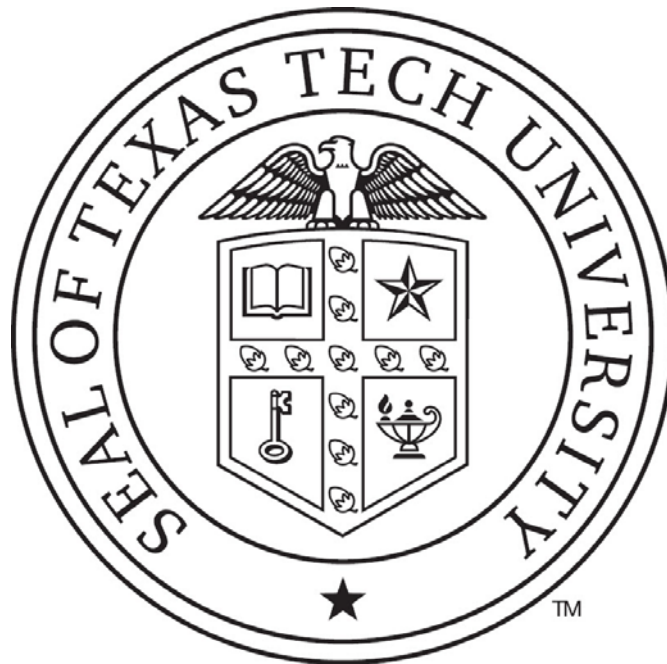


TEXAS TECH UNIVERSITY



SUMMARY OPERATING BUDGET FISCAL YEAR 2015



TEXAS TECH UNIVERSITY

Noel A. Sloan
Vice President for Administration & Finance
Chief Financial Officer

July 18, 2014

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 2015 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 \$800,117,725 is funded by estimated income of \$785,290,864 and use of prior year fund balances of \$14,826,861.

In conclusion, I recommend approval of the Fiscal Year 2015 Operating Budget for Texas Tech University.

Sincerely,

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

Noel Sloan
Vice President for Administration and Finance and CFO

xc: President M. Duane Nellis

**TEXAS TECH UNIVERSITY
FY 2015 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.).

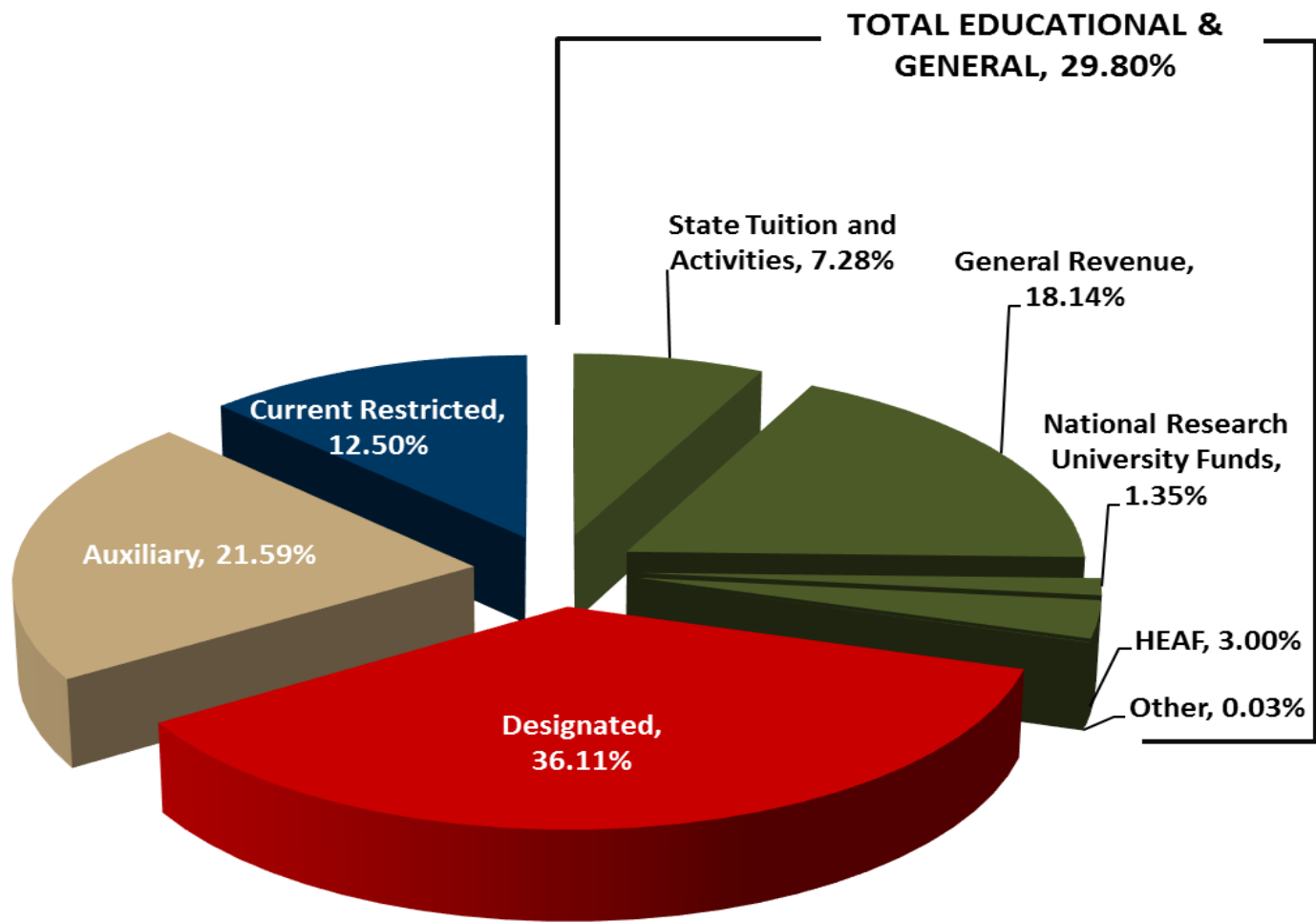
AUXILIARY FUNDS:

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 2015
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 2014	FY 2015
TUITION AND FEES		
NET TUITION	\$50,000,000	\$50,000,000
GRADUATE TUITION	5,450,000	4,800,000
LAW TUITION	2,880,000	2,880,000
SUBTOTAL TUITION	\$58,330,000	\$57,680,000
ORGANIZED ACTIVITIES	660,527	580,527
SUBTOTAL FEES	\$660,527	\$580,527
TOTAL TUITION AND FEES	\$58,990,527	\$58,260,527
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	\$8,815,807
HAZLEWOOD LEGACY PROGRAM	\$2,000,000	\$0
STATE APPROPRIATIONS		
GENERAL REVENUE	\$145,393,803	\$145,167,896
HIGHER EDUCATION FUND	23,936,088	23,936,088
SUBTOTAL STATE APPROPRIATIONS	\$169,329,891	\$169,103,984
TOTAL CURRENT FUNDS REVENUES	\$238,432,350	\$236,414,318
NATIONAL RESEARCH UNIVERSITY FUND - FUND BALANCE	\$7,000,000	\$2,000,000
TOTAL EDUCATIONAL & GENERAL REVENUE	\$245,432,350	\$238,414,318
PERCENT CHANGE		-2.9%

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

ITEM	FY 2014	FY 2015
FACULTY SALARIES	\$100,321,546	\$97,221,781
HEAF	23,936,088	23,936,088
DEPARTMENTAL OPERATING SALARIES	14,612,824	14,719,001
EMPLOYEE BENEFITS	13,801,224	13,801,224
INSTITUTIONAL SUPPORT	11,363,507	11,740,064
NATIONAL RESEARCH UNIVERSITY FUND	14,877,932	10,815,807
DEBT SERVICE	9,053,414	9,051,741
INSTRUCTIONAL ADMINISTRATION	8,098,598	8,239,248
PHYSICAL PLANT	7,903,726	8,027,200
GRADUATE STUDENT SUPPORT	8,330,000	7,680,000
SPECIAL ITEMS - EXISTING	6,845,160	6,845,160
TPEG	6,400,000	6,400,000
COMPETITIVE KNOWLEDGE FUND	6,223,241	6,223,241
RESEARCH DEVELOPMENT FUND	5,098,396	5,098,396
ACADEMIC OPERATIONS SUPPORT	4,676,289	4,742,144
TEXAS TECH UNIVERSITY SYSTEM	1,710,587	1,753,337
STUDENT SERVICES	1,419,291	1,439,359
OTHER	760,527	680,527
TOTAL	\$245,432,350	\$238,414,318
PERCENT CHANGE		-2.9%

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

ITEM	FY 2014	FY 2015
AGRICULTURAL RESEARCH	\$1,673,371	\$1,673,371
MUSEUMS AND CENTERS	1,523,064	1,523,064
SMALL BUSINESS	1,350,477	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><u>\$6,845,160</u></u>	<u><u>\$6,845,160</u></u>
PERCENT CHANGE		0.0%

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

ITEM	FY 2014	FY 2015
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	0
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>\$7,050,000</u>
EMERGENCY RESERVE	\$1,500,000	\$1,500,000
STRATEGIC INITIATIVE	4,711,230	5,161,230
SYSTEM MOVE	500,000	500,000
	<u>\$6,711,230</u>	<u>\$7,161,230</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 2015
FACULTY SALARIES	\$73,120,070	\$24,101,711	\$97,221,781
HEAF	23,936,088	0	23,936,088
DEPARTMENTAL OPERATING SALARIES	\$11,070,095	\$3,648,906	14,719,001
EMPLOYEE BENEFITS	517,107	13,284,117	13,801,224
INSTITUTIONAL SUPPORT	\$8,829,650	\$2,910,414	11,740,064
NATIONAL RESEARCH UNIVERSITY FUND	0	10,815,807	10,815,807
DEBT SERVICE	9,051,741	0	9,051,741
INSTRUCTIONAL ADMINISTRATION	\$6,196,702	\$2,042,546	8,239,248
PHYSICAL PLANT	\$6,037,222	\$1,989,978	8,027,200
GRADUATE STUDENT SUPPORT	\$5,776,094	\$1,903,906	7,680,000
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	\$3,566,545	\$1,175,599	4,742,144
TEXAS TECH UNIVERSITY SYSTEM	1,753,337	0	1,753,337
STUDENT SERVICES	\$1,082,536	\$356,823	1,439,359
OTHER	0	680,527	680,527
TOTAL	\$169,103,984	\$69,310,334	\$238,414,318

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 2014	FY 2015
TUITION & FEES:		
DESIGNATED TUITION AND DEREGULATED TUITION	\$102,300,000	\$108,675,600
DESIGNATED TUITION - LAW DEREGULATED TUITION	3,690,000	3,011,040
DESIGNATED TUITION - NEED BASE FINANCIAL AID	12,528,194	13,128,039
OTHER GENERAL FEES:		
LIBRARY USE FEE	21,570,000	21,570,000
ACADEMIC DEPT INSTRUCTIONAL ASSESSMENT FEE	18,319,263	20,261,851
INFORMATION TECHNOLOGY FEE	18,150,000	19,270,000
OTHER STUDENT FEES	16,090,692	16,244,626
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	4,630,750
MEDICAL SERVICES FEE	4,485,000	4,485,000
ENERGY FEE	4,000,000	4,000,000
ADVISING FEE	3,352,780	3,398,280
RAWLS CENTER FOR PROFESSIONAL DEVELOPMENT	3,684,000	3,362,000
TRANSPORTATION FEE	3,100,000	3,100,000
SPECIAL INSTRUCTION FEES	3,759,803	2,738,682
ONLINE LEARNING AND DISTANCE ED FEE	0	1,750,000
STUDENT SERVICE FEES	10,508,920	11,181,410
CORRESPONDENCE AND EXTENSION FEES	5,662,958	6,216,181
SUBTOTAL - TUITION AND FEES	\$250,217,360	\$261,423,459
SALES & SERVICES OF EDUCATIONAL ACTIVITIES:		
SALES & SERVICES	\$58,147,332	\$59,420,284
LESS: SALES TO OTHER DEPARTMENTS	(52,353,832)	(53,855,945)
SUBTOTAL - SALES & SERVICES	\$5,793,500	\$5,564,339
OTHER SOURCES:		
RECOVERY OF INDIRECT COSTS	\$8,800,000	\$8,800,000
INVESTMENT INCOME	1,745,625	1,789,000
INTEREST INCOME	1,075,454	1,069,454
OTHER MISCELLANEOUS INCOME	4,758,659	4,661,192
SUB-TOTAL - OTHER SOURCES	\$16,379,738	\$16,319,646
TOTAL CURRENT DESIGNATED REVENUE	\$272,390,598	\$283,307,444
UTILIZATION OF FUND BALANCE	\$9,436,673	\$12,047,097
TOTAL DESIGNATED REVENUE	\$281,827,271	\$295,354,541
PERCENT CHANGE		4.80%

**TEXAS TECH UNIVERSITY
DESIGNATED FUNDS
EXPENSE BUDGET**

ITEM	FY 2014	FY 2015
ACADEMIC SUPPORT		
LIBRARY SUPPORT	\$21,630,000	\$21,630,000
INFORMATION TECHNOLOGY	19,336,672	20,764,532
ACADEMIC DEPT INSTRUCTIONAL ASSESSMENT FEE	18,329,263	20,286,851
TEXAS PUBLIC EDUCATION GRANT	6,400,000	6,400,000
SPECIAL INSTRUCTION FEES	3,773,312	2,767,815
ONLINE LEARNING AND DISTANCE ED FEE	0	1,750,000
OTHER ACADEMIC SUPPORT	18,527,527	18,418,626
SUBTOTAL ACADEMIC SUPPORT	\$87,996,774	\$92,017,824
DESIGNATED TUITION SUPPORT & DEREGULATED TUITION		
FACULTY SALARIES	\$23,667,039	\$30,413,001
DEPARTMENTAL OPERATING EXPENSE	19,103,217	20,781,403
UTILITIES	14,834,736	14,834,736
PRESIDENT'S SCHOLARSHIP FUND	8,929,000	8,929,000
GRADUATE FELLOWSHIPS, SCHOLARSHIPS AND AWARDS	7,344,996	5,344,998
PRESIDENT'S GROWTH INITIATIVES	3,000,000	3,000,000
TEXAS TECH SYSTEM TRANSFER	2,503,457	2,855,040
RETIREMENT OF INDEBTEDNESS	2,551,072	2,551,688
GRADUATE SUPPORT AND INITIATIVES	0	2,275,600
COLLEGE DEVELOPMENT OFFICERS	1,825,130	2,113,086
SUPPORT OF EDUCATION & GENERAL OPERATIONS	3,225,404	2,000,000
FRINGES	1,502,211	1,502,211
ACADEMIC ENHANCEMENT	1,232,394	1,480,807
LAB SAFETY, RENOVATION & RETENTION	0	1,200,000
STUDENT SERVICES AND INSTRUCTIONAL EQUIPMENT	1,057,536	1,085,929
INSTITUTIONAL DIVERSITY EQUITY & COMMUNITY ENGAGEMENT	1,056,510	1,038,530
OTHER INSTITUTIONAL TUITION TRANSFERS	14,700,949	13,875,681
SUBTOTAL - DESIGNATED TUITION	\$106,533,651	\$115,281,710
NEED BASE FINANCIAL AID	12,528,194	13,128,039
LAW DEREGULATED EXPENSE	3,690,000	3,011,040
SUBTOTAL INSTITUTIONAL TUITION SUPPORT	\$122,751,845	\$131,420,789
ALL OTHER INSTITUTIONAL SUPPORT	\$7,478,740	\$7,714,669
STUDENT SERVICE SUPPORT		
STUDENT SERVICE ACTIVITIES	\$12,910,398	\$12,911,410
STUDENT RECREATIONAL CENTER	4,615,750	4,630,750
STUDENT HEALTH CENTER	4,614,769	4,614,769
ADVISING ACTIVITIES	3,392,780	3,444,080
OTHER STUDENT SUPPORT ACTIVITIES	17,013,341	16,485,957
SUBTOTAL STUDENT SERVICE SUPPORT	\$42,547,038	\$42,086,966
CORRESPONDENCE AND EXTENSION STUDIES	\$5,674,358	\$6,190,108
RECOVERY OF INDIRECT COSTS	\$8,800,000	\$8,800,000
INTERNAL SERVICES		
UTILITIES, BOTH PLANTS	\$21,500,000	\$21,500,000
BUILDING/UTILITIES MAINTENANCE & MOTOR POOL	13,400,000	14,400,000
COMMUNICATION SERVICES	6,150,000	6,100,000
CENTRAL WAREHOUSE - STORES	1,450,000	1,450,000
DEPARTMENTAL POSTAGE	1,350,000	1,350,000
ALL OTHER INTERNAL SERVICES	9,019,859	10,339,514
SUBTOTAL INTERNAL SERVICES	\$52,869,859	\$55,139,514
EXTERNAL SERVICES	\$6,062,489	\$5,840,616
SUBTOTAL	\$334,181,103	\$349,210,486
LESS: SALES TO OTHER DEPARTMENTS	(52,353,832)	(53,855,945)
TOTAL	\$281,827,271	\$295,354,541

PERCENT CHANGE

4.80%

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TEXAS TECH UNIVERSITY
AUXILIARY FUNDS

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

ITEM	FY 2014	FY 2015
REVENUE BUDGET		
INTERCOLLEGIATE ATHLETICS	\$71,483,389	\$76,409,669
RESIDENCE HALLS	34,110,000	39,000,000
HOSPITALITY SERVICES	34,000,000	35,878,650
STUDENT UNION	6,979,254	6,979,254
TRAFFIC AND PARKING / GARAGE OPERATION	5,328,000	5,478,000
OTHER SALES AND SERVICE	6,512,593	7,943,028
INVESTMENT REVENUES	348,501	280,501
TOTAL CURRENT AUXILIARY REVENUE	<u>\$158,761,737</u>	<u>\$171,969,102</u>
UTILIZATION OF FUND BALANCE	3,678,957	779,764
TOTAL AUXILIARY REVENUE	<u>\$162,440,694</u>	<u>\$172,748,866</u>
EXPENSE BUDGET		
INTERCOLLEGIATE ATHLETICS	\$71,581,390	\$76,459,670
RESIDENCE HALLS	37,110,000	39,000,000
HOSPITALITY SERVICES	34,100,000	35,978,650
STUDENT UNION	6,979,254	6,979,254
TRAFFIC & PARKING/GARAGE OPERATION	5,513,736	5,663,736
OTHER SALES AND SERVICE	7,156,314	8,667,556
TOTAL AUXILIARY EXPENSE	<u>\$162,440,694</u>	<u>\$172,748,866</u>
PERCENT CHANGE		6.35%

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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 2014	FY 2015
SOURCES OF FUNDS		
FEDERAL PROGRAMS	\$51,330,000	\$51,330,000
STATE PROGRAMS	4,120,000	4,120,000
PRIVATE	39,542,000	39,542,000
ALL OTHER	5,008,000	5,008,000
TOTAL FUNDS FROM ALL SOURCES	<u>\$100,000,000</u>	<u>\$100,000,000</u>

DISTRIBUTION BY COLLEGE OR AREA:

ADMINISTRATIVE AND OTHER	\$23,830,000	\$23,830,000
AGRICULTURAL SCIENCES	10,633,000	10,633,000
ARCHITECTURE	402,000	402,000
ARTS AND SCIENCES	9,026,000	9,026,000
EDUCATION	3,803,000	3,803,000
ENGINEERING	13,699,000	13,699,000
FEDERAL FINANCIAL AID	28,867,000	28,867,000
HUMAN SCIENCES	4,572,000	4,572,000
MASS COMMUNICATIONS	321,000	321,000
MULTIDISCIPLINARY RESEARCH CENTER AND INSTITUTE	177,000	177,000
RAWLS COLLEGE OF BUSINESS	2,618,000	2,618,000
SCHOOL OF LAW	1,199,000	1,199,000
VISUAL AND PERFORMING ARTS	853,000	853,000
TOTAL DISTRIBUTION TO ALL COLLEGES AND AREAS	<u>\$100,000,000</u>	<u>\$100,000,000</u>

PERCENT CHANGE

0.0%

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**TEXAS TECH UNIVERSITY
SUMMARY OPERATING BUDGET
FISCAL YEAR 2015**

FUND	SOURCE OF FUNDS		ESTIMATED EXPENSE
	ESTIMATED INCOME	OTHER SOURCES	
EDUCATIONAL & GENERAL LESS TRANSFER TO DESIGNATED - TPEG	\$236,414,318	\$2,000,000	\$238,414,318 (6,400,000)
AUXILIARY	171,969,102	779,764	172,748,866
CURRENT RESTRICTED	100,000,000	0	100,000,000
DESIGNATED LESS TRANSFER FROM EDUCATIONAL & GENERAL - TPEG	283,307,444 (6,400,000)	12,047,097	295,354,541
TOTAL	\$785,290,864	\$14,826,861	\$800,117,725