977,843)	(971,028,489)	(98,050,646)	11.2%
Federal Sponsored Programs	2,575,799,670	2,312,303,222	2,807,255,134	494,951,912	21.4%
State Sponsored Programs	490,870,593	487,905,578	497,053,496	9,147,918	1.9%
Local and Private Sponsored Programs	2,557,625,187	2,481,172,606	2,741,378,681	260,206,075	10.5%
Net Sales and Services of Educational Activities	655,885,905	528,200,334	577,615,052	49,414,718	9.4%
Net Sales and Services of Hospital and Clinics	10,714,323,071	10,388,559,469	11,733,286,753	1,344,727,284	12.9%
Net Professional Fees	2,756,195,423	2,646,588,729	2,800,164,472	153,575,743	5.8%
Net Auxiliary Enterprises	805,175,175	776,763,644	818,522,739	41,759,095	5.4%
Other Operating Revenues	760,270,155	700,922,288	779,241,892	78,319,604	11.2%
<b>Total Operating Revenues</b>	<b>23,594,210,079</b>	<b>22,576,881,939</b>	<b>25,015,771,072</b>	<b>2,438,889,133</b>	<b>10.8%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	4,956,852,536	4,807,521,192	5,213,929,089	406,407,897	8.5%
Compensation - Non-Faculty	8,294,857,769	7,850,963,276	8,700,332,952	849,369,676	10.8%
Wages	494,418,442	502,175,390	508,669,175	6,493,785	1.3%
Benefits	3,592,807,303	3,504,443,987	3,866,143,850	361,699,863	10.3%
Personnel Costs	17,338,936,050	16,665,103,845	18,289,075,066	1,623,971,221	9.7%
Utilities	328,487,192	336,058,739	348,528,924	12,470,185	3.7%
Scholarships and Fellowships	1,615,752,203	1,524,441,296	1,675,830,375	151,389,079	9.9%
Less Discounts and Allowances	(980,196,093)	(883,714,680)	(979,231,495)	(95,516,815)	10.8%
Operations, Maintenance and Travel	8,989,903,129	9,818,672,830	10,605,314,123	786,641,293	8.0%
Less Capitalized Portion and Cap Lease/SBITA	(870,424,113)	(1,661,736,724)	(1,669,306,773)	(7,570,049)	0.5%
Depreciation and Amortization	1,866,262,741	1,865,165,291	1,960,944,408	95,779,117	5.1%
<b>Total Operating Expenses</b>	<b>28,288,721,109</b>	<b>27,663,990,597</b>	<b>30,231,154,628</b>	<b>2,567,164,031</b>	<b>9.3%</b>
<b>Operating Surplus/Deficit</b>	<b>(4,694,511,030)</b>	<b>(5,087,108,658)</b>	<b>(5,215,383,556)</b>	<b>(128,274,898)</b>	<b>2.5%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	2,965,561,017	2,963,447,614	2,925,690,720	(37,756,894)	-1.3%
Federal Sponsored Programs (Nonoperating)	545,482,904	480,929,380	545,030,769	64,101,389	13.3%
State/Local Sponsored Programs (Nonoperating)	53,913,114	42,815,614	45,818,299	3,002,685	7.0%
Gifts in Support of Operations	632,827,641	584,876,143	662,479,480	77,603,337	13.3%
Net Investment Income	2,628,620,947	2,421,555,817	2,606,573,494	185,017,677	7.6%
Other Non-Operating Revenue	-	564,600	881,989	317,389	56.2%
Other Non-Operating (Expenses)	-	(100,000)	-	100,000	-100.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>6,826,645,623</b>	<b>6,494,089,168</b>	<b>6,786,474,751</b>	<b>292,385,583</b>	<b>4.5%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	780,608,238	759,096,421	834,075,874	74,979,453	9.9%
AUF/Approp/Other Transfers (Made) for Operations	(710,156,333)	(655,156,333)	(662,378,900)	(7,222,567)	1.1%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(495,107,075)	(558,577,226)	(622,013,375)	(63,436,149)	11.4%
<b>Total Transfers and Other</b>	<b>(424,655,170)</b>	<b>(454,637,138)</b>	<b>(450,316,401)</b>	<b>4,320,737</b>	<b>-1.0%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 1,707,479,423</b>	<b>952,343,372</b>	<b>1,120,774,794</b>	<b>168,431,422</b>	<b>17.7%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 30,491,307,607</b>	<b>29,175,011,195</b>	<b>31,973,942,797</b>	<b>2,798,931,602</b>	<b>9.6%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(28,783,828,184)</b>	<b>(28,222,667,823)</b>	<b>(30,853,168,003)</b>	<b>(2,630,500,180)</b>	<b>9.3%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 1,707,479,423</b>	<b>952,343,372</b>	<b>1,120,774,794</b>	<b>168,431,422</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		1,865,165,291	1,960,944,408		
Capital Outlay		(1,494,257,269)	(1,495,734,744)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(829,479,332)	(848,760,240)		
Budgeted Transfers		(41,349,395)	(68,064,501)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>452,422,667</b>	<b>669,159,717</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**The University of Texas System**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 6,014,227,263	5,774,259,353	6,253,024,201	478,764,848	8.3%
Academic Support	1,445,926,125	1,517,405,009	1,551,789,938	34,384,929	2.3%
Research	3,623,725,111	3,441,103,734	3,862,632,697	421,528,963	12.2%
Public Service	530,425,713	477,615,604	563,646,408	86,030,804	18.0%
Hospitals and Clinics	10,762,981,860	10,449,990,502	11,741,596,597	1,291,606,095	12.4%
Institutional Support	1,224,263,677	1,361,665,112	1,353,304,006	(8,361,106)	-0.6%
Student Services	385,499,486	344,734,844	376,069,765	31,334,921	9.1%
Operations and Maintenance of Plant	1,001,257,744	996,039,528	1,015,413,049	19,373,521	1.9%
Scholarships and Fellowships	567,922,992	604,744,161	654,341,112	49,596,951	8.2%
Auxiliary Enterprises	871,123,300	831,267,459	898,392,447	67,124,988	8.1%
Depreciation and Amortization	1,861,367,838	1,865,165,291	1,960,944,408	95,779,117	5.1%
<b>Total Operating Expenses</b>	<b>\$ 28,288,721,109</b>	<b>27,663,990,597</b>	<b>30,231,154,628</b>	<b>2,567,164,031</b>	<b>9.3%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 9,863,679,885	10,322,875,643	459,195,758	4.7%	
Designated	12,136,189,651	13,798,040,647	1,661,850,996	13.7%	
Auxiliary	1,003,562,336	1,045,880,401	42,318,065	4.2%	
Available University Fund	831,196,337	894,487,567	63,291,230	7.6%	
Restricted	4,033,254,120	4,537,789,660	504,535,540	12.5%	
Unexpended Plant	1,272,729,872	1,220,106,720	(52,623,152)	-4.1%	
Subtotal - Expenditures (All Funds)	29,564,953,813	32,215,950,074	2,650,996,261	9.0%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(883,714,680)	(979,231,495)	(95,516,815)	10.8%	
Depreciation	1,865,165,291	1,960,944,408	95,779,117	5.1%	
Capital Outlay	(1,494,257,269)	(1,495,734,744)	(1,477,475)	0.1%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(829,479,332)	(848,760,240)	(19,280,908)	2.3%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 28,222,667,823</b>	<b>30,853,168,003</b>	<b>2,630,500,180</b>	<b>9.3%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

**The University of Texas Academic Institutions**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 3,020,575,305	2,897,089,481	2,990,374,458	93,284,977	3.2%
Less Discounts and Allowances	(958,782,571)	(859,622,597)	(951,049,797)	(91,427,200)	10.6%
Federal Sponsored Programs	1,122,713,677	931,323,545	1,253,279,561	321,956,016	34.6%
State Sponsored Programs	310,908,882	296,086,519	308,128,419	12,041,900	4.1%
Local and Private Sponsored Programs	334,172,047	331,875,073	344,044,059	12,168,986	3.7%
Net Sales and Services of Educational Activities	531,274,612	444,066,271	477,674,840	33,608,569	7.6%
Net Sales and Services of Hospital and Clinics	5,500,000	4,300,000	6,930,250	2,630,250	61.2%
Net Professional Fees	33,034,348	30,661,294	39,644,526	8,983,232	29.3%
Net Auxiliary Enterprises	676,910,005	651,642,258	672,590,875	20,948,617	3.2%
Other Operating Revenues	48,043,499	49,150,564	87,547,913	38,397,349	78.1%
<b>Total Operating Revenues</b>	<b>5,124,349,804</b>	<b>4,776,572,408</b>	<b>5,229,165,104</b>	<b>452,592,696</b>	<b>9.5%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	1,422,511,289	1,368,830,849	1,446,461,196	77,630,347	5.7%
Compensation - Non-Faculty	2,221,478,938	2,090,321,101	2,269,633,944	179,312,843	8.6%
Wages	212,661,460	214,397,942	209,837,528	(4,560,414)	-2.1%
Benefits	1,045,368,073	1,061,501,709	1,103,835,547	42,333,838	4.0%
Personnel Costs	4,902,019,760	4,735,051,601	5,029,768,215	294,716,614	6.2%
Utilities	173,012,202	165,016,943	173,075,607	8,058,664	4.9%
Scholarships and Fellowships	1,562,440,547	1,458,480,352	1,610,140,792	151,660,440	10.4%
Less Discounts and Allowances	(964,267,837)	(870,359,434)	(959,252,803)	(88,893,369)	10.2%
Operations, Maintenance and Travel	1,976,898,615	2,154,664,534	2,374,797,615	220,133,081	10.2%
Less Capitalized Portion and Cap Lease/SBITA	(159,700,582)	(220,821,663)	(283,450,309)	(62,628,646)	28.4%
Depreciation and Amortization	803,959,209	790,656,919	833,340,810	42,683,891	5.4%
<b>Total Operating Expenses</b>	<b>8,294,361,914</b>	<b>8,212,689,252</b>	<b>8,778,419,927</b>	<b>565,730,675</b>	<b>6.9%</b>
<b>Operating Surplus/Deficit</b>	<b>(2,825,458,822)</b>	<b>(2,941,734,294)</b>	<b>(3,441,643,191)</b>	<b>(499,908,897)</b>	<b>17.0%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	1,369,110,096	1,354,153,246	1,348,754,688	(5,398,558)	-0.4%
Federal Sponsored Programs (Nonoperating)	520,749,796	458,508,719	528,060,181	69,551,462	15.2%
State/Local Sponsored Programs (Nonoperating)	41,913,114	42,815,614	45,818,299	3,002,685	7.0%
Gifts in Support of Operations	365,448,976	324,119,564	372,092,930	47,973,366	14.8%
Net Investment Income	586,163,286	543,843,055	597,761,911	53,918,856	9.9%
Other Non-Operating Revenue	-	464,600	881,989	417,389	89.8%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>2,883,625,268</b>	<b>2,723,904,798</b>	<b>2,893,369,998</b>	<b>169,465,200</b>	<b>6.2%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	535,262,404	564,879,720	619,657,431	54,777,711	9.7%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(144,352,465)	(136,425,784)	(156,469,690)	(20,043,906)	14.7%
<b>Total Transfers and Other</b>	<b>390,909,939</b>	<b>428,453,936</b>	<b>463,187,741</b>	<b>34,733,805</b>	<b>8.1%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 104,523,097</b>	<b>(283,758,110)</b>	<b>(192,697,084)</b>	<b>91,061,026</b>	<b>-32.1%</b>
Total Revenues and AUF/Approp/Other Operating Trsfrs	\$ 8,543,237,476	8,065,356,926	8,742,192,533	676,835,607	8.4%
Total Expenses (Including Transfers for Interest)	(8,438,714,379)	(8,349,115,036)	(8,934,889,617)	(585,774,581)	7.0%
<b>Budget Margin (Deficit)</b>	<b>\$ 104,523,097</b>	<b>(283,758,110)</b>	<b>(192,697,084)</b>	<b>91,061,026</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		790,656,919	833,340,810		
Capital Outlay		(189,147,537)	(248,138,824)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(169,724,965)	(173,002,487)		
Budgeted Transfers		(38,093,038)	(60,473,533)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>109,933,269</b>	<b>159,028,882</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

**The University of Texas Academic Institutions  
Operating Budget - Operating Expenses by Function  
Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 2,201,004,687	2,228,351,878	2,337,209,110	108,857,232	4.9%
Academic Support	911,450,138	971,432,528	980,734,165	9,301,637	1.0%
Research	1,294,194,291	1,148,196,318	1,375,365,059	227,168,741	19.8%
Public Service	217,881,445	199,711,777	237,498,190	37,786,413	18.9%
Hospitals and Clinics	221,084,271	188,581,363	219,976,074	31,394,711	16.6%
Institutional Support	533,996,158	634,403,440	596,630,633	(37,772,807)	-6.0%
Student Services	350,374,255	309,436,724	339,433,241	29,996,517	9.7%
Operations and Maintenance of Plant	477,101,625	463,221,209	470,230,148	7,008,939	1.5%
Scholarships and Fellowships	523,777,228	556,997,049	612,706,720	55,709,671	10.0%
Auxiliary Enterprises	764,433,510	721,700,047	775,295,777	53,595,730	7.4%
Depreciation and Amortization	799,064,306	790,656,919	833,340,810	42,683,891	5.4%
<b>Total Operating Expenses</b>	<b>\$ 8,294,361,914</b>	<b>8,212,689,252</b>	<b>8,778,419,927</b>	<b>565,730,675</b>	<b>6.9%</b>

**Operating Budget - Expenditures by Fund  
Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 2,224,718,482	2,108,179,029	(116,539,453)	-5.2%	
Designated	3,156,055,803	3,566,283,214	410,227,411	13.0%	
Auxiliary	864,112,840	897,132,904	33,020,064	3.8%	
Available University Fund	517,377,000	557,842,000	40,465,000	7.8%	
Restricted	2,007,764,402	2,327,359,972	319,595,570	15.9%	
Unexpended Plant	17,661,526	25,145,802	7,484,276	42.4%	
Subtotal - Expenditures (All Funds)	8,787,690,053	9,481,942,921	694,252,868	7.9%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(870,359,434)	(959,252,803)	(88,893,369)	10.2%	
Depreciation	790,656,919	833,340,810	42,683,891	5.4%	
Capital Outlay	(189,147,537)	(248,138,824)	(58,991,287)	31.2%	
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin	(169,724,965)	(173,002,487)	(3,277,522)	1.9%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 8,349,115,036</b>	<b>8,934,889,617</b>	<b>585,774,581</b>	<b>7.0%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

**The University of Texas Health-Related Institutions**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 232,200,422	230,354,431	241,906,884	11,552,453	5.0%
Less Discounts and Allowances	(15,928,256)	(13,355,246)	(19,978,692)	(6,623,446)	49.6%
Federal Sponsored Programs	1,423,910,036	1,344,441,344	1,512,975,573	168,534,229	12.5%
State Sponsored Programs	167,777,957	180,122,265	188,925,077	8,802,812	4.9%
Local and Private Sponsored Programs	2,222,578,376	2,148,951,063	2,396,865,212	247,914,149	11.5%
Net Sales and Services of Educational Activities	121,871,057	81,078,497	96,454,246	15,375,749	19.0%
Net Sales and Services of Hospital and Clinics	10,708,823,071	10,384,259,469	11,726,356,503	1,342,097,034	12.9%
Net Professional Fees	2,723,161,075	2,615,927,435	2,760,519,946	144,592,511	5.5%
Net Auxiliary Enterprises	128,265,170	125,121,386	145,931,864	20,810,478	16.6%
Other Operating Revenues	707,987,777	646,453,116	686,324,282	39,871,166	6.2%
<b>Total Operating Revenues</b>	<b>18,420,646,685</b>	<b>17,743,353,760</b>	<b>19,736,280,895</b>	<b>1,992,927,135</b>	<b>11.2%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	3,534,341,247	3,438,690,343	3,767,467,893	328,777,550	9.6%
Compensation - Non-Faculty	6,032,159,552	5,718,396,332	6,386,348,850	667,952,518	11.7%
Wages	281,756,982	286,476,137	297,476,000	10,999,863	3.8%
Benefits	2,535,629,742	2,431,437,673	2,749,666,378	318,228,705	13.1%
Personnel Costs	12,383,887,523	11,875,000,485	13,200,959,121	1,325,958,636	11.2%
Utilities	155,321,709	171,041,796	175,453,317	4,411,521	2.6%
Scholarships and Fellowships	53,134,887	63,710,444	63,344,083	(366,361)	-0.6%
Less Discounts and Allowances	(15,928,256)	(13,355,246)	(19,978,692)	(6,623,446)	49.6%
Operations, Maintenance and Travel	6,899,892,353	7,502,771,504	8,080,624,488	577,852,984	7.7%
Less Capitalized Portion and Cap Lease/SBITA	(709,987,974)	(1,434,175,268)	(1,376,089,229)	58,086,039	-4.1%
Depreciation and Amortization	1,038,618,868	1,056,919,569	1,106,810,326	49,890,757	4.7%
<b>Total Operating Expenses</b>	<b>19,804,939,110</b>	<b>19,221,913,284</b>	<b>21,231,123,414</b>	<b>2,009,210,130</b>	<b>10.5%</b>
<b>Operating Surplus/Deficit</b>	<b>(1,384,292,425)</b>	<b>(1,478,559,524)</b>	<b>(1,494,842,519)</b>	<b>(16,282,995)</b>	<b>1.1%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	1,323,338,441	1,317,177,970	1,320,330,012	3,152,042	0.2%
Federal Sponsored Programs (Nonoperating)	20,391,300	22,420,661	16,970,588	(5,450,073)	-24.3%
State/Local Sponsored Programs (Nonoperating)	12,000,000	-	-	-	0.0%
Gifts in Support of Operations	267,180,093	260,456,579	289,936,550	29,479,971	11.3%
Net Investment Income	922,790,324	821,623,293	884,870,704	63,247,411	7.7%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>2,545,700,158</b>	<b>2,421,678,503</b>	<b>2,512,107,854</b>	<b>90,429,351</b>	<b>3.7%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	60,156,501	62,041,487	77,006,543	14,965,056	24.1%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(163,787,398)	(158,719,929)	(180,442,943)	(21,723,014)	13.7%
<b>Total Transfers and Other</b>	<b>(103,630,897)</b>	<b>(96,678,442)</b>	<b>(103,436,400)</b>	<b>(6,757,958)</b>	<b>7.0%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 1,057,776,836</b>	<b>846,440,537</b>	<b>913,828,935</b>	<b>67,388,398</b>	<b>8.0%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 21,026,503,344</b>	<b>20,227,073,750</b>	<b>22,325,395,292</b>	<b>2,098,321,542</b>	<b>10.4%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(19,968,726,508)</b>	<b>(19,380,633,213)</b>	<b>(21,411,566,357)</b>	<b>(2,030,933,144)</b>	<b>10.5%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 1,057,776,836</b>	<b>846,440,537</b>	<b>913,828,935</b>	<b>67,388,398</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		1,056,919,569	1,106,810,326		
Capital Outlay		(1,304,109,732)	(1,246,595,920)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(335,283,420)	(363,062,741)		
Budgeted Transfers		925,605	(3,176,307)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>264,892,559</b>	<b>407,804,293</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

**The University of Texas Health-Related Institutions  
Operating Budget - Operating Expenses by Function  
Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 3,813,222,576	3,545,907,475	3,915,815,091	369,907,616	10.4%
Academic Support	513,348,403	525,178,267	548,687,906	23,509,639	4.5%
Research	2,329,530,820	2,272,907,416	2,487,267,638	214,360,222	9.4%
Public Service	308,187,627	273,782,446	321,731,325	47,948,879	17.5%
Hospitals and Clinics	10,541,897,589	10,261,409,139	11,521,620,523	1,260,211,384	12.3%
Institutional Support	555,624,247	562,628,509	584,978,618	22,350,109	4.0%
Student Services	35,125,231	35,298,120	36,636,524	1,338,404	3.8%
Operations and Maintenance of Plant	518,966,298	532,818,319	545,182,901	12,364,582	2.3%
Scholarships and Fellowships	43,727,661	45,496,612	39,295,892	(6,200,720)	-13.6%
Auxiliary Enterprises	106,689,790	109,567,412	123,096,670	13,529,258	12.3%
Depreciation and Amortization	1,038,618,868	1,056,919,569	1,106,810,326	49,890,757	4.7%
<b>Total Operating Expenses</b>	<b>\$ 19,804,939,110</b>	<b>19,221,913,284</b>	<b>21,231,123,414</b>	<b>2,009,210,130</b>	<b>10.5%</b>

**Operating Budget - Expenditures by Fund  
Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
			Amount	Percent
Educational and General	\$ 7,638,961,403	8,214,696,614	575,735,211	7.5%
Designated	8,958,527,998	10,210,264,038	1,251,736,040	14.0%
Auxiliary	139,449,496	148,747,497	9,298,001	6.7%
Available University Fund	-	-	-	0.0%
Restricted	1,984,454,799	2,165,724,317	181,269,518	9.1%
Unexpended Plant	1,255,068,346	1,194,960,918	(60,107,428)	-4.8%
Subtotal - Expenditures (All Funds)	19,976,462,042	21,934,393,384	1,957,931,342	9.8%
<b>Reconciling Adjustments:</b>				
Tuition Discounting	(13,355,246)	(19,978,692)	(6,623,446)	49.6%
Depreciation	1,056,919,569	1,106,810,326	49,890,757	4.7%
Capital Outlay	(1,304,109,732)	(1,246,595,920)	57,513,812	-4.4%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(335,283,420)	(363,062,741)	(27,779,321)	8.3%
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 19,380,633,213</b>	<b>21,411,566,357</b>	<b>2,030,933,144</b>	<b>10.5%</b>

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**SYSTEM ADMINISTRATION**



**The University of Texas System Administration**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

For 140 years, The University of Texas System has improved the lives of Texans and people all over the world through education, health care, and research. Under the direction of the U. T. System Board of Regents and the Chancellor, U. T. System Administration supports this commitment by fulfilling the statutory roles of oversight and coordination.

Although the inaugural \$20 million biennial state appropriation for the new Trauma Research and Combat Casualty Care Collaborative (TRC4) program was received in FY 2024 and subsequently transferred to the U. T. Health Science Center - San Antonio, U. T. System Administration continues administrative support of this project in FY 2025. TRC4 is creating opportunities surrounding groundbreaking trauma research, product development, and preventative measures across U. T. institutions and includes strategic collaborations with the Department of Defense and other federal agencies. U. T. System Administration also continues to expand efforts in Laredo through The University of Texas Center at Laredo. Under the oversight of U. T. System Administration, the U. T. Center at Laredo harnesses the collective power of U. T. Health Science Center - San Antonio, U. T. Health Science Center - Houston, U. T. Rio Grande Valley, U. T. San Antonio, and U. T. Medical Branch - Galveston to offer extensive degree and certification programs tailored to meet the healthcare and educational demands in a region that has doubled in size over the past 20 years.

Annually, the U. T. System Administration budget is built on recurring Available University Fund (AUF) requirements to fund core operations of \$61.1 million (4.1 percent increase) and support that provides direct benefit to institutions of \$76.4 million (6.8 percent increase). Core operations include costs necessary to directly fulfill U. T. System Administration's role of oversight and coordination. Similar to the academic and health institutions, costs are increasing to maintain competitive salaries and related benefits, including employer contributions for health insurance. For U. T. System Administration these expenses comprise 77 percent of the core AUF budget. The goal of maintaining lean core operations and focusing AUF increases on programmatic and campus support areas continue. Growth of FY 2025 AUF support directly benefiting institutions results from risk insurance premium increases of approximately 20 percent for plans covering property, cyber, crime, and other liability plans. In addition, cost increases for Systemwide information technology products such as Microsoft and Oracle contributed.

**Revenue**

The FY 2025 \$906.4 million revenue budget includes an increase of \$23.8 million, or 2.7 percent, in total revenues and transfers over the FY 2024 budget. Revenue decreases for FY 2025 pertain to the receipt of full biennial funding in FY 2024 for both the Joint Admission Medical Program (\$11.7 million) reflected as State Sponsored Program revenue from the Texas Higher Education Coordinating Board and the TRC4 (\$20 million) funded from direct state appropriations. An additional \$15.5 million decline in state appropriations needed for for Capital Construction Assistance Projects (CCAP) debt payments contributes to the overall decrease. These revenue reductions are offset with increases in AUF net investment income of \$33.4 million retained by U. T. System Administration and additional federal funding for the Employer Group Waiver Plan subsidy of \$4.5 million.

**Expenses**

The FY 2025 \$506.7 million expense budget includes an increase of \$13.8 million, or 2.8 percent, in total expenses and transfers over the FY 2024 budget. Increases in interest on Permanent University Fund debt of \$30 million offset by decreases in interest on CCAP debt of \$8.2 million have the most significant impact on the FY 2025 expense budget with a net 8.2 percent increase over prior year. Overall compensation, including benefits, is expected to rise \$3.3 million or 6.0 percent. This includes a proposed compensation pool allocated at 3 percent for merit with additional amounts for market and equity adjustments and limited new positions. Core operations reflect minimal increases for operating expense and continue to focus on staffing. Other increases related to direct support for the institutions (\$4.9 million), federal subsidy programs (\$4.5 million), and depreciation and amortization (\$3.2 million) but are offset by the prior year use of the \$20 million appropriation for TRC4 which was fully budgeted and transferred to U. T. Health Science Center - San Antonio in that year. The U. T. Center at Laredo is budgeted at \$6.3 million which includes the FY 2025 appropriation of \$5.9 million plus a portion of the FY 2024 appropriation carried forward for the difference.

**The University of Texas System Administration**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ -	-	-	-	0.0%
Less Discounts and Allowances	-	-	-	-	0.0%
Federal Sponsored Programs	29,175,957	36,538,333	41,000,000	4,461,667	12.2%
State Sponsored Programs	12,183,754	11,696,794	-	(11,696,794)	-100.0%
Local and Private Sponsored Programs	874,764	346,470	469,410	122,940	35.5%
Net Sales and Services of Educational Activities	2,740,236	3,055,566	3,485,966	430,400	14.1%
Net Sales and Services of Hospital and Clinics	-	-	-	-	0.0%
Net Professional Fees	-	-	-	-	0.0%
Net Auxiliary Enterprises	-	-	-	-	0.0%
Other Operating Revenues	4,238,879	5,318,608	5,369,697	51,089	1.0%
<b>Total Operating Revenues</b>	<b>49,213,590</b>	<b>56,955,771</b>	<b>50,325,073</b>	<b>(6,630,698)</b>	<b>-11.6%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	-	-	-	-	0.0%
Compensation - Non-Faculty	41,219,279	42,245,843	44,350,158	2,104,315	5.0%
Wages	-	1,301,311	1,355,647	54,336	4.2%
Benefits	11,809,488	11,504,605	12,641,925	1,137,320	9.9%
Personnel Costs	53,028,767	55,051,759	58,347,730	3,295,971	6.0%
Utilities	153,281	-	-	-	0.0%
Scholarships and Fellowships	176,769	2,250,500	2,345,500	95,000	4.2%
Less Discounts and Allowances	-	-	-	-	0.0%
Operations, Maintenance and Travel	113,112,161	161,236,792	149,892,020	(11,344,772)	-7.0%
Less Capitalized Portion and Cap Lease/SBITA	(735,557)	(6,739,793)	(9,767,235)	(3,027,442)	44.9%
Depreciation and Amortization	23,684,664	17,588,803	20,793,272	3,204,469	18.2%
<b>Total Operating Expenses</b>	<b>189,420,085</b>	<b>229,388,061</b>	<b>221,611,287</b>	<b>(7,776,774)</b>	<b>-3.4%</b>
<b>Operating Surplus/Deficit</b>	<b>(140,206,495)</b>	<b>(172,432,290)</b>	<b>(171,286,214)</b>	<b>1,146,076</b>	<b>-0.7%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	273,112,480	292,116,398	256,606,020	(35,510,378)	-12.2%
Federal Sponsored Programs (Nonoperating)	4,341,808	-	-	-	0.0%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	0.0%
Gifts in Support of Operations	198,572	300,000	450,000	150,000	50.0%
Net Investment Income	1,119,667,337	1,056,089,469	1,123,940,879	67,851,410	6.4%
Other Non-Operating Revenue	-	100,000	-	(100,000)	-100.0%
Other Non-Operating (Expenses)	-	(100,000)	-	100,000	-100.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>1,397,320,197</b>	<b>1,348,505,867</b>	<b>1,380,996,899</b>	<b>32,491,032</b>	<b>2.4%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	185,189,333	132,175,214	137,411,900	5,236,686	4.0%
AUF/Approp/Other Transfers (Made) for Operations	(710,156,333)	(655,156,333)	(662,378,900)	(7,222,567)	1.1%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(186,967,212)	(263,431,513)	(285,100,742)	(21,669,229)	8.2%
<b>Total Transfers and Other</b>	<b>(711,934,212)</b>	<b>(786,412,632)</b>	<b>(810,067,742)</b>	<b>(23,655,110)</b>	<b>3.0%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 545,179,490</b>	<b>389,660,945</b>	<b>399,642,943</b>	<b>9,981,998</b>	<b>2.6%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 921,566,787</b>	<b>882,580,519</b>	<b>906,354,972</b>	<b>23,774,453</b>	<b>2.7%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(376,387,297)</b>	<b>(492,919,574)</b>	<b>(506,712,029)</b>	<b>(13,792,455)</b>	<b>2.8%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 545,179,490</b>	<b>389,660,945</b>	<b>399,642,943</b>	<b>9,981,998</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		17,588,803	20,793,272		
Capital Outlay		(1,000,000)	(1,000,000)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(324,470,947)	(312,695,012)		
Budgeted Transfers		(4,181,962)	(4,414,661)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>77,596,839</b>	<b>102,326,542</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**The University of Texas System Administration**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ -	-	-	-	0.0%
Academic Support	21,127,584	20,794,214	22,367,867	1,573,653	7.6%
Research	-	20,000,000	-	(20,000,000)	-100.0%
Public Service	4,356,641	4,121,381	4,416,893	295,512	7.2%
Hospitals and Clinics	-	-	-	-	0.0%
Institutional Support	134,643,272	164,633,163	171,694,755	7,061,592	4.3%
Student Services	-	-	-	-	0.0%
Operations and Maintenance of Plant	5,189,821	-	-	-	0.0%
Scholarships and Fellowships	418,103	2,250,500	2,338,500	88,000	3.9%
Auxiliary Enterprises	-	-	-	-	0.0%
Depreciation and Amortization	23,684,664	17,588,803	20,793,272	3,204,469	18.2%
<b>Total Operating Expenses</b>	<b>\$ 189,420,085</b>	<b>229,388,061</b>	<b>221,611,287</b>	<b>(7,776,774)</b>	<b>-3.4%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 160,298,282	396,769,436	236,471,154	147.5%	
Designated	21,605,850	21,493,395	(112,455)	-0.5%	
Auxiliary	-	-	-	0.0%	
Available University Fund	313,819,337	336,645,567	22,826,230	7.3%	
Restricted	41,034,919	44,705,371	3,670,452	8.9%	
Unexpended Plant	-	-	-	0.0%	
Subtotal - Expenditures (All Funds)	800,801,718	799,613,769	262,855,381	32.8%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	-	-	-	0.0%	
Depreciation	17,588,803	20,793,272	3,204,469	18.2%	
Capital Outlay	(1,000,000)	(1,000,000)	-	0.0%	
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin	(324,470,947)	(312,695,012)	11,775,935	-3.6%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 492,919,574</b>	<b>506,712,029</b>	<b>277,835,785</b>	<b>56.4%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**AT ARLINGTON**



**The University of Texas at Arlington**  
**Operating Budget Highlights**  
**Fiscal Year Ending Aug 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

The University of Texas at Arlington has worked tirelessly to create a strategic plan that outlines the University's top priorities and goals over the next five years. The five Strategic Themes for guiding this growth are People and Culture, Student Success, Research and Innovation, Alumni and Community Engagement, and Finance and Infrastructure. U. T. Arlington is committed to making college education affordable and to providing access to exceptional academic programs. The operating budget was developed with emphasis on balancing instructional needs, operational and inflationary costs, strategic and aspirational themes, enrollment strategy, and compensation.

The FY 2025 operating budget was created through the desired outcomes of the strategic plan with these five thematic areas in mind. In people and culture, the desired outcomes are to focus on collaborative culture among faculty, staff, and students, motivated and highly developed employees, enhanced internal processes, including communication and decision making and strengthened leadership and teamwork through belonging and engagement. In student success, the desired outcomes are to achieved academic excellence and mastery of key concepts across multiple disciplines, enhanced academic, personal, social, and emotional development, students equipped with knowledge, skills, and mindset to succeed in college and beyond, and engaged students who positively impact the communities they live in. In alumni and community engagement, the desired outcomes are to engaged and active alumni base, strengthened brand awareness, increased philanthropic commitments, and coordinated efforts with the community. In research and innovation, the desired outcomes are increased visibility of interdisciplinary research, create work, and scholarship, strategic partnerships, and alliances to advance scholarship, vibrant research and innovation ecosystem within the University, improved research grant success rates, and increased research expenditures. In finance and infrastructure, the desired outcomes are effective processes that promote operational and strategic agility, optimized use of technology, accessible resources needed to advance the mission, and discipline financial stewardship.

**Revenue**

The FY 2025 \$920.8 million revenue budget includes an increase of \$64.5 million, or 7.5 percent, in total revenues and transfers over the FY 2024 budget. Net Tuition and Fee revenue is expected to increase by \$23.6 million. The tuition revenue change is driven by an increase in total semester credit hours (SCH) due to record First Time In College enrollment, increase in continuing and transfer undergraduates, rebound of online enrollment in Nursing, and a two percent increase in graduate tuition rates. An expected decline in non-resident graduate tuition does suppress the revenue growth. Mandatory fees are also expected to increase due to the change in Student Union Fees and projected increase in SCH.

Other revenue sources increases are expected to change due to the FY 2025 B-On-Time Fund and the FY 2025 National Research Support Fund matching allocation.

**Expenses**

The FY 2025 \$928.7 million expense budget includes an increase of \$48.0 million, or 5.5 percent, in total expenses and transfers over the FY 2024 budget. Budget increases are focused on market adjustments, increased benefits costs, utilities, and tenure and promotions.

U. T. Arlington has taken steps to control costs and minimize risks of potential economic factors. Cost containment strategies will continuously focus on areas where expenses can be reduced, and greater efficiencies achieved to enable a very high-quality education at an affordable cost. For FY 2025, U. T. Arlington will implement strategic reallocation of resources to continue to align resources with strategic objectives while also minimizing any potential impact on students.

**The University of Texas at Arlington**  
**Operating Budget**  
**Fiscal Year Ending Aug 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 521,994,457	484,548,132	516,042,152	31,494,020	6.5%
Less Discounts and Allowances	(130,790,377)	(121,137,033)	(129,010,538)	(7,873,505)	6.5%
Federal Sponsored Programs	79,233,699	79,233,699	86,880,554	7,646,855	9.7%
State Sponsored Programs	34,167,470	34,167,470	34,167,470	-	0.0%
Local and Private Sponsored Programs	15,325,000	15,325,000	15,325,002	2	0.0%
Net Sales and Services of Educational Activities	38,521,254	33,316,507	27,516,869	(5,799,638)	-17.4%
Net Sales and Services of Hospital and Clinics	-	-	-	-	-
Net Professional Fees	-	-	-	-	-
Net Auxiliary Enterprises	39,861,559	46,862,299	49,858,153	2,995,854	6.4%
Other Operating Revenues	5,698,979	5,963,827	38,966,819	33,002,992	553.4%
<b>Total Operating Revenues</b>	<b>604,012,041</b>	<b>578,279,901</b>	<b>639,746,481</b>	<b>61,466,580</b>	<b>10.6%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	156,583,873	162,904,575	165,074,951	2,170,376	1.3%
Compensation - Non-Faculty	181,546,646	189,298,154	192,260,984	2,962,830	1.6%
Wages	44,049,356	41,732,728	41,940,177	207,449	0.5%
Benefits	105,026,919	121,201,317	129,816,097	8,614,780	7.1%
Personnel Costs	487,206,794	515,136,774	529,092,209	13,955,435	2.7%
Utilities	11,891,842	10,495,131	11,144,944	649,813	6.2%
Scholarships and Fellowships	208,780,053	186,388,589	208,875,887	22,487,298	12.1%
Less Discounts and Allowances	(130,790,377)	(121,137,033)	(129,010,538)	(7,873,505)	6.5%
Operations, Maintenance and Travel	229,698,834	253,456,274	269,658,450	16,202,176	6.4%
Less Capitalized Portion and Cap Lease/SBITA	(29,890,121)	(29,890,122)	(30,189,020)	(298,898)	1.0%
Depreciation and Amortization	57,255,719	57,255,719	57,828,275	572,556	1.0%
<b>Total Operating Expenses</b>	<b>834,152,744</b>	<b>871,705,332</b>	<b>917,400,207</b>	<b>45,694,875</b>	<b>5.2%</b>
<b>Operating Surplus/Deficit</b>	<b>(230,140,703)</b>	<b>(293,425,431)</b>	<b>(277,653,726)</b>	<b>15,771,705</b>	<b>-5.4%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	169,233,071	169,233,071	169,637,611	404,540	0.2%
Federal Sponsored Programs (Nonoperating)	98,565,811	70,000,000	70,000,000	-	0.0%
State/Local Sponsored Programs (Nonoperating)	-	902,500	902,500	-	0.0%
Gifts in Support of Operations	11,085,363	4,280,411	5,566,382	1,285,971	30.0%
Net Investment Income	46,793,366	29,712,457	31,052,529	1,340,072	4.5%
Other Non-Operating Revenue	-	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>325,677,611</b>	<b>274,128,439</b>	<b>277,159,022</b>	<b>3,030,583</b>	<b>1.1%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	-	3,928,059	3,928,059	-	—%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(9,087,983)	(8,926,705)	(11,261,545)	(2,334,840)	26.2%
<b>Total Transfers and Other</b>	<b>(9,087,983)</b>	<b>(4,998,646)</b>	<b>(7,333,486)</b>	<b>(2,334,840)</b>	<b>46.7%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 86,448,925</b>	<b>(24,295,638)</b>	<b>(7,828,190)</b>	<b>16,467,448</b>	<b>-67.8%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 929,689,652</b>	<b>856,336,399</b>	<b>920,833,562</b>	<b>64,497,163</b>	<b>7.5%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(843,240,727)</b>	<b>(880,632,037)</b>	<b>(928,661,752)</b>	<b>(48,029,715)</b>	<b>5.5%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 86,448,925</b>	<b>(24,295,638)</b>	<b>(7,828,190)</b>	<b>16,467,448</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		57,255,719	57,828,275		
Capital Outlay		(29,672,888)	(29,969,614)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(11,369,491)	(9,507,656)		
Budgeted Transfers		-	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>(8,082,298)</b>	<b>10,522,815</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

**The University of Texas at Arlington**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending Aug 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 248,607,048	257,059,513	258,341,546	1,282,033	0.5%
Academic Support	69,920,732	74,582,653	80,769,401	6,186,748	8.3%
Research	132,072,494	119,664,233	145,686,614	26,022,381	21.7%
Public Service	23,306,911	18,599,365	19,864,697	1,265,332	6.8%
Hospitals and Clinics	-	-	-	-	0.0%
Institutional Support	69,920,732	112,440,661	108,273,874	(4,166,787)	-3.7%
Student Services	116,534,554	79,909,097	92,342,074	12,432,977	15.6%
Operations and Maintenance of Plant	46,613,822	34,272,928	37,132,713	2,859,785	8.3%
Scholarships and Fellowships	-	64,210,137	57,465,591	(6,744,546)	-10.5%
Auxiliary Enterprises	69,920,732	53,711,026	59,695,422	5,984,396	11.1%
Depreciation and Amortization	57,255,719	57,255,719	57,828,275	572,556	1.0%
<b>Total Operating Expenses</b>	<b>\$ 834,152,744</b>	<b>871,705,332</b>	<b>917,400,207</b>	<b>45,694,875</b>	<b>5.2%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending Aug 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 288,956,332	291,080,942	2,124,610	0.7 %	
Designated	439,389,392	482,689,705	43,300,313	9.9 %	
Auxiliary	80,180,149	87,438,529	7,258,380	9.1 %	
Available University Fund	-	-	-	0.0 %	
Restricted	175,245,331	176,327,583	1,082,252	0.6 %	
Unexpended Plant	1,784,526	1,784,526	-	0.0 %	
Subtotal - Expenditures (All Funds)	985,555,730	1,039,321,285	53,765,555	5.5 %	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(121,137,033)	(129,010,538)	(7,873,505)	6.5 %	
Depreciation	57,255,719	57,828,275	572,556	1.0 %	
Capital Outlay	(29,672,888)	(29,969,614)	(296,726)	1.0 %	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(11,369,491)	(9,507,656)	1,861,835	(16.4)%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 880,632,037</b>	<b>928,661,752</b>	<b>48,029,715</b>	<b>5.5 %</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**AT AUSTIN**



**The University of Texas at Austin**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

The FY 2025 budget builds on recent accomplishments such as improved student graduation rates and enhanced research capabilities. It addresses challenges in attracting and retaining exceptional faculty and staff while pursuing key operational and strategic goals. These goals include updating budget methodology and making long-term financial investments to support the University's mission of academic excellence and research innovation.

The University revised its budget calculation methodology to align better with actual activities in the Monthly Financial Report (MFR), enhancing accuracy and accountability. Projected revenue and expense increases have been modified to align to historical actuals, ensuring a realistic and attainable budget framework. Additionally, the transfer from designated funds to cover state-appropriated expenses has been eliminated, promoting a more sustainable financial model.

Examples of investments include the launch of advanced career management services to bridge the gap between academic achievements and professional success, an artificial intelligence (AI) innovation lab to promote research and collaboration in AI, and health science initiatives to enhance interdisciplinary studies and practical applications in medical fields. The Energy Institute, leading a new energy consortium in partnership with other universities and national laboratories, will advance energy research and support energy-intensive communities in sustainable and renewable energy solutions to address local, national, and global challenges. Additionally, the budget reflects the University's priority of attracting and retaining top-tier faculty to uphold academic excellence and increasing graduation rates by expanding peer mentoring, comprehensive academic support, and scholarship access for high-achieving students.

To support the growing student population, the University is taking steps to increase affordable housing, ensuring a supportive living environment on or near campus. Concurrently, capital improvement projects are underway to upgrade existing facilities and develop state-of-the-art infrastructure, supporting both academic and extracurricular activities. These efforts aim to create a vibrant campus atmosphere that nurtures student growth and fosters a dynamic, engaged community. In medical education and research, the partnership between the Dell Medical School and U. T. M. D. Anderson Cancer Center will provide greater support and comprehensive patient care programs that drive breakthroughs in medical science. Finally, investments will be made in modernizing and transforming the information technology infrastructure to support cutting-edge research, enhance administrative efficiency, and improve the overall experience for students and faculty.

These strategic goals ensure the FY 2025 budget addresses immediate needs while laying the groundwork for long-term success and excellence at U. T. Austin.

**Revenue**

The FY 2025 \$4.3 billion revenue budget includes an increase of \$0.4 billion, or 11.6 percent, in total revenues and transfers over the FY 2024 budget. Federal sponsored project revenue growth is projected to be \$280.6 million over the prior year budget. This increase is attributed to a change in methodology to closer align income to MFR activity, including a 10 percent increase in contract and grant income. The budget reflects a \$20 million increase in indirect cost and a \$36.1 million increase in net sales and services as a result of better alignment to actual and projected budgeted revenue increases across numerous educational programs including UT High School, OnRamps, and the English Learning Center. Projected revenue growth of \$7.6 million for UT Health Austin is attributed to net professional fee revenue growth that results from clinical income increases associated with Ambulatory Surgery Clinical services. This is due to additional payer contracts and new service lines and income is projected to increase by \$2.6 million. The Auxiliary enterprise income is projected to decrease by \$18.3 million because of a projected reduction in Athletics revenue related to the transition from the Big 12 Conference to the Southeastern conference.

**Expenses**

The FY 2025 \$4.4 billion expense budget includes an increase of \$0.4 billion, or 9.7 percent, in total expenses and transfers over the FY 2024 budget. Projected compensation cost increases of \$99.2 million reflect an allocation of centrally funded salary pools for faculty in the FY 2025 budget, including benefits, merit-based pools, and retention increases. The projected increase of \$143 million in research related expenditures is a result of the increase in federal sponsored program revenue and alignment with budgeted expenditures to actuals. The FY 2025 budget includes an increase of \$61.7 million in scholarships and fellowships as a result of additional scholarship activity that was previously unbudgeted.

**The University of Texas at Austin**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 781,800,000	742,970,316	782,963,187	39,992,871	5.4%
Less Discounts and Allowances	(210,800,000)	(200,700,000)	(208,949,999)	(8,249,999)	4.1%
Federal Sponsored Programs	731,839,465	553,286,266	833,883,503	280,597,237	50.7%
State Sponsored Programs	86,417,015	63,813,566	82,135,572	18,322,006	28.7%
Local and Private Sponsored Programs	255,343,520	261,290,700	272,265,727	10,975,027	4.2%
Net Sales and Services of Educational Activities	398,200,000	328,093,984	364,287,160	36,193,176	11.0%
Net Sales and Services of Hospital and Clinics	5,500,000	4,300,000	6,930,250	2,630,250	61.2%
Net Professional Fees	16,800,000	12,515,425	20,134,171	7,618,746	60.9%
Net Auxiliary Enterprises	396,000,000	375,478,697	357,136,276	(18,342,421)	-4.9%
Other Operating Revenues	1,700,000	11,621,457	16,443,595	4,822,138	41.5%
<b>Total Operating Revenues</b>	<b>2,462,800,000</b>	<b>2,152,670,411</b>	<b>2,527,229,442</b>	<b>374,559,031</b>	<b>17.4%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	583,786,040	540,955,922	578,528,329	37,572,407	6.9%
Compensation - Non-Faculty	1,268,818,611	1,126,986,635	1,257,391,339	130,404,704	11.6%
Wages	34,881,080	47,213,102	34,566,933	(12,646,169)	-26.8%
Benefits	478,714,269	467,114,509	474,402,858	7,288,349	1.6%
Personnel Costs	2,366,200,000	2,182,270,168	2,344,889,459	162,619,291	7.5%
Utilities	94,100,000	87,387,325	91,663,913	4,276,588	4.9%
Scholarships and Fellowships	433,500,000	401,642,630	477,457,859	75,815,229	18.9%
Less Discounts and Allowances	(210,800,000)	(200,700,000)	(208,949,999)	(8,249,999)	4.1%
Operations, Maintenance and Travel	952,179,939	1,133,054,170	1,256,469,724	123,415,554	10.9%
Less Capitalized Portion and Cap Lease/SBITA	15,720,061	(100,604,243)	(96,865,223)	3,739,020	-3.7%
Depreciation and Amortization	402,600,000	395,769,973	411,369,943	15,599,970	3.9%
<b>Total Operating Expenses</b>	<b>4,053,500,000</b>	<b>3,898,820,023</b>	<b>4,276,035,676</b>	<b>377,215,653</b>	<b>9.7%</b>
<b>Operating Surplus/Deficit</b>	<b>(1,590,700,000)</b>	<b>(1,746,149,612)</b>	<b>(1,748,806,234)</b>	<b>(2,656,622)</b>	<b>0.2%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	412,300,000	412,304,714	406,882,646	(5,422,068)	-1.3%
Federal Sponsored Programs (Nonoperating)	60,000,000	60,000,000	74,300,000	14,300,000	23.8%
State/Local Sponsored Programs (Nonoperating)	35,000,000	35,000,000	35,000,000	-	0.0%
Gifts in Support of Operations	293,200,000	268,223,910	303,590,833	35,366,923	13.2%
Net Investment Income	358,400,000	368,028,297	393,599,547	25,571,250	6.9%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>1,158,900,000</b>	<b>1,143,556,921</b>	<b>1,213,373,026</b>	<b>69,816,105</b>	<b>6.1%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	519,362,579	531,828,526	531,907,665	79,139	0.0%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(77,900,000)	(71,222,632)	(78,135,641)	(6,913,009)	9.7%
<b>Total Transfers and Other</b>	<b>441,462,579</b>	<b>460,605,894</b>	<b>453,772,024</b>	<b>(6,833,870)</b>	<b>-1.5%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 9,662,579</b>	<b>(141,986,797)</b>	<b>(81,661,184)</b>	<b>60,325,613</b>	<b>-42.5%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 4,141,062,579</b>	<b>3,828,055,858</b>	<b>4,272,510,133</b>	<b>444,454,275</b>	<b>11.6%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(4,131,400,000)</b>	<b>(3,970,042,655)</b>	<b>(4,354,171,317)</b>	<b>(384,128,662)</b>	<b>9.7%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 9,662,579</b>	<b>(141,986,797)</b>	<b>(81,661,184)</b>	<b>60,325,613</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		395,769,973	411,369,943		
Capital Outlay		(89,697,781)	(87,296,659)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(71,774,220)	(71,329,574)		
Budgeted Transfers		(39,479,438)	(57,961,837)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>52,831,737</b>	<b>113,120,689</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**The University of Texas at Austin**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 1,057,365,920	1,017,311,451	1,110,967,197	93,655,746	9.2%
Academic Support	504,392,096	522,780,310	527,453,076	4,672,766	0.9%
Research	693,541,233	589,325,914	732,420,870	143,094,956	24.3%
Public Service	138,278,571	123,543,923	158,051,875	34,507,952	27.9%
Hospitals and Clinics	167,362,719	152,678,224	175,117,748	22,439,524	14.7%
Institutional Support	219,735,325	257,080,914	230,381,968	(26,698,946)	-10.4%
Student Services	61,861,434	56,387,866	65,421,546	9,033,680	16.0%
Operations and Maintenance of Plant	191,285,211	194,581,765	202,178,872	7,597,107	3.9%
Scholarships and Fellowships	224,734,023	186,594,964	248,352,351	61,757,387	33.1%
Auxiliary Enterprises	392,343,468	402,764,719	414,320,230	11,555,511	2.9%
Depreciation and Amortization	402,600,000	395,769,973	411,369,943	15,599,970	3.9%
<b>Total Operating Expenses</b>	<b>\$ 4,053,500,000</b>	<b>3,898,820,023</b>	<b>4,276,035,676</b>	<b>377,215,653</b>	<b>9.7%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 677,724,178	572,629,000	(105,095,178)	-15.5%	
Designated	1,247,613,867	1,476,463,612	228,849,745	18.3%	
Auxiliary	399,356,691	382,007,856	(17,348,835)	-4.3%	
Available University Fund	517,377,000	557,842,000	40,465,000	7.8%	
Restricted	1,087,872,947	1,314,935,138	227,062,191	20.9%	
Unexpended Plant	6,500,000	6,500,000	-	0.0%	
Subtotal - Expenditures (All Funds)	3,936,444,683	4,310,377,606	373,932,923	9.5%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(200,700,000)	(208,949,999)	(8,249,999)	4.1%	
Depreciation	395,769,973	411,369,943	15,599,970	3.9%	
Capital Outlay	(89,697,781)	(87,296,659)	2,401,122	-2.7%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(71,774,220)	(71,329,574)	444,646	-0.6%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 3,970,042,655</b>	<b>4,354,171,317</b>	<b>384,128,662</b>	<b>9.7%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**AT DALLAS**



**The University of Texas at Dallas**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

The University of Texas at Dallas, recognized as the third fastest-growing university among all public, doctoral degree-granting institutions in the nation by The Chronicle of Higher Education, continues its ascent toward becoming a dynamic, top-tier national research institution, epitomizing innovation and collaboration. In May 2022, U. T. Dallas launched a comprehensive campaign with the objectives of attracting the brightest students, transforming the arts on campus, and enhancing lives through groundbreaking research. Remarkably, the University has already achieved 55 percent of its \$750 million campaign goal.

Fall 2023 enrollment decreased by 2.2 percent, from 31,570 to 30,885 students. This decline is primarily due to the normalization of new international master's student enrollment to pre-pandemic levels and the graduation of large cohorts that had formed a backlog during the pandemic. The enrollment surge during the pandemic was temporary, driven by students who had delayed their education due to global disruptions. With these students now graduated, the enrollment numbers have returned to typical levels. Current estimates suggest a continuation of this trend for fall 2024, reflecting similar patterns in both new and continuing international master's student enrollment.

Despite maintaining tuition rates and not expecting additional revenue from enrollment growth, U. T. Dallas remains financially robust. The successful formula funding outcome from the 88th Texas Legislative Session, along with strategic savings accumulated during periods of high enrollment, has enabled U. T. Dallas to effectively manage price increases due to inflation, ensure workforce retention, and support long-term institutional priorities.

The FY 2025 budget includes an expansion of funding for the University's Strategic Funding Proposal Program, designed to enhance the enrollment, retention, and graduation rates of both undergraduate and graduate students. Current initiatives under this program include, but not limited to, the implementation of a customer relationship management system, the development of new degree programs in Clinical Sciences and Biomedical Sciences, and the establishment of an open U.S. History lab. Additionally, the budget allocates resources for the creation of a new High Performance Computing Department to enhance research productivity. Increased funding is also directed towards facilities and IT deferred maintenance, supplementary funding for Athletics to support the University's transition to Division II, and operating increases to address healthcare, leases, and other contractual obligations.

U. T. Dallas is dedicated to maintaining financial stability while pursuing excellence in student achievement, academic endeavors, and research initiatives. This budget strikes a balance between addressing operating challenges and funding new initiatives that align with the strategic plan, while also providing funding to support opportunities identified during FY 2024 by the president, provost, and chief of staff.

**Revenue**

The FY 2025 \$938.7 million revenue budget includes an increase of \$24.9 million, or 2.7 percent, in total revenues and transfers over the FY 2024 budget. The increase in operating revenue is primarily attributed to B-on-time appropriated funding (\$11.8 million), a rise in sponsored programs (\$12.9 million), higher investment income (\$12.9 million), U. T. System's core research funding (\$8.1 million), and the Regent's Research Excellence Program funding (\$6.4 million). However, these gains were offset by a \$27.5 million decrease in tuition and fees and \$3.1 million reduction in Texas Research Incentive Program funding.

**Expenses**

The FY 2025 \$947.9 million expense budget includes an increase of \$46.6 million, or 5.2 percent, in total expenses and transfers over the FY 2024 budget. The primary driver of the increase in total operating expenses is salaries and benefits. The FY 2025 budget allocates \$9.1 million for merit, salary compressions, equity and market adjustments, and employee retention. Additionally, funds have been reserved for new faculty start-up packages (\$7.8 million), new faculty recruitment (\$6.4 million), medical insurance increases (\$2.2 million), strategic and operational support increases (\$5 million), the new High Performance Computing Center (\$3.1 million), deferred maintenance and network infrastructure increases (\$2.7 million), and initial operating costs to transition to Division II of the National Collegiate Athletics Association (\$1.1 million).

**The University of Texas at Dallas**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 551,360,338	562,079,638	534,533,721	(27,545,917)	-4.9%
Less Discounts and Allowances	(147,742,913)	(152,006,402)	(159,751,384)	(7,744,982)	5.1%
Federal Sponsored Programs	70,837,184	70,430,393	84,943,183	14,512,790	20.6%
State Sponsored Programs	24,302,590	20,605,262	19,290,289	(1,314,973)	-6.4%
Local and Private Sponsored Programs	16,728,533	13,716,559	13,426,067	(290,492)	-2.1%
Net Sales and Services of Educational Activities	43,795,207	43,998,446	41,757,115	(2,241,331)	-5.1%
Net Sales and Services of Hospital and Clinics	-	-	-	-	0.0%
Net Professional Fees	-	-	-	-	0.0%
Net Auxiliary Enterprises	57,778,149	53,516,894	57,535,948	4,019,054	7.5%
Other Operating Revenues	11,639,221	11,981,000	12,230,413	249,413	2.1%
<b>Total Operating Revenues</b>	<b>628,698,309</b>	<b>624,321,790</b>	<b>603,965,352</b>	<b>(20,356,438)</b>	<b>-3.3%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	174,499,527	172,260,806	184,365,925	12,105,119	7.0%
Compensation - Non-Faculty	193,367,928	190,887,137	204,550,640	13,663,503	7.2%
Wages	48,530,810	47,908,190	50,855,305	2,947,115	6.2%
Benefits	108,263,255	118,564,630	122,673,624	4,108,994	3.5%
Personnel Costs	524,661,520	529,620,763	562,445,494	32,824,731	6.2%
Utilities	15,284,783	15,837,746	17,346,246	1,508,500	9.5%
Scholarships and Fellowships	194,164,215	211,709,111	210,304,071	(1,405,040)	-0.7%
Less Discounts and Allowances	(147,742,913)	(152,006,402)	(159,751,384)	(7,744,982)	5.1%
Operations, Maintenance and Travel	167,897,811	201,002,832	222,272,033	21,269,201	10.6%
Less Capitalized Portion and Cap Lease/SBITA	(22,711,857)	(23,164,304)	(30,039,276)	(6,874,972)	29.7%
Depreciation and Amortization	102,377,312	97,594,646	102,053,018	4,458,372	4.6%
<b>Total Operating Expenses</b>	<b>833,930,871</b>	<b>880,594,392</b>	<b>924,630,202</b>	<b>44,035,810</b>	<b>5.0%</b>
<b>Operating Surplus/Deficit</b>	<b>(205,232,562)</b>	<b>(256,272,602)</b>	<b>(320,664,850)</b>	<b>(64,392,248)</b>	<b>25.1%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	177,009,212	175,701,349	176,897,505	1,196,156	0.7%
Federal Sponsored Programs (Nonoperating)	33,973,583	36,450,000	41,450,000	5,000,000	13.7%
State/Local Sponsored Programs (Nonoperating)	3,563,114	3,563,114	440,500	(3,122,614)	-87.6%
Gifts in Support of Operations	12,082,753	13,447,000	16,453,000	3,006,000	22.4%
Net Investment Income	71,427,150	57,305,162	70,195,107	12,889,945	22.5%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>298,055,812</b>	<b>286,466,625</b>	<b>305,436,112</b>	<b>18,969,487</b>	<b>6.6%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	2,946,039	2,946,039	29,271,147	26,325,108	893.6%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(21,927,444)	(20,760,002)	(23,297,381)	(2,537,379)	12.2%
<b>Total Transfers and Other</b>	<b>(18,981,405)</b>	<b>(17,813,963)</b>	<b>5,973,766</b>	<b>23,787,729</b>	<b>-133.5%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 73,841,845</b>	<b>12,380,060</b>	<b>(9,254,972)</b>	<b>(21,635,032)</b>	<b>-174.8%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 929,700,160</b>	<b>913,734,454</b>	<b>938,672,611</b>	<b>24,938,157</b>	<b>2.7%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(855,858,315)</b>	<b>(901,354,394)</b>	<b>(947,927,583)</b>	<b>(46,573,189)</b>	<b>5.2%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 73,841,845</b>	<b>12,380,060</b>	<b>(9,254,972)</b>	<b>(21,635,032)</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		97,594,646	102,053,018		
Capital Outlay		(16,969,563)	(23,748,079)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(26,460,957)	(27,374,558)		
Budgeted Transfers		(553,325)	(541,715)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>65,990,861</b>	<b>41,133,694</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

**The University of Texas at Dallas**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 245,030,701	262,077,214	268,753,073	6,675,859	2.5%
Academic Support	95,145,270	103,172,778	111,481,261	8,308,483	8.1%
Research	127,430,527	132,287,458	152,720,704	20,433,246	15.4%
Public Service	14,795,497	14,149,335	14,231,641	82,306	0.6%
Hospitals and Clinics	-	-	-	-	0.0%
Institutional Support	53,743,663	67,051,506	65,817,558	(1,233,948)	-1.8%
Student Services	25,703,372	27,101,619	29,072,557	1,970,938	7.3%
Operations and Maintenance of Plant	65,062,169	75,023,155	75,584,599	561,444	0.7%
Scholarships and Fellowships	45,802,319	51,206,335	47,845,331	(3,361,004)	-6.6%
Auxiliary Enterprises	58,840,041	50,930,346	57,070,460	6,140,114	12.1%
Depreciation and Amortization	102,377,312	97,594,646	102,053,018	4,458,372	4.6%
<b>Total Operating Expenses</b>	<b>\$ 833,930,871</b>	<b>880,594,392</b>	<b>924,630,202</b>	<b>44,035,810</b>	<b>5.0%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 282,692,168	279,811,308	(2,880,860)	-1.0%	
Designated	494,549,398	524,317,795	29,768,397	6.0%	
Auxiliary	77,192,711	84,268,235	7,075,524	9.2%	
Available University Fund	-	-	-	0.0%	
Restricted	142,262,393	163,151,248	20,888,855	14.7%	
Unexpended Plant	2,500,000	5,200,000	2,700,000	108.0%	
Subtotal - Expenditures (All Funds)	999,196,670	1,056,748,586	57,551,916	5.8%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(152,006,402)	(159,751,384)	(7,744,982)	5.1%	
Depreciation	97,594,646	102,053,018	4,458,372	4.6%	
Capital Outlay	(16,969,563)	(23,748,079)	(6,778,516)	39.9%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(26,460,957)	(27,374,558)	(913,601)	3.5%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 901,354,394</b>	<b>947,927,583</b>	<b>46,573,189</b>	<b>5.2%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**AT EL PASO**



**The University of Texas at El Paso**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

The University of Texas at El Paso is a comprehensive public research university that is increasing access to excellent higher education. The University advances discovery of public value and positively impacts the health, culture, education, and economy of the community it serves. As America's leading Hispanic serving university, U. T. El Paso graduates prove that higher education is the single best pathway to opportunity. The University provides students with an excellent and engaged education in an inclusive university that builds on student strengths and demonstrates a culture of care.

With \$146 million in total annual research expenditures, U. T. El Paso is ranked in the top 5 percent of research institutions nationally and fourth in Texas for federal research expenditures at public universities. The University maintains one of the lowest out-of-pocket costs of any doctoral research university in the U.S. and is one of the only institutions to receive both a top research designation and a Community Engagement Classification from the Carnegie Foundation. Continued state support is important for the University's ability to provide an affordable education and increase the impact of research on the economy of Texas.

The FY 2025 operating budget continues to support an enrollment plan that focuses on effective recruitment in the region and beyond and supports successful efforts to steadily increase graduation rates. Additionally, the budget will allocate resources to address deferred maintenance needs across 107-building campus, to provide a safe environment for faculty, staff, and students. These funds will begin the transition from managing deferred maintenance issues to a preventative maintenance approach. The FY 2025 operating budget also provides funding for the retention of employees through competitive salaries, which include a minimum wage increase for student employees and a staff and faculty market compensation analysis. Funds are also allocated to support campus initiatives that focus on accomplishing the goals outlined in the University strategic plan, increase college or unit net revenue, improve business operations, or deploy U. T. El Paso Edge high-impact practices intended to increase persistence to graduation.

**Revenue**

The FY 2025 \$621.2 million revenue budget includes an increase of \$56.8 million, or 10.1 percent, in total revenues and transfers over the FY 2024 budget. Tuition revenues are projected to increase by \$2.6 million resulting from an increase in enrollment of 1 percent. State appropriations will remain flat in the second year of the biennium, with a minimal increase of \$1.5 for group health insurance premiums. Sponsored program revenues are projected to increase by \$4.9 million resulting from an increase in federal awards. Net Auxiliary enterprises are expected to increase by \$14.5 million as a result of an increase in concerts and events. Gifts and investment income are projected to increase by \$3.7 million related to higher returns on investments. An increase of \$28 million related to operational revenue transfers from U. T. System for the National Research Support Fund, the Regents Research Excellence Program, and from The Higher Education Coordinating Board for the return of B-On-Time fund balances.

**Expenses**

The FY 2025 \$627.3 million expense budget includes an increase of \$63.8 million, or 11.3 percent, in total expenses and transfers over the FY 2024 budget. The FY 2025 operating budget includes a 3 percent merit for all faculty staff, \$373,000 for faculty tenure and promotion increases, \$3 million for market and retention adjustments, and \$523,000 to increase the minimum wage for hourly student employees. Benefit costs are projected to increase 7.5 percent for staff group insurance, and student health insurance costs are projected to increase by \$350,000. Utilities are expected to increase by \$250,000. The FY 2025 operating budget also funds new research faculty and associated startup funds, and it increases funding for much-needed deferred maintenance across campus. Depreciation expenses will increase based on the substantial completion of the Advanced Manufacturing and Aerospace Center building in December 2024. Principal and lease payments decreased by \$1.7 million as a result of the completion of debt obligations on multiple issuances. Auxiliary enterprises are projected to increase based on an increase of additional concerts and events and funds directed towards repair and renovation of housing and union services.

**The University of Texas at El Paso**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 214,834,044	212,642,898	215,250,674	2,607,776	1.2%
Less Discounts and Allowances	(62,301,873)	(58,999,784)	(64,146,782)	(5,146,998)	8.7%
Federal Sponsored Programs	89,117,269	76,678,593	85,450,838	8,772,245	11.4%
State Sponsored Programs	30,335,116	38,433,407	34,459,527	(3,973,880)	-10.3%
Local and Private Sponsored Programs	6,419,464	6,276,881	6,383,065	106,184	1.7%
Net Sales and Services of Educational Activities	5,567,773	4,543,471	4,699,300	155,829	3.4%
Net Sales and Services of Hospital and Clinics	-	-	-	-	0.0%
Net Professional Fees	-	-	-	-	0.0%
Net Auxiliary Enterprises	52,151,900	51,945,180	66,479,075	14,533,895	28.0%
Other Operating Revenues	62,260	20,000	20,000	-	0.0%
<b>Total Operating Revenues</b>	<b>336,185,953</b>	<b>331,540,646</b>	<b>348,595,697</b>	<b>17,055,051</b>	<b>5.1%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	106,183,406	98,970,108	112,330,385	13,360,277	13.5%
Compensation - Non-Faculty	113,103,223	116,406,489	134,252,142	17,845,653	15.3%
Wages	19,327,766	15,339,360	18,850,449	3,511,089	22.9%
Benefits	70,058,184	68,246,750	74,496,968	6,250,218	9.2%
Personnel Costs	308,672,579	298,962,707	339,929,944	40,967,237	13.7%
Utilities	10,275,168	10,275,168	9,901,522	(373,646)	-3.6%
Scholarships and Fellowships	147,185,933	148,180,633	148,287,159	106,526	0.1%
Less Discounts and Allowances	(62,301,873)	(58,999,784)	(64,146,782)	(5,146,998)	8.7%
Operations, Maintenance and Travel	143,033,549	132,330,940	159,797,292	27,466,352	20.8%
Less Capitalized Portion and Cap Lease/SBITA	(9,135,221)	(8,782,580)	(9,618,744)	(836,164)	9.5%
Depreciation and Amortization	35,762,988	35,718,207	37,704,124	1,985,917	5.6%
<b>Total Operating Expenses</b>	<b>573,493,123</b>	<b>557,685,291</b>	<b>621,854,515</b>	<b>64,169,224</b>	<b>11.5%</b>
<b>Operating Surplus/Deficit</b>	<b>(237,307,170)</b>	<b>(226,144,645)</b>	<b>(273,258,818)</b>	<b>(47,114,173)</b>	<b>20.8%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	123,425,996	123,082,675	124,640,267	1,557,592	1.3%
Federal Sponsored Programs (Nonoperating)	86,820,011	74,980,059	83,177,728	8,197,669	10.9%
State/Local Sponsored Programs (Nonoperating)	240,000	-	-	-	0.0%
Gifts in Support of Operations	12,034,721	10,000,000	10,046,246	46,246	0.5%
Net Investment Income	28,801,637	22,672,969	26,426,153	3,753,184	16.6%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>251,322,365</b>	<b>230,735,703</b>	<b>244,290,394</b>	<b>13,554,691</b>	<b>5.9%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	2,121,923	2,155,644	28,339,675	26,184,031	1214.7%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(5,798,718)	(5,803,465)	(5,473,871)	329,594	-5.7%
<b>Total Transfers and Other</b>	<b>(3,676,795)</b>	<b>(3,647,821)</b>	<b>22,865,804</b>	<b>26,513,625</b>	<b>-726.8%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 10,338,400</b>	<b>943,237</b>	<b>(6,102,620)</b>	<b>(7,045,857)</b>	<b>-747.0%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 589,630,241</b>	<b>564,431,993</b>	<b>621,225,766</b>	<b>56,793,773</b>	<b>10.1%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(579,291,841)</b>	<b>(563,488,756)</b>	<b>(627,328,386)</b>	<b>(63,839,630)</b>	<b>11.3%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 10,338,400</b>	<b>943,237</b>	<b>(6,102,620)</b>	<b>(7,045,857)</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		35,718,207	37,704,124		
Capital Outlay		(8,429,204)	(9,226,572)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(8,431,757)	(6,967,063)		
Budgeted Transfers		49,020	49,000		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>19,849,503</b>	<b>15,456,869</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**The University of Texas at El Paso**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 127,657,134	141,003,713	148,025,943	7,022,230	5.0%
Academic Support	29,628,930	37,485,730	32,710,650	(4,775,080)	-12.7%
Research	126,796,766	116,768,041	146,358,349	29,590,308	25.3%
Public Service	7,958,406	7,036,616	6,843,799	(192,817)	-2.7%
Hospitals and Clinics	-	-	-	-	0.0%
Institutional Support	39,630,711	30,407,991	32,957,511	2,549,520	8.4%
Student Services	26,348,777	24,999,298	28,853,085	3,853,787	15.4%
Operations and Maintenance of Plant	40,007,122	33,491,646	34,742,985	1,251,339	3.7%
Scholarships and Fellowships	63,183,291	72,764,679	78,454,529	5,689,850	7.8%
Auxiliary Enterprises	76,518,998	58,009,370	75,203,540	17,194,170	29.6%
Depreciation and Amortization	35,762,988	35,718,207	37,704,124	1,985,917	5.6%
<b>Total Operating Expenses</b>	<b>\$ 573,493,123</b>	<b>557,685,291</b>	<b>621,854,515</b>	<b>64,169,224</b>	<b>11.5%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 203,295,324	198,147,895	(5,147,429)	-2.5%	
Designated	164,971,402	207,904,974	42,933,572	26.0%	
Auxiliary	63,540,651	80,115,529	16,574,878	26.1%	
Available University Fund	-	-	-	0.0%	
Restricted	169,823,917	181,796,281	11,972,364	7.0%	
Unexpended Plant	2,000,000	2,000,000	-	0.0%	
Subtotal - Expenditures (All Funds)	603,631,294	669,964,679	66,333,385	11.0%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(58,999,784)	(64,146,782)	(5,146,998)	8.7%	
Depreciation	35,718,207	37,704,124	1,985,917	5.6%	
Capital Outlay	(8,429,204)	(9,226,572)	(797,368)	9.5%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(8,431,757)	(6,967,063)	1,464,694	-17.4%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 563,488,756</b>	<b>627,328,386</b>	<b>63,839,630</b>	<b>11.3%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**

**PERMIAN BASIN**



**The University of Texas Permian Basin**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

The University of Texas Permian Basin seeks to provide greater access to higher education for Texans, particularly west Texans; to award degrees of value; to conduct meaningful research; to improve the overall quality of life of the west Texas region; and, to practice good stewardship of resources entrusted to it. To advance efforts to achieve these goals, U. T. Permian Basin has adopted four central pillars in its strategic plan: 1) Student Success, 2) Serve the Region, 3) Advance Creativity and Knowledge, and 4) Responsible Stewardship.

U. T. Permian Basin remains committed to the success of its students. Initiatives to help students achieve educational and career goals by addressing graduation, retention, and experiential learning efforts are again included in this budget. The new Falcon Free program utilizing Promise Plus funding began in FY 2023 and continued in FY 2024 has been a success producing steady enrollment increases particularly in semester credit hours. The program is again included in the 2025 budget.

The annual allocations from two new major gifts received previously are included in this budget: (1) \$10.7 million received in FY 2022 from the Permian Strategic Partnership to enhance the Nursing and Pre-Med programs (2) \$10 million received in FY 2023 through a joint partnership between Permian Strategic Partnership and the Scharbauer Foundation to enhance Behavioral Health programs and increase the number of licensed professionals. Included in this budget is \$3.6 million for these initiatives. Also included is the new \$3 million non-formula item to address and support healthcare workforce initiatives. The University seeks to enhance campus life and academic experiences for students, and to increase high impact practices that benefit students. Critical to this effort is the ability of the University to recruit and retain high quality faculty and staff to maintain excellence in all areas. Serving the region will require that the University significantly increase the number of graduates in key areas such as those included in these major gifts and new non-formula funding. High demand degrees such as engineering (Civil), nursing, business, mental health, and education are facing the most severe shortages and the University continues to invest in these areas. The FY 2024 operating budget was based on FY 2023 actual enrollment. FY 2023 enrollments had significant increases. Budgeted enrollment for FY 2024 was this same level. Actual enrollment for both Fall 2023 and Spring 2024 were slightly higher in both headcount and semester credit hours, producing additional revenue in FY 2024. Enrollment budgeted for FY 2025 is at the FY 2024 levels resulting in increased tuition and fee revenue in the FY 2025 budget. Enrollment indicators for Fall 2024 are strong particularly in semester credit hours.

The fourth pillar of the strategic plan is to promote responsible stewardship of resources. U. T. Permian Basin continues to maintain a strong financial base with positive trends in financial ratios. The conservative approach to developing the FY 2025 budget will continue to support this effort. The University has a significant number of vacant positions and has reviewed each of these to conservatively align the budgeted salaries and benefits with realistic employment dates. As a result, considerable savings are included in the FY 2025 budget. The University will continue to strategically leverage all resources.

**Revenue**

The FY 2025 \$104.5 million revenue budget includes an increase of \$4.3 million, or 4.3 percent, in total revenues and transfers over the FY 2024 budget. This increase in the overall revenue budget over the prior year is attributable to the net effect of the increase in FY 2025 budgeted tuition and fees from enrollment, and an increase in grants and gift funds. Enrollment is projected at 100 percent of the actual enrollment experienced in 2024 which was up slightly. Housing rates are increased by 3 percent and food service rates are increased by 3.5 percent. Resident undergraduate and graduate tuition and academic fees were not increased for FY 2025.

**Expenses**

The FY 2025 \$121.6 million expense budget includes a decrease of \$4.0 million, or 3.2 percent, in total expenses and transfers over the FY 2024 budget. In an effort to better align the operating budget with the annual financial report for year-end comparisons, all expenses reasonably expected to occur in FY 2025 have been included in the budget. Some of these expenses may have been funded from revenues generated and recorded in prior periods. An example of this is the \$3.6 million scheduled for expense in FY 2025 from the two major gifts mentioned above. In accordance with U. T. System accounting policies, all revenue from these gifts have been recorded in the year received. Cash payments on these pledges are scheduled over five years. Total prior period revenues included in the budget are \$5.05 million. Transfers for debt service are decreasing slightly due to a restructure of housing debt.

**The University of Texas Permian Basin**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 45,687,245	43,935,239	45,081,582	1,146,343	2.6%
Less Discounts and Allowances	(14,593,789)	(12,175,047)	(14,644,594)	(2,469,547)	20.3%
Federal Sponsored Programs	4,888,366	4,314,473	6,082,001	1,767,528	41.0%
State Sponsored Programs	5,245,561	3,285,841	5,124,759	1,838,918	56.0%
Local and Private Sponsored Programs	1,228,156	1,198,152	1,838,088	639,936	53.4%
Net Sales and Services of Educational Activities	1,571,270	986,100	939,100	(47,000)	-4.8%
Net Sales and Services of Hospital and Clinics	-	-	-	-	0.0%
Net Professional Fees	-	-	-	-	0.0%
Net Auxiliary Enterprises	6,811,211	8,796,163	7,480,994	(1,315,169)	-15.0%
Other Operating Revenues	2,797,016	1,953,498	1,611,159	(342,339)	-17.5%
<b>Total Operating Revenues</b>	<b>53,635,036</b>	<b>52,294,419</b>	<b>53,513,089</b>	<b>1,218,670</b>	<b>2.3%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	17,578,196	18,637,061	16,938,672	(1,698,389)	-9.1%
Compensation - Non-Faculty	23,748,754	28,669,457	30,416,280	1,746,823	6.1%
Wages	2,515,308	1,141,458	1,214,836	73,378	6.4%
Benefits	13,459,573	13,859,016	14,008,554	149,538	1.1%
Personnel Costs	57,301,831	62,306,992	62,578,342	271,350	0.4%
Utilities	2,567,188	3,242,000	3,242,000	-	0.0%
Scholarships and Fellowships	27,907,696	26,160,790	25,502,586	(658,204)	-2.5%
Less Discounts and Allowances	(15,079,055)	(13,111,884)	(15,847,600)	(2,735,716)	20.9%
Operations, Maintenance and Travel	28,487,178	22,982,916	22,333,462	(649,454)	-2.8%
Less Capitalized Portion and Cap Lease/SBITA	(1,049,127)	(977,621)	(1,023,448)	(45,827)	4.7%
Depreciation and Amortization	21,300,000	21,300,000	21,292,247	(7,753)	0.0%
<b>Total Operating Expenses</b>	<b>121,435,711</b>	<b>121,903,193</b>	<b>118,077,589</b>	<b>(3,825,604)</b>	<b>-3.1%</b>
<b>Operating Surplus/Deficit</b>	<b>(67,800,675)</b>	<b>(69,608,774)</b>	<b>(64,564,500)</b>	<b>5,044,274</b>	<b>-7.2%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	29,125,795	30,405,661	30,400,461	(5,200)	0.0%
Federal Sponsored Programs (Nonoperating)	10,040,021	9,656,150	9,205,535	(450,615)	-4.7%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	0.0%
Gifts in Support of Operations	7,340,357	3,146,500	6,561,000	3,414,500	108.5%
Net Investment Income	4,538,760	4,214,436	4,188,135	(26,301)	-0.6%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>51,044,933</b>	<b>47,422,747</b>	<b>50,355,131</b>	<b>2,932,384</b>	<b>6.2%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	396,813	500,324	633,077	132,753	26.5%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(3,653,539)	(3,635,983)	(3,494,245)	141,738	-3.9%
<b>Total Transfers and Other</b>	<b>(3,256,726)</b>	<b>(3,135,659)</b>	<b>(2,861,168)</b>	<b>274,491</b>	<b>-8.8%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (20,012,468)</b>	<b>(25,321,686)</b>	<b>(17,070,537)</b>	<b>8,251,149</b>	<b>-32.6%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 105,076,782</b>	<b>100,217,490</b>	<b>104,501,297</b>	<b>4,283,807</b>	<b>4.3%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(125,089,250)</b>	<b>(125,539,176)</b>	<b>(121,571,834)</b>	<b>3,967,342</b>	<b>-3.2%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (20,012,468)</b>	<b>(25,321,686)</b>	<b>(17,070,537)</b>	<b>8,251,149</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		21,300,000	21,292,247		
Capital Outlay		(820,871)	(935,000)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(4,640,944)	(4,225,065)		
Budgeted Transfers		-	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>(9,483,501)</b>	<b>(938,355)</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

**The University of Texas Permian Basin**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 33,087,436	35,598,592	33,899,355	(1,699,237)	-4.8%
Academic Support	10,664,610	11,407,816	10,612,457	(795,359)	-7.0%
Research	2,742,562	3,314,246	4,103,145	788,899	23.8%
Public Service	3,226,780	3,847,457	5,118,781	1,271,324	33.0%
Hospitals and Clinics	-	-	-	-	0.0%
Institutional Support	11,029,525	11,667,877	9,999,123	(1,668,754)	-14.3%
Student Services	3,791,597	3,285,388	3,482,032	196,644	6.0%
Operations and Maintenance of Plant	10,392,395	10,039,718	10,223,812	184,094	1.8%
Scholarships and Fellowships	12,828,641	12,176,257	9,828,369	(2,347,888)	-19.3%
Auxiliary Enterprises	12,372,165	9,265,842	9,518,268	252,426	2.7%
Depreciation and Amortization	21,300,000	21,300,000	21,292,247	(7,753)	0.0%
<b>Total Operating Expenses</b>	<b>\$ 121,435,711</b>	<b>121,903,193</b>	<b>118,077,589</b>	<b>(3,825,604)</b>	<b>-3.1%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 39,816,920	41,203,661	1,386,741	3.5%	
Designated	42,265,627	37,982,715	(4,282,912)	-10.1%	
Auxiliary	16,744,655	16,133,299	(611,356)	-3.7%	
Available University Fund	-	-	-	0.0%	
Restricted	23,935,673	25,834,824	1,899,151	7.9%	
Unexpended Plant	50,000	132,753	82,753	165.5%	
Subtotal - Expenditures (All Funds)	122,812,875	121,287,252	(1,525,623)	-1.2%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(13,111,884)	(15,847,600)	(2,735,716)	20.9%	
Depreciation	21,300,000	21,292,247	(7,753)	0.0%	
Capital Outlay	(820,871)	(935,000)	(114,129)	13.9%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(4,640,944)	(4,225,065)	415,879	-9.0%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 125,539,176</b>	<b>121,571,834</b>	<b>(3,967,342)</b>	<b>-3.2%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**RIO GRANDE VALLEY**



**The University of Texas Rio Grande Valley**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

With the FY 2025 operating budget, The University of Texas Rio Grande Valley will be entering its tenth year of operations and seeks to continue its commitment to affordability to sustain its reputation as one of the top value schools nationwide. The FY 2025 budget was built on a conservative 1.0 percent enrollment growth and includes the strategic deployment of savings to be invested in students, faculty, staff, and facilities as the University prepares for future growth in students, healthcare, and research activity.

First, the University remains committed to helping students achieve their educational aspirations and easing financial burdens. This includes increasing financial aid for students affected by FAFSA application issues that may delay awards or deter students from enrolling. Second, to continue expanding educational opportunities and impactful research, U. T. Rio Grande Valley continues to develop and invest in new doctoral and professional academic programs that are interdisciplinary, research-based, and in health-related fields to address inequities in healthcare access and outcomes in this underserved region. Importantly, the University will continue progress on its salary program with a mid-year merit for faculty and staff and adjustments to salaries to address Fair Labor Standards Act (FLSA) mandated changes. Finally, the new Cancer and Surgery center will open in February 2025 as the School of Medicine rebounds from the end of a local hospital affiliation and expects significant growth in patient care over the next few years.

**Revenue**

The FY 2025 \$680.4 million revenue budget includes an increase of \$10.5 million, or 1.6 percent, in total revenues and transfers over the FY 2024 budget. The \$12.2 million increase in gross tuition and fees is primarily due to the transition of students in expiring guaranteed tuition plans to higher existing rates and due to increases in the Athletics, Student Services, and Medical Services nonacademic mandatory fees. However, there are no tuition or academic mandatory fee rate increases for non-medical students. Therefore, students entering Fall 2024 will pay the same rates for tuition and academic mandatory fees as students who entered Fall 2023, Fall 2022, and Fall 2021. As the University mandates participation in guaranteed tuition plans, holding tuition flat for new students for four years will continue to be challenging during this time of inflation, especially as the University continues to promote affordability with a low academic cost. Medical and Podiatric Medicine student tuition and fees are increasing by 4.5 percent.

Significant growth in research activity is reflected in the \$6.4 million increase in federal sponsored programs and associated indirect cost recovery. State sponsored programs include a new \$1.7 million contract to run the Regional Security Operations Center, but also includes a \$4.5 million decrease in Graduate Medical Education contracts. A \$3.4 million reduction in transfers for operations reflects reduced activity for the Texas Child Mental Health Care Consortium. Finally, the budget includes a \$9.0 million increase in the federal Pell Grant program and a \$2.3 million increase in investment income due to favorable markets.

**Expenses**

The FY 2025 \$744.6 million expense budget includes an increase of \$39.6 million, or 5.6 percent, in total expenses and transfers over the FY 2024 budget. Continued support for new health-related programs includes \$8.6 million for the School of Podiatric Medicine, primarily funded by the non-formula funded item, \$1.6 million for the Doctor of Physical Therapy, \$0.8 million for the Doctor of Nurse Practice, and \$1.1 million for the Doctor of Occupational Therapy. In addition, \$3.3 million is dedicated for research PhD programs in Human Genetics, Materials Science and Engineering, Computer Science, Physics and Mathematics. Additional support of \$1.6 million will enhance services in Academic Affairs including Faculty Affairs, Office of Bilingual Integration, Global Affairs, Collegiate High Schools, and the Provost Office. School of Medicine investments include \$2.9 million for EPIC software and \$2.3 million in ramp up costs for the opening of the new Cancer and Surgery Center.

Scholarships, before discounts, are projected at \$236.9 million, including \$110.0 million in Pell Grants, \$51.7 million in TEXAS Grants, \$7.1 million for UTRGV Scholars, and \$1.1 million in Luminary Scholars. \$28.9 million of financial aid from tuition set asides, along with the \$3.8 million Promise Plus program, will support the guarantee of no out-of-pocket tuition and fee cost for families with incomes of \$125,000 or less. Also, \$2.5 million in balances is set-aside as a contingency to support students encountering issues with FAFSA awarding. Finally, \$10.8 million is budgeted for exemptions, of which \$7.8 million is estimated for Hazlewood recipients.

Critical labor investments include \$0.7 million for faculty promotions, \$4.2 million for faculty and staff merit, and \$1.0 million for FLSA change related salary adjustments. An additional \$3.4 million in fringe benefits covers increases in employee group insurance premiums. The growth and renovation in facilities to accommodate growth in research and new academic programs has produced increases in debt service and facilities costs of \$6.4 million and \$2.6 million, respectively. Finally, an additional \$1.8 million is budgeted for transportation services as the need to connect a geographically disbursed institution remains a major challenge.

**The University of Texas Rio Grande Valley**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 308,311,352	305,609,810	317,808,399	12,198,589	4.0%
Less Discounts and Allowances	(177,758,636)	(156,166,600)	(170,663,100)	(14,496,500)	9.3%
Federal Sponsored Programs	63,007,302	53,621,120	59,975,583	6,354,463	11.9%
State Sponsored Programs	64,695,287	72,198,774	68,983,979	(3,214,795)	-4.5%
Local and Private Sponsored Programs	29,059,367	25,761,696	26,198,710	437,014	1.7%
Net Sales and Services of Educational Activities	11,307,611	8,742,273	10,095,685	1,353,412	15.5%
Net Sales and Services of Hospital and Clinics	-	-	-	-	0.0%
Net Professional Fees	16,234,348	18,145,869	19,510,355	1,364,486	7.5%
Net Auxiliary Enterprises	11,593,424	11,430,620	12,420,833	990,213	8.7%
Other Operating Revenues	18,049,500	12,877,700	11,660,324	(1,217,376)	-9.5%
<b>Total Operating Revenues</b>	<b>344,499,555</b>	<b>352,221,262</b>	<b>355,990,768</b>	<b>3,769,506</b>	<b>1.1%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	146,762,563	146,322,221	150,633,163	4,310,942	2.9%
Compensation - Non-Faculty	173,375,048	182,214,313	177,930,417	(4,283,896)	-2.4%
Wages	33,641,333	31,515,879	34,536,323	3,020,444	9.6%
Benefits	110,269,163	110,696,716	114,040,701	3,343,985	3.0%
Personnel Costs	464,048,107	470,749,129	477,140,604	6,391,475	1.4%
Utilities	12,100,000	12,395,066	12,875,748	480,682	3.9%
Scholarships and Fellowships	237,011,514	221,280,870	236,922,646	15,641,776	7.1%
Less Discounts and Allowances	(177,758,636)	(156,166,600)	(170,663,100)	(14,496,500)	9.3%
Operations, Maintenance and Travel	123,948,464	109,375,889	123,967,155	14,591,266	13.3%
Less Capitalized Portion and Cap Lease/SBITA	(23,564,078)	(22,214,607)	(23,817,298)	(1,602,691)	7.2%
Depreciation and Amortization	65,466,404	65,172,869	77,902,949	12,730,080	19.5%
<b>Total Operating Expenses</b>	<b>701,251,775</b>	<b>700,592,616</b>	<b>734,328,704</b>	<b>33,736,088</b>	<b>4.8%</b>
<b>Operating Surplus/Deficit</b>	<b>(356,752,220)</b>	<b>(348,371,354)</b>	<b>(378,337,936)</b>	<b>(29,966,582)</b>	<b>8.6%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	178,881,945	178,804,143	179,644,285	840,142	0.5%
Federal Sponsored Programs (Nonoperating)	113,866,491	102,981,413	110,000,000	7,018,587	6.8%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	0.0%
Gifts in Support of Operations	7,680,000	4,537,104	4,034,942	(502,162)	-11.1%
Net Investment Income	22,430,000	20,384,213	22,663,703	2,279,490	11.2%
Other Non-Operating Revenue	-	-	425,389	425,389	100.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>322,858,436</b>	<b>306,706,873</b>	<b>316,768,319</b>	<b>10,061,446</b>	<b>3.3%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	7,651,414	10,958,674	7,606,158	(3,352,516)	-30.6%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(4,339,630)	(4,386,095)	(10,273,600)	(5,887,505)	134.2%
<b>Total Transfers and Other</b>	<b>3,311,784</b>	<b>6,572,579</b>	<b>(2,667,442)</b>	<b>(9,240,021)</b>	<b>-140.6%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (30,582,000)</b>	<b>(35,091,902)</b>	<b>(64,237,059)</b>	<b>(29,145,157)</b>	<b>83.1%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 675,009,405</b>	<b>669,886,809</b>	<b>680,365,245</b>	<b>10,478,436</b>	<b>1.6%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(705,591,405)</b>	<b>(704,978,711)</b>	<b>(744,602,304)</b>	<b>(39,623,593)</b>	<b>5.6%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (30,582,000)</b>	<b>(35,091,902)</b>	<b>(64,237,059)</b>	<b>(29,145,157)</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		65,172,869	77,902,949		
Capital Outlay		(15,792,000)	(13,385,000)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(11,181,060)	(15,697,851)		
Budgeted Transfers		(558,683)	(566,647)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>2,549,224</b>	<b>(15,983,608)</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**The University of Texas Rio Grande Valley**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 202,078,995	226,486,516	219,194,292	(7,292,224)	-3.2%
Academic Support	81,738,036	77,833,515	77,218,997	(614,518)	-0.8%
Research	67,622,613	55,942,268	64,363,548	8,421,280	15.1%
Public Service	11,025,609	14,995,693	15,762,008	766,315	5.1%
Hospitals and Clinics	53,721,552	35,903,139	44,858,326	8,955,187	24.9%
Institutional Support	42,367,688	45,794,546	43,650,458	(2,144,088)	-4.7%
Student Services	33,045,479	36,382,550	36,519,303	136,753	0.4%
Operations and Maintenance of Plant	43,303,815	40,212,878	44,881,943	4,669,065	11.6%
Scholarships and Fellowships	59,235,945	64,905,582	66,640,993	1,735,411	2.7%
Auxiliary Enterprises	41,645,639	36,963,060	43,335,887	6,372,827	17.2%
Depreciation and Amortization	65,466,404	65,172,869	77,902,949	12,730,080	19.5%
<b>Total Operating Expenses</b>	<b>\$ 701,251,775</b>	<b>700,592,616</b>	<b>734,328,704</b>	<b>33,736,088</b>	<b>4.8%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 306,015,214	303,101,868	(2,913,346)	-1.0%	
Designated	298,627,054	326,874,595	28,247,541	9.5%	
Auxiliary	41,080,007	47,899,399	6,819,392	16.6%	
Available University Fund	-	-	-	0.0%	
Restricted	176,973,227	187,743,171	10,769,944	6.1%	
Unexpended Plant	250,000	826,273	576,273	230.5%	
Subtotal - Expenditures (All Funds)	822,945,502	866,445,306	43,499,804	5.3%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(156,166,600)	(170,663,100)	(14,496,500)	9.3%	
Depreciation	65,172,869	77,902,949	12,730,080	19.5%	
Capital Outlay	(15,792,000)	(13,385,000)	2,407,000	-15.2%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(11,181,060)	(15,697,851)	(4,516,791)	40.4%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 704,978,711</b>	<b>744,602,304</b>	<b>39,623,593</b>	<b>5.6%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**AT SAN ANTONIO**



**The University of Texas at San Antonio**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

In November 2023, The University of Texas at San Antonio's President, Dr. Taylor Eighmy, presented to the Board the University strategic plan, refreshed through a campus-wide collaborative process, and the long-range financial plan, built upon planning data from key areas including research, capital planning, and strategic enrollment. U. T. San Antonio's budget links to the University's strategic plan through the Incentivized Resource Management (IRM) budget model which promotes collaboration and shared governance, and provides greater transparency into university cost and decisions.

The refreshed strategic plan continues the destinations of U. T. San Antonio being a model for student success and great public research university. Student enrollment increased in FY 2024 and U. T. San Antonio remains optimistic as strategic investments were made in recruiting, financial aid, and systems to support enrollment initiatives. U. T. San Antonio, a Carnegie R1 Research University, continues to focus on strategies to increase its research profile. The new College of Artificial Intelligence, Computing, Cyber, and Data Sciences will serve as an innovation ecosystem for high-impact research and applied technology development to expand the University's research reputation and public/private collaborations. The Joint School of Public Health with U. T. Health Science Center - San Antonio establishes a research-intensive, community-centric school to improve health outcomes in South Texas.

U. T. San Antonio has seen transforming growth in its downtown presence with the UTSA Southwest Campus and opening of the School of Data Science at San Pedro I. Construction is in progress on San Pedro II, which will provide interdisciplinary academic programs. U. T. San Antonio will continue to explore opportunities downtown and on the Park West Campus. Other investment priorities include the athletics program move into the American Athletics Conference and creative strategies to fund campus building revitalization. U. T. San Antonio strives to be an innovative place to work, learn, and discover. And, as a part of the ongoing efforts of the Campus Experience Task Force, the University is working on initiatives such as an Employee Success Center.

The University's strategic initiatives, enrollment trends, institutional compensation strategies, and ongoing investment needed for building and technology maintenance are all considered in building the financial model for the future.

**Revenue**

The FY 2025 \$792.2 million revenue budget includes an increase of \$69.7 million, or 9.6 percent, in total revenues and transfers over the FY 2024 budget. The FY 2025 budget includes an increase in of \$14.9 million in tuition and fee revenues due to updated enrollment projections. Sponsored programs operating revenue increased by \$3.5 million between all sources, with the majority from federal. Auxiliary revenues are increasing about \$4.0 million in multiple areas with the combination of actual sales trends and rate increases in services such as housing and parking to offset increased costs. Federal Sponsored Programs non-operating reflect a \$33.0 million increase, primarily Pell Grants based on the change in criteria, which is offset by an increase in scholarship expense. U. T. System's \$5.0 million match on research appropriation dollars is also included in FY 2025 revenue.

**Expenses**

The FY 2025 \$777.9 million expense budget includes an increase of \$16.4 million, or 2.2 percent, in total expenses and transfers over the FY 2024 budget. The University's annual operating budget includes increases in the areas of faculty start-up costs, facility costs (such as utilities, custodial, and grounds contracted services), employee benefits, and strategic expenditures in various administrative areas. The University has launched a university-wide staff compensation study that will be completed in fall 2024, to develop a competitive strategy to ensure compensation packages are more reflective of the value staff bring to the institution. The FY 2025 budget also includes increased threshold amounts for faculty promotion, tenure, and professional development as part of an ongoing look at faculty compensation. The University continues to incentivize strategic planning by each college, and through the IRM budget model, budget allocations are done through a collaborative process, resulting in both permanent and temporary college investments.

**The University of Texas at San Antonio**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 398,671,561	355,119,517	370,021,426	14,901,909	4.2%
Less Discounts and Allowances	(135,149,659)	(112,327,800)	(120,853,400)	(8,525,600)	7.6%
Federal Sponsored Programs	73,916,691	83,885,300	86,738,899	2,853,599	3.4%
State Sponsored Programs	35,694,957	33,531,313	33,924,857	393,544	1.2%
Local and Private Sponsored Programs	9,145,722	7,383,800	7,646,400	262,600	3.6%
Net Sales and Services of Educational Activities	20,542,297	14,820,939	15,109,873	288,934	1.9%
Net Sales and Services of Hospital and Clinics	-	-	-	-	0.0%
Net Professional Fees	-	-	-	-	0.0%
Net Auxiliary Enterprises	62,335,255	60,547,425	64,538,523	3,991,098	6.6%
Other Operating Revenues	4,911,341	1,547,900	3,188,600	1,640,700	106.0%
<b>Total Operating Revenues</b>	<b>470,068,165</b>	<b>444,508,394</b>	<b>460,315,178</b>	<b>15,806,784</b>	<b>3.6%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	141,019,481	133,940,482	141,663,440	7,722,958	5.8%
Compensation - Non-Faculty	184,882,801	175,747,333	188,623,777	12,876,444	7.3%
Wages	14,494,024	14,657,317	13,027,202	(1,630,115)	-11.1%
Benefits	93,678,430	100,989,937	105,364,683	4,374,746	4.3%
Personnel Costs	434,074,736	425,335,069	448,679,102	23,344,033	5.5%
Utilities	17,706,542	17,472,083	18,993,231	1,521,148	8.7%
Scholarships and Fellowships	205,076,218	161,538,204	200,461,838	38,923,634	24.1%
Less Discounts and Allowances	(135,149,659)	(112,327,800)	(120,853,400)	(8,525,600)	7.6%
Operations, Maintenance and Travel	238,530,576	210,962,414	217,319,912	6,357,498	3.0%
Less Capitalized Portion and Cap Lease/SBITA	(86,702,239)	(30,735,480)	(86,097,300)	(55,361,820)	180.1%
Depreciation and Amortization	79,518,567	76,625,600	83,898,800	7,273,200	9.5%
<b>Total Operating Expenses</b>	<b>753,054,741</b>	<b>748,870,090</b>	<b>762,402,183</b>	<b>13,532,093</b>	<b>1.8%</b>
<b>Operating Surplus/Deficit</b>	<b>(282,986,576)</b>	<b>(304,361,696)</b>	<b>(302,087,005)</b>	<b>2,274,691</b>	<b>-0.7%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	182,445,142	169,747,816	167,781,121	(1,966,695)	-1.2%
Federal Sponsored Programs (Nonoperating)	79,082,778	67,000,000	100,000,000	33,000,000	49.3%
State/Local Sponsored Programs (Nonoperating)	350,000	350,000	5,475,299	5,125,299	1464.4%
Gifts in Support of Operations	10,180,045	7,995,000	14,190,327	6,195,327	77.5%
Net Investment Income	34,415,051	24,418,200	30,776,782	6,358,582	26.0%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>306,473,016</b>	<b>269,511,016</b>	<b>318,223,529</b>	<b>48,712,513</b>	<b>18.1%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	-	8,496,921	13,652,337	5,155,416	60.7%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(13,079,830)	(12,597,320)	(15,452,209)	(2,854,889)	22.7%
<b>Total Transfers and Other</b>	<b>(13,079,830)</b>	<b>(4,100,399)</b>	<b>(1,799,872)</b>	<b>2,300,527</b>	<b>-56.1%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 10,406,610</b>	<b>(38,951,079)</b>	<b>14,336,652</b>	<b>53,287,731</b>	<b>-136.8%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 776,541,181</b>	<b>722,516,331</b>	<b>792,191,044</b>	<b>69,674,713</b>	<b>9.6%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(766,134,571)</b>	<b>(761,467,410)</b>	<b>(777,854,392)</b>	<b>(16,386,982)</b>	<b>2.2%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 10,406,610</b>	<b>(38,951,079)</b>	<b>14,336,652</b>	<b>53,287,731</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		76,625,600	83,898,800		
Capital Outlay		(24,458,700)	(79,977,900)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(20,127,460)	(20,044,300)		
Budgeted Transfers		2,609,105	(1,452,334)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>(4,302,534)</b>	<b>(3,239,082)</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

**The University of Texas at San Antonio**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 140,701,496	144,774,825	147,109,315	2,334,490	1.6%
Academic Support	87,061,840	111,914,111	106,481,157	(5,432,954)	-4.9%
Research	134,918,988	122,839,918	119,378,554	(3,461,364)	-2.8%
Public Service	17,340,589	15,579,378	15,565,997	(13,381)	-0.1%
Hospitals and Clinics		-	-	-	0.0%
Institutional Support	51,438,506	62,145,343	58,215,441	(3,929,902)	-6.3%
Student Services	38,921,266	34,910,786	37,587,191	2,676,405	7.7%
Operations and Maintenance of Plant	58,863,885	53,955,621	41,727,048	(12,228,573)	-22.7%
Scholarships and Fellowships	85,130,339	54,328,108	85,354,167	31,026,059	57.1%
Auxiliary Enterprises	64,095,854	71,796,400	67,084,513	(4,711,887)	-6.6%
Depreciation and Amortization	74,581,978	76,625,600	83,898,800	7,273,200	9.5%
<b>Total Operating Expenses</b>	<b>\$ 753,054,741</b>	<b>748,870,090</b>	<b>762,402,183</b>	<b>13,532,093</b>	<b>1.8%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 283,995,411	283,127,223	(868,188)	-0.3%	
Designated	280,119,749	309,780,122	29,660,373	10.6%	
Auxiliary	101,839,610	105,712,021	3,872,411	3.8%	
Available University Fund		-	-	0.0%	
Restricted	171,224,000	211,634,826	40,410,826	23.6%	
Unexpended Plant	4,577,000	4,577,000	-	0.0%	
Subtotal - Expenditures (All Funds)	841,755,770	914,831,192	73,075,422	8.7%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(112,327,800)	(120,853,400)	(8,525,600)	7.6%	
Depreciation	76,625,600	83,898,800	7,273,200	9.5%	
Capital Outlay	(24,458,700)	(79,977,900)	(55,519,200)	227.0%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(20,127,460)	(20,044,300)	83,160	-0.4%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 761,467,410</b>	<b>777,854,392</b>	<b>16,386,982</b>	<b>2.2%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**STEPHEN F. AUSTIN**  
**STATE UNIVERSITY**



**Stephen F. Austin State University**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

Stephen F. Austin State University officially joined The University of Texas System in FY 2024. On May 13, 2024, Dr. Neal Weaver became the 1st permanent president of Stephen F. Austin State University under The University of Texas System and the 11th president in the history of the University. Under Dr. Weaver's leadership, the University will begin a strategic planning process in FY 2025, while continuing to focus on institutional success, including student, faculty, and staff recruitment and retention.

Building upon the Fall 2023 increase in first time undergraduate students of 9 percent, Stephen F. Austin State University anticipates a second year of growth of approximately 5 percent for Fall 2024 in this population of students. Although the trend for first time undergraduate students continues to increase, total projected enrollment remains flat for FY 2025, due to the smaller upper classes. With the increase in first time undergraduate students, the University is at capacity in on-campus living space.

Academic Affairs will continue to prioritize high-demand programs, student advising, and high-impact experiential learning. In support of this effort, faculty and staff will maintain focus on curriculum development, community engagement, and growth of Stephen F. Austin's research and creative activity footprint.

As part of the affiliation, the Stephen F. Austin State University Foundation and Stephen F. Austin State University Alumni Association operations started the process to merge into Stephen F. Austin State University during FY 2024. Another major change for FY 2025 is that Stephen F. Austin State University intercollegiate athletics rejoined the Southland Conference effective August 2024.

Stephen F. Austin State University's newly expanded Griffith Fine Arts Building opened for classes in the Fall 2023. The University will complete construction of a new dining hall in late Spring 2025. The Forestry, Agriculture, and Interdisciplinary Project funded with the combination of Capital Construction Assistance Project debt and Permanent University Fund Bond proceeds is in the design stage with an anticipated opening date of Fall 2027.

**Revenue**

The FY 2025 \$218.4 million revenue budget includes a decrease of \$14.6 million, or 6.2 percent, in total revenues and transfers over the FY 2024 budget. As part of the affiliation, the University will continue to receive operations support from U. T. System in FY 2025. Gross tuition and fees are expected to remain flat from FY 2024 actual revenue. In FY 2025, General Appropriation revenue will decrease by \$19 million due to a one-time biennial appropriation for capital expenditures in FY 2024.

Stephen F. Austin State University increased a non-academic fee in Spring 2024 to address inflation, primarily in utility costs. With the expected increase in residence hall occupancy, along with housing and dining rate increases, auxiliary revenue is expected to increase by \$8.0 million.

**Expenses**

The FY 2025 \$234.0 million expense budget includes a decrease of \$15.0 million, or 6.0 percent, in total expenses and transfers over the FY 2024 budget. Salaries, wages, and benefits continue to be the highest expense for the University and will increase from the prior year budget by approximately \$9.6 million. Stephen F. Austin State University implemented a 3 percent salary pool to cover cost of living increases and merit effective February 1, 2024; which accounts for \$3.0 million of the FY 2025 increase. The benefits budget is estimated to increase by \$6.4 million from the prior year original budget.

Housing and Dining expenditures are expected to increase by \$3.2 million with the increase in residence hall occupancy and rates.

Debt service interest and principal for FY 2025 totals \$17.3 million.

**Stephen F. Austin State University**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 101,083,416	102,723,138	103,701,100	977,962	1.0%
Less Discounts and Allowances	(44,000,000)	(17,700,000)	(47,000,000)	(29,300,000)	165.5%
Federal Sponsored Programs	75,000	75,000	75,000	-	0.0%
State Sponsored Programs	13,594,584	13,594,584	12,683,376	(911,208)	-6.7%
Local and Private Sponsored Programs	161,000	161,000	161,000	-	0.0%
Net Sales and Services of Educational Activities	2,624,265	2,624,265	2,759,738	135,473	5.2%
Net Sales and Services of Hospital and Clinics	-	-	-	-	0.0%
Net Professional Fees	-	-	-	-	0.0%
Net Auxiliary Enterprises	37,161,806	30,348,279	41,151,073	10,802,794	35.6%
Other Operating Revenues	1,697,545	1,697,545	1,657,003	(40,542)	-2.4%
<b>Total Operating Revenues</b>	<b>112,397,616</b>	<b>133,523,811</b>	<b>115,188,290</b>	<b>(18,335,521)</b>	<b>-13.7%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	49,760,000	48,795,421	50,276,331	1,480,910	3.0%
Compensation - Non-Faculty	44,060,000	41,780,365	43,658,364	1,877,999	4.5%
Wages	10,999,000	10,693,913	10,445,852	(248,061)	-2.3%
Benefits	37,800,000	32,987,587	39,432,062	6,444,475	19.5%
Personnel Costs	142,619,000	134,257,286	143,812,609	9,555,323	7.1%
Utilities	6,373,470	5,084,739	5,084,739	-	0.0%
Scholarships and Fellowships	57,940,933	57,940,933	57,513,996	(426,937)	-0.7%
Less Discounts and Allowances	(49,000,000)	(27,500,000)	(54,000,000)	(26,500,000)	96.4%
Operations, Maintenance and Travel	52,303,907	51,043,259	55,624,337	4,581,078	9.0%
Less Capitalized Portion and Cap Lease/SBITA	(2,368,000)	(1,159,074)	(2,300,000)	(1,140,926)	98.4%
Depreciation and Amortization	21,958,314	23,500,000	23,000,000	(500,000)	-2.1%
<b>Total Operating Expenses</b>	<b>229,827,624</b>	<b>243,167,143</b>	<b>228,735,681</b>	<b>(14,431,462)</b>	<b>-5.9%</b>
<b>Operating Surplus/Deficit</b>	<b>(117,430,008)</b>	<b>(109,643,332)</b>	<b>(113,547,391)</b>	<b>(3,904,059)</b>	<b>3.6%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	50,427,155	49,627,155	50,423,352	796,197	1.6%
Federal Sponsored Programs (Nonoperating)	24,441,097	24,441,097	24,426,918	(14,179)	-0.1%
State/Local Sponsored Programs (Nonoperating)	3,000,000	3,000,000	4,000,000	1,000,000	33.3%
Gifts in Support of Operations	9,500,000	10,143,902	10,150,200	6,298	0.1%
Net Investment Income	10,920,000	8,670,000	10,670,000	2,000,000	23.1%
Other Non-Operating Revenue	-	464,600	456,600	(8,000)	-1.7%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>98,288,252</b>	<b>96,346,754</b>	<b>100,127,070</b>	<b>3,780,316</b>	<b>3.9%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	2,783,636	3,050,415	3,050,415	-	0.0%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(5,523,581)	(5,835,094)	(5,305,485)	529,609	-9.1%
<b>Total Transfers and Other</b>	<b>(2,739,945)</b>	<b>(2,784,679)</b>	<b>(2,255,070)</b>	<b>529,609</b>	<b>-19.0%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (21,881,701)</b>	<b>(16,081,257)</b>	<b>(15,675,391)</b>	<b>405,866</b>	<b>-2.5%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 213,469,504</b>	<b>232,920,980</b>	<b>218,365,775</b>	<b>(14,555,205)</b>	<b>-6.2%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(235,351,205)</b>	<b>(249,002,237)</b>	<b>(234,041,166)</b>	<b>14,961,071</b>	<b>-6.0%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (21,881,701)</b>	<b>(16,081,257)</b>	<b>(15,675,391)</b>	<b>405,866</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		23,500,000	23,000,000		
Capital Outlay		(750,000)	(1,600,000)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(11,849,541)	(12,694,609)		
Budgeted Transfers		-	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>(5,180,798)</b>	<b>(6,970,000)</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**Stephen F. Austin State University**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 68,395,040	68,078,711	72,878,921	4,800,210	7.1%
Academic Support	15,831,374	15,651,670	16,887,390	1,235,720	7.9%
Research	5,737,506	4,813,077	6,120,220	1,307,143	27.2%
Public Service	961,009	998,759	1,025,112	26,353	2.6%
Hospitals and Clinics	-	-	-	-	0.0%
Institutional Support	28,346,964	30,514,294	30,316,163	(198,131)	-0.6%
Student Services	28,502,584	31,220,173	30,403,821	(816,352)	-2.6%
Operations and Maintenance of Plant	9,926,206	10,312,666	10,588,324	275,658	2.7%
Scholarships and Fellowships	17,634,009	35,582,326	5,855,389	(29,726,937)	-83.5%
Auxiliary Enterprises	32,492,932	22,495,467	31,660,341	9,164,874	40.7%
Depreciation and Amortization	22,000,000	23,500,000	23,000,000	(500,000)	-2.1%
<b>Total Operating Expenses</b>	<b>\$ 229,827,624</b>	<b>243,167,143</b>	<b>228,735,681</b>	<b>(14,431,462)</b>	<b>-5.9%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 77,889,130	77,138,607	(750,523)	-1.0%	
Designated	84,867,124	92,035,284	7,168,160	8.4%	
Auxiliary	63,867,484	70,437,190	6,569,706	10.3%	
Available University Fund	-	-	-	0.0%	
Restricted	38,978,040	39,724,694	746,654	1.9%	
Unexpended Plant	-	-	-	0.0%	
Subtotal - Expenditures (All Funds)	265,601,778	279,335,775	13,733,997	5.2%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(27,500,000)	(54,000,000)	(26,500,000)	96.4%	
Depreciation	23,500,000	23,000,000	(500,000)	-2.1%	
Capital Outlay	(750,000)	(1,600,000)	(850,000)	113.3%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(11,849,541)	(12,694,609)	(845,068)	7.1%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 249,002,237</b>	<b>234,041,166</b>	<b>(14,961,071)</b>	<b>-6.0%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**AT TYLER**  
**(ACADEMIC AND HEALTH SCIENCE CENTER)**



**The University of Texas at Tyler**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

The FY 2025 budget continues to reflect The University of Texas at Tyler's strategic goals of enriching the student experience, elevating economic opportunity and social mobility for U. T. Tyler's students, partnering and collaborating in service to the Tyler community, advancing excellence in teaching, research, and health care, and ensuring sustainability while fostering accountability.

U. T. Tyler is taking active steps with this budget to compete for students in an environment of flat or decreasing enrollment trends in higher education. To address this trend, U. T. Tyler continues to focus on potential growth opportunities through multiple avenues such as new program development, marketing, and student success and support. The FY 2025 budget reflects investments by the institution and the Legislature in new critical care nursing workforce programs (e.g., Certified Registered Nurse Anesthetist, flight nursing, and adult geriatric nurse practitioner programs) and new or expanded occupational therapy and speech-language pathology programs. U. T. Tyler is expanding online program offerings to attract students who choose to pursue a degree outside the traditional classroom setting, as well as investing in growing student advising services with newly budgeted positions to provide greater individualized support to students to improve retention of what is expected to be record high freshman enrollment. The University also continues to establish new and grow existing partnerships with local community colleges, strengthening the programs and pathways for students to come to U. T. Tyler to finish their degrees. Additionally, U. T. Tyler is investing in its workforce via market and merit adjustments to reduce turnover and attract and retain new, high-quality faculty in response to the competitive workforce landscape. Finally, the University is investing in technology and information security initiatives to enhance administrative efficiencies to better meet the needs of the expanding organization and to protect its technology infrastructure from growing security threats.

**Revenue**

The FY 2025 \$193.5 million revenue budget includes an increase of \$16.3 million, or 9.2 percent, in total revenues and transfers over the FY 2024 budget. U. T. Tyler is experiencing historic enrollment growth. U. T. Tyler strategically partners with local high schools to support East Texas students. The University's initiatives, including College Readiness, Early Enrollment, and Applications Drives, have established enrollment pipelines to U. T. Tyler. Fall 2024, saw a 49 percent increase in enrolled First Time In College (FTIC) students year-to-date. This growth extends beyond FTIC, as the strategic collaboration with industry partners has expanded online graduate programs, resulting in a 17 percent increase in graduate enrollment year-to-date. While the recruitment cycle for Fall 2024 is ongoing, it is projected at a conservative 7.8 percent overall Semester Credit Hour increase for the FY 2025 budget. Anticipating the largest freshman class in institutional history, the University's investment in East Texas partners positions it as a first-choice higher education institution in the region. The proposed operating budget reflects a \$2.7 million decrease in State-appropriated general revenue. A large segment of this decrease corresponds to the switch in funding for the critical care nursing program approved by the 88th legislature. The critical care nursing program received \$2.5 million in FY 2025, down from the \$5.0 million in FY 2024. This change in State-appropriated funds shifts the program from start-up funding, to continuing operations funding. Net Sales and Services of Educational Activities is expected to increase by \$3.6 million as U. T. Tyler aligns the FY 2025 budget with the FY 2024 projections and including increases for both program and testing fees. A 25.7 percent (\$3.3 million) increase is expected in auxiliary enterprise revenue as the University moves to find third-party housing solutions to accommodate increased enrollment. Two additional off-campus housing complexes will be utilized in FY 2025. The University also has received approved increases for both housing and meal plan rates for FY 2025. Finally, a \$2.2 million (19.2 percent) increase is expected in Nonexchange Federal revenue, to account for both enrollment growth and the increased percentage of students that will qualify for Federal financial aid.

**Expenses**

The FY 2025 \$198.7 million expense budget includes an increase of \$6.1 million, or 3.2 percent, in total expenses and transfers over the FY 2024 budget. The FY 2025 budget continues the key investment in the School of Nursing, U. T. Tyler's largest program, to implement and operate the new critical care nursing program. The FY 2025 budget includes a \$4.8 million (4.1 percent) increase in total personnel costs, which includes a 2.5 percent merit pool for all eligible employees. This represents U. T. Tyler's commitment to attracting and retaining faculty and staff and keeping up with market rates for personnel. While the University is working through cost containment initiatives for personnel, some of these costs are outside of the University's control. One of these costs is medical insurance. The FY 2025 budget reflects a 7.5 increase for medical insurance. Due to the timing of employee retirements/departures, as well as hiring, U. T. Tyler is projecting a total benefit increase of \$1.7 million (6.3 percent). Finally, operations, maintenance, and travel expenses are expected to increase by 6.9 percent, associated with the general growth trajectory of the University and price increases in several operational areas, as well as new contracts for additional off campus housing.

**The University of Texas at Tyler**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 96,832,892	87,460,793	104,972,217	17,511,424	20.0%
Less Discounts and Allowances	(35,645,324)	(28,409,931)	(36,030,000)	(7,620,069)	26.8%
Federal Sponsored Programs	9,798,701	9,798,701	9,250,000	(548,701)	-5.6%
State Sponsored Programs	16,456,302	16,456,302	17,358,590	902,288	5.5%
Local and Private Sponsored Programs	761,285	761,285	800,000	38,715	5.1%
Net Sales and Services of Educational Activities	9,144,935	6,940,286	10,510,000	3,569,714	51.4%
Net Sales and Services of Hospital and Clinics	-	-	-	-	0.0%
Net Professional Fees	-	-	-	-	0.0%
Net Auxiliary Enterprises	13,216,701	12,716,701	15,990,000	3,273,299	25.7%
Other Operating Revenues	1,487,637	1,487,637	1,770,000	282,363	19.0%
<b>Total Operating Revenues</b>	<b>112,053,129</b>	<b>107,211,774</b>	<b>124,620,807</b>	<b>17,409,033</b>	<b>16.2%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	46,338,203	46,044,253	46,650,000	605,747	1.3%
Compensation - Non-Faculty	38,575,927	38,331,218	40,550,001	2,218,783	5.8%
Wages	4,222,783	4,195,995	4,400,451	204,456	4.9%
Benefits	28,098,280	27,841,247	29,600,000	1,758,753	6.3%
Personnel Costs	117,235,193	116,412,713	121,200,452	4,787,739	4.1%
Utilities	2,713,209	2,827,685	2,823,264	(4,421)	-0.2%
Scholarships and Fellowships	50,873,985	43,638,592	44,814,750	1,176,158	2.7%
Less Discounts and Allowances	(35,645,324)	(28,409,931)	(36,030,000)	(7,620,069)	26.8%
Operations, Maintenance and Travel	40,818,357	40,455,840	47,355,250	6,899,410	17.1%
Less Capitalized Portion and Cap Lease/SBITA	-	(3,293,632)	(3,500,000)	(206,368)	6.3%
Depreciation and Amortization	17,719,905	17,719,905	18,291,454	571,549	3.2%
<b>Total Operating Expenses</b>	<b>193,715,325</b>	<b>189,351,172</b>	<b>194,955,170</b>	<b>5,603,998</b>	<b>3.0%</b>
<b>Operating Surplus/Deficit</b>	<b>(81,662,196)</b>	<b>(82,139,398)</b>	<b>(70,334,363)</b>	<b>11,805,035</b>	<b>-14.4%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	46,261,780	45,246,662	42,447,440	(2,799,222)	-6.2%
Federal Sponsored Programs (Nonoperating)	13,960,004	13,000,000	15,500,000	2,500,000	19.2%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	0.0%
Gifts in Support of Operations	2,345,737	2,345,737	1,500,000	(845,737)	-36.1%
Net Investment Income	8,437,322	8,437,321	8,189,955	(247,366)	-2.9%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>71,004,843</b>	<b>69,029,720</b>	<b>67,637,395</b>	<b>(1,392,325)</b>	<b>-2.0%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	-	1,015,118	1,268,898	253,780	25.0%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(3,041,740)	(3,258,488)	(3,775,713)	(517,225)	15.9%
<b>Total Transfers and Other</b>	<b>(3,041,740)</b>	<b>(2,243,370)</b>	<b>(2,506,815)</b>	<b>(263,445)</b>	<b>11.7%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (13,699,093)</b>	<b>(15,353,048)</b>	<b>(5,203,783)</b>	<b>10,149,265</b>	<b>-66.1%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 183,057,972</b>	<b>177,256,612</b>	<b>193,527,100</b>	<b>16,270,488</b>	<b>9.2%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(196,757,065)</b>	<b>(192,609,660)</b>	<b>(198,730,883)</b>	<b>(6,121,223)</b>	<b>3.2%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (13,699,093)</b>	<b>(15,353,048)</b>	<b>(5,203,783)</b>	<b>10,149,265</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		17,719,905	18,291,454		
Capital Outlay		(2,556,530)	(2,000,000)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(3,889,535)	(5,161,811)		
Budgeted Transfers		(159,717)	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>(4,238,925)</b>	<b>5,925,860</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

**The University of Texas at Tyler**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 78,080,917	75,961,343	78,039,468	2,078,125	2.7%
Academic Support	17,067,250	16,603,945	17,119,776	515,831	3.1%
Research	3,331,602	3,241,163	4,213,055	971,892	30.0%
Public Service	988,073	961,251	1,034,280	73,029	7.6%
Hospitals and Clinics	-	-	-	-	0.0%
Institutional Support	17,783,044	17,300,308	17,018,537	(281,771)	-1.6%
Student Services	15,665,192	15,239,947	15,751,632	511,685	3.4%
Operations and Maintenance of Plant	11,647,000	11,330,832	13,169,852	1,839,020	16.2%
Scholarships and Fellowships	15,228,661	15,228,661	12,910,000	(2,318,661)	-15.2%
Auxiliary Enterprises	16,203,681	15,763,817	17,407,116	1,643,299	10.4%
Depreciation and Amortization	17,719,905	17,719,905	18,291,454	571,549	3.2%
<b>Total Operating Expenses</b>	<b>\$ 193,715,325</b>	<b>189,351,172</b>	<b>194,955,170</b>	<b>5,603,998</b>	<b>3.0%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 64,333,805	61,938,525	(2,395,280)	-3.7%	
Designated	103,652,190	108,234,412	4,582,222	4.4%	
Auxiliary	20,310,882	23,120,846	2,809,964	13.8%	
Available University Fund	-	-	-	0.0%	
Restricted	21,448,874	26,212,207	4,763,333	22.2%	
Unexpended Plant	-	4,125,250	4,125,250	100.0%	
Subtotal - Expenditures (All Funds)	209,745,751	223,631,240	13,885,489	6.6%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(28,409,931)	(36,030,000)	(7,620,069)	26.8%	
Depreciation	17,719,905	18,291,454	571,549	3.2%	
Capital Outlay	(2,556,530)	(2,000,000)	556,530	-21.8%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(3,889,535)	(5,161,811)	(1,272,276)	32.7%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 192,609,660</b>	<b>198,730,883</b>	<b>6,121,223</b>	<b>3.2%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**The University of Texas Health Science Center at Tyler**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

As the only academic medical center in the region, The University of Texas Health Science Center at Tyler plays a critical role in the health and wellness of East Texas. Building on the momentum of the establishment of the first medical school in the region and the continued growth and development of Graduate Medical Education (GME), U. T. Health Science Center – Tyler is poised to deliver even greater access to life-changing education, healthcare, and research that will positively impact the East Texas Region. The FY 2025 operating budget funds important strategic goals towards this mission.

U. T. Health Science Center - Tyler has made great strides toward the establishment of a medical school in East Texas, which welcomed the inaugural class on June 26, 2023. With the 2nd class now having started July 1, 2024, the FY 2025 operating budget funds the ongoing development of the school of medicine, including faculty recruitment, and planning for future facilities.

Along with opening the medical school to the 2nd class of students, the FY 2025 operating budget also supports continued growth in GME programs at U. T. Health Science Center - Tyler. This strategic step not only ensures compliance with legislatively mandated requirements but enables medical students to continue their training in the region, improves access to medical care, and increases the likelihood of retaining physicians in East Texas.

The FY 2025 operating budget also funds efforts toward the recruitment and retention of high-quality faculty and will make strategic investments in new and existing programs tied to the needs of the region. Likewise, the budget will fund efforts to grow enrollment across the University while providing enhanced experiences for students through flexible programs, increased use of technology in delivery of education, and additional student support.

**Revenue**

The FY 2025 \$438.7 million revenue budget includes an increase of \$36.4 million, or 9.0 percent, in total revenues and transfers over the FY 2024 budget. This increase is driven primarily by four initiatives; continued clinical growth, expansion of the residency and GME programs, tuition and fee revenue for the medical school, and increased operating gifts related to the medical school.

**Expenses**

The FY 2025 \$436.1 million expense budget includes an increase of \$36.1 million, or 9.0 percent, in total expenses and transfers over the FY 2024 budget. This increase reflects the investment in three initiatives; growth of the residency and GME programs, establishing a medical school and welcoming the first two classes of students, and increasing behavioral health clinical capacity. The University continues to invest in the School of Health Professions, as well as ongoing outlays to improve the quality of and access to healthcare, maintain and improve infrastructure, and invest in and develop the University's human capital. In addition to a merit program this year, U. T. Health Science Center – Tyler continues to invest in its employees by monitoring remote working trends to promote flexibility, initiating off-cycle market adjustments, and implementing targeted compensation programs for health care workers who go above and beyond.

**The University of Texas Health Science Center at Tyler**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 2,254,473	2,254,473	2,995,318	740,845	32.9%
Less Discounts and Allowances	(1,447,497)	(1,447,497)	(390,099)	1,057,398	-73.1%
Federal Sponsored Programs	18,656,392	18,656,392	7,506,554	(11,149,838)	-59.8%
State Sponsored Programs	10,372,944	10,372,944	15,090,400	4,717,456	45.5%
Local and Private Sponsored Programs	82,466,753	82,466,753	102,784,071	20,317,318	24.6%
Net Sales and Services of Educational Activities	7,905,294	7,905,294	14,486,901	6,581,607	83.3%
Net Sales and Services of Hospital and Clinics	172,027,168	172,027,168	190,333,173	18,306,005	10.6%
Net Professional Fees	22,088,818	22,088,818	23,060,888	972,070	4.4%
Net Auxiliary Enterprises	112,150	112,150	110,844	(1,306)	-1.2%
Other Operating Revenues	11,111,657	15,847,657	9,277,991	(6,569,666)	-41.5%
<b>Total Operating Revenues</b>	<b>325,548,152</b>	<b>330,284,152</b>	<b>365,256,041</b>	<b>34,971,889</b>	<b>10.6%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	129,378,612	129,378,612	154,400,299	25,021,687	19.3%
Compensation - Non-Faculty	77,558,538	77,558,538	77,010,860	(547,678)	-0.7%
Wages	3,275,350	3,275,350	3,662,719	387,369	11.8%
Benefits	53,201,504	53,201,504	54,908,833	1,707,329	3.2%
Personnel Costs	263,414,004	263,414,004	289,982,711	26,568,707	10.1%
Utilities	3,311,586	3,311,586	3,076,144	(235,442)	-7.1%
Scholarships and Fellowships	1,582,902	1,582,902	1,289,633	(293,269)	-18.5%
Less Discounts and Allowances	(1,447,497)	(1,447,497)	(390,099)	1,057,398	-73.1%
Operations, Maintenance and Travel	118,979,778	118,060,429	125,247,677	7,187,248	6.1%
Less Capitalized Portion and Cap Lease/SBITA	(5,621,032)	(5,621,032)	(5,848,207)	(227,175)	4.0%
Depreciation and Amortization	19,140,000	19,140,000	20,024,425	884,425	4.6%
<b>Total Operating Expenses</b>	<b>399,359,741</b>	<b>398,440,392</b>	<b>433,382,284</b>	<b>34,941,892</b>	<b>8.8%</b>
<b>Operating Surplus/Deficit</b>	<b>(73,811,589)</b>	<b>(68,156,240)</b>	<b>(68,126,243)</b>	<b>29,997</b>	<b>0.0%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	59,450,293	55,405,619	55,305,768	(99,851)	-0.2%
Federal Sponsored Programs (Nonoperating)	-	-	-	-	0.0%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	0.0%
Gifts in Support of Operations	8,657,161	8,657,161	8,743,733	86,572	1.0%
Net Investment Income	11,732,792	4,299,201	5,363,701	1,064,500	24.8%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>79,840,246</b>	<b>68,361,981</b>	<b>69,413,202</b>	<b>1,051,221</b>	<b>1.5%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	-	3,657,307	3,989,584	332,277	9.1%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(2,538,395)	(1,557,940)	(2,692,124)	(1,134,184)	72.8%
<b>Total Transfers and Other</b>	<b>(2,538,395)</b>	<b>2,099,367</b>	<b>1,297,460</b>	<b>(801,907)</b>	<b>-38.2%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 3,490,262</b>	<b>2,305,108</b>	<b>2,584,419</b>	<b>279,311</b>	<b>12.1%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 405,388,398</b>	<b>402,303,440</b>	<b>438,658,827</b>	<b>36,355,387</b>	<b>9.0%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(401,898,136)</b>	<b>(399,998,332)</b>	<b>(436,074,408)</b>	<b>(36,076,076)</b>	<b>9.0%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 3,490,262</b>	<b>2,305,108</b>	<b>2,584,419</b>	<b>279,311</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		19,140,000	20,024,425		
Capital Outlay		(4,356,032)	(4,595,207)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(6,597,000)	(7,603,900)		
Budgeted Transfers		-	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>10,492,076</b>	<b>10,409,737</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**The University of Texas Health Science Center at Tyler**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 19,850,145	19,850,145	20,344,620	494,475	2.5%
Academic Support	12,256,969	12,256,969	12,477,765	220,796	1.8%
Research	41,538,759	41,538,759	34,181,347	(7,357,412)	-17.7%
Public Service	-	-	-	-	0.0%
Hospitals and Clinics	277,862,346	276,942,997	316,198,287	39,255,290	14.2%
Institutional Support	16,506,902	16,506,902	17,139,444	632,542	3.8%
Student Services	987,215	987,215	1,015,249	28,034	2.8%
Operations and Maintenance of Plant	10,978,025	10,978,025	10,915,990	(62,035)	-0.6%
Scholarships and Fellowships	135,405	135,405	1,047,713	912,308	673.8%
Auxiliary Enterprises	103,975	103,975	37,444	(66,531)	-64.0%
Depreciation and Amortization	19,140,000	19,140,000	20,024,425	884,425	4.6%
<b>Total Operating Expenses</b>	<b>\$ 399,359,741</b>	<b>398,440,392</b>	<b>433,382,284</b>	<b>34,941,892</b>	<b>8.8%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 243,090,621	263,475,303	20,384,682	8.4%	
Designated	119,230,365	141,197,624	21,967,259	18.4%	
Auxiliary	103,975	20,386	(83,589)	-80.4%	
Available University Fund	-	-	-	0.0%	
Restricted	30,833,900	19,887,750	(10,946,150)	-35.5%	
Unexpended Plant	-	4,058,126	4,058,126	100.0%	
Subtotal - Expenditures (All Funds)	393,258,861	428,639,189	35,380,328	9.0%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(1,447,497)	(390,099)	1,057,398	-73.1%	
Depreciation	19,140,000	20,024,425	884,425	4.6%	
Capital Outlay	(4,356,032)	(4,595,207)	(239,175)	5.5%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(6,597,000)	(7,603,900)	(1,006,900)	15.3%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 399,998,332</b>	<b>436,074,408</b>	<b>36,076,076</b>	<b>9.0%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**SOUTHWESTERN MEDICAL CENTER**



**The University of Texas Southwestern Medical Center**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

The University of Texas Southwestern Medical Center, one of the nation's premier academic medical centers, integrates pioneering biomedical research with exceptional clinical care and education. The mission of U. T. Southwestern Medical Center is to promote health and a healthy society that enables individuals to achieve their full potential. This is accomplished by preparing the next generation of health care professionals and scientists to meet the needs of the community; conducting life-changing research for better treatments, prevention, and cures; and applying the highest standards of clinical excellence today, with continuous improvement and innovation for better care tomorrow.

Strategic positioning and programmatic investments are designed to sustain a trajectory of excellence and targeted growth. Notable examples include a partnership with U. T. Dallas on the Texas Instruments Biomedical Engineering and Sciences Building, where students and faculty collaboratively develop transformative technologies to improve patients' lives. Additionally, the new Peter O'Donnell Jr. School of Public Health welcomed its inaugural class in August 2023. The school's faculty and learners aim to address the most pressing public health problems – nationally and globally – through rigorous, cross-disciplinary research, and an innovative approach to affecting change. The Peter O'Donnell Jr. Brain Institute continues its research and clinical program expansions to advance the treatment and prevention of all forms of brain disease. Phase II of the North Campus Phase VI expansion, which includes finish-out of space in the Peter O'Donnell Jr. Biomedical Research Building, is underway.

With investments from the state and local communities, U. T. Southwestern Medical Center is enhancing public health with targeted attention to disease prevention and control, addressing health equity and disparities, and caring for an aging patient population. U. T. Southwestern Medical Center is also taking a leadership role in exploring the ethical and responsible use of artificial intelligence (AI) to advance public health. In May 2024, U. T. Southwestern Medical Center hosted the inaugural U. T. System AI Symposium in Health Care.

In addition to exceptional education and research programs, U. T. Southwestern Medical Center has earned national distinctions for providing patients with the highest-quality care and experience. The steady growth of patient volume continues to exceed projections, necessitating investment in additional capacity. To bring acute care capacity to North Texas, U. T. Southwestern Medical Center is constructing two new hospital facilities in parallel. We are breaking ground on a new pediatric campus, a joint venture with Children's Health System of Texas, in October 2024. Opening in 2031, the 552-bed pediatric hospital will expand the two organizations' collective commitment to advance the health of pediatric patients through cutting-edge care, research, and training the next generation of physicians and caregivers. In addition, construction of the Texas Behavioral Health Center at U. T. Southwestern is progressing. The first state psychiatric hospital in North Texas – a partnership with the Texas Health and Human Services Commission – will include 200 adult and 92 pediatric beds. The new behavioral health hospital will provide opportunities to develop innovative care models, train a holistic health care workforce, and advance research enabling more effective treatment and prevention. In all domains, the health care enterprise is executing a comprehensive strategic plan to optimize its care network; further develop destination service lines; enhance value, quality, access, and patient experience; and leverage outstanding research capabilities in clinical settings.

University leadership remains focused on recruiting industry leaders. Following national searches, several key positions were filled this year: Jonathan Efron, M.D., Executive Vice President for Health System Affairs; Alyssa Hasty, Ph.D., Vice Provost and Senior Associate Dean for Faculty Affairs and Career Development; Sherry Huang, M.D., Vice Provost and Senior Associate Dean for Education; Joseph Merola, M.D., M.M.Sc., Chair of the Department of Dermatology; Julie Pfeiffer, Ph.D., Chair of the Department of Microbiology; and Martin Pomper, M.D., Ph.D., Chair of the Department of Radiology.

**Revenue**

The FY 2025 \$5.5 billion revenue budget includes an increase of \$0.6 billion, or 13.0 percent, in total revenues and transfers over the FY 2024 budget. This is driven by strong patient care volumes and growth in faculty practice plan professional fees and sponsored research. Annual inpatient growth rates have begun to slow as many current facilities are operating at close to full capacity. However, outpatient growth rates remain strong.

**Expenses**

The FY 2025 \$5.5 billion expense budget includes an increase of \$0.6 billion, or 12.4 percent, in total expenses and transfers over the FY 2024 budget. Expense growth is proportional to volume and revenue growth. U. T. Southwestern Medical Center has been materially impacted by inflationary trends in salaries, wages, benefits, and maintenance and operations. Capital investment in facilities and new initiatives has led to higher interest and depreciation expenses. The University continues to implement cost-saving measures where possible to limit expense growth, and the FY 2025 budget reflects expense reductions across all missions.

**The University of Texas Southwestern Medical Center**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 31,517,400	31,698,641	32,888,092	1,189,451	3.8%
Less Discounts and Allowances	(3,000,000)	(3,000,000)	(3,000,000)	-	0.0%
Federal Sponsored Programs	373,865,866	347,563,277	393,423,775	45,860,498	13.2%
State Sponsored Programs	44,181,544	47,166,812	45,402,473	(1,764,339)	-3.7%
Local and Private Sponsored Programs	557,864,575	482,518,152	587,047,941	104,529,789	21.7%
Net Sales and Services of Educational Activities	16,035,413	12,336,145	16,516,475	4,180,330	33.9%
Net Sales and Services of Hospital and Clinics	2,523,931,167	2,314,813,269	2,645,980,070	331,166,801	14.3%
Net Professional Fees	953,690,860	918,197,156	1,001,017,900	82,820,744	9.0%
Net Auxiliary Enterprises	35,133,339	30,424,878	39,896,660	9,471,782	31.1%
Other Operating Revenues	320,814,471	219,808,403	267,246,923	47,438,520	21.6%
<b>Total Operating Revenues</b>	<b>4,854,034,635</b>	<b>4,401,526,733</b>	<b>5,026,420,309</b>	<b>624,893,576</b>	<b>14.2%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	949,135,120	923,661,910	1,016,025,896	92,363,986	10.0%
Compensation - Non-Faculty	1,663,726,019	1,508,545,236	1,772,147,071	263,601,835	17.5%
Wages	40,252,079	43,484,561	43,088,250	(396,311)	-0.9%
Benefits	655,987,659	624,804,517	703,314,828	78,510,311	12.6%
Personnel Costs	3,309,100,877	3,100,496,224	3,534,576,045	434,079,821	14.0%
Utilities	30,328,746	31,590,408	32,741,832	1,151,424	3.6%
Scholarships and Fellowships	6,597,759	10,262,486	10,432,387	169,901	1.7%
Less Discounts and Allowances	(3,000,000)	(3,000,000)	(3,000,000)	-	0.0%
Operations, Maintenance and Travel	1,594,213,169	1,429,609,870	1,598,348,620	168,738,750	11.8%
Less Capitalized Portion and Cap Lease/SBITA	(49,119,505)	(50,114,152)	(49,266,694)	847,458	-1.7%
Depreciation and Amortization	278,234,190	288,855,442	286,895,370	(1,960,072)	-0.7%
<b>Total Operating Expenses</b>	<b>5,166,355,236</b>	<b>4,807,700,278</b>	<b>5,410,727,560</b>	<b>603,027,282</b>	<b>12.5%</b>
<b>Operating Surplus/Deficit</b>	<b>(312,320,601)</b>	<b>(406,173,545)</b>	<b>(384,307,251)</b>	<b>21,866,294</b>	<b>-5.4%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	217,387,300	219,499,427	218,103,117	(1,396,310)	-0.6%
Federal Sponsored Programs (Nonoperating)	-	-	-	-	0.0%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	0.0%
Gifts in Support of Operations	81,200,000	81,150,925	86,200,000	5,049,075	6.2%
Net Investment Income	188,174,500	186,429,931	188,174,500	1,744,569	0.9%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>486,761,800</b>	<b>487,080,283</b>	<b>492,477,617</b>	<b>5,397,334</b>	<b>1.1%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	9,963,878	8,307,675	15,346,267	7,038,592	84.7%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(67,405,935)	(64,825,489)	(68,174,192)	(3,348,703)	5.2%
<b>Total Transfers and Other</b>	<b>(57,442,057)</b>	<b>(56,517,814)</b>	<b>(52,827,925)</b>	<b>3,689,889</b>	<b>-6.5%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 116,999,142</b>	<b>24,388,924</b>	<b>55,342,441</b>	<b>30,953,517</b>	<b>126.9%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 5,350,760,313</b>	<b>4,896,914,691</b>	<b>5,534,244,193</b>	<b>637,329,502</b>	<b>13.0%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(5,233,761,171)</b>	<b>(4,872,525,767)</b>	<b>(5,478,901,752)</b>	<b>(606,375,985)</b>	<b>12.4%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 116,999,142</b>	<b>24,388,924</b>	<b>55,342,441</b>	<b>30,953,517</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		288,855,442	286,895,370		
Capital Outlay		(25,949,823)	(25,000,000)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(96,759,855)	(95,668,880)		
Budgeted Transfers		-	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>190,534,688</b>	<b>221,568,931</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

**The University of Texas Southwestern Medical Center**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 1,531,424,022	1,395,361,552	1,608,891,800	213,530,248	15.3%
Academic Support	82,374,520	83,736,511	86,544,136	2,807,625	3.4%
Research	558,468,866	513,266,280	575,162,314	61,896,034	12.1%
Public Service	30,251,074	29,953,219	31,781,336	1,828,117	6.1%
Hospitals and Clinics	2,460,781,846	2,273,869,311	2,585,258,969	311,389,658	13.7%
Institutional Support	69,680,277	69,719,053	73,205,138	3,486,085	5.0%
Student Services	4,514,958	4,597,375	4,743,615	146,240	3.2%
Operations and Maintenance of Plant	99,522,928	98,638,901	104,557,106	5,918,205	6.0%
Scholarships and Fellowships	7,074,308	7,262,486	7,432,387	169,901	2.3%
Auxiliary Enterprises	44,028,247	42,440,148	46,255,389	3,815,241	9.0%
Depreciation and Amortization	278,234,190	288,855,442	286,895,370	(1,960,072)	-0.7%
<b>Total Operating Expenses</b>	<b>\$ 5,166,355,236</b>	<b>4,807,700,278</b>	<b>5,410,727,560</b>	<b>603,027,282</b>	<b>12.5%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 242,319,553	250,321,686	8,002,133	3.3%	
Designated	3,948,845,291	4,506,421,405	557,576,114	14.1%	
Auxiliary	51,450,569	53,547,114	2,096,545	4.1%	
Available University Fund	-	-	-	0.0%	
Restricted	441,764,590	480,385,057	38,620,467	8.7%	
Unexpended Plant	25,000,000	25,000,000	-	0.0%	
Subtotal - Expenditures (All Funds)	4,709,380,003	5,315,675,262	606,295,259	12.9%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(3,000,000)	(3,000,000)	-	0.0%	
Depreciation	288,855,442	286,895,370	(1,960,072)	-0.7%	
Capital Outlay	(25,949,823)	(25,000,000)	949,823	-3.7%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(96,759,855)	(95,668,880)	1,090,975	-1.1%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 4,872,525,767</b>	<b>5,478,901,752</b>	<b>606,375,985</b>	<b>12.4%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**MEDICAL BRANCH**  
**AT GALVESTON**



**The University of Texas Medical Branch at Galveston**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

The University of Texas Medical Branch at Galveston, the state's first and oldest academic health center, honors its legacy of over 130 years of accomplishment and service by focusing on the future under the leadership of President and Chief Executive Officer of the UTMB Health System, Dr. Jochen Reiser. Dr. Reiser, who also holds distinguished academic positions, has reinforced the University's commitment to its historic values, forward-thinking clinical care, groundbreaking research, and a strategic focus on fostering an innovative and entrepreneurial mindset.

The FY 2025 budget outlines a strategic financial plan to advance the U. T. Medical Branch - Galveston's mission of improving health locally and globally through innovative education, groundbreaking research, and quality patient care. Key areas of focus include people, clinical care, education, research, innovation, and operational excellence.

Despite uncertainties around reimbursements under the Medicaid Directed Payment Programs and employee health benefit costs, the budget aims to expand access to care, support strategic growth, and enhance patient outcomes through innovative approaches and advanced technologies.

Central to the budget is the expansion of access to care, with planned growth in the rapidly growing markets of Clear Lake, League City, and an extensive network of over ninety clinic locations across Southeast Texas. The budget supports increased discharges, surgeries, and outpatient encounters, along with new hires in critical areas like Primary Care, Orthopedics, Cardiology, Oncology, Women's and Pediatric Services, and Neuroscience.

The University remains dedicated to advancing education and training for a highly skilled health care workforce through both traditional and innovative programs. The budget supports this commitment by fostering new approaches, such as advanced training initiatives. For example, the University's recognition by the U.S. Department of Labor as a Registered Apprenticeship Provider in 2024 highlights its continued efforts to address workforce shortages. The budget will also continue to support strong national nursing program rankings and other innovative programs, including the hybrid Doctor of Physical Therapy and Doctor of Occupational Therapy program. Additionally, it promotes the exploration of emerging areas in health care education to further enhance the skills and expertise of the workforce.

The focus on research strategies aims to maintain leadership in medical advancements while continuing to pioneer discoveries and treatments to better serve patients and communities. The budget supports prominent initiatives in infectious diseases and biodefense, drug discovery, vaccine development, cancer, diabetes, chronic diseases of aging, and neurosciences such as Alzheimer's, Parkinson's, traumatic brain injury, and addiction. Additionally, it includes environmental health, molecular medicine, structural biology, and proteomics.

Ensuring financial and operational excellence across all mission areas is prioritized to ensure fiscal stability while maintaining a robust and resilient infrastructure. Critical priorities include implementing and sustaining information technology to foster growth, enhance cybersecurity, advance business intelligence, and support data storage needs. Additionally, the completion of a master facility plan in FY 2024 establishes a strategy for facility expansion to address growth opportunities and incorporate deferred infrastructure maintenance to sustain existing facilities.

**Revenue**

The FY 2025 \$3.3 billion revenue budget includes an increase of \$0.2 billion, or 4.8 percent, in total revenues and transfers over the FY 2024 budget. This increase is primarily driven by \$63.7 million in revenue for projected growth in volume for hospital and clinics at the Clear Lake and League City Campuses, \$54.0 million for Correctional Managed Care activities, \$20.2 million for growth in Contract and Retail Pharmacy operations, and \$5.7 million increase in net professional fees driven by new provider hires to support growth in the faculty practice plan.

**Expenses**

The FY 2025 \$3.4 billion expense budget includes an increase of \$0.2 billion, or 6.3 percent, in total expenses and transfers over the FY 2024 budget. Primary attributable factors include increased personnel costs, medical and pharmaceutical expense to support growth in clinical revenues. U. T. Medical Branch - Galveston has included planned cost containment strategies that include clinical labor productivity monitoring, optimization of clinical capacity, as well as expansion of Texas Department of Criminal Justice – Hospital Galveston infirmary beds to maximize throughput and create efficiencies for Correctional Managed Care.

**The University of Texas Medical Branch at Galveston**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 56,949,541	56,579,381	58,212,246	1,632,865	2.9%
Less Discounts and Allowances	(5,818,103)	(5,390,029)	(5,355,949)	34,080	-0.6%
Federal Sponsored Programs	184,722,033	195,353,733	192,639,528	(2,714,205)	-1.4%
State Sponsored Programs	14,096,306	17,100,261	16,891,013	(209,248)	-1.2%
Local and Private Sponsored Programs	73,008,110	78,557,088	76,137,360	(2,419,728)	-3.1%
Net Sales and Services of Educational Activities	16,546,273	12,816,115	12,669,892	(146,223)	-1.1%
Net Sales and Services of Hospital and Clinics	1,913,014,536	1,889,221,120	2,007,636,721	118,415,601	6.3%
Net Professional Fees	289,308,034	285,328,427	291,025,005	5,696,578	2.0%
Net Auxiliary Enterprises	15,825,725	14,298,724	14,999,386	700,662	4.9%
Other Operating Revenues	160,615,402	153,987,854	177,594,339	23,606,485	15.3%
<b>Total Operating Revenues</b>	<b>2,718,267,857</b>	<b>2,697,852,674</b>	<b>2,842,449,541</b>	<b>144,596,867</b>	<b>5.4%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	242,626,215	246,831,351	250,113,752	3,282,401	1.3%
Compensation - Non-Faculty	1,138,109,669	1,128,568,801	1,173,232,166	44,663,365	4.0%
Wages	127,844,153	135,481,831	133,789,472	(1,692,359)	-1.2%
Benefits	466,201,920	465,685,996	519,788,326	54,102,330	11.6%
Personnel Costs	1,974,781,957	1,976,567,979	2,076,923,716	100,355,737	5.1%
Utilities	36,317,175	46,400,823	46,393,586	(7,237)	0.0%
Scholarships and Fellowships	15,912,794	19,229,408	18,105,615	(1,123,793)	-5.8%
Less Discounts and Allowances	(5,818,103)	(5,390,029)	(5,355,949)	34,080	-0.6%
Operations, Maintenance and Travel	1,052,985,269	1,028,661,207	1,130,227,048	101,565,841	9.9%
Less Capitalized Portion and Cap Lease/SBITA	(126,376,999)	(148,125,725)	(165,277,185)	(17,151,460)	11.6%
Depreciation and Amortization	228,762,000	222,677,602	236,887,137	14,209,535	6.4%
<b>Total Operating Expenses</b>	<b>3,176,564,093</b>	<b>3,140,021,265</b>	<b>3,337,903,968</b>	<b>197,882,703</b>	<b>6.3%</b>
<b>Operating Surplus/Deficit</b>	<b>(458,296,236)</b>	<b>(442,168,591)</b>	<b>(495,454,427)</b>	<b>(53,285,836)</b>	<b>12.1%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	384,237,680	381,983,694	385,135,256	3,151,562	0.8%
Federal Sponsored Programs (Nonoperating)	1,134,000	1,134,000	900,000	(234,000)	-20.6%
State/Local Sponsored Programs (Nonoperating)	12,000,000	-	-	-	0.0%
Gifts in Support of Operations	9,874,161	11,314,111	10,999,296	(314,815)	-2.8%
Net Investment Income	83,839,522	78,930,054	83,356,733	4,426,679	5.6%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>491,085,363</b>	<b>473,361,859</b>	<b>480,391,285</b>	<b>7,029,426</b>	<b>1.5%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	6,867,957	6,867,957	7,304,544	436,587	6.4%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(39,657,084)	(38,061,225)	(41,269,286)	(3,208,061)	8.4%
<b>Total Transfers and Other</b>	<b>(32,789,127)</b>	<b>(31,193,268)</b>	<b>(33,964,742)</b>	<b>(2,771,474)</b>	<b>8.9%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ -</b>	<b>-</b>	<b>(49,027,884)</b>	<b>(49,027,884)</b>	<b>100.0%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 3,216,221,177</b>	<b>3,178,082,490</b>	<b>3,330,145,370</b>	<b>152,062,880</b>	<b>4.8%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(3,216,221,177)</b>	<b>(3,178,082,490)</b>	<b>(3,379,173,254)</b>	<b>(201,090,764)</b>	<b>6.3%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ -</b>	<b>-</b>	<b>(49,027,884)</b>	<b>(49,027,884)</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		222,677,602	236,887,137		
Capital Outlay		(116,636,681)	(137,864,054)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(97,056,015)	(99,878,313)		
Budgeted Transfers		-	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>8,984,906</b>	<b>(49,883,114)</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**The University of Texas Medical Branch at Galveston**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 481,169,767	466,935,140	505,774,983	38,839,843	8.3%
Academic Support	79,804,259	75,286,191	83,885,149	8,598,958	11.4%
Research	154,845,900	150,211,430	157,505,071	7,293,641	4.9%
Public Service	32,519,304	26,518,830	34,182,219	7,663,389	28.9%
Hospitals and Clinics	2,026,762,473	2,023,705,890	2,135,896,863	112,190,973	5.5%
Institutional Support	81,100,717	82,621,193	85,247,903	2,626,710	3.2%
Student Services	9,099,335	9,621,024	9,564,641	(56,383)	-0.6%
Operations and Maintenance of Plant	61,615,300	58,244,361	64,766,075	6,521,714	11.2%
Scholarships and Fellowships	10,309,127	13,839,379	12,749,666	(1,089,713)	-7.9%
Auxiliary Enterprises	10,575,911	10,360,225	11,444,261	1,084,036	10.5%
Depreciation and Amortization	228,762,000	222,677,602	236,887,137	14,209,535	6.4%
<b>Total Operating Expenses</b>	<b>\$ 3,176,564,093</b>	<b>3,140,021,265</b>	<b>3,337,903,968</b>	<b>197,882,703</b>	<b>6.3%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 1,304,314,718	1,297,615,677	(6,699,041)	-0.5%	
Designated	1,541,976,117	1,704,567,591	162,591,474	10.5%	
Auxiliary	12,749,163	13,813,966	1,064,803	8.4%	
Available University Fund	-	-	-	0.0%	
Restricted	208,379,269	225,818,869	17,439,600	8.4%	
Unexpended Plant	107,068,346	143,568,330	36,499,984	34.1%	
Subtotal - Expenditures (All Funds)	3,174,487,613	3,385,384,433	210,896,820	6.6%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(5,390,029)	(5,355,949)	34,080	-0.6%	
Depreciation	222,677,602	236,887,137	14,209,535	6.4%	
Capital Outlay	(116,636,681)	(137,864,054)	(21,227,373)	18.2%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(97,056,015)	(99,878,313)	(2,822,298)	2.9%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 3,178,082,490</b>	<b>3,379,173,254</b>	<b>201,090,764</b>	<b>6.3%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**HEALTH SCIENCE CENTER**  
**AT HOUSTON**



**The University of Texas Health Science Center at Houston**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

The University of Texas Health Science Center at Houston is Houston's Health University and Texas' resource for health care education, innovation, scientific discovery, and excellence in patient care. The most comprehensive academic health center in The University of Texas System and the United States Gulf Coast region, U. T. Health Science Center - Houston is home to schools of biomedical sciences, dentistry, public health (SPH), the D. Bradley McWilliams School of Biomedical Informatics, the Jane and Robert Cizik School of Nursing, and the John P. and Kathrine G. McGovern Medical School (MMS). It also includes the John S. Dunn Behavioral Sciences Center (BSC), The University of Texas Harris County Psychiatric Center (HCPC), as well as the growing clinical practices UT Physicians, UT Dentists, and UT Health Services.

The University continues the strategy of clinical expansion through key recruitments and acquisitions as a means to support the academic and research mission in FY 2025. Much of the budget growth is funded by the additional support of the University's primary hospital partner, Memorial Hermann Healthcare System (MHHS) as well as physician-generated revenue. In August 2023, the University and MHHS extended the affiliation agreement through 2039 and for the first time signed a multi-year funding agreement.

The FY 2025 budget includes continued funding from the Texas Incentives for Physicians and Professional Services program, a critical funding source for the University to provide quality clinical care to the underserved throughout Greater Houston. Federal sponsored programs continue an upward trend as both research and public service-related awards are projected to increase with the MMS and SPH leading these successful efforts.

In partnership with the Texas Health and Human Services Commission (HHSC), the University opened the \$126.0 million BSC in March 2022, the first public psychiatric hospital to be built in the state in 25 years. The facility is largely funded by the state, owned by HHSC, and operated by the University's physicians and staff. It includes short- and long-term care options, residential treatment, and added 264 beds to HCPC's existing 274 beds to create the largest academic psychiatric hospital in the country. The hospital became fully operational in FY 2024 and the FY 2025 budget reflects the revenue and expense increases associated with full operations.

U. T. Health Science Center - Houston will have major capital projects in FY 2025 including continued construction on a new public health education and research building, a 350,000 square foot building located near the Texas Medical Center Helix Park campus that is expected to open at the end of FY 2026. The \$320.6 million building is funded by Capital Construction Assistance Projects funding approved by the Texas legislature, the Permanent University Fund, and revenue financing.

**Revenue**

The FY 2025 \$2.7 billion revenue budget includes an increase of \$0.2 billion, or 8.3 percent, in total revenues and transfers over the FY 2024 budget. This is driven by MHHS contract increases of approximately \$84.0 million and an additional \$52.4 million in physician practice plan professional fee revenues due to recruitment efforts, increased faculty productivity, and revenue cycle optimization.

Investment income also continues its upward trends due to relatively high interest rates on short term investment as well as increasing distribution rates from the Long-Term Fund (endowment and non-endowment) providing additional resources for the University.

**Expenses**

The FY 2025 \$2.7 billion expense budget includes an increase of \$0.2 billion, or 6.9 percent, in total expenses and transfers over the FY 2024 budget. Consistent with recent years, compensation and the associated benefits for both faculty and non-faculty positions tied to enhanced clinical activities and required market adjustments, as well as the BSC becoming fully operational, are the primary drivers of the increase. The University's continued success in procuring federal sponsored awards in research and public service also contribute to the increased expense budget for FY 2025.

**The University of Texas Health Science Center at Houston**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 74,976,563	74,653,422	73,468,729	(1,184,693)	-1.6%
Less Discounts and Allowances	(2,168,729)	(1,761,146)	(8,885,500)	(7,124,354)	404.5%
Federal Sponsored Programs	289,640,650	255,671,038	300,110,769	44,439,731	17.4%
State Sponsored Programs	33,964,101	34,234,643	42,914,695	8,680,052	25.4%
Local and Private Sponsored Programs	902,143,555	913,305,665	982,149,064	68,843,399	7.5%
Net Sales and Services of Educational Activities	56,006,256	24,328,936	24,297,908	(31,028)	-0.1%
Net Sales and Services of Hospital and Clinics	161,916,947	165,690,746	173,613,510	7,922,764	4.8%
Net Professional Fees	578,794,611	528,592,908	577,148,792	48,555,884	9.2%
Net Auxiliary Enterprises	27,548,084	31,654,048	33,099,246	1,445,198	4.6%
Other Operating Revenues	66,454,708	82,985,040	104,915,144	21,930,104	26.4%
<b>Total Operating Revenues</b>	<b>2,189,276,746</b>	<b>2,109,355,300</b>	<b>2,302,832,357</b>	<b>193,477,057</b>	<b>9.2%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	769,075,549	762,404,523	824,292,792	61,888,269	8.1%
Compensation - Non-Faculty	793,798,313	795,333,313	846,602,979	51,269,666	6.4%
Wages	26,127,557	23,715,604	25,373,150	1,657,546	7.0%
Benefits	400,738,337	354,917,547	381,518,576	26,601,029	7.5%
Personnel Costs	1,989,739,756	1,936,370,987	2,077,787,497	141,416,510	7.3%
Utilities	13,867,685	16,734,350	16,492,066	(242,284)	-1.4%
Scholarships and Fellowships	8,936,730	13,132,384	14,331,084	1,198,700	9.1%
Less Discounts and Allowances	(2,168,729)	(1,761,146)	(8,885,500)	(7,124,354)	404.5%
Operations, Maintenance and Travel	444,868,882	465,142,692	501,998,695	36,856,003	7.9%
Less Capitalized Portion and Cap Lease/SBITA	(25,472,690)	(34,154,407)	(39,447,730)	(5,293,323)	15.5%
Depreciation and Amortization	79,517,613	84,959,630	86,618,631	1,659,001	2.0%
<b>Total Operating Expenses</b>	<b>2,509,289,247</b>	<b>2,480,424,490</b>	<b>2,648,894,743</b>	<b>168,470,253</b>	<b>6.8%</b>
<b>Operating Surplus/Deficit</b>	<b>(320,012,501)</b>	<b>(371,069,190)</b>	<b>(346,062,386)</b>	<b>25,006,804</b>	<b>-6.7%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	250,862,537	248,888,599	249,864,889	976,290	0.4%
Federal Sponsored Programs (Nonoperating)	11,914,525	18,562,514	13,432,827	(5,129,687)	-27.6%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	0.0%
Gifts in Support of Operations	12,475,901	18,500,000	17,000,000	(1,500,000)	-8.1%
Net Investment Income	108,378,493	92,435,297	106,875,606	14,440,309	15.6%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>383,631,456</b>	<b>378,386,410</b>	<b>387,173,322</b>	<b>8,786,912</b>	<b>2.3%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	7,756,684	7,176,856	12,877,307	5,700,451	79.4%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(7,961,028)	(7,842,884)	(10,181,167)	(2,338,283)	29.8%
<b>Total Transfers and Other</b>	<b>(204,344)</b>	<b>(666,028)</b>	<b>2,696,140</b>	<b>3,362,168</b>	<b>-504.8%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 63,414,611</b>	<b>6,651,192</b>	<b>43,807,076</b>	<b>37,155,884</b>	<b>558.6%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 2,580,664,886</b>	<b>2,494,918,566</b>	<b>2,702,882,986</b>	<b>207,964,420</b>	<b>8.3%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(2,517,250,275)</b>	<b>(2,488,267,374)</b>	<b>(2,659,075,910)</b>	<b>(170,808,536)</b>	<b>6.9%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 63,414,611</b>	<b>6,651,192</b>	<b>43,807,076</b>	<b>37,155,884</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		84,959,630	86,618,631		
Capital Outlay		(22,767,621)	(25,774,992)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(21,976,010)	(28,827,236)		
Budgeted Transfers		724,000	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>47,591,191</b>	<b>75,823,479</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

**The University of Texas Health Science Center at Houston**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 1,128,982,409	1,113,041,922	1,182,109,646	69,067,724	6.2%
Academic Support	86,922,089	85,694,806	91,128,127	5,433,321	6.3%
Research	296,949,905	292,757,168	330,287,354	37,530,186	12.8%
Public Service	79,363,546	78,242,985	84,624,940	6,381,955	8.2%
Hospitals and Clinics	658,195,754	648,902,464	697,460,093	48,557,629	7.5%
Institutional Support	91,829,392	90,532,822	91,262,649	729,827	0.8%
Student Services	14,591,819	14,385,792	14,952,996	567,204	3.9%
Operations and Maintenance of Plant	42,214,626	41,618,583	43,774,633	2,156,050	5.2%
Scholarships and Fellowships	11,534,092	11,371,238	5,445,584	(5,925,654)	-52.1%
Auxiliary Enterprises	19,188,002	18,917,080	21,230,090	2,313,010	12.2%
Depreciation and Amortization	79,517,613	84,959,630	86,618,631	1,659,001	2.0%
<b>Total Operating Expenses</b>	<b>\$ 2,509,289,247</b>	<b>2,480,424,490</b>	<b>2,648,894,743</b>	<b>168,470,253</b>	<b>6.8%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 419,607,444	425,249,092	5,641,648	1.3%	
Designated	1,598,966,827	1,736,356,151	137,389,324	8.6%	
Auxiliary	26,571,079	27,443,536	872,457	3.3%	
Available University Fund	-	-	-	0.0%	
Restricted	400,667,171	444,624,628	43,957,457	11.0%	
Unexpended Plant	4,000,000	2,271,600	(1,728,400)	-43.2%	
Subtotal - Expenditures (All Funds)	2,449,812,521	2,635,945,007	186,132,486	7.6%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(1,761,146)	(8,885,500)	(7,124,354)	404.5%	
Depreciation	84,959,630	86,618,631	1,659,001	2.0%	
Capital Outlay	(22,767,621)	(25,774,992)	(3,007,371)	13.2%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(21,976,010)	(28,827,236)	(6,851,226)	31.2%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 2,488,267,374</b>	<b>2,659,075,910</b>	<b>170,808,536</b>	<b>6.9%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**HEALTH SCIENCE CENTER**  
**AT SAN ANTONIO**



**The University of Texas Health Science Center at San Antonio**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

The FY 2025 operating budget of The University of Texas Health Science Center at San Antonio includes investments that support the University's strategic priorities of expanding the clinical enterprise, growing research, sustaining academic and operational excellence, and the opening of the new Multispecialty Research hospital. These significant investments will fortify U. T. Health Science Center – San Antonio as the premier provider of health services and complex care for San Antonio and South Texas and are a critical component of the ten-year strategic plan for the Institution.

The opening of the UT Health San Antonio Multispecialty and Research Hospital (MSRH) is a pivotal step in the Institution's strategic patient care transformation to an integrated health care delivery system. The 144-bed hospital, which also features twelve surgical suites, is positioned to open in December 2024 and will be technologically innovative while remaining patient, family, and care team focused. The new hospital will be centered on treating cancer patients and those who need to undergo complex surgical interventions using innovative technology. The capacity to offer new procedures for the first time in this region will provide services and clinical options to the community that do not currently exist in the surrounding areas.

Growing and expanding the existing clinical ambulatory practice are key to executing the goals of extending the primary care network, creating increased capacity and access for the community, broadening geographic reach, and developing distinguished programs. Two major capital leases will be executed in FY 2025 in support of clinical expansion initiatives. Fountainhead is a new 27,000 square foot clinic in the South Texas Medical Center that will host multiple specialties. The opening of this location will free up space at other locations to further grow. A new 30,000 square foot clinic, focused on primary care and several other specialties, is planned in the growing and highly competitive Westover Hills area. An additional 15,000 square feet of space is shelled for future clinic space or an ambulatory surgical center.

Research growth will continue to be achieved through strategic investments in key assets and recruitments and the execution of the Institution's research expansion plan. The 103,511 square foot, five story, Center for Brain Health facility is expected to be substantially completed by June 2025. This center will serve as the home of the Biggs Institute for Alzheimer's and Neurodegenerative Diseases, one of only 33 National Institute on Aging designated Alzheimer's Disease Research Centers (ADRC) in the nation and the only ADRC in Texas dedicated to the study and treatment of Alzheimer's, dementia, and other neurodegenerative diseases in South Texas. Significant laboratory renovations are planned in the Long School of Medicine and School of Dentistry. These modernizations to the existing research space are critical components in continuing to grow research and recruiting world class scientists. In September 2024, construction on a new state of the art facility, Science One, will provide an additional 95,500 gross feet of new research space. Science One will support cutting edge research, encourage collaboration, and foster innovation.

The collaborative University of Texas School of Public Health San Antonio welcomes the inaugural cohort of Master of Public Health students for the Fall 2024 term. Renovations to repurposed space have transformed the School of Public Health building, encompassing five floors and 65,000 square feet, into a vibrant learning environment with state-of-the-art classrooms and study, office, and administrative spaces. A new Certified Registered Nurse Anesthesiologist (CRNA) program, a partnership between The School of Nursing and Long School of Medicine, is projected to enroll the first class in Fall 2024. The program will be only the third in the State of Texas and will help meet market demands for CRNA providers, including the MSRH, and help with recruitment and retention at UT Health San Antonio.

**Revenue**

The FY 2025 \$1.7 billion revenue budget includes an increase of \$0.3 billion, or 19.5 percent, in total revenues and transfers over the FY 2024 budget. Total clinical revenues grew overall by \$203.7 million (29.1 percent) due to new hospital revenues and volume growth in practice plans in support of the hospital. Sponsored Program revenues, excluding clinical contracts, grew \$46.4 million (15.6 percent) due to an increase in federal opioid and brain health grants in the Long School of Medicine. Tuition and Fees grew \$9.3 million (14.8 percent) due to approved tuition rate increases, and Net Investment Income grew by \$5.4 million (9.2 percent) due to portfolio adjustments.

**Expenses**

The FY 2025 \$1.7 billion expense budget includes an increase of \$0.3 billion, or 19.2 percent, in total expenses and transfers over the FY 2024 budget. Personnel costs account for the largest area of expenditure growth (\$136 million) with faculty and staff recruitments needed to support both clinical and research growth. Faculty and staff retention needs remain a priority in an increasingly competitive and costly labor market. Operational expenses increased by \$107.1 million (29.4 percent) in support of clinical expansion and new hospital operations, and from growth in sponsored research activities. Depreciation grew by \$37.0 million primarily due to the new hospital and related equipment.

**The University of Texas Health Science Center at San Antonio**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 64,609,566	63,055,781	72,378,519	9,322,738	14.8%
Less Discounts and Allowances	(3,493,927)	(1,746,574)	(2,337,144)	(590,570)	33.8%
Federal Sponsored Programs	235,465,805	235,360,677	277,600,076	42,239,399	17.9%
State Sponsored Programs	26,936,122	26,924,096	28,881,031	1,956,935	7.3%
Local and Private Sponsored Programs	323,243,138	323,098,819	342,374,029	19,275,210	6.0%
Net Sales and Services of Educational Activities	23,346,784	21,692,007	26,483,070	4,791,063	22.1%
Net Sales and Services of Hospital and Clinics	-	-	245,979,511	245,979,511	100.0%
Net Professional Fees	381,762,547	380,072,813	347,354,867	(32,717,946)	-8.6%
Net Auxiliary Enterprises	6,596,407	9,506,018	11,210,104	1,704,086	17.9%
Other Operating Revenues	48,584,832	48,824,162	22,289,885	(26,534,277)	-54.3%
<b>Total Operating Revenues</b>	<b>1,107,051,274</b>	<b>1,106,787,799</b>	<b>1,372,213,948</b>	<b>265,426,149</b>	<b>24.0%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	424,084,166	408,948,431	449,958,228	41,009,797	10.0%
Compensation - Non-Faculty	330,485,403	335,639,657	387,589,571	51,949,914	15.5%
Wages	8,361,542	10,248,021	14,482,611	4,234,590	41.3%
Benefits	200,595,440	201,276,677	239,753,456	38,476,779	19.1%
Personnel Costs	963,526,551	956,112,786	1,091,783,866	135,671,080	14.2%
Utilities	21,704,291	20,902,906	24,524,363	3,621,457	17.3%
Scholarships and Fellowships	17,609,967	15,845,572	16,560,674	715,102	4.5%
Less Discounts and Allowances	(3,493,927)	(1,746,574)	(2,337,144)	(590,570)	33.8%
Operations, Maintenance and Travel	407,650,398	399,705,801	523,222,268	123,516,467	30.9%
Less Capitalized Portion and Cap Lease/SBITA	(43,097,748)	(25,680,663)	(51,685,879)	(26,005,216)	101.3%
Depreciation and Amortization	78,839,929	74,839,929	111,846,706	37,006,777	49.4%
<b>Total Operating Expenses</b>	<b>1,442,739,461</b>	<b>1,439,979,757</b>	<b>1,713,914,854</b>	<b>273,935,097</b>	<b>19.0%</b>
<b>Operating Surplus/Deficit</b>	<b>(335,688,187)</b>	<b>(333,191,958)</b>	<b>(341,700,906)</b>	<b>(8,508,948)</b>	<b>2.6%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	188,392,310	188,392,310	188,873,131	480,821	0.3%
Federal Sponsored Programs (Nonoperating)	1,250,000	1,250,000	1,250,000	-	0.0%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	0.0%
Gifts in Support of Operations	7,572,870	7,607,496	7,603,029	(4,467)	-0.1%
Net Investment Income	61,765,017	58,726,967	64,134,508	5,407,541	9.2%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>258,980,197</b>	<b>255,976,773</b>	<b>261,860,668</b>	<b>5,883,895</b>	<b>2.3%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	35,567,982	36,031,692	37,488,841	1,457,149	4.0%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(17,216,196)	(17,216,196)	(23,220,996)	(6,004,800)	34.9%
<b>Total Transfers and Other</b>	<b>18,351,786</b>	<b>18,815,496</b>	<b>14,267,845</b>	<b>(4,547,651)</b>	<b>-24.2%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (58,356,204)</b>	<b>(58,399,689)</b>	<b>(65,572,393)</b>	<b>(7,172,704)</b>	<b>12.3%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 1,401,599,453</b>	<b>1,398,796,264</b>	<b>1,671,563,457</b>	<b>272,767,193</b>	<b>19.5%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(1,459,955,657)</b>	<b>(1,457,195,953)</b>	<b>(1,737,135,850)</b>	<b>(279,939,897)</b>	<b>19.2%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (58,356,204)</b>	<b>(58,399,689)</b>	<b>(65,572,393)</b>	<b>(7,172,704)</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		74,839,929	111,846,706		
Capital Outlay		(19,399,575)	(37,298,805)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(20,249,276)	(29,016,304)		
Budgeted Transfers		201,605	(3,176,307)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>(23,007,006)</b>	<b>(23,217,103)</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



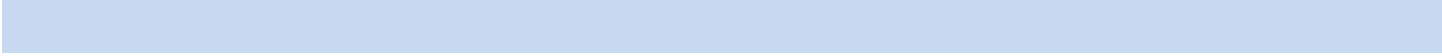
**The University of Texas Health Science Center at San Antonio**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 559,569,800	450,420,196	502,336,168	51,915,972	11.5%
Academic Support	64,905,140	68,629,583	80,134,925	11,505,342	16.8%
Research	215,013,237	235,205,210	261,328,202	26,122,992	11.1%
Public Service	135,551,292	113,247,259	137,645,464	24,398,205	21.5%
Hospitals and Clinics	241,367,982	334,260,375	452,897,556	118,637,181	35.5%
Institutional Support	74,945,750	81,687,330	87,982,991	6,295,661	7.7%
Student Services	3,192,868	2,967,678	3,526,156	558,478	18.8%
Operations and Maintenance of Plant	51,289,184	57,492,214	54,075,860	(3,416,354)	-5.9%
Scholarships and Fellowships	10,926,980	9,140,355	9,087,214	(53,141)	-0.6%
Auxiliary Enterprises	7,137,299	12,089,628	13,053,612	963,984	8.0%
Depreciation and Amortization	78,839,929	74,839,929	111,846,706	37,006,777	49.4%
<b>Total Operating Expenses</b>	<b>\$ 1,442,739,461</b>	<b>1,439,979,757</b>	<b>1,713,914,854</b>	<b>273,935,097</b>	<b>19.0%</b>


**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 280,063,521	285,863,992	5,800,471	2.1%	
Designated	870,132,927	1,094,854,331	224,721,404	25.8%	
Auxiliary	13,560,070	14,442,361	882,291	6.5%	
Available University Fund	-	-	-	0.0%	
Restricted	255,994,931	294,780,713	38,785,782	15.2%	
Unexpended Plant	4,000,000	4,000,000	-	0.0%	
Subtotal - Expenditures (All Funds)	1,423,751,449	1,693,941,397	270,189,948	19.0%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(1,746,574)	(2,337,144)	(590,570)	33.8%	
Depreciation	74,839,929	111,846,706	37,006,777	49.4%	
Capital Outlay	(19,399,575)	(37,298,805)	(17,899,230)	92.3%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(20,249,276)	(29,016,304)	(8,767,028)	43.3%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 1,457,195,953</b>	<b>1,737,135,850</b>	<b>279,939,897</b>	<b>19.2%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



**THE UNIVERSITY OF TEXAS**  
**M. D. ANDERSON**  
**CANCER CENTER**



**The University of Texas M. D. Anderson Cancer Center**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2025**

**Introduction - Major Goals Addressed by FY 2025 Budget**

The FY 2025 budget is structured to support the future of The University of Texas M. D. Anderson Cancer Center, which is driven by an institutional strategy and related Master Facilities Framework, a financial and long-term capital plan, and a comprehensive philanthropic campaign. Efforts are anchored around a dynamic and data-driven approach to achieving the aims laid out in a comprehensive plan, which focuses on three themes: Reach, Breakthroughs, and Value.

Areas of focus within these themes include:

**Reach** – Growing the number of Texans served by broadening the physical reach throughout the Texas Medical Center, Houston-area locations, and the planned expansion to Austin is U. T. M. D. Anderson’s goal. The Institution has increased its virtual reach to patients in and beyond Houston in a manner many have come to expect since the pandemic. In addition, the Institution is creating impact on a national and global scale through strategic partnerships. After creating a single national partnership model, Ochsner Health and RUSH University System for Health were added to the U. T. M. D. Anderson Cancer Center Network®. Collaborations were also announced with the International Atomic Energy Agency, the Pan American Health Organization and the Ministry of Health in Zambia.

**Breakthroughs** – The Institution remains focused on investing in research excellence, talent, the academic mission, and driving innovative education and training programs. Efforts include the acceleration and expansion of clinical trials to serve more patients, particularly in service to a broader segment of the Texas population. U. T. M. D. Anderson will continue to foster meaningful research collaborations with both academic entities and private industry to further the impact of science. The Institution’s world-class data science program, the Institute for Data Science in Oncology, was launched in FY 2024 and is helping the Institution leverage data to fuel new discoveries, optimize the patient experience, and personalize cancer care.

**Value** – Priorities include driving an exemplary, empathic approach to care through goal-concordant care; implementing a comprehensive patient navigation and access program to maintain high patient satisfaction and increase patient retention rates; and the pursuit of becoming a high reliability organization that optimizes the cost of care by utilizing national cost, quality, and market performance data while maintaining the five-star rating as well as the No. 1 ranking in Patient Safety from the Vizient 2023 rankings.

The FY 2025 financial and operational macro assumptions include ensuring that multiple sources of revenue exceed expenses. This enables maintenance of a positive operating margin and operating cash flow margin, which are vitally important to continued investment in the mission and to the U. T. System bond rating. The budget includes new patient appointment goals, patient navigation, new facility ramp up, hospital throughput and capacity management programs that will continue to support and drive top line strong growth, as well as aligning the long-term capital plan with U. T. M. D. Anderson Cancer Center’s strategic, operational, and financial planning, driven by impact analysis and cost-benefit considerations. FY 2025 budget financial guiding principle is to manage expenses with smart growth and stewardship. This includes staff growth in strategic areas based on productivity results and with continued focus on disciplined hiring to reduce agency staff and overtime costs. Additionally, identifying and pursuing operational efficiency opportunities to reduce the growth rate of non-personnel costs.

**Revenue**

The FY 2025 \$8.6 billion revenue budget includes an increase of \$0.8 billion, or 10.1 percent, in total revenues and transfers over the FY 2024 budget. This increase is driven by a \$660 million increase in revenue for the hospital and faculty practice plan due to service line increased volumes and growth plans primarily due to facility expansions that will increase capacity and ability to serve more patients as well as charge master increases. It includes increases of \$83 million in sponsored programs and \$62 million in nonoperating revenues.

**Expenses**

The FY 2025 \$7.7 billion expense budget includes an increase of \$0.7 billion, or 10.5 percent, in total expenses and transfers over the FY 2024 budget. This includes the FY 2025 projected growth in expenditures of \$155 million over the amount budgeted to support increased hospital revenues. The budget includes a \$200 million increase to medical and drug supplies driven from increasing hospital activity and cost pressures. It also includes staff and physician positions to support the increased hospital volumes and grant activity, funding to maintain market competitiveness to attract and retain the workforce with merit and equity pay plans at current market for faculty and staff, as well as increasing group insurance benefit costs and depreciation due to new facilities.

**The University of Texas M. D. Anderson Cancer Center**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 1,892,879	2,112,733	1,963,980	(148,753)	-7.0%
Less Discounts and Allowances	-	(10,000)	(10,000)	-	0.0%
Federal Sponsored Programs	321,559,290	291,836,227	341,694,871	49,858,644	17.1%
State Sponsored Programs	38,226,940	44,323,509	39,745,465	(4,578,044)	-10.3%
Local and Private Sponsored Programs	283,852,245	269,004,586	306,372,747	37,368,161	13.9%
Net Sales and Services of Educational Activities	2,031,037	2,000,000	2,000,000	-	0.0%
Net Sales and Services of Hospital and Clinics	5,937,933,253	5,842,507,166	6,462,813,518	620,306,352	10.6%
Net Professional Fees	497,516,205	481,647,313	520,912,494	39,265,181	8.2%
Net Auxiliary Enterprises	43,049,465	39,125,568	46,615,624	7,490,056	19.1%
Other Operating Revenues	100,406,707	125,000,000	105,000,000	(20,000,000)	-16.0%
<b>Total Operating Revenues</b>	<b>7,226,468,021</b>	<b>7,097,547,102</b>	<b>7,827,108,699</b>	<b>729,561,597</b>	<b>10.3%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	1,020,041,585	967,465,516	1,072,676,926	105,211,410	10.9%
Compensation - Non-Faculty	2,028,481,610	1,872,750,787	2,129,766,203	257,015,416	13.7%
Wages	75,896,301	70,270,770	77,079,798	6,809,028	9.7%
Benefits	758,904,882	731,551,432	850,382,359	118,830,927	16.2%
Personnel Costs	3,883,324,378	3,642,038,505	4,129,905,286	487,866,781	13.4%
Utilities	49,792,226	52,101,723	52,225,326	123,603	0.2%
Scholarships and Fellowships	2,494,735	3,657,692	2,624,690	(1,033,002)	-28.2%
Less Discounts and Allowances	-	(10,000)	(10,000)	-	0.0%
Operations, Maintenance and Travel	3,281,194,857	4,061,591,505	4,201,580,180	139,988,675	3.4%
Less Capitalized Portion and Cap Lease/SBITA	(460,300,000)	(1,170,479,289)	(1,064,563,534)	105,915,755	-9.0%
Depreciation and Amortization	354,125,136	366,446,966	364,538,057	(1,908,909)	-0.5%
<b>Total Operating Expenses</b>	<b>7,110,631,332</b>	<b>6,955,347,102</b>	<b>7,686,300,005</b>	<b>730,952,903</b>	<b>10.5%</b>
<b>Operating Surplus/Deficit</b>	<b>115,836,689</b>	<b>142,200,000</b>	<b>140,808,694</b>	<b>(1,391,306)</b>	<b>-1.0%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	223,008,321	223,008,321	223,047,851	39,530	0.0%
Federal Sponsored Programs (Nonoperating)	6,092,775	1,474,147	1,387,761	(86,386)	-5.9%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	0.0%
Gifts in Support of Operations	147,400,000	133,226,886	159,390,492	26,163,606	19.6%
Net Investment Income	468,900,000	400,801,843	436,965,656	36,163,813	9.0%
Other Non-Operating Revenue	-	-	-	-	0.0%
Other Non-Operating (Expenses)	-	-	-	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>845,401,096</b>	<b>758,511,197</b>	<b>820,791,760</b>	<b>62,280,563</b>	<b>8.2%</b>
<b>Transfers and Other:</b>					
AUF/Approp/Other Transfers Received for Operations	-	-	-	-	0.0%
AUF/Approp/Other Transfers (Made) for Operations	-	-	-	-	0.0%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(29,008,760)	(29,216,195)	(34,905,178)	(5,688,983)	19.5%
<b>Total Transfers and Other</b>	<b>(29,008,760)</b>	<b>(29,216,195)</b>	<b>(34,905,178)</b>	<b>(5,688,983)</b>	<b>19.5%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 932,229,025</b>	<b>871,495,002</b>	<b>926,695,276</b>	<b>55,200,274</b>	<b>6.3%</b>
<b>Total Revenues and AUF/Approp/Other Operating Trsfrs</b>	<b>\$ 8,071,869,117</b>	<b>7,856,058,299</b>	<b>8,647,900,459</b>	<b>791,842,160</b>	<b>10.1%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(7,139,640,092)</b>	<b>(6,984,563,297)</b>	<b>(7,721,205,183)</b>	<b>(736,641,886)</b>	<b>10.5%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 932,229,025</b>	<b>871,495,002</b>	<b>926,695,276</b>	<b>55,200,274</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		366,446,966	364,538,057		
Capital Outlay		(1,115,000,000)	(1,016,062,862)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(92,645,264)	(102,068,108)		
Budgeted Transfers		-	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>30,296,704</b>	<b>173,102,363</b>		

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

**The University of Texas M. D. Anderson Cancer Center**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Projected	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 92,226,433	100,298,520	96,357,874	(3,940,646)	-3.9%
Academic Support	187,085,426	199,574,207	194,517,804	(5,056,403)	-2.5%
Research	1,062,714,153	1,039,928,569	1,128,803,350	88,874,781	8.5%
Public Service	30,502,411	25,820,153	33,497,366	7,677,213	29.7%
Hospitals and Clinics	4,876,927,188	4,703,728,102	5,333,908,755	630,180,653	13.4%
Institutional Support	221,561,209	221,561,209	230,140,493	8,579,284	3.9%
Student Services	2,739,036	2,739,036	2,833,867	94,831	3.5%
Operations and Maintenance of Plant	253,346,235	265,846,235	267,093,237	1,247,002	0.5%
Scholarships and Fellowships	3,747,749	3,747,749	3,533,328	(214,421)	-5.7%
Auxiliary Enterprises	25,656,356	25,656,356	31,075,874	5,419,518	21.1%
Depreciation and Amortization	354,125,136	366,446,966	364,538,057	(1,908,909)	-0.5%
<b>Total Operating Expenses</b>	<b>\$ 7,110,631,332</b>	<b>6,955,347,102</b>	<b>7,686,300,005</b>	<b>730,952,903</b>	<b>10.5%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2025**

	FY 2024 Adjusted Budget	FY 2025 Operating Budget	Budget Increases (Decreases) From 2024 to 2025		
			Amount	Percent	
Educational and General	\$ 5,149,565,546	5,692,170,864	542,605,318	10.5%	
Designated	879,376,471	1,026,866,936	147,490,465	16.8%	
Auxiliary	35,014,640	39,480,134	4,465,494	12.8%	
Available University Fund	-	-	-	0.0%	
Restricted	646,814,938	700,227,300	53,412,362	8.3%	
Unexpended Plant	1,115,000,000	1,016,062,862	(98,937,138)	-8.9%	
Subtotal - Expenditures (All Funds)	7,825,771,595	8,474,808,096	649,036,501	8.3%	
<b>Reconciling Adjustments:</b>					
Tuition Discounting	(10,000)	(10,000)	-	0.0%	
Depreciation	366,446,966	364,538,057	(1,908,909)	-0.5%	
Capital Outlay	(1,115,000,000)	(1,016,062,862)	98,937,138	-8.9%	
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(92,645,264)	(102,068,108)	(9,422,844)	10.2%	
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 6,984,563,297</b>	<b>7,721,205,183</b>	<b>736,641,886</b>	<b>10.5%</b>	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.



# THE UNIVERSITY OF TEXAS SYSTEM

## Fiscal Year 2025

### RESERVE ALLOCATIONS FOR LIBRARY, EQUIPMENT, REPAIR AND REHABILITATION (LERR) AND FACULTY SCIENCE AND TECHNOLOGY ACQUISITION AND RETENTION (STARs)

#### Summary

	PUF Allocation		
	LERR Program	Faculty STARs Program	Total
<b>Academic Institutions</b>			
The University of Texas at Arlington	\$ 3,175,658	\$ 4,244,425	7,420,083
The University of Texas at Dallas	3,144,223	4,283,277	7,427,500
The University of Texas at El Paso	2,883,523	4,212,726	7,096,249
The University of Texas Permian Basin	2,423,250	780,128	3,203,378
The University of Texas Rio Grande Valley	3,038,601	1,638,215	4,676,816
The University of Texas at San Antonio	3,058,304	4,284,814	7,343,118
Stephen F. Austin State University	4,200,000	800,000	5,000,000
The University of Texas at Tyler	2,676,441	1,556,415	4,232,856
<b>Subtotal Academic Institutions</b>	24,600,000	21,800,000	46,400,000
<b>Health Institutions</b>			
The University of Texas Southwestern Medical Center	2,400,000	3,500,000	5,900,000
The University of Texas Medical Branch at Galveston	2,400,000	3,500,000	5,900,000
The University of Texas Health Science Center at Houston	2,400,000	3,500,000	5,900,000
The University of Texas Health Science Center at San Antonio	2,400,000	3,500,000	5,900,000
<b>Subtotal Health Institutions</b>	9,600,000	14,000,000	23,600,000
<b>The University of Texas System Administration</b>			
Academic Library Collection Enhancement Program	5,000,000	-	5,000,000
Shared Services IT Capital Replacement	2,000,000	-	2,000,000
<b>Subtotal System Administration</b>	7,000,000	-	7,000,000
<b>Grand Total</b>	\$ 41,200,000	\$ 35,800,000	\$ 77,000,000

**FACULTY SCIENCE AND TECHNOLOGY ACQUISITION AND RETENTION (STARS) PROGRAM  
INCLUDING THE RISING STARS PROGRAM**

In August 2004, the U. T. System Board of Regents approved an allocation of funds to be awarded to institutions to help attract and retain the best-qualified faculty. Funded through Permanent University Fund (PUF) bond proceeds, this awards program, named Faculty STARS, provided funding to help purchase state-of-the-art research equipment and make necessary laboratory renovations to encourage faculty members to perform their research at U. T. institutions. In support of exceptional younger tenure-track faculty, the Rising STARS program was established in 2016. The Board has allocated STARS funds to be used in both programs as follows.

	<b>STARS Allocations</b>	
	<b>FY 2004 – FY 2024</b>	<b>FY 2025</b>
<b>Academic Institutions</b>	\$ 315,250,000	\$ 21,800,000
<b>Health Institutions</b>	266,550,000	14,000,000
<b>TOTAL</b>	<b><u>\$ 581,800,000</u></b>	<b><u>\$ 35,800,000</u></b>

The Faculty STARS program supports the recruitment and retention of the best-qualified faculty at both academic and health institutions by providing additional resources to build and enhance research infrastructure through start-up or retention packages. The Rising STARS program makes up to \$300,000 available for recruitment of promising faculty members who are recruited or retained in a tenure track position at any academic level. For both programs, the funds are available only for laboratory renovation and equipment purchases. Consistent with other PUF bond funded programs, the STARS awards may not be spent on operations.

The program makes a significant contribution toward accomplishing the goal of developing and further strengthening the research capacity of the institutions within U. T. System. The program has helped U. T. institutions recruit and retain some of the best researchers in the nation, recognized nationally and internationally for their scholarly achievements. Since the program's inception, these individuals have made a significant impact to U. T. System institutions through research grants, collaborations made with outside entities, and pending and issued patents as well as by encouraging future research and excellence.



**THE UNIVERSITY OF TEXAS SYSTEM**  
**OPERATING BUDGET RULES AND PROCEDURES**  
**For Fiscal Year Ending August 31, 2025**

**A. INITIAL BUDGET**

1. Any transfers subsequent to the approval of the initial budget shall be made only after careful consideration of the allocations, transfer limitations, and general provisions of the current general appropriations act. (See B. Budget Amendments)
2. All appointments are subject to the provisions of the U. T. System Board of Regents' *Rules and Regulations* ("Regents' Rules") for the governance of The University of Texas System.
3. The established merit policy will be observed in determining salary rates.
4. All academic salary rates in the instructional departments of the academic institutions are nine-month rates (September 1 - May 31) unless otherwise specified. In the health-related institutions, all salary rates are twelve-month rates unless otherwise specified.
5. All appointments of classified personnel are based on twelve-month rates and are made within appropriate salary ranges as defined by the classified personnel Pay Plan approved by the president or Chancellor. All appointments of administrative and professional personnel are based on twelve-month rates.
6. Compensation for continuing personnel services (for a period longer than one month), though paid for on an hourly basis, is not to be paid out of maintenance and equipment, or like appropriations, except upon specific approval of the president of the institution or the Chancellor.
7. All maintenance and operation, equipment, and travel appropriations are for twelve months (September 1 - August 31) and should be budgeted and expended accordingly.

## B. BUDGET AMENDMENTS

1. Items requiring approval of the U. T. System Administration and subsequent approval by the U. T. System Board of Regents via the Consent Agenda
  - a. New appointments of tenured faculty (Regents' Rule 31007).
  - b. Award of tenure to any faculty member (Regents' Rule 31007).
  - c. New appointments as Regental Professor (Regents' Rule 31001). Titles set forth in Regents' Rule 20301 including Chancellor Emeritus, President Emeritus and similar honorary designations are conferred by the U. T. System Board of Regents.
  - d. Appointments, promotions, and salary increases involving the president (Regents' Rules 20201, 20202, and 20203).
  - e. New contracts or contract changes involving athletic directors or coaches whose total annual compensation equals or exceeds the amounts specified by Regents' Rule 10501 Section 2.2.12.
  - f. Compensation changes for Key Executives as defined by Regents' Rule 20203.
  - g. Compensation for Highly Compensated Personnel whose total annual compensation for the first time exceeds or may exceed the amount set as the approved institutional contract threshold discussed in Regents' Rules and Regulations, Rule 10501, Subsection 2.2.17 during the year and who are not subject to B.1.e or B.2.f (Regents' Rules 10501 and 20204).
  - h. Compensation changes greater than five percent for Highly Compensated Personnel whose total annual compensation exceeds the amount set as the approved institutional contract threshold discussed in Regents' Rules and Regulations, Rule 10501, Subsection 2.2.17 and who are not subject to B.1.e or B.2.f (Regents' Rules 10501 and 20204).
  - i. Increases in budgeted amounts from income or unappropriated balances for Educational and General, Auxiliary Enterprises, Designated Funds, Service Departments, Revolving Funds, and Plant Funds, subject to the thresholds established in B.5 below.
  - j. Increases to Plant Funds which result from transfers from Educational and General Funds, Auxiliary Enterprises, Designated Funds, Service Departments, and Revolving Funds, subject to the thresholds established in B.5 below.
2. Items requiring approval of U. T. System Administration (no Consent Agenda approval required)
  - a. Reappropriation of prior year Educational and General Fund balances, subject to the thresholds established in B.5 below.
  - b. Increases in budgeted amounts from income or unappropriated balances for Educational and General, Auxiliary Enterprises, Designated Funds, Service Departments, Revolving Funds, and Plant Funds, subject to the thresholds established in B.5 below.
  - c. Increases to Plant Funds which result from transfers from Educational and General Funds, Auxiliary Enterprises, Designated Funds, Service Departments, and Revolving Funds, subject to the thresholds established in B.5 below.
  - d. Compensation changes for Highly Compensated Personnel other than those subject to B.1.e or B.2.f with total annual compensation in excess of the amount set as the approved institutional contract threshold discussed in Regents' Rules and Regulations, Rule 10501, Subsection 2.2.17, whose change in total annual compensation is five percent or less and whose initial compensation was previously approved by the U. T. System Board of Regents (Regents' Rules 10501 and 20204).
  - e. Appointments and compensation changes for Highly Compensated Personnel (\$1 million or more) who are not subject to B.1.a, B.1.b, B.1.c, B.1.d, B.1.e, B.1.f, B.1.g, B.1.h or B.2.d (Regents Rule 20204).
  - f. Appointments and promotions involving administrative and professional personnel reporting directly to the president.

## B. BUDGET AMENDMENTS (CONTINUED)

3. Items requiring approval of the president only (Chancellor for U. T. System Administration)
  - a. All interdepartmental transfers.
  - b. All budget transfers between line-item appropriations within a department.
  - c. Increases in budgeted amounts from income or unappropriated balances for Educational and General Funds, Auxiliary Enterprises, Designated Funds, Service Departments, and Revolving Funds, subject to the thresholds established in B.5 below.
  - d. Reappropriation of Prior Year Educational and General Fund Balances, subject to the thresholds established in B.5 below.
  - e. Promotions involving tenured faculty.
  - f. New honorary title appointments as Dean Emeritus, Chair Emeritus, Professor Emeritus, and similar honorary designations (Regents' Rule 31001).
  - g. Transactions involving all other personnel except those specified in B.1.a, B.1.b, B.1.c, B.1.d, B.1.e, B.1.f, B.1.g, B.1.h, B.2.d, B.2.e and B.2.f as defined above.
  - h. Changes in sources of funds, changes in time assignments, and other changes in status for personnel categorized in Item B.1, provided no change in the individual's salary rate is involved. In the case of Medical Faculty, this provision applies to "Total Compensation."
  - i. Clinical faculty appointments or changes, including medical or hospital staff, without salary provided the clinical faculty member is not considered to be Highly Compensated Personnel.
4. Effective date of appointments and compensation increases
  - a. Any increase in approved compensation for the current fiscal year without a change in classification or position is not to be effective prior to the first day of the month in which the required final approval of the rate change is obtained.
  - b. A compensation increase resulting from an appointment to another classification or to a position involving new and different duties may be made effective to the time of the first performance of duties under the new appointment.
  - c. The effective date of an appointment is the date on which the individual is first to perform service for the institution under that appointment.
  - d. The original appointment during a fiscal year of a person not in a budget for that year or not under an existing appointment for that year may relate back to the first performance of duties during the fiscal year although such person may have been employed in a previous fiscal year and although increased compensation for the same classification or position is involved.
5. Budget amendment criteria
  - a. Institutions other than U. T. System Administration with budgeted revenue, including transfers from the Available University Fund, of \$1 billion or more will have a threshold of:
    - i. For B.1i and B.1j – Equal to or greater than \$10,000,000 (budget increase approval via the Consent Agenda)
    - ii. For B.2a – Equal to or greater than \$10,000,000 (reappropriation of E&G balances approval by U. T. System Administration)
    - iii. For B.2b and B.2c – Equal to or greater than \$5,000,000 and less than \$10,000,000 (budget increase approval by U. T. System Administration)
    - iv. For B.3c – Less than \$5,000,000 (budget increase approval by the president)
    - v. For B.3.d – Less than \$1,000,000 (reappropriation of E&G balances approval by the president)

## B. BUDGET AMENDMENTS (CONTINUED)

- b. Institutions other than U. T. System Administration with budgeted revenue, including transfers from the Available University Fund, between \$250 million and \$1 billion will have a threshold of:
  - i. For B.1i and B.1j – Equal to or greater than \$5,000,000 (budget increase approval via the Consent Agenda)
  - ii. For B.2a – Equal to or greater than \$5,000,000 (reappropriation of E&G balances approval by U. T. System Administration)
  - iii. For B.2b and B.2c – Equal to or greater than \$2,500,000 and less than \$5,000,000 (budget increase approval by U. T. System Administration)
  - iv. For B.3c – Less than \$2,500,000 (budget increase approval by the president)
  - v. For B.3.d – Less than \$5,000,000 (reappropriation of E&G balances approval by the president)
- c. Institutions other than U. T. System Administration with budgeted revenue, including transfers from the Available University Fund, less than \$250 million will have a threshold of:
  - i. For B.1i and B.1j – Equal to or greater than \$2,500,000 (budget increase approval via the Consent Agenda)
  - ii. For B.2a – Equal to or greater than \$2,500,000 (reappropriation of E&G balances approval by U. T. System Administration)
  - iii. For B.2b and B.2c – Equal to or greater than \$500,000 and less than \$2,500,000 (budget increase approval by U. T. System Administration)
  - iv. For B.3c – Less than \$500,000 (budget increase approval by the president)
  - v. For B.3.d – Less than \$2,500,000 (reappropriation of E&G balances approval by the president)
- d. U. T. System Administration will have a threshold of:
  - i. For B.1i and B.1j – Equal to or greater than \$2,500,000 (budget increase approval via the Consent Agenda)
  - ii. For B.2a and B.3e – All amounts may be approved by the Chancellor (reappropriation of E&G balances)
  - iii. For B.2b, B.2c, and B.3c – All amounts less than \$2,500,000 may be approved by the Chancellor (budget increase approval)
  - iv. Notwithstanding i., ii., and iii., the Chancellor may authorize any budget amendment in the U. T. System revolving insurance or revolving systemwide information technology funds without limitation.
- e. Notwithstanding a., b., and c. of this section, the president of an institution may authorize any budget amendment related to hospital patient care activities or Medical, Dental, Nursing, and Faculty Services Research and Development Plans, the Allied Health Faculty Services Plan or the Physicians Referral Service Plan without limitation if the budget increase is supported by a corresponding increase in revenue. This exception does not apply to increases from unappropriated balances.

## C. OTHER CONSIDERATIONS

1. All appropriations not actually expended or encumbered by August 31 will automatically lapse to the Unappropriated Balance Account except for those reallocated pursuant to Item B.2a and Item B.3e.
2. Compensation from the Medical Service Research and Development Plan, Dental Service Research and Development Plan, Physicians Referral Service Plan, Faculty Services Research and Development Plan, Allied Health Faculty Services Plan, or Nursing Clinical Enterprise Health Services Research and Development Plan is contingent upon its being earned or available in accordance with the regulations applicable to the appropriate plan.
3. Budgeted expenditures authorized from sources of funds other than Educational and General Funds are contingent upon receipt of such funds. Appointments from such fund sources will not become an obligation of the institution in the event the supplemental or grant funds are not realized.
4. Leaves of Absence may be granted only in accordance with provisions contained in Regents' Rule 30201.
5. In these Rules, Compensation means total annual compensation as defined by Regents' Rule 20204 or total compensation under a multiyear contract.
6. Appropriations of the Available University Fund are subject to the appropriation limitations and notice requirements found in the General Appropriations Act.

**THE UNIVERSITY OF TEXAS SYSTEM**  
**FACULTY WORKLOAD REQUIREMENTS FOR ACADEMIC INSTITUTIONS**  
**For Fiscal Year Ending August 31, 2025**

**FACULTY WORKLOAD REQUIREMENTS FOR ACADEMIC INSTITUTIONS**

The general workload policy for faculty employed at U. T. System academic institutions is set forth in Regents' Rule 31006. Through established shared governance processes, each academic institution has been authorized by the U. T. System Board of Regents to establish a faculty workload policy that adheres to the provisions and reporting requirements of Rule 31006 and the *Texas Education Code* Section 51.402.

# THE UNIVERSITY OF TEXAS SYSTEM

## MEDICAL, DENTAL, NURSING, FACULTY SERVICES RESEARCH AND DEVELOPMENT PLANS, ALLIED HEALTH FACULTY SERVICES PLAN AND PHYSICIANS REFERRAL SERVICE

For Fiscal Year Ending August 31, 2025

### RULES AND PROCEDURES

1. These Rules and Procedures are to be used for the Medical, Dental, Nursing, and Faculty Services Research and Development Plans, the Allied Health Faculty Services Plan and Physicians Referral Service (“the Plans”) Budgets in conjunction with the Rules and Procedures for the General Operating Budget.
2. Budgeted expenditures authorized from the Plans are contingent upon receipt of such funds. Appointments and other budget transactions from such fund sources shall not become an obligation of any institution in the event the funds are not realized.
3. All income for professional services earned by members of the plans, except royalties, payments for editing scientific publications, and consultation fees as a regional or national consultant to any branch of the U.S. Government as approved by the U. T. System Board of Regents shall be deposited in the appropriate institution’s institutional Trust Fund Account.
4. Administration, operation, and disbursement of funds shall be in accordance with each institutional plan approved by U. T. System Administration and the U. T. System Board of Regents.
5. At U. T. M. D. Anderson Cancer Center, associate members’ earnings will be contingent upon the earned income of the member in accordance with the services rendered to the patient assigned to the member’s specialty by the chief of the major service. All payments will be approved by the Executive Council of the Physicians Referral Service.
6. Budgeted funds can be used for staff retirement and insurance benefits, for actual travel or supplemental travel expenses for attending meetings for the benefit of any institution, for memberships and dues in medical organizations, for official entertainment, and for such other disbursements as may be authorized by the president consistent with the policies approved by the U. T. System Board of Regents and the U. T. System Administration. These expenditures must be in the best interests of the research, educational and patient care activities of any institution and in the best interest of maintaining a distinguished scientific staff for such purposes and activities.

# THE UNIVERSITY OF TEXAS SYSTEM

## PERMANENT UNIVERSITY FUND (PUF) BOND PROCEEDS FOR LIBRARY, EQUIPMENT, REPAIR AND REHABILITATION (LERR) AND FACULTY SCIENCE AND TECHNOLOGY ACQUISITION AND RETENTION (STARS) AND SIMILAR FUNDED PROGRAMS BUDGET RULES AND PROCEDURES

For Fiscal Year Ending August 31, 2025

### A. INITIAL BUDGET

1. U. T. System institutions are authorized to purchase approved Library and Equipment items and to contract for Repair and Rehabilitation projects following standard purchasing and contracting procedures. This includes expenditures for STARS (including Faculty and Rising STARS), or similar funded programs.
2. Transfers by the U. T. System Administration of allocated funds to institutional control or to vendors will coincide with vendor payment requirements.
3. Final approval of specific Repair and Rehabilitation projects will be in accordance with U. T. System Board of Regents established procedures for construction projects.
4. All expenditures are subject to the provisions of the Texas *Constitution* of the State of Texas and the U. T. System Board of Regents' Rules and Regulations for the governance of The University of Texas System.
5. All expenditures are subject to the guidance established by the U. T. System Board of Regents in the *Permanent University Fund (PUF) Bond Proceeds for Library, Equipment, Repair and Rehabilitation (LERR) and Faculty Science and Technology Acquisition and Retention (STARS) and Similar Funded Programs Expenditure Guidelines*.

### B. BUDGET AMENDMENTS

Items requiring approval of U. T. System Administration (no Consent Agenda approval required)

- a. Substitute Library or Equipment purchases not on the approved list.
- b. Substitute Repair and Rehabilitation projects not on the approved list.
- c. Transfers of appropriated funds between approved Library, Equipment, Repair and Rehabilitation items.



## C. OTHER CONSIDERATIONS

1. All LERR appropriations must be expended within 36 months from the date of the award or the appropriation will lapse and be made available for future Systemwide reallocation.
2. All STARs or similar program appropriations must be expended within 36 months from the time the retained faculty member accepts the award, or the new faculty member arrives at the institution or the appropriation will lapse and be made available for future Systemwide reallocation.
3. U. T. System institutions receiving block STARs allocations have 36 months from the beginning of the fiscal year in which funds are allocated to award the funds to a specific faculty member or the appropriation will lapse and be made available for future Systemwide reallocation.
4. Notwithstanding the limitations adopted at the time LERR, STARs, or other similar funding was authorized, these *Budget Rules and Procedures* apply to all previously authorized LERR, STARs and similar funding.
5. In accordance with the *UTS 168 Capital Expenditure Policy*, LERR and STARs funding that is incorporated into a Major Project will be defined as PUF and will be subject to rules applicable to all Major Projects. Major Projects are defined by Regents' Rule 80301.

# THE UNIVERSITY OF TEXAS SYSTEM

## PERMANENT UNIVERSITY FUND (PUF) BOND PROCEEDS FOR LIBRARY, EQUIPMENT, REPAIR AND REHABILITATION (LERR) AND FACULTY SCIENCE AND TECHNOLOGY ACQUISITION AND RETENTION (STARS) AND SIMILAR FUNDED PROGRAMS EXPENDITURE GUIDELINES

For Fiscal Year Ending August 31, 2025

### A. AUTHORIZATION OF PUF BOND PROCEEDS FOR LERR, STARS, OR SIMILARLY FUNDED PROGRAMS

Article VII, Section 18 (b) of the Texas *Constitution* authorizes the U. T. System Board of Regents to issue bonds and notes secured by the U. T. System's interest in the Permanent University Fund for the purpose of:

- acquiring land, with or without permanent improvements;
- constructing and equipping buildings or other permanent improvements;
- major repair and rehabilitation of buildings and other permanent improvements;
- acquiring capital equipment; and
- acquiring library books and library materials.

It is for the last three purposes noted above that the U. T. System Board of Regents has established the LERR, STARS (including Faculty and Rising STARS), and similarly funded programs.

### B. RETENTION OF RECORDS

The Internal Revenue Service requires that invoice documentation supporting capital expenditures, including LERR, STARS and similar programs funded with proceeds of tax-exempt bonds, be maintained for a period ending three (3) years after the complete extinguishment of the bonds. Pursuant to the Texas *Constitution*, PUF bonds may be structured with a maximum maturity of 30 years. In order to comply with the IRS requirement and *UTS 181 Policy for Post Bond Issuance Federal Tax Compliance*, U. T. institutions shall maintain invoice documentation for 35 years for any capital expenditures funded with tax-exempt proceeds.

### C. ELIGIBILITY FOR PROGRAM FUNDS

Eligibility for LERR, STARS, or other similar funded programs is the same as eligibility for PUF bond proceeds as set forth in the Texas *Constitution*.

## D. GENERAL GUIDELINES FOR USE OF PROGRAM FUNDS

In addition to meeting the constitutional requirements outlined above, the general guideline to determine whether an item is eligible for LERR, STARS, or similar funded programs, is that it must have a useful life of at least one year. The following sections are provided to assist with that determination. These guidelines are not intended to be exhaustive and any questions regarding LERR, STARS, or similar funded program eligibility should be directed to the U. T. System Administration Office of Budget and Planning.

### ***Repair and Rehabilitation of Buildings or Other Permanent Improvements***

Major repairs or rehabilitation of buildings or other permanent improvements include, but are not limited to, repairs, renovations, replacements, or betterments that are normally expected to extend the useful life, improve operating efficiency, eliminate health and safety hazards, correct structural or mechanical defects, upgrade the quality of existing facilities, or convert these assets to more useful functions, but that are not considered routine maintenance.

The cost of major repairs or rehabilitation of buildings or other improvements can include the contract price or cost of construction and other costs that would be applicable to make the building or improvement suitable for its intended use.

### ***Acquisition of Capital Equipment***

Capital equipment is generally regarded as nonexpendable, tangible personal property having a useful life of more than one year. The acquisition cost for equipment includes the net invoice price, including any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. In addition, taxes, duty, in-transit insurance, freight, and installation charges are also included as part of the acquisition cost. Capital equipment, including software, that will be used Systemwide, or between and among U. T. institutions and System Administration, is eligible for LERR, STARS, or similar program funds.

#### **Warranties and Similar Service Features**

The cost of warranties and similar service features related to a purchase of capital equipment (such as maintenance agreements and loaner programs) are not eligible for LERR, STARS, or similar program funds as these are considered operating expenses. This ineligibility also applies to warranty and similar service feature costs separately identified during original purchase. For example, a warranty agreement charge that is separately identified on a laptop purchase is not allowed.

#### **Software**

Any capitalized costs associated with the development or implementation of software, including personnel costs (salaries), are eligible for LERR, STARS, or similar funded programs if they are incurred in the Application Development Stage as defined by *Statement No. 51 of the Governmental Accounting Standards Board "Accounting and Financial Reporting for Intangible Assets."* This principle applies whether the salaries are paid to employees of the institution or to outside parties. Training costs related to software usage are discussed below.

The purchase of bundled software included as part of the initial acquisition of computer hardware is capitalizable regardless of threshold and therefore eligible for LERR, STARS, or similar program funds.

Software maintenance costs are considered operating expenses and therefore are not eligible for LERR, STARS, or similar program funds as these are considered operating expense.

Costs for software licenses with a useful life extending beyond one year that will be owned are eligible for LERR, STARS, or similar program funds. Leased or licensed software that requires the payment of an annual fee (i.e., does not have a useful life extending beyond one year) and that will not be owned when the license expires is not eligible for LERR, STARS, or similar program funds.

#### **Employee Training and Travel Costs**

Employee training and travel costs are not eligible for LERR or STARS program funds as these are considered operating expenses.

## D. GENERAL GUIDELINES FOR USE OF PROGRAM FUNDS (CONTINUED)

### Operating Expenses

Consumables, which generally include those items that have an expected useful life of less than one year, are not eligible for LERR or STARS program funds as these are considered operating expenses. Some examples include, but are not limited to: chemicals, gases, paper, staplers and other office supplies, toner cartridges, medical supplies, disposal services, and laboratory supplies.

Examples of other operating expenses that are not eligible for LERR or STARS program funds include, but are not limited to: monthly telephone services, animals, software maintenance cost, and routine maintenance.

### *Acquisition of Library Books and Library Materials*

The acquisition of library books and library materials is eligible for LERR. A library book is generally defined as a literary composition bound into a separate volume and identifiable as a separate copyrighted unit. Library materials are information sources other than books, including journals, periodicals, microforms, audio/visual media, computer-based information, manuscripts, maps, documents, and similar items that provide information essential to the learning process or enhance the quality of university library programs. The purchase of a license for library materials is allowable if the license period is in excess of one year. Annual license subscriptions and payments are not eligible for LERR.

The acquisition cost of library books and library materials can include the invoice price, freight-in, handling and insurance, binding, electronic access charges, reproduction, and other like costs required to put these assets in place, except for library salaries.

### *Prohibition for Student Housing, Athletics, and Auxiliary Enterprises*

Article VII, Section 18 (d) of the Texas *Constitution* prohibits the use of PUF bond proceeds, and therefore the use of LERR, STARS, and similar program funds, for student housing, intercollegiate athletics, or auxiliary enterprises.

## E. SPECIAL PROGRAM FUNDING

Allocations of STARS funding by the Board of Regents are for the Faculty STARS program. With appropriate approvals those funds can be redirected to the Rising STARS program. U. T. System institutions receiving block STARS allocations can elect to use them as either Faculty STARS or Rising STARS without further approval being required.

### Faculty STARS Program

The Faculty STARS program funded by PUF bond proceeds supports the recruitment and retention of the best-qualified faculty at both academic and health institutions by providing additional resources to build and enhance research infrastructure. Because the Faculty STARS program is funded in the same manner as LERR, the same guidelines apply, and each item must have a useful life of more than one year. Faculty STARS funds are available for laboratory renovation and equipment purchases; however, faculty and other staff salaries cannot be paid from Faculty STARS funds.

There are three related program goals that form the basis of the Faculty STARS program:

- recruit senior faculty with national prominence; and
- improve the quality of new faculty and research capacity of the institutions by augmenting the start-up packages for tenure and tenure-track faculty; and
- retain high quality faculty who have had offers from another research institution or have the potential to leave because of limited access to quality equipment or laboratories.

### Rising STARS Program

The Rising STARS program makes up to \$300,000 available for recruitment of promising faculty members who are recruited in a tenure track position at any academic level, i.e., assistant, associate, or full professor. Rising STARS funding is limited to the same equipment and renovation expenditure restrictions as Faculty STARS.