

# 2018 Consolidated Operating Budget

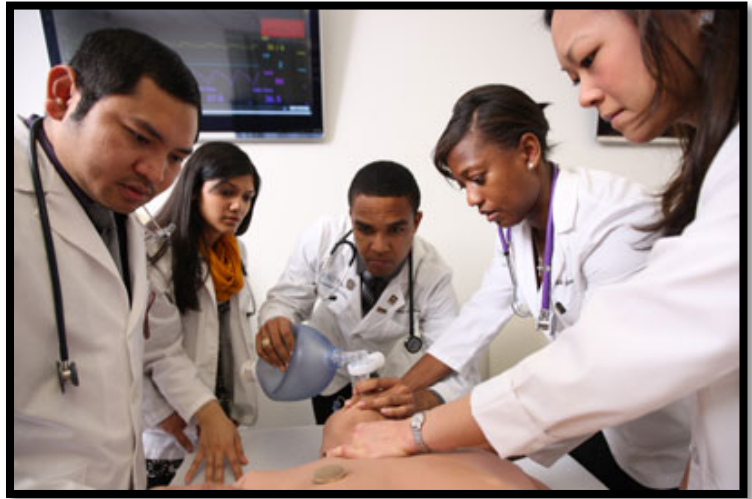
University of North Texas System

Janet Waldron, Vice Chancellor for Finance

1901 MAIN STREET  
DALLAS, TEXAS 75201  
(214) 752-5541

# 2018 Consolidated Operating Budget

The University of North Texas System (UNT System or UNTS) includes the University of North Texas in Denton, the University of North Texas Health Science Center in Fort Worth and the University of North Texas at Dallas. The UNT System Administration is based in downtown Dallas. UNTS is governed by a Board of Regents appointed by the Governor of Texas and is the only Texas public university system headquartered in the vibrant North Texas region. The three independent universities of the UNT System have combined enrollment of just over 42,000 students across five major teaching locations, including each main campus, as well as Frisco and downtown Dallas. UNT institutions award more than 8,000 degrees each year – including the largest number of master’s and doctoral degrees in the region. Overall, the UNT System boosts the Texas economy by nearly \$5.2 billion each year.



This document presents The UNT System’s fiscal 2018 Consolidated Operating Budget including the component institutions and System Administration. This document also presents information about the budget process, budget policies, as well as a glossary of terms. Each institution has provided an overview with highlights and assertions used to derive their budget submissions that support their individual strategic goals and objectives and the overarching vision of the UNT System.



## Table of Contents

UNT System Consolidated Budget Overview .....	4
Executive Summary and Highlights .....	4
Consolidated Revenues, Expenses, and Transfers by Institution .....	6
Consolidated Revenues and Expenses by Fund Category .....	7
Budget for Revenues, Expenditures & Other Changes in Fund Balance .....	9
Budget Detail by Fund Group - Current Funds .....	10
Budget Detail by Fund Group – Non-Current Funds .....	11
Budgeted Revenue Breakout by Fund - Current Funds .....	12
 UNT Budget Overview .....	 13
Executive Summary and Highlights .....	13
Budget for Revenues, Expenditures & Other Changes in Fund Balances .....	17
Budget Detail by Fund Group – Current Funds .....	18
Budget Detail by Fund Group - Non-Current Funds .....	19
Budgeted Revenue Breakout by Fund - Current Funds .....	20
Budget - Current Funds by Quarter .....	21
 UNT Health Science Center Budget Overview .....	 23
Executive Summary and Highlights .....	23
Budget for Revenues, Expenditures & Other Changes in Fund Balances .....	27
Budget Detail by Fund Group – Current Funds .....	28
Budget Detail by Fund Group – Non-Current Funds .....	29
Budgeted Revenue Breakout by Fund – Current Funds .....	30
Budget - Current Funds by Quarter .....	31
 UNT Dallas Budget Overview .....	 33
Executive Summary and Highlights .....	33
Budget for Revenues, Expenditures & Other Changes in Fund Balances .....	39
Budget Detail by Fund Group – Current Funds .....	40
Budget Detail by Fund Group – Non-Current Funds .....	41
Budgeted Revenue Breakout by Fund – Current Funds .....	42
Budget - Current Funds by Quarter .....	43
 UNT System Administration Budget Overview .....	 45
Executive Summary and Highlights .....	45
Budget for Revenues, Expenditures & Other Changes in Fund Balances .....	49
Budget Detail by Fund Group – Current Funds .....	50
Budget Detail by Fund Group – Non-Current Funds .....	51
Budgeted Revenue Breakout by Fund – Current Funds .....	52
Budget - Current Funds by Quarter .....	53
 Appendix .....	 55
Proposed Board Order .....	55
Fiscal Year 2018 Budget Guidelines .....	59
Glossary of Terms .....	71



# UNT System Consolidated Budget Overview

## Executive Summary and Highlights

The University of North Texas System Consolidated Operating Budget Summary Book presents summary information on total sources and uses of the individual Universities' and System Administration's funds by major fund groups for current and non-current funds. Budget planning and development was guided by the campus strategic plans and the policy decisions and planning parameters of the Chancellor and the Board of Regents. Net tuition and fee revenues included in these budgets are based on tuition and required fee rates approved by the Board. The increase in net fee revenues included in the budget is driven by enrollment changes related to student mix, enrollment growth, and financial aid combined with approved rate increases in tuition, and other required fees.

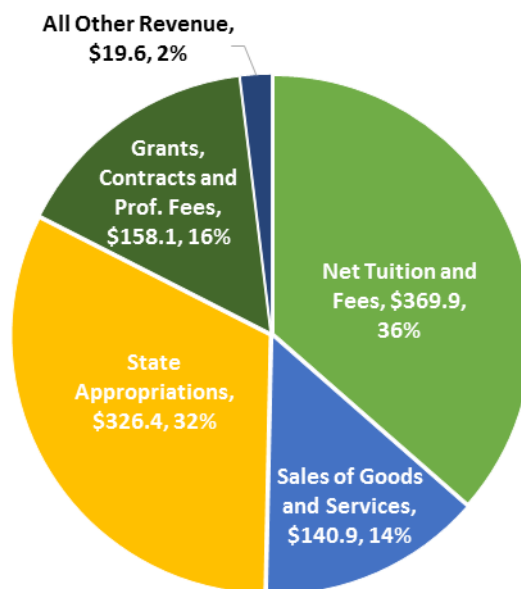
## Revenues

UNT System Consolidated fiscal year 2018 total current funds budgeted revenues are \$1.0 billion. Fiscal year 2018 budgeted State appropriation revenues for UNT System in total are \$5.0 million (2%) higher than fiscal year 2017 budgeted appropriation revenues. During the 85<sup>th</sup> Legislative session (2018-2019 Biennium), the State of Texas increased funding for the UNT System in General Revenue funding – which is a net of the increase in funding for Tuition Revenue Bonds (approved in the 84<sup>th</sup>), and decreases in formula GR, Non-formula Support (formerly Special Items), and research. Net tuition and fees revenues are budgeted at an increase of \$9.7 million (3.0%) for fiscal year 2018 over fiscal year 2017. This increase is attributed to increased enrollment.

## FY2018 Budgeted Revenues - \$1,014.9

### Current Funds

(in millions)

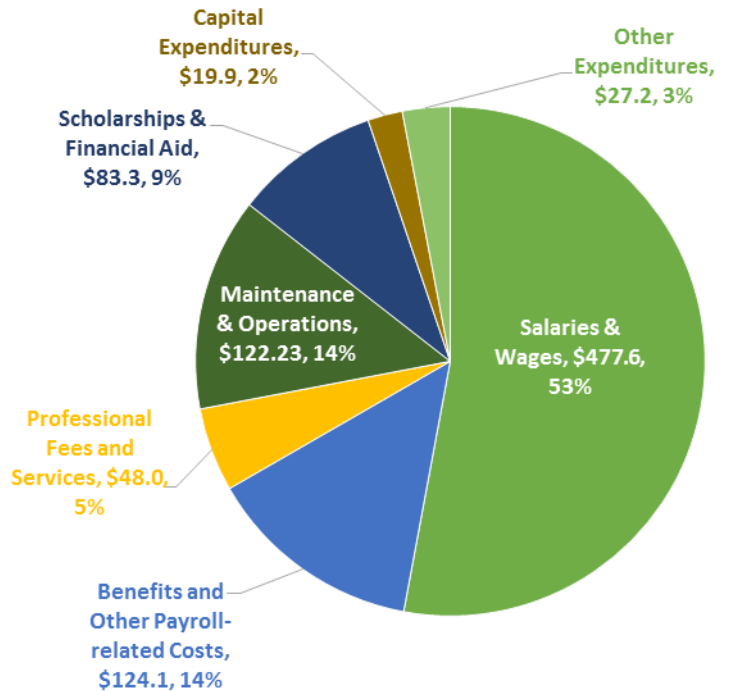


## Expenditures

Total current funds budgeted expenditures for UNT System for fiscal year 2018 are \$0.9 billion. Salaries and wages make up the largest portion of expenses at \$477.6 million or 53% of the total budget. Total personnel costs including benefits total \$601.7 million or 67% of the total expense budget. The majority of Current Fund expenses are from Education and General funds (39%) and Designated Operating funds (39%).

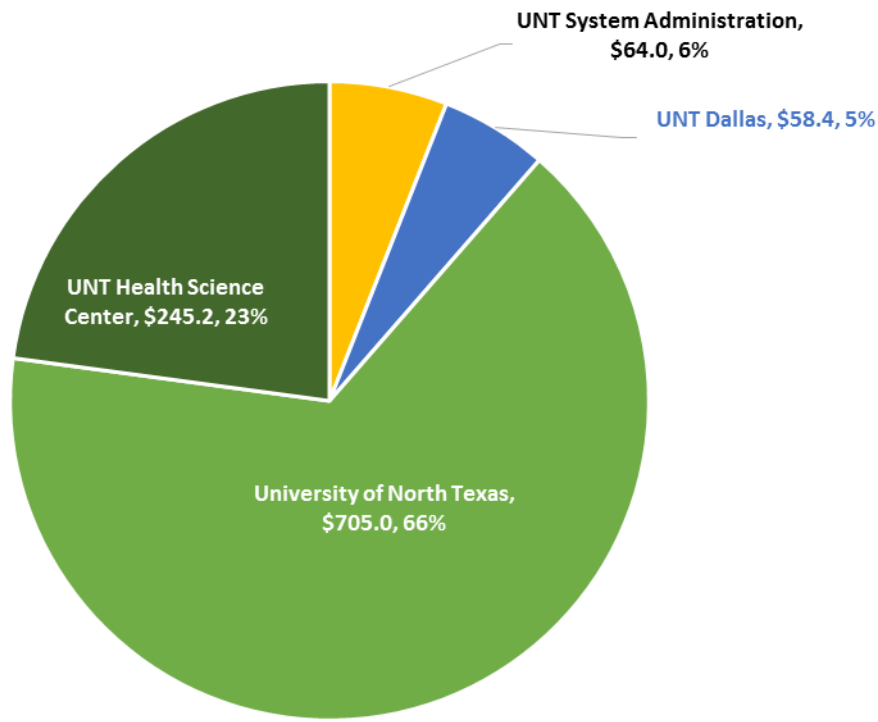
The UNT System Consolidated Operating Budget reflects an impact on fund balances in current funds of approximately \$10.7 million. Where applicable, planned usages of fund balance are included on an institution's budget template, and are included on the UNT System Consolidated detail template.

**FY2018 Budgeted Expenses - \$902.3  
Current Funds**  
(in millions)

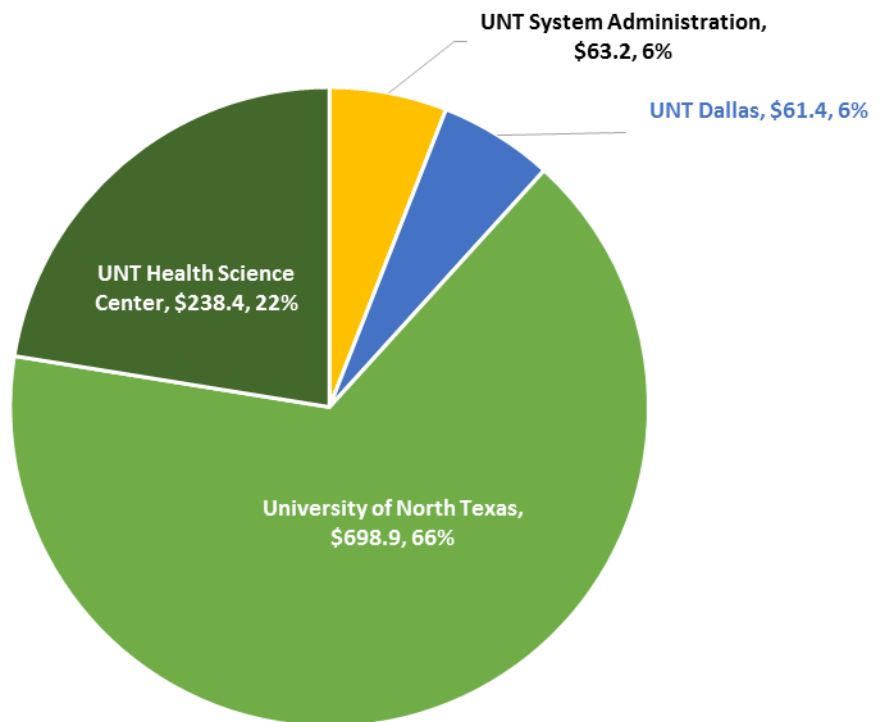


## Consolidated Revenues, Expenditures, and Transfers by Institution

**FY2018 Revenues and Transfers by Institution - \$1,072.6**  
(in millions)

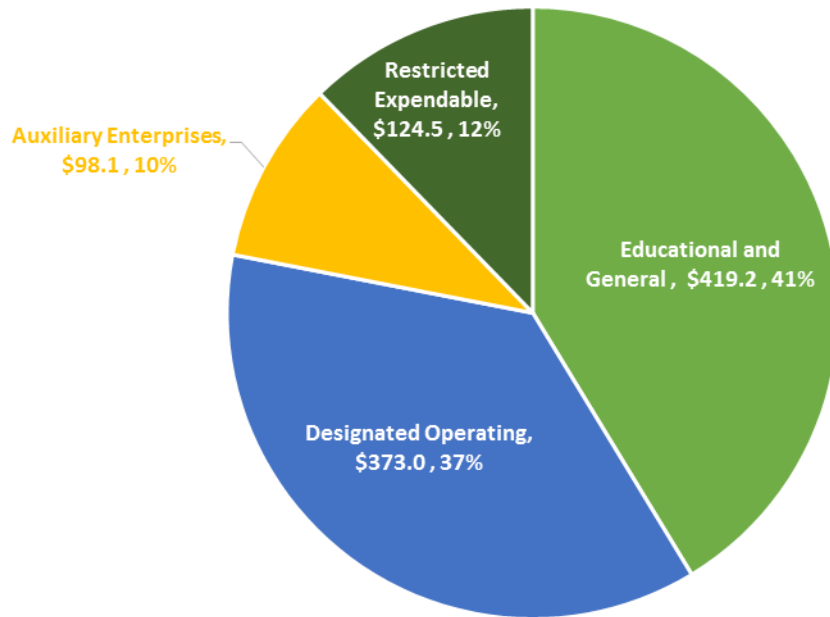


**FY2018 Expenditures and Transfers by Institution - \$1,061.9**  
(in millions)

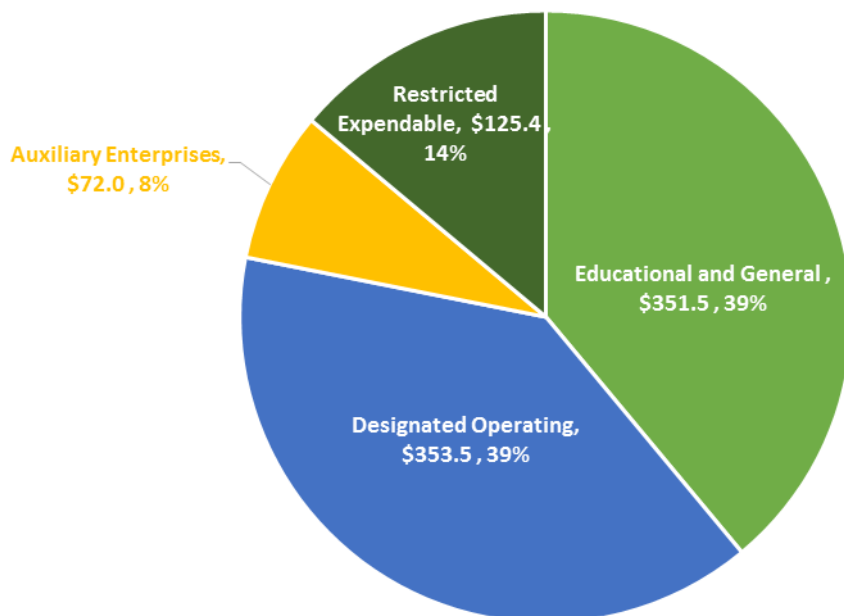


## Consolidated Revenues and Expenditures by Fund Category

**FY2018 Consolidated Revenues by Fund Category - \$1,014.9**  
(in millions)



**FY2018 Consolidated Expenses by Fund Category - \$902.3**  
(in millions)







## Fiscal Year 2018 Summary – Current Funds

### Budget for Revenues, Expenditures & Other Changes in Fund Balance



	FY 2017 Forecast (Actuals)	FY 2017 Budget	FY 2018 Budget	Budget Increases (Decreases) from FY2017 to FY2018	
				Amount	Percent
<b>Revenues</b>					
Net Tuition and Fees	362,020,773	359,867,785	369,943,808	10,076,023	2.8%
Sales of Goods and Services	139,130,710	112,337,449	140,922,481	28,585,032	25.4%
Grant and Contracts	148,730,171	206,599,803	144,330,498	(62,269,305)	-30.1%
State Appropriations	259,522,091	266,638,539	269,655,483	3,016,944	1.1%
Capital Appropriations - HEF	56,767,060	56,766,916	56,766,916	-	0.0%
Net Professional Fees	17,349,000	33,013,420	13,722,182	(19,291,238)	-58.4%
Gift Income	13,172,256	13,258,631	11,780,214	(1,478,417)	-11.2%
Investment Income	7,173,576	5,246,897	6,484,715	1,237,818	23.6%
Other Revenue	2,143,331	854,479	1,272,356	417,877	48.9%
<b>Total</b>	<b>1,006,008,967</b>	<b>1,054,583,919</b>	<b>1,014,878,653</b>	<b>(39,705,266)</b>	<b>-3.8%</b>
<b>Expenditures</b>					
Personnel Costs	565,757,835	634,668,140	601,676,435	(32,991,705)	-5.2%
Supplies and Other	138,180,528	138,742,957	134,946,430	(3,796,527)	-2.7%
Travel	13,328,148	12,075,064	13,578,634	1,503,570	12.5%
Purchased Services	55,019,597	60,176,358	48,007,899	(12,168,459)	-20.2%
Scholarships, Exemptions, and Financial Aid	82,989,512	83,833,847	83,312,792	(521,055)	-0.6%
Debt Service - Principal	37,514,539	35,225,270	-	(35,225,270)	-100.0%
Capital Outlay	22,932,204	19,635,792	19,923,816	288,024	1.5%
Federal and State Pass-Through Expense	880,034	230,034	852,650	622,616	270.7%
Interest Expense and Fiscal Charges	27,032,260	29,386,684	-	(29,386,684)	-100.0%
<b>Total</b>	<b>943,634,657</b>	<b>1,013,974,146</b>	<b>902,298,656</b>	<b>(111,675,490)</b>	<b>-11.0%</b>
<b>Excess Income Over Expenditures</b>	<b>62,374,310</b>	<b>40,609,773</b>	<b>112,579,997</b>	<b>71,970,224</b>	<b>177.2%</b>
<b>Transfers</b>					
<i>Interfund Transfers and Transfers Between UNTS Components</i>					
Transfers In/(Out)	(61,812,865)	(41,366,879)	(106,118,143)	(64,751,264)	156.5%
<i>Other Transfers</i>					
Transfers to Other State Agencies In/(Out)	-	(212,784)	(141,823)	70,961	-33.3%
Other Legislative Transfers In/(Out)	20,593,209	15,933,214	4,367,750	(11,565,464)	-72.6%
<b>Total</b>	<b>(41,219,656)</b>	<b>(25,646,449)</b>	<b>(101,892,216)</b>	<b>(76,245,767)</b>	<b>297.3%</b>
<b>Estimated Impact on Fund Balance</b>	<b>21,154,654</b>	<b>14,963,324</b>	<b>10,687,781</b>	<b>(4,275,543)</b>	<b>-28.6%</b>
<b>Planned Use of Fund Balances</b>	<b>3,451,750</b>	<b>4,167,272</b>	<b>3,297,512</b>	<b>(869,760)</b>	<b>-21%</b>

**Fiscal Year 2018 – Consolidated UNT System**  
**Budget Detail by Fund Group - Current Funds**



	Current Funds				
	Educational & General	Designated Operating	Auxiliary	Restricted Expendable	Current Funds
<b>REVENUES</b>					
Net Tuition and Fees	67,901,042	284,389,849	17,652,917	-	369,943,808
Sales of Goods and Services	262,285	59,826,110	80,119,083	715,003	140,922,481
Grants and Contracts	24,416,493	2,608,285	-	117,305,720	144,330,498
State Appropriations	269,655,483	-	-	-	269,655,483
Capital Appropriations	56,766,916	-	-	-	56,766,916
Net Professional Fees	-	13,722,182	-	-	13,722,182
Gift Income	-	5,380,214	-	6,400,000	11,780,214
Investment Income	157,883	6,060,418	150,417	115,997	6,484,715
Other Revenue	58,000	986,908	227,448	-	1,272,356
<b>Revenues</b>	<b>419,218,102</b>	<b>372,973,966</b>	<b>98,149,865</b>	<b>124,536,720</b>	<b>1,014,878,652</b>
<b>EXPENDITURES</b>					
Salaries - Faculty	130,452,551	54,149,856	-	11,577,785	196,180,192
Salaries - Staff	106,278,372	101,647,611	19,789,648	16,857,393	244,573,024
Wages and Other Compensation	2,641,642	23,217,523	6,936,674	4,059,250	36,855,089
Benefits and Other Payroll-Related Costs	70,172,293	40,092,756	7,256,858	6,546,224	124,068,130
Cost of Goods Sold	-	1,325,605	10,993,648	1,387	12,320,640
Professional Fees and Services	4,181,808	31,899,555	1,334,736	10,591,800	48,007,899
Travel	1,233	10,872,190	252,145	2,453,065	13,578,634
Materials and Supplies	6,653,944	24,020,039	7,554,776	1,990,556	40,219,315
Communication and Utilities	854,934	8,175,937	4,847,914	189,802	14,068,587
Repairs and Maintenance	3,445,622	18,190,272	5,895,640	678,239	28,209,773
Rentals and Leases	353,925	8,724,961	989,373	519,091	10,587,350
Printing and Reproduction	107,362	2,268,897	505,602	369,153	3,251,014
Debt Service - Principal	-	-	-	-	-
Debt Service - Interest	-	-	-	-	-
Capital Expenditures	8,753,306	9,478,733	428,963	1,262,814	19,923,816
Federal and State Pass-Through Expense	11,290	-	-	841,360	852,650
Scholarships, Exemptions, and Financial Aid	15,407,311	2,130,314	741,319	65,033,848	83,312,792
Other Expenditures	2,140,276	17,258,409	4,433,135	2,457,931	26,289,751
<b>Expenditures</b>	<b>351,455,870</b>	<b>353,452,658</b>	<b>71,960,431</b>	<b>125,429,697</b>	<b>902,298,655</b>
<b>TRANSFERS</b>					
<i>Intra-campus Transfers Between Funds:</i>					
Debt Service Transfer In (Out)	(39,721,185)	(17,191,978)	(19,300,286)	-	(76,213,449)
Inter-Fund Transfer In/(Out)	(31,588,556)	1,994,345	(1,101,161)	956,816	(29,738,556)
<i>Transfers Between UNTS Components:</i>					
Shared Services	-	-	-	-	-
Core Services	-	-	-	-	-
Other Inter-Unit Transfers In/(Out)	-	(166,138)	-	-	(166,138)
<i>Other Transfers:</i>					
Transfer to Other State Agencies In/(Out)	(141,823)	-	-	-	(141,823)
Other Legislative Transfers In/(Out)	4,367,750	-	-	-	4,367,750
<b>Transfers</b>	<b>(67,083,814)</b>	<b>(15,363,771)</b>	<b>(20,401,447)</b>	<b>956,816</b>	<b>(101,892,215)</b>
<b>Estimated Impact on Fund Balance</b>	<b>678,418</b>	<b>4,157,537</b>	<b>5,787,987</b>	<b>63,839</b>	<b>10,687,782</b>
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>					
Auxiliary Funded Projects	-	-	-	-	-
GR-D Fund Balance (State Treasury)	2,967,495	-	-	-	2,967,495
Residence Hall	-	187,741	-	-	187,741
Facilities Construction & Development	-	142,276	-	-	142,276
Debt Proceeds	-	-	-	-	-
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>	<b>2,967,495</b>	<b>330,017</b>	<b>-</b>	<b>-</b>	<b>3,297,512</b>

**Fiscal Year 2018 – Consolidated UNT System**  
**Budget Detail by Fund Group – Non-Current Funds**



	Non-Current Funds				FY18
	Endowment Funds	Loan Funds	Plant and Debt	Non-Current	Allfunds
<b>REVENUES</b>					
Net Tuition and Fees	-	380,000	-	380,000	370,323,808
Sales of Goods and Services	-	1,000	-	1,000	140,923,481
Grants and Contracts	610,000	-	-	610,000	144,940,498
State Appropriations	-	-	-	-	269,655,483
Capital Appropriations	-	-	-	-	56,766,916
Net Professional Fees	-	-	-	-	13,722,182
Gift Income	860,000	-	-	860,000	12,640,214
Investment Income	2,580,096	-	243,704	2,823,799	9,308,514
Other Revenue	102,000	88,150	-	190,150	1,462,506
<b>Revenues</b>	<b>4,152,096</b>	<b>469,150</b>	<b>243,704</b>	<b>4,864,949</b>	<b>1,019,743,602</b>
<b>EXPENDITURES</b>					
Salaries - Faculty	-	-	-	-	196,180,192
Salaries - Staff	-	-	-	-	244,573,024
Wages and Other Compensation	-	-	-	-	36,855,089
Benefits and Other Payroll-Related Costs	-	-	-	-	124,068,130
Cost of Goods Sold	-	-	-	-	12,320,640
Professional Fees and Services	420,000	15,584	2,999,297	3,434,881	51,442,780
Travel	-	-	-	-	13,578,634
Materials and Supplies	-	-	-	-	40,219,315
Communication and Utilities	-	-	-	-	14,068,587
Repairs and Maintenance	-	-	-	-	28,209,773
Rentals and Leases	-	-	-	-	10,587,350
Printing and Reproduction	-	-	-	-	3,251,014
Debt Service - Principal	-	-	43,259,120	43,259,120	43,259,120
Debt Service - Interest	-	-	33,526,433	33,526,433	33,526,433
Capital Expenditures	-	-	257,865,259	257,865,259	277,789,075
Federal and State Pass-Through Expense	-	-	-	-	852,650
Scholarships, Exemptions, and Financial Aid	-	-	-	-	83,312,792
Other Expenditures	-	139,996	-	139,996	26,429,747
<b>Expenditures</b>	<b>420,000</b>	<b>155,580</b>	<b>337,650,109</b>	<b>338,225,689</b>	<b>1,240,524,344</b>
<b>TRANSFERS</b>					
<i>Intra-campus Transfers Between Funds:</i>					
Debt Service Transfer In (Out)	-	-	76,213,449	76,213,449	-
Inter-Fund Transfer In/(Out)	(1,850,000)	-	31,588,556	29,738,556	-
<i>Transfers Between UNTS Components:</i>					
Shared Services	-	-	-	-	-
Core Services	-	-	-	-	-
Other Inter-Unit Transfers In/(Out)	-	-	-	-	(166,138)
<i>Other Transfers:</i>					
Transfer to Other State Agencies In/(Out)	-	-	-	-	(141,823)
Other Legislative Transfers In/(Out)	-	-	-	-	4,367,750
<b>Transfers</b>	<b>(1,850,000)</b>	<b>-</b>	<b>107,802,005</b>	<b>105,952,005</b>	<b>4,059,789</b>
<b>Estimated Impact on Fund Balance</b>	<b>1,882,096</b>	<b>313,570</b>	<b>(229,604,401)</b>	<b>(227,408,735)</b>	<b>(216,720,954)</b>
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>					
Auxiliary Funded Projects	-	-	8,921,000	8,921,000	8,921,000
GR-D Fund Balance (State Treasury)	-	-	-	-	2,967,495
Residence Hall	-	-	-	-	187,741
Facilities Construction & Development	-	-	-	-	142,276
Debt Proceeds	-	-	222,277,105	222,277,105	222,277,105
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>	<b>-</b>	<b>-</b>	<b>231,198,105</b>	<b>231,198,105</b>	<b>234,495,617</b>

Fiscal Year 2018 – Consolidated UNT System

Budgeted Revenue Breakout by Fund - Current Funds



	Educational & General	Designated Operating	Auxiliary	Restricted Expendable	Current Funds
Resident Undergrad Tuition	36,445,233	201,968,163	-	-	238,413,396
Non-resident Undergrad Tuition	23,161,535	11,547,195	-	-	34,708,730
Other Undergrad Tuition	6,050,000	153,499	-	-	6,203,499
Waivers Undergrad Tuition	(15,613,128)	(58,958)	-	-	(15,672,086)
<b>Gross Undergraduate Tuition</b>	<b>50,043,640</b>	<b>213,609,899</b>	-	-	<b>263,653,539</b>
Resident Graduate Tuition	23,257,610	33,493,458	-	-	56,751,068
Non-resident Graduate Tuition	22,034,713	8,282,542	-	-	30,317,255
Other Graduate Tuition	113,014	2,574,687	-	-	2,687,701
Waivers Graduate Tuition	(5,308,098)	(634,839)	-	-	(5,942,937)
<b>Gross Graduate Tuition</b>	<b>40,097,239</b>	<b>43,715,848</b>	-	-	<b>83,813,086</b>
Fees - Instructional	377,969	24,580,175	-	-	24,958,143
Fees - Mandatory	-	72,174,479	17,458,526	-	89,633,005
Fees - Incidental	-	8,013,009	217,360	-	8,230,369
Waivers - Fees	(151,635)	(264,547)	(22,969)	-	(439,151)
<b>Gross Fees</b>	<b>226,334</b>	<b>104,503,115</b>	<b>17,652,917</b>	-	<b>122,382,366</b>
Disc & Allow-Tuition and Fee	(22,466,171)	(77,439,012)	-	-	(99,905,183)
<b>Discount and Allowances</b>	<b>(22,466,171)</b>	<b>(77,439,012)</b>	-	-	<b>(99,905,183)</b>
Tuition and Waiver Conversion	-	-	-	-	-
<b>Net Tuition and Fees</b>	<b>67,901,042</b>	<b>284,389,849</b>	<b>17,652,917</b>	-	<b>369,943,808</b>
Athletics	-	8,012,892	-	-	8,012,892
Auxiliary Enterprises	-	262,004	78,827,083	-	79,089,087
Discounts and Allowances - Auxiliaries	-	-	-	-	-
Other Sales of Goods and Services	262,285	51,551,215	1,292,000	715,003	53,820,502
<b>Sales of Goods and Services</b>	<b>262,285</b>	<b>59,826,110</b>	<b>80,119,083</b>	<b>715,003</b>	<b>140,922,481</b>
Federal Programs and Contracts	-	-	-	45,554,430	45,554,430
Federal Financial Aid	-	-	-	58,928,982	58,928,982
State Programs and Contracts	-	2,608,285	-	5,957,294	8,565,579
State Financial Aid	24,416,493	-	-	-	24,416,493
Other Grants and Contracts	-	-	-	6,865,014	6,865,014
<b>Grants and Contracts</b>	<b>24,416,493</b>	<b>2,608,285</b>	-	<b>117,305,720</b>	<b>144,330,498</b>
State Appropriations - General	220,344,139	-	-	-	220,344,139
State Appropriations - Additional	49,311,344	-	-	-	49,311,344
<b>State Appropriations</b>	<b>269,655,483</b>	-	-	-	<b>269,655,483</b>
Capital Appropriations - HEF	56,766,916	-	-	-	56,766,916
<b>Capital Appropriations</b>	<b>56,766,916</b>	-	-	-	<b>56,766,916</b>
Gross Professional Fees	-	27,764,438	-	-	27,764,438
Contractual Allowances and Discounts	-	(14,042,256)	-	-	(14,042,256)
<b>Net Professional Fees</b>	-	<b>13,722,182</b>	-	-	<b>13,722,182</b>
<b>Gift Income</b>	-	<b>5,380,214</b>	-	<b>6,400,000</b>	<b>11,780,214</b>
<b>Investment Income</b>	<b>157,883</b>	<b>6,060,418</b>	<b>150,417</b>	<b>115,997</b>	<b>6,484,715</b>
<b>Other Revenue</b>	<b>58,000</b>	<b>986,908</b>	<b>227,448</b>	-	<b>1,272,356</b>
<b>Revenues</b>	<b>419,218,102</b>	<b>372,973,966</b>	<b>98,149,865</b>	<b>124,536,720</b>	<b>1,014,878,652</b>



# UNT Budget Overview

## Executive Summary and Highlights

### Strategic Impact and Major Goals Addressed by FY 2018 Budget

The primary mission of the University of North Texas is to be a student's pathway to a college degree and career success. One of the state's largest public universities, UNT awarded more than 8,700 degrees in the 2016-17 academic year and consistently ranks among the state's top universities for the number of doctoral degrees awarded annually. Investments made during FY 2017 and in subsequent years will ensure continued growth as a research institution that is focused on delivering an exceptional educational experience. Continuing investments in key areas will ensure UNT's ability to remain competitive while achieving strategic goals.

This year's University of North Texas budget follows a legislative session that requires an intensive focus on prioritizing revenue and resources to continue the university's growth and accomplishments. Over the past year, much thought and planning have gone into acquisitions and assets in order to best prepare for the future. Some of the important resource investments made over the past year that will support the university in the coming year include:

- Hired new Provost and Vice President for Academic Affairs, Jennifer Evans-Cowley, a UNT alumna with more than a decade of higher education leadership
- Made key faculty hires across several colleges, with concentrations on STEM, music, education, hospitality, and health and public service areas
- Completed the Science Research Building renovations and started construction on the College of Visual Arts and Design building expansion
- Partnered with the Dallas Cowboys to leverage marketing opportunities, identify strategic relationships, invest in branding promotions, and bring national publicity to the university
- Developed new relationships with industry leaders including Toyota Motor Corporation and NetDragon Websoft
- Continued an upward climb in enrollment with nearly 38,000 students and the largest freshman class to date
- Emphasized strategic distance education at Frisco, Gainesville, Universities Center at Dallas, and Collin Higher Education Center
- Provided 3% pool for merit raises in recognition of outstanding faculty and staff members
- Focused investments for classroom revitalization, student support services and programs, and transportation services to match evolving student populations
- Launched strategic investments for new data warehouse, customer relationship management, and learning management systems to leverage information resources
- Saw a successful football season that engaged students, faculty, staff, alumni and the surrounding community



## Revenues



### State Appropriations

Support from the 85th Texas Legislative session for the 2018-2019 biennium continues to help UNT to transform an increasingly first-generation college student population into the workforce leaders of tomorrow. For FY 2018 UNT will receive:

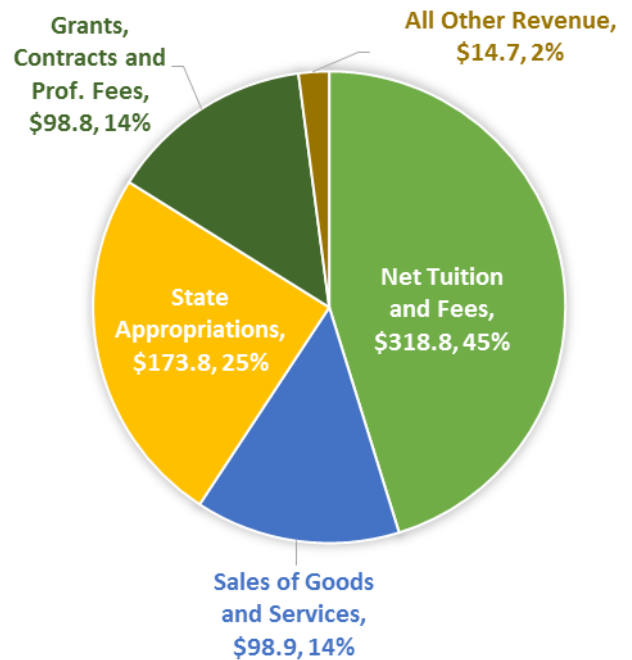
- \$136.2 million in general revenue fund and allocations for employee benefits, which includes:
  - \$2.4 million in research funding
  - \$11.5 million in tuition revenue bond retirement
- \$37.56 million in capital appropriation for Higher Education funds (HEF)

### Tuition and Fees

UNT anticipates net tuition and fees of \$318.8 million in FY 2018, a budget increase of \$9.15 million. The estimated \$9.15 million increase contains projected net tuition of \$205.4 million and fee revenue of \$113.4 million. The increase of tuition and fees includes a 2.25% growth in semester credit hours and reflects the UNT System Board of Regent’s approved 3.9% increase in the tuition rate for undergraduates.

Undergraduates can choose between two tuition rates, a fixed rate plan and a traditional tuition plan. The rate for the Eagle Express Tuition Plan, the fixed rate plan, increases total academic cost by 3.9% for each entering class and is locked in for four years. As of the end of FY 2017 more than 6,900 students are in the Eagle Express plan that started in FY 2014. The traditional plan increases total academic cost by 3.9% per year. The FY 2018 net tuition and fees increase includes the impacts of the Eagle Express plan and the traditional tuition plan.

**FY 2018 BUDGETED REVENUES**  
(IN MILLIONS)



FTE Categories	FY 2016 Budget	FY 2017 Budget	FY 2018 Budget
Administrators	62.0	64.0	68.0
Faculty	1668.0	1682.0	1703.0
Other Staff	3616.0	3634.0	3627.0
<b>Total FTE</b>	<b>5346.0</b>	<b>5380.0</b>	<b>5398.0</b>

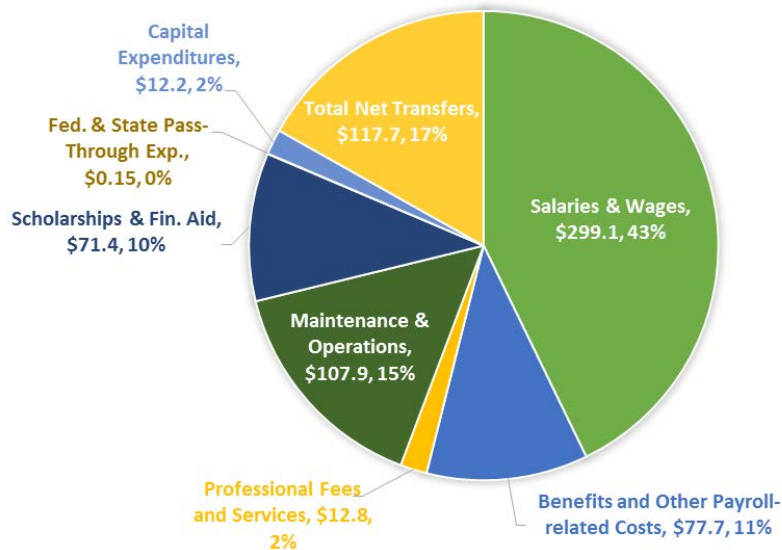
## Expenditures



In FY 2018 the university will focus on core issues with strategic funding including:

- \$4.30 million in new funding allocated for Academic Affairs
  - \$1.87 million for 21 new faculty lines including opportunity hires and high impact positions
  - \$1.12 million for other faculty adjustments including the new College of Science faculty, academic deans and college leadership, and competitive market adjustments
  - \$1.31 million for academic support

**FY 2018 BUDGETED EXPENDITURES AND TRANSFERS**  
(IN MILLIONS)



### Other Strategic Funding

Dedicated funding for FY 2018 also includes funding for:

- Increases in scholarships and financial aid of \$3.59 million
- Shared and core services costs transfers of \$5.01 million
- \$6.15 million to improve net financial position

## Reserves and Capital Expenses

FY 2018 plant increases will include new projects for:

- \$4.55 million of auxiliary funds for Maple and Clark residence halls
- \$3.76 million of HEF funds for the Sage Hall Academic Success Center, Discovery Park, and Music Building
- \$6.85 million of revenue financing and commercial paper funds for a new dining hall, Fouts Field demolition, and the Art Building roof replacement

Previously approved capital projects include:

- \$70 million of Tuition Revenue Bond funding for the College of Visual Arts and Design
- \$102.60 million of revenue financing funds for new residence halls and welcome center
- \$38 million of revenue financing for Discovery Park MEP and Bio-Medical addition



## Fiscal Year 2018 Summary – Current Funds

### Budget for Revenues, Expenditures & Other Changes in Fund Balances



	FY 2017 Forecast (Actuals)	FY 2017 Budget	FY 2018 Budget	Budget Increases (Decreases) from FY2017 to FY2018	
				Amount	Percent
<b>Revenues</b>					
Net Tuition and Fees	314,179,773	309,680,846	318,834,500	9,153,654	3.0%
Sales of Goods and Services	94,881,205	94,527,606	98,899,496	4,371,890	4.6%
Grant and Contracts	105,794,171	105,016,131	98,779,283	(6,236,848)	-5.9%
State Appropriations	135,113,031	138,138,031	136,203,844	(1,934,187)	-1.4%
Capital Appropriations - HEF	37,562,056	37,562,056	37,562,056	-	-
Net Professional Fees	-	-	-	-	-
Gift Income	10,193,256	7,361,637	9,780,214	2,418,577	32.9%
Investment Income	4,232,576	2,046,322	3,827,576	1,781,254	87.0%
Other Revenue	1,526,331	759,817	1,132,355	372,538	49.0%
<b>Total</b>	<b>703,482,398</b>	<b>695,092,446</b>	<b>705,019,324</b>	<b>9,926,878</b>	<b>1.4%</b>
<b>Expenditures</b>					
Personnel Costs	353,389,408	380,164,591	376,806,273	(3,358,318)	-0.9%
Supplies and Other	102,088,904	101,328,987	97,331,701	(3,997,286)	-3.9%
Travel	10,577,148	8,125,277	10,553,228	2,427,951	29.9%
Purchased Services	13,339,391	15,495,202	12,826,585	(2,668,617)	-17.2%
Scholarships, Exemptions, and Financial Aid	72,239,512	67,768,088	71,361,577	3,593,489	5.3%
Debt Service - Principal	24,940,248	24,940,248	-	(24,940,248)	-100.0%
Capital Outlay	15,994,918	12,654,337	12,161,799	(492,538)	-3.9%
Federal and State Pass-Through Expense	230,034	230,034	152,650	(77,384)	-33.6%
Interest Expense and Fiscal Charges	19,282,631	19,282,631	-	(19,282,631)	-100.0%
<b>Total</b>	<b>612,082,193</b>	<b>629,989,395</b>	<b>581,193,813</b>	<b>(48,795,582)</b>	<b>-7.7%</b>
<b>Excess Income Over Expenditures</b>	<b>91,400,204</b>	<b>65,103,051</b>	<b>123,825,511</b>	<b>58,722,460</b>	<b>90.2%</b>
<b>Transfers</b>					
<i>Interfund Transfers and Transfers Between UNTS Components</i>					
Transfers In/(Out)	(83,997,032)	(60,793,457)	(117,703,740)	(56,910,283)	93.6%
<i>Other Transfers</i>					
Transfers to Other State Agencies In/(Out)	-	-	-	-	-
Other Legislative Transfers In/(Out)	5,459,745	5,459,745	30,357	(5,429,388)	-99.4%
<b>Total</b>	<b>(78,537,287)</b>	<b>(55,333,712)</b>	<b>(117,673,383)</b>	<b>(62,339,671)</b>	<b>112.7%</b>
<b>Estimated Impact on Fund Balance</b>	<b>12,862,917</b>	<b>9,769,339</b>	<b>6,152,128</b>	<b>(3,617,211)</b>	<b>-37.0%</b>
<b>Planned Use of Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Fiscal Year 2018 – University of North Texas**  
**Budget Detail by Fund Group – Current Funds**



	Current Funds				Current Funds
	Educational & General	Designated Operating	Auxiliary	Restricted Expendable	
<b>REVENUES</b>					
Net Tuition and Fees	50,240,351	250,951,092	17,643,057	-	318,834,500
Sales of Goods and Services	262,285	21,021,700	76,900,508	715,003	98,899,496
Grants and Contracts	22,659,278	2,608,285	-	73,511,720	98,779,283
State Appropriations	136,203,844	-	-	-	136,203,844
Capital Appropriations	37,562,056	-	-	-	37,562,056
Net Professional Fees	-	-	-	-	-
Gift Income	-	5,180,214	-	4,600,000	9,780,214
Investment Income	117,883	3,499,279	150,417	59,997	3,827,576
Other Revenue	58,000	866,908	207,448	-	1,132,356
<b>Revenues</b>	<b>247,103,696</b>	<b>284,127,478</b>	<b>94,901,430</b>	<b>78,886,720</b>	<b>705,019,324</b>
<b>EXPENDITURES</b>					
Salaries - Faculty	89,693,016	45,253,723	-	3,242,133	138,188,872
Salaries - Staff	49,718,818	59,549,489	19,393,120	4,590,579	133,252,006
Wages and Other Compensation	288,279	18,021,228	6,861,874	2,509,379	27,680,760
Benefits and Other Payroll-Related Costs	44,054,163	24,746,359	7,162,503	1,721,610	77,684,635
Cost of Goods Sold	-	1,306,992	10,993,648	-	12,300,640
Professional Fees and Services	340,933	8,748,892	830,514	2,906,246	12,826,585
Travel	1,233	8,776,108	252,145	1,523,741	10,553,228
Materials and Supplies	2,207,858	15,801,695	7,462,790	1,680,562	27,152,904
Communication and Utilities	721,112	4,743,928	4,561,646	88,149	10,114,835
Repairs and Maintenance	2,963,965	10,447,033	5,605,615	166,692	19,183,305
Rentals and Leases	347,325	6,657,633	907,111	405,102	8,317,171
Printing and Reproduction	10,640	1,304,751	479,505	224,378	2,019,274
Debt Service - Principal	-	-	-	-	-
Debt Service - Interest	-	-	-	-	-
Capital Expenditures	4,739,796	6,442,206	258,963	720,834	12,161,799
Federal and State Pass-Through Expense	11,290	-	-	141,360	152,650
Scholarships, Exemptions, and Financial Aid	12,586,351	512,907	741,319	57,521,000	71,361,577
Other Expenditures	332,536	12,404,831	4,104,434	1,401,770	18,243,571
<b>Expenditures</b>	<b>208,017,317</b>	<b>224,717,774</b>	<b>69,615,187</b>	<b>78,843,536</b>	<b>581,193,813</b>
<b>TRANSFERS</b>					
<i>Intra-campus Transfers Between Funds:</i>					
Debt Service Transfer In (Out)	(11,528,181)	(14,957,838)	(17,867,338)	-	(44,353,357)
Inter-Fund Transfer In/(Out)	(27,588,556)	1,943,361	(1,450,177)	(43,184)	(27,138,556)
<i>Transfers Between UNTS Components:</i>					
Shared Services	-	(26,837,165)	-	-	(26,837,165)
Core Services	-	(19,328,779)	-	-	(19,328,779)
Other Inter-Unit Transfers In/(Out)	-	(45,884)	-	-	(45,884)
<i>Other Transfers:</i>					
Transfer to Other State Agencies In/(Out)	-	-	-	-	-
Other Legislative Transfers In/(Out)	30,357	-	-	-	30,357
<b>Transfers</b>	<b>(39,086,380)</b>	<b>(59,226,304)</b>	<b>(19,317,515)</b>	<b>(43,184)</b>	<b>(117,673,383)</b>
<b>Estimated Impact on Fund Balance</b>	<b>-</b>	<b>183,400</b>	<b>5,968,727</b>	<b>-</b>	<b>6,152,128</b>
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>					
Auxiliary Funded Projects	-	-	-	-	-
GR-D Fund Balance (State Treasury)	-	-	-	-	-
Residence Hall	-	-	-	-	-
Facilities Construction & Development	-	-	-	-	-
Debt Proceeds	-	-	-	-	-
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Fiscal Year 2018 - University of North Texas**  
**Budget Detail by Fund Group - Non-Current Funds**



	Non-Current Funds				FY18
	Endowment Funds	Loan Funds	Plant and Debt	Non-Current	Allfunds
<b>REVENUES</b>					
Net Tuition and Fees	-	380,000	-	380,000	319,214,500
Sales of Goods and Services	-	1,000	-	1,000	98,900,496
Grants and Contracts	610,000	-	-	610,000	99,389,283
State Appropriations	-	-	-	-	136,203,844
Capital Appropriations	-	-	-	-	37,562,056
Net Professional Fees	-	-	-	-	-
Gift Income	260,000	-	-	260,000	10,040,214
Investment Income	1,180,096	-	243,704	1,423,799	5,251,375
Other Revenue	102,000	45,000	-	147,000	1,279,356
<b>Revenues</b>	<b>2,152,096</b>	<b>426,000</b>	<b>243,704</b>	<b>2,821,799</b>	<b>707,841,124</b>
<b>EXPENDITURES</b>					
Salaries - Faculty	-	-	-	-	138,188,872
Salaries - Staff	-	-	-	-	133,252,006
Wages and Other Compensation	-	-	-	-	27,680,760
Benefits and Other Payroll-Related Costs	-	-	-	-	77,684,635
Cost of Goods Sold	-	-	-	-	12,300,640
Professional Fees and Services	420,000	15,584	2,999,297	3,434,881	16,261,466
Travel	-	-	-	-	10,553,228
Materials and Supplies	-	-	-	-	27,152,904
Communication and Utilities	-	-	-	-	10,114,835
Repairs and Maintenance	-	-	-	-	19,183,305
Rentals and Leases	-	-	-	-	8,317,171
Printing and Reproduction	-	-	-	-	2,019,274
Debt Service - Principal	-	-	23,623,497	23,623,497	23,623,497
Debt Service - Interest	-	-	21,301,964	21,301,964	21,301,964
Capital Expenditures	-	-	136,875,259	136,875,259	149,037,058
Federal and State Pass-Through Expense	-	-	-	-	152,650
Scholarships, Exemptions, and Financial Aid	-	-	-	-	71,361,577
Other Expenditures	-	124,996	-	124,996	18,368,567
<b>Expenditures</b>	<b>420,000</b>	<b>140,580</b>	<b>184,800,017</b>	<b>185,360,597</b>	<b>766,554,410</b>
<b>TRANSFERS</b>					
<i>Intra-campus Transfers Between Funds:</i>					
Debt Service Transfer In (Out)	-	-	44,353,356	44,353,356	-
Inter-Fund Transfer In/(Out)	(450,000)	-	27,588,556	27,138,556	-
<i>Transfers Between UNTS Components:</i>					
Shared Services	-	-	-	-	(26,837,165)
Core Services	-	-	-	-	(19,328,779)
Other Inter-Unit Transfers In/(Out)	-	-	-	-	(45,884)
<i>Other Transfers:</i>					
Transfer to Other State Agencies In/(Out)	-	-	-	-	-
Other Legislative Transfers In/(Out)	-	-	-	-	30,357
<b>Transfers</b>	<b>(450,000)</b>	<b>-</b>	<b>71,941,912</b>	<b>71,491,912</b>	<b>(46,181,471)</b>
<b>Estimated Impact on Fund Balance</b>	<b>1,282,096</b>	<b>285,420</b>	<b>(112,614,401)</b>	<b>(111,046,885)</b>	<b>(104,894,758)</b>
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>					
Auxiliary Funded Projects	-	-	8,921,000	8,921,000	8,921,000
GR-D Fund Balance (State Treasury)	-	-	-	-	-
Residence Hall	-	-	-	-	-
Facilities Construction & Development	-	-	-	-	-
Debt Proceeds	-	-	103,937,105	103,937,105	103,937,105
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>	<b>-</b>	<b>-</b>	<b>112,858,105</b>	<b>112,858,105</b>	<b>112,858,105</b>

Budgeted Revenue Breakout by Fund - Current Funds

	Educational & General	Designated Operating	Auxiliary	Restricted Expendable	Current Funds
Resident Undergrad Tuition	33,194,085	188,965,360	-	-	222,159,445
Non-resident Undergrad Tuition	23,161,535	11,547,195	-	-	34,708,730
Other Undergrad Tuition	6,050,000	153,499	-	-	6,203,499
Waivers Undergrad Tuition	(15,613,128)	(58,958)	-	-	(15,672,086)
<b>Gross Undergraduate Tuition</b>	<b>46,792,492</b>	<b>200,607,096</b>	-	-	<b>247,399,588</b>
Resident Graduate Tuition	8,160,062	17,478,049	-	-	25,638,111
Non-resident Graduate Tuition	18,413,217	7,009,396	-	-	25,422,613
Other Graduate Tuition	113,014	2,574,687	-	-	2,687,701
Waivers Graduate Tuition	(3,386,872)	(14,739)	-	-	(3,401,611)
<b>Gross Graduate Tuition</b>	<b>23,299,421</b>	<b>27,047,393</b>	-	-	<b>50,346,814</b>
Fees - Instructional	354,969	20,524,097	-	-	20,879,066
Fees - Mandatory	-	67,549,616	17,458,526	-	85,008,142
Fees - Incidental	-	7,395,734	207,500	-	7,603,234
Waivers - Fees	-	(79,375)	(22,969)	-	(102,344)
<b>Gross Fees</b>	<b>354,969</b>	<b>95,390,072</b>	<b>17,643,057</b>	-	<b>113,388,098</b>
Disc & Allow-Tuition and Fee	(20,206,531)	(72,093,469)	-	-	(92,300,000)
<b>Discount and Allowances</b>	<b>(20,206,531)</b>	<b>(72,093,469)</b>	-	-	<b>(92,300,000)</b>
Tuition and Waiver Conversion	-	-	-	-	-
<b>Net Tuition and Fees</b>	<b>50,240,351</b>	<b>250,951,092</b>	<b>17,643,057</b>	-	<b>318,834,500</b>
Athletics	-	8,012,892	-	-	8,012,892
Auxiliary Enterprises	-	262,004	75,608,508	-	75,870,512
Discounts and Allowances - Auxiliaries	-	-	-	-	-
Other Sales of Goods and Services	262,285	12,746,805	1,292,000	715,003	15,016,092
<b>Sales of Goods and Services</b>	<b>262,285</b>	<b>21,021,700</b>	<b>76,900,508</b>	<b>715,003</b>	<b>98,899,496</b>
Federal Programs and Contracts	-	-	-	16,438,430	16,438,430
Federal Financial Aid	-	-	-	52,182,982	52,182,982
State Programs and Contracts	-	2,608,285	-	1,275,294	3,883,579
State Financial Aid	22,659,278	-	-	-	22,659,278
Other Grants and Contracts	-	-	-	3,615,014	3,615,014
<b>Grants and Contracts</b>	<b>22,659,278</b>	<b>2,608,285</b>	-	<b>73,511,720</b>	<b>98,779,283</b>
State Appropriations - General	105,542,145	-	-	-	105,542,145
State Appropriations - Additional	30,661,699	-	-	-	30,661,699
<b>State Appropriations</b>	<b>136,203,844</b>	-	-	-	<b>136,203,844</b>
Capital Appropriations - HEF	37,562,056	-	-	-	37,562,056
<b>Capital Appropriations</b>	<b>37,562,056</b>	-	-	-	<b>37,562,056</b>
Gross Professional Fees	-	-	-	-	-
Contractual Allowances and Discounts	-	-	-	-	-
<b>Net Professional Fees</b>	-	-	-	-	-
<b>Gift Income</b>	-	<b>5,180,214</b>	-	<b>4,600,000</b>	<b>9,780,214</b>
<b>Investment Income</b>	<b>117,883</b>	<b>3,499,279</b>	<b>150,417</b>	<b>59,997</b>	<b>3,827,576</b>
<b>Other Revenue</b>	<b>58,000</b>	<b>866,908</b>	<b>207,448</b>	-	<b>1,132,356</b>
<b>Revenues</b>	<b>247,103,696</b>	<b>284,127,478</b>	<b>94,901,430</b>	<b>78,886,720</b>	<b>705,019,324</b>

**Fiscal Year 2018 – University of North Texas**  
**Budget - Current Funds by Quarter**



Revenues	Q1 FYTD	Q2 FYTD	Q3 FYTD	Q4 FYTD
	Estimate	Estimate	Estimate	Budget
Net Tuition and Fees	268,192,262	277,331,156	319,092,111	318,834,500
Sales of Goods and Services	42,399,117	79,087,962	86,124,793	98,899,496
Grants and Contracts	5,857,114	55,541,487	62,361,064	98,779,283
State Appropriations	121,271,687	127,155,752	133,043,737	136,203,844
Capital Appropriations	37,562,056	37,562,056	37,562,056	37,562,056
Net Professional Fees	-	-	-	-
Gift Income	1,034,500	6,251,175	9,449,942	9,780,214
Investment Income	752,485	1,482,485	3,058,023	3,827,576
Other Revenue	250,378	491,091	752,611	1,132,356
<b>Total Revenues</b>	<b>477,319,599</b>	<b>584,903,163</b>	<b>651,444,337</b>	<b>705,019,324</b>
<b>Expenditures</b>				
Salaries - Faculty	42,056,639	84,676,161	126,702,965	138,188,872
Salaries - Staff	35,067,255	70,727,299	108,448,050	133,252,006
Wages and Other Compensation	7,778,787	15,573,331	21,939,596	27,680,760
Benefits and Other Payroll-Related Costs	16,619,244	35,938,157	55,271,078	77,684,635
Cost of Goods Sold	3,318,900	6,306,057	8,943,251	12,300,640
Professional Fees and Services	2,798,200	6,054,421	8,563,616	12,826,585
Travel	2,284,878	4,517,434	7,515,542	10,553,228
Materials and Supplies	5,539,688	11,689,298	17,874,794	27,152,904
Communication and Utilities	1,919,077	4,357,588	7,270,580	10,114,835
Repairs and Maintenance	3,810,404	8,347,708	11,988,494	19,183,305
Rentals and Leases	1,867,721	3,951,999	6,249,579	8,317,171
Printing and Reproduction	390,702	805,157	1,233,346	2,019,274
Capital Expenditures	3,207,221	7,834,011	10,493,332	12,161,799
Federal and State Pass-Through Expense	152,650	152,650	152,650	152,650
Scholarships, Exemptions, and Financial Aid	20,512,626	68,264,085	68,689,976	71,361,577
Other Expenditures	6,299,846	10,036,552	13,918,993	18,243,571
<b>Total Expenditures</b>	<b>153,623,839</b>	<b>339,231,908</b>	<b>475,255,843</b>	<b>581,193,813</b>
<b>Transfers</b>				
<b><i>Intra-campus Transfers Between Funds:</i></b>				
Debt Service Transfer In (Out)	(11,088,339)	(22,176,678)	(33,265,018)	(44,353,357)
Inter-Fund Transfer In/(Out)	(27,138,556)	(27,138,556)	(27,138,556)	(27,138,556)
<b><i>Transfers Between UNTS Components:</i></b>				
Shared Services	(6,709,291)	(13,418,582)	(20,127,873)	(26,837,165)
Core Services	(4,832,195)	(9,664,390)	(14,496,584)	(19,328,779)
Other Inter-Unit Transfers In/(Out)	(11,471)	(22,942)	(34,413)	(45,884)
<b><i>Other Transfers:</i></b>				
Transfer to Other State Agencies In/(Out)	-	-	-	-
Other Legislative Transfers In/(Out)	30,357	30,357	30,357	30,357
<b>Total Transfers</b>	<b>(49,749,495)</b>	<b>(72,390,791)</b>	<b>(95,032,087)</b>	<b>(117,673,383)</b>



# UNT Health Science Center Budget Overview

## Executive Summary and Highlights

### Strategic Impact and Major Goals Addressed by FY 2018 Budget

UNT Health Science Center is committed through extraordinary teamwork to become ***One University, built on values, defining and producing the providers of the future***. Reflecting UNTHSC's core values, this year's budget process was more transparent and inclusive than ever before.

All Cabinet members were invited to budget review sessions, along with members of the president's councils, which are advisory teams who address specific issues to offer input and potential solutions to UNTHSC leadership.

Budget decisions were tied to the strategic plans of the university and the UNT System, as well as to the top funding priorities of the Cabinet. Those institutional priorities are:

- Applying market adjustments for faculty and staff salaries, reflecting our commitment to People and Teamwork
- Funding additional positions for our compliance team, reflecting our commitment to Sustainable Growth, Finance and Resources
- Bolstering our research office, reflecting our commitment to Learning and Discovery
- Investing in faculty positions for the School of Health Professions, reflecting our commitment to Quality Experiences for Lifetime Success

Significant resources continue to support UNTHSC's capital improvement plan, which includes one major construction project underway and a necessary education renovation set to begin. Progress continues on the Interdisciplinary Research and Education Building (IREB), which will be home to the UNT System College of Pharmacy, the TCU and UNTHSC School of Medicine and the North Texas Eye Research Institute when it opens in late 2018. In March, the institution plans to begin renovations on the anatomy lab, which was built in 1982 and serves more than 560 students each year, although originally designed for about half that number.

The last fiscal year included several milestones, including:

- The UNT System College of Pharmacy reached full accreditation in July, less than two months after graduating its first class of 68 student pharmacists.
- The TCU and UNTHSC School of Medicine hired the first dean-level position in the nation devoted solely to the art of communication with patients.
- A new State law was passed to repeal the prohibition of UNTHSC awarding an M.D. degree.

In the coming year, UNTHSC plans to strengthen its research and compliance teams, continue the hard work toward accreditation of the TCU and UNTHSC School of Medicine, and create new affiliations with regional hospitals and health care systems in North Texas, along with working toward a community solution to bring more residency slots to the area.



## Revenues

Overall, UNTHSC expects to generate \$245.2 million in revenue over the next fiscal year. This represents a net decrease of \$50.5 million (-17%) from FY 2017. The majority of this decrease is attributable to the partnership with Acclaim, in which a significant number of UNTHSC faculty transferred employment and patient base to Acclaim. Moreover, the budget reflects the discontinuation of the Fort Worth prison contract.

### *State Appropriations*

State appropriations, including HEF, reflect an increase of \$6.1 million (6%) from the FY 2017 budget. This change is attributable to additional Tuition Revenue Bond (TRB) proceeds specific to the Interdisciplinary Research and Education Building, as well as State-paid benefits.

### *Tuition and Fees*

Net tuition and fees are expected to increase by \$2.1 million (7%) from the FY 2017 budget, primarily due to increased UNT System College of Pharmacy enrollment.

### *Sales of Goods & Services*

Sales of Goods & Services reflect a net increase of \$23.5 million (150%) from the FY 2017 budget. This is primarily the result of the reclassification of revenue – previously reported as Grants and Contracts – generated by medical services provided to incarcerated patients.

### *Grants and Contracts, Professional Fees*

Grants and contracts are expected to decrease from the FY 2017 budget by \$58.8 million (-62%), while Net Professional Fees are expected decreased by \$19.3 million (-58%). Both are mostly attributable to the partnership with Acclaim, in which the patient billings, along with its associated revenue, are handled and collected by Acclaim.

### *Gift Income*

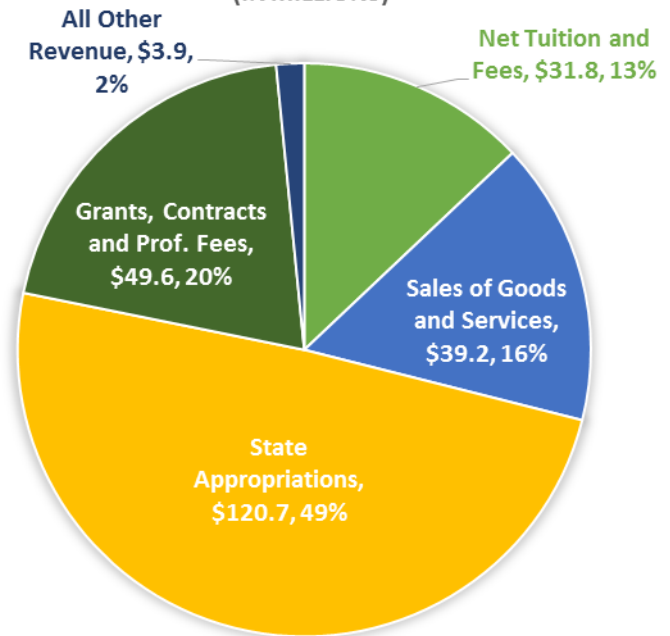
Gift income will decrease from the FY 2017 budget since UNTHSC will provide for some of TCU and UNTHSC School of Medicine's expenses, such as salaries and facility costs, based on the revised collaboration agreement.

## Expenditures

Total expenditures are estimated at \$210.6 million over the next fiscal year. This represents an overall decrease of \$52.8 million (-20%) from FY 2017. The majority of this decrease is attributable to the partnership with Acclaim, in which a significant number of UNTHSC faculty transferred employment to Acclaim.

### FY 2018 BUDGETED REVENUES

(IN MILLIONS)



*Personnel Costs*

Personnel costs represent 70% of the UNTHSC expenditure budget. Overall, UNTHSC is projecting a net decrease of \$29.2 million (-17%) from the FY 2017 budget driven by the partnership with Acclaim, in which a significant number of UNTHSC faculty transferred employment to Acclaim. This reduction is being offset by an increase to staff salaries for market adjustments, as well as additional hiring to augment the DNA Laboratory and to strengthen the compliance programs.

FTE Categories	FY 2016 Budget	FY 2017 Budget	FY 2018 Budget
Administrators	30.0	27.7	26.6
Faculty	458.4	454.5	308.0
Other Staff	1099.4	1017.2	974.4
<b>Total FTE</b>	<b>1587.8</b>	<b>1499.4</b>	<b>1309.0</b>

*Professional Fees and Services*

Professional fees and services are expected to decrease by \$9 million (-23%) from the FY 2017 budget, as a significant contract to provide medical services to incarcerated patients was not renewed.

*Materials and Supplies, Rentals and Leases*

Materials and supplies, along with rentals and leases, are expected to decrease by \$6.1 million (-37%) from the FY 2017 budget, as expenditures which had been borne by UNT Health are now being assumed by Acclaim.

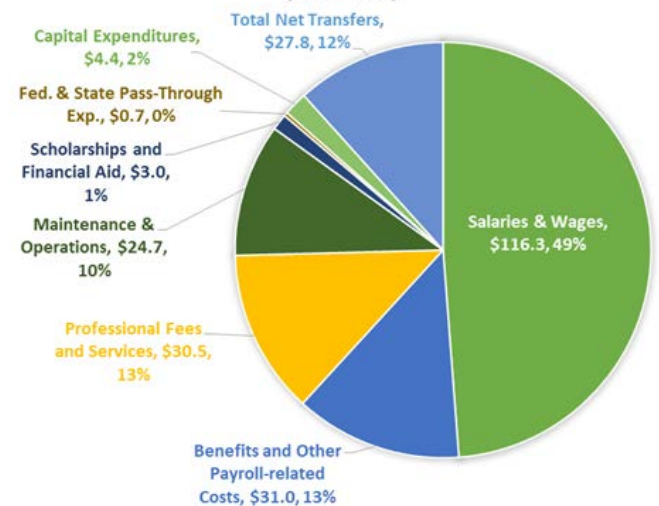
*Scholarships, Exemptions and Financial Aid*

Scholarships and financial aid are expected to decrease by \$2.1 million (-41%) from the FY 2017 budget, due to a reclassification of expenditures.

*Transfers*

Net Transfers increased \$4.8 million (21%) from FY 2017, a part of which reflects UNTHSC’s portion of the shared UNT System costs (\$0.3 million increase), as well as additional debt service cost associated with bond issuances from the prior fiscal year.

**FY 2018 BUDGETED EXPENDITURES AND TRANSFERS**  
(IN MILLIONS)



**Reserves and Capital Expenditures**

*Capital Expenditures*

As part of the capital plan, UNTHSC will issue Revenue Financing System (RFS) bonds and commercial paper (CP) for both new endeavors and previously-approved projects.

New project: Gross Anatomy Lab Renovation (\$2.47 million-RFS)

Previously-approved project: Interdisciplinary Research & Education Building (\$12.57 million-CP)



## Fiscal Year 2018 Summary – Current Funds

### Budget for Revenues, Expenditures & Other Changes in Fund Balances

	FY 2017 Forecast (Actuals)	FY 2017 Budget	FY 2018 Budget	Budget Increases (Decreases) from FY2017 to FY2018	
				Amount	Percent
<b>Revenues</b>					
Net Tuition and Fees	30,341,000	29,642,154	31,750,280	2,108,126	7.1%
Sales of Goods and Services	42,000,000	15,715,337	39,225,000	23,509,663	149.6%
Grant and Contracts	34,686,000	94,703,991	35,900,000	(58,803,991)	-62.1%
State Appropriations	99,326,000	97,544,669	103,643,662	6,098,993	6.3%
Capital Appropriations - HEF	17,091,856	17,091,856	17,091,856	-	-
Net Professional Fees	17,349,000	33,013,420	13,722,182	(19,291,238)	-58.4%
Gift Income	2,559,000	4,879,994	1,500,000	(3,379,994)	-69.3%
Investment Income	2,491,000	2,998,587	2,240,000	(758,587)	-25.3%
Other Revenue	350,000	94,662	120,000	25,338	26.8%
<b>Total</b>	<b>246,193,856</b>	<b>295,684,670</b>	<b>245,192,980</b>	<b>(50,491,690)</b>	<b>-17.1%</b>
<b>Expenditures</b>					
Personnel Costs	139,000,000	176,504,067	147,300,000	(29,204,067)	-16.5%
Supplies and Other	26,957,000	30,619,902	22,670,000	(7,949,902)	-26.0%
Travel	2,001,000	2,337,015	2,000,000	(337,015)	-14.4%
Purchased Services	36,395,000	39,465,623	30,500,000	(8,965,623)	-22.7%
Scholarships, Exemptions, and Financial Aid	3,000,000	5,103,243	3,000,000	(2,103,243)	-41.2%
Debt Service - Principal	-	-	-	-	-
Capital Outlay	5,125,000	4,561,270	4,400,000	(161,270)	-3.5%
Federal and State Pass-Through Expense	650,000	-	700,000	700,000	-
Interest Expense and Fiscal Charges	4,773,000	4,772,770	-	(4,772,770)	-100.0%
<b>Total</b>	<b>217,901,000</b>	<b>263,363,890</b>	<b>210,570,000</b>	<b>(52,793,890)</b>	<b>-20.0%</b>
<b>Excess Income Over Expenditures</b>	<b>28,292,856</b>	<b>32,320,780</b>	<b>34,622,980</b>	<b>2,302,200</b>	<b>7.1%</b>
<b>Transfers</b>					
<i>Interfund Transfers and Transfers Between UNTS Components</i>					
Transfers In/(Out)	(17,954,427)	(23,357,198)	(20,509,643)	2,847,555	-12.2%
<i>Other Transfers</i>					
Transfers to Other State Agencies In/(Out)	-	-	-	-	-
Other Legislative Transfers In/(Out)	(602,325)	397,675	(7,289,981)	(7,687,656)	-1933.2%
<b>Total</b>	<b>(18,556,752)</b>	<b>(22,959,523)</b>	<b>(27,799,624)</b>	<b>(4,840,101)</b>	<b>21.1%</b>
<b>Estimated Impact on Fund Balance</b>	<b>9,736,104</b>	<b>9,361,257</b>	<b>6,823,356</b>	<b>(2,537,901)</b>	<b>-27.1%</b>
<b>Planned Use of Fund Balances</b>	-	-	-	-	-

**Fiscal Year 2018 – UNT Health Science Center**  
**Budget Detail by Fund Group – Current Funds**



	Current Funds				
	Educational & General	Designated Operating	Auxiliary	Restricted Expendable	Current Funds
<b>REVENUES</b>					
Net Tuition and Fees	11,594,750	20,155,530	-	-	31,750,280
Sales of Goods and Services	-	38,800,000	425,000	-	39,225,000
Grants and Contracts	-	-	-	35,900,000	35,900,000
State Appropriations	103,643,662	-	-	-	103,643,662
Capital Appropriations	17,091,856	-	-	-	17,091,856
Net Professional Fees	-	13,722,182	-	-	13,722,182
Gift Income	-	-	-	1,500,000	1,500,000
Investment Income	40,000	2,200,000	-	-	2,240,000
Other Revenue	-	120,000	-	-	120,000
<b>Revenues</b>	<b>132,370,268</b>	<b>74,997,712</b>	<b>425,000</b>	<b>37,400,000</b>	<b>245,192,980</b>
<b>EXPENDITURES</b>					
Salaries - Faculty	31,271,344	8,543,004	-	8,185,652	48,000,000
Salaries - Staff	36,238,530	13,063,489	231,168	11,766,814	61,300,000
Wages and Other Compensation	1,895,443	3,529,887	54,800	1,519,871	7,000,000
Benefits and Other Payroll-Related Costs	18,711,720	7,558,187	55,480	4,674,614	31,000,000
Cost of Goods Sold	-	18,613	-	1,387	20,000
Professional Fees and Services	3,840,875	18,962,972	10,600	7,685,554	30,500,000
Travel	-	1,170,677	-	829,323	2,000,000
Materials and Supplies	2,681,554	5,995,108	13,344	309,994	9,000,000
Communication and Utilities	133,822	2,159,023	5,503	101,653	2,400,000
Repairs and Maintenance	481,657	2,493,701	13,095	511,546	3,500,000
Rentals and Leases	6,600	1,379,411	-	113,989	1,500,000
Printing and Reproduction	96,722	503,356	5,147	144,775	750,000
Debt Service - Principal	-	-	-	-	-
Debt Service - Interest	-	-	-	-	-
Capital Expenditures	3,318,510	519,510	20,000	541,980	4,400,000
Federal and State Pass-Through Expense	-	-	-	700,000	700,000
Scholarships, Exemptions, and Financial Aid	1,063,745	1,617,407	-	318,848	3,000,000
Other Expenditures	1,807,740	2,697,236	8,863	986,161	5,500,000
<b>Expenditures</b>	<b>101,548,261</b>	<b>70,211,578</b>	<b>418,000</b>	<b>38,392,161</b>	<b>210,570,000</b>
<b>TRANSFERS</b>					
<i>Intra-campus Transfers Between Funds:</i>					
Debt Service Transfer In (Out)	(15,891,925)	-	-	-	(15,891,925)
Inter-Fund Transfer In/(Out)	(4,000,000)	400,000	-	1,000,000	(2,600,000)
<i>Transfers Between UNTS Components:</i>					
Shared Services	-	-	-	-	-
Core Services	-	(2,017,718)	-	-	(2,017,718)
Other Inter-Unit Transfers In/(Out)	-	-	-	-	-
<i>Other Transfers:</i>					
Transfer to Other State Agencies In/(Out)	-	-	-	-	-
Other Legislative Transfers In/(Out)	(7,289,981)	-	-	-	(7,289,981)
<b>Transfers</b>	<b>(27,181,906)</b>	<b>(1,617,718)</b>	<b>-</b>	<b>1,000,000</b>	<b>(27,799,624)</b>
<b>Estimated Impact on Fund Balance</b>	<b>3,640,101</b>	<b>3,168,416</b>	<b>7,000</b>	<b>7,839</b>	<b>6,823,356</b>
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>					
Auxiliary Funded Projects	-	-	-	-	-
GR-D Fund Balance (State Treasury)	-	-	-	-	-
Residence Hall	-	-	-	-	-
Facilities Construction & Development	-	-	-	-	-
Debt Proceeds	-	-	-	-	-
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Fiscal Year 2018 – UNT Health Science Center**  
**Budget Detail by Fund Group – Non-Current Funds**



	Non-Current Funds				FY18
	Endowment Funds	Loan Funds	Plant and Debt	Non-Current	Allfunds
<b>REVENUES</b>					
Net Tuition and Fees	-	-	-	-	31,750,280
Sales of Goods and Services	-	-	-	-	39,225,000
Grants and Contracts	-	-	-	-	35,900,000
State Appropriations	-	-	-	-	103,643,662
Capital Appropriations	-	-	-	-	17,091,856
Net Professional Fees	-	-	-	-	13,722,182
Gift Income	-	-	-	-	1,500,000
Investment Income	1,400,000	-	-	1,400,000	3,640,000
Other Revenue	-	43,150	-	43,150	163,150
<b>Revenues</b>	<b>1,400,000</b>	<b>43,150</b>	<b>-</b>	<b>1,443,150</b>	<b>246,636,130</b>
<b>EXPENDITURES</b>					
Salaries - Faculty	-	-	-	-	48,000,000
Salaries - Staff	-	-	-	-	61,300,000
Wages and Other Compensation	-	-	-	-	7,000,000
Benefits and Other Payroll-Related Costs	-	-	-	-	31,000,000
Cost of Goods Sold	-	-	-	-	20,000
Professional Fees and Services	-	-	-	-	30,500,000
Travel	-	-	-	-	2,000,000
Materials and Supplies	-	-	-	-	9,000,000
Communication and Utilities	-	-	-	-	2,400,000
Repairs and Maintenance	-	-	-	-	3,500,000
Rentals and Leases	-	-	-	-	1,500,000
Printing and Reproduction	-	-	-	-	750,000
Debt Service - Principal	-	-	10,490,808	10,490,808	10,490,808
Debt Service - Interest	-	-	5,401,117	5,401,117	5,401,117
Capital Expenditures	-	-	62,390,000	62,390,000	66,790,000
Federal and State Pass-Through Expense	-	-	-	-	700,000
Scholarships, Exemptions, and Financial Aid	-	-	-	-	3,000,000
Other Expenditures	-	15,000	-	15,000	5,515,000
<b>Expenditures</b>	<b>-</b>	<b>15,000</b>	<b>78,281,925</b>	<b>78,296,925</b>	<b>288,866,925</b>
<b>TRANSFERS</b>					
<i>Intra-campus Transfers Between Funds:</i>					
Debt Service Transfer In (Out)	-	-	15,891,925	15,891,925	-
Inter-Fund Transfer In/(Out)	(1,400,000)	-	4,000,000	2,600,000	-
<i>Transfers Between UNTS Components:</i>					
Shared Services	-	-	-	-	-
Core Services	-	-	-	-	(2,017,718)
Other Inter-Unit Transfers In/(Out)	-	-	-	-	-
<i>Other Transfers:</i>					
Transfer to Other State Agencies In/(Out)	-	-	-	-	-
Other Legislative Transfers In/(Out)	-	-	-	-	(7,289,981)
<b>Transfers</b>	<b>(1,400,000)</b>	<b>-</b>	<b>19,891,925</b>	<b>18,491,925</b>	<b>(9,307,699)</b>
<b>Estimated Impact on Fund Balance</b>	<b>-</b>	<b>28,150</b>	<b>(58,390,000)</b>	<b>(58,361,850)</b>	<b>(51,538,494)</b>
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>					
Auxiliary Funded Projects	-	-	-	-	-
GR-D Fund Balance (State Treasury)	-	-	-	-	-
Residence Hall	-	-	-	-	-
Facilities Construction & Development	-	-	-	-	-
Debt Proceeds	-	-	59,740,000	59,740,000	59,740,000
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>	<b>-</b>	<b>-</b>	<b>59,740,000</b>	<b>59,740,000</b>	<b>59,740,000</b>

Budgeted Revenue Breakout by Fund – Current Funds

	Educational & General	Designated Operating	Auxiliary	Restricted Expendable	Current Funds
Resident Undergrad Tuition	-	-	-	-	-
Non-resident Undergrad Tuition	-	-	-	-	-
Other Undergrad Tuition	-	-	-	-	-
Waivers Undergrad Tuition	-	-	-	-	-
<b>Gross Undergraduate Tuition</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Resident Graduate Tuition	11,230,854	12,677,006	-	-	23,907,860
Non-resident Graduate Tuition	3,621,496	1,273,146	-	-	4,894,642
Other Graduate Tuition	-	-	-	-	-
Waivers Graduate Tuition	(1,921,226)	(620,100)	-	-	(2,541,326)
<b>Gross Graduate Tuition</b>	<b>12,931,124</b>	<b>13,330,052</b>	<b>-</b>	<b>-</b>	<b>26,261,175</b>
Fees - Instructional	23,000	4,056,077	-	-	4,079,077
Fees - Mandatory	-	3,709,548	-	-	3,709,548
Fees - Incidental	-	356,375	-	-	356,375
Waivers - Fees	-	-	-	-	-
<b>Gross Fees</b>	<b>23,000</b>	<b>8,122,000</b>	<b>-</b>	<b>-</b>	<b>8,145,000</b>
Disc & Allow-Tuition and Fee	(1,359,374)	(1,296,521)	-	-	(2,655,895)
<b>Discount and Allowances</b>	<b>(1,359,374)</b>	<b>(1,296,521)</b>	<b>-</b>	<b>-</b>	<b>(2,655,895)</b>
Tuition and Waiver Conversion	-	-	-	-	-
<b>Net Tuition and Fees</b>	<b>11,594,750</b>	<b>20,155,530</b>	<b>-</b>	<b>-</b>	<b>31,750,280</b>
Athletics	-	-	-	-	-
Auxiliary Enterprises	-	-	425,000	-	425,000
Discounts and Allowances - Auxiliaries	-	-	-	-	-
Other Sales of Goods and Services	-	38,800,000	-	-	38,800,000
<b>Sales of Goods and Services</b>	<b>-</b>	<b>38,800,000</b>	<b>425,000</b>	<b>-</b>	<b>39,225,000</b>
Federal Programs and Contracts	-	-	-	28,500,000	28,500,000
Federal Financial Aid	-	-	-	-	-
State Programs and Contracts	-	-	-	4,400,000	4,400,000
State Financial Aid	-	-	-	-	-
Other Grants and Contracts	-	-	-	3,000,000	3,000,000
<b>Grants and Contracts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,900,000</b>	<b>35,900,000</b>
State Appropriations - General	88,550,583	-	-	-	88,550,583
State Appropriations - Additional	15,093,079	-	-	-	15,093,079
<b>State Appropriations</b>	<b>103,643,662</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>103,643,662</b>
Capital Appropriations - HEF	17,091,856	-	-	-	17,091,856
<b>Capital Appropriations</b>	<b>17,091,856</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,091,856</b>
Gross Professional Fees	-	27,764,438	-	-	27,764,438
Contractual Allowances and Discounts	-	(14,042,256)	-	-	(14,042,256)
<b>Net Professional Fees</b>	<b>-</b>	<b>13,722,182</b>	<b>-</b>	<b>-</b>	<b>13,722,182</b>
<b>Gift Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,500,000</b>	<b>1,500,000</b>
<b>Investment Income</b>	<b>40,000</b>	<b>2,200,000</b>	<b>-</b>	<b>-</b>	<b>2,240,000</b>
<b>Other Revenue</b>	<b>-</b>	<b>120,000</b>	<b>-</b>	<b>-</b>	<b>120,000</b>
<b>Revenues</b>	<b>132,370,268</b>	<b>74,997,712</b>	<b>425,000</b>	<b>37,400,000</b>	<b>245,192,980</b>

**Fiscal Year 2018 – UNT Health Science Center**  
**Budget - Current Funds by Quarter**



<b>Revenues</b>	<b>Q1 FYTD Estimate</b>	<b>Q2 FYTD Estimate</b>	<b>Q3 FYTD Estimate</b>	<b>Q4 FYTD Budget</b>
Net Tuition and Fees	12,000,000	26,020,000	28,010,000	31,750,280
Sales of Goods and Services	5,240,000	25,780,000	31,100,000	39,225,000
Grants and Contracts	8,980,000	18,220,000	26,930,000	35,900,000
State Appropriations	98,720,583	100,360,583	102,000,583	103,643,662
Capital Appropriations	17,091,856	17,091,856	17,091,856	17,091,856
Net Professional Fees	4,500,000	7,500,000	11,500,000	13,722,182
Gift Income	300,000	530,000	980,000	1,500,000
Investment Income	560,000	1,120,000	1,680,000	2,240,000
Other Revenue	30,000	60,000	90,000	120,000
<b>Total Revenues</b>	<b>147,422,439</b>	<b>196,682,439</b>	<b>219,382,439</b>	<b>245,192,980</b>
<b>Expenditures</b>				
Salaries - Faculty	11,535,000	23,207,000	34,658,000	48,000,000
Salaries - Staff	14,773,000	29,644,000	45,223,000	61,300,000
Wages and Other Compensation	1,865,000	3,556,000	5,065,000	7,000,000
Benefits and Other Payroll-Related Costs	8,258,000	17,297,000	25,529,000	31,000,000
Cost of Goods Sold	5,000	9,000	13,000	20,000
Professional Fees and Services	7,350,000	14,749,000	22,501,000	30,500,000
Travel	414,000	727,000	1,377,000	2,000,000
Materials and Supplies	1,562,000	2,995,000	4,576,000	9,000,000
Communication and Utilities	497,000	1,016,000	1,653,000	2,400,000
Repairs and Maintenance	1,005,000	1,714,000	2,725,000	3,500,000
Rentals and Leases	358,000	629,000	1,091,000	1,500,000
Printing and Reproduction	133,000	186,000	393,000	750,000
Capital Expenditures	2,229,000	3,216,000	3,372,000	4,400,000
Federal and State Pass-Through Expense	-	-	-	700,000
Scholarships, Exemptions, and Financial Aid	960,000	2,033,000	2,312,000	3,000,000
Other Expenditures	1,064,000	2,380,000	3,786,000	5,500,000
<b>Total Expenditures</b>	<b>52,008,000</b>	<b>103,358,000</b>	<b>154,274,000</b>	<b>210,570,000</b>
<b>Transfers</b>				
<b><i>Intra-campus Transfers Between Funds:</i></b>				
Debt Service Transfer In (Out)	(3,970,000)	(7,950,000)	(11,920,000)	(15,891,925)
Inter-Fund Transfer In/(Out)	(270,000)	(730,000)	(1,680,000)	(2,600,000)
<b><i>Transfers Between UNTS Components:</i></b>				
Shared Services	-	-	-	-
Core Services	-	(2,017,718)	(2,017,718)	(2,017,718)
Other Inter-Unit Transfers In/(Out)	-	-	-	-
<b><i>Other Transfers:</i></b>				
Transfer to Other State Agencies In/(Out)	-	-	-	-
Other Legislative Transfers In/(Out)	(7,289,981)	(7,289,981)	(7,289,981)	(7,289,981)
<b>Total Transfers</b>	<b>(11,529,981)</b>	<b>(17,987,699)</b>	<b>(22,907,699)</b>	<b>(27,799,624)</b>



# UNT Dallas Budget Overview

## Executive Summary and Highlights

### Strategic Impact and Major Goals Addressed by FY 2018 Budget

The University of North Texas at Dallas continues to grow in both enrollment and in the number of facilities on and off campus. The university has transitioned from start-up into growth stage with record enrollment numbers and its commitment to empower, transform and strengthen the lives of students. The first residence hall on campus opens in Fall 2017 and is expected to house Presidential Jaguar Scholars, new incoming students, and several continuing students. The excitement continues to build as we focus on first-year experience programming such as Cub Camp and Jag PAWS Success. Cub Camp provides first-year students an immersive introduction to campus resources, campus connectedness through student organizations, as well as building peer relationships especially for those living on campus. Jag PAWS Success will host several workshops for freshman students to build skill sets around professionalism, academic, wellness, and social success.

In addition to first-year experience programming, the university has invested in several strategic initiatives focused on academic success. The UNT Dallas block schedule launched in Fall 2016, enrolled more than 270 Freshmen in 15 cohorts covering four Meta majors (Business, the Arts, STEM, and College Readiness). The goal is to foster a sense of community and belonging among students that would lead to greater persistence and higher graduation rates. Based on the student's declared major and coursework, a cohort was selected and the student was enrolled in 4-5 classes. Looking at persistence, 87% of freshmen in both the 2015 and 2016 class were retained from fall to spring. A significant improvement was measured in GPA, a year-to-year increase of 12.5%. In addition to this, students in the 2016 class also held more SCH compared to the 2015 class (14.606 vs 14.539). Both of these were much higher than the university average (11.502 SCH average for all students). For Fall 2017, two additional cohorts have been added, as well as a new Meta major in Education. As part of the block schedule, freshmen are enrolled in UGST 1100 Learning Foundations. This seminar class focuses on college readiness skills, coping with stress, goal setting, critical thinking, getting involved on campus, etc. Improvements to this course include discussion of learning theories and growth mindset. Emphasis has been placed on establishing learning communities within each cohort, with the UGST instructor serving as lead facilitator in cohort faculty meetings. These meetings will allow faculty and staff to collaborate about student needs, share relevant early alert information with Academic Advising, and to create linkages between courses. It is our hope that our students will see continued academic success through programs such as this one.

The University of North Texas at Dallas College of Law extends a shared commitment with UNT Dallas to diversify educational opportunities. The UNT Dallas College of Law (COL) earned provisional accreditation from the American Bar Association (ABA) during summer 2017. The ABA decision affirms the COL vision for diverse and quality legal education. The mission to provide affordable access to education with an annual tuition that is significantly lower than all other law schools, public or private, in Texas. Furthermore, UNT Dallas College of Law is the only law school in Dallas offering night programs. Construction on the former municipal building in downtown Dallas is underway in preparation for the College of Law to expand into this location in January 2019.



Construction on the new Student Learning and Success Center (SLSC) will begin this fiscal year and expected completion is set for January 2019. Planned use of this space includes a one-stop-shop for student support services. Students will experience a central location for advising, registration, financial aid, tutoring, and much more. Additional space is planned for large events, a modern library, and a student operated radio station. In addition, the amphitheater planned next to the SLSC will solidify the building as the focal point of the university. Construction on the amphitheater is scheduled to begin near the completion of the SLSC.

The university is enthusiastic about reaching a strategic goal of 5,000 students by Fall 2020. UNT Dallas launched its new “Pathways” marketing campaign, an enrolment growth and branding initiative connected to the university mission statement: Through education and community connectedness, UNT Dallas aspires to be the pathway to social mobility in its primary market.

Bilingual Education is one of five priority programs identified in the UNT Dallas Strategic Plan. The Emerging Teacher Institute (ETI) secured funding from Raise Your Hand Texas (Charles Butt Foundation) to provide scholarships for future bilingual teachers. The identification and selection process will take place this fiscal year, scholarships will be granted beginning Fall 2018. UNT Dallas was one of only 10 programs to receive this elite award; in North Texas only SMU and UNT Dallas were selected. The Emerging Teacher Institute has also secured funding from private foundations in order to hire additional staff dedicated to equipping UNT Dallas students to become some of the best bilingual educators in Texas.

Also focused on community connectedness, UNT Dallas has increased efforts and resources to strengthen our partnerships with surrounding school districts and community colleges. The university will begin its early college high school program at Sunset and Lincoln this fall; and continues the second year at Seagoville. The University of North Texas at Dallas received a \$2.58 million award through two grants from the U.S. Department of Education in support of TRIO Upward Bound programming. The five-year Upward Bound program will allow the university to better serve high schools in North Texas. Upward Bound programming will begin this fall at UNT Dallas, targeting 60 high school students each year (120 total) in grades 9-12 from Sunset, Lincoln, Kathlyn Gilliam, Seagoville, Lancaster, and South Oak Cliff High Schools. The UNT Dallas program will encourage lower income and potential first-generation college students to complete secondary school, enroll in postsecondary education and publicize the availability of – as well as facilitate the application for – student financial assistance for persons who seek to pursue postsecondary education or complete these programs. These are the first Upward Bound grants UNT Dallas has received since opening in 2010. Other community efforts are taking place through the Caruth Police Institute and their community outreach programs as well as the Urban SERCH Institute and its Community Leadership Academy sponsored by United Way.

## Revenues

### *State Appropriations*

FY 2018 will be the first year that UNT Dallas College of Law state appropriations are included with UNT Dallas. In the previous fiscal year, state appropriations dedicated to the College of Law were categorized as Legislative Transfers. State Appropriations for FY 2018 total \$27.8 million and represents an 12.7% increase from FY 2017, but does not represent the complete percentage change. In order to provide a clear comparison of percentage change, amounts included in State Appropriations and Legislative

Transfers for FY 2017 total \$29.1 million as compared to FY 2018 total \$27.8 million; which represents a \$1.3 million reduction or 4.5% decrease. The reduction is isolated to non-formula support items that impact both UNT Dallas and UNT Dallas College of Law. Tuition Revenue Bond and Higher Education Fund revenues remain stable.

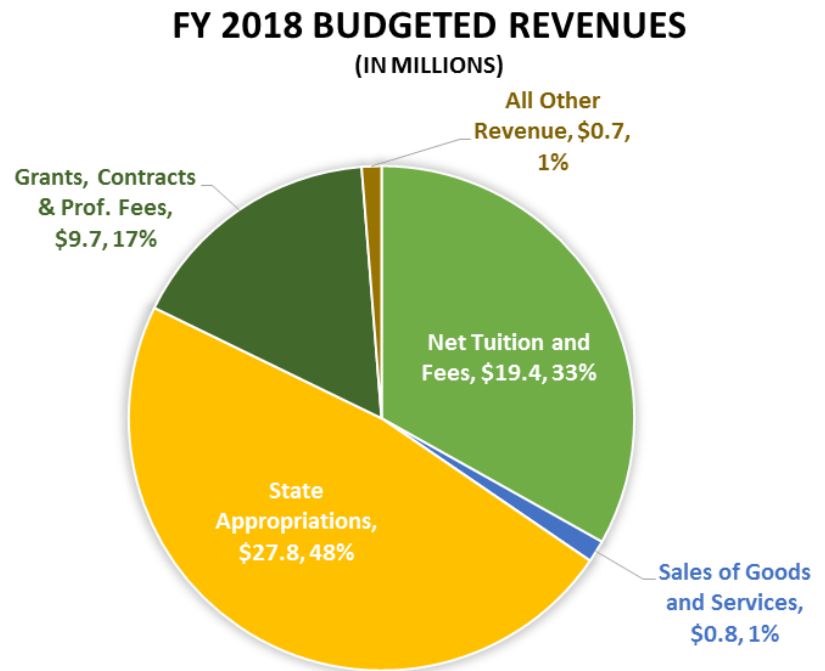
*Tuition and Fees*

UNT Dallas is projecting a growth of 15% in semester credit hour production and no tuition increase. UNT Dallas College of Law is projecting a 4.8% decrease in semester credit hour production with a nominal tuition increase. Decreased semester credit hour production is due to a smaller incoming cohort than previous years. UNT Dallas College of Law received provisional accreditation during summer 2017; which impacted the number of applications submitted for the new cohort. Most applications and admission decisions happen in mid spring. Additionally, increased admission standards have resulted in less applications converted into enrolled students than in the previous year. There has also been a change in the ratio of full-time to part-time students; with less full-time students being enrolled than previous years. UNT Dallas (including COL) has a strategic plan target of 3,480 students (headcount) enrolled for Fall 2017. All leading indicators are positive this goal will be reached.

In order to further align the budget with the Annual Financial Reporting (AFR) process; there are changes regarding budget treatment for discounts & allowances (D&A) in 2018. This realignment effects only the budget categories and produces a net zero impact to fund balance. In FY 2017 the budget placed amounts for institutionally funded scholarships, mandated set-asides, and exemptions in an expense budget category, "Scholarships, Exemptions, and Financial Aid". In FY 2018 these amounts are being placed in a revenue budget category "Net Tuition and Fees" as a contra-revenue. Due to this realignment, a comparison of Net Tuition and Fees from FY 2017 to FY 2018 will be misleading. To provide a better comparison, if the D&A changes are removed (reduce FY 2017 Net Tuition and Fees budget by \$4M; from \$20.5M to \$16.5M), the university estimates a 17% increase in Net Tuition and Fees; \$16.5M in FY 2017 vs. \$19.4M in FY 2018.

*Grant and Contracts*

Faculty and Staff have been increasingly active in pursuing grant funding from Federal, State, and Private sources. UNT Dallas received a \$2.58 million award through two grants from the U.S. Department of Education in support of TRIO Upward Bound programming. The funding of Upward Bound programming represents the institution's largest federal award specific to improving college readiness and student



retention in the history of the university. UNT Dallas has also received an award from Wipro Ltd., a leading global information technology, consulting and business process services company. The three-year program, funded entirely by Wipro, comprises of a rigorous selection process that will identify 24 experienced science teachers from grades K-12 within the Greater DFW area to participate in the program each year (serving 72 Fellows in total). The Wipro SEF program is scheduled to begin in August 2017. Also, the School of Counseling & Human Services has received one-year funding from United Way to focus on mental health initiatives in southern Dallas.

A large portion of grant revenue will be provided by Financial Aid awards that include PELL Grants and Texas Grants. UNT Dallas has received increased allocation amounts in both PELL Grant and Texas Grant financial aid programs. There is a positive correlation between enrollment growth and financial aid programs at UNT Dallas; as the university grows in student headcount the allocation provided through Federal and State financial aid programs will also increase.

Overall Grant and Contract Income is budgeted to increase 40.3% from \$6.9 million to \$9.7 million.

### *Gift Income*

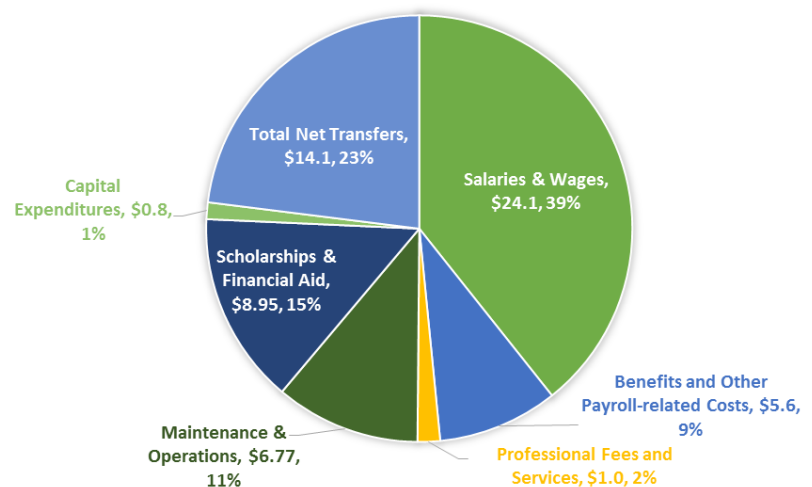
Emphasis has been placed on increasing philanthropic support; the Office of University Advancement will focus on select areas in FY 2018 that include: contributions for spendable scholarships, establishing/growing endowments, and capital project funding. Budget for gift income is expected to remain flat; the difference in FY 2018 is that the budget is split between current (\$500K) and non-current (\$600K) as opposed to FY 2017 where the budget was fully in current funds (\$1 Million).

## Expenditures

### *Faculty and Staff Salaries and Wages*

The university will transform into a residential life campus Fall 2017; the day the first Residence Hall opens. An exciting new chapter for the university comes with a need to enhance the University Police department. The University Police department started providing 24/7 coverage in August 2017. This change required an additional \$216K in police officer salaries from FY 2017 to FY 2018. The Residence Hall will also employ five new positions to provide staff coverage around the clock and administrative support. Both UNT Dallas and UNT Dallas College of Law have created a merit/equity pool of approximately 2.5%. Leadership feels it is important that during our growth and in times we continue to ask more of our employees; we equally recognize those employees who provide valuable contributions to the university.

**FY 2018 BUDGETED EXPENDITURES AND TRANSFERS**  
(IN MILLIONS)



In response to enrollment growth, the university added two new faculty positions and increased the budget for adjunct faculty/summer instruction. A handful of new positions in student support service areas have been added for FY 2018. All other new positions are being funded from outside sources that include grants and/or donations.

Overall salaries and wages are expected to increase from \$21.5 million to \$24.1 million or 12%.

*Benefits*

	FY 2016	FY 2017	FY 2018
FTE Categories	Budget	Budget	Budget
Administrators	26.0	24.0	25.0
Faculty	126.0	140.0	153.0
Other Staff	126.0	173.0	212.0
<b>Total FTE</b>	<b>278.0</b>	<b>337.0</b>	<b>390.0</b>

Corresponding with an increase in salaries and wages, payroll related costs will increase in 2018. Payroll related costs are estimated at 25% for full-time employees, 15% for part-time/hourly employees and 2% for student hourly employees. The global percentages have been derived from historical data. As the university collects more statutory tuition and general revenue appropriations from the state decrease; benefit proportionality changes. In 2017, benefit proportionality was budgeted at 76% GR and 24% GRD; in 2018 the budget for benefit proportionality has been updated to 70% General Revenue (GR) and 30% General Revenue-Dedicated (GRD). Estimated allocation for state funded payroll related costs in 2018 is \$3.7 million.

Benefits and Other Payroll Related Costs are expected to increase 7.7% or from \$5.2 million to \$5.6 million.

*Scholarships and Financial Aid*

UNT Dallas strategic initiative is to remain one of the most affordable universities in the North Texas region and to limit student debt to approximately 60% of first year salary of our graduates by 2021, which require a concentrated effort around scholarships and financial aid. UNT Dallas school profile with TEXAS CREWS (2014 data) indicated a 0.62:1 ratio for Loan/1<sup>st</sup> year wage. UNT Dallas is on-track to achieve the 60% goal by 2021. In support of this goal, the university has budgeted institutionally funded scholarships of \$1.5 million in addition to mandated set-asides for tuition grants. In a unified effort to provide more scholarships to our students, the Office of University Advancement will focus fundraising efforts around spendable scholarships as well as increasing endowment funds. Financial Aid related to PELL grants and Texas Grants will increase approximately \$2.5 million in FY 2018, or 43%.

In order to further align the budget with the Annual Financial Reporting (AFR) process; there are changes regarding budget treatment for discounts & allowances (D&A) in 2018. This realignment effects only the budget categories and produces a net zero impact to fund balance. In FY 2017 the budget placed amounts for institutionally funded scholarships, mandated set-asides, and exemptions in an expense budget category, "Scholarships, Exemptions, and Financial Aid". In FY 2018 these amounts are being placed in a revenue budget category "Net Tuition and Fees" as a contra-revenue. Due to this realignment, a comparison of Scholarships and Financial Aid from FY 2017 to FY 2018 will be misleading. To provide a better comparison, if the D&A changes are removed (reduce FY 2017 Scholarship & Financial Aid budget by \$4M; from \$11M to \$7M), the university estimates a 28.6% increase in Scholarships & Financial Aid; \$7M in FY 2017 vs. \$9M in FY 2018.

### *Debt Service*

Debt service will increase slightly in FY 2018; increase is related to the Residence Hall Revenue Financing System (RFS) Bond repayment. The major difference is the budget category for Principal and Interest payments. In FY 2017 the principal and interest payments were budgeted in an expense budget category (current funds), in FY 2018 they are budgeted as a transfer from current to non-current funds. Change in budget category has no impact on fund balance.

### *Transfers*

Increased faculty/staff headcount and student enrollment has subsequently increased the costs of System allocations. UNT Dallas recognizes the benefits of cost-cutting efficiencies through shared services and the reasonable increase in allocation costs. Other intra-system transfers have remained mostly flat.

### *Reserves*

Use of General Revenue Dedicated (GRD) fund balance will be used to fund salaries and payroll related costs in FY 2018 for \$2.9 million. The university has built excess reserves in the state treasury; salaries and payroll related costs are an allowable expense and the positions are vital to campus operations. Positions funded by GRD fund balance in 2018 will be moved to designated unrestricted sources in 2019.

Use of Designated unrestricted fund balance can be used to offset the projected deficit associated with the Residence Hall first year operations. When the Residence Hall becomes self-sustaining the funds will be paid back to designated unrestricted fund balance.

Overall use of reserves is budgeted at \$3.0 million

### *Capital Expenditures*

Construction on the new Student Learning & Success Center (SLSC) will begin in FY 2018, estimated expenses of \$33.4 million funded from Tuition Revenue Bond (TRB) debt proceeds. The project will not be completed until FY 2019 but significant progress will take place in FY 2018. Planned use of Higher Education Funds in the amount of \$695K to purchase university vehicles, establish a secured parking area for university vehicles and equipment, complete the final year of the classroom digital upgrade project, and possible capital expenditures related to the SLSC not covered by TRB debt proceeds.



## Fiscal Year 2018 Summary – Current Funds

### Budget for Revenues, Expenditures & Other Changes in Fund Balances

	FY 2017 Forecast (Actuals)	FY 2017 Budget	FY 2018 Budget	Budget Increases (Decreases) from FY2017 to FY2018	
				Amount	Percent
<b>Revenues</b>					
Net Tuition and Fees	17,500,000	20,544,785	19,359,028	(1,185,757)	-5.8%
Sales of Goods and Services	350,000	195,000	822,500	627,500	321.8%
Grant and Contracts	8,250,000	6,879,681	9,651,215	2,771,534	40.3%
State Appropriations	16,932,410	22,805,189	25,718,429	2,913,240	12.8%
Capital Appropriations - HEF	2,113,004	2,113,004	2,113,004	-	-
Net Professional Fees	-	-	-	-	-
Gift Income	420,000	1,017,000	500,000	(517,000)	-50.8%
Investment Income	200,000	36,000	216,000	180,000	500.0%
Other Revenue	17,000	-	20,000	20,000	0.0%
<b>Total</b>	<b>45,782,414</b>	<b>53,590,659</b>	<b>58,400,176</b>	<b>4,809,517</b>	<b>9.0%</b>
<b>Expenditures</b>					
Personnel Costs	24,273,993	26,727,842	29,755,099	3,027,257	11.3%
Supplies and Other	4,550,000	5,186,929	6,234,730	1,047,801	20.2%
Travel	350,000	591,206	532,875	(58,331)	-9.9%
Purchased Services	1,100,000	932,582	1,048,755	116,173	12.5%
Scholarships, Exemptions, and Financial Aid	7,750,000	10,962,516	8,951,215	(2,011,301)	-18.3%
Debt Service - Principal	7,163,050	7,218,663	-	(7,218,663)	-100.0%
Capital Outlay	1,179,456	2,115,685	779,026	(1,336,659)	-63.2%
Federal and State Pass-Through Expense	-	-	-	-	-
Interest Expense and Fiscal Charges	1,431,038	1,440,811	-	(1,440,811)	-100.0%
<b>Total</b>	<b>47,797,537</b>	<b>55,176,234</b>	<b>47,301,700</b>	<b>(7,874,534)</b>	<b>-14.3%</b>
<b>Excess Income Over Expenditures</b>	<b>(2,015,123)</b>	<b>(1,585,575)</b>	<b>11,098,476</b>	<b>12,684,051</b>	<b>800.0%</b>
<b>Transfers</b>					
<i>Interfund Transfers and Transfers Between UNTS Components</i>					
Transfers In/(Out)	(5,056,158)	(4,394,335)	(14,141,944)	(9,747,609)	221.8%
<i>Other Transfers</i>					
Transfers to Other State Agencies In/(Out)	-	-	-	-	-
Other Legislative Transfers In/(Out)	9,078,520	4,205,741	-	(4,205,741)	-100.0%
<b>Total</b>	<b>4,022,362</b>	<b>(188,594)</b>	<b>(14,141,944)</b>	<b>(13,953,350)</b>	<b>7398.6%</b>
<b>Estimated Impact on Fund Balance</b>	<b>2,007,239</b>	<b>(1,774,169)</b>	<b>(3,043,468)</b>	<b>(1,269,299)</b>	<b>71.5%</b>
<b>Planned Use of Fund Balances</b>	<b>-</b>	<b>1,774,169</b>	<b>3,155,236</b>	<b>1,381,067</b>	<b>77.8%</b>

Budget Detail by Fund Group – Current Funds

	Current Funds				Current Funds
	Educational & General	Designated Operating	Auxiliary	Restricted Expendable	
<b>REVENUES</b>					
Net Tuition and Fees	6,065,941	13,283,227	9,860	-	19,359,028
Sales of Goods and Services	-	4,410	818,090	-	822,500
Grants and Contracts	1,757,215	-	-	7,894,000	9,651,215
State Appropriations	25,718,429	-	-	-	25,718,429
Capital Appropriations	2,113,004	-	-	-	2,113,004
Net Professional Fees	-	-	-	-	-
Gift Income	-	200,000	-	300,000	500,000
Investment Income	-	160,000	-	56,000	216,000
Other Revenue	-	-	20,000	-	20,000
<b>Revenues</b>	<b>35,654,589</b>	<b>13,647,637</b>	<b>847,950</b>	<b>8,250,000</b>	<b>58,400,176</b>
<b>EXPENDITURES</b>					
Salaries - Faculty	9,488,191	353,129	-	150,000	9,991,320
Salaries - Staff	11,557,550	965,845	165,360	500,000	13,188,755
Wages and Other Compensation	317,400	597,556	20,000	30,000	964,956
Benefits and Other Payroll-Related Costs	5,108,864	312,329	38,875	150,000	5,610,068
Cost of Goods Sold	-	-	-	-	-
Professional Fees and Services	-	978,755	70,000	-	1,048,755
Travel	-	432,875	-	100,000	532,875
Materials and Supplies	1,764,532	1,400,854	59,860	-	3,225,246
Communication and Utilities	-	658,059	89,370	-	747,429
Repairs and Maintenance	-	272,098	-	-	272,098
Rentals and Leases	-	234,820	-	-	234,820
Printing and Reproduction	-	378,082	20,000	-	398,082
Debt Service - Principal	-	-	-	-	-
Debt Service - Interest	-	-	-	-	-
Capital Expenditures	695,000	84,026	-	-	779,026
Federal and State Pass-Through Expense	-	-	-	-	-
Scholarships, Exemptions, and Financial Aid	1,757,215	-	-	7,194,000	8,951,215
Other Expenditures	-	1,269,055	18,000	70,000	1,357,055
<b>Expenditures</b>	<b>30,688,752</b>	<b>7,937,483</b>	<b>481,465</b>	<b>8,194,000</b>	<b>47,301,700</b>
<b>TRANSFERS</b>					
<i>Intra-campus Transfers Between Funds:</i>					
Debt Service Transfer In (Out)	(7,933,332)	(495,000)	(554,226)	-	(8,982,558)
Inter-Fund Transfer In/(Out)	-	-	-	-	-
<i>Transfers Between UNTS Components:</i>					
Shared Services	-	(2,601,240)	-	-	(2,601,240)
Core Services	-	(1,269,425)	-	-	(1,269,425)
Other Inter-Unit Transfers In/(Out)	-	(1,288,721)	-	-	(1,288,721)
<i>Other Transfers:</i>					
Transfer to Other State Agencies In/(Out)	-	-	-	-	-
Other Legislative Transfers In/(Out)	-	-	-	-	-
<b>Transfers</b>	<b>(7,933,332)</b>	<b>(5,654,386)</b>	<b>(554,226)</b>	<b>-</b>	<b>(14,141,944)</b>
<b>Estimated Impact on Fund Balance</b>	<b>(2,967,495)</b>	<b>55,768</b>	<b>(187,741)</b>	<b>56,000</b>	<b>(3,043,468)</b>
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>					
Auxiliary Funded Projects	-	-	-	-	-
GR-D Fund Balance (State Treasury)	2,967,495	-	-	-	2,967,495
Residence Hall	-	187,741	-	-	187,741
Facilities Construction & Development	-	-	-	-	-
Debt Proceeds	-	-	-	-	-
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>	<b>2,967,495</b>	<b>187,741</b>	<b>-</b>	<b>-</b>	<b>3,155,236</b>

Budget Detail by Fund Group – Non-Current Funds

	Non-Current Funds				FY18
	Endowment Funds	Loan Funds	Plant and Debt	Non-Current	Allfunds
<b>REVENUES</b>					
Net Tuition and Fees	-	-	-	-	19,359,028
Sales of Goods and Services	-	-	-	-	822,500
Grants and Contracts	-	-	-	-	9,651,215
State Appropriations	-	-	-	-	25,718,429
Capital Appropriations	-	-	-	-	2,113,004
Net Professional Fees	-	-	-	-	-
Gift Income	600,000	-	-	600,000	1,100,000
Investment Income	-	-	-	-	216,000
Other Revenue	-	-	-	-	20,000
<b>Revenues</b>	<b>600,000</b>	<b>-</b>	<b>-</b>	<b>600,000</b>	<b>59,000,176</b>
<b>EXPENDITURES</b>					
Salaries - Faculty	-	-	-	-	9,991,320
Salaries - Staff	-	-	-	-	13,188,755
Wages and Other Compensation	-	-	-	-	964,956
Benefits and Other Payroll-Related Costs	-	-	-	-	5,610,068
Cost of Goods Sold	-	-	-	-	-
Professional Fees and Services	-	-	-	-	1,048,755
Travel	-	-	-	-	532,875
Materials and Supplies	-	-	-	-	3,225,246
Communication and Utilities	-	-	-	-	747,429
Repairs and Maintenance	-	-	-	-	272,098
Rentals and Leases	-	-	-	-	234,820
Printing and Reproduction	-	-	-	-	398,082
Debt Service - Principal	-	-	5,362,915	5,362,915	5,362,915
Debt Service - Interest	-	-	3,619,643	3,619,643	3,619,643
Capital Expenditures	-	-	33,400,000	33,400,000	34,179,026
Federal and State Pass-Through Expense	-	-	-	-	-
Scholarships, Exemptions, and Financial Aid	-	-	-	-	8,951,215
Other Expenditures	-	-	-	-	1,357,055
<b>Expenditures</b>	<b>-</b>	<b>-</b>	<b>42,382,558</b>	<b>42,382,558</b>	<b>89,684,258</b>
<b>TRANSFERS</b>					
<i>Intra-campus Transfers Between Funds:</i>					
Debt Service Transfer In (Out)	-	-	8,982,558	8,982,558	-
Inter-Fund Transfer In/(Out)	-	-	-	-	-
<i>Transfers Between UNTS Components:</i>					
Shared Services	-	-	-	-	(2,601,240)
Core Services	-	-	-	-	(1,269,425)
Other Inter-Unit Transfers In/(Out)	-	-	-	-	(1,288,721)
<i>Other Transfers:</i>					
Transfer to Other State Agencies In/(Out)	-	-	-	-	-
Other Legislative Transfers In/(Out)	-	-	-	-	-
<b>Transfers</b>	<b>-</b>	<b>-</b>	<b>8,982,558</b>	<b>8,982,558</b>	<b>(5,159,386)</b>
<b>Estimated Impact on Fund Balance</b>	<b>600,000</b>	<b>-</b>	<b>(33,400,000)</b>	<b>(32,800,000)</b>	<b>(35,843,468)</b>
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>					
Auxiliary Funded Projects	-	-	-	-	-
GR-D Fund Balance (State Treasury)	-	-	-	-	2,967,495
Residence Hall	-	-	-	-	187,741
Facilities Construction & Development	-	-	-	-	-
Debt Proceeds	-	-	33,400,000	33,400,000	33,400,000
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>	<b>-</b>	<b>-</b>	<b>33,400,000</b>	<b>33,400,000</b>	<b>36,555,236</b>

Budgeted Revenue Breakout by Fund – Current Funds

	Educational & General	Designated Operating	Auxiliary	Restricted Expendable	Current Funds
Resident Undergrad Tuition	3,251,148	13,002,803	-	-	16,253,951
Non-resident Undergrad Tuition	-	-	-	-	-
Other Undergrad Tuition	-	-	-	-	-
Waivers Undergrad Tuition	-	-	-	-	-
<b>Gross Undergraduate Tuition</b>	<b>3,251,148</b>	<b>13,002,803</b>	-	-	<b>16,253,951</b>
Resident Graduate Tuition	3,866,694	3,338,403	-	-	7,205,097
Non-resident Graduate Tuition	-	-	-	-	-
Other Graduate Tuition	-	-	-	-	-
Waivers Graduate Tuition	-	-	-	-	-
<b>Gross Graduate Tuition</b>	<b>3,866,694</b>	<b>3,338,403</b>	-	-	<b>7,205,097</b>
Fees - Instructional	-	-	-	-	-
Fees - Mandatory	-	915,315	-	-	915,315
Fees - Incidental	-	260,900	9,860	-	270,760
Waivers - Fees	(151,635)	(185,172)	-	-	(336,807)
<b>Gross Fees</b>	<b>(151,635)</b>	<b>991,043</b>	<b>9,860</b>	-	<b>849,268</b>
Disc & Allow-Tuition and Fee	(900,266)	(4,049,022)	-	-	(4,949,288)
<b>Discount and Allowances</b>	<b>(900,266)</b>	<b>(4,049,022)</b>	-	-	<b>(4,949,288)</b>
Tuition and Waiver Conversion	-	-	-	-	-
<b>Net Tuition and Fees</b>	<b>6,065,941</b>	<b>13,283,227</b>	<b>9,860</b>	-	<b>19,359,028</b>
Athletics	-	-	-	-	-
Auxiliary Enterprises	-	-	818,090	-	818,090
Discounts and Allowances - Auxiliaries	-	-	-	-	-
Other Sales of Goods and Services	-	4,410	-	-	4,410
<b>Sales of Goods and Services</b>	-	<b>4,410</b>	<b>818,090</b>	-	<b>822,500</b>
Federal Programs and Contracts	-	-	-	616,000	616,000
Federal Financial Aid	-	-	-	6,746,000	6,746,000
State Programs and Contracts	-	-	-	282,000	282,000
State Financial Aid	1,757,215	-	-	-	1,757,215
Other Grants and Contracts	-	-	-	250,000	250,000
<b>Grants and Contracts</b>	<b>1,757,215</b>	-	-	<b>7,894,000</b>	<b>9,651,215</b>
State Appropriations - General	22,161,863	-	-	-	22,161,863
State Appropriations - Additional	3,556,566	-	-	-	3,556,566
<b>State Appropriations</b>	<b>25,718,429</b>	-	-	-	<b>25,718,429</b>
Capital Appropriations - HEF	2,113,004	-	-	-	2,113,004
<b>Capital Appropriations</b>	<b>2,113,004</b>	-	-	-	<b>2,113,004</b>
Gross Professional Fees	-	-	-	-	-
Contractual Allowances and Discounts	-	-	-	-	-
<b>Net Professional Fees</b>	-	-	-	-	-
<b>Gift Income</b>	-	<b>200,000</b>	-	<b>300,000</b>	<b>500,000</b>
<b>Investment Income</b>	-	<b>160,000</b>	-	<b>56,000</b>	<b>216,000</b>
<b>Other Revenue</b>	-	-	<b>20,000</b>	-	<b>20,000</b>
<b>Revenues</b>	<b>35,654,589</b>	<b>13,647,637</b>	<b>847,950</b>	<b>8,250,000</b>	<b>58,400,176</b>

**Fiscal Year 2018 – UNT Dallas**  
**Budget - Current Funds by Quarter**

	Q1 FYTD Estimate	Q2 FYTD Estimate	Q3 FYTD Estimate	Q4 FYTD Budget
<b>Revenues</b>				
Net Tuition and Fees	8,324,382	16,455,174	17,810,306	19,359,028
Sales of Goods and Services	205,625	411,250	616,875	822,500
Grants and Contracts	2,123,267	6,755,851	7,720,972	9,651,215
State Appropriations	22,889,402	23,918,139	24,689,692	25,718,429
Capital Appropriations	2,113,004	2,113,004	2,113,004	2,113,004
Net Professional Fees	-	-	-	-
Gift Income	125,000	250,000	375,000	500,000
Investment Income	54,000	108,000	162,000	216,000
Other Revenue	5,000	10,000	15,000	20,000
<b>Total Revenues</b>	<b>35,839,680</b>	<b>50,021,417</b>	<b>53,502,849</b>	<b>58,400,176</b>
<b>Expenditures</b>				
Salaries - Faculty	1,998,264	4,496,094	6,993,924	9,991,320
Salaries - Staff	2,637,751	5,934,940	9,232,129	13,188,755
Wages and Other Compensation	192,991	434,230	675,469	964,956
Benefits and Other Payroll-Related Costs	1,122,014	2,524,531	3,927,048	5,610,068
Cost of Goods Sold	-	-	-	-
Professional Fees and Services	262,189	524,378	786,566	1,048,755
Travel	133,219	266,438	399,656	532,875
Materials and Supplies	806,312	1,612,623	2,418,935	3,225,246
Communication and Utilities	186,857	373,715	560,572	747,429
Repairs and Maintenance	68,025	136,049	204,074	272,098
Rentals and Leases	58,705	117,410	176,115	234,820
Printing and Reproduction	99,521	199,041	298,562	398,082
Capital Expenditures	77,903	389,513	545,318	779,026
Federal and State Pass-Through Expense	-	-	-	-
Scholarships, Exemptions, and Financial Aid	1,969,267	6,265,851	7,160,972	8,951,215
Other Expenditures	339,264	678,528	1,017,791	1,357,055
<b>Total Expenditures</b>	<b>9,952,280</b>	<b>23,953,339</b>	<b>34,397,129</b>	<b>47,301,700</b>
<b>Transfers</b>				
<b><i>Intra-campus Transfers Between Funds:</i></b>				
Debt Service Transfer In (Out)	(2,245,640)	(4,491,279)	(6,736,919)	(8,982,558)
Inter-Fund Transfer In/(Out)	-	-	-	-
<b><i>Transfers Between UNTS Components:</i></b>				
Shared Services	(650,310)	(1,300,620)	(1,950,930)	(2,601,240)
Core Services	(317,356)	(634,713)	(952,069)	(1,269,425)
Other Inter-Unit Transfers In/(Out)	(322,180)	(644,361)	(966,541)	(1,288,721)
<b><i>Other Transfers:</i></b>				
Transfer to Other State Agencies In/(Out)	-	-	-	-
Other Legislative Transfers In/(Out)	-	-	-	-
<b>Total Transfers</b>	<b>(3,535,486)</b>	<b>(7,070,972)</b>	<b>(10,606,458)</b>	<b>(14,141,944)</b>





# UNT System Administration Budget Overview

## Executive Summary and Highlights

### Strategic Impact and Major Goals Addressed by FY 2018 Budget

Over the last three and a half years, the UNT System Administration budget has reflected the phased-in implementation for financial and operational improvements. The purpose of this transformation includes establishing core institutional operations resulting in strengthened governance, process efficiency, accountability, data transparency, financial and human resource applications, and savings where applicable. The end result is consistency in financial data delivery and implementation of scalable operations to support our growing universities.

Significant investments in people, technology and change have moved the System Administration and component units to more unified financial administrative practices while addressing many specific areas. The result is reflected in consolidated operations that are now stabilizing in purpose and function. In addition, areas such as Information Technology Shared Services (ITSS) and Facilities, Planning, and Construction continue to deliver a large volume of projects.

Sustaining the progress is a commitment addressed in the FY 2018 budget. Additional resources were added during 2016 and carried forward to 2017. The FY 2018 budget funds ongoing operations that have stabilized from FY 2017 to FY 2018. The FY 2017 budget relied on one time cost reductions and one time funding from reserve to support ongoing operations. The FY 2018 budget closes this funding gap. Our commitment to fiscal responsibility is demonstrated through our actions. Examples of these actions over FY 2016, FY 2017 and FY 2018 are represented below:

### **Outsourcing of Five Services as a Result of Internal Effectiveness Analysis:**

Evaluating services for more cost-effective solutions is important. The results of a cost/benefit analysis yielded the following services to be outsourced with improvements to customer service.

- Tax compliance
- Family and Medical Leave Act (FMLA) processing
- Affordable Care Act (ACA) processing
- Employee Verifications
- Co-sourcing Internal Audit

### **Reductions/Internal Reallocations Amounting to More Than \$5M over 2 Years:**

Beginning in FY 2016, System Administration began reducing the burden of costs to the component institutions and began bearing more of the costs directly. This resulted in budget challenges. As the needs of the organization shifted, System Administration absorbed many of them through internal reallocations. In FY 2017, the System budget was reduced by approximately \$3.7m, which resulted in no merit/performance raises, for the staff and other operating reductions. In FY 2018, the reductions/reallocations are expected to be approximately \$1.5M in addition to other negotiated cost containment savings.

**FTE reductions of Core and Shared Services:**

The System Administration critically evaluates vacancies as they occur to determine if replacement staff are needed, the position can be eliminated, or if they can be repurposed to meet the growing and changing needs of the organization. Two positions have been eliminated, six positions have repurposed to areas of greater need. Examples include budget, policy, 403(b) management, and EIS Campus Solutions support.

**Cost Containment Measures Result in Approximately \$1M for 2018:**

ITSS Shared Services has taken specific actions to renegotiate contracts with external vendors, providing cost-effective options for component institutions. This will yield net savings of more than \$2M over a five-year period, with approximately \$1M realized in FY 2018.

With the stabilization of the operations and staffing, process reengineering will continue to be aggressively pursued for resulting efficiencies and cost effective operations with the goal of enhancing customer service. Customer service continues to be phased in as a major strategic initiative over this new budget year. Resources in Service Now technology and employee engagement support this initiative in FY 2018.

UNT System Administration includes:

**Core Services**

- Academic Affairs and Student Success
- Board of Regents
- Chancellor’s Office
- External Relations
- Facilities Planning and Construction
- Finance
- General Counsel
- Government Relations
- Internal Audit

**Shared Services**

- Information Technology
- Business Support Services
- Human Resources

**Revenues**

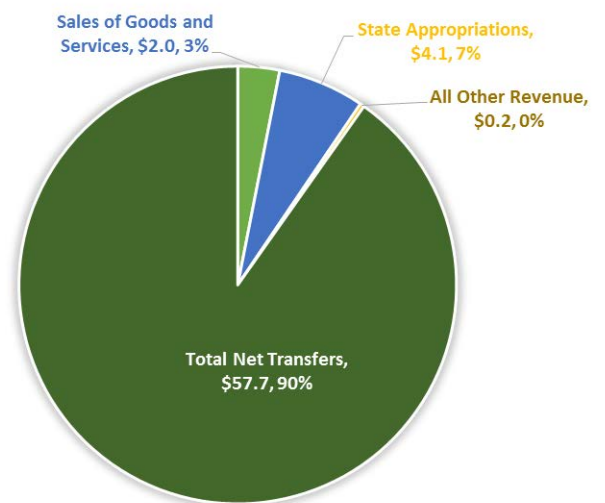
*State Appropriations*

- Supports salaries for the System Administration;
- Remainder of the appropriation supports the Universities Center at Dallas and North Texas Federation, which will be transferred to other state institutions as appropriate.

*Auxiliary – 1900 Elm Street (Majestic Lofts)*

- The Lofts maintain average 97% occupancy. Due to the healthy downtown market, rents continue to increase for newly signed leases.
- Continue to seek tenants for other available space.

**FY2018 BUDGET REVENUES AND TRANSFERS**  
(IN MILLIONS)



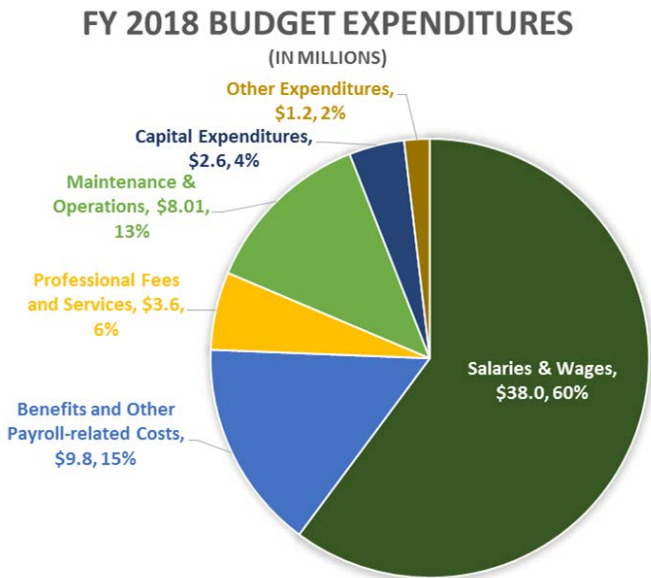
## Transfers

- Transfers from UNTS institutions support both core and shared services provided to the institutions.
- Project based construction management fees support the operation of the Office of Facilities, Planning and Construction.

## Expenditures

The increase in the expenditure budget is due to multiple factors:

- Some expenses have shifted from component institutions to System Administration due to funding mix options available to component institutions.
- Increase in operating costs, such as merit, IT licensing, new technology, etc. totaling approximately \$1.8M.
- Creation of a 20-Year plan to meet the 22-week strategic goal for operating reserves.



FTE Categories	FY 2016 Budget	FY 2017 Budget	FY 2018 Budget
Administrators	16.0	17.0	18.0
Faculty	0.0	0.0	0.0
Other Staff	513.0	542.3	530.3
<b>Total FTE</b>	<b>529.0</b>	<b>559.3</b>	<b>548.3</b>

## Reserves and Capital Expenditures

In FY 2018, there are no new capital projects. However, the renovation of the Municipal Building is on schedule and continues to be within budget.

In order to meet the 22-week strategic goal for operating reserves and provide a fund balance, this budget reflects approximately \$750K in surplus, which will increase our expected unrestricted balance.

## Summary

UNT System Administration continues to strengthen its commitment to innovation, collaboration and fiscal responsibility in support of the UNT System institutions and the communities we serve. There have been significant resources invested into the UNT System’s enterprise. The organization is finally in the midst of stabilizing in many areas but still recognizes there is plenty of work left to do.





# Fiscal Year 2018 Summary – Current Funds

## Budget for Revenues, Expenditures & Other Changes in Fund Balances



	FY 2017 Forecast (Actuals)	FY 2017 Budget	FY 2018		FY 2018 Final Budget	Budget Increases (Decreases) from FY2017 to FY2018	
			Distribution of Internal Income	Distribution of Internal Income		Amount	Percent
<b>Revenues</b>							
Net Tuition and Fees	-	-	-	-	-	-	0.0%
Sales of Goods and Services	1,899,505	1,899,505	1,975,485	-	1,975,485	75,980	4.0%
Grant and Contracts	-	-	-	-	-	-	0.0%
State Appropriations	8,150,650	8,150,650	4,089,548	-	4,089,548	(4,061,102)	-49.8%
Capital Appropriations - HEF	-	-	-	-	-	-	-
Net Professional Fees	-	-	-	-	-	-	-
Gift Income	-	-	-	-	-	-	0.0%
Investment Income	250,000	165,989	201,139	-	201,139	35,150	21.2%
Other Revenue	250,000	-	-	-	-	-	0.0%
<b>Total</b>	<b>10,550,155</b>	<b>10,216,144</b>	<b>6,266,172</b>	<b>-</b>	<b>6,266,172</b>	<b>(3,949,972)</b>	<b>-38.7%</b>
<b>Expenditures</b>							
Personnel Costs	49,094,434	51,271,640	52,386,640	(4,571,576)	47,815,064	(3,456,576)	-6.7%
Supplies and Other	9,844,493	8,946,718	11,279,637	(2,569,640)	8,709,997	(236,721)	-2.6%
Travel	400,000	1,021,566	568,263	(75,732)	492,531	(529,035)	-51.8%
Purchased Services	4,185,206	4,282,951	3,755,182	(122,623)	3,632,559	(650,392)	-15.2%
Scholarships, Exemptions, and Financial Aid	-	-	-	-	-	-	0.0%
Debt Service - Principal	5,411,241	3,066,359	-	-	-	(3,066,359)	-100.0%
Capital Outlay	632,830	304,500	2,582,991	-	2,582,991	2,278,491	748.3%
Federal and State Pass-Through Expense	-	-	-	-	-	-	-
Interest Expense and Fiscal Charges	1,545,591	3,890,472	-	-	-	(3,890,472)	(1.00)
Internal (Income)	(5,259,869)	(7,339,579)	(7,339,571)	7,339,571	-	7,339,579	-100.0%
<b>Total</b>	<b>65,853,926</b>	<b>65,444,627</b>	<b>63,233,142</b>	<b>-</b>	<b>63,233,142</b>	<b>(2,211,485)</b>	<b>-3.4%</b>
<b>Excess Income Over Expenditures</b>	<b>(55,303,771)</b>	<b>(55,228,483)</b>	<b>(56,966,970)</b>	<b>-</b>	<b>(56,966,970)</b>	<b>(1,738,487)</b>	<b>-3.1%</b>
<b>Transfers</b>							
<i>Interfund Transfers and Transfers Between UNTS Components</i>							
Transfers In/(Out)	45,194,752	47,178,111	46,237,185	-	46,237,185	(940,926)	-2.0%
<i>Other Transfers</i>							
Transfers to Other State Agencies In/(Out)	-	(212,784)	(141,823)	-	(141,823)	70,961	(0.33)
Other Legislative Transfers In/(Out)	6,657,269	5,870,053	11,627,374	-	11,627,374	5,757,321	98.1%
<b>Total</b>	<b>51,852,021</b>	<b>52,835,380</b>	<b>57,722,736</b>	<b>-</b>	<b>57,722,736</b>	<b>4,887,356</b>	<b>9.3%</b>
<b>Estimated Impact on Fund Balance</b>	<b>(3,451,750)</b>	<b>(2,393,103)</b>	<b>755,766</b>	<b>-</b>	<b>755,766</b>	<b>3,148,869</b>	<b>131.6%</b>
<b>Planned Use of Fund Balances</b>	<b>3,451,750</b>	<b>2,393,103</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,393,103)</b>	<b>-100.0%</b>

**Fiscal Year 2018 – UNT System Administration**  
**Budget Detail by Fund Group – Current Funds**



	Current Funds				Current Funds
	Educational & General	Designated Operating	Auxiliary	Restricted Expendable	
<b>REVENUES</b>					
Net Tuition and Fees	-	-	-	-	-
Sales of Goods and Services	-	-	1,975,485	-	1,975,485
Grants and Contracts	-	-	-	-	-
State Appropriations	4,089,548	-	-	-	4,089,548
Capital Appropriations	-	-	-	-	-
Net Professional Fees	-	-	-	-	-
Gift Income	-	-	-	-	-
Investment Income	-	201,139	-	-	201,139
Other Revenue	-	-	-	-	-
<b>Revenues</b>	<b>4,089,548</b>	<b>201,139</b>	<b>1,975,485</b>	<b>-</b>	<b>6,266,172</b>
<b>EXPENDITURES</b>					
Salaries - Faculty	-	-	-	-	-
Salaries - Staff	8,763,474	28,068,789	-	-	36,832,263
Wages and Other Compensation	140,520	1,068,853	-	-	1,209,373
Benefits and Other Payroll-Related Costs	2,297,546	7,475,882	-	-	9,773,428
Cost of Goods Sold	-	-	-	-	-
Professional Fees and Services	-	3,208,937	423,622	-	3,632,559
Travel	-	492,531	-	-	492,531
Materials and Supplies	-	822,383	18,782	-	841,165
Communication and Utilities	-	614,927	191,395	-	806,322
Repairs and Maintenance	-	4,977,439	276,930	-	5,254,369
Rentals and Leases	-	453,096	82,262	-	535,358
Printing and Reproduction	-	82,708	950	-	83,658
Debt Service - Principal	-	-	-	-	-
Debt Service - Interest	-	-	-	-	-
Capital Expenditures	-	2,432,991	150,000	-	2,582,991
Federal and State Pass-Through Expense	-	-	-	-	-
Scholarships, Exemptions, and Financial Aid	-	-	-	-	-
Other Expenditures	-	887,287	301,838	-	1,189,125
<b>Expenditures</b>	<b>11,201,540</b>	<b>50,585,823</b>	<b>1,445,779</b>	<b>-</b>	<b>63,233,142</b>
<b>TRANSFERS</b>					
<i>Intra-campus Transfers Between Funds:</i>					
Debt Service Transfer In (Out)	(4,367,747)	(1,739,140)	(878,722)	-	(6,985,609)
Inter-Fund Transfer In/(Out)	-	(349,016)	349,016	-	-
<i>Transfers Between UNTS Components:</i>					
Shared Services	-	29,438,405	-	-	29,438,405
Core Services	-	22,615,922	-	-	22,615,922
Other Inter-Unit Transfers In/(Out)	-	1,168,467	-	-	1,168,467
<i>Other Transfers:</i>					
Transfer to Other State Agencies In/(Out)	(141,823)	-	-	-	(141,823)
Other Legislative Transfers In/(Out)	11,627,374	-	-	-	11,627,374
<b>Transfers</b>	<b>7,117,804</b>	<b>51,134,638</b>	<b>(529,706)</b>	<b>-</b>	<b>57,722,736</b>
<b>Estimated Impact on Fund Balance</b>	<b>5,812</b>	<b>749,954</b>	<b>-</b>	<b>-</b>	<b>755,766</b>
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>					
Auxiliary Funded Projects	-	-	-	-	-
GR-D Fund Balance (State Treasury)	-	-	-	-	-
Residence Hall	-	-	-	-	-
Facilities Construction & Development	-	142,276	-	-	142,276
Debt Proceeds	-	-	-	-	-
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>	<b>-</b>	<b>142,276</b>	<b>-</b>	<b>-</b>	<b>142,276</b>

**Fiscal Year 2018 - UNT System Administration**  
**Budget Detail by Fund Group – Non-Current Funds**



	<i>Non-Current Funds</i>				<i>FY18</i>
	<b>Endowment Funds</b>	<b>Loan Funds</b>	<b>Plant and Debt</b>	<b>Non-Current</b>	<b>Allfunds</b>
<b>REVENUES</b>					
Net Tuition and Fees	-	-	-	-	-
Sales of Goods and Services	-	-	-	-	1,975,485
Grants and Contracts	-	-	-	-	-
State Appropriations	-	-	-	-	4,089,548
Capital Appropriations	-	-	-	-	-
Net Professional Fees	-	-	-	-	-
Gift Income	-	-	-	-	-
Investment Income	-	-	-	-	201,139
Other Revenue	-	-	-	-	-
<b>Revenues</b>	-	-	-	-	<b>6,266,172</b>
<b>EXPENDITURES</b>					
Salaries - Faculty	-	-	-	-	-
Salaries - Staff	-	-	-	-	36,832,263
Wages and Other Compensation	-	-	-	-	1,209,373
Benefits and Other Payroll-Related Costs	-	-	-	-	9,773,428
Cost of Goods Sold	-	-	-	-	-
Professional Fees and Services	-	-	-	-	3,632,559
Travel	-	-	-	-	492,531
Materials and Supplies	-	-	-	-	841,165
Communication and Utilities	-	-	-	-	806,322
Repairs and Maintenance	-	-	-	-	5,254,369
Rentals and Leases	-	-	-	-	535,358
Printing and Reproduction	-	-	-	-	83,658
Debt Service - Principal	-	-	3,781,900	3,781,900	3,781,900
Debt Service - Interest	-	-	3,203,709	3,203,709	3,203,709
Capital Expenditures	-	-	25,200,000	25,200,000	27,782,991
Federal and State Pass-Through Expense	-	-	-	-	-
Scholarships, Exemptions, and Financial Aid	-	-	-	-	-
Other Expenditures	-	-	-	-	1,189,125
<b>Expenditures</b>	-	-	<b>32,185,609</b>	<b>32,185,609</b>	<b>95,418,751</b>
<b>TRANSFERS</b>					
<i>Intra-campus Transfers Between Funds:</i>					
Debt Service Transfer In (Out)	-	-	6,985,609	6,985,609	-
Inter-Fund Transfer In/(Out)	-	-	-	-	-
<i>Transfers Between UNTS Components:</i>					
Shared Services	-	-	-	-	29,438,405
Core Services	-	-	-	-	22,615,922
Other Inter-Unit Transfers In/(Out)	-	-	-	-	1,168,467
<i>Other Transfers:</i>					
Transfer to Other State Agencies In/(Out)	-	-	-	-	(141,823)
Other Legislative Transfers In/(Out)	-	-	-	-	11,627,374
<b>Transfers</b>	-	-	<b>6,985,609</b>	<b>6,985,609</b>	<b>64,708,345</b>
<b>Estimated Impact on Fund Balance</b>	-	-	<b>(25,200,000)</b>	<b>(25,200,000)</b>	<b>(24,444,234)</b>
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>					
Auxiliary Funded Projects	-	-	-	-	-
GR-D Fund Balance (State Treasury)	-	-	-	-	-
Residence Hall	-	-	-	-	-
Facilities Construction & Development	-	-	-	-	142,276
Debt Proceeds	-	-	25,200,000	25,200,000	25,200,000
<b>Planned Use of Fund Balance &amp; Debt Proceeds</b>	-	-	<b>25,200,000</b>	<b>25,200,000</b>	<b>25,342,276</b>

**Fiscal Year 2018 – UNT System Administration**  
**Budgeted Revenue Breakout by Fund – Current Funds**



	Educational & General	Designated Operating	Auxiliary	Restricted Expendable	Current Funds
Resident Undergrad Tuition	-	-	-	-	-
Non-resident Undergrad Tuition	-	-	-	-	-
Other Undergrad Tuition	-	-	-	-	-
Waivers Undergrad Tuition	-	-	-	-	-
<b>Gross Undergraduate Tuition</b>	-	-	-	-	-
Resident Graduate Tuition	-	-	-	-	-
Non-resident Graduate Tuition	-	-	-	-	-
Other Graduate Tuition	-	-	-	-	-
Waivers Graduate Tuition	-	-	-	-	-
<b>Gross Graduate Tuition</b>	-	-	-	-	-
Fees - Instructional	-	-	-	-	-
Fees - Mandatory	-	-	-	-	-
Fees - Incidental	-	-	-	-	-
Waivers - Fees	-	-	-	-	-
<b>Gross Fees</b>	-	-	-	-	-
Disc & Allow-Tuition and Fee	-	-	-	-	-
<b>Discount and Allowances</b>	-	-	-	-	-
Tuition and Waiver Conversion	-	-	-	-	-
<b>Net Tuition and Fees</b>	-	-	-	-	-
Athletics	-	-	-	-	-
Auxiliary Enterprises	-	-	1,975,485	-	1,975,485
Discounts and Allowances - Auxiliaries	-	-	-	-	-
Other Sales of Goods and Services	-	-	-	-	-
<b>Sales of Goods and Services</b>	-	-	1,975,485	-	1,975,485
Federal Programs and Contracts	-	-	-	-	-
Federal Financial Aid	-	-	-	-	-
State Programs and Contracts	-	-	-	-	-
State Financial Aid	-	-	-	-	-
Other Grants and Contracts	-	-	-	-	-
<b>Grants and Contracts</b>	-	-	-	-	-
State Appropriations - General	4,089,548	-	-	-	4,089,548
State Appropriations - Additional	-	-	-	-	-
<b>State Appropriations</b>	4,089,548	-	-	-	4,089,548
Capital Appropriations - HEF	-	-	-	-	-
<b>Capital Appropriations</b>	-	-	-	-	-
Gross Professional Fees	-	-	-	-	-
Contractual Allowances and Discounts	-	-	-	-	-
<b>Net Professional Fees</b>	-	-	-	-	-
<b>Gift Income</b>	-	-	-	-	-
<b>Investment Income</b>	-	201,139	-	-	201,139
<b>Other Revenue</b>	-	-	-	-	-
<b>Revenues</b>	<b>4,089,548</b>	<b>201,139</b>	<b>1,975,485</b>	<b>-</b>	<b>6,266,172</b>

**Fiscal Year 2018 – UNT System Administration**  
**Budget - Current Funds by Quarter**



	Q1 FYTD Estimate	Q2 FYTD Estimate	Q3 FYTD Estimate	Q4 FYTD Budget
<b>Revenues</b>				
Net Tuition and Fees	-	-	-	-
Sales of Goods and Services	493,871	987,743	1,481,614	1,975,485
Grants and Contracts	-	-	-	-
State Appropriations	1,257,889	2,201,776	3,145,662	4,089,548
Capital Appropriations	-	-	-	-
Net Professional Fees	-	-	-	-
Gift Income	-	-	-	-
Investment Income	50,285	100,570	150,855	201,139
Other Revenue	-	-	-	-
<b>Total Revenues</b>	<b>1,802,045</b>	<b>3,290,088</b>	<b>4,778,130</b>	<b>6,266,172</b>
<b>Expenditures</b>				
Salaries - Faculty	-	-	-	-
Salaries - Staff	9,208,066	18,416,132	27,624,197	36,832,263
Wages and Other Compensation	302,343	604,687	907,030	1,209,373
Benefits and Other Payroll-Related Costs	2,443,357	4,886,714	7,330,071	9,773,428
Cost of Goods Sold	-	-	-	-
Professional Fees and Services	908,140	1,816,280	2,724,419	3,632,559
Travel	123,133	246,266	369,398	492,531
Materials and Supplies	210,291	420,583	630,874	841,165
Communication and Utilities	201,581	403,161	604,742	806,322
Repairs and Maintenance	1,914,273	3,539,198	4,396,784	5,254,369
Rentals and Leases	133,840	267,679	401,519	535,358
Printing and Reproduction	20,915	41,829	62,744	83,658
Capital Expenditures	1,210,566	1,963,241	2,497,616	2,582,991
Federal and State Pass-Through Expense	-	-	-	-
Scholarships, Exemptions, and Financial Aid	-	-	-	-
Other Expenditures	297,281	594,563	891,844	1,189,125
<b>Total Expenditures</b>	<b>16,973,785</b>	<b>33,200,330</b>	<b>48,441,236</b>	<b>63,233,142</b>
<b>Transfers</b>				
<b><i>Intra-campus Transfers Between Funds:</i></b>				
Debt Service Transfer In (Out)	(1,953,994)	(1,953,994)	(6,985,609)	(6,985,609)
Inter-Fund Transfer In/(Out)	-	-	-	-
<b><i>Transfers Between UNTS Components:</i></b>				
Shared Services	7,827,824	15,031,351	22,234,878	29,438,405
Core Services	6,487,792	12,469,150	17,542,535	22,615,922
Other Inter-Unit Transfers In/(Out)	496,715	720,632	944,550	1,168,467
<b><i>Other Transfers:</i></b>				
Transfer to Other State Agencies In/(Out)	(141,823)	(141,823)	(141,823)	(141,823)
Other Legislative Transfers In/(Out)	11,627,374	11,627,374	11,627,374	11,627,374
<b>Total Transfers</b>	<b>24,343,888</b>	<b>37,752,690</b>	<b>45,221,905</b>	<b>57,722,736</b>





## Proposed Board Order



### **Board Briefing**

---

**Committee:** Finance & Facilities

**Date Filed:** August 6, 2017

**Title:** FY2018 UNT System Consolidated Budget

---

#### **Background:**

The Office of the Vice Chancellor for Finance presents to the Board of Regents the FY2018 Consolidated Budget for approval on behalf of the University of North Texas (UNT), UNT Health Science Center (UNTHSC), University of North Texas at Dallas (UNTD), and UNT System Administration (System Administration).

The proposed Budget is a combination of Current Funds for Board approval and estimates of Non-current Funds to provide the expected impact of the budget on the financial health of the institution. This All Funds approach is taken to meet the expectations of the Board of Regents for greater public transparency, accountability, and integrated financial operations at the UNT System.

The proposed Consolidated UNT System Budget is composed of current funds revenue of \$1,014.9M, current funds expenditures of \$902.3M, and total current funds net transfers of (\$101.9M). This budget results in a net impact to current fund balances of \$10.7M.

---

#### **Financial Analysis/History:**

\_\_\_\_\_  
UNT Chief Financial Officer

\_\_\_\_\_  
UNTHSC Chief Financial Officer

\_\_\_\_\_  
UNT Dallas Chief Financial Officer

\_\_\_\_\_  
Vice Chancellor for Finance

---

#### **Legal Review:**

This item has been reviewed by General Counsel.

\_\_\_\_\_  
Vice Chancellor/General Counsel

---

**Schedule:**

Once approved, this budget will be implemented for fiscal year 2018 beginning September 1, 2017.

---

**Recommendation:**

Approval of the FY2018 Consolidated Current Fund Budget for UNT, UNTHSC, UNTD and System Administration.

**Recommended By:**

Janet Waldron

---

Vice Chancellor for Finance

---

President

---

Vice Chancellor

---

Chancellor

**Attachments Filed Electronically:**

- UNT System FY2018 Consolidated Operating Budget



## Board Order

### Title: FY2018 UNT System Consolidated Budget

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on August 17-18, 2017, pursuant to a motion made by Regent and seconded by Regent \_\_\_\_\_, the Board approved the motion presented below:

Whereas, each institution of the UNT System has developed a budget for the 2018 Fiscal Year, and

Whereas, the total Current Funds revenue budget of the UNT System is summarized in the following table, and

Current Funds Revenue by UNTS Component					
	Education and General	Designated Operating	Auxiliary Enterprises	Restricted Expendable	Total Current Funds
University of North Texas	247,103,696	284,127,478	94,901,430	78,886,720	705,019,324
UNT Health Science Center	132,370,268	74,997,712	425,000	37,400,000	245,192,980
UNT Dallas	35,654,589	13,647,637	847,950	8,250,000	58,400,176
UNT System Administration	4,089,548	201,139	1,975,485	-	6,266,172
Total UNTS Consolidated	419,218,102	372,973,966	98,149,865	124,536,720	1,014,878,652

Whereas, the total Current Fund expense budget of the UNT System is summarized in the following table, and

Current Funds Expenditures by UNTS Component					
	Education and General	Designated Operating	Auxiliary Enterprises	Restricted Expendable	Total Current Funds
University of North Texas	208,017,317	224,717,774	69,615,187	78,843,536	581,193,813
UNT Health Science Center	101,548,261	70,211,578	418,000	38,392,161	210,570,000
UNT Dallas	30,688,752	7,937,483	481,465	8,194,000	47,301,700
UNT System Administration	11,201,540	50,585,823	1,445,779	-	63,233,142
Total UNTS Consolidated	351,455,870	353,452,658	71,960,431	125,429,697	902,298,655

Whereas, the total Current Fund transfer budget of the UNT System is summarized in the following table

Current Funds Transfers by UNTS Component					
	Education and General	Designated Operating	Auxiliary Enterprises	Restricted Expendable	Total Current Funds
University of North Texas	(39,086,380)	(59,226,304)	(19,317,515)	(43,184)	(117,673,383)
UNT Health Science Center	(27,181,906)	(1,617,718)	-	1,000,000	(27,799,624)
UNT Dallas	(7,933,332)	(5,654,386)	(554,226)	-	(14,141,944)
UNT System Administration	7,117,804	51,483,654	(878,722)	-	57,722,736
Total UNTS Consolidated	(67,083,814)	(15,014,754)	(20,750,463)	956,816	(101,892,215)

Now, Therefore, The Board of Regents authorizes and approves the following:

1. The FY 2018 Current Funds operating budget for UNT System institutions (UNT, UNTHSC, UNTD and UNT System Administration) as presented
- 

VOTE: \_\_\_\_\_ ayes      \_\_\_\_\_ nays      \_\_\_\_\_ abstentions

**BOARD ACTION:**

Attested By:

Approved By:

---

Rosemary R. Haggett, Secretary  
Board of Regents

---

Brint Ryan, Chairman  
Board of Regents



# Budget Manual



University of North Texas System

## Contents

<a href="#">Introduction</a>	61
<a href="#">Fiscal Year 2018 Operating Budget Calendar</a>	62
<a href="#">Budget Template</a>	63
<a href="#">Principles</a>	63
<a href="#">Budget Formulation Process</a>	64
<a href="#">Budget Units</a>	64
<a href="#">Annual Budgeting Process &amp; Timeline</a>	65
<a href="#">Miscellaneous</a>	65
<a href="#">Hyperion Budget Module</a>	66
<a href="#">Contact Information</a>	66
<a href="#">Line Item Budget Procedures</a>	66
<a href="#">Budget Categories</a>	66
<a href="#">Revenues</a>	66
<a href="#">Expenditures</a>	67
<a href="#">Transfers</a>	68
<a href="#">Estimated Fund Balances</a>	69
<a href="#">Use of Reserves</a>	69
<a href="#">Budget Review</a>	70
<a href="#">Executive Summary/Board of Regents Presentation</a>	70
<a href="#">Budget Distribution</a>	70

## Introduction

Dear Colleagues,

The University of North Texas University System is committed to serving the citizens of the State of Texas and understands that the valuable, but limited, resources provided to us must be utilized in the most efficient and effective manner and, as always, with the benefit of the State taxpayers foremost on our minds. The UNT System will continue to act as good stewards of the State of Texas' limited resources and will ensure the benefit to the State taxpayer is considered in every academic, research and service activity performed.

The UNT System remains focused on keeping the cost of attending our universities affordable, expanding student access, improving existing programs, developing new programs to meet new demands, expanding research and commercialization capabilities, and implementing cost-cutting efficiencies through shared services. The imperative of excellence in all we do and the reality of resource limitations in the State of Texas increase the difficulty of meeting these challenges and dictate that we devote our collective skills to ensuring that the productivity of all System resources is optimized.

Therefore, in preparation for the upcoming budget process, the FY 2018 budget should be focused on minimizing the financial burden on students and their families and the implementation of cost cutting/shared services initiatives.

Budget recommendations should be prepared within the estimated funds available. Reserve balances should only be used in special one-time situations or where a definite plan provides justification of a limited use of such balances. In self-supporting activities, total funds budgeted shall not exceed realistic estimates of income and balances brought forward. Recommendations for other operating expenses should be based upon careful estimates of actual needs, taking into account every possibility for savings. Every effort should be made to ensure that we are taking advantage of cost savings opportunities and reducing expenditures wherever possible. In addition, all budgetary projections should include provisions to accommodate items subject to possible inflationary increases during the course of this operating year.

We invite your feedback on this manual and supporting material as we work to address the complexity and practices identified during our financial transformation. This is an evolving process and we hope to hear from you.

## Fiscal Year 2018 Operating Budget Calendar

Between March and August, the UNTS System Office of Budget and Planning and component Budget Offices work with departments and central office administrators to prepare budgets for approval by the Board of Regents. Major milestones throughout the planning process are listed below.

Date	Action
<b>January – March , 2017</b>	Components begin 2018 budget cycles.
<b>Mid to Late April 2017</b>	System Budget & Planning issues Budget Manual/Instructions
<b>April 7, 2017</b>	Hyperion Opens for Component budget development. Components perform budget development in Hyperion.
<b>July 7, 2017</b>	Hyperion Closed for Entry. Draft Fiscal Year 2018 Budget reports generated from Hyperion for Review and Analysis by System Office of Budget and Planning and Vice Chancellor for Finance. SUBJECT TO CHANGE BASED ON LEGISLATIVE SESSION.
<b>July 10 – July 31, 2017</b>	UNTS System Office of Budget and Planning Prepares Analysis and Compiles Component Unit Budgets into the UNTS Consolidated Fiscal Year 2018 Budget and Prepares Budget Presentations.
<b>August 1-4, 2017</b>	UNTS System Office of Budget and Planning submits briefing materials for August meeting of Board of Regents.
<b>August 10, 2017</b>	UNTS System Office of Budget and Planning Posts final Fiscal Year 2018 Budget in Advance of the Board of Regents Meeting.
<b>August 17-18, 2017</b>	UNTS Board of Regents Meeting – Finance Committee (Day One).

## Budget Template

### Principles

As much as possible, the Budget template provides key stakeholders with consistent and clear financial outlooks and enable them to make decisions that will promote the System's goals and strategic priorities. Revenues and expenses should be treated consistently throughout the System. The Budget Design is structured to promote these ten principles

- 1. Be purposeful**
  - a. The budget is designed to present critical and useful information to the Board, management, and the public
- 2. Present a budget that is transparent, concise, and intuitive to support effective Board fiscal oversight**
  - a. The new budget template provides more informative amounts, including a breakout of Maintenance & Operations (M&O); a drilldown into tuition amounts; and a clarified treatment of auxiliaries
- 3. Meet the Board's expectation for consistent budget formats and accounting treatments across all institutions**
  - a. The new budget templates include all funds (current funds will be budgeted and non-current funds will be estimated) for reporting budget and actual data
- 4. Prepare budgets and reporting in accordance with the new chart of accounts for consistency, accuracy, and integrity**
  - a. The budget summary book will include multi-year trends (going forward) and consistent usage of budget line items at each UNTS component unit
- 5. Reflect all funds to capture full institutional activity, including estimates where appropriate**
  - a. UNTS will establish guidelines that ensure each component utilizes the chart of accounts consistently for budgeting and reporting
- 6. Report beginning and ending fund balances to reflect the impact of the budget on institutional resources**
  - a. The new budget template will include fund balances and more transparency regarding changes in fund balances
- 7. Present financial information that comports with the Consolidated Annual Financial Report (CAFR)**
  - a. Actual results in the all-funds format will be reconciled to the CAFR, which is the official report of UNTS' financial results
- 8. Establish and report key financial ratios and metrics as a management dashboard**
  - a. A new, annual Budget Summary Book will include key financial ratios and operating metrics as a resource for monitoring the financial and operating health of UNTS
- 9. Meet industry standards for budgeting and reporting, including best practices and state/federal requirements**
  - a. The new budget template will be consistent with best practices reflective of effective fiscal management
- 10. Provide quarterly reports of actual activity with explanations for variances from plans**
  - a. UNTS will establish a quarterly monitoring process to allow for more timely fiscal management



## ***Budget Formulation Process***

The budget development process begins shortly after the start of the fiscal year (September 1st). The Office of Budget and Planning is responsible for monitoring quarterly financial results against the budget and reporting variances, developing projections of expenditures and revenues, and assisting the Chancellor and Vice Chancellor for Finance in preparing the request for appropriations to the State of Texas every other year.

## ***Budget Units***

### **1. University of North Texas System (Consolidated):**

- a. This group includes every department operating and responsible for providing services throughout the entire UNT System. The budget officers and contacts for the Consolidated System are Paige Smith, Jim Gross, and Kerry Romine.

### **2. University of North Texas**

- a. This group includes the departments operating and responsible for providing services at the University of North Texas. The budget officers and contacts for the University of North Texas are Beverly Cotton, Brenda Cates, and Karla Romine.

### **3. University of North Texas Health Science Center**

- a. This group includes the departments operating and responsible for services at the Health Science Center. In addition, this includes physician service fees and other fees generated by professionals working out of and performing research at the Health Science Center. The budget officers and contacts for the Health Science Center are Geoffrey Scarpelli, Margaret Ambuehl, and Gail Herbert.

### **4. University of North Texas Dallas**

- a. This group includes the departments operating and responsible for providing services at the Dallas Campus. The budget officers and contacts for the University of North Dallas are Dr. Daniel Edelman and April Barnes.

### **5. University of North Texas System Administration**

- a. This group includes the Systems Office responsible for providing human resources, financial reporting, and business services. The budget officers and contacts for the University of North Texas System Administration office are Donna Asher, Godson Adedovah, and Carol Gagnon.

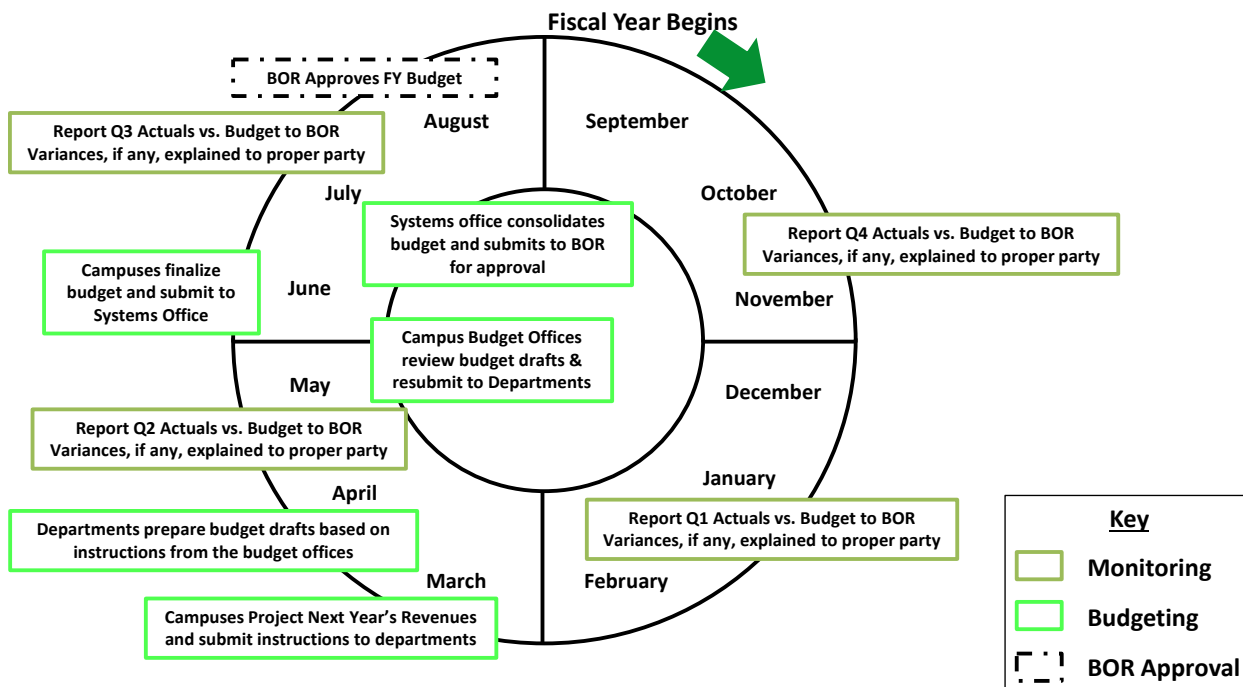
## Annual Budgeting Process & Timeline

The University of North Texas System budget offices engage in budgeting during the third and fourth quarters of the Fiscal Year between the months of March and July. The budget offices coordinate with key stakeholders across the System’s units, departments, schools and System Office.

At the beginning of this process, the President of each component unit determines the proposed and preliminary assumptions for the Fiscal Year budget and distributes general guidelines to the budget office. The budget office at each component unit creates guidelines, worksheets, and templates for the identification of strategic priority requests and submits them to the Provosts, Vice Presidents and Departments. The Provosts, Vice Presidents and Departments may have the opportunity to request above base allocations and reallocations between existing funds within their base.

In June/July, the System budget office consolidates the unit budgets into the Budget Summary Book and submits the budget to the Board of Regents for Approval in August.

Below is a brief overview of the Budgeting Process, Timeline, and Review.



## General Information

### Miscellaneous

**FTE Caps** – As part of the budget process, please keep in mind your institution’s FTE cap (on appropriated funds) noted in the appropriation bill pattern. If you are going to request an increase in your cap, ***please provide the amount of your increase and a justification along with your other supplemental items.*** These requests will be consolidated and submitted to the Board via an agenda item for approval. Appropriated funds may not be used to pay all or part of the salaries or benefits of a number of employees which would cause the number of full-time equivalent employees to exceed the lessor of either 110% of your cap or 50 FTE’s. Institution’s FTE cap should be monitored each quarter for compliance. **The justification of the request must include the types of positions requested and the number (Faculty, Staff or Administration). (Article IX, Section 6.10)**

**NACUBO Function** - Many higher education institutions and systems, throughout Texas and the nation, present their expense budget in a NACUBO function format instead of a natural category format. In some areas of the budget presentations for FY 2018, expenses may be presented by fund group and NACUBO function as well as in graph format. This information may also be presented to other entities (THECB, LBB, etc.) as requested. During the budget review process we will review the expense budget by comparing actual and budgeted expenses by NACUBO function.

### **Hyperion Budget Module**

Estimates for the FY 2018 annual operating budget will be prepared in the Hyperion budget. Components not utilizing Hyperion as their budget development system must enter their budget information in the Hyperion budget development module. Contact System Budget & Planning for specific instructions regarding automated methods of loading budget information from other sources. It is the responsibility of each component to verify and validate their data as it appears in the Hyperion Planning System.

Subsequent to budget approval by the UNT System Board of Regents, extracts from Hyperion will be provided to component budget offices for validation and preparation of budget journals for the original budget load into EIS.

### **Contact Information**

A contact list (**Attachment 1**) of System Office Budget & Planning staff is provided for your information and use on issues relating to the FY 2018 budget preparation process. A System component Budget Office staff contact list (**Attachment 2**) is provided to facilitate coordination between members during the budget process (i.e., to coordinate transfer from/to accounts, etc.).

### **Line Item Budget Procedures**

This section provides guidance for budgeting individual line items for revenues, expenses, and transfers. Significant deviations from these guidelines should be identified in your school's narrative.

### **Budget Categories**

The levels for entry required for revenue and expense estimates are detailed in **Attachment 3**.

### **Revenues**

Campus budget offices will be responsible for projecting revenues for the component unit based on prior year revenues, expected changes in state and federal funding, and any other projected changes to revenues.

- **Appropriated Benefits (State Appropriations – Additional)** - Revenue for State Appropriated fringe benefits will be recognized as earned (as expended) by System Accounting. Budget Offices should project expenditures and budget accordingly.
- **HEF Revenues** are calculated for each unit by summing the total expected Capital Appropriations – HEF revenue from the State of Texas General Revenue Fund and will be budgeted in Current Funds. The portion of current year HEF appropriations utilized for major Capital Projects will be budgeted as a transfer to Plant Funds (See below for more information on HEF Expenditures and Transfers.)
- **Investment Income** – Investment Income includes revenues received from interest and dividends and Realized Gains or Losses on the Sale of Capital Assets

(investments). Investment Income does not include Unrealized Gains or Losses. Projected Investment Income for each component is provided in **Attachment 4**.

- **Net Tuition and Fees** - Tuition and Fees are projected at each component institution utilizing their individual methodologies and must be reduced by appropriate discounts, allowances, and portions of some exemptions.
  - **Discounts, Allowances, Waivers & Exemptions** – These reduce tuition and fee revenue to recognize only those funds received directly from the student and/or a third party payer, such as an employer or their parents.
    - Within the accounting system, discounts and allowances are recorded as contra revenue (offsets to tuition revenue), however, the portions of exemptions that must net against tuition revenue (the excess of exemptions over amounts billed to students) are initially recorded as Scholarship Expense and must be moved through a manual entry each quarter.
    - Budget Offices may request tuition discounting calculations from their respective System Controller or calculate the amounts themselves utilizing the System Controller’s discounting formulas and applying prior fiscal year percentages across current fiscal quarters.
  - **Revenue Recognition** - Tuition and Fee revenues will be recognized in the period when the term/semester commences, regardless of when billing occurs. This revenue recognition treatment better aligns revenues with expenses, and allows discounts and allowances adjustments to occur in line with revenue recognition. Examples:
    - Recognition Spring Tuition revenue will be deferred until January of each fiscal year (Q2) – as the term begins in January.
    - Recognition of Summer II revenue will be deferred until June of each fiscal year (Q4) – as the term begins in July.
- **TRB Appropriations** are included in State Appropriations revenues in Current Funds. Throughout the fiscal year, as Debt Service payments are recorded, corresponding transfers from Current Funds to Plant Funds should be made as Other Inter-Fund Transfers In/(Out). (See below for more information on Debt Service Payments and Transfers.)

## **Expenditures**

Campus budget offices will be responsible for projecting expenditures for the component unit based on prior year expenditures, expected changes in the economy, and any other internal and/or external factors.

- **Debt Service** – A Debt Service Payment schedule is provided for each component in **Attachment 5**. This includes existing debt (bonds and commercial paper), and projected debt issuances based on Fiscal Year 2018 CIP.

- **Debt Service Payments (Principal & Interest)** will be recorded in Plant Funds (Including TRB Debt Service).
  - Unless funded by current fiscal year debt issuances, or prior fiscal year carryforwards in Plant Funds reserves, ***these expenditures should be funded by transfers to Plant from appropriate current funds.***
- Regardless of when payments are due, the budgets for Debt Service Payments will be divided equally throughout the fiscal year –¼ per fiscal quarter.
- **NOTE:** *Qs 1, 2, 3 are estimates based on schedule from Treasury received during budget cycle; adjustments for any changes to debt service schedule during fiscal year due to issuances, refundings, etc., will be made in Q4.*
- **Capital Expenditures – Plant Funds** – for the purposes of the Budget Book, expenditures for major projects included in System Facilities’ current year CIP (including component managed projects included in CIP) should be budgeted in Plant Funds.
  - Unless funded by current fiscal year debt issuances, or prior fiscal year carryforwards in Plant Funds reserves, these expenditures will be funded by transfers to Plant from appropriate Current Funds.
  - For Capital Projects funded from Restricted funding sources, transfers to Plant Funds shall occur only subsequent to expenditure of project funds.
  - **Note** – Capital Expenditure amounts presented in the Plant Funds column of the Annual Operating Budgets are meant to capture the current year portion of the System Facilities, Planning, & Construction’s Construction-In-Progress Annual 5-year plan (which incorporates some campus managed projects). However, due to timing and differences in methodologies, the figures in the Plant Funds column of the Annual Operating Budgets will not necessarily be representative of, and will not be cross-referenced to the data in UNT System Facilities, Planning, & Construction. The Consolidated Operating Budget Book will include specific notes regarding this topic.
- **HEF Expenditures** –The portion of current year HEF appropriations utilized for major Capital Projects to be recorded in Plant Funds will be budgeted as Capital Expenditures in Plant Funds associated with and identified with specific capital projects using Fund Category 106 and the appropriate ProjectID. A corresponding transfer from Current Funds (Fund Cat 105) to Plant Funds (Fund Cat 106) shall be budgeted and recorded in Other Inter-Fund Transfers In/(Out).
- **Maintenance & Operations** - The budget template includes Maintenance & Operations expenses broken out into multiple CAFR consistent line items to provide more transparency in the System’s operations. In order to simplify budgeting in this template, the budget office at each Unit should provide each department with the Fiscal Year 2017 actual expenditures as a guideline for the Fiscal Year 2018 budgeting process.

## Transfers

The budget template includes transfer line items. System Budget and Planning offices will project transfers for the component units based on shared and core services costs, debt service, and other required Inter-Unit



Transfers. Component budget offices are responsible for projecting transfers for capital expenditures, state agency funds, and any other projected transfers between funds, components or other outside agencies.

### Intra-campus Transfers Between Funds

- **Inter-fund Transfers In/(Out)** are calculated for each unit by summing all of the transfers between Education & General; Designated Operating; Auxiliary Enterprises; Restricted Expendable; Endowment; Loan; Gift; Plant & Debt; and Agency funds.
  - As referenced above, transfers to Plant Funds to fund Capital Expenditures and Debt Service payments are recorded as Inter-Fund Transfers In/(Out) as expenditures occur or to fund projects in advance (excluding Restricted.)

### Transfers Between UNTS Components

- **Shared Services** is calculated for each unit by summing all of the transfers between Components of the System. Includes those transferred to UNT System Administration for the Business Service Center, IT Shared Services, and Human Resources. Note that a detailed description of budgeting for this line item is included in the Specific Budget Procedures section herein.
- **Core Services** is calculated for each unit by summing all of the transfers to the UNT System Administration for system office services such as financial services and executive leadership. Note that a detailed description of budgeting for this line item is included in the Specific Budget Procedures section herein.
- **Other Inter-Unit Transfers In/(Out) vs Internal Income/Internal Charge** – In general, Internal Income/Internal Charge paired transaction codes should be used exclusively for transactions occurring within the same business unit, while Other Inter-Unit Transfers In/(Out) (71001/71003, \*specific codes may exist for specific cross component transfers) should be used exclusively for transactions occurring across component business units. ***However, transactions processed by/through/from Service Centers – Telecom, UNT Printing Services, Construction Management Fees, WILL CONSISTENTLY BE TREATED AS AN EXCEPTION TO THIS GUIDELINE AND WILL BE RECORDED AS INTERNAL INCOME/INTERNAL CHARGES.***

### Estimated Fund Balances

The budget template includes estimated Beginning Fund Balances, Planned Uses of Carry Forward Balances, Other Changes in Fund Balances and Ending Fund balances. Estimated FY 2018 beginning net position by fund group will be determined by the amounts submitted in the supplemental budget information file (**Attachment 6**). The balances entered are projections of your net position as of August 31, 2017

### Use of Reserves

Reserves should only be used to fund one-time expenditures that will result in future cost reductions or increases in income or expenditures of carryover balances. Any use of reserves to support the FY 2018 operating budget should be included in the beginning fund balances as entered. **Attachment 7** will be submitted to System Office

of Budgets and Planning no later than the budget due date (see budget calendar). Each CFO must be prepared to justify the use of reserves for operating expenses in accordance with the Reserves Policy herein.

### ***Budget Review***

The System Office of Budgets and Planning will review all budgets prior to review by the Chancellor and subsequent submission to the Board. Each member will be required to provide a narrative (to be included in the Executive Budget Summary) to summarize the overall budget submission for FY 2018.

### ***Executive Summary/Board of Regents Presentation***

Each Component Unit and the System Office of Budgets and Planning (consolidated) will prepare an Executive Budget Summary of the proposed budgets which will be provided to the Chancellor for review. An electronic copy of the Executive Budget Summaries will also be provided to each System member President and CFO.

Copies of the Executive Budget Summaries will be distributed to the Board of Regents prior to the Board of Regents Meeting and will be used as the basis for the FY 2018 budget approvals. Presidents should be prepared to address any specific budgetary questions relating to their budget. Any changes in information to be submitted to the Board of Regents as determined by the Board of Regents Finance Committee will be relayed to Presidents and CFOs prior to the Board of Regents Meeting in August 2018.

### ***Budget Distribution***

Upon Board approval, the System Office of Budgets and Planning will coordinate the distribution of budgets in accordance with the Education Code, the General Appropriations Act, and any other state requirements; and add the FY 2018 Executive Budget Summary and the FY 2018 Operating Budget Statement of Changes in Fund Balance to the UNTS Operating Budget web site (<http://www.untsystem.edu/financialreports.htm>).

## Glossary of Terms

All Funds – An all-funds perspective is commonly used in colleges, universities, and not-for-profit organizations to account for all resources received and used throughout an institution. Fund accounting classifies resources into funds according to limitations placed on their use by the resource providers. Each fund has its own revenues, expenditures, transfers, assets, liabilities, and fund balances.

Auxiliary Enterprises – Auxiliary Enterprise funds are generated from fees and sales of goods and services. Revenues and expenditures of auxiliaries are recorded in this fund group. Auxiliaries include parking and transportation, student activity centers, housing (residence halls), and dining services. Fees collected to support auxiliaries, such as housing fees and parking fees, are recognized in these funds.

Capital Appropriations-HEF – Higher Education Fund (HEF) revenues are received from the State of Texas General Revenue Fund for construction and other capital purposes. This constitutional appropriation is made for acquiring land with or without permanent improvements, constructing and equipping buildings or other permanent improvements, major repair or rehabilitation of building or other permanent improvements and acquisition of capital equipment, library books, and library materials. Construction, improvements, and capital equipment purchases made from HEF funds can only be used for structures used jointly for educational and general activities and for auxiliary enterprises to the extent of their use for educational and general activities.

Capital Expenditures – These expenditures are for acquiring, renovating, or maintaining capitalized fixed assets, such as land, buildings, and equipment. This includes amounts expended for capitalized equipment, vehicles, software, leases, construction projects, and other capitalized expenditures. Any emergency maintenance or repairs that are above the capitalization thresholds should be included in capital expenditures. At the consolidated funds level, this amount will net to exclude amounts recorded as additions to capital (rather than as an expense) consistent with accounting guidelines.

Communication and Utilities – These expenditures are for communication and utilities fees, including amounts for telecommunication and utilities contracts.

Core Services – Includes functions that are universal in nature, many do not vary largely based on the customer, are generally performed on a cross-institutional level, and may be legally mandated to take a certain level of direction from institutions in service delivery. Includes functions such as support for the Board of Regents, the Chancellor's Office, Academic Affairs, Finance, General Counsel, Government Relations, Internal Audit and Facilities Planning and Construction. These services are funded by transfers from the component units and State Appropriations.

Cost of Goods Sold – These expenditures are incurred by UNTS for goods that are sold, which usually generate revenue classified as Sales of Goods and Services.

Current Funds – Category of funds that include those funds that are most closely associated with day-to-day operations of the institution. These funds include Education & General, Designated Operating,

Auxiliary Enterprises, and Restricted Expendable Funds and are approved by the governing board as part of the operating budget.

Debt Service - Interest – These expenditures are comprised of interest expenditures incurred on debt, including amounts for interest expenditures, and fiscal charges.

Debt Service - Principal – These expenditures comprise payments of principal due on debt.

Depreciation and Amortization – Depreciation and amortization expenditures are non-cash expenditures related to the amortization of capitalized amounts over time. Depreciation expenditures reduce the book value of capital assets to reflect the result of wear and tear, age, and/or obsolescence. Depreciation and amortization expenditures are generally recorded in Plant & Debt Funds.

Designated Operating – Designated Operating funds are unrestricted funds that have been designated to support the operating activities of the institution. Revenues and expenditures for operating activities of the academic enterprise are recorded in this fund group.

The sources of Designated Operating funds include revenues from professional services (e.g., medical services), grants and contracts (including cost recovery), designated tuition, other student fees, and quasi-endowment funds (e.g., Tobacco Funds).

Student fees collected as Designated Operating funds may be statutorily authorized under specific legislation, or may be allowable as mandatory or incidental fees under 54.504 or 55.16(c) of the Texas Education Code (TEC). Fees in Designated Operating funds include instructional fees, library use fees, publication fees, international education fees, and technology fees.

Most athletics revenues and expenditures are recorded in Designated Operating funds.

Discounts and Allowances – Discounts and allowances are defined as the difference between the stated charge to the student and what is actually paid by the student and/or third parties on behalf of the student. Discounts and allowances are generally given as institutional merit-based and/or need-based scholarships to offset the cost of tuition, fees, and/or housing and dining expenditures.

Educational and General – Educational and General (E&G) funds are used to support the University of North Texas System (UNTS) general educational operations, including faculty salaries, operating expenditures of instructional departments, library operations and acquisitions, general administration, student services, campus security, and operation and maintenance of educational and general buildings and facilities, as well as a limited number of special research units. E&G funds may only be expended for purposes as defined by the respective sources of funds; and the funds cannot be transferred to any other fund group.

E&G funds include all general revenue and general revenue-dedicated state appropriations. Biennially, in the General Appropriations Act (GAA), universities are allocated (appropriated) funds based on legislative decisions and formulas calculated by the Texas Legislative Budget Board. These appropriations include general revenue funds (e.g., appropriations for employee benefits and Texas Higher Education Fund appropriations for capital investments) and general revenue-dedicated funds (e.g., statutory and Board-authorized tuition and fees).

Appropriations of federal funds and other funds (e.g., Tobacco Funds) are not considered E&G and are recorded separately in designated operating or other funds.

The chart of accounts segregates E&G funds between General Operating Funds (general revenue-dedicated appropriations for statutory and Board-authorized tuition and fees) and State Appropriations (all other appropriations).

Endowment Funds – Endowment Funds include net income (realized and unrealized gains and losses) from the investment of gifts to the university, the uses of which are either restricted by donors or unrestricted. Endowment Funds may also include investment income from funds designated by administrative decision (quasi-endowment).

Defined amounts of income from the Endowment Funds are distributed to Designated Operating funds, Auxiliary Enterprises funds, and Restricted Expendable funds according to the designations of the respective donors. Endowment Funds do not include those of separately-incorporated foundations. Funds not distributed remain in the Endowment Funds to be invested and expended at a later time.

Fees – This consists of revenues generated from fees assessed to students. The fees are categorized as either instructional fees, mandatory fees (e.g., student service fee, intercollegiate athletics fee, library use fee, etc.), or incidental fees (e.g., lab fees, graduation fee, etc.).

Fund Balances – A fund balance is identified as the net difference between a fund's assets and liabilities. A change in fund balance represents the difference between fund additions (revenues and transfers-in) and deductions (expenditures and transfers-out). This differs from (but is inclusive of) institutional operating reserves which are funds within the unencumbered balance for which no use is presently planned and have been set aside for issues such as economic uncertainties, future apportionments, pending salary or price increase appropriations, etc. These reserves can include unrestricted-undesignated fund balances, and can also include unrestricted-designated fund balances, but should not include funds set aside for future capital replacement needs, future debt service needs, etc.

Gift Income – This includes amounts for operating and non-operating purposes. Gift income may occur in any fund group except E&G funds for which the donor may or may not set restrictions on use of the funds.

Grants and Contracts – These revenues result from grants, contracts, and cooperative agreements with governmental agencies, local, and private organizations for current operations, research or other specified purposes. This includes revenues from federal programs and contracts, federal financial aid, federal pass-through revenue, state programs and contracts, state financial aid, state pass-through revenue, and other grants and contracts.

Higher Education Fund (HEF) – See Capital Appropriations-HEF, above.

Inter-Fund Transfers In/(Out) – This includes all transfers between fund groups within a component unit (i.e., within a campus).

Internal Charges – This line item consists of expenses charged for services performed by one department for another within a single UNTS component (e.g., printing or advertising services performed by one department as a service for another department). These expenses will net to zero at the component level.

Internal Income – This line item consists of internal income earned by one department for services

rendered to another department within a single UNTS component (e.g., printing or advertising services performed by one department as a service for another department). These revenues will net to zero at the component level.

Intra-Campus Transfers Between Funds – See Inter-Fund Transfers In/(Out) above.

Investment Income – This includes revenues received from interest and dividends, realized and unrealized gains and losses on investments, and realized gains or losses on the sale of capital assets.

Loan Funds – Loan Funds consist of amounts that are held for making loans to students. These funds are derived from a number of sources, including private and governmental gifts and grants, federal borrowing, and unrestricted allocations. Interest income, in most instances, is returned to this fund as an increase to the available fund balance.

Materials and Supplies – These expenditures relate to general supplies and non-capitalized equipment costs.

Net Professional Fees – Net Professional Fees consist of Gross Professional Fees net of Contractual Allowances and Discounts. Professional fees are generated by physician services, counseling services, business consulting services, architectural services, and endowment services provided by UNTS.

Net Tuition and Fees – Student tuition and fee revenues, net of waivers, discounts, and allowances, are included in Net Tuition and Fees. Statutory tuition is authorized under TEC 54.501 and flows to E&G funds. Board-authorized tuition is authorized under TEC 54.008 for graduate programs and also flows to E&G funds. Per TEC 54.0513, Board-designated tuition amounts are approved by the governing board of UNTS and are recorded in Designated Operating funds.

Non-Current Funds – Category of funds that include those funds that are unpredictable in nature and not as closely associated with day-to-day operations of the institution as those in Current Funds. These funds are provided in the budget as estimates, so as to show the entire anticipated financial impact of the budget on the institution. These funds include Endowment, Loan, and Plant and Debt Funds and are not approved by the governing board as part of the operating budget.

Non-resident Graduate Tuition – This consists of revenue recognized for gross tuition charges to graduate or professional students for instructional services who are **not** Texas residents.

Non-resident Undergraduate Tuition – This consists of revenue recognized for gross tuition charges to undergraduate students for instructional services who are **not** Texas residents.

Other Expenditures – Other expenditures include tax expenditures; insurance expenditures; postage and shipping expenditures; dues, memberships and licenses; patent and royalty expenditures; speaking events; employee training expenditures; non-travel reimbursable expenditures; and other operating expenditures.

Other Inter-Unit Transfers In/(Out) – All other transfers of funds between UNTS component units are



recorded here. This includes amounts transferred for reimbursement of special project work, various services rendered by one component to another (e.g., library services), or to pay bond payments for debt securities held by UNT System Administration for the benefit of the component units.

Other Legislative Transfers-In/(Out) – Transfers of legislative appropriations from one UNTS component to another.

Other Revenues – This includes revenues received from other activities not included above.

Other Transfers – Transfers to Other State Agencies and Other Legislative Transfers.

Other Undergraduate Tuition - This includes guaranteed tuition, tuition for repeat courses, and tuition for excess hours, and other amounts not included above.

Personnel Costs (Salaries, Wages and Other Compensation, Benefits and Other Payroll-related Costs) – These expenditures include compensation and benefits provided to faculty (including lecturers and teaching graduate students), staff (including administrators, professionals, support staff, and non-teaching graduate students), and hourly or other temporary employees (including student workers). This includes regular or periodic payments for non-regular work or services (e.g., overtime, supplemental compensation, summer compensation, and bonuses).

Planned Use of Fund Balances – Fund balances (positive or negative) that, with approval, are carried forward from the previous year’s budget into the current year’s budget to be used or made up throughout the fiscal year.

Plant & Debt Funds – Plant and Debt Funds include unexpended plant funds, renewal and replacement funds, retirement of indebtedness funds, and investments in plant assets. These funds are used for the construction, renovation, and the acquisition of capital assets.

Printing and Reproduction – These expenditures relate to printing and copying expenditures paid to external vendors for printing expenditures, publications, and copying services.

Professional Fees and Services – These expenditures relate to unique services that are typically performed by professionals whose occupation is the rendering of such services exclusive of any employment by UNTS. These expenditures occur through accounts payable (i.e., rather than through payroll). Examples include consultant services; medical and veterinary; advertising fees; audit, financial and business services; legal expert services; collection agency services; architectural and engineering services; and other purchased services.

Rentals and Leases – These expenditures relate to non-capitalized lease and rental fees.

Repairs and Maintenance – These expenditures relate to non-capitalized projects, scheduled maintenance, emergency maintenance and repairs, and other non-capitalized amounts.

Resident Graduate Tuition – This consists of revenue recognized for gross tuition charges to graduate or professional students for instructional services who are Texas residents.

Resident Undergraduate Tuition – This consists of revenue recognized for gross tuition charges to undergraduate students for instructional services who are Texas residents.

Restricted Expendable – Restricted Expendable funds are generated from external sources that restrict the use of the funds. Sources of Restricted Expendable funds include restricted federal grants and contracts, restricted state grants and contracts, gifts and grants from private sources, and restricted distributions from endowments.

Restricted grant and contract funds are not earned until the terms of the agreement under which they were given have been met. Fiscal year budgets include estimates based on historical activity, but actual amounts may vary notably from year-to-year based on the timing and amounts of awards.

Gifts and grants in Restricted Expendable funds include revenues from bequests and pledges for operating purposes. These also include unrestricted gifts from private sources.

Sales of Goods and Services – This consists of revenues generated from the sales of goods and services. These revenues include those generated from athletics sales, auxiliary enterprises sales and services (net of discounts and allowances), library services, property rental revenues, clinical operations, and other sales of goods and services.

Scholarships, Exemptions, and Financial Aid – Scholarships, exemptions, and financial aid expenditures are for grants-in-aid or other financial aid payments, as well as tuition exemptions, awarded to students. This includes amounts received in revenues (e.g., federal financial aid) which are then recorded as an expenditure (as scholarships, exemptions, and financial aid) to fund tuition and fee payments.

Shared Services – Includes activities that may have been performed at the institutional or departmental level. Service delivery may be shaped by institutional factors and include transactions that are formed to support operations. Includes the following functions: Information Technology, Business Support Services and Human Resources. These services are funded by transfers from the component units.

State Appropriations – State Appropriations are revenues received from the State of Texas General Revenue Fund that supplement institutional revenue in order to meet operating expenditures such as faculty salaries, employee benefits, utilities, and institutional support. State Appropriations are split between State Appropriations-General and State Appropriations-Additional. State Appropriations may only be used for defined purposes and must be recorded in E&G funds as described above.

Transfers Between UNTS Components – Transfers between components of the UNTS that are used to fund core System Administration operations, shared services or other activities one component performs for another.

Transfers to Other State Agencies In/(Out) – This consists of transfers to other Texas state agencies.

Travel – Travel expenditures include direct expenditures for domestic and international travel and entertainment costs, as well as amounts reimbursed to employees for such incurred costs.

Waivers – Waivers are recorded as reductions to the gross tuition and fee amounts noted above.