



UHS Board of Regents Budget Workshop August 2013

These are our major sources of revenue.

These are our major spending categories.

FY2013

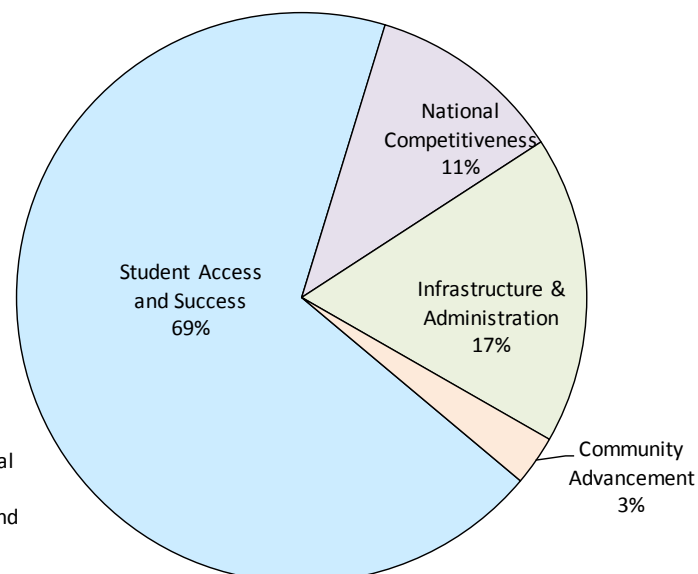
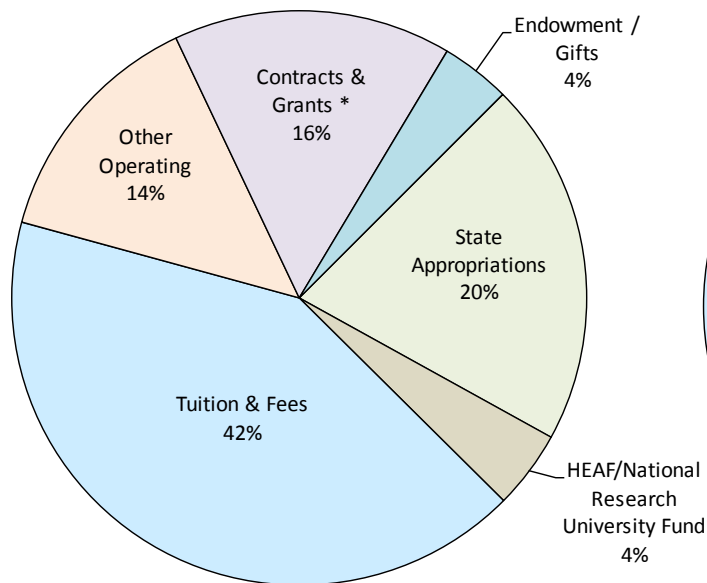
Current Year

Operating Budget Source of Funds

Operating Budget Use of Funds

Total Budget

	\$ Millions
Operating Budget	\$ 1,247.2
Capital Facilities	247.2
Total	\$ 1,494.4



* Includes Federal Financial Aid

Total \$1,247.2 Million

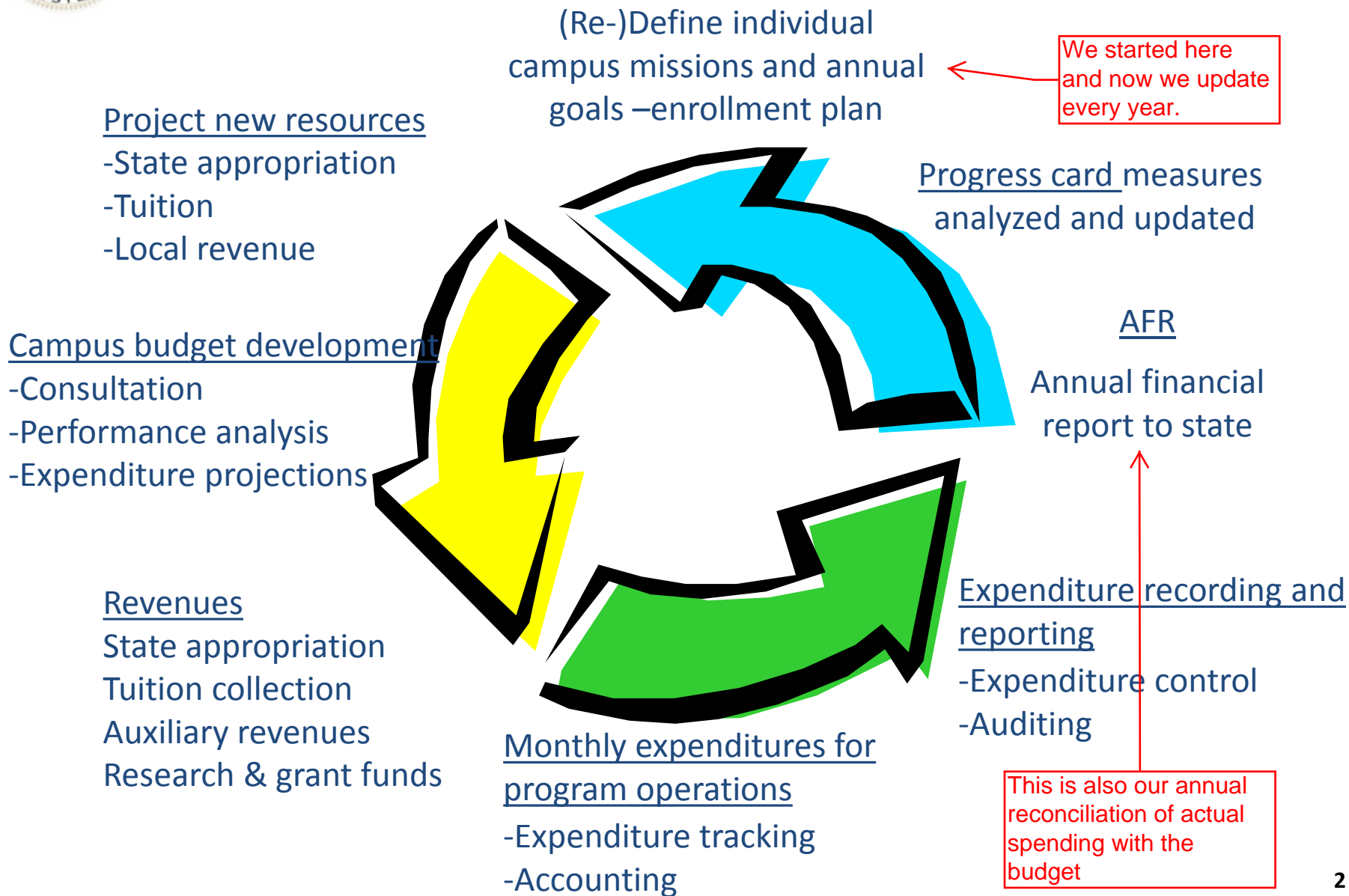
Total \$1,247.2 Million

This is our total budget. In this case for the last fiscal year.

We will focus on the operating budget.

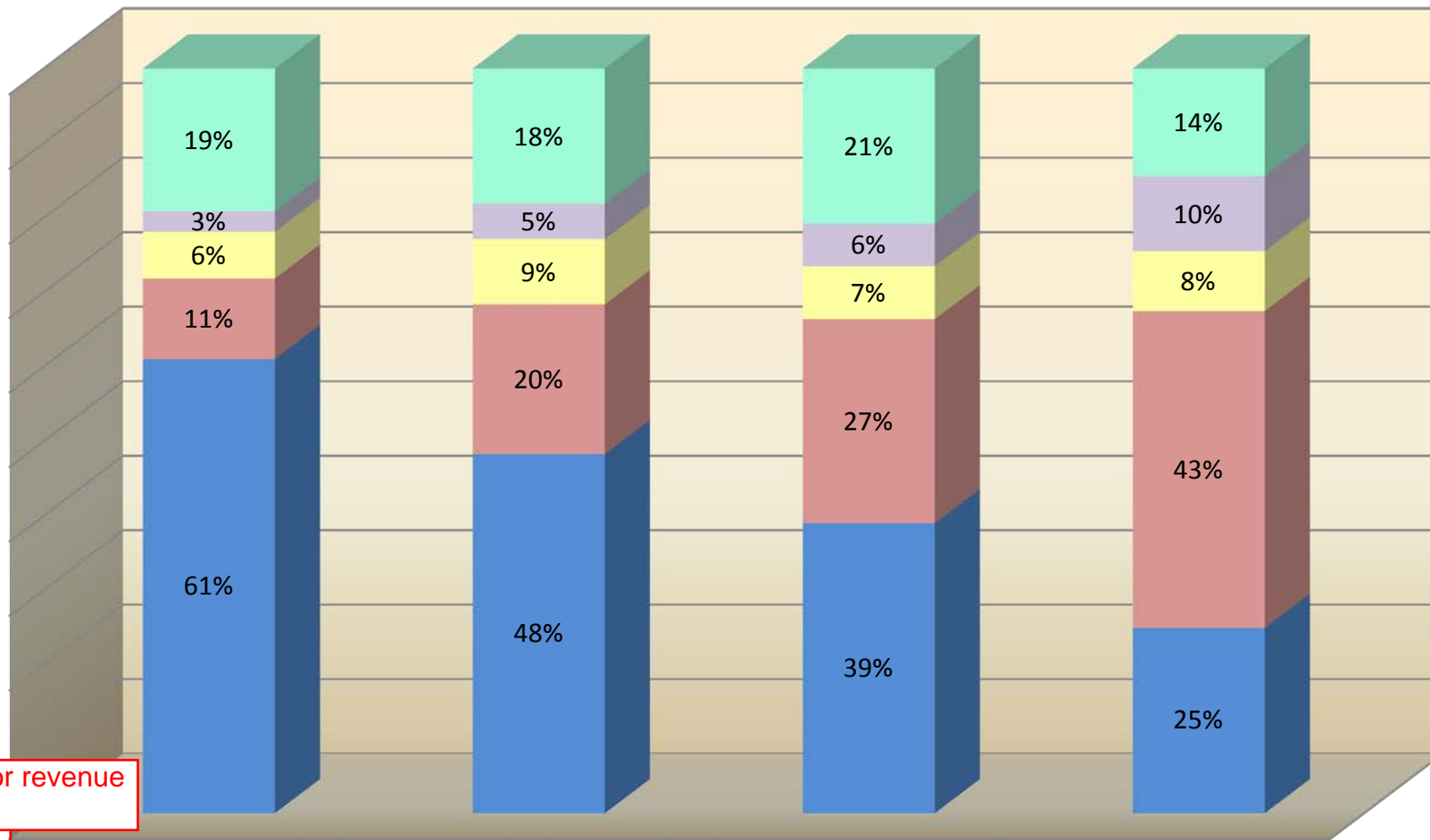


UHS Financial Life Cycle





University of Houston System Operating Budget



Our major revenue sources.



- State Support
- Student Support
- Contracts - Research
- Grants - Financial Aid
- Other Support



University of Houston System Operating Budget Revenues FY2010 - FY2014 \$ in Millions

Includes state per student formula funding

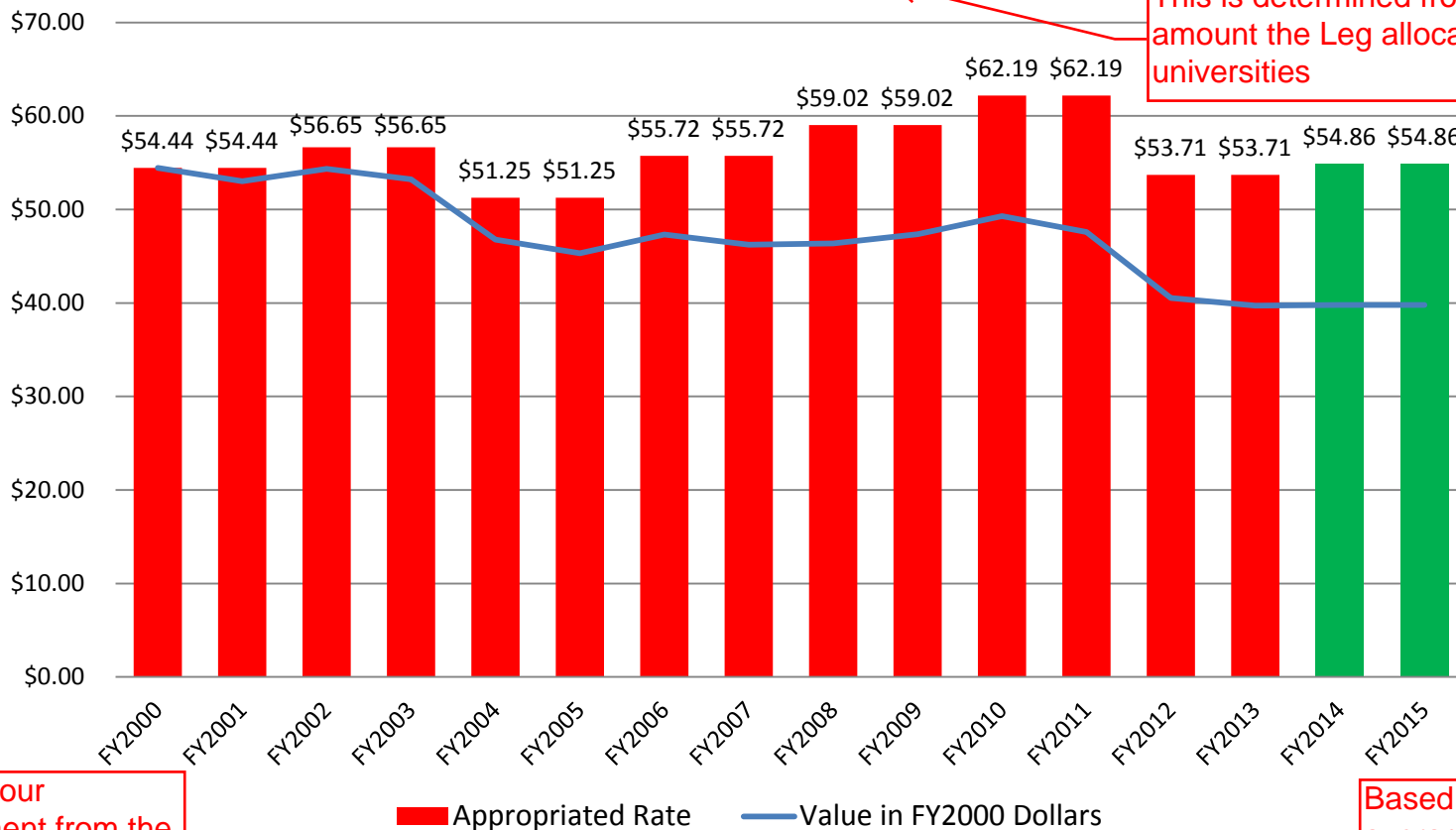
	A 2010 Actual	B 2011 Actual	C 2012 Actual	D 2013 Budgeted	E 2014 Proposed
1 State Appropriations	\$ 281.0	\$ 274.4	\$ 253.2	\$ 251.5	\$ 275.8
2 HEAF/National Research University Fund	53.3	50.8	58.8	59.1	58.9
3 Tuition & Fees	437.1	487.1	516.8	530.4	561.3
4 Other Operating	110.1	128.5	150.7	158.5	184.0
5 Contracts & Grants *	224.0	246.3	192.2	202.8	209.8
6 Endowment / Gifts	65.3	60.1	58.9	45.2	52.5
7 Total	\$1,170.8	\$1,247.2	\$1,230.6	\$ 1,247.5	\$ 1,342.3

* Includes Federal financial aid



Legislative Funding Instruction & Operations Formula

FY2000 to FY2015 Rate per Weighted Credit Hour



This is determined from the total amount the Leg allocates to Texas universities

This is our enrollment from the previous biennium.

Based on the average Texas universities spend by academic program

TEXAS FUNDING FORMULA

STUDENT CREDIT HOUR ENROLLMENT (SCH) X STATE WEIGHTING X LEGISLATIVE SET \$ PER WEIGHTED SCH

This is determined from the total amount the Leg allocates to Texas universities



The Gov and the Leg proposed changing from an enrollment driven funding formula to one based on outcomes.

Coming Soon?

State Formula Funding by Outcomes, major factors :

- Six-Year Graduation Rate
- Bachelor's Degrees Awarded
- 30,60 & 90 Hours Completed

Total from current formula

State Outcomes Funding Share of Allocation

\$18M

\$92M

\$89M

\$199M=10% of current

formula which may go to 25%

% of formula \$ to be allocated using new formula

This was passed and we will present a proposal to the BOR in the fall.

HB 29

- Requires universities to set a fixed four year tuition rate OPTION
- For first time freshmen (FTIC) and transfers
- Rate is fixed for four year, consecutive semesters including summer
- Board sets rates and rules
- Beginning Fall 2014

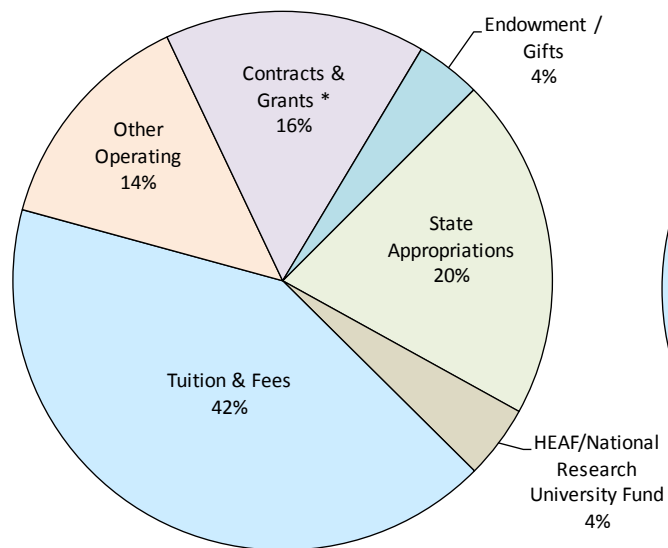


University of Houston System Operating Budget

New Year

FY2014

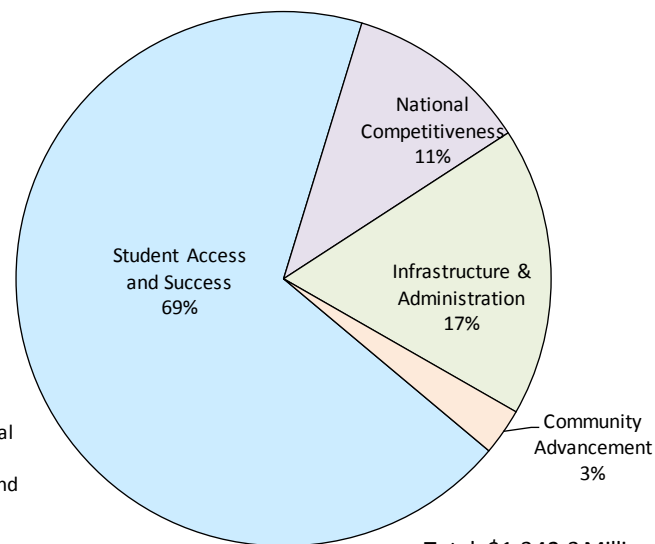
Operating Budget Source of Funds



* Includes Federal Financial Aid

Total \$1,342.3 Million

Operating Budget Use of Funds



Total \$1,342.3 Million

Total Budget

	\$ Millions
Operating Budget	\$ 1,342.3
Capital Facilities	223.5
Total	\$ 1,565.8



University of Houston System Operating Budget Expenditures FY2010 - FY2014 \$ in Millions

Includes debt
service and utilities

	A 2010 Actual	B 2011 Actual	C 2012 Actual	D 2013 Budgeted	E 2014 Proposed
1 Student Access and Success	\$ 759.1	\$ 792.4	\$ 766.4	\$ 825.8	\$ 921.0
2 National Competitiveness	120.6	122.7	119.5	139.3	149.1
3 Infrastructure & Administration	174.4	180.0	190.3	247.1	234.3
4 Community Advancement	43.8	42.5	46.3	35.3	37.9
5 Total	\$1,097.9	\$1,137.6	\$1,122.5	\$ 1,247.5	\$ 1,342.3

Mainly public
broadcasting



University of Houston System FY2014 Operating Budget Expenditures by Function

Expenditures by Function	A	B	C	D	E	F	G	H	I	J	K	L
	Instruction	Research	Academic Support	Subtotal	Public Service	Student Services	Institutional Support	Physical Plant	Scholarships & Fellowships	Auxiliary Enterprises	FY 2014 Total	FY 2013 Total
1 Cost of Goods Sold	\$ -	\$ -	\$ 2,000	\$ 2,000	\$ 716,475	\$ 400	\$ 499,128	\$ -	\$ 10,000	\$ 1,316,454	\$ 2,544,457	\$ 3,109,002
2 Tenure Track Faculty	153,167,243	4,663,431	4,255,339	162,086,013	101,914	-	-	-	-	32,807	162,220,734	155,119,946
3 Non-Tenure Track Faculty	30,003,894	10,469,735	3,455,006	43,928,635	803,897	-	-	-	-	-	44,732,532	39,821,371
4 Adjunct Faculty	13,093,174	763,562	2,754,702	16,611,438	52,094	-	-	-	38,606	-	16,702,138	15,390,007
5 Graduate Assistant	5,831,965	3,147,229	11,342,977	20,322,171	34,190	913,230	270,685	15,279	52,550	372,863	21,980,968	20,337,825
6 Exempt Staff	18,227,685	25,917,804	69,400,402	113,545,891	11,646,890	19,316,463	52,114,198	5,126,881	108,741	24,389,262	226,248,326	203,067,637
7 Non-Exempt Staff	5,267,298	2,874,327	12,737,826	20,879,451	2,748,675	4,154,116	10,744,885	13,283,763	-	5,922,996	57,733,886	55,599,644
8 Student Employees	928,197	356,401	4,378,729	5,663,327	151,179	1,103,818	242,194	126,254	469,655	3,791,205	11,547,632	10,752,177
9 Summer Instruction Salaries	8,045,774	6,759	805,726	8,858,259	480,000	-	-	-	-	-	9,338,259	9,354,614
10 Benefits	44,843,215	8,630,221	24,260,165	77,733,601	5,184,683	7,971,921	21,190,637	7,578,581	26,771	7,586,636	127,272,830	118,579,209
11 Subtotal	279,408,445	56,829,469	133,390,872	469,628,786	21,203,522	33,459,548	84,562,599	26,130,758	696,323	42,095,769	677,777,305	628,022,430
12 Capital	1,343,223	11,989,574	13,285,282	26,618,079	320,100	690,241	2,388,287	808,892	-	4,123,131	34,948,730	43,057,404
13 M&O	11,485,665	68,099,204	46,411,282	125,996,151	14,223,281	9,885,506	45,933,660	17,958,801	3,216,115	47,186,649	264,400,163	245,956,692
14 Travel & Business Expense	3,368,912	5,742,450	7,136,410	16,247,772	995,162	1,227,038	1,550,560	40,810	110,003	4,437,139	24,608,484	19,413,010
15 Debt Service	-	4,930,694	-	4,930,694	1,053,025	-	28,916,378	-	-	45,711,007	80,611,104	69,517,914
16 Utilities	-	-	450,000	450,000	50,000	-	40,000	21,887,130	-	8,701,837	31,128,967	30,903,434
17 Scholarship & Fellowship	659,674	1,778,520	3,634,734	6,072,928	9,500	295,984	772,360	-	217,343,801	1,805,800	226,300,373	207,566,008
18 Subtotal	16,857,474	92,540,442	70,917,708	180,315,624	16,651,068	12,098,769	79,601,245	40,695,633	220,669,919	111,965,563	661,997,821	616,414,462
19 Total Expenditure Budget	\$ 296,265,919	\$ 149,369,911	\$ 204,310,580	\$ 649,946,410	\$ 38,571,065	\$ 45,558,717	\$ 164,662,972	\$ 66,826,391	\$ 221,376,242	\$ 155,377,786	\$ 1,342,319,583	\$ 1,247,545,894

Expenditures by Campus	A	B	C	D	E	F	G	H	I	J	K	L
	Instruction	Research	Academic Support	Subtotal	Public Service	Student Services	Institutional Support	Physical Plant	Scholarships & Fellowships	Auxiliary Enterprises	FY2014 Total	FY2013 Total
20 System Admin	\$ -	\$ 1,071,761	\$ 1,316,699	\$ 2,388,460	\$ 31,350	\$ 265,700	\$ 31,202,269	\$ 285,581	\$ 13,220	\$ -	\$ 34,186,580	\$ 33,875,474
21 University of Houston	197,231,548	141,064,766	153,149,920	491,446,234	34,193,717	29,006,765	91,835,007	49,627,370	148,151,402	137,569,746	981,830,241	907,263,076
22 UH-Clear Lake	37,227,710	3,789,223	16,514,892	57,531,825	11,500	5,503,157	15,147,726	7,471,045	17,318,779	5,926,397	108,910,429	101,971,129
23 UH-Downtown	39,965,043	3,287,390	27,026,570	70,279,003	3,011,368	5,059,522	18,956,114	6,733,520	45,849,100	8,423,330	158,311,957	150,812,076
24 UH-Victoria	21,841,618	156,771	6,302,499	28,300,888	1,323,130	5,723,573	7,521,856	2,708,875	10,043,741	3,458,313	59,080,376	53,624,139
25 Total	\$ 296,265,919	\$ 149,369,911	\$ 204,310,580	\$ 649,946,410	\$ 38,571,065	\$ 45,558,717	\$ 164,662,972	\$ 66,826,391	\$ 221,376,242	\$ 155,377,786	\$ 1,342,319,583	\$ 1,247,545,894



University of Houston System Annual Financial Report (AFR)

- The AFR is a statement of NET WORTH for the year completed for submission to the State.
- The AFR is an inventory of all UHS assets compared to all claims and potential claims against UHS.
- The BALANCE is what we are worth.

	A	B	C	D	E	F
	University of Houston	UH Clear Lake	UH Downtown	UH Victoria	UH System Admin	UH System 2012 Total
Assets						
1 Cash, Appropriations, & Investments	\$ 356.6	\$ 25.9	\$ 42.4	\$ 9.5	\$ 896.7	\$ 1,331.1
2 Capital Assets, net of depreciation	827.2	74.2	94.2	22.4	56.5	1,074.5
3 Other Assets	874.9	57.5	63.2	59.7	43.8	1,099.1
4 Total Assets	\$ 2,058.7	\$ 157.6	\$ 199.8	\$ 91.6	\$ 997.0	\$ 3,504.7
Liabilities						
5 Payables & Accrued Liabilities	\$ 66.8	\$ 6.6	\$ 8.2	\$ 2.7	\$ 10.3	\$ 94.6
6 Bonds & Long Term Obligations	743.2	37.4	52.0	51.5	25.1	909.2
7 Other Liabilities	165.9	23.4	26.6	11.6	824.7	1,052.2
8 Total Liabilities	\$ 975.9	\$ 67.4	\$ 86.8	\$ 65.8	\$ 860.1	\$ 2,056.0
9 Total Equity Balance	\$ 1,082.8	\$ 90.2	\$ 113.0	\$ 25.8	\$ 136.9	\$ 1,448.7



Cash Reserves – UH System

UH System Liquidity Reserve Analysis State, Designated and Auxiliary Funds FY 2012

UH / UHSA

Monthly Burn Rate *	Cash Pool Average	Months of Reserve
\$49,751,794	\$289,513,609	5.82

UH - Clear Lake

Monthly Burn Rate *	Cash Pool Average	Months of Reserve
\$6,425,056	\$45,683,929	7.11

UH - Downtown

Monthly Burn Rate *	Cash Pool Average	Months of Reserve
\$9,380,731	\$47,862,115	5.10

UH - Victoria

Monthly Burn Rate *	Cash Pool Average	Months of Reserve
\$3,115,180	\$13,725,310	4.41

* Fixed Costs (Salaries, Debt Svc, Rent/Lease, Utilities, Inst. Fin Aid)