

Budget Update

Chair & Director Meeting
September 10, 2018



OFFICE OF THE
Senior Vice President & Provost

Agenda

- Where are we?
- Where are we going?
- What do I prepare for?



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Where Are We?



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Norman Campus Budget – FY19

Operating Revenues

Net Tuition	164,128,833
Fees	170,949,617
Auxiliaries	265,044,157
Other	14,450,430
	<u>614,573,037</u>

Operating Expenses

Compensation	416,759,265
Contractual, professional, technical	88,860,151
Capital	55,534,749
Computing/IT	51,127,115
Utilities	49,682,351
Scholarships	36,868,611
Travel	34,917,320
Supplies and materials	25,228,137
Communications	8,931,395
Other	23,711,244
	<u>791,620,338</u>

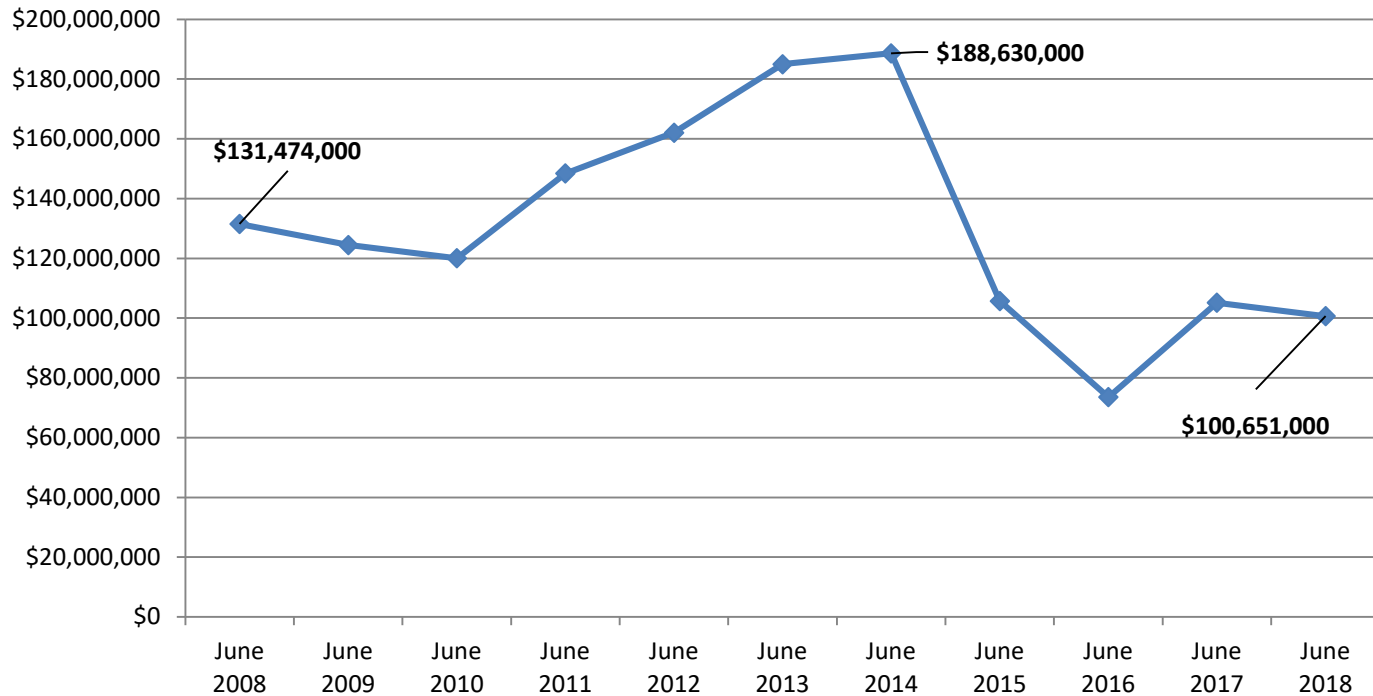
Non-Operating Revenues (Expenses)

State appropriations	107,574,568
State Regents' endowment match	4,247,792
Investment income	4,570,000
OU Foundation income	112,400,344
Debt Service	(67,855,306)
State school land funds	9,924,000
Other non-operating	(7,606,013)
	<u>163,255,385</u>

Projected Cash Deficit

(13,791,916)

Unrestricted Cash Position

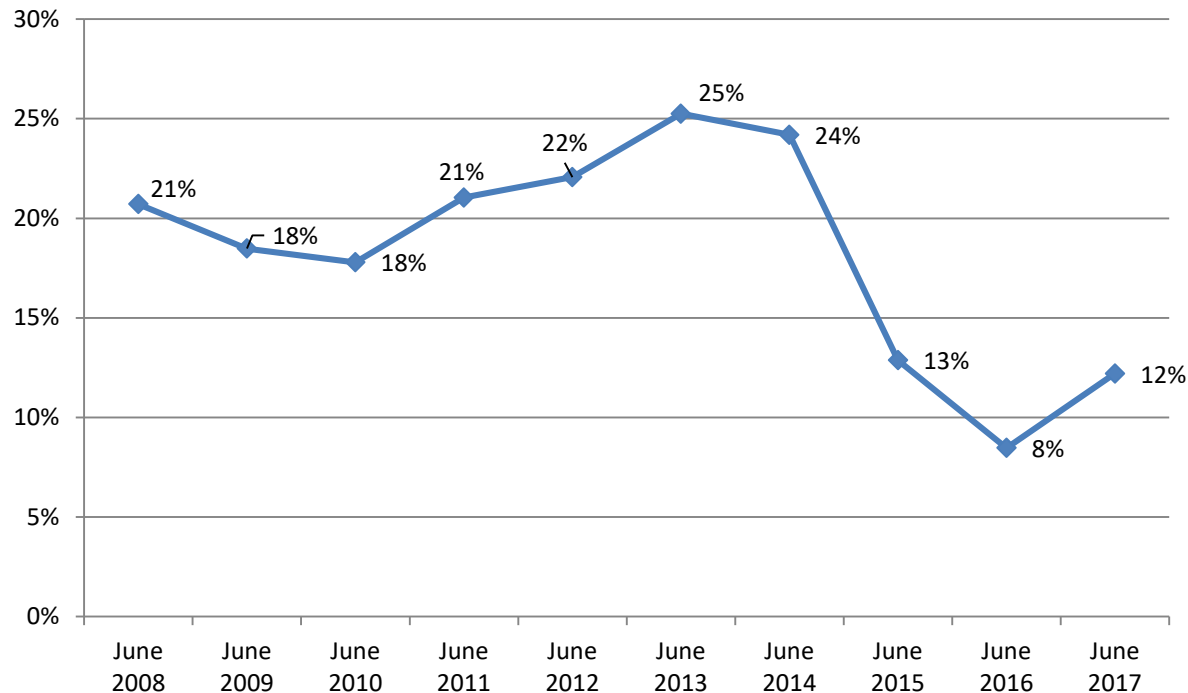


Source: Audited Financial Statements



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Unrestricted Cash to Operating Cash Expenses



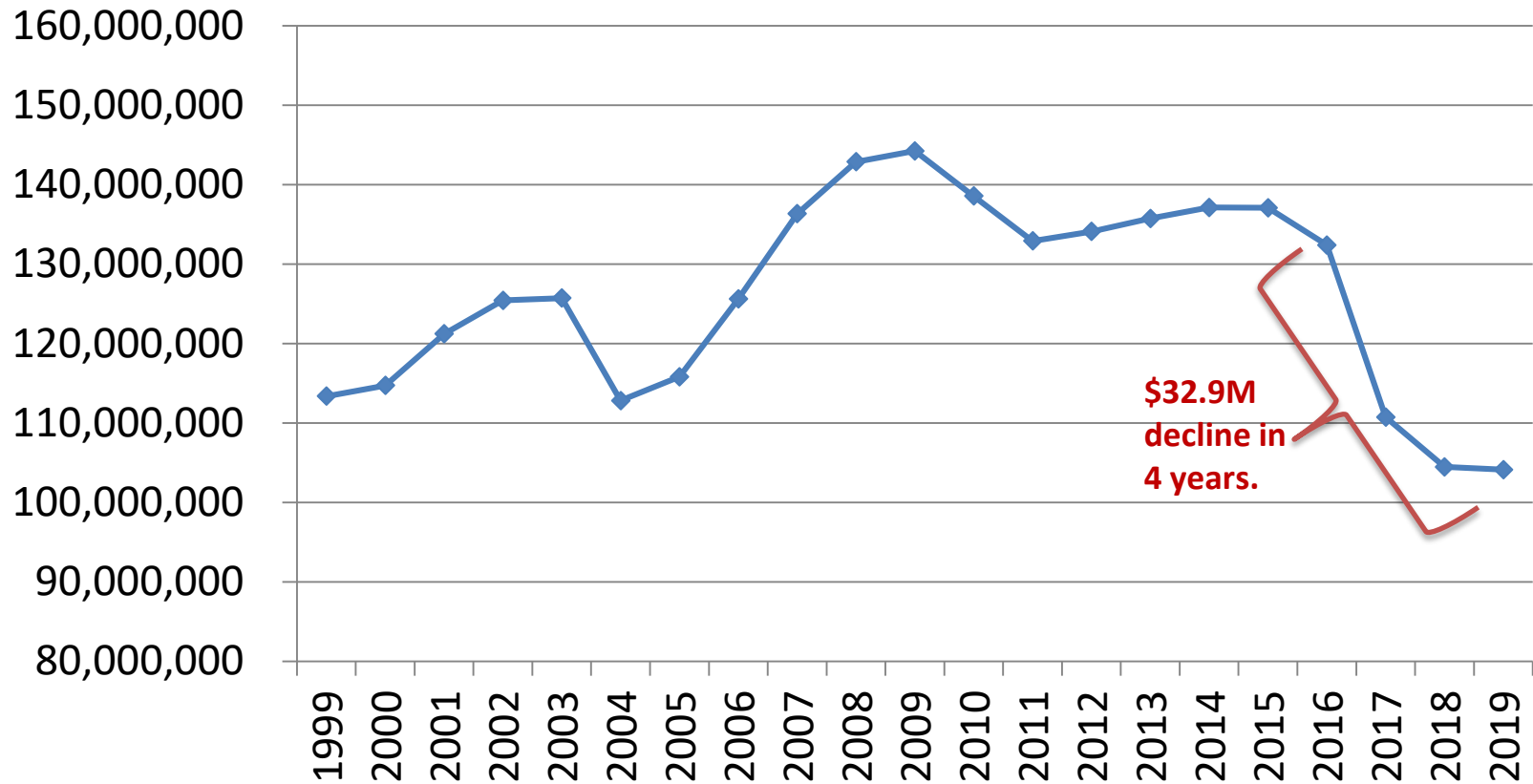
Source: Audited Financial Statements

Operating Cash Expenses = Cash Paid for Compensation/Benefits + Cash Paid for Other Operating Expenses + Interest Paid

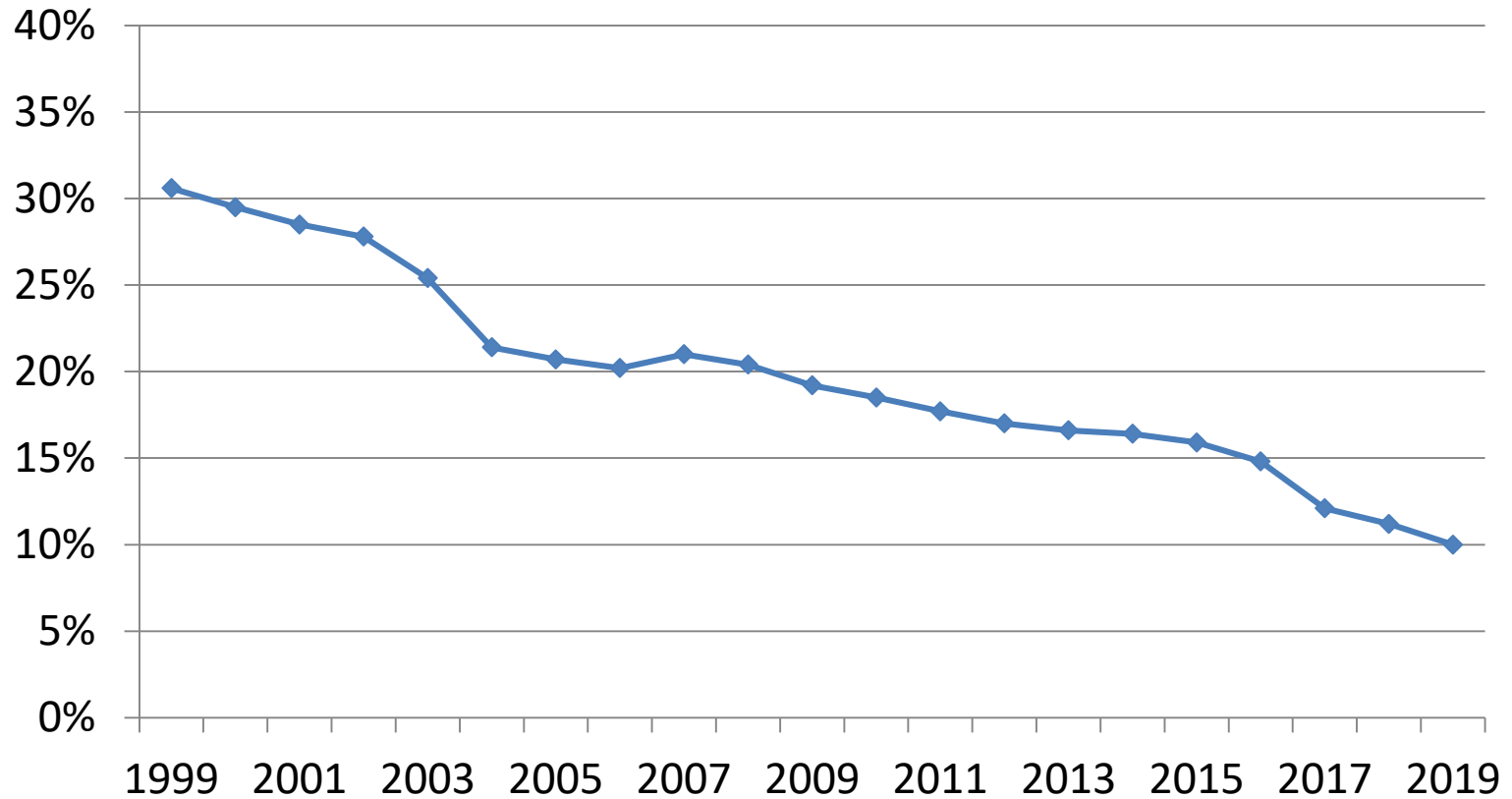


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State Appropriations - Norman

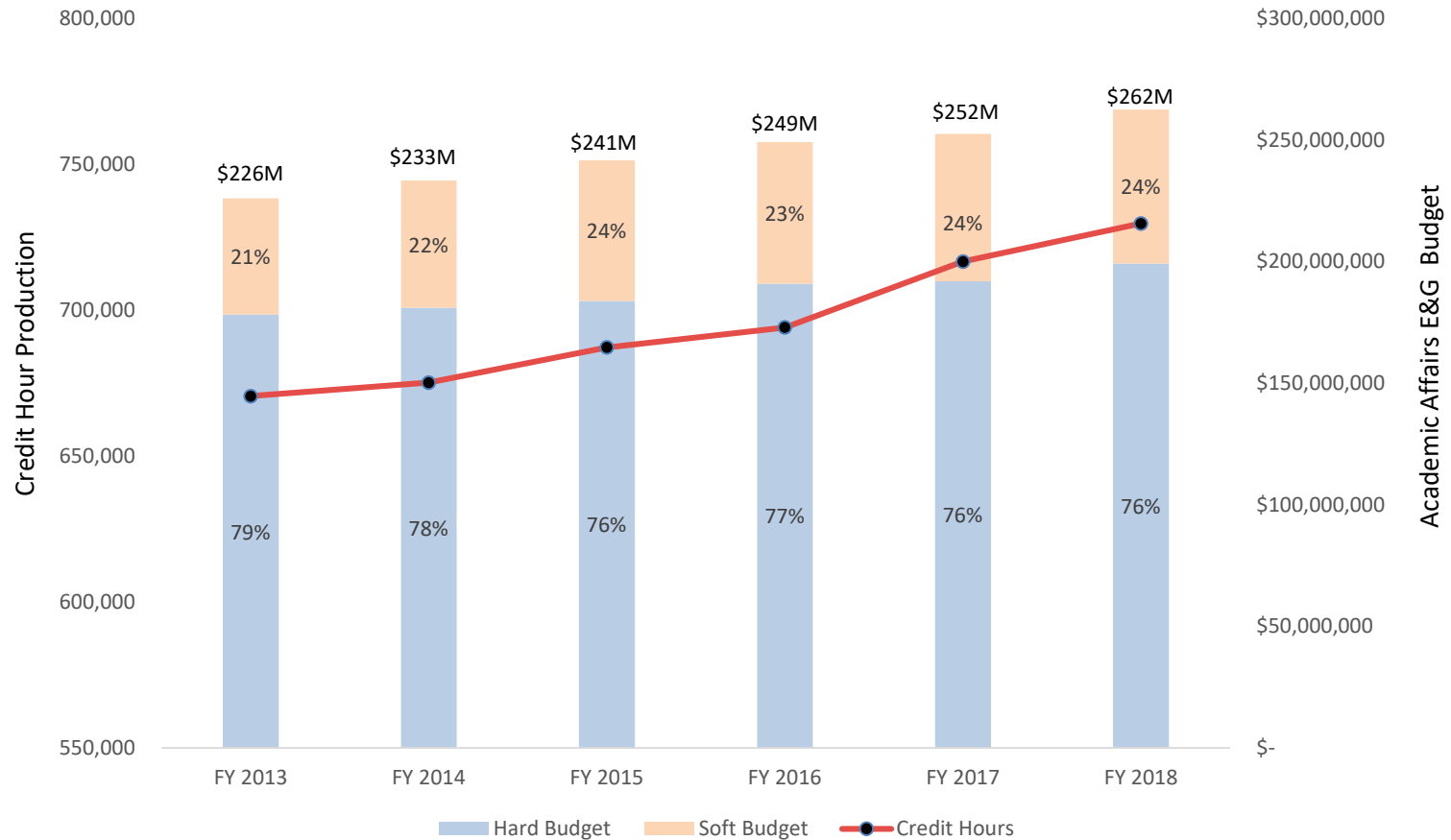


Appropriations as % of Budget



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Academic Affairs Budget Trend



E&G Hard and Soft Money Budget



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Where Are We Going?



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College Level Income Statement

Academic Affairs Combined Statement of Revenues and Expenses for Colleges

	Fiscal Year Ending June 30,				
	2014	2015	2016	2017	2018
---Revenues---					
Gross Tuition	162,989,845	173,506,244	184,530,099	200,114,063	218,516,786
Less: Tuition Waivers	(40,332,118)	(50,993,265)	(59,883,988)	(70,627,906)	(81,077,444)
Net Tuition	122,657,727	122,512,979	124,646,111	129,486,157	137,439,342
Academic Excellence Fees	38,486,503	43,019,351	49,054,743	55,921,330	62,595,489
College Fee Income	18,419,921	20,404,801	23,050,682	25,326,730	31,507,878
Endowment Income	7,957,768	9,643,737	10,092,325	10,007,123	11,947,640
Other Revenue	6,105,188	7,584,147	9,150,691	9,141,440	11,059,353
Total Revenue	193,627,108	203,165,015	215,994,551	229,882,779	254,549,703
---Expenses---					
Faculty Salaries	109,241,097	116,284,054	119,923,512	123,832,388	123,944,786
GTA/GRA Salaries	17,903,331	18,729,714	18,604,212	19,152,799	17,878,615
Staff Salaries	21,547,925	23,881,203	25,437,292	21,763,949	19,898,002
Staff Wages	11,132,044	11,332,689	10,939,455	15,595,014	16,488,277
Total Salaries/Wages	159,824,396	170,227,661	174,904,471	180,344,150	178,209,680
Equipment	2,631,232	2,878,654	2,656,400	2,203,862	2,043,270
Supplies and Materials	629,771	1,806,930	2,051,466	(3,301,200)	(4,899,929)
Computing/IT	4,308,210	5,315,057	4,560,921	3,982,376	3,778,266
Travel	4,396,156	6,502,400	5,618,263	6,111,501	6,395,102
Communications	1,322,767	1,341,701	1,382,554	1,254,220	1,244,426
Maintenance & Repair	1,064,205	1,346,810	1,453,030	1,634,756	1,688,589
Contractual, Professional, Technical	4,484,435	6,085,969	5,917,588	6,733,693	6,538,198
Other	3,547,712	5,543,168	4,435,935	4,643,273	4,818,376
Total Expense	182,208,884	201,048,351	202,980,628	203,606,631	199,815,977
Net Change	11,418,224	2,116,664	13,013,923	26,276,148	54,733,725

Budget Process Changes

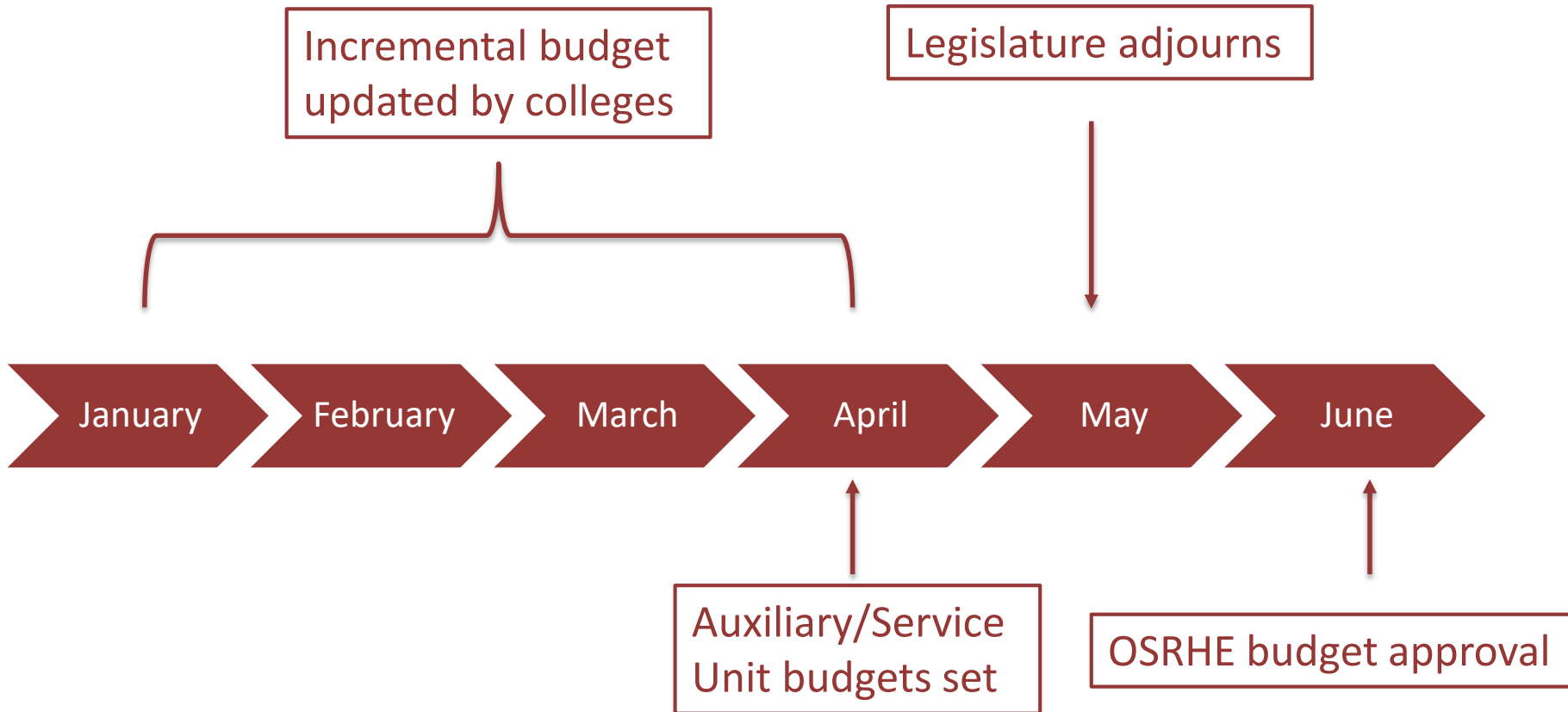
- Engage
- Consistent
- Transparent
- Simplify
- Timely
- Forward Thinking



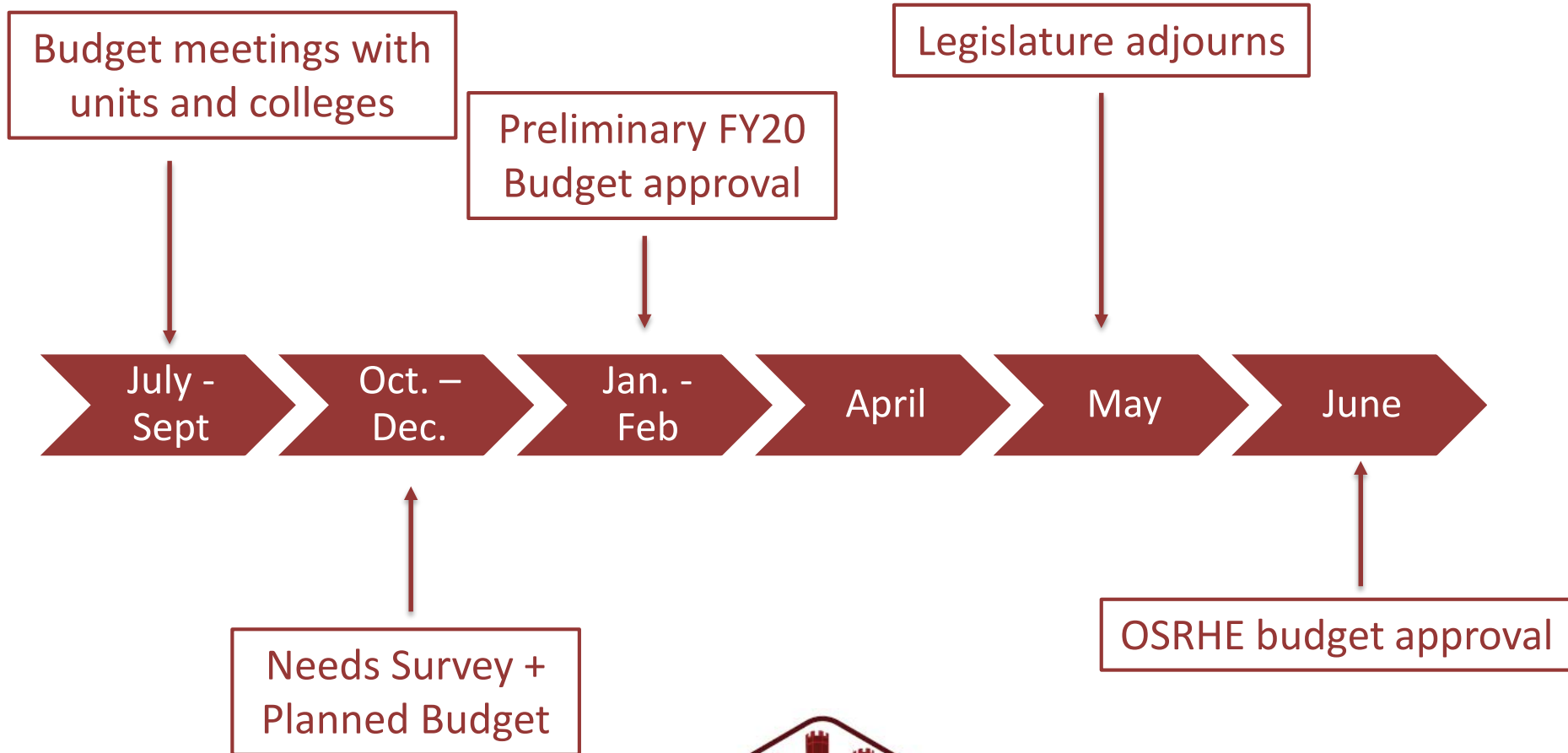
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Old Budget Timeline



Planned Budget Timeline



What Do I Prepare For?



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Budget Meetings

- Budget
 - 5 year detailed budget trend
 - Organizational chart; pay “scatter” chart
 - Prioritized capital/project budget for FY19 – FY20
 - Cash balance trends
- Benchmarking
 - What are benchmarks for your college/departments
- Efficiency Ideas/Ways to Save
 - Rank order based on ease of implementation
 - List risks related to impact of implementation
 - Timing and costs of implementation



Shared Service Center

- Study conducted spring/summer 2017 to address staff vacancies caused by the SVRI
- Goals of a Shared Service Center:
 - Staff: Generalist → Specialist
 - Processes & Policies: Varied → Standardized, Streamlined
 - Back-up Support: Limited → Peer Network
 - Financial Info: Varied Quality → Consistent, Timely, Accurate
- Pilot launch in July 2018 with 7 departments

