FY22 UNIVERSITY’S OPERATING BUDGET
TOTAL BUDGET $1.1 BILLION

FY22 Revenue Budget
- Tuition and Fees, $903,250
- Appropriation, $158,206
- Auxiliary, $94,483
- Indirect Cost Recovery, $40,654
- Other Income, $32,903

FY22 Expense Budget
- Compensation 45%
- Non-Compensation 41%
- Benefits 14%

* University Only
FY22 UNIVERSITY’S OPERATING BUDGET
HOW IS IT ALLOCATED? ($000 OMITTED)
Incentivize deans to be entrepreneurial and responsive to changing market
Grow revenue rather than just cutting costs
Facilitate strategic and long-term planning
Continue to “bend the cost curve” and focus on both efficiency and quality
Promote administrative efficiency, reduce service duplication and enhance space utilization
Realign resources with academic priorities
Reward strong management and performance
Foster a climate of transparency and accountability
**GUIDING PRINCIPLES**

**Mission-driven:** The budget model reflects Temple’s primary mission to support its teaching and research enterprise first, and its goals and success supersede those of the individual units and revenue centers.

**Align Authority with Responsibility and Accountability:** Authority to make decisions will be pushed closer to the action, along with the responsibility or accountability for such decisions.

**Fairness:** Be consistent, predictable and transparent. Considers a student-focused approach to the delivery and funding of services to ensure equitable access.

**Encourage Innovation, Entrepreneurship and Efficiency:** Incentivize appropriate risk taking and efforts to enhance revenue or reduce expenses. Support interdisciplinary collaboration and discourage unnecessary internal competition.

**Simplicity:** Simple to understand, explain and maintain.
**RCM Revenue Flow**

- **Student Tuition Revenue**: This includes UG/Grad/Prof through both direct and transfer.
- **Other Revenue**: Student Fees, ICR, Clinical Revenue and other miscellaneous income credited to Operating Fund.
- **TU Strategic Fund**: $7.0 million funded assessed annually to the revenue centers and allocated back based upon strategic priorities.
- **Direct Expenses**: Compensation, benefits, travel, faculty startup, tuition remission, etc.
- **Allocated Costs**: Allocation of Central Support Services. Allocated to Revenue Centers based upon: Credit Hours, Net Assignable Sq. Ft and Net Direct Expenditures.
- **Assessment Charge**: Plant Fund and Financial Aid.
ALLOCATION OF TUITION REVENUE
UNDERGRADUATE

Summer Revenue

100% of Gross Revenue to Home College

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

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

Total Tuition Revenue

Less: Financial Aid Assessment (18.3% of UG Tuition)

Less: Plant Fund Assessment (4.9% of Total Tuition)

= Net Tuition Revenue
<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>100% of Gross Revenue to Home College</td>
<td></td>
</tr>
<tr>
<td>+/- Tuition Transfer</td>
<td>(difference between what is taken by your students across the University and what you teach)</td>
</tr>
<tr>
<td>= Total Tuition Revenue</td>
<td></td>
</tr>
<tr>
<td>Less: Financial Aid Assessment (1.9% of Graduate Tuition) *</td>
<td></td>
</tr>
<tr>
<td>Less: Plant Fund Assessment (4.9% of Total Tuition)</td>
<td></td>
</tr>
<tr>
<td>= Net Tuition Revenue</td>
<td></td>
</tr>
</tbody>
</table>

* Assessed on Graduate Tuition generated by non-professional schools only. School of Medicine, Kornberg School of Dentistry, School of Pharmacy, School of Podiatric Medicine and Beasley School of Law are excluded from this assessment.
ALLOCATION OF TUITION REVENUE
PROFESSIONAL

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 (4.9% of Total Tuition)

= Net Tuition Revenue
ALLOCATION METHODOLOGY

**Student**
- 100% Total Credit Hours (all terms)
- FY2022 Census Point
  - Total credit hours generated in FY2021 (includes all terms)
- FY2021 per Metric Cost: $132.00 per CHG

**General**
- 100% Net Direct Expenditures (NDE)
- FY2022 Census Point
  - FY20 Final Financial Data
- FY2021 per Metric Cost: $0.2128 per NDE

**Space**
- 100% Unit Square Footage
- FY2022 Census Point
  - June 2021
- FY2021 per Metric Cost: $23.42 per sq. ft.
## ALLOCATION METHODOLOGY

### STUDENT

<table>
<thead>
<tr>
<th>Campus Safety (50% of Expense)</th>
<th>Libraries</th>
<th>Temple Press</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Technology Services (50% of Expense)</td>
<td>Office of the Provost</td>
<td>Uncollectibles</td>
</tr>
<tr>
<td>Enrollment Management</td>
<td>Recreation Services</td>
<td>University College</td>
</tr>
<tr>
<td>Graduate School</td>
<td>Rome</td>
<td>Vice Provost Faculty Affairs</td>
</tr>
<tr>
<td>Intercollegiate Athletics</td>
<td>Shared Classrooms</td>
<td>Vice Provost for U/G Studies</td>
</tr>
<tr>
<td>International Affairs</td>
<td>Student Affairs</td>
<td></td>
</tr>
</tbody>
</table>
## Allocation Methodology

### General

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Responsibility Area</th>
<th>Responsible Office/Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Services</td>
<td>Human Resources</td>
<td>Purchasing</td>
</tr>
<tr>
<td>Campus Safety (50% of Expense)</td>
<td>Institutional Advancement</td>
<td>Risk Management</td>
</tr>
<tr>
<td>Center for Equity and Inclusion</td>
<td>Institutional Expenses</td>
<td>University Budget Office</td>
</tr>
<tr>
<td></td>
<td>includes benefits, insurances, exec comp</td>
<td></td>
</tr>
<tr>
<td>Central Vacant Space</td>
<td>Internal Audit</td>
<td>University Marketing</td>
</tr>
<tr>
<td>Information Technology Services (50% of Expense)</td>
<td>Office of the President</td>
<td>University Secretary</td>
</tr>
<tr>
<td>_controller's Office</td>
<td>Office of the VP, CFO &amp; Treasurer</td>
<td>Vice President for Public Affairs</td>
</tr>
<tr>
<td>Government Affairs</td>
<td>Office of University Counsel</td>
<td>Vice President for Research</td>
</tr>
<tr>
<td></td>
<td>Real Estate/WRTI</td>
<td></td>
</tr>
</tbody>
</table>
## ALLOCATION METHODOLOGY

### SPACE

<table>
<thead>
<tr>
<th>COO Office &amp; Emergency Mgmt</th>
<th>HSC Facilities Management</th>
<th>Rent of Property / Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Service</td>
<td>Main Facilities Management</td>
<td>Service Operations</td>
</tr>
<tr>
<td>Environ Health &amp; Radiation Safety</td>
<td>Planning &amp; Capital Projects</td>
<td>Utilities</td>
</tr>
<tr>
<td>WirelessFirst</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
STRATEGIC FUND

- Annually assessment of $7.0 million from the schools and colleges
- Adjustment occurs via the subvention line
- Is a permanent adjustment in resources to the schools and colleges
- Vehicle to move resources from one school to another based upon strategic priorities
- Funding can be used for one-time strategic initiatives or permanent investments

Issues

- Has the fund been used strategically over the years?
- What are the strategic priorities that we can link to these resources?
- Is the assessment sufficient or too much?
- The assessment is like a budget reduction – can the schools continue to afford it without the growth in tuition revenue?
ADMINISTRATIVE LABOR SPEND

Administrative Labor Spend vs. Total Labor Spend
in millions of dollars

*Administrative Intensity Measure (AIM) = Total Administrative Spend divided by Total Labor Spend
** Information calculated by Academic Benchmarking Consortium or ABC Insights