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The following scenario was used to create the FY 2023 Operating Budget:

**Tuition and Fees Projections**

- Use actual semester credit hours in FY 2022 as baseline;
- Assume flat enrollment (Actual was 2.5% increase which has funded some “More”);
- No tuition and fee increase for FY 2023;
FY 2023 Operating Budget Revenue Projection

Tuition & Registration Fees 53.7%
Sales and Services 16.0%
Other 3.7%
Appropriations for Operations 14.5%
Appropriations for CORE Research 0.6%
Appropriations for Capital Improvement 7.5%
Appropriations for Benefits 4.0%
Revenues FY 2023
# FY 2023 Operating Budget Revenues

(Does Not Include Service Departments, Gifts, Grants, or Operating Transfers)

<table>
<thead>
<tr>
<th>Revenues</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition &amp; Registration Fees</td>
<td>$375,088,384</td>
<td>$378,602,934</td>
</tr>
<tr>
<td></td>
<td>53.2%</td>
<td>53.7%</td>
</tr>
<tr>
<td>Appropriations for Operations</td>
<td>$101,940,394</td>
<td>$101,939,759</td>
</tr>
<tr>
<td></td>
<td>14.5%</td>
<td>14.5%</td>
</tr>
<tr>
<td>Appropriations for CORE Research</td>
<td>$4,579,081</td>
<td>$4,579,081</td>
</tr>
<tr>
<td></td>
<td>0.6%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Appropriations for Capital Improvement</td>
<td>$54,969,941</td>
<td>$52,770,940</td>
</tr>
<tr>
<td></td>
<td>7.8%</td>
<td>7.5%</td>
</tr>
<tr>
<td>Appropriations for Benefits</td>
<td>$27,942,760</td>
<td>$27,942,760</td>
</tr>
<tr>
<td></td>
<td>4.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Sales and Services</td>
<td>$101,805,378</td>
<td>$113,073,069</td>
</tr>
<tr>
<td></td>
<td>14.4%</td>
<td>16.0%</td>
</tr>
<tr>
<td>Other</td>
<td>$12,245,924</td>
<td>$25,976,487</td>
</tr>
<tr>
<td></td>
<td>1.7%</td>
<td>3.7%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$678,571,862</strong></td>
<td><strong>$704,885,030</strong></td>
</tr>
</tbody>
</table>
FY 2023 Operating Budget Expense Projection

Expenditures FY 2023

- Faculty Salaries: 21.6%
- Staff Salaries: 20.3%
- Benefits: 12.5%
- Utilities: 4.7%
- Financial Aid: 9.5%
- Capital Improvements: 12.7%
- Other (Operating): 18.7%
## FY 2023 Operating Budget Expenses

(Does Not Include Service Departments, Gifts, Grants, or Operating Transfers)

<table>
<thead>
<tr>
<th>Expenses</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty Salaries</td>
<td>$145,331,058</td>
<td>$152,204,154</td>
</tr>
<tr>
<td>Staff Salaries</td>
<td>$136,561,554</td>
<td>$143,321,241</td>
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<tr>
<td>Benefits</td>
<td>$85,659,160</td>
<td>$87,830,913</td>
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<tr>
<td>Utilities</td>
<td>$32,357,068</td>
<td>$33,344,177</td>
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<tr>
<td>Financial Aid</td>
<td>$55,428,130</td>
<td>$67,061,428</td>
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<tr>
<td>Capital Improvements</td>
<td>$92,026,137</td>
<td>$89,472,591</td>
</tr>
<tr>
<td>Other (Operating)</td>
<td>$131,208,755</td>
<td>$131,650,526</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$678,571,862</strong></td>
<td><strong>$704,885,030</strong></td>
</tr>
</tbody>
</table>
Major Changes from the FY 2022 Budget to the FY 2023 Budget
Appropriation Changes

GR Formula Funding  ($635)

Other Appropriations  ($2,199,001)
(Primarily State Benefits/Debt Service/etc.)

Total Appropriation Changes  ($2,199,636)
Non-Appropriation Changes

Miscellaneous Revenue $193,500
(Primarily interest income)

Administrative Overhead $227,000
(Collected from Revenue Generating Units)

Total Non-Appropriation Changes $420,500
Summary of Available Funds

Appropriation Changes  ($2,199,636)

Non-Appropriation Changes  $420,500

Prior Year Funds Brought Forward  $5,334,303

Total New Funds Available  $3,555,167
Approved Use of Funds

Investments in New Academic Programs $1,512,369
(Ph.D. in Applied Anthropology, M.S. in Quantitative Finance and Economics, M.S. in Construction Management, M.S. in Integrated Agricultural Sciences, M.S. in Marketing, Research and Analysis, M.S. in Data Analytics and Information Systems, B.S. in Civil Engineering, and B.S. in Mechanical Engineering)

Personnel Related $1,888,963
(Tenure & Promotion, ULP, Benefits, etc.)
Approved Use of Funds

Scholarships and Financial Aid $11,633,167

Operational Increases $2,205,551
(Hardware/Software Maintenance, Utilities, Insurance, Custodial, etc.)

IDEA Center (QEP) $92,850
Approved Use of Funds

Miscellaneous Reductions & CCAP Expense  ($4,045,552)

Commencement  $118,500

Reserved for Future Considerations  $344,094

Total Approved New Use of Funds  $13,749,942
### Summary of FY23 Budget Changes from FY22

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds Available for General Operations</td>
<td>$3,555,167</td>
</tr>
<tr>
<td>Approved Use of Funds</td>
<td>$13,749,942</td>
</tr>
<tr>
<td>Budgeted Use of Reserves</td>
<td>$10,194,776</td>
</tr>
</tbody>
</table>
How to Get Back to Balanced

2, 1, 1, 1%
Enrollment increases FY24-FY27

$3M
Endowment distribution income; starting FY24

3%
Annual spending increases

95%
Of tuition & fee increases for designated tuition

<table>
<thead>
<tr>
<th></th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>FY27</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning Begin Budget</td>
<td>($10,601,286)</td>
<td>($4,467,936)</td>
<td>($7,656,151)</td>
<td>($3,604,962)</td>
</tr>
<tr>
<td>Planning Ending Budget</td>
<td>($4,467,936)</td>
<td>($7,656,151)</td>
<td>($3,604,962)</td>
<td>$726,206</td>
</tr>
</tbody>
</table>
Identified Drivers of New Spending

- **3% Increase In Retiree’s Annually**
- **1% Increase In Insurance Rates Annually**
- **Increased Financial Aid**
  - $14,856,309 already Identified for FY24 & FY25
- **New Academic Programs**
  - $1,163,679 already Identified for FY24 & FY25
- **Increased Debt Service**
  - Non 100% CCAP Funded Projects (STEM, Star Park P3, Music)
Additional Potential Drivers of New Spending

- Contractual Increases
- Tuition Waivers for Graduate Students
- Reduced Teaching Loads
- Non-Tenure Line Career Path
- R1 Institution Staffing Levels
- Employee Compensation Increases
- Strategic Plan Initiatives
- Double Ph.D. Program Capacity
- Financial Aid
Potential Funding Sources

- Additional Enrollment Growth
- Additional Tuition and Fees
- Reallocations within Existing Funding
- Appropriations
- Grants
- Philanthropy
- Innovative Ideas
We’re Already Doing “More with More”

- September Budget Requests from Divisions
  - 8 new positions - $563,000
  - 30+ staff salary increases - $425,000
  - IT Enhancements – $150,000
  - Facility Enhancements - $660,000

- One-Time Commitments
  - International Recruiting - $150,000
  - Employee 3% Retention Bonuses - $6,173,000

- October $1,000 Employee Appreciation Bonus - $3,512,000

- Creation of Virtual Student One-Stop Shop - $766,000

- Total So Far
  - Sept Budget Requests $1,798,000
  - Oct Bonus $3,521,000
  - One-Time Commitments $6,323,000
  - One-Stop Shop $766,000
  - Total $12,408,000
THANK YOU

QUESTIONS?