

The University of Texas System Fiscal Year 2019 Operating Budget Chancellor *ad interim* Larry Faulkner

U. T. System Board of Regents' Meeting
August 2018



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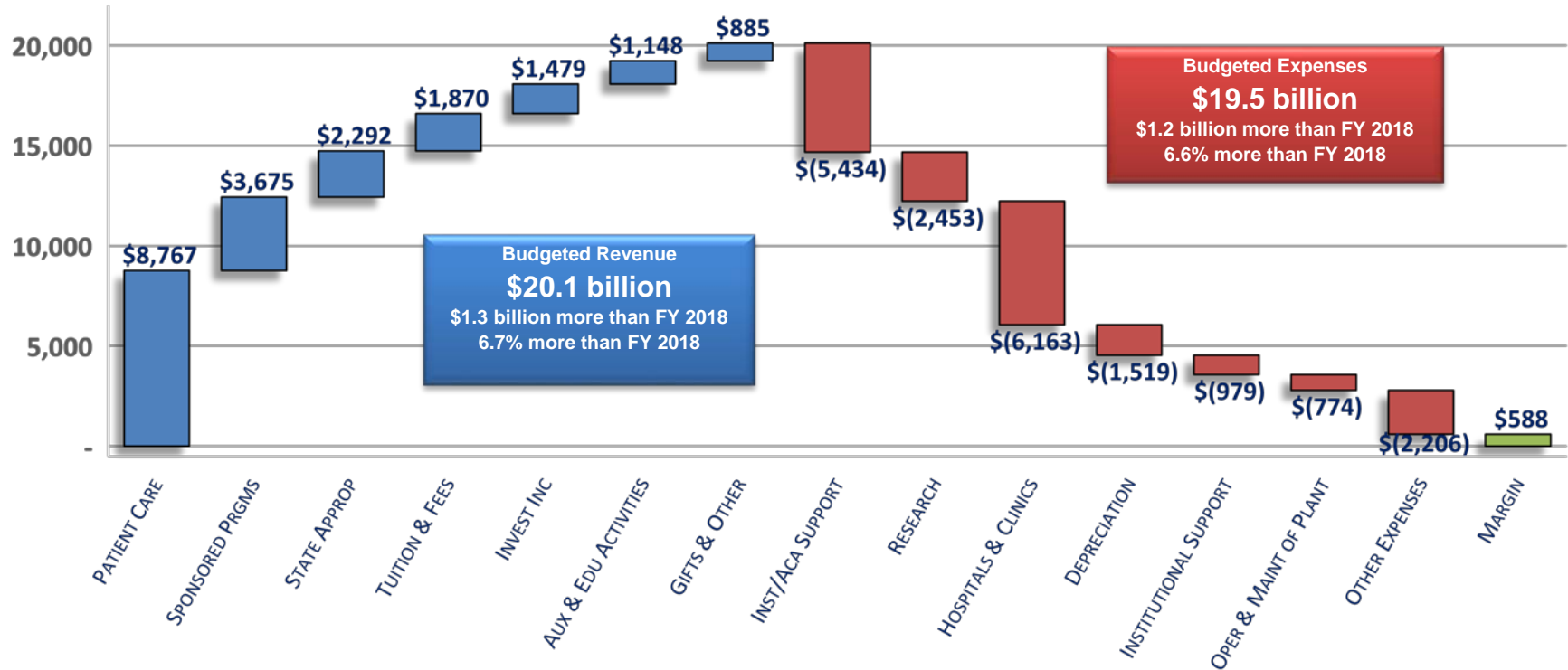
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Introduction

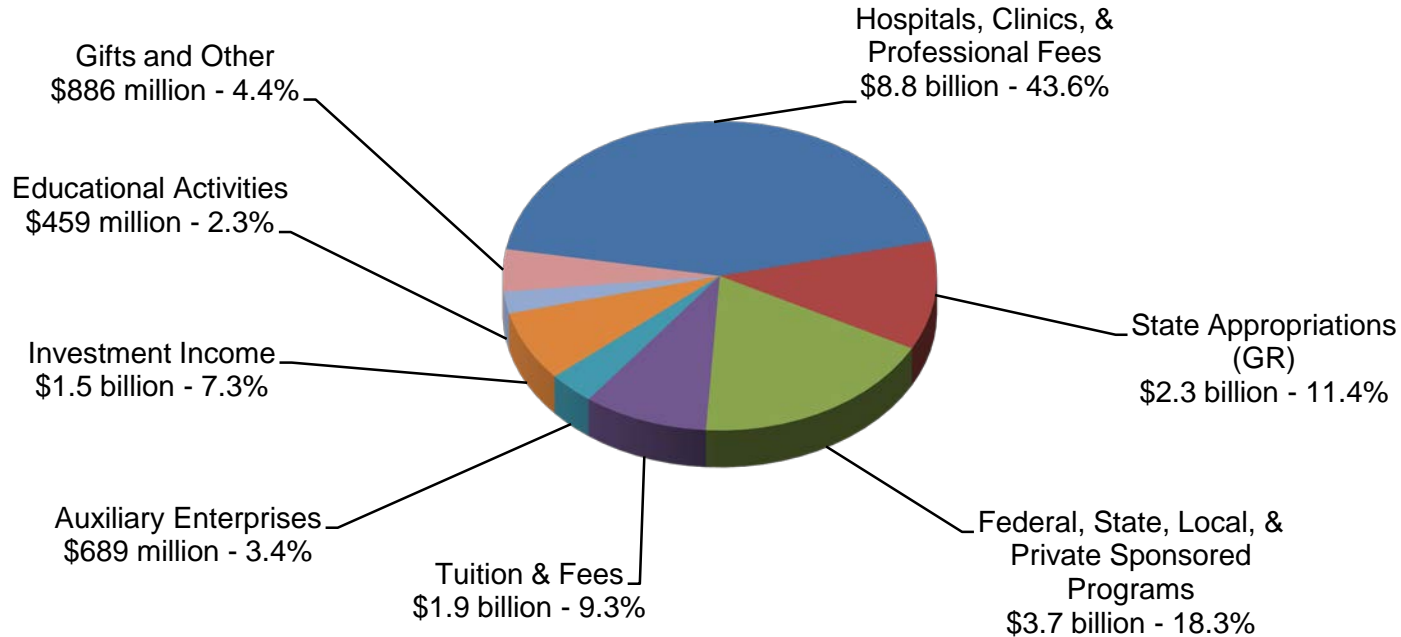
- Size, scale, and diversity of the U. T. System exceed all other higher education systems in the state.
- The Fiscal Year 2019 Budget...
 - Serves more students, provides more care, and does more research
 - Provides more Available University Funds to the Flagship University, U. T. Austin
 - Reduces U. T. System Administration operating budget
 - Reduces number of U. T. System Administration Full Time Employees (FTEs)
- Budget focus remains on the campuses.
- Budget presented in five sections: Systemwide, System Administration, LERR, STARs, and Additional Allocations.



FY 2019 Budget Highlights (Academic/Health Institutions and System Administration)



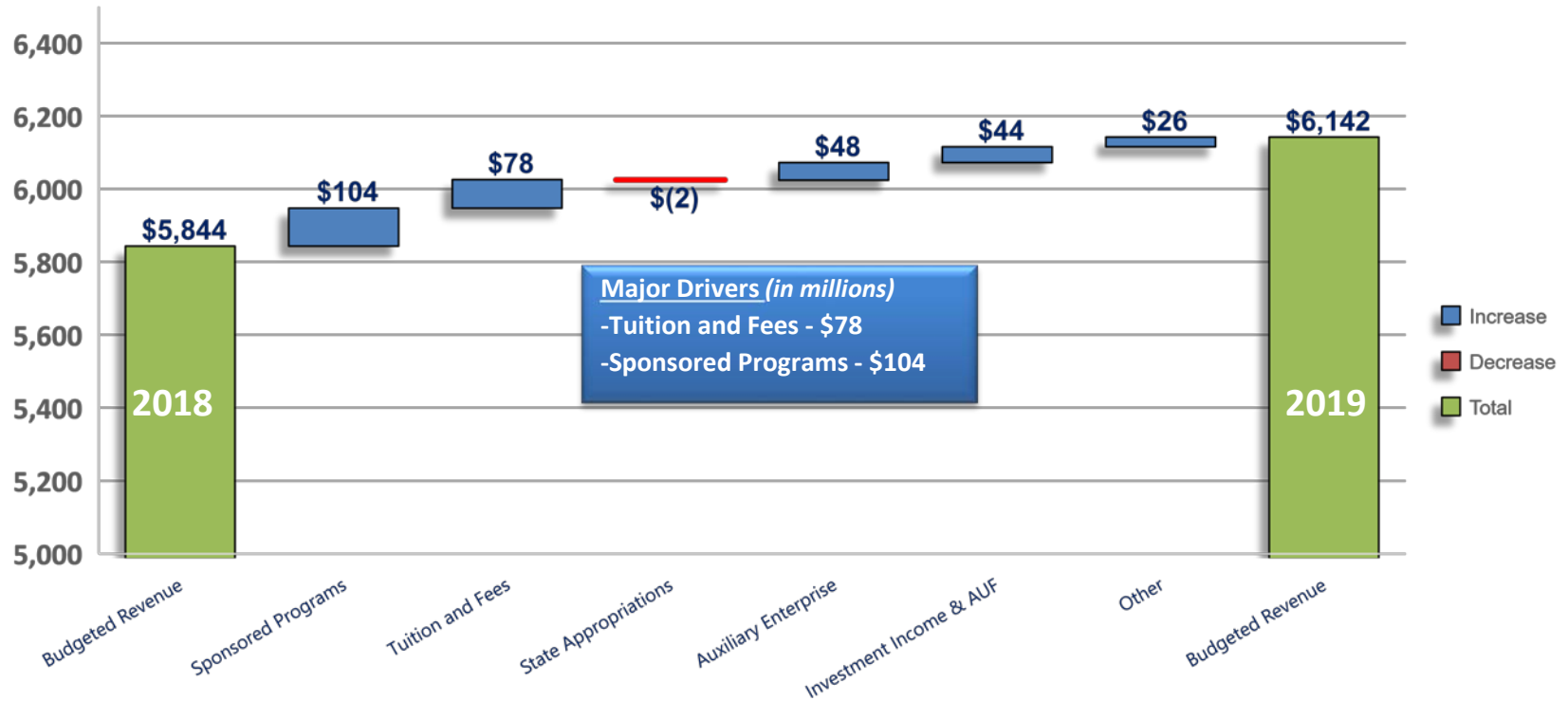
Where the Money Comes From - FY 2019 (Academic/Health Institutions and System Administration)



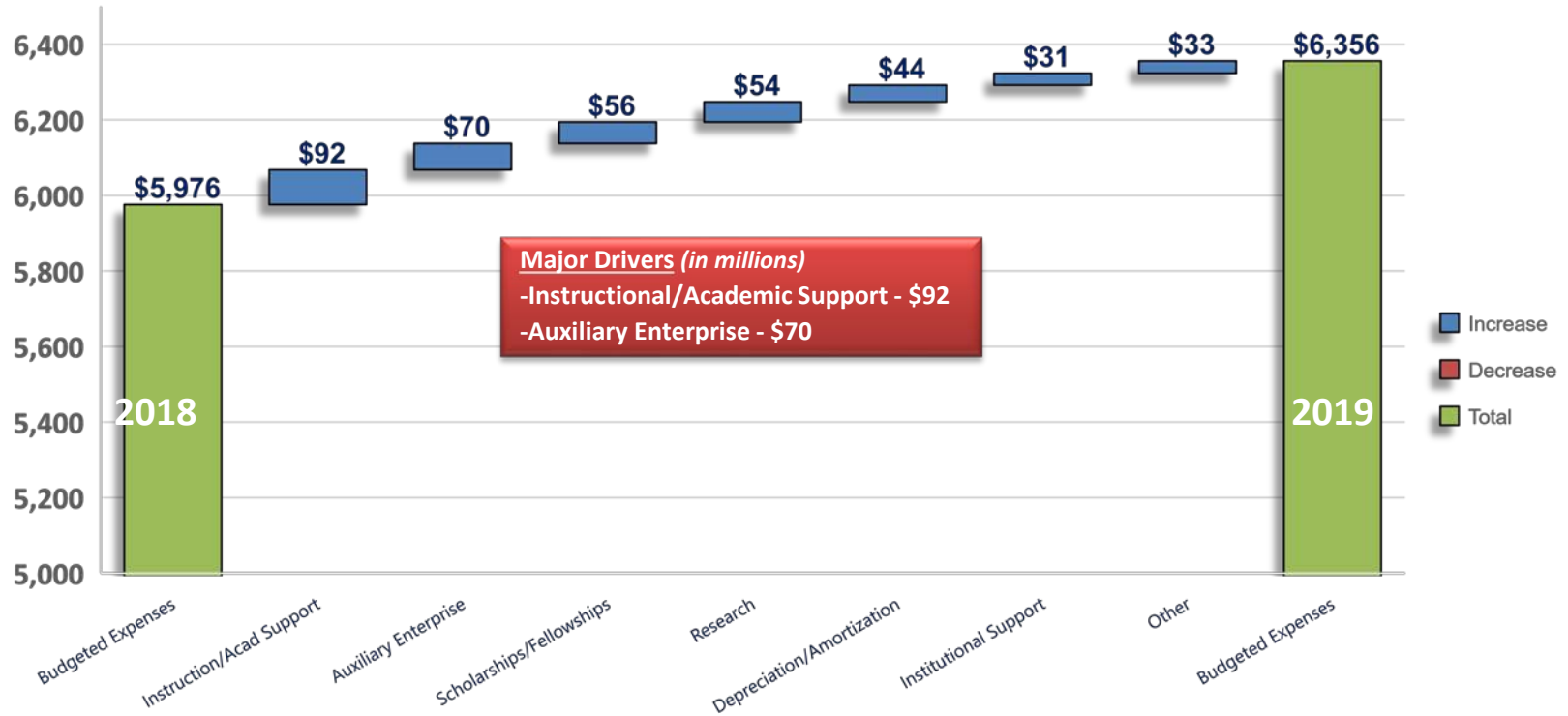
\$20.1 Billion



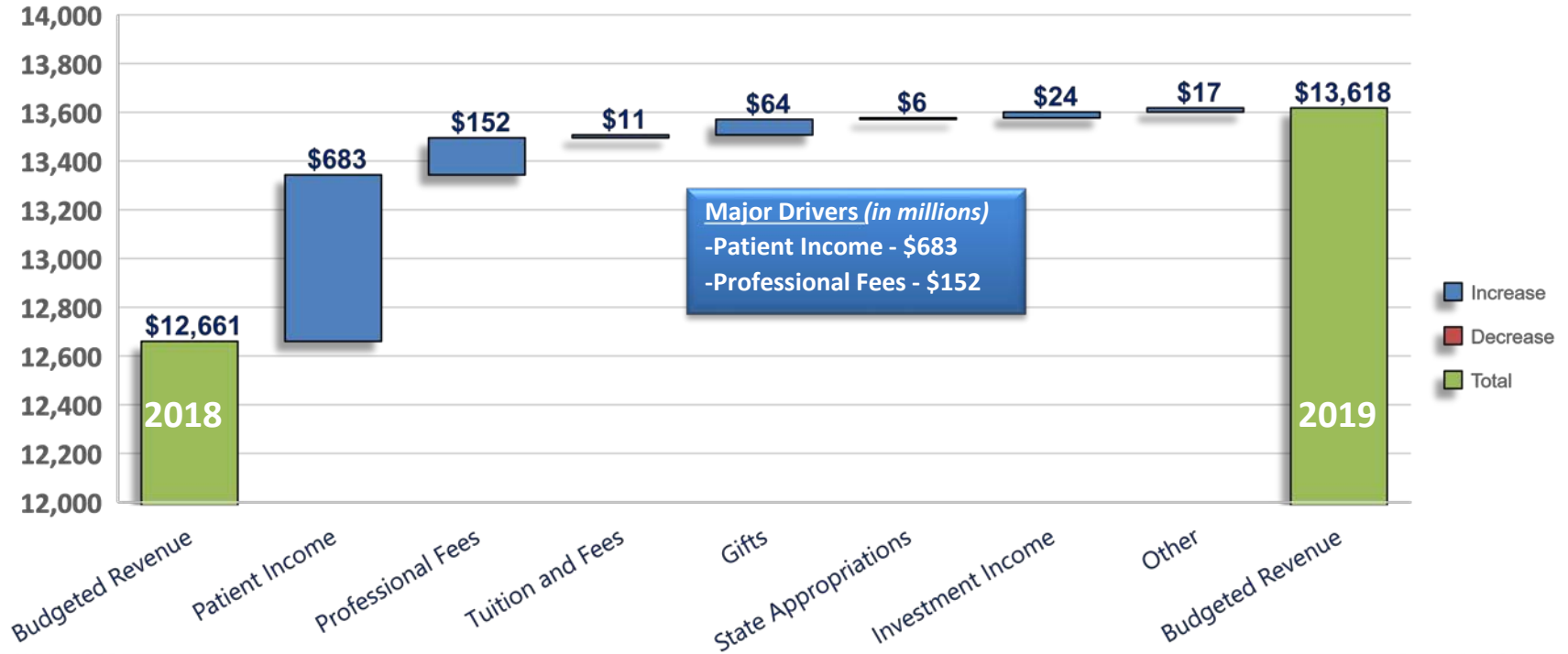
Budgeted Revenue Change - Academic Institutions



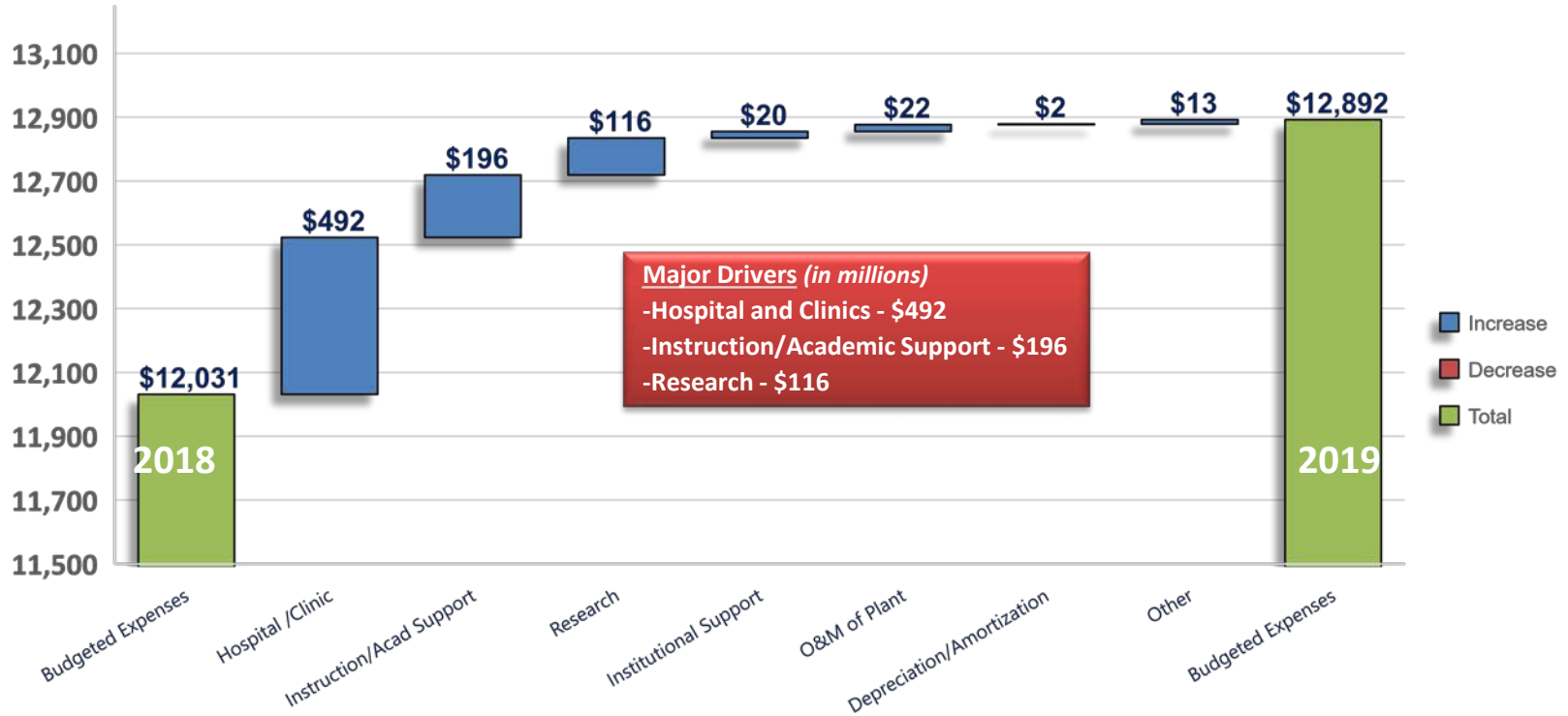
Budgeted Expense Change – Academic Institutions



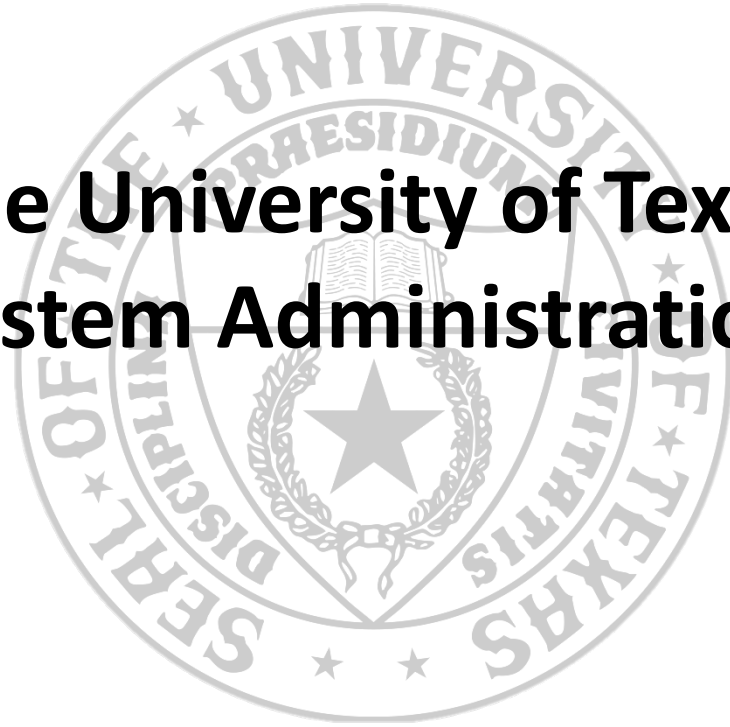
Budgeted Revenue Change – Health Institutions



Budgeted Expense Change – Health Institutions



The University of Texas System Administration



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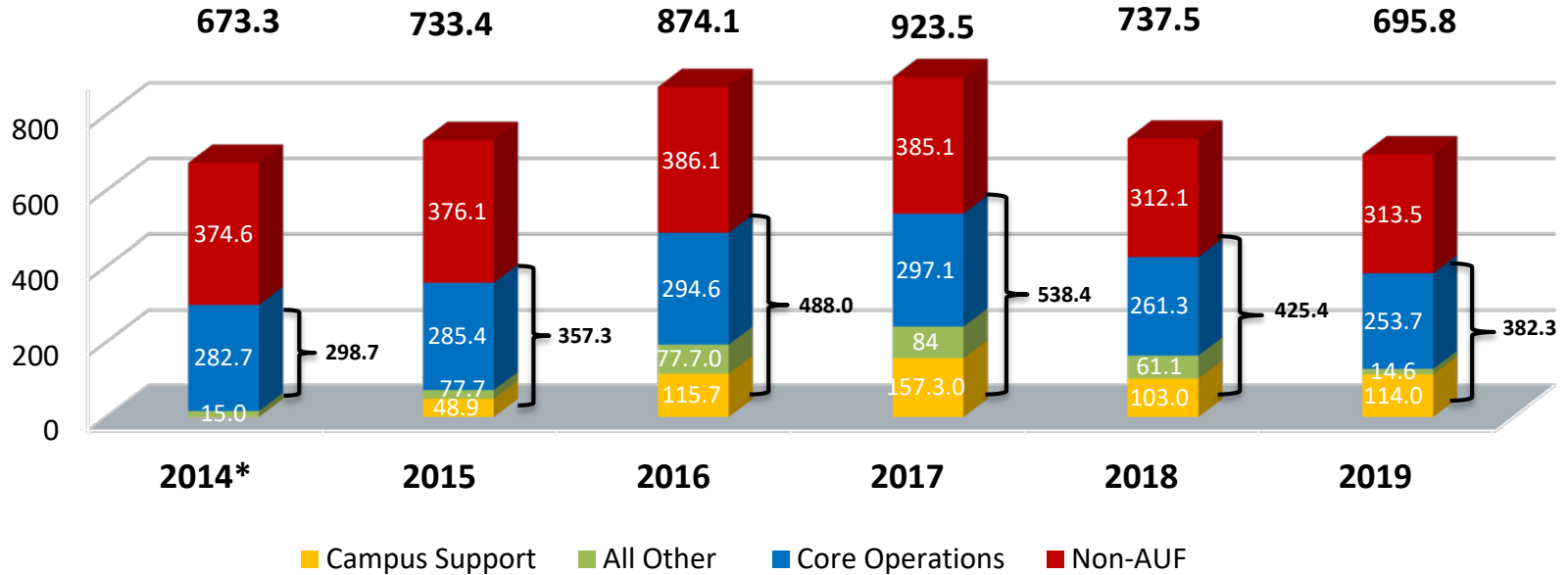
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U. T. System Administration

Activity	2018 Budget	2018 FTEs	2019 Budget	2019 FTEs	Dollar Change	Percent Change
Recurring AUF Operations						
Core Operations	\$ 53,954,489	261.3	52,000,051	252.7	(1,954,438)	(3.6%)
Direct Campus Support	42,319,122	103.0	41,915,772	107.0	(403,350)	(1.0%)
Other Operations	5,235,402	13.1	5,084,177	11.1	(151,225)	(2.9%)
Total Recurring Operations	101,509,013	377.4	99,000,000	370.8	(2,509,013)	(2.5%)
Less Balances Used	(5,714,013)		(3,205,000)		2,509,013	(43.9%)
Recurring AUF Support	95,795,000		95,795,000		-	0.0%
Other E&G Operations Funded with Balances and General Revenue	35,776,331	48.0	5,409,201	11.5	(30,367,130)	(84.9%)
TOTAL E&G (AUF/GR)	137,285,344	425.4	104,409,201	382.3	(32,876,143)	(23.9%)
Service Departments and Other Non-AUF	125,339,073	312.1	115,704,634	313.5	(9,634,439)	(7.7%)
SYSTEM OPERATIONS	\$ 262,624,417	737.5	220,113,835	695.8	(42,510,582)	(16.2%)



U. T. System Administration Budgeted FTEs FY 2014-2019



* FY 2014 included 1 FTE for Campus Support



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U. T. System Administration Core Operations

	Fiscal Year 2018 Adjusted		Fiscal Year 2019 Recommended		Change	
	Budget	FTEs	Budget	FTEs	Dollar	Percent
Board of Regents	\$ 2,112,462	10.0	\$ 2,222,456	10.0	\$ 109,994	5.21%
System Audit	2,586,309	13.6	2,515,075	13.3	(71,234)	-2.75%
External Relations	3,739,232	25.1	3,172,191	20.1	(567,041)	-15.16%
General Counsel	5,704,207	34.7	5,627,634	34.0	(76,573)	-1.34%
Chancellor	1,540,396	6.9	1,527,176	6.9	(13,220)	-0.86%
Human Resources	2,354,921	14.5	1,667,867	12.0	(687,054)	-29.18%
System Police	2,830,101	15.0	2,958,834	15.0	128,733	4.55%
Systemwide Compliance/Information Security	3,822,618	18.8	3,261,515	17.3	(561,103)	-14.68%



U. T. System Administration Core Operations (continued)

	Fiscal Year 2018 Approved		Fiscal Year 2019 Recommended		Change	
	Budget	FTEs	Budget	FTEs	Dollar	Percent
Strategic Initiatives	\$ 2,095,619	14.0	\$ 1,970,971	13.0	\$ (124,648)	-5.95%
Information Technology	2,416,116	6.0	2,210,384	7.0	(205,732)	-8.51%
Academic Affairs	4,343,869	17.3	4,545,721	19.3	201,852	4.65%
Health Affairs	3,175,875	11.5	3,114,460	12.0	(61,415)	-1.93%
Business Affairs	7,353,686	49.9	7,299,947	50.7	(53,739)	-0.73%
Governmental / Federal Relations	3,838,583	19.5	3,825,331	19.5	(13,252)	-0.35%
Other *	6,040,495	4.7	6,243,289	3.7	202,794	3.36%
Total	\$ 53,954,489	261.3	\$ 52,162,851	253.7	\$ (1,791,638)	-3.32%

*FTEs and amounts may not total exactly due to rounding



U. T. System Administration Direct Campus Support

	Fiscal Year 2018 Approved		Fiscal Year 2019 Recommended		Change	
	Budget	FTE	Budget	FTE	Dollar	Percent
Shared Information Services	\$ 24,447,186	103.0	\$ 24,708,332	114.0	\$ 261,146	1.07%
Digital Library Services	8,267,034	–	8,267,034	–	–	–
Campus Insurance and IT Support	9,604,902	–	9,582,310	–	(22,592)	-0.13%
Total Direct Campus Support	\$ 42,319,122	103.0	\$ 42,989,245	114.0	\$ 670,123	1.58%



U. T. System Administration Other Operations Funded with AUF/GR

	Fiscal Year 2018 Approved		Fiscal Year 2019 Recommended		Change	
	Budget	FTE	Budget	FTE	Dollar	Percent
Innovation and Strategic Investment	\$ 1,994,954	8.0	\$ 1,892,292	6.0	\$ (101,962)	-5.11%
External Audit Services	1,959,870	–	2,296,408	–	336,538	17.17%
Center for Enhancing Philanthropy	848,758	3.0	755,092	3.0	(93,666)	-11.04%
Shared Services (Collaborative Business Services)	–	–	–	–	–	–
Organizational Effectiveness	406,208	2.0	405,297	2.0	(911)	-0.22%
Other/GR Funded items *	1,671,002	0.2	1,739,778	0.2	68,776	4.12%
Total	\$ 6,880,792	13.1	\$ 7,089,567	11.1	\$ 208,775	3.03%

Other - FY 2018 includes Archer Center, general revenue trusted for Lone Star Stroke, and salary reserves. FTEs and amounts may not total exactly due to rounding



U. T. System Administration Operations Funded with AUF Initiative Reserves

	Fiscal Year 2018 Approved		Fiscal Year 2019 Recommended		Change	
	Budget	FTE	Budget	FTE	Dollar	Percent
Institute for Transformational Learning/ Competency-Based Education	\$ 21,649,664	40.0	–	–	\$ (21,649,664)	-100.00%
Population Health	–	–	309,375	0.5	309,375	n/a
Research Experts Data Warehouse	–	–	–	–	–	–
Quantum Leaps Initiatives	12,481,277	8.0	1,858,163	3.0	(10,623,114)	-85.11%
Total	\$ 34,130,941	48.0	\$ 2,167,538	3.5	\$ (31,963,403)	-93.65%

*Amounts presented on this slide for FY 2017 differ from the actual reserves used in the original Operating Budget due to certain reserves reflected as Core Operations or Direct Campus Support.



U. T. System Administration Service Departments & Other Non-AUF

	Fiscal Year 2018 Approved		Fiscal Year 2019 Recommended		Change	
	Budget	FTE	Budget	FTE	Dollar	Percent
University Lands/Texas Oil and Gas Institute	\$ 30,567,235	67.2	\$ 24,757,763	65.2	\$ (5,809,472)	-19.01%
Facilities Planning and Construction	16,594,224	78.8	17,198,413	75.8	604,189	3.64%
Employee Benefits	4,469,516	38.0	4,612,038	38.3	142,522	3.19%
Technology and Information Services	3,679,037	25.5	4,363,024	27.5	683,987	18.59%
Risk Management	3,394,013	27.3	3,262,207	27.8	232,194	6.84%
External Relations	1,417,390	6.0	1,633,931	6.9	216,541	15.28%
General Counsel	4,738,164	30.0	5,024,185	33.6	286,021	6.04%
Systemwide Software	19,057,053	–	18,937,053	–	(120,000)	-0.63%

*FTEs and amounts may not total due to rounding.

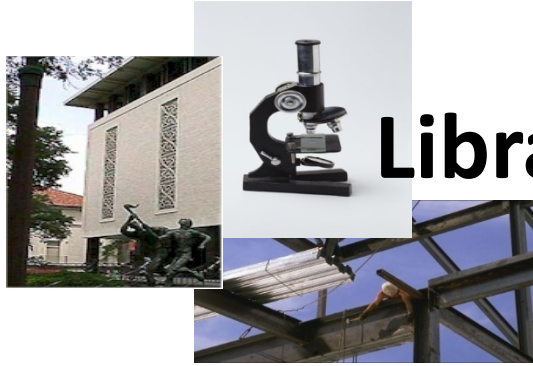


U. T. System Administration Service Departments and Other Non-AUF *(continued)*

	Fiscal Year 2018 Approved		Fiscal Year 2019 Recommended		Change	
	Budget	FTE	Budget	FTE	Dollar	Percent
Medicare Part D/EGWP (Federal Funding)	20,000,000	–	14,260,000	–	\$ (5,740,000)	-28.70%
Texas Medical Dental School Application Service/Joint Admission Medical Program	6,595,146	14.0	6,864,087	15.0	268,941	4.08%
Historically Underutilized Business	697,809	4.9	703,467	4.9	5,658	0.81%
Replacement Office Building Debt Service	4,381,799	–	3,506,000	–	(875,799)	-19.99%
Other	9,747,687	20.5	10,218,466	18.6	470,779	4.83%
Total Service Departments/Non AUF	\$ 125,339,073	312.1	\$ 115,704,634	313.5	\$ (9,634,439)	-7.69%

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Library, Equipment, Repair and Rehabilitation



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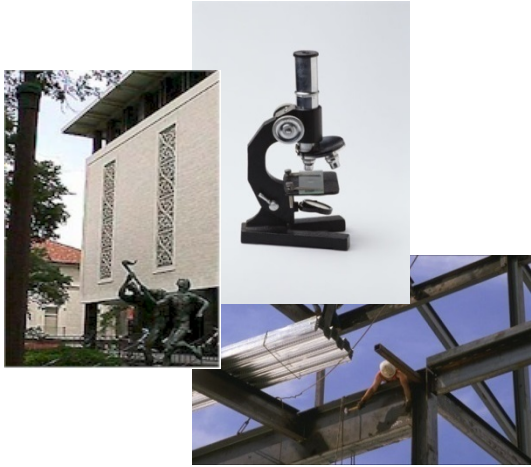
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Library, Equipment, Repair and Rehabilitation Budget FY 2019 – \$35 million

Academic Institutions	\$16,775,000
Health Institutions	\$13,725,000
Academic Library Collection Enhancement Program	\$4,500,000
Total	\$35,000,000





Faculty Science and Technology Acquisition and Retention (STARs) Program



Faculty STARs Program – FY 2019

Academic Institutions	\$17,500,000
Health Institutions	\$17,500,000

Benefits of Faculty STARs

- Recruit and retain best faculty in the nation
- Develop and strengthen research capacity
- Pending and issued patents
- Encourage future research and excellence
- Collaboration with outside entities



Additional Allocation



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FY 2019 Available University Funds

Provided to U. T. Austin to continue support for the
Texas National Security Network

\$3,000,000



Questions?



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