

A photograph of a modern, multi-story glass and metal building at dusk. The building's interior lights are on, and the sky is a mix of orange and purple. A red banner is overlaid on the left side of the image.

UNIVERSITY OF  
**LOUISVILLE**<sup>®</sup>

FY 2016 Budget Highlights  
Presentation to the Faculty of the  
College of Arts and Sciences

March 25, 2015



**Thank you for joining us today.  
Thank you for all you do!**

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# Scenario B

## Notable Changes from Scenario A to Scenario B

	<u>Budget Change</u>
- Removed health insurance expenditure increases	(2,400,000)
- Added VSIP salary and fringe benefit savings	(2,500,000)
- Removed Affordable Care Act increase	(250,000)

<u>Revenues</u>	<u>Budget Change *</u>
1 Across-the-board 3% tuition rate increase, Regular Session	6,607,700
2 Across the board 3% tuition rate increase, Summer Session	567,000
3 Reduction in interest income (one-time increase in FY 2014-15)	(1,000,000)
<b>Revenues Subtotal</b>	<b>6,174,700</b>

<u>Expenditures</u>	<u>Budget Change *</u>
<b>Salaries and Fringe Benefits</b>	
1 \$200k FICA decrease; \$138k workers' comp decrease	(338,000)
2 Faculty promotions	500,000
3 Staff promotions	250,000
4 VSIP savings (salaries and fringe benefits)	(2,500,000)
<b>Operating</b>	
5 Utility costs	248,000
<b>Continuing Annual Requirements (CAR)</b>	
6 Various CAR items	501,800
<b>Financial Aid</b>	
7 3% Increase to central institutional scholarship support	973,000
<b>Debt Service</b>	
8 Net revenue and expenditure change	156,600
<b>Expenditures Subtotal</b>	<b>(208,600)</b>

<b>Surplus/(Deficit)</b>	<b>6,383,300</b>
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## Notable Changes from Scenario A to Scenario B

- Removed health insurance expenditure increases (2,400,000)
- Added VSIP salary and fringe benefit savings (2,500,000)
- Removed Affordable Care Act increase (250,000)



# Scenario B Revenue

## Revenue Changes

1. Across-the-board 3% tuition rate increase
  - Regular Session \$6,607,700
  - Summer Session \$567,000
2. Reduction in interest income of \$1,000,000  
(one-time increase in FY 2015)



# Scenario B Expenditures

## Salaries and Fringe Benefits

- \$200k FICA decrease and \$138k workers' comp decrease
- Faculty promotions fund \$500,000
- Staff promotions fund \$250,000
- VSIP savings of \$2,500,000
  - (includes salaries & fringe benefits)

## Operating

- Utility costs increase of \$248,000 for new facilities only

## Continuing Annual Requirements (CAR)

- Various CAR items of \$501,800

## Financial Aid

- 3% Increase to central institutional scholarship support \$973,000

## Debt Service

- Net revenue and expenditure change of \$156,600

# **What is the amount of tuition that the University of Louisville Athletic Association (ULAA) pays in a fiscal year?**

ULAA paid \$10.1 million in fiscal year 2013 and \$10.6 million in fiscal year 2014 for student athletes' tuition. (Source: Gender Equity Report)



# How much does ULAA pay to operate its facilities (e.g., practice facilities) in a fiscal year? What percent of ULAA's budget is spent on operating these facilities?

<b>Fiscal Year 2014</b>	
Maintenance Costs	1,257,411
Utility Costs	2,071,087
<b>Total</b>	<b>\$3,328,498</b>

Source: Physical Plant

Total facility costs of \$3.3 million represent 4.3% of ULAA's fiscal year 2014 adopted budget of \$77.2 million.

# Identify ULAA's fiscal year 2015 administration budget.

<b>Fiscal Year 2015</b>	
Central Administration	2,853,028
Varsity Sports Administration	302,086
Sr. Women's Administrator	463,171
Compliance	606,669
<b>Total</b>	<b>\$4,224,954</b>

Source: Fiscal Year 2015 ULAA Operating Budget

# **Compare UofL's College of Arts and Sciences budget to other similar colleges in the Atlantic Coast Conference (ACC).**

- Difficult to make comparisons
  - Number of faculty and students, degrees offered, including graduate and doctoral degrees, vary from institution to institution.
  - ACC consists of private and public institutions. Private institutions generally do not publicly submit budget documents.
  - Public institutions typically group spending by 'educational activities' or 'academic activities' and not by specific school or college.

## Student enrollment data for A&S.

The following table shows the A&S student population at UofL from fiscal year 2011 through fiscal year 2014.

**Student Enrollment in A&S by Degree Type, FY 2011 through FY 2014**

<b>Degree</b>	<b>Fiscal Year</b>			
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Bachelors	9180	9332	9,231	9,230
Masters	593	591	539	516
Doctoral	374	379	385	392
Post-Doctoral	12	12	8	10
<b>Total</b>	<b>10,159</b>	<b>10,314</b>	<b>10,163</b>	<b>10,148</b>

Source: Office of Institutional Research and Effectiveness

**As a percent of UofL's total general fund budget, how much is for A&S's salaries and fringe benefits?**

Approximately 12% of the University's FY 2015 general fund budget is for A&S salaries and fringe benefits.



# For FY 2015, what percentage of A&S's general fund budget is for salaries and fringe benefits?

For fiscal year 2015, approximately 95 percent of A&S's general fund budget is for salaries and fringe benefits.

## Personnel Expenditures and Total Budget (General Funds only)

Financial Information	FY 2013-14 Budget		FY 2014-15 Budget	
	FTE Positions	General Funds	FTE Positions	General Funds
<b>Personnel Expenses (General Fund)</b>				
Faculty	487.1	\$32,742,307	528.8	\$33,291,524
Graduate Assistants	288.0	4,545,440	303.5	4,737,440
Administrators	1.0	145,841	1.0	219,771
P & A Staff	133.9	4,797,962	139.3	5,009,342
Classified Staff	67.9	1,883,670	63.2	1,839,506
Other Salaries and Wages	100.4	139,414	90.5	146,014
Fringe Benefits	-	11,846,030	-	12,239,639
<b>Total Personnel Expenses</b>	<b>1,078.4</b>	<b>56,100,664</b>	<b>1,126.3</b>	<b>57,483,236</b>
<b>Total A&amp;S General Fund Budget</b>		<b>59,248,120</b>		<b>60,509,606</b>
		<b>\$496,487,70</b>		<b>\$497,915,30</b>
<b>Total University Budget</b>		<b>0</b>		<b>0</b>



# Questions

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