

# THE UNIVERSITY OF TEXAS SYSTEM

## OPERATING BUDGET SUMMARIES

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

### FISCAL YEAR 2024



AUGUST 2023

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, 2024

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# THE UNIVERSITY OF TEXAS SYSTEM

## Operating Budget Highlights

For the Year Ending August 31, 2024

### INTRODUCTION

For nearly 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, research, and health care.

The U. T. System is one of the nation’s largest public university systems of higher education, with 14 institutions that educate more than 243,000 students. Each year, U. T. System institutions award more than 64,000 degrees including more than one-third of all undergraduate degrees in Texas 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. The U. T. System is one of the largest employers in the state with more than 116,000 faculty, health care professionals, researchers, support staff and student workers.

Transformational initiatives implemented over the past several years have cemented U. T. 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 and the combining of U. T. Tyler and U. T. Health Science Center – Tyler in 2020 and the opening of its medical school this fall. On September 1, 2023, the Board of Regents welcomes 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.

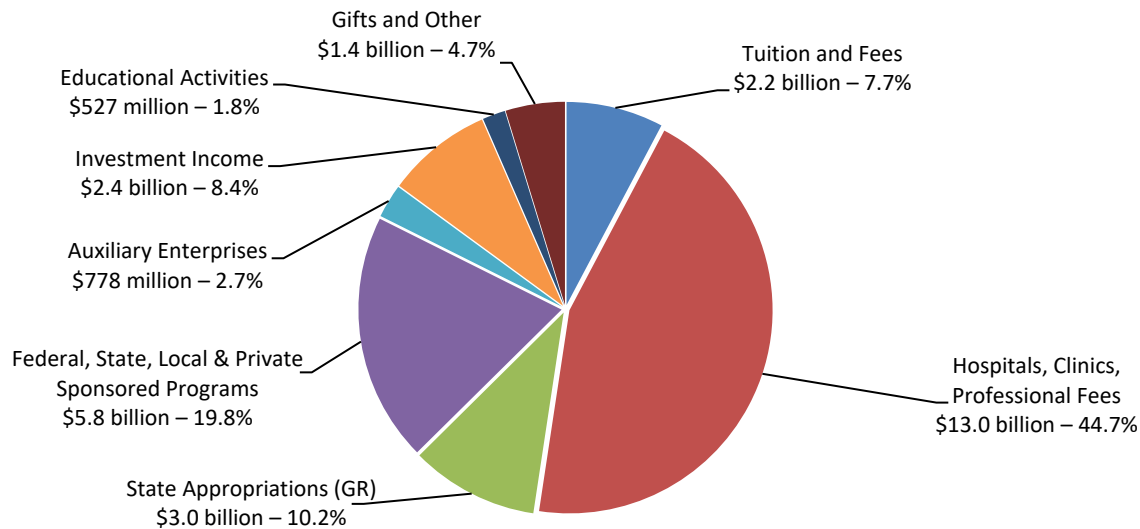
Creating a healthier Texas is a fundamental mission of U. T. institutions. Collectively, U. T. owned and affiliated hospitals and clinics accounted for more than 10 million outpatient visits and more than 2 million hospital days each year. The U. T. System is poised to open its seventh medical school in Tyler in 2023.

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 in FY 2022 across the U. T. institutions exceeds \$3.8 billion, and the U. T. System is No. 1 in Texas and No. 2 in the nation in federal research expenditures among public higher education systems.

For FY 2024, changes in the operating budget are largely driven by growth in health care activities primarily related to hospital patient income and professional fees charged by U. T. faculty physicians and contractual arrangements with affiliated hospitals and health care systems. In addition, the success U. T. institutions experienced from the Texas Legislature’s 88<sup>th</sup> regular session with a \$1 billion increase in new state funding over the next biennium. The new funding is for both operational and capital expenditures. A significant portion of this success pertained to an affordability proposal introduced by the state’s six largest public systems that would allow institutions to freeze in-state, undergraduate tuition and mandatory fees for the next two years. The proposal included an increase to the formulas supporting instruction, operations and research, additional funding for smaller institutions, funding to help manage the cost for tuition and fee exemptions for the dependents of veterans and bringing higher education group insurance into alignment with other state health programs. The FY 2024 budget also reflects the addition of Stephen F. Austin State University as a new U. T. System institution.

## REVENUE

**\$29.1 BILLION**



The budget includes both operating and nonoperating revenue used to support the System’s activities. Combined revenue for FY 2024 is \$29.1 billion, up 11.3 percent or \$2.9 billion from FY 2023. Stephen F. Austin State University comprises \$233 million of the revenue increase. The remainder of the growth in revenue is due to **Net Sales and Services of Hospitals and Clinics** (11.2 percent, \$1 billion), **State Appropriations** (17.1 percent, \$432 million) and **Net Investment Income** (14.5 percent, \$310 million). Based on U. T. System’s success with the 88<sup>th</sup> Texas Legislature, the FY 2024 **State Appropriations** improved to 10.2 percent of the total revenue budget as compared to the FY 2023 level of 9.7 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 (\$640 million), U. T. Medical Branch - Galveston (\$212 million), and U. T. Southwestern Medical Center (\$149 million). These institutions are anticipating patient volume increases and, in some cases, price increases based on the latest market and consumer price index data.

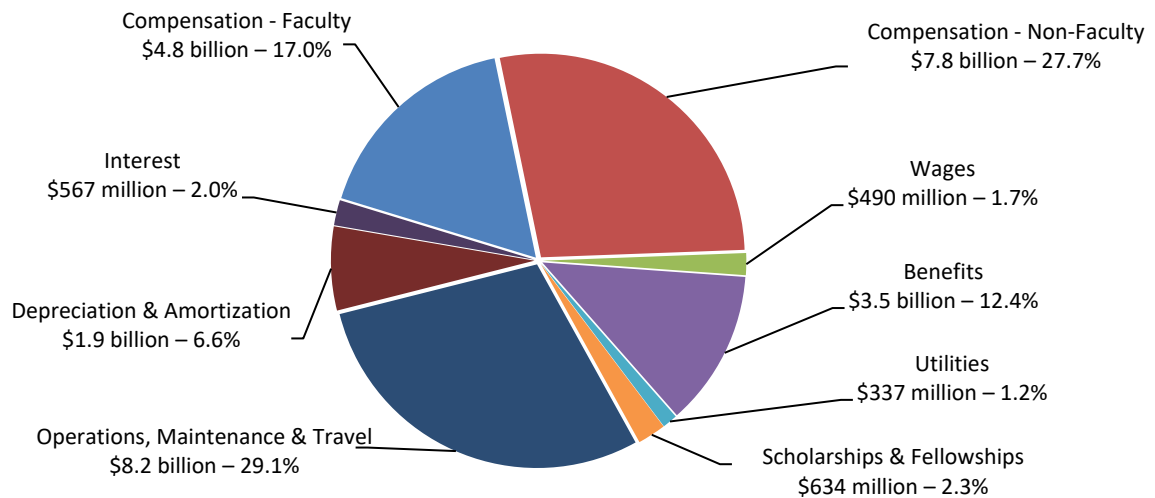
The budgeted increase in **State Appropriations** primarily benefited academic institutions (22.1 percent, \$245 million) and health institutions (8.3 percent, \$101 million). The affordability funding for formula and research benefited academic institutions with funding to support higher education group insurance benefiting both academic and health institutions.

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 (\$165 million) is a leading factor in the additional **Net Investment Income** anticipated for FY 2024. 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. Austin (\$38 million), U. T. M. D. Anderson Cancer Center (\$31 million) and U. T. Dallas (\$12 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** (11.2 percent, \$1 billion), **Federal Sponsored Programs** (15.9 percent, \$185 million) and **Local and Private Sponsored Programs** (8.4 percent, \$164 million). The most significant areas of growth for academic institutions include **State Appropriations** (22.1 percent, \$245 million), **Federal Sponsored Programs** (12.5 percent, \$103 million) and projected **Gifts** (37.5 percent, \$88 million).

## EXPENSES BY NATURAL CLASSIFICATION

**\$28.1 BILLION**



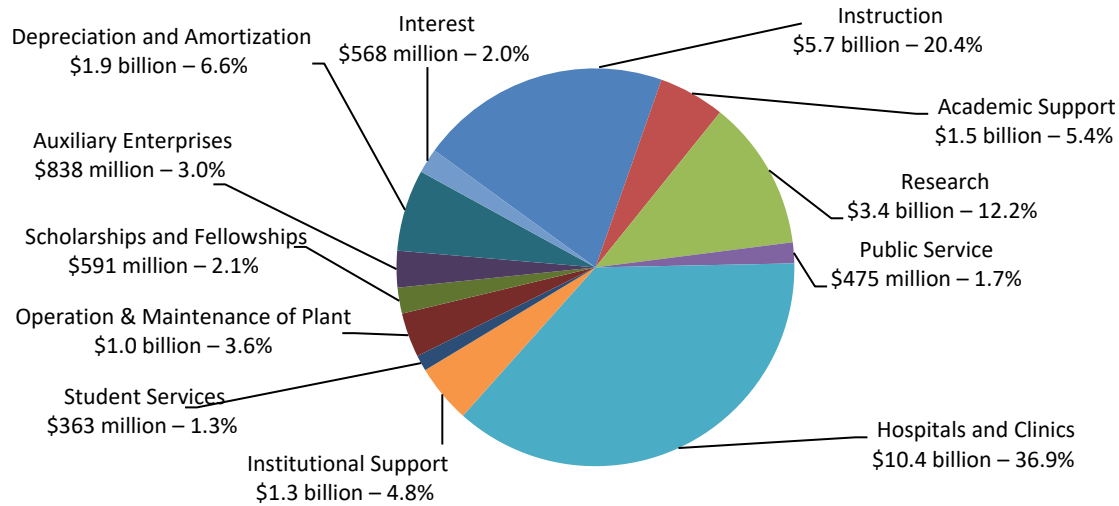
Expenses reflected in the budget include all operational activities, limited nonoperating expenses, and transfers to U. T. System Administration made to fund debt service interest. Depreciation and amortization expenses are also included in the budget. Conversely, capital outlay, capitalized lease payments, subscription-based information technology arrangement (SBITA) payments and transfers for debt service principal payments are excluded. Combined expenses for FY 2024 are \$28.1 billion, up 11.5 percent or \$2.9 billion from FY 2023. The inclusion of Stephen F. Austin State University represents \$249 million of the expense budget change for 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 \$1.5 billion (10.1 percent) over FY 2023. For the U. T. System, these costs represent 58.8 percent of Total Expenses and 52.5 percent of the overall expense increase. FY 2024 continues to experience a dynamic labor market and inflationary pressures. Most institutions have generally included plans for merit salary increases and market/equity adjustments in their current budget requests. Additional growth in Personnel Costs results from planned new faculty lines for both instructional purposes and in support of the medical practice and additional staff largely in support of the medical enterprise. The most significant increases are projected at U. T. M. D. Anderson Cancer Center (\$327 million), U. T. Southwestern Medical Center (\$223 million), U. T. Austin (\$206 million), U. T. Medical Branch - Galveston (\$176 million), and U. T. Health Science Center - Houston (\$146 million).

Among the non-personnel costs, the most significant change is to **Operations, Maintenance and Travel** (\$1.2 billion or 14.2 percent before adjustment for the capitalized portion). U. T. M. D. Anderson Cancer Center (\$555 million) and U. T. Medical Branch - Galveston (\$171 million) have the most significant increases resulting from a combination of patient care volume growth, medical and pharmaceutical increase and/or increased planned capital expenditures. U. T. M. D. Anderson specifically identifies an expected increase in medical and drug supplies of \$271 million with U. T. Medical Branch - Galveston indicating \$95 million. Other health institutions experience similar increases but on a smaller scale. The academic institutions range from a 2.1 percent increase to 24.3 percent due to inflationary pressures for goods and services. The largest increase is at U. T. Austin (\$131 million). **Scholarships and Fellowships** (before adjustment for tuition discounts and allowances) are anticipated to increase (\$110 million or 7.8 percent) overall. The largest increase is at U. T. Rio Grande Valley (\$19 million).

## EXPENSES BY FUNCTIONAL CLASSIFICATION

**\$28.1 BILLION**



The most significant functional areas of growth include **Hospitals and Clinics** (13.3 percent, \$1.2 billion), **Research** (13.2 percent, \$402 million), **Instruction** (5.3 percent, \$288 million), and **Academic Support** (22.7 percent, \$280 million).

The most significant changes in **Hospitals and Clinics** are at U. T. M. D. Anderson Cancer Center (\$543 million), U. T. Medical Branch - Galveston (\$311 million) and U. T. Southwestern Medical Center (\$225 million). Expense increases are largely from growth in labor and supply costs to support volume increases with patient care. Additionally, merit and market salary increases are contributing.

The most significant changes in anticipated **Research** expenses are projected to occur at U. T. M. D. Anderson Cancer Center (\$88 million), U. T. Austin (\$70 million) and U. T. Health Science Center - San Antonio (\$47 million). Growth is commensurate with changes in sponsored program revenue streams. U. T. Health Science Center - San Antonio has included \$19 million of new state appropriation for the Trauma Research and Combat Casualty Care Collaboration as their part of the \$20 million research endeavor funded as a non-formula item through U. T. System Administration for FY 2024 and FY2025.

**Instruction** expenses will increase largely due to planned merit salary increases, market increases, and new faculty lines including new medical faculty related to patient care growth. The most significant increases are projected to be at U. T. Health Science Center - Houston (\$91 million), U. T. Dallas (\$31 million), U. T. Health Science Center - San Antonio (\$23 million) and U. T. Southwestern Medical Center (\$22 million).

The most significant changes in **Academic Support** expenses will occur at U. T. Austin (\$155 million) in support of state funded initiatives including Texas Digital Molten Salt Reactor, Heart Galleries, strategic programs related to Alzheimer's research and treatment, and faculty development.



## 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.
- GASB 87 capitalized lease activity payments including 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 its 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. Beginning with this calculated margin, a reconciliation has been included to arrive at a forecasted Change in Net Assets that is intended to be comparable to the Statement of Revenues, Expenses, and Changes in Net Position (SRECNP) included in the U. T. System’s Annual 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 the institutions’ SRECNP.

## BACKGROUND (CONTINUED)

### PRESENTATION OF FY 2023 PROJECTED ACTUAL TOTALS

All U. T. institutions except Stephen F. Austin State University, which is new for FY 2024, have prepared a projection of FY 2023 activity in a format comparable to that presented for the FY 2023 adjusted and FY 2024 proposed budgets. This projection was based on activity through May 2023.

### RESTATEMENT AND RECLASSIFICATION OF FY 2023 BUDGET TOTALS

At the August 25, 2022 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 2023 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 \$16.2 million increase in revenue and expenses. FY 2023 budgets presented herein have been restated for those changes. A summary of the changes made for affected institutions follows:

Institution	Increase (Decrease) in Revenue	Increase (Decrease) in Expenses
<b>U. T. Tyler</b>	\$ 1,735,387	\$ 1,404,898
<b>U. T. Medical Branch - Galveston</b>	(5,379,131)	(5,379,131)
<b>U. T. Health Science Center - Houston</b>	19,838,729	19,246,896
<b>U. T. Health Science Center - Tyler</b>	(19,142)	-
<b>U. T. System Administration</b>	-	925,000
<b>Total</b>	\$16,175,843	\$16,197,663

In certain situations, reclassifications have been made between FY 2023 line items by the institutions to enhance comparability with the FY 2024 presentation.

## 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, inter-collegiate 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 Delivery System Reform Incentive Payment funds (DSRIP), Texas Incentives for Physician and Professional Services (TIPPS) and Comprehensive Hospital Increase Reimbursement Program (CHIRP) programs. Although ending, DSRIP is a program from which are payments made to providers who agree to participate in Medicaid health care quality and delivery system reforms. 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. 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 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 (MADE) – 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. This line item also includes appropriation transfers received by institutions such as state Hazlewood and Texas Child Mental Health Care Consortium support. AUF and Appropriation Transfers Received are included in budgeted "revenue" in order to be incorporated into margin calculations. 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. Through the REVERSE TRANSFERS FOR DEBT SERVICE (SYSTEM ONLY) line item, these amounts are eliminated for purposes of calculating the Systemwide SRECNP Change in Net Position. This elimination leaves virtually all interest expense for the entire System reflected at U. T. System Administration since all of the System's debt is issued in the name of the U. T. System Board of Regents.

## GLOSSARY OF TERMS (CONTINUED)

### **Reconciliation to Change in Net Assets:**

NET NON-PROFIT HEALTH CORP ACTIVITY – Reflects the net activity of the non-profit health corporations affiliated with U. T. health-related institutions. These organizations function as independent entities and their operations are not directly included in the U. T. System’s operating budget. At year end, these entities are incorporated into the U. T. System’s financial statements in accordance with generally accepted accounting principles.

NET INC./ (DEC.) IN FAIR VALUE OF INVESTMENTS – Unrealized gains or losses on investment assets of the System.

INTEREST EXPENSE ON CAPITAL ASSET FINANCINGS – Interest expense associated with bond and note borrowings utilized to finance capital improvement projects. U. T. System Administration reports most interest expense because almost all debt legally belongs to the U. T. System Board of Regents.

CAPITAL APPROPRIATIONS, GIFTS AND SPONSORED PROGRAMS – Includes appropriations from the State along with gifts and support for capital projects of the System that are not used for operations.

ADDITIONS TO PERMANENT ENDOWMENTS – Gifts and other additions to the corpus of permanent endowments. These funds are not available to be expended for operational purposes.

TRANSFERS FOR DEBT SERVICE – PRINCIPAL – Reflects debt service activity at all U. T. institutions and includes only the principal portion of mandatory debt service transfers under the Revenue Financing System, CCAP bond and PUF bond programs. Through the REVERSE TRANSFERS FOR DEBT SERVICE (SYSTEM ONLY) line item, these amounts are eliminated for purposes of calculating the Systemwide SRECNP Change in Net Position as retirement of principal is a balance sheet transaction and do not impact net position.

REVERSE TRANSFERS FOR DEBT SERVICE (SYSTEM ONLY) – This line is used to eliminate the effects of transfers for debt service received by U. T. System Administration on the SRECNP Change in Net Position.

TRANSFERS AND OTHER – Includes all interfund transfers and other activity not categorized elsewhere. For U. T. System, this total also includes the income and distribution to Texas A&M University System for their annual one-third participation in the PUF endowment.



# **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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 3,054,809,043	2,912,087,397	3,119,470,122	207,382,725	7.1%
Less Discounts and Allowances	(859,350,454)	(819,981,962)	(871,020,851)	(51,038,889)	6.2%
Federal Sponsored Programs	2,348,511,819	2,018,948,568	2,308,753,764	289,805,196	14.4%
State Sponsored Programs	434,685,580	427,964,507	487,182,003	59,217,496	13.8%
Local and Private Sponsored Programs	2,328,852,006	2,249,729,678	2,433,604,900	183,875,222	8.2%
Net Sales and Services of Educational Activities	557,298,524	490,166,001	526,550,652	36,384,651	7.4%
Net Sales and Services of Hospital and Clinics	9,533,414,156	9,297,903,272	10,342,537,228	1,044,633,956	11.2%
Net Professional Fees	2,562,338,938	2,562,585,887	2,637,505,165	74,919,278	2.9%
Net Auxiliary Enterprises	672,441,079	708,970,852	777,964,141	68,993,289	9.7%
Other Operating Revenues	711,645,582	542,074,085	703,854,500	161,780,415	29.8%
<b>Total Operating Revenues</b>	<b>21,344,646,273</b>	<b>20,390,448,285</b>	<b>22,466,401,624</b>	<b>2,075,953,339</b>	<b>10.2%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	4,472,517,495	4,390,337,536	4,787,354,058	397,016,522	9.0%
Compensation - Non-Faculty	7,347,535,943	7,045,096,223	7,777,751,717	732,655,494	10.4%
Wages	467,982,610	433,553,590	489,506,047	55,952,457	12.9%
Benefits	2,711,637,961	3,140,311,556	3,476,169,907	335,858,351	10.7%
Personnel Costs	14,999,674,009	15,009,298,905	16,530,781,729	1,521,482,824	10.1%
Utilities	313,612,939	305,395,113	337,309,887	31,914,774	10.5%
Scholarships and Fellowships	1,407,475,595	1,405,241,092	1,515,434,057	110,192,965	7.8%
Less Discounts and Allowances	(789,374,988)	(821,291,250)	(881,757,688)	(60,466,438)	7.4%
Operations, Maintenance and Travel	10,035,891,149	8,625,223,905	9,848,717,126	1,223,493,221	14.2%
Less Capitalized Portion and Cap Lease/SBITA	(796,802,387)	(1,535,413,757)	(1,661,736,723)	(126,322,966)	8.2%
Depreciation and Amortization	1,801,833,863	1,774,292,631	1,867,376,034	93,083,403	5.2%
<b>Total Operating Expenses</b>	<b>26,972,310,180</b>	<b>24,762,746,639</b>	<b>27,556,124,422</b>	<b>2,793,377,783</b>	<b>11.3%</b>
<b>Operating Surplus/Deficit</b>	<b>(5,627,663,907)</b>	<b>(4,372,298,354)</b>	<b>(5,089,722,798)</b>	<b>(717,424,444)</b>	<b>16.4%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	2,540,391,420	2,530,195,112	2,962,633,475	432,438,363	17.1%
Federal Sponsored Programs (Nonoperating)	507,358,176	486,568,193	480,929,380	(5,638,813)	-1.2%
State/Local Sponsored Programs (Nonoperating)	48,871,182	47,861,543	42,815,614	(5,045,929)	-10.5%
Gifts in Support of Operations	609,394,598	481,294,337	583,283,571	101,989,234	21.2%
Net Investment Income	2,338,133,637	2,133,912,493	2,444,249,493	310,337,000	14.5%
Other Non-Operating Revenue	1,735,781	118,128	564,600	446,472	378.0%
Other Non-Operating (Expenses)	(1,480,000)	(100,000)	(100,000)	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>6,044,404,794</b>	<b>5,679,849,806</b>	<b>6,514,376,133</b>	<b>834,526,327</b>	<b>14.7%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	645,554,513	654,902,027	751,506,421	96,604,394	14.8%
AUF Transfers (Made) for Operations	(599,284,318)	(599,284,318)	(666,591,333)	(67,307,015)	11.2%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(455,358,885)	(461,364,422)	(566,750,112)	(105,385,690)	22.8%
<b>Total Transfers and Other</b>	<b>(409,088,690)</b>	<b>(405,746,713)</b>	<b>(481,835,024)</b>	<b>(76,088,311)</b>	<b>18.8%</b>
<b>Budget Margin (Deficit)</b>	<b>7,652,197</b>	<b>901,804,739</b>	<b>942,818,311</b>	<b>41,013,572</b>	<b>4.5%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	248,845	2,023,025	1,016,966	(1,006,059)	-49.7%
Net Inc./(Dec.) in Fair Value of Investments	438,659,535	-	-	-	-
Interest Expense on Capital Asset Financings	(349,758,391)	(450,083,195)	(476,274,981)	(26,191,786)	5.8%
Capital Approp., Gifts and Sponsored Programs	107,573,792	161,495,571	95,110,118	(66,385,453)	-41.1%
Additions to Permanent Endowments	180,505,885	200,996,333	192,131,075	(8,865,258)	-4.4%
Transfers for Debt Service - Principal	(711,459,495)	(678,723,708)	(674,205,398)	4,518,310	-0.7%
Reverse Transfers for Debt Service (System Only)	-	1,127,106,903	1,118,673,738	(8,433,165)	-0.7%
Transfers and Other	2,872,044,674	(26,500,952)	39,964,926	66,465,878	-250.8%
<b>SRECNP Change in Net Position</b>	<b>\$ 2,545,467,042</b>	<b>1,238,118,716</b>	<b>1,239,234,755</b>	<b>1,116,039</b>	<b>0.1%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 27,436,801,262</b>	<b>26,126,015,800</b>	<b>29,065,792,845</b>	<b>2,939,777,045</b>	<b>11.3%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(27,429,149,065)</b>	<b>(25,224,211,061)</b>	<b>(28,122,974,534)</b>	<b>(2,898,763,473)</b>	<b>11.5%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 7,652,197</b>	<b>901,804,739</b>	<b>942,818,311</b>	<b>41,013,572</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		1,774,292,631	1,867,376,034		
Capital Outlay		(1,396,244,469)	(1,494,257,268)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(804,911,769)	(829,671,703)		
Budgeted Transfers		(46,179,144)	(42,465,873)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>428,761,988</b>	<b>443,799,501</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 5,174,769,143	5,446,201,761	5,734,362,534	288,160,773	5.3%
Academic Support	1,321,062,406	1,234,646,321	1,514,614,839	279,968,518	22.7%
Research	3,296,016,217	3,033,187,607	3,434,861,421	401,673,814	13.2%
Public Service	439,338,019	419,815,107	475,451,730	55,636,623	13.3%
Hospitals and Clinics	9,548,120,751	9,167,827,262	10,385,061,564	1,217,234,302	13.3%
Institutional Support	2,606,912,290	1,187,910,516	1,336,349,552	148,439,036	12.5%
Student Services	307,074,066	318,582,184	363,012,302	44,430,118	13.9%
Operations and Maintenance of Plant	1,045,702,999	877,275,441	1,016,411,536	139,136,095	15.9%
Scholarships and Fellowships	668,188,999	536,469,308	590,902,552	54,433,244	10.1%
Auxiliary Enterprises	755,551,010	766,538,501	837,720,357	71,181,856	9.3%
Depreciation and Amortization	1,809,574,280	1,774,292,631	1,867,376,034	93,083,403	5.2%
<b>Total Operating Expenses</b>	<b>\$ 26,972,310,180</b>	<b>24,762,746,639</b>	<b>27,556,124,422</b>	<b>2,793,377,783</b>	<b>11.3%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General Designated	\$ 9,122,918,001	10,283,630,392	1,160,712,391	12.7%
Auxiliary	10,879,077,605	12,024,919,359	1,145,841,754	10.5%
Available University Fund	890,124,222	1,004,341,457	114,217,235	12.8%
Restricted	760,909,095	838,384,407	77,475,312	10.2%
Unexpended Plant	3,680,029,569	4,031,931,870	351,902,301	9.6%
Subtotal - Expenditures (All Funds)	1,139,307,426	1,278,077,674	138,770,248	12.2%
Reconciling Adjustments:	26,472,365,918	29,461,285,159	2,988,919,241	11.3%
Tuition Discounting	(821,291,250)	(881,757,688)	(60,466,438)	7.4%
Depreciation	1,774,292,631	1,867,376,034	93,083,403	5.2%
Capital Outlay	(1,396,244,469)	(1,494,257,268)	(98,012,799)	7.0%
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin	(804,911,769)	(829,671,703)	(24,759,934)	3.1%
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 25,224,211,061</b>	<b>28,122,974,534</b>	<b>2,898,763,473</b>	<b>11.5%</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 2,831,136,726	2,683,994,479	2,889,808,149	205,813,670	7.7%
Less Discounts and Allowances	(845,582,293)	(807,133,396)	(857,802,263)	(50,668,867)	6.3%
Federal Sponsored Programs	1,037,035,291	824,673,571	928,113,545	103,439,974	12.5%
State Sponsored Programs	259,589,980	251,275,088	293,086,519	41,811,431	16.6%
Local and Private Sponsored Programs	371,738,328	309,251,767	328,875,073	19,623,306	6.3%
Net Sales and Services of Educational Activities	451,786,783	398,359,171	444,066,271	45,707,100	11.5%
Net Sales and Services of Hospital and Clinics	3,000,000	1,600,000	4,300,000	2,700,000	168.8%
Net Professional Fees	31,061,756	37,463,630	30,661,294	(6,802,336)	-18.2%
Net Auxiliary Enterprises	549,413,933	586,806,908	652,511,183	65,704,275	11.2%
Other Operating Revenues	48,089,839	45,365,399	49,653,851	4,288,452	9.5%
<b>Total Operating Revenues</b>	<b>4,737,270,343</b>	<b>4,331,656,617</b>	<b>4,763,273,622</b>	<b>431,617,005</b>	<b>10.0%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	1,271,511,476	1,246,280,890	1,370,881,605	124,600,715	10.0%
Compensation - Non-Faculty	1,935,920,085	1,830,111,305	2,084,330,320	254,219,015	13.9%
Wages	205,939,429	195,117,452	213,702,529	18,585,077	9.5%
Benefits	950,037,863	943,806,259	1,058,327,830	114,521,571	12.1%
Personnel Costs	4,363,408,853	4,215,315,906	4,727,242,284	511,926,378	12.1%
Utilities	158,703,719	147,434,682	166,264,109	18,829,427	12.8%
Scholarships and Fellowships	1,360,169,281	1,347,660,042	1,450,301,052	102,641,010	7.6%
Less Discounts and Allowances	(775,606,827)	(808,442,684)	(868,539,100)	(60,096,416)	7.4%
Operations, Maintenance and Travel	1,898,853,882	1,906,896,637	2,157,604,727	250,708,090	13.1%
Less Capitalized Portion and Cap Lease/SBITA	(194,100,041)	(268,687,004)	(220,821,662)	47,865,342	-17.8%
Depreciation and Amortization	751,300,298	733,213,332	792,865,403	59,652,071	8.1%
<b>Total Operating Expenses</b>	<b>7,562,729,165</b>	<b>7,273,390,911</b>	<b>8,204,916,813</b>	<b>931,525,902</b>	<b>12.8%</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	1,120,065,037	1,109,363,060	1,354,153,246	244,790,186	22.1%
Federal Sponsored Programs (Nonoperating)	488,498,310	461,743,868	458,508,719	(3,235,149)	-0.7%
State/Local Sponsored Programs (Nonoperating)	47,434,695	47,861,543	42,815,614	(5,045,929)	-10.5%
Gifts in Support of Operations	354,970,260	235,265,906	323,595,668	88,329,762	37.5%
Net Investment Income	597,391,475	467,239,803	543,843,052	76,603,249	16.4%
Other Non-Operating Revenue	-	-	464,600	464,600	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>2,608,359,777</b>	<b>2,321,474,180</b>	<b>2,723,380,899</b>	<b>401,906,719</b>	<b>17.3%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	507,786,237	509,859,769	557,289,720	47,429,951	9.3%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(137,871,822)	(130,297,174)	(136,395,850)	(6,098,676)	4.7%
<b>Total Transfers and Other</b>	<b>369,914,415</b>	<b>379,562,595</b>	<b>420,893,870</b>	<b>41,331,275</b>	<b>10.9%</b>
<b>Budget Margin (Deficit)</b>	<b>152,815,370</b>	<b>(240,697,519)</b>	<b>(297,368,422)</b>	<b>(56,670,903)</b>	<b>23.5%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./(Dec.) in Fair Value of Investments	(5,457,811)	-	-	-	-
Interest Expense on Capital Asset Financings	(1,705,800)	(1,700,000)	(1,705,000)	(5,000)	0.3%
Capital Approp., Gifts and Sponsored Programs	23,537,069	80,275,813	44,460,000	(35,815,813)	-44.6%
Additions to Permanent Endowments	116,183,326	139,934,513	115,141,000	(24,793,513)	-17.7%
Transfers for Debt Service - Principal	(60,903,283)	(126,883,563)	(139,803,780)	(12,920,217)	10.2%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	319,792,462	258,371,894	363,557,325	105,185,431	40.7%
<b>SRECNP Change in Net Position</b>	<b>\$ 544,261,333</b>	<b>109,301,138</b>	<b>84,281,123</b>	<b>(25,020,015)</b>	<b>-22.9%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 7,853,416,357</b>	<b>7,162,990,566</b>	<b>8,043,944,241</b>	<b>880,953,675</b>	<b>12.3%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(7,700,600,987)</b>	<b>(7,403,688,085)</b>	<b>(8,341,312,663)</b>	<b>(937,624,578)</b>	<b>12.7%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 152,815,370</b>	<b>(240,697,519)</b>	<b>(297,368,422)</b>	<b>(56,670,903)</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		733,213,332	792,865,403		
Capital Outlay		(241,044,613)	(189,147,536)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(149,770,039)	(169,623,966)		
Budgeted Transfers		(37,493,310)	(39,209,516)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>64,207,851</b>	<b>97,515,963</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 1,796,371,874	2,082,763,619	2,239,420,349	156,656,730	7.5%
Academic Support	813,293,368	765,518,389	969,076,504	203,558,115	26.6%
Research	1,177,553,710	1,006,218,031	1,140,926,765	134,708,734	13.4%
Public Service	202,046,510	192,604,361	197,204,148	4,599,787	2.4%
Hospitals and Clinics	181,773,150	173,388,940	188,581,363	15,192,423	8.8%
Institutional Support	555,538,385	485,049,607	604,685,044	119,635,437	24.7%
Student Services	274,761,910	282,759,228	327,748,643	44,989,415	15.9%
Operations and Maintenance of Plant	518,685,525	400,106,876	474,152,124	74,045,248	18.5%
Scholarships and Fellowships	625,372,646	491,635,549	543,701,721	52,066,172	10.6%
Auxiliary Enterprises	658,291,373	660,132,979	726,554,749	66,421,770	10.1%
Depreciation and Amortization	759,040,714	733,213,332	792,865,403	59,652,071	8.1%
<b>Total Operating Expenses</b>	<b>\$ 7,562,729,165</b>	<b>7,273,390,911</b>	<b>8,204,916,813</b>	<b>931,525,902</b>	<b>12.8%</b>

**Operating Budget - Expenditures by Fund  
Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General Designated	\$ 1,973,567,157	2,224,160,253	250,593,096	12.7%
Auxiliary	2,818,291,149	3,142,252,487	323,961,338	11.5%
Available University Fund	755,378,891	864,343,501	108,964,610	14.4%
Restricted	481,497,000	517,377,000	35,880,000	7.5%
Unexpended Plant	1,817,986,367	2,005,063,095	187,076,728	10.3%
Subtotal - Expenditures (All Funds)	23,011,525	22,561,526	(449,999)	-2.0%
	7,869,732,089	8,775,757,862	906,025,773	11.5%
<b>Reconciling Adjustments:</b>				
Tuition Discounting	(808,442,684)	(868,539,100)	(60,096,416)	7.4%
Depreciation	733,213,332	792,865,403	59,652,071	8.1%
Capital Outlay	(241,044,613)	(189,147,536)	51,897,077	-21.5%
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin	(149,770,039)	(169,623,966)	(19,853,927)	13.3%
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 7,403,688,085</b>	<b>8,341,312,663</b>	<b>937,624,578</b>	<b>12.7%</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 223,672,317	228,092,918	229,661,973	1,569,055	0.7%
Less Discounts and Allowances	(13,768,161)	(12,848,566)	(13,218,588)	(370,022)	2.9%
Federal Sponsored Programs	1,284,801,740	1,159,301,135	1,344,101,886	184,800,751	15.9%
State Sponsored Programs	175,095,600	176,689,419	182,398,690	5,709,271	3.2%
Local and Private Sponsored Programs	1,955,377,011	1,940,477,911	2,104,383,357	163,905,446	8.4%
Net Sales and Services of Educational Activities	87,501,797	88,658,547	79,428,815	(9,229,732)	-10.4%
Net Sales and Services of Hospital and Clinics	9,530,414,156	9,296,303,272	10,338,237,228	1,041,933,956	11.2%
Net Professional Fees	2,531,277,182	2,525,122,257	2,606,843,871	81,721,614	3.2%
Net Auxiliary Enterprises	123,027,146	122,163,944	125,452,958	3,289,014	2.7%
Other Operating Revenues	625,006,175	491,748,742	648,882,041	157,133,299	32.0%
<b>Total Operating Revenues</b>	<b>16,522,404,963</b>	<b>16,015,709,579</b>	<b>17,646,172,231</b>	<b>1,630,462,652</b>	<b>10.2%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	3,201,006,019	3,144,056,646	3,416,472,453	272,415,807	8.7%
Compensation - Non-Faculty	5,363,658,707	5,177,103,440	5,651,175,554	474,072,114	9.2%
Wages	261,133,181	237,525,387	274,502,207	36,976,820	15.6%
Benefits	2,192,844,195	2,185,915,943	2,406,337,472	220,421,529	10.1%
Personnel Costs	11,018,642,102	10,744,601,416	11,748,487,686	1,003,886,270	9.3%
Utilities	154,463,364	157,960,431	171,045,778	13,085,347	8.3%
Scholarships and Fellowships	47,203,514	55,611,844	62,882,505	7,270,661	13.1%
Less Discounts and Allowances	(13,768,161)	(12,848,566)	(13,218,588)	(370,022)	2.9%
Operations, Maintenance and Travel	6,207,038,623	6,591,987,788	7,529,875,607	937,887,819	14.2%
Less Capitalized Portion and Cap Lease/SBITA	(602,601,715)	(1,264,511,901)	(1,434,175,268)	(169,663,367)	13.4%
Depreciation and Amortization	1,028,096,024	1,026,669,925	1,056,921,828	30,251,903	2.9%
<b>Total Operating Expenses</b>	<b>17,839,073,751</b>	<b>17,299,470,937</b>	<b>19,121,819,548</b>	<b>1,822,348,611</b>	<b>10.5%</b>
<b>Operating Surplus/Deficit</b>	<b>(1,316,668,788)</b>	<b>(1,283,761,358)</b>	<b>(1,475,647,317)</b>	<b>(191,885,959)</b>	<b>14.9%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	1,212,020,982	1,213,997,817	1,315,065,811	101,067,994	8.3%
Federal Sponsored Programs (Nonoperating)	18,773,485	24,824,325	22,420,661	(2,403,664)	-9.7%
State/Local Sponsored Programs (Nonoperating)	1,436,487	-	-	-	-
Gifts in Support of Operations	254,153,486	245,628,431	259,387,903	13,759,472	5.6%
Net Investment Income	798,744,730	752,904,420	821,506,972	68,602,552	9.1%
Other Non-Operating Revenue	1,732,703	18,128	-	(18,128)	-100.0%
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>2,286,861,873</b>	<b>2,237,373,121</b>	<b>2,418,381,347</b>	<b>181,008,226</b>	<b>8.1%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	19,980,958	26,079,940	62,041,487	35,961,547	137.9%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(145,279,458)	(139,744,710)	(158,719,929)	(18,975,219)	13.6%
<b>Total Transfers and Other</b>	<b>(125,298,500)</b>	<b>(113,664,770)</b>	<b>(96,678,442)</b>	<b>16,986,328</b>	<b>-14.9%</b>
<b>Budget Margin (Deficit)</b>	<b>844,894,585</b>	<b>839,946,993</b>	<b>846,055,588</b>	<b>6,108,595</b>	<b>0.7%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	248,845	2,023,025	1,016,966	(1,006,059)	-49.7%
Net Inc./(Dec.) in Fair Value of Investments	22,668,680	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	64,791,988	61,919,758	32,265,118	(29,654,640)	-47.9%
Additions to Permanent Endowments	64,322,559	61,061,820	76,990,075	15,928,255	26.1%
Transfers for Debt Service - Principal	(341,319,003)	(262,698,168)	(215,158,000)	47,540,168	-18.1%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	646,045,334	249,373,716	226,904,599	(22,469,117)	-9.0%
<b>SRECNP Change in Net Position</b>	<b>\$ 1,301,652,988</b>	<b>951,627,144</b>	<b>968,074,346</b>	<b>16,447,202</b>	<b>1.7%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 18,829,247,794</b>	<b>18,279,162,640</b>	<b>20,126,595,065</b>	<b>1,847,432,425</b>	<b>10.1%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(17,984,353,209)</b>	<b>(17,439,215,647)</b>	<b>(19,280,539,477)</b>	<b>(1,841,323,830)</b>	<b>10.6%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 844,894,585</b>	<b>839,946,993</b>	<b>846,055,588</b>	<b>6,108,595</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		1,026,669,925	1,056,921,828		
Capital Outlay		(1,154,199,856)	(1,304,109,732)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(364,859,181)	(335,283,420)		
Budgeted Transfers		(181,797)	925,605		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>347,376,084</b>	<b>264,509,869</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 3,378,397,269	3,363,438,142	3,494,942,185	131,504,043	3.9%
Academic Support	488,524,199	452,391,691	524,744,121	72,352,430	16.0%
Research	2,118,462,507	2,026,969,576	2,273,934,656	246,965,080	12.2%
Public Service	232,351,317	223,898,246	274,126,201	50,227,955	22.4%
Hospitals and Clinics	9,366,347,601	8,994,438,322	10,196,480,201	1,202,041,879	13.4%
Institutional Support	528,082,121	549,403,439	567,031,345	17,627,906	3.2%
Student Services	32,312,156	35,822,956	35,263,659	(559,297)	-1.6%
Operations and Maintenance of Plant	526,728,699	477,168,565	542,259,413	65,090,848	13.6%
Scholarships and Fellowships	42,512,220	42,864,553	44,950,331	2,085,778	4.9%
Auxiliary Enterprises	97,259,637	106,405,522	111,165,608	4,760,086	4.5%
Depreciation and Amortization	1,028,096,025	1,026,669,925	1,056,921,828	30,251,903	2.9%
<b>Total Operating Expenses</b>	<b>\$ 17,839,073,751</b>	<b>17,299,470,937</b>	<b>19,121,819,548</b>	<b>1,822,348,611</b>	<b>10.5%</b>

**Operating Budget - Expenditures by Fund  
Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 6,822,362,158	7,633,820,407	811,458,249	11.9%
Designated	8,045,697,360	8,861,061,022	815,363,662	10.1%
Auxiliary	134,745,331	139,997,956	5,252,625	3.9%
Available University Fund	-	-	-	-
Restricted	1,825,352,575	1,985,833,856	160,481,281	8.8%
Unexpended Plant	1,116,295,901	1,255,516,148	139,220,247	12.5%
<b>Subtotal - Expenditures (All Funds)</b>	<b>17,944,453,325</b>	<b>19,876,229,389</b>	<b>1,931,776,064</b>	<b>10.8%</b>
<b>Reconciling Adjustments:</b>				
Tuition Discounting	(12,848,566)	(13,218,588)	(370,022)	2.9%
Depreciation	1,026,669,925	1,056,921,828	30,251,903	2.9%
Capital Outlay	(1,154,199,856)	(1,304,109,732)	(149,909,876)	13.0%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(364,859,181)	(335,283,420)	29,575,761	-8.1%
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 17,439,215,647</b>	<b>19,280,539,477</b>	<b>1,841,323,830</b>	<b>10.6%</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, 2024**

**Introduction - Major Goals Addressed by FY 2024 Budget**

For more than 135 years, The University of Texas System has been committed to improving the lives of Texans and people all over the world through education, research, and health care. Under the direction of the Board of Regents and the Chancellor, The University of Texas System Administration supports this commitment by fulfilling the statutory roles of oversight and coordination.

U. T. System Administration, academic institutions, and health institutions budgets continued to experience inflationary pressure for procurement of goods and services, turnover and compensation challenges impacting staffing, academic enrollment shifts, patient health care fluctuations, and legislative changes to academic institutions' research formulas. The Texas Legislature's 88<sup>th</sup> regular session helped significantly with a \$1 billion increase in new funding over the next biennium to U. T. institutions including the newest institution Stephen F. Austin State University which was approved for transition to the U. T. System during this session. U. T. System Administration benefited directly with the new Trauma Research and Combat Casualty Care Collaborative (TRC4) program being funded for the first time at \$20 million in year one of the biennium. This funding will flow through U. T. System Administration to the U. T. Health Science Center in San Antonio who in turn will work with the U. S. Army Institute of Surgical Research and administer the TRC4 research effort for the benefit of all U. T. institutions as well as collaborate with the Department of Defense and other federal agencies. The U. T. Education and Research Center at Laredo received \$5.9 million annually, a 64.8 percent increase from prior year funding levels. This provides recurring funding to support the delivery of academic, research, clinical, and community engagement activities in Laredo and the surrounding South Texas region.

The FY 2024 U. T. System Administration budget is built on recurring Available University Fund (AUF) requirements of \$58.7 million (4.6 percent increase) for core operations and \$71.8 million for Direct Campus Support (15.9 percent increase). The core operations increase includes a continued focus on staff by maintaining competitive salaries. The administration, just like the academic and health institutions, continues to see rising costs related to employer contributions for health insurance and Teacher Retirement System matching. The increase in Direct Campus Support establishes recurring support for Stephen F. Austin State University and covers increasing costs related to information technology and risk insurance for all other academic institutions. New FY 2024 recurring Direct Campus Support is proposed for the Association of College and University Educators (ACUE) program administered through the Office of Academic Affairs. ACUE provides training and credentialing for faculty in evidence-based teaching practices necessary for student success. Temporary funding for construction planning administration costs, continued funding for security software costs, and new financial planning software costs are proposed as a shift from academic institutions to continue to provide more direct campus support.

**Revenue**

Budgeted revenue for U. T. System Administration is \$895.2 million, up \$211.4 million (30.9 percent). The primary areas of revenue growth include increases in Net Investment Income at \$165.1 million, new State Appropriation funding for the Trauma Research and Combat Casualty Care Collaborative (TRC4) of \$20 million, an increase in the State Appropriation for the U. T. Center at Laredo of \$2.3 million, \$0.8 million increase in the appropriation transfer from Texas Higher Education Coordinating Board (THECB) for the Texas Child Mental Health Care Consortium and an increase of \$12.4 million in the U. T. System's share of the AUF distribution to be used for direct campus support and operations. Only the portions of the AUF distribution distributed for PUF bond debt service, for U. T. System Administration and any surplus after distributions to U. T. Austin are reflected as revenue in U. T. System Administration's budget. Federal Sponsored Programs reflect a \$1.6 million increase in anticipated Employee Group Waiver Plan payments related to a Catastrophic Subsidy within the self-insured medical insurance program. State Sponsored Programs will experience an increase of \$11.7 million related to the Joint Admission Medical Program, which will receive its full biennial allotment from THECB in FY 2024.

**Expenses**

U. T. System Administration's FY 2024 budgeted expenses (including transfers for interest) have increased \$119.8 million (31.4 percent), primarily from increases in Permanent University Fund bond interest (\$34 million) and Capital Construction Assistance Projects (\$46.2 million) bond interest related to authorizations made by the 87<sup>th</sup> Legislature. Overall compensation, including benefits, is expected to rise \$5.7 million (11.5 percent increase) due to a proposed compensation pool allocated as 3 percent for merit and 1 percent for promotions, market adjustments and equity along with anticipated benefits increases. Core operations continue with minimal increases for operating expense due to a continuing focus on staffing. Other funding sources include operational expense increases for the new TRC4, the U. T. Center at Laredo, and federal and state supported programs as mentioned above.

**The University of Texas System Administration**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ -	-	-	-	-
Less Discounts and Allowances	-	-	-	-	-
Federal Sponsored Programs	26,674,788	34,973,862	36,538,333	1,564,471	4.5%
State Sponsored Programs	-	-	11,696,794	11,696,794	-
Local and Private Sponsored Programs	1,736,667	-	346,470	346,470	-
Net Sales and Services of Educational Activities	18,009,944	3,148,283	3,055,566	(92,717)	-2.9%
Net Sales and Services of Hospital and Clinics	-	-	-	-	-
Net Professional Fees	-	-	-	-	-
Net Auxiliary Enterprises	-	-	-	-	-
Other Operating Revenues	38,549,568	4,959,944	5,318,608	358,664	7.2%
<b>Total Operating Revenues</b>	<b>84,970,967</b>	<b>43,082,089</b>	<b>56,955,771</b>	<b>13,873,682</b>	<b>32.2%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	-	-	-	-	-
Compensation - Non-Faculty	47,957,151	37,881,478	42,245,843	4,364,365	11.5%
Wages	910,000	910,751	1,301,311	390,560	42.9%
Benefits	(431,244,097)	10,589,354	11,504,605	915,251	8.6%
Personnel Costs	(382,376,946)	49,381,583	55,051,759	5,670,176	11.5%
Utilities	445,856	-	-	-	-
Scholarships and Fellowships	102,800	1,969,206	2,250,500	281,294	14.3%
Less Discounts and Allowances	-	-	-	-	-
Operations, Maintenance and Travel	1,929,998,644	126,339,480	161,236,792	34,897,312	27.6%
Less Capitalized Portion and Cap Lease/SBITA	(100,631)	(2,214,852)	(6,739,793)	(4,524,941)	204.3%
Depreciation and Amortization	22,437,541	14,409,374	17,588,803	3,179,429	22.1%
<b>Total Operating Expenses</b>	<b>1,570,507,264</b>	<b>189,884,791</b>	<b>229,388,061</b>	<b>39,503,270</b>	<b>20.8%</b>
<b>Operating Surplus/Deficit</b>	<b>(1,485,536,297)</b>	<b>(146,802,702)</b>	<b>(172,432,290)</b>	<b>(25,629,588)</b>	<b>17.5%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	208,305,401	206,834,235	293,414,418	86,580,183	41.9%
Federal Sponsored Programs (Nonoperating)	86,381	-	-	-	-
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	-
Gifts in Support of Operations	270,852	400,000	300,000	(100,000)	-25.0%
Net Investment Income	941,997,432	913,768,270	1,078,899,469	165,131,199	18.1%
Other Non-Operating Revenue	3,078	100,000	100,000	-	0.0%
Other Non-Operating (Expenses)	(1,480,000)	(100,000)	(100,000)	-	0.0%
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>1,149,183,144</b>	<b>1,121,002,505</b>	<b>1,372,613,887</b>	<b>251,611,382</b>	<b>22.4%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	117,787,318	118,962,318	132,175,214	13,212,896	11.1%
AUF Transfers (Made) for Operations	(599,284,318)	(599,284,318)	(666,591,333)	(67,307,015)	11.2%
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(172,207,605)	(191,322,538)	(271,634,333)	(80,311,795)	42.0%
<b>Total Transfers and Other</b>	<b>(653,704,605)</b>	<b>(671,644,538)</b>	<b>(806,050,452)</b>	<b>(134,405,914)</b>	<b>20.0%</b>
<b>Budget Margin (Deficit)</b>	<b>(990,057,758)</b>	<b>302,555,265</b>	<b>394,131,145</b>	<b>91,575,880</b>	<b>30.3%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./(Dec.) in Fair Value of Investments	421,448,666	-	-	-	-
Interest Expense on Capital Asset Financings	(348,052,591)	(448,383,195)	(474,569,981)	(26,186,786)	5.8%
Capital Approp., Gifts and Sponsored Programs	19,244,735	19,300,000	18,385,000	(915,000)	-4.7%
Additions to Permanent Endowments	194,072,702	202,217,333	192,131,075	(10,086,258)	-5.0%
Transfers for Debt Service - Principal	(309,237,209)	(289,141,977)	(319,243,618)	(30,101,641)	10.4%
Reverse Transfers for Debt Service (System Only)	-	1,127,106,903	1,118,673,738	(8,433,165)	-0.7%
Transfers and Other	1,953,084,591	(67,824,656)	(58,271,700)	9,552,956	-14.1%
<b>SRECNP Change in Net Position</b>	<b>\$ 940,503,136</b>	<b>845,829,673</b>	<b>871,235,659</b>	<b>25,405,986</b>	<b>3.0%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 754,137,111</b>	<b>683,862,594</b>	<b>895,253,539</b>	<b>211,390,945</b>	<b>30.9%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(1,744,194,869)</b>	<b>(381,307,329)</b>	<b>(501,122,394)</b>	<b>(119,815,065)</b>	<b>31.4%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (990,057,758)</b>	<b>302,555,265</b>	<b>394,131,145</b>	<b>91,575,880</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		14,409,374	17,588,803		
Capital Outlay		(1,000,000)	(1,000,000)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(290,282,549)	(324,764,317)		
Budgeted Transfers		(8,504,037)	(4,181,962)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>17,178,053</b>	<b>81,773,669</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ -	-	-	-	-
Academic Support	19,244,839	16,736,241	20,794,214	4,057,973	24.2%
Research	-	-	20,000,000	20,000,000	-
Public Service	4,940,192	3,312,500	4,121,381	808,881	24.4%
Hospitals and Clinics	-	-	-	-	-
Institutional Support	1,523,291,784	153,457,470	164,633,163	11,175,693	7.3%
Student Services	-	-	-	-	-
Operations and Maintenance of Plant	288,775	-	-	-	-
Scholarships and Fellowships	304,133	1,969,206	2,250,500	281,294	14.3%
Auxiliary Enterprises	-	-	-	-	-
Depreciation and Amortization	22,437,541	14,409,374	17,588,803	3,179,429	22.1%
Total Operating Expenses	\$ 1,570,507,264	189,884,791	229,388,061	39,503,270	20.8%

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 326,988,686	425,649,732	98,661,046	30.2%
Designated	15,089,096	21,605,850	6,516,754	43.2%
Auxiliary	-	-	-	-
Available University Fund	279,412,095	321,007,407	41,595,312	14.9%
Restricted	36,690,627	41,034,919	4,344,292	11.8%
Unexpended Plant	-	-	-	-
Subtotal - Expenditures (All Funds)	658,180,504	809,297,908	151,117,404	23.0%
Reconciling Adjustments:				
Tuition Discounting	-	-	-	-
Depreciation	14,409,374	17,588,803	3,179,429	22.1%
Capital Outlay	(1,000,000)	(1,000,000)	-	0.0%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(290,282,549)	(324,764,317)	(34,481,768)	11.9%
Total Expenses (Including Transfers for Interest)	\$ 381,307,329	501,122,394	119,815,065	31.4%

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 August 31, 2024**

**Introduction - Major Goals Addressed by FY 2024 Budget**

The University of Texas at Arlington is currently building out a strategic plan with the primary focus of being one of the nation's most inclusive and impactful research universities. U. T. Arlington is committed to making college education affordable and to providing access to exceptional academic programs. The strategic planning process is underway and will be complete in FY 2024. The University is focused on five strategic areas: student success, people and culture, research innovation, community and alumni engagement, and finance and infrastructure.

The FY 2024 operating budget was created through the shared governance process with five thematic areas in mind. In people and culture, U. T. Arlington is focused on retention and recruitment of talented and dedicated people so the University can fulfill its mission and realize its full potential. Within student success, it is critical to provide the resources and support students need to thrive, graduate, and find success after they leave campus. Within alumni and community engagement, U. T. Arlington will demonstrate measurable impacts in the communities served. In research and innovation, the focus is on how to best align research to fuel the growth of the region and state. As a Carnegie R1 Research University, U. T. Arlington has a long history of providing quality and comprehensive education while continuing to build upon its record of success by investing in research capabilities and strengthening high-impact research initiatives. The planned infusion of state and U. T. System funding to support research advancement will make a transformative difference in advancing the University's research standing. As part of the strategic planning process, finance and infrastructure has been a heavy focus, aligning resources with strategies will be imperative to reaching goals set out in the plan.

**Revenue**

Total budgeted revenue for FY 2024 is approximately \$842 million, an increase of 6.8 percent. Net Tuition and Fee revenue is expected to increase by \$15 million. The significant increase in tuition revenue can be attributed to increases in non-resident enrollment and increased number of first time in college students driving up the credit hours enrolled per student. Tuition rates for Fall of 2023 will increase by 5.2 percent for graduate level non-resident students, adding an additional \$3 million in available funding. Mandatory fees are expected to increase by 5 percent due to the projected increase in semester credit hours. State appropriations have increased based on the legislative affordability plan, resulting in a total of \$16.65 million per year in ongoing funds (\$33 million for the biennium).

In total, resources available for allocation for non-restricted uses in FY 2024 total \$41.25 million, which includes \$1.25 million in state formula funding increases, \$27 million in new institutional revenue and \$13 million in existing revenue to be reallocated to support strategic priorities.

**Expenses**

U. T. Arlington's operating expenses are expected to increase 8.7 percent in FY 2024 to a total of \$872 million. Budget increases are focused on merit salary increases, market, equity, and retention salary adjustments, increased benefits costs, instructional budgets, 45-50 new faculty hires, undergraduate research, graduate, post-doctoral support, faculty startup and retention equipment and renovations, inflationary and operational costs, and international recruitment, capital funding priorities and classroom technology projects.

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 2024, the University will begin aligning resource allocation to strategy by evaluating financial benchmarks, peer comparisons, stronger forecasting, and academic portfolio analysis.

**The University of Texas at Arlington  
Operating Budget  
Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 491,762,901	461,918,046	477,266,800	15,348,754	3.3%
Less Discounts and Allowances	(115,479,511)	(115,479,511)	(119,316,699)	(3,837,188)	3.3%
Federal Sponsored Programs	76,023,699	76,023,699	76,023,699	-	0.0%
State Sponsored Programs	25,551,204	25,551,204	31,167,470	5,616,266	22.0%
Local and Private Sponsored Programs	12,325,000	12,325,000	12,325,000	-	0.0%
Net Sales and Services of Educational Activities	25,316,507	21,548,601	33,316,507	11,767,906	54.6%
Net Sales and Services of Hospital and Clinics	-	-	-	-	-
Net Professional Fees	-	-	-	-	-
Net Auxiliary Enterprises	46,110,224	46,110,224	47,731,224	1,621,000	3.5%
Other Operating Revenues	7,329,947	6,467,113	6,467,114	1	0.0%
<b>Total Operating Revenues</b>	<b>568,939,971</b>	<b>534,464,376</b>	<b>564,981,115</b>	<b>30,516,739</b>	<b>5.7%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	145,016,814	147,223,077	164,955,331	17,732,254	12.0%
Compensation - Non-Faculty	169,775,782	166,298,707	182,807,270	16,508,563	9.9%
Wages	38,906,950	40,177,762	41,037,315	859,553	2.1%
Benefits	109,539,203	109,539,203	118,527,541	8,988,338	8.2%
Personnel Costs	463,238,749	463,238,749	507,327,457	44,088,708	9.5%
Utilities	12,173,640	10,242,296	11,742,297	1,500,001	14.6%
Scholarships and Fellowships	185,542,519	172,533,555	178,209,289	5,675,734	3.3%
Less Discounts and Allowances	(115,479,511)	(115,479,511)	(119,316,699)	(3,837,188)	3.3%
Operations, Maintenance and Travel	223,978,027	241,879,506	256,396,467	14,516,961	6.0%
Less Capitalized Portion and Cap Lease/SBITA	(35,687,971)	(35,687,971)	(29,890,121)	5,797,850	-16.2%
Depreciation and Amortization	56,688,831	56,688,831	59,464,203	2,775,372	4.9%
<b>Total Operating Expenses</b>	<b>790,454,284</b>	<b>793,415,455</b>	<b>863,932,893</b>	<b>70,517,438</b>	<b>8.9%</b>
<b>Operating Surplus/Deficit</b>	<b>(221,514,313)</b>	<b>(258,951,079)</b>	<b>(298,951,778)</b>	<b>(40,000,699)</b>	<b>15.4%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	154,003,992	148,936,333	169,233,071	20,296,738	13.6%
Federal Sponsored Programs (Nonoperating)	90,164,750	70,000,000	70,000,000	-	0.0%
State/Local Sponsored Programs (Nonoperating)	-	902,500	902,500	-	0.0%
Gifts in Support of Operations	8,575,338	3,648,673	3,756,515	107,842	3.0%
Net Investment Income	34,934,001	24,770,294	29,712,454	4,942,160	20.0%
Other Non-Operating Revenue	-	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>287,678,081</b>	<b>248,257,800</b>	<b>273,604,540</b>	<b>25,346,740</b>	<b>10.2%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	7,070,905	6,432,040	3,928,059	(2,503,981)	-38.9%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(9,381,142)	(9,415,387)	(8,896,771)	518,616	-5.5%
<b>Total Transfers and Other</b>	<b>(2,310,237)</b>	<b>(2,983,347)</b>	<b>(4,968,712)</b>	<b>(1,985,365)</b>	<b>66.5%</b>
<b>Budget Margin (Deficit)</b>	<b>63,853,531</b>	<b>(13,676,626)</b>	<b>(30,315,950)</b>	<b>(16,639,324)</b>	<b>121.7%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./(Dec.) in Fair Value of Investments	-	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	1,500,000	3,800,000	2,300,000	(1,500,000)	-39.5%
Additions to Permanent Endowments	2,000,000	3,000,000	3,800,000	800,000	26.7%
Transfers for Debt Service - Principal	(10,061,348)	(10,924,000)	(11,052,000)	(128,000)	1.2%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	-	33,285,835	4,982,880	(28,302,955)	-85.0%
<b>SRECNP Change in Net Position</b>	<b>\$ 57,292,183</b>	<b>15,485,209</b>	<b>(30,285,070)</b>	<b>(45,770,279)</b>	<b>-295.6%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 863,688,957</b>	<b>789,154,216</b>	<b>842,513,714</b>	<b>53,359,498</b>	<b>6.8%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(799,835,426)</b>	<b>(802,830,842)</b>	<b>(872,829,664)</b>	<b>(69,998,822)</b>	<b>8.7%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 63,853,531</b>	<b>(13,676,626)</b>	<b>(30,315,950)</b>	<b>(16,639,324)</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		56,688,831	59,464,203		
Capital Outlay		(35,472,887)	(29,672,887)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(11,138,348)	(11,268,491)		
Budgeted Transfers		-	(1,116,458)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>(3,599,030)</b>	<b>(12,909,583)</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 August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 210,315,591	253,226,961	268,765,055	15,538,094	6.1%
Academic Support	58,028,118	67,617,337	72,564,411	4,947,074	7.3%
Research	110,492,497	96,534,650	110,365,834	13,831,184	14.3%
Public Service	17,122,298	16,015,768	16,017,738	1,970	0.0%
Hospitals and Clinics	-	-	-	-	-
Institutional Support	61,490,761	76,583,472	83,071,201	6,487,729	8.5%
Student Services	98,537,660	88,440,487	98,506,655	10,066,168	11.4%
Operations and Maintenance of Plant	45,531,485	34,375,864	45,709,240	11,333,376	33.0%
Scholarships and Fellowships	70,063,008	48,922,760	50,914,809	1,992,049	4.1%
Auxiliary Enterprises	62,184,035	55,009,325	58,553,747	3,544,422	6.4%
Depreciation and Amortization	56,688,831	56,688,831	59,464,203	2,775,372	4.9%
Total Operating Expenses	\$ 790,454,284	793,415,455	863,932,893	70,517,438	8.9%

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 255,063,441	288,398,103	33,334,662	13.1%
Designated	403,350,364	432,607,553	29,257,189	7.3%
Auxiliary	76,799,902	80,398,829	3,598,927	4.7%
Available University Fund	-	-	-	-
Restricted	165,534,525	165,534,527	2	0.0%
Unexpended Plant	7,484,525	6,684,526	(799,999)	-10.7%
Subtotal - Expenditures (All Funds)	908,232,757	973,623,538	65,390,781	7.2%
Reconciling Adjustments:				
Tuition Discounting	(115,479,511)	(119,316,699)	(3,837,188)	3.3%
Depreciation	56,688,831	59,464,203	2,775,372	4.9%
Capital Outlay	(35,472,887)	(29,672,887)	5,800,000	-16.4%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(11,138,348)	(11,268,491)	(130,143)	1.2%
Total Expenses (Including Transfers for Interest)	\$ 802,830,842	872,829,664	69,998,822	8.7%

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, 2024**

**Introduction - Major Goals Addressed by FY 2024 Budget**

The University of Texas at Austin, Texas' flagship university, is also the educational and research engine of the most dynamic city in the country's most thriving state. While the University has celebrated many recent academic and research achievements, President Jay Hartzell has laid out a vision where the University endeavors to marshal all the assets that make it unique to meet the demands and opportunities of a rapidly changing world. To this end, the FY 2024 budget provides resources to secure recent successes, to address the challenges of recruiting and retaining top-tier faculty and staff, and to launch a strategic plan to transform U. T. Austin into the world's highest-impact public research university.

The FY 2024 budget builds on recent achievements in graduation and diversity by funding student success initiatives, including peer mentoring, academic support, and scholarship access. These have helped U. T. Austin achieve all-time high graduation rates; specifically, the four-year graduation rate reached 72.8 percent in 2021, compared to 11 years ago when the rate stood at 52.5 percent prior to implementation of these initiatives. This continues one of the largest improvements over such a short period of time in American higher education.

Improving graduation rates has not only saved money for students and their families, but also increases Texans' access to their flagship university. In the 2021-22 academic year, U. T. Austin welcomed 9,060 first-time freshmen undergraduates, its largest-ever incoming class. Additionally, numbers of historically underrepresented students, including both first generation undergraduates and Hispanic students, hit all-time highs. Overall, the University's number and percentage of historically underrepresented undergraduates rose to 32.7 percent, also a historically high watermark.

Under the leadership of President Hartzell, U. T. Austin launched an ambitious and comprehensive 10-year strategic plan, named Change Starts Here, to attain the goal. Now in FY 2024, the University continues to push forward with its transformative efforts, executed through 42 distinct initiative areas. These initiatives are organized under five strategic and interconnected pillars fundamental to the University's impact: People, Place, and Pursuits of Experiences, Education, and Research. The FY 2024 budget carries forward an investment for the Transformation Support Office, a specialized body dedicated to overseeing this University-wide effort. Additionally, the budget includes further funding to sustain the ongoing initiatives, as well as reserves to introduce a new set of initiatives as part of the continued implementation of the Change Starts Here initiative.

**Revenue**

Net tuition revenue growth is projected to be \$9.3 million over the prior year budget. This increase reflects a 5 percent tuition increase on non-resident undergraduate tuition and current year enrollment growth above budgeted levels of approximately 400 students, with no significant projected change to enrollment in FY 2024. Net Investment Income is projected to increase \$38.0 million as a result of increases in the federal funds rate (\$18.2 million), overall gift income (\$14 million), Endowment fee distribution (\$3.6 million), and Intellectual Property (\$1.3 million). A \$29.0 million increase in local and private sponsored programs is projected due to increased Dell Medical School activity. The \$52.7 million increase in State Appropriations is attributed to the additional funding provided through the Higher Education Affordability Rider and additional items funded in General Appropriations Act, 88<sup>th</sup> Leg., R.S., Article IX, Sec. 17.35. Auxiliary enterprise income is projected to increase by \$18.7 million. Major changes include a \$12.5 million increase in Housing and Dining and University Apartments; \$12.4 million increase at the AT&T Hotel and Conference Center; and a \$7.7 million reduction in Athletics related to the Big 12 Conference Share.

**Expenses**

Salary costs at U. T. Austin have seen an increase due to rising salaries nationwide and a highly competitive job market in Austin, which was ranked as the second most competitive in the country for 2022. This trend has contributed to a surge in compensation demands for retaining and attracting top-tier talent, as well as maintaining key on-campus roles. It is predicted that this pattern will continue into FY 2024, further influencing the University's salary costs. In response, U. T. Austin has allocated an assortment of centrally funded salary pools in its FY 2024 budget, with the total cost, including benefits, amounting to \$46.2 million. In addition to merit-based pools, the University is offering salary pools for structural adjustments, including retention and equity increases.

The 88th Legislature provided a historic investment in higher education, largely fueled by unparalleled economic growth and inflation which have pushed the state's projected revenue to record heights. The FY 2024 budget includes an increase of \$14.3 million for Infrastructure and Operations and an additional \$2.2 million for Research Funding, as provided in the Higher Education Affordability Rider. The FY 2024 budget also includes new funding of \$4.5 million for the Heart Galleries at the Steve Hicks School of Social Work and \$1.4 million for the TexNet Seismic Monitoring program within the Texas Bureau of Economic Geology.

**The University of Texas at Austin  
Operating Budget  
Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 765,800,000	730,190,417	742,970,316	12,779,899	1.8%
Less Discounts and Allowances	(206,800,000)	(197,200,000)	(200,700,000)	(3,500,000)	1.8%
Federal Sponsored Programs	677,306,509	493,542,449	553,286,266	59,743,817	12.1%
State Sponsored Programs	65,119,886	61,447,525	63,813,566	2,366,041	3.9%
Local and Private Sponsored Programs	275,173,605	221,914,647	261,290,700	39,376,053	17.7%
Net Sales and Services of Educational Activities	339,800,000	310,179,885	328,093,984	17,914,099	5.8%
Net Sales and Services of Hospital and Clinics	3,000,000	1,600,000	4,300,000	2,700,000	168.8%
Net Professional Fees	13,900,000	12,294,052	12,515,425	2,211,373	1.8%
Net Auxiliary Enterprises	318,100,000	356,747,823	375,478,697	18,730,874	5.3%
Other Operating Revenues	6,000,000	9,246,693	11,621,457	2,374,764	25.7%
<b>Total Operating Revenues</b>	<b>2,257,400,000</b>	<b>1,999,963,491</b>	<b>2,152,670,411</b>	<b>152,706,920</b>	<b>7.6%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	559,209,473	511,896,893	540,955,922	29,059,029	5.7%
Compensation - Non-Faculty	1,078,187,914	986,488,721	1,126,986,635	140,497,914	14.2%
Wages	54,602,612	47,937,207	47,213,102	(724,105)	-1.5%
Benefits	458,700,000	430,110,960	467,114,509	37,003,549	8.6%
Personnel Costs	2,150,699,999	1,976,433,781	2,182,270,168	205,836,387	10.4%
Utilities	87,600,000	82,428,207	87,387,325	4,959,118	6.0%
Scholarships and Fellowships	351,340,000	386,787,939	401,642,630	14,854,691	3.8%
Less Discounts and Allowances	(145,340,000)	(197,200,000)	(200,700,000)	(3,500,000)	1.8%
Operations, Maintenance and Travel	1,056,197,781	1,002,047,649	1,133,054,170	131,006,521	13.1%
Less Capitalized Portion and Cap Lease/SBITA	(89,697,781)	(155,066,896)	(100,604,243)	54,462,653	-35.1%
Depreciation and Amortization	386,000,000	379,957,200	395,769,973	15,812,773	4.2%
<b>Total Operating Expenses</b>	<b>3,796,799,999</b>	<b>3,475,387,880</b>	<b>3,898,820,023</b>	<b>423,432,143</b>	<b>12.2%</b>
<b>Operating Surplus/Deficit</b>	<b>(1,539,399,999)</b>	<b>(1,475,424,389)</b>	<b>(1,746,149,612)</b>	<b>(270,725,223)</b>	<b>18.3%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	359,600,000	359,644,018	412,304,714	52,660,696	14.6%
Federal Sponsored Programs (Nonoperating)	54,800,000	54,800,000	60,000,000	5,200,000	9.5%
State/Local Sponsored Programs (Nonoperating)	35,000,000	35,000,000	35,000,000	-	0.0%
Gifts in Support of Operations	292,500,000	193,348,251	268,223,910	74,875,659	38.7%
Net Investment Income	420,900,000	330,019,830	368,028,297	38,008,467	11.5%
Other Non-Operating Revenue	-	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>1,162,800,000</b>	<b>972,812,099</b>	<b>1,143,556,921</b>	<b>170,744,822</b>	<b>17.6%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	484,004,815	482,794,202	524,238,526	41,444,324	8.6%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(78,600,000)	(73,674,335)	(71,222,632)	2,451,703	-3.3%
<b>Total Transfers and Other</b>	<b>405,404,815</b>	<b>409,119,867</b>	<b>453,015,894</b>	<b>43,896,027</b>	<b>10.7%</b>
<b>Budget Margin (Deficit)</b>	<b>28,804,816</b>	<b>(93,492,423)</b>	<b>(149,576,797)</b>	<b>(56,084,374)</b>	<b>60.0%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./Dec. in Fair Value of Investments	-	-	-	-	-
Interest Expense on Capital Asset Financings	(1,705,000)	(1,700,000)	(1,705,000)	(5,000)	0.3%
Capital Approp., Gifts and Sponsored Programs	15,000,000	65,000,000	15,000,000	(50,000,000)	-76.9%
Additions to Permanent Endowments	91,300,000	120,000,000	91,300,000	(28,700,000)	-23.9%
Transfers for Debt Service - Principal	-	(58,500,040)	(61,666,480)	(3,166,440)	5.4%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	39,923,000	40,200,000	59,923,000	19,723,000	49.1%
<b>SRECNP Change in Net Position</b>	<b>\$ 173,322,816</b>	<b>71,507,537</b>	<b>(46,725,277)</b>	<b>(118,232,814)</b>	<b>-165.3%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 3,904,204,815</b>	<b>3,455,569,792</b>	<b>3,820,465,858</b>	<b>364,896,066</b>	<b>10.6%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(3,875,399,999)</b>	<b>(3,549,062,215)</b>	<b>(3,970,042,655)</b>	<b>(420,980,440)</b>	<b>11.9%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 28,804,816</b>	<b>(93,492,423)</b>	<b>(149,576,797)</b>	<b>(56,084,374)</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		379,957,200	395,769,973		
Capital Outlay		(139,906,990)	(89,697,781)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(69,700,652)	(71,774,220)		
Budgeted Transfers		(35,668,293)	(39,479,438)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>41,188,842</b>	<b>45,241,737</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 810,172,615	1,001,948,774	1,017,311,451	15,362,677	1.5%
Academic Support	473,902,857	367,420,498	522,780,310	155,359,812	42.3%
Research	668,334,547	518,560,080	589,325,914	70,765,834	13.6%
Public Service	135,616,975	123,805,094	123,543,923	(261,171)	-0.2%
Hospitals and Clinics	139,208,136	126,257,022	152,678,224	26,421,202	20.9%
Institutional Support	292,350,174	193,343,316	257,080,914	63,737,598	33.0%
Student Services	43,790,903	52,818,993	56,387,866	3,568,873	6.8%
Operations and Maintenance of Plant	258,911,819	157,432,056	194,581,765	37,149,709	23.6%
Scholarships and Fellowships	203,899,429	175,255,972	186,594,964	11,338,992	6.5%
Auxiliary Enterprises	367,578,777	378,588,875	402,764,719	24,175,844	6.4%
Depreciation and Amortization	403,033,767	379,957,200	395,769,973	15,812,773	4.2%
Total Operating Expenses	\$ 3,796,799,999	3,475,387,880	3,898,820,023	423,432,143	12.2%

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 623,475,886	677,724,178	54,248,292	8.7%
Designated	1,132,050,920	1,247,613,867	115,562,947	10.2%
Auxiliary	377,562,191	399,356,691	21,794,500	5.8%
Available University Fund	481,497,000	517,377,000	35,880,000	7.5%
Restricted	954,826,660	1,087,872,947	133,046,287	13.9%
Unexpended Plant	6,500,000	6,500,000	-	0.0%
Subtotal - Expenditures (All Funds)	3,575,912,657	3,936,444,683	360,532,026	10.1%
Reconciling Adjustments:				
Tuition Discounting	(197,200,000)	(200,700,000)	(3,500,000)	1.8%
Depreciation	379,957,200	395,769,973	15,812,773	4.2%
Capital Outlay	(139,906,990)	(89,697,781)	50,209,209	-35.9%
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin	(69,700,652)	(71,774,220)	(2,073,568)	3.0%
Total Expenses (Including Transfers for Interest)	\$ 3,549,062,215	3,970,042,655	420,980,440	11.9%

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

**The University of Texas at Austin**  
**Application of Available University Fund (AUF)**  
**Recommended Budget 2023-24**

The mission of the University is to achieve excellence in the interrelated areas of undergraduate education, graduate education, research, and public service. And all sources of funds (appropriated, AUF, tuition, grants, and gifts) are expended to this end.

According to the Texas Constitution, the AUF is appropriated for the support and maintenance of the University. Over the years, the AUF has provided the margin of excellence that permits U. T. Austin to achieve and maintain its place as one of the premier public institutions of higher education in the nation.

The margin of excellence and operations support of the University are described below:

**Excellence in Mission:** **\$ 329,294,006**  
 Instructional Excellence

Enhanced Academic Programs \$ 207,508,318

Academic initiatives at the college and departmental level enhanced by the AUF include curriculum innovation, development of new degree programs, interdisciplinary program planning and coordination, honors programs, internship programs, academic technology and facility support, K-12 and community outreach activities, and continuing education. It also includes reserves to be allocated by executive leadership.

Instructional Program Services 15,795,033

These services include educational innovation, student success initiatives, college computing and networking services, instructional and technology enhanced teaching support, provision of Web-based student-faculty communication platforms, teaching effectiveness services, credit by examination, new and experienced faculty training, assessment methods, student course-instructor evaluations, the UT Elementary School, and coordination of University-wide K-12 activities. Services also includes administration and coordination of classroom space for the College of Natural Sciences.

Instructional Initiatives and Programs 28,335,587

The School of Undergraduate Studies was developed to enhance the education for all undergraduates through core curriculum, advising, learning communities, signature courses, interdisciplinary programs, and research.

Other instructional initiatives and programs include course transformation and innovation as well as visiting lecturers. Students have access to specialized centers for design and creative technology; pharmacy and nursing experiences; and fine arts productions. Instructional initiatives also includes funds for support for Texas Student Media as well as the Distinguished Service Academy.

Academic Infrastructure (Libraries, Instructional Technology) 32,310,009

Instructional technology services include providing access to computing, voice and data networks, internet, and email. Library services include access to comprehensive print and digital resources supporting all disciplines, and access to specialized collections within the Humanities Research Center, and the Benson Latin American Collection.

Student Programs and Services 10,501,925

These services encompass new student orientation, career services, welcoming and mentoring programs, enrollment management, student organizations, campus and community involvement, Greek life, services for students with disabilities, student governance, judicial services and volunteer and service learning. Services include funding for the Center for Career Exploration and Development to help students achieve the skills, experiences, and co-curricular knowledge needed for life after graduation. Funding is included for the Graduation Help Desk as well as AUF student support for the College of Natural Sciences.

Research Excellence

Research Competitiveness 30,084,248

Support is provided for the critical research infrastructure required for faculty to be competitive for federal, state, and private sector research grant funding, to meet the ever increasing regulatory and compliance requirements associated with this external funding, to provide specialized services for areas such as animal care and high performance computing, and to help support research centers and institutes targeting areas critical to the economic development of Texas and the nation. Additionally debt service funding for a centralized portion of Dell Medical School's Health Discovery Building is included. In FY22-23 this also includes AUF support for the new Civitas Institute.

Outreach Excellence

Academic Program/Community Interface 4,758,886

These programs help define and characterize the role of a flagship institution within the larger community and include such units as: Texas Performing Arts, Blanton Museum, and Winedale Historical Center.

**Recruitment and Retention of Talent:**

**79,449,514**

Faculty 758,206

U. T. Austin is committed to continuing to advance as one of the world's finest universities. Achieving this goal is directly connected to our ability to recruit and retain faculty of the highest caliber. U. T. Austin must compete for this top talent.

K-12 Outreach and Undergraduate Students 28,831,213

Funds for various admission, scholarship and retention programs help ensure the quality and diversity of students and make a high quality education affordable and accessible to qualified students. The University Outreach Centers provide an intensive college preparatory program for under-represented students beginning in eighth grade and continuing through high school. The purpose is to increase the number of educationally disadvantaged students who graduate from Texas high schools prepared to matriculate and be successful in Texas colleges and universities.

Graduate Students 49,860,095

The intellectual and research accomplishments of the University depend critically on our ability to recruit and retain the very best graduate students from across the nation. These funds provide the scholarships, fellowships and infrastructure support necessary for U. T. Austin to compete with its peer institutions for these excellent students. Funding includes support for the graduate student investment initiative providing fellowship funds to selective colleges/programs to improve quality of students and to enable graduate student support/funding packages competitive with peer universities. Funding is included for TA/Al salaries and to support recruitment fellowships. In FY 22-23 includes additional funds for fellowships in STEM programs.

**Institutional Accountability and Enhanced Connections to the Public****79,818,366**

Institutional accountability programs and offices are dedicated to providing support services for excellence in teaching, research, and public service. Development efforts expand private support by presenting evidence of the University's distinctive character, valuable service, and efficient management. University Communications has leadership responsibility for the institution's interaction with the media and with the public at large. The Office of the Executive Vice President and Provost serves as the chief academic officer of the university overseeing the academic programs on campus. The Office of Institutional Reporting, Research, and Information Systems provides information and analytical support to university decision makers and submits numerous reports to the Texas Higher Education Coordinating Board and the Department of Education. Financial and Administrative Services is dedicated to enhancing the development and delivery of most supporting services for on-campus clients, including public and environmental safety and the integrity of the physical infrastructure of the campus. Project Information Quest (IQ) uses business intelligence tools to provide critical information to University decision makers. Support also includes funding for Workday, the Senior Vice Provost for Global Engagement, and the newly created Division of Investigation and Adjudication, which investigates allegations of discrimination, harassment and other prohibited conduct. FY 22-23 includes funding for EBITs as well as Information Technology Services.

**Dell Medical School****25,696,801**

The Dell Medical School at The University of Texas at Austin improves health in Travis County and throughout the country by training new physicians, providing treatment in a new teaching hospital and conducting research to expand knowledge of medicine and medical technology.

**U. T. System****3,118,313**

The U. T. System Office of Telecommunication Services and the Network Bandwidth were established by the U. T. System Board of Regents to provide other UT campuses with inter-institutional voice, video, and computer communications in support of their missions of instruction and research. These services are managed by U. T. Austin, and therefore, appear in U. T. Austin's budget. Funding includes Cyberinfrastructure Support to provide additional computing power for research throughout the U. T. System.

U. T. Austin AUF Budget

**\$ 517,377,000****Details****Excellence in Mission****Instructional Excellence**

Enhanced Academic Programs		<b>207,408,318</b>
Colleges and Schools	82,075,861	
Academic Departments and Centers	125,432,457	
Instructional Program Services		<b>15,795,033</b>
Academic Information Systems	6,194,987	
CNS Resource Management	159,203	
Faculty Innovation Center	999,495	
Dean's Office Communications Group	870,508	

Faculty Affairs	1,588,113	
Academic Personnel Services	890,025	
Faculty Development	505,985	
Academic Space Planning And Management	476,792	
Faculty Development Program	1,838,114	
Fine Arts - Office Of Computing Technologies	231,118	
ISO Network Centralization	1,286,609	
Campus Testing Center	148,032	
Texas Language Center	94,584	
Undergraduate Studies - Assessment	169,299	
Texas Success Initiative	199,201	
UT Elementary School	142,970	
<b>Instructional Initiatives and Programs</b>		<b>28,335,587</b>
Visiting Lecturers and Academic development	80,000	
Provost Initiatives and Innovations	24,231,469	
Fine Arts Projects	425,000	
School for Design & Creative Technology	899,129	
Nursing Children's Wellness Center	519,580	
Nursing Learning Center	1,000	
Texas Student Media Support	42,619	
Undergraduate Programs	548,838	
Signature Courses	1,011,937	
Distinguished Service Academy	190,708	
Core Curriculum Development	385,307	
<b>Academic Infrastructure</b>		<b>32,310,009</b>
Instructional Technology	3,903,323	
Libraries	28,406,686	
<b>Student Programs and Services</b>		<b>10,501,925</b>
Dean of Students	2,248,830	
Deaf Interpreter Services	719,822	
Services For Students With Disabilities	1,172,309	
College to Career	3,973,039	
Enrollment Management - Business Services	1,628,014	
Student Services	586,018	
Graduation Help Desk	79,301	
Natural Sciences Undergraduate Education	94,591	
<b>Research Excellence</b>		<b>30,084,248</b>
Research Competitiveness		
Research grant infrastructure, compliance and support		
VP For Research - Research Support And Compliance Office	-	
Institutional Capital Projects	10,095,108	
Research Grants	55,100	
Animal Resources Center	1,589,258	
Texas Advanced Computing Center	4,321,901	

VP Research Central Operating	37,202	
College of Liberal Arts - Research	672,531	
<b>Research Initiatives</b>		
Organized Research Units	7,024,544	
University Of Texas Press	1,241,172	
Undergraduate Research	71,027	
Center For Studies In Texas History	460,493	
Research Instruments Laboratory	101,709	
Research Enhancement	631,623	
Integrative Biology - Biodiversity Collections	436,003	
Civitas Institute	3,000,000	
Clements Center for National Security	346,576	
<b>Outreach Excellence</b>		<b>4,758,886</b>
Academic Program/Community Interface		
Texas Performing Arts	1,334,849	
Jack S. Blanton Museum of Art	3,182,229	
Winedale Historical Center	192,408	
Public Service	49,401	
<b>Recruitment and Retention of Talent:</b>		<b>79,449,514</b>
Initiatives to ensure quality and diversity		
Faculty	758,206	
Faculty Recruitment	758,206	
Undergraduate Students	28,831,213	
Admission	6,608,578	
Enrollment Analytics	-	
Enrollment Management	547,789	
Texas Advance Commitment	12,500,000	
Registrar	1,092,636	
University Outreach Centers	415,052	
Multicultural Engagement Center	-	
Tuition and Fees Scholarship	69,129	
Student Services	1,076,499	
Former Student Records	589,552	
Student Financial Services	2,778,820	
Hardship Waivers	3,113,159	
Institutional Tuition Rebates	40,000	
Graduate Students	49,860,095	
Vice Provost and Dean of Graduate Studies	3,058,549	
Tuition Benefits - Teaching Asst/Asst Instructor	24,760,327	
Graduate Fellowships and Scholarships	14,889,575	
Graduate Research Fellowships and Scholarships	200,000	
STEM Fellowships and Top-ups	2,900,000	
Graduate Student Investment Initiative	2,789,230	
L B J School Of Public Affairs Fellowships and Scholarship	225,000	

LBJ Non-Resident Tuition Entitlement Program	606,871
Natural Sciences Dean's Excellence Graduate Awards	180,000
Natural Sciences Graduate Education	250,542

**Institutional Accountability and Enhanced Connections to the Public**

**79,818,366**

Captioning And Transcription Services	354,786
D2i - Data 2 Insights	3,909,802
Workday Sustainment	4,358,216
Enterprise Customer Services	1,704,038
Enterprise Business Solutions	2,228,959
Enterprise Technical Solutions	2,090,496
Office Of The Executive Vice President And Provost	2,514,994
Resource Management	735,588
Business Affairs	1,503,934
Vice President For University Operations	283,565
Workday Contingency	222,353
Global Engagement	1,719,556
Institutional Reporting Research And Information Systems	1,282,419
ITS AVP General Operations	821,971
ITS FBS General Operations	1,015,266
ITS Endpoint Management Program	1,552,370
Campus Solutions General Operations	13,012,994
Customer Support Services General Operations	2,802,675
Networking And Telecommunications General Operations	4,900,388
University Data Center General Operations	1,175,796
Liberal Arts Public Affairs	902,397
Liberal Arts Business Affairs	1,131,070
Centralized Business Office	539,525
Liberal Arts Human Resources	977,248
Office Of The Dean-College Of Natural Sciences - Business Services	20,000
General Faculty Office	293,301
Transformation Strategies Office	1,393,356
Equal Employment Opportunity - Affirmative Action Program	1,188,226
Institutional Accreditation And Effectiveness	595,089
Institutional Membership	532,800
University Communications	7,627,582
Communications Department	1,081,670
Div Of Investigation And Adjudication	1,947,384
Development - support for scholarships, facilities, research, academic programs, faculty endowments, etc.	13,398,553

**Dell Medical School**

**25,696,801**

**U. T. System**

**3,118,313**

Telecomm Services Office - U. T. System Support	1,334,922
Telecomm Infrastructure - Network Bandwidth	233,182
Telecomm Infrastructure - Wide Area Network Support	932,000
Information Technology Assessments - U. T. Austin Support	507,610
U. T. System Cyberinfrastructure	110,599

TOTAL

**\$ 517,377,000**







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



**The University of Texas at Dallas**  
**Operating Budget Highlights**  
**Fiscal Year Ending August 31, 2024**

**Introduction - Major Goals Addressed by FY 2024 Budget**

The University of Texas at Dallas, third fastest growing university among all public, doctoral degree-granting programs in the Nation according to The Chronicle of Higher Education, continues its journey to becoming an energetic, top-tier national research institution that embodies innovation and collaboration. U. T. Dallas launched a comprehensive campaign in May 2022 with the goals of attracting the best and brightest students, transforming the arts on campus, and enhancing lives through transformational research. U. T. Dallas already met 51 percent of the \$750 million campaign goal.

Fall 2022 enrollment increased by 6.3 percent from 29,696 to 31,570. The large increase was due to new international graduate student enrollment along with continuing student enrollment from large incoming cohorts from spring 2021 and spring 2022. Current estimates indicate a flat enrollment for fall 2023 due to graduation of graduate students from prior spring semesters. Even though U. T. Dallas will not increase tuition rates and is not expecting additional revenue from enrollment increase, the successful formula funding outcome from the 88<sup>th</sup> Texas Legislative Session is allowing U. T. Dallas to address price increases due to inflation, workforce retention, and long-term institutional priorities.

FY 2024 budget includes expansion of funding to increase the number of tenured and tenure-track faculty; funding to provide free medical insurance and stipend increases for research and teaching assistants to become more competitive in attracting highly qualified graduate students; strategic funding proposal program to enhance enrollment, retention, and graduation of undergraduate and graduate students; increasing minimum salary at U. T. Dallas to \$35,360; operating increases such as healthcare and new building operations; summer school funding program to incentivize academic units in increasing summer enrollment; and an annual faculty and staff merit program.

U. T. Dallas is committed to maintaining financial stability while pursuing student, academic, and research success metrics. This budget balances the need to meet operating challenges, while providing funding for new initiatives supporting the strategic plan and providing a modest amount of discretionary funding to support opportunities identified during FY 2024 by the President, Provost, and Chief of Staff.

**Revenue**

Total budgeted revenue for FY 2024 is approximately \$913.7 million, an increase of \$115 million over FY 2023. The FY 2024 revenue budget is based on current projections that are exceeding the FY 2023 budgeted amounts due to a high spring graduate international enrollment increase for FY 2023.

The increase in operating revenue is due mainly to net tuition and fees (\$49.6 million), increase in State Appropriations funding (\$46.2 million), net investment income (\$12 million), and net sales and services of educational activities income getting back to normal after the COVID-19 pandemic (\$6.8 million). These were offset by a \$7.8 million decrease in Texas Research Incentive Program funding. In FY 2023, U. T. Dallas participated in the UT System long-term investment program and expects to yield \$8 million in the second year of participation.

**Expenses**

Budgeted expenses for FY 2024, including transfers for interest, total approximately \$901.4 million, an increase of \$97.8 million over FY 2023. Salaries and benefits account for the majority of the total operating expense increase.

The FY 2024 budget includes funding for new faculty recruitment (\$6.5 million). Based on the positive formula outcome, budget has been reserved to fund merit, salary compressions, equity and market adjustments, and employee retention (\$16.7 million), graduate student stipend and medical insurance increases (\$3 million), operational support increases (\$10 million), and benefit rate increases (\$5.5 million). Commencing FY 2023, U. T. Dallas began a \$5 million strategic funding program to create new academic programs, advance strategic plan themes, and enhance student enrollment and success. The FY 2024 budget includes an additional \$5 million to replenish the program to a total of \$10 million and \$800 thousand initial funding for the summer incentive program.

**The University of Texas at Dallas  
Operating Budget  
Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 570,639,050	512,451,723	562,079,638	49,627,915	9.7%
Less Discounts and Allowances	(146,875,352)	(149,352,521)	(152,006,402)	(2,653,881)	1.8%
Federal Sponsored Programs	61,146,418	64,399,552	70,430,393	6,030,841	9.4%
State Sponsored Programs	19,882,525	18,699,710	20,605,262	1,905,552	10.2%
Local and Private Sponsored Programs	17,376,115	14,800,543	13,716,559	(1,083,984)	-7.3%
Net Sales and Services of Educational Activities	41,928,046	37,198,183	43,998,446	6,800,263	18.3%
Net Sales and Services of Hospital and Clinics	-	-	-	-	-
Net Professional Fees	-	-	-	-	-
Net Auxiliary Enterprises	53,330,816	51,523,512	53,516,894	1,993,382	3.9%
Other Operating Revenues	10,089,051	9,212,361	11,981,000	2,768,639	30.1%
<b>Total Operating Revenues</b>	<b>627,516,669</b>	<b>558,933,063</b>	<b>624,321,790</b>	<b>65,388,727</b>	<b>11.7%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	153,765,121	157,272,773	172,260,806	14,988,033	9.5%
Compensation - Non-Faculty	164,257,317	168,004,314	190,887,137	22,882,823	13.6%
Wages	43,525,145	44,518,030	47,908,190	3,390,160	7.6%
Benefits	96,001,917	106,538,784	118,564,630	12,025,846	11.3%
Personnel Costs	457,549,500	476,333,901	529,620,763	53,286,862	11.2%
Utilities	15,406,238	12,637,746	15,837,746	3,200,000	25.3%
Scholarships and Fellowships	195,690,699	206,218,063	211,709,111	5,491,048	2.7%
Less Discounts and Allowances	(146,875,353)	(149,352,521)	(152,006,402)	(2,653,881)	1.8%
Operations, Maintenance and Travel	148,442,384	168,726,624	201,002,832	32,276,208	19.1%
Less Capitalized Portion and Cap Lease/SBITA	(19,876,256)	(19,876,256)	(23,164,304)	(3,288,048)	16.5%
Depreciation and Amortization	96,193,952	88,201,993	97,594,646	9,392,653	10.6%
<b>Total Operating Expenses</b>	<b>746,531,164</b>	<b>782,889,550</b>	<b>880,594,392</b>	<b>97,704,842</b>	<b>12.5%</b>
<b>Operating Surplus/Deficit</b>	<b>(119,014,495)</b>	<b>(223,956,487)</b>	<b>(256,272,602)</b>	<b>(32,316,115)</b>	<b>14.4%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	132,102,610	129,486,370	175,701,349	46,214,979	35.7%
Federal Sponsored Programs (Nonoperating)	38,727,522	34,487,046	36,450,000	1,962,954	5.7%
State/Local Sponsored Programs (Nonoperating)	11,324,825	11,324,826	3,563,114	(7,761,712)	-68.5%
Gifts in Support of Operations	11,477,800	12,773,000	13,447,000	674,000	5.3%
Net Investment Income	54,396,705	45,348,138	57,305,162	11,957,024	26.4%
Other Non-Operating Revenue	-	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>248,029,462</b>	<b>233,419,380</b>	<b>286,466,625</b>	<b>53,047,245</b>	<b>22.7%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	7,763,761	6,379,791	2,946,039	(3,433,752)	-53.8%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(21,926,682)	(20,662,949)	(20,760,002)	(97,053)	0.5%
<b>Total Transfers and Other</b>	<b>(14,162,921)</b>	<b>(14,283,158)</b>	<b>(17,813,963)</b>	<b>(3,530,805)</b>	<b>24.7%</b>
<b>Budget Margin (Deficit)</b>	<b>114,852,046</b>	<b>(4,820,265)</b>	<b>12,380,060</b>	<b>17,200,325</b>	<b>-356.8%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./Dec. in Fair Value of Investments	(61,064)	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	-	-	-	-	-
Additions to Permanent Endowments	8,600,000	4,000,000	7,000,000	3,000,000	75.0%
Transfers for Debt Service - Principal	(18,998,000)	(22,261,523)	(20,749,833)	1,511,690	-6.8%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	31,000,000	6,500,000	31,000,000	24,500,000	376.9%
<b>SRECNP Change in Net Position</b>	<b>\$ 135,392,982</b>	<b>(16,581,788)</b>	<b>29,630,227</b>	<b>46,212,015</b>	<b>-278.7%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 883,309,892</b>	<b>798,732,234</b>	<b>913,734,454</b>	<b>115,002,220</b>	<b>14.4%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(768,457,846)</b>	<b>(803,552,499)</b>	<b>(901,354,394)</b>	<b>(97,801,895)</b>	<b>12.2%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 114,852,046</b>	<b>(4,820,265)</b>	<b>12,380,060</b>	<b>17,200,325</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation	-	88,201,993	97,594,646	-	-
Capital Outlay	-	(16,345,164)	(16,969,563)	-	-
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin	-	(25,315,891)	(26,460,957)	-	-
Budgeted Transfers	-	(523,530)	(553,325)	-	-
<b>Net Additions to (Uses of) Prior Year Balances</b>	<b>-</b>	<b>41,197,143</b>	<b>65,990,861</b>	<b>-</b>	<b>-</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 218,648,941	230,979,652	262,077,214	31,097,562	13.5%
Academic Support	70,047,065	94,687,957	103,172,778	8,484,821	9.0%
Research	110,780,835	124,649,246	132,287,458	7,638,212	6.1%
Public Service	10,940,776	10,244,437	14,149,335	3,904,898	38.1%
Hospitals and Clinics	-	-	-	-	-
Institutional Support	41,033,794	52,047,769	67,051,506	15,003,737	28.8%
Student Services	20,758,108	22,739,071	27,101,619	4,362,548	19.2%
Operations and Maintenance of Plant	61,164,416	59,349,165	75,023,155	15,673,990	26.4%
Scholarships and Fellowships	69,606,219	51,495,512	51,206,335	(289,177)	-0.6%
Auxiliary Enterprises	47,357,058	48,494,748	50,930,346	2,435,598	5.0%
Depreciation and Amortization	96,193,952	88,201,993	97,594,646	9,392,653	10.6%
Total Operating Expenses	\$ 746,531,164	782,889,550	880,594,392	97,704,842	12.5%

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 223,132,737	282,692,168	59,559,431	26.7%
Designated	477,018,604	494,549,398	17,530,794	3.7%
Auxiliary	72,698,578	77,192,711	4,494,133	6.2%
Available University Fund	-	-	-	-
Restricted	131,514,163	142,262,393	10,748,230	8.2%
Unexpended Plant	2,000,000	2,500,000	500,000	25.0%
Subtotal - Expenditures (All Funds)	906,364,082	999,196,670	92,832,588	10.2%
Reconciling Adjustments:				
Tuition Discounting	(149,352,521)	(152,006,402)	(2,653,881)	1.8%
Depreciation	88,201,993	97,594,646	9,392,653	10.6%
Capital Outlay	(16,345,164)	(16,969,563)	(624,399)	3.8%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(25,315,891)	(26,460,957)	(1,145,066)	4.5%
Total Expenses (Including Transfers for Interest)	\$ 803,552,499	901,354,394	97,801,895	12.2%

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 El Paso  
Operating Budget Highlights  
Fiscal Year Ending August 31, 2024**

**Introduction - Major Goals Addressed by FY 2024 Budget**

The University of Texas at El Paso is a comprehensive public research university that is increasing access to excellent higher education. The University strives to advance discovery of public value and positively impact the health, culture, education, and economy of the community served. U. T. El Paso believes that higher education is the single best pathway to opportunity in America, and U. T. El Paso is America's leading Hispanic Serving University.

The University seeks to provide students with an excellent and engaged education in an inclusive university that builds on student strengths and demonstrates a culture of care. The assumptions embedded in the University's operating budget reflect an increase in state formula revenue dollars and an increase in funds appropriated for research activities. These funds will allow the University to maximize federal research funding and expand research PhD production. When it comes to research, the University is in the top 5 percent of universities in America, and its research intensity per tenure and tenure track faculty member is now the highest of all universities in Texas which do not have affiliated medical schools. 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 University continues to support an enrollment plan that focuses on both improved retention through graduation and effective recruitment in the region and beyond.

**Revenue**

Projected revenues for FY 2024 are \$564.4 million, which is an increase of 6.2 percent or \$33.0 million from the FY 2023 operating budget. Tuition revenue will increase by \$6.5 million resulting from an increase in projected enrollment of 3 percent. State appropriations increased by \$16.1 million, which includes an increase of \$12 million in research related appropriations. The decrease in Federal Sponsored Programs Non-Operating is related to the reduction in Higher Education Emergency Relief Funds of approximately \$25.0 million and an increase of \$9 million in Federal Financial Aid. Sponsored programs are projected to increase by \$14 million, including a \$11.6 million increase in Federal Sponsored programs. Net Auxiliary enterprises are expected to increase by \$1.2 million as a result of increased athletic revenues. Gifts and investment income are projected to increase by \$5.3 million related to higher returns on investments.

**Expenses**

The FY 2024 operating budget includes a 3 percent merit for all faculty staff, \$305,000 for faculty tenure and promotion increases, \$500,000 for market and retention adjustments, and \$321,700 to increase staff salaries for fulltime employees currently earning less than \$25,000 per year. Benefit costs are projected to increase 7.5 percent for staff group insurance and \$275,000 for changes in the Teacher Retirement System employer contribution rate. Utilities are expected to increase \$600,000 driven by the increase in the price of natural gas. The increase in scholarships and fellowships (before discounts and allowances) is related to an increase in institutionally funded scholarships as well as federal financial aid. Principal and lease payments increased by \$1.1 million related to the deferral of debt payments in FY 2020 and FY 2021. Auxiliary enterprises are projected to decrease by \$2.3 million related to a decrease in special event activities.

**The University of Texas at El Paso**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 202,026,209	206,103,461	212,642,898	6,539,437	3.2%
Less Discounts and Allowances	(56,062,273)	(57,910,569)	(58,999,784)	(1,089,215)	1.9%
Federal Sponsored Programs	76,015,765	64,995,026	76,678,593	11,683,567	18.0%
State Sponsored Programs	32,955,475	34,163,864	38,433,407	4,269,543	12.5%
Local and Private Sponsored Programs	5,856,199	6,052,854	6,276,881	224,027	3.7%
Net Sales and Services of Educational Activities	6,605,060	2,833,059	4,543,471	1,710,412	60.4%
Net Sales and Services of Hospital and Clinics	-	-	-	-	-
Net Professional Fees	-	-	-	-	-
Net Auxiliary Enterprises	46,120,466	50,507,670	51,945,180	1,437,510	2.8%
Other Operating Revenues	90,228	20,000	20,000	-	0.0%
<b>Total Operating Revenues</b>	<b>313,607,129</b>	<b>306,765,365</b>	<b>331,540,646</b>	<b>24,775,281</b>	<b>8.1%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	98,997,399	97,847,304	98,970,108	1,122,804	1.1%
Compensation - Non-Faculty	103,627,567	114,654,146	116,406,489	1,752,343	1.5%
Wages	17,859,219	15,475,114	15,339,360	(135,754)	-0.9%
Benefits	63,482,287	64,503,048	68,246,750	3,743,702	5.8%
Personnel Costs	283,966,472	292,479,612	298,962,707	6,483,095	2.2%
Utilities	9,598,691	9,633,535	10,275,168	641,633	6.7%
Scholarships and Fellowships	144,457,729	135,878,300	148,180,633	12,302,333	9.1%
Less Discounts and Allowances	(56,062,273)	(57,910,569)	(58,999,784)	(1,089,215)	1.9%
Operations, Maintenance and Travel	114,214,824	129,605,662	132,330,940	2,725,278	2.1%
Less Capitalized Portion and Cap Lease/SBITA	(8,148,523)	(8,148,523)	(8,782,580)	(634,057)	7.8%
Depreciation and Amortization	35,368,453	35,078,928	35,718,207	639,279	1.8%
<b>Total Operating Expenses</b>	<b>523,395,373</b>	<b>536,616,945</b>	<b>557,685,291</b>	<b>21,068,346</b>	<b>3.9%</b>
<b>Operating Surplus/Deficit</b>	<b>(209,788,244)</b>	<b>(229,851,580)</b>	<b>(226,144,645)</b>	<b>3,706,935</b>	<b>-1.6%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	107,049,156	106,959,454	123,082,675	16,123,221	15.1%
Federal Sponsored Programs (Nonoperating)	79,951,770	90,781,678	74,980,059	(15,801,619)	-17.4%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	-
Gifts in Support of Operations	10,196,672	9,000,000	10,000,000	1,000,000	11.1%
Net Investment Income	25,751,432	17,444,000	22,672,969	5,228,969	30.0%
Other Non-Operating Revenue	-	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>222,949,030</b>	<b>224,185,132</b>	<b>230,735,703</b>	<b>6,550,571</b>	<b>2.9%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	452,100	452,100	2,155,644	1,703,544	376.8%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfers for Debt Svc-Interest & Lease/SBITA Int	(6,094,274)	(6,278,830)	(5,803,465)	475,365	-7.6%
<b>Total Transfers and Other</b>	<b>(5,642,174)</b>	<b>(5,826,730)</b>	<b>(3,647,821)</b>	<b>2,178,909</b>	<b>-37.4%</b>
<b>Budget Margin (Deficit)</b>	<b>7,518,612</b>	<b>(11,493,178)</b>	<b>943,237</b>	<b>12,436,415</b>	<b>-108.2%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./Dec. in Fair Value of Investments	(4,893,101)	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	30,861	-	-	-	-
Additions to Permanent Endowments	5,821,000	5,821,000	5,821,000	-	0.0%
Transfers for Debt Service - Principal	(8,573,000)	(9,238,000)	(8,096,000)	1,142,000	-12.4%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	21,061,155	21,061,155	(35,014,301)	(56,075,456)	-266.3%
<b>SRECNP Change in Net Position</b>	<b>\$ 20,965,527</b>	<b>6,150,977</b>	<b>(36,346,064)</b>	<b>(42,497,041)</b>	<b>-690.9%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 537,008,259</b>	<b>531,402,597</b>	<b>564,431,993</b>	<b>33,029,396</b>	<b>6.2%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(529,489,647)</b>	<b>(542,895,775)</b>	<b>(563,488,756)</b>	<b>(20,592,981)</b>	<b>3.8%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 7,518,612</b>	<b>(11,493,178)</b>	<b>943,237</b>	<b>12,436,415</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		35,078,928	35,718,207		
Capital Outlay		(7,794,322)	(8,429,204)		
Trsfers for Debt Svc-Principal & Lease/SBITA Prin		(9,573,219)	(8,431,758)		
Budgeted Transfers		49,000	49,000		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>6,267,209</b>	<b>19,849,482</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 116,687,237	129,534,249	141,003,713	11,469,464	8.9%
Academic Support	26,402,256	38,710,175	37,485,730	(1,224,445)	-3.2%
Research	103,754,523	104,270,056	116,768,041	12,497,985	12.0%
Public Service	7,027,588	10,237,181	7,036,616	(3,200,565)	-31.3%
Hospitals and Clinics	-	-	-	-	-
Institutional Support	35,625,965	33,192,984	30,407,991	(2,784,993)	-8.4%
Student Services	23,962,122	28,515,265	24,999,298	(3,515,967)	-12.3%
Operations and Maintenance of Plant	32,356,185	38,373,692	33,491,646	(4,882,046)	-12.7%
Scholarships and Fellowships	82,476,549	59,379,615	72,764,679	13,385,064	22.5%
Auxiliary Enterprises	59,734,495	59,324,800	58,009,370	(1,315,430)	-2.2%
Depreciation and Amortization	35,368,453	35,078,928	35,718,207	639,279	1.8%
Total Operating Expenses	\$ 523,395,373	536,616,945	557,685,291	21,068,346	3.9%

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 210,898,304	203,295,324	(7,602,980)	-3.6%
Designated	131,430,977	164,971,403	33,540,426	25.5%
Auxiliary	65,901,430	63,540,651	(2,360,779)	-3.6%
Available University Fund	-	-	-	-
Restricted	172,864,246	169,823,917	(3,040,329)	-1.8%
Unexpended Plant	2,000,000	2,000,000	-	0.0%
Subtotal - Expenditures (All Funds)	583,094,957	603,631,295	20,536,338	3.5%
Reconciling Adjustments:				
Tuition Discounting	(57,910,569)	(58,999,784)	(1,089,215)	1.9%
Depreciation	35,078,928	35,718,207	639,279	1.8%
Capital Outlay	(7,794,322)	(8,429,204)	(634,882)	8.1%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(9,573,219)	(8,431,758)	1,141,461	-11.9%
Total Expenses (Including Transfers for Interest)	\$ 542,895,775	563,488,756	20,592,981	3.8%

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  
For the Year Ending August 31, 2024**

**Introduction - Major Goals Addressed by FY 2024 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 was begun in FY 2023 and has been a tremendous success producing significant enrollment increases. The program is again included in the 2024 budget. Two new major gifts have been received: (1) \$10.7 million was received in FY 2022 from the Permian Strategic Partnership to enhance the Nursing and Pre-Med programs (2) \$10 million was 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 \$4.5 million for these initiatives. Also included is \$3 million in a new non-formula item to address 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. The strategic plan calls for the number of degrees to double over the next 10 years. High demand degrees such as engineering, nursing, business, mental health, and education are facing the most severe shortages and the University continues to invest in these areas.

The FY 2023 operating budget was based on FY 2022 actual enrollment. Actual enrollment for both Fall 2022 and Spring 2023 were significantly higher in both headcount and semester credit hours. These increases provided funding which was used to address needs such as new faculty and staff positions needed to support the student experience. Enrollment budgeted for FY 2024 is at the FY 2023 levels and all enrollment indicators for Fall 2023 are strong and recent growth trends are expected to continue.

The fourth pillar of the strategic plan is to promote responsible stewardship of resources. U. T. Permian Basin continues to strengthen its financial base with positive trends in all financial ratios. The conservative approach to developing the FY 2024 budget will continue this effort. The University is working with U. T. System staff to develop and implement a long-range financial plan designed to provide a tool for strategic planning and to help strengthen the financial position of the university. Strategic leveraging of new resources will also help with this.

**Revenues**

Total projected revenue for FY 2024 is approximately \$100.2 million, an increase of \$6 million or 6.4 percent over the FY 2023 budget. This increase in the overall revenue budget over the prior year is attributable to the net effect of the increase in projected enrollment, an increase in non-operating revenues resulting from increased general revenue funding, and an increase in grants and gift funds. Enrollment is projected at 100 percent of the actual enrollment experienced in 2023. Housing rates are increased by 2 percent and food service rates are increased by 4 percent. Resident undergraduate and graduate tuition and academic fees were not increased for FY 2024.

**Expenses**

Total budgeted expenses for FY2024 are \$125.5 million, an increase of \$14.9 million or 13.5 percent from budgeted FY 2023. 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 2024 have been included in the budget. These expenses are funded from revenues generated and recorded in prior periods for these purposes. An example of this is the \$4.5 million scheduled for expense in FY 2024 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. Another example is debt service related to revenue financing system bonds for the Kinesiology building (\$1.65 million) covered by gifts on hand. Total prior period revenues included in the budget are \$11.6 million. A reserve of \$900,000 is included to fund a merit increase pool. Transfers for debt service are increasing slightly.

**The University of Texas Permian Basin  
Operating Budget  
Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 45,514,369	42,772,008	43,935,239	1,163,231	2.7%
Less Discounts and Allowances	(14,379,026)	(11,783,595)	(12,175,047)	(391,452)	3.3%
Federal Sponsored Programs	4,021,303	2,794,707	4,314,473	1,519,766	54.4%
State Sponsored Programs	5,132,479	6,973,507	3,285,841	(3,687,666)	-52.9%
Local and Private Sponsored Programs	4,237,510	4,120,315	1,198,152	(2,922,163)	-70.9%
Net Sales and Services of Educational Activities	1,667,049	-	986,100	986,100	-
Net Sales and Services of Hospital and Clinics	-	-	-	-	-
Net Professional Fees	-	-	-	-	-
Net Auxiliary Enterprises	7,238,552	8,188,712	8,796,163	607,451	7.4%
Other Operating Revenues	2,895,327	2,278,243	1,953,498	(324,745)	-14.3%
<b>Total Operating Revenues</b>	<b>56,327,563</b>	<b>55,343,897</b>	<b>52,294,419</b>	<b>(3,049,478)</b>	<b>-5.5%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	15,219,595	16,005,970	18,637,061	2,631,091	16.4%
Compensation - Non-Faculty	26,258,151	26,955,502	28,669,457	1,713,955	6.4%
Wages	1,133,147	1,258,983	1,141,458	(117,525)	-9.3%
Benefits	12,829,827	11,348,409	13,859,016	2,510,607	22.1%
Personnel Costs	55,440,720	55,568,864	62,306,992	6,738,128	12.1%
Utilities	2,852,687	3,515,000	3,242,000	(273,000)	-7.8%
Scholarships and Fellowships	28,838,817	22,322,249	26,160,790	3,838,541	17.2%
Less Discounts and Allowances	(14,931,651)	(13,092,883)	(13,111,884)	(19,001)	0.1%
Operations, Maintenance and Travel	27,018,882	18,483,866	22,982,916	4,499,050	24.3%
Less Capitalized Portion and Cap Lease/SBITA	(797,350)	(1,109,131)	(977,621)	131,510	-11.9%
Depreciation and Amortization	21,299,505	21,256,856	21,300,000	43,144	0.2%
<b>Total Operating Expenses</b>	<b>119,721,610</b>	<b>106,944,821</b>	<b>121,903,193</b>	<b>14,958,372</b>	<b>14.0%</b>
<b>Operating Surplus/Deficit</b>	<b>(63,394,047)</b>	<b>(51,600,924)</b>	<b>(69,608,774)</b>	<b>(18,007,850)</b>	<b>34.9%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	25,366,988	25,947,934	30,405,661	4,457,727	17.2%
Federal Sponsored Programs (Nonoperating)	11,302,205	5,637,337	9,656,150	4,018,813	71.3%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	-
Gifts in Support of Operations	12,602,431	2,993,500	3,146,500	153,000	5.1%
Net Investment Income	4,516,860	4,135,638	4,214,436	78,798	1.9%
Other Non-Operating Revenue	-	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>53,788,484</b>	<b>38,714,409</b>	<b>47,422,747</b>	<b>8,708,338</b>	<b>22.5%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	-	109,481	500,324	390,843	357.0%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(3,754,521)	(3,671,698)	(3,635,983)	35,715	-1.0%
<b>Total Transfers and Other</b>	<b>(3,754,521)</b>	<b>(3,562,217)</b>	<b>(3,135,659)</b>	<b>426,558</b>	<b>-12.0%</b>
<b>Budget Margin (Deficit)</b>	<b>(13,360,084)</b>	<b>(16,448,732)</b>	<b>(25,321,686)</b>	<b>(8,872,954)</b>	<b>53.9%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./Dec. in Fair Value of Investments	-	-	-	-	-
Interest Expense on Capital Asset Financings	(800)	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	-	-	-	-	-
Additions to Permanent Endowments	-	500,000	400,000	(100,000)	-20.0%
Transfers for Debt Service - Principal	(3,087,750)	(4,301,000)	(4,485,000)	(184,000)	4.3%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	-	3,898,018	3,399,724	(498,294)	-12.8%
<b>SRECNP Change in Net Position</b>	<b>\$ (16,448,634)</b>	<b>(16,351,714)</b>	<b>(26,006,962)</b>	<b>(9,655,248)</b>	<b>59.0%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 110,116,047</b>	<b>94,167,787</b>	<b>100,217,490</b>	<b>6,049,703</b>	<b>6.4%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(123,476,131)</b>	<b>(110,616,519)</b>	<b>(125,539,176)</b>	<b>(14,922,657)</b>	<b>13.5%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (13,360,084)</b>	<b>(16,448,732)</b>	<b>(25,321,686)</b>	<b>(8,872,954)</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation	-	21,256,856	21,300,000	-	-
Capital Outlay	-	(797,350)	(820,871)	-	-
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin	-	(4,612,035)	(4,640,944)	-	-
Budgeted Transfers	-	-	-	-	-
<b>Net Additions to (Uses of) Prior Year Balances</b>	<b>-</b>	<b>(601,261)</b>	<b>(9,483,501)</b>	<b>-</b>	<b>-</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 32,911,355	32,767,537	35,598,592	2,831,055	8.6%
Academic Support	8,407,524	8,495,800	11,407,816	2,912,016	34.3%
Research	2,046,047	2,331,246	3,314,246	983,000	42.2%
Public Service	218,358	1,644,716	3,847,457	2,202,741	133.9%
Hospitals and Clinics	-	-	-	-	-
Institutional Support	15,958,873	12,228,508	11,667,877	(560,631)	-4.6%
Student Services	3,548,973	3,405,522	3,285,388	(120,134)	-3.5%
Operations and Maintenance of Plant	8,930,085	9,994,218	10,039,718	45,500	0.5%
Scholarships and Fellowships	13,907,166	7,196,356	12,176,257	4,979,901	69.2%
Auxiliary Enterprises	12,493,724	7,624,062	9,265,842	1,641,780	21.5%
Depreciation and Amortization	21,299,505	21,256,856	21,300,000	43,144	0.2%
Total Operating Expenses	\$ 119,721,610	106,944,821	121,903,193	14,958,372	14.0%

**Operating Budget - Expenditures by Fund  
Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 36,202,673	39,816,920	3,614,247	10.0%
Designated	37,181,169	42,265,627	5,084,458	13.7%
Auxiliary	15,230,452	16,744,655	1,514,203	9.9%
Available University Fund	-	-	-	-
Restricted	19,197,637	23,935,673	4,738,036	24.7%
Unexpended Plant	50,000	50,000	-	0.0%
Subtotal - Expenditures (All Funds)	107,861,931	122,812,875	14,950,944	13.9%
Reconciling Adjustments:				
Tuition Discounting	(13,092,883)	(13,111,884)	(19,001)	0.1%
Depreciation	21,256,856	21,300,000	43,144	0.2%
Capital Outlay	(797,350)	(820,871)	(23,521)	2.9%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(4,612,035)	(4,640,944)	(28,909)	0.6%
Total Expenses (Including Transfers for Interest)	\$ 110,616,519	125,539,176	14,922,657	13.5%

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, 2024**

**Introduction - Major Goals Addressed by FY 2024 Budget**

With the FY 2024 operating budget, The University of Texas Rio Grande Valley will be entering its ninth year of operations and seeks additional gains in enrollment growth by continuing to invest in students, faculty, and staff. The FY 2024 budget was built on a conservative assumption that enrollment will remain level with an anticipated slight drop in summer enrollment. The University continues its commitment to affordability to sustain its reputation as one of the top value schools nationwide.

First, the University remains committed to helping students achieve their educational aspirations and easing financial burdens. This includes increasing merit scholarships as well as assistantship rates for doctoral students. Second, to continue expanding educational opportunities and impactful research, U. T. Rio Grande Valley continues to develop 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 is enrolling its second class in the new School of Podiatric Medicine, the first in Texas and one of only ten nationwide. Third, the University is making investments to bolster its research enterprise and, with its expansion of Athletics programs, to enhance campus life. Finally, the University will continue progress on its salary program with a mid-year merit for faculty and staff.

**Revenue**

Gross tuition and fee revenues are estimated to increase by \$17.0 million primarily due to the transition of students in expiring guaranteed tuition plans to higher existing rates and due to increases in the Athletics, Recreation, and Student Services nonacademic mandatory fees. However, there are no tuition or academic mandatory fee rate increases for non-medical students. Therefore, students entering Fall 2023 will pay the same rates for tuition and academic mandatory fees as students who entered Fall 2021 and Fall 2022. 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 one of the lowest academic costs in the state. In addition, medical student tuition and fees are increasing by five percent.

Appropriations are increasing by \$22.1 million out of which \$15.1 million is an increase in general revenue for operations, including \$6.0 million in non-formula funding for the new School of Podiatric Medicine and \$4.6 million due to increased state reimbursement for group health insurance premiums. The \$7.0 million increase in nonoperating federal sponsored programs arises from the federal Pell grant program. Appropriation transfers include \$1.1 million to support the Multi-institutional Center in Laredo, \$1.9 million to offset Hazlewood Legacy Program exemptions, and \$8.0 million for the Texas Child Mental Health Care Consortium. Medical practice plans are anticipated to produce decreases in local sponsored programs and professional fees due to the end of an affiliation with a local hospital. Finally, favorable markets have produced an increase in net investment income of \$3.4 million.

**Expenses**

In the FY 2024 budget, investments totaling \$13.1 million are made for new academic program development, an increase of \$2.6 million compared to last year. Continued support for new health-related programs includes \$8.6 million for the School of Podiatric Medicine, primarily funded by the new non-formula funded item, \$0.5 million for the Doctor of Nursing Practice, and \$1.0 million for the Doctor of Occupational Therapy. In addition, \$1.7 million is dedicated for new PhD programs in Human Genetics, Mathematics, and Physics and a new master's program in Biomedical Engineering.

Also key to this budget is \$1.1 million allocated to the Division of Research for 15 new FTEs and operating funds to further develop the research infrastructure and enterprise. This investment will help achieve the University's goal of attaining Emerging Research University status. Complementary changes include an additional \$0.5 million invested in clinical research and an update to the indirect cost recovery policy to increase the return to research generating colleges and investigators.

Scholarships, before discounts, are projected at \$221.3 million, including \$101 million in Pell Grants, \$51.7 million in TEXAS Grants, \$7.1 million for UTRGV Scholars, and \$1.0 million in Luminary Scholars. \$26.5 million of financial aid from tuition set asides will, along with \$3.75 million for the Promise Plus program, help support the guarantee of no out-of-pocket tuition and fee cost for families with incomes of \$125,000 or less. Also included is \$9.6 million for exemptions, of which \$6.2 million is estimated for Hazlewood recipients.

Critical labor investments include \$0.5 million for faculty promotions, \$4.0 million for faculty and staff merit, and \$0.6 million for doctoral student assistantships. An additional \$7.4 million is budgeted for fringe benefits including increases in employee group insurance premiums. Finally, infrastructure cost increases of \$1.5 million in utilities and \$1.1 million in property insurance are budgeted along with \$0.9 million for Athletics expansion debt service and \$0.5 million for library resources.

**The University of Texas Rio Grande Valley  
Operating Budget  
Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 288,191,310	288,600,731	305,609,810	17,009,079	5.9%
Less Discounts and Allowances	(151,302,537)	(137,058,100)	(156,166,600)	(19,108,500)	13.9%
Federal Sponsored Programs	59,553,418	47,914,048	53,621,120	5,707,072	11.9%
State Sponsored Programs	65,088,627	61,406,253	72,198,774	10,792,521	17.6%
Local and Private Sponsored Programs	41,713,356	40,213,281	25,761,696	(14,451,585)	-35.9%
Net Sales and Services of Educational Activities	11,025,304	6,511,664	8,742,273	2,230,609	34.3%
Net Sales and Services of Hospital and Clinics	-	-	-	-	-
Net Professional Fees	17,161,756	25,169,578	18,145,869	(7,023,709)	-27.9%
Net Auxiliary Enterprises	9,614,747	10,352,959	11,430,620	1,077,661	10.4%
Other Operating Revenues	13,440,978	15,016,281	12,877,700	(2,138,581)	-14.2%
<b>Total Operating Revenues</b>	<b>354,486,959</b>	<b>358,126,695</b>	<b>352,221,262</b>	<b>(5,905,433)</b>	<b>-1.6%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	142,705,533	146,543,709	146,322,221	(221,488)	-0.2%
Compensation - Non-Faculty	156,057,102	170,046,447	182,214,313	12,167,866	7.2%
Wages	35,198,574	28,109,884	31,515,879	3,405,995	12.1%
Benefits	97,214,538	103,329,143	110,696,716	7,367,573	7.1%
Personnel Costs	431,175,747	448,029,183	470,749,129	22,719,946	5.1%
Utilities	11,150,000	10,904,820	12,395,066	1,490,246	13.7%
Scholarships and Fellowships	232,909,073	202,310,551	221,280,870	18,970,319	9.4%
Less Discounts and Allowances	(151,302,537)	(137,058,100)	(156,166,600)	(19,108,500)	13.9%
Operations, Maintenance and Travel	114,960,913	115,795,295	109,375,889	(6,419,406)	-5.5%
Less Capitalized Portion and Cap Lease/SBITA	(19,568,776)	(17,245,825)	(22,214,607)	(4,968,782)	28.8%
Depreciation and Amortization	62,458,720	61,927,982	65,172,869	3,244,887	5.2%
<b>Total Operating Expenses</b>	<b>681,783,140</b>	<b>684,663,906</b>	<b>700,592,616</b>	<b>15,928,710</b>	<b>2.3%</b>
<b>Operating Surplus/Deficit</b>	<b>(327,296,181)</b>	<b>(326,537,211)</b>	<b>(348,371,354)</b>	<b>(21,834,143)</b>	<b>6.7%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	156,673,956	156,743,589	178,804,143	22,060,554	14.1%
Federal Sponsored Programs (Nonoperating)	104,155,346	96,028,592	102,981,413	6,952,821	7.2%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	-
Gifts in Support of Operations	6,488,000	4,586,482	4,537,104	(49,378)	-1.1%
Net Investment Income	21,400,000	17,005,738	20,384,213	3,378,475	19.9%
Other Non-Operating Revenue	-	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>288,717,302</b>	<b>274,364,401</b>	<b>306,706,873</b>	<b>32,342,472</b>	<b>11.8%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	6,808,282	6,105,962	10,958,674	4,852,712	79.5%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfers for Debt Svc-Interest & Lease/SBITA Int	(2,481,063)	(2,409,353)	(4,386,095)	(1,976,742)	82.0%
<b>Total Transfers and Other</b>	<b>4,327,219</b>	<b>3,696,609</b>	<b>6,572,579</b>	<b>2,875,970</b>	<b>77.8%</b>
<b>Budget Margin (Deficit)</b>	<b>(34,251,660)</b>	<b>(48,476,201)</b>	<b>(35,091,902)</b>	<b>13,384,299</b>	<b>-27.6%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./(Dec.) in Fair Value of Investments	287,376	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	1,001,208	370,000	360,000	(10,000)	-2.7%
Additions to Permanent Endowments	3,500,000	1,850,000	2,520,000	670,000	36.2%
Transfers for Debt Service - Principal	(4,437,000)	(5,750,000)	(4,994,000)	756,000	-13.1%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	70,778,800	90,601,035	150,578,986	59,977,951	66.2%
<b>SRECNP Change in Net Position</b>	<b>\$ 36,878,724</b>	<b>38,594,834</b>	<b>113,373,084</b>	<b>74,778,250</b>	<b>193.8%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 650,012,543</b>	<b>638,597,058</b>	<b>669,886,809</b>	<b>31,289,751</b>	<b>4.9%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(684,264,203)</b>	<b>(687,073,259)</b>	<b>(704,978,711)</b>	<b>(17,905,452)</b>	<b>2.6%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (34,251,660)</b>	<b>(48,476,201)</b>	<b>(35,091,902)</b>	<b>13,384,299</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation	-	61,927,982	65,172,869	-	-
Capital Outlay	-	(11,773,000)	(15,792,000)	-	-
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	-	(10,981,792)	(11,181,060)	-	-
Budgeted Transfers	-	(553,533)	(558,683)	-	-
<b>Net Additions to (Uses of) Prior Year Balances</b>	<b>-</b>	<b>(9,856,544)</b>	<b>2,549,224</b>	<b>-</b>	<b>-</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 199,980,706	214,314,304	226,486,516	12,172,212	5.7%
Academic Support	74,909,179	76,796,029	77,833,515	1,037,486	1.4%
Research	54,215,643	50,460,896	55,942,268	5,481,372	10.9%
Public Service	11,704,390	14,453,872	14,995,693	541,821	3.7%
Hospitals and Clinics	42,565,014	47,131,918	35,903,139	(11,228,779)	-23.8%
Institutional Support	44,288,923	42,517,892	45,794,546	3,276,654	7.7%
Student Services	33,496,924	37,642,384	36,382,550	(1,259,834)	-3.3%
Operations and Maintenance of Plant	42,263,989	39,045,022	40,212,878	1,167,856	3.0%
Scholarships and Fellowships	80,581,248	66,317,440	64,905,582	(1,411,858)	-2.1%
Auxiliary Enterprises	35,318,404	34,056,167	36,963,060	2,906,893	8.5%
Depreciation and Amortization	62,458,720	61,927,982	65,172,869	3,244,887	5.2%
Total Operating Expenses	\$ 681,783,140	684,663,906	700,592,616	15,928,710	2.3%

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 275,135,913	306,015,214	30,879,301	11.2%
Designated	309,951,213	298,627,054	(11,324,159)	-3.7%
Auxiliary	37,389,032	41,080,007	3,690,975	9.9%
Available University Fund	-	-	-	-
Restricted	162,082,011	176,973,227	14,891,216	9.2%
Unexpended Plant	400,000	250,000	(150,000)	-37.5%
Subtotal - Expenditures (All Funds)	784,958,169	822,945,502	37,987,333	4.8%
Reconciling Adjustments:				
Tuition Discounting	(137,058,100)	(156,166,600)	(19,108,500)	13.9%
Depreciation	61,927,982	65,172,869	3,244,887	5.2%
Capital Outlay	(11,773,000)	(15,792,000)	(4,019,000)	34.1%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(10,981,792)	(11,181,060)	(199,268)	1.8%
Total Expenses (Including Transfers for Interest)	\$ 687,073,259	704,978,711	17,905,452	2.6%

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, 2024**

**Introduction - Major Goals Addressed by FY 2024 Budget**

The University of Texas at San Antonio's budget links to the University's strategic plan through the Incentivized Resource Management (IRM) budget model. The IRM model aligns resources with institutional priorities while providing greater decision-making authority within the academic colleges and other revenue units. The nature of the model promotes a collaborative approach to budgeting with ongoing discussions with academic enterprise and governance groups throughout the year, providing greater transparency into university cost and decisions. U. T. San Antonio has been refreshing its strategic plan through a collaborative process that has involved all campus areas. President Taylor Eighmy will present the strategic plan refresh to the Board in November 2023, along with the updated long-range financial plan. The long-range financial plan is built upon planning data from key areas impacting university finances, including research, capital planning, strategic enrollment, and development.

U. T. San Antonio continues to focus on student success and being a great public research university. Continued investments in student success have resulted in decreasing the years to graduation metric from 5.4 to 4.3 in ten years. While students are graduating faster, new enrollment has slowed in the last two years, particularly students transferring from community colleges. The affordability agreement between the Legislature and state general academic institutions provides revenue increases that help offset the flat enrollment and restricted tuition increase environment. Following upon its classification as a Carnegie R1 Research University in 2022, U. T. San Antonio continues to focus on making investments that will continue research growth. The new research funding structure at the state level provides an opportunity for a fresh look at allocation of these dollars in IRM.

U. T. San Antonio's other current institutional investment priorities include the collaboration with U. T. Health Science Center - San Antonio in establishing School of Public Health, the development of the Downtown campus corridor and the Park West campus; and expanded opportunities brought through a move to the American Athletic Conference (AAC). The last year has seen transforming growth in U. T. San Antonio's downtown presence through the purchase of the Southwest School of Art, the opening of the School of Data Science at San Pedro I, and the beginning construction on the Innovations, Entrepreneurship, and Careers Building. These projects demonstrate to the community the significance the University has placed on its role as the largest university of San Antonio.

The University implemented successful operational efficiencies, including the following: a decrease to overall administrative cost measures, from 7.6 percent in FY 2021 to 7.4 percent in FY 2022; continued centralization of services through business service centers; and the third annual committee-driven operational review process as part of the incentivized budget model. FY 2024 budget investments include faculty start-up funds to continue to attract new research faculty, funds for the establishment of the School of Public Health, and increased institutional support for athletics, through which the University's profile will expand to a wider audience as part of the move to the AAC. The areas to watch as the University moves forward, include: the "enrollment cliff" predicting demographic declines in students entering college; continued momentum on institutional compensation strategies to attract and retain the best faculty and staff; and inflationary cost pressures on goods and services. All of these strategic initiatives and watch factors are considered in building the financial model for the future.

**Revenue**

The FY 2024 budget includes a slight increase of \$1 million in tuition and fee revenues. This is due to a projection of flat enrollment, increases in graduate and non-resident tuition rates, and increases in online programs. Discounts and allowances are projected to increase by \$1.5 million. Sponsored program operating revenue increased by \$16.5 million between all sources, with the majority from federal. Auxiliary revenues in FY 2024 are increasing in multiple areas, primarily in athletics, housing, and dining. State appropriation increases include \$4.8 million formula funding, \$2 million supplemental appropriations, \$4 million in benefits funding and \$11.7 million additional funding for research. Non-operating federal sponsored program revenues reflect a \$22 million reduction in federal stimulus funding from the Higher Education Emergency Relief Fund (HEERF), with none budgeted in FY 2024. The Hazlewood funding increase of \$6.7 million is included in the transfers section of the budget.

**Expenses**

A few of the University's non-academic fee funded areas benefited from rate increases, resulting in budget increases to these areas. The increased revenue forecasts in auxiliary units will allow those areas to immediately address their ability to support service levels for current students. The University's annual operating budget includes increases in the areas of faculty start-up costs, facility costs including new contracted services for custodial and grounds, utilities, state group insurance, debt service, and strategic expenditures in various administrative areas. The University did not plan for a merit increase in FY 2024. 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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 381,405,735	354,150,559	355,119,517	968,958	0.3%
Less Discounts and Allowances	(126,245,298)	(110,849,100)	(112,327,800)	(1,478,700)	1.3%
Federal Sponsored Programs	74,372,827	69,587,200	83,885,300	14,298,100	20.5%
State Sponsored Programs	35,703,570	30,037,955	33,531,313	3,493,358	11.6%
Local and Private Sponsored Programs	14,317,431	8,661,800	7,383,800	(1,278,000)	-14.8%
Net Sales and Services of Educational Activities	17,318,569	14,273,400	14,820,939	547,539	3.8%
Net Sales and Services of Hospital and Clinics	-	-	-	-	-
Net Professional Fees	-	-	-	-	-
Net Auxiliary Enterprises	56,275,928	52,553,507	60,547,425	7,993,918	15.2%
Other Operating Revenues	6,800,000	1,680,400	1,547,900	(132,500)	-7.9%
<b>Total Operating Revenues</b>	<b>459,948,762</b>	<b>420,095,721</b>	<b>444,508,394</b>	<b>24,412,673</b>	<b>5.8%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	112,995,327	128,752,555	133,940,482	5,187,927	4.0%
Compensation - Non-Faculty	202,245,797	162,335,358	175,747,333	13,411,975	8.3%
Wages	10,383,902	13,485,116	14,657,317	1,172,201	8.7%
Benefits	88,071,752	92,973,143	100,989,937	8,016,794	8.6%
Personnel Costs	413,696,778	397,546,172	425,335,069	27,788,897	7.0%
Utilities	17,180,000	15,480,957	17,472,083	1,991,126	12.9%
Scholarships and Fellowships	186,800,794	179,565,494	161,538,204	(18,027,290)	-10.0%
Less Discounts and Allowances	(126,245,298)	(110,849,100)	(112,327,800)	(1,478,700)	1.3%
Operations, Maintenance and Travel	174,563,941	192,501,432	210,962,414	18,460,982	9.6%
Less Capitalized Portion and Cap Lease/SBITA	(19,381,944)	(29,998,230)	(30,735,480)	(37,250)	2.5%
Depreciation and Amortization	75,873,605	72,747,200	76,625,600	3,878,400	5.3%
<b>Total Operating Expenses</b>	<b>722,487,876</b>	<b>716,993,925</b>	<b>748,870,090</b>	<b>31,876,165</b>	<b>4.4%</b>
<b>Operating Surplus/Deficit</b>	<b>(262,539,114)</b>	<b>(296,898,204)</b>	<b>(304,361,696)</b>	<b>(7,463,492)</b>	<b>2.5%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	150,831,172	147,208,199	169,747,816	22,539,617	15.3%
Federal Sponsored Programs (Nonoperating)	88,700,794	89,313,292	67,000,000	(22,313,292)	-25.0%
State/Local Sponsored Programs (Nonoperating)	1,109,870	634,217	350,000	(284,217)	-44.8%
Gifts in Support of Operations	11,537,959	7,500,000	7,995,000	495,000	6.6%
Net Investment Income	27,055,156	20,116,500	24,418,200	4,301,700	21.4%
Other Non-Operating Revenue	-	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>279,234,951</b>	<b>264,772,208</b>	<b>269,511,016</b>	<b>4,738,808</b>	<b>1.8%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	1,686,374	7,386,375	8,496,921	1,110,546	15.0%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(12,567,907)	(11,170,850)	(12,597,320)	(1,426,470)	12.8%
<b>Total Transfers and Other</b>	<b>(10,881,533)</b>	<b>(3,784,475)</b>	<b>(4,100,399)</b>	<b>(315,924)</b>	<b>8.3%</b>
<b>Budget Margin (Deficit)</b>	<b>5,814,304</b>	<b>(35,910,471)</b>	<b>(38,951,079)</b>	<b>(3,040,608)</b>	<b>8.5%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./(Dec.) in Fair Value of Investments	(1,291,022)	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	6,000,000	9,605,813	7,700,000	(1,905,813)	-19.8%
Additions to Permanent Endowments	2,670,649	3,263,513	3,100,000	(163,513)	-5.0%
Transfers for Debt Service - Principal	(12,718,185)	(12,881,000)	(14,166,000)	(1,285,000)	10.0%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	114,242,059	60,025,851	83,900,000	23,874,149	39.8%
<b>SRECNP Change in Net Position</b>	<b>\$ 114,717,805</b>	<b>24,103,706</b>	<b>41,582,921</b>	<b>17,479,215</b>	<b>72.5%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 740,870,087</b>	<b>692,254,304</b>	<b>722,516,331</b>	<b>30,262,027</b>	<b>4.4%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(735,055,783)</b>	<b>(728,164,775)</b>	<b>(761,467,410)</b>	<b>(33,302,635)</b>	<b>4.6%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 5,814,304</b>	<b>(35,910,471)</b>	<b>(38,951,079)</b>	<b>(3,040,608)</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		72,747,200	76,625,600		
Capital Outlay		(27,954,900)	(24,458,700)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(14,869,180)	(20,127,460)		
Budgeted Transfers		(634,217)	2,609,105		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>(6,621,568)</b>	<b>(4,302,534)</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 136,767,909	150,730,001	144,774,825	(5,955,176)	-4.0%
Academic Support	84,529,131	94,985,644	111,914,111	16,928,467	17.8%
Research	124,383,826	104,069,166	122,839,918	18,770,752	18.0%
Public Service	17,685,863	15,255,585	15,579,378	323,793	2.1%
Hospitals and Clinics	-	-	-	-	-
Institutional Support	51,353,375	60,043,926	62,145,343	2,101,417	3.5%
Student Services	36,025,646	35,921,901	34,910,786	(1,011,115)	-2.8%
Operations and Maintenance of Plant	55,772,936	51,343,630	53,955,621	2,611,991	5.1%
Scholarships and Fellowships	89,619,581	69,364,906	54,328,108	(15,036,798)	-21.7%
Auxiliary Enterprises	59,769,355	62,531,966	71,796,400	9,264,434	14.8%
Depreciation and Amortization	66,580,254	72,747,200	76,625,600	3,878,400	5.3%
Total Operating Expenses	\$ 722,487,876	716,993,925	748,870,090	31,876,165	4.4%

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 299,509,500	283,995,411	(15,514,089)	-5.2%
Designated	234,737,481	280,119,749	45,382,268	19.3%
Auxiliary	90,783,882	101,839,610	11,055,728	12.2%
Available University Fund	-	-	-	-
Restricted	179,482,892	171,224,000	(8,258,892)	-4.6%
Unexpended Plant	4,577,000	4,577,000	-	0.0%
Subtotal - Expenditures (All Funds)	809,090,755	841,755,770	32,665,015	4.0%
Reconciling Adjustments:				
Tuition Discounting	(110,849,100)	(112,327,800)	(1,478,700)	1.3%
Depreciation	72,747,200	76,625,600	3,878,400	5.3%
Capital Outlay	(27,954,900)	(24,458,700)	3,496,200	-12.5%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(14,869,180)	(20,127,460)	(5,258,280)	35.4%
Total Expenses (Including Transfers for Interest)	\$ 728,164,775	761,467,410	33,302,635	4.6%

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, 2024**

**Introduction - Major Goals Addressed by FY 2024 Budget**

As Stephen F. Austin State University celebrates its centennial year, the University proudly enters its first year as a member of The University of Texas System. The overarching short-term goal for FY 2024 is to effectively transition to the U. T. System. Other goals, as outlined in the strategic plan, focus on institutional success, including student, faculty, and staff recruitment and retention. Numerous affiliation initiatives require a prioritization of administrative resources, with much of the focus on the implementation of employee benefits, financial reporting systems, and capital projects.

Fall enrollment is expected to continue to recover from pandemic related challenges, with forecasted growth in first time undergraduate students increasing by approximately 12 percent, which is a return to pre-COVID-19 pandemic levels. Although first time undergraduate students are increasing, total enrollment is projected to be flat for FY 2024.

Academic Affairs will enhance and increase investment in programs to meet student demand. Specific degree programs targeted in FY 2024 include Accounting, Agriculture, Aviation, Construction Management, Computer Science, Electrical Engineering, Forestry, Mechanical Engineering, Nursing, Secondary Education-STEM and Social Work. Investment in academic advising is targeted to better engage students and increase retention.

The University's newly expanded Griffith Fine Arts Building will reopen for classes in the Fall of 2023. Stephen F. Austin State University is in the planning stage for a new Forestry, Agriculture, and Interdisciplinary Project funded with the combination of Capital Construction Assistance Project debt and Permanent University Fund (PUF) Bond proceeds. This capital project will enhance the Forestry and Agriculture Program, which was recently ranked by the educational technology firm, Plexus, as the top forestry program in Texas.

In FY 2024, U. T. System will launch a presidential search for the 11th president of Stephen F. Austin State University.

**Revenue**

As part of the affiliation, the University will receive \$7.0 million from the U. T. System for operations support in FY 2024. \$5.5 million will be used to support permanent faculty and staff compensation increases that began February 1, 2023. An additional \$1.0 million will be awarded in scholarships as part of the Promise Plus Program, with the remaining \$0.5 million supporting the Forestry and Agriculture Program. Promise Plus funds allow Stephen F. Austin State University to increase student eligibility from a family income of \$30,000 to \$80,000. Gross tuition and fees are expected to remain flat from FY 2023 actual revenue. General revenue increased by \$7.4 million over FY 2023, excluding an additional one-time biennial appropriation of \$19.0 million for capital expenditures.

With the University transitioning from a Higher Education Fund (HEF) institution to a PUF institution, operational items previously paid with HEF, that are not PUF eligible, have been funded with institutional funds. In addition, Stephen F. Austin State University will increase a non-academic fee in Spring 2024 to address inflation, primarily in utility costs, and to cover debt service previously funded by HEF. For the FY 2024 budget, the University expects to utilize fund balance in the amount of \$5.2 million.

**Expenses**

Salaries, wages, and benefits continue to be the highest expense for the University and will increase approximately \$6.0 million due primarily to increases in salaries and benefits cost for employees. Stephen F. Austin State University implemented a 6 percent cost of living adjustment in February 2023 in anticipation of receiving U. T. System support for salaries and has included a merit increase for FY 2024, contingent upon the attainment of enrollment goals. Debt service interest and principal for FY 2024 totals \$17.3 million.

**Stephen F. Austin State University**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ -	-	102,723,138	102,723,138	-
Less Discounts and Allowances	-	-	(17,700,000)	(17,700,000)	-
Federal Sponsored Programs	-	-	75,000	75,000	-
State Sponsored Programs	-	-	13,594,584	13,594,584	-
Local and Private Sponsored Programs	-	-	161,000	161,000	-
Net Sales and Services of Educational Activities	-	-	2,624,265	2,624,265	-
Net Sales and Services of Hospital and Clinics	-	-	-	-	-
Net Professional Fees	-	-	-	-	-
Net Auxiliary Enterprises	-	-	30,348,279	30,348,279	-
Other Operating Revenues	-	-	1,697,545	1,697,545	-
<b>Total Operating Revenues</b>	<b>-</b>	<b>-</b>	<b>133,523,811</b>	<b>133,523,811</b>	<b>-</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	-	-	48,795,421	48,795,421	-
Compensation - Non-Faculty	-	-	41,780,365	41,780,365	-
Wages	-	-	10,693,913	10,693,913	-
Benefits	-	-	32,987,587	32,987,587	-
Personnel Costs	-	-	134,257,286	134,257,286	-
Utilities	-	-	5,084,739	5,084,739	-
Scholarships and Fellowships	-	-	57,940,933	57,940,933	-
Less Discounts and Allowances	-	-	(27,500,000)	(27,500,000)	-
Operations, Maintenance and Travel	-	-	51,043,259	51,043,259	-
Less Capitalized Portion and Cap Lease/SBITA	-	-	(1,159,074)	(1,159,074)	-
Depreciation and Amortization	-	-	23,500,000	23,500,000	-
<b>Total Operating Expenses</b>	<b>-</b>	<b>-</b>	<b>243,167,143</b>	<b>243,167,143</b>	<b>-</b>
<b>Operating Surplus/Deficit</b>	<b>-</b>	<b>-</b>	<b>(109,643,332)</b>	<b>(109,643,332)</b>	<b>-</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	-	-	49,627,155	49,627,155	-
Federal Sponsored Programs (Nonoperating)	-	-	24,441,097	24,441,097	-
State/Local Sponsored Programs (Nonoperating)	-	-	3,000,000	3,000,000	-
Gifts in Support of Operations	-	-	10,143,902	10,143,902	-
Net Investment Income	-	-	8,670,000	8,670,000	-
Other Non-Operating Revenue	-	-	464,600	464,600	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>-</b>	<b>-</b>	<b>96,346,754</b>	<b>96,346,754</b>	<b>-</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	-	-	3,050,415	3,050,415	-
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	-	-	(5,835,094)	(5,835,094)	-
<b>Total Transfers and Other</b>	<b>-</b>	<b>-</b>	<b>(2,784,679)</b>	<b>(2,784,679)</b>	<b>-</b>
<b>Budget Margin (Deficit)</b>	<b>-</b>	<b>-</b>	<b>(16,081,257)</b>	<b>(16,081,257)</b>	<b>-</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./Dec. in Fair Value of Investments	-	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	-	-	19,000,000	19,000,000	-
Additions to Permanent Endowments	-	-	-	-	-
Transfers for Debt Service - Principal	-	-	(11,440,467)	(11,440,467)	-
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	-	-	21,500,000	21,500,000	-
<b>SRECNP Change in Net Position</b>	<b>\$ -</b>	<b>-</b>	<b>12,978,276</b>	<b>12,978,276</b>	<b>-</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ -</b>	<b>-</b>	<b>232,920,980</b>	<b>232,920,980</b>	<b>-</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>-</b>	<b>-</b>	<b>(249,002,237)</b>	<b>(249,002,237)</b>	<b>-</b>
<b>Budget Margin (Deficit)</b>	<b>\$ -</b>	<b>-</b>	<b>(16,081,257)</b>	<b>(16,081,257)</b>	<b>-</b>
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation	-	-	23,500,000	-	-
Capital Outlay	-	-	(750,000)	-	-
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin	-	-	(11,849,541)	-	-
Budgeted Transfers	-	-	-	-	-
<b>Net Additions to (Uses of) Prior Year Balances</b>	<b>-</b>	<b>-</b>	<b>(5,180,798)</b>	<b>-</b>	<b>-</b>

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



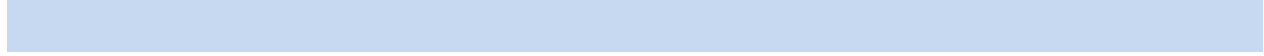
**Stephen F. Austin State University**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ -	-	68,078,711	68,078,711	-
Academic Support	-	-	15,651,670	15,651,670	-
Research	-	-	4,813,077	4,813,077	-
Public Service	-	-	998,759	998,759	-
Hospitals and Clinics	-	-	-	-	-
Institutional Support	-	-	30,514,294	30,514,294	-
Student Services	-	-	31,220,173	31,220,173	-
Operations and Maintenance of Plant	-	-	10,312,666	10,312,666	-
Scholarships and Fellowships	-	-	35,582,326	35,582,326	-
Auxiliary Enterprises	-	-	22,495,467	22,495,467	-
Depreciation and Amortization	-	-	23,500,000	23,500,000	-
Total Operating Expenses	\$ -	-	243,167,143	243,167,143	-

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ -	77,889,130	77,889,130	-
Designated	-	84,867,124	84,867,124	-
Auxiliary	-	63,867,484	63,867,484	-
Available University Fund	-	-	-	-
Restricted	-	38,978,040	38,978,040	-
Unexpended Plant	-	-	-	-
Subtotal - Expenditures (All Funds)	-	265,601,778	265,601,778	-
Reconciling Adjustments:				
Tuition Discounting	-	(27,500,000)	(27,500,000)	-
Depreciation	-	23,500,000	23,500,000	-
Capital Outlay	-	(750,000)	(750,000)	-
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	-	(11,849,541)	(11,849,541)	-
Total Expenses (Including Transfers for Interest)	\$ -	249,002,237	249,002,237	-

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, 2024**

**Introduction - Major Goals Addressed by FY 2024 Budget**

The FY 2024 budget reflects 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 support. More specifically, 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 in order 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**

U. T. Tyler's FY 2024 revenue budget, including transfers for operations, totals \$177.26 million, a \$14.14 million increase from the prior year's budget. U. T. Tyler is projecting a notable 4.94 percent increase in undergraduate enrollment, in large part due to the expected growth of the incoming freshman class, and a marginal 0.59 percent increase in graduate enrollment. This projected enrollment increase is supplemented by a modest increase in graduate and nonresident undergraduate tuition rates. The notable exception to this enrollment growth trend is for the Fisch School of Pharmacy (FCOP), which is projecting a 29.7 percent decline in enrollment, in alignment with national trends. The proposed operating budget reflects a significant \$10.8 million increase in State-appropriated general revenue. A large segment of this increase corresponds to a new \$7.5 million critical care nursing program approved by the 88<sup>th</sup> legislature, \$5.0 million of which is appropriated in FY 2024 to establish this program. Additionally, U. T. Tyler received appropriations increases in other areas, including instruction and operations and infrastructure support, as a result of the statewide affordability initiative. Sponsored programs revenue is up 38.0 percent (\$7.4 million). In the federal category, the growth is due to a combination of re-categorization of financial aid revenue and projected growth in line with U. T. Tyler's five-year strategic plan. In the state category, the growth is associated with expanded capacity at the Tyler and Longview University Academy campuses and increased use of Texas Higher Education Coordinating Board Nursing Shortage Reduction Program grant funds, as well as a higher allocation of TEXAS grant funds. Net Sales and Services of Educational Activities is expected to increase by \$1.1 million, given the initial drop in enrollment for the FCOP, a self-funded program, did not turn out to be as significant as originally estimated. A 17.5 percent (\$1.9 million) increase is expected in auxiliary enterprise revenue as venues such as the Cowan Center, Discovery Science Place, athletics, and housing and meal plan operations return to or exceed pre-pandemic activity levels. Gifts in Support of Operations is expected to increase 65.7 percent, or \$0.9 million, as the University renews its focus on actively expanding its donor base during the upcoming year in line with its 5-year strategic plan. Finally, a significant \$7.7 million (37.2 percent) reduction is expected in Nonexchange Federal revenue, as all Higher Education Emergency Relief Funds and Governor's Emergency Education Relief funds have been expended.

**Expenses**

Total expenses, including transfers for interest, are budgeted at \$192.61 million, a \$13.12 million increase from the prior year's budget. The FY 2024 budget includes a key investment in the School of Nursing (SON), U. T. Tyler's largest program, to implement the new critical care nursing program. Faculty compensation and non-faculty compensation are budgeted for 13.0 percent and 9.9 percent increases, respectively, associated with a 3.0 percent merit pool and a faculty market adjustment initiative supported by survey data from the College and University Professional Association for Human Resources (CUPA). The CUPA median was identified as a benchmark for faculty salaries. Positions falling below the median were used to establish an amount that will be allocated to each academic Dean to address faculty salaries, depending on individual performance. Faculty salaries in the SON were identified as the area of highest need. U. T. Tyler plans to increase SON salaries to 95 percent of the CUPA median with the use of grant funding. All other schools and colleges will receive funding to bring salaries to 90 percent of the median. A related 7.4 percent increase in benefits is expected, based on the proposed increased salaries, new positions, and increased employer health care costs. 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 a number of operational areas, and utilities are budgeted to increase by 9.1 percent, given inflationary impacts.

**The University of Texas at Tyler (Academic)**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 85,797,152	87,807,534	87,460,793	(346,741)	-0.4%
Less Discounts and Allowances	(28,438,296)	(27,500,000)	(28,409,931)	(909,931)	3.3%
Federal Sponsored Programs	8,595,352	5,416,890	9,798,701	4,381,811	80.9%
State Sponsored Programs	10,156,214	12,995,070	16,456,302	3,461,232	26.6%
Local and Private Sponsored Programs	739,112	1,163,327	761,285	(402,042)	-34.6%
Net Sales and Services of Educational Activities	8,126,248	5,814,379	6,940,286	1,125,907	19.4%
Net Sales and Services of Hospital and Clinics	-	-	-	-	-
Net Professional Fees	-	-	-	-	-
Net Auxiliary Enterprises	12,623,200	10,822,501	12,716,701	1,894,200	17.5%
Other Operating Revenues	1,444,308	1,444,308	1,487,637	43,329	3.0%
<b>Total Operating Revenues</b>	<b>99,043,290</b>	<b>97,964,009</b>	<b>107,211,774</b>	<b>9,247,765</b>	<b>9.4%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	43,602,214	40,738,609	46,044,253	5,305,644	13.0%
Compensation - Non-Faculty	35,510,455	35,328,110	38,831,321	3,503,211	9.9%
Wages	4,329,880	4,155,356	4,195,995	40,639	1.0%
Benefits	24,198,339	25,463,569	27,341,144	1,877,575	7.4%
Personnel Costs	107,640,888	105,685,644	116,412,713	10,727,069	10.1%
Utilities	2,742,463	2,592,121	2,827,685	235,564	9.1%
Scholarships and Fellowships	34,589,650	42,043,891	43,638,592	1,594,701	3.8%
Less Discounts and Allowances	(19,370,204)	(27,500,000)	(28,409,931)	(909,931)	3.3%
Operations, Maintenance and Travel	39,477,130	37,856,603	40,455,840	2,599,237	6.9%
Less Capitalized Portion and Cap Lease/SBITA	(941,440)	(1,554,172)	(3,293,632)	(1,739,460)	111.9%
Depreciation and Amortization	17,417,232	17,354,342	17,719,905	365,563	2.1%
<b>Total Operating Expenses</b>	<b>181,555,719</b>	<b>176,478,429</b>	<b>189,351,172</b>	<b>12,872,743</b>	<b>7.3%</b>
<b>Operating Surplus/Deficit</b>	<b>(82,512,429)</b>	<b>(78,514,420)</b>	<b>(82,139,398)</b>	<b>(3,624,978)</b>	<b>4.6%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	34,437,163	34,437,163	45,246,662	10,809,499	31.4%
Federal Sponsored Programs (Nonoperating)	20,695,923	20,695,923	13,000,000	(7,695,923)	-37.2%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	-
Gifts in Support of Operations	1,592,060	1,416,000	2,345,737	929,737	65.7%
Net Investment Income	8,437,321	8,399,665	8,437,321	37,656	0.4%
Other Non-Operating Revenue	-	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>65,162,467</b>	<b>64,948,751</b>	<b>69,029,720</b>	<b>4,080,969</b>	<b>6.3%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	-	199,818	1,015,118	815,300	408.0%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(3,066,233)	(3,013,772)	(3,258,488)	(244,716)	8.1%
<b>Total Transfers and Other</b>	<b>(3,066,233)</b>	<b>(2,813,954)</b>	<b>(2,243,370)</b>	<b>570,584</b>	<b>-20.3%</b>
<b>Budget Margin (Deficit)</b>	<b>(20,416,195)</b>	<b>(16,379,623)</b>	<b>(15,353,048)</b>	<b>1,026,575</b>	<b>-6.3%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./Dec. in Fair Value of Investments	500,000	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	5,000	1,500,000	100,000	(1,400,000)	-93.3%
Additions to Permanent Endowments	2,291,677	1,500,000	1,200,000	(300,000)	-20.0%
Transfers for Debt Service - Principal	(3,028,000)	(3,028,000)	(3,154,000)	(126,000)	4.2%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	42,787,448	2,800,000	43,287,036	40,487,036	1446.0%
<b>SRECNP Change in Net Position</b>	<b>\$ 22,139,930</b>	<b>(13,607,623)</b>	<b>26,079,988</b>	<b>39,687,611</b>	<b>-291.7%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 164,205,757</b>	<b>163,112,578</b>	<b>177,256,612</b>	<b>14,144,034</b>	<b>8.7%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(184,621,952)</b>	<b>(179,492,201)</b>	<b>(192,609,660)</b>	<b>(13,117,459)</b>	<b>7.3%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (20,416,195)</b>	<b>(16,379,623)</b>	<b>(15,353,048)</b>	<b>1,026,575</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		17,354,342	17,719,905		
Capital Outlay		(1,000,000)	(2,556,530)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(3,578,922)	(3,889,535)		
Budgeted Transfers		(162,737)	(159,717)		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>(3,766,940)</b>	<b>(4,238,925)</b>		

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

**The University of Texas at Tyler (Academic)**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 70,887,520	69,262,141	75,324,272	6,062,131	8.8%
Academic Support	17,067,238	16,804,949	16,266,163	(538,786)	-3.2%
Research	3,545,792	5,342,691	5,270,009	(72,682)	-1.4%
Public Service	1,730,262	947,708	1,035,249	87,541	9.2%
Hospitals and Clinics	-	-	-	-	-
Institutional Support	13,436,520	15,091,740	16,951,372	1,859,632	12.3%
Student Services	14,641,574	13,275,605	14,954,308	1,678,703	12.6%
Operations and Maintenance of Plant	13,754,610	10,193,229	10,825,435	632,206	6.2%
Scholarships and Fellowships	15,219,446	13,702,988	15,228,661	1,525,673	11.1%
Auxiliary Enterprises	13,855,525	14,503,036	15,775,798	1,272,762	8.8%
Depreciation and Amortization	17,417,232	17,354,342	17,719,905	365,563	2.1%
Total Operating Expenses	\$ 181,555,719	176,478,429	189,351,172	12,872,743	7.3%

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 50,148,703	64,333,805	14,185,102	28.3%
Designated	92,570,421	96,630,712	4,060,291	4.4%
Auxiliary	19,013,424	20,322,863	1,309,439	6.9%
Available University Fund	-	-	-	-
Restricted	32,484,233	28,458,371	(4,025,862)	-12.4%
Unexpended Plant	-	-	-	-
Subtotal - Expenditures (All Funds)	194,216,781	209,745,751	15,528,970	8.0%
Reconciling Adjustments:				
Tuition Discounting	(27,500,000)	(28,409,931)	(909,931)	3.3%
Depreciation	17,354,342	17,719,905	365,563	2.1%
Capital Outlay	(1,000,000)	(2,556,530)	(1,556,530)	155.7%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(3,578,922)	(3,889,535)	(310,613)	8.7%
Total Expenses (Including Transfers for Interest)	\$ 179,492,201	192,609,660	13,117,459	7.3%

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, 2024**

**Introduction - Major Goals Addressed by FY 2024 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 alignment with The University of Texas at Tyler, and establishment of the first medical school in the region, 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 2024 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. The FY 2024 operating budget funds the ongoing development of the school of medicine, including faculty recruitment, and planning for future facilities.

Congruent with opening the medical school, the FY 2024 operating budget also supports growth in Graduate Medical Education (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 2024 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**

U. T. Health Science Center – Tyler’s budgeted total revenues and transfers for FY 2024 are approximately 6.7 percent higher than the FY 2023 operating 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 inaugural class of the medical school, and increased operating gifts related to the medical school.

**Expenses**

U. T. Health Science Center – Tyler’s budgeted total expenses and transfers for FY 2024 are approximately 6.6 percent higher than the FY 2023 operating 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 integrating U. T. Health Science Center - Tyler and U. T. Tyler into one administrative structure. 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, increase behavioral health clinical capacity and workforce training, expand educational and residency programs and opportunities, 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 at Tyler (Health Science Center at Tyler)**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 759,275	866,983	2,254,473	1,387,490	160.0%
Less Discounts and Allowances	(168,808)	(254,516)	(1,447,497)	(1,192,981)	468.7%
Federal Sponsored Programs	15,534,481	16,489,729	18,656,392	2,166,663	13.1%
State Sponsored Programs	9,102,404	6,651,037	10,372,944	3,721,907	56.0%
Local and Private Sponsored Programs	82,286,836	79,125,330	81,824,434	2,699,104	3.4%
Net Sales and Services of Educational Activities	8,575,489	6,173,949	7,905,294	1,731,345	28.0%
Net Sales and Services of Hospital and Clinics	174,306,517	163,624,048	171,889,751	8,265,703	5.1%
Net Professional Fees	18,114,218	18,650,658	21,492,344	2,841,686	15.2%
Net Auxiliary Enterprises	112,150	150,664	112,150	(38,514)	-25.6%
Other Operating Revenues	4,056,182	16,780,492	15,847,657	(932,835)	-5.6%
<b>Total Operating Revenues</b>	<b>312,678,744</b>	<b>308,258,374</b>	<b>328,907,942</b>	<b>20,649,568</b>	<b>6.7%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	115,320,403	115,374,883	121,038,777	5,663,894	4.9%
Compensation - Non-Faculty	72,785,639	73,870,622	76,725,200	2,854,578	3.9%
Wages	2,445,242	1,211,050	3,284,272	2,073,222	171.2%
Benefits	48,230,864	49,458,408	51,363,414	1,905,006	3.9%
Personnel Costs	238,782,148	239,914,963	252,411,663	12,496,700	5.2%
Utilities	2,661,678	2,802,653	3,311,586	508,933	18.2%
Scholarships and Fellowships	313,392	284,411	1,582,902	1,298,491	456.6%
Less Discounts and Allowances	(168,808)	(254,516)	(1,447,497)	(1,192,981)	468.7%
Operations, Maintenance and Travel	115,200,030	113,349,280	127,617,933	14,268,653	12.6%
Less Capitalized Portion and Cap Lease/SBITA	(2,334,398)	(2,336,809)	(5,621,032)	(3,284,223)	140.5%
Depreciation and Amortization	19,126,810	19,126,809	19,140,000	13,191	0.1%
<b>Total Operating Expenses</b>	<b>373,580,852</b>	<b>372,886,791</b>	<b>396,995,555</b>	<b>24,108,764</b>	<b>6.5%</b>
<b>Operating Surplus/Deficit</b>	<b>(60,902,108)</b>	<b>(64,628,417)</b>	<b>(68,087,613)</b>	<b>(3,459,196)</b>	<b>5.4%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	53,571,205	52,726,450	55,405,619	2,679,169	5.1%
Federal Sponsored Programs (Nonoperating)	-	-	-	-	-
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	-
Gifts in Support of Operations	5,493,188	7,939,817	8,588,534	648,717	8.2%
Net Investment Income	5,141,692	4,029,082	4,299,201	270,119	6.7%
Other Non-Operating Revenue	-	5,673	-	(5,673)	-100.0%
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>64,206,085</b>	<b>64,701,022</b>	<b>68,293,354</b>	<b>3,592,332</b>	<b>5.6%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	2,762,621	2,646,445	3,657,307	1,010,862	38.2%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfers for Debt Svc-Interest & Lease/SBITA Int	(1,489,723)	(1,096,846)	(1,557,940)	(461,094)	42.0%
<b>Total Transfers and Other</b>	<b>1,272,898</b>	<b>1,549,599</b>	<b>2,099,367</b>	<b>549,768</b>	<b>35.5%</b>
<b>Budget Margin (Deficit)</b>	<b>4,576,875</b>	<b>1,622,204</b>	<b>2,305,108</b>	<b>682,904</b>	<b>42.1%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	16,966	23,025	16,966	(6,059)	-26.3%
Net Inc./((Dec.) in Fair Value of Investments	(556,038)	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	255,000	66,596	275,000	208,404	312.9%
Additions to Permanent Endowments	4,286,388	5,000,000	4,000,000	(1,000,000)	-20.0%
Transfers for Debt Service - Principal	(5,302,168)	(5,546,168)	(5,382,000)	164,168	-3.0%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	327,507,393	38,468,811	93,955,341	55,486,530	144.2%
<b>SRECNP Change in Net Position</b>	<b>\$ 330,784,416</b>	<b>39,634,468</b>	<b>95,170,415</b>	<b>55,535,947</b>	<b>140.1%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 379,647,450</b>	<b>375,605,841</b>	<b>400,858,603</b>	<b>25,252,762</b>	<b>6.7%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(375,070,575)</b>	<b>(373,983,637)</b>	<b>(398,553,495)</b>	<b>(24,569,858)</b>	<b>6.6%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 4,576,875</b>	<b>1,622,204</b>	<b>2,305,108</b>	<b>682,904</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		19,126,809	19,140,000		
Capital Outlay		(960,000)	(4,356,032)		
Trsfers for Debt Svc-Principal & Lease/SBITA Prin		(6,867,596)	(6,597,000)		
Budgeted Transfers		-	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>12,921,417</b>	<b>10,492,076</b>		

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



**The University of Texas at Tyler (Health Science Center at Tyler)**  
**Operating Budget - Operating Expenses by Function**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 86,596,562	21,311,611	22,019,544	707,933	3.3%
Academic Support	5,247,619	5,506,632	7,289,878	1,783,246	32.4%
Research	29,550,178	36,777,403	44,908,262	8,130,859	22.1%
Public Service	-	-	-	-	-
Hospitals and Clinics	190,383,073	264,944,306	275,368,418	10,424,112	3.9%
Institutional Support	14,877,137	13,539,049	15,916,711	2,377,662	17.6%
Student Services	79,921	1,096,625	1,165,735	69,110	6.3%
Operations and Maintenance of Plant	27,436,833	10,412,373	10,947,627	535,254	5.1%
Scholarships and Fellowships	144,584	29,895	135,405	105,510	352.9%
Auxiliary Enterprises	138,135	142,088	103,975	(38,113)	-26.8%
Depreciation and Amortization	19,126,810	19,126,809	19,140,000	13,191	0.1%
Total Operating Expenses	\$ 373,580,852	372,886,791	396,995,555	24,108,764	6.5%

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 228,172,242	244,040,813	15,868,571	7.0%
Designated	110,179,309	114,622,866	4,443,557	4.0%
Auxiliary	142,088	103,975	(38,113)	-26.8%
Available University Fund	-	-	-	-
Restricted	24,445,301	33,046,370	8,601,069	35.2%
Unexpended Plant	-	-	-	-
Subtotal - Expenditures (All Funds)	362,938,940	391,814,024	28,875,084	8.0%
Reconciling Adjustments:				
Tuition Discounting	(254,516)	(1,447,497)	(1,192,981)	468.7%
Depreciation	19,126,809	19,140,000	13,191	0.1%
Capital Outlay	(960,000)	(4,356,032)	(3,396,032)	353.8%
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin	(6,867,596)	(6,597,000)	270,596	-3.9%
Total Expenses (Including Transfers for Interest)	\$ 373,983,637	398,553,495	24,569,858	6.6%

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**  
**For the Fiscal Year Ending August 31, 2024**

**Introduction - Major Goals Addressed by FY 2024 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 in the aforementioned mission areas. Notable examples include a partnership with U. T. Dallas on the soon-to-open Texas Instruments Biomedical Engineering and Sciences Building on U. T. Southwestern Medical Center's East Campus where students and faculty will be provided more opportunities to create transformative technologies to improve patient lives. Additionally, the Peter O'Donnell Jr. School of Public Health, U. T. Southwestern Medical Center's first new school in 50 years, is welcoming its inaugural class this fall. Faculty and learners will develop and apply the most advanced techniques to identify, predict, and address wide-scale health problems before they occur and respond to emerging public health emergencies. The Peter O'Donnell Jr. Brain Institute is also continuing its research and clinical program expansion to advance the treatment and prevention of all forms of brain disease. 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.

In addition to exceptional education and research programs, U. T. Southwestern has earned national and international distinction for providing patients with the highest quality care and experience. The steady growth of patient volume continues to exceed projections. The North Campus Phase VI expansion, which includes the Peter O'Donnell Jr. Biomedical Research Building and Cancer Care Outpatient Building, opened in the second half of 2022. Additionally, the University opened a new regional medical center in the southern sector of Dallas to expand capacity and help address medically underserved communities. Planning for a new pediatric campus, in partnership with Children's Health, is also underway with approval to begin construction expected in the upcoming year.

In addition to the organic growth of U. T. Southwestern Medical Center's health system, a key driver of future clinical growth is Southwestern Health Resources, a partnership with Texas Health Resources (THR) that includes a clinically integrated network of over 7,000 physicians, 31 hospital locations, and more than 650 outpatient facilities and clinics across 16 counties in North Texas. It leverages the complementary strengths of U. T. Southwestern Medical Center and THR and enhances joint initiatives, including significant growth of Accountable Care Organization program offerings, which have improved patient outcomes and reduced costs. The jointly-owned hospital and medical office building owned by U. T. Southwestern Medical Center in the rapidly expanding Frisco, Texas market has seen substantial growth over the last couple of years. The clinical enterprise is executing a comprehensive strategic plan to optimize its care network, further develop destination service lines, enhance value, quality, and patient experience, and leverage outstanding research capabilities in clinical settings.

U. T. Southwestern Medical Center remains focused on recruiting industry leaders. Following national searches, several key academic positions were filled this year: Saad Omer, M.B.B.S., Ph.D., inaugural Dean of the Peter O'Donnell Jr. School of Public Health; Jorge Bezerra, M.D., Chair of the Department of Pediatrics; and William Prinz, Ph.D., Chair of the Department of Cell Biology.

**Revenue**

The FY 2024 revenue budget of \$4.90 billion represents a 3.4 percent increase over the FY 2023 projection. The increase was driven by strong patient care volumes across the Health System and growth in faculty practice plan professional fees and sponsored research. Annual growth rates have begun to slow as many current facilities are operating at close to full capacity.

**Expenses**

The FY 2024 expenditure budget is \$4.87 billion, a 3.2 percent increase over the FY 2023 projection. Expense growth related to hospital and clinical operations, instruction, and research are proportional to revenue growth, but like other institutions, U. T. Southwestern Medical Center has been materially impacted by inflationary trends in salaries, wages, and benefits, and costs for maintenance and operations. Labor trends nationwide also significantly increased the need for contract labor over the past few years. The rise in interest and depreciation expense is related to new facilities enabling programmatic growth. The budget also includes funds to cover projected debt service to finance expansion and technology projects. The University continues to implement cost-saving measures to limit expense increases where possible, and the FY 2024 operating budget includes several expense reductions across all missions.

**The University of Texas Southwestern Medical Center**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 31,259,864	30,728,864	31,698,641	969,777	3.2%
Less Discounts and Allowances	(3,000,000)	(4,500,000)	(3,000,000)	1,500,000	-33.3%
Federal Sponsored Programs	324,825,493	304,702,372	347,563,277	42,860,905	14.1%
State Sponsored Programs	46,943,605	50,608,849	47,166,812	(3,442,037)	-6.8%
Local and Private Sponsored Programs	465,163,961	494,426,204	482,518,152	(11,908,052)	-2.4%
Net Sales and Services of Educational Activities	11,384,772	9,190,509	12,336,145	3,145,636	34.2%
Net Sales and Services of Hospital and Clinics	2,253,067,668	2,166,063,422	2,314,813,269	148,749,847	6.9%
Net Professional Fees	882,627,806	881,966,362	918,197,156	36,230,794	4.1%
Net Auxiliary Enterprises	33,957,804	32,956,302	30,424,878	(2,531,424)	-7.7%
Other Operating Revenues	224,116,233	164,968,640	219,808,403	54,839,763	33.2%
<b>Total Operating Revenues</b>	<b>4,270,347,206</b>	<b>4,131,111,524</b>	<b>4,401,526,733</b>	<b>270,415,209</b>	<b>6.5%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	898,203,973	867,207,481	925,099,994	57,892,513	6.7%
Compensation - Non-Faculty	1,478,746,158	1,402,550,113	1,508,822,389	106,272,276	7.6%
Wages	42,891,218	30,602,787	43,484,560	12,881,773	42.1%
Benefits	590,700,690	576,793,006	622,285,727	45,492,721	7.9%
Personnel Costs	3,010,542,039	2,877,153,387	3,099,692,670	222,539,283	7.7%
Utilities	31,298,245	25,657,608	31,590,408	5,932,800	23.1%
Scholarships and Fellowships	6,231,057	10,230,066	10,131,095	(98,971)	-1.0%
Less Discounts and Allowances	(3,000,000)	(4,500,000)	(3,000,000)	1,500,000	-33.3%
Operations, Maintenance and Travel	1,391,078,460	1,357,209,639	1,428,340,189	71,130,550	5.2%
Less Capitalized Portion and Cap Lease/SBITA	(58,018,245)	(75,611,877)	(50,114,152)	25,497,725	-33.7%
Depreciation and Amortization	277,782,857	267,301,933	288,855,442	21,553,509	8.1%
<b>Total Operating Expenses</b>	<b>4,655,914,413</b>	<b>4,457,440,756</b>	<b>4,805,495,652</b>	<b>348,054,896</b>	<b>7.8%</b>
<b>Operating Surplus/Deficit</b>	<b>(385,567,207)</b>	<b>(326,329,232)</b>	<b>(403,968,919)</b>	<b>(77,639,687)</b>	<b>23.8%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	188,272,977	195,239,235	217,387,268	22,148,033	11.3%
Federal Sponsored Programs (Nonoperating)	192,457	-	-	-	-
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	-
Gifts in Support of Operations	79,061,211	75,449,696	81,150,925	5,701,229	7.6%
Net Investment Income	185,651,236	178,444,021	186,429,931	7,985,910	4.5%
Other Non-Operating Revenue	-	12,455	-	(12,455)	-100.0%
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>453,177,881</b>	<b>449,145,407</b>	<b>484,968,124</b>	<b>35,822,717</b>	<b>8.0%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	7,401,120	8,095,963	8,307,675	211,712	2.6%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(63,032,067)	(61,171,890)	(64,825,489)	(3,653,599)	6.0%
<b>Total Transfers and Other</b>	<b>(55,630,947)</b>	<b>(53,075,927)</b>	<b>(56,517,814)</b>	<b>(3,441,887)</b>	<b>6.5%</b>
<b>Budget Margin (Deficit)</b>	<b>11,979,727</b>	<b>69,740,248</b>	<b>24,481,391</b>	<b>(45,258,857)</b>	<b>-64.9%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./((Dec.) in Fair Value of Investments	-	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	5,000,000	5,000,000	5,000,000	-	0.0%
Additions to Permanent Endowments	15,000,000	15,000,000	15,000,000	-	0.0%
Transfers for Debt Service - Principal	(69,922,999)	(71,481,000)	(74,963,000)	(3,482,000)	4.9%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	85,667,828	38,622,215	54,607,675	15,985,460	41.4%
<b>SRECNP Change in Net Position</b>	<b>\$ 47,724,556</b>	<b>56,881,463</b>	<b>24,126,066</b>	<b>(32,755,397)</b>	<b>-57.6%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 4,730,926,207</b>	<b>4,588,352,894</b>	<b>4,894,802,532</b>	<b>306,449,638</b>	<b>6.7%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(4,718,946,480)</b>	<b>(4,518,612,646)</b>	<b>(4,870,321,141)</b>	<b>(351,708,495)</b>	<b>7.8%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 11,979,727</b>	<b>69,740,248</b>	<b>24,481,391</b>	<b>(45,258,857)</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		267,301,933	288,855,442		
Capital Outlay		(39,656,842)	(25,949,823)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(105,564,612)	(96,759,855)		
Budgeted Transfers		-	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>191,820,727</b>	<b>190,627,155</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 1,351,538,042	1,371,773,878	1,393,674,316	21,900,438	1.6%
Academic Support	80,817,199	65,015,073	83,390,569	18,375,496	28.3%
Research	497,431,880	459,455,619	513,271,039	53,815,420	11.7%
Public Service	29,037,220	29,084,086	29,961,819	877,733	3.0%
Hospitals and Clinics	2,203,699,413	2,048,669,174	2,273,869,311	225,200,137	11.0%
Institutional Support	67,453,223	87,585,411	69,601,059	(17,984,352)	-20.5%
Student Services	4,455,020	4,443,684	4,596,876	153,192	3.4%
Operations and Maintenance of Plant	95,517,522	74,241,735	98,558,978	24,317,243	32.8%
Scholarships and Fellowships	7,051,560	5,730,078	7,276,095	1,546,017	27.0%
Auxiliary Enterprises	41,130,477	44,140,085	42,440,148	(1,699,937)	-3.9%
Depreciation and Amortization	277,782,857	267,301,933	288,855,442	21,553,509	8.1%
Total Operating Expenses	\$ 4,655,914,413	4,457,440,756	4,805,495,652	348,054,896	7.8%

**Operating Budget - Expenditures by Fund  
Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 221,696,013	239,824,927	18,128,914	8.2%
Designated	3,672,038,933	3,957,135,291	285,096,358	7.8%
Auxiliary	55,737,269	51,450,569	(4,286,700)	-7.7%
Available University Fund	-	-	-	-
Restricted	416,559,952	433,764,590	17,204,638	4.1%
Unexpended Plant	35,000,000	25,000,000	(10,000,000)	-28.6%
Subtotal - Expenditures (All Funds)	4,401,032,167	4,707,175,377	306,143,210	7.0%
Reconciling Adjustments:				
Tuition Discounting	(4,500,000)	(3,000,000)	1,500,000	-33.3%
Depreciation	267,301,933	288,855,442	21,553,509	8.1%
Capital Outlay	(39,656,842)	(25,949,823)	13,707,019	-34.6%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(105,564,612)	(96,759,855)	8,804,757	-8.3%
Total Expenses (Including Transfers for Interest)	\$ 4,518,612,646	4,870,321,141	351,708,495	7.8%

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, 2024**

**Introduction - Major Goals Addressed by FY 2024 Budget**

The University of Texas Medical Branch at Galveston, the first and oldest academic health center in the state can best honor its long history of accomplishment and service by staying focused on its future. The FY 2024 operating budget allocates resources to ensure continued support for the University’s mission: to improve health for the people of Texas and around the world by offering innovative education and training, pursuing innovative research, and providing the highest quality patient care. The FY 2024 budget represents the University’s proposed financial plan for the upcoming fiscal year; however, unknowns surrounding reimbursement delays for Medicaid Directed Payment Programs such as Texas Incentives for Physicians and Professional Services, Comprehensive Hospital Increased Reimbursement Program, employer cost pressures related to employee health benefit premium increases, staff shortages, retention challenges stifled by increasing competitor compensation tactics pose as potential challenges to the achievement of this plan. U. T. Medical Branch - Galveston’s strategic goals define the path forward and served as the bedrock for the University’s proposed financial plan this upcoming fiscal year and is organized around five broad areas— people, clinical care, education, research, and operational excellence.

U. T. Medical Branch - Galveston’s enduring legacy and its continued success are due to the University’s most vital and important strategic priority, that of people. The FY 2024 operating budget provides support for over \$25.0 million in compensation improvements which is dedicated to investing in the University’s workforce by establishing a new job architecture for priority jobs, delivering market competitive compensation, enhancing opportunities for leadership programs and professional development, and creating a workforce pipeline through recruitment efforts, training programs, and community engagement strategies.

Leaders at U. T. Medical Branch - Galveston focused on expanding access to care by planning for strategic growth and development of clinical services to deliver exceptional clinical care to every patient, every time. The FY 2024 operating budget includes 5 percent growth in discharges and surgical procedures primarily in the fast-growing markets of Clear Lake / Bay Area and League City. Outpatient encounters are planned at 7 percent growth across the health system with ninety clinic locations that span Southeast Texas. Targeted strategic provider new hires are planned to help support services that include Primary Care, Orthopedics, Cardiology, Oncology, Women’s and Pediatric Services, and Neurosciences.

The University is dedicated to the education, training, and development of a highly skilled health care workforce. The School of Public and Population Health, in its second full operational year, is focused on enhancing the interprofessional education model to reinforce the value of collaboration to deliver patient-centered care and improve health outcomes. Regarding strategies related to research, the university continues to outline goals to be at the forefront of medical research, advancing discoveries, and treatment for human health. Strategic focus continues to expand the new Institute of Drug Discovery and maximize National Institute of Health grant awards to support improving neurological, cognitive health, microbiology, and immunology research.

To meet the FY 2024 financial and operational strategic objectives across the University’s mission areas, U. T. Medical Branch - Galveston must prioritize and ensure the fiscal stability and responsibility of the institution while at the same time maintaining a strong and resilient infrastructure. Efforts to implement and sustain information technology to foster growth, provide cybersecurity, advance business intelligence, and support data storage needs are critical priorities to the success of this plan. Lastly, the culmination of a master facility plan will assist by certifying that resources are aimed at strategic priorities to ensure capital projects are completed on-time, on budget, while also folding in deferred infrastructure maintenance to sustain current facilities.

**Revenue**

The FY 2024 revenue budget of \$3.1 billion reflects an increase of \$392.9 million (14.3 percent) from the FY 2023 budget. This increase is primarily driven by \$212.5 million in revenue for projected hospital and clinics surgical procedure growth at League City Campus and Clear Lake Campus, increases in volume through the emergency room, \$18.8 million increase in net professional fees driven by strategic provider new hires to support growth in the faculty practice plan, and \$58.0 million growth in sponsored research.

**Expenses**

Total budgeted operating expenses for FY 2024 reflect an increase of \$374.8 million (13.6 percent) from the prior year, primarily attributable to increased personnel costs, medical and pharmaceutical expense to support growth in hospital and clinics and practice plan revenues. U. T. Medical Branch - Galveston has included planned cost containment strategies that include implementation of lean management and high reliability efforts, clinical labor productivity monitoring, optimization of clinical capacity such as average length of stay and observation stay reductions, 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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 57,553,375	57,255,389	55,886,923	(1,368,466)	-2.4%
Less Discounts and Allowances	(5,410,206)	(4,559,901)	(5,253,371)	(693,470)	15.2%
Federal Sponsored Programs	173,011,799	156,200,642	195,014,275	38,813,633	24.8%
State Sponsored Programs	18,232,799	16,056,490	19,376,686	3,320,196	20.7%
Local and Private Sponsored Programs	73,937,679	62,113,466	78,008,044	15,894,578	25.6%
Net Sales and Services of Educational Activities	11,970,843	10,579,944	11,166,433	586,489	5.5%
Net Sales and Services of Hospital and Clinics	1,659,120,383	1,630,866,260	1,843,336,296	212,470,036	13.0%
Net Professional Fees	279,495,536	266,526,465	285,328,433	18,801,968	7.1%
Net Auxiliary Enterprises	14,945,399	13,583,737	13,873,081	289,344	2.1%
Other Operating Revenues	159,485,164	89,273,974	156,416,779	67,142,805	75.2%
<b>Total Operating Revenues</b>	<b>2,442,342,771</b>	<b>2,297,896,466</b>	<b>2,653,153,579</b>	<b>355,257,113</b>	<b>15.5%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	240,003,485	220,880,236	250,472,583	29,592,347	13.4%
Compensation - Non-Faculty	1,030,742,643	987,509,354	1,075,704,263	88,194,909	8.9%
Wages	118,927,955	118,127,697	124,115,665	5,987,968	5.1%
Benefits	383,885,236	400,074,633	452,418,340	52,343,707	13.1%
Personnel Costs	1,773,559,319	1,726,591,920	1,902,710,851	176,118,931	10.2%
Utilities	36,167,885	46,714,903	46,404,805	(310,098)	-0.7%
Scholarships and Fellowships	9,519,653	14,018,336	18,532,860	4,514,524	32.2%
Less Discounts and Allowances	(5,410,206)	(4,559,901)	(5,253,371)	(693,470)	15.2%
Operations, Maintenance and Travel	929,617,075	886,346,610	1,057,256,519	170,909,909	19.3%
Less Capitalized Portion and Cap Lease/SBITA	(91,192,505)	(167,954,625)	(148,125,725)	19,828,900	-11.8%
Depreciation and Amortization	223,628,041	225,688,277	222,679,861	(3,008,416)	-1.3%
<b>Total Operating Expenses</b>	<b>2,875,889,262</b>	<b>2,726,845,520</b>	<b>3,094,205,800</b>	<b>367,360,280</b>	<b>13.5%</b>
<b>Operating Surplus/Deficit</b>	<b>(433,546,491)</b>	<b>(428,949,054)</b>	<b>(441,052,221)</b>	<b>(12,103,167)</b>	<b>2.8%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	359,056,090	358,263,807	381,983,694	23,719,887	6.6%
Federal Sponsored Programs (Nonoperating)	-	1,050,000	1,134,000	84,000	8.0%
State/Local Sponsored Programs (Nonoperating)	1,436,487	-	-	-	-
Gifts in Support of Operations	10,002,150	10,549,755	10,314,062	(235,693)	-2.2%
Net Investment Income	77,344,423	67,143,256	78,813,733	11,670,477	17.4%
Other Non-Operating Revenue	-	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>447,839,150</b>	<b>437,006,818</b>	<b>472,245,489</b>	<b>35,238,671</b>	<b>8.1%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	4,457,805	4,457,805	6,867,957	2,410,152	54.1%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(31,672,778)	(30,659,557)	(38,061,225)	(7,401,668)	24.1%
<b>Total Transfers and Other</b>	<b>(27,214,973)</b>	<b>(26,201,752)</b>	<b>(31,193,268)</b>	<b>(4,991,516)</b>	<b>19.1%</b>
<b>Budget Margin (Deficit)</b>	<b>(12,922,314)</b>	<b>(18,143,988)</b>	<b>-</b>	<b>18,143,988</b>	<b>-100.0%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./(Dec.) in Fair Value of Investments	-	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	54,518,964	51,822,370	21,951,380	(29,870,990)	-57.6%
Additions to Permanent Endowments	3,596,014	3,527,992	3,684,426	156,434	4.4%
Transfers for Debt Service - Principal	(60,289,000)	(63,018,000)	(68,244,000)	(5,226,000)	8.3%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	95,319,658	145,218,822	200,757,707	55,538,885	38.2%
<b>SRECNP Change in Net Position</b>	<b>\$ 80,223,322</b>	<b>119,407,196</b>	<b>158,149,513</b>	<b>38,742,317</b>	<b>32.4%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 2,894,639,726</b>	<b>2,739,361,089</b>	<b>3,132,267,025</b>	<b>392,905,936</b>	<b>14.3%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(2,907,562,040)</b>	<b>(2,757,505,077)</b>	<b>(3,132,267,025)</b>	<b>(374,761,948)</b>	<b>13.6%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (12,922,314)</b>	<b>(18,143,988)</b>	<b>-</b>	<b>18,143,988</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		225,688,277	222,679,861		
Capital Outlay		(133,351,889)	(116,636,681)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(94,009,405)	(97,056,015)		
Budgeted Transfers		-	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>(19,817,005)</b>	<b>8,987,165</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 395,310,699	444,574,011	447,618,003	3,043,992	0.7%
Academic Support	77,978,188	36,387,677	82,839,429	46,451,752	127.7%
Research	143,822,171	122,946,242	152,788,193	29,841,951	24.3%
Public Service	25,340,934	22,023,521	26,920,714	4,897,193	22.2%
Hospitals and Clinics	1,839,745,509	1,662,435,671	1,973,721,902	311,286,231	18.7%
Institutional Support	74,687,552	103,223,949	84,793,966	(18,429,983)	-17.9%
Student Services	9,153,564	12,768,250	9,724,207	(3,044,043)	-23.8%
Operations and Maintenance of Plant	64,414,414	69,840,606	68,430,075	(1,410,531)	-2.0%
Scholarships and Fellowships	12,267,082	14,662,269	13,279,489	(1,382,780)	-9.4%
Auxiliary Enterprises	9,541,107	12,295,047	11,409,961	(885,086)	-7.2%
Depreciation and Amortization	223,628,042	225,688,277	222,679,861	(3,008,416)	-1.3%
<b>Total Operating Expenses</b>	<b>\$ 2,875,889,262</b>	<b>2,726,845,520</b>	<b>3,094,205,800</b>	<b>367,360,280</b>	<b>13.5%</b>

**Operating Budget - Expenditures by Fund  
Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 1,136,143,441	1,300,718,156	164,574,715	14.5%
Designated	1,283,589,653	1,492,003,908	208,414,255	16.2%
Auxiliary	12,759,861	12,749,163	(10,698)	-0.1%
Available University Fund	-	-	-	-
Restricted	195,949,139	215,545,856	19,596,717	10.0%
Unexpended Plant	135,295,901	107,516,148	(27,779,753)	-20.5%
Subtotal - Expenditures (All Funds)	2,763,737,995	3,128,533,231	364,795,236	13.2%
Reconciling Adjustments:				
Tuition Discounting	(4,559,901)	(5,253,371)	(693,470)	15.2%
Depreciation	225,688,277	222,679,861	(3,008,416)	-1.3%
Capital Outlay	(133,351,889)	(116,636,681)	16,715,208	-12.5%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(94,009,405)	(97,056,015)	(3,046,610)	3.2%
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 2,757,505,077</b>	<b>3,132,267,025</b>	<b>374,761,948</b>	<b>13.6%</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, 2024**

**Introduction - Major Goals Addressed by FY 2024 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 2024. 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. The FY 2024 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 BSC is expected to be fully staffed and operational as FY 2024 begins.

U. T. Health Science Center - Houston will have major capital projects in FY 2024 moving from the drawing boards to reality as the University begins 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. 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. In addition, SPH's Austin campus will be moving into a new lease to consolidate sites and will occupy 65,000 square feet which will include \$20.5 million in project costs. The University will also have online three new Magnetic Resonance Imaging scanners installed to enhance research and clinical care.

**Revenue**

The FY 2024 \$2.4 billion revenue budget includes an increase of \$180.0 million, or 8 percent, in total operating and non-operating revenues over the FY 2023 budget. This is driven by MHHS contract increases of approximately \$64.4 million and an additional \$23.3 million in physician practice plan professional fee revenues due to recruitment efforts, increased faculty productivity, and revenue cycle optimization.

The increase in Net Sales and Services of Hospitals is the result of the BSC and increased state support of the new mental health hospital including increased provider rates approved by the Texas Legislature. State appropriations increase of \$23.5 million is primarily the result of additional funding to the Performance Based Research Operations Formula in Senate Bill 30 and House Bill 1. In addition, the Legislature included increased funding for Higher Education Group Insurance.

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 2024 expense budget is projecting a total increase of \$177.1 million or 7.8 percent. 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 2024.

**The University of Texas Health Science Center at Houston**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 72,031,974	78,356,223	74,653,422	(3,702,801)	-4.7%
Less Discounts and Allowances	(1,702,362)	(1,724,149)	(1,761,146)	(36,997)	2.1%
Federal Sponsored Programs	268,780,276	246,443,616	255,671,038	9,227,422	3.7%
State Sponsored Programs	36,953,163	27,566,648	34,234,643	6,667,995	24.2%
Local and Private Sponsored Programs	791,906,039	793,571,202	869,929,322	76,358,120	9.6%
Net Sales and Services of Educational Activities	31,919,939	23,893,085	24,328,936	435,851	1.8%
Net Sales and Services of Hospital and Clinics	122,770,120	133,711,371	165,690,746	31,979,375	23.9%
Net Professional Fees	513,365,124	496,850,097	520,105,812	23,255,715	4.7%
Net Auxiliary Enterprises	32,092,218	31,764,341	32,411,263	646,922	2.0%
Other Operating Revenues	78,275,572	82,095,053	82,985,040	889,987	1.1%
<b>Total Operating Revenues</b>	<b>1,946,392,063</b>	<b>1,912,527,487</b>	<b>2,058,249,076</b>	<b>145,721,589</b>	<b>7.6%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	677,374,932	680,285,752	743,447,152	63,161,400	9.3%
Compensation - Non-Faculty	736,151,371	713,845,563	781,533,258	67,687,695	9.5%
Wages	22,985,252	22,882,003	23,098,919	216,916	0.9%
Benefits	334,081,710	332,929,142	347,441,882	14,512,740	4.4%
Personnel Costs	1,770,593,265	1,749,942,460	1,895,521,211	145,578,751	8.3%
Utilities	14,827,156	16,008,832	16,734,350	725,518	4.5%
Scholarships and Fellowships	11,502,362	12,076,478	13,132,384	1,055,906	8.7%
Less Discounts and Allowances	(1,702,362)	(1,724,149)	(1,761,146)	(36,997)	2.1%
Operations, Maintenance and Travel	410,979,126	421,756,058	455,363,660	33,607,602	8.0%
Less Capitalized Portion and Cap Lease/SBITA	(10,062,204)	(22,693,586)	(34,154,407)	(11,460,821)	50.5%
Depreciation and Amortization	81,856,966	77,406,045	84,959,630	7,553,585	9.8%
<b>Total Operating Expenses</b>	<b>2,277,994,309</b>	<b>2,252,772,138</b>	<b>2,429,795,682</b>	<b>177,023,544</b>	<b>7.9%</b>
<b>Operating Surplus/Deficit</b>	<b>(331,602,246)</b>	<b>(340,244,651)</b>	<b>(371,546,606)</b>	<b>(31,301,955)</b>	<b>9.2%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	225,948,255	225,384,793	248,888,599	23,503,806	10.4%
Federal Sponsored Programs (Nonoperating)	12,419,846	21,924,325	18,562,514	(3,361,811)	-15.3%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	-
Gifts in Support of Operations	22,002,173	17,000,000	18,500,000	1,500,000	8.8%
Net Investment Income	93,967,128	81,288,663	92,435,297	11,146,634	13.7%
Other Non-Operating Revenue	1,732,703	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>356,070,105</b>	<b>345,597,781</b>	<b>378,386,410</b>	<b>32,788,629</b>	<b>9.5%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	-	5,668,853	7,176,856	1,508,003	26.6%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfers for Debt Svc-Interest & Lease/SBITA Int	(7,898,594)	(7,725,150)	(7,842,884)	(117,734)	1.5%
<b>Total Transfers and Other</b>	<b>(7,898,594)</b>	<b>(2,056,297)</b>	<b>(666,028)</b>	<b>1,390,269</b>	<b>-67.6%</b>
<b>Budget Margin (Deficit)</b>	<b>16,569,265</b>	<b>3,296,833</b>	<b>6,173,776</b>	<b>2,876,943</b>	<b>87.3%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	231,879	2,000,000	1,000,000	(1,000,000)	-50.0%
Net Inc./((Dec.) in Fair Value of Investments	23,224,718	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	-	-	-	-	-
Additions to Permanent Endowments	20,555,225	18,000,000	20,000,000	2,000,000	11.1%
Transfers for Debt Service - Principal	(11,157,000)	(12,483,000)	(11,211,000)	1,272,000	-10.2%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	75,453,084	(3,000,000)	(165,000,000)	(162,000,000)	5400.0%
<b>SRECNP Change in Net Position</b>	<b>\$ 124,877,171</b>	<b>7,813,833</b>	<b>(149,037,224)</b>	<b>(156,851,057)</b>	<b>-2007.4%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 2,302,462,168</b>	<b>2,263,794,121</b>	<b>2,443,812,342</b>	<b>180,018,221</b>	<b>8.0%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(2,285,892,903)</b>	<b>(2,260,497,288)</b>	<b>(2,437,638,566)</b>	<b>(177,141,278)</b>	<b>7.8%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 16,569,265</b>	<b>3,296,833</b>	<b>6,173,776</b>	<b>2,876,943</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		77,406,045	84,959,630		
Capital Outlay		(19,492,872)	(22,767,621)		
Trsfers for Debt Svc-Principal & Lease/SBITA Prin		(15,185,594)	(21,976,010)		
Budgeted Transfers		689,000	724,000		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>46,713,412</b>	<b>47,113,775</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 999,212,309	989,761,677	1,080,911,606	91,149,929	9.2%
Academic Support	79,436,343	78,685,027	83,020,455	4,335,428	5.5%
Research	269,630,545	267,080,357	287,833,383	20,753,026	7.8%
Public Service	78,485,415	77,743,093	78,176,256	433,163	0.6%
Hospitals and Clinics	597,067,064	591,419,954	635,532,093	44,112,139	7.5%
Institutional Support	89,817,561	88,968,059	93,471,070	4,503,011	5.1%
Student Services	13,265,674	13,140,206	14,070,127	929,921	7.1%
Operations and Maintenance of Plant	40,456,390	40,073,750	40,984,284	910,534	2.3%
Scholarships and Fellowships	10,451,177	10,352,329	11,371,238	1,018,909	9.8%
Auxiliary Enterprises	18,314,865	18,141,641	19,465,540	1,323,899	7.3%
Depreciation and Amortization	81,856,966	77,406,045	84,959,630	7,553,585	9.8%
Total Operating Expenses	\$ 2,277,994,309	2,252,772,138	2,429,795,682	177,023,544	7.9%

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 368,180,946	419,607,444	51,426,498	14.0%
Designated	1,454,149,861	1,547,789,559	93,639,698	6.4%
Auxiliary	25,429,951	27,119,539	1,689,588	6.6%
Available University Fund	-	-	-	-
Restricted	371,733,100	400,667,171	28,934,071	7.8%
Unexpended Plant	-	4,000,000	4,000,000	-
Subtotal - Expenditures (All Funds)	2,219,493,858	2,399,183,713	179,689,855	8.1%
Reconciling Adjustments:				
Tuition Discounting	(1,724,149)	(1,761,146)	(36,997)	2.1%
Depreciation	77,406,045	84,959,630	7,553,585	9.8%
Capital Outlay	(19,492,872)	(22,767,621)	(3,274,749)	16.8%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(15,185,594)	(21,976,010)	(6,790,416)	44.7%
Total Expenses (Including Transfers for Interest)	\$ 2,260,497,288	2,437,638,566	177,141,278	7.8%

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, 2024**

**Introduction - Major Goals Addressed by FY 2024 Budget**

The FY 2024 operating budget of The University of Texas Health Science Center at San Antonio includes strategic investments that support the Institution's strategic priorities of expanding the clinical enterprise, growing research, sustaining academic and operational excellence, and continued hospital planning and construction efforts. 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 fourth year of the ten-year strategic plan of investment in the Institution.

Growing the existing outpatient clinical practices through targeted expansion efforts are key to executing the goals of extending the primary care network, creating increased capacity and access for the community, broadening geographic reach, furthering new hospital construction, and developing distinguished programs. Construction on a medical office building in one of the fastest growing areas of the city is nearing completion. This primary and specialty care facility which includes an ambulatory surgical center is scheduled to open in March 2024. Recruitment planning efforts are underway for this 108,000 square foot, five-story facility that will provide increased access to quality care and serve as a portal to the new hospital. The School of Dentistry practice, recognized as the number one dental practice in San Antonio in 2023, has recovered patient volumes to pre-COVID-19 pandemic levels and is investing in new clinical programs and expanding care to vulnerable and underserved populations. Significant investments in renovations, equipment, and operations are planned to continue to grow the dental practice. The School of Nursing clinical practice continues to provide health and counseling care to the student populations at The University of Texas at San Antonio and the Alamo Colleges District and plans to expand services to include health care, wellness, and occupational health services to its employees.

The 144-bed UT Health Multi-Specialty and Research Hospital is scheduled to open in December 2024. Extensive planning, investment, and resources have been allocated to ensure an efficient, patient-centric, superb quality inpatient venue. Patient volumes in targeted areas are essential to ensure the success of the hospital and the ambulatory expansion plan has been designed to support the needed growth. The executive leadership team has been hired and will work with stakeholders to engineer and integrate the operations of numerous essential functions. Workforce planning efforts for the opening are in process, with much of the recruitment for clinical staff and providers anticipated to occur in the last half of FY 2024.

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. Infrastructure investments in this enterprise include the \$100 million Center for Brain Health serving as the home of the Biggs Institute for Alzheimer's and Neurodegenerative Diseases, a central energy plant, and expansion of the existing vivarium to support growing research. All projects are in construction and expected to be operational during 2024 and early 2025. Plans are underway to build a new research building to accommodate new scientists and their teams in complementary disciplines to the cancer research conducted throughout the campus. On the main campus, 40,000 square feet of sub-standard lab space is being renovated to consolidate and repurpose existing space for research activities and accommodate new recruits. Investments to support research activities on the main campus are also planned for Lab Animal Resources through a five-year capital plan to renovate an additional 30,000 square feet of space.

With the founding dean now in place, the collaborative University of Texas School of Public Health San Antonio has begun establishing governance and operational framework and designing curriculum for the Master of Public Health degree. Recruitment of four inaugural department chairs and faculty will begin in late 2023 with the first students admitted to the program in fall 2024.

**Revenue**

The FY 2024 \$1.39 billion revenue budget includes a net increase of \$188.1 million (15.5 percent) in total operating and non-operating revenues. Sponsored program revenue grew overall by \$125.6 million (27.2 percent) primarily due to an increase in federal opioid grants (\$45.4 million), clinical contracts (\$30 million), and other federally sponsored research in the School of Medicine (\$15 million). Adjusting for clinical activity reporting changes, fee for service revenues within the practice plans are expected to increase by \$20 million due to volume growth. Other operating revenues include \$7.1 million in local support for the new School of Public Health.

**Expenses**

Budgeted expenses and transfers for interest expense for FY 2024 total \$1.46 billion, a net increase of approximately \$228.5 million (18.6 percent). Salaries and associated benefits account for the largest area of expenditure growth (nearly \$120 million) with faculty and staff recruitments needed to support both clinical and research growth, and as faculty and staff retention and development needs remains a priority in an increasingly competitive and costly labor market. Operational expenses increased by \$80.8 million (28.5 percent) in support of the clinical expansion and hospital planning efforts, and from the growth in sponsored research activities.

**The University of Texas Health Science Center at San Antonio**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 60,011,123	58,903,549	63,055,781	4,152,232	7.0%
Less Discounts and Allowances	(3,476,785)	(1,800,000)	(1,746,574)	53,426	-3.0%
Federal Sponsored Programs	227,332,496	163,527,136	235,360,677	71,833,541	43.9%
State Sponsored Programs	22,048,997	35,445,304	26,924,096	(8,521,208)	-24.0%
Local and Private Sponsored Programs	291,358,484	260,837,845	323,098,819	62,260,974	23.9%
Net Sales and Services of Educational Activities	21,785,417	37,321,060	21,692,007	(15,629,053)	-41.9%
Net Sales and Services of Hospital and Clinics	-	-	-	-	-
Net Professional Fees	377,525,154	395,220,511	380,072,813	(15,147,698)	-3.8%
Net Auxiliary Enterprises	4,657,130	6,817,769	9,506,018	2,688,249	39.4%
Other Operating Revenues	39,233,734	13,630,583	48,824,162	35,193,579	258.2%
<b>Total Operating Revenues</b>	<b>1,040,475,750</b>	<b>969,903,757</b>	<b>1,106,787,799</b>	<b>136,884,042</b>	<b>14.1%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	372,468,741	364,687,750	408,948,431	44,260,681	12.1%
Compensation - Non-Faculty	288,431,032	280,520,452	335,639,657	55,119,205	19.6%
Wages	6,696,800	10,510,951	10,248,021	(262,930)	-2.5%
Benefits	176,844,763	180,636,596	201,276,677	20,640,081	11.4%
Personnel Costs	844,441,336	836,355,749	956,112,786	119,757,037	14.3%
Utilities	20,835,557	18,813,053	20,902,906	2,089,853	11.1%
Scholarships and Fellowships	16,016,562	14,663,420	15,845,572	1,182,152	8.1%
Less Discounts and Allowances	(3,476,785)	(1,800,000)	(1,746,574)	53,426	-3.0%
Operations, Maintenance and Travel	371,167,631	307,204,794	399,705,801	92,501,007	30.1%
Less Capitalized Portion and Cap Lease/SBITA	(32,256,535)	(23,584,689)	(25,680,663)	(2,095,974)	8.9%
Depreciation and Amortization	70,798,720	69,781,664	74,839,929	5,058,265	7.2%
<b>Total Operating Expenses</b>	<b>1,287,526,486</b>	<b>1,221,433,991</b>	<b>1,439,979,757</b>	<b>218,545,766</b>	<b>17.9%</b>
<b>Operating Surplus/Deficit</b>	<b>(247,050,736)</b>	<b>(251,530,234)</b>	<b>(333,191,958)</b>	<b>(81,661,724)</b>	<b>32.5%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	175,230,266	172,594,399	188,392,310	15,797,911	9.2%
Federal Sponsored Programs (Nonoperating)	1,250,000	1,250,000	1,250,000	-	0.0%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	-
Gifts in Support of Operations	8,248,273	9,689,163	7,607,496	(2,081,667)	-21.5%
Net Investment Income	54,298,776	51,999,398	58,726,967	6,727,569	12.9%
Other Non-Operating Revenue	-	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>239,027,315</b>	<b>235,532,960</b>	<b>255,976,773</b>	<b>20,443,813</b>	<b>8.7%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	5,359,412	5,210,874	36,031,692	30,820,818	591.5%
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(8,394,809)	(7,218,884)	(17,216,196)	(9,997,312)	138.5%
<b>Total Transfers and Other</b>	<b>(3,035,397)</b>	<b>(2,008,010)</b>	<b>18,815,496</b>	<b>20,823,506</b>	<b>-1037.0%</b>
<b>Budget Margin (Deficit)</b>	<b>(11,058,818)</b>	<b>(18,005,284)</b>	<b>(58,399,689)</b>	<b>(40,394,405)</b>	<b>224.3%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./((Dec.) in Fair Value of Investments	-	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	5,000,000	5,000,000	5,000,000	-	0.0%
Additions to Permanent Endowments	10,000,000	10,000,000	15,000,000	5,000,000	50.0%
Transfers for Debt Service - Principal	(14,424,836)	(9,660,000)	(14,473,000)	(4,813,000)	49.8%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	10,000,000	10,000,000	10,000,000	-	0.0%
<b>SRECNP Change in Net Position</b>	<b>\$ (483,654)</b>	<b>(2,665,284)</b>	<b>(42,872,689)</b>	<b>(40,207,405)</b>	<b>1508.6%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 1,284,862,477</b>	<b>1,210,647,591</b>	<b>1,398,796,264</b>	<b>188,148,673</b>	<b>15.5%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(1,295,921,295)</b>	<b>(1,228,652,875)</b>	<b>(1,457,195,953)</b>	<b>(228,543,078)</b>	<b>18.6%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ (11,058,818)</b>	<b>(18,005,284)</b>	<b>(58,399,689)</b>	<b>(40,394,405)</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		69,781,664	74,839,929		
Capital Outlay		(18,738,253)	(19,399,575)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(14,424,836)	(20,249,276)		
Budgeted Transfers		(870,797)	201,605		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>17,742,494</b>	<b>(23,007,006)</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 452,751,636	427,577,159	450,420,196	22,843,037	5.3%
Academic Support	60,207,614	56,859,873	68,629,583	11,769,710	20.7%
Research	199,601,619	188,503,114	235,205,210	46,702,096	24.8%
Public Service	75,287,705	71,101,462	113,247,259	42,145,797	59.3%
Hospitals and Clinics	282,281,873	266,586,074	334,260,375	67,674,301	25.4%
Institutional Support	75,461,963	71,266,030	81,687,330	10,421,300	14.6%
Student Services	2,793,210	2,637,898	2,967,678	329,780	12.5%
Operations and Maintenance of Plant	52,737,711	49,805,321	57,492,214	7,686,893	15.4%
Scholarships and Fellowships	9,053,320	8,549,926	9,140,355	590,429	6.9%
Auxiliary Enterprises	6,551,115	8,765,470	12,089,628	3,324,158	37.9%
Depreciation and Amortization	70,798,720	69,781,664	74,839,929	5,058,265	7.2%
<b>Total Operating Expenses</b>	<b>\$ 1,287,526,486</b>	<b>1,221,433,991</b>	<b>1,439,979,757</b>	<b>218,545,766</b>	<b>17.9%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 232,658,829	280,063,521	47,404,692	20.4%
Designated	725,619,410	870,132,927	144,513,517	19.9%
Auxiliary	9,586,254	13,560,070	3,973,816	41.5%
Available University Fund	-	-	-	-
Restricted	221,969,807	255,994,931	34,025,124	15.3%
Unexpended Plant	4,000,000	4,000,000	-	0.0%
Subtotal - Expenditures (All Funds)	1,193,834,300	1,423,751,449	229,917,149	19.3%
Reconciling Adjustments:				
Tuition Discounting	(1,800,000)	(1,746,574)	53,426	-3.0%
Depreciation	69,781,664	74,839,929	5,058,265	7.2%
Capital Outlay	(18,738,253)	(19,399,575)	(661,322)	3.5%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(14,424,836)	(20,249,276)	(5,824,440)	40.4%
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 1,228,652,875</b>	<b>1,457,195,953</b>	<b>228,543,078</b>	<b>18.6%</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, 2024**

**Introduction - Major Goals Addressed by FY 2024 Budget**

The FY 2024 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*, financial and long-term capital plan, and a comprehensive philanthropic campaign. Efforts are anchored around three strategic themes of Reach, Breakthroughs, and Value which encompass 23 strategic decisions. Two cohorts of decisions have been prioritized over the last two years and will continue to receive focus in FY 2024. Areas of focus include:

**Reach** – Efforts include redefining MD Anderson Cancer Center Network® into a single national partnership model that enables access to high quality clinical care and trials across the country; strengthening international relationships with governments and non-governmental organizations; creating a best-in-class inbound international patient program, expanding the geographic footprint in Texas and expanding U. T. M. D. Anderson Cancer Center’s virtual presence. The FY 2024 budget also includes facility expansions that will increase capacity and ability to serve more patients (Life Science Plaza, Northwest Houston Surgical and Specialty Care Center, and Proton Therapy Center II).

**Breakthroughs** – The Institution remains focused on investing in research excellence, talent and the academic mission, and driving innovative education and training programs. Efforts continue to expand clinical trials to serve more patients, including in service to a broader segment of the Texas population. U. T. M. D. Anderson Cancer Center will continue to foster meaningful research collaborations with both academic entities and private industry to further the impact of science. To build a world-class data science program, the Institute for Data Science in Oncology continues to plan for growth with an official launch scheduled for the fall of FY 2024.

**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 taking steps to better understand and optimize the cost of care by utilizing national cost, quality, and market performance data while maintaining the five-star Vizion rating.

In addition, the Institution will focus on two critical management systems to ensure successful strategy execution. Change management will support people in managing the execution of multiple initiatives, and continuous financial performance improvement will ensure financial sustainability and ability to contribute to the long-term capital plan amid nationwide economic headwinds.

The FY 2024 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. Budget includes new clinical activity at Life Science Plaza, Northwest Houston Surgical and Specialty Care Center and Proton Therapy Center II 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 2024 budget financial guiding principle is to manage expenses with smart growth and stewardship. This includes FTE 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 opportunities to reduce the growth rate of non-personnel costs.

**Revenue**

FY 2024 operating revenue is projected to increase by \$702 million or 11.0 percent over levels budgeted for FY 2023. This increase is driven by \$42 million in sponsored programs and \$656 million increase in revenue for the hospital and faculty practice plan due to service line increased volumes and growth plans. Productivity continues to gradually increase and includes charge master increases based on latest market and Consumer Price Index data. FY 2024 budget includes an increase of \$53 million in nonoperating revenues.

**Expenses**

FY 2024 operating expenses are expected to increase by \$687 million or 11.0 percent over levels budgeted for FY 2023. This includes the FY 2023 projected growth in expenditures of \$100 million over the amount budgeted to support increased hospital revenues. Budget includes a \$271 million increase to medical and drug supplies, 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 an increase to the living wage from \$15 to \$17 per hour.

**The University of Texas M. D. Anderson Cancer Center**  
**Operating Budget**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Revenues:</b>					
Tuition and Fees	\$ 2,056,706	1,981,910	2,112,733	130,823	6.6%
Less Discounts and Allowances	(10,000)	(10,000)	(10,000)	-	0.0%
Federal Sponsored Programs	275,317,195	271,937,640	291,836,227	19,898,587	7.3%
State Sponsored Programs	41,814,632	40,361,091	44,323,509	3,962,418	9.8%
Local and Private Sponsored Programs	250,724,012	250,403,864	269,004,586	18,600,722	7.4%
Net Sales and Services of Educational Activities	1,865,337	1,500,000	2,000,000	500,000	33.3%
Net Sales and Services of Hospital and Clinics	5,321,149,468	5,202,038,171	5,842,507,166	640,468,995	12.3%
Net Professional Fees	460,149,344	465,908,164	481,647,313	15,739,149	3.4%
Net Auxiliary Enterprises	37,262,445	36,891,131	39,125,568	2,234,437	6.1%
Other Operating Revenues	119,839,290	125,000,000	125,000,000	-	0.0%
<b>Total Operating Revenues</b>	<b>6,510,168,429</b>	<b>6,396,011,971</b>	<b>7,097,547,102</b>	<b>701,535,131</b>	<b>11.0%</b>
<b>Operating Expenses:</b>					
Compensation - Faculty	897,634,485	895,620,544	967,465,516	71,844,972	8.0%
Compensation - Non-Faculty	1,756,801,864	1,718,807,336	1,872,750,787	153,943,451	9.0%
Wages	67,186,714	54,190,899	70,270,770	16,079,871	29.7%
Benefits	659,100,932	646,024,158	731,551,432	85,527,274	13.2%
Personnel Costs	3,380,723,995	3,314,642,937	3,642,038,505	327,395,568	9.9%
Utilities	48,672,843	47,963,382	52,101,723	4,138,341	8.6%
Scholarships and Fellowships	3,620,488	4,339,133	3,657,692	(681,441)	-15.7%
Less Discounts and Allowances	(10,000)	(10,000)	(10,000)	-	0.0%
Operations, Maintenance and Travel	2,988,996,301	3,506,121,407	4,061,591,505	555,470,098	15.8%
Less Capitalized Portion and Cap Lease/SBITA	(408,737,828)	(972,330,315)	(1,170,479,289)	(198,148,974)	20.4%
Depreciation and Amortization	354,902,630	367,365,197	366,446,966	(918,231)	-0.2%
<b>Total Operating Expenses</b>	<b>6,368,168,429</b>	<b>6,268,091,741</b>	<b>6,955,347,102</b>	<b>687,255,361</b>	<b>11.0%</b>
<b>Operating Surplus/Deficit</b>	<b>142,000,000</b>	<b>127,920,230</b>	<b>142,200,000</b>	<b>14,279,770</b>	<b>11.2%</b>
<b>Budgeted Nonoperating Revenues (Expenses):</b>					
State Appropriations	209,942,189	209,789,133	223,008,321	13,219,188	6.3%
Federal Sponsored Programs (Nonoperating)	4,911,182	600,000	1,474,147	874,147	145.7%
State/Local Sponsored Programs (Nonoperating)	-	-	-	-	-
Gifts in Support of Operations	129,346,491	125,000,000	133,226,886	8,226,886	6.6%
Net Investment Income	382,341,475	370,000,000	400,801,843	30,801,843	8.3%
Other Non-Operating Revenue	-	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-	-
<b>Net Non-Operating Revenue/(Expenses)</b>	<b>726,541,337</b>	<b>705,389,133</b>	<b>758,511,197</b>	<b>53,122,064</b>	<b>7.5%</b>
<b>Transfers and Other:</b>					
AUF/Approp Transfers Received for Operations	-	-	-	-	-
AUF Transfers (Made) for Operations	-	-	-	-	-
Trsfrs for Debt Svc-Interest & Lease/SBITA Int	(32,791,487)	(31,872,383)	(29,216,195)	2,656,188	-8.3%
<b>Total Transfers and Other</b>	<b>(32,791,487)</b>	<b>(31,872,383)</b>	<b>(29,216,195)</b>	<b>2,656,188</b>	<b>-8.3%</b>
<b>Budget Margin (Deficit)</b>	<b>835,749,850</b>	<b>801,436,980</b>	<b>871,495,002</b>	<b>70,058,022</b>	<b>8.7%</b>
<b>Reconciliation to Change in Net Position:</b>					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./Dec. in Fair Value of Investments	-	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	18,024	30,792	38,738	7,946	25.8%
Additions to Permanent Endowments	10,884,932	9,533,828	19,305,649	9,771,821	102.5%
Transfers for Debt Service - Principal	(180,223,000)	(100,510,000)	(40,885,000)	59,625,000	-59.3%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	52,097,371	20,063,868	32,583,876	12,520,008	62.4%
<b>SRECNP Change in Net Position</b>	<b>\$ 718,527,177</b>	<b>730,555,468</b>	<b>882,538,265</b>	<b>151,982,797</b>	<b>20.8%</b>
<b>Total Revenues and AUF/Approp Transfers</b>	<b>\$ 7,236,709,766</b>	<b>7,101,401,104</b>	<b>7,856,058,299</b>	<b>754,657,195</b>	<b>10.6%</b>
<b>Total Expenses (Including Transfers for Interest)</b>	<b>(6,400,959,916)</b>	<b>(6,299,964,124)</b>	<b>(6,984,563,297)</b>	<b>(684,599,173)</b>	<b>10.9%</b>
<b>Budget Margin (Deficit)</b>	<b>\$ 835,749,850</b>	<b>801,436,980</b>	<b>871,495,002</b>	<b>70,058,022</b>	
<b>Reconciliation to Use of Prior Year Balances</b>					
Depreciation		367,365,197	366,446,966		
Capital Outlay		(942,000,000)	(1,115,000,000)		
Trsfrs for Debt Svc-Principal & Lease/SBITA Prin		(128,807,138)	(92,645,264)		
Budgeted Transfers		-	-		
<b>Net Additions to (Uses of) Prior Year Balances</b>		<b>97,995,039</b>	<b>30,296,704</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, 2024**

	FY 2023 Projected	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
				Increases (Decreases) From 2023 to 2024	
				Amount	Percent
<b>Operating Expenses:</b>					
Instruction	\$ 92,988,021	108,439,806	100,298,520	(8,141,286)	-7.5%
Academic Support	184,837,236	209,937,409	199,574,207	(10,363,202)	-4.9%
Research	978,426,114	952,206,841	1,039,928,569	87,721,728	9.2%
Public Service	24,200,043	23,946,084	25,820,153	1,874,069	7.8%
Hospitals and Clinics	4,253,170,669	4,160,383,143	4,703,728,102	543,344,959	13.1%
Institutional Support	205,784,685	184,820,941	221,561,209	36,740,268	19.9%
Student Services	2,564,767	1,736,293	2,739,036	1,002,743	57.8%
Operations and Maintenance of Plant	246,165,829	232,794,780	265,846,235	33,051,455	14.2%
Scholarships and Fellowships	3,544,497	3,540,056	3,747,749	207,693	5.9%
Auxiliary Enterprises	21,583,938	22,921,191	25,656,356	2,735,165	11.9%
Depreciation and Amortization	354,902,630	367,365,197	366,446,966	(918,231)	-0.2%
<b>Total Operating Expenses</b>	<b>\$ 6,368,168,429</b>	<b>6,268,091,741</b>	<b>6,955,347,102</b>	<b>687,255,361</b>	<b>11.0%</b>

**Operating Budget - Expenditures by Fund**  
**Fiscal Year Ending August 31, 2024**

	FY 2023 Adjusted Budget	FY 2024 Operating Budget	Budget	
			Increases (Decreases) From 2023 to 2024	
			Amount	Percent
Educational and General	\$ 4,635,510,687	5,149,565,546	514,054,859	11.1%
Designated	800,120,194	879,376,471	79,256,277	9.9%
Auxiliary	31,089,908	35,014,640	3,924,732	12.6%
Available University Fund	-	-	-	-
Restricted	594,695,276	646,814,938	52,119,662	8.8%
Unexpended Plant	942,000,000	1,115,000,000	173,000,000	18.4%
Subtotal - Expenditures (All Funds)	7,003,416,065	7,825,771,595	822,355,530	11.7%
Reconciling Adjustments:				
Tuition Discounting	(10,000)	(10,000)	-	0.0%
Depreciation	367,365,197	366,446,966	(918,231)	-0.2%
Capital Outlay	(942,000,000)	(1,115,000,000)	(173,000,000)	18.4%
Trsfers for Debt Svc-Principal & Lease/SBITA Prin	(128,807,138)	(92,645,264)	36,161,874	-28.1%
<b>Total Expenses (Including Transfers for Interest)</b>	<b>\$ 6,299,964,124</b>	<b>6,984,563,297</b>	<b>684,599,173</b>	<b>10.9%</b>

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



## The University of Texas System

Fiscal Year 2024

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

#### Summary

	PUF Allocation				Total
	Library Books and/or Materials	Capital Equipment	Repair and/or Rehabilitation	Faculty STARs Program	
<b>Academic Institutions</b>					
The University of Texas at Arlington	\$ -	2,277,626	-	-	2,277,626
The University of Texas at Austin	-	3,109,246	-	-	3,109,246
The University of Texas at Dallas	-	700,000	1,559,203	-	2,259,203
The University of Texas at El Paso	-	1,000,000	1,109,793	-	2,109,793
The University of Texas Permian Basin	147,000	622,008	1,087,223	-	1,856,231
The University of Texas Rio Grande Valley	-	-	2,198,712	-	2,198,712
The University of Texas at San Antonio	-	-	2,215,118	-	2,215,118
Stephen F. Austin State University	-	4,200,000	-	-	4,200,000
The University of Texas at Tyler	-	-	1,974,071	-	1,974,071
<b>Subtotal Academic Institutions</b>	<b>147,000</b>	<b>11,908,880</b>	<b>10,144,120</b>	<b>-</b>	<b>22,200,000</b>
<b>Health Institutions</b>					
The University of Texas Southwestern Medical Center	-	-	2,400,000	-	2,400,000
The University of Texas Medical Branch at Galveston	1,200,000	-	1,200,000	-	2,400,000
The University of Texas Health Science Center at Houston	-	500,000	1,900,000	-	2,400,000
The University of Texas Health Science Center at San Antonio	1,100,000	600,000	700,000	-	2,400,000
The University of Texas M. D. Anderson Cancer Center	-	900,000	1,500,000	-	2,400,000
<b>Subtotal Health Institutions</b>	<b>2,300,000</b>	<b>2,000,000</b>	<b>7,700,000</b>	<b>-</b>	<b>12,000,000</b>
<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
Faculty STARs Program - Academic Institutions*	-	-	-	18,300,000	18,300,000
Faculty STARs Program - Health Institutions	-	-	-	17,500,000	17,500,000
<b>Subtotal System Administration</b>	<b>5,000,000</b>	<b>2,000,000</b>	<b>-</b>	<b>35,800,000</b>	<b>42,800,000</b>
<b>Grand Total</b>	<b>\$ 7,447,000</b>	<b>15,908,880</b>	<b>17,844,120</b>	<b>35,800,000</b>	<b>77,000,000</b>

\* Includes \$0.8 million for Stephen F. Austin State University - Year 1 of 4 pledged by U. T. System

The University of Texas System

Fiscal Year 2024

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

INSTITUTION/NAME OF PROJECT	Library Books and/or Materials	Capital Equipment	Repair and/or Rehabilitation	Faculty STARs	Total ALLOCATION
	PUF ALLOCATION	PUF ALLOCATION	PUF ALLOCATION	PUF ALLOCATION	
<b>ACADEMIC INSTITUTIONS</b>					
<b>The University of Texas at Arlington</b>					
Classroom Technology Modernization		2,277,626			2,277,626
TOTAL	-	2,277,626	-	-	2,277,626
<b>The University of Texas at Austin</b>					
Libraries Digital Infrastructure		500,000			500,000
Information Technology System Infrastructure Repair and Refresh		2,609,246			2,609,246
TOTAL	-	3,109,246	-	-	3,109,246
<b>The University of Texas at Dallas</b>					
Academic Affairs Science and Engineering Laboratory Equipment		700,000			700,000
Academic Building Renovations for Public Restrooms Phase V			350,000		350,000
Heating, Ventilation, and Air Conditioning Upgrades Various Buildings Phase IV			500,000		500,000
Electrical Upgrades Various Buildings Phase V			350,000		350,000
Roofs and Building Envelope Various Buildings Phase II			359,203		359,203
TOTAL	-	700,000	1,559,203	-	2,259,203
<b>The University of Texas at El Paso</b>					
Research and Technology Infrastructure for New Faculty		1,000,000			1,000,000
Fire Alarm Panel Upgrade			515,000		515,000
Classroom Renovations			594,793		594,793
TOTAL	-	1,000,000	1,109,793	-	2,109,793
<b>The University of Texas Permian Basin</b>					
Replacement of the Center for Energy and Economic Diversification Roof Contingency			852,223		852,223
Fire and Life Safety			90,000		90,000
Thermal Plant Variable Frequency Drive and Chilled Water Pump #3 Replacement			145,000		145,000
Library Education Diagnostic Assessment Materials	147,000				147,000
Police Dispatch Station Equipment Rebuild		550,000			550,000
Police Department Handgun Upgrade		24,620			24,620
Police Department Radar		15,488			15,488
Central Receiving and Mail Services Equipment		6,900			6,900
Welcome Center Golf Carts		25,000			25,000
TOTAL	147,000	622,008	1,087,223	-	1,856,231
<b>The University of Texas Rio Grande Valley</b>					
Heating, Ventilation, and Air Conditioning System Upgrades and Replacements			2,198,712		2,198,712
TOTAL	-	-	2,198,712	-	2,198,712
<b>The University of Texas at San Antonio</b>					
Classroom Upgrades and Renovations			2,215,118		2,215,118
TOTAL	-	-	2,215,118	-	2,215,118
<b>Stephen F. Austin State University</b>					
Classroom Upgrades including Equipment for Traditional and Online Instruction		1,590,353			1,590,353
Information Technology and System Network, Equipment and Infrastructure		1,115,000			1,115,000
Annual Computer Replacement		950,000			950,000
Academic and Student Support Capital Enhancements and Library Materials		267,347			267,347
Campus Van Fleet Replacement		277,300			277,300
TOTAL	-	4,200,000	-	-	4,200,000
<b>The University of Texas at Tyler</b>					
Classroom and Laboratory Facility Improvements			987,036		987,036
Academic and Research Renovations			987,035		987,035
TOTAL	-	-	1,974,071	-	1,974,071
<b>SUBTOTAL - ACADEMIC INSTITUTIONS</b>	<b>147,000</b>	<b>11,908,880</b>	<b>10,144,120</b>	<b>-</b>	<b>22,200,000</b>



The University of Texas System

Fiscal Year 2024

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

INSTITUTION/NAME OF PROJECT	Library Books and/or Materials	Capital Equipment	Repair and/or Rehabilitation	Faculty STARs	Total ALLOCATION
	PUF ALLOCATION	PUF ALLOCATION	PUF ALLOCATION	PUF ALLOCATION	
<b>HEALTH INSTITUTIONS</b>					
<b>The University of Texas Southwestern Medical Center</b>					
South Campus Research Laboratory Renovations			2,400,000		2,400,000
TOTAL	-	-	2,400,000	-	2,400,000
<b>The University of Texas Medical Branch at Galveston</b>					
Perpetual Information and Educational Resources	1,200,000				1,200,000
Fire Sprinkler System for School of Allied Health Professions and Nursing			1,200,000		1,200,000
TOTAL	1,200,000	-	1,200,000	-	2,400,000
<b>The University of Texas Health Science Center at Houston</b>					
Upper Critical Temperature Data Center Upgrades		500,000			500,000
Campus Security Upgrades			1,000,000		1,000,000
School of Nursing Auditorium and Classroom Refresh			500,000		500,000
Campus Fire Alarm Upgrades and Networking			400,000		400,000
TOTAL	-	500,000	1,900,000	-	2,400,000
<b>The University of Texas Health Science Center at San Antonio</b>					
Perpetual Digital Journals and Databases	1,100,000				1,100,000
Laboratory Animal Research Facility Renovation (Year 2 of 5 Year Plan)			700,000		700,000
Technology Refresh and Expansion		600,000			600,000
TOTAL	1,100,000	600,000	700,000	-	2,400,000
<b>The University of Texas M. D. Anderson Cancer Center</b>					
Building Automation Systems Migration - Administration			1,500,000		1,500,000
Papillary Thyroid Carcinoma Type 1 Building Automation Systems Upgrade		900,000			900,000
TOTAL	-	900,000	1,500,000	-	2,400,000
<b>SUBTOTAL - HEALTH INSTITUTIONS</b>	<b>2,300,000</b>	<b>2,000,000</b>	<b>7,700,000</b>	<b>-</b>	<b>12,000,000</b>
<b>SYSTEM ADMINISTRATION</b>					
<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
Faculty STARs Program - Academic Institutions*				18,300,000	18,300,000
Faculty STARs Program - Health Institutions				17,500,000	17,500,000
TOTAL	5,000,000	2,000,000	-	35,800,000	42,800,000
<b>SUBTOTAL - U. T. SYSTEM ADMINISTRATION</b>	<b>5,000,000</b>	<b>2,000,000</b>	<b>-</b>	<b>35,800,000</b>	<b>42,800,000</b>
<b>TOTAL - U. T. SYSTEM</b>	<b>7,447,000</b>	<b>15,908,880</b>	<b>17,844,120</b>	<b>35,800,000</b>	<b>77,000,000</b>

\* Includes \$0.8 million for Stephen F. Austin State University - Year 1 of 4 pledged by U. T. System

## 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 2022</b>	<b>FY 2023</b>	<b>Proposed FY 2024</b>
<b>Academic Institutions</b>	\$279,450,000	\$ 17,500,000	*\$ 18,300,000
<b>Health Institutions</b>	\$279,550,000	\$ 17,500,000	\$ 17,500,000
<b>TOTAL</b>	<b>\$511,000,000</b>	<b>\$ 35,000,000</b>	<b>\$ 35,800,000</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.

\*U. T. System pledged \$800,000 of STARS funding annually to Stephen F. Austin State University for FY 2024 – 2027 as part of the transition package to becoming an institution of The University of Texas System.

# THE UNIVERSITY OF TEXAS SYSTEM

## OPERATING BUDGET RULES AND PROCEDURES

For Fiscal Year Ending August 31, 2024

### 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 through 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, 20203).
  - e. New contracts or contract changes involving athletic directors or head 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, 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, 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, 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.
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. Reallocation of unallocated Faculty Salaries. All unfilled and uncommitted line-item faculty salary positions will lapse to the institutional "Unallocated Faculty Salaries" account.
  - e. Reappropriation of Prior Year Educational and General Fund Balances, subject to the thresholds established in B.5 below.
  - f. Promotions involving tenured faculty.
  - g. New honorary title appointments as Dean Emeritus, Chair Emeritus, Professor Emeritus, and similar honorary designations (Regents' Rule 31001).
  - h. 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.
  - i. 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."
  - j. Summer Session Budgets.

- k. 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 on 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 and B.3e – Less than \$5,000,000 (approval by president)
  - 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 on 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 and B.3e – Less than \$2,500,000 (approval by 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 on 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 and B.3e – Less than \$500,000 (approval by 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 on 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 indicated as "MSRDP Funds," "DSRDP Funds," "PRS Funds," "FSRDP Funds," "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 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.
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, 2024

### 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, 2024

### 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, 2024

### 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

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.
  - a. Substitute Library or Equipment purchases in excess of \$1 million that are not on the approved list.
  - b. Substitute Repair and Rehabilitation projects in excess of \$1 million that are not on the approved list.

2. Items requiring approval of U. T. System Administration (no Consent Agenda approval required)
  - a. Substitute Library or Equipment purchases of \$1 million or less that are not on the approved list.
  - b. Substitute Repair and Rehabilitation projects of \$1 million or less that are 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 on campus or the appropriation will lapse and be made available for future Systemwide reallocation.
3. U. T. System academic 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, 2024

### 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.

### **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. A 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 academic 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.