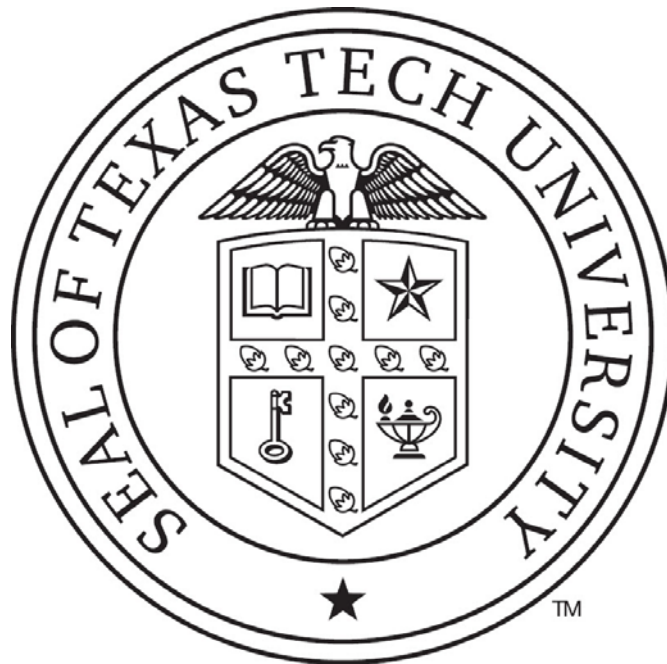


TEXAS TECH UNIVERSITY



SUMMARY OPERATING BUDGET FISCAL YEAR 2017



TEXAS TECH UNIVERSITY

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

August 11, 2016

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 2017 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 \$926,463,752 is funded by estimated income of \$910,180,825 and use of prior year fund balances of \$16,282,927.

In conclusion, I recommend approval of the Fiscal Year 2017 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 Lawrence Schovaneec

**TEXAS TECH UNIVERSITY
FY 2017 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.).

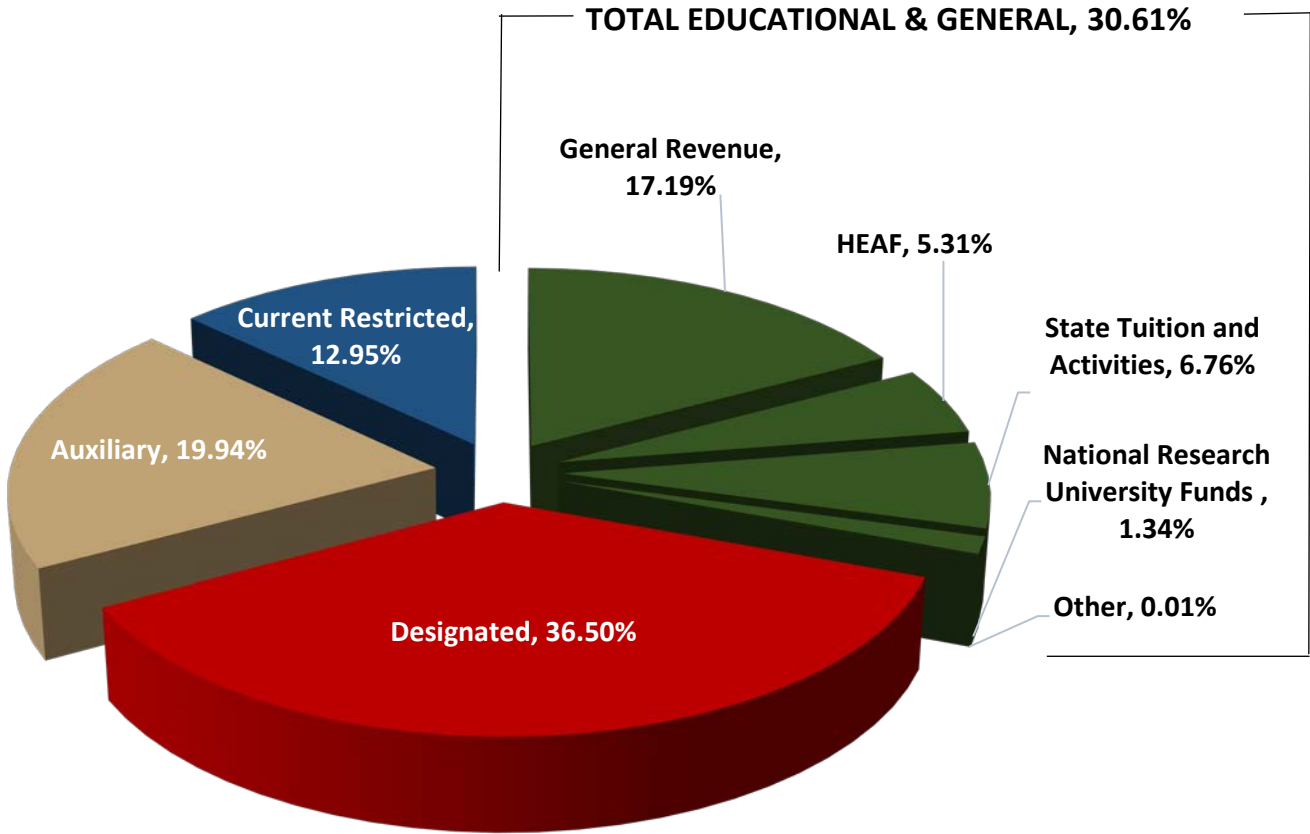
AUXILIARY FUNDS:

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 2017
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 2016	FY 2017
STATE APPROPRIATIONS		
GENERAL REVENUE	\$153,166,025	\$153,823,380
TRB DEBT SERVICE	0	5,414,199
HIGHER EDUCATION FUND	32,817,206	\$49,225,809
STATE APPROPRIATIONS	\$185,983,231	\$208,463,388
TUITION AND FEES		
NET TUITION	\$54,000,000	\$54,574,000
GRADUATE TUITION	4,900,000	4,900,000
LAW TUITION	2,564,319	2,564,319
ORGANIZED ACTIVITIES	607,000	575,000
TUITION AND FEES	\$62,071,319	\$62,613,319
OTHER EDUCATIONAL AND GENERAL INCOME		
NATIONAL RESEARCH UNIVERSITY FUND	\$9,479,616	\$9,454,322
MISCELLANEOUS	83,672	83,672
OTHER EDUCATIONAL AND GENERAL INCOME	\$9,563,288	\$9,537,994
TOTAL CURRENT FUNDS REVENUES	\$257,617,838	\$280,614,701
NATIONAL RESEARCH UNIVERSITY FUND - FUND BALANCE	\$8,000,000	\$3,000,000
TOTAL EDUCATIONAL & GENERAL REVENUE	\$265,617,838	\$283,614,701
PERCENT CHANGE		6.78%

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

ITEM	FY 2016	FY 2017
FACULTY SALARIES	\$109,180,270	\$108,765,086
DEPARTMENTAL OPERATING SALARIES	16,209,680	16,420,109
INSTRUCTIONAL ADMINISTRATION	8,505,756	8,673,547
ACADEMIC OPERATIONS SUPPORT	5,045,050	5,111,881
STUDENT SERVICES	1,463,989	1,486,881
PHYSICAL PLANT	8,398,353	8,659,839
INSTITUTIONAL SUPPORT	9,482,412	9,908,910
EMPLOYEE BENEFITS	14,877,107	14,877,107
SPECIAL ITEMS - EXISTING	6,845,160	7,360,160
CORE RESEARCH SUPPORT FUND	11,339,575	11,339,575
GRADUATE STUDENT SUPPORT	7,464,319	7,464,319
DEBT SERVICE	7,161,912	12,580,524
TPEG	6,655,000	6,672,000
NATIONAL RESEARCH UNIVERSITY FUND	17,479,616	12,454,322
HEAF	32,817,206	49,225,809
OTHER	2,692,433	2,614,632
TOTAL	<u>\$265,617,838</u>	<u>\$283,614,701</u>
PERCENT CHANGE		6.78%

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

ITEM	FY 2016	FY 2017
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
VITICULTURE AND ENOLOGY PROGRAM	0	365,000
JUNCTION	258,346	258,346
EMERGING TECHNOLOGIES	237,480	237,480
FINANCIAL RESPONSIBILITY	171,000	171,000
TEXAS WINE/MARKETING RESEARCH	0	150,000
TOTAL	<u><u>\$6,845,160</u></u>	<u><u>\$7,360,160</u></u>
PERCENT CHANGE		7.52%

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

ITEM	FY 2015	FY 2016	FY 2017
PROJECTS			
MAJOR PROJECTS			
CASH AND DEBT SERVICE	\$6,124,858	\$10,191,382	\$12,498,458
FACILITIES ALLOCATION COMMITTEE	1,000,000	1,000,000	1,000,000
MINOR AND INTERMEDIATE	500,000		
ACADEMICS	0	750,000	1,000,000
LIFE SAFETY	0	750,000	1,000,000
SPACE ALLOCATION COMMITTEE	0	250,000	250,000
DEFERRED MAINTENANCE	2,100,000	2,100,000	2,500,000
TOTAL PROJECTS	\$9,724,858	\$15,041,382	\$ 18,248,458
LIBRARIES			
LIBRARY	\$0	\$0	\$4,000,000
TOTAL LIBRARIES	\$0	\$0	\$4,000,000
EQUIPMENT			
ADMINISTRATIVE UNITS	\$150,000	\$150,000	\$150,000
OPERATIONS DIVISION	950,000	950,000	1,000,000
INFORMATION TECHNOLOGY	650,000	650,000	1,150,000
ACADEMICS	3,500,000	3,500,000	3,500,000
RESEARCH & START UP PACKAGES	1,800,000	6,300,000	6,300,000
TOTAL EQUIPMENT	\$7,050,000	\$11,550,000	\$12,100,000
OTHER			
EMERGENCY RESERVE	\$1,500,000	\$1,500,000	\$1,500,000
STRATEGIC INITIATIVES	5,161,230	4,725,824	13,377,351
SYSTEM MOVE	500,000		
TOTAL OTHER	\$7,161,230	\$6,225,824	\$14,877,351
TOTAL	\$23,936,088	\$32,817,206	\$49,225,809

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

ITEM	General Revenue	GR-Dedicated and NRUF	FY 2017
FACULTY SALARIES	\$85,815,680	\$22,949,406	\$108,765,086
DEPARTMENTAL OPERATING SALARIES	12,955,470	3,464,639	16,420,109
INSTRUCTIONAL ADMINISTRATION	6,843,431	1,830,116	8,673,547
ACADEMIC OPERATIONS SUPPORT	4,033,275	1,078,606	5,111,881
STUDENT SERVICES	1,173,149	313,732	1,486,881
PHYSICAL PLANT	6,832,615	1,827,224	8,659,839
INSTITUTIONAL SUPPORT	7,818,132	2,090,778	9,908,910
EMPLOYEE BENEFITS	517,107	14,360,000	14,877,107
SPECIAL ITEMS - EXISTING	7,360,160	0	7,360,160
CORE RESEARCH SUPPORT FUND	11,339,575	0	11,339,575
GRADUATE STUDENT SUPPORT	0	7,464,319	7,464,319
DEBT SERVICE	12,580,524	0	12,580,524
TPEG	0	6,672,000	6,672,000
NATIONAL RESEARCH UNIVERSITY FUND	0	12,454,322	12,454,322
HEAF	49,225,809	0	49,225,809
OTHER	1,968,460	646,172	2,614,632
TOTAL	\$208,463,388	\$75,151,313	\$283,614,701

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 2016	FY 2017
TUITION & FEES:		
DESIGNATED TUITION	\$121,878,040	\$157,260,117
SUPPLEMENTAL DESIGNATED TUITION	0	2,008,931
DESIGNATED TUITION - LAW DEREGULATED TUITION	2,792,704	0
DESIGNATED TUITION - NEED BASE FINANCIAL AID	14,235,050	18,735,050
ACADEMIC DEPT INSTRUCTIONAL ASSESSMENT FEE	21,897,346	0
INFORMATION TECHNOLOGY FEE	20,270,000	19,170,000
LIBRARY USE FEE	22,500,000	15,930,000
STUDENT SERVICE FEES	11,745,493	11,300,000
PROGRAM FEES	9,393,761	10,687,065
CORRESPONDENCE AND EXTENSION FEES	7,363,925	6,999,496
TEXAS PUBLIC EDUCATION GRANT	6,655,000	6,672,000
STUDENT RECREATION CENTER	6,130,750	6,480,750
FINANCIAL AND RECORD SERVICES FEE	8,000,000	6,230,000
ONLINE LEARNING AND DISTANCE ED FEE	3,988,540	5,400,000
MEDICAL SERVICES FEE	4,485,000	4,485,000
TRANSPORTATION FEE	3,500,000	4,050,000
ENERGY FEE	4,000,000	4,000,000
ADVISING FEE	3,445,357	3,510,873
SPECIAL INSTRUCTION FEES	3,168,846	3,414,764
OTHER STUDENT FEES	12,117,133	12,877,054
TUITION AND FEES	\$287,566,945	\$299,211,100
OTHER SOURCES:		
TEXAS RESEARCH INCENTIVE PROGRAM	\$35,008,180	\$12,856,248
RECOVERY OF INDIRECT COSTS	9,083,063	9,083,063
B-ON-TIME REIMBURSEMENT	0	6,226,842
EDUCATION RELATED BUSINESS ACTIVITY	5,640,633	5,760,245
OTHER MISCELLANEOUS INCOME	4,451,653	4,798,879
OTHER SOURCES	\$54,183,529	\$38,725,277
TOTAL CURRENT DESIGNATED REVENUE	\$341,750,474	\$337,936,377
UTILIZATION OF FUND BALANCE	\$5,304,043	\$6,837,685
TOTAL DESIGNATED REVENUE	\$347,054,517	\$344,774,062
PERCENT CHANGE		-0.66%

**TEXAS TECH UNIVERSITY
DESIGNATED FUNDS
EXPENSE BUDGET**

ITEM	FY 2016	FY 2017
INSTRUCTION AND ACADEMIC SUPPORT		
COLLEGE DESIGNATED TUITION	\$0	\$30,159,609
ACADEMIC DEPT INSTRUCTIONAL ASSESSMENT FEE	21,900,244	0
INFORMATION TECHNOLOGY	21,752,000	21,557,000
LIBRARY SUPPORT	22,560,000	15,990,000
CORRESPONDENCE AND EXTENSION STUDIES	7,423,925	7,059,596
TEXAS PUBLIC EDUCATION GRANT	6,655,000	6,672,000
B-ON-TIME REIMBURSEMENT SCHOLARSHIP SUPPORT	0	6,226,842
EDUCATION RELATED BUSINESS ACTIVITY	5,842,880	6,177,828
ONLINE LEARNING AND DISTANCE ED FEE	3,988,540	5,400,000
SPECIAL INSTRUCTION FEES	3,326,193	3,456,505
OTHER ACADEMIC SUPPORT	20,192,660	21,839,589
INSTRUCTION AND ACADEMIC SUPPORT	\$113,641,442	\$124,538,969
DESIGNATED TUITION SUPPORT		
FACULTY SALARIES	\$26,321,965	\$31,564,977
DEPARTMENTAL OPERATING EXPENSE	30,147,025	30,500,671
PRESIDENT'S SCHOLARSHIP FUND	18,765,749	18,765,749
STUDENT INITIATIVES AND OTHER	22,144,357	23,814,908
NEED BASE FINANCIAL AID	14,235,050	18,735,050
UTILITIES	14,834,736	14,834,736
INSTITUTIONAL TUITION TRANSFERS	8,820,455	8,668,095
GRADUATE SUPPORT AND SCHOLARSHIPS	2,000,000	2,000,000
LAW DEREGULATED EXPENSE	3,258,366	0
DESIGNATED TUITION SUPPORT	\$140,527,703	\$148,884,186
STUDENT SERVICE SUPPORT		
STUDENT SERVICE ACTIVITIES	\$13,870,493	\$13,362,603
STUDENT RECREATIONAL CENTER	6,130,750	6,480,750
STUDENT HEALTH CENTER	4,614,769	4,596,126
ADVISING ACTIVITIES	3,504,957	3,728,131
OTHER STUDENT SUPPORT ACTIVITIES	17,361,660	17,632,486
STUDENT SERVICE SUPPORT	\$45,482,629	\$45,800,096
OTHER INSTITUTIONAL SUPPORT		
TEXAS RESEARCH INCENTIVE PROGRAM	\$35,008,180	\$12,856,248
RECOVERY OF INDIRECT COSTS	9,083,063	9,083,063
ALL OTHER INSTITUTIONAL SUPPORT	3,311,500	3,611,500
OTHER INSTITUTIONAL SUPPORT	\$47,402,743	\$25,550,811
TOTAL	\$347,054,517	\$344,774,062
PERCENT CHANGE		-0.66%

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TEXAS TECH UNIVERSITY
SERVICE DEPARTMENTS

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

ITEM	FY 2016	FY 2017
REVENUE BUDGET		
SALES & SERVICES	\$61,480,026	\$71,668,009
SHARED SERVICES	8,693,603	9,013,423
UTILIZATION OF FUND BALANCE	1,456,269	1,242,487
TOTAL SALES & SERVICES REVENUE	<u>\$71,629,898</u>	<u>\$81,923,919</u>
EXPENSE BUDGET		
SALES AND SERVICES - INTERNAL DEPARTMENTS	\$59,038,350	\$68,959,929
SHARED SERVICES	8,693,603	9,013,423
STAFF BENEFITS	3,897,945	3,950,567
TOTAL SALES & SERVICES EXPENSE	<u>\$71,629,898</u>	<u>\$81,923,919</u>
PERCENT CHANGE		14.37%

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TEXAS TECH UNIVERSITY
AUXILIARY FUNDS

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

ITEM	FY 2016	FY 2017
REVENUE BUDGET		
INTERCOLLEGIATE ATHLETICS	\$76,102,201	\$78,615,663
RESIDENCE HALLS	39,000,000	39,000,000
HOSPITALITY SERVICES	39,353,650	38,103,650
STUDENT UNION	7,810,137	7,821,983
TRAFFIC AND PARKING / GARAGE OPERATION	5,478,000	5,650,000
OTHER SALES AND SERVICE	8,760,281	9,110,451
TOTAL CURRENT AUXILIARY REVENUE	<u>\$176,504,269</u>	<u>\$178,301,747</u>
UTILIZATION OF FUND BALANCE	\$1,816,745	\$6,445,242
TOTAL AUXILIARY REVENUE	<u>\$178,321,014</u>	<u>\$184,746,989</u>
EXPENSE BUDGET		
INTERCOLLEGIATE ATHLETICS	\$76,102,201	\$78,615,663
RESIDENCE HALLS	39,000,000	41,000,000
HOSPITALITY SERVICES	39,353,650	39,853,650
STUDENT UNION	7,810,137	7,821,983
TRAFFIC & PARKING/GARAGE OPERATION	6,923,762	7,095,762
OTHER SALES AND SERVICE	9,131,264	10,359,931
TOTAL AUXILIARY EXPENSE	<u>\$178,321,014</u>	<u>\$184,746,989</u>
PERCENT CHANGE		3.60%

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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 2016	FY 2017
SOURCES OF FUNDS		
FEDERAL PROGRAMS	\$61,644,000	\$62,275,000
STATE PROGRAMS	4,459,000	4,639,000
PRIVATE	42,674,000	44,548,000
ALL OTHER	6,223,000	8,538,000
TOTAL FUNDS FROM ALL SOURCES	\$115,000,000	\$120,000,000

DISTRIBUTION BY COLLEGE OR AREA:

ADMINISTRATIVE AND OTHER	\$15,951,000	\$16,821,000
AGRICULTURAL SCIENCES	12,014,000	11,388,000
ARCHITECTURE	281,000	346,000
ARTS AND SCIENCES	10,278,000	10,610,000
ATHLETICS	4,931,000	5,984,000
EDUCATION	4,113,000	4,702,000
ENGINEERING	17,489,000	17,059,000
FINANCIAL AID	35,126,000	37,590,000
GRADUATE SCHOOL	839,000	945,000
HUMAN SCIENCES	4,460,000	4,487,000
INSTITUTIONAL DIVERSITY	1,013,000	1,081,000
MEDIA AND COMMUNICATION	365,000	384,000
MULTIDISCIPLINARY RESEARCH CENTER AND INSTITUTE	544,000	495,000
MUSEUM AND HERITAGE	2,277,000	2,356,000
RAWLS COLLEGE OF BUSINESS	3,401,000	3,544,000
SCHOOL OF LAW	1,120,000	1,124,000
VISUAL AND PERFORMING ARTS	798,000	1,084,000
TOTAL DISTRIBUTION TO ALL COLLEGES AND AREAS	\$115,000,000	\$120,000,000

PERCENT CHANGE

4.35%

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**TEXAS TECH UNIVERSITY
SUMMARY OPERATING BUDGET
FISCAL YEAR 2017**

FUND	SOURCE OF FUNDS		ESTIMATED EXPENSE
	ESTIMATED INCOME	OTHER SOURCES	
EDUCATIONAL & GENERAL LESS TRANSFER TO DESIGNATED - TPEG	\$280,614,701	\$3,000,000	\$283,614,701 (6,672,000)
AUXILIARY	178,301,747	6,445,242	184,746,989
CURRENT RESTRICTED	120,000,000	0	120,000,000
DESIGNATED LESS TRANSFER FROM EDUCATIONAL & GENERAL - TPEG	337,936,377 (6,672,000)	6,837,685	344,774,062
TOTAL	\$910,180,825	\$16,282,927	\$926,463,752

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**TECH TECH UNIVERSITY
BUDGET COMPARISON
FISCAL YEAR 2017 vs FISCAL YEAR 2016**

FUND	FY 2016	FY 2017	Inc/(Dec)
EDUCATIONAL & GENERAL	\$265,617,838	\$283,614,701	\$17,996,863
LESS TRANSFER TO DESIGNATED - TPEG	(6,655,000)	(6,672,000)	(17,000)
DESIGNATED			
ACADEMIC SUPPORT	113,641,442	124,538,969	10,897,527
INSTITUTIONAL TUITION SUPPORT	140,527,703	148,884,186	8,356,483
STUDENT SERVICE SUPPORT	45,482,629	45,800,096	317,467
OTHER INSTITUTIONAL SUPPORT	47,402,743	25,550,811	(21,851,932)
AUXILIARY	178,321,014	184,746,989	6,425,975
CURRENT RESTRICTED	115,000,000	120,000,000	5,000,000
TOTAL	<u>\$899,338,369</u>	<u>\$926,463,752</u>	<u>\$27,125,383</u>