



Budget Management at UIC

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Vice Provost for Resource Planning and Management

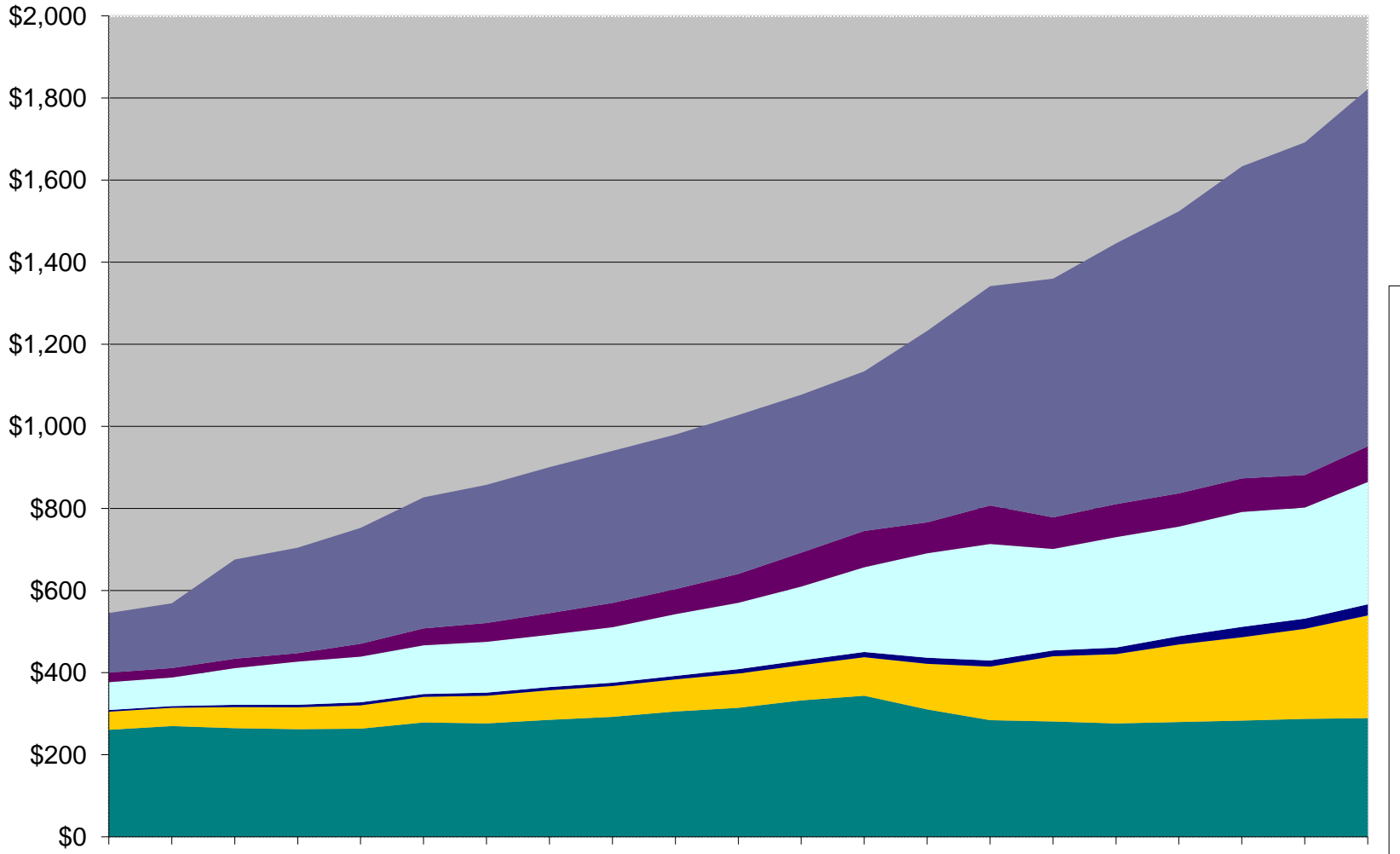
Department Heads Workshop

November 11, 2010



University of Illinois at Chicago Revenue by Fund

Millions

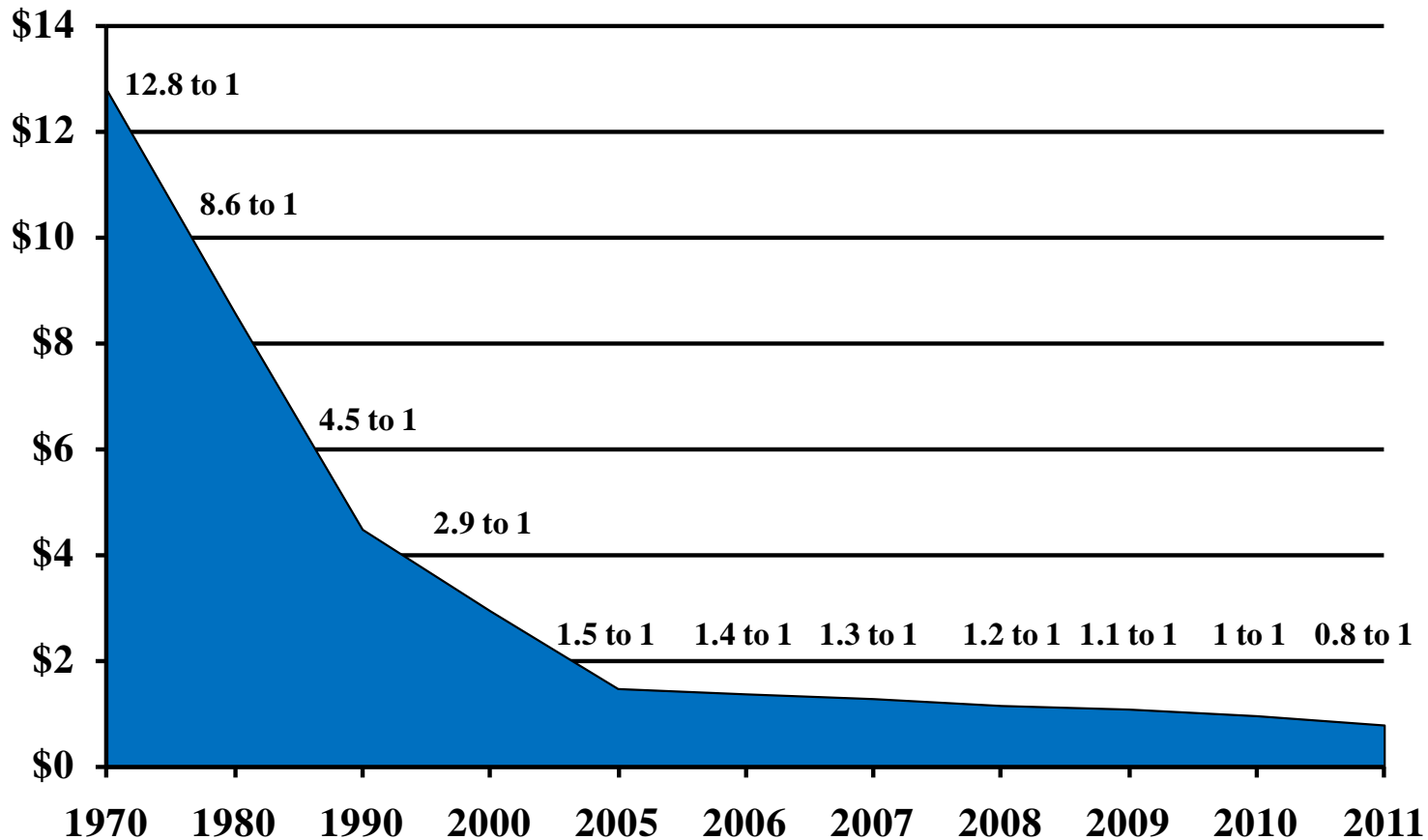


- Self-Supporting
- Institutional Funds
- Grants & Contracts
- Gifts & Endowment
- Income Fund
- GRF

Fiscal Year



State Support Per Tuition Dollar FY 1970 to FY 2011



FY02-11 excludes health insurance re-direction to DHFS.
FY09 and FY11 exclude survey transfer.



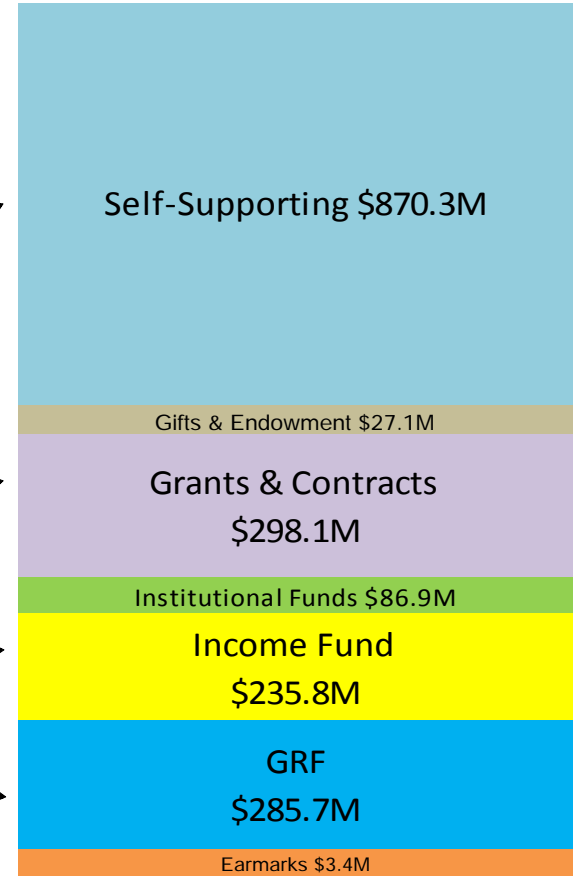
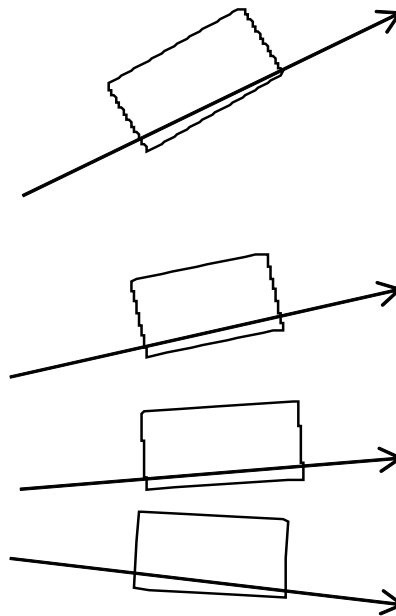
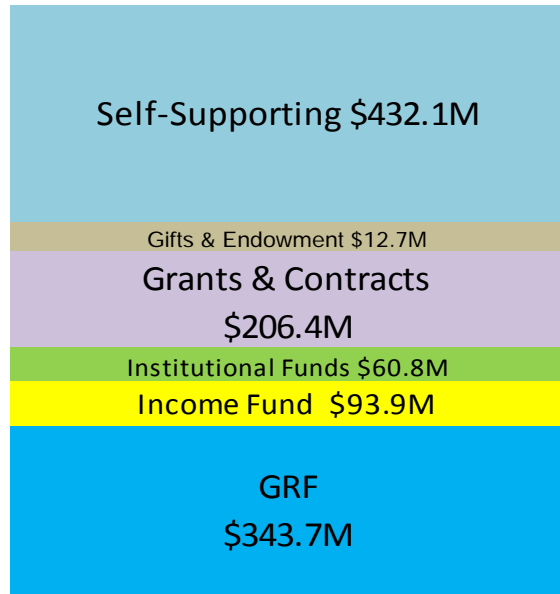
University of Illinois at Chicago Revenue Sources

Growth Percentages

10.2%

FY 2002

FY 2010



\$1,1149.6M

\$1,807.3M

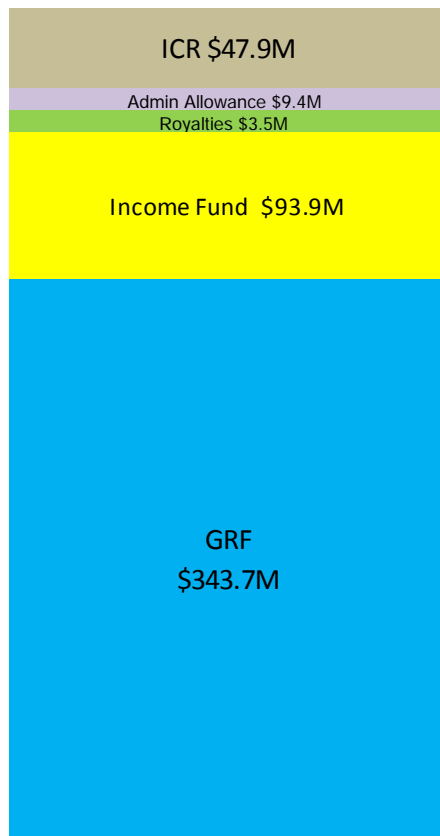




UIC Unrestricted Funds Budget

FY2002

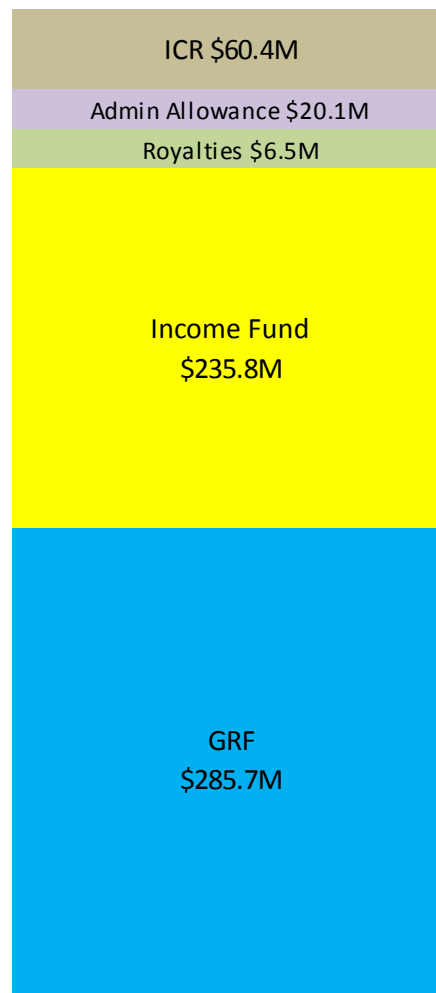
Revenue



\$498.4M

FY2010

Revenue



\$611.8M

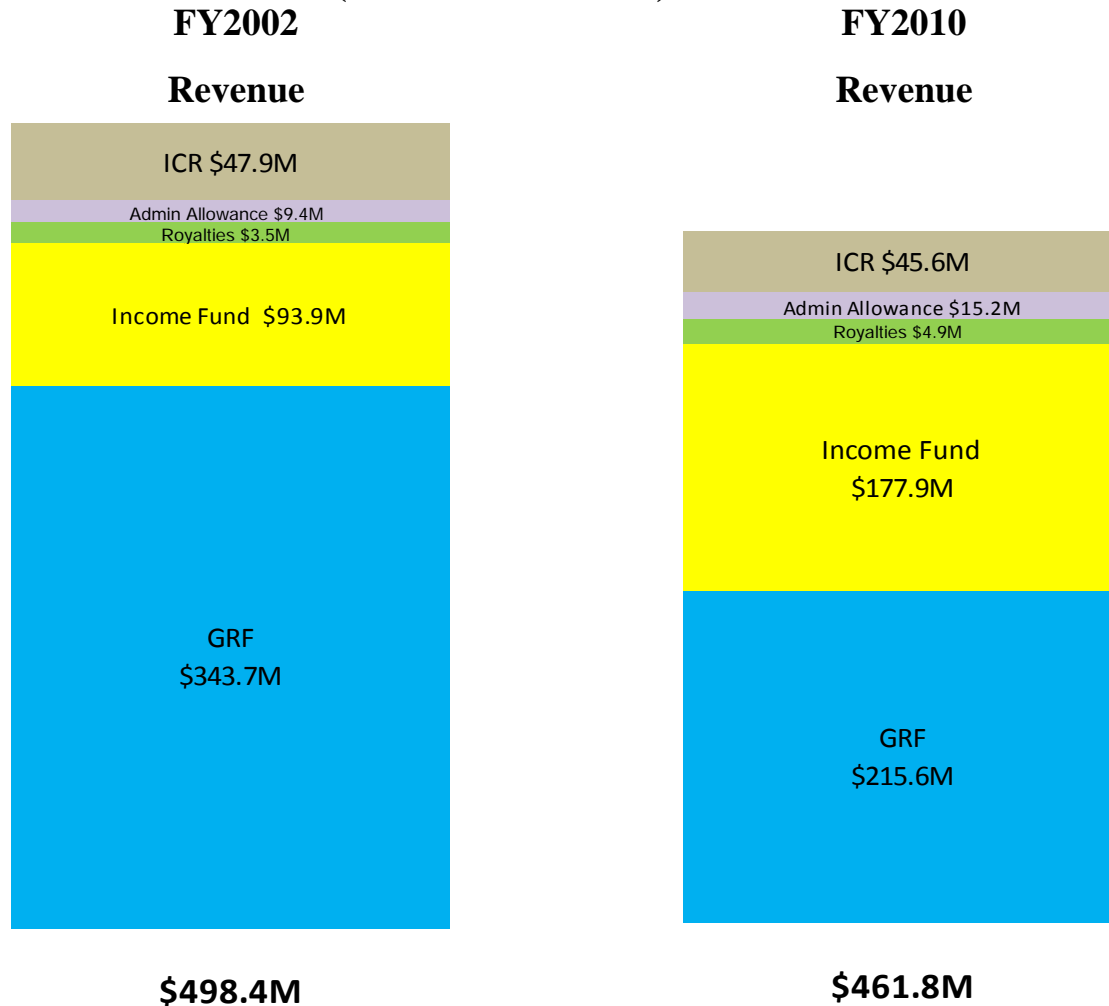




Adjusted for inflation, UIC's unrestricted budget decreased as compared to FY2002

UIC Unrestricted Funds Budget

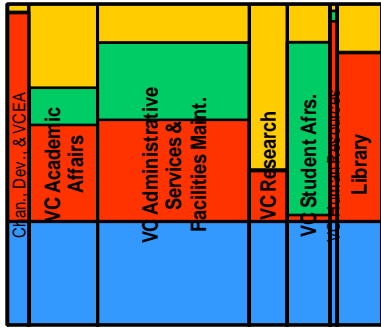
(Constant Dollars)



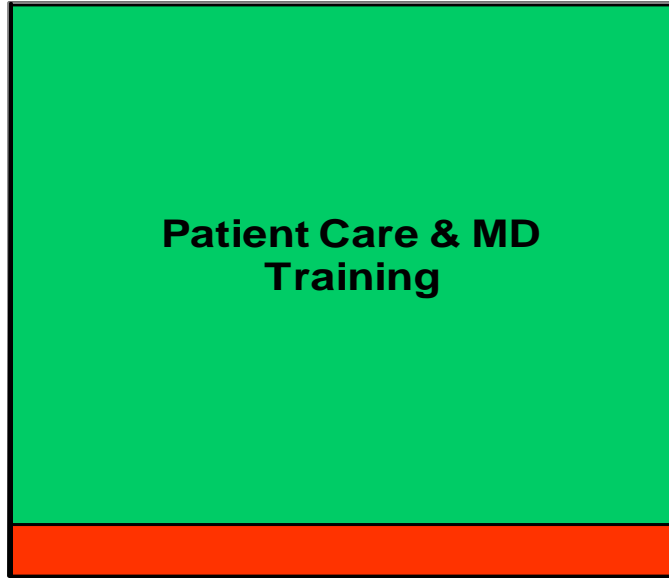
UIC's Budget

\$1,648M

Administration & Academic Support
\$159M



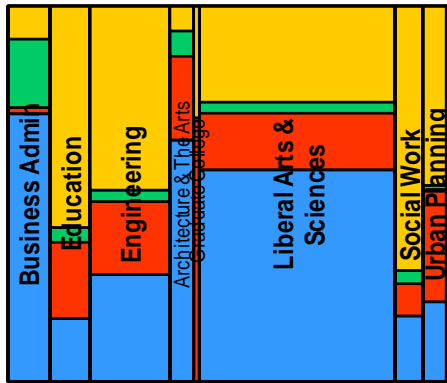
Hospital
\$506M



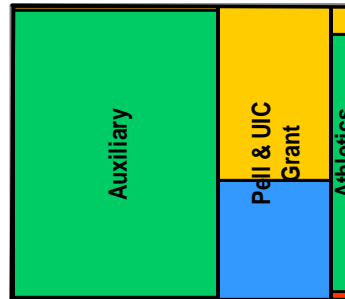
Medicine
\$422M



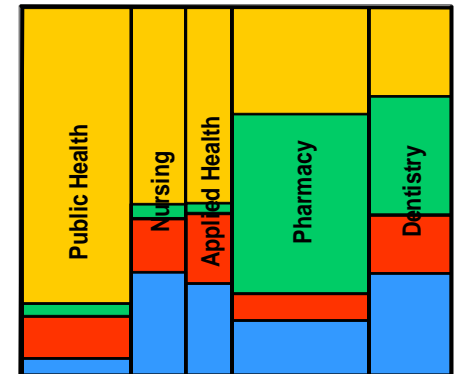
Eastside Colleges
\$220M



Auxiliaries, Athletics & Financial Aid
\$128M



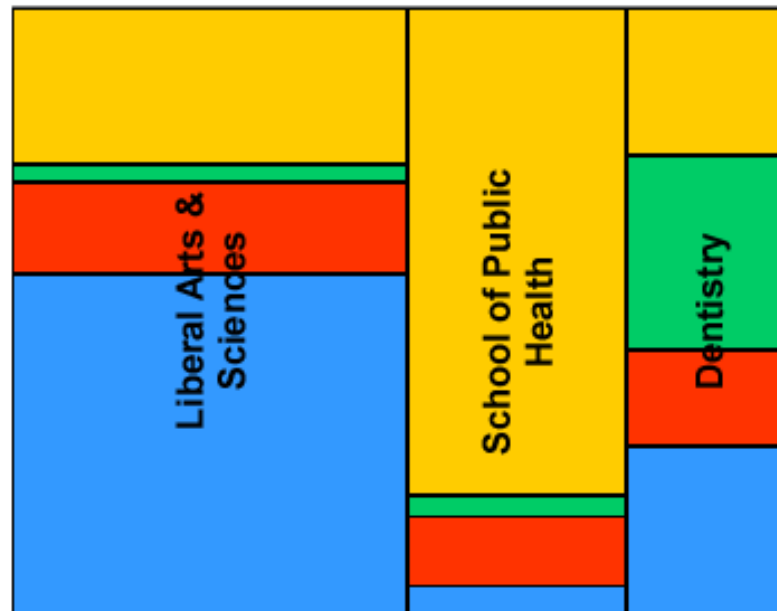
Other Health Colleges
\$213M





- Income Fund (\$239M)
 - State Appropriation (\$197M)
 - Self-Supporting (\$842M)
 - Grants/Contracts, Gifts & Institutional (\$370M)


Budget Comparison (LAS, Public Health, and Dentistry)


\$193M



 - Income Fund (\$69M)

 - State Appropriation (\$27M)

 - Self-Supporting (\$18M)

 - Gifts, Grants/Contracts & Institutional (\$79M)

*Source: FY 2010 Budget Summary



Budget Models

- **Program Budgeting** – attempts to link planning process to resource allocation
- **Incremental Budgeting** - focuses on percentage adjustments to existing base budgets rather than on specific priorities
- **Responsibility Centered Management** – treats individual units and programs as revenue and cost center
- **Performance Budgeting** – institutional objectives are used to justify a portion of the base budget or incremental revenue



Goals for the tuition distribution model

- Designed to provide greater transparency in budgeting
- Tie revenue more closely to the effort that generated the revenue – in this case, instructional effort and enrollment levels
- Eventually, all credit instruction (regular, summer session, continuing education, external education) on the same budgetary footing



Tuition Distribution Methodology

| | Base | Differential |
|---------------|---|--------------|
| Undergraduate | 80% student credit hour, 20% headcount | headcount |
| Graduate | headcount* | headcount |
| Professional | headcount | |

Campus Holdback

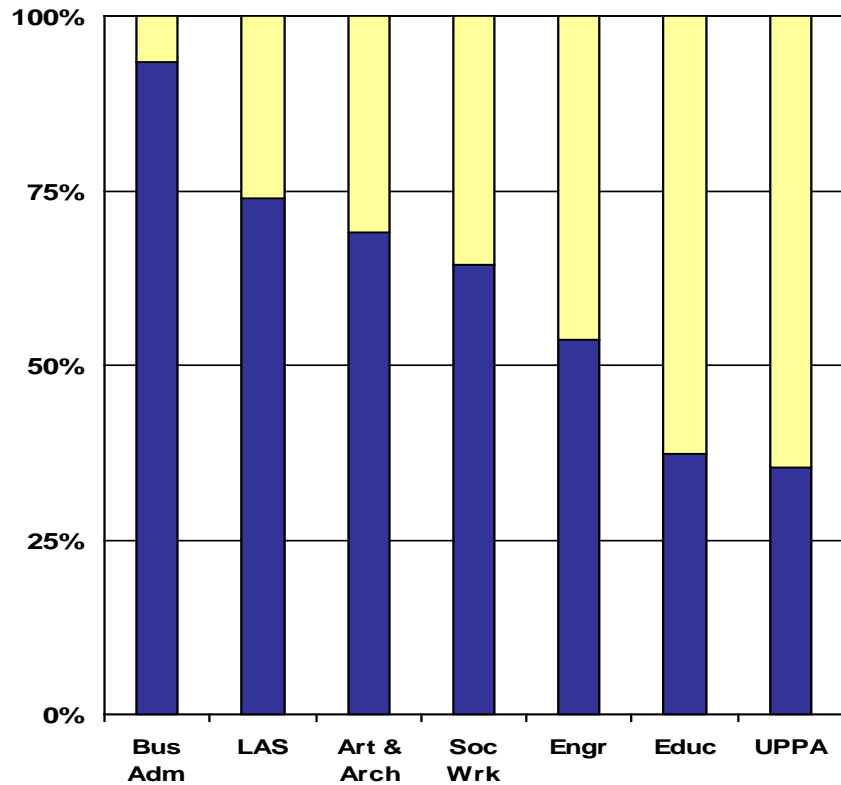
| | | |
|---------------|-----|-----|
| Undergraduate | 25% | 25% |
| Graduate | 25% | 15% |
| Professional | 15% | |

*Distribution of graduate base tuition adjusted for service courses at \$100 per student credit hour

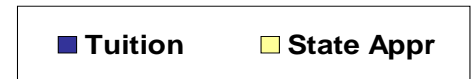
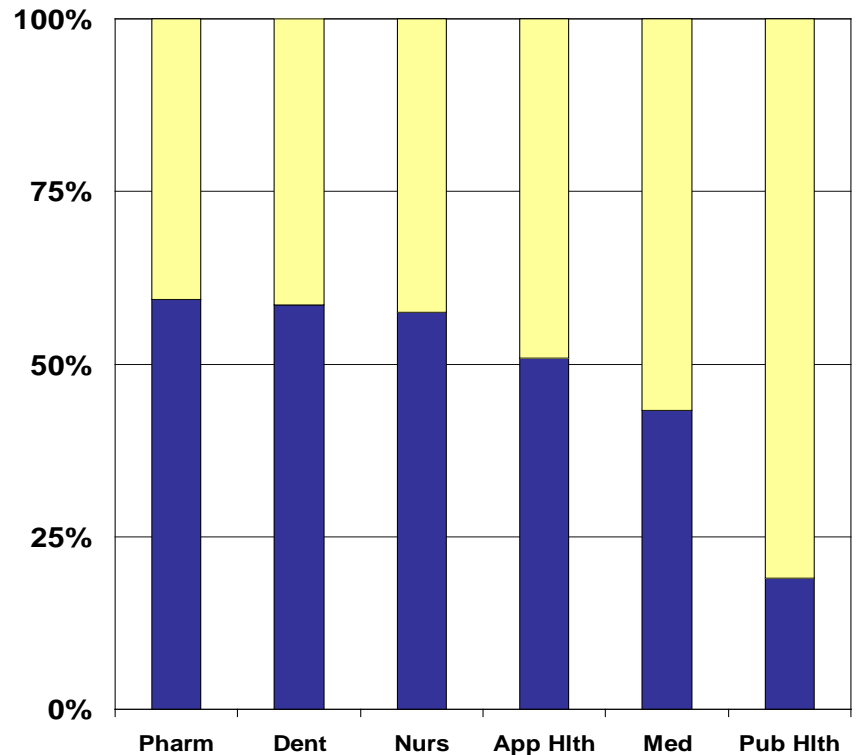


Comparison of State Appropriations and Tuition Revenue

General Campus



Health Science Colleges



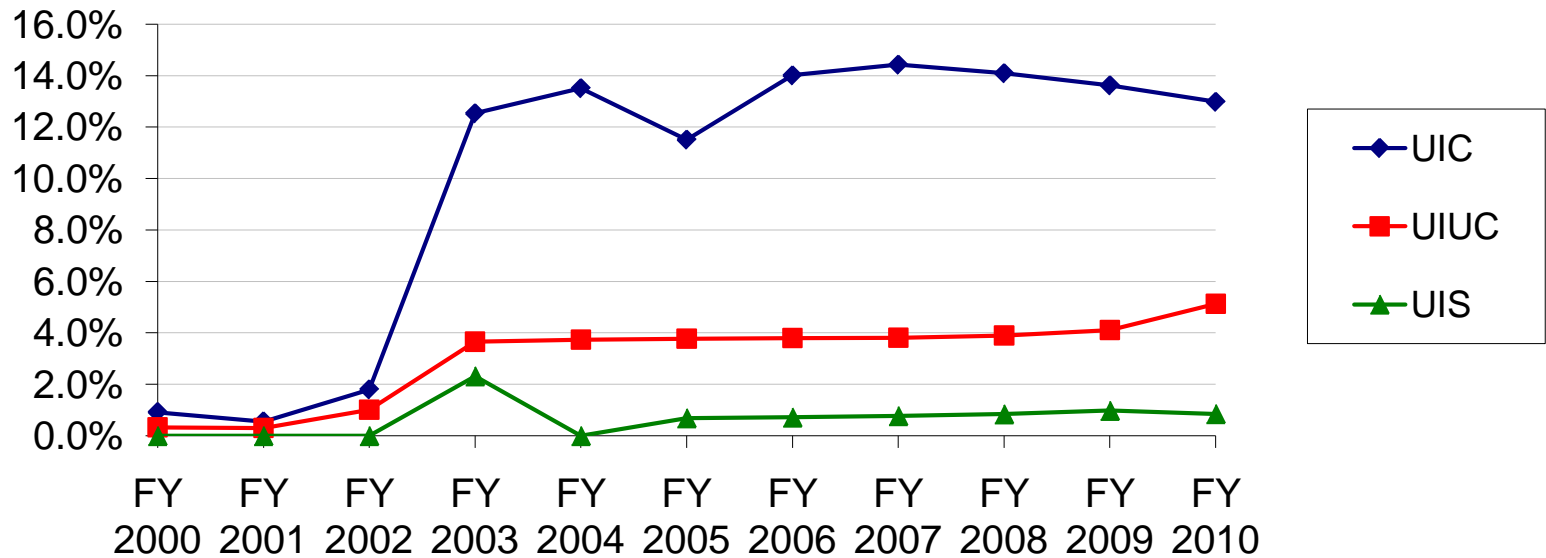


Fine tuning the model...

- Resolved issues
 - GA tuition remission
 - Grad service courses
 - RA tuition remission
- Outstanding issues
 - Employee waivers
 - Differential waivers
 - Campus hold-back
 - Summer Session

UIC returns more tuition revenue to students in financial aid than its sister campuses

University of Illinois Financial Aid Expense as % of tuition revenue

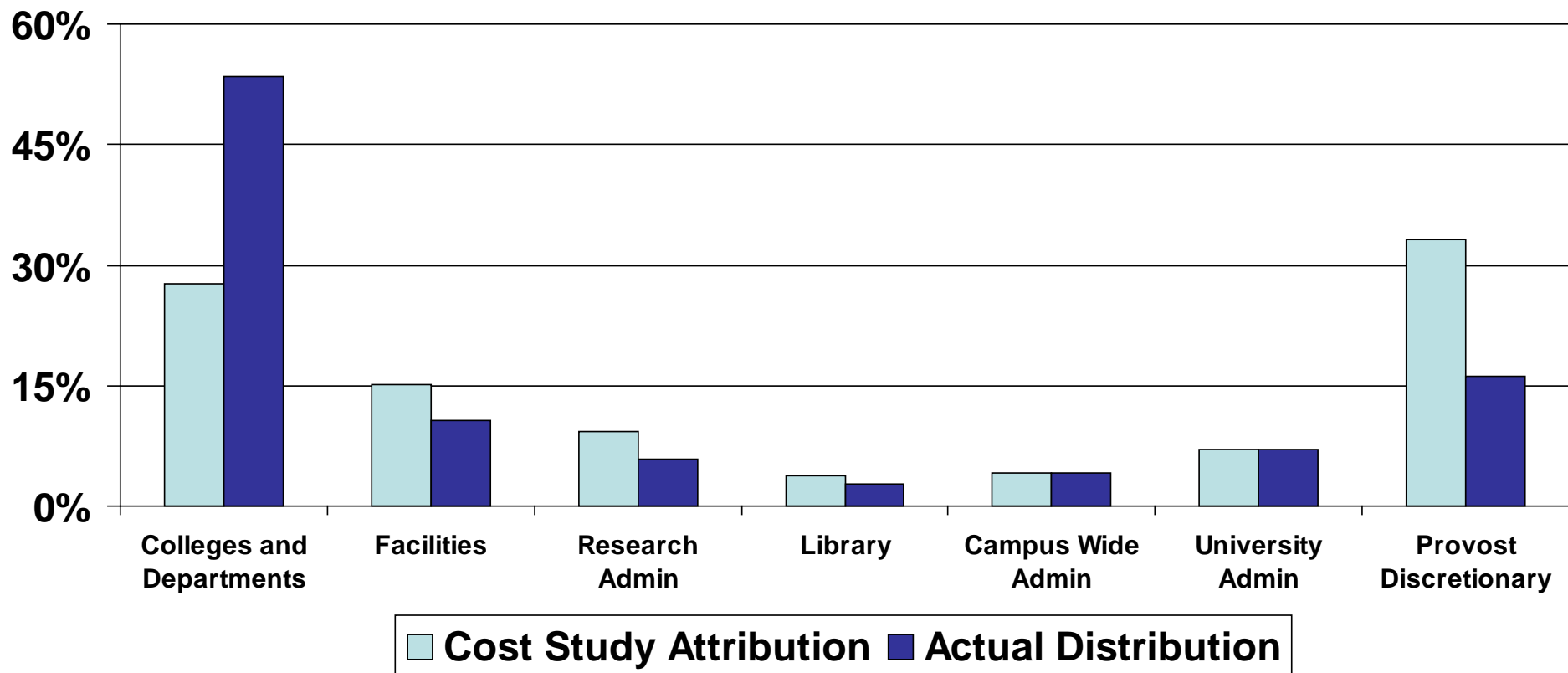


We allow admissible Pell-eligible students to attend UIC even though they cannot afford our tuition and fee increases. Maintaining access to excellence requires a commitment to institutional aid.



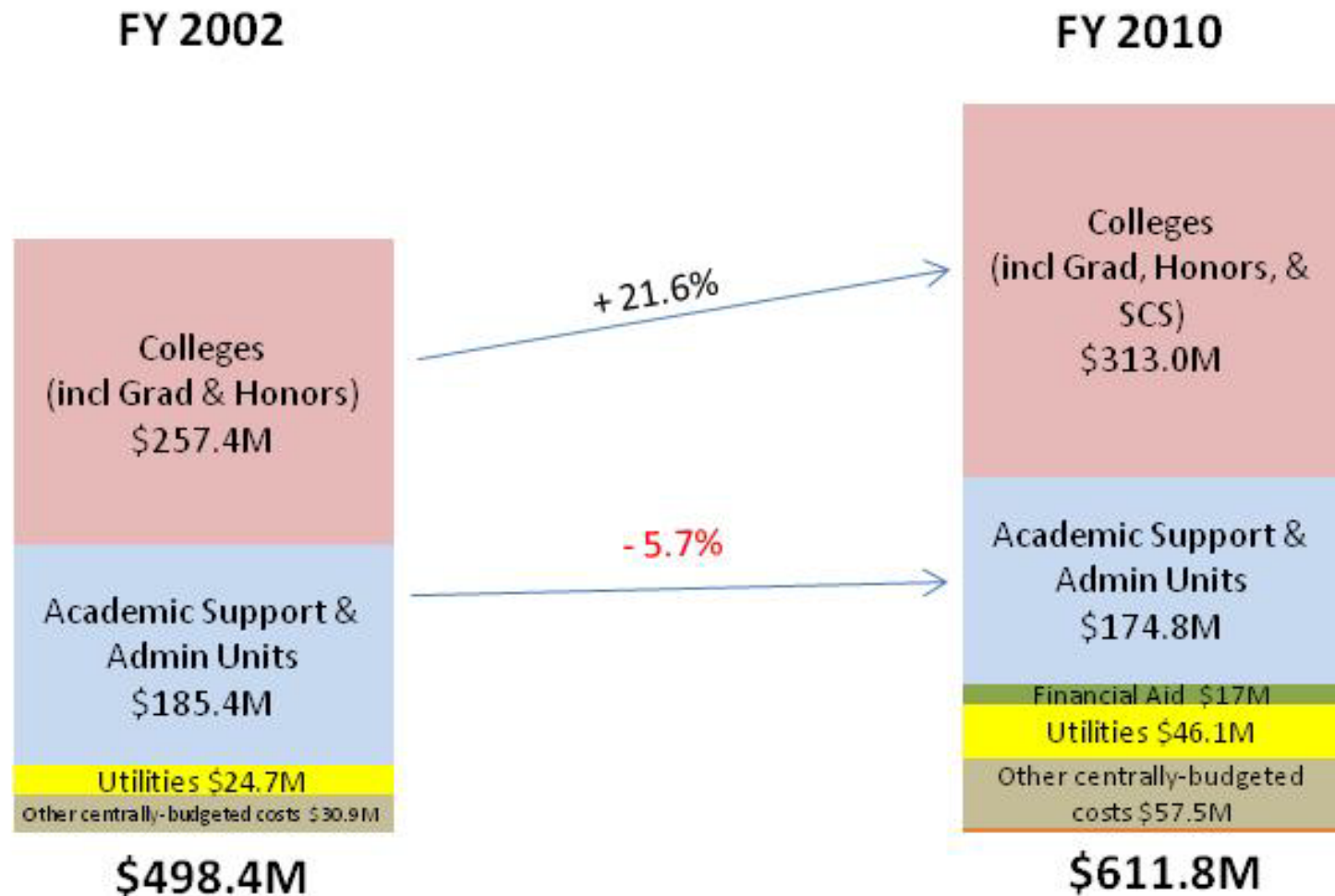
UIC F&A Distribution

Cost Study Attribution Vs. Actual Distribution



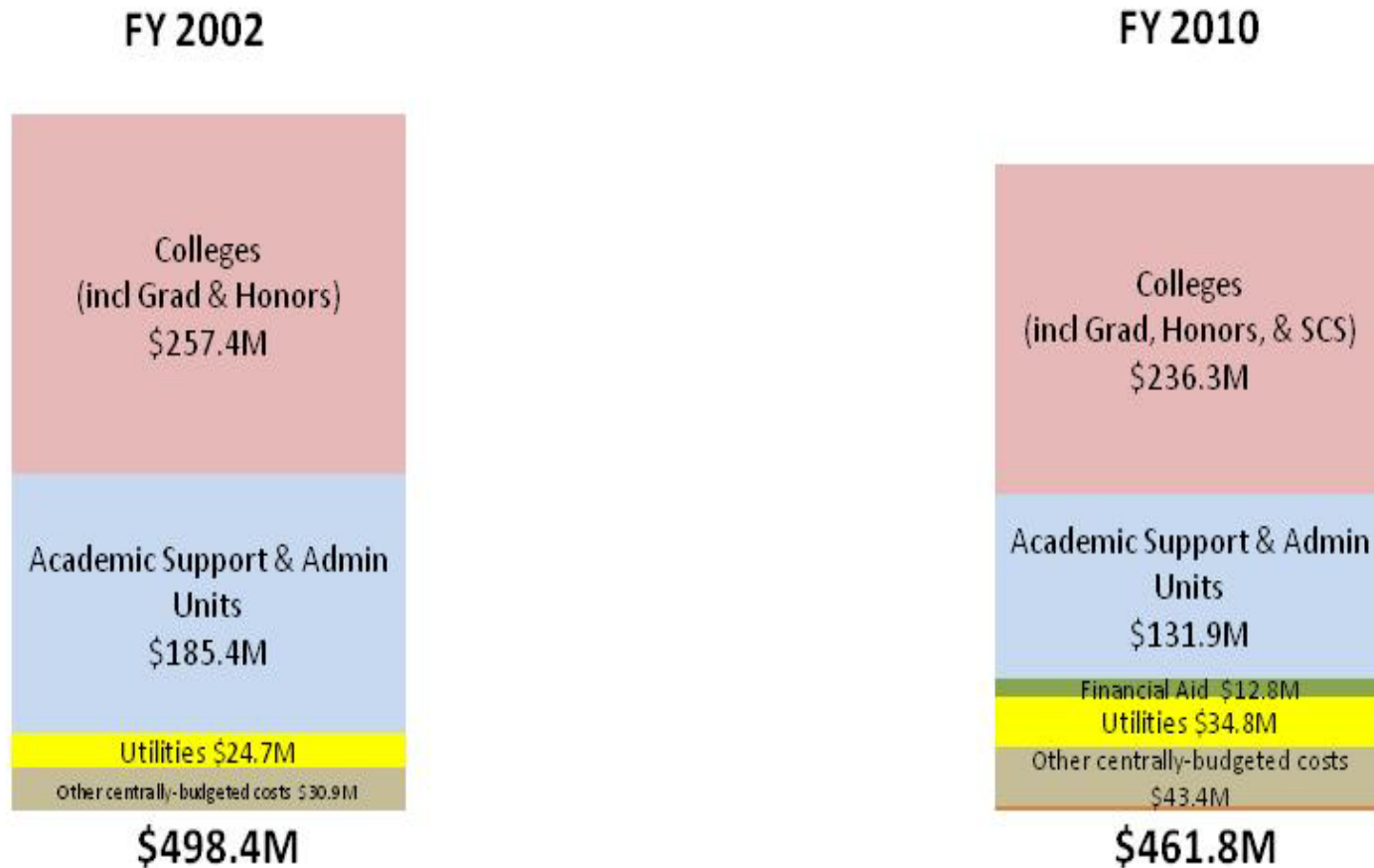
In nominal dollars, funding for colleges has increased, while funding for support units has decreased

University of Illinois at Chicago Unrestricted Funds - by Use



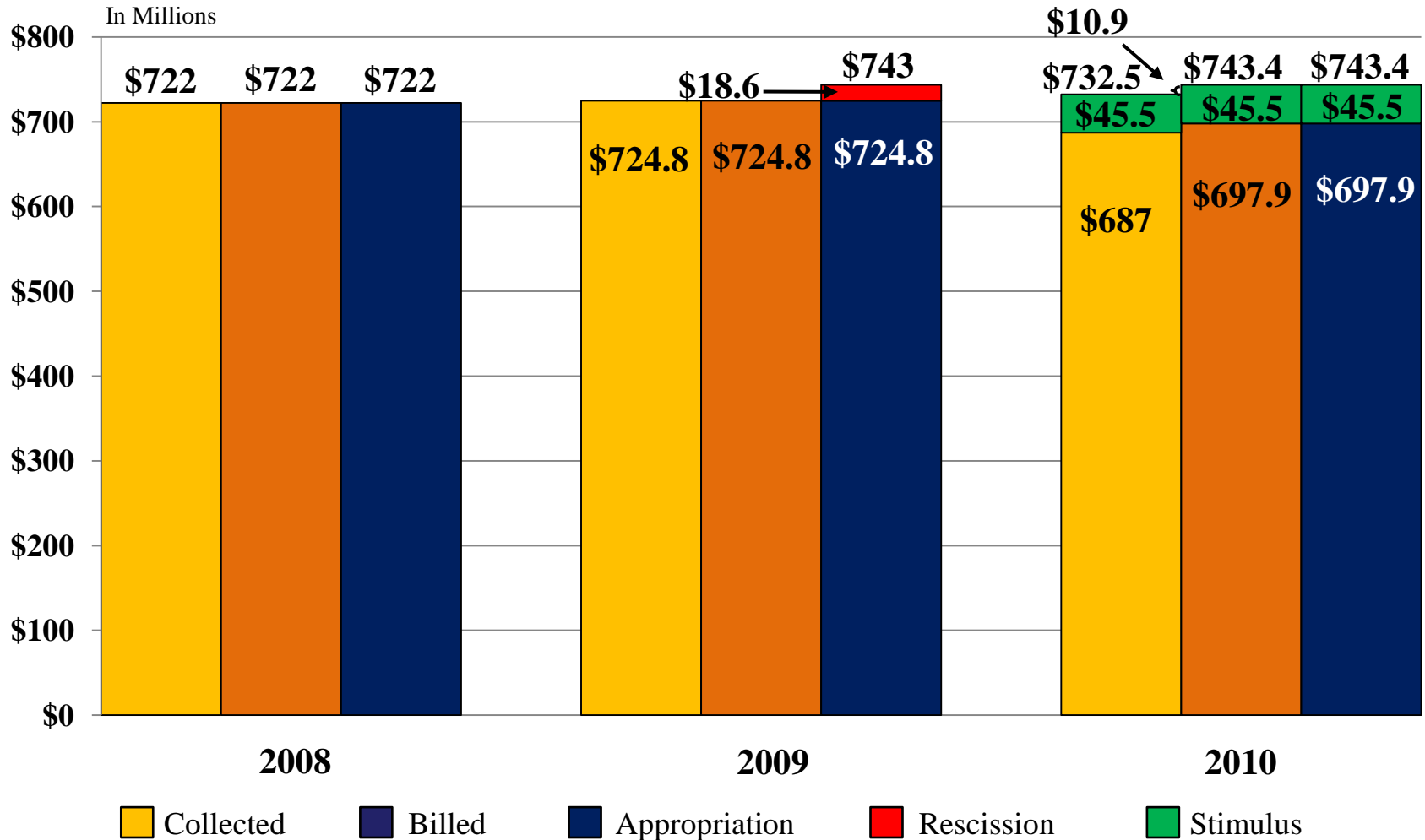
Adjusted for inflation, college and support unit budgets remain below their FY 2002 levels

**University of Illinois at Chicago
Unrestricted Funds - by Use
(inflation adjusted)**



State Appropriation Revenue Unrestricted Funds

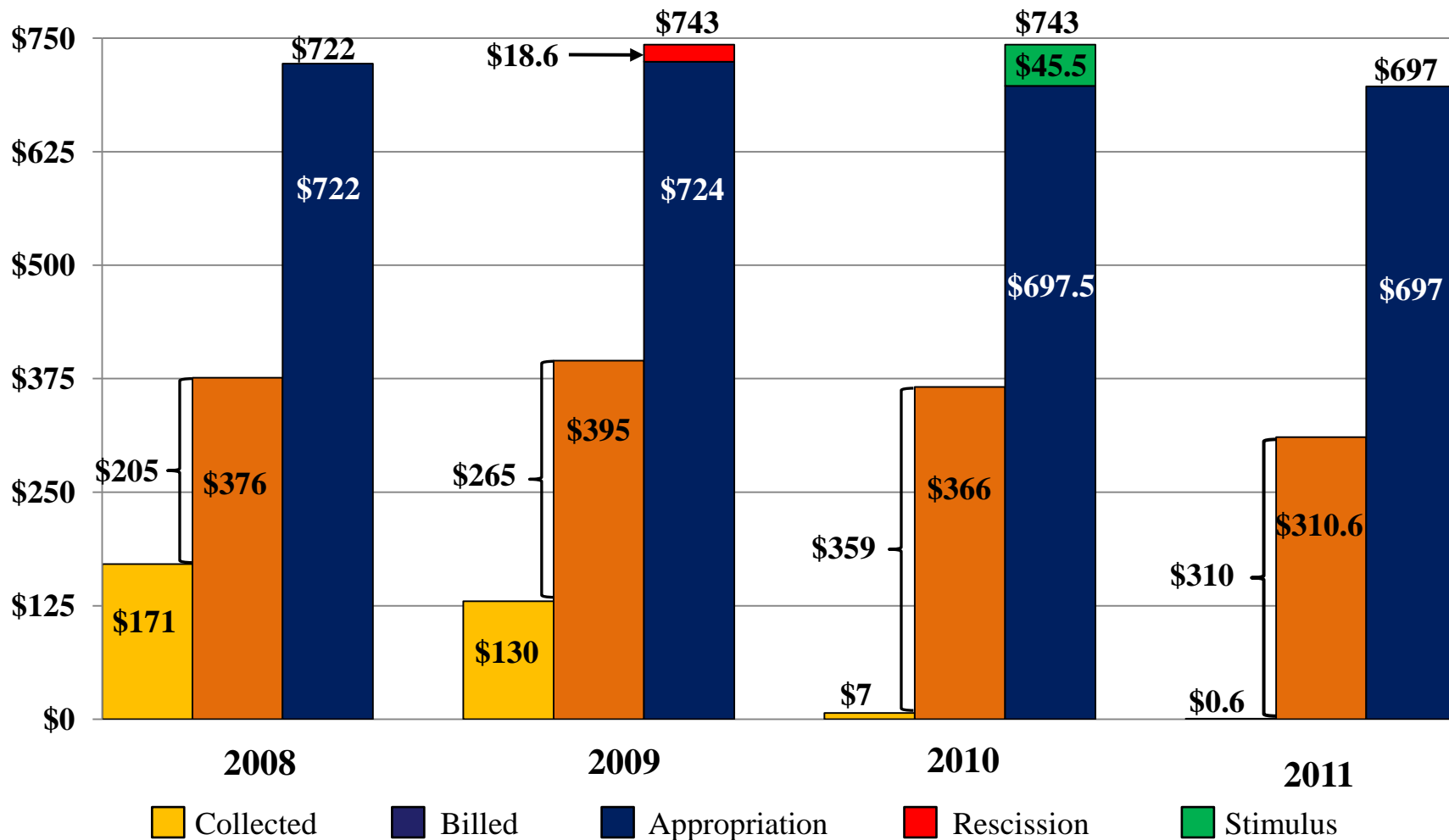
Lapse Period Billings and Collections through November 8, 2010



*FY09 appropriation includes \$18.6 million rescission. FY08 through Aug 31st & FY09 through Sept 30th.
FY10 appropriation includes \$45.5 million of federal stimulus funding.*

State Appropriation Revenue Unrestricted Funds Billings and Collections through November 8, 2010

In Millions



*FY09 appropriation includes \$18.6 million rescission. FY08-FY10 through Nov 30th.
FY10 appropriation includes \$45.5 million of federal stimulus funding.*

**The University of Illinois at Chicago
Budget Planning
Increments/Decrements**

| | | |
|----------------|----------------------------------|-----------------------|
| Sources | | |
| | State Appropriation (GRF) | XXX,XXX |
| | Tuition | XXX,XXX |
| | Reallocation | <u>XXX,XXX</u> |
| | Subtotal, Sources | XXX,XXX |
| | | |
| Uses | | |
| | University-wide Cost | XXX,XXX |
| | Tuition Distribution to Colleges | XXX,XXX |
| | Salary Program | XXX,XXX |
| | Campus-wide Costs | XXX,XXX |
| | Augmentations | <u>XXX,XXX</u> |
| | Subtotal, Uses | XXX,XXX |
| | | |
| Net | | XXX,XXX |

| University of Illinois at Chicago Impact by Unit - State funds only | | | | | | | | |
|--|------------|-----------------|---------------------|-----------------|-----------------|--------------|------------|-------------------------|
| College/Unit | State Base | Tuition Revenue | Salary Prgm Augment | Program Changes | Salary Pgm Cost | Reallocation | Net Impact | Net Impact as % of base |
| Applied Health Sciences | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Architecture and the Arts | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Business Administration | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Dentistry | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Education | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Engineering | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Honors College | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Liberal Arts & Sciences | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Medicine | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Nursing | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Pharmacy | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Public Health | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Military Officer Education (ROTC) | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Social Work | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Urban Planning & Public Affairs | \$XXX,XXX | \$XXX,XXX | | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Subtotal, Colleges | \$XXX,XXX | \$XXX,XXX | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Chancellor | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| VC Development | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| VC for External Affairs | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| ACCC | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Library | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Graduate College | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Provost Office and Units | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| External Education | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| VC Administrative Services | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Healthcare Systems; DSCC | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Healthcare System; Mile Square | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Healthcare System; Medical Cntr | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| VC for Human Resources | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| VC for Research | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| VC for Student Affairs | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Subtotal, Administrative Units | \$XXX,XXX | | \$0 | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Subtotal, Campus General | \$XXX,XXX | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | \$XXX,XXX | \$XXX,XXX | X.XX% |
| Total UIC | \$XXX,XXX | \$XXX,XXX | \$0 | \$XXX,XXX | \$XXX,XXX | \$XXX,XXX | \$XXX,XXX | X.XX% |



The Objectives of the Space Economy:

- create incentives for the efficient utilization of space
- assign responsibility for the cost of space utilization to the occupying unit
- empower individual units to negotiate with one another regarding the redistribution of space
- minimize transaction costs

In sum, we intend to stop living in a barter economy and create a more dynamic and responsive allocation of space.

Budget Information

Budget and Program Analysis

<http://www.uic.edu/depts/oaa/bpa/>

Chancellors Budget Messages

<http://www.uic.edu/uic/about/leadership/budget.shtml>

Provost's Taskforces

<http://www.uic.edu/depts/oaa/taskforces.html>