



PRAIRIE VIEW A&M UNIVERSITY

2009-2010 Budget
Presentation to
The Texas A&M University
System Board of Regents

July 15, 2009



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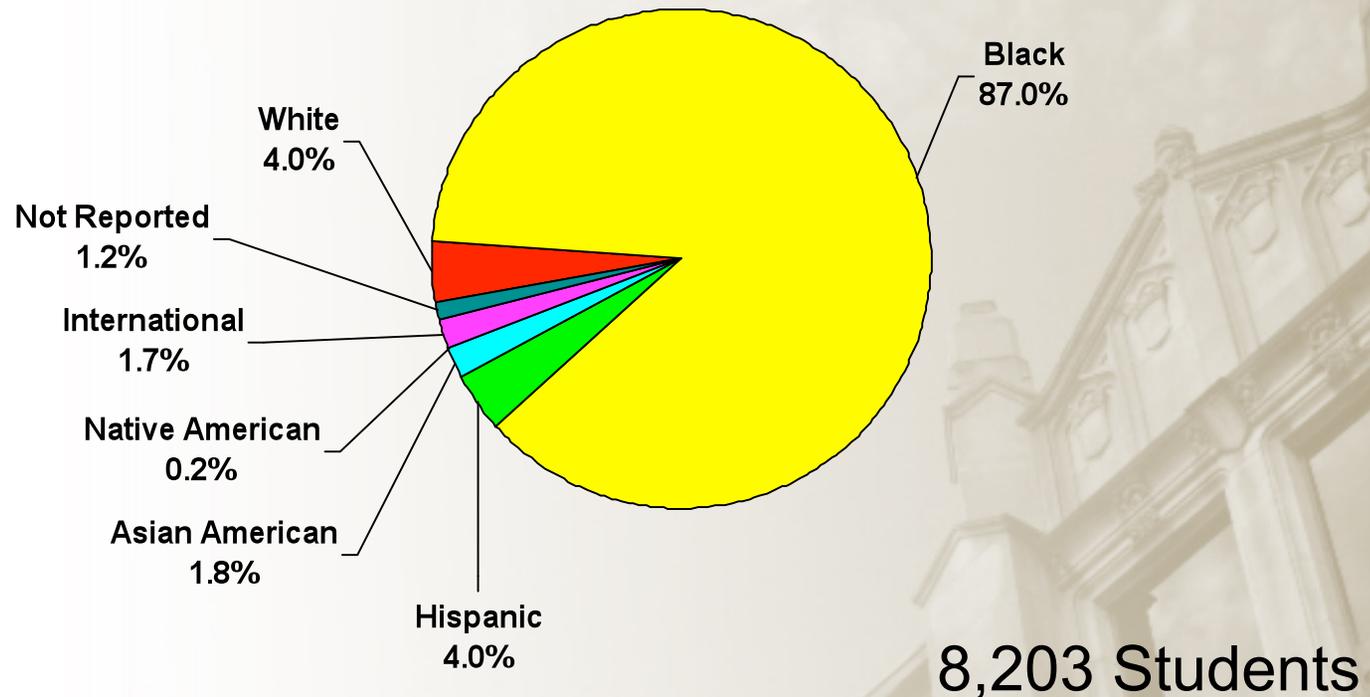
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Section I

System Member Budget Overview

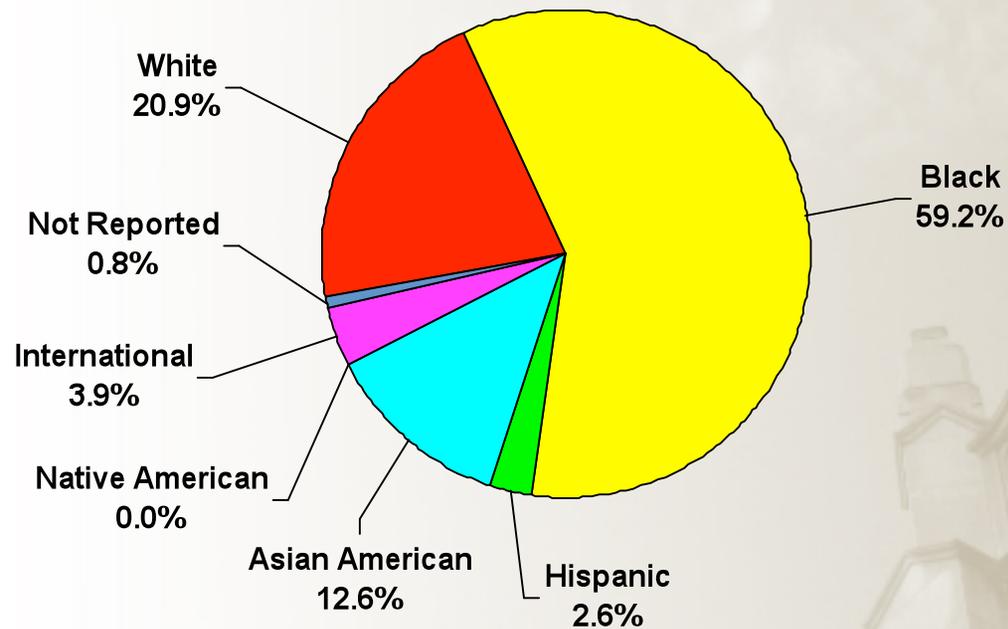
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Student Demographics (Fall 2008)



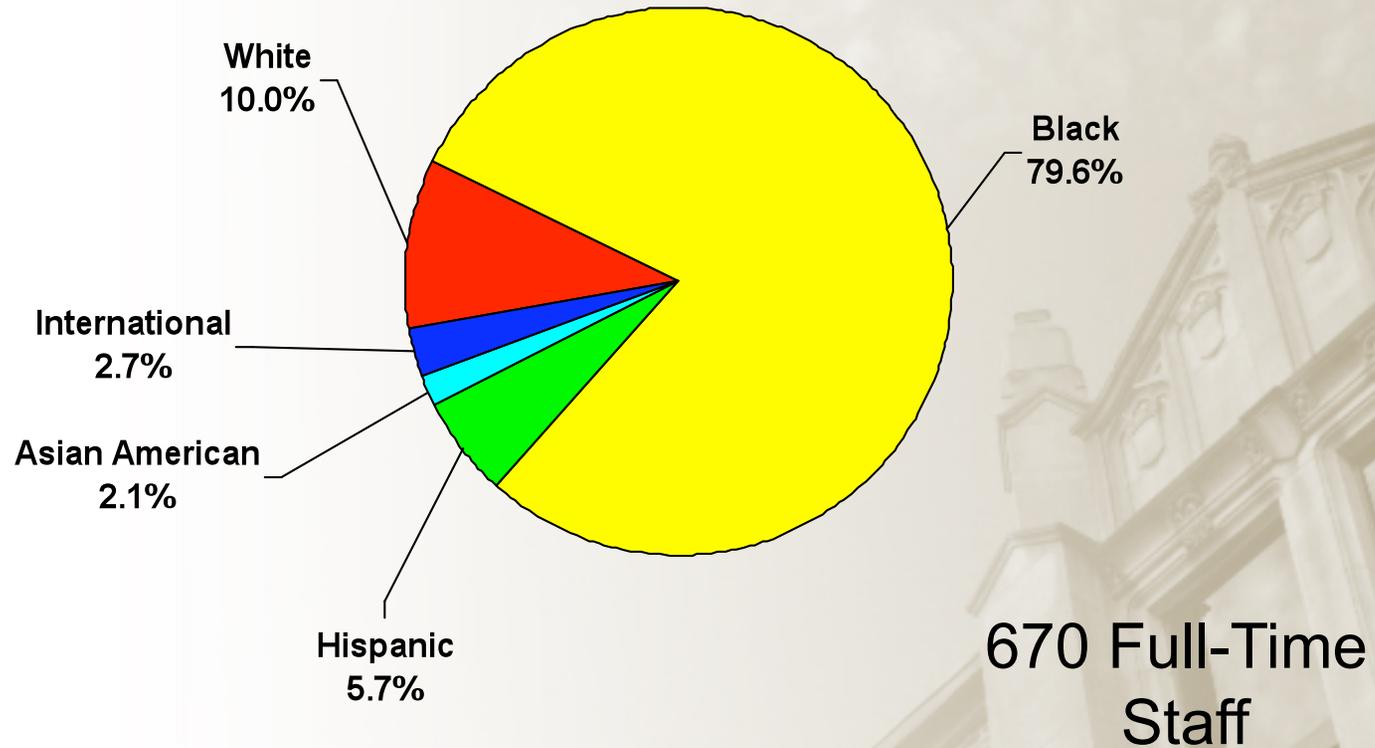
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Faculty Demographics (Fall 2008)

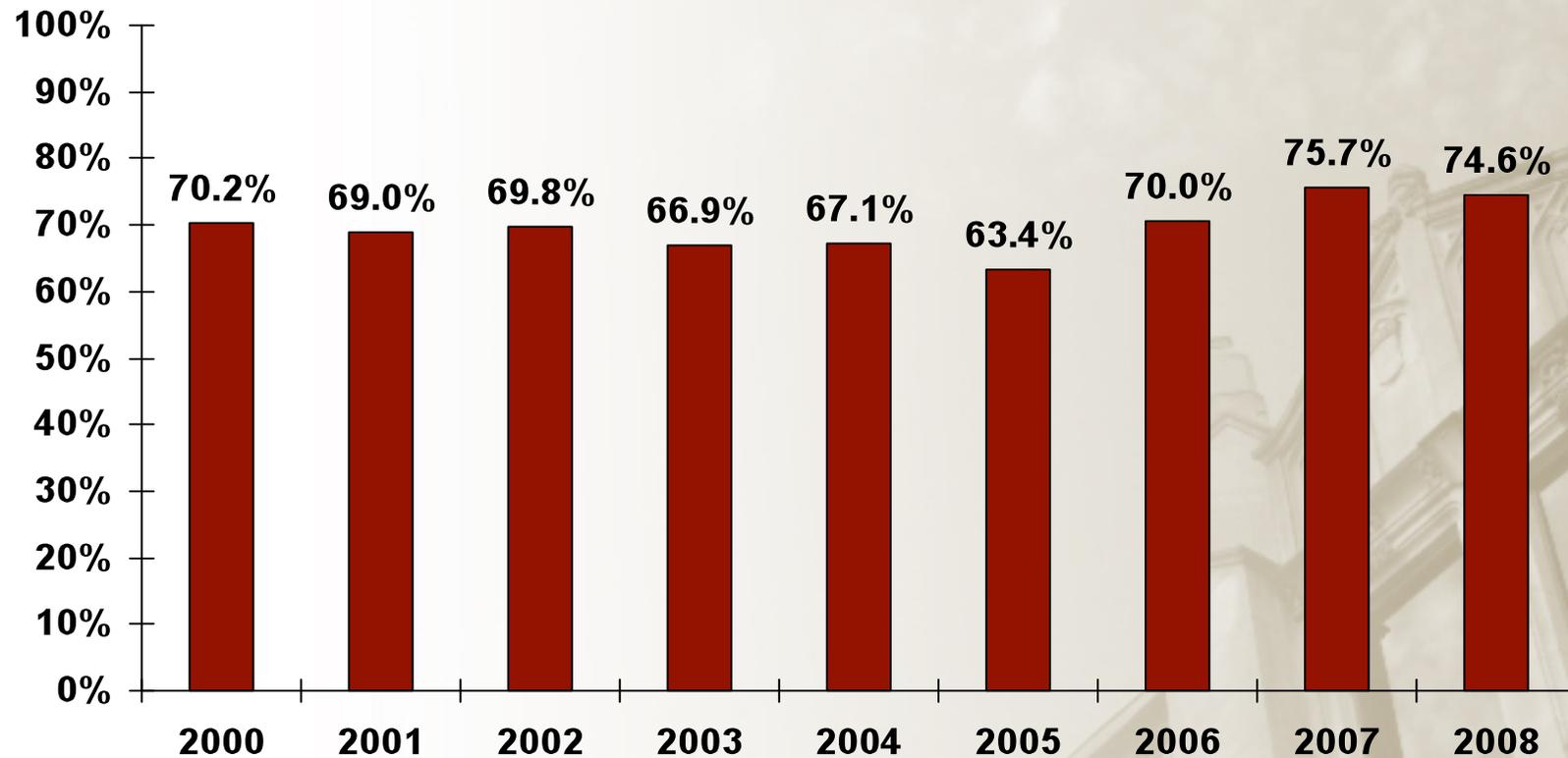


507 Faculty

Staff Demographics (Fall 2008)

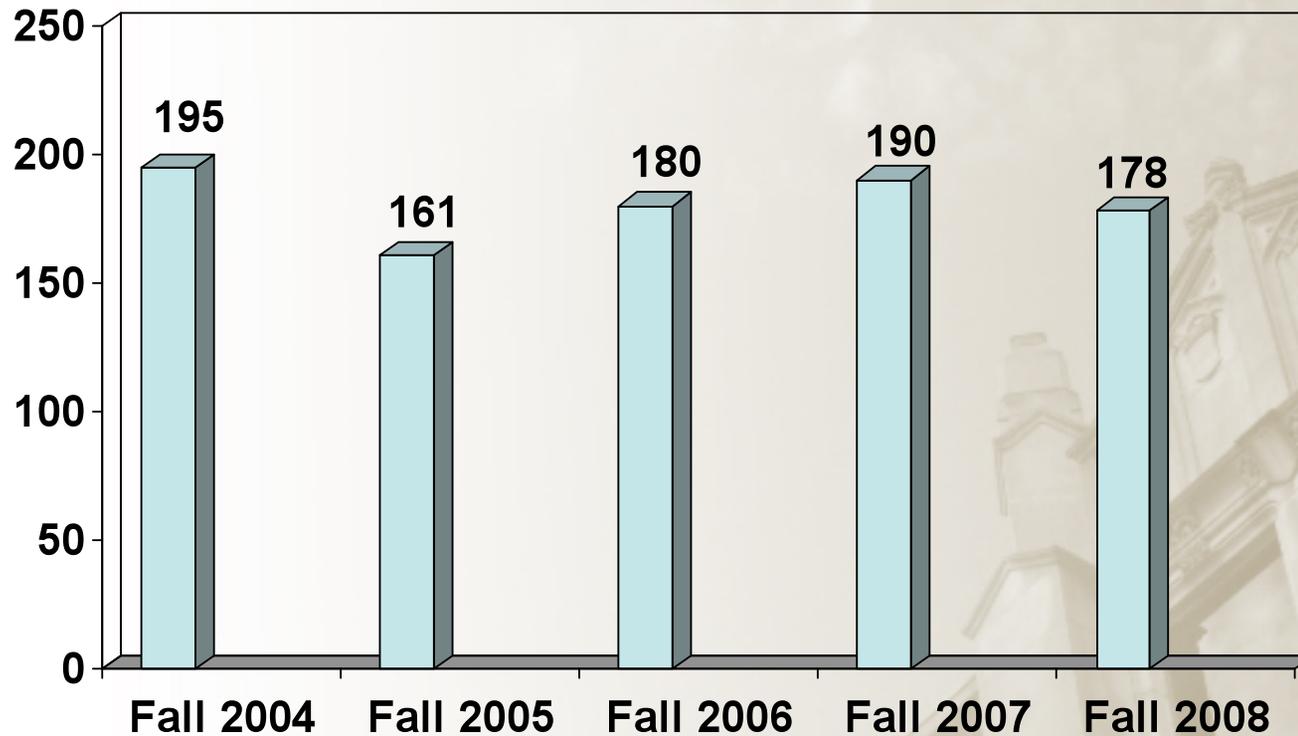


One-Year Freshmen Persistence Rate



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Transfers from Texas Two-Year Colleges



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Fall 2009 Undergraduate Enrollment

(As compared to same time last year)

	<u>Fall 2009</u>	<u>Fall 2008</u>	<u>Change</u>	<u>% Change</u>
Applications	7,348	5,949	1,399	23.5%
Admissions	2,678	2,518	160	6.4%
Orientation Attendance	1,631	1,554	77	5.0%

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Closing the Gaps: Grow the University Presence through New Enrollment Initiatives

- Northwest Houston Expansion:
 - Described on next slide
- Restoration of an Honors College
- BBA being offered at Lone Star College, Cy-Fair
- Programs developed for Distance Education
 - Master's in Educational Leadership
 - Master's in Counseling
 - Master's in Business Administration

NW Houston Expansion

- Targeted programs
 - FY10-Approved by THECB, 6/23/09
 - Bachelor of Business Administration
 - Master of Science in Accounting
 - Master of Community Development
 - Master of Science in Nursing Administration
 - Master of Science in Nursing Education
 - FY11
 - Bachelor of Arts in Communication
 - Master of Business Administration
 - FY12
 - Bachelor of Science in Interdisciplinary Studies
 - Bachelor of Construction Science
 - Master of Science in Computer Information Systems
- \$1.073M in seed monies have been allocated for program start up and recruiting costs in this year's budget
- Location selected, Negotiations in process as of July 8, 2009

FY10 Budgeted Revenue Variances Compared to FY09 Projections

Total revenue is estimated to increase by 6%.

Primary factors influencing the increase:

1. A \$3M increase in state appropriations.
2. An estimated increase in the USDA 1890 formula allocation.
3. An increase in tuition and fees (To be discussed in a separate section later).
4. Investment income estimation over FY09 projected actual.

FY10 Budgeted Expenditure Variances Compared to FY09 Projections

Total expenditures are estimated to increase 12%.

The primary changes are:

1. A 2% faculty/staff merit program and an estimated need for additional positions to for the Honors Program and Northwest Houston campus.
2. \$750K in funding for the Panther Promise program.
3. A \$1M increase to reduce the deferred maintenance balance.
4. \$600K increase in the Athletic budget (to be described in detail later).

Major E&G Changes for FY10

\$ 2,101,498	GR and Other E&G Goal A Increase
<u>\$ 463,094</u>	GR Goal B Increase
\$ 2,564,592	FY10 GR and Other E&G Increase
\$ (230,035)	Appropriation Change-Reduction in Institutional Enhancement through Formula Enhancement
\$ (1,000,000)	New Account-UMA-Faculty Start-Up-Commitment made to West & Jones-McClelland
\$ (650,000)	2% Merit Program
\$ (130,000)	Financial Aid-Reconciliation salaries that were proposed on Financial Aid Advisement Fee
\$ (26,000)	New Account-Architecture-Student Printing & Plotting
\$ (59,000)	New Account-Physics Lab Equipment and Lab Operations
\$ (70,000)	New Account-Undergraduate Admissions
\$ (10,000)	Add \$10K to Provost's Office for secretary hired in FY09 on temporary funds
\$ (328,000)	Balance of New Faculty Funds committed to Provost in FY09
\$ (61,000)	Market Equity Salary Increases Granted to Entry-Level Public Safety Officers in FY09
<u>\$ 557</u>	To Budgeted Reserves
<u>Special Item Changes</u>	
\$ 424,604	Add to Juvenile Justice Special Item
\$ (230,035)	Reduction in Institutional Enhancement-Absorb reduction in State Funds Above

Interest Income Changes for FY10

FY10 Interest Income Estimate @ 1.75%	\$784,003
Athletic Scholarships	-500,000
Allocations to President, VPs, Deans, Faculty Senate	-216,740
TIPHC (Commitment made to West & Jones-McClelland)	-50,000
Cash Concentration Pool Bank Charges	-70,000
Thurgood Marshall Program	<u>-5,000</u>
FY10 Allocation Excess of Estimated Revenue	\$(57,737)

Fund Balance @ 5/31/09=\$3,736,267

Note: TIPHC allocation will be for FY10 and FY11 but is not permanent budget item

Section II

Tuition and Fees

PRAIRIE VIEW A&M UNIVERSITY

Designated Tuition

Description	Rate	Estimated Amount
Board Approved Maximum	\$150/Semester	
PVAMU Maximum	\$9.80/SCH	\$2,000,386
Less Financial Aid Set Aside	<u>-1.96/SCH</u>	<u>-400,077</u>
Available for Allocation	\$7.84/SCH	\$1,600,309

Designated Tuition Allocations

\$ 1,600,309	Amount that can be allocated from Designated Tuition FY10 Increase
<u>\$ 2,302,224</u>	Recaptured funds from current FY09 allocations
\$ 3,902,533	Total amount that is available for allocation
\$ (1,000,000)	Increase in Deferred Maintenance Account
\$ (349,923)	Panther Promise 226717 (Added to set aside, Total \$750K for FY10)
\$ (152,618)	M&O allocated to academic departments during FY09
\$ (62,178)	2% Designated Accounts/Benefits
\$ (341,716)	Athletics-Salary & Benefits Increases due to renegotiated contracts & current contract clauses
\$ (60,000)	Athletics-Advisement Salary, Benefits, & M&O
\$ (522,262)	Change Various Accounts to Designated Tuition Source
\$ (81,282)	Increase Designated Tuition Scholarships-Undergraduates & Be-On-Time (Calculation based)
\$ (225,000)	New Account-QEP (FY10-FY14 per Provost)
\$ (400,000)	New Account-Reserve for Band Equipment and Band Uniforms (FY10 Allocation only)
\$ (116,000)	New Account-Health Services
\$ (200,000)	New Account-Recreational Services
\$ (352,182)	Off-Main Campus Location Costs
<u>\$ (39,372)</u>	Research Administration Costs
\$ 3,902,533	Balance to Designated Tuition Reserve

Fees Approved by Student Referenda

- Athletic Fee-Students approved elimination of the sunset provision
- Recreation Fee-Student Vote Approved \$35-\$60/Semester; Dr. Wright approved \$20/Semester for FY10
- Student Service Cap Increase to \$160/Semester, \$14/SCH rate remains stable
- International Education Fee-\$3/Semester for study abroad scholarships

Report on Other Fees

- Athletics Fee Increase-Student referendum failed
- Fee Increases Not Approved by President
 - Architecture Course Fees
 - Arts & Science-Physics Course Fees
 - Business Graduate Incremental Tuition Increase and Student Support Fee Increase
 - Engineering Undergraduate Incidental Course Fee
 - Engineering Distance Learning Fee
 - Financial Aid Call Center Fee
 - Financial Aid Advisement Fee
 - Admissions Application Fee Increase
 - Health Center Fee Increase
- Increases Approved
 - Education Graduate Incremental Tuition to \$100/SCH
 - Engineering Graduate Incidental Course Fee approved at \$100 but Graduate Equipment and Laboratory fees eliminated

Section III

Salary Increase and Staffing Plans

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FY10 Merit Program

- 2% merit increase program
- Must be benefits eligible
- Must have been on payroll as of 3/1/09 and must be returning 9/1/09
- Requires \geq Exceed Expectations rating
- \$600 floor for a salary equivalent of \leq \$30K on a 12-month basis
- For qualifying employees, raise range 0.5%-4.0%

Staffing Plans

Number of FTE faculty

Appropriated funds	307.30
Non-state funds	<u>17.07</u>
All funds	324.37

Number of FTE staff

Appropriated funds	502.60
Non-state funds	<u>196.50</u>
All funds	699.20

Total FTEs excluding student workers

Appropriated funds	809.90
Non-state funds	<u>213.57</u>
All funds	1,023.47

Number of vacant positions 62

FTEs allowed per appropriation bill (including student workers)=891.8 + Request for 20 FTEs to be used primarily in faculty positions needed to meet student demand and to staff up the Northwest Houston operation=911.8

Section IV

Reserves and Financial Condition

PRAIRIE VIEW A&M UNIVERSITY

Composite Financial Index (CFI) Score

FY2009 Estimate	3.00
FY2008	3.09
FY2007	7.02
FY2006	3.22

Budgeted Operation Reserves

	<u>2009 Budget</u>	<u>Permanent Changes</u>	<u>Estimated Available at 8/31/09</u>
111781 Budgeted Reserve	1,477,169	-107,839	1,369,330
111785 Unallocated Salaries	169,274	0	169,274
188125 AUF Budget Reserve	3,052,469	-2,680,341	372,128
220100 Designated Tuition	250,638	0	250,638
220105 Designated Tuition Reserve	<u>2,273,304</u>	<u>-140,000</u>	<u>2,133,304</u>
	7,222,854	-2,928,180	4,294,674

FY09 YTD Budget Projections (Dollars in Thousands)

Projected Revenues	\$166,765
Less Projected Expenditures	-146,662
Less Projected Debt Service	<u>-11,668</u>
Projected Net Increase	\$8,435
Beginning Current Fund Balance	<u>106,866</u>
Projected Ending Current Fund Balance	\$115,301

FY10 Cost Savings Committee

Plans to Reduce Budget by FY12 for Temporary Increases in FY10-11

\$ 4,001,282	Hold Harmless Funding
\$ 1,300,000	Possible Decline in AUF Annual Allocation
\$ 258,150	Small Institutional Supplement
<u>\$ 57,737</u>	Use of Interest Income Reserve
<u>\$ 5,617,159</u>	Budget Reduction Target
\$ 1,000,000	Remove UMA Faculty Start-Up Funds from Continuing Budget
\$ 50,000	Eliminate University Funding for TIPHC
\$ 1,000,000	Remove Increase in Deferred Maintenance from Continuing Budget
<u>\$ 400,000</u>	Eliminate Addition of Funds to Band Uniform and Equipment Reserve from Continuing Budget
<u>\$ 2,450,000</u>	Budget Allocations Eliminated from Continuing Budgets
<u>\$ 3,167,169</u>	Budget Reduction Target for FY10 Cost Savings Committee

Section V

Capital Plan Update

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Capital Plan-Major FY10 Items

System

- Northwest Houston Expansion-Discussed in Section II
- Completion of Sports Complex Master Plan and Campus Master Plan

Campus

- Deferred Maintenance Reduction of \$2.5M on various projects
- Building upgrades at a minimum of \$1M/year
- Title III Projects: Smart Classroom in Delco, Human Science Classroom in May Hall, Little Theatre & Dressing Room in Hobart Taylor
- Agriculture Projects: Upgrade of A. I. Industries building, Improvements in Research Facilities, Roofs and Waterproofing of two buildings

Section VI

Auxiliary Operations

PRAIRIE VIEW A&M UNIVERSITY

Auxiliary Operations as of 6/30/09

	<u>Budgeted</u>	<u>Revenues</u>	
	<u>Revenues</u>	<u>YTD</u>	<u>% of Revenues</u>
Dining	\$7,100,500	\$6,622,071	93%
Health Center	\$1,425,235	\$1,326,550	93%
Nursing Parking Garage	\$1,423,362	\$968,578	68%
Parking Management	\$780,000	\$744,361	95%
Housing	\$700,000	\$1,002,996	143%

PRAIRIE VIEW A&M UNIVERSITY

PVAMU Athletics

- 2008-2009 Selected Highlights
 - Football-9 wins, only loss
 - Basketball-SWAC Champions, NCAA Tournament Players
- 350 Athletes
- Approximately 275 receive some Financial Aid from Athletics

PVAMU Athletics-Continued

• FY09 Revenues outstanding	
– Summer student fees (Estimated)	\$ 35,000
– SWAC	\$ 50,000
– NCAA	\$ 115,000
• FY09 YTD at 6/30/09	
– Revenue	\$3,378,071
– Add: Transfers	1,016,192
– Less: Expenditures	<u>(4,825,095)</u>
– Shortfall to date	\$(430,832)
• FY09 Anticipated Shortfall-Per Controller	\$(875,000)
• Major Categories of FY10 Cost Increases	
– Football Contractual Requirements	\$ 192,524
– Men's Basketball Contractual Requirements	\$ 63,487
– Women's Basketball Contractual Requirements	\$ 85,705
– Athletic Advising	\$ 60,000

THANK YOU CHANCELLOR AND REGENTS

For your leadership on tuition and fees.
For trying to get us Research Development
Funding.
For helping us with our Athletic Fee sunset
provision elimination.

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