



University of Houston System

FY2017 Annual Budget

May 19, 2016



UH System Accomplishments

- Record enrollment of 70,024
- Record degrees awarded of 15,224
 - 39% to minority students
 - 22% in STEM fields
- Record research expenditures of \$155 million
- Record endowment of \$794 million

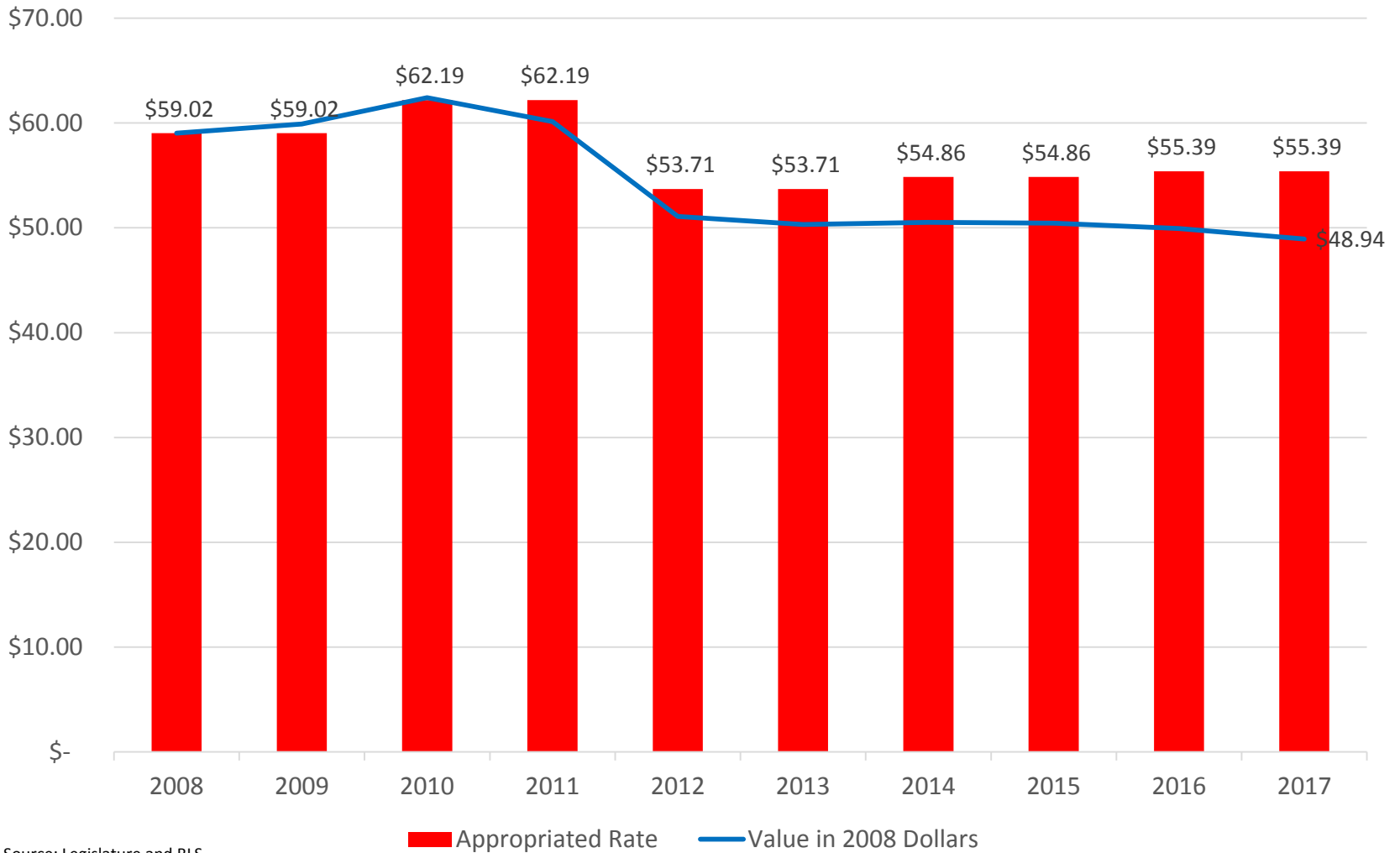


UH System FY17 Budget Summary

- \$1.6 billion operating budget – an increase of \$79 million compared to FY16
- 2/3rd's of the total operating budget supports student access and success
- Each university dedicating funds for faculty and staff retention
 - UH: 2% merit-based salary pool for faculty and staff; and faculty competitive compensation
 - UHCL: 4% merit-based and competitive compensation salary pool for faculty and staff
 - UHD: One-time, merit-based stipend for faculty and staff
 - UHV: 0.5% merit-based and competitive compensation for staff
- \$247 million capital budget – an increase of \$58 million compared to FY16



Legislative Funding: Instruction & Operations Formula FY2008 to FY2017 Rate per Weighted Credit Hour



Source: Legislature and BLS

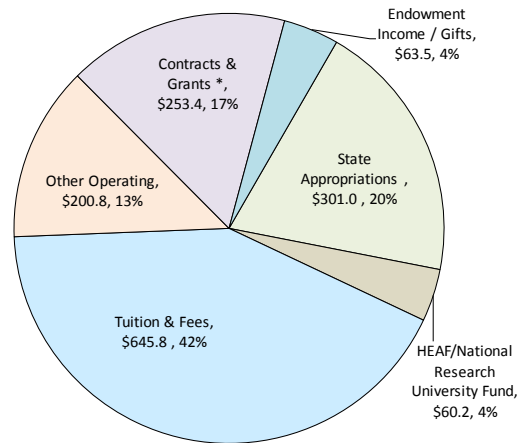


University of Houston System Budget

FY2016

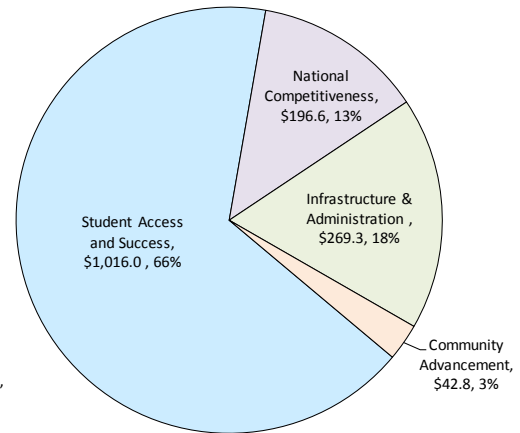
Total Budget	\$ Millions
Operating Budget	\$ 1,524.7
Capital Facilities	188.5
Total	\$ 1,713.2

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$1,524.7 Million

Operating Budget Use of Funds

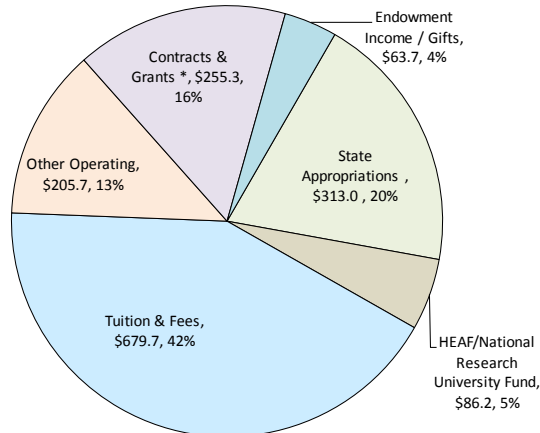


Total \$1,524.7 Million

FY2017

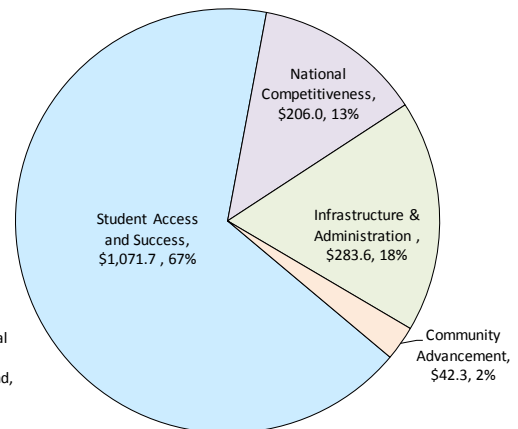
Total Budget	\$ Millions
Operating Budget	\$ 1,603.6
Capital Facilities	246.7
Total	\$ 1,850.3

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$1,603.6 Million

Operating Budget Use of Funds



Total \$1,603.6 Million



University of Houston System Operating Budget

Revenues FY2013 - FY2017

\$ in Millions

	A	B	C	D	E
	2013	2014	2015	2016	2017
	Actual	Actual	Actual	Budgeted	Proposed
1 State Appropriations	\$ 259.5	\$ 279.6	\$ 280.7	\$ 301.0	\$ 313.0
2 HEAF/National Research University Fund	50.9	59.7	59.9	60.2	86.2
3 Tuition & Fees	540.1	561.2	606.5	645.8	679.7
4 Other Operating	132.9	157.9	161.0	200.8	205.7
5 Contracts & Grants *	278.7	276.8	267.7	253.4	255.3
6 Endowment Income / Gifts	72.2	76.8	87.6	63.5	63.7
7 Total	<u>\$ 1,334.3</u>	<u>\$ 1,412.0</u>	<u>\$ 1,463.4</u>	<u>\$ 1,524.7</u>	<u>\$ 1,603.6</u>
* Includes Federal financial aid					



University of Houston System Operating Budget

Expenditures FY2013 - FY2017

\$ in Millions

		A	B	C	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	Student Access and Success	\$ 846.2	\$ 936.0	\$ 952.9	\$ 1,016.0	\$ 1,071.7
2	National Competitiveness	142.3	157.4	161.7	196.6	206.0
3	Infrastructure & Administration	185.6	204.6	208.9	269.3	283.6
4	Community Advancement	44.3	48.0	48.2	42.8	42.3
5	Total	\$1,218.4	\$1,346.0	\$1,371.7	\$ 1,524.7	\$ 1,603.6



University of Houston

FY2017 Annual Budget



Recent Accomplishments

- Record student enrollment of 42,704
- Record six-year graduation rate of 51%
- Record research expenditures of \$151m
- \$123m annualized giving on pace with FY15
- 29% increase in graduate programs in Top 50
- 62% of freshmen participating in UHin4
- Record freshmen median SAT of 1150



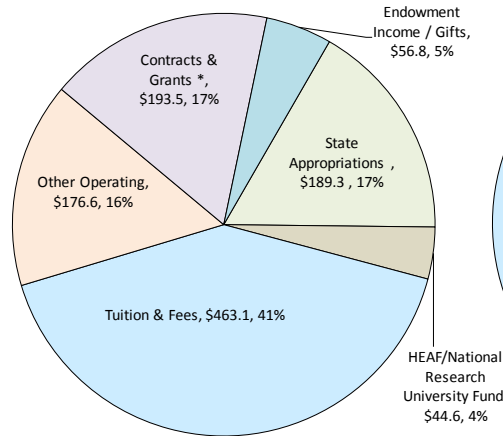
University of Houston Budget

FY2016

Total Budget

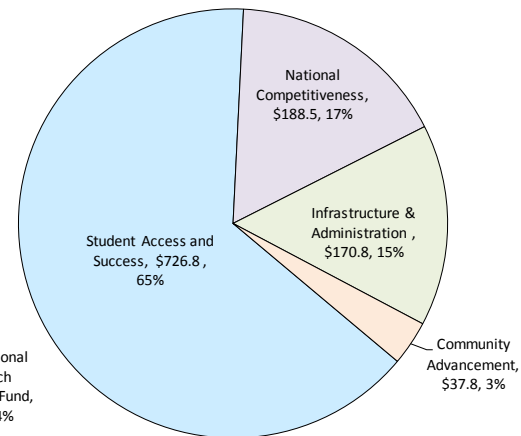
	\$ Millions
Operating Budget	\$ 1,123.9
Capital Facilities	128.6
Total	\$ 1,252.5

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$1,123.9 Million

Operating Budget Use of Funds



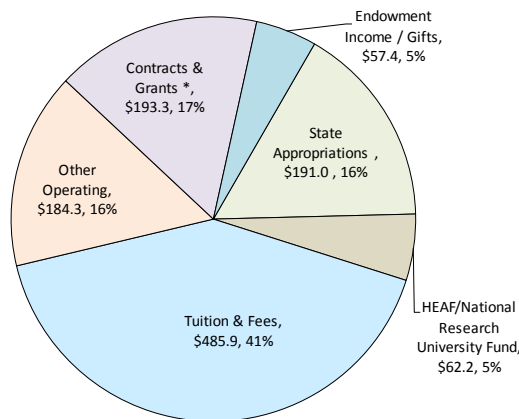
Total \$1,123.9 Million

FY2017

Total Budget

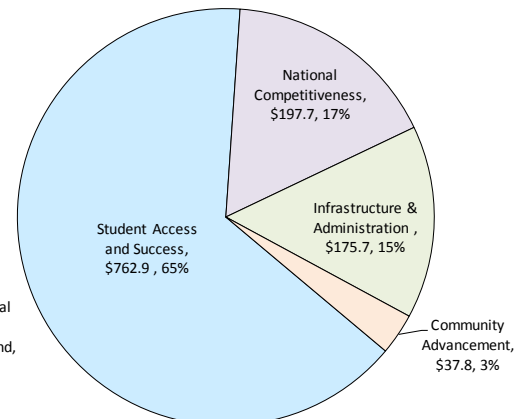
	\$ Millions
Operating Budget	\$ 1,174.1
Capital Facilities	145.2
Total	\$ 1,319.3

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$1,174.1 Million

Operating Budget Use of Funds



Total \$1,174.1 Million



University of Houston Operating Budget Revenues FY2013 - FY2017

\$ in Millions

		A	B	C	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	State Appropriations	\$ 161.8	\$ 176.5	\$ 177.5	\$ 189.3	\$ 191.0
2	HEAF/National Research University Fund	35.9	44.7	44.9	44.6	62.2
3	Tuition & Fees	398.7	408.3	435.5	463.1	485.9
4	Other Operating	112.2	135.3	138.7	176.6	184.3
5	Contracts & Grants *	219.6	212.1	204.6	193.5	193.3
6	Endowment Income / Gifts	63.1	66.4	76.8	56.8	57.4
7	Total	\$ 991.3	\$ 1,043.3	\$ 1,078.0	\$ 1,123.9	\$ 1,174.1
	* Includes Federal financial aid					



University of Houston Operating Budget Expenditures FY2013 - FY2017

\$ in Millions

		A	B	C	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	Student Access and Success	\$613.9	\$682.8	\$ 695.9	\$ 726.8	\$ 762.9
2	National Competitiveness	137.9	151.8	156.2	188.5	197.7
3	Infrastructure & Administration	99.1	116.6	119.0	170.8	175.7
4	Community Advancement	38.9	42.3	42.2	37.8	37.8
5	Total	<u>\$889.8</u>	<u>\$993.5</u>	<u>\$ 1,013.3</u>	<u>\$ 1,123.9</u>	<u>\$ 1,174.1</u>

Use of New Operating Resources: \$30.6 million

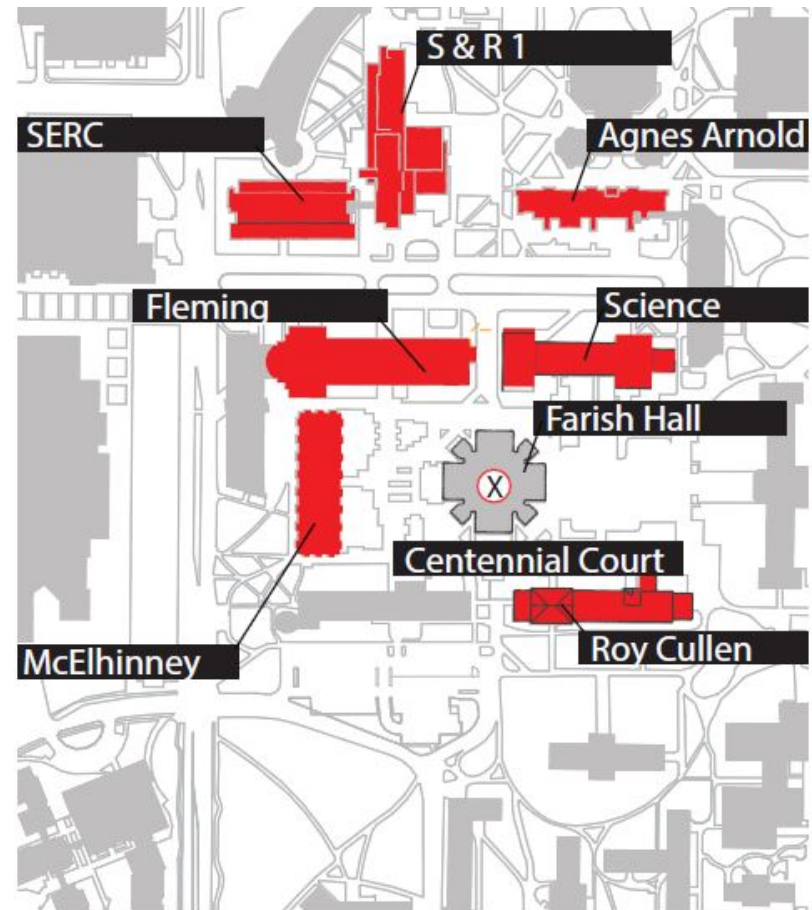
- Additional set aside for need-based scholarships
- 2% merit-based performance pool for faculty & staff
- 55 new faculty positions (teaching & research)
- Investment in academic excellence initiatives
- Investment in student support services and campus services
- Campus safety and security
- Investment in technology that supports students, faculty, and staff

The Core Renovation Program

- To strategically renovate the buildings that form the general education core of the campus and are home to a substantial number of classrooms, labs, faculty offices and departmental headquarters.
- Includes addressing deferred maintenance, modernization and alignment with current purpose.

Buildings Under Consideration

- SERC — Project approved by Feb 2016 BOR
- “Old” Science — Currently unoccupied
- Roy G. Cullen
- Agnes Arnold
- McElhinney
- Science & Research 1
- Fleming



Proposed Renovation of Legacy Buildings

University of Houston-Clear Lake

FY2017 Annual Budget

Recent Accomplishments

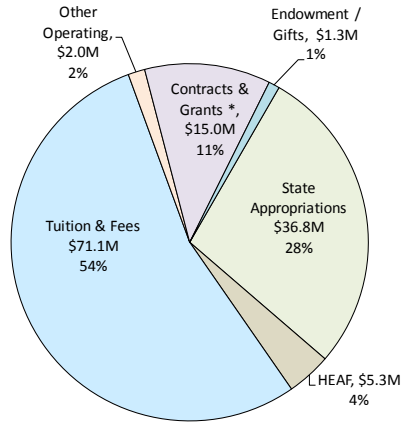
- Named one of the Best Regional Universities in the West by U.S. News and World Report
- Highest Enrollment in UHCL's History (Fall 2015)
- Second Successful Year of Transition to a Four - Year University
- Secured Approval for Third Doctoral Program to Start in Fall 2016
- Graduated First Four Students from RN to BSN Program at UHCL Pearland Campus

UH-Clear Lake Budget

FY2016

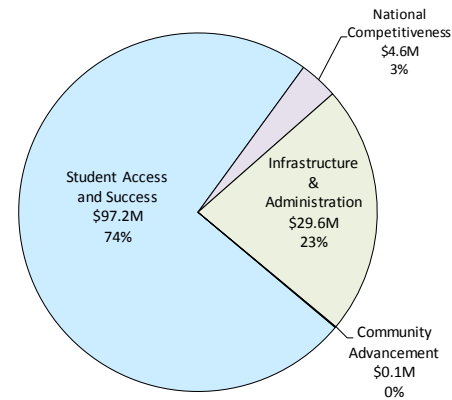
Total Budget	
	\$ Millions
Operating Budget	\$131.5
Capital Facilities	23.1
Total	\$154.6

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$131.5 Million

Operating Budget Use of Funds

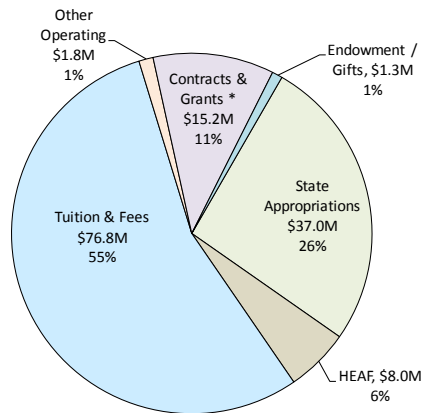


Total \$131.5 Million

FY2017

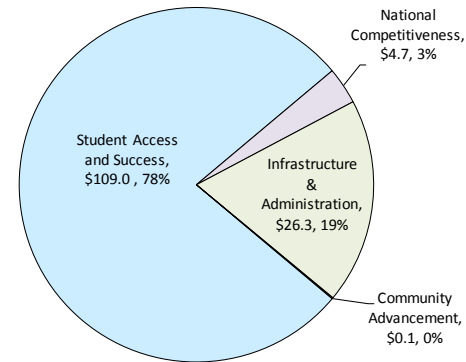
Total Budget	
	\$ Millions
Operating Budget	\$140.1
Capital Facilities	30.0
Total	\$170.1

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$140.1 Million

Operating Budget Use of Funds



Total \$140.1 Million

UH-Clear Lake Operating Budget						
Revenues FY2013 - FY2017						
\$ in Millions						
		A	B	C	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	State Appropriations	\$ 29.1	\$ 30.9	\$ 30.8	\$ 36.8	\$ 37.0
2	HEAF	5.2	5.2	5.2	5.3	8.0
3	Tuition & Fees	50.6	56.6	65.6	71.1	76.8
4	Other Operating	2.6	2.8	2.8	2.0	1.8
5	Contracts & Grants *	14.2	14.8	15.4	15.0	15.2
6	Endowment / Gifts	1.7	1.8	1.3	1.3	1.3
7	Total	\$ 103.4	\$ 112.1	\$ 121.1	\$ 131.5	\$ 140.1
	* Includes Federal financial aid					

UH-Clear Lake Operating Budget						
Expenditures FY2013 - FY2017						
\$ in Millions						
		A	B	C	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	Student Access and Success	\$ 77.0	\$ 83.6	\$ 89.9	\$ 97.2	\$ 109.0
2	National Competitiveness	2.0	1.8	1.6	4.6	4.7
3	Infrastructure & Administration	21.4	21.3	22.1	29.6	26.3
4	Community Advancement	0.6	0.4	0.8	0.1	0.1
5	Total	\$ 101.0	\$107.1	\$ 114.4	\$ 131.5	\$ 140.1

Use of New Operating Resources: \$9 million

- Additional set aside for need-based scholarships
- 4% merit-based and competitive compensation pool for faculty and staff
- Ten new faculty
- Instructional support
- Enrollment management, recruiting, and admissions support
- Support for expansion of campus infrastructure supporting students, faculty, and staff

University of Houston-Downtown

FY2017 Annual Budget

Recent Accomplishments

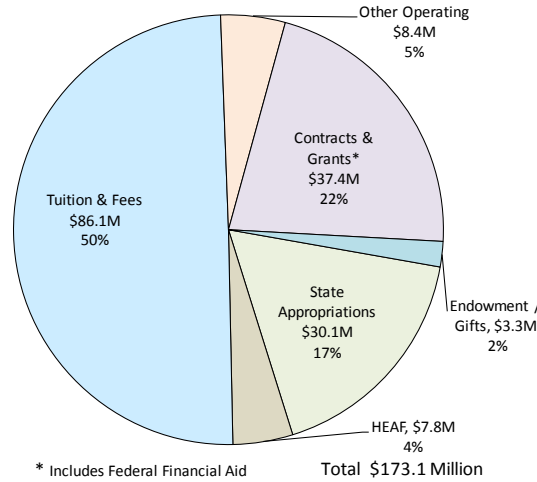
- Completed construction of the Girard Street Building/Welcome Center/Parking Garage
- Introduced two new academic programs in fall 2015
- Doubled enrollment in the MBA and Graduate Certificate programs
- SACSCOC onsite visit was a ‘success’

UH-Downtown Budget

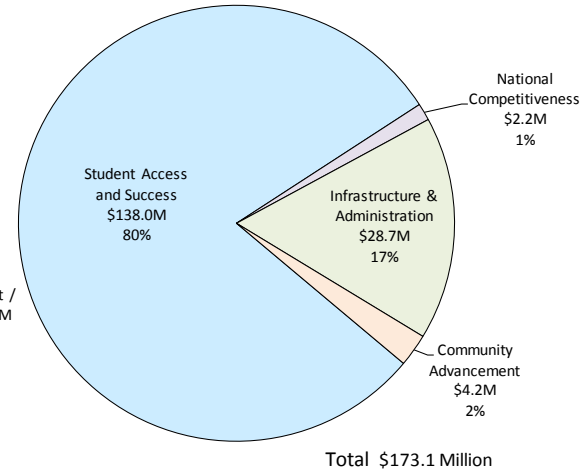
FY2016

Total Budget	
	\$ Millions
Operating Budget	\$ 173.1
Capital Facilities	17.7
Total	\$ 190.8

Operating Budget Source of Funds



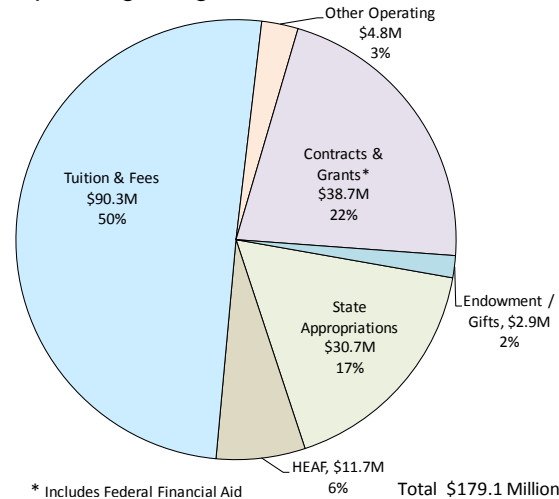
Operating Budget Use of Funds



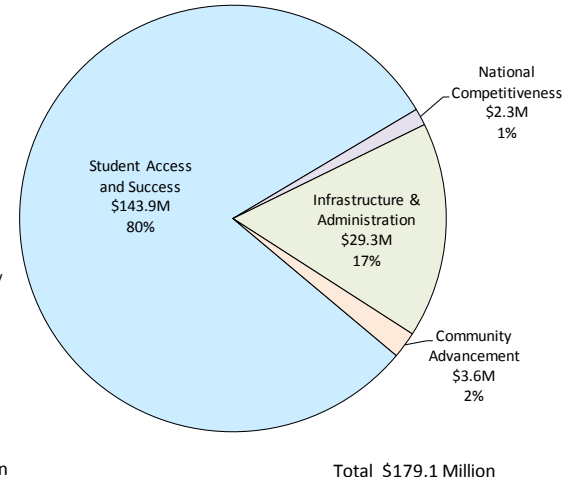
FY2017

Total Budget	
	\$ Millions
Operating Budget	\$ 179.1
Capital Facilities	6.0
Total	\$ 185.1

Operating Budget Source of Funds



Operating Budget Use of Funds



UH - Downtown						
Revenues FY2013 - FY2017						
\$ in Millions						
		A	B	C	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	State Appropriations	\$ 24.5	\$ 27.4	\$ 27.6	\$ 30.1	\$ 30.7
2	HEAF	7.4	7.4	7.4	7.8	11.7
3	Tuition & Fees	69.1	72.8	80.5	86.1	90.3
4	Other Operating	6.8	7.3	7.1	8.4	4.8
5	Contracts & Grants *	36.5	40.1	36.9	37.4	38.7
6	Endowment / Gifts	2.5	2.8	3.6	3.3	2.9
7	Total	\$ 146.8	\$ 157.8	\$ 163.1	\$ 173.1	\$ 179.1
	* Includes Federal financial aid					

UH - Downtown						
Expenditures FY2013 - FY2017						
\$ in Millions						
		A	B	C	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	Student Access and Success	\$ 110.3	\$ 119.6	\$ 121.5	\$ 138.0	\$ 143.9
2	National Competitiveness	1.4	2.5	2.5	2.2	2.3
3	Infrastructure & Administration	25.1	26.1	27.0	28.7	29.3
4	Community Advancement	3.8	4.4	4.3	4.2	3.6
5	Total	\$ 140.6	\$ 152.6	\$ 155.3	\$ 173.1	\$ 179.1

Use of New Operating Resources: \$7.8 million

- Additional set aside for need-based scholarships
- One-time merit-based stipend for faculty and staff
- Hire faculty in high demand areas
- Additional faculty/peer mentors to support student success
- Support for new nursing degree program
- Support for campus safety/security/emergency preparedness
- Implementation of a new student information system

University of Houston-Victoria

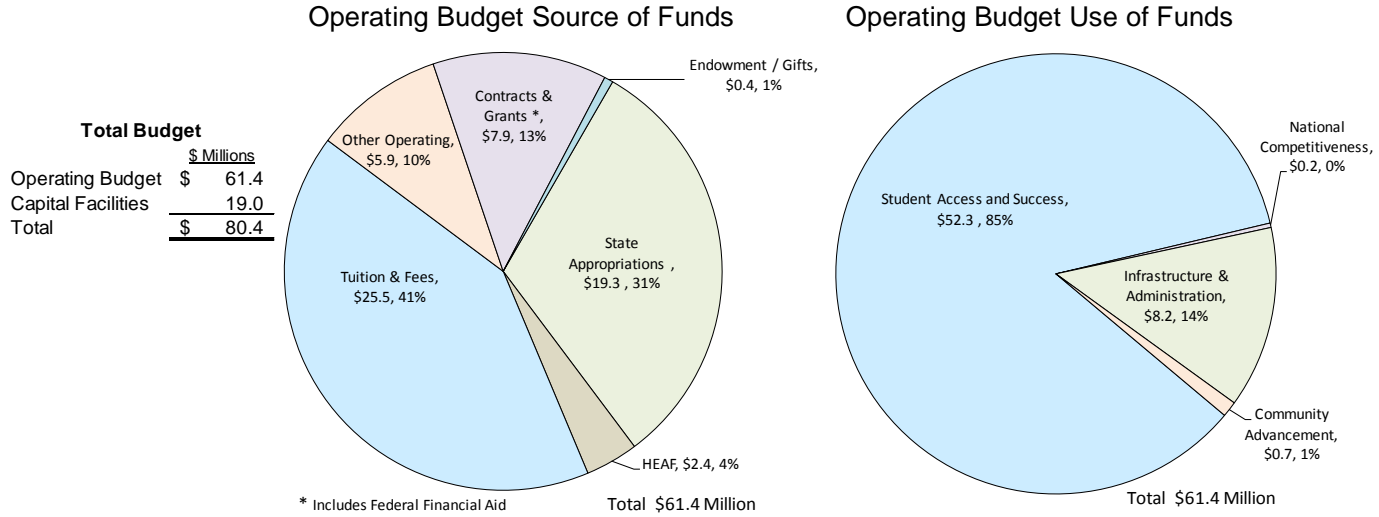
FY2017 Annual Budget

Recent Accomplishments

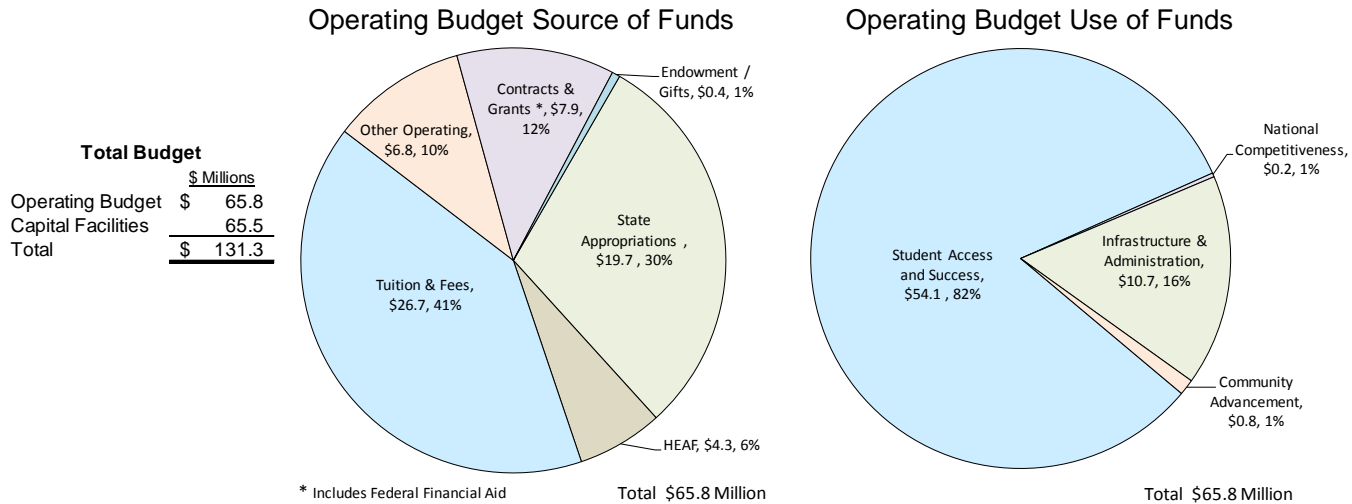
- Received approval and implemented a new RN to BSN degree to be offered in Victoria beginning Fall 2016
- Established a UHV Downtown Arts Center and Bookstore, expanded Art degrees to include Art Minor and a translation concentration in MFA
- Successful transition from UH Sugar Land, UHS Cinco Ranch and HCC-Katy to a leased facility in Katy by August 2016
- BOR approval of campus expansion in Victoria to include new sophomore student housing, new Student Center and Learning Commons, completion of shelled space in North building, purchase of land from Victoria College for STEM, and STEM Building
- Continued focus on efforts of becoming a self-sustaining destination university in Victoria

University of Houston-Victoria Budget

FY2016



FY2017



University of Houston-Victoria Operating Budget
Revenues FY2013- FY2017
\$ in Millions

		A	B	C	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	State Appropriations	\$ 17.0	\$ 19.0	\$ 18.9	\$ 19.3	\$ 19.7
2	HEAF	2.4	2.4	2.4	2.4	4.3
3	Tuition & Fees	21.7	23.5	24.9	25.5	26.7
4	Other Operating	2.8	4.1	4.3	5.9	6.8
5	Contracts & Grants *	6.9	8.3	9.3	7.9	7.9
6	Endowment / Gifts	0.9	1.4	1.3	0.4	0.4
7	Total	\$ 51.7	\$ 58.7	\$ 61.1	\$ 61.4	\$ 65.8
	* Includes Federal financial aid					

University of Houston-Victoria Operating Budget
Expenditures FY2013 - FY2017
\$ in Millions

		A	B	C	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	Student Access and Success	\$ 43.3	\$ 48.6	\$ 44.1	\$ 52.3	\$ 54.1
2	National Competitiveness	0.1	0.2	0.4	0.2	0.2
3	Infrastructure & Administration	8.2	7.8	8.1	8.2	10.7
4	Community Advancement	0.9	0.9	0.9	0.7	0.8
5	Total	\$ 52.5	\$ 57.5	\$ 53.5	\$ 61.4	\$ 65.8

Use of New Operating Resources: \$3.8 million

- Additional set aside for need-based scholarships
- Compensation for promoted full-time, tenure-track faculty
- Merit-based and competitive compensation for staff
- Hire new faculty to support several programs
- Continued focus on destination university and downward expansion, including expanding academic programs and online presence
- Continued focus on student recruitment and retention and the transition of UHV programs to Katy
- Invest in information technology and campus security in support of students, faculty, and staff
- Support UHV Athletics' move to the Red River Athletic Conference
- Support the new Center for Economic Development and Entrepreneurship and other community advancement initiatives



University of Houston System Administration

FY2017 Annual Budget



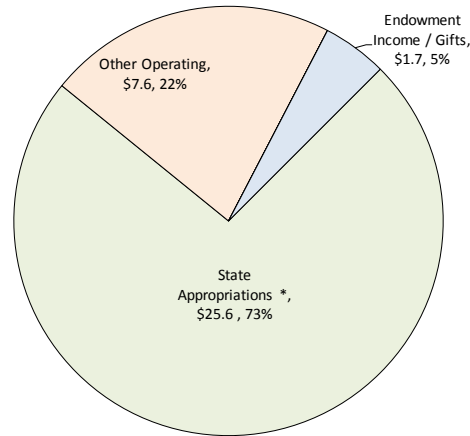
University of Houston System Administration Budget

FY2016

Total Budget

	\$ Millions
Operating Budget	\$ 34.9
Capital Facilities	-
Total	\$ 34.9

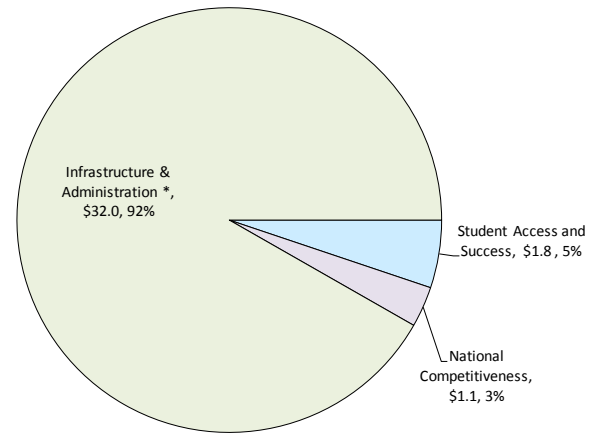
Operating Budget Source of Funds



* Includes TRB debt service

Total \$34.9 Million

Operating Budget Use of Funds



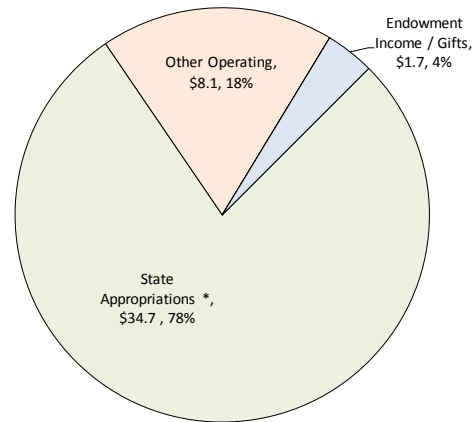
Total \$34.9 Million

FY2017

Total Budget

	\$ Millions
Operating Budget	\$ 44.5
Capital Facilities	-
Total	\$ 44.5

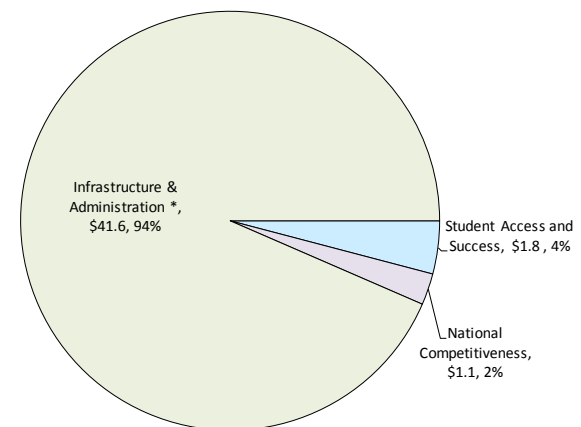
Operating Budget Source of Funds



* Includes TRB debt service

Total \$44.5 Million

Operating Budget Use of Funds



Total \$44.5 Million



**University of Houston System Administration Operating Budget
Revenues FY2013 - FY2017**

\$ in Millions

		A	B	C	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	State Appropriations *	\$ 27.1	\$ 25.8	\$ 25.9	\$ 25.6	\$ 34.7
2	Other Operating	8.5	8.4	8.1	7.6	8.1
3	Contracts & Grants	1.5	1.5	1.5	0.0	0.0
4	Endowment Income / Gifts	4.0	4.4	4.6	1.7	1.7
5	Total	\$ 41.1	\$ 40.1	\$ 40.1	\$ 34.9	\$ 44.5
	* Includes TRB debt service					



**University of Houston System Administration Operating Budget
Expenditures FY2013 - FY2017**

\$ in Millions

		A	B	C	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	Student Access and Success	\$ 1.7	\$ 1.4	\$ 1.5	\$ 1.8	\$ 1.8
2	National Competitiveness	0.9	1.1	1.0	1.1	1.1
3	Infrastructure & Administration *	31.8	32.8	32.7	32.0	41.6
4	Community Advancement	0.1	0.0	0.0	0.0	0.0
5	Total	\$ 34.5	\$35.3	\$35.2	\$ 34.9	\$ 44.5
	* Includes TRB debt service					