



Texas Tech University System FY 2022 Operating Budgets

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Vice Chancellor and Chief Financial Officer

August 5, 2021

Texas Tech University System – Combined/Consolidated Budget Narrative



▪ Budget Assumptions and Drivers

- Impact of the 87th Legislative Session

FY 2020 and FY 2021 – Reduction of \$18.2M

- All General Academic Institutions were required 5% reduction in general revenue (both formula and non-formula support) in FY 20 and FY 21 – TTU \$15.5M, ASU \$2.7M

FY 2022 and FY 2023 Legislative Biennial Impact – Reductions of \$7.5M over 2 years

- TTU and ASU were required to decrease non-formula funded items by 5% – TTU \$1.9M; ASU \$0.8M
- HSCs were required to decrease non-formula funded items by 5% – TTUHSC \$1.7M; TTUHSC EP \$3.0M
- System Offices were required to decrease non-formula funded items by 5%

Specific funding provided for selected initiatives

- Vet School, Cyber Security, Mission Specific, Academic Sciences Building, Surgical Residency

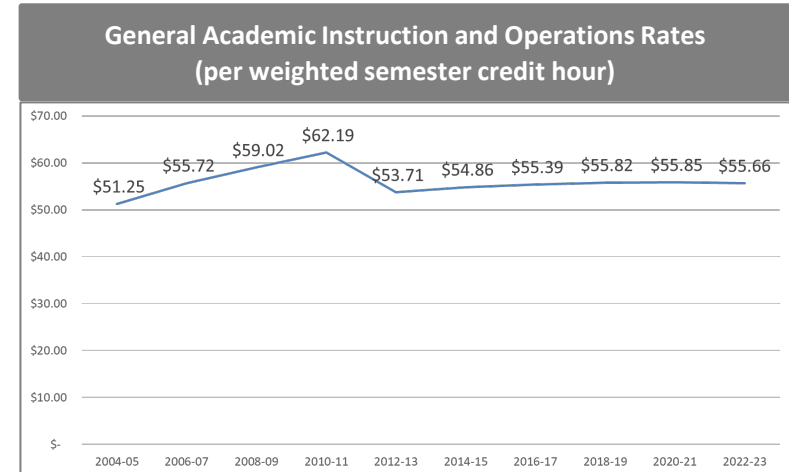
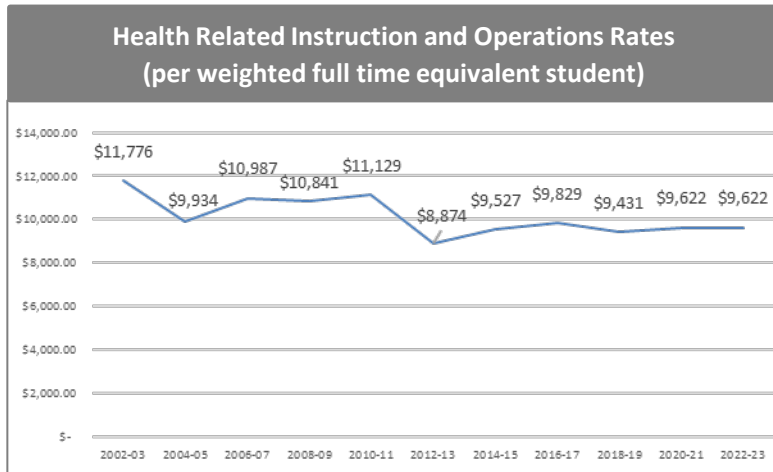
Legislature added \$380M to fund enrollment growth and other formula items for all higher ed – TTUS \$32.5M over 2 years

No additional appropriation was received to fund inflation

Texas Tech University System – Combined/Consolidated Budget Narrative



Higher Education - Formula Funding I&O Rates 2022 and 2023



Texas Tech University System – Combined/Consolidated Budget Narrative



- **Budget Assumptions and Drivers (continued)**

- COVID Impact

	FY 2021	FY 2022
Enrollment	Budgeted for Flat or Declining Enrollments	Budgeting for 2 Years of Enrollment Growth
Hospital/Clinical Revenues	Budgeted for Uncertain Hospital/Clinical Revenues	Cautiously Budgeting for Return to Normal (Growth Over FY20 Budget Levels)
Activities	Budgeted for Reduced/Cancelled/Postposed Activities: <ul style="list-style-type: none"> • Study Abroad • Summer Camp Programs • Athletic Attendance • Housing Occupancy • Food Services • Recreational Sports and Rec Center • Travel and Conferences • Donor and University-Related Events 	Cautiously Budgeting for Return to Normal (Growth Over FY20 Budget Levels)

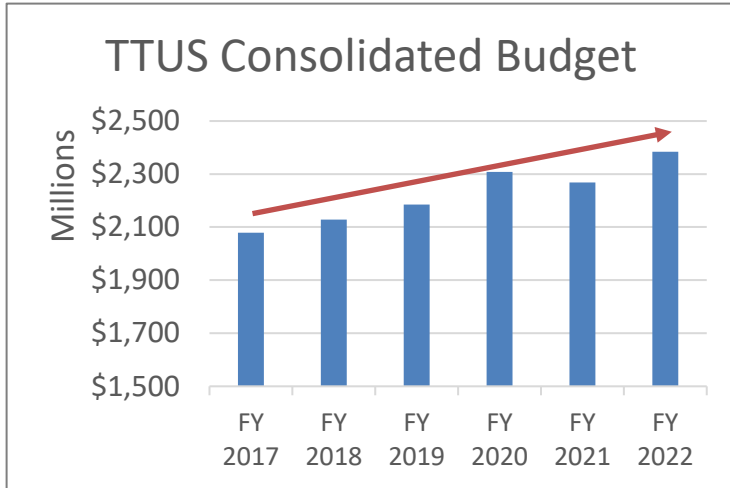
Texas Tech University System – Combined/Consolidated Budget Revenues and Expenses



	Restated FY 2020 Budget ¹	% of Total	Restated FY 2021 Budget ¹	% of Total	FY 2022 Budget	% of Total	2 YR Change (FY20-FY22)	2-YR Percent Chg (FY20-FY22)
Revenues								
Tuition & Fees	\$ 545,408,127	23.6%	\$ 549,402,185	24.2%	\$ 589,153,360	24.7%	\$ 43,745,233	8.02%
State Appropriations	\$ 586,966,481	25.4%	\$ 573,368,289	25.3%	\$ 604,441,431	25.4%	\$ 17,474,950	2.98%
Sales & Services	\$ 17,608,728	0.8%	\$ 22,014,059	1.0%	\$ 24,895,388	1.0%	\$ 7,286,660	41.38%
Gifts, Grants & Contracts	\$ 436,555,592	18.9%	\$ 446,500,820	19.7%	\$ 456,163,514	19.1%	\$ 19,607,922	4.49%
Hospital & Professional Services	\$ 323,241,886	14.0%	\$ 320,427,053	14.1%	\$ 326,368,283	13.7%	\$ 3,126,397	0.97%
Auxiliary Operations	\$ 190,502,203	8.3%	\$ 181,569,739	8.0%	\$ 184,983,968	7.8%	\$ (5,518,235)	-2.90%
Investment/Interest Income	\$ 66,311,499	2.9%	\$ 56,883,750	2.5%	\$ 58,792,941	2.5%	\$ (7,518,558)	-11.34%
Other Sources	\$ 48,276,439	2.1%	\$ 44,284,115	2.0%	\$ 42,270,481	1.8%	\$ (6,005,958)	-12.44%
Total Current Revenues	\$ 2,214,870,955	95.9%	\$ 2,194,450,010	96.7%	\$ 2,287,069,366	95.9%	\$ 72,198,411	3.26%
Planned Utilization of Available Balances	\$ 93,597,886	4.1%	\$ 73,866,081	3.3%	\$ 97,314,259	4.1%	\$ 3,716,373	3.97%
Total Revenues	\$ 2,308,468,841	100.0%	\$ 2,268,316,091	100.0%	\$ 2,384,383,625	100.0%	\$ 75,914,784	3.29%
Expenses								
Salaries & Wages	\$ 1,094,658,684	47.4%	\$ 1,074,640,099	47.4%	\$ 1,131,624,507	47.5%	\$ 36,965,823	3.38%
Benefits	\$ 290,592,397	12.6%	\$ 289,428,794	12.8%	\$ 306,062,245	12.8%	\$ 15,469,848	5.32%
Personnel	\$ 1,385,251,081	60.0%	\$ 1,364,068,893	60.1%	\$ 1,437,686,752	60.3%	\$ 52,435,671	3.79%
Communications and Utilities	\$ 51,719,827	2.2%	\$ 51,178,624	2.3%	\$ 53,839,635	2.3%	\$ 2,119,808	4.10%
Scholarships	\$ 100,465,500	4.4%	\$ 90,825,118	4.0%	\$ 100,358,980	4.2%	\$ (106,520)	-0.11%
Other Maintenance and Operations	\$ 679,350,514	29.4%	\$ 661,646,902	29.2%	\$ 702,014,727	29.4%	\$ 22,664,213	3.34%
Debt Service	\$ 91,681,919	4.0%	\$ 100,596,554	4.4%	\$ 90,483,531	3.8%	\$ (1,198,388)	-1.31%
Total Expenses	\$ 2,308,468,841	100.0%	\$ 2,268,316,091	100.0%	\$ 2,384,383,625	100.0%	\$ 75,914,784	3.29%

¹Restated to include State Paid Benefits

Texas Tech University System – Combined/Consolidated Growth



Budget: Average Annual Growth 2.94%

Average Annual Growth in Budget Drivers

Driver	2017 Actual through 2022 Projection
Enrollment	2.69%
Clinic Visits	2.11%
Research Expenditures	1.50%

Budget reflects personnel (faculty and staff), facilities, and equipment needed to support growth in Enrollment, Clinic Visits, and Research plus inflation.

Texas Tech University System – Combined/Consolidated Budget by Component Institution

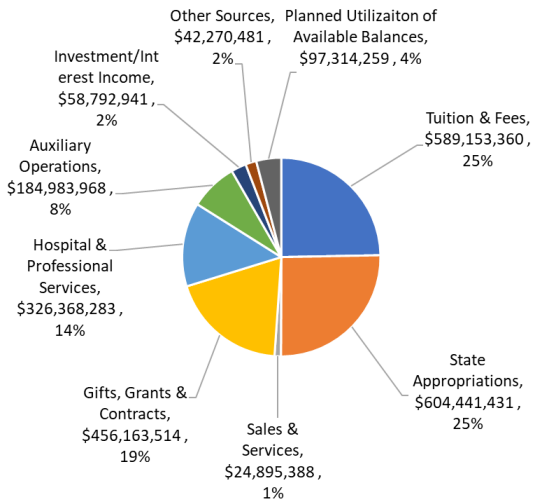


COMPONENT INSTITUTION	Restated FY 2020 Estimated Expenditures	% of Total	Restated FY 2021 Estimated Expenditures	% of Total	FY 2022 Estimated Expenditures	% of Total	2-YR Change (FY20-FY22)	2-YR Percent Chg (FY20-FY22)
TEXAS TECH UNIVERSITY LESS SYSTEM FUNDING	1,050,234,161 (4,638,916)	45.3%	1,035,383,502 (4,251,162)	45.7%	1,113,693,384 (4,375,203)	46.7%	63,459,223	6.04%
ANGELO STATE UNIVERSITY LESS SYSTEM FUNDING	128,071,394 (480,653)	5.5%	128,023,426 (489,158)	5.6%	132,047,012 (503,631)	5.5%	3,975,618	3.10%
TTU HEALTH SCIENCES CENTER LESS SYSTEM FUNDING	787,337,240 (3,194,406)	34.0%	783,739,898 (3,008,797)	34.6%	789,051,000 (3,093,715)	33.1%	1,713,760	0.22%
TTUHSC EL PASO LESS SYSTEM FUNDING	325,233,858 (1,263,763)	14.0%	304,853,715 (1,193,112)	13.4%	332,208,724 (1,228,253)	13.9%	6,974,866	2.14%
TTU SYSTEM ADMINISTRATION	27,169,926	1.2%	25,257,779	1.1%	26,584,307	1.1%	-585,619	-2.16%
TOTAL	\$ 2,308,468,841	100.0%	\$ 2,268,316,091	100.0%	\$ 2,384,383,625	100.0%	\$ 75,914,784	3.29%

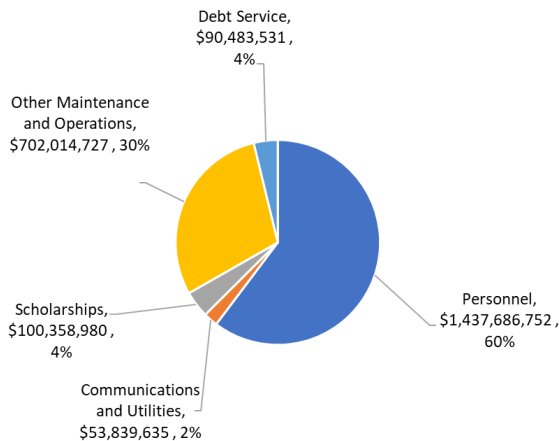
Texas Tech University System – Combined/Consolidated FY 2022 Budget Graphs



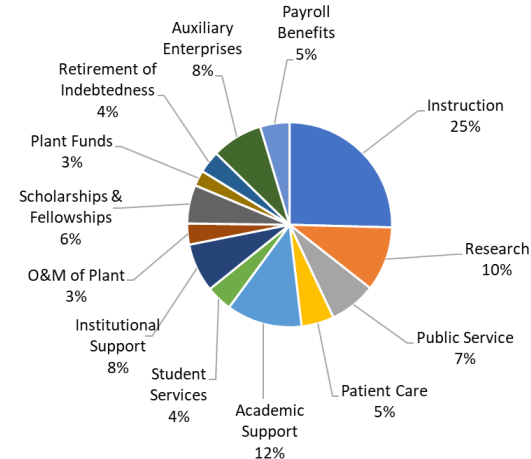
FY22 Budget Revenue
\$2.4 billion



FY22 Budget Expenses
\$2.4 billion



FY22 Budget Expenses by NACUBO Function





TEXAS TECH UNIVERSITY SYSTEM™

