



UF BUDGETS

Michael McKee | Vice President and Chief Financial Officer

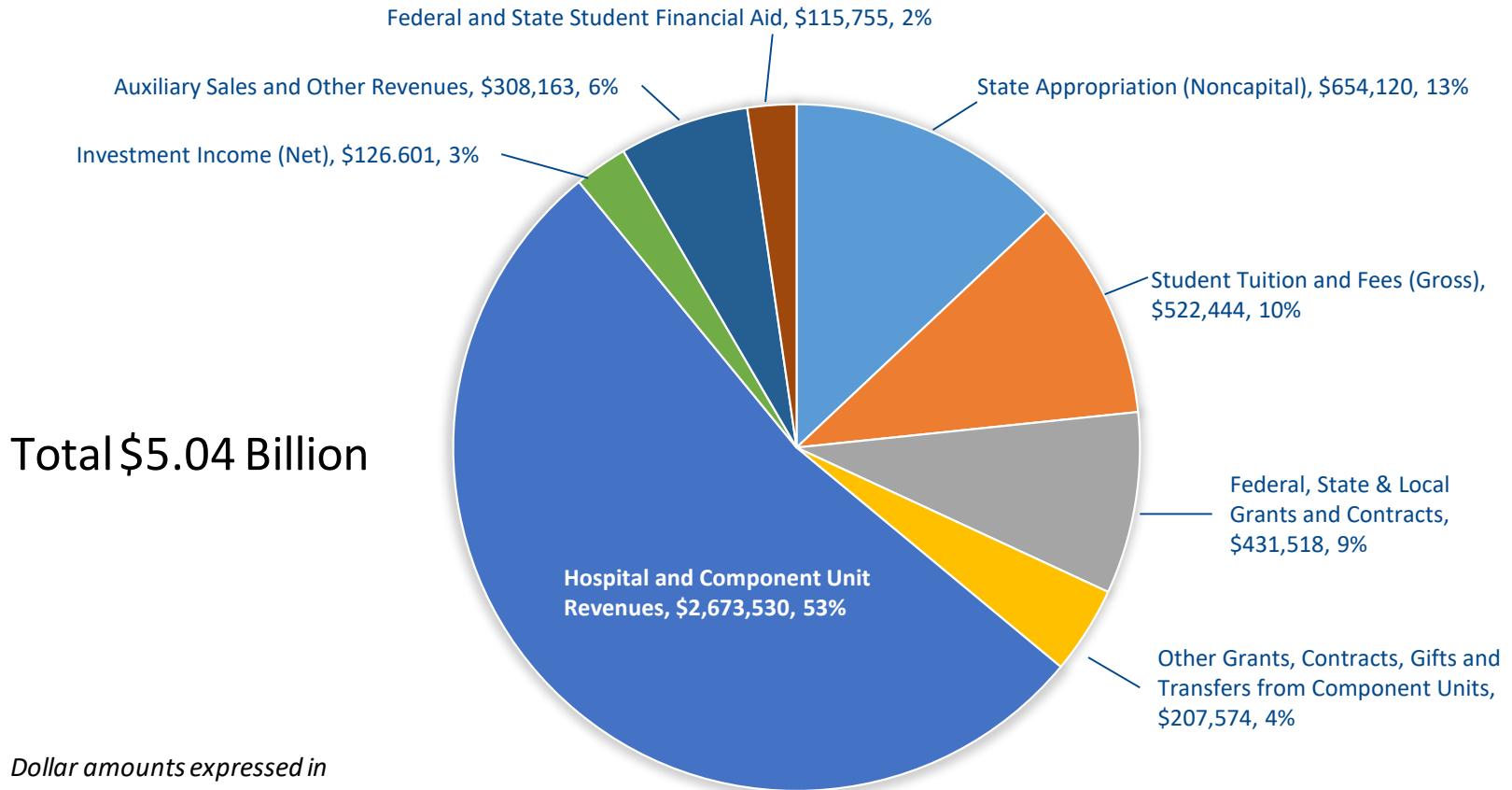


Colors of Money at UF

❖ Sources

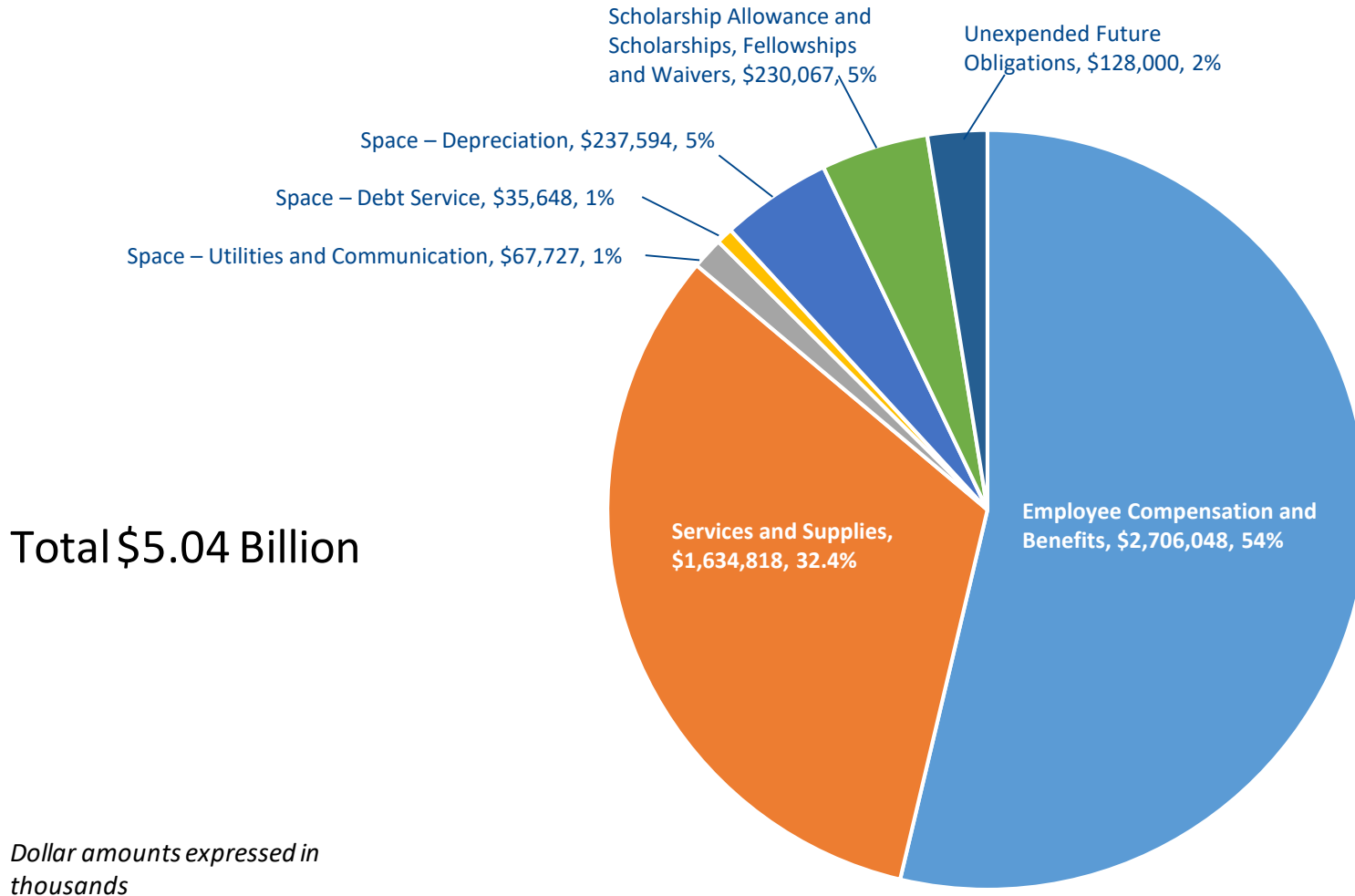
- Tuition and Fees
- State Appropriation – Base, Performance, Preeminence, Specials
- Lottery
- Contracts and Grants
- Plant Operations and Maintenance (PO&M)
- Auxiliaries
- Component Units (DSO's and Affiliates)
- Returned Overhead (Indirect Costs) and Residuals
- Federal Formula Funds (IFAS)
- Incidental Revenues
- Administrative Overhead
- Strategic Funds
- Financial Aid

UF Enterprise Revenue Sources FY15



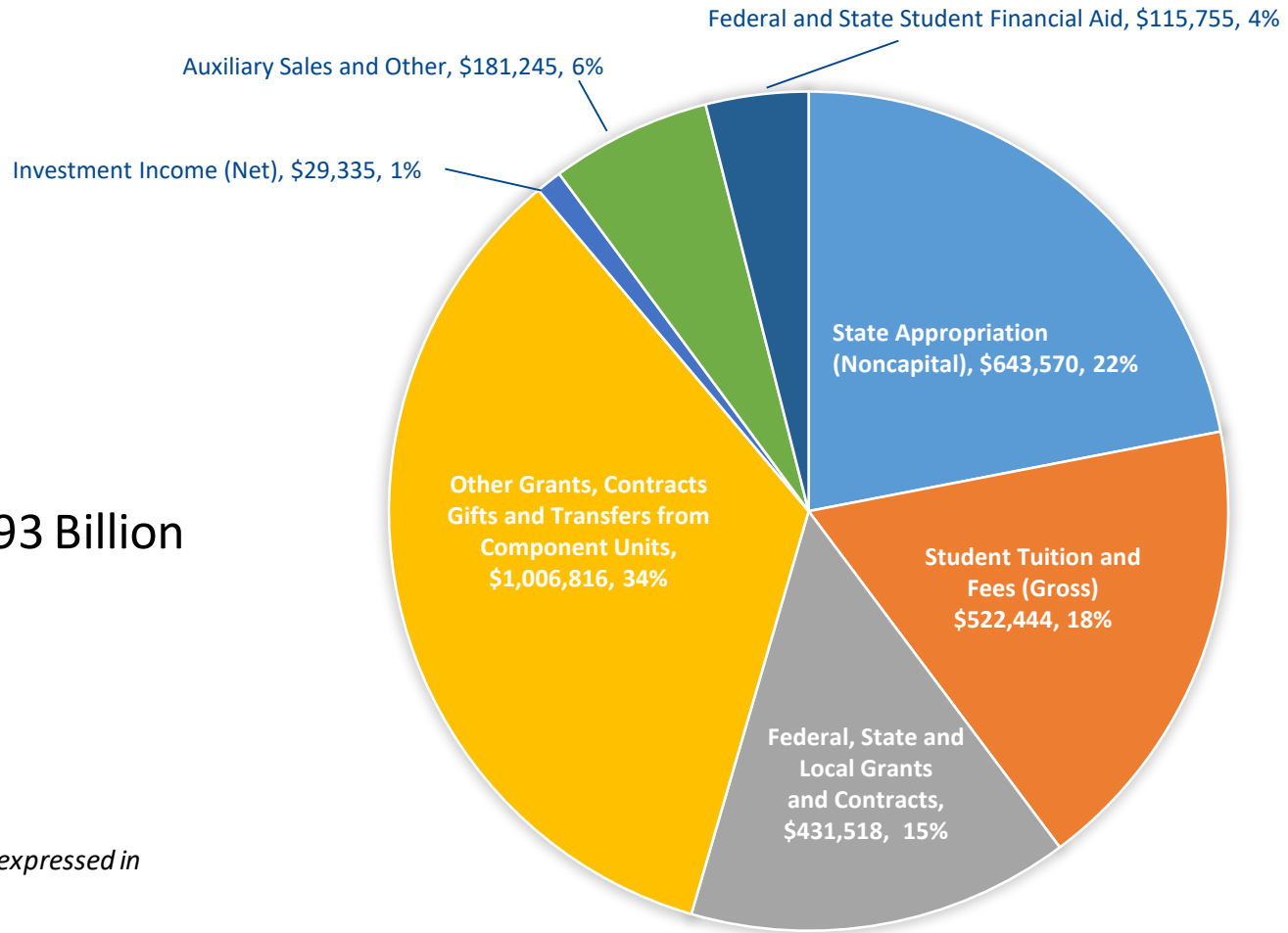
Dollar amounts expressed in thousands

UF Enterprise Revenue Expenses FY15



UF Revenue Sources FY15

Total \$2.93 Billion



Dollar amounts expressed in thousands

2015-2016 State Appropriations

\$1,004.9M

❖ General Revenue	\$601.8M
❖ Lottery	\$63.4M
❖ Student Tuition	\$339.7M

2015-2016 State Appropriations

\$1,004.9M

❖ Educational and General	\$697.3M
❖ Health Science Center	\$149.6M
❖ Institute for Food and Agricultural Sciences	\$158.0M

Budget-based funds vs. Cash-based funds

- ❖ Budget-based funds
 - Budget allocations funded from State Appropriations (including student tuition and fee revenue)
 - Made in lump-sum amounts by the University Budget Office as determined by the CFO to the appropriate Vice Presidents and Deans
 - Allocations may be further allocated to departments and divisions by these vice presidents and deans
- ❖ Cash-based funds
 - Available operating budget amounts are based on beginning cash balances, plus revenue, less expenditures
 - With cash-based funding sources, the funds can be spent only when the “cash” has been obtained
- ❖ See slide of Sources (Different color fonts)

Responsibility Centered Management (RCM) Budget Model

The fundamental basis of the RCM model is to move decisions and resulting revenues and expenses to the responsibility centers and to create transparency in the budget process.

The model is intended to create incentives for entrepreneurial behavior at the unit level. Revenues from entrepreneurial activities are retained entirely by those units undertaking such entrepreneurial risks.

Support unit cost assessments are paid on all expenditures. All revenues are allocated to responsibility centers. Therefore, responsibility centers must pay for the services provided to them through an allocation or assessment system.

Timeline

- ❖ SU Budgets – Fall
- ❖ Auxiliaries – Spring (final approval)
- ❖ Colleges – Late Spring (dependent on State Legislature)
- ❖ BOT Approval – Final and upcoming FY – June BOT meeting
- ❖ All Funds Budget – July 15
- ❖ BOG Submission - August

Support Unit (SU) Budgets

- ❖ Human Resources, Finance and Accounting, Facilities Planning and Construction, Business Affairs, Police Dept. etc.
- ❖ Review and Approval – CFO Office – Executive Council
- ❖ Calculation of Administrative OH –
 - \$313m – 1/2 Auxiliary, Other; 1/2 Colleges
 - GA/IT – 10% of College revenues and 12.75% of Auxiliary and Other expenses (annualized 18 mo. lookback)
 - Facilities - \$10 sq. ft.
 - HSC OH – 2.15% of expenses
 - Specials – 1.1% of FPP expenses; 1.6% of IFAS/REC expenses; 0% for subcontracts >\$25k; etc.

College Budgets

- ❖ New model for FY 2016-2017
 - Transparent, predictable, simple (simpler)
- ❖ Allocation of Revenue
 - Collected Tuition and Fees + General Fund Supplement – Administrative OH = Spendable Resources
- ❖ State Appropriation used to supplement the cost of instruction – Tuition and Fees doesn't cover all costs
- ❖ Tuition and Fees allocated 70% to Teaching College and 30% to College of Enrollment
- ❖ OH – 10% of revenues + \$10 per square foot of space + 2.15% of revenues for 6 HSC Colleges

Decentralized Processes

- ❖ Each College/Unit has a Budget Manager
- ❖ Allocation to Departments/Units
- ❖ College Service Centers (Entrepreneurial operations)
 - CJC Agency; COM Powell Gene Therapy Center
- ❖ Contracts and Grants
- ❖ Cash-Based
 - CU \$
 - ROH/Residuals
 - Incidental Revenues
- ❖ IFAS Research and Extension – separate State Appropriations (academic mission funded in College budget)

Other Budgets

- ❖ Auxiliary – Housing; Transportation and Parking; O'Connell Center
- ❖ Student Fee based operations – Student Health Care Center (hybrid); Student Government
- ❖ State funded centers – Bureau of Economic Research (BEER); Animal Care Services; Florida Museum

DSO/Affiliates – Component Units

- ❖ Separate governing boards and approvals
- ❖ UF Health Shands Gainesville and Jacksonville
- ❖ FCPA
- ❖ UAA/Gator Boosters
- ❖ UFF/Alumni Association
- ❖ UFRF

Hyperion Budget Preparation Tool

- ❖ Positions loaded in Spring from MyUFL (ERP System)
- ❖ Control Totals for General revenue sources and Support Units provided to Colleges and Support Units (SU)
- ❖ Budgets input by Colleges and SU to agree to Control Totals – Salaries, OPS, Other Expense (OE)
- ❖ Budgets uploaded from Hyperion to MyUFL – MyUFL has “Commitment Control” which controls expenses to available budget
- ❖ All Funds Budget loaded by Colleges, SU, Auxiliaries, Others for all sources of funds into Hyperion
- ❖ All Funds Budget used to create budget approved by BOT and submitted to State
- ❖ Units input positions for other funding sources into MyUFL

Questions?



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