Model Development

The following slides illustrate how the revenue, expenses, assessments, and allocated overhead flow through the budget model:

- Model Funds Flow
- Allocated Cost Drivers
- Tuition Revenue & Assessments
Model Development: Income Flow

Student Tuition Income

Other Revenue

Generated Revenue

Available Resources

TU Strategic Fund

- Direct Expenses
  - Student Tuition Income: This includes UG/Grad/Prof through both direct and transfer
  - Other Income:
  - TU Strategic Fund: To fund strategic initiatives within the Schools and Colleges
  - Direct Expenses: Compensation, benefits, travel, faculty startup, tuition remission, etc.
  - Allocated Costs: Support Unit funding
  - Assessment Charge: Plant Fund, Financial Aid & Strategic Fund

- Allocated Costs

- Assessments (based upon Tuition Income Only)
Model Development

Cost Drivers

The amount of allocated costs is based on a formula that considers ‘cost drivers’ such as:

- CHG Students (undergraduate, graduate & professional)
- FTE Faculty (tenured/tenure track, non-tenure track)
- FTE Staff
- Total direct expenditures from all sources
- Square footage
- Solicitable alumni
- Major donors ($5,000 and above)
- Research expenditures
Model Development
Support Centers with Allocated Cost Drivers

- Academic Support
  - 80% UG CHG
  - 10% Graduate CHG
  - 10% Prof CHG

- Advancement
  - 80% Solicitable Living Alumni
  - 20% Major Donors

- Auxiliary Subsidy
  - 80% UG CHG
  - 10% Graduate CHG
  - 10% Prof CHG

- Campus Safety
  - 40% UG CHG
  - 5% Graduate CHG
  - 5% Prof CHG
  - 25% Faculty FTE
  - 25% Staff FTE

- Computer Services
  - 40% UG CHG
  - 5% Graduate CHG
  - 5% Prof CHG
  - 25% Faculty FTE
  - 25% Staff FTE
Space is first allocated to support units, then to Revenue Centers at $24.52 per sq. ft. (FY2017 Rate)
Model Development
Support Centers with Allocated Cost Drivers

- Library
  - 60% UG CHG
  - 7.5% Graduate CHG
  - 7.5% Prof CHG
  - 25% Faculty FTE

- Research
  - 50% Faculty FTE
  - 50% Research Expenditures

- Student Services
  - 80% UG CHG
  - 10% Graduate CHG
  - 10% Prof CHG

- Uncollectibles
  - 80% UG CHG
  - 10% Graduate CHG
  - 10% Prof CHG

- University College
  - 85% UG CHG
  - 10% Graduate CHG
  - 5% Prof CHG

Model Development Support Centers with Allocated Cost Drivers

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50% Faculty FTE
50% Research Expenditures
80% UG CHG
10% Graduate CHG
10% Prof CHG
80% UG CHG
10% Graduate CHG
10% Prof CHG
85% UG CHG
10% Graduate CHG
5% Prof CHG
Allocation of Tuition Revenue

Undergraduate Tuition

**Summer Revenue**

- **100% of Gross Revenue to Home College**
  
**Fall and Spring Revenue**

- **100% of School Specific Tuition Differential to Home College**

**100% of Base Tuition into Central UG Tuition Pool**

Allocated to Instructional College based upon prior fall and spring instructional credit hours

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**Total Tuition Revenue**

Less: Financial Aid Assessment (18.4% of UG Tuition*)

Less: Plant Fund Assessment (5.0% of Total Tuition)

= **Net Tuition Revenue**

*17.5% in FY2015*
Allocation of Tuition Revenue

Graduate Tuition

100% of Gross Revenue to Home College

+/- Tuition Transfer
(difference between what is taken by your students across the University and what you teach)

= Total Tuition Revenue

Less: Financial Aid Assessment (1.9% of Graduate Tuition) *

Less: Plant Fund Assessment (5.0% of Total Tuition)

= Net Tuition Revenue

* Assessed on Graduate Tuition generated by non-professional schools only (2.5% in FY2015). Medicine, Dentistry, Pharmacy, Podiatric Medicine and Law are excluded from this assessment.
Allocation of Tuition Revenue

Professional Tuition

100% of Gross Revenue to Home College

+/ - Tuition Transfer
(difference between what is taken by your students across the University and what you teach)

= Total Tuition Revenue

Less: Plant Fund Assessment (5.0% of Total Tuition)

= Net Tuition Revenue
Annual Budget Conferences & Funding Proposal Process

Hold Harmless subvention

Participants provide rationale to CFO who assembles for final review by Provost and President

December / January

Prepare Budget Request

Additions to Hold Harmless

Dean/VP submits proposal for strategic funds/annual reports electronically to CFO (Copy to Provost)

Dean/VP presents strategic funds proposal during budget conference

Budget conference participants evaluate funding proposal using faculty senate rubric or ‘scorecard’

Participants provide rationale to CFO who assembles for final review by Provost and President

April

Budget Office Prepares Projections of Income, Costs & Expenditures

Budget Targets

添加 to Hold Harmless

Dean/VP submits proposal for strategic funds/annual reports electronically to CFO (Copy to Provost)

Dean/VP presents strategic funds proposal during budget conference

Budget conference participants evaluate funding proposal using faculty senate rubric or ‘scorecard’

Participants provide rationale to CFO who assembles for final review by Provost and President

Budget Preparation

*Budget Conference Participants
- CFO
- Provost Office Representative
- Faculty Representatives (2) Comprised of Faculty Senate Steering Committee nominated faculty and RC-level Budget Review Committee delegates
- Deans (1) for SU & AUX
- Budget Office Representative
- Other: President will invite University Officers according to expertise needed for review