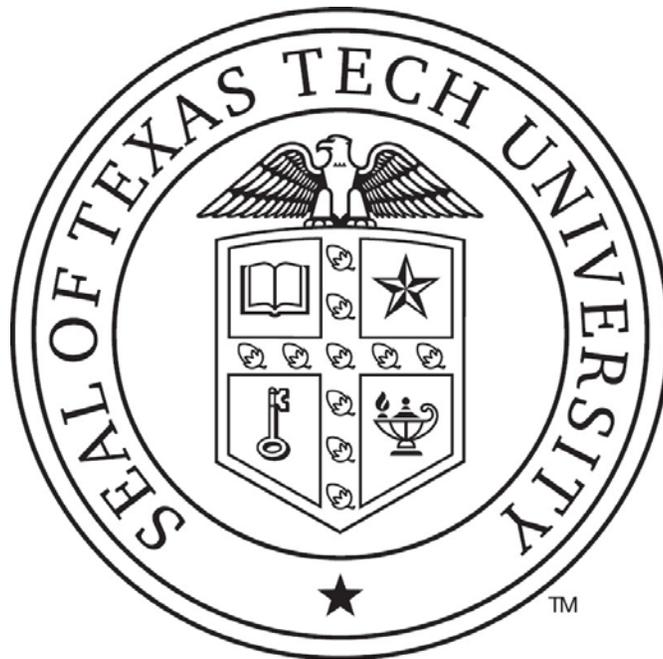


TEXAS TECH UNIVERSITY



SUMMARY OPERATING BUDGET FISCAL YEAR 2019



TEXAS TECH UNIVERSITY

Office of the Vice President for Administration & Finance
Chief Financial Officer

August 9, 2018

Members of the Board of Regents and Chancellor
Texas Tech University
Lubbock, Texas 79409

Dear Members of the Board and Chancellor Duncan,

Pursuant to Section 07.04.3(b), *Regents' Rules*, a written certification by the chief fiscal officer that funds are available is required for any budget prior to approval by the Board of Regents.

I certify that the Fiscal Year 2019 Texas Tech University Operating Budget is within the total funds anticipated to be available to Texas Tech University for operations.

The total estimated expenditures of \$974,730,447 is funded by estimated income of \$949,222,392 and use of prior year fund balances of \$25,508,055.

In conclusion, I recommend approval of the Fiscal Year 2019 Operating Budget for Texas Tech University.

Sincerely,

A handwritten signature in cursive script that reads "Noel Sloan".

Noel Sloan
Vice President for Administration and Finance and CFO

xc: President Lawrence Schovanec

**TEXAS TECH UNIVERSITY
FY 2019 SUMMARY OPERATING BUDGET
TABLE OF CONTENTS**

ITEM	PAGE NUMBER
FUND DEFINITIONS	1
SOURCE OF FUNDS CHART	2
EDUCATIONAL AND GENERAL FUNDS	
INCOME BUDGET	5
EXPENSE BUDGET	6
NON-FORMULA SUPPORT BUDGET	7
HEAF BUDGET	8
DISTRIBUTION BY METHOD OF FINANCE	9
DESIGNATED FUNDS	
INCOME BUDGET	11
EXPENSE BUDGET	12
SERVICE DEPARTMENTS INCOME AND EXPENSE BUDGET	16
AUXILIARY FUNDS INCOME AND EXPENSE BUDGET	20
CURRENT RESTRICTED FUNDS INCOME AND EXPENSE BUDGET	24
SUMMARY OPERATING BUDGET	26
BUDGET COMPARISON	28

TEXAS TECH UNIVERSITY SUMMARY OPERATING BUDGET FUND DEFINITIONS

EDUCATIONAL AND GENERAL FUNDS:

Funds comprised of tax (General Revenue) funds in the state treasury and funds generated locally (Other E & G) by the University from students and other sources.

Appropriated

General Revenue and Higher Education Assistance Funds (HEAF) from the state treasury for administration, institutional expense, instruction and departmental research, physical plant operation, and other items related to instruction.

Other Educational and General Funds

Funds generated locally by the University and reappropriated by the state (e.g. tuition, fees, interest earnings, etc.) to be used for administration, institutional expense, instruction and departmental research, physical plant operation, and other items related to instruction.

NATIONAL RESEARCH UNIVERSITY FUNDS (NRUF):

This funding may only be used to increase the research capacity at Texas Tech University by providing faculty salaries, equipment, fellowships, and other research related activities.

DESIGNATED FUNDS:

Unrestricted funds that are internally allocated for specific purposes (e.g. designated tuition, student fees, indirect costs, etc.).

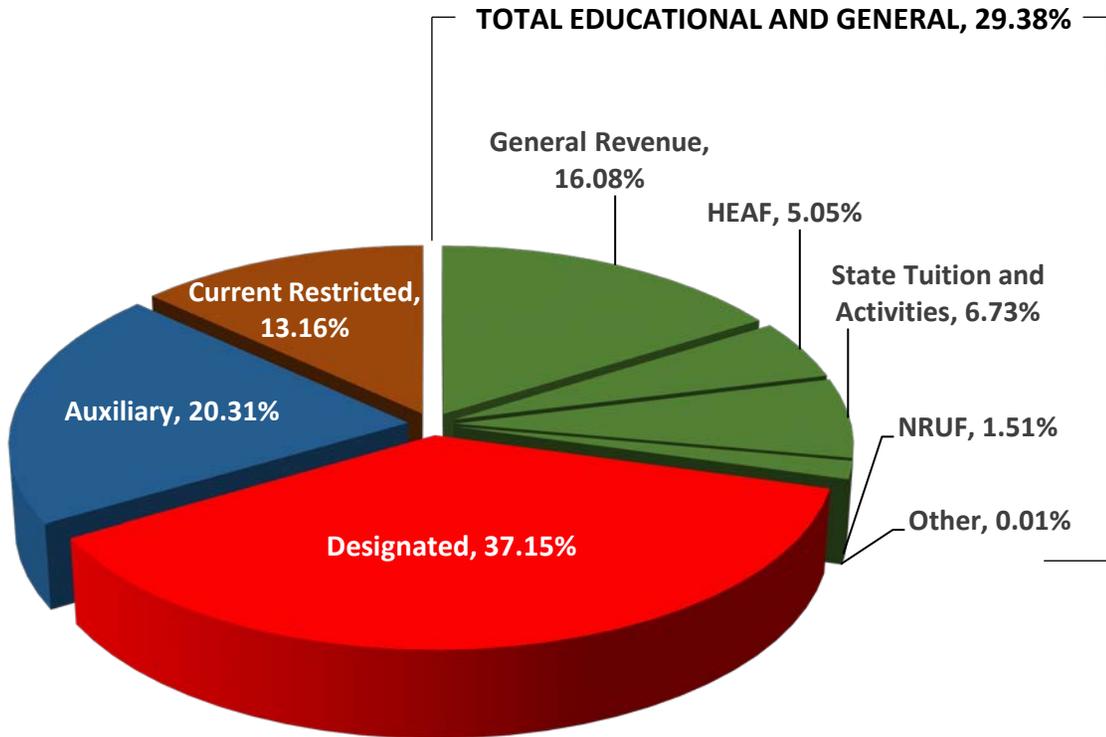
AUXILIARY FUNDS:

Funds used to provide services for students, faculty, and staff which generally charge a fee directly related to the cost of the service provided (e.g. athletics, residence halls, hospitality services, traffic & parking, etc.). No appropriated funds can be used to support auxiliary operations.

CURRENT RESTRICTED FUNDS:

Funds available for current purposes, the use of which is restricted by the donor/grantor to be utilized as stipulated by the funding source (e.g. research grants, scholarships, earnings from endowments, etc.).

**TEXAS TECH UNIVERSITY
FY 2019
SUMMARY OPERATING BUDGET
SOURCE OF FUNDS**



THIS PAGE INTENTIONALLY BLANK.

TEXAS TECH UNIVERSITY
EDUCATIONAL AND GENERAL FUNDS

**TEXAS TECH UNIVERSITY
EDUCATIONAL AND GENERAL FUNDS
INCOME BUDGET**

ITEM	FY 2018	FY 2019
STATE APPROPRIATIONS		
GENERAL REVENUE	\$153,715,909	\$156,712,855
HIGHER EDUCATION ASSISTANCE FUND	49,225,809	49,225,809
STATE APPROPRIATIONS	\$202,941,718	\$205,938,664
TUITION AND FEES		
NET TUITION	\$55,049,000	\$56,549,000
GRADUATE TUITION	5,100,000	5,100,000
LAW TUITION	2,185,830	2,057,150
ORGANIZED ACTIVITIES	575,000	575,000
TUITION AND FEES	\$62,909,830	\$64,281,150
OTHER EDUCATIONAL AND GENERAL INCOME		
NATIONAL RESEARCH UNIVERSITY FUND	\$9,541,221	\$7,590,868
MISCELLANEOUS	64,323	51,347
OTHER EDUCATIONAL AND GENERAL INCOME	\$9,605,544	\$7,642,215
TOTAL CURRENT FUNDS REVENUES	\$275,457,092	\$277,862,029
NATIONAL RESEARCH UNIVERSITY FUND - FUND BALANCE	\$7,120,270	\$7,100,000
EDUCATIONAL AND GENERAL INCOME FUND- FUND BALANCE	1,342,537	1,342,537
TOTAL EDUCATIONAL AND GENERAL REVENUE	\$283,919,899	\$286,304,566
PERCENT CHANGE		0.84%

**TEXAS TECH UNIVERSITY
EDUCATIONAL AND GENERAL FUNDS
EXPENSE BUDGET**

ITEM	FY 2018	FY 2019
FACULTY SALARIES	\$104,303,421	\$105,060,707
DEPARTMENTAL OPERATING SALARIES	16,219,636	16,378,364
INSTRUCTIONAL ADMINISTRATION	8,462,441	8,797,479
ACADEMIC OPERATIONS SUPPORT	5,060,865	4,998,475
STUDENT SERVICES	1,446,802	1,477,297
PHYSICAL PLANT	8,550,247	8,863,632
INSTITUTIONAL SUPPORT	9,771,598	9,644,230
EMPLOYEE BENEFITS	17,327,107	17,327,107
NON-FORMULA SUPPORT	5,253,971	8,336,630
CORE RESEARCH SUPPORT FUND	10,622,253	10,622,253
GRADUATE STUDENT SUPPORT	7,285,830	7,157,150
DEBT SERVICE	14,513,383	14,484,496
TEXAS PUBLIC EDUCATION GRANTS	6,686,000	6,724,000
NATIONAL RESEARCH UNIVERSITY FUND	16,661,491	14,690,868
HIGHER EDUCATION ASSISTANCE FUND	49,225,809	49,225,809
OTHER	2,529,045	2,516,069
TOTAL EDUCATIONAL AND GENERAL EXPENSE	<u>\$283,919,899</u>	<u>\$286,304,566</u>
PERCENT CHANGE		0.84%

**TEXAS TECH UNIVERSITY
EDUCATIONAL AND GENERAL FUNDS
NON-FORMULA SUPPORT BUDGET**

ITEM	FY 2018	FY 2019
AGRICULTURAL RESEARCH	\$1,268,426	\$1,268,426
MUSEUMS AND CENTERS	1,007,417	1,007,416
SMALL BUSINESS DEVELOPMENT	881,507	881,507
VETERINARY MEDICINE	543,803	3,626,465
ENERGY RESEARCH	505,437	505,437
LIBRARY ARCHIVAL SUPPORT	353,048	353,048
EMERGING TECHNOLOGIES RESEARCH	256,296	256,295
HILL COUNTRY EDUCATIONAL NETWORK	207,124	207,124
JUNCTION ANNEX OPERATION	117,806	117,806
CENTER FOR FINANCIAL RESPONSIBILITY	113,107	113,106
TOTAL	<u><u>\$5,253,971</u></u>	<u><u>\$8,336,630</u></u>
PERCENT CHANGE		58.67%

**TEXAS TECH UNIVERSITY
HIGHER EDUCATION ASSISTANCE FUNDS
CAPITAL FINANCING PLAN**

ITEM	FY 2018	FY 2019
PROJECTS		
MAJOR PROJECTS		
CASH AND DEBT SERVICE	\$10,225,544	\$7,756,794
FACILITIES ALLOCATION COMMITTEE	1,000,000	1,000,000
MINOR AND INTERMEDIATE		
ACADEMICS	1,000,000	1,000,000
LIFE SAFETY	1,000,000	1,000,000
SPACE ALLOCATION COMMITTEE	250,000	250,000
DEFERRED MAINTENANCE	2,500,000	2,500,000
TOTAL PROJECTS	\$15,975,544	\$13,506,794
LIBRARIES		
LIBRARY	\$5,000,000	\$5,000,000
LAW LIBRARY		200,000
TOTAL LIBRARIES	\$5,000,000	\$5,200,000
EQUIPMENT		
ADMINISTRATIVE UNITS	\$150,000	\$150,000
OPERATIONS DIVISION	1,000,000	1,000,000
INFORMATION TECHNOLOGY	1,150,000	1,150,000
ACADEMICS	3,500,000	3,500,000
RESEARCH AND START UP PACKAGES	4,800,000	4,800,000
TOTAL EQUIPMENT	\$10,600,000	\$10,600,000
OTHER		
EMERGENCY RESERVE	\$1,500,000	\$1,500,000
PRESIDENT'S CLASSROOM & TEACHING LAB RENOVATIONS	5,500,000	4,000,000
STRATEGIC INITIATIVES	10,650,265	14,419,015
TOTAL OTHER	\$17,650,265	\$19,919,015
TOTAL	\$49,225,809	\$49,225,809

**TEXAS TECH UNIVERSITY
EDUCATIONAL AND GENERAL FUNDS
DISTRIBUTION BY METHOD OF FINANCE**

ITEM	METHOD OF FINANCE		FY 2019
	General Revenue	GR-Dedicated and NRUF	
FACULTY SALARIES	\$81,819,825	\$23,240,882	\$105,060,707
DEPARTMENTAL OPERATING SALARIES	12,755,243	3,623,121	16,378,364
INSTRUCTIONAL ADMINISTRATION	6,851,355	1,946,124	8,797,479
ACADEMIC OPERATIONS SUPPORT	3,892,743	1,105,732	4,998,475
STUDENT SERVICES	1,150,498	326,799	1,477,297
PHYSICAL PLANT	6,902,874	1,960,758	8,863,632
INSTITUTIONAL SUPPORT	7,510,793	2,133,437	9,644,230
EMPLOYEE BENEFITS	496,423	16,830,684	17,327,107
NON-FORMULA SUPPORT	8,336,630	0	8,336,630
CORE RESEARCH SUPPORT FUND	10,622,253	0	10,622,253
GRADUATE STUDENT SUPPORT	0	7,157,150	7,157,150
DEBT SERVICE	14,484,496	0	14,484,496
TEXAS PUBLIC EDUCATION GRANTS	0	6,724,000	6,724,000
NATIONAL RESEARCH UNIVERSITY FUND	0	14,690,868	14,690,868
HIGHER EDUCATION ASSISTANCE FUND	49,225,809	0	49,225,809
OTHER	1,889,722	626,347	2,516,069
TOTAL	\$205,938,664	\$80,365,902	\$286,304,566

This schedule complies with Article III, Section 6 of the General Appropriations Act.

TEXAS TECH UNIVERSITY
DESIGNATED FUNDS

**TEXAS TECH UNIVERSITY
DESIGNATED FUNDS
INCOME BUDGET**

ITEM	FY 2018	FY 2019
TUITION AND FEES:		
DESIGNATED TUITION	\$164,608,347	\$174,422,177
SUPPLEMENTAL DESIGNATED TUITION	4,113,841	4,197,715
DESIGNATED TUITION - NEED BASE FINANCIAL AID	19,845,200	20,735,200
INFORMATION TECHNOLOGY FEE	19,500,000	20,475,000
LIBRARY FEE	16,248,000	17,748,000
STUDENT SERVICE FEE	12,000,000	12,000,000
PROGRAM FEES	9,296,024	10,967,346
TEXAS PUBLIC EDUCATION GRANTS	6,686,000	6,724,000
STUDENT RECREATION FEE	6,480,750	6,480,750
FINANCIAL AND RECORD SERVICES FEE	6,230,000	6,230,000
CORRESPONDENCE AND EXTENSION FEES	6,165,834	6,165,834
ONLINE LEARNING AND DISTANCE EDUCATION FEE	5,400,000	6,000,000
MEDICAL SERVICES FEE	4,485,000	4,485,000
STUDENT TRANSPORTATION FEE	4,050,000	4,050,000
ENERGY FEE	4,000,000	4,000,000
ADVISING AND RETENTION FEE	3,546,701	3,603,701
SPECIAL INSTRUCTION FEES	3,447,719	3,381,194
ACADEMIC DEPARTMENT INSTRUCTIONAL ASSESSMENT FEE	1,000,000	600,000
OTHER STUDENT FEES	14,098,069	13,889,465
TUITION AND FEES	\$311,201,485	\$326,155,382
OTHER SOURCES:		
RECOVERY OF INDIRECT COSTS	\$9,117,336	\$9,183,317
EDUCATION RELATED BUSINESS ACTIVITIES	6,566,307	6,947,949
TEXAS RESEARCH INCENTIVE PROGRAM	1,968,956	8,481,612
OTHER MISCELLANEOUS INCOME	4,929,176	7,246,592
OTHER SOURCES	\$22,581,775	\$31,859,470
TOTAL CURRENT DESIGNATED REVENUE	\$333,783,260	\$358,014,852
UTILIZATION OF FUND BALANCE	\$11,446,657	\$10,874,855
TOTAL DESIGNATED REVENUE	\$345,229,917	\$368,889,707
PERCENT CHANGE		6.85%

**TEXAS TECH UNIVERSITY
DESIGNATED FUNDS
EXPENSE BUDGET**

ITEM	FY 2018	FY 2019
INSTRUCTION AND ACADEMIC SUPPORT		
INFORMATION TECHNOLOGY	\$20,387,000	\$22,039,799
LIBRARY SUPPORT	16,308,000	17,808,000
EDUCATION RELATED BUSINESS ACTIVITIES	6,976,014	7,637,998
TEXAS PUBLIC EDUCATION GRANT	6,686,000	6,724,000
CORRESPONDENCE AND EXTENSION STUDIES	6,224,834	6,223,834
ONLINE LEARNING AND DISTANCE EDUCATION FEE	6,145,630	6,500,000
SCHOLARSHIP SUPPORT	3,810,000	0
SPECIAL INSTRUCTION FEES	3,484,460	3,381,194
ACADEMIC SUCCESS PROGRAMS	1,200,000	800,000
ACADEMIC DEPARTMENT INSTRUCTIONAL ASSESSMENT FEE	1,000,000	600,000
OTHER INSTRUCTION AND ACADEMIC SUPPORT	21,115,477	22,631,577
INSTRUCTION AND ACADEMIC SUPPORT	\$93,337,415	\$94,346,402
DESIGNATED TUITION SUPPORT		
DEPARTMENTAL OPERATING EXPENSE	\$33,571,301	\$36,835,780
FACULTY SALARIES	33,120,464	38,678,412
COLLEGE DESIGNATED TUITION	32,212,749	33,610,453
STUDENT INITIATIVES AND OTHER	25,261,178	25,285,240
NEED BASE FINANCIAL AID	19,845,200	20,735,200
PRESIDENT'S SCHOLARSHIP FUND	18,719,749	18,969,749
UTILITIES	14,834,736	14,934,736
INSTITUTIONAL TUITION TRANSFERS	8,211,429	5,173,679
PRESIDENT'S INITIATIVES	3,728,582	8,237,750
GRADUATE SUPPORT AND SCHOLARSHIPS	2,000,000	3,000,000
DESIGNATED TUITION SUPPORT	\$191,505,388	\$205,460,999
STUDENT SERVICE SUPPORT		
STUDENT SERVICE ACTIVITIES	\$13,211,166	\$13,245,000
STUDENT RECREATIONAL CENTER	6,480,750	6,480,750
STUDENT HEALTH CENTER	4,583,135	4,509,752
ADVISING ACTIVITIES	3,873,651	3,877,002
OTHER STUDENT SERVICE SUPPORT ACTIVITIES	17,559,268	17,681,240
STUDENT SERVICE SUPPORT	\$45,707,970	\$45,793,744
OTHER INSTITUTIONAL SUPPORT		
RECOVERY OF INDIRECT COSTS	\$9,143,688	\$9,183,317
TEXAS RESEARCH INCENTIVE PROGRAM	1,968,956	8,481,612
ALL OTHER INSTITUTIONAL SUPPORT	3,566,500	5,623,633
OTHER INSTITUTIONAL SUPPORT	\$14,679,144	\$23,288,562
TOTAL	\$345,229,917	\$368,889,707

PERCENT CHANGE

6.85%

THIS PAGE INTENTIONALLY BLANK.

TEXAS TECH UNIVERSITY
SERVICE DEPARTMENTS

THIS PAGE INTENTIONALLY BLANK.

**TEXAS TECH UNIVERSITY
SERVICE DEPARTMENTS
INCOME AND EXPENSE BUDGET**

ITEM	FY 2018	FY 2019
REVENUE BUDGET		
SALES AND SERVICES - INTERNAL DEPARTMENTS	\$72,002,567	\$71,195,245
SHARED SERVICES	9,693,186	9,997,311
UTILIZATION OF FUND BALANCE	1,600,369	1,603,832
TOTAL SALES AND SERVICES REVENUE	<u><u>\$83,296,122</u></u>	<u><u>\$82,796,388</u></u>
EXPENSE BUDGET		
SALES AND SERVICES - INTERNAL DEPARTMENTS	\$69,782,369	\$68,937,510
SHARED SERVICES	9,693,186	10,038,311
STAFF BENEFITS	3,820,567	3,820,567
TOTAL SALES AND SERVICES EXPENSE	<u><u>\$83,296,122</u></u>	<u><u>\$82,796,388</u></u>
PERCENT CHANGE		-0.60%

THIS PAGE INTENTIONALLY BLANK.

TEXAS TECH UNIVERSITY
AUXILIARY FUNDS

THIS PAGE INTENTIONALLY BLANK.

**TEXAS TECH UNIVERSITY
AUXILIARY FUNDS
INCOME AND EXPENSE BUDGET**

ITEM	FY 2018	FY 2019
REVENUE BUDGET		
INTERCOLLEGIATE ATHLETICS	\$82,851,003	\$87,055,299
RESIDENCE HALLS	41,000,000	42,750,000
HOSPITALITY SERVICES	40,103,650	40,003,650
STUDENT UNION	7,821,983	7,632,983
TRAFFIC AND PARKING / GARAGE OPERATION	5,650,000	5,650,000
OTHER SALES AND SERVICES	9,224,076	8,685,579
TOTAL CURRENT AUXILIARY REVENUE	<u>\$186,650,712</u>	<u>\$191,777,511</u>
UTILIZATION OF FUND BALANCE	\$5,922,175	\$6,190,663
TOTAL AUXILIARY REVENUE	<u>\$192,572,887</u>	<u>\$197,968,174</u>
EXPENSE BUDGET		
INTERCOLLEGIATE ATHLETICS	\$84,840,958	\$90,121,437
RESIDENCE HALLS	41,000,000	42,750,000
HOSPITALITY SERVICES	41,853,650	41,753,650
STUDENT UNION	7,821,983	7,632,983
TRAFFIC AND PARKING/GARAGE OPERATION	6,502,364	6,502,364
OTHER SALES AND SERVICES	10,553,932	9,207,740
TOTAL AUXILIARY EXPENSE	<u>\$192,572,887</u>	<u>\$197,968,174</u>
PERCENT CHANGE		2.80%

THIS PAGE INTENTIONALLY BLANK.

TEXAS TECH UNIVERSITY
CURRENT RESTRICTED FUNDS

THIS PAGE INTENTIONALLY BLANK.

**TEXAS TECH UNIVERSITY
CURRENT RESTRICTED FUNDS
INCOME AND EXPENSE BUDGET**

ITEM	FY 2018	FY 2019
SOURCES OF FUNDS		
FEDERAL PROGRAMS ¹	\$62,241,000	\$62,638,000
STATE PROGRAMS	4,473,000	7,089,000
PRIVATE	47,627,000	48,197,000
ALL OTHER	10,659,000	10,368,000
TOTAL FUNDS FROM ALL SOURCES	<u>\$125,000,000</u>	<u>\$128,292,000</u>

DISTRIBUTION BY COLLEGE OR AREA:

ADMINISTRATIVE AND OTHER	\$18,379,000	\$15,401,000
AGRICULTURAL SCIENCES AND NATURAL RESOURCES	10,999,000	15,000,000
ARCHITECTURE	433,000	392,000
ARTS AND SCIENCES	11,921,000	12,255,000
ATHLETICS	6,329,000	5,851,000
EDUCATION	5,550,000	5,351,000
WHITACRE COLLEGE OF ENGINEERING	16,580,000	16,857,000
FINANCIAL AID	38,160,000	40,000,000
GRADUATE SCHOOL	1,245,000	1,530,000
HUMAN SCIENCES	4,549,000	4,556,000
INSTITUTIONAL DIVERSITY	1,200,000	1,199,000
MEDIA AND COMMUNICATION	429,000	444,000
MULTIDISCIPLINARY RESEARCH CENTER AND INSTITUTE	621,000	804,000
MUSEUM AND HERITAGE	2,511,000	2,467,000
RAWLS COLLEGE OF BUSINESS ADMINISTRATION	3,774,000	3,937,000
SCHOOL OF LAW	1,108,000	1,026,000
VISUAL AND PERFORMING ARTS	1,212,000	1,222,000

TOTAL DISTRIBUTION TO ALL COLLEGES AND AREAS	<u>\$125,000,000</u>	<u>\$128,292,000</u>
---	-----------------------------	-----------------------------

PERCENT CHANGE 2.63%

¹ Federal Programs include Homeland security funding estimated at \$1,917,265 for FY 2018 and \$507,270 for FY 2019

THIS PAGE INTENTIONALLY BLANK.

**TEXAS TECH UNIVERSITY
SUMMARY OPERATING BUDGET
FISCAL YEAR 2019**

FUND	SOURCE OF FUNDS		ESTIMATED EXPENSE
	ESTIMATED INCOME	OTHER SOURCES	
EDUCATIONAL AND GENERAL LESS TRANSFER TO DESIGNATED - TPEG	\$277,862,029	\$8,442,537	\$286,304,566 (6,724,000)
DESIGNATED LESS TRANSFER FROM EDUCATIONAL AND GENERAL - TPEG	358,014,852 (6,724,000)	10,874,855	368,889,707
AUXILIARY	191,777,511	6,190,663	197,968,174
CURRENT RESTRICTED	128,292,000	0	128,292,000
TOTAL	\$949,222,392	\$25,508,055	\$974,730,447

THIS PAGE INTENTIONALLY BLANK.

**TEXAS TECH UNIVERSITY
BUDGET COMPARISON
FISCAL YEAR 2019 vs FISCAL YEAR 2018**

FUND	FY 2018	FY 2019	Increase (Decrease)
EDUCATIONAL AND GENERAL	\$283,919,899	\$286,304,566	\$2,384,667
LESS TRANSFER TO DESIGNATED - TPEG	(6,686,000)	(6,724,000)	(38,000)
DESIGNATED			
INSTRUCTION AND ACADEMIC SUPPORT	93,337,415	94,346,402	1,008,987
DESIGNATED TUITION SUPPORT	191,505,388	205,460,999	13,955,611
STUDENT SERVICE SUPPORT	45,707,970	45,793,744	85,774
OTHER INSTITUTIONAL SUPPORT	14,679,144	23,288,562	8,609,418
AUXILIARY	192,572,887	197,968,174	5,395,287
CURRENT RESTRICTED	125,000,000	128,292,000	3,292,000
TOTAL	<u>\$940,036,703</u>	<u>\$974,730,447</u>	<u>\$34,693,744</u>

3.69%