



BUDGET 101



LEGISLATIVE FUNDING

\$27,507,267 per year FY22 and FY23

Three classifications:

- Formula Support (Instruction and Operations)
- Infrastructure Support
- Non-formula support

Appropriation amounts and official bill pattern:

[https://www.lbb.texas.gov/Documents/GAA/General Appropriations Act 2022 2023.pdf](https://www.lbb.texas.gov/Documents/GAA/General%20Appropriations%20Act%202022%202023.pdf) , p.367-8



FORMULA SUPPORT

- \$5,205,883/year for FY22 and FY23
- Previous summer, fall, and current spring enrollment serve as **base year**. SCH enrollment serves as basis for support
- **Weighted credit hours**—funded by credit hours in base period
- \$55.66 per weighted credit hour
- Not all credit hours funded at same dollar value
- Hours taught by tenured/tenure track faculty qualify for supplement of 10%--\$186,327/year for FY22 and FY23



TEXAS
A&M
UNIVERSITY
TEXARKANA



SCH FORMULA WEIGHTS

Discipline	Lower Div	Upper Div	Masters	Doctoral
Liberal Arts	1.00	1.82	4.72	14.74
Science	1.38	2.75	7.67	22.30
Teacher Ed	1.40	1.91	2.34	8.70
Engineering	1.83	2.85	7.28	19.68
Social Sciences	1.63	1.91	2.41	28.72
Business	1.13	1.82	3.47	35.95
Technology	1.89	2.42	4.86	36.15
Nursing	1.35	2.07	2.68	10.71
Devpt Ed	1.00			



FROM WEIGHTED SCH TO REVENUE

Example 1:

- 3 hour lower division English class with 20 students=60 weighted SCH (20 x 3 x 1.00)
- 60 weighted SCH x \$55.66=**\$3,339.60**

Example 2:

- 3 hour upper division Business class with 20 students=109.2 weighted SCH (20 x 3 x 1.82)
- 109.2 weighted SCH x 55.66=**\$6,078.07**

Example 3:

- 3 hour Nursing Masters class with 20 students=160.8 weighted SCH (20 x 3 x 2.68)
- 160.8 weighted SCH x 55.66=**\$8,950.13**



INFRASTRUCTURE SUPPORT

- Model developed by coordinating board for funding on space need (\$1,140,367)
- Tuition Revenue Bond Retirement (\$7,525,081)
- Small Institution Supplement (\$1,316,567)



NON-FORMULA SUPPORT



- SPECIAL ITEMS--\$11,528,813
- COMPREHENSIVE REGIONAL UNIVERSITY FUNDING—Bill passed in 87th session & funded for one year by Coordinating Board --@\$370,000



SPECIAL ITEMS

Instructional support

- Academic Programs--\$331,620
- Nursing Programs--\$955,305
- Expansion Funding—\$1,119,159
- NE Texas Partnership--\$34,555
- Student Success Programs--\$497,508

Public Service

- Better East Texas--\$4,666,198

Institutional Support

- Institutional Enhancement--\$4,432,396



NON-STATE FUNDING

Tuition and Fees—set by A&M Board of Regents

<https://reportcenter.highered.texas.gov/reports/data/tuition-and-fees-data-universities-2014-2021/>

- Statutory tuition (\$50/sch)
- Designated tuition (\$2534/15 sch)
- Mandatory fees (\$1512/15 sch)
- Non-mandatory fees (distance ed, etc.)
- Differential tuition (Business and Nursing)



Annual Timeline and Process

March—even years

Budget due to System based on **known**

June—odd years

State funding and **estimated** non-state funding (tuition & fee revenue)

May—even years

Universities present budget to Board of

August—odd years

Regents for approval—Programmatic Budget Review (PBR)

September 1

New budget year begins. Funds loaded into accounts

Late Fall/Early Winter

Campus Strategic Planning and Budget Board meets to determine allocations if non-state funding exceeds estimate



FY23 TAMUT Budget Overview

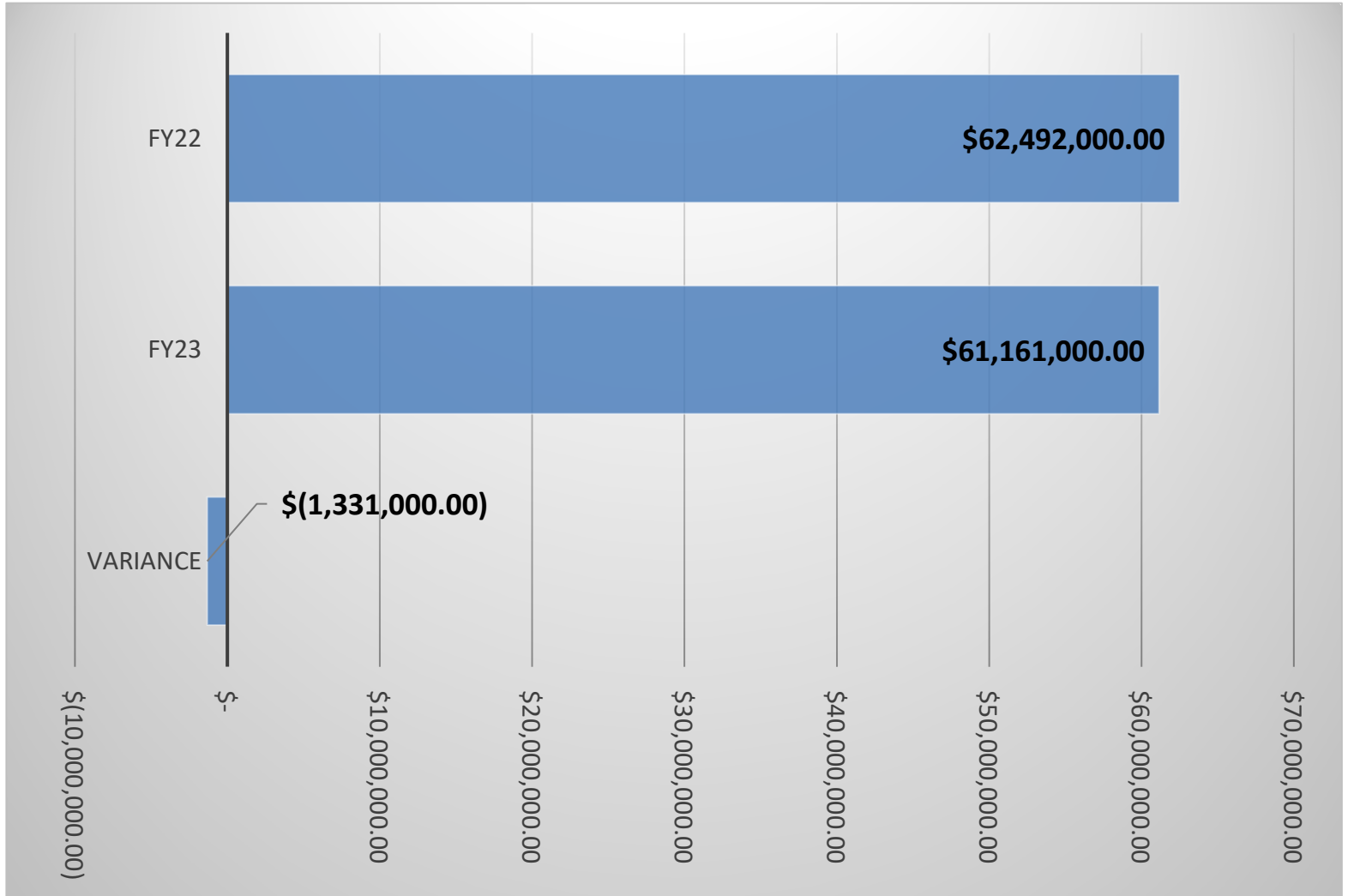


What is the total TAMUT annual budget?



TAMUT FY23 Budget

Source: Programmatic Budget Review- Texas A&M BOR



Money is money, right?



”I see money being spent around campus for A, B, and C, so I do not understand why we can’t get _____.”

Multiple Funding Types= Restricted Spending

State Appropriations: Formula/Non-Formula/Infrastructure

Tuition: Designated/Statutory/Differential

DE: Distance Education Fees

HEF: Higher Education Fund

USF: University Services Fee

Grants: Federal, State, Other

Student Aid: Federal, State, System, Local





Texas A&M University Texarkana FY23 Expense Budget by Category

Source: Programmatic Budget Review Data - Texas A&M BOR

	(In Thousands)
	FY23
TOTAL REVENUE	\$ 61,161
Expenses:	
Salaries - Faculty	\$ 9,796
Salaries - Non-Faculty	\$ 10,207
Wages	\$ 604
Benefits	\$ 6,759
Total Personnel Costs	\$ 27,366
Utilities	\$ 737
Scholarships	\$ 5,908
Capital Equipment	\$ 1,953
Operations and Maintenance	\$ 12,134
Debt Service	\$ 13,063
TOTAL EXPENSES	\$ 61,161



Top Overhead Expenses

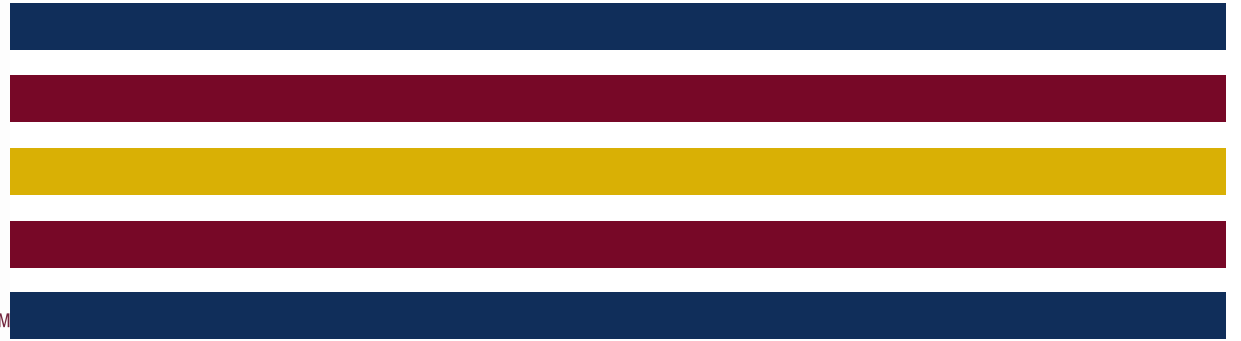
Description	Expense
Contracts (SSC, Siemens, Auto Insurance, etc.)	\$1,977,131
Debt Service	\$11,889,926
Utilities	\$849,136 (increase of 30%)
Property Insurance	\$197,023 (up 25% - \$1M deductible)
System Assessments	\$517,000
Repair & Maintenance	\$310,000 (avg.)



Employee Retention Plan

Source: Programmatic Budget Review- Texas A&M BOR

FY 2023 EMPLOYEE RETENTION PLAN	AMOUNT
Faculty:	
0-3% Performance Based Pool (contingent on enrollment)	\$ 225,600
Promotions	\$ 31,500
Market Adjustments (contingent on enrollment)	\$ 236,200
<i>Benefits</i>	78,900
Faculty Subtotal:	\$ 572,200
Staff:	
0-3% Performance Based Pool (contingent on enrollment)	\$ 290,800
Market Adjustments (contingent on enrollment)	\$ 263,800
<i>Benefits</i>	88,700
Staff Subtotal:	\$ 643,300
Total:	\$ 1,215,500



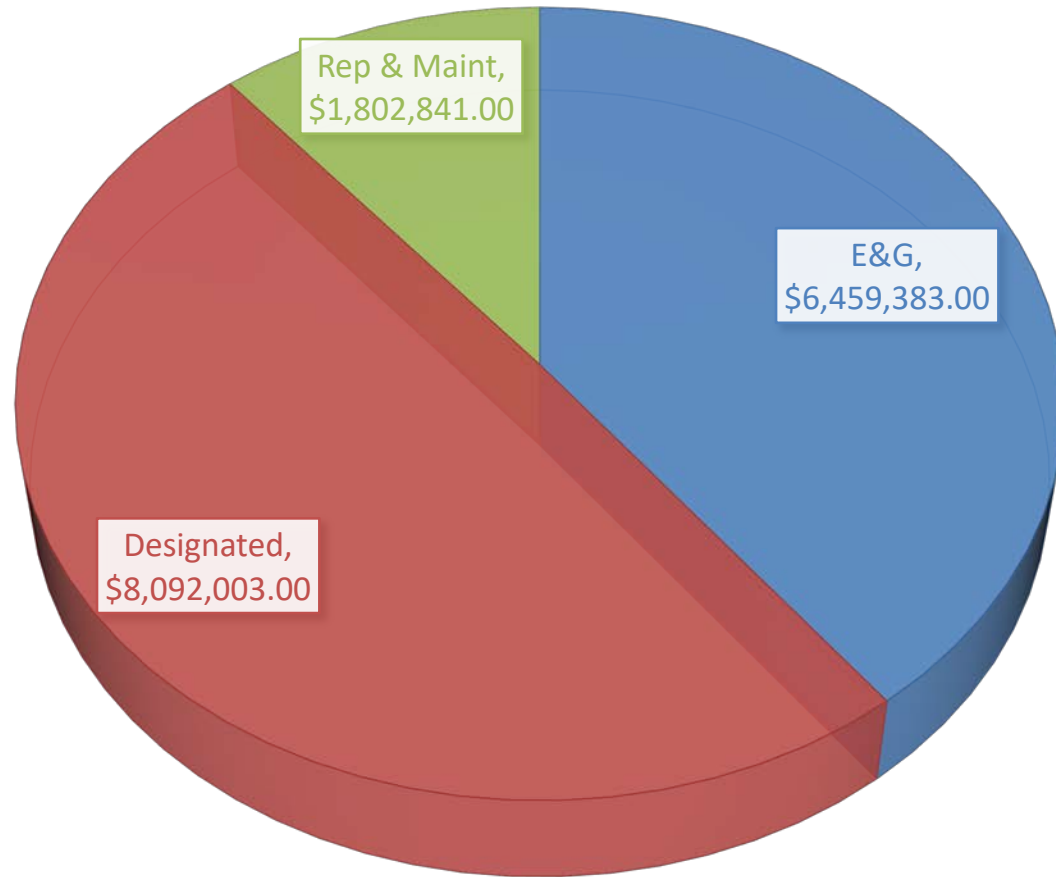
Reserves



Reserve Types

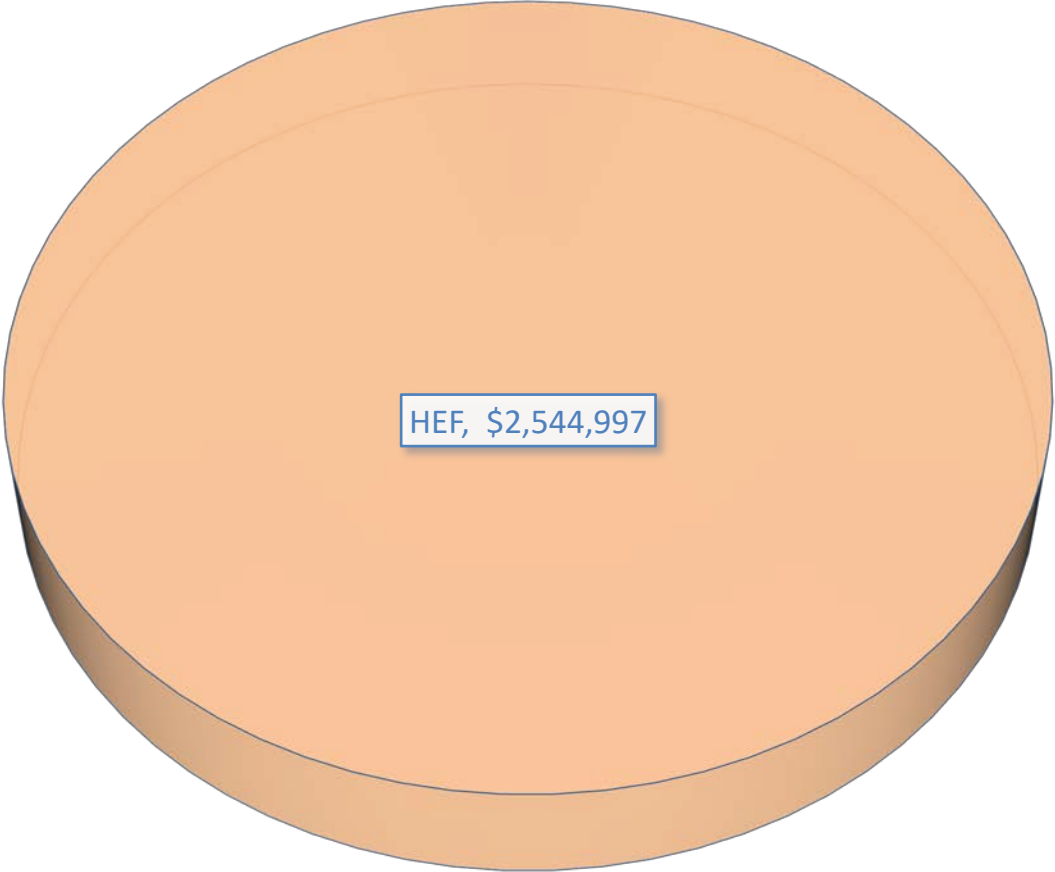
- Operating Reserves
 - Examples: Education & General, Designated, Repair & Maintenance
 - Reserved for campus support
- Capital Reserves
 - Example: Higher Education Funding
 - Restricted to construction and capital asset acquisition

Current Operating Reserve Total: \$16,354,227





Current Capital Reserve Total: \$2,544,997





The Importance of Healthy Reserves

Example: BLV HVAC System Replacement



BLV HVAC Systems – Use of Reserve Funding

- Current Condition
 - Failing systems require repair frequently
 - annual repairs currently **exceed \$200K**
- Engineering Study
 - Provided by Trane
 - several options weighed with TAMUS Facilities Planning & Construction (FP&C) – ranging from \$6M to \$11M replacement costs
- SPBB recommendation
 - Move forward with replacement
- Presented to the Board of Regents August 2022
 - preliminary approval for the \$6.43M project provided
- Funding sources
 - Remaining Institutional HEERF grant funding and TAMUT reserve funding
- Final BOR approval expected **THIS WEEK**
 - Project commences and completes summer 2023



Projected Expenses



Gordian

Facilities Assessment and Planning

Facilities Assessment & Planning

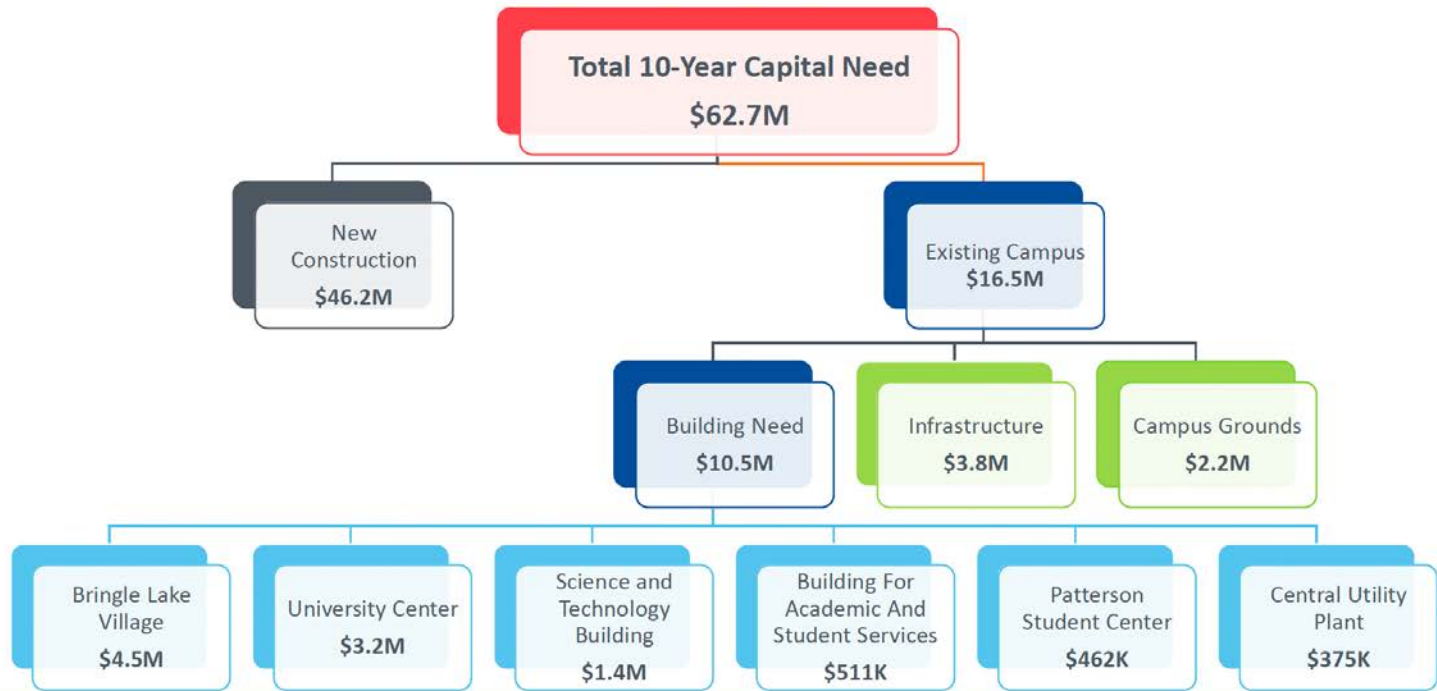
2nd year update for the entire Texas A&M University System



**FACILITIES
ASSESSMENT &
PLANNING**

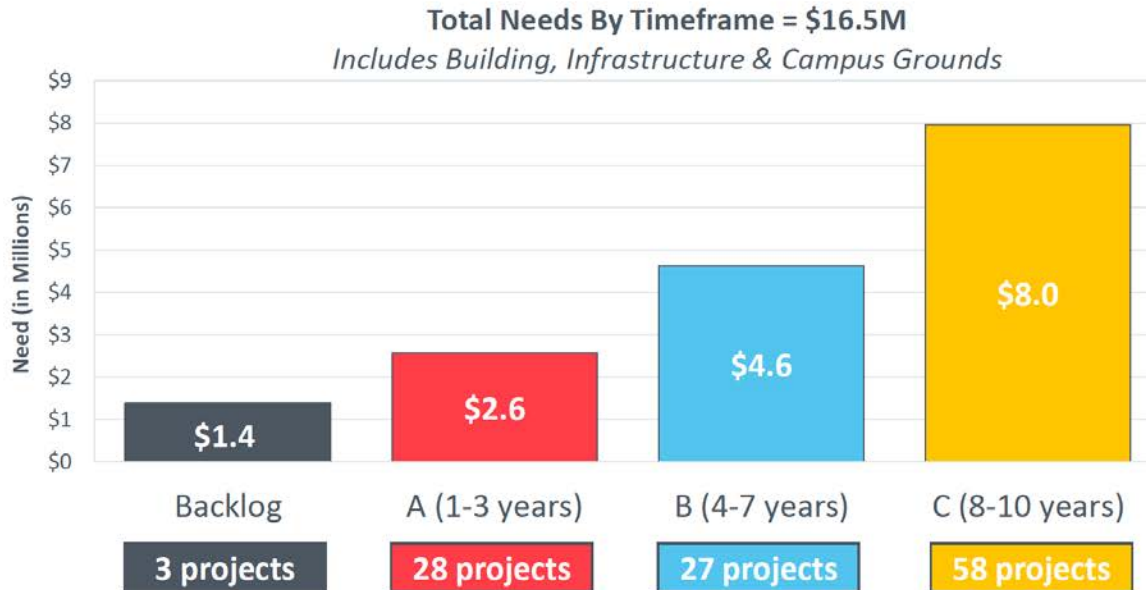
Used to establish both current condition and future needs of physical assets across the System and provide a detailed list with customized prioritization tools in order to turn the data into action

Overview of Total 10-Year Capital Needs

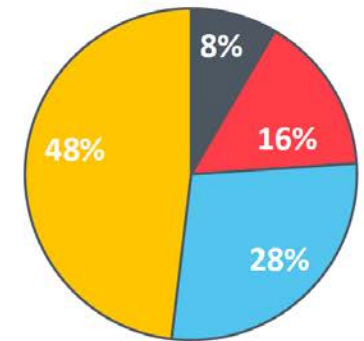


Identified 10 Year Need by Timeframe

\$16.5M of total need, \$4M of need falls within the next 3 years



% of Need by Timeframe



Excludes new construction



Snapshot of Additional Projected Expenses

BLV HVAC Systems Replacement	\$6,430,000 (funded)
BLV Elevator Replacement	\$79,351 (funded)
LMS Migration (Canvas)	\$61,071 (funded)
Website Redesign	\$90,000 (funded)
Banner Platform Cloud Migration	\$371,150
Patterson Student Center Refinance	\$5.9M (reduction in annual costs)
2 nd Floor Remodel: Old ES Area (proposed)	\$200,000
New Campus Master Plan	\$180,000 (unfunded)
Additional Campus Water Main	\$500,000 (unfunded)
Additional Parking (Near BLV/PSC) (proposed)	\$1,350,000
Campus Security Enhancements: Road Gates, Blue Boys, etc. (proposed)	\$80,000



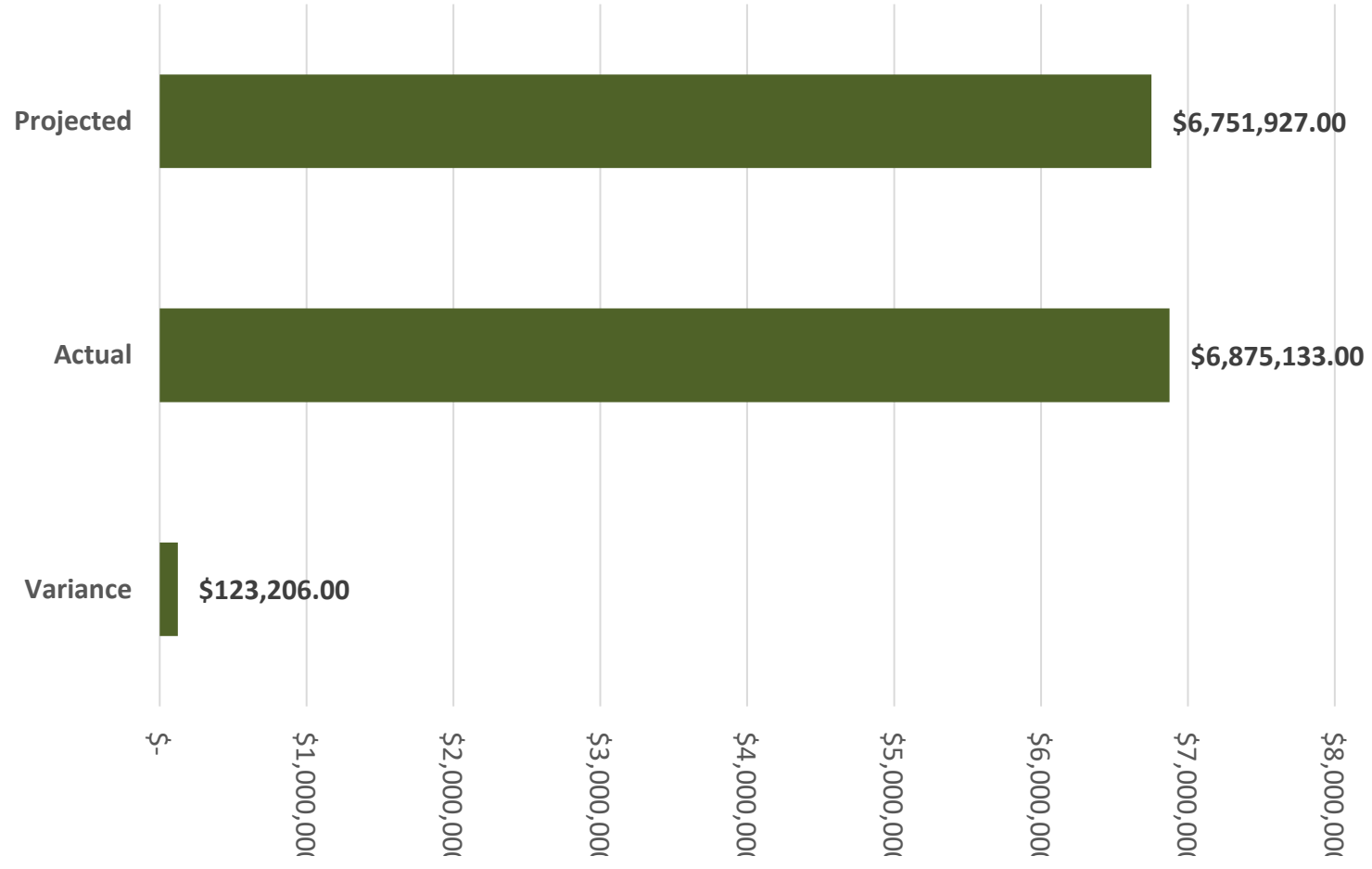
FY23 T&F Pulse Check

Projected vs. Actual
Tuition & Fee Revenue
(How are we doing?)



TAMUT Fall 2022 Net Tuition & Fees

Tuition & Fee Revenue





Did we make it by 5pm?!