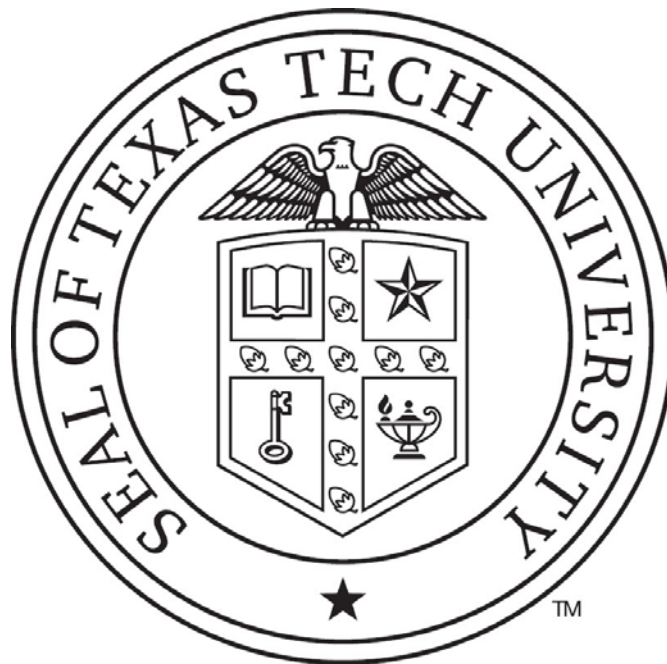


TEXAS TECH UNIVERSITY



SUMMARY OPERATING BUDGET FISCAL YEAR 2020



TEXAS TECH UNIVERSITY™

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

August 8, 2019

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

Dear Members of the Board and Chancellor Mitchell,

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 2020 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 \$1,008,734,161 is funded by estimated income of \$979,772,619 and use of prior year fund balances of \$28,961,542.

In conclusion, I recommend approval of the Fiscal Year 2020 Operating Budget for Texas Tech University.

Sincerely,

A handwritten signature in blue ink that reads "Noel Sloan".

Noel Sloan
Vice President for Administration and Finance and CFO

xc: President Lawrence Schovanec

**TEXAS TECH UNIVERSITY
FY 2020 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
HEF CAPITAL FINANCING PLAN	8
DISTRIBUTION BY METHOD OF FINANCE	9
DESIGNATED FUNDS	
INCOME BUDGET	11
EXPENSE BUDGET	12
AUXILIARY FUNDS INCOME AND EXPENSE BUDGET	16
CURRENT RESTRICTED FUNDS INCOME AND EXPENSE BUDGET	20
SUMMARY OPERATING BUDGET	22
BUDGET COMPARISON	24

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 Funds (HEF) 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.).

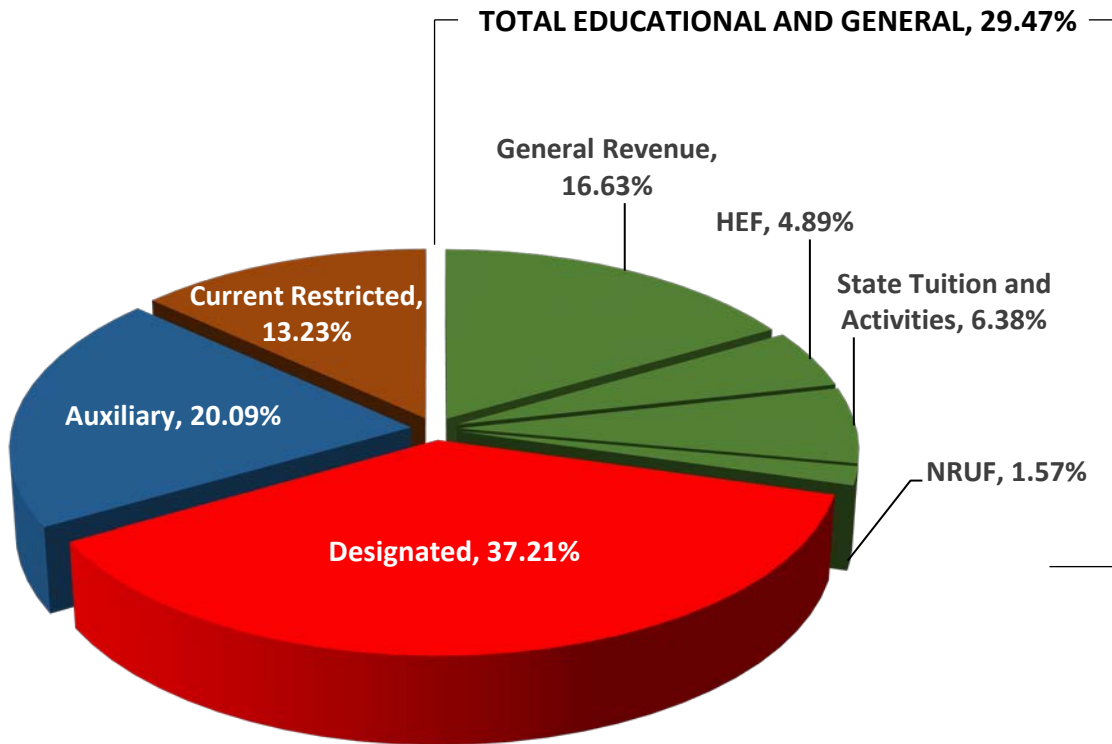
AUXILIARY FUNDS:

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 2020
SUMMARY OPERATING BUDGET
SOURCE OF FUNDS**



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TEXAS TECH UNIVERSITY
EDUCATIONAL AND GENERAL FUNDS

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

ITEM	FY 2019	FY 2020
STATE APPROPRIATIONS		
GENERAL REVENUE	\$156,712,855	\$167,441,568
HIGHER EDUCATION FUND	49,225,809	49,225,809
STATE APPROPRIATIONS	\$205,938,664	\$216,667,377
TUITION AND FEES		
NET TUITION	\$56,549,000	\$56,549,000
GRADUATE TUITION	5,100,000	5,100,000
LAW TUITION	2,057,150	2,057,150
ORGANIZED ACTIVITIES	575,000	575,000
TUITION AND FEES	\$64,281,150	\$64,281,150
OTHER EDUCATIONAL AND GENERAL INCOME		
NATIONAL RESEARCH UNIVERSITY FUND	\$7,590,868	\$7,833,561
HAZELWOOD		1,600,000
MISCELLANEOUS	51,347	48,198
OTHER EDUCATIONAL AND GENERAL INCOME	\$7,642,215	\$9,481,759
TOTAL CURRENT FUNDS REVENUES	\$277,862,029	\$290,430,286
NATIONAL RESEARCH UNIVERSITY FUND - FUND BALANCE	\$7,100,000	\$8,000,000
EDUCATIONAL AND GENERAL INCOME FUND- FUND BALANCE	1,342,537	0
TOTAL EDUCATIONAL AND GENERAL REVENUE	\$286,304,566	\$298,430,286
PERCENT CHANGE		4.24%

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

ITEM	FY 2019	FY 2020
FACULTY SALARIES	\$105,060,707	\$107,800,095
DEPARTMENTAL OPERATING SALARIES	17,908,740	18,026,296
INSTRUCTIONAL ADMINISTRATION	8,797,479	8,950,938
PHYSICAL PLANT	8,863,632	9,144,241
INSTITUTIONAL SUPPORT	9,591,151	11,018,894
EMPLOYEE BENEFITS	17,327,107	17,977,158
NON-FORMULA SUPPORT	13,335,105	17,160,026
CORE RESEARCH SUPPORT FUND	10,622,253	11,608,277
GRADUATE STUDENT SUPPORT	7,157,150	7,157,150
DEBT SERVICE	14,484,496	13,502,981
TEXAS PUBLIC EDUCATION GRANTS	6,724,000	6,724,000
NATIONAL RESEARCH UNIVERSITY FUND	14,690,868	15,833,561
HIGHER EDUCATION FUND	49,225,809	49,225,809
OTHER	2,516,069	4,300,860
TOTAL EDUCATIONAL AND GENERAL EXPENSE	<u>\$286,304,566</u>	<u>\$298,430,286</u>
PERCENT CHANGE		4.24%

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

ITEM	FY 2019	FY 2020
AGRICULTURAL RESEARCH	\$1,268,426	\$1,268,426
MUSEUMS AND CENTERS	1,007,416	1,007,417
SMALL BUSINESS DEVELOPMENT	881,507	881,507
VETERINARY MEDICINE	3,626,465	7,500,000
ENERGY RESEARCH	505,437	505,437
LIBRARY ARCHIVAL SUPPORT	353,048	353,048
EMERGING TECHNOLOGIES RESEARCH	256,295	256,296
HILL COUNTRY EDUCATIONAL NETWORK	207,124	186,412
JUNCTION ANNEX OPERATION	117,806	106,025
CENTER FOR FINANCIAL RESPONSIBILITY	113,106	113,107
INSTITUTIONAL ENHANCEMENT	4,998,475	4,982,351
TOTAL	<u>\$13,335,105</u>	<u>\$17,160,026</u>
PERCENT CHANGE		28.68%

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

ITEM	FY 2019	FY 2020
PROJECTS		
MAJOR PROJECTS		
CASH AND DEBT SERVICE	\$7,756,794	\$6,652,630
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	\$13,506,794	\$12,402,630
LIBRARIES		
LIBRARY	\$5,000,000	\$5,000,000
LAW LIBRARY	\$200,000	450,000
TOTAL LIBRARIES	\$5,200,000	\$5,450,000
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	4,000,000	4,000,000
STRATEGIC INITIATIVES	14,419,015	15,273,179
TOTAL OTHER	\$19,919,015	\$20,773,179
TOTAL	\$49,225,809	\$49,225,809

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

ITEM	METHOD OF FINANCE		FY 2020
	General Revenue	GR-Dedicated and NRUF	
FACULTY SALARIES	\$85,612,271	\$22,187,824	\$107,800,095
DEPARTMENTAL OPERATING SALARIES	14,142,512	3,883,784	18,026,296
INSTRUCTIONAL ADMINISTRATION	7,022,449	1,928,489	8,950,938
PHYSICAL PLANT	7,174,105	1,970,136	9,144,241
INSTITUTIONAL SUPPORT	8,644,862	2,374,032	11,018,894
EMPLOYEE BENEFITS	496,423	17,480,735	17,977,158
NON-FORMULA SUPPORT	17,111,828	48,198	17,160,026
CORE RESEARCH SUPPORT FUND	11,608,277	0	11,608,277
GRADUATE STUDENT SUPPORT	0	7,157,150	7,157,150
DEBT SERVICE	13,502,981	0	13,502,981
TEXAS PUBLIC EDUCATION GRANTS	0	6,724,000	6,724,000
NATIONAL RESEARCH UNIVERSITY FUND	0	15,833,561	15,833,561
HIGHER EDUCATION FUND	49,225,809	0	49,225,809
OTHER	3,125,860	1,175,000	4,300,860
TOTAL	\$217,667,377	\$80,762,909	\$298,430,286

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 2019	FY 2020
TUITION AND FEES:		
DESIGNATED TUITION	\$174,422,177	\$183,803,765
SUPPLEMENTAL DESIGNATED TUITION	4,197,715	4,197,715
DESIGNATED TUITION - NEED BASE FINANCIAL AID	20,735,200	22,500,200
INFORMATION TECHNOLOGY FEE	20,475,000	21,972,500
LIBRARY FEE	17,748,000	18,848,000
STUDENT SERVICE FEE	12,000,000	12,000,000
PROGRAM FEES	10,967,346	10,977,554
TEXAS PUBLIC EDUCATION GRANTS	6,724,000	6,724,000
STUDENT RECREATION FEE	6,480,750	6,480,750
FINANCIAL AND RECORD SERVICES FEE	6,230,000	6,400,000
ONLINE LEARNING AND DISTANCE EDUCATION FEE	6,000,000	6,400,000
CORRESPONDENCE AND EXTENSION FEES	6,165,834	6,202,685
MEDICAL SERVICES FEE	4,485,000	4,600,000
STUDENT TRANSPORTATION FEE	4,050,000	4,050,000
ENERGY FEE	4,000,000	4,000,000
ADVISING AND RETENTION FEE	3,603,701	3,591,771
SPECIAL INSTRUCTION FEES	3,381,194	3,186,278
ACADEMIC DEPARTMENT INSTRUCTIONAL ASSESSMENT FEE	600,000	100,000
OTHER STUDENT FEES	13,889,465	14,421,935
TUITION AND FEES	\$326,155,382	\$340,457,153
OTHER SOURCES:		
RECOVERY OF INDIRECT COSTS	\$9,183,317	\$10,149,170
EDUCATION RELATED BUSINESS ACTIVITIES	6,947,949	6,108,381
TEXAS RESEARCH INCENTIVE PROGRAM	8,481,612	5,887,434
OTHER MISCELLANEOUS INCOME	7,246,592	8,805,073
OTHER SOURCES	\$31,859,470	\$30,950,058
TOTAL CURRENT DESIGNATED REVENUE	\$358,014,852	\$371,407,211
UTILIZATION OF FUND BALANCE	\$10,874,855	\$9,961,723
TOTAL DESIGNATED REVENUE	\$368,889,707	\$381,368,934
PERCENT CHANGE		3.38%

**TEXAS TECH UNIVERSITY
DESIGNATED FUNDS
EXPENSE BUDGET**

ITEM	FY 2019	FY 2020
INSTRUCTION AND ACADEMIC SUPPORT		
INFORMATION TECHNOLOGY	\$22,039,799	\$23,972,500
LIBRARY SUPPORT	17,808,000	18,888,000
ONLINE LEARNING AND DISTANCE EDUCATION FEE	6,500,000	7,600,000
TEXAS PUBLIC EDUCATION GRANT	6,724,000	6,724,000
EDUCATION RELATED BUSINESS ACTIVITIES	7,637,998	6,624,367
CORRESPONDENCE AND EXTENSION STUDIES	6,223,834	6,239,685
SPECIAL INSTRUCTION FEES	3,381,194	3,366,999
ACADEMIC SUCCESS PROGRAMS	800,000	1,150,000
ACADEMIC DEPARTMENT INSTRUCTIONAL ASSESSMENT FEE	600,000	100,000
OTHER INSTRUCTION AND ACADEMIC SUPPORT	22,631,577	23,147,811
INSTRUCTION AND ACADEMIC SUPPORT	\$94,346,402	\$97,813,362
DESIGNATED TUITION SUPPORT		
DEPARTMENTAL OPERATING EXPENSE	\$36,835,780	\$37,849,174
FACULTY SALARIES	38,678,412	42,805,302
COLLEGE DESIGNATED TUITION	33,610,453	34,315,908
STUDENT INITIATIVES AND OTHER	25,285,240	24,184,798
NEED BASE FINANCIAL AID	20,735,200	22,500,200
PRESIDENT'S SCHOLARSHIP FUND	18,969,749	21,215,749
UTILITIES	14,934,736	14,334,736
PRESIDENT'S INITIATIVES	8,237,750	9,373,197
INSTITUTIONAL TUITION TRANSFERS	5,173,679	4,217,717
GRADUATE SUPPORT AND SCHOLARSHIPS	3,000,000	3,000,000
DESIGNATED TUITION SUPPORT	\$205,460,999	\$213,796,781
STUDENT SERVICE SUPPORT		
STUDENT SERVICE ACTIVITIES	\$13,245,000	\$13,944,124
STUDENT RECREATIONAL CENTER	6,480,750	6,480,750
STUDENT HEALTH CENTER	4,509,752	4,624,752
ADVISING ACTIVITIES	3,877,002	3,770,002
OTHER STUDENT SERVICE SUPPORT ACTIVITIES	17,681,240	17,801,789
STUDENT SERVICE SUPPORT	\$45,793,744	\$46,621,417
OTHER INSTITUTIONAL SUPPORT		
RECOVERY OF INDIRECT COSTS	\$9,183,317	\$10,149,170
TEXAS RESEARCH INCENTIVE PROGRAM	8,481,612	5,887,434
ALL OTHER INSTITUTIONAL SUPPORT	5,623,633	7,100,770
OTHER INSTITUTIONAL SUPPORT	\$23,288,562	\$23,137,374
TOTAL	\$368,889,707	\$381,368,934

PERCENT CHANGE

3.38%

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TEXAS TECH UNIVERSITY
AUXILIARY FUNDS

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

ITEM	FY 2019	FY 2020
REVENUE BUDGET		
INTERCOLLEGIATE ATHLETICS	\$87,055,299	\$87,941,495
RESIDENCE HALLS	42,750,000	42,788,000
HOSPITALITY SERVICES	40,003,650	39,003,650
STUDENT UNION	7,632,983	7,682,983
TRAFFIC AND PARKING / GARAGE OPERATION	5,650,000	5,830,000
OTHER SALES AND SERVICES	8,685,579	8,120,994
TOTAL CURRENT AUXILIARY REVENUE	<u>\$191,777,511</u>	<u>\$191,367,122</u>
UTILIZATION OF FUND BALANCE	\$6,190,663	\$10,999,819
TOTAL AUXILIARY REVENUE	<u>\$197,968,174</u>	<u>\$202,366,941</u>
EXPENSE BUDGET		
INTERCOLLEGIATE ATHLETICS	\$90,121,437	\$96,412,591
RESIDENCE HALLS	42,750,000	42,788,000
HOSPITALITY SERVICES	41,753,650	40,253,650
STUDENT UNION	7,632,983	7,682,983
TRAFFIC AND PARKING/GARAGE OPERATION	6,502,364	6,586,562
OTHER SALES AND SERVICES	9,207,740	8,643,155
TOTAL AUXILIARY EXPENSE	<u>\$197,968,174</u>	<u>\$202,366,941</u>
PERCENT CHANGE		2.22%

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TEXAS TECH UNIVERSITY
CURRENT RESTRICTED FUNDS

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

ITEM	FY 2019	FY 2020
SOURCES OF FUNDS		
FEDERAL PROGRAMS ¹	\$62,638,000	\$62,638,000
STATE PROGRAMS	7,089,000	12,089,000
PRIVATE	48,197,000	48,197,000
ALL OTHER	10,368,000	10,368,000
TOTAL FUNDS FROM ALL SOURCES	<u>\$128,292,000</u>	<u>\$133,292,000</u>

DISTRIBUTION BY COLLEGE OR AREA:

ADMINISTRATIVE AND OTHER	\$15,401,000	\$15,401,000
AGRICULTURAL SCIENCES AND NATURAL RESOURCES	15,000,000	15,000,000
ARCHITECTURE	392,000	392,000
ARTS AND SCIENCES	12,255,000	17,255,000
ATHLETICS	5,851,000	5,851,000
EDUCATION	5,351,000	5,351,000
WHITACRE COLLEGE OF ENGINEERING	16,857,000	16,857,000
FINANCIAL AID	40,000,000	40,000,000
GRADUATE SCHOOL	1,530,000	1,530,000
HUMAN SCIENCES	4,556,000	4,556,000
INSTITUTIONAL DIVERSITY	1,199,000	1,199,000
MEDIA AND COMMUNICATION	444,000	444,000
MULTIDISCIPLINARY RESEARCH CENTER AND INSTITUTE	804,000	804,000
MUSEUM AND HERITAGE	2,467,000	2,467,000
RAWLS COLLEGE OF BUSINESS ADMINISTRATION	3,937,000	3,937,000
SCHOOL OF LAW	1,026,000	1,026,000
VISUAL AND PERFORMING ARTS	1,222,000	1,222,000
TOTAL DISTRIBUTION TO ALL COLLEGES AND AREAS	<u>\$128,292,000</u>	<u>\$133,292,000</u>

PERCENT CHANGE

3.90%

¹ Federal Programs include Homeland Security funding estimated at \$505,270 for FY 2019 and \$252,474 for FY 2020

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**TEXAS TECH UNIVERSITY
SUMMARY OPERATING BUDGET
FISCAL YEAR 2020**

FUND	SOURCE OF FUNDS		ESTIMATED EXPENSE
	ESTIMATED INCOME	OTHER SOURCES	
EDUCATIONAL AND GENERAL LESS TRANSFER TO DESIGNATED - TPEG	\$290,430,286	\$8,000,000	\$298,430,286 (6,724,000)
DESIGNATED LESS TRANSFER FROM EDUCATIONAL AND GENERAL - TPEG	371,407,211 (6,724,000)	9,961,723	381,368,934
AUXILIARY	191,367,122	10,999,819	202,366,941
CURRENT RESTRICTED	133,292,000	0	133,292,000
TOTAL	\$979,772,619	\$28,961,542	\$1,008,734,161

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**TEXAS TECH UNIVERSITY
BUDGET COMPARISON
FISCAL YEAR 2020 vs FISCAL YEAR 2019**

FUND	FY 2019	FY 2020	Increase (Decrease)
EDUCATIONAL AND GENERAL	\$286,304,566	\$298,430,286	\$12,125,720
LESS TRANSFER TO DESIGNATED - TPEG	(6,724,000)	(6,724,000)	0
DESIGNATED			
INSTRUCTION AND ACADEMIC SUPPORT	94,346,402	97,813,362	3,466,960
DESIGNATED TUITION SUPPORT	205,460,999	213,796,781	8,335,782
STUDENT SERVICE SUPPORT	45,793,744	46,621,417	827,673
OTHER INSTITUTIONAL SUPPORT	23,288,562	23,137,374	(151,188)
AUXILIARY	197,968,174	202,366,941	4,398,767
CURRENT RESTRICTED	128,292,000	133,292,000	5,000,000
TOTAL	<u>\$974,730,447</u>	<u>\$1,008,734,161</u>	<u>\$34,003,714</u>

3.49%