



# Budget Management at UIC

Frank Goldberg

Vice Provost for Resource Planning and Management

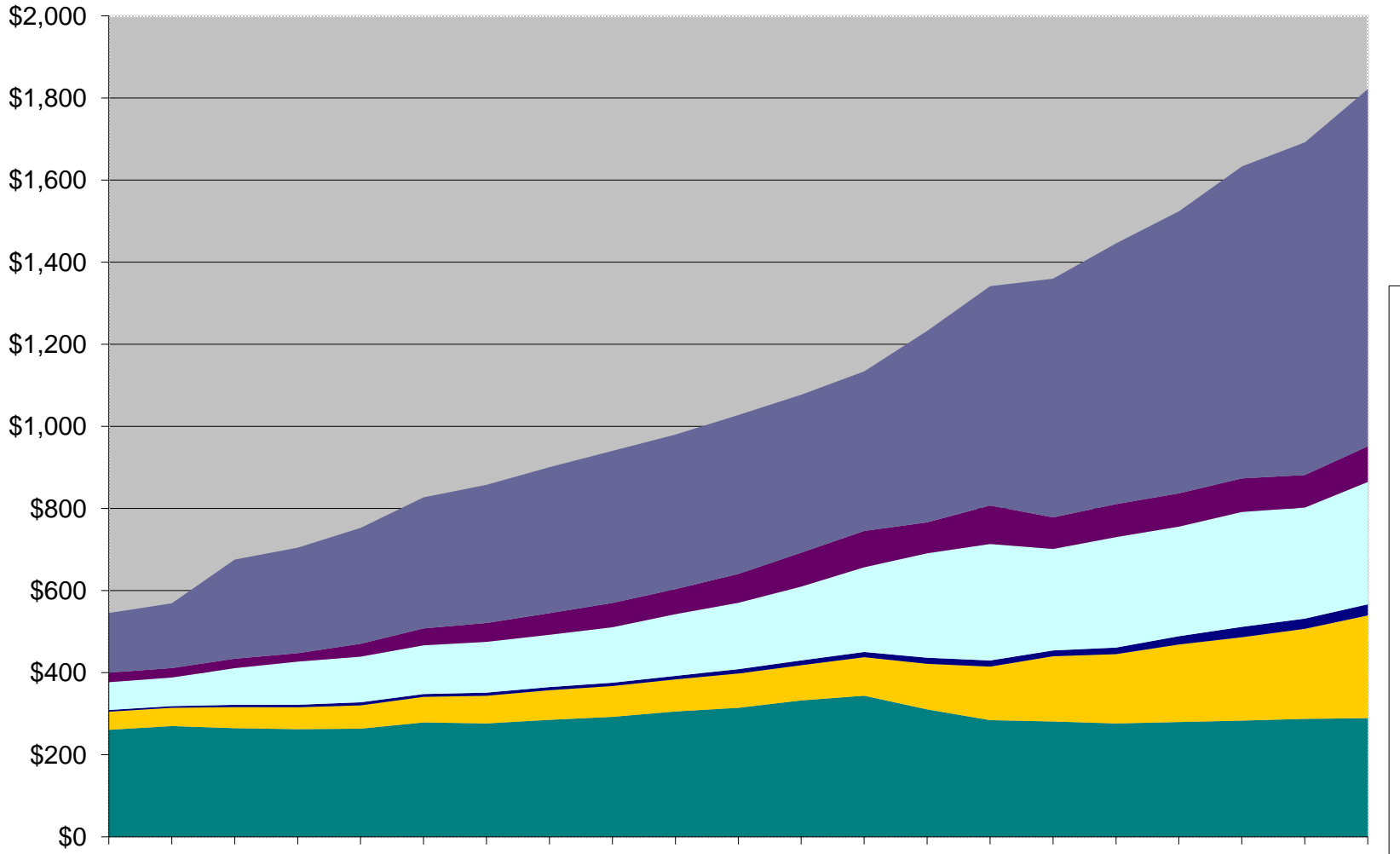
Department Heads Workshop

November 11, 2010



# University of Illinois at Chicago Revenue by Fund

Millions

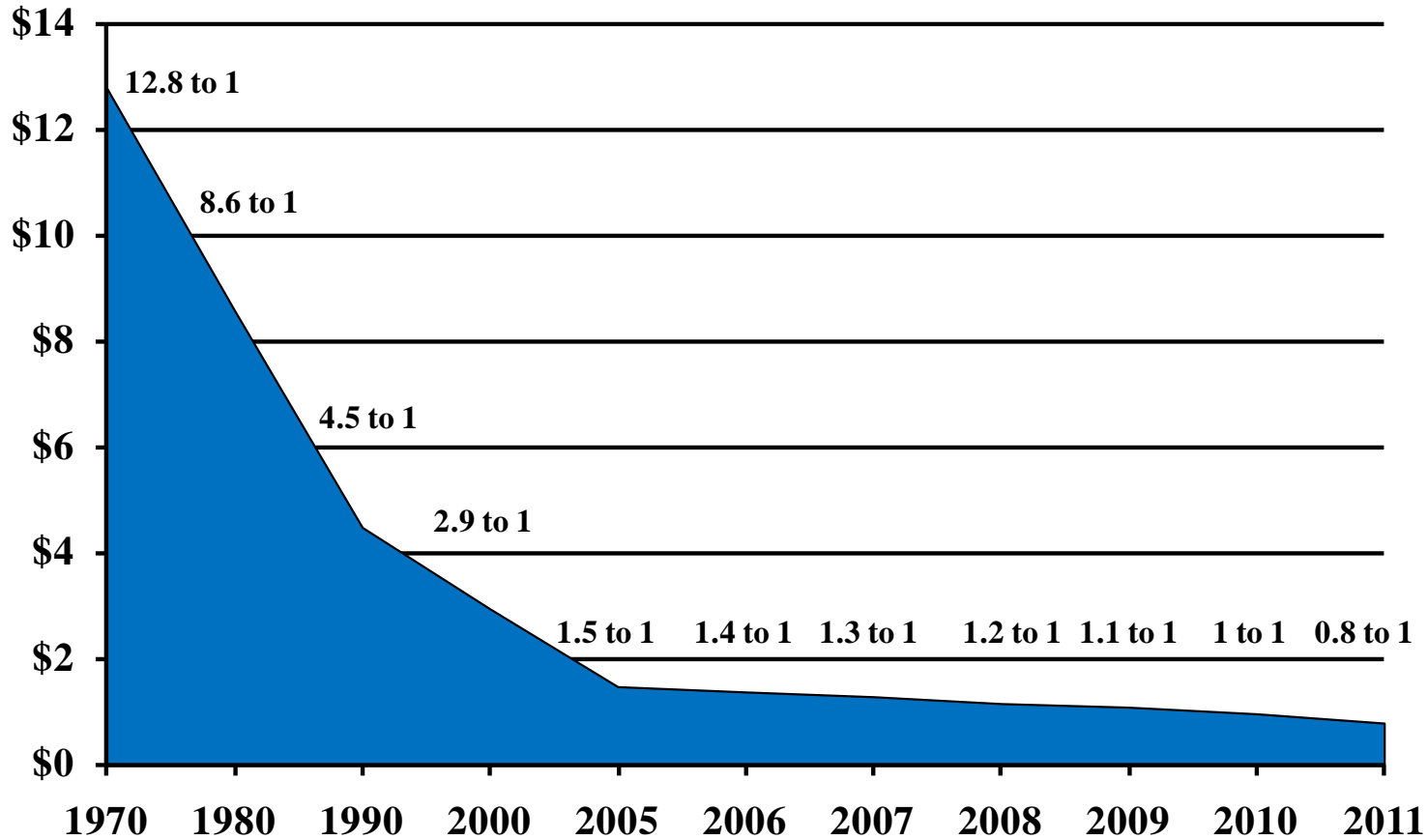


- Self-Supporting
- Institutional Funds
- Grants & Contracts
- Gifts & Endowment
- Income Fund
- GRF

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.



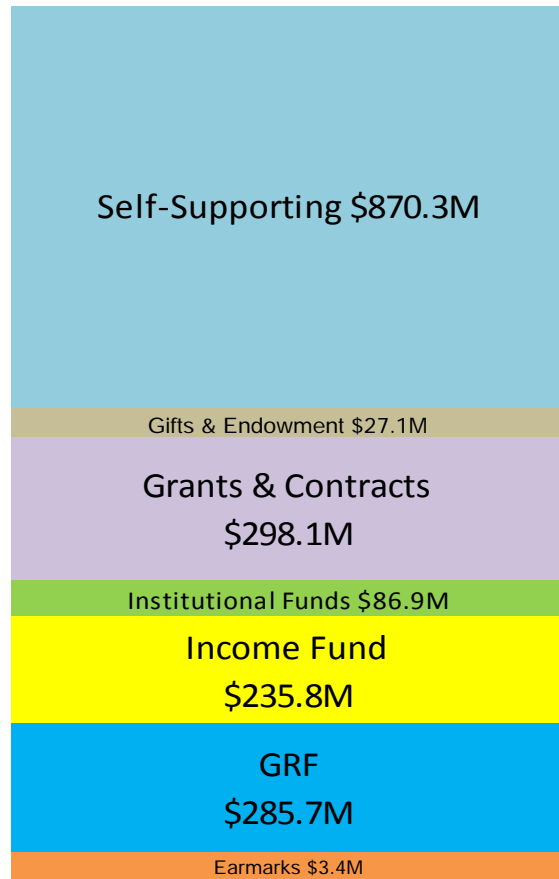
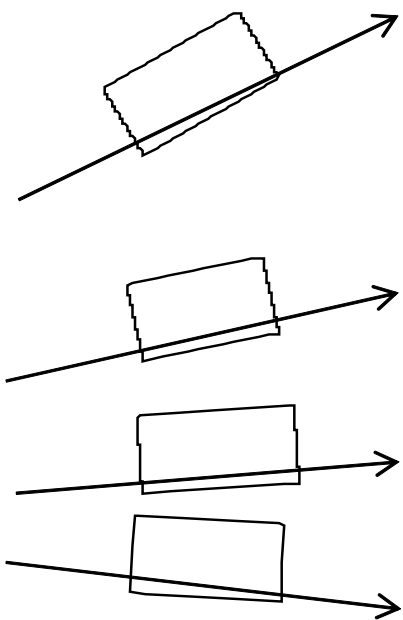
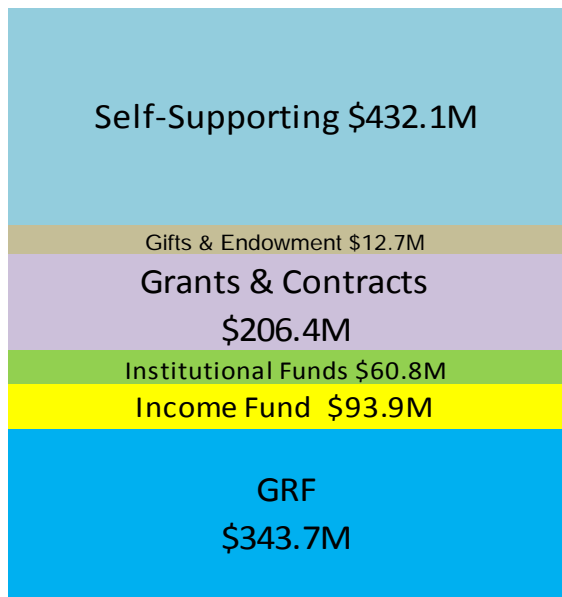
# University of Illinois at Chicago Revenue Sources

Growth Percentages

10.2%

FY 2002

FY 2010



\$1,1149.6M

\$1,807.3M

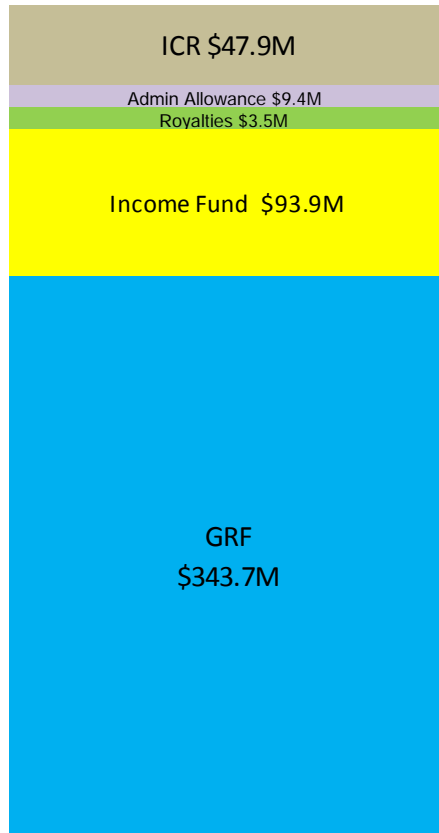




# UIC Unrestricted Funds Budget

**FY2002**

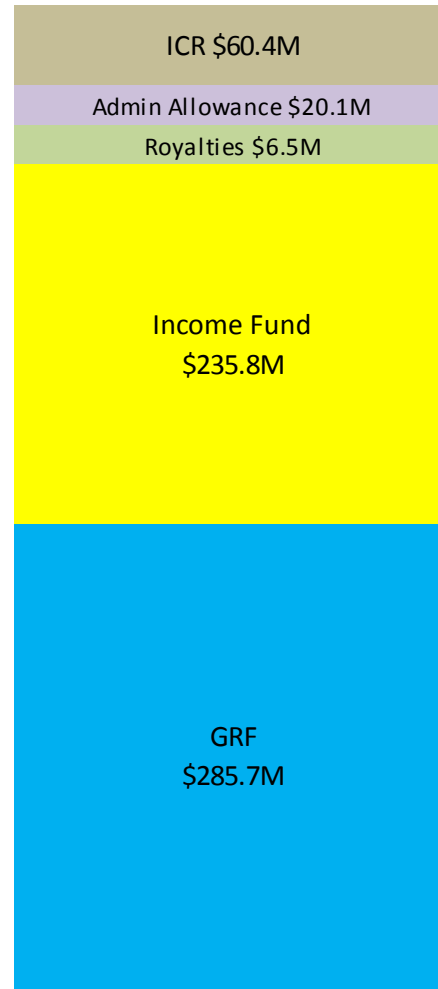
**Revenue**



**\$498.4M**

**FY2010**

**Revenue**



**\$611.8M**

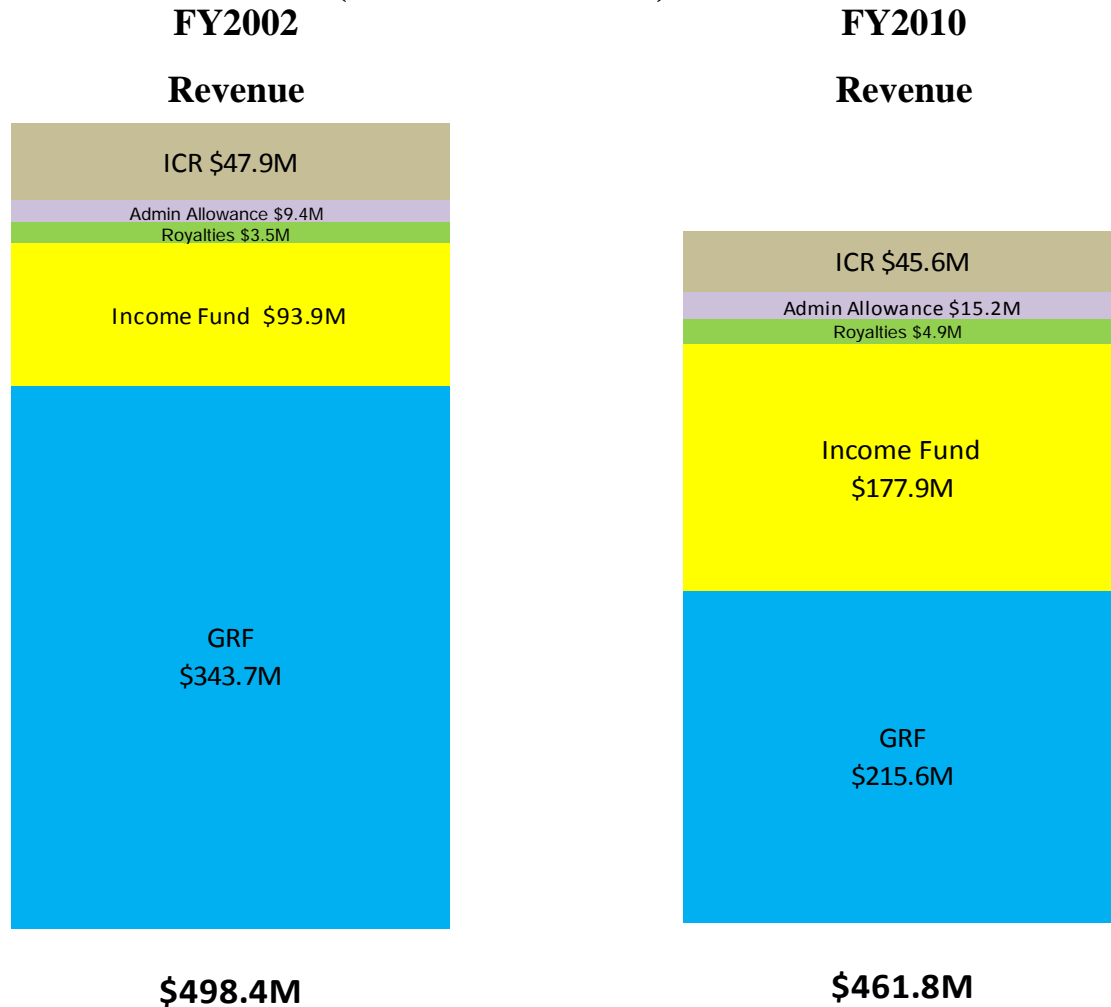




*Adjusted for inflation, UIC's unrestricted budget decreased as compared to FY2002*

## UIC Unrestricted Funds Budget

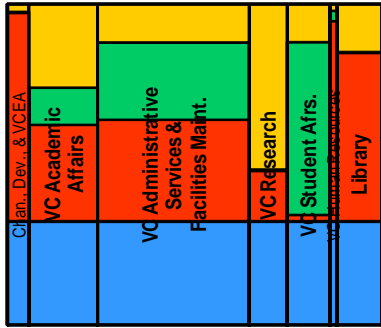
(Constant Dollars)



# UIC's Budget

## \$1,648M

**Administration & Academic Support**  
\$159M



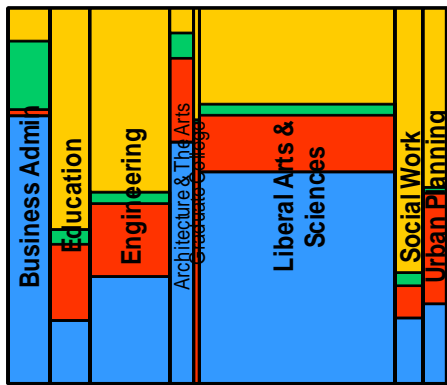
**Hospital**  
\$506M



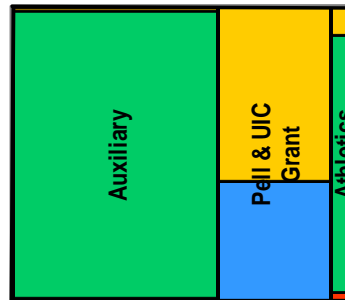
**Medicine**  
\$422M



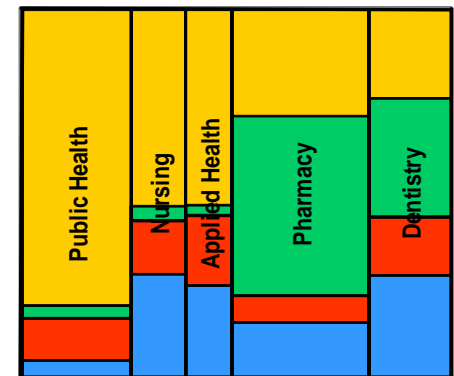
**Eastside Colleges**  
\$220M



**Auxiliaries, Athletics & Financial Aid**  
\$128M



**Other Health Colleges**  
\$213M

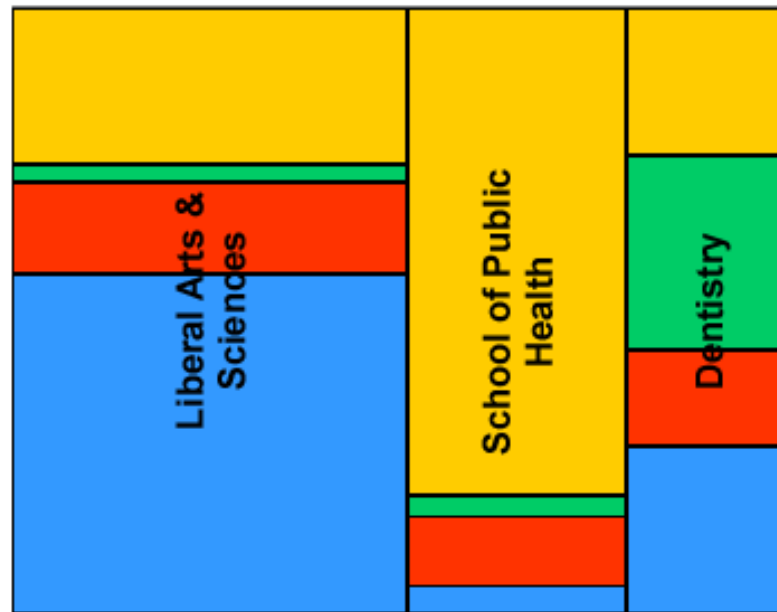



- Income Fund (\$239M)
  - State Appropriation (\$197M)
  - Self-Supporting (\$842M)
  - Grants/Contracts, Gifts & Institutional (\$370M)


Source: FY 2010 Budget Summary for Operations, excluding Campus General, Utilities, VC Health Afrs and Division of Spec Care for Children.


# 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

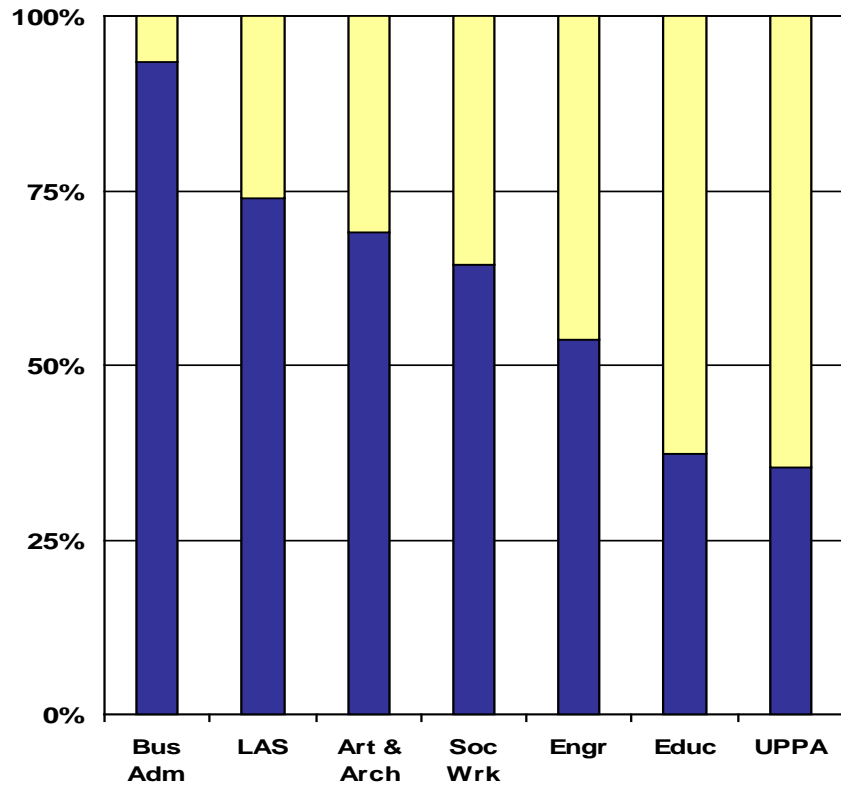
Undergraduate	25%	25%
Graduate	25%	15%
Professional	15%	

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

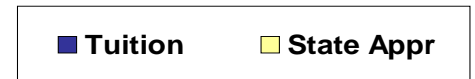
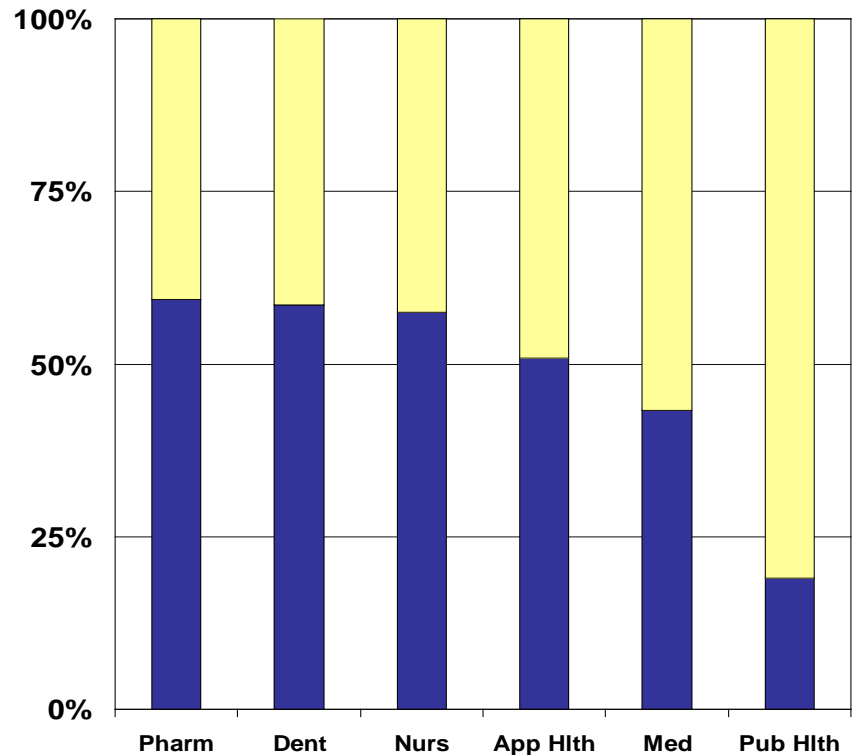


# Comparison of State Appropriations and Tuition Revenue

## General Campus



## Health Science Colleges



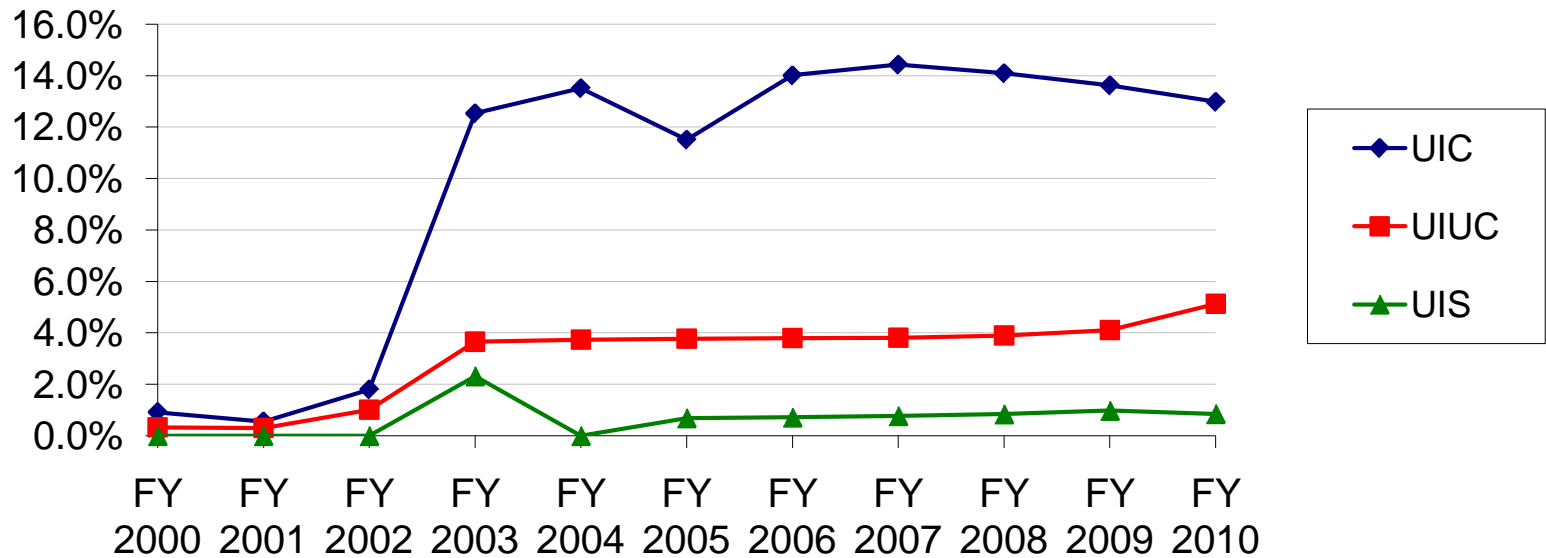


# Fine tuning the model...

- 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**

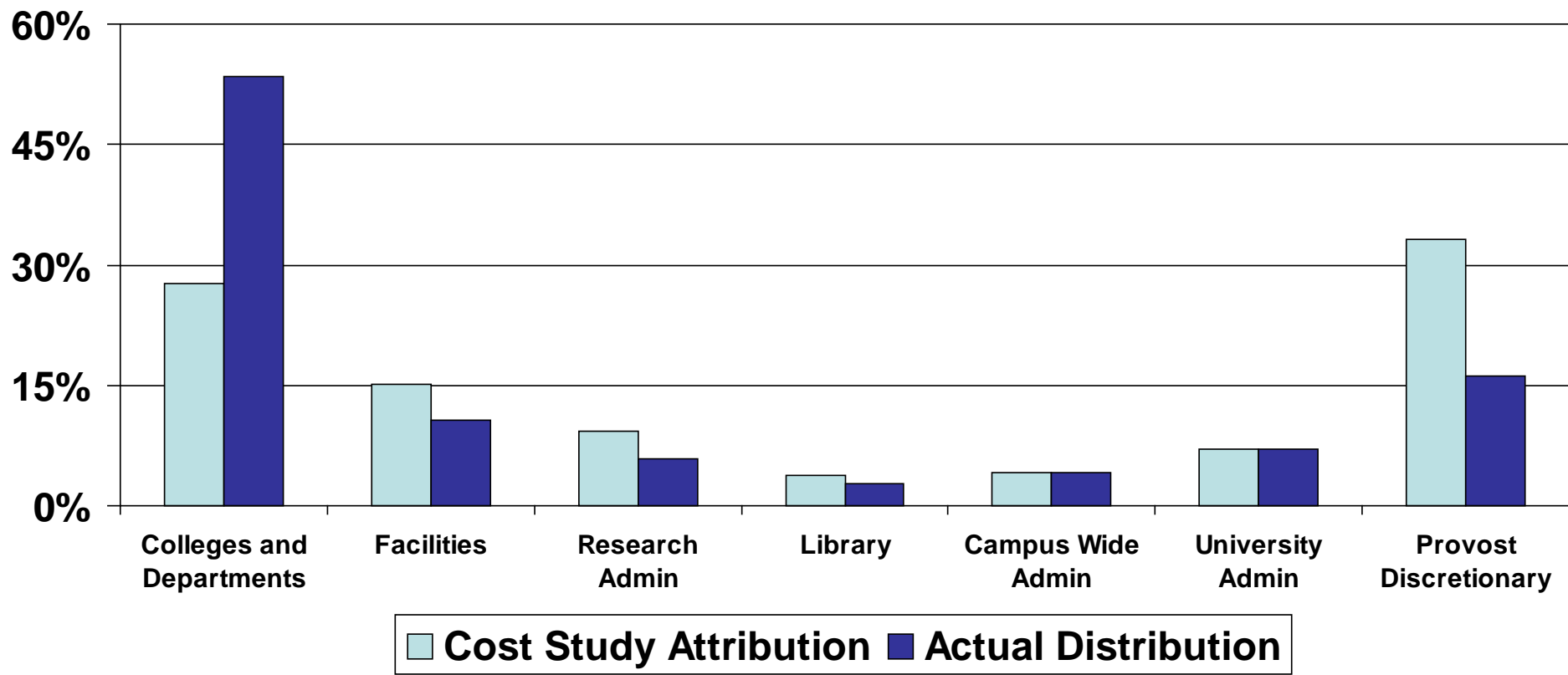


*We allow admissible Pell-eligible students to attend UIC even though they cannot afford our tuition and fee increases. Maintaining access to excellence requires a commitment to institutional aid.*



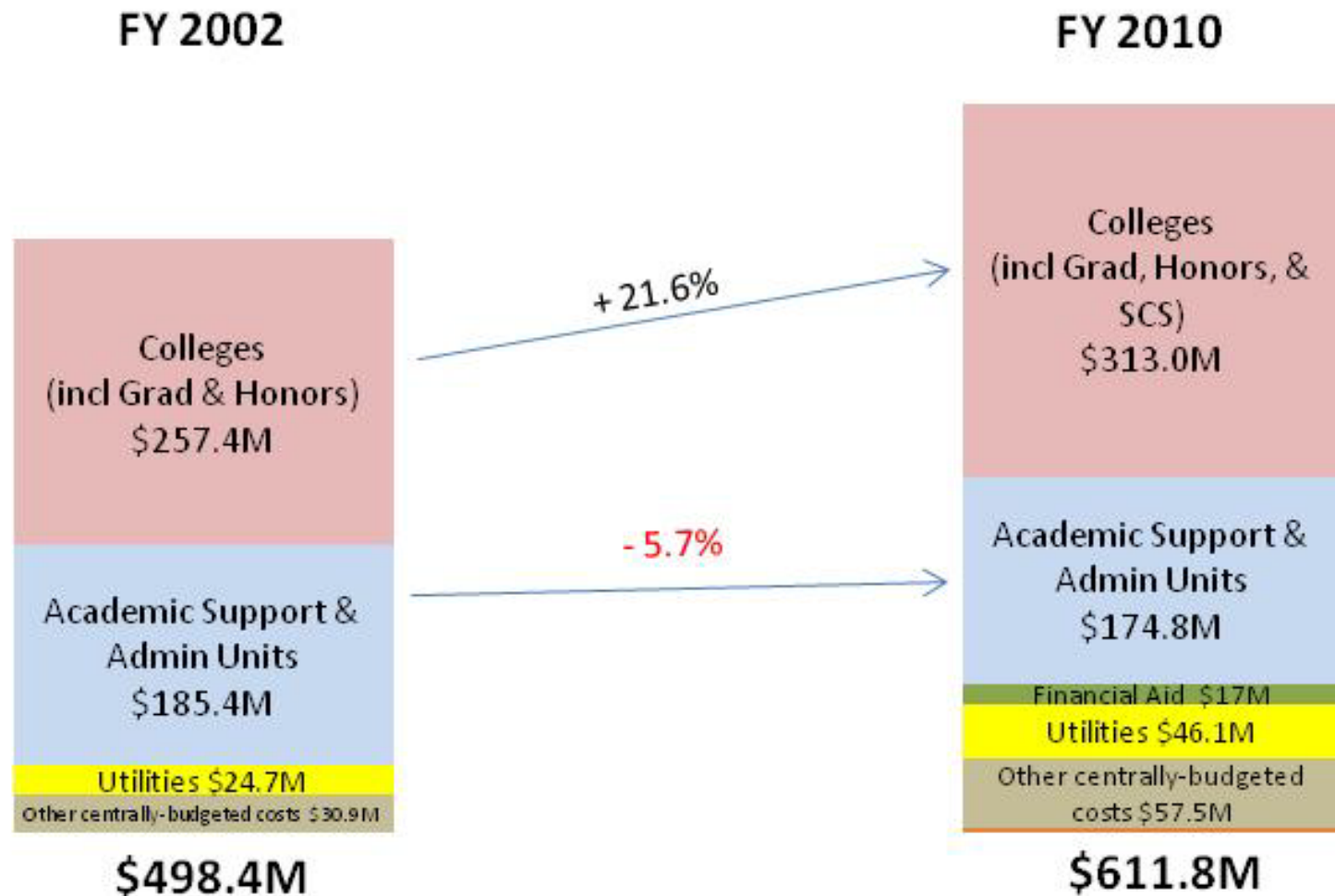
# UIC F&A Distribution

## Cost Study Attribution Vs. Actual Distribution



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

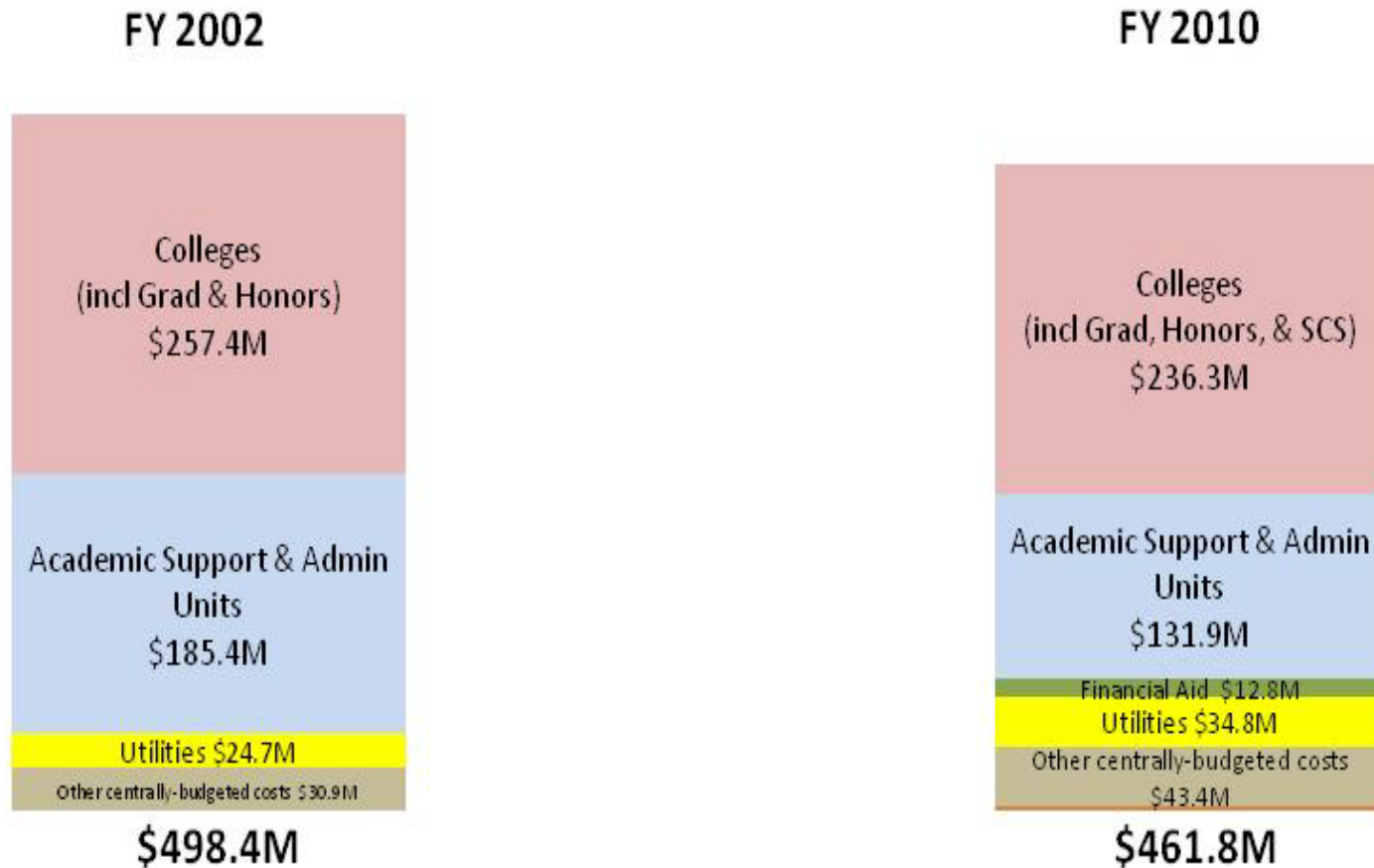
## University of Illinois at Chicago Unrestricted Funds - by Use





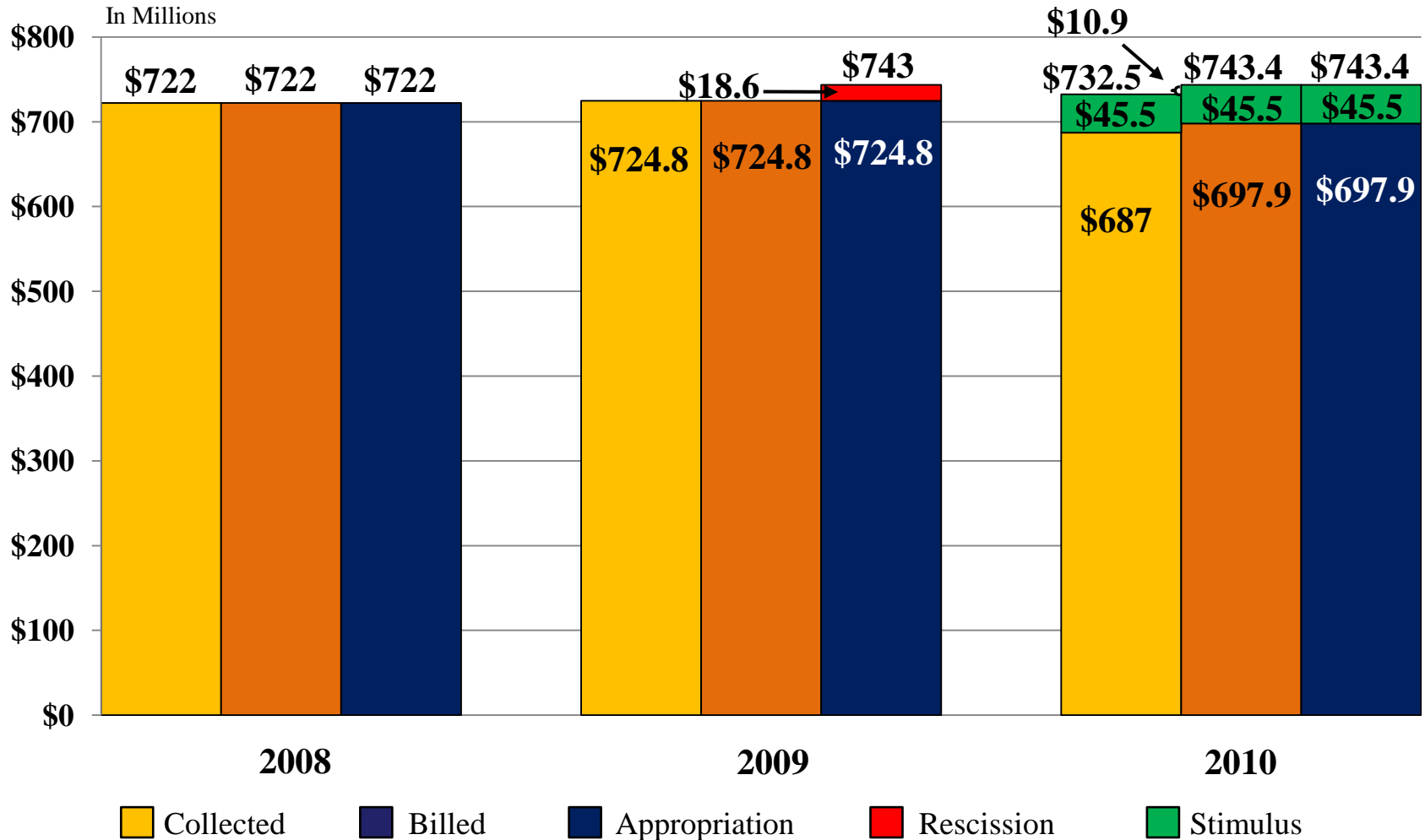
*Adjusted for inflation, college and support unit budgets remain below their FY 2002 levels*

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



# State Appropriation Revenue Unrestricted Funds

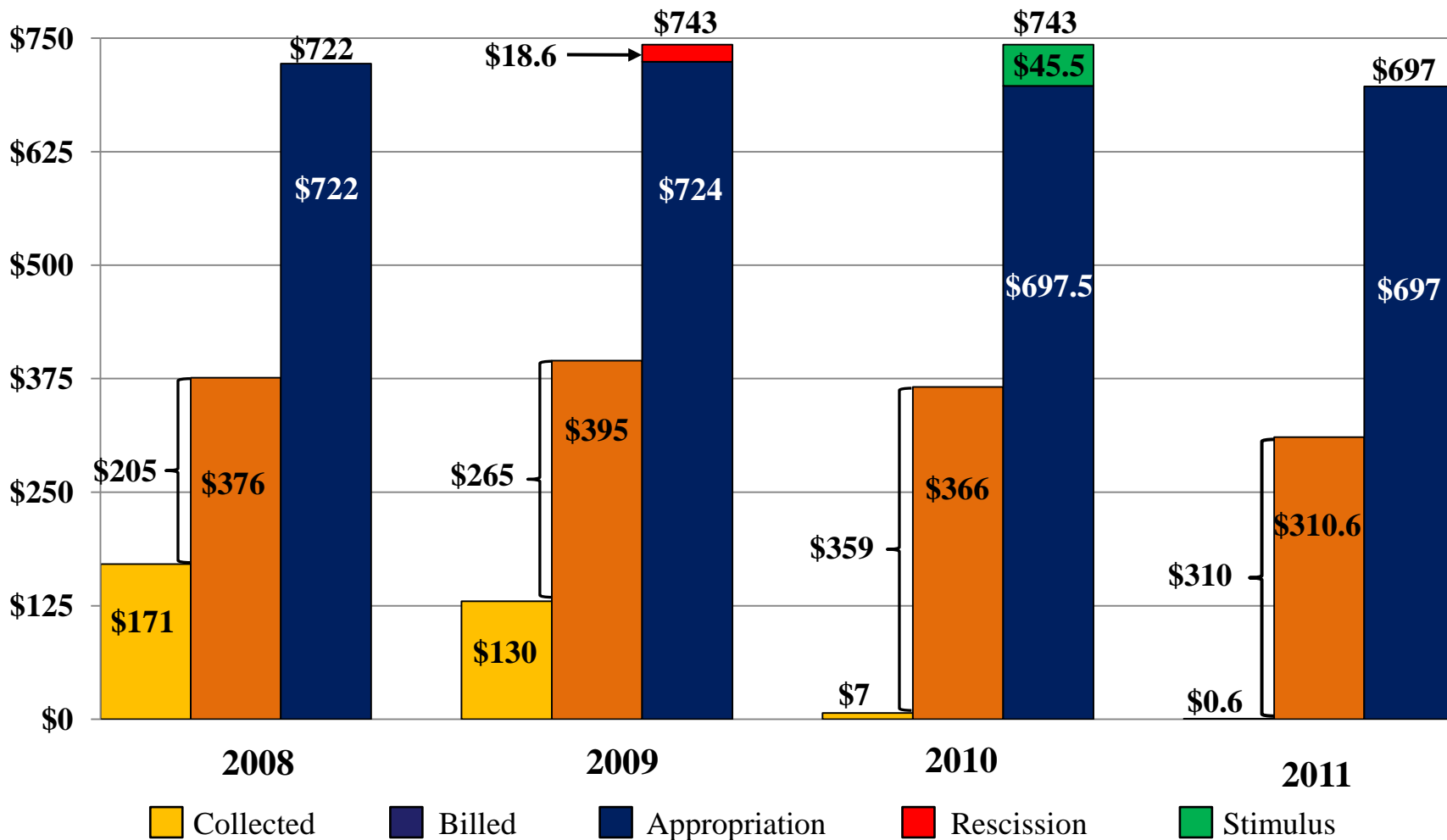
## Lapse Period Billings and Collections through November 8, 2010



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

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

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

**University of Illinois at Chicago  
Impact by Unit - State funds only**

<b>College/Unit</b>	<b>State Base</b>	<b>Tuition Revenue</b>	<b>Salary Prgm Augment</b>	<b>Program Changes</b>	<b>Salary Pgm Cost</b>	<b>Reallocation</b>	<b>Net Impact</b>	<b>Net Impact as % of base</b>
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%
<b>Subtotal, Colleges</b>	\$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%
<b>Subtotal, Administrative Units</b>	\$XXX,XXX		\$0	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	X.XX%
<b>Subtotal, Campus General</b>	\$XXX,XXX	\$XXX,XXX	\$0	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX	X.XX%
<b>Total UIC</b>	\$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>