

UNIVERSITY of SOUTH FLORIDA		Sample College			
Sample RCM Model	Unrestricted	Auxiliary	Restricted	Total	
Revenues					
Undergraduate Tuition	27,000,000	-	-	27,000,000	
Graduate Tuition	13,000,000	-	-	13,000,000	
Market Rate/Cost Recovery Tuition	-	5,000,000	-	5,000,000	
Fees	-	1,000,000	-	1,000,000	
Undergraduate Waivers	(5,500,000)	-	-	(5,500,000)	
Graduate Waivers	(800,000)	-	-	(800,000)	
Other Scholarships, Fellowships, and Waivers	(2,800,000)	(350,000)	(10,000)	(3,160,000)	
Total Net Tuition and Fees	30,900,000	5,650,000	(10,000)	36,540,000	
State Appropriations - Cost of Instruction	13,000,000	-	-	13,000,000	
State Appropriations - Student Success	25,500,000	-	-	25,500,000	
State Appropriations - In State Grad. Supplement	2,500,000	-	-	2,500,000	
State Appropriations - Research	1,100,000	-	-	1,100,000	
State Appropriations - Direct	2,000,000	-	-	2,000,000	
Total State Appropriations	44,100,000	-	-	44,100,000	
Federal Grants and Contracts	-	-	2,400,000	2,400,000	
State and Local Grants and Contracts	-	-	700,000	700,000	
Nongovernmental Grants and Contracts	-	-	100,000	100,000	
Indirect Cost Recovery (IDC) Revenue	250,000	-	-	250,000	
Total Grants and Contracts	250,000	-	3,200,000	3,450,000	
Sales and Services of Auxiliary Enterprises	-	2,700,000	600,000	3,300,000	
Noncapital Grants and Donations	-	-	400,000	400,000	
Investment Income (Loss)	-	50,000	-	50,000	
Transfers In from DSOs	-	20,000	2,200,000	2,220,000	
Transfer Revenues	100,000	2,400,000	-	2,500,000	
Total Miscellaneous Revenues	100,000	5,170,000	3,200,000	8,470,000	
Total Revenues	75,350,000	10,820,000	6,390,000	92,560,000	
Expenses					
Compensation and Employee Benefits	(35,000,000)	(7,300,000)	(3,500,000)	(45,800,000)	
Services and Supplies	(700,000)	(2,000,000)	(1,100,000)	(3,800,000)	
Utilities and Communications	(2,000)	-	-	(2,000)	
Transfers Out to DSOs	-	-	-	-	
Transfer Expenses	(40,000)	(2,000,000)	(50,000)	(2,090,000)	
Total Expenses	(35,742,000)	(11,300,000)	(4,650,000)	(51,692,000)	
Total Direct Margin with Transfers (\$)	39,608,000	(480,000)	1,740,000	40,868,000	
<i>Total Direct Margin with Transfers (%)</i>	53%	-4%	27%	44%	
Allocated Administrative Support Unit Costs					
Academic/Student Affairs	(7,200,000)	-	-	(7,200,000)	
Facilities and Public Safety	(2,200,000)	-	-	(2,200,000)	
General Administration	(3,800,000)	-	-	(3,800,000)	
Information Technology	(1,600,000)	-	-	(1,600,000)	
Sponsored Project Administration	(300,000)	-	-	(300,000)	
Total Allocated Support Unit Costs	(15,100,000)	-	-	(15,100,000)	
<i>ASU Costs / Revenue (%)</i>	20%	0%	0%	16%	
Total Direct Expenses and ASU Costs	(50,842,000)	(11,300,000)	(4,650,000)	(66,792,000)	
Margin after Support Unit Cost Allocations (\$)	24,508,000	(480,000)	1,740,000	25,768,000	
<i>Margin after Cost Allocations (%)</i>	33%	-4%	27%	28%	
Mission Investment Contribution	(7,591,500)	(787,500)	-	(8,379,000)	
Strategic Initiative Contribution	(5,061,000)	(525,000)	-	(5,586,000)	
Margin after Contributions	11,855,500	(1,792,500)	1,740,000	11,803,000	
Mission Investment Disbursement	-	1,792,500	-	1,792,500	
Strategic Initiative Disbursement	1,000,000	-	-	1,000,000	
Margin after Disbursements	12,855,500	-	1,740,000	14,595,500	

Key RCM Model Takeaways:

General:

- Increases transparency into sources and uses of all funds across the USF Enterprise
- Establishes a standardized, OneUSF depiction of finances
- Rewards units for entrepreneurial and innovative activities aligned with strategic priorities
- Enables data driven conversations around funding levels and returns on investments

Revenues:

- Tuition and financial aid allocations incentivize growth and retention as well as inform discounting strategy
 - Tuition and financial aid are allocated by balancing SCH by instruction and enrollment
- State Appropriations allocations align with four strategic priorities which align with PBF and USNWR metrics, including student success and research productivity
- Indirect Cost Recovery is fully allocated to the generating unit, rewarding PIs for conducting research

Expenses:

- Academic units are assessed proportionate shares of indirect administrative unit costs
 - These allocations can shed light on potential duplication of admin. services across the enterprise
- Allocating support unit costs enhances dialogue between colleges and support units over service levels and costs
- Improvements to administrative unit operating models have not been incorporated into this model – central, embedded, and distributed costs will be visible in future budgets once changes are implemented

University Investment Funding:

- Mission investment provides a relatively stable level of investment to maintain the university's comprehensive mission-based activities
 - Amount will be used for goal setting during the annual budget development process
- Strategic initiative investment supports time-bound, USF-wide and Presidential priorities

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