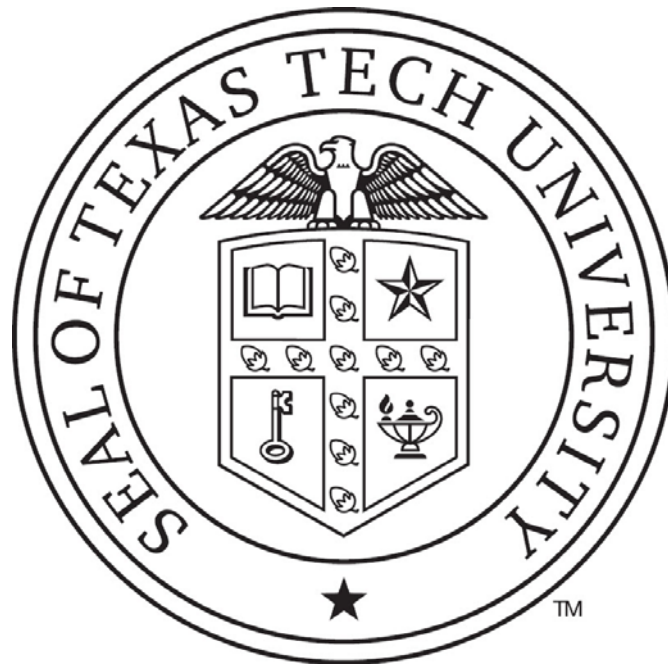


TEXAS TECH UNIVERSITY



SUMMARY OPERATING BUDGET FISCAL YEAR 2014



TEXAS TECH UNIVERSITY™

Kyle C. Clark
Vice President for Administration & Finance
Chief Financial Officer

July 23, 2013

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

Dear Members of the Board and Chancellor Hance,

Pursuant to Section 07.04.4(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 2014 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 \$783,300,315 is funded by estimated income of \$763,184,685 and use of prior year fund balances of \$20,115,630.

In conclusion, I recommend approval of the Fiscal Year 2014 Operating Budget for Texas Tech University.

Sincerely,

A handwritten signature in black ink, appearing to read 'K.C. Clark', written over a horizontal line.

Kyle Clark
Vice President for Administration and Finance and CFO

xc: President M. Duane Nellis

**TEXAS TECH UNIVERSITY
FY 2014 SUMMARY OPERATING BUDGET
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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 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.)

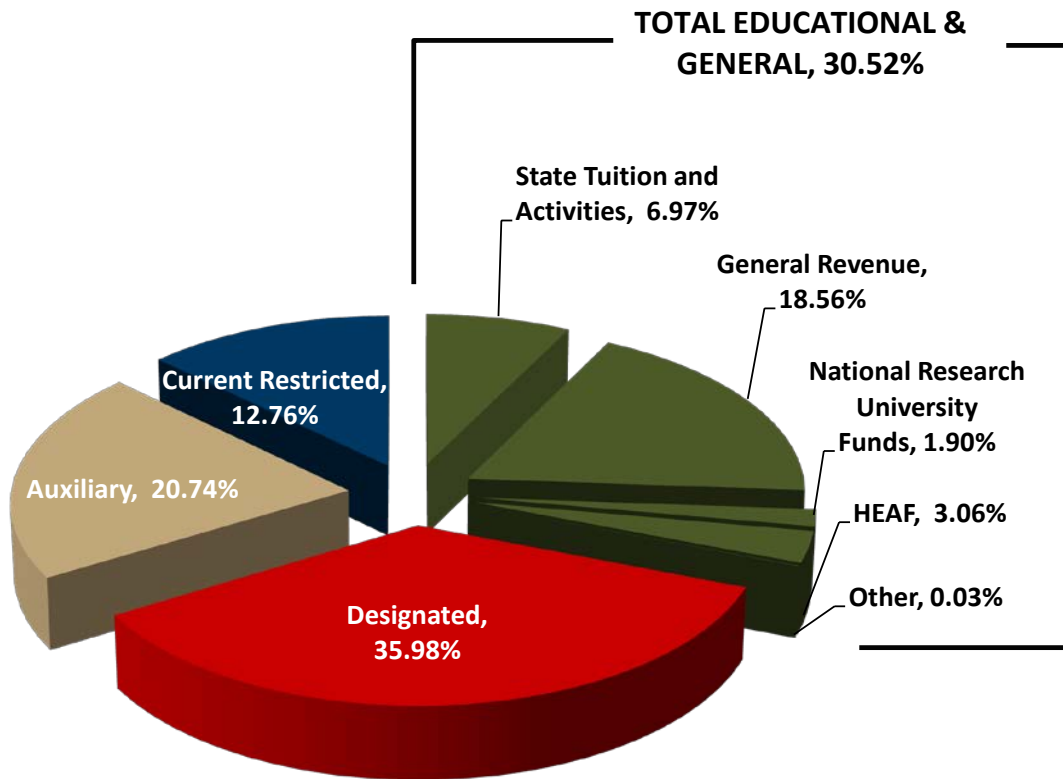
AUXILIARY FUNDS:

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 2014
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 2013	FY 2014
TUITION AND FEES		
NET TUITION	\$49,325,830	\$50,000,000
GRADUATE TUITION	5,450,000	5,450,000
LAW TUITION	3,200,000	2,880,000
SUBTOTAL TUITION	\$57,975,830	\$58,330,000
ORGANIZED ACTIVITIES	648,000	660,527
SUBTOTAL FEES	\$648,000	\$660,527
TOTAL TUITION AND FEES	\$58,623,830	\$58,990,527
OTHER EDUCATIONAL AND GENERAL INCOME		
INTEREST EARNINGS	200,000	200,000
MISCELLANEOUS	34,000	34,000
SUBTOTAL OTHER EDUCATIONAL AND GENERAL INCOME	\$234,000	\$234,000
NATIONAL RESEARCH UNIVERSITY FUND	\$7,877,932	\$7,877,932
HAZELWOOD LEGACY PROGRAM	\$0	\$2,000,000
STATE APPROPRIATIONS		
GENERAL REVENUE	\$126,700,431	\$145,393,803
HIGHER EDUCATION FUND	23,936,088	23,936,088
SUBTOTAL STATE APPROPRIATIONS	\$150,636,519	\$169,329,891
TOTAL CURRENT FUNDS REVENUES	\$217,372,281	\$238,432,350
NATIONAL RESEARCH UNIVERSITY FUND - FUND BALANCE	\$0	\$7,000,000
TOTAL CURRENT FUNDS REVENUES - BELOW THE LINE	\$217,372,281	\$245,432,350
PERCENT CHANGE		12.9%

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

ITEM	FY 2013	FY 2014
FACULTY SALARIES	\$91,201,005	\$100,321,546
HEAF	23,936,088	23,936,088
NATIONAL RESEARCH UNIVERSITY FUND	7,877,932	14,877,932
DEPARTMENTAL OPERATING SALARIES	11,196,896	14,612,824
EMPLOYEE BENEFITS	12,831,224	13,801,224
INSTITUTIONAL SUPPORT	9,493,791	11,363,507
DEBT SERVICE	9,242,556	9,053,414
GRADUATE STUDENT SUPPORT	8,650,000	8,330,000
INSTRUCTIONAL ADMINISTRATION	7,290,009	8,098,598
PHYSICAL PLANT	7,727,093	7,903,726
SPECIAL ITEMS - EXISTING	6,722,389	6,845,160
TPEG	6,400,000	6,400,000
COMPETITIVE KNOWLEDGE FUND	3,020,595	6,223,241
RESEARCH DEVELOPMENT FUND	4,163,801	5,098,396
ACADEMIC OPERATIONS SUPPORT	4,395,854	4,676,289
TEXAS TECH UNIVERSITY SYSTEM	1,667,837	1,710,587
STUDENT SERVICES	807,211	1,419,291
OTHER	748,000	760,527
TOTAL	\$217,372,281	\$245,432,350
PERCENT CHANGE		12.9%

**TEXAS TECH UNIVERSITY
EDUCATIONAL AND GENERAL FUNDS
SPECIAL ITEMS BUDGET**

ITEM	FY 2013	FY 2014
AGRICULTURAL RESEARCH	\$1,673,371	\$1,673,371
MUSEUMS AND CENTERS	1,523,064	1,523,064
SMALL BUSINESS	1,227,706	1,350,477
ENGINEERING RESEARCH	643,447	643,447
LIBRARY ARCHIVAL SUPPORT	533,756	533,756
HILL COUNTRY EDUCATIONAL NETWORK	454,219	454,219
JUNCTION	258,346	258,346
EMERGING TECHNOLOGIES	237,480	237,480
FINANCIAL RESPONSIBILITY	171,000	171,000
TOTAL	<u>\$6,722,389</u>	<u>\$6,845,160</u>
PERCENT CHANGE		1.8%

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

ITEM	FY 2013	FY 2014
PROJECTS		
MAJOR PROJECTS	\$1,000,000	\$1,000,000
MINOR AND INTERMEDIATE	500,000	500,000
DEFERRED MAINTENANCE	2,100,000	2,100,000
DEBT SERVICE	6,124,858	6,124,858
TOTAL PROJECTS	<u>\$9,724,858</u>	<u>\$9,724,858</u>
EQUIPMENT		
ADMINISTRATIVE UNITS	\$150,000	\$150,000
PHYSICAL PLANT	950,000	950,000
SYSTEM	450,000	450,000
INFORMATION TECHNOLOGY	650,000	650,000
ACADEMICS	3,500,000	3,500,000
RESEARCH	1,800,000	1,800,000
TOTAL EQUIPMENT	<u>\$7,500,000</u>	<u>\$7,500,000</u>
EMERGENCY RESERVE	\$1,500,000	\$1,500,000
STRATEGIC INITIATIVE	4,711,230	4,711,230
SYSTEM MOVE	500,000	500,000
	<u>\$6,711,230</u>	<u>\$6,711,230</u>
TOTAL	<u>\$23,936,088</u>	<u>\$23,936,088</u>

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

ITEM	General Revenue	GR-Dedicated and NRUF	FY 2014
FACULTY SALARIES	\$74,302,199	\$26,019,347	\$100,321,546
HEAF	23,936,088	0	23,936,088
NATIONAL RESEARCH UNIVERSITY FUND	0	14,877,932	14,877,932
DEPARTMENTAL OPERATING SALARIES	\$10,822,257	\$3,790,567	14,612,824
EMPLOYEE BENEFITS	387,830	13,413,394	13,801,224
INSTITUTIONAL SUPPORT	\$8,415,813	\$2,947,694	11,363,507
DEBT SERVICE	9,053,414	0	9,053,414
GRADUATE STUDENT SUPPORT	\$6,169,198	\$2,160,802	8,330,000
INSTRUCTIONAL ADMINISTRATION	\$5,997,822	\$2,100,776	8,098,598
PHYSICAL PLANT	\$5,853,499	\$2,050,227	7,903,726
SPECIAL ITEMS - EXISTING	6,845,160	0	6,845,160
TPEG	0	6,400,000	6,400,000
COMPETITIVE KNOWLEDGE FUND	6,223,241	0	6,223,241
RESEARCH DEVELOPMENT FUND	5,098,396	0	5,098,396
ACADEMIC OPERATIONS SUPPORT	\$3,463,260	\$1,213,029	4,676,289
TEXAS TECH UNIVERSITY SYSTEM	1,710,587	0	1,710,587
STUDENT SERVICES	\$1,051,127	\$368,164	1,419,291
OTHER	0	760,527	760,527
TOTAL	\$169,329,891	\$76,102,459	\$245,432,350

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 2013	FY 2014
TUITION & FEES:		
DESIGNATED TUITION AND DEREGULATED TUITION	\$97,300,000	\$102,300,000
DESIGNATED TUITION - LAW DEREGULATED TUITION	3,300,000	3,690,000
DESIGNATED TUITION - NEED BASE FINANCIAL AID	10,100,000	12,528,194
OTHER GENERAL FEES:		
LIBRARY USE FEE	21,570,000	21,570,000
ACADEMIC DEPT INSTRUCTIONAL ASSESSMENT FEE	16,440,385	18,319,263
INFORMATION TECHNOLOGY FEE	18,150,000	18,150,000
OTHER STUDENT FEES	14,985,926	16,090,692
FINANCIAL AND RECORD SERVICES FEE	8,000,000	8,000,000
TEXAS PUBLIC EDUCATION GRANT	6,400,000	6,400,000
STUDENT RECREATION CENTER	4,615,750	4,615,750
MEDICAL SERVICES FEE	4,485,000	4,485,000
ENERGY FEE	4,000,000	4,000,000
SPECIAL INSTRUCTION FEES	4,591,629	3,759,803
RAWLS CENTER FOR PROFESSIONAL DEVELOPMENT	3,684,000	3,684,000
ADVISING FEE	3,216,991	3,352,780
TRANSPORTATION FEE	3,200,000	3,100,000
STUDENT SERVICE FEES	10,118,879	10,508,920
CORRESPONDENCE AND EXTENSION FEES	5,112,134	5,662,958
SUBTOTAL - TUITION AND FEES	\$239,270,694	\$250,217,360
SALES & SERVICES OF EDUCATIONAL ACTIVITIES:		
SALES & SERVICES	\$61,829,029	\$58,147,332
LESS: SALES TO OTHER DEPARTMENTS	(56,155,316)	(52,353,832)
SUBTOTAL - SALES & SERVICES	\$5,673,713	\$5,793,500
OTHER SOURCES:		
RECOVERY OF INDIRECT COSTS	\$8,576,000	\$8,800,000
INVESTMENT INCOME	1,566,125	1,745,625
INTEREST INCOME	1,176,796	1,075,454
OTHER MISCELLANEOUS INCOME	5,037,365	4,758,659
SUB-TOTAL - OTHER SOURCES	\$16,356,286	\$16,379,738
TOTAL CURRENT DESIGNATED REVENUE	\$261,300,693	\$272,390,598
UTILIZATION OF FUND BALANCE	\$5,453,458	\$9,436,673
TOTAL DESIGNATED REVENUE	\$266,754,151	\$281,827,271
PERCENT CHANGE		5.65%

**TEXAS TECH UNIVERSITY
DESIGNATED FUNDS
EXPENSE BUDGET**

ITEM	FY 2013	FY 2014
ACADEMIC SUPPORT		
LIBRARY SUPPORT	\$21,630,000	\$21,630,000
INFORMATION TECHNOLOGY	20,250,000	19,336,672
ACADEMIC DEPT INSTRUCTIONAL ASSESSMENT FEE	16,674,891	18,329,263
TEXAS PUBLIC EDUCATION GRANT	6,400,000	6,400,000
SPECIAL INSTRUCTION FEES	4,655,343	3,773,312
OTHER ACADEMIC SUPPORT	18,439,191	18,527,527
SUBTOTAL ACADEMIC SUPPORT	\$88,049,425	\$87,996,774
DESIGNATED TUITION SUPPORT & DEREGULATED TUITION		
FACULTY SALARIES	\$23,107,160	\$23,667,039
DEPARTMENTAL OPERATING EXPENSE	19,240,154	19,103,217
UTILITIES	14,660,633	14,834,736
PRESIDENT'S SCHOLARSHIP FUND	5,514,000	8,929,000
GRADUATE FELLOWSHIPS, SCHOLARSHIPS AND AWARDS	1,797,012	7,344,996
SUPPORT OF EDUCATION & GENERAL OPERATIONS	3,225,404	3,225,404
PRESIDENT'S GROWTH INITIATIVES	3,000,000	3,000,000
RETIREMENT OF INDEBTEDNESS	2,555,276	2,551,072
TEXAS TECH SYSTEM TRANSFER	2,038,558	2,503,457
COLLEGE DEVELOPMENT OFFICERS	1,746,238	1,825,130
FRINGES	1,502,211	1,502,211
ACADEMIC ENHANCEMENT	1,579,001	1,232,394
STUDENT SERVICES AND INSTRUCTIONAL EQUIPMENT	2,032,684	1,057,536
INSTITUTIONAL DIVERSITY EQUITY & COMMUNITY ENGAGEMENT	1,291,485	1,056,510
OTHER INSTITUTIONAL TUITION TRANSFERS	14,260,020	14,700,949
SUBTOTAL - DESIGNATED TUITION	\$97,549,836	\$106,533,651
NEED BASE FINANCIAL AID	10,100,000	12,528,194
LAW DEREGULATED EXPENSE	3,300,000	3,690,000
SUBTOTAL INSTITUTIONAL TUITION SUPPORT	\$110,949,836	\$122,751,845
ALL OTHER INSTITUTIONAL SUPPORT	\$7,191,436	\$7,478,740
STUDENT SERVICE SUPPORT		
STUDENT SERVICE ACTIVITIES	\$10,923,946	\$12,910,398
STUDENT RECREATIONAL CENTER	4,665,750	4,615,750
STUDENT HEALTH CENTER	4,628,628	4,614,769
ADVISING ACTIVITIES	3,259,666	3,392,780
OTHER STUDENT SUPPORT ACTIVITIES	16,365,954	17,013,341
SUBTOTAL STUDENT SERVICE SUPPORT	\$39,843,944	\$42,547,038
CORRESPONDENCE AND EXTENSION STUDIES	\$5,374,645	\$5,674,358
RECOVERY OF INDIRECT COSTS	\$8,576,000	\$8,800,000
INTERNAL SERVICES		
UTILITIES, BOTH PLANTS	\$22,645,000	\$21,500,000
BUILDING/UTILITIES MAINTENANCE & MOTOR POOL	16,325,238	13,400,000
COMMUNICATION SERVICES	6,590,000	6,150,000
CENTRAL WAREHOUSE - STORES	1,434,751	1,450,000
DEPARTMENTAL POSTAGE	1,705,087	1,350,000
ALL OTHER INTERNAL SERVICES	8,286,530	9,019,859
SUBTOTAL INTERNAL SERVICES	\$56,986,606	\$52,869,859
EXTERNAL SERVICES	\$5,937,575	\$6,062,489
SUBTOTAL	\$322,909,467	\$334,181,103
LESS: SALES TO OTHER DEPARTMENTS	(56,155,316)	(52,353,832)
TOTAL	\$266,754,151	\$281,827,271
PERCENT CHANGE		5.65%

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TEXAS TECH UNIVERSITY
AUXILIARY FUNDS

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

ITEM	FY 2013	FY 2014
REVENUE BUDGET		
INTERCOLLEGIATE ATHLETICS	\$67,746,279	\$71,483,389
RESIDENCE HALLS	32,775,000	34,110,000
HOSPITALITY SERVICES	33,683,506	34,000,000
STUDENT UNION	6,852,445	6,979,254
TRAFFIC AND PARKING / GARAGE OPERATION	5,178,000	5,328,000
OTHER SALES AND SERVICE	6,496,893	6,512,593
INVESTMENT REVENUES	270,501	348,501
TOTAL CURRENT AUXILIARY REVENUE	<u>\$153,002,624</u>	<u>\$158,761,737</u>
UTILIZATION OF FUND BALANCE	2,923,660	3,678,957
TOTAL AUXILIARY REVENUE	<u>\$155,926,284</u>	<u>\$162,440,694</u>
EXPENSE BUDGET		
INTERCOLLEGIATE ATHLETICS	\$67,786,280	\$71,581,390
RESIDENCE HALLS	33,075,000	37,110,000
HOSPITALITY SERVICES	33,763,506	34,100,000
STUDENT UNION	7,313,850	7,024,115
TRAFFIC & PARKING/GARAGE OPERATION	5,237,736	5,513,736
OTHER SALES AND SERVICE	8,749,912	7,111,453
TOTAL AUXILIARY EXPENSE	<u>\$155,926,284</u>	<u>\$162,440,694</u>
PERCENT CHANGE		4.18%

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TEXAS TECH UNIVERSITY
CURRENT RESTRICTED FUNDS

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

ITEM	FY 2013	FY 2014
SOURCES OF FUNDS		
FEDERAL PROGRAMS	\$60,375,000	\$51,330,000
STATE PROGRAMS	3,503,000	4,120,000
PRIVATE	33,102,000	39,542,000
ALL OTHER	1,680,000	5,008,000
TOTAL FUNDS FROM ALL SOURCES	<u>\$98,660,000</u>	<u>\$100,000,000</u>

DISTRIBUTION BY COLLEGE OR AREA:

ADMINISTRATIVE AND OTHER	\$18,883,000	\$23,830,000
AGRICULTURAL SCIENCES	13,378,000	10,633,000
ARCHITECTURE	138,000	402,000
ARTS AND SCIENCES	10,349,000	9,026,000
EDUCATION	3,404,000	3,803,000
ENGINEERING	18,844,000	13,699,000
FEDERAL FINANCIAL AID	22,702,000	28,867,000
HUMAN SCIENCES	5,249,000	4,572,000
MASS COMMUNICATIONS	237,000	321,000
MULTIDISCIPLINARY RESEARCH CENTER AND INSTITUTE	1,401,000	177,000
RAWLS COLLEGE OF BUSINESS	2,141,000	2,618,000
SCHOOL OF LAW	1,066,000	1,199,000
VISUAL AND PERFORMING ARTS	868,000	853,000
TOTAL DISTRIBUTION TO ALL COLLEGES AND AREAS	<u>\$98,660,000</u>	<u>\$100,000,000</u>

PERCENT CHANGE

1.4%

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**TEXAS TECH UNIVERSITY
SUMMARY OPERATING BUDGET
FISCAL YEAR 2014**

FUND	SOURCE OF FUNDS		ESTIMATED EXPENSE
	ESTIMATED INCOME	OTHER SOURCES	
EDUCATIONAL & GENERAL LESS TRANSFER TO DESIGNATED - TPEG	\$238,432,350	\$7,000,000	\$245,432,350 (6,400,000)
AUXILIARY	158,761,737	3,678,957	162,440,694
CURRENT RESTRICTED	100,000,000	0	100,000,000
DESIGNATED LESS TRANSFER FROM EDUCATIONAL & GENERAL - TPEG	272,390,598 (6,400,000)	9,436,673	281,827,271
TOTAL	\$763,184,685	\$20,115,630	\$783,300,315