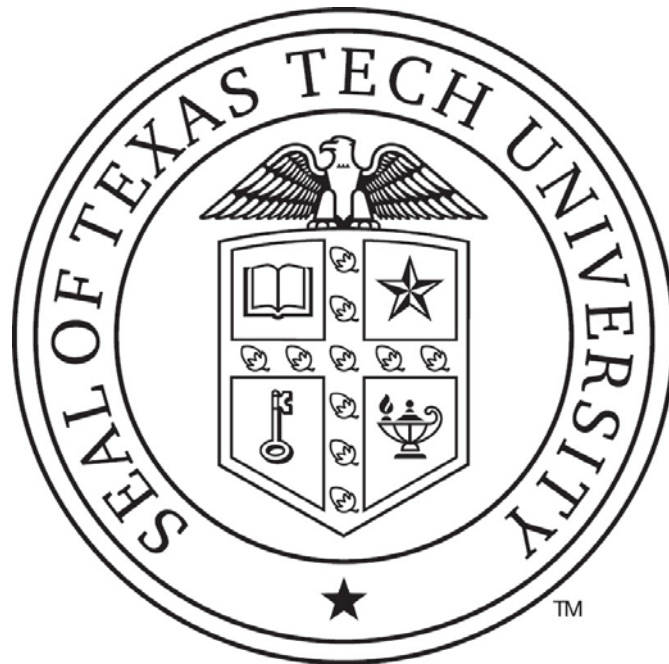


TEXAS TECH UNIVERSITY



SUMMARY OPERATING BUDGET FISCAL YEAR 2013



TEXAS TECH UNIVERSITY™

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

July 25, 2012

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 2013 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 \$732,312,716 is funded by estimated income of \$723,935,598 and use of prior year fund balances of \$8,377,118.

In conclusion, I recommend approval of the Fiscal Year 2013 Operating Budget for Texas Tech University.

Sincerely,

A handwritten signature in black ink, appearing to read "K.C. Clark", written over a circular stamp.

Kyle Clark
Vice President for Administration and Finance and CFO

xc: President Guy Bailey

TEXAS TECH UNIVERSITY
FY 2013 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.)

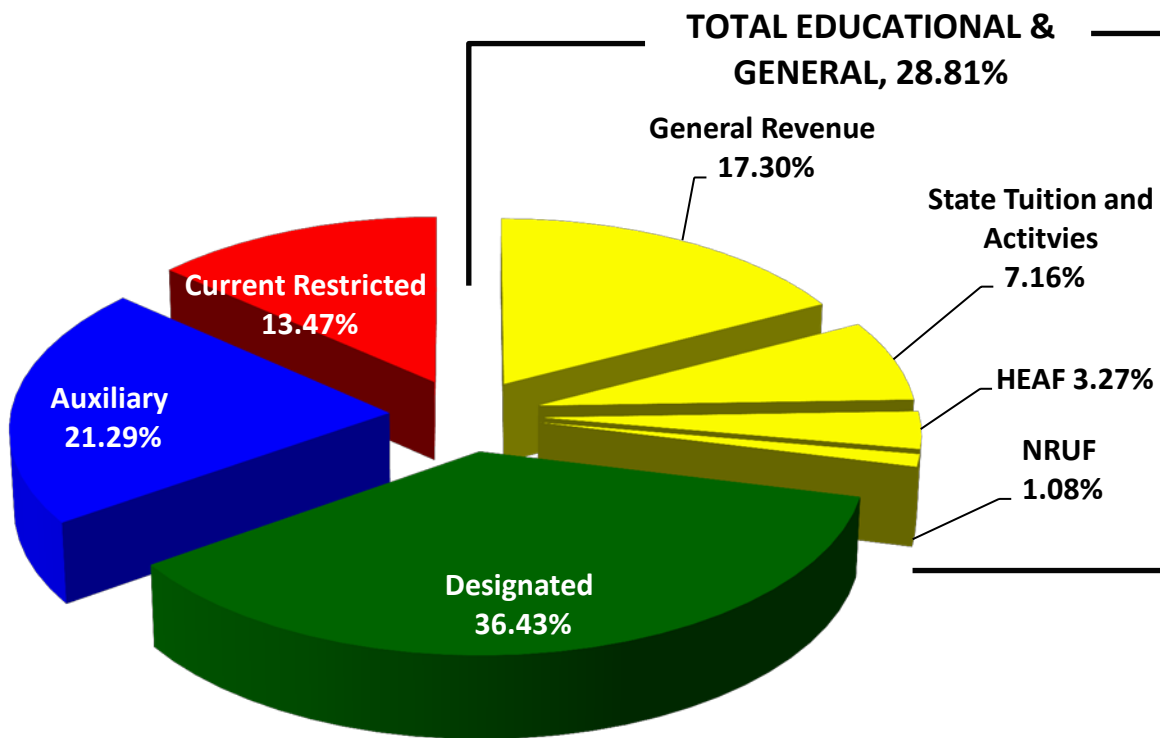
AUXILIARY FUNDS:

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 2013
SUMMARY OPERATING BUDGET
SOURCE OF FUNDS



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TEXAS TECH UNIVERSITY
COMPARISON OF EDUCATIONAL AND GENERAL FUNDS
INCOME BUDGET

<u>ITEM</u>	<u>FY 2012</u>	<u>FY 2013</u>
TUITION AND FEES		
NET TUITION	\$43,826,249	\$49,325,830
GRADUATE TUITION	4,900,000	5,450,000
LAW TUITION	3,200,000	3,200,000
TOTAL TUITION	\$51,926,249	\$57,975,830
ORGANIZED ACTIVITIES	620,278	648,000
TOTAL FEES	\$620,278	\$648,000
TOTAL TUITION AND FEES	\$52,546,527	\$58,623,830
OTHER EDUCATIONAL AND GENERAL INCOME		
INTEREST EARNINGS	750,000	200,000
MISCELLANEOUS	98,000	34,000
TOTAL OTHER EDUCATIONAL AND GENERAL INCOME	\$848,000	\$234,000
NATIONAL RESEARCH UNIVERSITY FUND	\$7,877,932 ¹	\$7,877,932
STATE APPROPRIATIONS		
GENERAL REVENUE	\$127,276,377	\$126,700,431
HIGHER EDUCATION FUND	23,936,088	23,936,088
TOTAL STATE APPROPRIATIONS	\$151,212,465	\$150,636,519
TOTAL CURRENT FUNDS REVENUES	\$212,484,924	\$217,372,281
DESIGNATED SUPPORT OF E&G OPERATIONS	\$3,225,404	\$0
TOTAL CURRENT FUNDS REVENUES - BELOW THE LINE	\$215,710,328	\$217,372,281
PERCENT CHANGE		0.8%

¹ The 2012 NRUF Budget is pending approval at the August BOR meeting.

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TEXAS TECH UNIVERSITY
COMPARISON OF EDUCATIONAL AND GENERAL FUNDS
EXPENSE BUDGET

<u>ITEM</u>	<u>FY 2012</u>	<u>FY 2013</u>
FACULTY SALARIES	\$91,426,046	\$91,201,005
HEAF	23,936,088	23,936,088
EMPLOYEE BENEFITS	12,528,865	12,831,224
DEPARTMENTAL OPERATING EXPENSE	11,303,400	11,196,896
SPECIAL ITEMS - EXISTING	9,742,984	9,742,984
INSTITUTIONAL SUPPORT	9,331,121	9,493,791
DEBT SERVICE	9,230,357	9,242,556
GRADUATE STUDENT SUPPORT	8,100,000	8,650,000
NATIONAL RESEARCH UNIVERSITY FUND	7,877,932 ¹	7,877,932
PHYSICAL PLANT	7,572,048	7,727,093
INSTRUCTIONAL ADMINISTRATION	7,111,212	7,290,009
TPEG	5,736,432	6,400,000
ACADEMIC OPERATIONS SUPPORT	4,291,601	4,395,854
RESEARCH DEVELOPMENT FUND	4,163,801	4,163,801
TEXAS TECH UNIVERSITY SYSTEM	1,667,837	1,667,837
STUDENT SERVICES	792,378	807,211
OTHER	898,226	748,000
TOTAL	\$215,710,328	\$217,372,281
PERCENT CHANGE		0.8%

¹ The 2012 NRUF Budget is pending approval at the August BOR meeting.

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TEXAS TECH UNIVERSITY

COMPARISON OF EDUCATIONAL AND GENERAL FUNDS

SPECIAL ITEMS BUDGET

<u>ITEM</u>	<u>FY 2012</u>	<u>FY 2013</u>
COMPETITIVE KNOWLEDGE FUND	\$3,020,595	\$3,020,595
AGRICULTURAL RESEARCH	1,673,371	1,673,371
MUSEUMS AND CENTERS	1,523,064	1,523,064
SMALL BUSINESS	1,227,706	1,227,706
ENGINEERING RESEARCH	643,447	643,447
LIBRARY ARCHIVAL SUPPORT	\$533,756	\$533,756
HILL COUNTRY EDUCATIONAL NETWORK	454,219	454,219
EMERGING TECHNOLOGIES	237,480	237,480
JUNCTION	258,346	258,346
FINANCIAL RESPONSIBILITY	171,000	171,000
TOTAL	<u>\$9,742,984</u>	<u>\$9,742,984</u>
PERCENT CHANGE		0.0%

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TEXAS TECH UNIVERSITY
HIGHER EDUCATION ASSISTANCE FUNDS
CAPITAL FINANCING PLAN

<u>ITEM</u>	<u>FY 2012</u>	<u>FY 2013</u>
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>

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TEXAS TECH UNIVERSITY

COMPARISON OF EDUCATIONAL AND GENERAL FUNDS

Distribution by Method of Finance

<u>ITEM</u>	<u>General Revenue</u>	<u>GR-Dedicated and NRUF</u>	<u>FY 2013</u>
FACULTY SALARIES	\$70,879,586	\$20,321,419	\$91,201,005
HEAF	23,936,088	0	23,936,088
EMPLOYEE BENEFITS	320,527	12,510,697	12,831,224
DEPARTMENTAL OPERATING EXPENSE	8,397,672	2,799,224	11,196,896
SPECIAL ITEMS - EXISTING	9,742,984	0	9,742,984
INSTITUTIONAL SUPPORT	7,120,343	2,373,448	9,493,791
DEBT SERVICE	9,242,556	0	9,242,556
GRADUATE STUDENT SUPPORT	0	8,650,000	8,650,000
NATIONAL RESEARCH UNIVERSITY FUND	0	7,877,932	7,877,932
PHYSICAL PLANT	5,795,320	1,931,773	7,727,093
INSTRUCTIONAL ADMINISTRATION	5,467,507	1,822,502	7,290,009
TPEG	0	6,400,000	6,400,000
ACADEMIC OPERATIONS SUPPORT	3,296,891	1,098,964	4,395,854
RESEARCH DEVELOPMENT FUND	4,163,801	0	4,163,801
TEXAS TECH UNIVERSITY SYSTEM	1,667,837	0	1,667,837
STUDENT SERVICES	605,408	201,803	807,211
OTHER	0	748,000	748,000
TOTAL	\$150,636,519	\$66,735,762	\$217,372,281

This Schedule Complies with Article III, Section 6 of the General Appropriations Act.

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TEXAS TECH UNIVERSITY
COMPARISON OF DESIGNATED FUNDS
INCOME BUDGET

<u>ITEM</u>	<u>FY 2012</u>	<u>FY 2013</u>
TUITION & FEES:		
DESIGNATED TUITION AND DEREGULATED TUITION	\$89,522,240	\$97,300,000
DESIGNATED TUITION - LAW DEREGULATED TUITION	2,165,880	3,300,000
DESIGNATED TUITION - NEED BASE FINANCIAL AID	9,406,785	10,100,000
OTHER GENERAL FEES:		
LIBRARY USE FEE	21,570,000	21,570,000
INFORMATION TECHNOLOGY FEE	18,030,000	18,150,000
ACADEMIC DEPT INSTRUCTIONAL ASSESSMENT FEE	15,010,591	16,440,385
OTHER STUDENT FEES	8,825,956	14,985,926
SPECIAL INSTRUCTION FEES	8,664,513	4,591,629
FINANCIAL AND RECORD SERVICES FEE	7,700,000	8,000,000
TEXAS PUBLIC EDUCATION GRANT	5,736,432	6,400,000
STUDENT RECREATION CENTER	4,700,750	4,615,750
MEDICAL SERVICES FEE	4,410,000	4,485,000
ENERGY FEE	3,400,000	4,000,000
RAWLS CENTER FOR PROFESSIONAL DEVELOPMENT	4,050,000	3,684,000
ADVISING FEE	3,177,896	3,216,991
TRANSPORTATION FEE	3,107,056	3,200,000
STUDENT SERVICE FEES	10,338,142	10,118,879
CORRESPONDENCE AND EXTENSION FEES	5,371,366	5,112,134
SUBTOTAL - TUITION AND FEES	\$225,187,607	\$239,270,694
SALES & SERVICES OF EDUCATIONAL ACTIVITIES:		
SALES & SERVICES	\$60,639,156	\$61,829,029
LESS: SALES TO OTHER DEPARTMENTS	(55,175,127)	(56,155,316)
SUBTOTAL - SALES & SERVICES	\$5,464,029	\$5,673,713
OTHER SOURCES:		
RECOVERY OF INDIRECT COSTS	\$8,576,000	\$8,576,000
INVESTMENT INCOME	1,598,542	1,566,125
INTEREST INCOME	1,299,254	1,176,796
OTHER MISCELLANEOUS INCOME	4,206,961	5,037,365
SUB-TOTAL - OTHER SOURCES	\$15,680,757	\$16,356,286
TOTAL CURRENT DESIGNATED REVENUE	\$246,332,393	\$261,300,693
UTILIZATION OF FUND BALANCE	\$7,769,376	\$5,453,458
TOTAL DESIGNATED REVENUE	\$254,101,769	\$266,754,151
PERCENT CHANGE		4.98%

TEXAS TECH UNIVERSITY
COMPARISON OF DESIGNATED FUNDS
EXPENSE BUDGET

<u>ITEM</u>	<u>FY 2012</u>	<u>FY 2013</u>
ACADEMIC SUPPORT		
LIBRARY SUPPORT	\$21,610,000	\$21,630,000
INFORMATION TECHNOLOGY	20,279,505	20,250,000
ACADEMIC DEPT INSTRUCTIONAL ASSESSMENT FEE	15,197,597	16,674,891
SPECIAL INSTRUCTION FEES	8,727,845	4,655,343
TEXAS PUBLIC EDUCATION GRANT	5,736,432	6,400,000
OTHER ACADEMIC SUPPORT	11,436,481	18,439,191
SUBTOTAL ACADEMIC SUPPORT	\$82,987,860	\$88,049,425
DESIGNATED TUITION SUPPORT& DEREGULATED TUITION		
DEPARTMENTAL OPERATING EXPENSE	\$20,676,242	\$19,240,154
FACULTY SALARIES	11,474,017	17,373,256
UTILITIES	16,018,740	14,660,633
PRESIDENT'S SCHOLARSHIP FUND	4,714,000	5,514,000
STRATEGIC FACULTY INVESTMENT	0	4,100,000
SUPPORT OF EDUCATION & GENERAL OPERATIONS	3,225,404	3,225,404
PRESIDENT'S GROWTH INITIATIVES	3,000,000	3,000,000
RETIREMENT OF INDEBTEDNESS	2,616,257	2,555,276
TEXAS TECH SYSTEM TRANSFER	1,898,689	2,038,558
STUDENT SERVICES AND INSTRUCTIONAL EQUIPMENT	2,002,084	2,032,684
SCHOLARSHIPS AND AWARDS	1,748,008	1,797,012
COLLEGE DEVELOPMENT OFFICERS	1,717,007	1,746,238
PRESIDENT'S STRATEGIC INITIATIVES	1,627,171	1,633,904
ACADEMIC ENHANCEMENT	1,436,111	1,579,001
FRINGES	1,502,211	1,502,211
INSTITUTIONAL DIVERISTY EQUITY & COMMUNITY ENGAGEMENT	1,158,614	1,291,485
STRATEGIC RESEARCH INVESTMENT	3,274,804	0
OTHER INSTITUTIONAL TUITION TRANSFERS	13,357,619	14,260,020
SUBTOTAL - DESIGNATED TUITION	\$91,446,978	\$97,549,836
NEED BASE FINANCIAL AID	9,406,785	10,100,000
LAW DEREGULATED EXPENSE	2,165,880	3,300,000
SUBTOTAL INSTITUTIONAL TUITION SUPPORT	\$103,019,643	\$110,949,836
ALL OTHER INSTITUTIONAL SUPPORT	\$7,099,499	\$7,191,436
STUDENT SERVICE SUPPORT		
STUDENT SERVICE ACTIVITIES	\$11,274,623	\$10,923,946
STUDENT RECREATIONAL CENTER	4,800,750	4,665,750
STUDENT HEALTH CENTER	4,575,471	4,628,628
ADVISING ACTIVITIES	3,261,784	3,259,666
OTHER STUDENT SUPPORT ACTIVITIES	15,761,661	16,365,954
SUBTOTAL STUDENT SERVICE SUPPORT	\$39,674,289	\$39,843,944

CORRESPONDENCE AND EXTENSION STUDIES	\$5,549,582	\$5,374,645
RECOVERY OF INDIRECT COSTS	\$8,576,000	\$8,576,000
INTERNAL SERVICES		
UTILITIES, BOTH PLANTS	\$22,645,000	\$22,645,000
BUILDING/UTILITIES MAINTENANCE & MOTOR POOL	16,325,238	16,325,238
COMMUNICATION SERVICES	6,600,000	6,590,000
DEPARTMENTAL POSTAGE	1,705,087	1,705,087
CENTRAL WAREHOUSE - STORES	1,434,751	1,434,751
ALL OTHER INTERNAL SERVICES	8,004,643	8,286,530
SUBTOTAL INTERNAL SERVICES	\$56,714,719	\$56,986,606
EXTERNAL SERVICES	\$5,655,304	\$5,937,575
SUBTOTAL	\$309,276,896	\$322,909,467
LESS: SALES TO OTHER DEPARTMENTS	(55,175,127)	(56,155,316)
TOTAL	\$254,101,769	\$266,754,151
PERCENT CHANGE		4.98%

TEXAS TECH UNIVERSITY

COMPARISON OF AUXILIARY FUNDS

INCOME BUDGET

<u>ITEM</u>	<u>FY 2012</u>	<u>FY 2013</u>
INTERCOLLEGIATE ATHLETICS	\$53,868,360	\$67,746,279
HOSPITALITY SERVICES	31,693,222	33,683,506
RESIDENCE HALLS	29,359,361	32,775,000
STUDENT UNION	7,228,220	6,852,445
TRAFFIC AND PARKING / GARAGE OPERATION	5,333,158	5,178,000
SUB-TOTAL	\$127,482,321	\$146,235,230
OTHER:		
SALES AND SERVICE	\$5,970,422	\$6,496,893
INVESTMENT REVENUES	285,501	270,501
SUB-TOTAL	\$6,255,923	\$6,767,394
TOTAL CURRENT AUXILIARY REVENUE	\$133,738,244	\$153,002,624
UTILIZATION OF FUND BALANCE	1,802,753	2,923,660
TOTAL AUXILIARY REVENUE	\$135,540,997	\$155,926,284
PERCENT CHANGE		15.04%

TEXAS TECH UNIVERSITY
COMPARISON OF AUXILIARY FUNDS
EXPENSE BUDGET

<u>ITEM</u>	<u>FY 2012</u>	<u>FY 2013</u>
INTERCOLLEGIATE ATHLETICS	\$53,933,361	\$67,786,280
HOSPITALITY SERVICES	31,763,222	33,763,506
RESIDENCE HALLS	29,359,361	33,075,000
STUDENT UNION	7,588,220	7,313,850
TRAFFIC & PARKING/GARAGE OPERATION	6,348,190	5,237,736
OTHER SALES AND SERVICE	6,548,643	8,749,912
TOTAL	<u>\$135,540,997</u>	<u>\$155,926,284</u>
PERCENT CHANGE		15.04%

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TEXAS TECH UNIVERSITY
COMPARISON OF CURRENT RESTRICTED FUNDS
INCOME AND EXPENSE BUDGETS

<u>ITEM</u>	<u>FY 2012</u>	<u>FY 2013</u>
SOURCES OF FUNDS		
FEDERAL PROGRAMS	\$60,374,835	\$60,375,000
STATE PROGRAMS	3,502,751	3,503,000
PRIVATE	33,102,129	33,102,000
ALL OTHER	1,679,925	1,680,000
TOTAL FUNDS FROM ALL SOURCES	\$98,659,640	\$98,660,000
DISTRIBUTION BY COLLEGE OR AREA:		
ADMINISTRATIVE AND OTHER	\$18,883,455	\$18,883,000
AGRICULTURAL SCIENCES	13,378,247	13,378,000
ARCHITECTURE	138,123	138,000
ARTS AND SCIENCES	10,349,396	10,349,000
EDUCATION	3,403,758	3,404,000
ENGINEERING	18,843,991	18,844,000
FEDERAL FINANCIAL AID	22,701,583	22,702,000
HUMAN SCIENCES	5,248,693	5,249,000
MASS COMMUNICATIONS	236,783	237,000
MULTIDISCIPLINARY RESEARCH CENTER AND INSTITUTE	1,400,967	1,401,000
RAWLS COLLEGE OF BUSINESS	2,140,914	2,141,000
SCHOOL OF LAW	1,065,524	1,066,000
VISUAL AND PERFORMING ARTS	868,206	868,000
TOTAL DISTRIBUTION TO ALL COLLEGES AND AREAS	\$98,659,640	\$98,660,000
PERCENT CHANGE		0.0%

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TEXAS TECH UNIVERSITY
SUMMARY OPERATING BUDGET
FISCAL YEAR 2013

FUND	SOURCE OF FUNDS		ESTIMATED EXPENSE
	ESTIMATED INCOME	OTHER SOURCES	
EDUCATIONAL & GENERAL LESS TRANSFER TO DESIGNATED - TPEG	\$217,372,281	\$0	\$217,372,281 (6,400,000)
AUXILIARY	153,002,624	2,923,660	155,926,284
CURRENT RESTRICTED	98,660,000	0	98,660,000
DESIGNATED LESS TRANSFER FROM EDUCATIONAL & GENERAL - TPEG	261,300,693 (6,400,000)	5,453,458	266,754,151
TOTAL	\$723,935,598	\$8,377,118	\$732,312,716

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