



TEXAS A&M UNIVERSITY
SAN ANTONIO

Phase I Budget Presentation

March 9, 2022

Agenda



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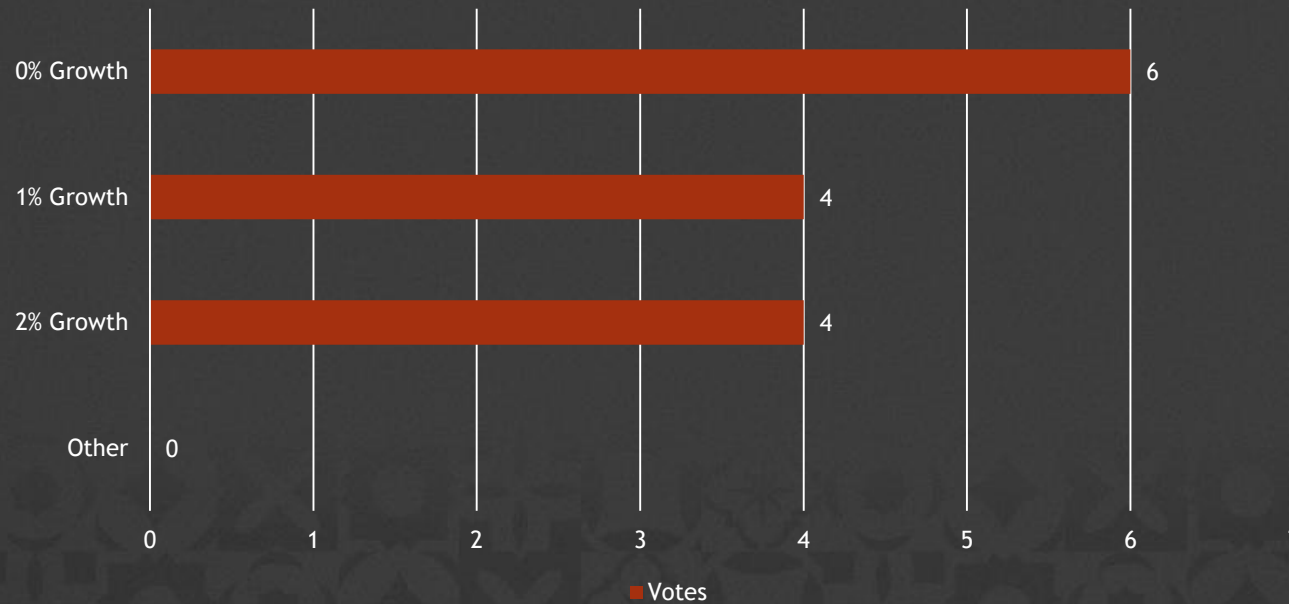
- URC Poll Results
- Financial Impact of Merits by Area
- Budget by Fund
- Draft of Revenue Budget
- Major Changes in Revenue Sources
- Base Reductions
- Base Additions
- Draft of Expense Budget
- Major Changes in Expense Categories
- Summary Draft Budget
- Phase II

URC Poll - SCH growth percentage



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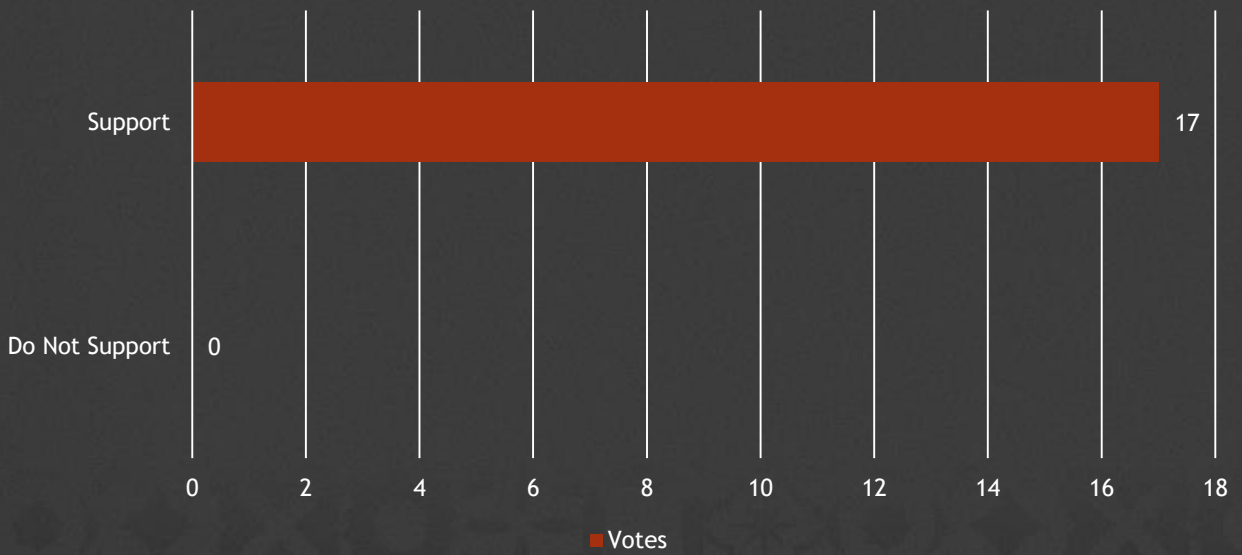
What SCH growth percentage do you recommend?



URC Poll - Reallocation of the Research Initiative Grant Funds for Graduate Student Funding



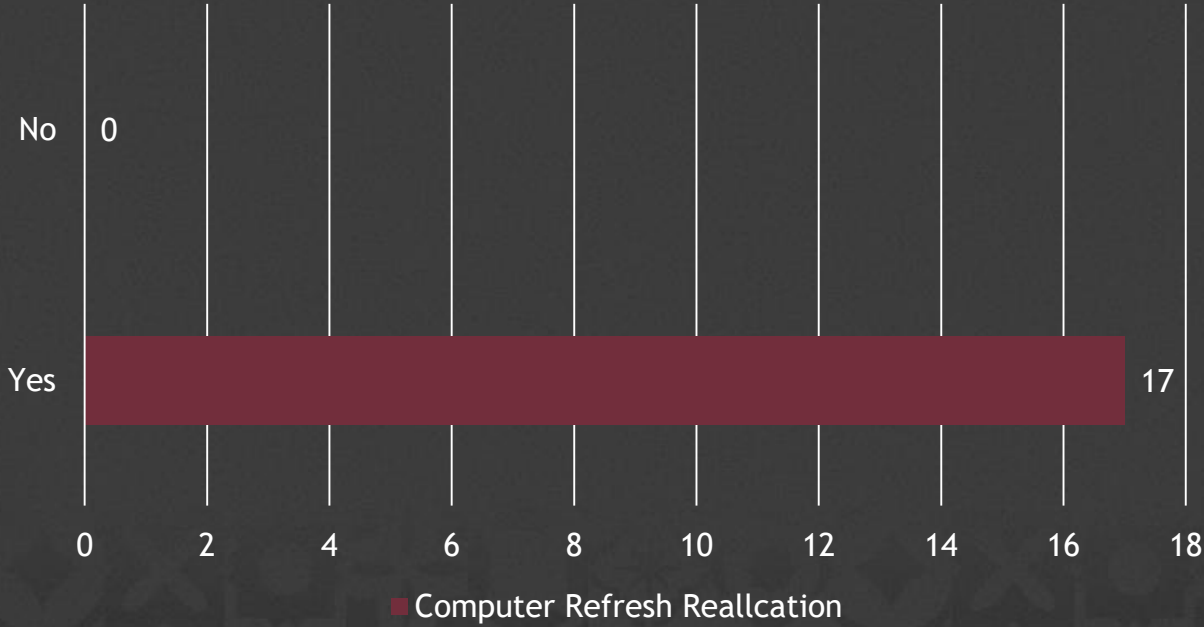
Research Initiative Allocation



URC Poll - Computer Refresh Allocation to PUF



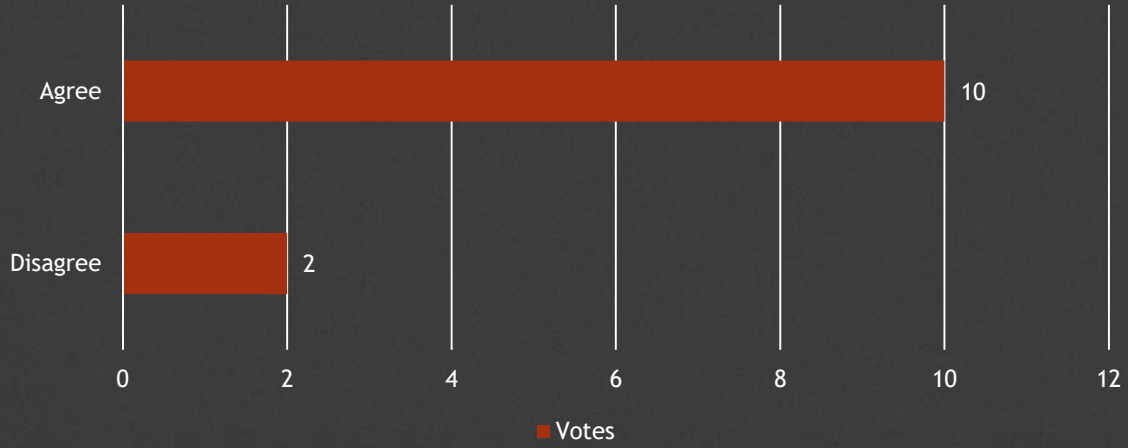
Computer Refresh Reallocation Votes



URC Poll - Peer Mentor Program



Increase to Peer Mentor Budget

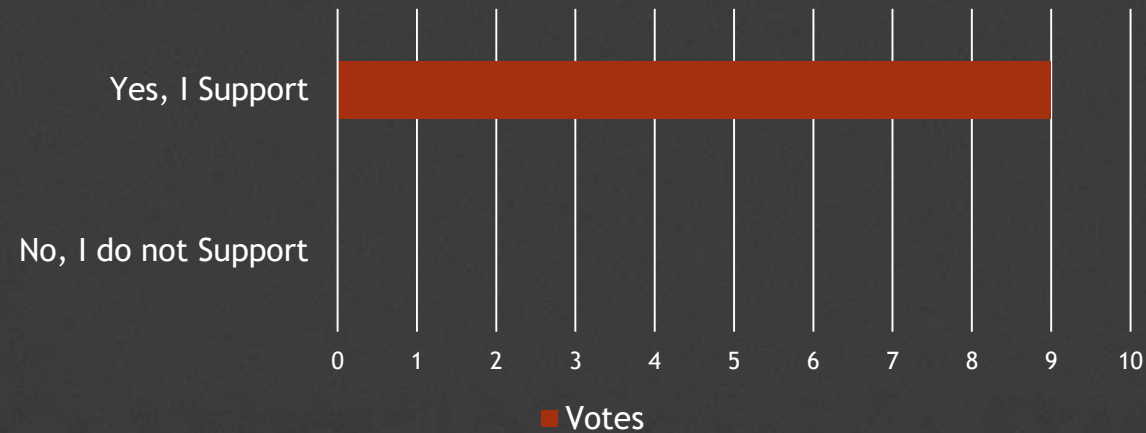


URC Poll - Professional Development Budget

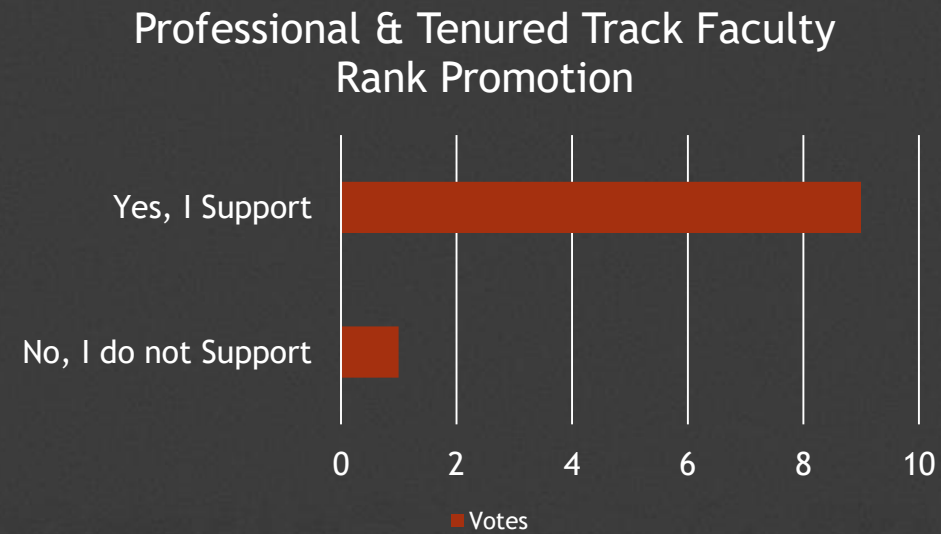


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Are you in support for the Professional Development Budget?



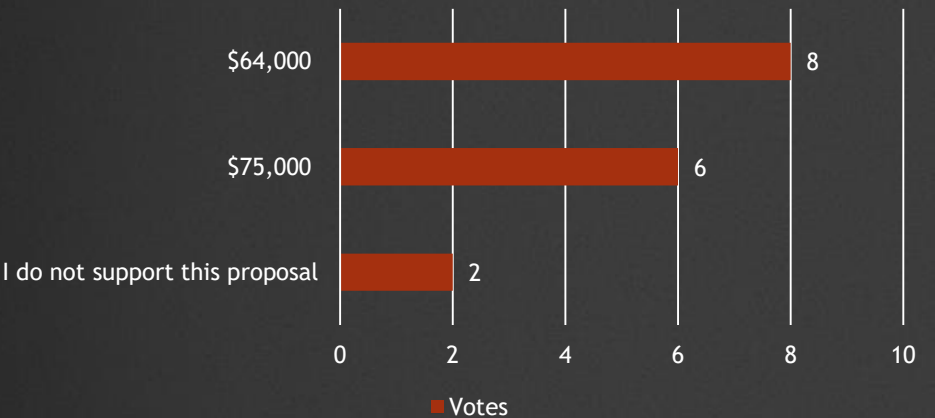
URC Poll - Professional Track & Tenured Faculty Rank Promotion



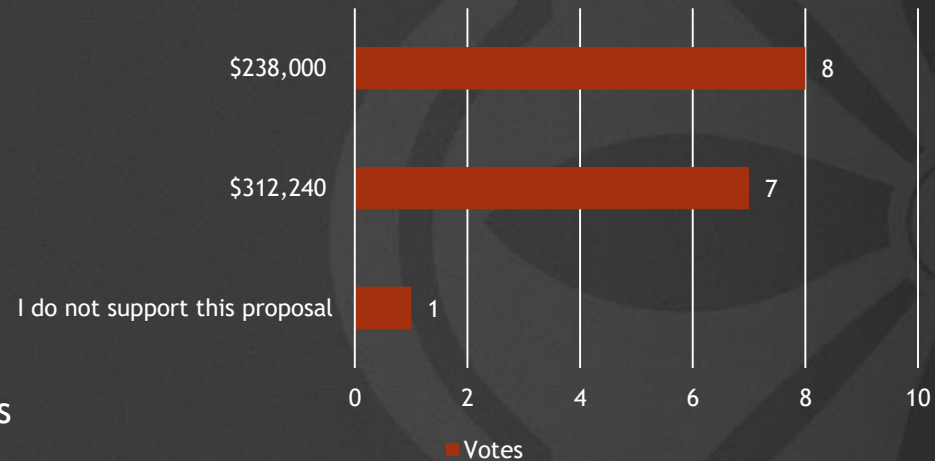
URC Poll - CRU Proposal Results



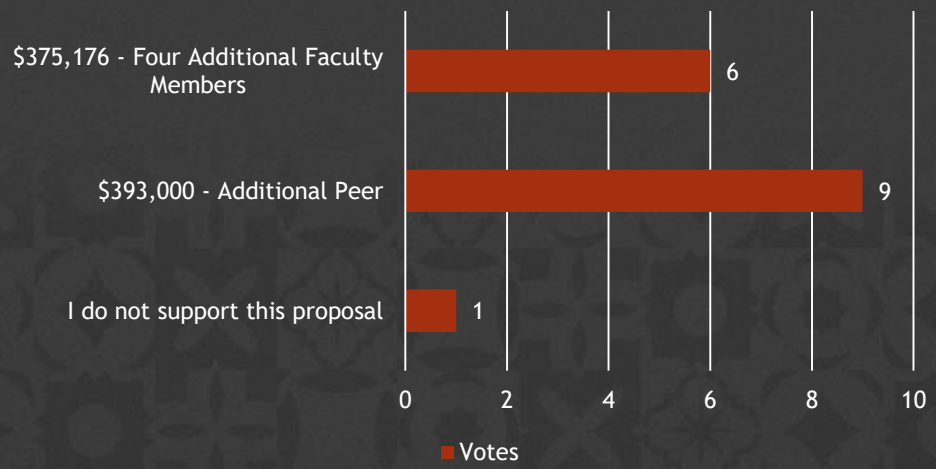
CRU Proposal for an Institutional Research Analyst



CRU Proposal for Student Advisors



CRU Proposal for Student Success



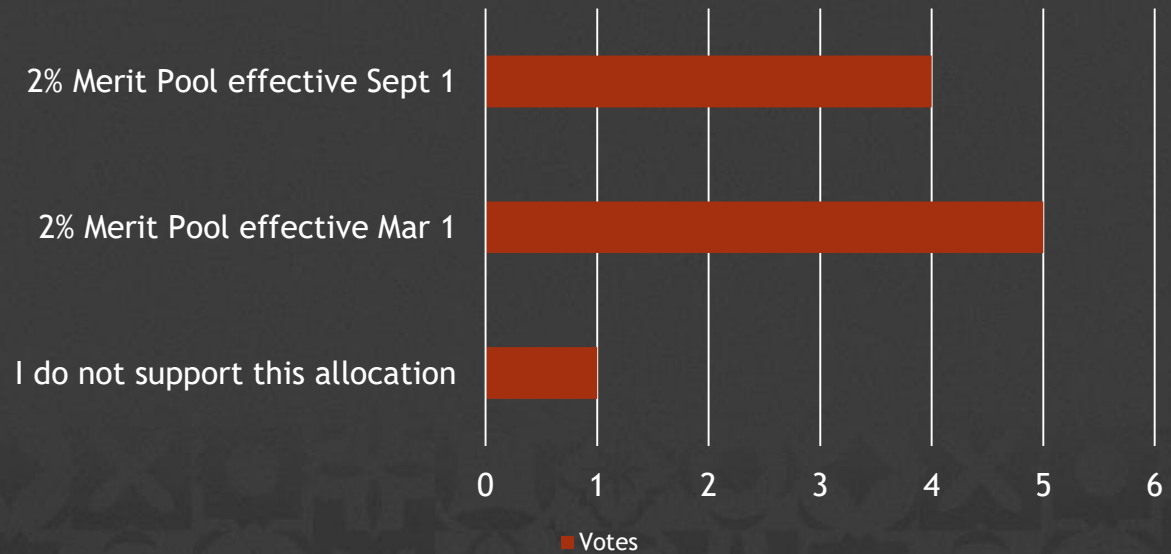
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URC Poll - Merit Pool



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Do you support a 2% merit pool for faculty and staff?



Impacts of Merit Pool by Area



Division	Total Budget (Central Funds)	9/1 Merit Date 1.6% Target	3/1 Merit Date 0.8% Target	Total Variable Budget (Central Funds)
Academic Affairs	29,458,851	471,342	235,671	3,846,693
Business Affairs	11,406,918	182,511	91,255	3,847,010
Enrollment Management	3,502,342	56,037	28,019	602,201
Office of the President	1,507,801	24,125	12,062	520,965
Research & Health Sciences	1,129,891	18,078	9,039	377,832
Student Success & Engagement	2,376,065	38,017	19,009	675,289
University Advancement	1,763,061	28,209	14,104	539,449
Athletic Fee	1,172,979	18,768	9,384	597,362
Recreational Sports Fee	698,419	11,175	5,587	189,724
Student Service Fee	1,700,478	27,208	13,604	626,325
Total	54,716,805	875,469	437,734	11,822,850

Central Funds are General Revenue, Designated Tuition, USF

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Budget by Fund



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Description	Functional & General	Designated	Auxiliary	Restricted	Plant	Total
Beginning Balance	\$5,077,417	\$49,267,157	\$3,826,079	\$2,267,535	\$0	\$60,438,188
Revenue						
State Appropriations - General Revenue	35,661,256					35,661,256
State Appropriations - Benefits Paid By State	5,160,127					5,160,127
Tuition - State	7,646,712					7,646,712
Tuition - Designated		15,421,591				15,421,591
Fees	239,175	20,946,521	2,684,922			23,870,618
Discounts And Allowances - Fees	(54,375)	(8,316,502)	(253,804)			(8,624,681)
Remissions And Waivers	770,713	3,265,784	252,499			4,288,996
Discounts And Allowances - Tuition	(2,306,076)	(6,207,993)				(8,514,069)
Contracts And Grants		417,467		2,030,272		2,447,739
Student Financial Assistance	48,422			20,824,018		20,872,440
Gifts		8,000		1,503,135		1,511,135
Sales And Services		787,233	3,687,789			4,475,022
Investment Income	50,000	1,545,000				1,595,000
Other Operating Income	150,000	111,420	153,850			415,270
Total Revenue:	\$47,365,954	\$27,978,521	\$6,525,256	\$24,357,425		\$106,227,156
Expense						
Salaries - Faculty	15,863,939	348,518		721,307		16,933,764
Unallocated Faculty Salaries	382,146	535,101		1,864		919,111
Adjunct Faculty		2,554,788				2,554,788
Salaries - Non-Faculty	9,486,679	11,804,490	983,071	866,400		23,140,640
Wages		1,704,197	293,573	46,068		2,043,838
Benefits	7,410,521	4,635,931	325,104	436,938		12,808,494
Unallocated Non-Faculty Salaries	870,166	521,938	67,111			1,459,215
Utilities	1,395,752	52,838	223,480			1,672,070
Workstudy	37,720			338,621		376,341
Scholarships	781,415	6,607,736	272,499	20,875,397		28,537,047
Scholarship Discounts	(11,942)	(2,015,790)		(14,888,262)		(16,915,994)
Operations And Maintenance	350,572	15,563,296	2,232,330	630,365		18,776,563
Equipment (Capitalized)		144,842				144,842
Longevity	114,240	95,363	7,780	2,654		220,037
Travel		1,135,028	176,250	115,056		1,426,334
Graduate Assistants - Non-Teaching		213,794	37,167			250,961
Total Expense (Less Service Departments)	\$36,681,208	\$43,902,070	\$4,618,365	\$9,146,408		\$94,348,051
<i>Net Service Department</i>						
Total Expense:	\$36,681,208	\$43,902,070	\$4,618,365	\$9,146,408		\$94,348,051
Transfers						
Retirement of Indebtedness	(12,052,515)		(1,846,182)			(13,898,697)
Other Transfers	1,371,817	13,387,727	253,804	(15,013,348)	3,000,000	3,000,000
Total Transfers:	(\$10,680,698)	\$13,387,727	(\$1,592,378)	(\$15,013,348)	\$3,000,000	(\$10,898,697)
Net Change in Net Position:	\$4,048	(\$2,535,822)	\$314,513	\$197,669	\$3,000,000	\$980,408
<i>Estimated Net Position as of 8/31</i>	<i>\$5,081,465</i>	<i>\$46,731,335</i>	<i>\$4,140,592</i>	<i>\$2,465,204</i>	<i>\$3,000,000</i>	<i>\$61,418,596</i>

Draft Revenue Budget



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Revenues	FY2022 Budget	HEERF Falling Off	Adjusted FY22 Budget	FY2023 Budget	Budget-to-Budget Variance	Percentage Change
State Appropriations - General Revenue	30,589,137		30,589,137	35,661,256	5,072,119	14.22%
State Appropriations - Benefits	5,560,127		5,560,127	5,160,127	(400,000)	-7.75%
Federal Appropriations	10,034,210	(10,034,210)	-	-	-	N/A
Tuition - State	7,609,978		7,609,978	7,646,712	36,734	0.48%
Tuition - Designated	14,733,809		14,733,809	15,421,591	687,782	4.46%
USF Fees	17,164,551		17,164,551	17,464,478	299,927	1.72%
Other Fees	5,371,680		5,371,680	6,406,140	1,034,460	16.15%
Discounts and Allowances - Fees	(7,877,949)		(7,877,949)	(8,624,681)	(746,732)	8.66%
Remissions and Waivers	4,232,492		4,232,492	4,288,996	56,504	1.32%
Discounts and Allowances - Tuition	(7,768,720)		(7,768,720)	(8,514,069)	(745,349)	8.75%
Contacts and Grants	1,952,748	(480,000)	1,472,748	2,447,739	974,991	39.83%
Student Financial Assistance	30,124,674	(9,175,170)	20,949,504	20,872,440	(77,064)	-0.37%
Gifts	1,771,227		1,771,227	1,511,135	(260,092)	-17.21%
Sales and Services*	4,008,091		4,008,091	4,475,022	466,931	10.43%
Investment Income	1,649,250		1,649,250	1,595,000	(54,250)	-3.40%
Other Operating Income	265,270		265,270	415,270	150,000	36.12%
Total Revenue	119,420,575	(19,689,380)	99,731,195	106,227,156	6,495,961	6.12%

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An additional \$550K has been added proportionally to Tuition funds and USF Fees per Cabinet discussion.

*Service Departments are excluded from Sales and Services (Ties to Done Budget for FY2022)

Major Changes in Revenue Sources



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- State Appropriations- increasing due to CRU Funds and debt service for Public Health building
- State Benefits- reduced due to reduction of salaries in Functional and General
- Tuition Designated & USF-increase in projected graduate students and growth as determined by President's Cabinet
- Other Fees-primarily due to the new 11 month flat-fee MBA program
- Contracts and Grants are based on current grants and \$300K for projected growth;
- Sales and Services increased primarily due to ISCP (realigned budget with actuals)
- Other Operating-\$150K for Hazelwood

Base Reduction Suggestions for \$1.5M



Description / Action Item	Balance
Bridge to Base Reduction Target	\$1,500,000
IT New Hire Equipment	(30,000)
Reallocate Computer Refresh to PUF Funds	(302,000)
Cancellation of Modular and Other Leases	(445,844)
Cancellation of EAB Global Research Contract	(112,724)
Reallocation of Expenses to Hazelwood Reimbursement from State	(150,000)
Reallocation of Expenses to Strategic Investment/Interest	<u>(350,000)</u>
Subtotal	\$109,432

Base Additions to FY23 Budget



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- Expecting at least \$1,604,804 increase:
 - 2.25% increase in SSC contract \$53,091
 - New College of Business SSC contract \$218,000
 - Preliminary IT contracts increase \$67,380
 - Preliminary 8% TAMUS System Assessment increase \$99,046
 - Preliminary 10% TAMUS Property Insurance Increase \$28,100
 - Preliminary 8% group insurance premium increase \$477,917
 - Additional 8% group insurance premium increase \$477,917 based on new % from System office on 3-4-2022
 - Faculty Promotion – Salary Increases and Other - \$183,353

Disclaimer: Expenditure estimates are preliminary.

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Draft Expense Budget



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Expenses	FY2022 Budget	HEERF Falling Off	Adjusted FY22 Budget	FY2023 Budget	FY23 Budget-to-FY22 Adjusted Budget Variance	Percentage Change
Salaries - Faculty	17,460,367	(986,173)	16,474,194	16,933,764	(459,570)	-2.79%
Unallocated Faculty Salaries	1,405,468	(909,218)	496,250	919,111	(422,861)	-85.21%
Adjunct Faculty	2,554,788		2,554,788	2,554,788	-	0.00%
Salaries - Non-Faculty	25,120,690	(1,387,602)	23,733,088	23,140,640	592,448	2.50%
Wages	2,154,952	(49,200)	2,105,752	2,043,838	61,914	2.94%
Benefits	13,493,639	(1,219,166)	12,274,473	12,808,494	(534,021)	-4.35%
Unallocated Non-Faculty Salaries	1,034,098	(609,719)	424,379	1,459,215	(1,034,836)	-243.85%
Utilities	1,632,366		1,632,366	1,672,070	(39,704)	-2.43%
Workstudy	371,985		371,985	376,341	(4,356)	-1.17%
Scholarships	28,718,647		28,718,647	28,537,047	181,600	0.63%
Scholarship Discounts	(15,646,670)		(15,646,670)	(16,915,994)	1,269,324	-8.11%
Operations and Maintenance	33,976,397	(14,734,581)	19,241,816	18,776,563	465,253	2.42%
Equipment (Capitalized)	144,842		144,842	144,842	-	0.00%
Longevity	235,953	(1,260)	234,693	220,037	14,656	6.24%
Travel	1,292,026		1,292,026	1,426,334	(134,308)	-10.40%
Graduate Assistance - Non-Teaching	360,117	(239,900)	120,217	250,961	(130,744)	-108.76%
Total Expenses (Less Service Depts)	114,309,665	(20,136,819)	94,172,846	94,348,051	(175,205)	0.19%

Major Changes in Expense Categories



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- Salaries Faculty- increase is due \$460K in restricted funding
- Faculty Unallocated- primarily related to MBA flat fee faculty salaries
- Salaries Non-Faculty- primarily due to reduction of term-limited positions
- Non-Faculty Salaries Unallocated- primarily due to CRU funding and Provost position
- Benefits-primarily associated with projected 16% increase for GIP
- O&M-associated with escalations (see base additions slide)
- Travel- due to restricted grant for FY 2023

Summary Draft Budget



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	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 (Est.)
Total Revenue	\$85,581,484	\$92,703,282	\$92,940,608	\$119,420,575	\$106,227,156
Total Expenses	79,863,105	85,927,930	87,430,577	114,309,665	94,348,051
Debt Service	7,972,721	8,828,095	8,017,693	10,157,101	13,898,697
Net Change (Use of Reserves)	\$(2,254,342)	\$(2,052,743)	\$(2,507,662)	\$(5,046,191)	\$(2,019,592)

Phase II



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- Expense reallocation by area for merit pool
- Final group insurance premium numbers from System
- Further review of instructional budget for projected incremental freshmen growth
- Cleanup of all accounts
- Further refinement of grants and contracts
- Work with URC to create multiyear budget