

**STATE OF TEXAS
LEGISLATIVE APPROPRIATIONS REQUEST**

For Fiscal Years 2014 and 2015

**Submitted to the
Governor's Office of Budget, Planning and Policy
and the Legislative Budget Board**



Texas Tech University System Administration

October 16, 2012

TABLE OF CONTENTS

ADMINISTRATOR’S STATEMENT	1
ORGANIZATIONAL CHART	7
SUMMARY OF REQUEST	
Summary of Base Request by Strategy	8
Summary of Base Request by Method of Finance	10
Summary of Base Request by Object of Expense	12
Summary of Exceptional Items Request	13
Summary of Total Request by Strategy	14
STRATEGY REQUEST	16
RIDER REVISIONS AND ADDITIONS	21
EXCEPTIONAL ITEM REQUEST	
Exceptional Item Request Schedule	26
Exceptional Items Strategy Allocation Schedule	27
Exceptional Items Strategy Request	28
SUPPORTING SCHEDULES	
Schedule 6.A. Historically Underutilized Business	29
Schedule 6.H. Estimated Total of All Funds Outside the GAA	31
Schedule 6.I. Percent Biennial Base Reduction Options Schedule	32

HIGHER EDUCATION SUPPORTING SCHEDULES

Schedule 3A – Group Health Insurance Data Elements (ERS).....	34
Schedule 4 – Computation of OASI.....	37
Schedule 5 – Calculation and Retirement Proportionality and ORP Differential	38
Schedule 7 – Personnel.....	39
Schedule 8B – Tuition Revenue Bond Issuance History.....	41
Schedule 8C – Revenue Capacity for Tuition Revenue Bond Projects.....	42

Schedules Not Included

Agency Code: 768	Agency Name: Texas Tech University System Administration	Prepared By: Amanda Clark	Date: August 2012	Request Level: Baseline
For the schedules identified below, Texas Tech University System Administration either has no information to report or the schedule is not applicable. Accordingly, these schedules have been excluded from the Texas Tech University System Administration Legislative Appropriations Request for the 2014 - 2015 biennium.				
Schedule Number	Schedule Name			
2.D	Summary of Base Request Objective Outcomes			
2.G	Summary of Total Request Objective Outcomes			
3.C	Rider Appropriations and Unexpended Balances Request			
5.A	Capital Budget Schedule			
5.B	Capital Budget Project Information			
5.C	Capital Budget Allocation to Strategies			
5.D	Capital Budget Operating and Maintenance Expenses Detail			
5.E	Capital Budget Project: Object of Expense and Method of Finance by Strategy			
6.B	Current Biennium One-time Expenditure Schedule			
6.C	Federal Funds Supporting Schedule			
6.D	Federal Funds Tracking Schedule			
6.E	Estimated Revenue Collections Supporting Schedule			
6.F	Advisory Committee Supporting Schedule			
6.G	Homeland Security Funding Schedule			
6.J	Budgetary Impacts Related to Federal Health Care Reform			
7.A	Indirect Administrative and Support Costs			
7.B	Direct Administrative and Support Costs			
8	Summary of Requests for Projects Funded with General Obligation Bond Proceeds			
Schedule 1A	Other Educational and General Income			
Schedule 1B	Health-related Institutions Patient Income			
Schedule 2	Selected Educational, General, and Other Funds			
Schedule 6	Capital Funding			
Schedule 8A	Proposed Tuition Revenue Bond Projects			
Schedule 8D	Tuition Revenue Bond Request by Project			
Schedule 9	Special Item Information			
Schedule 10A	Formula Strategies by NACUBO Functions of Cost			
Schedule 10B	Object of Expense Detail for Formula Strategies and NACUBO Functions of Cost			

768 Texas Tech University System Administration

ADMINISTRATOR'S STATEMENT

INSTITUTIONAL ORGANIZATION

The Texas Tech University System is governed by a nine-member Board of Regents appointed by the Governor of Texas. Members of the board serve six-year, staggered terms. In addition to the nine members, there also is one student regent appointed by the governor who serves a one-year term. A list of the current members of the Board of Regents is included in the organization chart.

The board reviews major issues and establishes policy for the System and its components. The board also appoints the chancellor who is the chief executive officer of the System. As chief executive officer, the chancellor carries out the policies of the System as determined by the regents and has direct responsibility for all aspects of oversight and management of the components.

SYSTEM OVERVIEW

The Texas Tech University System, created by the Texas Legislature in 1999, is composed of a central administration, one health related institution and two general academic institutions. The components of the System are Texas Tech University System Administration (TTUSA), Texas Tech University (TTU), Texas Tech University Health Sciences Center (TTUHSC) and Angelo State University (ASU).

Headquartered in Lubbock, the System operates on more than 14 campuses and academic sites throughout the State of Texas and internationally. The System has locations statewide in Abilene, Amarillo, Boerne, Dallas, El Paso, Fredericksburg, Highland Lakes, Junction, Lubbock, Midland, Odessa and San Angelo. Internationally, the System has a location in Seville, Spain.

Total enrollment across all components of the System was approximately 43,500 students in the fall of 2011. System institutions awarded nearly 9,000 degrees in 2011. The System and its components employ approximately 17,000 faculty and staff.

Collectively, the annual budget of all components of the System totals more than \$1.56 billion. Approximately \$349 million of these funds are appropriated by the Texas Legislature, which has declined by \$35 million or 9 percent since fiscal year 2010.

Under the governance of the Board of Regents, the TTUSA provides its components with leadership, resources and support services to address challenges facing the State of Texas in an effective and efficient manner. From legal services and compliance management to financial services and facilities planning, the TTUSA offers a multitude of centralized services which support the attainment of each component's individual mission.

STRATEGIC VISION

In an effort to increase productivity and transparency of its components, the Texas Tech University System established its strategic plan, Leading the Way: Vision 2020, which outlines the System's continued growth and success for the remainder of the decade.

Adopted in 2009, this plan has strengthened values such as accountability and efficiency at all of the components and is aligned with the state's goals and initiatives for higher education. In the plan, five distinct areas of strategic priority have been identified.

768 Texas Tech University System Administration

Increasing Enrollment and Promoting Student Success

The Texas Tech University System has established enrollment goals to grow and diversify the student population at each of its components, which furthers the statewide goals identified in Closing the Gaps. With a growing population and increasing demand for higher education, sufficient state funding is necessary to support these goals of increasing enrollment and student success.

Collectively, enrollment has increased by approximately 18.5 percent at System institutions since the fall of 2006. In the fall of 2011, all components enrolled record numbers of students while simultaneously improving the quality of our students.

Texas Tech University established record enrollment figures for the third-straight fall semester with 32,327 students enrolled in the fall of 2011. The university's enrollment, on the rise over the last decade with a 26 percent growth, places the school on course to reach an institutional goal of 40,000 students by 2020. Committed to growing a diverse student population, Hispanic, African American, graduate and undergraduate enrollments were at an all-time high in the fall of 2011 at TTU.

Angelo State University's enrollment for the 2011 fall semester was 7,084 students, an increase of 819 students or 13 percent over the fall of 2006. The 2011 enrollment total surpassed the previous record of 6,856, which was set the previous fall semester, and marked the first time in ASU's 83-year history that the university surpassed 7,000 students. Hispanic enrollment exceeds 25 percent at ASU which has earned the university designation as a "Hispanic Serving Institution."

Texas Tech University Health Sciences Center announced its largest enrollment in history in the fall of 2011 with 4,089 students. The fall 2011 enrollment marked the first time the TTUHSC surpassed 4,000 students and was up more than 66 percent over the 2,458 enrolled in the fall of 2006. Additionally, more than one-third of the university's total enrollment in the fall 2011 semester was accumulated through online and distance education programs in nursing and allied health sciences.

As the State of Texas' population continues to grow, the System remains diligent in its efforts to improve higher education participation and educate the state's workforce.

Strengthening Academic Quality and Reputation

Since 1925, the component institutions of the Texas Tech University System have educated generations of leaders and graduated more than 280,000 students. Graduates from the System institutions are known for their practicality, strong work ethic and ambition.

Each university provides students with unique programs and opportunities to enhance their knowledge and skills for lifelong personal, professional and civic success. Offering a well-rounded college experience and more than just a great education is just one of the many differential characteristics that set the Texas Tech University System apart from other university systems.

Over the last five years, the number of degrees awarded system-wide has increased by approximately 11 percent, providing more graduates who greatly contribute to the state's workforce and health care industry. Additionally, by strengthening academic quality and reputation, the System institutions are proactive in assisting the state with its goal of increasing the number of nationally recognized programs.

In 2011, Texas Tech University awarded more than 6,370 degrees, the largest number ever since the university's inception. The university granted the most master's and

768 Texas Tech University System Administration

doctoral degrees in its history, conferring 1,300 and 265, respectively.

In a survey conducted by the Wall Street Journal, TTU ranked No. 18 out of the thousands of universities and institutions in the nation for producing the most skilled and qualified graduates. The prestigious rankings, which placed TTU ahead of schools such as Massachusetts Institute of Technology, University of Texas and Notre Dame, were compiled by surveying more than 475 recruiters across the country from nonprofit organizations, federal agencies and the nation's largest public and private companies.

Angelo State University conferred approximately 1,150 bachelor's and master's degrees to its students in 2011, graduating one of the largest graduating classes ever. In May 2012, ASU granted the first doctoral degrees in the school's history. For the third consecutive year, ASU has been listed by The Princeton Review as one of the country's best institutions for undergraduate education, an honor that goes to only about 15 percent of the nation's more than 2,500 four-year colleges.

ASU has a longstanding reputation for academic quality as exemplified by university acceptance rates that significantly exceed state averages for admission to medical, law and professional schools. For the 15th straight year, ASU students have maintained a 100 percent passing rate on the Texas Examination of Educator Standards (TExES) teacher certification test for secondary mathematics in 2011.

In 2011, Texas Tech University Health Sciences Center awarded 1,418 degrees, which was the largest number in the school's history and more than any other health related institution in Texas.

Additionally, the School of Nursing, School of Allied Health Sciences and School of Pharmacy at TTUHSC conferred the most nursing, allied health and pharmacy degrees, respectively, in the state during the same academic year. TTUHSC also ranks nationally in awarding baccalaureate degrees in nursing to Hispanics, listed as No. 5 in the country in 2011.

In 2013, the Paul L. Foster School of Medicine at El Paso, which is the only four-year medical school on the U.S. and Mexico border and the second medical school at TTUHSC, will graduate its inaugural class of students.

The U.S. News & World Report has ranked the institution's Schools of Nursing and Allied Health Sciences among the top in the nation, citing programs in each of the schools in the 2012 edition of America's Best Graduate Schools.

Expand and Enhance Research and Creative Scholarship

The Texas Tech University System is committed to expanding the research enterprise at its component institutions, while maintaining focus on quality undergraduate and graduate education. Each component has research areas of unparalleled excellence that are leveraging their unique resources and collaborating to provide solutions to complex problems impacting our nation and world.

Research is essential to graduate education and has a dynamic impact on undergraduate programs. Being a leader in knowledge creation is critical to overall quality and prosperity in higher education. Collectively, the System conducted more than \$202 million in overall research expenditures in 2011.

Texas Tech University has established itself as a center of excellence in areas of specialized technology research. Advances in pulsed power, wind science and engineering, nanophotonics and cotton are attracting the attention of leading scientists and providing the resources to solve some of today's most pressing challenges.

Administrator's Statement

10/15/2012 8:39:14AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

768 Texas Tech University System Administration

Continuing excellence in these research areas and enhancing work in others such as food safety, renewable energy and integrative biosciences is one of the strategic aims of the university.

As a teaching-focused institution, Angelo State University stresses the importance of research in which students play an important role. Students work side-by-side with professors in externally-funded projects in areas such as materials science, endangered flora, small mammal studies, and sheep and goat research. Internal funds are available to support individual student research projects across all disciplines as well as to support faculty research in which students may play an active role.

At Texas Tech University Health Sciences Center, research expenditures have nearly tripled since 2006. The university is building a top-ranked research environment with significant studies underway in areas such as aging, cancer, Alzheimer's, border health and women's health. Specifically, TTUHSC has focused on increasing the number of National Institutes of Health and Cancer Prevention Institute of Texas grants.

Additionally, the System is dedicated to recruiting research-oriented faculty. Hiring researchers with proven histories of accomplishment who can also perform in the classroom is one step in enhancing our research objectives. Improving the research productivity of the System components will allow all components to increase federal dollars to further the research goals outlined in Closing the Gaps.

Further Outreach and Engagement

As one of the largest employers in West Texas, the Texas Tech University System is an economic engine in the region. After an analysis of the System's economic impact, a study revealed the organization generated a total economic impact of \$2.57 billion in 2011 for the region in which it operates. According to the study, the System also helped sustain more than 31,000 jobs and had an annual household earnings impact of \$1.35 billion to the citizens of West Texas in the same year.

The impact of an educated population and workforce is one of the most important benefits an institution of higher education provides. The annual contribution to the Texas workforce from the graduates of the component institutions in the Texas Tech University System was nearly \$4.8 billion in 2011.

Increase and Maximize Resources

The Texas Tech University System currently performs or coordinates many collaborative functions between the four components including strategic planning, fundraising, legal counsel, audit services, governmental relations, facilities planning and construction, investments, cash and debt management, risk management and communication services.

The System and its components are committed to utilizing the resources necessary to achieve its goals in combination with improved productivity, internal efficiencies and budget reallocations. In addition, the System will continue to share services across all institutions in order to further reduce expenses.

All staff positions (including temporary employees) are classified as security sensitive level I positions and require criminal background checks prior to employment, promotion, reclassification, transfer or direct appointment. These background checks are performed in accordance with Texas Education Code, Section 51.215 and Government Code, Section 411.097.

FUNDING PRIORITIES

Administrator's Statement

10/15/2012 8:39:14AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

768 Texas Tech University System Administration

A top priority for the 83rd Legislature will be to provide sufficient funds to cover the growth in enrollments statewide and the resulting increased costs. With the general revenue reductions endured since fiscal year 2010 and the continuous growth in enrollments statewide, institutions of higher education are already straining not to affect their core operations.

Funding should be added to the formula for the additional students who have entered the System during the current biennium. The formula strategies primarily fund the core functions of the universities and health sciences centers, such as instruction, administration and physical plant. If sufficient funds are not added to the formula funding, there will be a negative impact on the quality of services provided through the core functions. A significant portion of this funding is allocated to faculty and staff salaries, while a very small portion is associated with other expenses such as maintenance, operations and other administrative costs. As a result, the ultimate impact will be in faculty and staff positions. The System needs adequate funding for salaries in order to retain current personnel levels and to support the strategic hiring of faculty and staff.

In the 82nd Legislature, higher education base funding was reduced by \$1.2 billion, in addition to the \$500 million that was cut from the appropriated amounts for 2010 and 2011. Academic and health-related institutions experienced a 5 percent reduction in formula funding. Additionally, the Legislature did not provide for enrollment growth. This funding reduction directly impacts the institutions' ability to achieve their core mission of educating students and provide services to increasing enrollment, which directly supports the statewide goals expressed in Closing the Gaps. Additional reductions in the FY 2014-2015 biennium with increased demand for our services will result in reductions of course offerings and services to the students.

FY 2014-2015 Proposed 10% Reduction for Texas Tech University System Administration

Initial 5% Reduction

Management has met the challenge of the reductions experienced in fiscal years 2010-13 appropriations. However, management's options to maintain service levels with a 5% reduction in FY 2014-15 are limited due to the size of the agency. This reduction will result in the elimination of two positions in functions that provide direct support to the components of the Texas Tech University System.

Additional 5% Reduction

This additional reduction will eliminate management options and lead to the elimination of services and personnel that provide direct support to the components of the Texas Tech University System. This reduction will eliminate two additional positions.

EXCEPTIONAL ITEMS

Equitable Funding for System Administration

TTUSA currently provides many collaborative functions between the four components including strategic planning; fund raising; legal counsel; audit services; facilities planning and construction; investments, cash, and debt management; risk management; communication services; technology commercialization; and governmental relations. These centralized activities are necessary and crucial for the component institutions to achieve statewide goals and address the challenges facing the State of Texas in an effective and efficient manner. TTUSA requests equitable funding to allow our component institutions to retain more funding for academic purposes. The request totals \$575,000 for fiscal year 2014 and \$575,000 for fiscal year 2015.

Texas Tech University System Administration has experienced a 29% reduction in appropriations since fiscal year 2010. The impact of these reductions has slowed

Administrator's Statement

10/15/2012 8:39:14AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

768 Texas Tech University System Administration

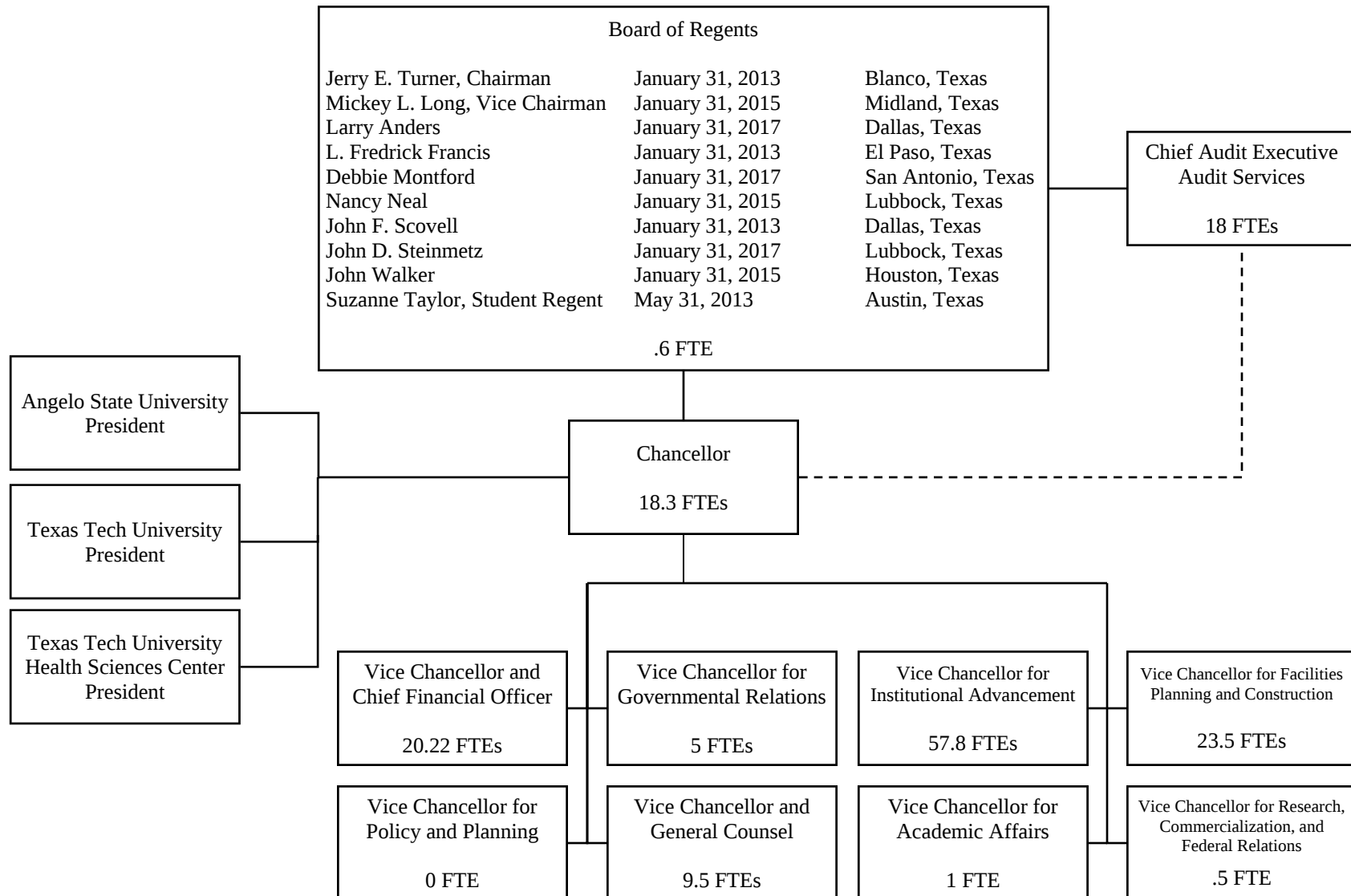
hiring and resulted in degradation in service (e.g., fewer staff to respond to service requests). The reduction has been managed to minimize its impact on the students and mission of the Texas Tech University System.

RIDER REVISIONS AND ADDITIONS REQUESTS

The rider revisions and additions requested in Schedule 3.B. are submitted on behalf of, and with the support of each of the 3 institutions of the Texas Tech University System. In addition, we believe there is a consensus among the other Texas public systems and institutions of higher education in support of the requested revisions. The revisions, each of which includes an explanation, serve the general purposes of clarifying legislative intent, eliminating unnecessary or redundant requirements, or aligning the rider with relevant statutes.

Texas Tech University System Administration 2013 Budget

Total FTEs — 154.4



2.A. Summary of Base Request by Strategy

10/15/2012 8:39:15AM

83rd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

768 Texas Tech University System Administration					
Goal / Objective / STRATEGY	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>1</u> Provide Instructional and Operations Support					
<u>1</u> <i>Provide Instructional and Operations Support</i>					
11 SYSTEM OFFICE OPERATIONS	1,800,000	1,425,000	1,425,000	1,425,000	1,425,000
TOTAL, GOAL 1	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
<u>3</u> Provide Special Item Support					
<u>5</u> <i>Exceptional Item Request</i>					
1 EXCEPTIONAL ITEM REQUEST	0	0	0	0	0
TOTAL, GOAL 3	\$0	\$0	\$0	\$0	\$0
TOTAL, AGENCY STRATEGY REQUEST	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000

2.A. Summary of Base Request by Strategy

10/15/2012 8:39:15AM

83rd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

768 Texas Tech University System Administration

Goal / Objective / STRATEGY	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	1,800,000	1,425,000	1,425,000	1,425,000	1,425,000
SUBTOTAL	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
TOTAL, METHOD OF FINANCING	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000

*Rider appropriations for the historical years are included in the strategy amounts.

2.B. Summary of Base Request by Method of Finance

10/15/2012 8:39:15AM

83rd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 768		Agency name: Texas Tech University System Administration				
METHOD OF FINANCING		Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>GENERAL REVENUE</u>						
<u>1</u> General Revenue Fund						
REGULAR APPROPRIATIONS						
Regular Appropriation from MOF Table						
		\$2,000,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
LAPSED APPROPRIATIONS						
Five Percent Reduction (2010-2011 Biennium)						
		\$(150,000)	\$0	\$0	\$0	\$0
HB 4, 82nd Leg, Regular Session, Sec 1(a) General Revenue Reductions.						
		\$(50,000)	\$0	\$0	\$0	\$0
TOTAL,	General Revenue Fund	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
TOTAL, ALL	GENERAL REVENUE	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
GRAND TOTAL		\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000

2.B. Summary of Base Request by Method of Finance

10/15/2012 8:39:15AM

83rd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	768	Agency name:	Texas Tech University System Administration			
METHOD OF FINANCING		Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
FULL-TIME-EQUIVALENT POSITIONS						
REGULAR APPROPRIATIONS						
Regular Appropriations from MOF Table		100.0	95.0	95.0	83.5	83.5
UNAUTHORIZED NUMBER OVER (BELOW) CAP						
Unauthorized Number Over (Below) Cap		(9.0)	(11.5)	(11.5)	0.0	0.0
TOTAL, ADJUSTED FTES		91.0	83.5	83.5	83.5	83.5
NUMBER OF 100% FEDERALLY FUNDED FTEs						
		0.0	0.0	0.0	0.0	0.0

2.C. Summary of Base Request by Object of Expense

10/15/2012 8:39:15AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

768 Texas Tech University System Administration

OBJECT OF EXPENSE	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
1001 SALARIES AND WAGES	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
OOE Total (Excluding Riders)	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
OOE Total (Riders)					
Grand Total	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000

2.E. Summary of Exceptional Items Request
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2012
TIME : 8:39:16AM

Agency code: 768

Agency name: Texas Tech University System Administration

Priority	Item	2014			2015			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Equitable Funding	\$575,000	\$575,000	18.0	\$575,000	\$575,000	18.0	\$1,150,000	\$1,150,000
Total, Exceptional Items Request		\$575,000	\$575,000	18.0	\$575,000	\$575,000	18.0	\$1,150,000	\$1,150,000
Method of Financing									
	General Revenue	\$575,000	\$575,000		\$575,000	\$575,000		\$1,150,000	\$1,150,000
	General Revenue - Dedicated								
	Federal Funds								
	Other Funds								
		\$575,000	\$575,000		\$575,000	\$575,000		\$1,150,000	\$1,150,000
Full Time Equivalent Positions				18.0				18.0	
Number of 100% Federally Funded FTEs				0.0				0.0	

2.F. Summary of Total Request by Strategy
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/15/2012
TIME : 8:39:16AM

Agency code: 768	Agency name: Texas Tech University System Administration					
Goal/Objective/STRATEGY	Base 2014	Base 2015	Exceptional 2014	Exceptional 2015	Total Request 2014	Total Request 2015
1 Provide Instructional and Operations Support						
1 Provide Instructional and Operations Support						
11 SYSTEM OFFICE OPERATIONS	\$1,425,000	\$1,425,000	\$0	\$0	\$1,425,000	\$1,425,000
TOTAL, GOAL 1	\$1,425,000	\$1,425,000	\$0	\$0	\$1,425,000	\$1,425,000
3 Provide Special Item Support						
5 Exceptional Item Request						
1 EXCEPTIONAL ITEM REQUEST	0	0	575,000	575,000	575,000	575,000
TOTAL, GOAL 3	\$0	\$0	\$575,000	\$575,000	\$575,000	\$575,000
TOTAL, AGENCY STRATEGY REQUEST	\$1,425,000	\$1,425,000	\$575,000	\$575,000	\$2,000,000	\$2,000,000
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$1,425,000	\$1,425,000	\$575,000	\$575,000	\$2,000,000	\$2,000,000

2.F. Summary of Total Request by Strategy
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/15/2012

TIME : 8:39:16AM

Agency code: 768	Agency name: Texas Tech University System Administration					
Goal/Objective/STRATEGY	Base 2014	Base 2015	Exceptional 2014	Exceptional 2015	Total Request 2014	Total Request 2015
General Revenue Funds:						
1 General Revenue Fund	\$1,425,000	\$1,425,000	\$575,000	\$575,000	\$2,000,000	\$2,000,000
	\$1,425,000	\$1,425,000	\$575,000	\$575,000	\$2,000,000	\$2,000,000
TOTAL, METHOD OF FINANCING	\$1,425,000	\$1,425,000	\$575,000	\$575,000	\$2,000,000	\$2,000,000
FULL TIME EQUIVALENT POSITIONS	83.5	83.5	18.0	18.0	101.5	101.5

768 Texas Tech University System Administration

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 11 System Office Operations

Statewide Goal/Benchmark: 2 0
Service Categories:
Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
TOTAL, OBJECT OF EXPENSE		\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
Method of Financing:						
1	General Revenue Fund	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,425,000	\$1,425,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
FULL TIME EQUIVALENT POSITIONS:		91.0	83.5	83.5	83.5	83.5
STRATEGY DESCRIPTION AND JUSTIFICATION:						

768 Texas Tech University System Administration

GOAL:	1	Provide Instructional and Operations Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Provide Instructional and Operations Support	Service Categories:		
STRATEGY:	11	System Office Operations	Service:	19	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
------	-------------	----------	----------	----------	---------	---------

The Texas Tech University System (System) is composed of Texas Tech University System Administration (TTUSA), Texas Tech University, Texas Tech University Health Sciences Center and Angelo State University.

The System operates on more than 14 academic sites throughout the State of Texas and internationally. The System has locations statewide in Abilene, Amarillo, Boerne, Dallas, El Paso, Fredericksburg, Highland Lakes, Junction, Lubbock, Midland, Odessa and San Angelo. Internationally, the System has a location in Seville, Spain. The total enrollment across all components is approximately 43,500 students.

Headquartered in Lubbock, the System's control and direction is vested in a ten-member Board of Regents. The Chancellor, appointed by the Board of Regents, is the chief executive officer of the System. TTUSA provides its components with leadership, resources and support services to address challenges facing the State of Texas in an effective and efficient manner.

TTUSA is committed to providing the highest quality and most efficient resources and services to its components. TTUSA strives to increase accessibility, enhance instruction and infrastructure formula funding, provide necessary financial aid, produce and commercialize technologies, strengthen academic quality and reputation, advance research, improve productivity and efficiency and further the quality and availability of health care for all Texans.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

768 Texas Tech University System Administration

GOAL:	1	Provide Instructional and Operations Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Provide Instructional and Operations Support	Service Categories:		
STRATEGY:	11	System Office Operations	Service:	19	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
------	-------------	----------	----------	----------	---------	---------

Sufficient funding is necessary to support the Texas Tech University System’s goal of increased enrollment and to further aid in fulfilling the statewide goals of Closing the Gaps.

Graduates from our universities are known for their practicality, strong work ethic and ambition. The component institutions of the Texas Tech University System are preparing students for lifelong success personally, professionally and civically.

As the cost of a four-year college education rises, universities must find ways to keep deserving families from being priced out of a quality education. The Texas Tech University System is committed to keeping higher education affordable and accessible to all families by providing necessary financial resources.

The Texas Tech University Health Sciences Center prides itself on investigating and treating complex health issues—especially those affecting historically underserved populations.

Each of our universities has research areas of unparalleled excellence that are leveraging their unique resources to provide solutions to complex problems impacting our nation and world.

The System and its components are committed to utilizing the resources necessary to achieve its goals in combination with improved productivity, internal efficiencies and budget reallocations. In addition, the System will continue to share services across all institutions in order to reduce expenses.

768 Texas Tech University System Administration

GOAL: 3 Provide Special Item Support
OBJECTIVE: 5 Exceptional Item Request
STRATEGY: 1 Exceptional Item Request

Statewide Goal/Benchmark: 2 0
Service Categories:
Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$0	\$0	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$0	\$0	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		0.0	0.0	0.0	0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
METHODS OF FINANCE (INCLUDING RIDERS):				\$1,425,000	\$1,425,000
METHODS OF FINANCE (EXCLUDING RIDERS):	\$1,800,000	\$1,425,000	\$1,425,000	\$1,425,000	\$1,425,000
FULL TIME EQUIVALENT POSITIONS:	91.0	83.5	83.5	83.5	83.5

3.B. Rider Revisions and Additions Request

Agency Code: 768	Agency Name: Texas Tech University System Administration	Prepared By: Texas Tech University System Administration	Date: August 16, 2012	Request Level: Baseline
Current Rider Number	Page Number in 2012-13 GAA	Proposed Rider Language		
Art. IX, Sec. 9.03	IX-43	Sec. 9.03. Biennial Operating Plan and Information Resources Strategic Plan Approval. It is the intent of the Legislature that agencies and institutions of higher education receiving appropriated funds for the acquisition of information technology must have a current Information Resources Strategic Plan and a Biennial Operating Plan including any amendments as approved by the Legislative Budget Board prior to expending any funds for information technology. Information Technology items identified in the Capital Budget Rider must be included and approved in the Biennial Operating Plan <u>required by Section 2054.100, Government Code</u> or a subsequently approved amendment of the Biennial Operating Plan. The Legislative Budget Board may direct the Comptroller to deny the agency or institution of higher education access to information technology appropriations for non-compliance <u>with Section 2054.100, Government Code</u>. <i>The proposed change eliminates an unnecessary restatement of the statutory requirement for a Biennial Operating Plan and corrects the reference to institutions of higher education in regard to the requirement for an Information Resources Strategic Plan, a statutory requirement from which institutions of higher education are exempt under Section 2054.095 and Chapter 2056, Government Code.</i>		
Art. IX, Sec. 11.01	IX-48	Sec. 11.01. Limitation on Use of Funds for Personal Residences. (a) Out of appropriations made by this Act, expenditures exceeding an aggregate amount of \$25,000 for the biennium beginning on September 1, 2011, may not be made for purchasing, remodeling, or repairing of any one particular personal residence or living quarters unless the expenditures are: (1) (A) required by court order; (B) will result in increased safety, significant net cost savings, or prevention of substantial waste; or (C) are specifically identified in a Capital Budget in this Act; and (2) the Governor and Legislative Budget Board have approved the expenditure. (b) The Texas Facilities Commission shall report all expenditures <u>of funds appropriated by this Act</u> exceeding an aggregate amount of \$25,000 for the biennium for purchasing, remodeling, or repairing any one particular personal residence or living quarters to the Legislative Budget Board.		

3.B. Rider Revisions and Additions Request (continued)

		<i>The proposed change in Subsection (b) makes it consistent with Subsection (a) and clarifies that the report required of the Texas Facilities Commission, as a detail, limit, or restriction on the use of appropriated funds, relates only to the use of appropriated funds. In addition, the Texas Facilities Commission does not exercise general jurisdiction over the purchase, remodeling, or repair of facilities of institutions of higher education.</i>
Art. IX, Sec. 7.05	IX-37	Sec. 7.05. Contract Notification: Amounts Greater than \$500,000. (a) In this section "contract" includes: (1) a contract, agreement, purchase order, interagency contract, interlocal agreement, or other written expression of terms of agreement or an amendment, modification, renewal, or extension of such for the purchase or sale of goods or services that was entered into or paid for, either in whole or in part, by a state agency or institution of higher education during a fiscal year, which has a value of more than \$500,000; or (2) a series of contracts, agreements, purchase orders, interagency contracts, interlocal agreements, or other written expressions of terms of agreement, or amendments, modifications, renewals, or extensions of such for the purchase or sale of goods or services that was entered into or paid for, either in whole or in part, by a state agency or institution of higher education during a fiscal year which together total in value an amount greater than \$500,000 and involving both: (A) a single entity or individual; and (B) a state agency or institution of higher education. (b) In this section a contract does not include a contract that has been reported to the Legislative Budget Board: (1) under §§ 2054.008, 2166.2551, 2254.006, or 2254.0301, Government Code; or (2) Sec. 7.04 of this Article; <u>or</u> (3) <u>a contract paid only with funds not appropriated by this Act.</u> (c) Before October 1 of each fiscal year, a state agency or an institution of higher education shall report to the Legislative Budget Board in the manner prescribed by the Legislative Budget Board all contracts to which the agency or institution was a party during the prior fiscal year. <i>The proposed change clarifies that, as a limitation on the expenditure of appropriated funds, the rider applies only to contracts paid with appropriated funds. The proposed change conforms the rider to the similar requirements of Section 7.04(b)(6) relating to contracts for amounts greater than \$50,000.</i>
		Sec. 11. Method of Financing Scholarships. 1. Out of the funds identified by this Article in the informational items described as "Other Educational and

3.B. Rider Revisions and Additions Request (continued)

		General Income," the respective governing boards of the general academic teaching institutions and of the health centers, health science centers, or technical colleges may allocate and expend the actual receipts in such informational item for student scholarships pursuant to the provisions of Education Code § 56.031 to § 56.039, cited as the Texas Public Educational Grants Program. 2. Copies of such approved allocations together with copies of rules and regulations adopted by the respective governing boards concerning the award of such scholarships shall be filed with the Coordinating Board and with the Comptroller prior to the disbursement of any moneys for scholarships. Copies of any subsequent changes in such allocations or rules shall be similarly filed with the Coordinating Board and with the Comptroller. <u>32.</u> No educational and general funds appropriated in this Act for scholarships to institutions of higher education may be used to provide athletic scholarships. 43. Out of the additional funds appropriated for the 2012-13 biennium for the informational strategy described as "Scholarships," the respective governing boards shall allocate and expend such funds for need-based student scholarships regardless of the race, sex, color, or ethnicity of the student recipient. <i>The proposed change conforms the rider to a statutory change enacted by Section 9.01(b) S.B. 5, 82nd Legislature, R.S., 2013, repealing Sec.56.034, Education Code effective September 1, 2013. The repealed section was the source of the information described in the omitted provision of the rider.</i>
Art. III, Sec. 55	III-247	Sec. 55. Community College Transfer Student Reporting Requirement. All General Academic Institutions shall use their respective Education and General funds appropriated in this Act to develop and submit an annual report to the Texas Higher Education Coordinating Board (THECB) that details the institution's goals to increase the number, success, and persistence of community college transfer students as measured by THECB. The report shall assess each institution's existing academic and technical transfer pathways, identify each institution's barriers to transfer, and define emerging issues. The report shall detail institution actions to serve current and future transfer students through local and regional articulation agreements with faculty collaboration, community college program enhancements, student outreach and advising, website information development, targeted financial aid, university student success programs, and degree program alignment. <u>For all general academic institutions, t</u>The THECB shall provide performance data by institution (application rates, admission rates, financial aid awarded, time-to-degree, and baccalaureate graduation rates) of transfer and native students by program completion at community colleges and universities during the preceding fiscal year. The THECB shall conduct a comparative analysis of the institutional reports and the performance data. The THECB shall submit an annual report to the Legislature that evaluates actions to increase the number, success, and persistence of community college transfer students and make recommendations to meet state goals. The report shall be delivered to the House Appropriations Committee, the Senate Finance Committee, the Legislative Budget Board and the Governor by November 1 of each year.

3.B. Rider Revisions and Additions Request (continued)

		<i>The proposed change recognizes that the Coordinating Board collects the information described in the first paragraph without the necessity of the described report, making a separate report unnecessary.</i>
Art. IX, Sec. 7.07	IX-38	Sec. 7.07. Reporting Fees, Fines, and Penalties. (a) Before November 1 of each fiscal year, each state agency and institution of higher education (including a community or junior college) shall report to the Legislative Budget Board in the manner prescribed by the Legislative Budget Board all fees, fines, and penalties assessed <u>the revenue of which are required to be deposited in the state treasury for appropriation</u> and all <u>such</u> fees, fines, and penalties assessed but not collected by the agency or institution-during the prior fiscal year. (b) Each report made under this section shall detail the effort made by the reporting state agency or institution of higher education to collect fees, fines, and penalties that are more than ninety days past due. <i>The proposed change clarifies that, as a limitation on the use of appropriated funds, the rider applies only to revenue that is deposited in the state treasury for appropriation.</i>
Art. III, Sec. 50	III-245	Sec. 50. Report Concerning Designated Tuition. (a) Not later than January 1, 20142, the governing board of each public institution of higher education that charges students designated tuition under § 54.0513, Education Code, shall use the appropriations in the Act to report to the legislature, for the 2010-2011<u>2012-2013</u> and 2011-2012<u>2013-2014</u> academic years: (1) the amount the institution has collected in designated tuition; (2) the purposes for which the institution spent the money derived from designated tuition and the amount of that money spent for each of those purposes; and (3) the amount set aside from designated tuition for resident undergraduate and graduate student assistance under §§ 56.011 and 56.012, Education Code and how these amounts are allocated under the following categories. (a) grants (b) scholarships, (c) work-study programs, (d) students loans, (e) and student loan repayment assistance. (b) In addition to the information reported under Subsection (a), not later than January 1, 2012, the governing board of each institution of higher education shall report to the legislature the total academic cost for resident undergraduates enrolled for 15 semester credit hours. The information reported shall be derived from actual fee bills for the 2010 fall semester and the 2009 spring and fall semesters and must reflect the actual charges, before any adjustments or discounts are applied for waivers, exemptions, or other discounts, in the following

3.B. Rider Revisions and Additions Request (continued)

		categories: (1) statutory tuition; (2) designated tuition; (3) mandatory fees; and (4) average college and course fees, which must include all academic related fees and charges not reported under (1), (2), or (3), such as fees for laboratories, field trips, multimedia, equipment replacement, and instructional technology, but should not include charges for voluntary services "optional fees"). (e) Reports required by this section shall be delivered to the Lieutenant Governor, the Speaker of the House, the chair of the Senate Finance Committee, the chair of the House Appropriations Committee, and the members of the Legislative Oversight Committee on Higher Education. <i>Section (b) of the Report Concerning Designated Tuition is redundant as the information is previously captured in the Texas Higher Education Coordinating Board's IFRS system and available online, making a separate report for that purpose unnecessary.</i>
Art. III, Sec. 57	III-247	Sec. 57. Online Degree Plans. (a) Using funds appropriated by this Act, not later than August 1, 2012, each public institution of higher education receiving appropriations under this Act shall submit to the Higher Education Coordinating Board a study of the costs making available online four of the institution's most popular degree plans, as determined by the institution. Each institution's reported cost study must include the methodology used for the cost study and an explanation for each expense listed in the study. (b) The coordinating board shall use new and existing data, including performance measures, ongoing research studies, and survey data, to evaluate probable student outcomes for online degree plans identified by the institutions. The coordinating board shall: (1) analyze and compare all reported cost studies under this section and corresponding student outcomes to determine the most efficient and effective of the proposed online degree plans among those institutions generally; and (2) notify each institution of its conclusions. <i>The proposed change eliminates a reporting requirement for a one-time study by institutions and the Texas Higher Education Coordinating Board.</i>

4.A. Exceptional Item Request Schedule
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2012**
TIME: **8:39:17AM**

Agency code: **768**

Agency name:

Texas Tech University System Administration

CODE	DESCRIPTION		Excp 2014	Excp 2015
		Item Name: Equitable Funding for System Administration		
		Item Priority: 1		
		Includes Funding for the Following Strategy or Strategies: 03-05-01 Exceptional Item Request		
OBJECTS OF EXPENSE:				
1001	SALARIES AND WAGES		575,000	575,000
TOTAL, OBJECT OF EXPENSE			\$575,000	\$575,000
METHOD OF FINANCING:				
1	General Revenue Fund		575,000	575,000
TOTAL, METHOD OF FINANCING			\$575,000	\$575,000
FULL-TIME EQUIVALENT POSITIONS (FTE):			18.00	18.00

DESCRIPTION / JUSTIFICATION:

Texas Tech University System Administration currently provides many collaborative functions between the four components including strategic planning; fund raising; legal counsel; audit services; facilities planning and construction; investments, cash, and debt management; risk management; communication services; technology commercialization; and governmental relations. These centralized activities are necessary and crucial for the component institutions to achieve statewide goals and address the challenges facing the State of Texas in an effective and efficient manner. TTUSA requests equitable funding to allow our component institutions to retain more funding for academic purposes.

Texas Tech University System Administration has experience a 29% reduction in appropriations since fiscal year 2010. The impact of these reductions has slowed hiring and resulted in a small degradation in service (e.g., fewer staff to respond to service requests). The reduction has been managed to minimize its impact on the student and mission of the Texas Tech University System.

The reduction as proposed for FY 2014 and 2015 will present similar management issues and is manageable by the System. However, the reduction provides no margin for management response or reaction to special circumstances. In addition, expanded services for enrollment growth will not be available.

EXTERNAL/INTERNAL FACTORS:

In order to meet the demands for FY 2014 and 2015, the Texas Tech University System requests the restoration of the initial 5% reduction in 2010-2011 and the 25% reduction in 2012-13. This will enable the Texas Tech University System to provide the same level of basic services in FY 2014 and 2015.

Agency code: 768		Agency name: Texas Tech University System Administration	
Code	Description	Excp 2014	Excp 2015
Item Name: Equitable Funding for System Administration			
Allocation to Strategy: 3-5-1 Exceptional Item Request			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	575,000	575,000
TOTAL, OBJECT OF EXPENSE		\$575,000	\$575,000
METHOD OF FINANCING:			
1	General Revenue Fund	575,000	575,000
TOTAL, METHOD OF FINANCING		\$575,000	\$575,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		18.0	18.0

4.C. Exceptional Items Strategy Request
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2012
TIME: 8:39:17AM

Agency Code:	768	Agency name:	Texas Tech University System Administration		
GOAL:	3 Provide Special Item Support	Statewide Goal/Benchmark:	2 - 0		
OBJECTIVE:	5 Exceptional Item Request	Service Categories:			
STRATEGY:	1 Exceptional Item Request	Service: 19	Income: A.2	Age: B.3	

CODE DESCRIPTION	Excp 2014	Excp 2015
-------------------------	------------------	------------------

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	575,000	575,000
Total, Objects of Expense	\$575,000	\$575,000

METHOD OF FINANCING:

1 General Revenue Fund	575,000	575,000
Total, Method of Finance	\$575,000	\$575,000

FULL-TIME EQUIVALENT POSITIONS (FTE):	18.0	18.0
--	------	------

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Equitable Funding for System Administration

6.A. Historically Underutilized Business Supporting Schedule
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: **10/15/2012**
Time: **8:39:17AM**

Agency Code: **768** Agency: **Texas Tech University System Administration**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2010 - 2011 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2010			Total Expenditures		HUB Expenditures FY 2011			Total Expenditures	
			% Actual	Diff	Actual \$	FY 2010	% Goal	% Actual	Diff	Actual \$	FY 2011	
11.9%	Heavy Construction	11.9 %	0.0%	-11.9%	\$0	\$0	11.9 %	0.0%	-11.9%	\$0	\$0	
26.1%	Building Construction	26.1 %	0.0%	-26.1%	\$0	\$225	26.1 %	0.0%	-26.1%	\$0	\$57	
57.2%	Special Trade Construction	57.2 %	0.0%	-57.2%	\$0	\$0	57.2 %	0.0%	-57.2%	\$0	\$0	
20.0%	Professional Services	20.0 %	0.0%	-20.0%	\$0	\$543,802	20.0 %	0.0%	-20.0%	\$0	\$618,874	
33.0%	Other Services	33.0 %	3.1%	-29.9%	\$24,882	\$807,412	33.0 %	5.1%	-27.9%	\$28,720	\$558,450	
12.6%	Commodities	12.6 %	46.7%	34.1%	\$183,618	\$393,175	12.6 %	36.5%	23.9%	\$146,604	\$402,069	
	Total Expenditures		12.0%		\$208,500	\$1,744,614		11.1%		\$175,324	\$1,579,450	

B. Assessment of Fiscal Year 2010 - 2011 Efforts to Meet HUB Procurement Goals

Attainment:

Texas Tech University System Administration (TTUSA) exceeded one of three, or 33%, of the applicable agency HUB procurement goals in fiscal year 2010. TTUSA exceeded the Statewide Goal of 12.6% by 34.1% for the Commodities category.

TTUSA exceeded one of three, or 33%, of the applicable agency HUB procurement goals in fiscal year 2011. TTUSA exceeded the Statewide Goal of 12.6% by 23.9% for the Commodities category.

Applicability:

TTUSA's primary expenditures categories are Other Services and Commodities. The Heavy Construction, Building Construction, and Special Trade Construction categories were not applicable to TTUSA operations in either fiscal year 2010 or fiscal year 2011 since TTUSA did not have any strategies or programs related to these categories. Last, TTUSA purchases in the Professional Services category are from sole source providers related to investment and debt management; therefore, the utilization of HUB vendors is unobtainable.

Factors Affecting Attainment:

The majority of purchases from TTUSA are for internal office needs or are proprietary purchases. Availability and capability of HUB vendors in West Texas is very limited for some commodities and services. Texas Tech University System (TTU System) will continue to require prime contractors to put forth a good faith effort in establishing contract with HUBs as subcontractor, suppliers, and material providers for contracts of \$100,000 or more.

"Good-Faith" Efforts:

TTUS System made the following additional good faith efforts to comply with the statewide HUB procurement goals:

6.A. Historically Underutilized Business Supporting Schedule
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: **10/15/2012**
Time: **8:39:17AM**

Agency Code: **768** Agency: **Texas Tech University System Administration**

- Attendance at Economic Opportunity Forums throughout the state to acquaint HUB vendors with how to locate opportunities with TTUSA, TTU, TTUHSC and ASU.
- Participates in presentations to Small Business Development programs.
- Assists HUB firms with certification.
- Requires prime contractors to put forth a good faith effort on all contracts and assist with HUB Subcontracting Plan questions.
- Provides HUB support to departments by providing vendor names to purchasing employees on a monthly basis.

Texas Tech University System (768)
Estimated Funds Outside the Institution's Bill Pattern
2012-13 and 2014-15 Biennia

	2012 - 2013 Biennium				2014 - 2015 Biennium			
	<u>FY 2012 Revenue</u>	<u>FY 2013 Revenue</u>	<u>Biennium Total</u>	<u>Percent of Total</u>	<u>FY 2014 Revenue</u>	<u>FY 2015 Revenue</u>	<u>Biennium Total</u>	<u>Percent of Total</u>
APPROPRIATED SOURCES INSIDE THE BILL PATTERN								
State Appropriations (excluding HEGI & State Paid Fringes)	1,425,000	1,425,000	2,850,000		1,425,000	1,425,000	2,850,000	
Tuition and Fees (net of Discounts and Allowances)								
Endowment and Interest Income								
Sales and Services of Educational Activities (net)								
Sales and Services of Hospitals (net)								
Other Income								
Total	<u>1,425,000</u>	<u>1,425,000</u>	<u>2,850,000</u>	<u>7.1%</u>	<u>1,425,000</u>	<u>1,425,000</u>	<u>2,850,000</u>	<u>6.9%</u>
APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN								
State Appropriations (HEGI & State Paid Fringes)	1,130,025	1,130,025	2,260,050		1,169,583	1,169,583	2,339,166	
Higher Education Assistance Funds								
Available University Fund								
State Grants and Contracts								
Total	<u>1,130,025</u>	<u>1,130,025</u>	<u>2,260,050</u>	<u>5.7%</u>	<u>1,169,583</u>	<u>1,169,583</u>	<u>2,339,166</u>	<u>5.7%</u>
NON-APPROPRIATED SOURCES								
Tuition and Fees (net of Discounts and Allowances)								
Federal Grants and Contracts								
State Grants and Contracts								
Local Government Grants and Contracts								
Private Gifts and Grants								
Endowment and Interest Income	4,550,000	5,175,000	9,725,000		5,175,000	5,175,000	10,350,000	
Sales and Services of Educational Activities (net)								
Sales and Services of Hospitals (net)								
Professional Fees (net)	2,548,306	2,805,388	5,353,694		2,805,388	2,805,388	5,610,776	
Auxiliary Enterprises (net)								
Transfers from Components - Appropriated Funds	3,456,302	3,456,302	6,912,604		3,456,302	3,456,302	6,912,604	
Other Income	3,992,760	4,284,891	8,277,651		4,284,891	4,284,891	8,569,782	
Total	<u>16,807,418</u>	<u>17,981,631</u>	<u>34,789,049</u>	<u>87.2%</u>	<u>18,060,747</u>	<u>18,060,747</u>	<u>36,121,494</u>	<u>87.4%</u>
TOTAL SOURCES	<u>\$ 19,362,443</u>	<u>\$ 20,536,656</u>	<u>\$ 39,899,099</u>	<u>100.0%</u>	<u>\$ 20,655,330</u>	<u>\$ 20,655,330</u>	<u>\$ 41,310,660</u>	<u>100.0%</u>

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2012

Time: 8:39:18AM

Agency code: 768 Agency name: Texas Tech University System Administration

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	

1 5% Reduction to Administrative Operating Expense

Category: Administrative - FTEs / Layoffs

Item Comment: Management has met the challenge of the reductions experienced in fiscal years 2010-13 appropriations. However, management's options to maintain service levels with a 5% reduction in FY 2014-15 are limited due to the size of the agency. This reduction will result in the elimination of 2 positions in the functions that provide direct support to the components of the Texas Tech University System.

Strategy: 1-1-11 System Office Operations

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$71,250	\$71,250	\$142,500
General Revenue Funds Total	\$0	\$0	\$0	\$71,250	\$71,250	\$142,500
Item Total	\$0	\$0	\$0	\$71,250	\$71,250	\$142,500

FTE Reductions (From FY 2014 and FY 2015 Base Request)

2 Additional 5% Reduction to Administrative Operating Expense

Category: Administrative - FTEs / Layoffs

Item Comment: An additional 5% in FY 2014-15 further restricts management's options to maintain service levels and will result in the elimination of an additional 2 positions in the functions that provide direct support to the components of the Texas Tech University System.

Strategy: 1-1-11 System Office Operations

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$71,250	\$71,250	\$142,500
General Revenue Funds Total	\$0	\$0	\$0	\$71,250	\$71,250	\$142,500
Item Total	\$0	\$0	\$0	\$71,250	\$71,250	\$142,500

FTE Reductions (From FY 2014 and FY 2015 Base Request)

6.I. Percent Biennial Base Reduction Options**10 % REDUCTION**

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2012

Time: 8:39:18AM

Agency code: **768** Agency name: **Texas Tech University System Administration**

<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2014	2015	Biennial Total	2014	2015	Biennial Total	
AGENCY TOTALS							
General Revenue Total				\$142,500	\$142,500	\$285,000	\$285,000
Agency Grand Total	\$0	\$0	\$0	\$142,500	\$142,500	\$285,000	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2014 and FY 2015 Base Request)							

768 Texas Tech University System Administration

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
GR & GR-D Percentages					
GR %	100.00%				
GR-D %	0.00%				
Total Percentage	100.00%				
FULL TIME ACTIVES					
1a Employee Only	33	33	0	33	41
2a Employee and Children	9	9	0	9	14
3a Employee and Spouse	13	13	0	13	5
4a Employee and Family	15	15	0	15	17
5a Eligible, Opt Out	0	0	0	0	0
6a Eligible, Not Enrolled	4	4	0	4	3
Total for This Section	74	74	0	74	80
PART TIME ACTIVES					
1b Employee Only	0	0	0	0	0
2b Employee and Children	0	0	0	0	0
3b Employee and Spouse	0	0	0	0	0
4b Employee and Family	0	0	0	0	0
5b Eligible, Opt Out	0	0	0	0	0
6b Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
Total Active Enrollment	74	74	0	74	80

768 Texas Tech University System Administration

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
FULL TIME RETIREES by ERS					
1c Employee Only	3	3	0	3	5
2c Employee and Children	0	0	0	0	0
3c Employee and Spouse	1	1	0	1	3
4c Employee and Family	0	0	0	0	0
5c Eligible, Opt Out	0	0	0	0	0
6c Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	4	4	0	4	8
PART TIME RETIREES by ERS					
1d Employee Only	0	0	0	0	0
2d Employee and Children	0	0	0	0	0
3d Employee and Spouse	0	0	0	0	0
4d Employee and Family	0	0	0	0	0
5d Eligible, Opt Out	0	0	0	0	0
6d Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
Total Retirees Enrollment	4	4	0	4	8
TOTAL FULL TIME ENROLLMENT					
1e Employee Only	36	36	0	36	46
2e Employee and Children	9	9	0	9	14
3e Employee and Spouse	14	14	0	14	8
4e Employee and Family	15	15	0	15	17
5e Eligible, Opt Out	0	0	0	0	0
6e Eligible, Not Enrolled	4	4	0	4	3
Total for This Section	78	78	0	78	88

768 Texas Tech University System Administration

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
TOTAL ENROLLMENT					
1f Employee Only	36	36	0	36	46
2f Employee and Children	9	9	0	9	14
3f Employee and Spouse	14	14	0	14	8
4f Employee and Family	15	15	0	15	17
5f Eligible, Opt Out	0	0	0	0	0
6f Eligible, Not Enrolled	4	4	0	4	3
Total for This Section	78	78	0	78	88

Schedule 4: Computation of OASI
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency 768 Texas Tech University System Administration

Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2011		2012		2013		2014		2015	
	% to Total	Allocation of OASI	% to Total	Allocation of OASI	% to Total	Allocation of OASI	% to Total	Allocation of OASI	% to Total	Allocation of OASI
General Revenue (% to Total)	100.00	\$381,692	100.00	\$358,086	100.00	\$358,086	100.00	\$358,086	100.00	\$358,086
Other Educational and General Funds (% to Total)	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0
Health-Related Institutions Patient Income (% to Total)	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	\$0
Grand Total, OASI (100%)	100.00	\$381,692	100.00	\$358,086	100.00	\$358,086	100.00	\$358,086	100.00	\$358,086

Schedule 5: Calculation of Retirement Proportionality and ORP Differential

10/15/2012 8:39:20AM

83rd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

768 Texas Tech University System Administration

Description	Act 2011	Act 2012	Bud 2013	Est 2014	Est 2015
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	3,228,964	2,596,732	2,648,666	2,648,666	2,648,666
Employer Contribution to TRS Retirement Programs	214,403	155,804	158,920	158,920	158,920
Gross Educational and General Payroll - Subject To ORP Retirement	1,974,013	1,375,354	1,402,861	1,402,861	1,402,861
Employer Contribution to ORP Retirement Programs	126,337	88,023	89,783	89,783	89,783
Proportionality Percentage					
General Revenue	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Other Educational and General Income	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Health-related Institutions Patient Income	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Proportional Contribution					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	0	0	0	0	0
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	0	0	0	0	0
Differential					
Gross Payroll Subject to Differential - Optional Retirement Program	1,278,622	1,159,410	1,182,598	1,182,598	1,182,598
Total Differential	11,635	15,188	15,492	15,492	15,492

Schedule 7: Personnel
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2012
Time: 8:39:20AM

Agency code: **768** Agency name: **Texas Tech Univ Sys Admin**

	Actual 2011	Actual 2012	Budgeted 2013	Estimated 2014	Estimated 2015
Part A.					
FTE Postions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Non-Faculty Employees	91.0	83.5	83.5	83.5	83.5
Subtotal, Directly Appropriated Funds	91.0	83.5	83.5	83.5	83.5
Non Appropriated Funds Employees	63.0	71.0	71.0	71.0	71.0
Subtotal, Other Funds & Non-Appropriated	63.0	71.0	71.0	71.0	71.0
GRAND TOTAL	154.0	154.5	154.5	154.5	154.5

Part B.
Personnel Headcount

Directly Appropriated Funds (Bill Pattern)

Educational and General Funds Non-Faculty Employees	101.0	94.0	94.0	94.0	94.0
Subtotal, Directly Appropriated Funds	101.0	94.0	94.0	94.0	94.0
Non Appropriated Funds Employees	75.0	90.0	92.0	92.0	92.0
Subtotal, Non-Appropriated	75.0	90.0	92.0	92.0	92.0
GRAND TOTAL	176.0	184.0	186.0	186.0	186.0

Schedule 7: Personnel
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2012
Time: 8:39:20AM

Agency code: **768** Agency name: **Texas Tech Univ Sys Admin**

	Actual 2011	Actual 2012	Budgeted 2013	Estimated 2014	Estimated 2015
PART C.					
Salaries					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Non-Faculty Employees	\$5,256,302	\$4,881,302	\$4,881,302	\$4,881,302	\$4,881,302
Subtotal, Directly Appropriated Funds	\$5,256,302	\$4,881,302	\$4,881,302	\$4,881,302	\$4,881,302
Non Appropriated Funds Employees	\$4,129,188	\$4,129,188	\$4,129,188	\$4,129,188	\$4,129,188
Subtotal, Non-Appropriated	\$4,129,188	\$4,129,188	\$4,129,188	\$4,129,188	\$4,129,188
GRAND TOTAL	\$9,385,490	\$9,010,490	\$9,010,490	\$9,010,490	\$9,010,490

Schedule 8B: Tuition Revenue Bond Issuance History

10/15/2012 8:39:20AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

768 Texas Tech University System Administration

Authorization Date	Authorization Amount	Issuance Date	Issuance Amount	Authorized Amount Outstanding as of 08/31/2012	Proposed Issuance Date for Outstanding Authorization	Proposed Issuance Amount for Outstanding Authorization
1971	\$35,000,000	Feb 1 1972	\$5,000,000			
		Jun 1 1972	\$12,500,000			
		Apr 1 1974	\$16,000,000			
		Feb 1 1984	\$1,500,000			
		Subtotal	\$35,000,000	\$0		
1993	\$41,000,000	Jan 5 1994	\$16,000,000			
		Feb 5 1995	\$25,000,000			
		Subtotal	\$41,000,000	\$0		
1997	\$82,500,000	Sep 19 1998	\$20,000,000			
		May 4 1999	\$38,200,000			
		Jan 1 2002	\$24,300,000			
		Subtotal	\$82,500,000	\$0		
2001	\$107,447,075	Oct 17 2002	\$16,917,550			
		Sep 1 2003	\$90,529,525			
		Subtotal	\$107,447,075	\$0		
2003	\$45,000,000	Feb 1 2006	\$45,000,000			
		Subtotal	\$45,000,000	\$0		
2006	\$89,810,000	Mar 3 2009	\$89,810,000			
		Subtotal	\$89,810,000	\$0		

Schedule 8C: Revenue Capacity for Tuition Revenue Bond Projects

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2012
TIME: 8:39:20AM

Agency Code: 768	Agency Name: Texas Tech University System Administration				
	Act 2011	Act 2012	Bud 2013	Est 2014	Est 2015
Gross Tuition	\$101,325,602	\$106,297,910	\$110,669,757	\$111,733,165	\$112,580,115
Less: Remissions and Exemptions	(23,557,680)	(26,454,041)	(28,886,606)	(29,165,422)	(29,441,010)
Less: Refunds	0	0	0	0	0
Less: Installment Payment Forfeits	0	0	0	0	0
Less: Tuition rebates for certain undergraduates (TX. Educ. Code Ann. Sec. 54.0065)	(195,000)	(214,000)	(214,000)	(214,000)	(214,000)
Plus: Tuition waived for students 55 years or older (TX. Educ. Code Ann. Sec. 54.013)	0	0	0	0	0
Plus: Tuition waived for Texas Grant Recipients (TX. Educ. Code Ann. Sec. 56.307)	44,173	35,565	36,700	36,700	40,200
Subtotal	\$77,617,095	\$79,665,434	\$81,605,851	\$82,390,443	\$82,965,305
Less: Transfer of Tuition to Retirement of Indebtedness: 1) Skiles Act	0	0	0	0	0
Less: Transfer of Funds for Texas Public Education Grants Program (TX. Educ. Code Ann. Sec. 56c) and for Emergency Loans (TX. Educ. Code Ann. Sec. 56d)	(8,590,100)	(8,763,711)	(9,101,924)	(9,266,354)	(9,400,164)
Less: Transfer of Funds (2%) for Emergency Loans (Medical School)	(87,861)	(98,077)	(108,750)	(167,250)	(206,250)
Less: Transfer of Funds for Repayment of Student Loans of Physicians (TX. Educ. Code Ann. Sec. 61.539)	0	0	0	0	0
Less: Statutory Tuition (TX. Educ. Code Ann. Sec. 54.051) Set aside for Doctoral Incentive Loan Repayment Program (TX. Educ. Code Ann. Sec. 56.095)	(70,474)	(70,474)	(70,474)	(70,774)	(71,074)
Less: Other Authorized Deductions	0	0	0	0	0
Total Net Tuition Available to Pledge for Tuition Revenue Bonds	\$68,868,660	\$70,733,172	\$72,324,703	\$72,886,065	\$73,287,817
Debt Service on Existing Tuition Revenue Bonds	(27,698,576)	(26,149,470)	(26,118,913)	(25,524,857)	(24,135,306)
Estimated Debt Service for Authorized but Unissued Tuition Revenue Bonds	0	0	0	0	0
Subtotal, Debt Service on Existing Authorizations	\$(27,698,576)	\$(26,149,470)	\$(26,118,913)	\$(25,524,857)	\$(24,135,306)

Schedule 8C: Revenue Capacity for Tuition Revenue Bond Projects83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)DATE: 10/15/2012
TIME: 8:39:20AM

Agency Code: 768	Agency Name: Texas Tech University System Administration				
	Act 2011	Act 2012	Bud 2013	Est 2014	Est 2015
TOTAL TUITION AVAILABLE FOR NEW AUTHORIZATIONS	\$41,170,084	\$44,583,702	\$46,205,790	\$47,361,208	\$49,152,511
Debt Capacity Available for New Authorizations	\$475,818,552	\$515,271,053	\$534,018,150	\$547,371,762	\$568,074,542