



TEXAS TECH UNIVERSITY
Office of *the* President™

MEMORANDUM

DATE: September 12, 2023

TO: Faculty and Staff

FROM: Lawrence Schovanec, President
Ron Hendrick, Provost and Senior Vice President
Noel Sloan, CFO and Senior Vice President for
Administration & Finance

RE: Budget Planning

In August, the Texas Tech University System Board of Regents approved Texas Tech University's \$1.25 billion operating budget for FY 2024, a 6.7% increase over the FY 2023 operating budget.

Certainly, a large portion of this increase is a result of the 88th Legislature's investment in higher education. Funding was provided for growth and inflation, increasing the weighted semester credit hour (WSCH) formula funding amount from \$55.66/WSCH to \$59.08/WSCH. The Legislature also provided funding under the Affordability Act to cover a larger portion of higher education group insurance and legacy Hazlewood exemptions. Nonformula funding of \$2.5 million was provided for the Texas Produced Water Consortium, and an increase of \$20.5 million was provided for Institutional Enhancement to continue academic excellence and student success initiatives started under Senate Bill 8.

Much of the budget increase is being invested in our people – faculty, staff and students – to increase academic excellence, student success and research:

- 5% merit pool for faculty and staff; Phase II staff compression/equity implemented; launch pay plan study.
- New faculty positions to reach target enrollment for the School of Veterinary Medicine.
- Additional funding for Arts & Sciences lab-based departments to support instruction.
- Raider Success Hub and increased academic advising initiatives.
- Increased compensation for all TA/RA/GPTI positions to offset increasing health insurance costs (initial increase of \$250 in fall term and \$250 in spring term).
- Increased support for Presidential Merit Scholarships.

We will continue discussions this fall related to enrollment goals, research goals, campus strategic planning/facility needs and how to best align our financial resources to reach these goals. As a result, the traditional budget meetings will not be held this fall. Rather, we would like to focus on where we can create efficiencies in our budget model, invest in performance-based metrics and align strategic investments.

With anticipated support from the Texas University Fund (TUF), we will have an opportunity to significantly increase our investments in research. Planning is underway to ensure the TUF investments are aligned with university strategic priorities while growing research expenditures and scholarly activities that position Texas Tech to attain AAU benchmarks. Additional meetings will be scheduled around these topics throughout the fall term.

We look forward to these continued conversations and your input on how best to align financial resources. It is an exciting time at Texas Tech, and we thank you for all you do.



FROM HERE, IT'S POSSIBLE