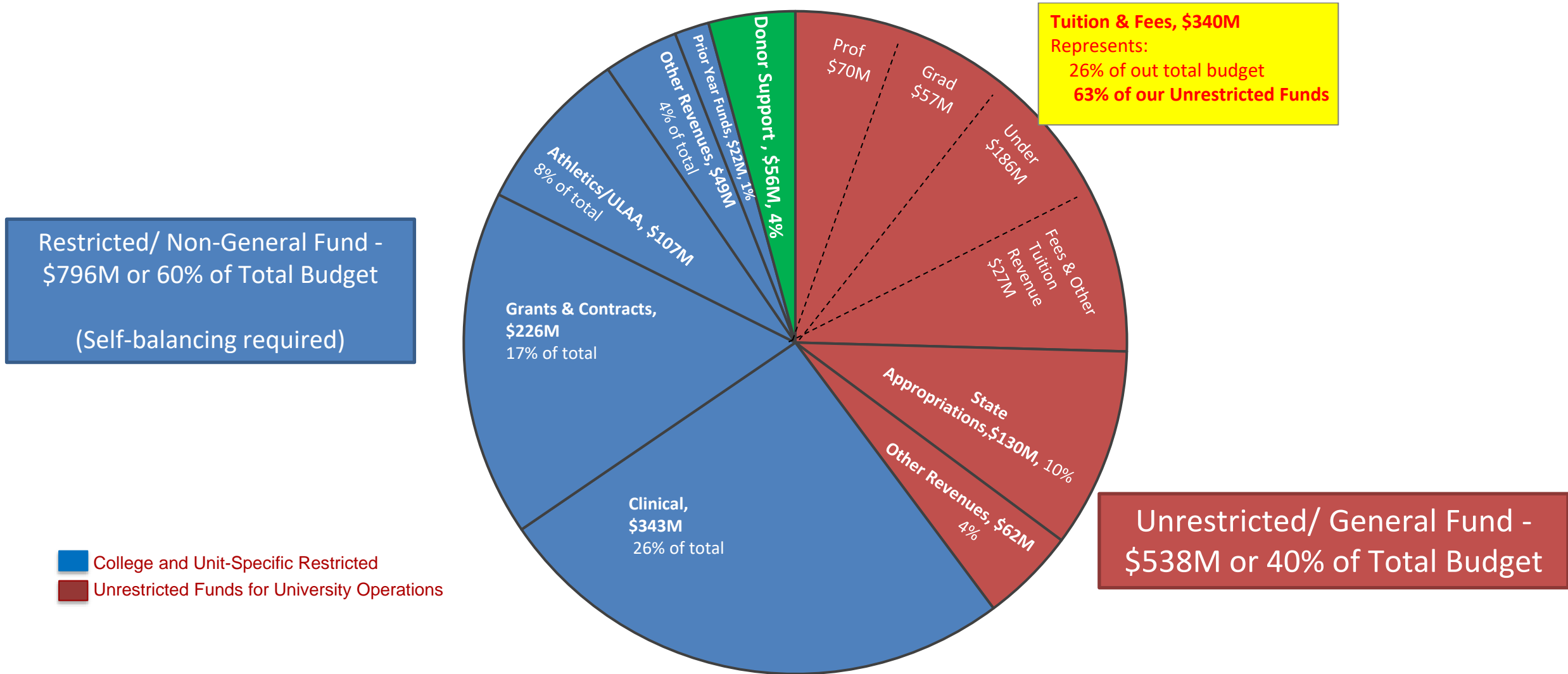




Budget Overview

Overview of FY 2022 Sources of Funds

\$1.3 Billion



Factors Influencing Our Tuition Rates

- **External factors**

- Political (Legislative)
- Council on Postsecondary Education
- Environmental
- Affordability
- Benchmarking to competitors (currently 2nd highest in State)

- **Internal Factors**

- Shared governance process
- Consideration of total cost of attendance (housing, dining, tuition, fees)
- Recommendations made to university leadership by tuition taskforce by a broad group of stakeholders

State Appropriations: Two Components

- **Biennial state budget includes funding for universities**
- **Two components: Base (\$127M) and Performance Funding (\$3M)**
- **State law enacted in 2017 created state performance funding pool**
 - \$17 million in new money added to the system in FY 2022
 - UofL received ~\$3 million of the new funds that are at risk annually based on model
 - Revised statute returns all \$17M back to pool and will be reallocated each year based on each university's performance relative to the others

State Performance Funding Metrics: UofL better than average on 7 of 11

Performance Metrics

1. Bachelor's Degree
2. **STEM+H Bachelor's Degrees**
3. URM Bachelor's Degrees
4. **Low Income Bachelor's Degree**
5. **Student Progression @ 30 Hours**
6. Student Progression @ 60 Hours
7. **Student Progression @ 90 Hours**
8. **Earned Credit Hours**

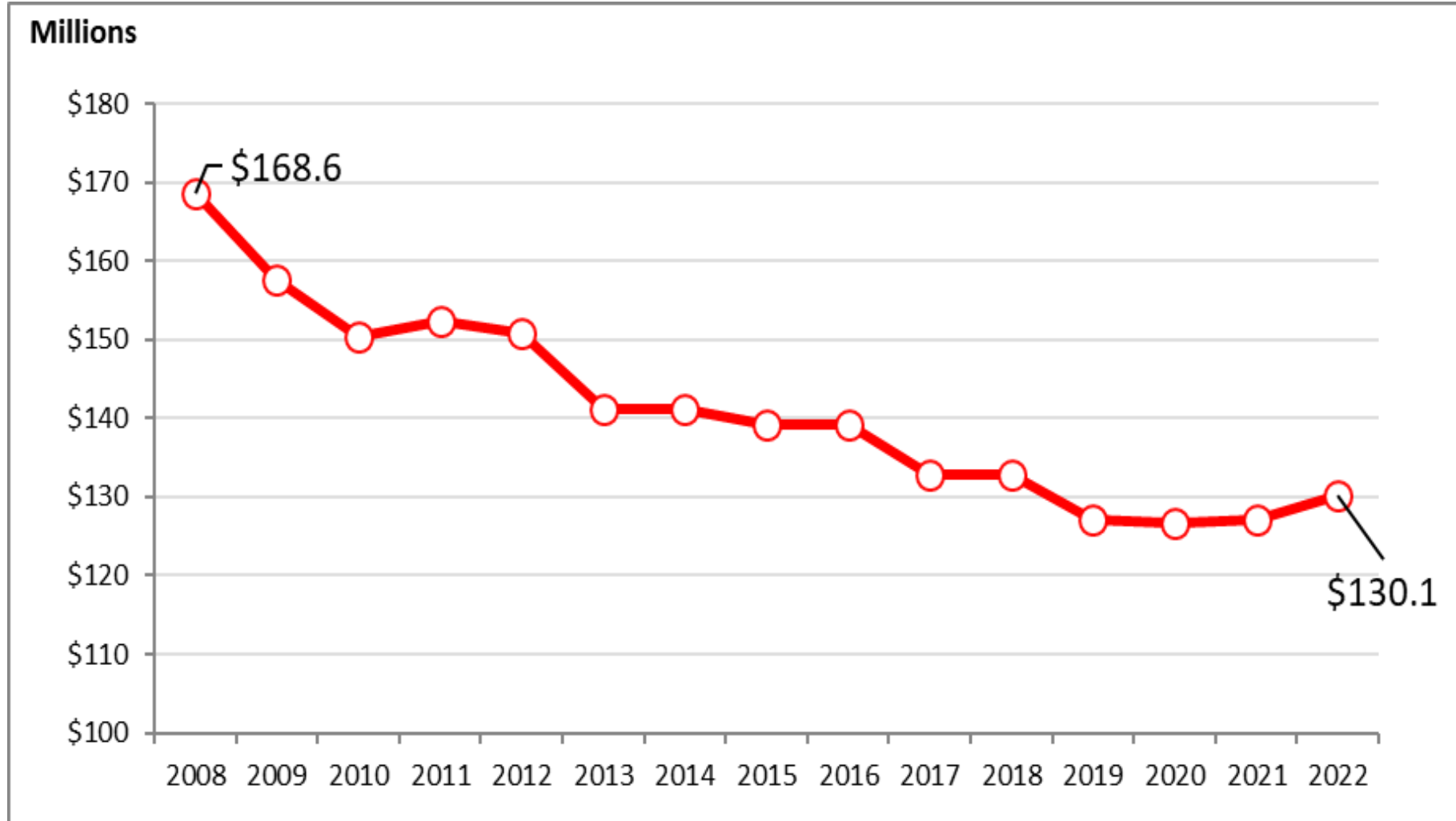
Operational Support Metrics

9. **Instructional Square Feet**
10. Direct Cost of Instruction
11. **FTE Students**

Key Point: Competing with all public universities in KY for these funds- its how we perform in comparison to the others !

*Green text denotes the seven metrics in which UofL performed better than the sector average

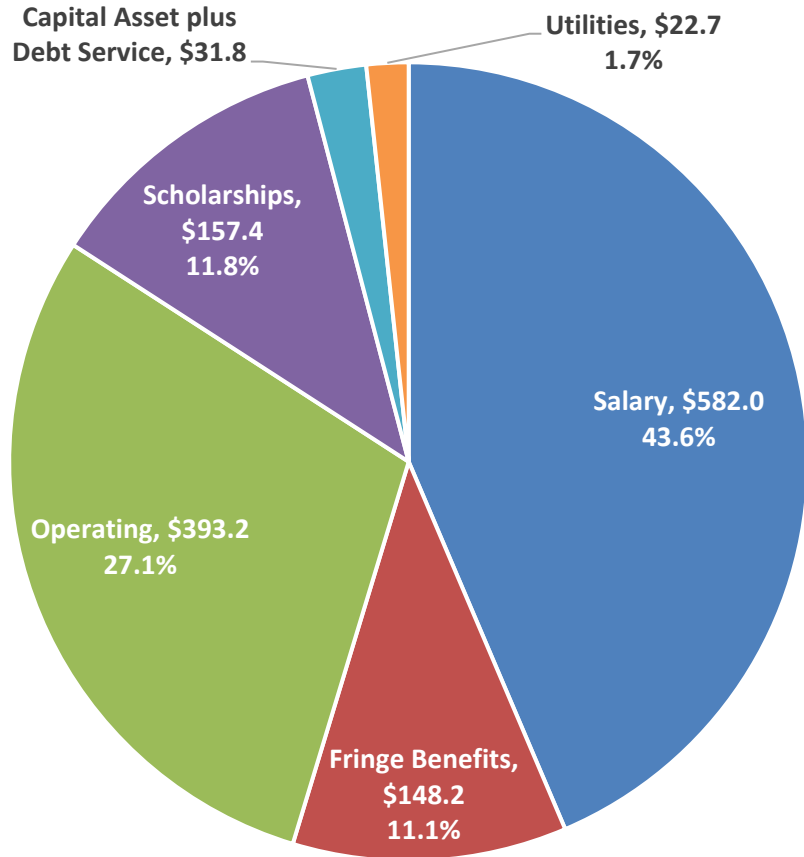
History of State Support to UofL Since FY 2008



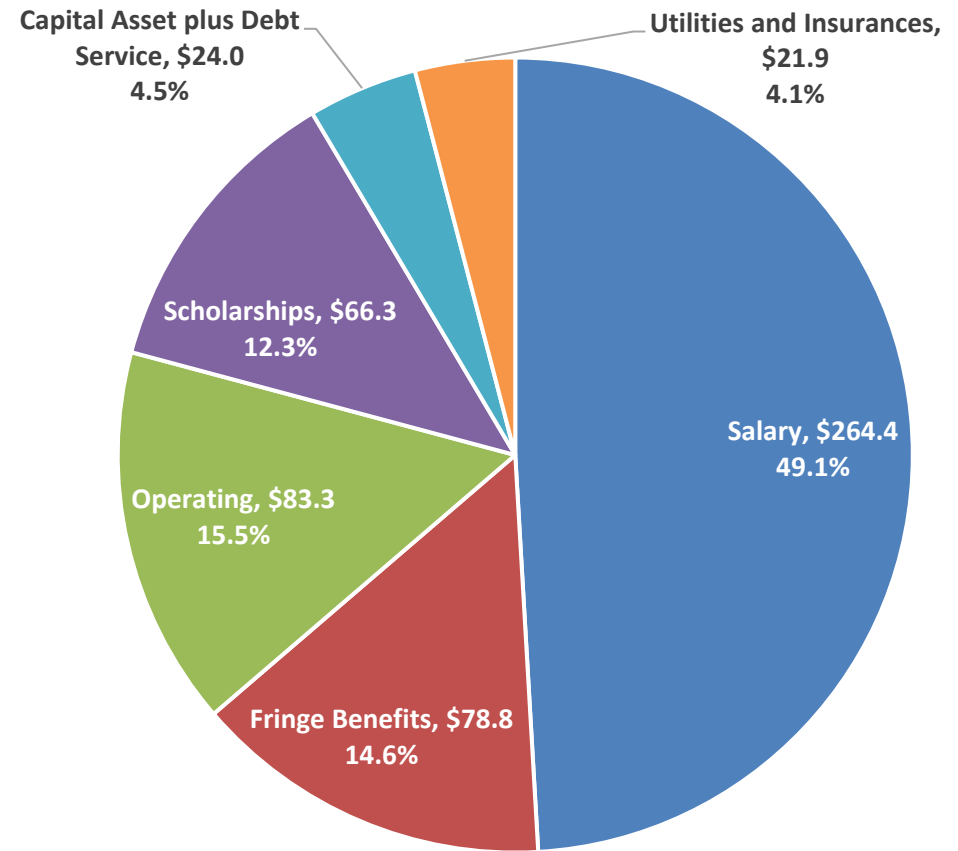
What Are We Budgeting?

Expenses by Category and Component

(Amounts shown in millions; FY 2022 budget shown)



All Funds = \$1.3 Billion



General Fund = \$538.7 million

The Distribution of our General Fund Budget: Every Dollar Has Defined Purpose

- **There are no “unallocated” general fund dollars – our needs exceed our available revenues and growth is constrained by general fund availability**
- **An increase in an expense budget must come from unbudgeted revenue increases or reductions of other current expense budgets**
- **Over 80% of our General Fund Budget is allocated to academic units and other mandatory fixed cost items (ex. utilities, student aid, insurance)**

Budget Category	FY 2022 (in \$ millions)	% of Total
Allocated to Academic Units	290.9	54.0%
Inst. Student Financial Aid	56.4	10.5%
Physical Plant (Facilities)	24.2	4.5%
Debt Service	24.0	4.5%
Utilities	20.9	3.9%
IT Services	14.5	2.7%
Auxiliaries	13.9	2.6%
EVPRI (Research)	11.4	2.1%
Mandatory student fees	9.8	1.8%
President & Inst Support	9.7	1.8%
Delphi Center	9.5	1.8%
Environ. Health, Procurement, Bus Ops	9.4	1.7%
Advancement, Comm. Engage.; Other	7.4	1.4%
Finance	5.3	1.0%
Admissions	5.2	1.0%
Campus Police & Public Safety	4.8	0.9%
Provost & Academic Affairs	4.3	0.8%
Insurances	4.1	0.8%
Student Health Services	3.5	0.7%
Bad Debt Expense	2.9	0.5%
Human Resources	2.7	0.5%
Audit & Compliance	1.8	0.3%
Campus building & grounds repairs	1.1	0.2%
Faculty Promotions	0.5	0.1%
State Restricted	0.3	0.0%
Dean Recruitment	0.1	0.0%
Total General Fund Expense Budget	\$ 538.7	100.0%

Where Does This Leave Us?

- **We are facing challenges that are game changers:**
 - Employee compensation needs increased
 - Funding for health insurance cost increases
 - Facilities upkeep
 - Rising costs of getting normal things done (inflation)
 - The enrollment “cliff” coming in 2025 will impact enrollment and institutional aid
- **Neither the state nor tuition increases can fully fund these challenges - we need help from other sources..... DONORS...and a lot of it already exists**
- **Substantial cash already exists in the Foundation to help meet unit needs - its ready for immediate use !!**
- **We must also re-think everything we do - how can we do it less expensively (without sacrificing quality) and what should we stop doing to redirect dollars toward other things (compensation)**

**What Could You Do With \$82 million Over
The Next Few Years ?**

Total Foundation Funds Available

in thousands as of 11.30.21

School	Endowment	Current Use	Total
School of Medicine	\$ 19,852	\$ 20,176	\$ 40,028
College of Arts and Sciences	3,541	4,071	7,612
College of Business	2,144	4,391	6,535
Speed School of Engineering	2,266	2,825	5,091
Libraries	457	1,853	2,310
Law School	1,063	780	1,843
School of Dentistry	549	1,293	1,842
College of Education and Human Development	1,124	820	1,944
School of Music	874	523	1,397
School of Nursing	280	638	918
School of Public Health and Informational Sciences	297	471	768
Kent School	69	192	261
Graduate School	0	41	41
All others	3,941	7,529	11,469
Total	\$ 36,457	\$ 45,602	\$ 82,059

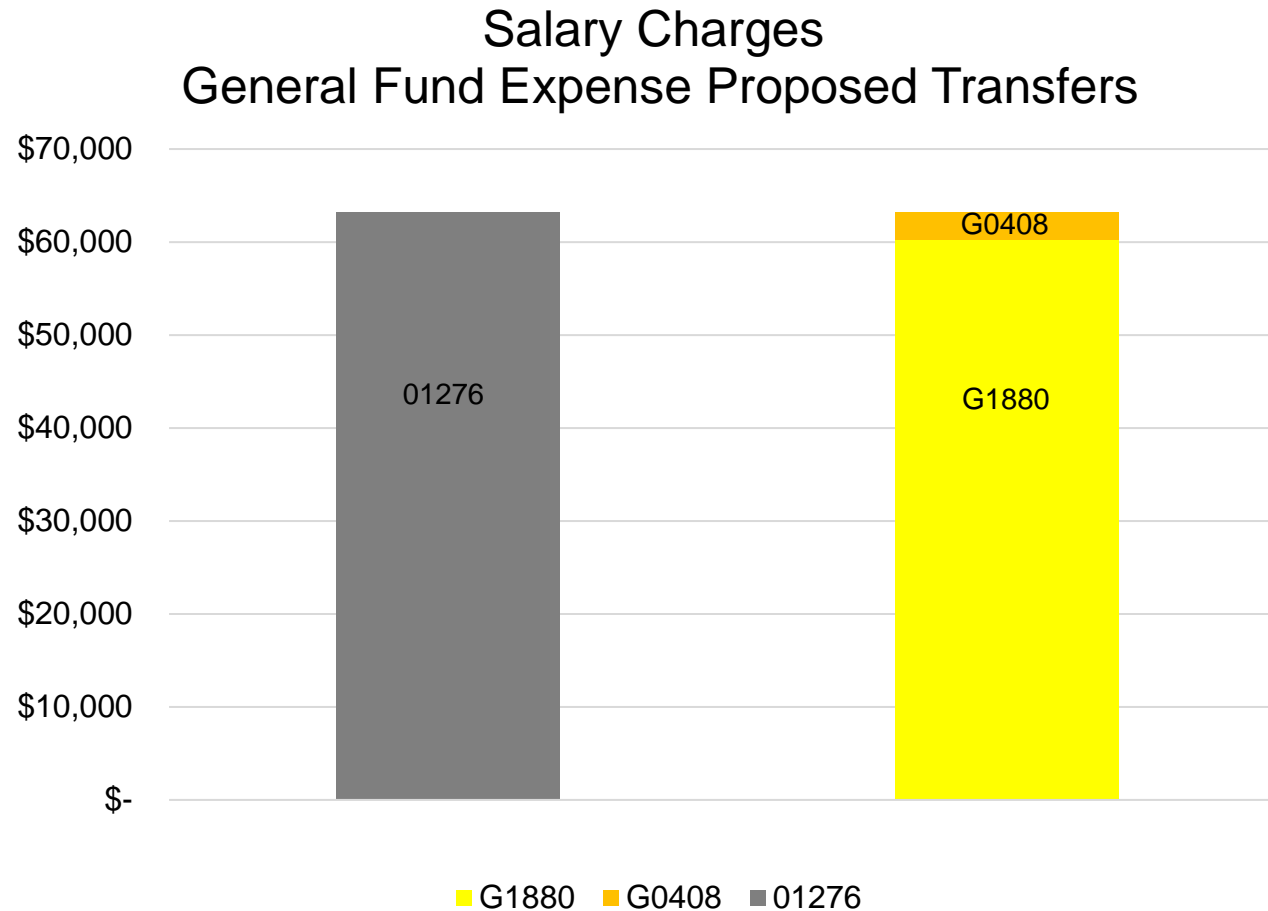
College of Arts & Sciences - Foundation Funds Available By Area of Support

in thousands as of 11.30.21

College of Arts & Sciences	Endowment	Current Use	Total
Unrestricted – College	\$ 101	\$ 493	\$ 594
Unrestricted – Departments	261	409	670
<u>Restricted Funds:</u>			
Academic Support	631	1,282	1,913
Instruction	553	281	834
Endowed Faculty	886	0	886
Maintenance and Operations	1	196	197
Public Service	1	423	424
Research	387	236	623
Student Financial Aid	707	709	1,416
Student Services	13	38	51
Institutional Support	0	4	4
Total	\$ 3,541	\$ 4,071	\$ 7,612

Chemistry Department

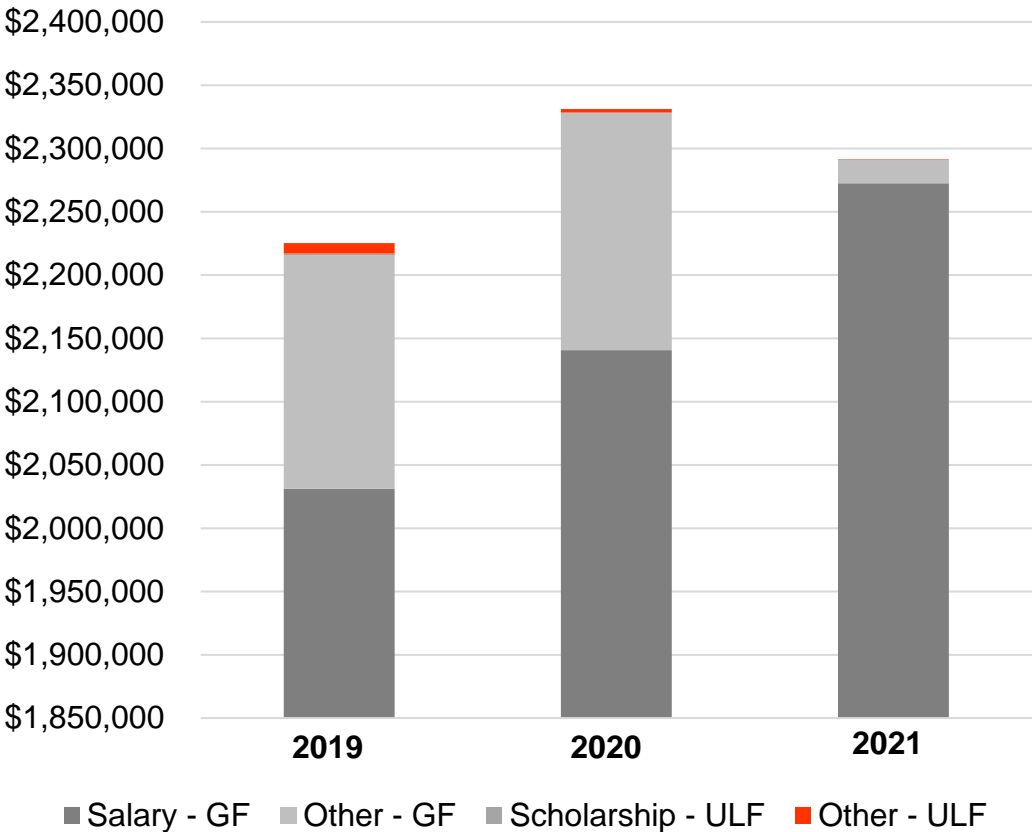
- \$63,235.66 of salary charged to 01276, fund 1000A FYTD22
- G1880 has \$60,235.93 of “Funding To Support The Research In Bioinformatics”.
- Use BI report HR > UBM > Pay History to identify EE pay source



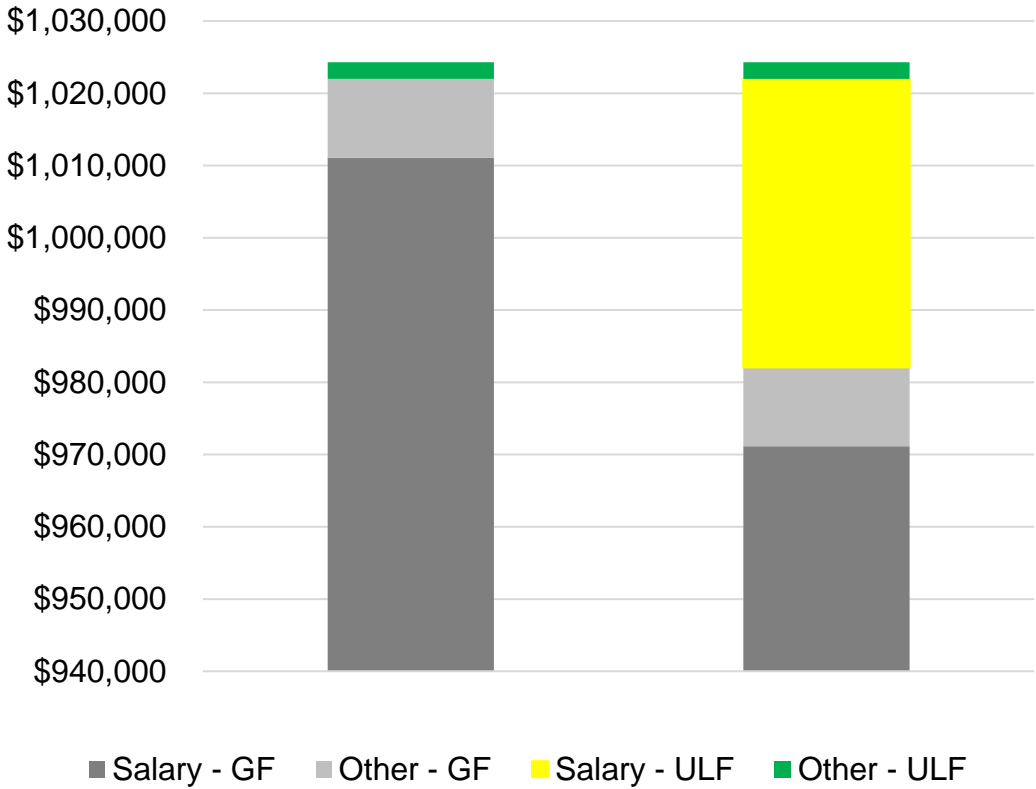
Accounting Department

- Foundation funds: \$39k available in total/ \$2k spent FYTD
- Department almost entirely funded from General Funds over the past five years
- \$7k added to unrestricted Foundation funds in last 4 months received

Department Expense History



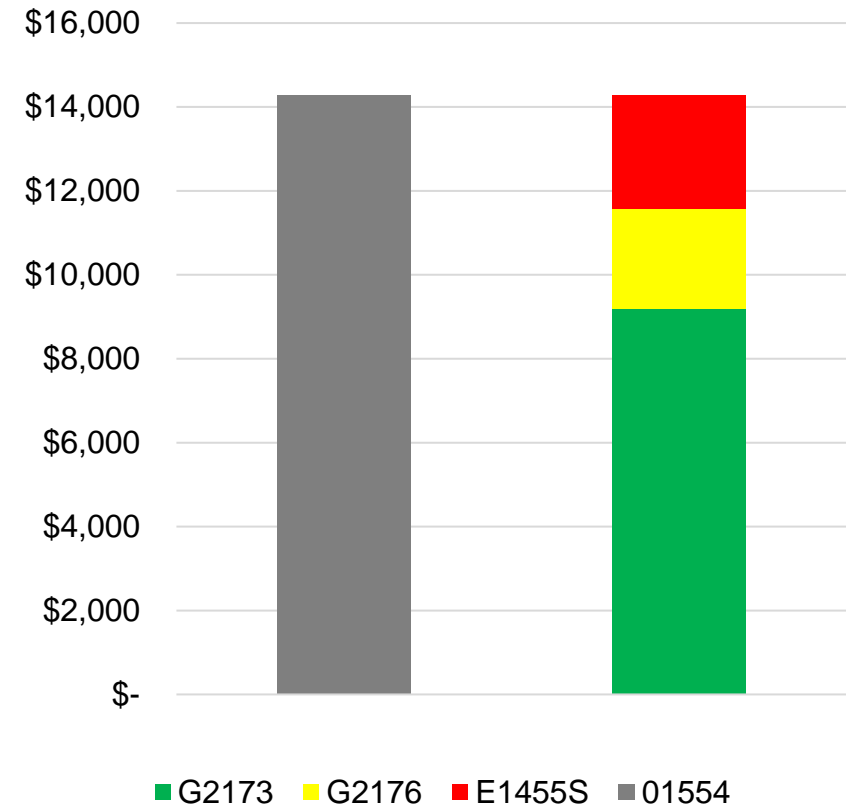
Current Year Expenses Actual vs Proposed



Accounting Department

- \$370k total accounting scholarships have been charged to 3010xxxxxx dept. ID. Only \$108k funded from Foundation programs.
- There is approx. \$40k in scholarships remaining that can be funded from the Foundation:
 - Charge G2173 \$9,200.01 to fund 01554 Olivia (student #1504444) scholarship
 - Charge G2176 \$2,385.00 to fund 01554 Christina (student #1556485) scholarship
 - Charge E1455S \$2,703.13 to fund 01554 Hunter (student #1560273) scholarship
 - Entries will reduce general fund expenses by \$14k
- BI report: FI > Individual > BI-04 Tuition Feed Detail

Scholarships
General Fund Expense
Transfers



Recommended Order of Spending**

- **Grants**
 - Typically they must be returned if not spent.
 - If this isn't the case then hold.
- **Purpose Restricted Endowments**
- **Purpose Restricted Gifts**
- **Unrestricted Gifts**
- **Unrestricted Endowments**
- **General Funds**

**There is a process if you cannot spend the money as the donor intended?

APPENDIX

School of Medicine - Foundation Funds Available By Area of Support

in thousands as of 11.30.21

School of Medicine	Endowment	Current Use	Total
Unrestricted – College	\$ 1,066	\$ 129	\$ 1,195
Unrestricted – Departments	813	2,540	3,353
<u>Restricted Funds:</u>			
Academic Support	297	2,844	3,141
Instruction	1,782	609	2,391
Endowed Faculty	10,579	1,555	12,134
Maintenance and Operations	4	593	597
Public Service	28	2,422	2,450
Research	3,918	7,610	11,528
Student Financial Aid	1,312	577	1,889
Student Services	53	225	278
Institutional Support	0	1,072	1,072
Total	\$ 19,852	\$ 20,176	\$ 40,028

College of Business - Foundation Funds Available By Area of Support

in thousands as of 11.30.21

College of Business	Endowment	Current Use	Total
Unrestricted – College	\$ 804	\$ 431	\$ 1,235
Unrestricted – Departments	4	123	127
<u>Restricted Funds:</u>			
Academic Support	263	805	1,068
Instruction	12	186	198
Endowed Faculty	687	0	687
Maintenance and Operations	0	362	362
Public Service	10	175	185
Research	4	1,627	1,631
Student Financial Aid	356	214	570
Student Services	4	455	459
Institutional Support	0	13	13
Total	\$ 2,144	\$ 4,391	\$ 6,535

Speed School - Foundation Funds Available By Area of Support

in thousands as of 11.30.21

Speed School	Endowment	Current Use	Total
Unrestricted – College	\$ 177	\$ 173	\$ 350
Unrestricted – Departments	8	105	113
<u>Restricted Funds:</u>			
Academic Support	215	535	750
Instruction	0	12	12
Endowed Faculty	791	0	791
Maintenance and Operations	96	207	303
Public Service	0	209	209
Research	287	1,000	1,287
Student Financial Aid	685	479	1,164
Student Services	7	105	112
Institutional Support	0	0	0
Total	\$ 2,266	\$ 2,825	\$ 5,091

Libraries- Foundation Funds Available By Area of Support

in thousands as of 11.30.21

Libraries	Endowment	Current Use	Total
Unrestricted – College	\$ 75	\$ 1,246	\$ 1,321
Unrestricted – Departments	1	22	23
<u>Restricted Funds:</u>			
Academic Support	279	129	408
Instruction	28	0	28
Endowed Faculty	52	0	52
Maintenance and Operations	0	348	348
Public Service	0	0	0
Research	12	0	12
Student Financial Aid	10	0	10
Student Services	0	108	108
Institutional Support	0	0	0
Total	\$ 457	\$ 1,853	\$ 2,310

Law School - Foundation Funds Available By Area of Support

in thousands as of 11.30.21

Law School	Endowment	Current Use	Total
Unrestricted – College	\$ 32	\$ 68	\$ 100
Unrestricted – Departments	14	6	20
<u>Restricted Funds:</u>			
Academic Support	150	145	295
Instruction	38	39	77
Endowed Faculty	417	0	417
Maintenance and Operations	0	206	206
Public Service	71	50	121
Research	8	10	18
Student Financial Aid	333	214	547
Student Services	0	42	42
Institutional Support	0	0	0
Total	\$ 1,063	\$ 780	\$ 1,843

School of Dentistry - Foundation Funds Available By Area of Support

in thousands as of 11.30.21

School of Dentistry	Endowment	Current Use	Total
Unrestricted – College	\$ 16	\$ 89	\$ 105
Unrestricted – Departments	0	218	218
<u>Restricted Funds:</u>			
Academic Support	18	68	86
Instruction	50	324	374
Endowed Faculty	245	0	245
Maintenance and Operations	0	71	71
Public Service	0	370	370
Research	7	86	93
Student Financial Aid	178	48	226
Student Services	0	19	19
Institutional Support	35	0	35
Total	\$ 549	\$ 1,293	\$ 1,842

College of Education & Human Development Foundation Funds Available By Area of Support

in thousands as of 11.30.21

College of Education & Human Development	Endowment	Current Use	Total
Unrestricted – College	\$ 13	\$ 40	\$ 53
Unrestricted – Departments	3	25	28
<u>Restricted Funds:</u>			
Academic Support	216	91	307
Instruction	0	63	63
Endowed Faculty	592	0	592
Maintenance and Operations	0	1	1
Public Service	119	380	499
Research	23	32	55
Student Financial Aid	158	144	302
Student Services	0	44	44
Institutional Support	0	0	0
Total	\$ 1,124	\$ 820	\$ 1,944

School of Music - Foundation Funds Available By Area of Support

in thousands as of 11.30.21

School of Music	Endowment	Current Use	Total
Unrestricted – College	\$ 45	\$ 132	\$ 177
Unrestricted – Departments	5	62	67
<u>Restricted Funds:</u>			
Academic Support	96	78	174
Instruction	170	63	233
Endowed Faculty	91	0	91
Maintenance and Operations	0	32	32
Public Service	86	6	92
Research	0	1	1
Student Financial Aid	364	143	507
Student Services	16	2	18
Institutional Support	1	4	5
Total	\$ 874	\$ 523	\$ 1,397

School of Nursing - Foundation Funds Available By Area of Support

in thousands as of 11.30.21

School of Nursing	Endowment	Current Use	Total
Unrestricted – College	\$ 11	\$ 159	\$ 170
Unrestricted – Departments	0	0	0
<u>Restricted Funds:</u>			
Academic Support	1	94	95
Instruction	1	0	1
Endowed Faculty	25	0	25
Maintenance and Operations	0	4	4
Public Service	0	225	225
Research	25	10	35
Student Financial Aid	217	134	351
Student Services	0	12	12
Institutional Support	0	0	0
Total	\$ 280	\$ 638	\$ 918

School of Public Health & Informational Sciences

Foundation Funds Available By Area of Support

in thousands as of 11.30.21

SPHIS	Endowment	Current Use	Total
Unrestricted – College	\$ 0	\$ 20	\$ 20
Unrestricted – Departments	0	2	2
<u>Restricted Funds:</u>			
Academic Support	0	76	76
Instruction	2	0	2
Endowed Faculty	90	0	90
Maintenance and Operations	0	0	0
Public Service	0	117	117
Research	200	79	279
Student Financial Aid	5	174	179
Student Services	0	3	3
Institutional Support	0	0	0
Total	\$ 297	\$ 471	\$ 768

Kent School - Foundation Funds Available By Area of Support

in thousands as of 11.30.21

Kent School	Endowment	Current Use	Total
Unrestricted – College	\$ 2	\$ 5	\$ 7
Unrestricted – Departments	0	0	0
<u>Restricted Funds:</u>			
Academic Support	1	54	55
Instruction	0	1	1
Endowed Faculty	41	0	41
Maintenance and Operations	0	1	1
Public Service	0	0	0
Research	0	11	11
Student Financial Aid	25	114	139
Student Services	0	6	6
Institutional Support	0	0	0
Total	\$ 69	\$ 192	\$ 261

Graduate School - Foundation Funds Available By Area of Support

in thousands as of 11.30.21

SIGS	Endowment	Current Use	Total
Unrestricted – College	\$ 0	\$ 0	\$ 0
Unrestricted – Departments	1	0	1
<u>Restricted Funds:</u>			
Academic Support	0	0	0
Instruction	0	0	0
Endowed Faculty	0	0	0
Maintenance and Operations	0	0	0
Public Service	0	0	0
Research	0	0	0
Student Financial Aid	0	27	27
Student Services	0	13	13
Institutional Support	0	0	0
Total	\$ 1	\$ 40	\$ 41