



THE UNIVERSITY OF  
ALABAMA IN HUNTSVILLE

## **Budget Overview**

# **Leadership Development Workshop**

## **August 15, 2013**

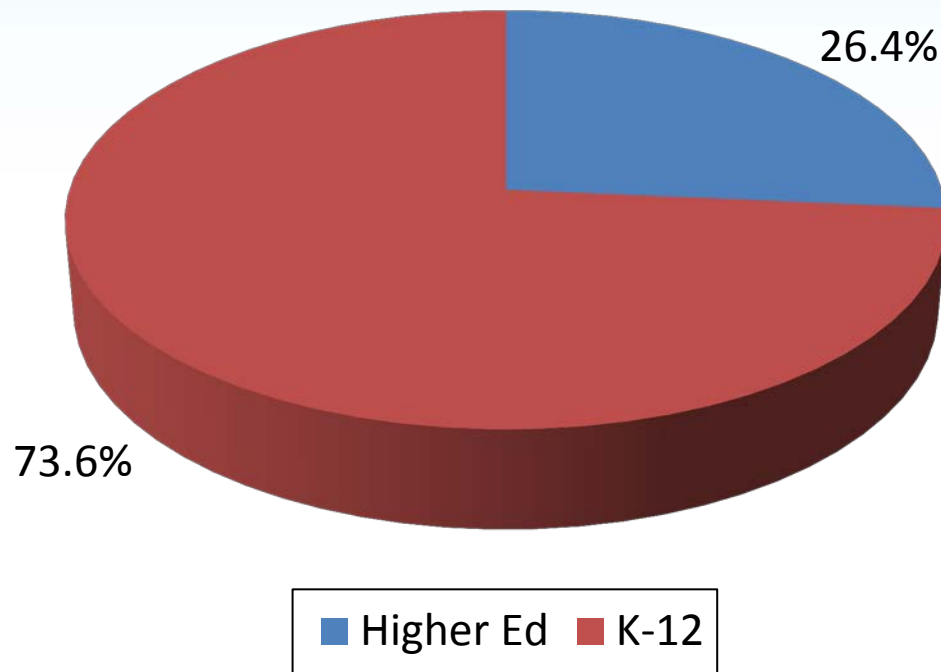
# Alabama Budget in Billions - FY 2014

<b>Education Trust Fund (ETF)</b>	<b>\$5.76</b>
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<b>General Fund (GF)</b>	<b>\$1.75</b>
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# Total ETF Budget = \$5.76 Billion



# ETF Supports:

- **K-12 Education**
- **Higher Education**
- **Public Library**
- **Performing & Fine Arts**
- **Scholarships**
- **Youth Development**

# **SGF Supports:**

- **Child Development**
- **Criminal Justice**
- **Economic Development**
- **Public Health & Safety**
- **Medicaid**
- **Court System**

# UAH State Appropriation – O&M

<b>FY 2007-08</b>	<b>\$58.1 M</b>
<b>FY 2008-09</b>	<b>\$51.5 M</b>
<b>FY 2009-10</b>	<b>\$45.5 M</b>
<b>FY 2010-11</b>	<b>\$42.1 M</b>
<b>FY 2011-12</b>	<b>\$43.2 M</b>
<b>FY 2012-13</b>	<b>\$41.5 M</b>
<b>FY 2013-14</b>	<b>\$42.1 M</b>

**6 Year Difference: Minus \$16 million**

# Summary of State O&M Appropriations

**FY 2007-08** **\$58.1 Million**

**FY 2013-14 Projected** **\$42.1 Million**

**Loss in Current Dollars** **\$16.0 Million**  
**Percent** **27.5%**

**Loss in Inflation Adjusted**  
**Dollars** **\$23.9 Million**  
**Percent** **41.1%**

# UAH Total Tuition Revenues

<b>FY 2007-08</b>	<b>\$38.0 M</b>
<b>FY 2008-09</b>	<b>\$44.9 M</b>
<b>FY 2009-10</b>	<b>\$51.7 M</b>
<b>FY 2010-11</b>	<b>\$60.2 M</b>
<b>FY 2011-12</b>	<b>\$62.6 M</b>
<b>FY 2012-13</b>	<b>\$68.2 M</b>
<b>FY 2013-14</b>	<b>\$76.1 M</b>

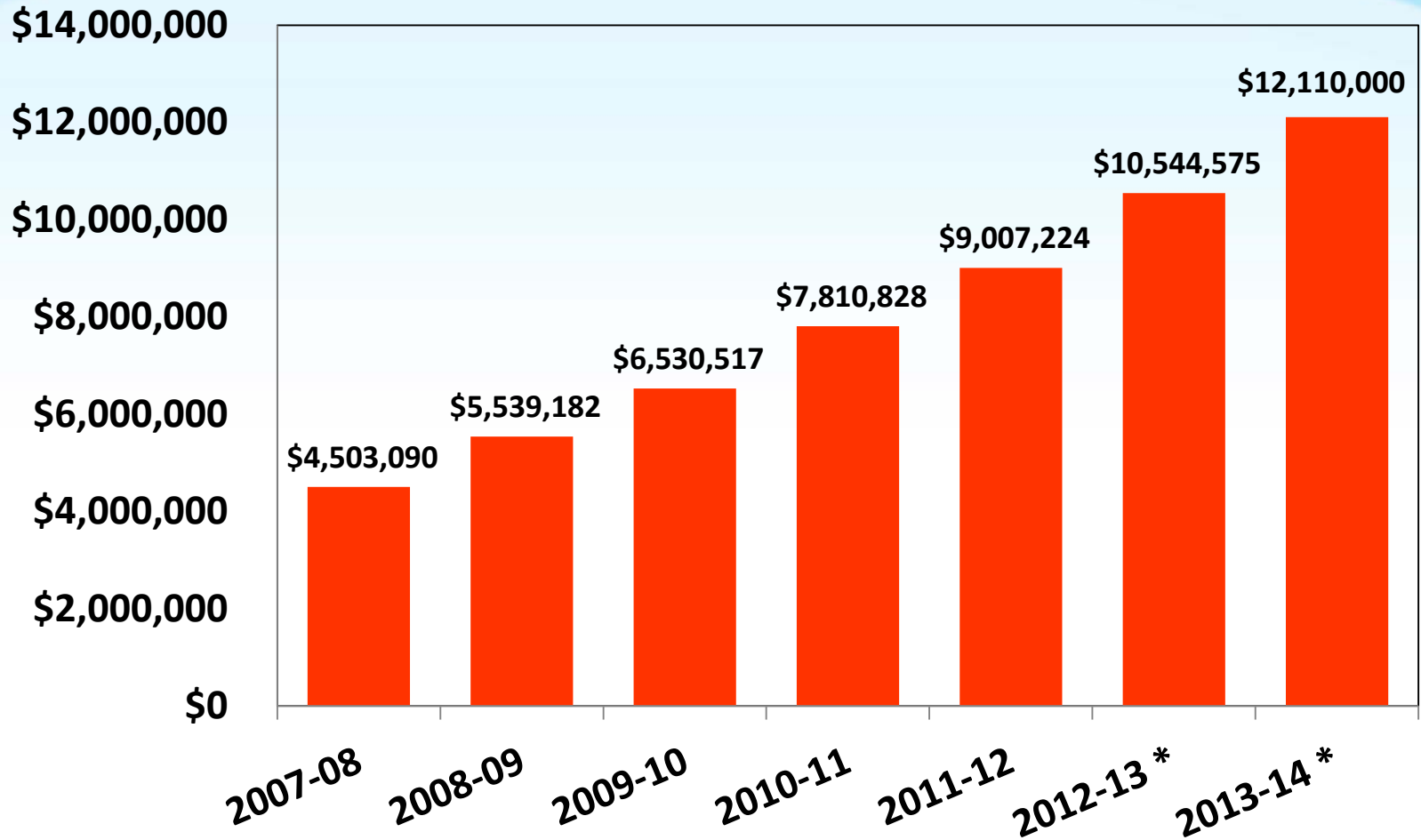
**6 Year Difference: Plus \$38.1 million**



# Changes from 2007-08 through 2013-14

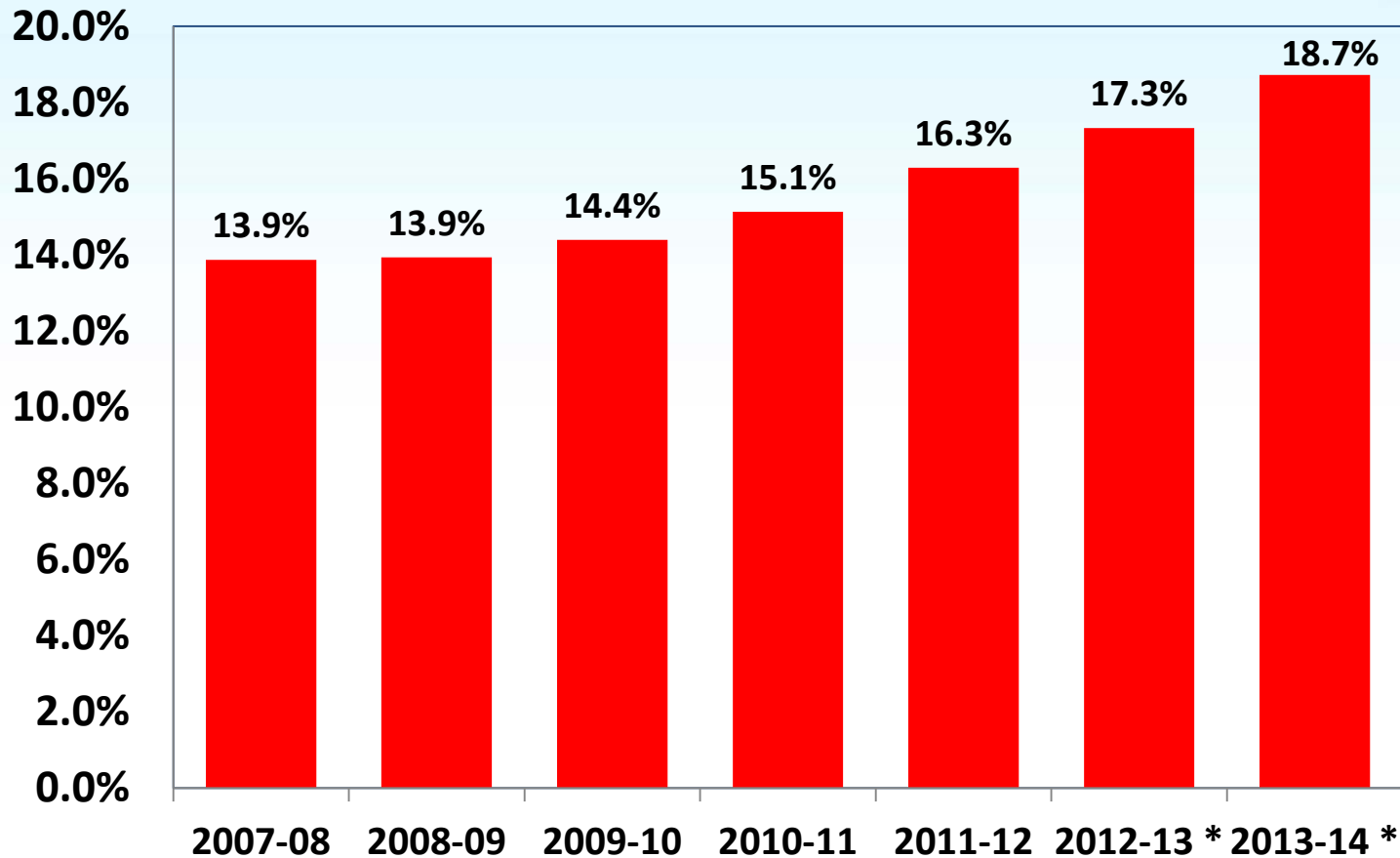
<b>State Appropriation</b>	<b>- \$16.0 M</b>
<b>Tuition Revenues</b>	<b>+ <u>\$38.1 M</u></b>
<b>Revenues Difference</b>	<b>+ \$22.1 M</b>
<b>Scholarships</b>	<b>+ \$ 7.6 M</b>
<b>Salaries</b>	<b>+ \$12.0 M</b>
<b>Benefits/Fixed Costs/Other</b>	<b>+ <u>\$ 2.5 M</u></b>
<b>Expenditures Difference</b>	<b>+ \$22.1 M</b>

# UG Institutional Scholarship Awards



\* Projected  
Includes athletics scholarships

# UG Institutional Scholarship Awards as a % of Total UG Tuition Revenues



**Projected 2013-14 = \$12.1 Million**

\* Projected  
Includes athletics scholarships

# Strategic Budget Assumptions for FY 2014

- **Maintain a balanced budget**
- **Stable enrollment**
- **Provide a merit-based salary pool to faculty, staff, and graduate assistants**
- **Fund customary faculty promotions**
- **Fund retirement, PEEHIP, health insurance mandate**

# **Strategic Budget Assumptions for FY 2014**

- **Increase allocation to scholarship programs**
- **Fund approximately five new faculty and staff positions**
- **Strengthen web services**
- **Improve student health & wellness programs**
- **Fund other fixed cost increases**

# Summary of Mandated Cost Increases in FY 2013-14

<b>TRS Employer Matching increases from 10.08% to 11.71%</b>	<b>\$1,031,000</b>
<b>PEEHIP Monthly Rate increases from \$336 to \$356</b>	<b>\$90,000</b>
<b>Federal Healthcare Mandate</b>	<b>\$350,000</b>

# UAH Academic-Year Faculty Salaries Compared to SUG 50th Percentile

<u>2012-13 Rank</u>	<u>UAH Salary</u>	<u>SUG 50th Percentile</u>	<u>Dollar Difference</u>	<u>Percent Difference</u>
Professor	\$113,304	\$121,630	(\$8,326)	-6.8%
Associate	\$82,242	\$82,346	(\$104)	-0.1%
Assistant	\$70,388	\$76,591	(\$6,203)	-8.1%

# Undergraduate Student 30 Semester Credit Hours

	<u>In-State</u>	<u>Out-of-State</u>
<b>2012-13</b>	<b>\$8,794</b>	<b>\$21,108</b>
<b>2013-14</b>	<b>\$9,192</b>	<b>\$21,506</b>
<b>\$ Increase</b>	<b>\$398</b>	<b>\$398</b>
<b>% Percent</b>	<b>4.53%</b>	<b>1.89%</b>



**Preliminary 2013-14 Operating Budget Summary**  
**Δ from 2012-2013**

**Expenditures**

<b>Compensation &amp; Benefits</b>	<b>\$ 4,005,000</b>
<b>Academic &amp; Instruction</b>	<b>1,372,000</b>
<b>Student Life &amp; Scholarships</b>	<b>5,141,000</b>
<b>Charger Union Debt Service</b>	<b>720,000</b>
<b>General Institutional</b>	<b>1,336,000</b>
<b>Reallocations</b>	<b>(400,000)</b>
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<b>Total Expenditures</b>	<b>\$ 12,174,000</b>

**Revenues**

<b>State Appropriation (Projected)</b>	<b>\$ 591,000</b>
<b>State Designated Funding (Projected)</b>	<b>\$ (200,000)</b>
<b>Other Sources</b>	<b>4,620,000</b>
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<b>Sub Total</b>	<b>\$ 5,011,000</b>
<b>Tuition &amp; Fees Increase Required</b>	<b>7,163,000</b>
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<b>Total Revenues</b>	<b>\$ 12,174,000</b>

# Major On-Going Capital Projects

- **Charger Union**  
**\$25.0 Million – December 2013**
- **Nursing Building Expansion & Renovation**  
**\$17.2 Million – Fall 2015**
- **SWIRLL**  
**\$7.2 Million – Fall 2014**

# Minor On-Going Capital Projects

- **Library Parking Lot Phase 1**      **\$480k**      **September 2013**
- **Library Parking Lot Phase 2**      **\$450k**      **Spring 2014**
- **Tech Hall West Wing Exterior**      **\$500k**      **Fall 2014**
- **Roberts Hall Roof**      **\$400k**      **October 2013**
- **Morton Hall Cornice**      **\$250k**      **October 2013**
- **Spragins Hall Roof**      **\$350k**      **Spring 2014**
- **Library Roof**      **\$325k**      **Summer 2014**
- **Mass Communication System**      **\$2.8 M**      **Fall 2014**

# Strategic Priorities

- **Priority**: Recruit and retain an outstanding and diverse student body of broad interests and of sufficient size to ensure a rewarding campus life experience => Enrollment growth, graduation rate
- **Priority**: Recruit, develop, and retain an outstanding and diverse faculty and staff => Deployment of faculty retirement incentive
- **Priority**: Broaden and expand the research portfolio => Diversify agency funding; increase expenditures
- **Priority**: Engage more fully our stakeholders: alumni, the community, elected officials, and global partners => “Rebuilding” Advancement

# Strategic Priorities

- **Priority:** Be a recognized leader in selected areas of education and research:
  - Aerospace and Systems Engineering
  - Biotechnology
  - Cybersecurity and Big Data
  - Earth, Atmospheric, and Space Science
  - Gaming and Entertainment Arts