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SAN ANTONIO



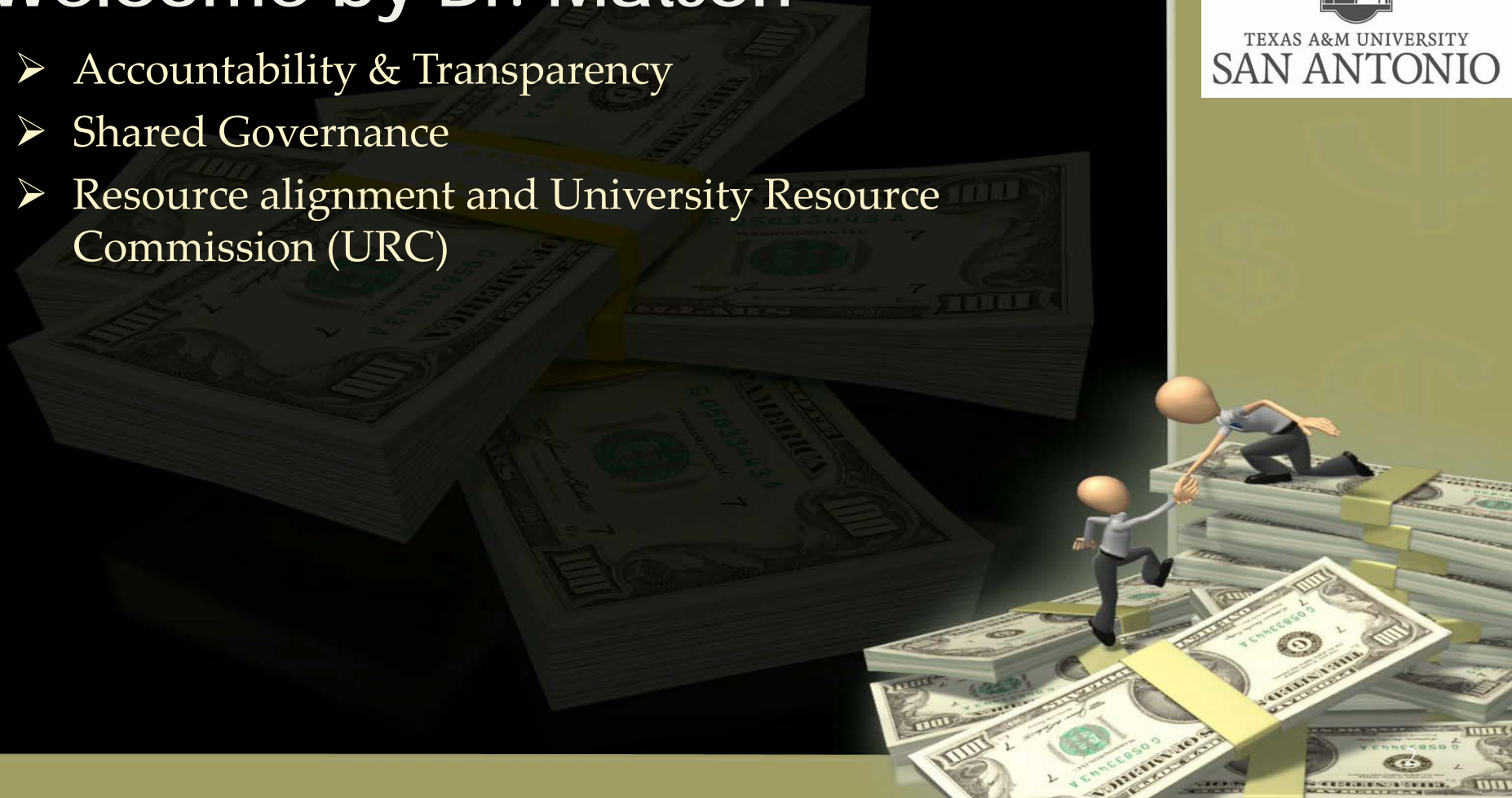
# A&M-SA FY16 Budget Forum

# Welcome by Dr. Matson

- Accountability & Transparency
- Shared Governance
- Resource alignment and University Resource Commission (URC)



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There's an  
elephant in the  
room.....

We call him the  
"BUDGET  
PROCESS"!





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# FY15 Resources

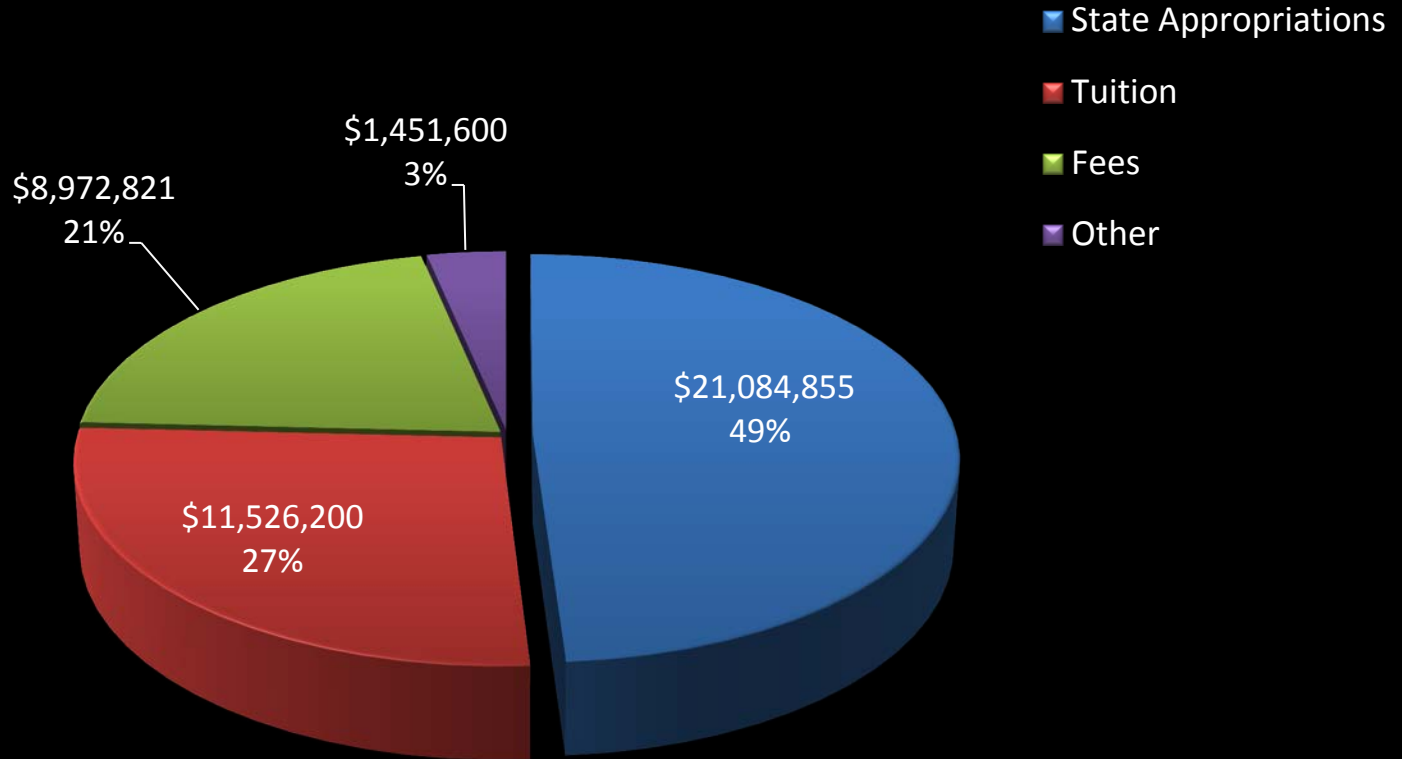
|                        |               |         |
|------------------------|---------------|---------|
| State Appropriations   | \$ 21,084,855 | 48.99%  |
| Tuition                | 11,526,200    | 26.78%  |
| Fees                   | 8,972,821     | 20.85%  |
| Other                  | 1,451,600     | 3.37%   |
| Total Budgeted Revenue | \$ 43,035,476 | 100.00% |





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FY15  
Resources  
Graphic





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## FY15 Beginning Budget by Division

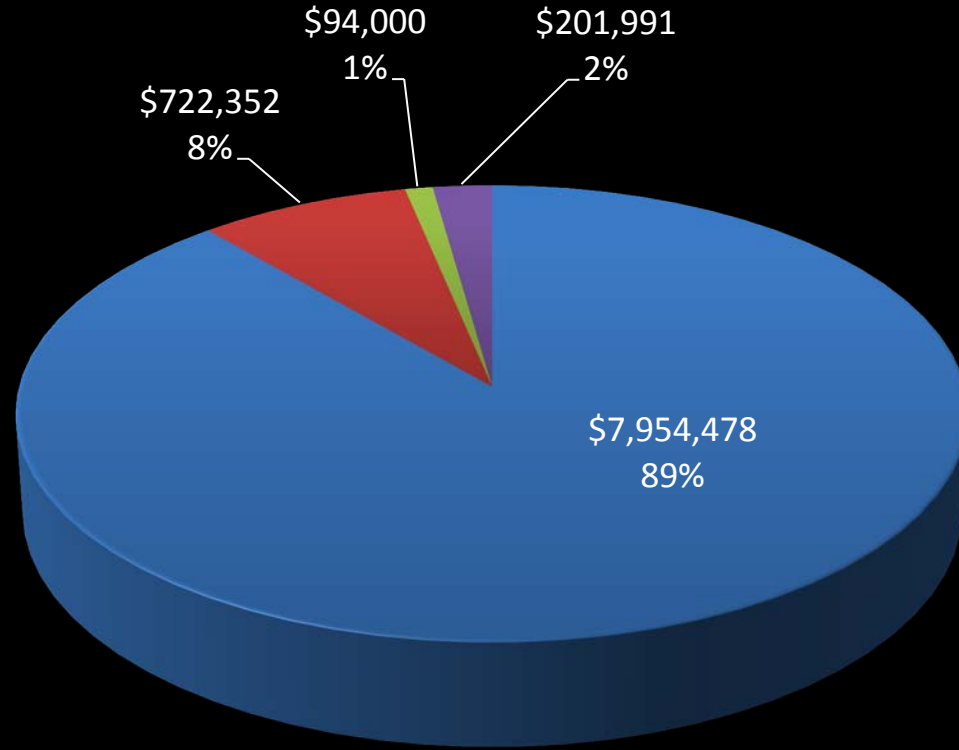


|   |               |         |
|---|---------------|---------|
| <b>Academic Affairs (Snow)</b>                          | \$ 15,764,284 | 33.07%  |
| <b>Finance &amp; Administration<br/>(Skiver-Acting)</b> | 13,769,529    | 28.89%  |
| <b>Student Affairs (Mahan)</b>                          | 10,569,947    | 22.18%  |
| <b>Benefits (State)</b>                                 | 4,656,070     | 9.77%   |
| <b>President (Matson)</b>                               | 1,025,937     | 2.15%   |
| <b>Strategic Initiatives (Rodriguez)</b>                | 742,930       | 1.56%   |
| <b>University Communications<br/>(Reyna)</b>            | 730,116       | 1.53%   |
| <b>Institutional Advancement<br/>(Snow-Interim)</b>     | 405,076       | 0.85%   |
| <b>Total</b>  | \$ 47,663,889 | 100.00% |



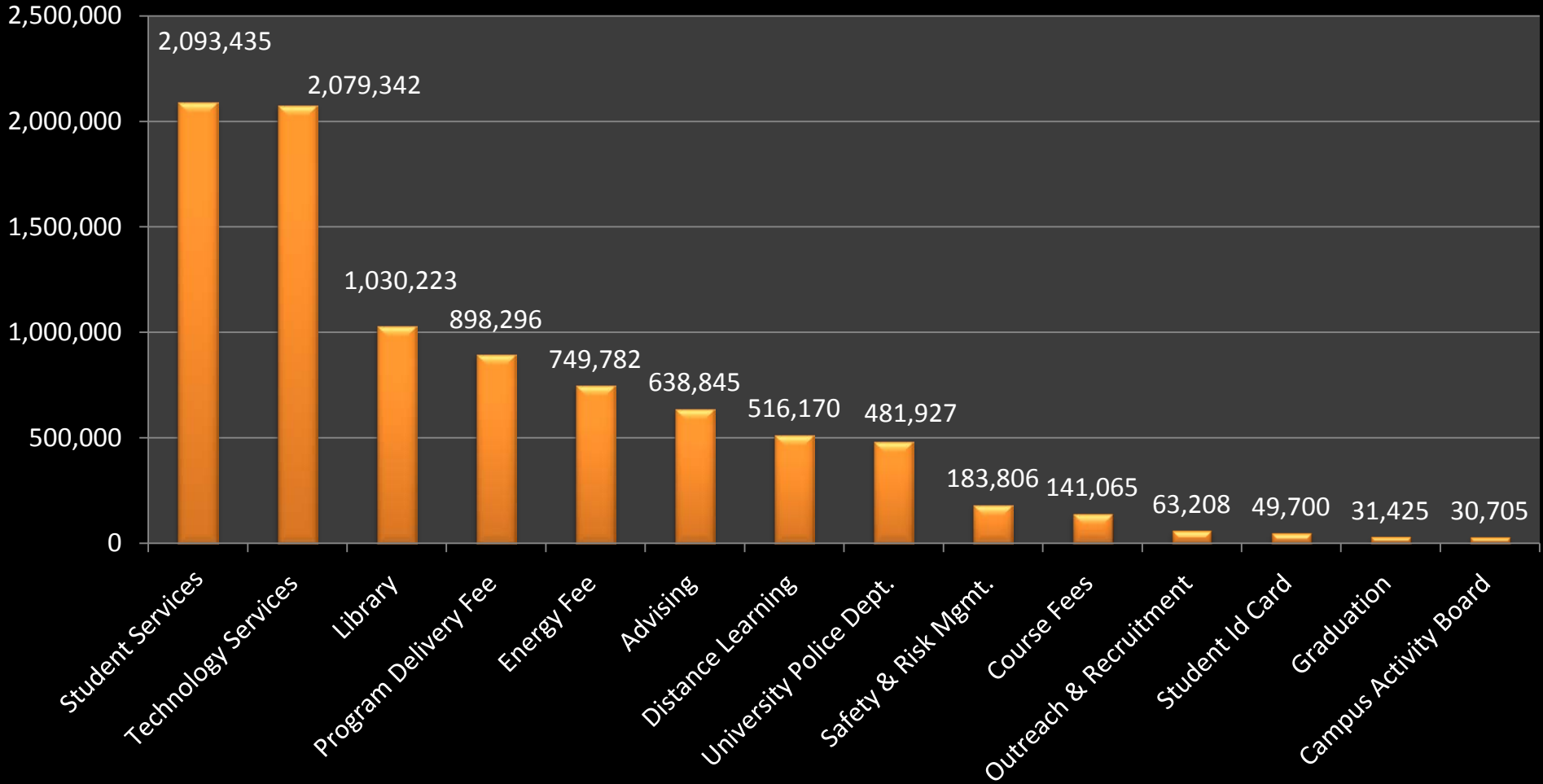
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## FY15 Fee Revenue Detail



- University Services Fee
- Student Rec Service Fee
- Orientation Fee
- Other

# USF Breakdown of Total Revenue \$7,954,478







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# FY15 Resources (Transfers)



|  |                |
|--|----------------|
| Tuition Revenue Bond Debt Service (Transfer out) | \$ (2,637,238) |
| Financial Aid                                    | 7,126,856      |
| Total Transfers                                  | \$ 4,489,618   |



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# FY15 Student Resources for Tuition and Fees

- Federal Pell Grants - \$6.7M
- Scholarships - \$2.3M
- Tuition Set Aside Funds:
  - TPEG - \$623K
  - Be on Time - \$166K
- Exemptions - \$1.6M
  - Hazlewood \$1.3M
  - Fireman \$151K
  - Other \$156K





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# FY15 Use of funds

|                             |               |         |
|-----------------------------|---------------|---------|
| Salaries, Wages, & Benefits | \$ 27,513,207 | 57.72%  |
| Operations & Maintenance    | 14,435,909    | 30.29%  |
| Scholarships & Fellowships  | 5,714,773     | 11.99%  |
| Total                       | \$ 47,663,889 | 100.00% |



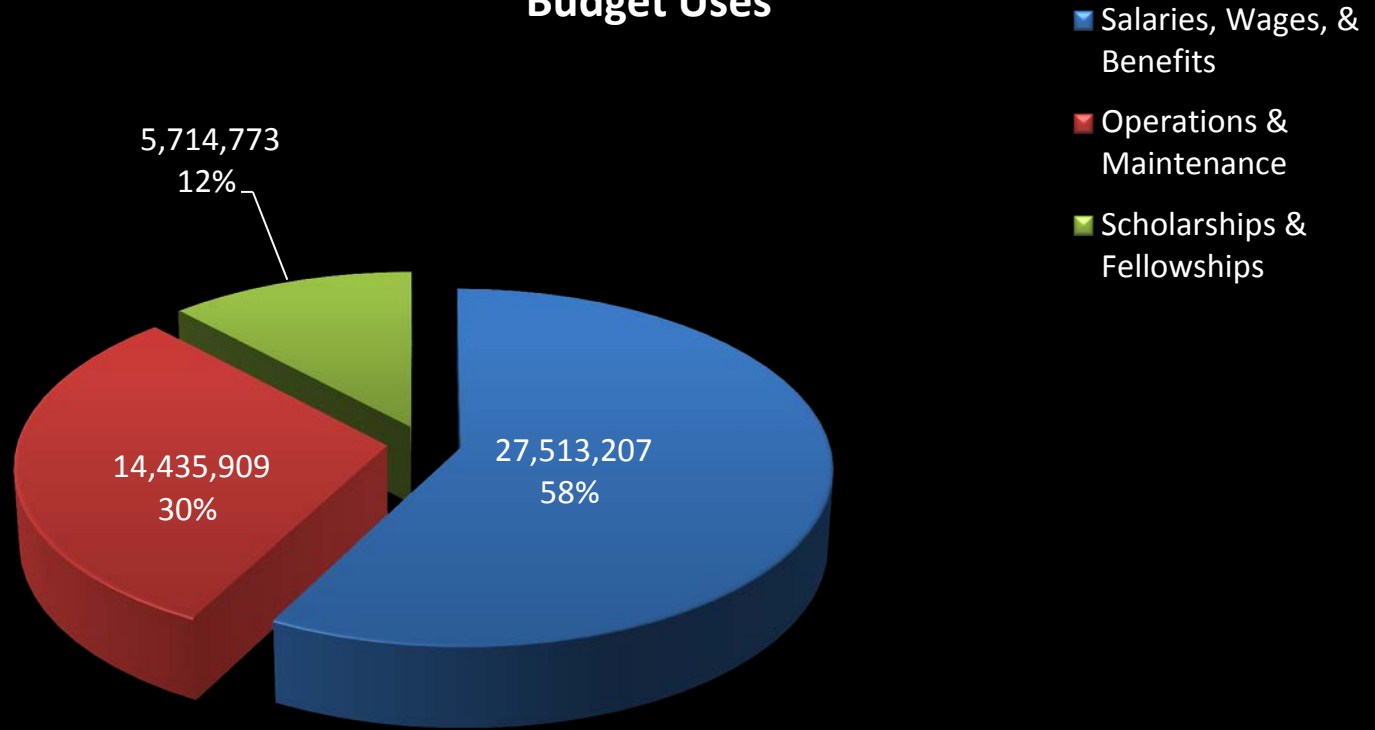


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## FY15 Budget Uses Graphic



## Budget Uses





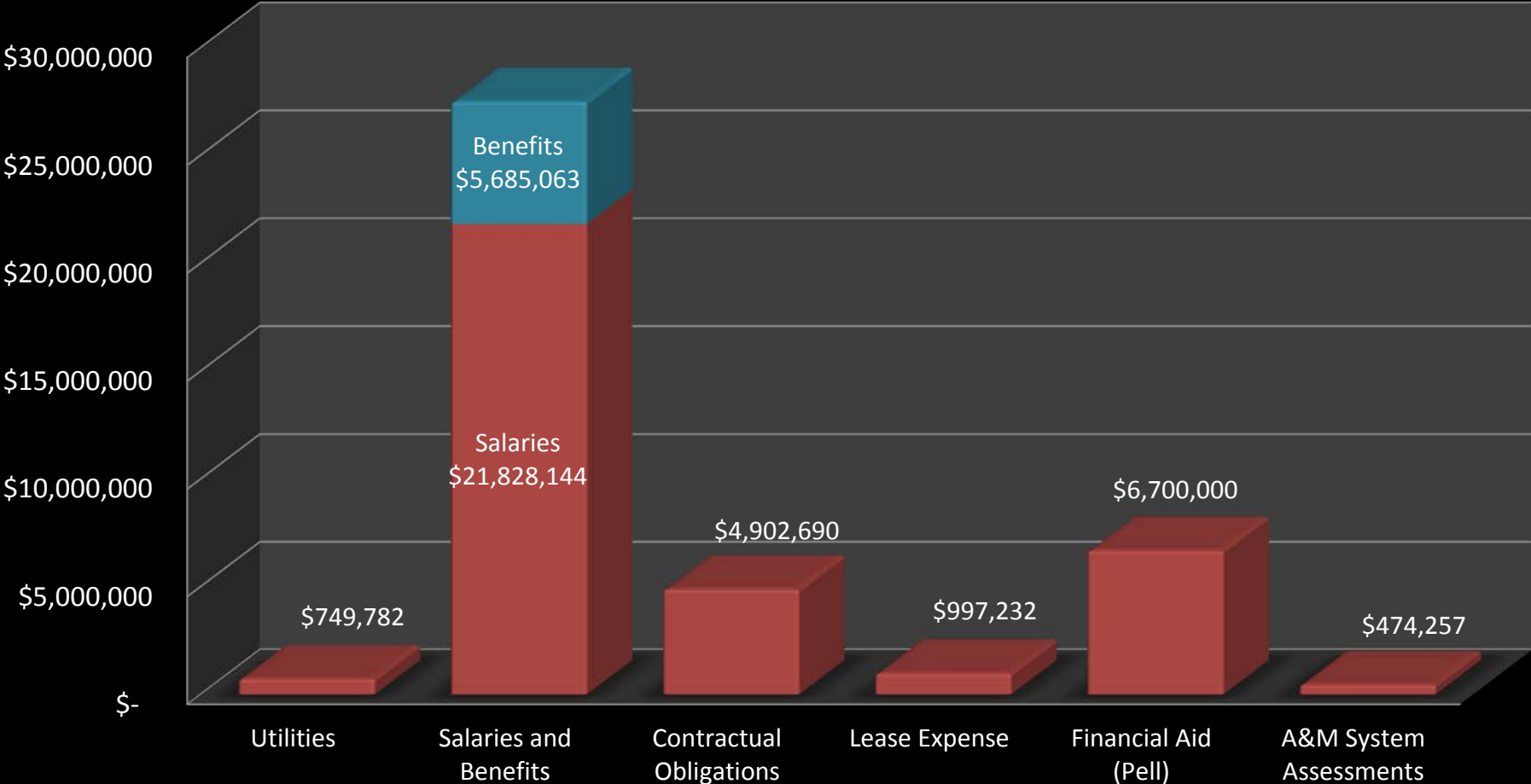
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## Beginning Budget by Division less Fixed Costs



| Division  | Fixed Costs         | Remaining Budget   | Total               | Remaining Budget % |
|---|---------------------|--------------------|---------------------|--------------------|
| <b>Academic Affairs (Snow)</b>                      | \$14,727,433        | \$1,036,851        | \$15,764,284        | 16.39%             |
| <b>Finance &amp; Administration (Skiver-Acting)</b> | 10,397,968          | 3,371,561          | 13,769,529          | 53.29%             |
| <b>Student Affairs (Mahan)</b>                      | 9,658,018           | 911,929            | 10,569,947          | 14.41%             |
| <b>Benefits (State)</b>                             | 4,656,070           | -                  | 4,656,070           | 0.00%              |
| <b>President (Matson)</b>                           | 711,837             | 314,100            | 1,025,937           | 4.96%              |
| <b>Strategic Initiatives (Rodriguez)</b>            | 542,150             | 200,780            | 742,930             | 3.17%              |
| <b>University Communications (Reyna)</b>            | 309,076             | 421,040            | 730,116             | 6.65%              |
| <b>Institutional Advancement (Snow-Interim)</b>     | 334,616             | 70,460             | 405,076             | 1.11%              |
| <b>Total</b>  | <b>\$41,337,168</b> | <b>\$6,326,721</b> | <b>\$47,663,889</b> | <b>100.00%</b>     |

# Fixed Costs \$41,337,168





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## FY15 Beginning Expense Budget by Function



|                                       |                     |                |
|---------------------------------------|---------------------|----------------|
| <b>Instruction</b>                    | \$16,877,791        | 35.41%         |
| <b>Institutional Support</b>          | 10,085,961          | 21.16%         |
| <b>Student Service</b>                | 7,603,333           | 15.95%         |
| <b>Scholarships &amp; Fellowships</b> | 5,579,846           | 11.71%         |
| <b>Operation &amp; Maint Of Plant</b> | 4,431,883           | 9.30%          |
| <b>Academic Support</b>               | 2,822,141           | 5.92%          |
| <b>Auxiliary</b>                      | 212,934             | 0.45%          |
| <b>Public Service</b>                 | 50,000              | 0.10%          |
| <b>Total</b>                          | <b>\$47,663,889</b> | <b>100.00%</b> |



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Where do  
costs belong?



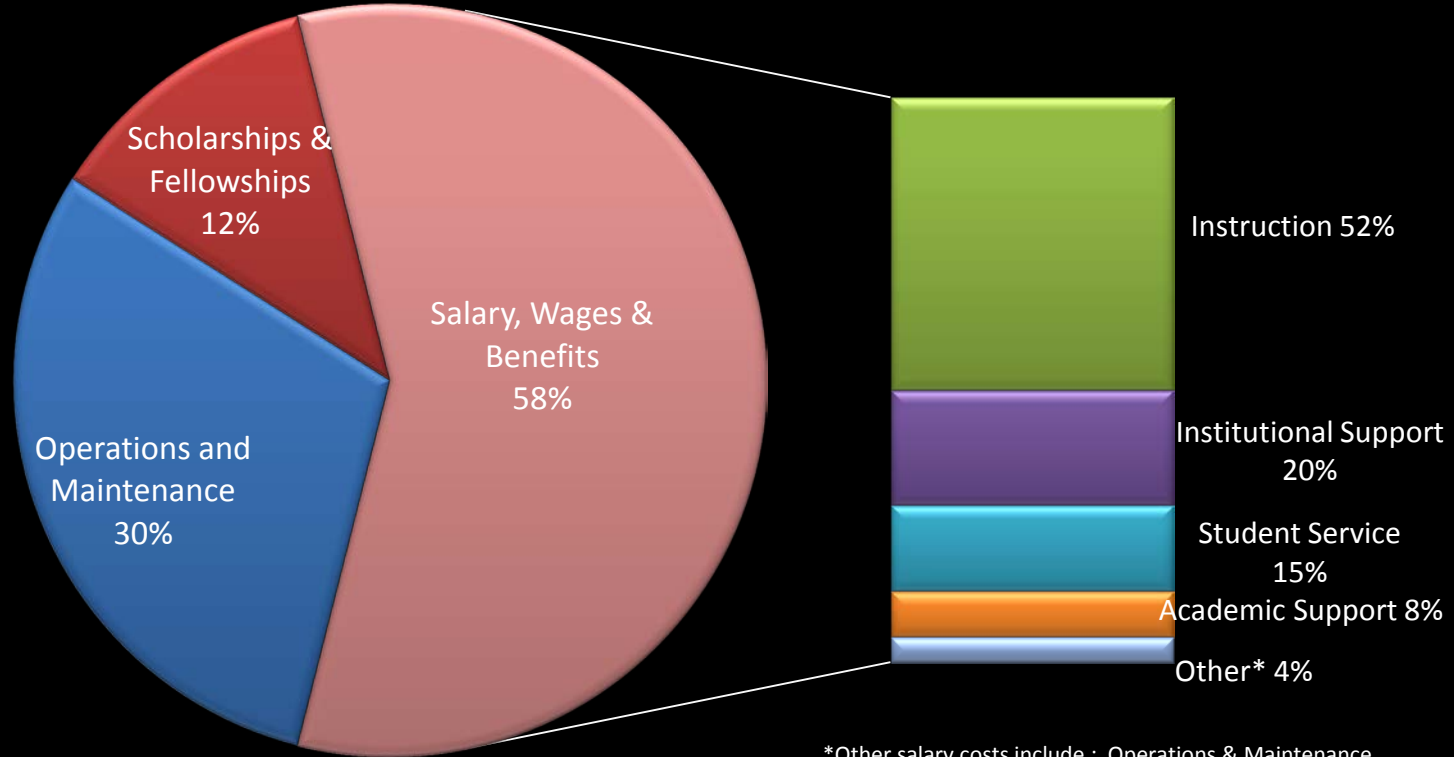
- A College Dean is assigned to:  
Academic Support
- A Tutor is assigned to:  
Student Service
- An Academic Department Chair  
is assigned to:  
Academic Support
- A Recruiter is assigned to:  
Student Service





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# FY15 Budget Uses Graphic: Salaries & Wages by NACUBO Function

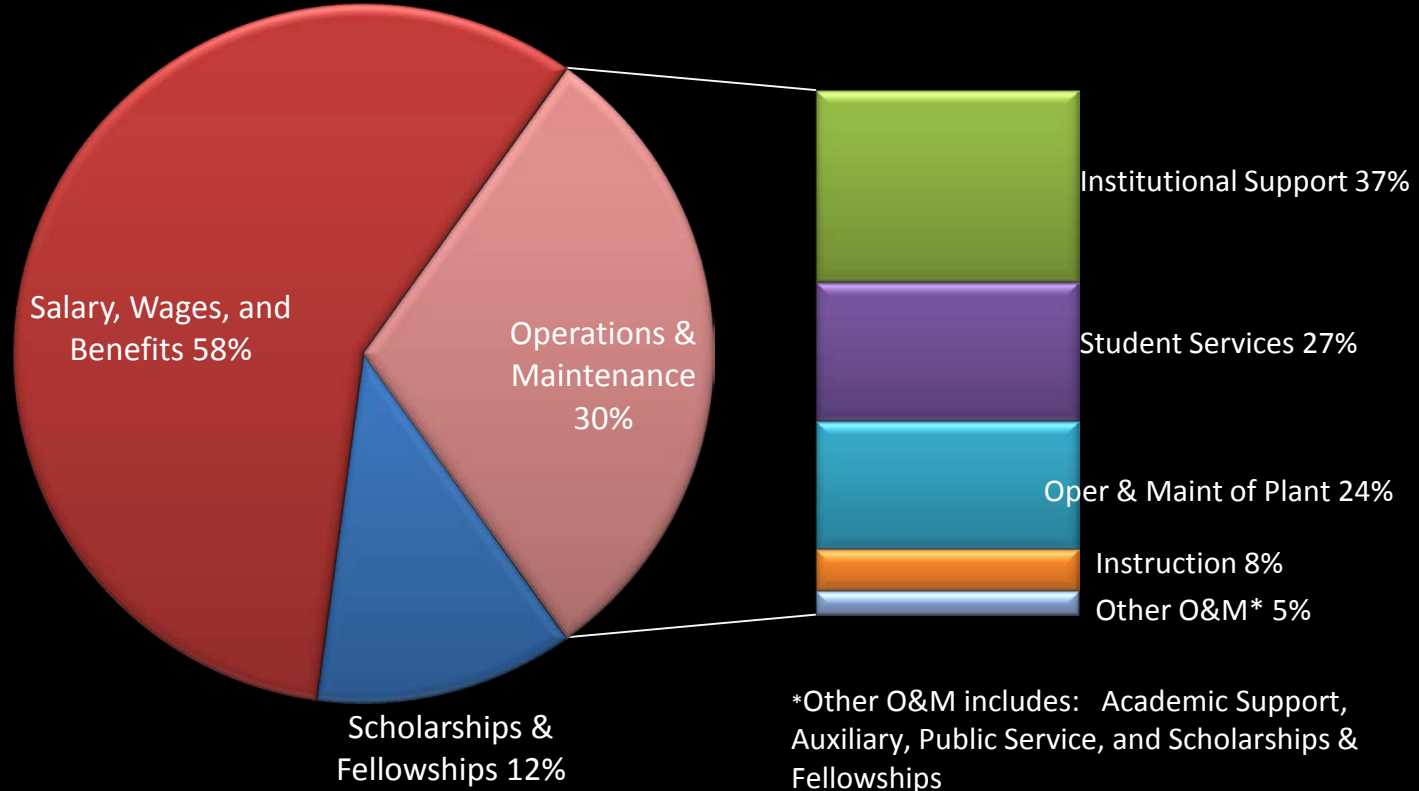


\*Other salary costs include : Operations & Maintenance, Scholarships & Fellowships, and Auxiliary



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FY15 Budget  
Uses Graphic:  
O&M by  
NACUBO  
Function





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How much is left in  
the FY15 budget  
after fixed costs are  
removed?



Total FY15 expense budget:

\$47,663,889

Total fixed costs:

\$41,337,168

Balance remaining for operations:

\$6,326,721

# Current Reserve Balance

Reserve balance:

State Tuition-\$5.6M

Local or Designated Tuition-\$1.5M

University Services Fee- \$3.8M

Restricted Fees-\$762K

Average monthly expenses:

\$2.9M

Months of reserve available for  
general operations:

4.02 months



# Estimated Changes for FY16

New revenues:  
\$900K in State Funding

No tuition & fee growth for  
budgeting purposes only

Additional Fixed costs:  
\$350K

Available for Strategic  
Investment:  
\$550K



# Projected FY16 Reserve Balance

## Reserve balance:

State Tuition-\$6.2M

Designated or Local Tuition-\$2M

University Services Fee-\$ 4.2M

Restricted Fees-\$800K

## Average monthly expenses:

\$2.9M

## Months of reserve available for general operations:

4.66 months





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## Previous Budget Process



### Stage 1

- Send budget worksheets to department heads along with instructions and calendar

### Stage 2

- Estimate revenues
- Provide training as needed

### Stage 3

- Review budget requests with ET
- ET approved budget requests



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## Proposed Budget Process to establish FY16 Budget



### Stage 1

- Determine goals/strategies for next fiscal year
- University Resource Commission convenes

### Stage 2

- Estimate additional and/or new revenues
- Division VPs /AVPs accept and review budget requests

### Stage 3

- VPs/AVPs present requests to the Commission
- University Resources Commission charged to align expense budget to meet goals

### Stage 4

- Provide feedback on requests
- Post budget decisions on university intranet



# Enrollment: Effect on Tuition and Fees

## Tuition and Fee Budget Estimate Process:

1. Institutional Research provides projected Semester Credit Hour increase.
2. University Resources Commission (URC) will agree on a conservative increase for budgeting purposes.
3. The budget office calculates the additional revenue that would be generated from the URC recommendation.
4. President will review recommendations from the URC on how the additional revenue will be distributed among requests submitted by Division/Departments. President makes final decisions.



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# University Resources Commission (URC)

- Purpose: Shared governance
- Role: Advisory





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A&M System Office  
Price Waterhouse  
Coopers Review



## Overview:

The objective of the review was to develop recommendations to enhance administrative efficiency, effectiveness and execution throughout TAMUS and to identify administrative cost savings that can be redirected into teaching, research and service without sacrificing quality.



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# Costs:

A&M System  
Office Price  
Waterhouse  
Coopers Audit



| Regional University | Cost Category         | University Cost/FTSE | % of Regional Median | % of Regional Average |
|---------------------|-----------------------|----------------------|----------------------|-----------------------|
| TAMU-SA             | Academic Support      | \$ 1,109             | 61.5%                | 58.6%                 |
|                     | Student Services      | \$ 1,545             | 102.3%               | 102.6%                |
|                     | Institutional Support | \$ 3,205             | 178.3%               | 150.7%                |



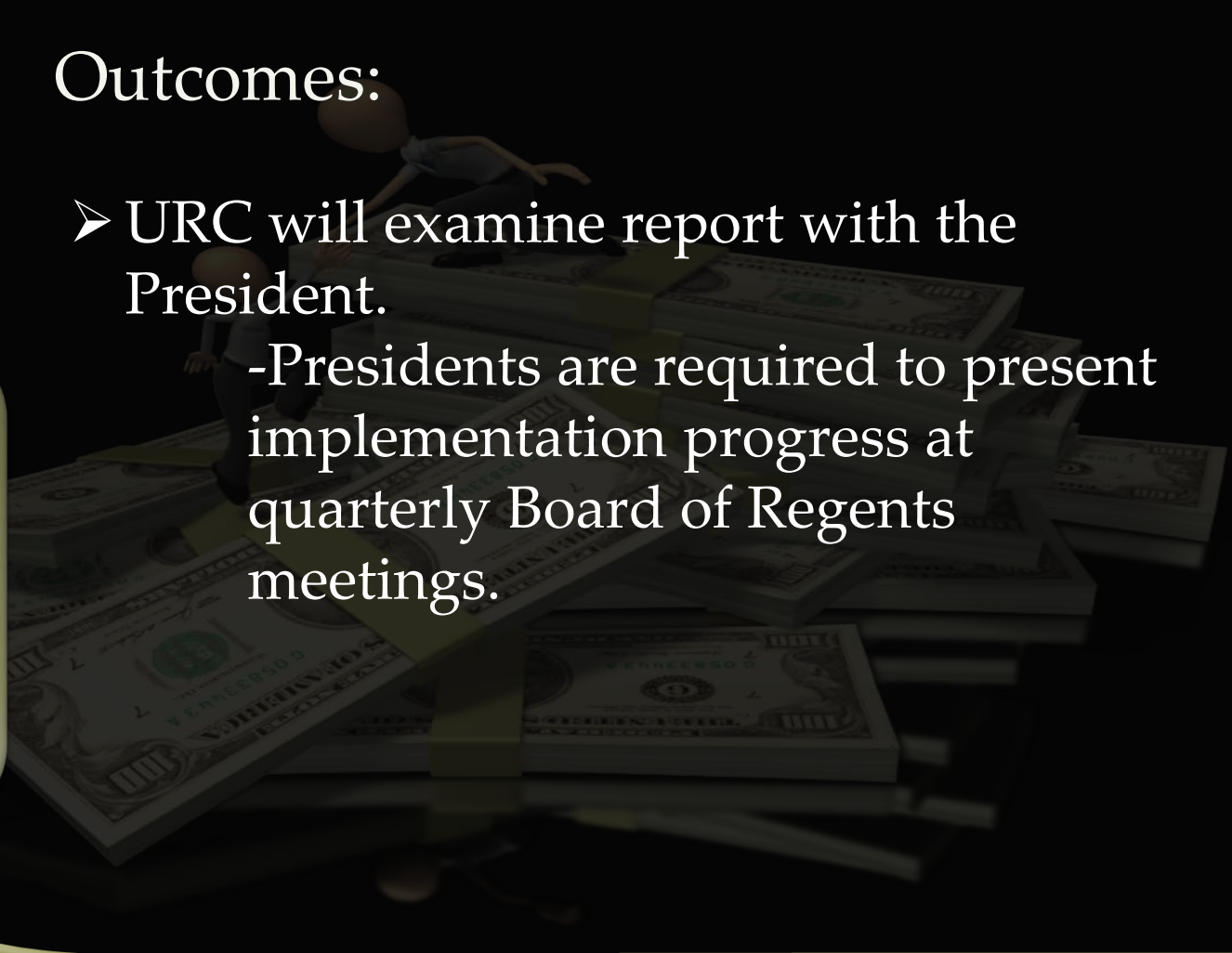
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A&M System Office  
Price Waterhouse  
Coopers Audit



## Outcomes:

- URC will examine report with the President.
  - Presidents are required to present implementation progress at quarterly Board of Regents meetings.





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Legislative  
Appropriations  
Request (LAR)-  
Overview on  
Downward  
Expansion



# Downward Expansion

Total request=\$11M for the biennium (2 years)

\$5.5M each year for FY16 and FY17

What would we spend it on?

Faculty

Staff

Infrastructure

Student Success

We would need 1,974 new students to equal the same amount in formula funding plus designated tuition and fees.



# Key Points

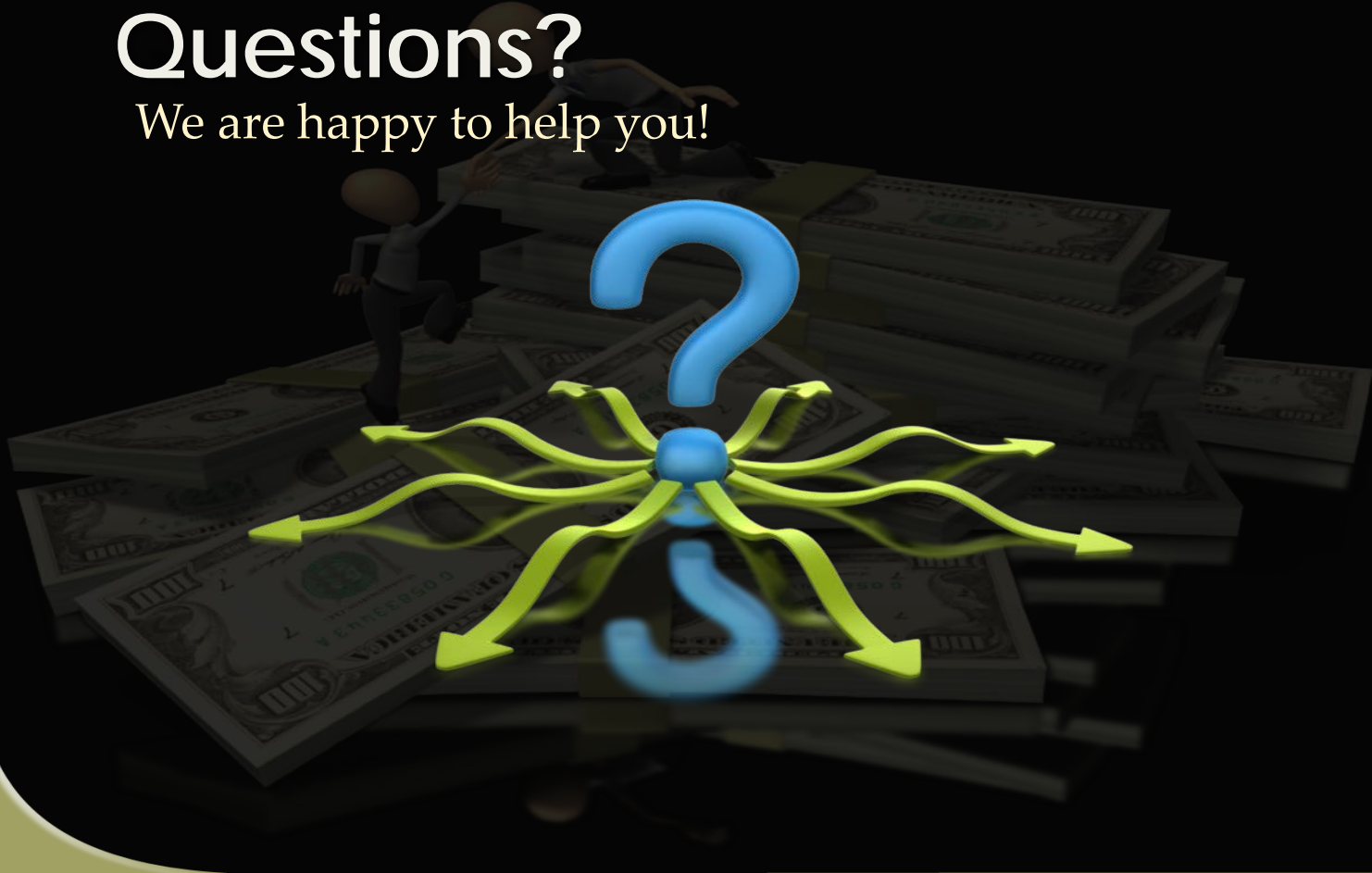
- Transparency
- Modified budget submittal process
- Shared Governance via URC
  - Comprehensive Planning for FY16 and beyond



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# Questions?

We are happy to help you!







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# Contact Information

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