

Report to Staff Senate
Budget and Finance Update

July 12, 2022

UNIVERSITY OF
LOUISVILLE[®]

FY 2022 Year-end

- **Expected positive margin**
- **Active monitoring throughout fiscal year**
 - Multiple metrics
 - Regular updates to Board of Trustees
- **Basis for FY 2023 budget**

What We Budget

What is in the operating budget? *

- University of Louisville stand-alone entity (includes General Fund and other department accounts)
- University of Louisville Research Foundation
- University of Louisville Athletic Association

What is NOT in the operating budget?

(But are included in our financial statements)

- University of Louisville Health (consists of University of Louisville Physicians and the University Medical Center)
- University of Louisville Foundation
- University of Louisville Real Estate Foundation

** Only funds transferred to the University from University of Louisville Health and the University of Louisville Foundation are included in the operating budget.*

Budget Priorities & Highlights

(Strategic Plan References in green)

Largest budget in UofL history: \$1,521,853,578

1. Investing in students (access and success)

- New Cardinal Commitment financial aid program (Learn: L1.A1)
- Increase in student persistence funding (Learn: L1.A2; Invest: I2.A4)
- Increase in graduate student stipends (Learn: L3.A3; Invest: I1.A2)

- Two new residence halls (Learn: L1.A4)
- Funding Center for Engaged Learning (Learn: L2.A1; L3.A1)
- Creating Center for Military-connected students (Learn: L1.A1)

Budget Priorities & Highlights

(Strategic Plan References in green)

2. Investing in faculty and staff (compensation perspective)

- 2.5% COLA effective July 1, 2022 (Work: W3.A2)
- Raising starting wage to \$14.75 per hour (Work: W3.A1)
- \$1.5 million toward compensation study (Work: W3.A1; W3.A3)

Investing in faculty and staff (benefits perspective)

- Continuing employer retirement contributions: 7.5% automatic plus 2.5% match (Work: W3.A3)
- Continuing 100% tuition remission for employees and their dependents (Work: W3.A3)

Budget Priorities & Highlights

(Strategic Plan References in green)

3. Investments in university (examples)

- Asset preservation (deferred maintenance) (Work: W1.A5)
- Envirome Institute (Invest: I1.A1; I2.A3)
- Partnership with ULH (Invest: I1.A1; I2.A3)
- Web improvement project (Invest: I3.A3)
- Brand campaign (Learn: L1.A1; Invest: I3.A3)
- New Customer Relationship Management system for Advancement (Invest: I2.A2)
- Continuous priority: Maintaining sound financial base (Work: W2, Cardinal Principles)

Capital Budget Overview

Very impactful state budget

- **\$81.9 million for asset preservation (deferred maintenance)**
 - Overall goals: Improve campus safety and infrastructure reliability (life/safety), working environment for all colleges and units, and alignment with strategic plan
 - Requires \$24.6 million match by UofL
 - Total available for asset preservation = \$106 million
- **\$65.0 million for new engineering building**
- **\$0.6 million for Center for Military-connected students**

Budget and Finance Information

- Budgets: louisville.edu/finance/budget/opuds/
- Financial Statements: louisville.edu/finance/controller/univacct/finst-1
- Strategic Plan: my.louisville.edu/strategic-plan
- Your unit's fiscal officer

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Questions?