

**Fiscal Year 2012
Plan and Budget
August 17, 2011**

**Presented to the
Board of Regents
University of Houston System**

Chancellor Renu Khator

**University of Houston System
FY2012 Plan and Budget**

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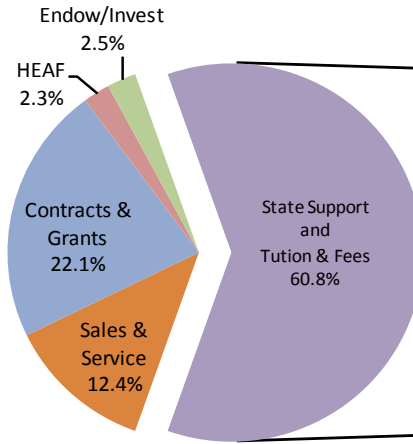
FY2011

Total Budget

	\$ Millions
Operating Budget	\$ 1,192.8
Capital Facilities	150.1
Total	\$ 1,342.9

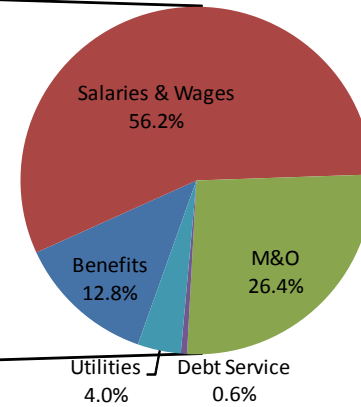
Operating Budget

\$ 1,192.8 Million



Instructional & Support Budget

\$ 725.4 Million



\$839/Credit Hour

\$510/Credit Hour

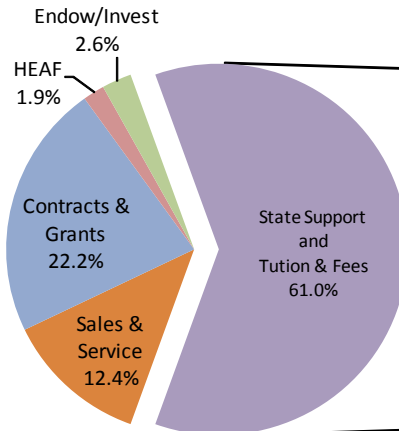
FY2012

Total Budget

	\$ Millions
Operating Budget	\$ 1,192.1
Capital Facilities	167.8
Total	\$ 1,359.9

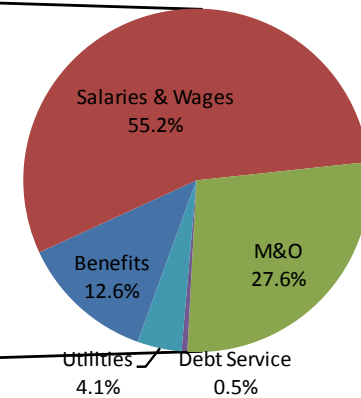
Operating Budget

\$ 1,192.1 Million



Instructional & Support Budget

\$ 727.1 Million



\$798/Credit Hour

\$486/Credit Hour



Instructional and Support Budget (\$ millions)

	A FY2011 Budget	B Reductions Targets	C Increases	D FY2012 Budget	E Percent Change FY11 to FY12
Revenue					
Appropriations	\$ 266.5	\$ (46.2)	\$ 2.1	\$ 222.4	-16.5%
Tuition, Fees, Other Revenue	458.9	-	45.8	504.7	10.0%
Total Revenue	725.4	(46.2)	47.9	727.1	0.2%
Expenditures					
Instruction & Operations					
Salaries					
Ten/Ten Trk Faculty	187.3	(1.6)	5.0	190.7	1.8%
Other Faculty	64.9	(1.5)	3.1	66.5	2.5%
Subtotal, Faculty	252.2	(3.1)	8.1	257.2	2.0%
Professional Staff	152.7	(13.0)	4.9	144.6	-5.3%
Support Staff	38.7	(3.9)	1.6	36.4	-6.0%
Subtotal, Staff	191.4	(17.0)	6.5	181.0	-5.5%
Subtotal	443.7	(20.1)	14.6	438.2	-1.2%
Student Financial Aid					
TA/GA/RA	14.9	-	0.9	15.8	6.1%
Financial Aid	41.0	-	9.0	50.0	22.0%
Subtotal	55.8	-	9.9	65.7	17.7%
Operations					
Events	0.9	(0.1)	-	0.8	-11.1%
Travel and Business	8.2	(1.0)	-	7.2	-11.6%
M&O Support	98.0	(12.1)	8.5	94.5	-3.6%
Reserve for Endowment Loss	8.2	(4.5)	-	3.7	-54.9%
Equipment Purch & Repl	6.4	(0.5)	0.1	6.0	-6.3%
Subtotal	121.8	(18.1)	8.6	112.2	-7.8%
Support Organizations					
Safety and Police	7.7	(0.0)	0.1	7.8	0.7%
University Advancement	10.0	(0.9)	0.1	9.2	-8.1%
Information Technology	28.9	(1.7)	1.5	28.7	-0.5%
Subtotal	46.6	(2.6)	1.7	45.7	-1.9%
Facilities					
Maintenance	24.3	(1.8)	8.9	31.4	29.0%
Utilities	29.1	(0.1)	0.8	29.8	2.4%
Debt Service	4.1	-	-	4.1	0.0%
Subtotal	57.5	(2.0)	9.7	65.2	13.5%
Total Expenditures	\$ 725.4	\$ (42.8)	\$ 44.5	\$ 727.1	0.2%



Reductions to Instructional & Support Budget (\$ millions)

	<u>FY 2011</u> <u>Budget</u>	<u>Reductions</u>	<u>FY 2012</u> <u>Preliminary</u>	<u>Reductions</u> <u>FTE</u>
<u>Expenditures</u>				
Instruction & Operations				
Salaries				
Ten/Ten Trk Faculty	\$ 187.3	\$ (1.6)	\$ 185.7	(19.10)
Other Faculty	64.9	(1.5)	63.4	(38.50)
Subtotal, Faculty	<u>252.2</u>	<u>(3.1)</u>	<u>249.1</u>	<u>(57.60)</u>
Professional Staff	152.7	(13.0)	139.7	(147.00)
Support Staff	38.7	(3.9)	34.8	(79.20)
Subtotal, Staff	<u>191.4</u>	<u>(17.0)</u>	<u>174.5</u>	<u>(226.20)</u>
Subtotal Salaries	<u>443.7</u>	<u>(20.1)</u>	<u>423.6</u>	<u>(283.80)</u>
Student Financial Aid	55.8	-	55.8	0
Operations	121.8	(18.1)	103.7	0
Support Organizations	46.6	(2.6)	44.0	(44.90)
Facilities	57.5	(2.0)	55.5	(16.80)
Total Expenditures	<u>\$ 725.4</u>	<u>\$ (42.8)</u>	<u>\$ 682.6</u>	<u>(345.50)</u>

- Reduction Principles**
1. Protect Instruction and Financial Aid
 2. Reshape the Workforce:
 - No replacement of faculty positions in low demand programs
 - Consolidate and eliminate staff in support operations (e.g., business services and IT)
 3. Reduce Operations Costs:
 - Reduce non-essential operations (e.g., travel, events, communications allowances)
 - Centralize core services (e.g., business services and IT)
 - Leverage system- and university-wide contracts (e.g., purchasing contracts)
 4. No Salary Increases



Increases to Instructional & Support Budget (\$ millions)

	<u>FY 2012</u>		<u>FY 2012</u>	<u>Increases</u>
	<u>Preliminary</u>	<u>Increases</u>	<u>Budget</u>	<u>FTE</u>
<u>Expenditures</u>				
Instruction & Operations				
Salaries				
Ten/Ten Trk Faculty	\$ 185.7	\$ 5.0	\$ 190.7	29.00
Other Faculty	63.4	3.1	66.5	49.00
Subtotal, Faculty	<u>249.1</u>	<u>8.1</u>	<u>257.2</u>	<u>78.00</u>
Professional Staff	139.7	4.9	144.6	45.85
Support Staff	34.8	1.6	36.4	18.90
Subtotal, Staff	<u>174.5</u>	<u>6.5</u>	<u>181.0</u>	<u>64.75</u>
Subtotal Salaries	<u>423.6</u>	<u>14.6</u>	<u>438.2</u>	<u>142.75</u>
Student Financial Aid	55.8	9.9	65.7	-
Operations	103.7	8.6	112.2	-
Support Organizations	44.0	1.7	45.7	4.00
Facilities	<u>55.5</u>	<u>9.7</u>	<u>65.2</u>	-
Total Expenditures	<u>\$ 682.6</u>	<u>\$ 44.5</u>	<u>\$ 727.1</u>	<u>146.75</u>

Investment Principles

1. Support Enrollment Growth and Increase Financial Aid:
 - Expand online and off-campus instructional delivery
 - Increase both need-based aid and scholarships

2. Reshape the Workforce:
 - Allocate faculty lines to high-demand/high-priority programs
 - Increase staff positions in areas that directly serve students (e.g., counselors, advisers, recruiters)

3. Maintain Facilities and Infrastructure:
 - Provide resources to maintain new facilities and repair/renovate aging facilities
 - Expand and improve IT infrastructure and library resources to support growing enrollment

Fund Groups Used in the Budget Presentation

The tables that display the source of funds and use of funds in this budget presentation have been organized into three categories based on type of funds:

Table 1. Summary of Sources & Uses of Funds

This table is a summary of all fund groups and is the sum of Tables 2, 3 and 4 that follow below.

Table 2. Operations

Operating funds include the Educational and General, Designated, and Auxiliary fund groups as follows:

- **Educational and General Funds** - Funds for administration, institutional expense, instruction and departmental research, physical plant operation, libraries, and other items relating to instruction. Most state appropriations are accounted for in this fund.
- **Designated Funds** - Funds arising from sources that have been internally designated by management and approved by the Board of Regents to be used for special purposes.
- **Auxiliary Enterprises Funds** - Funds for activities that furnish services to students, faculty, or staff for which charges are made that are directly related to the cost of the service, such as residence halls, intercollegiate athletics, and food services.

Table 3. Restricted

Restricted funds include contracts and grants for research and financial aid, gift income, and certain endowment income that can be used only for restricted purposes that have been specified by outside entities or persons.

Table 4. Capital Projects

Capital Projects, which are a portion of the Plant Fund group, are used for construction, rehabilitation, and acquisition of physical properties for institutional purposes.

University of Houston System Combined
Appendix A - Allocation of New FY 2012 Resources

<u>Revenue Changes</u>		A
Appropriations Bill		
1	General Revenue	\$ (38,343,141)
2	State Matching Benefits	(2,348,261)
3	Less Estimated Rider Reductions	(5,441,291)
4	Special Item Downward Expansion	2,100,000
5	Subtotal General Revenue	<u>(44,032,693)</u>
Tuition and Fees from Growth		
6	Statutory Tuition	4,180,318
7	General Designated Tuition	9,619,595
8	Differential Designated Tuition	2,606,592
9	Academic Fees	1,441,168
10	Consolidated Univ Services Fee	3,595,214
11	Student Services Fee	1,218,295
12	Other	(52,300)
13	Subtotal Growth	<u>22,608,882</u>
Tuition and Fees from Rate Changes		
14	Statutory Tuition	205,022
15	General Designated Tuition	14,599,728
16	Differential Designated Tuition	2,137,330
17	Academic Fees	1,838,190
18	Consolidated Univ Services Fee	3,222,258
19	Student Service Fee	454,000
20	Subtotal Rate Change	<u>22,456,528</u>
Other		
21	Aux Admin/Endowment & Investment Interest	606,300
22	Total Net Revenue	<u>\$ 1,639,017</u>

<u>Reductions for State Revenue Decline</u>		B
1	Departmental Cuts	\$ (19,008,914)
2	Special Items Cuts	(3,739,766)
3	Research Development Fund Cuts	(1,048,694)
4	Reserve for Endowment Loss	(4,500,000)
5	Reallocations & Fund Balance	(3,280,360)
6	FY2011 Reductions	(11,240,672)
7	Subtotal - Reductions	<u>\$ (42,818,406)</u>

<u>Priority/Initiative Allocations</u>		C
8	Priority 1. Student Access and Success	\$ 27,355,880
9	Priority 2. National Competitiveness	5,422,106
10	Priority 3. University Infrastructure & Administration	10,467,281
11	Priority 4. Community Advancement	1,212,156
12	Total Priority/Initiative Allocations	<u>\$ 44,457,423</u>

13	Total Net Reductions and New Allocations	<u>\$ 1,639,017</u>
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University of Houston System Combined
Table 1 - Sources & Uses
(\$ in Millions)

	A	B	C	D	E	F	G
	<u>Historical</u>	-----Change-----		<u>Current</u>	-----Change-----		<u>New</u>
	FY2010 Budget	Dollars	Percent	FY2011 Budget	Dollars	Percent	FY2012 Budget
<u>Operating & Restricted Budget</u>							
Source of Funds							
1 State Appropriations	\$ 296.9	\$ (1.9)	-0.6%	\$ 295.0	\$ (45.6)	-15.4%	\$ 249.5
2 HEAF	28.6	(2.8)	-9.7%	25.8	(6.0)	-23.4%	19.8
3 Tuition & Fees	414.0	41.4	10.0%	455.4	46.1	10.1%	501.5
4 Other Operating (Auxiliaries)	127.2	21.9	17.2%	149.1	1.0	0.7%	150.0
5 Contracts & Grants (Restricted)	198.9	38.9	19.6%	237.8	2.7	1.1%	240.5
6 Endowments/Gifts (Restricted)	29.5	0.2	0.7%	29.7	1.1	3.8%	30.9
7 Total Sources	\$ 1,095.0	\$ 97.8	8.9%	\$ 1,192.8	\$ (0.7)	-0.1%	\$ 1,192.1
Use of Funds by Object							
8 Salaries and Wages - Faculty	\$ 221.6	\$ 4.9	2.2%	\$ 226.5	\$ 9.0	4.0%	\$ 235.5
9 Salaries and Wages - Staff	275.3	5.3	1.9%	280.7	2.6	0.9%	283.2
10 Benefits	108.2	4.1	3.8%	112.3	2.2	1.9%	114.5
11 M&O	249.6	18.7	7.5%	268.3	(28.4)	-10.6%	239.9
12 Capital	38.7	3.0	7.6%	41.6	3.1	7.4%	44.7
13 Scholarships	132.6	43.5	32.8%	176.1	20.2	11.5%	196.3
14 Debt Service	46.0	8.0	17.3%	54.0	1.0	1.8%	55.0
15 Utilities	22.9	(0.4)	-1.7%	22.5	0.5	2.2%	23.0
16 Reserve for State Budget Reduction	-	10.8		10.8	(10.8)		-
17 Total Uses	\$ 1,095.0	\$ 97.8	8.9%	\$ 1,192.8	\$ (0.7)	-0.1%	\$ 1,192.1
<u>Capital Facilities Budget</u>							
Source of Funds							
18 HEAF	\$ 24.7	\$ 0.3	1.3%	\$ 25.1	\$ 6.1	24.4%	\$ 31.2
19 Bonds	138.9	(27.2)	-19.6%	111.7	11.4	10.2%	123.2
20 Gifts	18.0	(14.0)	-77.7%	4.0	3.6	88.8%	7.6
21 Other	25.4	(16.0)	-63.1%	9.4	(3.5)	-37.8%	5.8
22 Total Sources	\$ 207.1	\$ (56.9)	-27.5%	\$ 150.1	\$ 17.6	11.7%	\$ 167.8
Use of Funds by Object							
23 Construction	\$ 115.0	\$ (33.5)	-29.1%	\$ 81.5	\$ 35.7	43.8%	\$ 117.2
24 Major Rehabilitation	63.1	5.6	8.8%	68.7	(18.3)	-26.6%	50.4
25 Acquisitions	29.0	(29.0)	-100.0%	-	0.1		0.1
26 Total Uses	\$ 207.1	\$ (56.9)	-27.5%	\$ 150.1	\$ 17.6	11.7%	\$ 167.8
<u>Total Operating, Restricted and Capital Budget</u>							
27	\$ 1,302.1	\$ 40.9	3.1%	\$ 1,343.0	\$ 16.9	1.3%	\$ 1,359.9

University of Houston System Combined
Table 2 - Operations

Source of Funds	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
General Funds				
State General Revenue Appropriations				
Formula Funding	\$ 208,063,588	\$ (32,538,412)	-15.6%	\$ 175,525,176
Special Items	16,485,287	(3,704,729)	-22.5%	12,780,558
Less: Rider Reduction Estimates		(5,441,291)	na	(5,441,291)
Tuition Revenue Bonds	25,225,374	(1,262,191)	-5.0%	23,963,183
State Benefits Appropriation	45,117,584	(2,472,785)	-5.5%	42,644,799
Shared Appropriations	130,817	(130,817)	-100.0%	-
Subtotal State General Revenue Appropriations	295,022,650	(45,550,225)	-15.4%	249,472,425
Tuition and Fees				
Statutory Tuition	93,088,688	4,515,340	4.9%	97,604,028
Lab/other Student Fees	445,414	23,199	5.2%	468,613
Subtotal Tuition and Fees	93,534,102	4,538,539	4.9%	98,072,641
HEAF	50,870,865	58,229	0.1%	50,929,094
Indirect Cost	1,238,909			1,238,909
Aux Admin Chg/Other	3,115,237	797,063	25.6%	3,912,300
Income on State Treasury Deposits	229,737	(35,948)	-15.6%	193,789
Fund Balance	2,194,031	(487,267)	-22.2%	1,706,764
Subtotal General Funds	446,205,531	(40,679,609)	-9.1%	405,525,922
Designated				
Tuition and Fees				
Designated Tuition - General	176,917,516	24,019,323	13.6%	200,936,839
Designated Tuition - Differential	36,217,679	4,707,745	13.0%	40,925,424
Premium (Law, Pharmacy, Optometry)	13,684,074	36,177	0.3%	13,720,251
Consolidated University Services Fee	32,397,959	5,756,690	17.8%	38,154,649
Library Fee	2,519,277	293,619	11.7%	2,812,896
Technology Fee	8,277,649	413,001	5.0%	8,690,650
Major/Department/Class Fees	52,401,622	3,703,319	7.1%	56,104,941
Subtotal Tuition and Fees	322,415,776	38,929,874	12.1%	361,345,650
Indirect Cost	11,637,871	824,482	7.1%	12,462,353
Investment Income on Non-Endowed Funds	4,731,830	(753,886)	-15.9%	3,977,944
Endowment Income	5,709,753	813,401	14.2%	6,523,154
Contracts / Grants / Gifts	3,355,458	(363,098)	-10.8%	2,992,360
Self Supporting Organizations/Others	27,053,183	5,898,534	21.8%	32,951,717
Fund Balance	6,885,900	(1,056,352)	-15.3%	5,829,548
Subtotal Designated Funds	381,789,771	44,292,955	11.6%	426,082,726
Auxiliary Enterprises				
Student Fees				
Student Service Fee	23,604,568	1,672,295	7.1%	25,276,863
Recreation and Wellness Center	7,836,382	374,087	4.8%	8,210,469
University Center Fee	6,667,526	606,800	9.1%	7,274,326
Other Student Fees	1,326,483	(36,739)	-2.8%	1,289,744
Subtotal Student Fees	39,434,959	2,616,443	6.6%	42,051,402
Sales & Service - Student Housing	29,195,424	(4,873,544)	-16.7%	24,321,880
Sales & Service - Parking	10,971,901	1,262,463	11.5%	12,234,364
Sales & Service - Athletics/Hotel/UC/Other	44,199,699	(2,080,715)	-4.7%	42,118,984
Fund Balance	503,344	(372,473)	-74.0%	130,871
Subtotal Auxiliary Funds	124,305,327	(3,447,826)	-2.8%	120,857,501
Total Current Operating Funds	952,300,629	165,520	0.0%	952,466,149
Interfund Transfer	(27,012,921)	(4,706,234)	17.4%	(31,719,155)
Total Sources	\$ 925,287,708	\$ (4,540,714)	-0.5%	\$ 920,746,994
Use of Funds by Object				
Salaries and Wages	\$ 451,208,806	\$ 11,664,321	2.6%	\$ 462,873,127
Benefits	105,388,466	2,042,338	1.9%	107,430,804
M&O	190,219,583	(22,808,419)	-12.0%	167,411,164
Capital	36,132,384	(1,251,030)	-3.5%	34,881,354
Scholarships	55,069,161	15,151,373	27.5%	70,220,534
Debt Service	54,008,872	954,329	1.8%	54,963,201
Utilities	22,478,099	488,711	2.2%	22,966,810
Reserve for State Budget Reduction	10,782,337	(10,782,337)	-	-
Total Uses	\$ 925,287,708	\$ (4,540,714)	-0.5%	\$ 920,746,994

University of Houston System Combined
Table 3 - Restricted

	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
Source of Funds				
Restricted				
Contracts and Grants				
Research	\$ 105,134,942	\$ (543,744)	-0.5%	\$ 104,591,198
Financial Aid	113,775,424	3,412,664	3.0%	117,188,088
Gifts	17,426,843	1,294,108	7.4%	18,720,951
Endowment Income	8,248,650	87,358	1.1%	8,336,008
Other Restricted	3,791,926	(214,320)	-5.7%	3,577,606
KUHT/KUHF	18,906,252	(177,330)	-0.9%	18,728,922
Total Current Operating Funds	267,284,037	3,858,736	1.4%	271,142,773
Interfund Transfer	245,464	(29,601)	-12.1%	215,863
Total Sources	\$ 267,529,501	\$ 3,829,135	1.4%	\$ 271,358,636
Use of Funds by Object				
Salaries and Wages	\$ 55,964,694	\$ (118,205)	-0.2%	\$ 55,846,489
Benefits	6,942,210	133,746	1.9%	7,075,956
M&O	78,109,374	(5,606,352)	-7.2%	72,503,022
Capital	5,488,117	4,346,861	79.2%	9,834,978
Scholarships	121,025,106	5,073,085	4.2%	126,098,191
Total Uses	\$ 267,529,501	\$ 3,829,135	1.4%	\$ 271,358,636

University of Houston System Combined
Table 5 - Number of Full-Time Equivalent Positions

Employee Classification	FY2011 Budget	-----Change-----		FY2012 Budget
		FTE	Percent	
Faculty	1,712	16	1%	1,728
Part-time Faculty	1,297	14	1%	1,311
Professional Staff	3,082	(134)	-4%	2,948
Classified Staff	1,964	(82)	-4%	1,882
Temporary Staff	1,003	(19)	-2%	984
Total	9,058	(205)	-2%	8,853

University of Houston System Combined
Table 6 - Student Credit Hours, Headcount, and FTE

	FY2008 Actuals	FY2009 Actuals	FY2010 Actuals	FY2011 Budget	FY2012 Budget	FY12 vs FY11 \$ Change
Semester Credit Hours						
Lower Division	510,224	537,095	556,534	556,032	593,647	37,615
Upper Division	562,051	572,611	601,434	605,674	633,094	27,420
Masters	160,648	165,685	179,336	179,667	185,027	5,360
Doctoral	18,913	18,908	22,181	21,154	24,946	3,792
Special Professional	60,957	60,494	59,211	58,857	58,137	(720)
Total	<u>1,312,793</u>	<u>1,354,793</u>	<u>1,418,696</u>	<u>1,421,384</u>	<u>1,494,851</u>	<u>73,467</u>
Semester Credit Hours-On/Off Campus						
On Campus	1,088,723	1,093,330	1,118,721	1,143,349	1,172,913	29,564
Off Campus	224,070	261,463	299,975	278,035	321,938	43,903
Total	<u>1,312,793</u>	<u>1,354,793</u>	<u>1,418,696</u>	<u>1,421,384</u>	<u>1,494,851</u>	<u>73,467</u>
Fall Headcount	56,762	61,604	61,040	62,327	65,113	2,786
Fall FTE	42,129	44,268	45,374	46,505	48,163	1,658

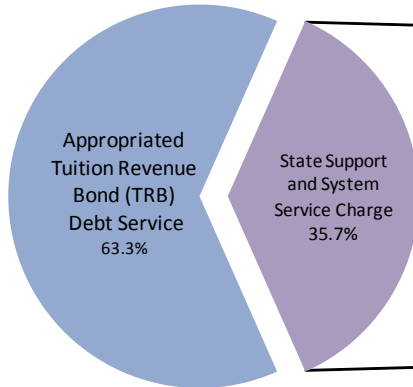


FY2011

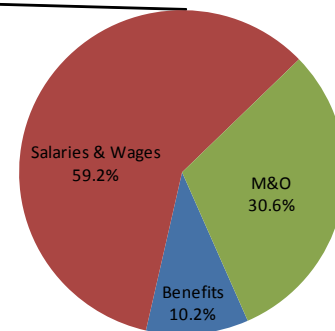
Total Budget

	\$ Millions
Operating Budget	\$ 40.0
Capital Facilities	-
Total	\$ 40.0

Operating Budget
\$ 40.0 Million



Instructional & Support Budget
\$ 14.7 Million

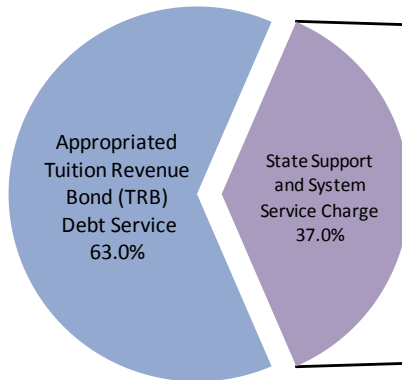


FY2012

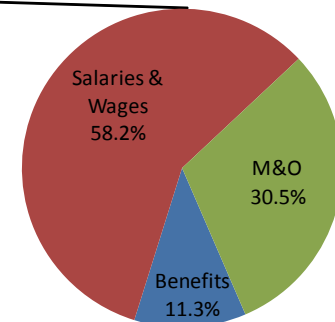
Total Budget

	\$ Millions
Operating Budget	\$ 38.1
Capital Facilities	-
Total	\$ 38.1

Operating Budget
\$ 38.1 Million



Instructional & Support Budget
\$ 14.1 Million





Instructional and Support Budget (\$ millions)

	A FY2011 Budget	B Reductions Targets	C Increases	D FY2012 Budget	E Percent Change FY11 to FY12
Revenue					
Appropriations	\$ 4.5	\$ (1.0)	\$ -	\$ 3.5	-22.2%
Tuition, Fees, Other Revenue	10.2	-	0.4	10.6	3.9%
Total Revenue	14.7	(1.0)	0.4	14.1	-4.1%
Expenditures					
Instruction & Operations					
Salaries					
Ten/Ten Trk Faculty					
Other Faculty					
Subtotal, Faculty	-	-	-	-	
Professional Staff	9.2	(0.4)		8.8	-4.3%
Support Staff	0.6			0.6	0.0%
Subtotal, Staff	9.8	(0.4)	-	9.4	-4.1%
Subtotal	9.8	(0.4)	-	9.4	-4.1%
Student Financial Aid					
TA/GA/RA				-	
Financial Aid				-	
Subtotal	-	-	-	-	
Operations					
Events				-	
Travel and Business	0.2			0.2	0.0%
M&O Support	3.9	(0.2)		3.7	-5.1%
Reserve for Endowment Loss				-	
Equipment Purch & Repl	0.4			0.4	0.0%
Subtotal	4.5	(0.2)	-	4.3	-4.4%
Support Organizations					
Safety and Police				-	
University Advancement	0.4			0.4	0.0%
Information Technology				-	
Subtotal	0.4	-	-	0.4	0.0%
Facilities					
Maintenance				-	
Utilities				-	
Debt Service				-	
Subtotal	-	-	-	-	
Total Expenditures	\$ 14.7	\$ (0.6)	\$ -	\$ 14.1	-4.1%



Reductions to Instructional & Support Budget (\$ millions)

	<u>FY 2011 Budget</u>	<u>Reductions</u>	<u>FY 2012 Preliminary</u>	<u>Reductions FTE</u>
Expenditures				
Instruction & Operations				
Salaries				
Ten/Ten Trk Faculty	\$ -	\$ -	\$ -	
Other Faculty	-	-	-	
Subtotal, Faculty	-	-	-	-
Professional Staff	9.2	(0.4)	8.8	(3.00)
Support Staff	0.6	-	0.6	
Subtotal, Staff	9.8	(0.4)	9.4	(3.00)
Subtotal Salaries	9.8	(0.4)	9.4	(3.00)
Student Financial Aid	-	-	-	
Operations	4.5	(0.2)	4.3	
Support Organizations	0.4	-	0.4	
Facilities	-	-	-	
Total Expenditures	<u>\$ 14.7</u>	<u>\$ (0.6)</u>	<u>\$ 14.1</u>	<u>(3.00)</u>

Summary of Decreases

Staff were reduced in the central administration, and both staff and operations support were reduced at the UH System centers at Sugar Land and Cinco Ranch.



Increases to Instructional & Support Budget (\$ millions)

	<u>FY 2012 Preliminary</u>	<u>Increases</u>	<u>FY 2012 Budget</u>	<u>Increases FTE</u>
<u>Expenditures</u>				
Instruction & Operations				
Salaries				
Ten/Ten Trk Faculty	\$ -	\$ -	\$ -	
Other Faculty	-	-	-	
Subtotal, Faculty	-	-	-	-
Professional Staff	8.8	-	8.8	
Support Staff	0.6	-	0.6	
Subtotal, Staff	9.4	-	9.4	-
Subtotal Salaries	9.4	-	9.4	-
Student Financial Aid	-	-	-	
Operations	4.3	-	4.3	
Support Organizations	0.4	-	0.4	
Facilities	-	-	-	
Total Expenditures	<u>\$ 14.1</u>	<u>\$ -</u>	<u>\$ 14.1</u>	<u>-</u>

Summary of Increases

(No increases at System Administration)

UHSA Mission and Goals

Mission

The mission of the UH System Administration is to support the four UH System universities in educating students, creating new knowledge, and fostering an interactive mission with their communities. In addition, it provides the UH System Board of Regents with information, advice, and administrative mechanisms so that they may set policy and fulfill their fiduciary responsibility to the people of Texas.

Goals

1. *National Competitiveness*

The City of Houston (and the Greater Houston Region) will be known for having one of the best metropolitan systems of higher education in the nation.

2. *Student Success*

The UH System will commit to providing access to the people of the Greater Houston Region and the state. Each university within the system will make student success its top priority and will hold itself publicly accountable for achieving this goal.

3. *Community Advancement*

The UH System will be the engine of social and economic advancement of the metropolitan region and the state. Each university within the system will engage with its community and will hold itself accountable for contributing toward community advancement.

UHSA FY 2012 Plan

Overview

As the global economy becomes increasingly driven by the creation of new knowledge and technological innovation, success for the Houston metropolitan area depends increasingly on the existence of a highly-skilled, professional workforce and cutting-edge research and development. As the region's largest provider of comprehensive (baccalaureate to doctorate) higher education services, the University of Houston System must play a primary role in meeting these needs. In doing so the UHS universities must succeed in providing access to a regional population that is growing increasingly diverse at a very rapid rate. Currently, the Houston metropolitan area is 17% African-American, 35% Hispanic, and 40% white. The student population at the UH System is 16% African-American, 26% Hispanic, and 34% white. Clearly, we are doing a good job of providing access to a diverse student population, although there is room for improvement with respect to the burgeoning Hispanic population. UH System performance with respect to the measures on its progress card has also been strong:

	2010 Report	2011 Report
Total Enrollment	61,040	63,846
Total Degrees Awarded	12,524	12,664
Total Research Expenditures	\$101M	\$122M
Total Annual Giving	\$77M	\$107M

With the UH System improving performance on most of its key progress card measures this year, we are poised for continued success in the coming years. To harness this potential, the UH System universities have been engaged in regular strategic planning activities over the past three years. Last year, the universities established five- and ten-year targets for enrollment and research that correspond to their new mission statements. This year, the universities have developed campus master plans designed to facilitate the accomplishment of their enrollment and research targets.

Over the past year, the UHS universities have also been working on the four collaborative, system-wide initiatives identified by Chancellor Khator in 2009:

- International education
- Health sciences research and education
- Pathways for faculty collaboration among institutions
- Pathways for student transfer among institutions

Several major accomplishments have been posted this year. First, a plan for a system-wide nursing program has been developed. Once implemented, students in this high-demand field will be able to enroll in the program at multiple UHS institutions. Second, capitalizing on UH-Downtown's status as a Hispanic Serving Institution (HSI), UH and UHD have partnered to increase the number of joint grant proposals and awards received from federal research programs in which only HSIs and their partners can participate. UHCL, which also has HSI status, will begin participating with UH and UHD next year. And finally, a pathway is now in place whereby UHS students can earn up to six hours of course credit from any UHS university without going through separate admissions processes. Doing so will enable students to expand their options in terms of course availability and progress more quickly toward their degree.

Finally, as is the case for the UHS universities, the UH System Administration is reducing its budgets to account for the reduction in state appropriations, which for UHSA is \$582,715. To accomplish this reduction, staff were reduced in the central administration, and both staff and operations support were reduced at the UH System centers at Sugar Land and Cinco Ranch.

FY 2012 Initiatives

- *UH System Campus Master Plans and Collaborative Initiatives*
In FY 2012, the UH System Administration, in collaboration with campus leadership, will continue work on the campus master plans and developing key initiatives. Master planning projects to be pursued next year include analyses of research space utilization in the UH colleges and planning for UHV and UHCL downward expansion. With respect to the collaborative initiatives, the UH System will begin the process of securing accreditation for its system-wide nursing program in FY13.
- *UH System Off-Campus Program Expansion*
In FY12, the UH System will continue to conduct master planning activities and expanded program delivery at the off-campus teaching centers, including Sugar Land, Cinco Ranch, Pearland, and Northwest Houston. Doing so is essential to expanding access to high-growth parts of the metropolitan area.
- *Shared Services Initiative*
Currently, the UH System has shared services among its universities valued at \$27.7 million. At the request of the Board of Regents, the UHS universities have identified additional operations that could be shared in order to reduce costs (including payroll, training, benefits, and affirmative action among many others). In FY12, the universities will continue identifying potential shared services and begin implementing those upon which there is consensus to move forward.
- *Federal and State Legislative Agendas*
During FY12 the UH System will develop and pursue its federal agenda for FY13, which will advocate on behalf of federal research programs important to UHS faculty and policy issues related to higher education (e.g., Pell Grants). In anticipation of the 2013 state legislative session, the UH System will work with state legislators, other policy makers and other state universities to build an environment supportive of higher education and the UH System. In the process, it will be especially important to demonstrate that transparency and accountability are strong components of university operations.

University of Houston System Administration
Appendix A - Allocation of New FY 2012 Resources

<u>Revenue Changes</u>		A
Appropriations Bill		
1	General Revenue	\$ (828,656)
2	State Matching Benefits	(92,700)
3	Less Estimated Rider Reductions	<u>(83,000)</u>
4	Subtotal General Revenue	<u>(1,004,356)</u>
Other		
5	Service Charge, Non-endow Interest	421,641
6	Total Net Revenue	<u><u>\$ (582,715)</u></u>

<u>Reductions for State Revenue Decline</u>		B
1	Departmental Cuts	\$ (157,453)
2	Special Items Cuts	(253,656)
3	Research Development Fund Cuts	
4	Reserve for Endowment Loss	
5	FY2011 Reductions	<u>(171,606)</u>
6	Subtotal - Reductions	<u><u>\$ (582,715)</u></u>

<u>Priority/Initiative Allocations</u>		C
7	(None)	

University of Houston - System Administration

Table 1 - Sources & Uses

(\$ in Millions)

	A	B	C	D	E	F	G
	<u>Historical</u>	<u>Change</u>		<u>Current</u>	<u>Change</u>		<u>New</u>
	FY2010 Budget	Dollars	Percent	FY2011 Budget	Dollars	Percent	FY2012 Budget
<u>Operating & Restricted Budget</u>							
Source of Funds							
1 State Appropriations	\$ 28.9	\$ 0.8	2.8%	\$ 29.7	\$ (2.2)	-7.6%	\$ 27.5
4 Other Operating	9.4	0.8	8.5%	10.2	0.4	4.1%	10.6
6 Endowments/Gifts (Restricted)	0.1	-	-31.7%	0.1	-	-31.1%	0.1
7 Total Sources	\$ 38.5	\$ 1.6	4.0%	\$ 40.0	\$ (1.8)	-4.7%	\$ 38.2
Use of Funds by Object							
8 Salaries and Wages - Staff	\$ 8.2	\$ 0.2	3.1%	\$ 8.4	\$ (0.3)	-4.1%	\$ 8.1
10 Benefits	1.0	0.6	60.4%	1.6	0.1	3.2%	1.7
11 M&O	3.3	0.8	24.8%	4.1	-	-0.7%	4.1
12 Capital Equipment	0.7	(0.3)	-40.6%	0.4	(0.1)	-29.1%	0.3
14 Debt Service	25.3	(0.1)	-0.1%	25.2	(1.2)	-5.0%	24.0
16 Reserve for State Budget Reduction	-	0.2	0.0%	0.2	(0.2)	-100.0%	-
17 Total Uses	\$ 38.5	\$ 1.6	4.0%	\$ 40.0	\$ (1.8)	-4.7%	\$ 38.2

Total Operating, Restricted and Capital Budget

27	\$ 38.5	\$ 1.6	4.0%	\$ 40.0	\$ (1.8)	-4.7%	\$ 38.2
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University of Houston-System Administration
Table 2 - Operations

Source of Funds	FY2011 Budget	-----Change-----		FY2012 Budget
		Dollars	Percent	
General Funds				
State General Revenue Appropriations				
Formula Funding	\$ 2,000,000	\$ (575,000)	-28.8%	\$ 1,425,000
Special Items	840,617	(253,656)	-30.2%	586,961
Less: Rider Reduction Estimates		(83,000)	na	(83,000)
Tuition Revenue Bonds	25,225,374	(1,262,191)	-5.0%	23,963,183
State Benefits Appropriation	1,660,200	(92,700)	-5.6%	1,567,500
Subtotal State General Revenue Appropriations	29,726,191	(2,266,547)	-7.6%	27,459,644
Designated				
Investment Income on Non-Endowed Funds	228,674	(59,092)	-25.8%	169,582
Endowment Income	1,140,429	249,116	21.8%	1,389,545
Service Charge	6,337,957	676,701	10.7%	7,014,658
Fund Balance	1,466,286	(497,584)	-33.9%	968,702
Other Self Supporting Org	1,016,186	52,500	5.2%	1,068,686
Subtotal Designated Funds	10,189,532	421,641	4.1%	10,611,173
Total Current Operating Funds	39,915,723	(1,844,906)	-4.6%	38,070,817
Total Sources	\$ 39,915,723	\$ (1,844,906)	-4.6%	\$ 38,070,817
Use of Funds by Object				
Salaries and Wages	\$ 8,422,095	\$ (344,421)	-4.1%	\$ 8,077,674
Benefits	1,634,955	52,545	3.2%	1,687,500
M&O	4,045,367	2,093	0.1%	4,047,460
Capital	416,326	(121,326)	-29.1%	295,000
Debt Service	25,225,374	(1,262,191)	-5.0%	23,963,183
Reserve for State Budget Reduction	171,606	(171,606)	-100.0%	
Total Uses	\$ 39,915,723	\$ (1,844,906)	-4.6%	\$ 38,070,817

University of Houston-System Administration
Table 3 - Restricted

	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
Source of Funds				
Restricted				
Gifts	\$ 50,000	\$ (34,000)	-68.0%	\$ 16,000
Endowment Income	49,214	3,112	6.3%	52,326
Total Current Operating Funds	99,214	(30,888)	-31.1%	68,326
Total Sources	\$ 99,214	\$ (30,888)	-31.1%	\$ 68,326
Use of Funds by Object				
M&O	99,214	(30,888)	-31.1%	68,326
Total Uses	\$ 99,214	\$ (30,888)	-31.1%	\$ 68,326

University of Houston-System Administration
Table 5 - Number of Full-Time Equivalent Positions

Employee Classification	FY2011 Budget	-----Change-----		FY2012 Budget
		FTE	Percent	
Professional Staff	89	(3)	-3.4%	86
Classified Staff	25	-		25
Total	114	(3)	-2.6%	111

University of Houston-System Administration
Note to Table 2: Operations Expenditures By Organization

	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
Use of Funds by Organization				
Regents	\$ 237,244	\$ (7,947)	-3.3%	229,297
Chancellor	1,388,942	62,250	4.5%	1,451,192
Academic Affairs	5,223,362	(256,462)	-4.9%	4,966,900
Student Affairs	219,394			219,394
Research	253,297	53,065	20.9%	306,362
Administration and Finance	1,362,394	(6,888)	-0.5%	1,355,506
University Advancement	403,890			403,890
Governmental Relations	776,871	13,177	1.7%	790,048
General Counsel	1,160,641	(45,665)	-3.9%	1,114,976
Auditing	910,983	(21,528)	-2.4%	889,455
Staff Benefits	1,634,955	52,545	3.2%	1,687,500
Reserve for State Budget Reduction	171,606	(171,606)		-
Subtotal Operations	<u>13,743,579</u>	<u>(329,059)</u>	<u>-2.4%</u>	<u>13,414,520</u>
NASA Programs	840,617	(253,656)	-30.2%	586,961
Other Uses				
Transfer to UH for Charter School	106,153			106,153
Debt Service	25,225,374	(1,262,191)	-5.0%	23,963,183
Total Uses	<u>\$ 39,915,723</u>	<u>\$ (1,844,906)</u>	<u>-4.6%</u>	<u>\$ 38,070,817</u>

University of Houston-System Administration
Note to Table 3: Operations Expenditures By Organization

	FY2011 Budget	-----Change-----		FY2012 Budget
		Dollars	Percent	
Use of Funds by Organization				
Academic Affairs	\$ 99,214	\$ (30,888)	-31.1%	\$ 68,326
Subtotal Operations	99,214	(30,888)	-31.1%	68,326
Total Uses	\$ 99,214	\$ (30,888)	-31.1%	\$ 68,326

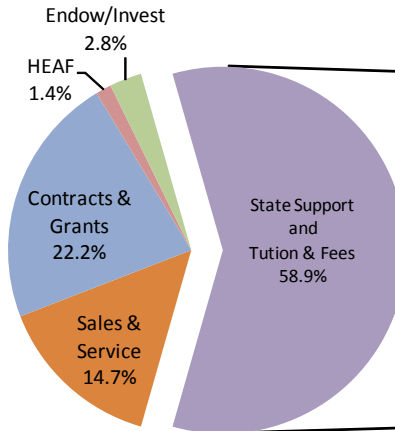


FY2011

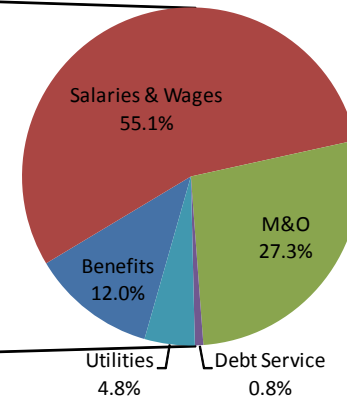
Total Budget

	\$ Millions
Operating Budget	\$ 862.8
Capital Facilities	135.7
Total	\$ 998.5

Operating Budget \$ 862.8 Million



Instructional & Support Budget \$ 507.9 Million



\$960/Credit Hour

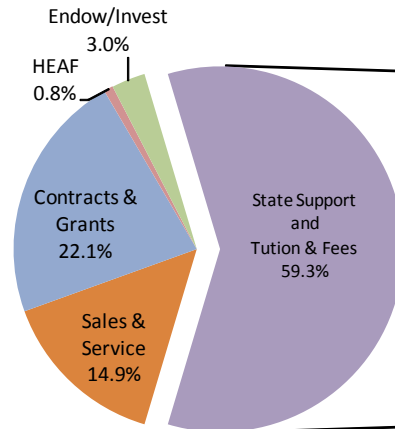
\$565/Credit Hour

FY2012

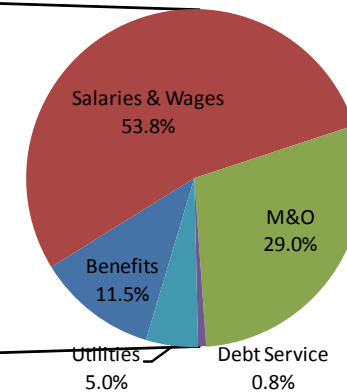
Total Budget

	\$ Millions
Operating Budget	\$ 860.3
Capital Facilities	154.1
Total	\$ 1,014.4

Operating Budget \$ 860.3 Million



Instructional & Support Budget \$ 509.7 Million



\$905/Credit Hour

\$536/Credit Hour



Instructional and Support Budget (\$ millions)

	A FY2011 Budget	B Reductions Targets	C Increases	D FY2012 Budget	E Percent Change FY11 to FY12
Revenue					
Appropriations	\$ 184.2	\$ (32.3)	\$ -	\$ 151.9	-17.5%
Tuition, Fees, Other Revenue	323.7	-	34.1	357.8	10.5%
Total Revenue	507.9	(32.3)	34.1	509.7	0.4%
Expenditures					
Instruction & Operations					
Salaries					
Ten/Ten Trk Faculty	131.3	(0.9)	2.7	133.1	1.4%
Other Faculty	46.8	(0.8)	2.3	48.3	3.2%
Subtotal, Faculty	178.1	(1.7)	5.0	181.4	1.9%
Professional Staff	105.3	(11.3)	3.3	97.3	-7.6%
Support Staff	22.8	(3.4)	1.3	20.7	-9.2%
Subtotal, Staff	128.1	(14.7)	4.6	118.0	-7.9%
Subtotal	306.2	(16.4)	9.6	299.4	-2.2%
Student Financial Aid					
TA/GA/RA	14.6		0.9	15.5	6.2%
Financial Aid	31.0		7.3	38.3	23.5%
Subtotal	45.6	-	8.2	53.8	18.0%
Operations					
Events	0.4			0.4	0.0%
Travel and Business	6.2	(0.6)		5.6	-9.7%
M&O Support	69.6	(6.2)	4.2	67.6	-2.9%
Reserve for Endowment Loss	8.2	(4.5)		3.7	-54.9%
Equipment Purch & Repl	5.4	(0.5)	0.1	5.0	-7.4%
Subtotal	89.8	(11.8)	4.3	82.3	-8.4%
Support Organizations					
Safety and Police	4.4			4.4	0.0%
University Advancement	5.8	(0.6)		5.2	-10.3%
Information Technology	12.4	(1.0)	1.1	12.5	0.8%
Subtotal	22.6	(1.6)	1.1	22.1	-2.2%
Facilities					
Maintenance	15.2	(0.9)	8.6	22.9	50.7%
Utilities	24.4		0.7	25.1	2.9%
Debt Service	4.1			4.1	0.0%
Subtotal	43.7	(0.9)	9.3	52.1	19.2%
Total Expenditures	\$ 507.9	\$ (30.7)	\$ 32.5	\$ 509.7	0.4%



Reductions to Instructional & Support Budget (\$ millions)

	<u>FY 2011</u>	<u>Reductions</u>	<u>FY 2012</u>	<u>Reductions</u>
	<u>Budget</u>		<u>Preliminary</u>	<u>FTE</u>
Expenditures				
Instruction & Operations				
Salaries				
Ten/Ten Trk Faculty	\$ 131.3	\$ (0.9)	\$ 130.4	(10.00)
Other Faculty	46.8	(0.8)	46.0	(13.00)
Subtotal, Faculty	178.1	(1.7)	176.4	(23.00)
Professional Staff	105.3	(11.3)	94.0	(118.90)
Support Staff	22.8	(3.4)	19.4	(64.00)
Subtotal, Staff	128.1	(14.7)	113.4	(182.90)
Subtotal Salaries	306.2	(16.4)	289.8	(205.90)
Student Financial Aid	45.6		45.6	
Operations	89.8	(11.8)	78.0	
Support Organizations	22.6	(1.6)	21.0	(27.80)
Facilities	43.7	(0.9)	42.8	(11.00)
Total Expenditures	\$ 507.9	\$ (30.7)	\$ 477.2	(244.70)

Summary of Major Decreases

Faculty: Given enrollment growth, faculty reductions were small (1%), but geared toward reshaping the faculty to better serve the needs of the university. Vacant tenured and tenure-track faculty positions were eliminated in areas that don't strongly align with the academic and research goals of the university. Similarly, instructional faculty positions were eliminated in areas that don't possess high enrollment demand.

Staff: Elimination of staff positions constituted the largest component of the university's reduction – 222 FTE. In general, positions directly related to serving students or achieving the university's research goals were protected, while ancillary positions (e.g., business services, office support, information technology) were eliminated. In some cases, positions and entire departments were combined to achieve higher levels of efficiency. For example, the Anthropology, Liberal Studies and Religious Studies programs will be combined into a single department, reducing administrative costs in the process.

Financial Aid: Given its importance to achieving higher levels of student access and success, financial aid was protected from the budget reduction process.

Operations: Support for operations constituted the second largest component of the university's reduction – \$11.8 million. For the most part, these reductions represented true efficiencies – elimination of non-essential services, departmental consolidations, and simple belt-tightening (e.g., business and travel expenses were reduced by \$600,000). Some reductions, however, stand to impact core functions. For example, a \$1 million reduction in the Research Development Fund may adversely affect our ability to invest in research infrastructure.



Increases to Instructional & Support Budget (\$ millions)

	FY 2012 Preliminary	Increases	FY 2012 Budget	Increases FTE
Expenditures				
Instruction & Operations				
Salaries				
Ten/Ten Trk Faculty	\$ 130.4	\$ 2.7	\$ 133.1	18.00
Other Faculty	46.0	2.3	48.3	34.20
Subtotal, Faculty	176.4	5.0	181.4	52.20
Professional Staff	94.0	3.3	97.3	25.35
Support Staff	19.4	1.3	20.7	15.90
Subtotal, Staff	113.4	4.6	118.0	41.25
Subtotal Salaries	289.8	9.6	299.4	93.45
Student Financial Aid	45.6	8.2	53.8	-
Operations	78.0	4.3	82.3	-
Support Organizations	21.0	1.1	22.1	-
Facilities	42.8	9.3	52.1	-
Total Expenditures	\$ 477.2	\$ 32.5	\$ 509.7	93.45

Summary of Major Increases

Faculty: Investments in new faculty positions will enable UH to meet the instructional needs of a rapidly growing student population and enhance its scholarly/research productivity. Specifically, tenured and tenure-track faculty positions will be allocated to areas of academic and research strength or to programs with high enrollment demand. Instructional faculty positions will be used to expand instruction in high-demand undergraduate courses. Also, new instructional faculty positions will be used to support expanded off-campus operations in Northwest Houston and Sugar Land.

Staff: The university's planned 41 FTE staff positions will be allocated almost exclusively to accommodate enrollment increases or serve students directly (e.g., counselors, advisers, recruiters). Of special note, 6.5 FTE will be dedicated to UH's new first-year experience program, which will improve how the core curriculum is delivered with the goal of increasing student learning and persistence.

Financial Aid: Protected during the budget reduction process, financial aid was increased substantially as part of the FY12 planning process – \$8.2 million (18%). Major investments include \$880,000 to support fellowships for doctoral students (crucial to UH's Tier One goals and research productivity); \$400,000 to create merit scholarships for law students; and \$3.8 million to support need-based aid for both undergraduate and graduate students.

Facilities and Operations: A growing student population and research enterprise requires a substantial investment in facilities and operations. Of greatest importance, the \$9.3 million increase for facilities next year will enable UH to restore its aging infrastructure and maintain new facilities (e.g., the Energy Research Park). As is the case for new staff FTE, the increases to operations expenses (\$4.3 million) will be used almost exclusively to serve students (e.g., library services, academic program support, classroom technology).

University of Houston Mission and Goals

UH Mission

The mission of the University of Houston is to offer nationally competitive and internationally recognized opportunities for learning, discovery and engagement to a diverse population of students in a real-world setting. The University of Houston offers a full range of degree programs at the baccalaureate, master's, doctoral and professional levels and pursues a broad agenda of research and creative activities. As a knowledge resource to the public, the university builds partnerships with other educational institutions, community organizations, government agencies, and the private sector to serve the region and impact the world.

UH Goals

- *National Competitiveness*
UH will become a nationally competitive public research university as measured by the Top American Public Research University analysis and/or Carnegie Foundation for the Advancement of Teaching.
- *Student Success*
UH will have a student profile consistent with a nationally competitive public research university by creating an environment in which student success can be ensured.
- *Community Advancement*
UH will commit to fulfilling regional and state workforce needs while becoming the primary engine of social, economic, and intellectual development.
- *Athletic Competitiveness*
UH will provide a comprehensive educational experience to its students and, within this context, it will seek to build the strongest athletic program possible.
- *Local and National Recognition*
UH will be known for its accomplishments locally and nationally.
- *Competitive Resources*
UH will build a resource base that enables it to accomplish its mission and realize its vision.

University Priorities

As we look to FY 2012 and beyond, the University of Houston faces a time of fundamental change in the way it operates. The Texas Legislature reduced UH’s appropriation by \$32.3 million (17.5%) for FY12, with the result that state resources now constitute only 21% of the university’s operating budget. This is a continuation of a long-term trend: Ten years ago, state resources constituted 38% of the UH budget. Twenty years ago they constituted 48%. In essence, the University of Houston – like the state’s other public universities – must operate more like a private university. Operating successfully under these circumstances will require the university to optimize resources from non-state sources if it is to achieve its goals – in particular, student success and national competitiveness. In short, UH must accomplish the following:

- *Achieve higher levels of operational efficiency:* UH must reduce its cost per credit hour generated while maintaining and improving quality of service.
- *Strategically grow enrollment:* Growth in graduate and professional enrollment, as well as limited growth in undergraduate enrollment (focusing on highly qualified students), will enable UH to increase its resource base.
- *Increase revenue from other sources:* In place of state resources, UH must maximize revenue from private support, endowment income, research grants, auxiliary services, etc. to support its operations. This is a common practice at private universities and tier-one public universities.

The FY12 Plan and Budget has been developed within this context. To address the \$32.3 million state reduction, UH will reduce its budget by \$30.7 million and cover the balance through \$1.8 million in new tuition and fee revenue generated from enrollment growth. Doing so will allow UH to invest the remainder of its new tuition and fee revenues (from enrollment growth and rate increases) in the university’s priorities. In total, the University of Houston will invest \$32.5 million in new resources and \$35.9 million in HEAF as identified in the table below.

	<u>New Resources</u>	<u>HEAF</u>	<u>Total</u>
Student Success	\$17,397,911	\$1,000,000	\$18,397,911
National Competitiveness	5,122,842	3,500,000	8,622,842
University Infrastructure	9,635,122	31,385,768	41,020,890
Community Advancement	368,293	0	368,293
Total	\$32,524,168	\$35,885,768	\$68,409,936

The UH FY12 Plan and Budget is the product of an eight-month planning process that involved all members of the university community – faculty, students, staff, administration, and regents. In the end, the university succeeded in developing a plan and budget for next year that will allow the university to move forward while at the same time increasing operational efficiency. The university’s instructional and support cost per credit hour will decrease from \$565 in FY11 to \$536 in FY12. It is important to note, however, that this budget includes no salary increases for faculty and staff. While this is a strategy that is sometimes necessary in times of financial difficulty, it cannot be regularly employed if the university is to preserve and build quality.

State Budget Reduction

Sources of Funding for the State Reduction

As indicated above, the University of Houston will reduce its budget by \$30.7 million to pay for state budget reductions of \$32.3 million (17.5%). The balance of \$1.8 million will be covered through revenues the university will generate through enrollment growth. The budget reductions will come from the following sources:

- *Departmental Reductions:* Through a comprehensive planning process, the University of Houston's administrative divisions, colleges and libraries reduced their budgets by \$14.1 million.
- *Special Items:* State line item funding for several UH research and public service programs (e.g., Texas Center for Superconductivity) were reduced cumulatively by \$2.5 million (29%). The remaining funds have been reallocated from low-producing programs to high-producing programs.
- *Research Development Fund:* UH's appropriation for the RDF, through which the university invests in research infrastructure as part of the tier-one initiative, was reduced by \$1.0 million (16%). The university will reallocate from other sources next year to compensate for the loss of these funds.
- *Reserve for Endowment Loss:* The university maintains a reserve to shield itself against drops in the stock market that would threaten support for programs (scholarships, for example) funded through endowments. This reserve has been reduced by \$4.5 million (50%) in part due to the recovery of the stock market.
- *FY 2011 Reductions:* To accommodate state revenue losses, departmental reductions were taken during the current fiscal year that constituted 5% of the university's FY11 state appropriation. Areas for reduction included communication allowances, travel, business expense and information technology.

Impact on University Operations

In determining how the budget reductions would be accomplished, the University of Houston sought to reshape the way it does business, in terms of the size and composition of the staff and faculty, as well as the ways in which operating resources are expended:

- *Staff:* Elimination of staff positions constituted the largest component of the university's reduction – 222 FTE. In general, positions directly related to serving students or achieving the university's research goals were protected, while ancillary positions (e.g., business services, office support, information technology) were eliminated. In some cases, positions and entire departments were combined to achieve higher levels of efficiency. For example, the Anthropology, Liberal Studies and Religious Studies programs will be combined into a single department, reducing administrative costs in the process.
- *Operations:* Support for operations constituted the second largest component of the university's reduction – \$11.8 million. For the most part, these reductions represented true efficiencies – elimination of non-essential services, departmental consolidations, and simple belt-tightening (e.g., business and travel expenses were reduced by \$600,000). Some reductions, however, stand to impact core functions (e.g., Research Development Fund).
- *Faculty:* Given enrollment growth, faculty reductions were small (1%), but geared toward reshaping the faculty to better serve the needs of the university. Vacant tenured and tenure-track faculty positions were eliminated in areas that don't strongly align with the academic and research goals of the university. Similarly, instructional faculty positions were eliminated in areas that don't possess high enrollment demand. Once faculty reductions were accomplished, the university then implemented a strategy for increasing faculty positions in high-demand, high priority programs.

Priority 1. Student Success

Context

Increasing the enrollment, retention and graduation of a diverse student body with exceptional academic qualifications is key to achieving the University of Houston's goal of becoming a tier-one university. To that end, UH continued this year (as it has for the past several years) to maintain or improve its performance on most of the student success measures on its progress card:

	2010 Report	2011 Report
Total Enrollment	37,000	38,752
Total Degrees Awarded	7,181	7,230
Freshman 1-year Retention Rate	79%	82%
Freshman 6-year Graduation Rate	41%	46%
Transfer 1-year Retention Rate	80%	76%
Transfer 4-year Graduation Rate	60%	59%
Course Completion Rate	94%	94%
Freshman Acceptance Rate	70%	71%
Freshman Average SAT	1080	1090

Improvements in student success at UH have been facilitated by the university's annual commitment to investing in new initiatives that support student enrollment, persistence and graduation. These include increasing scholarships, expanding course offerings, enhancing student support staff (e.g., recruiters, advisers), and improving the curriculum. Another important factor influencing student success is the academic preparation of incoming students. As a next step in building a highly qualified student body, the university has developed more competitive admissions standards for incoming freshmen that will be implemented in Fall 2012. In the coming years these new standards will translate into lower freshman acceptance rates, higher average SAT scores, and improved performance and persistence among UH undergraduates.

In addition to student success at the undergraduate level, UH continues to make progress at the graduate level, which is also a factor in the university's tier-one aspirations. Over the past year, master's enrollment has increased six percent (from 4,287 to 4,537) and doctoral enrollment has increased nine percent (from 1,647 to 1,787). Consistent long-term growth in graduate enrollment will enable UH to achieve its goal of a student body that is 25 percent graduate, which is consistent with a tier-one university profile.

FY 2012 Budget Initiatives

- *Financial Aid (\$8,190,045 New Resources)*

Increases in financial aid are needed to attract and retain students at both the undergraduate and graduate levels. Specifically, \$3,810,045 will be invested in need-based financial aid for undergraduate and graduate students; \$880,000 will be invested in fellowships for doctoral students; and \$400,000 will be invested in merit scholarships for law students. In addition, the university will create a \$3,100,000 reserve to cover anticipated state reductions in the TEXAS Grant program in FY13.

- *First-Year Experience Program (\$1,000,000 New Resources)*

In FY12, the University of Houston will continue its multi-year effort to improve the enrollment, persistence and learning of undergraduate students. Specifically, next year we will invest \$1,000,000 in a new comprehensive first-year experience program that will include (1) an improved student

orientation; (2) redesigned courses in the core curriculum to improve student success; (3) training for TAs teaching in the redesigned core courses; and (4) a residence hall success initiative that includes learning communities, tutoring, and faculty in residence.

- *Expanded Instruction (\$2,036,572 New Resources)*
 The University of Houston must expand instruction if it is to accommodate enrollment growth, facilitate degree completion, and maximize revenue. In FY12, \$2,036,572 will be invested in the creation of approximately 180 new course sections in areas of high instructional demand.
- *Off-Campus Program Expansion (\$1,600,000 New Resources)*
 To increase access to students in high-growth parts of the Houston area, the University of Houston will expand its operations in both Northwest Houston (at the Lone Star College University Center) and in Fort Bend County (at the UH System at Sugar Land). Resources will be used to expand instruction, facilities, and operations support.
- *University Libraries (\$710,738 New Resources, \$1,000,000 HEAF)*
 In order to attract, retain and support high quality faculty and students, the University of Houston must remain committed to maintaining the quality of our library facilities and collections (both print and electronic resources). In FY12, \$710,738 in new resources and \$1,000,000 in HEAF will be used to maintain collections and enhance services.
- *Student Support & Campus Life Initiatives (\$3,860,556 New Resources)*
 Enhancing the quality of student services and campus activities is essential to attracting and retaining students. Major FY12 investments include student advising, academic program support, and equipment and technology for classrooms and teaching labs in the UH colleges (approximately, \$2.75 million). In addition, the university will fund the Center for Student Involvement (\$622,325), which links students to the university's 350 campus student organizations, and the Center for Leadership and Fraternity & Sorority Life (\$277,448), which provides personal development opportunities to students through leadership development programs, fraternities and sororities, and service opportunities.

Priority 1. Investment of Resources in FY 2012 Initiatives

	New Resources	HEAF	Total
Financial Aid	\$8,190,045		\$8,190,045
First-Year Experience Program	1,000,000		1,000,000
Expanded Instruction	2,036,572		2,036,572
Off-Campus Program Expansion	1,600,000		1,600,000
University Libraries	710,738	1,000,000	1,710,738
Student Support & Campus Life Initiatives	3,860,556		3,860,556
Total	\$17,397,911	\$1,000,000	\$18,397,911

Priority 2. National Competitiveness

Context

The University of Houston’s goal of achieving national competitiveness and becoming the state’s third public tier-one university will occur only if the institution increases external research funding and enhances its academic programs to a level commensurate with the nation’s leading public research universities. Over the past year, UH has made major advances on its progress card measures for national competitiveness:

	2010 Report	2011 Report
Total Research Expenditures	\$99M	\$120M
Federal Research Expenditures	\$40M	\$53M
Graduate Programs Ranked in Top 50	5	7
Number of Doctorates Awarded	231	231
Number of Postdoctoral Appointees	185	210

For the first time last year, UH broke \$100 million in research expenditures, which is a remarkable accomplishment and represents a 21 percent increase over research expenditures from the previous fiscal year (FY09). In addition, UH was recognized for the first time this year as a university of “very high research activity” by the Carnegie Foundation, the highest designation for research universities and an indicator of tier-one performance.

Unfortunately, maintaining and increasing UH’s high level of research productivity in the coming years will be very challenging. The debt crisis facing the federal government will likely reduce the availability of research funds from agencies such as the National Institutes of Health, the National Science Foundation, and the Department of Energy. In fact, UH research awards year-to-date are lower due to a slow-down in federal grant making as Congress deals with the need to reduce agency budgets as part of the appropriations process.

To move forward successfully in this environment, the University of Houston must select carefully the areas of research and scholarship in which to invest. To that end the university has examined its programs and developed a research map that identifies institutional areas of strength that align with external funding opportunities. These areas include energy, the health sciences, materials, arts and human enrichment, community advancement, and intelligent/complex systems. Given their importance to Houston’s economy, energy and the health sciences constitute the university’s greatest opportunity for success.

In addition, we must recruit senior faculty members – nationally renowned scholars in their fields – who will bring to the University of Houston “clusters” of excellent junior faculty and graduate students, as well as a proven track record of securing significant external research funding. On behalf of these clusters we must build core research facilities to be shared among multiple faculty members and graduate students in order to defray the high costs of scientific infrastructure.

FY 2012 Budget Initiatives

- *Faculty Recruitment & Retention (\$2,661,000 New Resources)*
Hiring new faculty and rewarding current faculty members with salary increases are imperative to enhancing instructional quality and the research productivity of the institution. In FY12, UH will invest \$2,300,000 in approximately 17-20 new faculty lines in programs of demonstrated excellence and high enrollment demand. We will also provide \$361,000 to cover faculty promotion and tenure salary increases.

- *Faculty Start-Ups (\$3,500,000 HEAF)*

In FY12, the University of Houston will invest \$3,500,000 of HEAF resources in start-ups for new faculty members. Start-up investments include lab renovations and equipment purchases for new faculty. HEAF funds are only one part of the multi-million dollar investment that UH makes annually in start-ups. The university also uses its \$5.4 million Research Development Fund appropriation and other institutional resources for this purpose as well.

- *Professional Program Enhancements (\$2,461,842 New Resources)*

The UH professional colleges and graduate programs are also key to the university's reputation as a national university. In FY12, we will invest \$2,461,842 in several programs with an eye toward enhancing student services, enrollment, academic excellence, and program reputation. Major investments include improvements to the first-year curriculum and student advising in Law (\$542,072), student support services and hospital externships in Pharmacy (\$400,458), and research support for new faculty in Engineering (\$407,399).

Priority 2. Investment of Resources in FY 2012 Initiatives

	New Resources	HEAF	Total
Faculty Recruitment & Retention	\$2,661,000		\$2,661,000
Faculty Start-Ups		\$3,500,000	\$3,500,000
Professional Program Enhancements	2,461,842		2,461,842
Total	\$5,122,842	\$3,500,000	\$8,622,842

Priority 3. University Infrastructure and Administration

Context

As fundamental as instruction and research are to the University of Houston, these endeavors cannot take place without the land, facilities, equipment, and information technology needed to support them. The University of Houston's physical plant includes 668 acres of land, 135 buildings, and 9.9 million gross square feet. Sustaining this infrastructure year round requires tremendous investments in utilities, maintenance, repairs, renovations and improvements. Making these investments is also essential to achieving the university's goals of student success and national competitiveness. This year, for example, the Science & Engineering Research Center (SERC) is nearing completion, and construction is underway on the new Classroom and Business Building, Health and Biomedical Sciences Building, and Fleming addition, where new undergraduate science labs will be located. Renovation and increased occupancy of the Energy Research Park also continues, including the launch this year of UH's new Petroleum Engineering program. All of these projects make the university a more desirable place for students, faculty and the community.

Similarly, achieving a high level of administrative effectiveness is critical to achieving the University of Houston's institutional goals. One key to accomplishing this priority is ensuring excellence in our staff. Over the course of FY11 and FY12, the university will experience a net reduction of 180.5 staff FTE, which represents a concerted effort to achieve higher levels of efficiency and effectiveness in serving a growing student and faculty population. In short, staff must work smarter and better. At the same time, the university must remain committed to providing staff with competitive salaries, professional development opportunities, and a campus culture that recognizes excellence even as it expects accountability. There are indications that we possess such a culture. This year, UH was recognized by the *Chronicle of Higher Education* as one of the best colleges in the nation to work for, joining 84 other universities on the list.

Finally, another important measure of administrative effectiveness is the extent to which the University of Houston can expand its resources through the cultivation of private gifts. In addition to state funds and tuition and fees, the resources secured through fundraising activities enable the university to pursue its goals of excellence. Last year, private support to the university was \$102.4 million (up from \$73.2 million the year before), a significant achievement considering that these are challenging economic times. The University of Houston's endowment has also continued on the road to recovery, increasing from \$441.7 million two years ago to \$490.9 million last year.

FY 2012 Budget Initiatives

- *Capital Renewal/Deferred Maintenance (\$4,330,000 New Resources, 10,000,000 HEAF)*
As part of the CRDM program, the University of Houston will invest \$14,330,000 next year in general facilities projects. Most significantly, this will include a \$5,903,107 allocation to the six-year, \$38.4 million central utilities plant expansion (e.g., upgrades to boiler and chillers), as well as improvements to buildings and infrastructure, energy conservation measures, and sidewalk and street projects. It is important to note that the CRDM investment has been increased by \$4.3 million this year. Doing so is necessary to address facilities issues in major campus buildings constructed 30-40 years ago (the Science & Research buildings, for example) that are in serious need of repair and renovation.
- *Maintenance & Utilities for New Campus Facilities (\$4,196,236 New Resources)*
Over the past several years campus facilities at the University of Houston have grown considerably. As a result, additional resources are needed to maintain these facilities and pay for utilities. Of

special note, approximately \$2 million in additional resources will be needed for increased leased space in the Energy Research Park.

- Capital Construction Projects (\$18,885,768 HEAF)*
 The balance of UH’s HEAF budget will be used to fund major construction projects critical to the university’s academic and research goals, including the Health & Biomedical Sciences Building and Classroom and Business Building among others.
- Information Technology Initiatives (\$1,108,886 New Resources, \$2,500,000 HEAF)*
 The university’s IT infrastructure and services must be maintained and expanded as enrollment increases and our computing needs grow. In FY12, \$1,108,886 will be used to enhance IT services and \$2,500,000 will be used to upgrade the university’s network, servers and other IT equipment.

Priority 3. Investment of Resources in FY 2012 Initiatives

	New Resources	HEAF	Total
Capital Renewal/Deferred Maintenance	\$4,330,000	\$10,000,000	\$14,330,000
Maintenance & Utilities for New Campus Facilities	4,196,236		4,196,236
Capital Construction Projects		18,885,768	18,885,768
Information Technology Initiatives	1,108,886	2,500,000	3,608,886
Total	\$9,635,122	\$31,385,768	\$41,020,890

Priority 4. Community Advancement

Context

Apart from its instructional and research programs, the University of Houston engages in a multitude of community advancement activities that enhance the quality of life in the Houston area. The University Eye Institute, for example, provides vision care for the economically disadvantaged at a reduced cost. The Community Design Resource Center in the College of Architecture provides urban planning and design services to low- and moderate-income communities. And the Small Business Development Center provides consulting services to help fledgling businesses get off the ground. Other major programs at UH focused on community advancement include the Health Law and Policy Institute, the Center for Public Policy, the Global Energy Management Institute, the Edward Albee New Playwrights Workshop, the Abramson Center for the Future of Health, and the African-American, Asian-American, and Mexican American Studies Programs – among many others.

One of UH's most important recent community advancement endeavors is the University of Houston/Third Ward Community Partnership Initiative, which is a collaboration among several UH colleges and the Third Ward community. The goal of this initiative is to forge partnerships that serve as mechanisms through which the quality of life for Third Ward residents is enriched. An important milestone in the project was achieved this year when UH received a prestigious Our Town grant from the National Endowment for the Arts for the Third Ward Arts Initiative, which will team visual, performing and new media artists with architects, engineers, urban planners, developers and community residents to create new art projects that enhance the Third Ward's revitalization efforts.

Another important UH community service initiative instituted this year is the establishment of Houston Public Media, through which KUHF/Houston Public Radio and KUHT/Houston Public Television will merge to form a new entity devoted not only to traditional TV and radio programming but to the development of content for new media (e.g., smart phones, tablets, other mobile devices). Content developed will focus on Houston and what is important and excellent about the city – health care, energy, the arts and education – areas that also align with the strengths and priorities of UH. A search for an Executive Director for Houston Public Media is currently underway.

FY 2012 Budget Initiatives

- *Office of Community Relations & Institutional Access (\$368,293 New Resources)*
In FY12, the University of Houston will base fund the new Office of Community Relations and Institutional Access. Established this year, the office focuses on improving the university's community partnerships and enhancing and improving access to college for talented underrepresented, low-income and first-generation students.

Priority 3. Investment of Resources in FY 2012 Initiatives

	New Resources	HEAF	Total
Office of Community Relations & Institutional Access	\$368,293		\$368,293
Total	\$368,293		\$368,293

University of Houston
Appendix A - Allocation of New FY 2012 Resources

<u>Revenue Changes</u>		A
Appropriations Bill		
1	General Revenue	\$ (26,566,774)
2	State Matching Benefits	(1,424,627)
3	Less Estimated Rider Reductions	(4,290,000)
4	Subtotal General Revenue	<u>(32,281,401)</u>
Tuition and Fees from Growth		
5	Statutory Tuition	2,773,492
6	General Designated Tuition	7,305,737
7	Differential Designated Tuition	2,515,111
8	Academic Fees	988,845
9	Consolidated Univ Services Fee	3,094,192
10	Student Service Fee	348,960
11	Subtotal Growth	<u>17,026,337</u>
Tuition and Fees from Rate Changes		
12	Statutory Tuition	114,363
13	General Designated Tuition	9,849,687
14	Differential Designated Tuition	2,137,330
15	Academic Fees	1,768,100
16	Consolidated Univ Services Fee	2,662,498
17	Student Service Fee	454,000
18	Subtotal Rate Change	<u>16,985,978</u>
Other		
19	Aux Admin Charge, Non-endow Interest	77,411
20	Total Net Revenue	<u><u>\$ 1,808,325</u></u>

<u>Reductions for State Revenue Decline</u>		B
1	Departmental Cuts	\$ (14,119,692)
2	Special Items Cuts	(2,542,170)
3	Research Development Fund Cuts	(1,027,915)
4	Reserve for Endowment Loss	(4,500,000)
5	FY2011 Reductions	(8,526,066)
6	Subtotal - Reductions	<u><u>\$ (30,715,843)</u></u>

<u>Priority/Initiative Allocations</u>		C
Priority 1. Student Access and Success		
7	Financial Aid	\$ 8,190,045
8	First-Year Experience Program	1,000,000
9	Expanded Instruction	2,036,572
10	Off-Campus Program Expansion	1,600,000
11	University Libraries	710,738
12	Student Support & Campus Life Initiatives	3,860,556
13	Subtotal - Student Access and Success	<u>17,397,911</u>
Priority 2. National Competitiveness		
14	Faculty Recruitment & Retention	2,661,000
15	Professional Program Enhancements	2,461,842
16	Subtotal - National Competitiveness	<u>5,122,842</u>
Priority 3. University Infrastructure & Administration		
17	Capital Renewal & Deferred Maintenance	4,330,000
18	Maintenance & Utilities for New Campus Facilities	4,196,236
19	Information Technology Initiatives	1,108,886
20	Subtotal - University Infrastructure & Administration	<u>9,635,122</u>
Priority 4. Community Advancement		
21	Office of Community Relations & Institutional Access	368,293
22	Subtotal - Community Advancement	<u>368,293</u>
23	Total Priority/Initiative Allocations	<u><u>\$ 32,524,168</u></u>

24 **Total Net Reductions and New Allocations** \$ 1,808,325

University of Houston
Appendix B - Allocation of FY 2012 HEAF

<u>FY12 Allocation</u>		<u>Priority/Initiative</u>	<u>HEAF</u>
HEAF	<u>\$ 35,885,768</u>	Priority 1. Student Access and Success	
		University Libraries	1,000,000
		Subtotal	<u>\$ 1,000,000</u>
		Priority 2. National Competitiveness	
		Faculty Start-Ups	\$ 3,500,000
		Subtotal	<u>\$ 3,500,000</u>
		Priority 3. University Infrastructure & Administration	
		Capital Renewal/Deferred Maintenance	\$ 10,000,000
		Capital Construction Projects	18,885,768
		Information Technology Initiatives	2,500,000
		Subtotal	<u>\$ 31,385,768</u>
		Total New Investments	<u>\$ 35,885,768</u>

University of Houston
Appendix C - Projected Availability of Scholarships and Grants

	<u>FY2011</u>	<u>FY2012</u>
Funds from Endowed Scholarships	\$ 3,870,216	\$ 3,800,000
Premium Tuition Scholarships (Law)	838,500	911,000
Texas Grant Program Scholarships	23,045,984	17,600,000
Texas Public Education Grant (TPEG)	6,071,400	7,159,248
Early High School Graduation Program Scholarships	151,000	-
Property Deposit Scholarships	175,000	1,044,000
Honors Scholarships	8,000	8,000
International Education Fee Scholarship	135,590	179,039
Designated Tuition Financial Aid Set-Asides		
Undergraduate Scholarships	12,188,025	14,534,062
Graduate Scholarships	4,275,871	5,011,621
B-on-Time Program	1,500,000	3,606,415
Pre-Med Scholarship	210,000	190,000
Merit Scholarships	9,021,574	10,996,073
UH Transfer Scholarships	500,000	500,000
UH Grant-in-Aid Scholarship	583,000	1,173,000
Doctoral Student Tuition Fellowship	7,915,711	10,054,844
Presidential Fellowship Stipend Augmentation	458,448	458,448
Federal College Work Study	1,271,639	1,435,347
Federal Pell Grants	52,000,000	50,000,000
Federal Supplemental Education Opportunity Grants (SEOG)	1,295,926	1,000,000
Total	\$ 125,515,884	\$ 129,661,097

University of Houston
Table 1 - Sources & Uses
(\$ in Millions)

	A		B		C		D		E		F		G	
	Historical						Current						New	
	FY2010		Change				FY2011		Change				FY2012	
	Budget	Dollars	Percent			Budget		Dollars	Percent			Budget		
<u>Operating & Restricted Budget</u>														
Source of Funds														
1 State Appropriations	\$ 187.2	\$ (2.9)	-1.5%	\$ 184.3	\$ (32.4)	-17.6%	\$ 151.9							
2 HEAF	13.7	(1.8)	-13.1%	11.9	(4.9)	-41.1%	7.0							
3 Tuition & Fees	303.2	26.7	8.8%	329.9	35.0	10.6%	364.8							
4 Other Operating (Auxiliaries)	101.3	19.2	18.9%	120.5	0.5	0.4%	121.0							
5 Contracts & Grants (Restricted)	163.9	27.8	17.0%	191.7	(1.8)	-0.9%	189.9							
6 Endowments/Gifts (Restricted)	25.0	(0.4)	-1.8%	24.5	1.1	4.7%	25.7							
7 Total Sources	\$ 794.3	\$ 68.5	8.6%	\$ 862.8	\$ (2.5)	-0.3%	\$ 860.3							
Use of Funds by Object														
8 Salaries and Wages - Faculty	\$ 162.8	\$ 1.1	0.7%	\$ 163.8	\$ 7.4	4.5%	\$ 171.2							
9 Salaries and Wages - Staff	205.0	0.0	0.0%	205.1	5.0	2.4%	210.0							
10 Benefits	76.5	1.6	2.1%	78.1	1.9	2.4%	80.0							
11 M&O	197.9	13.3	6.7%	211.2	(27.7)	-13.1%	183.5							
12 Capital Equipment	23.0	4.7	20.3%	27.7	3.5	12.6%	31.2							
13 Scholarships	91.0	32.4	35.6%	123.4	13.3	10.8%	136.7							
14 Debt Service	20.9	6.9	32.9%	27.7	2.1	7.7%	29.9							
15 Utilities	17.2	-	0.0%	17.2	0.5	2.9%	17.7							
16 Reserve for State Budget Reduction	-	8.5		8.5	(8.5)	-100.0%	-							
17 Total Uses	\$ 794.3	\$ 68.5	8.6%	\$ 862.8	\$ (2.5)	-0.3%	\$ 860.3							
<u>Capital Facilities Budget</u>														
Source of Funds														
18 HEAF	\$ 22.4	\$ 1.6	7.1%	\$ 24.0	\$ 4.9	20.4%	\$ 28.9							
19 Bonds	128.0	(27.1)	-21.2%	100.9	15.4	15.3%	116.3							
20 Gifts	18.0	(14.1)	-78.2%	3.9	3.6	92.6%	7.5							
21 Other	22.2	(15.3)	-69.0%	6.9	(5.6)	-81.3%	1.3							
22 Total Sources	\$ 190.6	\$ (54.9)	-28.8%	\$ 135.7	\$ 18.4	13.5%	\$ 154.1							
Use of Funds by Object														
23 Construction	\$ 101.3	\$ (29.6)	-29.2%	\$ 71.7	\$ 36.6	51.1%	\$ 108.3							
24 Major Rehabilitation	60.3	3.7	6.2%	64.0	(18.3)	-28.6%	45.8							
25 Acquisitions	29.0	(29.0)	-100.0%	-	-		-							
26 Total Uses	\$ 190.6	\$ (54.9)	-28.8%	\$ 135.7	\$ 18.4	13.5%	\$ 154.1							
<u>Total Operating, Restricted and Capital Budget</u>														
27	\$ 984.9	\$ 13.6	1.4%	\$ 998.5	\$ 15.8	1.6%	\$ 1,014.3							

University of Houston
Table 2 - Operations

Source of Funds	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
General Funds				
State General Revenue Appropriations				
Formula Funding	\$ 141,924,880	\$ (23,489,407)	-16.6%	\$ 118,435,473
Special Items	13,774,573	(3,077,367)	-22.3%	10,697,206
Less: Rider Reduction Estimates		(4,290,000)	na	(4,290,000)
State Benefits Appropriation	28,492,538	(1,424,627)	-5.0%	27,067,911
Shared Appropriations	130,817	(130,817)	-100.0%	
Subtotal State General Revenue Appropriations	184,322,808	(32,412,218)	-17.6%	151,910,590
Tuition and Fees				
Statutory Tuition	56,602,423	2,887,855	5.1%	59,490,278
Lab/other Student Fees	343,614	23,199	6.8%	366,813
Subtotal Tuition and Fees	56,946,037	2,911,054	5.1%	59,857,091
HEAF	35,885,768			35,885,768
Indirect Cost	1,238,909			1,238,909
Aux Admin Chg/Other	3,247,900	641,400	19.7%	3,889,300
Income on State Treasury Deposits	179,220	(72,813)	-40.6%	106,407
Subtotal General Funds	281,820,642	(28,932,577)	-10.3%	252,888,065
Designated				
Tuition and Fees				
Designated Tuition - General	120,847,522	17,155,424	14.2%	138,002,946
Designated Tuition - Differential	34,229,388	4,616,264	13.5%	38,845,652
Premium (Law, Pharmacy, Optometry) & Graduate Premium	13,684,074	36,177	0.3%	13,720,251
Consolidated University Services Fee	32,397,959	5,756,690	17.8%	38,154,649
Major/Department/Class Fees	42,998,965	2,756,745	6.4%	45,755,710
Subtotal Tuition and Fees	244,157,908	30,321,300	12.4%	274,479,208
Indirect Cost	10,761,091	1,000,000	9.3%	11,761,091
Investment Income on Non-Endowed Funds	2,897,705	(383,558)	-13.2%	2,514,147
Endowment Income	4,401,757	555,059	12.6%	4,956,816
Contracts / Grants / Gifts	3,039,339	(260,503)	-8.6%	2,778,836
Arte Publico/Opt Clinic/Self Supp Org/Intellectual Prop	16,211,547	4,782,754	29.5%	20,994,301
Subtotal Designated Funds	281,469,347	36,015,052	12.8%	317,484,399
Auxiliary Enterprises				
Student Fees				
Student Service Fee	14,956,089	802,960	5.4%	15,759,049
Recreation and Wellness Center	6,731,440	319,824	4.8%	7,051,264
University Center Fees	6,667,526	606,800	9.1%	7,274,326
Other Student Fees	435,595	(11,700)	-2.7%	423,895
Subtotal Student Fees	28,790,650	1,717,884	6.0%	30,508,534
Sales & Service - Student Housing	27,355,524	(5,045,644)	-18.4%	22,309,880
Sales & Service - Parking	8,982,519	1,294,548	14.4%	10,277,067
Sales & Service - Athletics/Hotel/UC/Other	42,185,723	(2,055,114)	-4.9%	40,130,609
Subtotal Auxiliary Funds	107,314,416	(4,088,326)	-3.8%	103,226,090
Total Current Operating Funds	670,604,405	2,994,149	0.4%	673,598,554
Interfund Transfer	(24,000,000)	(4,885,768)	20.4%	(28,885,768)
Total Sources	\$ 646,604,405	\$ (1,891,619)	-0.3%	\$ 644,712,786
Use of Funds by Object				
Salaries and Wages	\$ 315,866,886	\$ 12,135,171	3.8%	\$ 328,002,057
Benefits	71,692,706	1,655,888	2.3%	73,348,594
M&O	141,130,309	(22,434,678)	-15.9%	118,695,631
Capital	22,226,369	(802,835)	-3.6%	21,423,534
Scholarships	42,262,927	13,444,381	31.8%	55,707,308
Debt Service	27,720,637	2,146,520	7.7%	29,867,157
Utilities	17,178,505	490,000	2.9%	17,668,505
Reserve for State Budget Reduction	8,526,066	(8,526,066)	-100.0%	
Total Uses	\$ 646,604,405	\$ (1,891,619)	-0.3%	\$ 644,712,786

University of Houston

Table 3 - Restricted

Source of Funds	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
Restricted				
Contracts and Grants				
Research	\$ 97,185,000	\$ 165,000	0.2%	\$ 97,350,000
Financial Aid	75,599,799	(1,769,557)	-2.3%	73,830,242
Gifts	15,961,133	1,130,008	7.1%	17,091,141
Endowment Income	7,437,589	41,213	0.6%	7,478,802
Other Restricted	1,110,802	(22,696)	-2.0%	1,088,106
KUHT/KUHF	18,906,252	(177,330)	-0.9%	18,728,922
Total Current Operating Funds	216,200,575	(633,362)	-0.3%	215,567,213
Total Sources	\$ 216,200,575	\$ (633,362)	-0.3%	\$ 215,567,213
Use of Funds by Object				
Salaries and Wages	\$ 53,064,838	\$ 224,510	0.4%	\$ 53,289,348
Benefits	6,452,803	211,632	3.3%	6,664,435
M&O	70,062,233	(5,253,868)	-7.5%	64,808,365
Capital	5,480,617	4,301,336	78.5%	9,781,953
Scholarships	81,140,084	(116,972)	-0.1%	81,023,112
Total Uses	\$ 216,200,575	\$ (633,362)	-0.3%	\$ 215,567,213

University of Houston

Table 4 - Capital Projects

	-----Project Expenditures-----			Total Project Budget	-----Funded From-----			
	Project to Date (1)	FY2012 Budget	Future Year Budgets		HEAF	Revenue Bonds	Gifts	Other
New Construction								
Classroom & Business Building	\$ 5,002,913	\$ 14,850,000	\$ 21,147,087	41,000,000	\$ 4,589,485	\$ 25,000,000	\$ 9,110,515	\$ 2,300,000
Valenti Communications Addition	3,218,120	553,151		3,771,271	301,641		1,810,000	1,659,630
Cougar Place Apartment Replacement *		19,400,000	29,100,000	48,500,000		48,500,000		
Cougar Village 2		20,000,000	30,000,000	50,000,000		50,000,000		
University Center Addition & Renovation Phase 1	150,000	5,000,000	38,850,000	44,000,000		44,000,000		
Stadium Parking Garage #1	4,250,000	10,000,000	11,750,000	26,000,000		26,000,000		
Health & Biomedical Sciences Building	15,016,939	31,500,000	23,483,061	70,000,000	14,800,000	37,000,000	6,012,700	12,187,300
West Side Dining	27,087	7,000,000	2,272,913	9,300,000		6,000,000		3,300,000
Subtotal New Construction	\$ 27,665,059	\$ 108,303,151	\$ 156,603,061	\$ 292,571,271	\$ 19,691,126	\$ 236,500,000	\$ 16,933,215	\$ 19,446,930
Major Repair and Rehabilitation								
Central Utility Plant Expansion*	20,040,430	9,600,799	8,761,967	38,403,196	38,403,196			
Science Complex Lab Renovations	25,438,368	16,570,046	15,591,586	57,600,000		57,600,000		
Projects Budgeted Annually								
Capital Renewal Deferred Maintenance		4,096,893		4,096,893	4,096,893			
Energy Research Park - Improvements	350,000	1,650,000		2,000,000		2,000,000		
Energy Research Park - Improvements	6,165,000	13,835,000		20,000,000	2,500,000	11,100,000	3,000,000	3,400,000
Subtotal Major Repairs & Rehabilitation	\$ 51,993,798	\$ 45,752,738	\$ 24,353,553	\$ 122,100,089	\$ 45,000,089	\$ 70,700,000	\$ 3,000,000	\$ 3,400,000
Total	\$ 79,658,857	\$ 154,055,889	\$ 180,956,614	\$ 414,671,360	\$ 64,691,215	\$ 307,200,000	\$ 19,933,215	\$ 22,846,930

(1) Project expenditures to date, estimated through August 31, 2011

* Requires BOR/CB approval

3.21

University of Houston
Table 5 - Number of Full-Time Equivalent Positions

Employee Classification	FY2011 Budget	-----Change-----		FY2012 Budget
		FTE	Percent	
Faculty	1,142	8	0.7%	1,150
Part-time Faculty	923	21	2.3%	944
Professional Staff	2,248	(122)	-5.4%	2,126
Classified Staff	1,293	(59)	-4.6%	1,234
Temporary Staff	735			735
Total	6,341	(152)	-2.4%	6,189

University of Houston
Table 6 - Student Credit Hours, Headcount, and FTE

	FY2008 Actuals	FY2009 Actuals	FY2010 Actuals	FY2011 Budget	FY2012 Budget	FY12 vs FY11 Change
Semester Credit Hours						
Lower Division	388,097	416,336	427,733	419,151	447,806	28,655
Upper Division	294,816	293,768	308,671	305,126	323,938	18,812
Masters	80,197	85,385	94,871	93,843	96,172	2,329
Doctoral	18,913	18,908	22,181	21,154	24,946	3,792
Special Professional	60,957	60,494	59,211	58,857	58,137	(720)
Total	842,980	874,891	912,667	898,131	950,999	52,868
Semester Credit Hours-On/Off Campus						
On Campus	734,672	745,835	765,241	765,570	794,084	28,514
Off Campus	108,308	129,056	147,426	132,561	156,915	24,354
Total	842,980	874,891	912,667	898,131	950,999	52,868
Fall Headcount	34,663	36,104	37,000	37,400	39,403	2,003
Fall FTE	27,639	29,387	29,747	30,164	31,243	1,079

University of Houston
Table 7 - Allocation of Student Service Fees

Sources	FY2011 Budget	-----Change-----		FY2012 Budget
		Dollars	Percent	
Current Year Revenue	\$ 14,956,089	\$ 802,960	5.4%	\$ 15,759,049
Budgeted Fund Balance	300,000	332,869	111.0%	632,869
Total Sources	\$ 15,256,089	\$ 1,135,829	7.4%	\$ 16,391,918
Allocations				
*Academic Achievers - Ctr. Mexican-Am. Studies	\$ 64,433	\$ (1,510)	-2.3%	\$ 62,923
Activities Funding Board (AFB)	128,956	10,249	7.9%	139,205
A.D. Bruce Religion Center		34,991		34,991
Band Program	175,514	35,886	20.4%	211,400
Blaffer Art Gallery	18,227	1,773	9.7%	20,000
Campus Activities	806,778	(806,778)	-100.0%	
Campus Recreation	615,300	(48,968)	-8.0%	566,332
Center for Leadership & Fraternity and Sorority Lif		277,448		277,448
Center for Students w/Disabilities	400,503	129	0.0%	400,632
Center for Student Involvement		622,325		622,325
Child Care Center	119,211	(2,794)	-2.3%	116,417
Commuter Services	31,358	(31,358)	-100.0%	
Counseling and Psychological Services	1,248,425	58,019	4.6%	1,306,444
Council of Ethnic Organizations (CEO)	110,319	(2,586)	-2.3%	107,733
**Dean of Students	498,195	433,836	87.1%	932,031
Forensics Society	93,747	144,516	154.2%	238,263
Frontier Fiesta Association	104,104	47,704	45.8%	151,808
Homecoming	63,655	(1,492)	-2.3%	62,163
Intercollegiate Athletics	4,362,707	45,000	1.0%	4,407,707
Learning and Assessment	68,231	(142)	-0.2%	68,089
Learning Support Services	477,003	50,717	10.6%	527,720
Metropolitan Volunteer Program	45,993	(1,078)	-2.3%	44,915
Student Government Association	130,573	(2,102)	-1.6%	128,471
Student Program Board	151,362	74,548	49.3%	225,910
Student Publications	185,471	55,595	30.0%	241,066
Student Video Network	70,071	38,006	54.2%	108,077
University Career Services	903,143	4,548	0.5%	907,691
University Center	1,401,139	(5,798)	-0.4%	1,395,341
University Health Center	1,715,942	122,568	7.1%	1,838,510
Urban Experience Program - VPSA	105,196	(774)	-0.7%	104,422
Veterans' Services	100,441	39,410	39.2%	139,851
VPSA Business Office	116,740	57	0.0%	116,797
Wellness Center	207,144	14,092	6.8%	221,236
SFAC Operating	6,144	(144)	-2.3%	6,000
Administrative Charge Increase		200,000		200,000
Budgeted Reserve	730,064	(270,064)	-37.0%	460,000
Total Allocations	\$ 15,256,089	\$ 1,135,829	7.4%	\$ 16,391,918

* Formerly, "Urban Experience Program - Ctr. Mexican-American Studies"

** Combination of DOS Handbook, Success Programs, Ombuds-service, and Student Legal--formerly separate, now one allocation.

University of Houston

Note to Table 2: Operations Expenditures By Organization

	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
Use of Funds by Organization				
President	\$ 2,531,245	\$ 403,682	15.9%	\$ 2,934,927
University Advancement	9,961,653	313,331	3.1%	10,274,984
Student Affairs	40,989,551	(2,258,948)	-5.5%	38,730,603
Research Division	21,145,708	1,145,944	5.4%	22,291,652
Academic Affairs				
Office of the Provost	90,398,895	(14,384,777)	-15.9%	76,014,118
Library	17,171,834	343,506	2.0%	17,515,340
Architecture	4,610,671	202,618	4.4%	4,813,289
Business Administration	40,149,692	835,329	2.1%	40,985,021
Education	12,227,189	(887,751)	-7.3%	11,339,438
Engineering	22,779,868	7,038,865	30.9%	29,818,733
Hotel & Restaurant Management	12,138,287	(1,747,367)	-14.4%	10,390,920
Law	22,686,731	404,660	1.8%	23,091,391
Liberal Arts and Social Sciences	54,250,306	5,637,248	10.4%	59,887,554
Natural Sciences & Mathematics	38,065,752	7,094,061	18.6%	45,159,813
Optometry	14,721,295	1,104,378	7.5%	15,825,673
Pharmacy	9,905,165	1,170,167	11.8%	11,075,332
Social Work	3,663,233	251,558	6.9%	3,914,791
Technology	11,381,475	967,000	8.5%	12,348,475
Honors	2,118,277	316,574	14.9%	2,434,851
Subtotal Academic Affairs	\$ 356,268,670	\$ 8,346,069	2.3%	\$ 364,614,739
Administration and Finance	68,283,061	2,823,358	4.1%	71,106,419
Utilities	17,178,505	490,000	2.9%	17,668,505
Staff Benefits	48,370,802	(1,634,702)	-3.4%	46,736,100
Athletics	27,119,257	824,460	3.0%	27,943,717
Institutional Reserves	14,053,877	(6,306,743)	-44.9%	7,747,134
Legislative Mandates	4,043,920	728,258	18.0%	4,772,178
Debt Service	27,720,637	2,146,520	7.7%	29,867,157
System Service Charge	411,453	(386,782)	-94.0%	24,671
Reserve for State Budget Reduction	8,526,066	(8,526,066)		
Total Uses	\$ 646,604,405	\$ (1,891,619)	-0.3%	\$ 644,712,786

University of Houston

Note to Table 3: Restricted Expenditures By Organization

	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
Use of Funds by Organization				
President	\$ 85,545	\$ (4,685)	-5.5%	\$ 80,860
University Advancement				
Student Affairs	1,143,728	(29,888)	-2.6%	1,113,840
Research Division	18,931,837	26,338	0.1%	18,958,175
Academic Affairs				
Office of the Provost	100,937,605	(4,256,087)	-4.2%	96,681,518
Library	232,202	28,250	12.2%	260,452
Architecture	426,450	(34,798)	-8.2%	391,652
Business Administration	5,359,414	910,647	17.0%	6,270,061
Education	6,650,635	8,439	0.1%	6,659,074
Engineering	16,639,478	870,046	5.2%	17,509,524
Hotel & Restaurant Management	3,000,407	54,376	1.8%	3,054,783
Law	545,353	330	0.1%	545,683
Liberal Arts and Social Sciences	16,743,709	432,687	2.6%	17,176,396
Natural Sciences & Mathematics	22,931,184	1,018,013	4.4%	23,949,197
Optometry	6,546,190	20,350	0.3%	6,566,540
Pharmacy	4,609,977	(24,991)	-0.5%	4,584,986
Social Work	4,107,079	28,736	0.7%	4,135,815
Technology	3,548,507	40,342	1.1%	3,588,849
Honors	867,120	(99,497)	-11.5%	767,623
Subtotal Academic Affairs	\$ 193,145,310	\$ (1,003,157)	-0.5%	\$ 192,142,153
Administration and Finance	85,868	(294)	-0.3%	85,574
Athletics	2,808,287	378,324	13.5%	3,186,611
Total Uses	\$ 216,200,575	\$ (633,362)	-0.3%	\$ 215,567,213

Faculty Academic Instructional Workload (University of Houston)

[Revised as of February 9, 1999.]

In accordance with UHS Board of Regents; policy 21.05, the University of Houston has developed the following faculty academic workload rules and regulations.

The general workload responsibilities of a faculty member at a complex institution such as the University of Houston can neither be defined simply nor summarized easily. Faculty members have fundamental obligations above and beyond organized teaching and research. They perform their normal classroom duties and carry out a multitude of essential functions including, but not limited to, academic advising and counseling, the supervision of undergraduate and graduate students, direction of individual study, special projects, theses and dissertations, and curriculum development. In addition, they accept many institutional and public service obligations.

The variety of faculty responsibilities that must be undertaken for the university to function in an effective and efficient manner makes it impossible to equate faculty workload with the sum total of semester credit hours taught, or with any other single criterion. Indeed, it is inappropriate to adopt any measure of faculty workload that is fundamentally numerical in nature without consideration of qualitative issues. While recognizing these facts, however, the university must develop a minimum teaching load requirement and report its fulfillment to the state. This is necessary to comply with the Texas Education Code, to meet the expectations of the Legislature for direct instructional activities tied to compensation from the faculty salary appropriation line item, and to quantify for all university constituencies the basic commitment the faculty have to the students at the University of Houston.

These institutional rules and regulations distinguish between *minimum teaching load requirements* and *general workload requirements*. While the university requires that every faculty member fulfill a certain minimum teaching load and assume a comparably high level of general workload, it does not insist that each one have the same teaching load. The university administration will provide chairs of individual academic units the flexibility to achieve maximum effectiveness in teaching effort as related to student enrollment and to adjust each individual's instructional assignment within the regulations and standards stated below. Each department chair and college dean must certify that the duties of each faculty member actually constitute an appropriate workload responsibility in accordance with the following rules and regulations, which have been approved by the University of Houston Board of Regents.

The minimum faculty teaching load requirement described in this policy does not apply to graduate teaching assistants. The Provost, as the chief academic

officer of the university, is responsible for assuring that all teaching assistants are carefully supervised.

General Workload Expectations

Given the quality and variety of work necessary to support this university's fundamental obligation to the discovery, transmission, and application of knowledge, the administration understands there always will be a significant differential between a faculty member's minimal requirements and his/her total actual commitment of time and energy. General workload expectations vary greatly by academic department, discipline, and college. Therefore, specific common workload expectation criteria are not delineated for the university. The regulation of general workload requirements is the responsibility of the appropriate department chair and college dean. New faculty should be informed at the time of hire of the discipline specific general workload requirements associated with the department or college. An individual's fulfillment of these requirements should be used when evaluating merit, in promotion and tenure decisions, as well as in the post-tenure review process.

Faculty Workload Assignments and Professional Activities

Only participation in the specific professional activities listed below, which are defined in state regulations as "faculty salary elements of cost," qualifies a faculty member for compensation from the faculty salary appropriation line. In defining those general workload activities that can be supported from the faculty salary appropriation line, each college must adhere to the following categories:

- A. Direct instructional activities, which include interaction with students related to instruction, preparation for such instruction, and evaluation of student performance. The various types of instruction include: lecture, laboratory, practicum, seminar, independent study, private lessons, alternative learning activities, and supervision of theses and dissertations.
- B. Administrative assignments that directly support the institution's teaching function, e.g., department chairs, graduate directors, undergraduate directors, and coordinators of special programs or multi section courses.
- C. Basic and applied research, professional development and service activities that directly support the institution's teaching and research function. Professional development activities are those activities which enable faculty members to enhance their teaching and research knowledge and/or capabilities and thus improve significantly the university's capabilities.

Minimum Teaching Load Requirements

The University of Houston must comply with two different teaching load requirements. The first concerns an average of organized classes within the university. The second concerns an average of instructional hours per faculty member within a department.

Each department shall be required to produce eighteen teaching load equivalency hours per faculty FTE Minimum paid from the appropriation item "faculty salaries" during each academic year (fall and spring semesters). For example, a department with 12.3 state instructional FTE faculty must produce at least 221.4 equivalency hours ($12.3 * 18 = 221.4$) during the fall and spring semesters of each academic year from courses or appropriate activities by the individuals holding these appointments.

To comply with Texas Higher Education Coordinating Board policies, each year the university must account for a minimum of two organized courses per semester per faculty member averaged across the campus and averaged also across the fall/spring semesters. Each academic unit should reach that average internally. If the unit finds it necessary to go below that average, permission must be given at the next higher administrative level. Each semester a report must be filed by each unit with the next higher administrative level.

Faculty paid, in full or in part, from a source of funds other than the faculty salary element of cost will have no minimum teaching load requirement associated with these appointments or portion of appointments. When more than one faculty member participates in the instruction of a single course section, the teaching hours are proportioned according to the effort expended per faculty member. Load adjustments are permitted for the teaching load equivalencies listed below, but such adjustments must have the appropriate approvals at the college and university levels when specified.

Teaching loads will, of course, fluctuate because of illness, sudden emergencies, and unforeseeable needs, which may force a faculty member to accept a higher load temporarily or to request a lighter load during a stated period. All temporary exceptions to the basic teaching load policy should be in writing and should carry the approval of the dean of the appropriate college. Chairs and deans are encouraged to ask outstanding faculty to offer courses central to the unit's teaching mission, if appropriate.

No two colleges at the University of Houston are identical in the mixture and nature of teaching responsibilities expected of individual faculty in order to meet student needs. Each dean should require direct instructional activities in excess of the university minimum teaching load whenever such duties are necessary to meet the college's obligations to students. Each college or disciplinary area must establish a minimum greater than the university minimum if required to meet the instructional obligations of the college to students and to operate effectively within the available level of faculty salary resources. No college may adopt a minimum teaching load requirement below the university's minimum stipulated in this policy. Colleges may, however, have additional stipulations so long as they do not conflict with the general policy. Workload policies for colleges that have included additional requirements must be available in the office of the dean of the college or in the Office of the Provost.

Teaching Load Equivalencies

Instruction of regularly scheduled organized undergraduate courses, except as specified in adjustments B and G below, shall provide teaching load hours at the rate of one hour per each contact hour of instruction per week per long semester. Teaching load equivalencies for other types of instruction and instructional administration are defined in the following adjustments.

- A. One contact hour of organized graduate instruction is equivalent to one and one-half contact hours of organized undergraduate instruction.
- B. Instruction of regularly scheduled laboratory courses, physical-activity courses, and studio art and studio music instruction shall provide teaching load units at the rate of two units of teaching load for each three contact hours of instruction per week per long semester.
- C. Supervision of practice student teachers and clinical and intern supervision shall be credited such that 24 contact hours per week is equivalent to nine units of teaching load. This adjustment must be reported by the department, approved by the college dean, and reported to the administration on the ['Additional Duties'](#) form.
- D. Supervision of student practicum courses and teaching credit for individual instruction courses shall be credited on the basis of one-third unit for each semester credit unit of individual doctoral instruction, one-fifth unit for each semester credit unit of individual master's instruction, and one-tenth unit for each semester credit unit of individual undergraduate instruction.
- E. Supervision of graduate theses and dissertations provides teaching units and shall be credited on the basis of one-third of the dissertation research semester credit hours and one-sixth of the thesis research semester credit hours. Thesis and dissertation teaching hours may be divided among the dissertation supervisor and other committee members who contribute to the supervision of the dissertation.
- F. Supervision of tutorial sessions in the pharmaceutical sciences connected to organized classes but not reflected in specifically identified sections shall be credited such that 30 contact hours per semester are equal to three units of teaching load credit in addition to teaching load credit generated by the organized classes. This adjustment must be reported by the department, approved by the college dean, and reported to the administration on the ['Additional Duties'](#) form.
- G. Teaching credit for large and small organized classes will be awarded in the following fashion.

Class size	Inflater
59 or fewer	*1.0
60 - 69	1.1
70 - 79	1.2
80 - 89	1.3
90 - 99	1.4
100 - 124	1.5
125 - 149	1.6
150 - 174	1.7
175 - 199	1.8
200 - 249	1.9
250 - 299	2.0
300 - 349	2.1
350 - 399	2.2
400 - 449	2.3
450 - 499	2.4
500 - larger	2.5

When undergraduate classes have fewer than ten students and graduate classes have fewer than five students, credit for small classes will be deflated in the following fashion.

<u>Small Class Deflater</u>							
Undergraduate	Class size	10	9	8	7	6	5
	Deflater	1.0	0.9	0.8	0.7	0.6	0.5
Graduate	Class size	5	4				
	Deflater	1.0	0.8				

When a department does not meet its instructional hour requirements under the provisions above, the following teaching load equivalencies for other professional activities allowable under state law may be used to comply.

- A. Equivalency credit may be granted for other professional assignments that the college documents as related directly to the teaching function. The sum of such equivalencies shall not exceed one one-thousandth (0.001) of the total semester credit hours generated by the college in the corresponding semester of the previous year. *Example: Assume that a college taught a total of 11,935 semester credit hours in the corresponding semester of the*

previous year. Using the factor of 0.001 the college would have a credit of 11.93 units that could be assigned to individuals for other activities which are related directly to the college's teaching responsibilities (such as major course revision). This equivalency will be calculated at the college level, and its distribution is the responsibility of the dean. This adjustment must be reported by the department, approved by the college dean, and reported to the administration on the ['Additional Duties'](#) form.

- B.** Coordination of several sections of a single course may provide teaching load credit up to a maximum of three units where one hour is awarded for each six sections so coordinated. This adjustment must be reported by the department, approved by the college dean, and reported to the administration on the ['Additional Duties'](#) form.
- C.** When the budget allows, the department chair and the dean of the college may request that the provost approve, by individual faculty member, up to twelve work load units per faculty member per semester for basic and applied research or professional development activities which directly support the institution's teaching and research function. This adjustment must be reported by the department, approved by the college dean, and reported to the administration on the ['Additional Duties'](#) form.
- D.** Departmental administrative assignments will receive equivalent teaching units per semester based on the size of the department:

< 15 FTE	9 units
12 - 24 FTE	12 units
25 - 39 FTE	15 units
40 FTE>	18 units

No more than six units may be awarded to any one faculty member during a semester. This adjustment must be reported by the department, approved by the college dean, and reported to the administration on the ['Additional Duties'](#) form.

- E.** If a class is canceled due to low enrollments, substitute teaching loads should be assigned to the faculty member by the department chair. However, for extenuating circumstances, the department chair can petition the dean for a waiver of the forfeited teaching load for one semester. This adjustment must be reported by the department, approved by the college dean, and reported to the administration on the ['Additional Duties'](#) form.

Teaching Load Compliance

The chief academic officer shall designate the officer of the institution who will monitor faculty teaching load and submit the reports to the chief academic officer for approval and comment, as appropriate, prior to submitting the reports to the University of Houston Board of Regents following the standard reporting format and deadlines as provided by the Texas Higher Education Coordinating Board in accordance with Section 51.402 of the Texas Education Code and any applicable riders in the current General Appropriations Act.

Every department's compliance with these minimum teaching load requirements shall be assessed each academic year. If a department is found to be out of compliance, the institution shall take appropriate steps to address the noncompliance and to prevent such noncompliance in the future.

See [University of Houston Faculty Academic Instructional Workload Additional Duties Form](#).



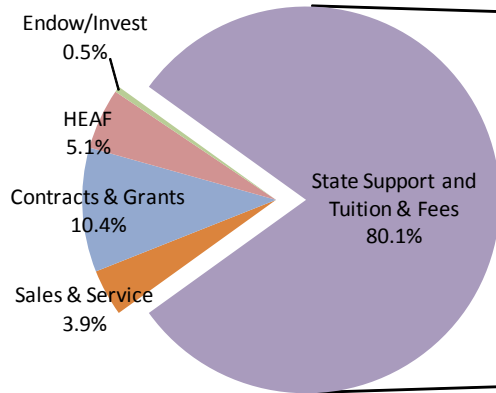
FY2011

Total Budget

	<u>\$ Millions</u>
Operating Budget	\$ 102.0
Capital Facilities	9.0
Total	\$ 111.0

Operating Budget

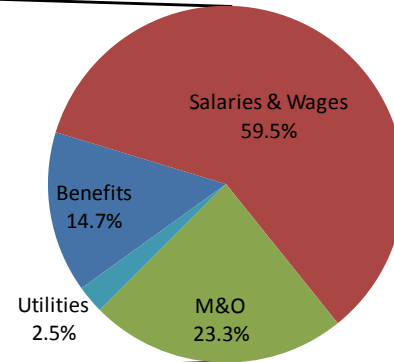
\$ 102.0 Million



\$639/Credit Hour

Instructional & Support Budget

\$ 81.8 Million



\$513/Credit Hour

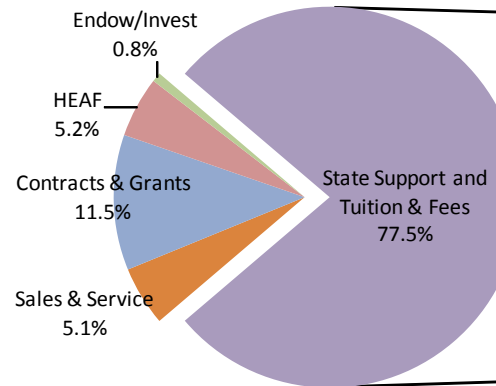
FY2012

Total Budget

	<u>\$ Millions</u>
Operating Budget	\$ 100.9
Capital Facilities	6.0
Total	\$ 106.9

Operating Budget

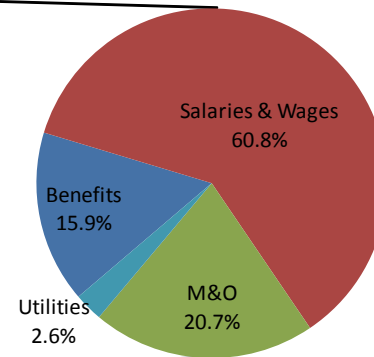
\$ 100.9 Million



\$627/Credit Hour

Instructional & Support Budget

\$ 78.2 Million



\$486/Credit Hour



Instructional and Support Budget (\$ millions)

	A FY2011 Budget	B Reductions Targets	C Increases	D FY2012 Budget	E Percent Change FY11 to FY12
Revenue					
Appropriations	\$ 34.7	\$ (5.8)	\$ -	\$ 28.9	-16.7%
Tuition, Fees, Other Revenue	47.1	-	2.2	49.3	4.7%
Total Revenue	81.8	(5.8)	2.2	78.2	-4.4%
Expenditures					
Instruction & Operations					
Salaries					
Ten/Ten Trk Faculty	21.7	(0.2)	0.5	22.0	1.3%
Other Faculty	6.3	(0.4)	0.5	6.4	1.4%
Subtotal, Faculty	28.0	(0.6)	1.0	28.4	1.3%
Professional Staff	14.3	(0.5)	-	13.8	-3.8%
Support Staff	7.5	(0.1)	-	7.4	-1.7%
Subtotal, Staff	21.8	(0.7)	-	21.2	-3.1%
Subtotal	49.9	(1.3)	1.0	49.6	-0.6%
Student Financial Aid					
TA/GA/RA	0.3	-	-	0.3	0.0%
Financial Aid	4.9	-	0.5	5.4	10.2%
Subtotal	5.1	-	0.5	5.6	9.7%
Operations					
Events	-	-	-	-	
Travel and Business	0.4	(0.1)	-	0.3	-13.6%
M&O Support	11.0	(3.2)	0.4	8.3	-25.1%
Reserve for Endowment Loss	-	-	-	-	
Equipment Purch & Repl	0.0	(0.0)	-	0.0	-13.9%
Subtotal	11.5	(3.2)	0.4	8.6	-24.7%
Support Organizations					
Safety and Police	1.3	(0.0)	-	1.3	-3.2%
University Advancement	1.5	(0.0)	-	1.5	-0.4%
Information Technology	5.5	(0.3)	0.0	5.2	-4.3%
Subtotal	8.3	(0.3)	0.0	8.0	-3.4%
Facilities					
Maintenance	4.7	(0.8)	0.2	4.1	-13.8%
Utilities	2.3	(0.0)	-	2.3	-0.3%
Debt Service	-	-	-	-	
Subtotal	7.0	(0.9)	0.2	6.3	-9.4%
Total Expenditures	\$ 81.8	\$ (5.7)	\$ 2.1	\$ 78.2	-4.4%



Reductions to Instructional & Support Budget (\$ millions)

	<u>FY 2011</u>	<u>Reductions</u>	<u>FY 2012</u>	<u>Reductions</u>
<u>Expenditures</u>	<u>Budget</u>		<u>Preliminary</u>	<u>FTE</u>
Instruction & Operations				
Salaries				
Ten/Ten Trk Faculty	\$ 21.7	\$ (0.2)	\$ 21.5	(2.9)
Other Faculty	6.3	(0.4)	5.9	(15.9)
Subtotal, Faculty	<u>28.0</u>	<u>(0.6)</u>	<u>27.4</u>	<u>(18.8)</u>
Professional Staff	14.3	(0.5)	13.8	(9.6)
Support Staff	7.5	(0.1)	7.4	(4.1)
Subtotal, Staff	<u>21.8</u>	<u>(0.7)</u>	<u>21.2</u>	<u>(13.7)</u>
Subtotal Salaries	<u>49.9</u>	<u>(1.3)</u>	<u>48.6</u>	<u>(32.5)</u>
Student Financial Aid	5.1	-	5.1	-
Operations	11.5	(3.2)	8.3	-
Support Organizations	8.3	(0.3)	8.0	(8.3)
Facilities	<u>7.0</u>	<u>(0.9)</u>	<u>6.1</u>	<u>(4.0)</u>
Total Expenditures	<u>\$ 81.8</u>	<u>\$ (5.7)</u>	<u>\$ 76.1</u>	<u>(44.8)</u>

Summary of Major Decreases

- Have developed a 3 year approach (FY11, FY12, FY13) to address the reductions.
- Top priority was to minimize, to the extent possible, the impact of budget reductions on the delivery of programs and services to our students.
- 19.0 faculty FTE reallocated or shifted to alternate funding sources.
- Reduction in staff positions through elimination of vacancies resulted in 26 less FTE budgeted.
- Reduced operations support to faculty and staff which provided supplies, office support, and professional development.



Increases to Instructional & Support Budget (\$ millions)

	<u>FY 2012 Preliminary</u>	<u>Increases</u>	<u>FY 2012 Budget</u>	<u>Increases FTE</u>
<u>Expenditures</u>				
Instruction & Operations				
Salaries				
Ten/Ten Trk Faculty	\$ 21.5	\$ 0.5	\$ 22.0	6.0
Other Faculty	5.9	0.5	6.4	6.8
Subtotal, Faculty	<u>27.4</u>	<u>1.0</u>	<u>28.4</u>	<u>12.8</u>
Professional Staff	13.8	-	13.8	-
Support Staff	7.4	-	7.4	-
Subtotal, Staff	<u>21.2</u>	<u>-</u>	<u>21.2</u>	<u>-</u>
Subtotal Salaries	<u>48.6</u>	<u>1.0</u>	<u>49.6</u>	<u>12.8</u>
Student Financial Aid	5.1	0.5	5.6	-
Operations	8.3	0.4	8.6	-
Support Organizations	8.0	0.0	8.0	-
Facilities	<u>6.1</u>	<u>0.2</u>	<u>6.3</u>	<u>-</u>
Total Expenditures	<u>\$ 76.1</u>	<u>\$ 2.1</u>	<u>\$ 78.2</u>	<u>12.8</u>

Summary of Major Increases

- Investments in scholarships for community college transfer students to aid recruitment, retention, and graduation.
- Development of additional off-campus enrollment in Pearland and the Texas Medical Center.
- Support for additional faculty positions in high demand programs.
- Development of additional online courses and programs.
- Support for library services including online resources and electronic content acquisition.

UH-Clear Lake Mission Statement

The University of Houston-Clear Lake is a student-centered, community-minded, partnership-oriented university that offers bachelors, masters and selected doctoral programs to enhance the educational, economic and cultural environment of the Houston-Galveston metropolitan region. UH-Clear Lake serves a diverse student body with special emphasis on undergraduate transfer, graduate and international students. The university offers the highest quality instruction and nationally accredited academic programs designed to develop the critical thinking, creative, quantitative, leadership and communication skills of students. The university conducts applied and basic research and engages in community and professional service that support both the economic development and the quality of life of the area. The university is committed to community engagement through partnerships with educational institutions, businesses, government agencies and nonprofit organizations.

UH-Clear Lake Goals

The University of Houston-Clear Lake will:

1. Achieve academic excellence through the offering of high quality programs delivered by an outstanding faculty and staff in an environment supportive of teaching and research.
2. Provide a supportive student-centered campus environment focused on student access and success.
3. Enhance a campus which is attractive, functional, safe and supportive of the university's mission; promote an environment for effective collaboration; and maintain fiscal responsibility.
4. Build mutually beneficial partnerships through outreach activities for the benefit of faculty, staff, students, alumni and the community.

UH-Clear Lake Planning Process

The planning process at UHCL not only includes planning, but budgeting, implementation and assessment as well. The “bottom-up” process starts at the unit or departmental level and proceeds upward to the division and then component levels. At UHCL there are three major components including Academic Affairs, Administration and Finance, and the Office of the President.

Faculty, staff, students, and administrators are involved in the planning and budgeting process via UHCL’s Planning and Budgeting Committee (PBC). UHCL’s president, senior vice president for academic affairs and provost, and the vice president for administration and finance present the university’s priorities for funding in a meeting open to faculty, staff, and students, which is coordinated by the PBC. The PBC provides recommendations to UHCL’s University Council which makes a recommendation to UHCL’s president.

The goals of the university along with the University of Houston System’s strategic priorities provide the impetus and direction for our planning and budgetary expenditures. Our Office of Institutional Research and Office of Planning and Assessment provide various measures that assess our progress. Among those measures are standardized instruments, portfolios, and annual reports from each school. Senior administrators use those data to make decisions that will benefit the campus in its effort to become more effective in meeting our goals and delivering on our mission as an upper-level university.

Overall, for fiscal year 2012, UHCL will continue to address the challenges of both quantity and quality. The quantity dimension centers on providing access to higher education for an increasing number of students to enhance the college participation and graduation rate in the greater Houston metropolitan region. The quality dimension has been and will continue to be to offer high quality academic programs that meet state, regional, and national accreditation standards while serving the educational needs of our students, employers, and the community.

The major priorities to be addressed in fiscal year 2012 are (1) Student Access and Success, (2) Academic and Research Excellence/National Competitiveness, (3) University Infrastructure and Administration, and (4) Community Advancement.

The following section will provide an overview of UHCL’s priorities and initiatives for FY 2012. The major priorities include:

1. Student Access and Success (\$3,087,617)
 - Transfer Scholarships and Student Financial Assistance
 - Faculty
 - Instructional Support
 - Pearland
 - Texas Medical Center
 - General Student Support
2. Academic and Research Excellence/National Competitiveness (\$1,575,283)
 - Teaching and Research Resources

3. University Infrastructure and Administration (\$2,673,098)
 - Campus Facilities
 - University Computing
 - System Service Charge
 - Capital Renewal and Deferred Maintenance
 - Faculty and Staff Benefits

4. Community Advancement
 - University Advancement

UH-Clear Lake State Budget Reduction

Context:

The UHCL general revenue appropriation included in Conference Committee HB1 (5-26-11), plus the higher education rider reductions equates to a 20.2% reduction from the FY11 appropriated amount. Although this state reduction of \$5,803,332 will occur in one year, we have developed a 3 year approach (FY11, FY12 and FY13) to address these reductions.

Budget reduction discussions began during FY10 for UHCL. It was at this time that the Senior Leadership determined that the reductions for UH-Clear Lake must focus on maintaining forward momentum with a continuation of resources to many of the initiatives recently started. We agreed that we must continue to invest in enrollment-related activities by using reserves, which were generated from prior year growth. These funds will allow us to enhance student access and achieve the needed additional growth essential to stabilize our resources. We determined an appropriate balance to meeting projected budget shortfalls through: 1) actual budget reductions, 2) the use of additional dollars generated through increased enrollment and 3) the use of university and unit reserves. This plan reflects those decisions to make departmental budget reductions of \$2.4m, reallocate funds to higher priority initiatives in the amount of \$700k, use new revenue generated from modest growth in the amount of \$757k and access \$1.9m of reserves. It is imperative that we continue to take a hard look at all of our university's activities. For example, we will continue to look on a case-by-case basis at all faculty and staff vacancies to determine if we fill the position, keep it vacant, or eliminate it. We will also continue to analyze current and projected faculty and staff workloads to determine what, if any, additional changes will be necessary.

As you will note, all areas of our university have been impacted to some degree. Our top priority was to minimize, to the extent possible, the impact of budget reductions on the delivery of programs and services to our students.

The FY12 budget reduction of \$2.4m includes \$1.5m from the elimination of 45 faculty and staff positions and \$.9m from reductions in non-salary cost centers.

The details of these reductions are as follows:

Instruction \$746,366

19.0 Faculty FTE eliminated, includes full time tenure track (3.0) and adjuncts (16.0). Students will have fewer choices in course offerings and less flexibility in scheduling due to reduction in sections offered; larger class size is expected.

Staff \$780,364

The elimination of 11.5 staff FTE in academic support units will limit services and resources available to students. Areas and services impacted are student services, academic records, admissions, library and university computing.

The elimination of 14.5 staff FTE in service/support departments such as President's Office, Purchasing, University Computing and Technology, International Initiatives, Police Department, Facilities and Budget will cause a reduction in administrative support to campus departments resulting in a backlog of requests, an increase in processing time, reduction in responsiveness and inability to provide some services.

Operations Support - \$907,271

This category includes a variety of general support items for faculty and staff including reductions in maintenance and operations, special items and centrally held funds utilized for general support during the year. The 27% reduction in special items funding will limit the number of research associate positions available to support faculty research. Professional development leave and presentation of papers by faculty and staff will be impacted by the reductions in M&O funds. There will be less flexibility to allow for funding of mid-year initiatives due to the elimination of centrally held reserves.

Priority 1. Student Access and Success

Context

In fall 2010, UHCL's enrollment was 8,099 which was the highest level in the university's history. As an upper-level and graduate institution, UHCL serves two very different student groups. The undergraduate student body (4,800 in fall 2010) consists primarily of community college transfer students. Over 70% of UHCL undergraduates have attended one or more community colleges prior to enrollment. The graduate student body (3,299 in fall 2010) is represented primarily by individuals who are working full-time and pursuing graduate study on a part-time basis in the evening.

In Fall 2010, Hispanic students were 27.6% of UHCL's undergraduate enrollment which qualified UHCL as a Hispanic Serving Institution. Hispanic students now comprise 21.8% of UHCL's total enrollment. UHCL has been ranked in the top 100 institutions for degrees awarded to Hispanic students (96th for bachelor's degrees and 51st for master's degrees).

For Fall 2010, international students were 9.7% (786 students) of UHCL's total enrollment. During fiscal year 2011, UHCL partnered with ELS Educational Services, Inc., to establish a language center at UHCL for the purpose of teaching English as a second language to international students. It should be noted that UHCL recently ranked 40th of all master's universities in the United States for the number of international students enrolled.

For fiscal year 2010, UH-Clear Lake graduated 2,167 students with 1,124 at the bachelor's level, 1,040 at the master's level and three doctoral degrees. As of August 2010, UHCL had over 50,000 alumni.

In addition to our undergraduate and graduate student markets, UHCL must be increasingly responsive to the employers in our community. The Clear Lake area is marked by a heavy concentration of aerospace firms due to the location of NASA's Johnson Space Center. In addition, the Bayport Industrial Complex includes a large number of companies in the petrochemical business. Other major employers of UHCL graduates include public school districts, healthcare institutions, and a variety of business and professional service firms (e.g., public accounting, banking, psychological counseling, environmental services, and communications.)

To address student needs, UH-Clear Lake is committed to the recruitment, retention, and professional development of faculty as well as the proper balance between full-time and part-time faculty. UHCL's short-term goal is to have 65% full-time and 35% part-time faculty coverage of semester credit hours taught in each of our four schools (Business, Education, Human Sciences and Humanities, and Science and Computer Engineering). Our ultimate goal is to have all four schools with a 70% full-time and 30% part-time faculty coverage. UHCL also strives to provide faculty compensation levels that are competitive with our peer institutions across the United States.

In addition, UHCL is expanding program and course offerings off-campus and online. UH-Clear Lake continues to offer bachelor's and master's degrees at various off-campus locations including the UH System centers at Sugar Land and Cinco Ranch, community colleges, school districts, and the Texas Medical Center among others. UHCL currently offers six master's, five bachelor's degrees and eight professional development certificates online. For fiscal year 2012, UHCL will develop an additional online master's degree in environmental science. In fall 2010, UHCL generated 51,673 (75.3%) semester credit hours (SCH) on campus and 16,963 (24.7%) SCH off-campus and online.

A major initiative for UHCL during fiscal year 2011 was the start-up of the UHCL Pearland Campus. Fall 2010 enrollment was 530 and Spring 2011 enrollment was 673. UHCL occupies approximately two-thirds of a 30,000 square foot facility built by the City of Pearland with the remainder of the facility housing the Pearland Economic Development Corporation. UHCL offers six bachelor's and five master's degrees from our schools of business, education, and human sciences and humanities at this site. The City of Pearland-UHCL partnership will contribute to UHCL's top priority of student access and success.

FY 2012 Budget Initiatives

- *Transfer Scholarships and Student Financial Assistance (\$499,751 New Resources)*
Since approximately 70% of UHCL undergraduate students have attended a community college prior to enrollment at UHCL, students find it challenging to pay tuition at a university after paying a significantly lower rate of tuition at a community college. For fiscal year 2012, UHCL will allocate additional funds for automatic transfer scholarships for new first-time undergraduate students at UHCL. It should be noted that from Fall 2009 to Fall 2010, UHCL's undergraduate enrollment increased 7.9%. In addition, because of the set-aside required when designated tuition rates are increased, the amount of financial aid from this source will also be increased for fiscal year 2012.
- *Faculty (\$56,000 New Resources)*
Promotion stipends are provided for those faculty promoted to associate professor and professor.
- *Instructional Support (\$118,985 New Resources; \$1,015,000 HEAF)*
UHCL's Higher Education and Assistance Funds (HEAF) will be used in fiscal year 2012 to upgrade the learning environment for our students including classroom and instructional technology, student lab and lab equipment upgrades, as well as a new Mac lab. HEAF will also be allocated to put classroom instructional technology and computer lab workstations at the UHCL Pearland campus on a periodic upgrade cycle.
- *Pearland (\$355,946 New Resources; \$600,000 HEAF)*
During fiscal year 2012, UHCL will invest new resources for the second year of operation of the UHCL Pearland Campus. Resource commitments will be made for a 26% increase in course sections offered. In particular, new resources will fund 5 new full-time faculty positions to expand course offerings and enhance student access and success in Accounting, Counseling, Criminology, Psychology and Science Education for Early Childhood through 6th grade teacher certification.
- *Texas Medical Center (\$192,000 New Resources)*
UHCL will continue to lease space in the Texas Medical Center for its undergraduate and graduate programs in healthcare administration. Current enrollment is approximately 350 students. From Fall 2006 to Fall 2010, enrollment in the bachelor's program in healthcare administration increased by 45% while the master's in healthcare administration (MHA) and the MHA/MBA joint degree grew by 41% and 27%, respectively.
- *General Student Support (\$249,935 New Resources)*
Additional revenue in other student fees, due to enrollment growth, will be used in Fiscal Year 2012 to help maintain the current level of general student support.

Priority 1. Investment of Resources in FY 2012 Budget Initiatives

	New Resources	HEAF	Total
Student Financial Assistance & Transfer Scholarships	\$499,751		\$499,751
Faculty	56,000		56,000
Instructional Support	118,985	1,015,000	1,133,985
Pearland	355,946	600,000	955,946
Texas Medical Center	192,000		192,000
General Student Support	249,935		249,935
Total	<u>\$1,472,617</u>	<u>\$1,615,000</u>	<u>\$3,087,617</u>

Priority 2. Academic and Research Excellence/National Competitiveness

Context

UHCL is focused on creating and maintaining an array of excellent educational programs which meet state, regional, and national accreditation standards. UHCL has numerous accredited programs and strives to achieve and maintain accreditation as a result of offering high quality programs. In Texas, UHCL is one of 12 institutions accredited by AACSB International (The Association to Advance Collegiate Schools of Business) in accounting and business administration, one of seven accredited by Commission on Accreditation of Healthcare Management Education in healthcare administration, one of 13 accredited by the National Council for Accreditation of Teacher Education, one of 15 accredited by the Accreditation Board for Engineering and Technology in computer science, one of 30 accredited by the Council on Social Work Education in undergraduate social work, and one of four accredited by the Commission of Accreditation for Marriage and Family Therapy Education in family therapy.

During fiscal year 2012, UHCL will have its ten year review for reaffirmation of its regional accreditation by the Commission on Colleges of the Southern Association of Colleges and Schools. UHCL has completed the compliance certification documentation and developed a Quality Enhancement Plan in preparation for a site visit by the Commission on Colleges in April 2012.

FY 2012 Budget Initiatives

- *Teaching and Research Resources (\$1,575,283 HEAF)*

In a continuing commitment to enhance the resources available for teaching and research, UHCL, in fiscal year 2012, will fund \$250,000 for faculty computing upgrades. In addition, the university's library will be allocated \$1,325,283 in Higher Education Assistance Funds. With respect to the library, HEAF funds are used to purchase and maintain eBooks, eBook readers, ejournals and films as well as print books and print journals. Neumann Library currently provides online access on demand to over 100,000 eBooks, 26,000 ejournals and 6,000 films, with efficient access to full-text electronic journal articles.

Priority 2. Investment of Resources in FY 2012 Budget Initiatives

	New Resources	HEAF	Total
Teaching and Research Resources		\$1,575,283	\$1,575,283
Total		\$1,575,283	\$1,575,283

Priority 3. University Infrastructure and Administration

Context

One of UH-Clear Lake's overall objectives is to provide a physical and operationally efficient environment to adequately support the successful achievement of the university's mission. The purpose of this objective is to provide an environment that is conducive to learning, teaching, research, service to students, staff development, and community outreach. Investments for fiscal year 2012 will center on campus facilities, university computing and deferred maintenance.

During fiscal year 2011, UHCL completed the remediation of the Student Services and Classroom Building and began the expansion and renovation of the Arbor Building.

FY 2012 Budget Initiatives

- *Campus Facilities (\$180,413 HEAF)*
UHCL will address the 2010 ADA Standard requiring compliance by state and local government entities by March 15, 2012. This project not only helps UHCL comply with the standard, but also gives us a significant marketing advantage to be able to advertise our campus and buildings as 100% ADA compliant – an enviable achievement that few campuses, even nationally, can claim.
- *University Computing (\$678,471 HEAF)*
Computer resources will be enhanced with staff computing upgrades, new network and server projects, and enhancements to instructional technology. Our strategy is to use HEAF funds only for technology infrastructure that is replenished on a regular cycle. Lab and classroom computers as well as faculty and staff desktop computers are replaced on a three-year cycle. Servers, network and projection equipment are on a five-to-eight-year cycle. Funding will also be provided for the course management system to support new online program initiatives.
- *System Service Charge (\$171,673 New Resources)*
New resources are committed to increase the level of funding for the System Service Charge.
- *Capital Renewal and Deferred Maintenance (\$1,165,000 HEAF)*
UHCL will address deferred maintenance and capital renewal projects from our 5-year plan that will positively impact energy efficiency of operations, improve the appearance and first impression of the university and/or improve the comfort level for our customers inside the building. Examples of the work to be performed in the Bayou Building include continuing our planned ceiling tile and lighting upgrades, replacing three air handler units, perform air balancing, upgrade selected pumps to digital controls, and replace degraded drain lines in the basement.
- *Faculty and Staff Benefits (\$477,541 New Resources)*
The new funding is needed to provide benefits for faculty and staff positions paid from local funds in fiscal year 2012.

Priority 3. Investment of Resources in FY 2012 Budget Initiatives

	New Resources	HEAF	Total
Campus Facilities		\$180,413	\$180,413
University Computing		678,471	678,471
System Service Charge	171,673		171,673
Capital Renewal/Deferred Maintenance		1,165,000	1,165,000
Faculty and Staff Benefits	477,541		477,541
Total	\$649,214	\$2,023,884	\$2,673,098

Priority 4. Community Advancement

Context

UHCL was named to the President's Higher Education Community Service Honor Roll by the Corporation for National and Community Service in 2010 for the second consecutive year. The University of Houston-Clear Lake strives to be a partnership-oriented and community-minded university by taking the university into the community and by bringing the community into the university. A key aspect of this philosophy is building working relationships into partnerships that are mutually-beneficial and sustainable. UHCL has created centers and institutes to organize university resources to meet community needs. Key examples of this concept include the Environmental Institute of Houston, the Center for Advanced Management Programs, the Art School for Children and Young Adults, the Center for Educational Programs, the Psychological Services Clinic, and the Center for Autism and Developmental Disabilities among others.

For fiscal year 2012, UHCL will seek to expand its alumni and donor base, enhance relationships with economic development organizations, increase its outreach in health services, support the arts, and enrich relationships with community colleges and area school districts. Major new endeavors for next year include:

- Expansion of the Center for Autism and Developmental Disabilities. The center will be working in partnership with the Mental Health and Mental Retardation Authority of Harris County, and area school districts to serve children with developmental disabilities.
- Opening of new space in the Arbor Building for academic and outreach initiatives for the arts, including the Art School for Children and Young Adults.
- Implementation of reverse transfer articulation agreements between UHCL and area community colleges, including San Jacinto College, Alvin Community College, College of the Mainland, Lee College, and Galveston College among others.
- Enhance our partnerships with organizations in Pearland including the Pearland Chamber of Commerce, Pearland Art League, and the Pearland Economic Development Corporation.

University of Houston-Clear Lake
Appendix A - Allocation of New FY 2012 Resources

<u>Revenue Changes</u>		A
Appropriations Bill		
1	General Revenue	\$ (5,435,167)
2	State Matching Benefits	-
3	Less Estimated Rider Reductions	<u>(368,165)</u>
4	Subtotal General Revenue	<u>(5,803,332)</u>
Tuition and Fees from Growth		
5	Statutory Tuition	(212,750)
6	General Designated Tuition	267,877
7	Differential Designated Tuition	100,259
8	Academic Fees	-
9	Consolidated Univ Services Fee	123,564
10	Student Service Fee	<u>(7,741)</u>
11	Subtotal Growth	<u>271,209</u>
Tuition and Fees from Rate Changes		
12	Statutory Tuition	50,148
13	General Designated Tuition	1,933,113
14	Differential Designated Tuition	-
15	Academic Fees	70,090
16	Consolidated Univ Services Fee	-
17	Student Service Fee	<u>-</u>
18	Subtotal Rate Change	<u>2,053,351</u>
Other		
19	Investment Income, Other Misc	(110,331)
20	Total Net Revenue	<u>\$ (3,589,103)</u>

<u>Reductions for State Revenue Decline</u>		B
1	Departmental Cuts	\$ (1,280,855)
2	Special Items Cuts	(128,940)
3	Research Development Fund Cuts	(20,779)
4	Reallocations and Fund Balance	(3,280,360)
5	FY2011 Departmental Cuts	<u>(1,000,000)</u>
6	Subtotal - Reductions	<u>\$ (5,710,934)</u>

<u>Priority/Initiative Allocations</u>		C
Priority 1. Student Access and Success		
7	Transfer Scholarships and Student Financial Assistance	\$ 499,751
8	Faculty Promotions	56,000
9	School-Based Instructional Support	118,985
10	Pearland	355,946
11	Medical Center Lease	192,000
12	General Student Support	249,935
13	Subtotal - Student Access and Success	<u>1,472,617</u>
Priority 2. National Competitiveness		
14	Subtotal - National Competitiveness	<u>-</u>
Priority 3. University Infrastructure & Administration		
15	System Service Charge	171,673
16	Faculty and Staff Benefits	477,541
17	Subtotal - University Infrastructure & Administration	<u>649,214</u>
18	Total Priority/Initiative Allocations	<u>\$ 2,121,831</u>

20 **Total Net Reductions and New Allocations** **\$ (3,589,103)**

University of Houston-Clear Lake
Appendix B - Allocation of FY 2012 HEAF

<u>FY12 Allocation</u>		<u>Priority/Initiative</u>	<u>Allocation</u>
HEAF	<u>\$ 5,214,167</u>	Priority 1. Student Access and Success	
		Instructional Support	\$ 1,015,000
		Pearland	600,000
		Subtotal	<u>\$ 1,615,000</u>
		Priority 2. Academic and Research Excellence/National Competitiveness	
		Teaching and Research Resources	\$ 1,575,283
		Priority 3. University Infrastructure and Administration	
		Campus Facilities	\$ 180,413
		University Computing	678,471
		Capital Renewal and Deferred Maintenance	1,165,000
		Subtotal	<u>\$ 2,023,884</u>
		Total Investments	<u><u>\$ 5,214,167</u></u>

University of Houston-Clear Lake
Appendix C - Projected Availability of Scholarships and Grants

	<u>FY2011</u>	<u>FY2012</u>
Funds from Endowed Scholarships	\$ 331,678	\$ 375,000
Texas Grant Program Scholarships	928,860	863,000
Texas Public Education Grant (TPEG)	1,141,315	1,157,475
Early High School Graduation Program Scholarships	10,000	-
Property Deposit Scholarships	40,000	15,285
Designated Tuition Financial Aid Set-Asides		
Undergraduate Scholarships	1,033,749	1,163,647
Graduate Scholarships	911,125	1,026,678
Academic Recognition Scholarships		
B-on-Time Program	344,583	387,883
New Student Scholarships	286,000	407,000
Scholarships - Transfer	1,136,200	1,316,200
Alumni Annual Fund Scholarships	20,957	9,000
Cullen Leaders Scholarships	15,000	24,000
Federal College Work Study	150,000	150,000
Federal Pell Grants	6,000,000	6,700,000
Federal Supplemental Education Opportunity Grants (SEOG)	194,061	192,907
Total	<u>\$ 12,543,528</u>	<u>\$ 13,788,075</u>

University of Houston-Clear Lake

Table 1 - Sources & Uses

(\$ in Millions)

	A	B		C	D	E		F	G
	<u>Historical</u>	-----Change-----			<u>Current</u>	-----Change-----			<u>New</u>
	FY2010 Budget	Dollars	Percent		FY2011 Budget	Dollars	Percent		FY2012 Budget
<u>Operating & Restricted Budget</u>									
Source of Funds									
1 State Appropriations	\$ 34.5	\$ 0.2	0.5%		\$ 34.7	\$ (5.8)	-16.7%		\$ 28.9
2 HEAF	5.4	(0.1)	-2.6%		5.2	-	0.0%		5.2
3 Tuition & Fees	41.7	5.2	12.5%		46.9	2.4	5.0%		49.3
4 Other Operating (Auxiliaries)	4.4	(0.4)	-9.8%		4.0	1.2	29.5%		5.1
5 Contracts & Grants (Restricted)	8.3	2.4	28.4%		10.6	0.9	8.7%		11.6
6 Endowments/Gifts (Restricted)	(0.5)	0.9	-206.4%		0.5	0.3	63.3%		0.8
7 Total Sources	\$ 93.9	\$ 8.1	8.6%		\$ 102.0	\$ (1.1)	-1.0%		\$ 100.9
Use of Funds by Object									
8 Salaries and Wages - Faculty	\$ 22.2	\$ 1.3	6.1%		\$ 23.6	\$ 0.1	0.4%		\$ 23.7
9 Salaries and Wages - Staff	25.6	2.0	7.9%		27.6	(1.1)	-4.1%		26.4
10 Benefits	11.9	0.6	5.2%		12.5	0.5	3.8%		12.9
11 M&O	18.8	0.5	2.5%		19.2	(1.7)	-9.1%		17.5
12 Capital	3.5	0.2	6.7%		3.7	(0.4)	-10.5%		3.3
13 Scholarships	8.8	3.7	42.3%		12.5	1.6	13.1%		14.1
14 Debt Service	0.4	0.0	0.3%		0.4	0.0	0.2%		0.4
15 Utilities	2.9	(0.3)	-9.3%		2.6	(0.0)	-0.6%		2.6
16 Reserve for State Budget Reduction	-	-			-	-			-
17 Total Uses	\$ 93.9	\$ 8.1	8.6%		\$ 102.0	\$ (1.1)	-1.0%		\$ 100.9
<u>Capital Facilities Budget</u>									
Source of Funds									
19 Bonds	\$ 6.0	\$ 0.6	10.0%		\$ 6.6	\$ (5.1)	-77.0%		\$ 1.5
21 Other	2.5	(0.1)	-3.0%		2.4	2.1	86.9%		4.5
22 Total Sources	\$ 8.5	\$ 0.5	6.2%		\$ 9.0	\$ (3.0)	-33.4%		\$ 6.0
Use of Funds by Object									
23 Construction	\$ 6.9	\$ (1.1)	-15.7%		\$ 5.8	\$ (2.9)	-49.9%		\$ 2.9
24 Major Rehabilitation	1.5	1.6	104.1%		3.2	(0.1)	-2.8%		3.1
26 Total Uses	\$ 8.5	\$ 0.5	6.2%		\$ 9.0	\$ (3.0)	-33.4%		\$ 6.0
<u>Total Operating, Restricted and Capital Budget</u>									
27	\$ 102.4	\$ 8.6	8.4%		\$ 111.0	\$ (4.1)	-3.7%		\$ 106.9

University of Houston-Clear Lake

Table 2 - Operations

Source of Funds	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
General Funds				
State General Revenue Appropriations				
Formula Funding	\$ 28,275,515	\$ (5,306,227)	-18.8%	\$ 22,969,288
Special Items	473,172	(128,940)	-27.3%	344,232
Less: Rider Reduction Estimates		(368,165)		(368,165)
State Benefits Appropriation	5,983,073			5,983,073
Subtotal State General Revenue Appropriations	34,731,760	(5,803,332)	-16.7%	28,928,428
Tuition and Fees				
Statutory & Graduate Premium	13,704,131	(162,602)	-1.2%	13,541,529
Lab/other Student Fees	800			800
Subtotal Tuition and Fees	13,704,931	(162,602)	-1.2%	13,542,329
HEAF	5,214,167			5,214,167
Aux Admin Chg/Other	(132,663)	155,663	-117.3%	23,000
Income on State Treasury Deposits	15,994	29,006	181.4%	45,000
Fund Balance	454,169	422,729	93.1%	876,898
Subtotal General Funds	53,988,358	(5,358,536)	-9.9%	48,629,822
Designated				
Tuition and Fees				
Designated Tuition - General	20,544,342	2,200,990	10.7%	22,745,332
Designated Tuition - Differential	1,835,165	100,259	5.5%	1,935,424
Library Fee	850,849	4,475	0.5%	855,324
Technology Fee	2,400,189	20,134	0.8%	2,420,323
Major/Department/Class Fees	3,392,232	169,045	5.0%	3,561,277
Subtotal Tuition and Fees	29,022,777	2,494,903	8.6%	31,517,680
Indirect Cost	272,833	(52,945)	-19.4%	219,888
Investment Income on Non-Endowed Funds	850,000	(295,000)	-34.7%	555,000
Endowment Income	120,108	18,311	15.2%	138,419
Contracts / Grants / Gifts	121,280	(975)	-0.8%	120,305
Self Supporting Organizations/Others	1,012,795	222,026	21.9%	1,234,821
Fund Balance	948,873	694,527	73.2%	1,643,400
Subtotal Designated Funds	32,348,666	3,080,847	9.5%	35,429,513
Auxiliary Enterprises				
Student Fees				
Student Service Fee	3,592,042	(7,741)	-0.2%	3,584,301
Other Student Fees	613,588	25,761	4.2%	639,349
Subtotal Student Fees	4,205,630	18,020	0.4%	4,223,650
Sales & Service - Parking	807,297			807,297
Sales & Service - Athletics/Hotel/UC/Other	758,783	(40,066)	-5.3%	718,717
Fund Balance	250,000	(246,741)	-98.7%	3,259
Subtotal Auxiliary Funds	6,021,710	(268,787)	-4.5%	5,752,923
Total Current Operating Funds	92,358,734	(2,546,476)	-2.8%	89,812,258
Interfund Transfer	(1,506,475)	264,914	-17.6%	(1,241,561)
Total Sources	\$ 90,852,259	\$ (2,281,562)	-2.5%	\$ 88,570,697
Use of Funds by Object				
Salaries and Wages	\$ 49,831,247	\$ (751,248)	-1.5%	\$ 49,079,999
Benefits	12,290,868	526,817	4.3%	12,817,685
M&O	17,193,529	(2,233,044)	-13.0%	14,960,485
Capital	3,689,065	(432,270)	-11.7%	3,256,795
Scholarships	4,881,605	623,672	12.8%	5,505,277
Debt Service	366,350	800	0.2%	367,150
Utilities	2,599,595	(16,289)	-0.6%	2,583,306
Total Uses	\$ 90,852,259	\$ (2,281,562)	-2.5%	\$ 88,570,697

University of Houston-Clear Lake
Table 3 - Restricted

Source of Funds	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
Restricted				
Contracts and Grants				
Research	\$ 3,203,234	\$ (59,930)	-1.9%	\$ 3,143,304
Financial Aid	7,445,000	985,000	13.2%	8,430,000
Gifts	142,710	192,100	134.6%	334,810
Endowment Income	66,043	63,226	95.7%	129,269
Other Restricted	263,390	52,785	20.0%	316,175
Total Current Operating Funds	11,120,377	1,233,181	11.1%	12,353,558
Interfund Transfer	12,311	(1,360)	-11.0%	10,951
Total Sources	\$11,132,688	\$ 1,231,821	11.1%	\$ 12,364,509
Use of Funds by Object				
Salaries and Wages	\$ 1,286,300	\$ (263,112)	-20.5%	\$ 1,023,188
Benefits	181,495	(57,067)	-31.4%	124,428
M&O	2,034,498	491,129	24.1%	2,525,627
Capital	7,500	45,525	607.0%	53,025
Scholarships	7,622,895	1,015,346	13.3%	8,638,241
Total Uses	\$11,132,688	\$ 1,231,821	11.1%	\$ 12,364,509

University of Houston-Clear Lake

Table 4 - Capital Projects

	Project to Date (1)	FY2012 Budget	Future Year Budgets	Total Project Budget	-----Funded From-----			
					HEAF	Revenue Bonds	Gifts	Other
New Construction								
Arbor Building - Renovation and Expansion	\$ 9,084,156	\$ 1,820,652		\$ 10,904,808	\$ 300,000	\$ 10,604,808	\$ -	\$ -
Bayou Loop Road		1,100,000		1,100,000		-	-	1,100,000
Subtotal New Construction	\$ 9,084,156	\$ 2,920,652	\$ -	\$ 12,004,808	\$ 300,000	\$ 10,604,808	\$ -	\$ 1,100,000
Major Repair and Rehabilitation								
Projects Budgeted Annually								
Capital Renewal Deferred Maintenance	\$ 1,140,306	\$ 1,410,000		\$ 2,550,306	\$ 2,550,306	\$ -	\$ -	\$ -
Student Services Classrm Bldg Remediation-Phase 1	3,159,870	444,221		3,604,091	1,224,504	1,779,587	-	600,000
Upgrade Animal Care Facility	824,163	126,837		951,000	549,000	-	-	402,000
BABTEC Labs	162,360	827,641		990,001	-	-	-	990,000
Parking Lot/Roadway Maintenance	218,416	251,962		470,378	-	-	-	470,378
Subtotal Major Repairs & Rehabilitation	\$ 5,505,115	\$ 3,060,661	\$ -	\$ 8,565,776	\$ 4,323,810	\$ 1,779,587	\$ -	\$ 2,462,378
Total	\$ 14,589,271	\$ 5,981,313	\$ -	\$ 20,570,584	\$ 4,623,810	\$ 12,384,395	\$ -	\$ 3,562,378

(1) Project expenditures to date, estimated through August 31, 2011

4.25

University of Houston-Clear Lake

Table 5 - Number of Full-Time Equivalent Positions

Employee Classification	FY2011 Budget	-----Change-----		FY2012 Budget
		FTE	Percent	
Faculty	202	3	1.5%	205
Part-time Faculty	109			109
Professional Staff	291	(12)	-4.1%	279
Classified Staff	286	(9)	-3.1%	277
Temporary Staff	120	(14)	-11.7%	106
Total	1,008	(32)	-3.2%	976

University of Houston-Clear Lake
Table 6 - Student Credit Hours, Headcount, and FTE

	FY2008	FY2009	FY2010	FY2011	FY2012	FY12 vs FY11
	Actuals	Actuals	Actuals	Budget	Budget	Change
Semester Credit Hours						
Upper Division	91,809	91,490	99,464	104,827	104,975	148
Masters	57,041	54,955	55,281	54,656	56,029	1,373
Total	148,850	146,445	154,745	159,483	161,004	1,521
Semester Credit Hours-On/Off Campus						
On Campus	115,428	111,186	114,006	122,461	117,533	(4,928)
Off Campus	33,422	35,259	40,739	37,022	43,471	6,449
Total	148,850	146,445	154,745	159,483	161,004	1,521
Fall Headcount	7,522	7,658	7,643	7,821	8,099	278
Fall FTE	4,575	4,647	4,686	4,744	4,966	222

Note: The FY2012 Budget reflects Fall 2010 Actuals, Spring 2011 Actuals and Summer 2011 estimate.

University of Houston-Clear Lake
Table 7 - Allocation of Student Service Fees

Sources	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
Current Year Revenue	\$ 3,557,723	\$ 26,578	0.7%	\$ 3,584,301
Budgeted Fund Balance				
Total Sources	\$ 3,557,723	\$ 26,578	0.7%	\$ 3,584,301
Allocations				
AVP, Student Affairs	\$ 135,989	\$ 79,041	58.1%	\$ 215,030
Career and Counseling	783,396	(27,826)	-3.6%	755,570
Financial Aid	511,740			511,740
Health Service	290,153	(44,033)	-15.2%	246,120
Intercultural/International Student Services	240,253	38,050	15.8%	278,303
Student Life	327,867	(31,054)	-9.5%	296,813
Student Transportation	43,794			43,794
Orientation and Welcome Week	10,000			10,000
Annual Leadership Conference	16,500			16,500
Dean of Students	422,564			422,564
Student Cultural Arts	20,000			20,000
Student Government Association	22,500			22,500
Fitness and Wellness	77,256			77,256
Student Life Programs	14,120			14,120
Student Publications	93,380			93,380
Women's Services	69,099	862	1.2%	69,961
Utilities	90,000			90,000
Custodial	28,856			28,856
Administrative Charge	104,160			104,160
System Service Charge	23,000			23,000
SGA Executive Council	2,500			2,500
SSF Unallocated	31,435	11,538	36.7%	42,973
International Student Program	7,000			7,000
Educational Program and Outreach	20,000			20,000
PC - Dean of Students	96,048			96,048
PC - Career and Counseling	35,300			35,300
PC - Student Services Unallocated	40,813			40,813
Total Allocations	\$ 3,557,723	\$ 26,578	0.7%	\$ 3,584,301

University of Houston-Clear Lake

Note to Table 2: Operations Expenditures By Organization

	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
Use of Funds by Organization				
President				
President's Office	\$ 837,198	\$ (45,123)	-5.4%	\$ 792,075
University Advancement	1,377,208	(45,628)	-3.3%	1,331,580
Subtotal President	2,214,406	(90,751)	-4.1%	2,123,655
Academic Affairs				
Information Resources	449,276	80,655	18.0%	529,931
University Computing	6,002,752	(235,084)	-3.9%	5,767,668
Library	3,373,738	(77,459)	-2.3%	3,296,279
Sr. VP and Provost	3,301,237	(140,290)	-4.2%	3,160,947
Student Services	4,125,297	(100,781)	-2.4%	4,024,516
Enrollment Management	9,584,029	447,890	4.7%	10,031,919
Academic Affairs	727,581	(47,852)	-6.6%	679,729
Business	10,181,091	52,008	0.5%	10,233,099
Education	6,962,039	(99,756)	-1.4%	6,862,283
Human Sciences and Humanities	8,130,936	(7,506)	-0.1%	8,123,430
Science and Computer Engineering	6,670,994	(15,054)	-0.2%	6,655,940
Subtotal Academic Affairs	59,508,970	(143,229)	-0.2%	59,365,741
Administration and Finance				
VP Administration & Finance	6,844,699	(419,544)	-6.1%	6,425,155
Facilities Management & Construction	5,095,861	(1,183,915)	-23.2%	3,911,946
Utilities	2,599,595	(16,289)	-0.6%	2,583,306
Subtotal Administration & Finance	14,540,155	(1,619,748)	-11.1%	12,920,407
Other				
Unallocated: Other	709,632	(261,294)	-36.8%	448,338
Debt Service	366,350	800	0.2%	367,150
System Service Charge	1,990,842	171,673	8.6%	2,162,515
Other Transfers	126,813	1,795	1.4%	128,608
Staff Benefits	10,350,091	409,192	4.0%	10,759,283
Fund Balance Contingency	750,000	(750,000)	-100.0%	
Insurance Premiums	295,000			295,000
Subtotal Other	14,588,728	(427,834)	-2.9%	14,160,894
Total Uses	\$ 90,852,259	\$ (2,281,562)	-2.5%	\$ 88,570,697

University of Houston-Clear Lake

Note to Table 3: Restricted Expenditures By Organization

	FY2011 Budget	-----Change-----		FY2012 Budget
		Dollars	Percent	
Use of Funds by Organization				
President				
President's Office	\$ 1,645	\$ 2,749	167.1%	\$ 4,394
University Advancement	13,500	(11,500)	-85.2%	2,000
Subtotal President	15,145	(8,751)	-57.8%	6,394
Academic Affairs				
Information Resources	350,802	208,050	59.3%	558,852
Library	126,901	(122,552)	-96.6%	4,349
Sr. VP and Provost	250,000	400,000	160.0%	650,000
Enrollment Management	7,877,295	759,586	9.6%	8,636,881
Business	54,715			54,715
Education	1,539,068	(511,929)	-33.3%	1,027,139
Human Sciences & Humanities	535,077	432,937	80.9%	968,014
Science and Computer Engineering	378,685	74,480	19.7%	453,165
Subtotal Academic Affairs	11,112,543	1,240,572	11.2%	12,353,115
Administration and Finance	5,000			5,000
Total Uses	\$ 11,132,688	\$ 1,231,821	11.1%	\$ 12,364,509

6.1 WORKLOAD POLICY FOR FACULTY (University of Houston Clear Lake)

Approved by University Council May 8, 1997

1.0 Purpose and Scope

The purpose of this policy is to provide guidelines for the assignment of workload for full time non-tenure and tenure track faculty. A separate policy applies to part time faculty and is given in the faculty handbook.

2.0 Policy Statement

The faculty and administration of the University of Houston-Clear Lake adhere to the following guidelines to ensure the delivery of the highest quality instructional program possible to students and to promote scholarship and professional service.

3.0 Responsibility for Administration of Policy

The deans of the schools, in collaboration with their respective associate deans, are responsible for implementing procedures to ensure adherence to the university workload policy for faculty. The deans are responsible to the senior vice president and provost who has overall responsibility for UHCL's workload policy, including academic assignments. The office of the Senior Vice President and Provost is responsible for preparing the faculty workload reports, based on the information provided by the schools.

Within their areas of responsibility, the deans certify that faculty have been assigned professional duties that are appropriate to the individual faculty member and which ensure effective management of the academic component.

3.1 Faculty: Non-Tenure Track

Normal Workload. The normal teaching load for a full-time, non-tenure track faculty member is twelve (12) semester credit hours, but deans may make exceptions for good and sufficient reasons. Visiting faculty members should have the same classroom teaching load as tenure track faculty. Other responsibilities for non-tenure track faculty will be assigned by the dean as appropriate.

3.2 Faculty: Tenure Track

Normal Workload. The normal teaching load for a full-time tenure-track faculty member is nine (9) semester credit hours per long semester. In addition to carrying the normal teaching load, faculty members are responsible for student advising and mentoring; school, university and system curriculum development; and maintaining an active involvement in research, scholarship, or creative activity. Faculty members are also responsible for service activities, such as academic program reviews; accreditation studies; shared governance; and faculty service to their profession and to the local

community. Those activities beyond the normal nine hour teaching load shall be counted as the equivalent of three (3) semester credit hours.

4.0 Course-Load Equivalencies

Definition. A course is equated to three semester credit hours.

4.1 Laboratory teaching where the faculty member is present in the laboratory with or without an assistant. Two laboratory class hours are normally equated to one semester credit hour.

4.2 Supervision of student teachers/teaching interns. Supervision of six student teachers is normally equated to one three semester credit hour course.

4.3 Supervision of student interns. Supervision of six student interns is normally equated to one three semester credit hour course with the approval of the appropriate dean. Program requirements agreed upon by the program faculty and dean will determine the specific number of interns equivalent to one course.

4.4 Independent Studies. Course-load equivalencies for faculty supervising Independent Studies will be handled by the individual schools.

4.5 Thesis direction. A faculty member will receive one course release for every 24 credit hours of thesis research completed. A faculty member cannot count one student for more than six (6) credit hours of thesis credit for purpose of this policy.

4.6 Master's Projects. Course-load equivalencies for faculty chairing Master's Projects will be handled by the individual schools.

5.0 Flexible Teaching Assignments

Faculty may request, and deans may assign, with the approval of the faculty member involved, an additional course in one long-semester in return for a reduction of one course in a long semester to be decided in negotiation between the faculty member and the dean.

Tenured faculty members may request to teach an additional three hour class in order to be evaluated primarily in teaching. The weights (Research, Teaching, Service) would be negotiated with the appropriate dean's office. This agreement must be renewed each academic year. The faculty member is advised to consider the effect the choice of weights may have on promotion.

The weighting structure (Research, Teaching, and Service) plays an important role in the granting of tenure. Untenured faculty should not be assigned duties outside this structure that diminish the likelihood of being granted tenure. Additionally, untenured faculty should not be given the option to teach more courses than required by the

normal workload.

6.0 Course Releases

6.1 New tenure-track faculty.

Course releases for newly appointed, terminally-degreed, tenure-track faculty will be determined at the school level.

6.2 University Funded Course Releases.

The dean may approve an internally funded reduction in a faculty member's teaching load to allow the faculty member additional time for special research, administrative assignments, professional service, or other legitimate activity of value to the university. These assignments will be reviewed by the provost. If the provost requests a dean to release a faculty member from a course for a special assignment, then the provost will be expected to reimburse the school at a negotiated rate. Faculty are still responsible for their non-instructional duties. However, in special cases some or all non-instructional duties may be reassigned with the approval of the dean of the school involved.

6.3 Cost of Releases Not Funded by the University.

Normally, each course release must provide for funding at a rate of 1/8 of the faculty member's 9 month salary plus cost of benefits. The university may set a different funding rate for individual releases at the discretion of the appropriate dean. Faculty are still responsible for their non-instructional duties. However, in special cases some or all non-instructional duties may be reassigned with the approval of the dean of the school involved.

6.4 Deans and Associate Deans

In consideration of their administrative duties, deans and associate deans normally teach one course per semester.

6.5 Documentation

Course release approvals/disapprovals of both the appropriate dean and academic area administrator are required to be in writing. Annual reports on administrative and other course releases, approved by the provost's office, will be available in the provost's office.

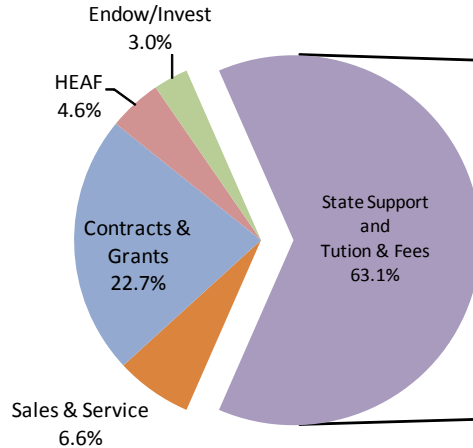


FY2011

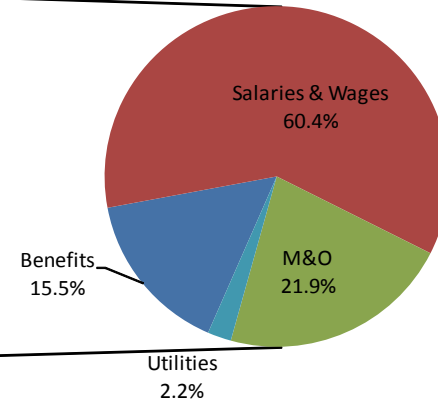
Total Budget

	\$ Millions
Operating Budget	\$ 142.9
Capital Facilities	0.8
Total	\$ 143.7

Operating Budget \$ 142.9 Million



Instructional & Support Budget \$ 90.1 Million



\$498/Credit Hour

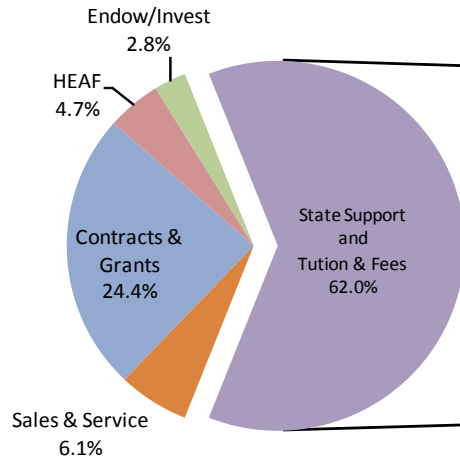
\$314/Credit Hour

FY2012

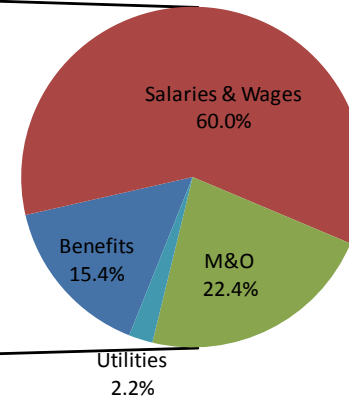
Total Budget

	\$ Millions
Operating Budget	\$ 143.5
Capital Facilities	0.7
Total	\$ 144.2

Operating Budget \$ 143.5 Million



Instructional & Support Budget \$ 89.0 Million



\$485/Credit Hour

\$301/Credit Hour



Instructional and Support Budget (\$ millions)

	A FY2011 Budget	B Reductions Targets	C Increases	D FY2012 Budget	E Percent Change FY11 to FY12
Revenue					
Appropriations	\$ 30.0	\$ (5.5)	\$ -	24.5	-18.3%
Tuition, Fees, Other Revenue	60.1	-	4.4	64.5	7.3%
Total Revenue	90.1	(5.5)	4.4	89.0	-1.2%
Expenditures					
Instruction & Operations					
Salaries					
Ten/Ten Trk Faculty	25.4	(0.4)	0.2	25.2	-0.8%
Other Faculty	10.4	(0.2)	-	10.2	-1.9%
Subtotal, Faculty	35.8	(0.6)	0.2	35.4	-1.1%
Professional Staff	15.8	(0.7)	0.8	15.9	0.6%
Support Staff	5.6	(0.3)	0.2	5.5	-1.8%
Subtotal, Staff	21.4	(1.0)	1.0	21.4	0.0%
Subtotal	57.2	(1.6)	1.2	56.8	-0.7%
Student Financial Aid					
TA/GA/RA	-	-	-	-	-
Financial Aid	3.2	-	0.5	3.7	15.6%
Subtotal	3.2	-	0.5	3.7	15.6%
Operations					
Events	0.3	(0.1)	-	0.2	-33.3%
Travel and Business	0.7	(0.2)	-	0.5	-28.6%
M&O Support	10.2	(1.2)	0.7	9.7	-4.9%
Reserve for Endowment Loss	-	-	-	-	NA
Equipment Purch & Repl	-	-	-	-	0.0%
Subtotal	11.2	(1.5)	0.7	10.4	-7.1%
Support Organizations					
Safety and Police	1.9	-	0.1	2.0	5.3%
University Advancement	1.9	(0.2)	0.1	1.8	-5.3%
Information Technology	9.2	(0.4)	0.2	9.0	-2.2%
Subtotal	13.0	(0.6)	0.4	12.8	-1.5%
Facilities					
Maintenance	3.5	(0.1)	-	3.4	-2.9%
Utilities	2.0	(0.1)	-	1.9	-5.0%
Debt Service	-	-	-	-	NA
Subtotal	5.5	(0.2)	-	5.3	-3.6%
Total Expenditures	\$ 90.1	\$ (3.9)	\$ 2.8	\$ 89.0	-1.2%



Reductions to Instructional & Support Budget (\$ millions)

	<u>FY 2011 Budget</u>	<u>Reductions</u>	<u>FY 2012 Preliminary</u>	<u>Reductions FTE</u>
<u>Expenditures</u>				
Instruction & Operations				
Salaries				
Ten/Ten Trk Faculty	\$ 25.4	\$ (0.4)	\$ 25.0	(5.20)
Other Faculty	10.4	(0.2)	10.2	(9.60)
Subtotal, Faculty	35.8	(0.6)	35.2	(14.80)
Professional Staff	15.8	(0.7)	15.1	(12.00)
Support Staff	5.6	(0.3)	5.3	(10.10)
Subtotal, Staff	21.4	(1.0)	20.4	(22.10)
Subtotal Salaries	57.2	(1.6)	55.6	(36.90)
Student Financial Aid	3.2	-	3.2	
Operations	11.2	(1.5)	9.7	
Support Organizations	13.0	(0.6)	12.4	(7.80)
Facilities	5.5	(0.2)	5.3	(1.80)
Total Expenditures	\$ 90.1	\$ (3.9)	\$ 86.2	(46.50)

Summary of Major Decreases

Elimination of faculty lines

Elimination of on-line and distance education stipend program

Elimination of positions

Elimination of positions

General M&O reductions across the university

Elimination of positions, other non-salary reductions

Elimination of positions, savings from favorable electricity contract



Increases to Instructional & Support Budget (\$ millions)

	<u>FY 2012 Preliminary</u>	<u>Increases</u>	<u>FY 2012 Budget</u>	<u>Increases FTE</u>
<u>Expenditures</u>				
Instruction & Operations				
Salaries				
Ten/Ten Trk Faculty	\$ 25.0	\$ 0.2	\$ 25.2	
Other Faculty	10.2	-	10.2	
Subtotal, Faculty	<u>35.2</u>	<u>0.2</u>	<u>35.4</u>	<u>-</u>
Professional Staff	15.1	0.8	15.9	16.00
Support Staff	5.3	0.2	5.5	1.00
Subtotal, Staff	<u>20.4</u>	<u>1.0</u>	<u>21.4</u>	<u>17.00</u>
Subtotal Salaries	<u>55.6</u>	<u>1.2</u>	<u>56.8</u>	<u>17.00</u>
Student Financial Aid	3.2	0.5	3.7	
Operations	9.7	0.7	10.4	
Support Organizations	12.4	0.4	12.8	4.00
Facilities	<u>5.3</u>	<u>-</u>	<u>5.3</u>	
Total Expenditures	<u>\$ 86.2</u>	<u>\$ 2.8</u>	<u>\$ 89.0</u>	<u>21.00</u>

Summary of Major Increases

Faculty promotion pay (rank/tenure-related)

Additional positions to support student success

Mandated DT set-aside, other institutional scholarships

Funds for Student Success/High-Impact practices

Additional positions to support operations, marketing/branding

UH-Downtown's FY 2012 Plan and Budget

Vision Statement

The University of Houston – Downtown will be a premier city university where all students are engaged in high-impact educational experiences and graduate with 21st Century skills

Mission Statement

The University of Houston-Downtown is a comprehensive four-year university offering bachelor's and selected master's degree programs and providing strong academic and career preparation as well as life-long learning opportunities. Located in the heart of the city, the University reflects the diversity of the Greater Houston Metropolitan Area and, through its academic programs, engages with the community to address the needs and advance the development of the region. UHD is an inclusive community dedicated to integrating teaching, service, and scholarly research to develop students' talents and prepare them for success in a dynamic global society.

Major Goals/Objectives Listed in UHD's *Strategic Plan 2020*

GOAL 1: Recruit, advise, retain, and educate increasing numbers of students who will graduate from our programs, assume leadership roles in society, and meet the workforce needs of the region and state.

- Increase the number of first-time freshmen that view UHD as their “first choice” institution.
- Increase the number of students who have completed appropriate college-level Math and English credits prior to transferring to UHD from public community colleges and other academic institutions.
- Improve first-year retention rates for FTIC freshmen.
- Increase graduation rates.

GOAL 2: Consistent with the shared values of the University, develop nationally and regionally prominent academic programs that provide students with high impact experiences and opportunities to gain 21st Century skills.

- A minimum of ten (10) new degree programs (four baccalaureate degrees and six master's degrees) will be offered by 2020.

- Provide at least one high-impact experience for all students in each academic program during each credit-hour year (i.e., freshman, sophomore, etc.) of their four-year degree program.
- Develop an International Studies Office and provide robust opportunities for study abroad experiences.
- By the 2012-2013 academic year, develop an Honors Program that offers opportunities for students to excel in their academic experience.

GOAL 3: Support individual scholarly and/or creative accomplishment across the University while developing prominence in select areas of strength.

- Create an Office of Research and Sponsored Programs.
- Ensure that by the beginning of the 2012-2013 academic years that all faculty policies regarding annual evaluations, promotion, tenure, merit pay, and retention reflect equitable requirements for peer-reviewed scholarly and creative outputs.
- Develop faculty policies that encourage the development of research and scholarly activities.
- Strengthen scholarly information resources and the associated services that foster creativity, scholarly activity, and academic success.

GOAL 4: Recruit, encourage, and support a highly qualified faculty and staff that embody the core values of the University and support its programs, mission, and goals.

- Actively recruit and retain highly qualified individuals for all faculty and staff positions.
- Increase professional development opportunities for faculty and staff.
- Annually assess UHD's salaries in comparison with both peer institutions and regional markets, and make appropriate adjustments as soon as possible.
- Reduce over-reliance on adjunct faculty while formalizing appointments of full-time, multi-year lecturers.

GOAL 5: Strengthen external relations and support of the University with alumni, friends of the University, the local and regional communities, and legislative and governmental entities.

- Develop a comprehensive marketing and branding plan for the University that would increase public awareness of UHD and enhance its reputation.

- Create a plan for raising external funds that support the portions of the University Strategic Plan requiring external funding are successful.
- Cultivate alumni and engage them in University activities.
- Increase the strength of relationships with legislators and local government entities in concert with UH System leadership.

GOAL 6: Develop the processes, programs, and facilities that support the institution’s intent to provide a superior, student-centered learning environment and quality experiences.

- Create a campus center that supports the development of faculty expertise in teaching, student learning, and delivery of high impact student experiences as well as fosters cross-discipline collaboration.
- Develop a campus-wide “Student-Centered Philosophy” and encourage every faculty and staff member to engage in such an approach.
- Employ technology to streamline processes and empower faculty, staff and students to acquire information.
- Develop campus environments that support interaction, collaboration, and the enhancement of 21st Century skills.

Overview of UHD's FY 2012 Plan and the Process through Which It Was Developed

Developing the plan/budget for FY2012 presented an interesting challenge for UH-Downtown. After years of using the same planning model - Unit-based Planning - the president decided that the university would benefit from a new approach. In considering other planning models that could be employed, the president was simultaneously dealing with turnover in senior leadership positions and a state budget situation that promised deep cuts in state general revenue support for the FY2012/2013 biennium.

Crafting a plan and developing an operating budget in times of deep cuts, when the actions to be taken are likely to include reductions-in-force (RIFs) of filled positions, is not easily accomplished using a planning/budgeting model built around a large, broadly representative 'planning council.' Under these circumstances difficult decisions must be made, and discretion and confidentiality are at a premium. Given this, and given the fact that the adoption of a new planning model needed to be a thoughtful, deliberative process rather than something done in haste, the president made the decision to postpone the selection and implementation of a new planning/budgeting model until FY2013.

For FY2012 UHD worked to develop its budget on two tracks. The first was focused exclusively on reductions and involved the president and vice presidents. More information on the work of this group is provided in the section entitled *UHD FY2012 Budget Reductions to Accommodate State General Revenue Reductions*. The second track was focused on how the university would apply any new resources that might be available through modest tuition and fee increases. For this a small working group was formed, consisting of the vice presidents and the presidents of both the Faculty Senate and Staff Council. The vice presidents would ensure that all operational needs were considered, and the presence of the Faculty Senate and Staff Council presidents would ensure an open process and an appropriate level of transparency.

In allocating new funds from tuition and fee increases, the directive to the vice presidents was clear. These monies were not to be used to back-fill where cuts had been made to accommodate the state general revenue reductions, and any proposed new initiatives would have to clearly support student success as measured by retention and graduation rates. The vice presidents solicited proposals from their unit heads and, after prioritizing those requests from a division prospective, presented them to the other VPs and the faculty and staff leadership. The group met throughout the late spring to develop recommendations for how HEAF and new non-HEAF Operating funds could best be deployed in support of the goals and objectives of the emerging new strategic plan. These recommendations were submitted to the president for review and approval.

A final complication was that the new strategic plan that had been commissioned by the president was still being finalized as the FY2012 budget was being considered. The previous strategic plan, which had been developed in 2008, was viewed by many to be overly generic and non-specific. The directive from the president was that a new plan be developed that included specific strategies/tactics for achieving the stated goals and objectives and clear metrics so that progress could be measured. It was important that the incoming provost play a strong role in the development of this plan, so the work to finalize the new strategic plan was delayed into Spring 2011. Over the past four months much has been accomplished in this regard and the *Strategic Plan 2020* goals and objectives cited in the previous section reflect a plan that is largely complete, although not yet finalized.

Summary of UH System Goals and the Strategies that UHD Will Use to Address Them

STUDENT ACCESS AND SUCCESS

- Scholarship Support/Recruiting/Enrollment Services
- Strengthened Advising
- Support for Academic Programs
- High-impact Educational Experiences
- Library Support
- Student Labs and Classroom Equipment
- Accommodate Continued Growth
- Recruit/Retain Highly Qualified Faculty

NATIONAL COMPETITIVENESS

- Support for Research

COMMUNITY ADVANCEMENT

- Branding/Marketing
- Community Outreach

UNIVERSITY INFRASTRUCTURE AND ADMINISTRATION

- Ongoing Physical Plant Maintenance and Upgrades
- Ongoing Technology Maintenance and Upgrades
- Faculty/Staff Technology Support
- Providing Campus Security
- General Administration and Operations

These priorities are described in greater detail in the plan that follows.

UHD FY2012 Budget Reductions to Accommodate State General Revenue Reductions

UHD's biennial reduction in direct general revenue (GR) is \$9.1m. This includes the loss of \$1.1m of one-time ARRA funds that had augmented GR in 2010/2011 and the projected hit from the riders attached to the FY2012/2013 bill. The year-to-year drop in direct GR from FY2011 to FY2012 will be \$4.5m for UHD. In addition, UHD is projected to see a drop of approximately \$900k of indirect GR – primarily reduced transfers from the Employee Retirement System. This drop is attributable to the fact that most of the \$4.5m of cuts UHD will be making in state funds are in the form of salaries. As salaries paid from state funds decline, so too will the amount of matching benefits money received. This combined \$5.4m is the amount that UHD had to cut from its FY2011 budget to offset the reduction in state support.

UHD accomplished the \$5.4m of necessary cuts by doing several things. The majority of the funds come from three sources. Generating \$5.05m, those are:

- **Base dollars captured in FY2011 - \$850,000.**
- **Five Percent (5%) Plan - \$2.6 million.**
- **Growth dollars from FY2012 - \$1.6 million**

In developing its FY2011 budget UHD established as a budget priority a \$1.3m *Reserve for State Budget Reduction*, which would be in the form of base dollars providing that UHD achieved its enrollment growth targets for the year. UHD did grow in Fall 2010 and Spring 2011, but SCH growth lagged headcount growth and only \$850k of the hoped-for \$1.3m was realized. Still, this amount is available to put toward the FY2012 shortfall.

To identify \$2.6m in cuts - representing 5% of UHD's adjusted FY2010/2011 biennial GR (\$52m) - was a directive given by the president to the vice presidents in Fall 2010. This \$2.6m of targeted reductions was spread pro-rata among the divisions based on their current percentage of the overall budget. Certain irreducible costs were exempted from the pro-rata calculation, and in the end the Academic Affairs unit was given \$400k of relief. This was done out of an understanding that academics is UHD's core business, and that in times of reduced resources it is critical to protect the core.

Of the \$2.6m in division cuts, \$2.3m came from the elimination of positions and resulting benefits savings. The total cut in positions was 36.83 FTE, of which 8 were filled positions. The remaining \$300k came from reductions in M&O budgets.

A clear message from both the Chancellor and the Board of Regents was that no revenue generated from the approved increases in tuition and fees was to be used to backfill for lost state GR. However, revenue generated through projected enrollment growth could be used in that manner. In its FY2012 plan, consistent with projections on file with the THECB as part of its *Closing the Gaps* plan, UHD anticipates 3.5% enrollment growth. This growth will generate \$1.6m of new revenue.

To close the remaining gap of approximately \$300k UHD will take several actions. Included are modifications to the existing communications allowance plan (\$32k annual savings, implemented in FY2011), modifications to the existing custodial contract (\$58k annual savings through reduced services in office areas, implemented in FY2011) and savings realized from a favorable UHS electricity contract (\$75k). A number of these savings ideas came from the work of the *UHD Budget Reductions and Efficiencies Task Force*, formed by the president in late Fall 2009 to examine all possible ideas for

savings and efficiencies, and from budget-cutting suggestions that were sent over the past year to suggestionbox@uhd.edu.

While the \$5.4m target has been reached, efforts continue to identify more ways that UHD can better use the resources at its disposal. It is expected that considerable savings could be realized through a restructuring of the current faculty summer compensation system, and the provost will be working with faculty leadership on this issue in the fall. If this is deemed necessary it could be combined with a staff-only furlough program to ensure that the pain of budget reductions is not felt disproportionately by any one group.

Although FY2011 reserve funds and anticipated FY2012 growth dollars are contributing approximately \$2.4m of the \$5.4m required, wringing the remaining \$3m from the UHD operating budget was not an easy task. However, it was a necessary exercise and the UHD leadership believes that the outcome is a plan that can be characterized as reasonable and balanced.

UH System Goal of Student Access and Success

Context

Expanding access to quality higher education has been a central component of the University's mission since its founding in 1974. Through flexible scheduling of courses, innovative use of technology and distance learning opportunities, the University provides educational opportunities for many who might not otherwise be able to pursue a college degree. UHD's steady growth is evidence of both its success in expanding access and offering quality programs. Its Fall 2010 enrollment was an all-time high of 12,900. Further, the 2,403 students who earned a degree from UHD in FY2010 was more than double the 1,159 who graduated ten years earlier. Minority graduates at UHD have increased from 743 in FY 2000 to 1,643 in FY 2010, an increase of about 121% for the same time frame. In fact, UHD has been recognized for its success in graduating African-American and Latino students with baccalaureate degrees, where it ranks 47th and 34th nationally.

As the University prepares for the new biennium, its highest priority will continue to be to provide those programs and support services that will enable students to achieve their academic objectives and become contributing members of society. With a student body that is 39% Hispanic, 29% African-American, 20% Anglo, and 9% Asian, UHD remains the most ethnically diverse university in the state. Over 50 percent of UHD students are the first in their families to attend college. One-fourth of UHD's students enter as first-time-in-college freshmen (FTIC), and three-fourths transfer in from neighboring community colleges and four-year institutions. Three-fourths work while attending school, and over half attend on a part-time basis. Many would not be in higher education were it not for UHD.

As an urban commuter university, UHD recognizes that it has a special responsibility to provide educational access to those who have not had access in the past. This responsibility has been central to UHD's mission since its creation, and is why it has served as an 'Open Admissions' institution. However, it is important that an institution of higher education draw a distinction between under-represented and under-prepared. Too often UHD's open admission policy has resulted in the admittance of large numbers of FTIC students who are significantly under-prepared to successfully take on college-level coursework, even with the best academic support UHD can provide. The result has been retention and graduation rates of FTIC students that are among the lowest in the state. Churning through students who are highly likely to have short and unsuccessful college careers is not good for the student, the university, or the state of Texas.

For Fall 2011 UHD has introduced a more interventionist approach to admitting students. Students scoring significantly below the key markers for success on the Accuplacer placement test are strongly encouraged to begin their college careers at one of the local community colleges. These students are not denied the opportunity to pursue a higher education, but are given sound advice that clearly puts their best interests first. In every case, the students who opt for the community college as a starting point are informed that they will be welcomed at UHD once they have progressed academically to where they will be *able to benefit* from what UHD has to offer. Through articulation and joint admissions agreements with the community colleges, UHD assures those students that the courses they complete at the community colleges will count toward baccalaureate degrees at UHD.

This new approach, which can be characterized as 'soft' admission standards, is the first step in reshaping the UHD student body. In FY2012 UHD plans to submit to the UHS Board a request for approval of automatic admissions standards. These proposed standards will be modest, and as occurs at all institutions, there will be cases where exceptions will be made due to special circumstances. It is expected that for Fall 2011 as many as 400 students that UHD previously would have admitted with no

intervention will be asked to meet with an advisor prior to making enrollment plans. More than half of these students will be referred to community colleges to complete remedial coursework.

The FTIC students who are enrolled at UHD after admissions standards are implemented – those students who make up the cohort measured in the Six-Year Graduation rate - will be smaller in number and will be better able to benefit from the academic support services UHD has in place. These students will be better advised and will be the first cohort of UHD students to fully realize the benefit of high-impact educational experiences across the curriculum. A team of UHD faculty has developed a *High-impact Practices Implementation Action Plan* which will serve as a guide for building on current best practices at UHD and for identifying new high-impact opportunities, all with a focus of improving student success. High-impact education involves activities such as learning communities, supplemental instruction, undergraduate research, international education, capstone courses, and civic engagement. Collectively these activities will be part of a coherent strategy for improving retention and graduation rates. Funding for high-impact initiatives can be found throughout UHD's proposed FY2012 budget.

Whether arriving as an FTIC or as transfer student, every UHD student benefits from UHD's commitment to keep higher education within the financial reach of those on the lower rungs of the socio-economic ladder. UHD prides itself on being among the best values in Texas public higher education. Last year UHD had the second lowest tuition and fees of the state's 36 senior-level institutions. While UHD's tuition and fees are scheduled to go up by 3.95 percent in Fall 2011 (which equates to an additional \$91 for a student taking 12 SCHs), the cost of attending UHD will remain among the very lowest in the state.

The University's FY2012 budget reflects its commitment to student success in the priority that it gives to academic support areas such as scholarships, advising, library resources, instructional technologies, and other academic program support initiatives. The University's strategic plan identifies helping students succeed as its first priority, commits the institution to providing the kind of environment that encourages the development of students as scholars and leaders within their communities, and supports students in achieving their full potential through excellent academic programs. The following budget initiatives represent some of the ways the University is going about fulfilling those commitments.

FY 2012 Budget Initiatives

- *Scholarship Support/Recruiting/Enrollment Services (\$757,285 New Funds, \$100,000 Fund Balance, \$200,000 HEAF)*

With state support in decline, today's students must do more on their own to patch together a plan for paying for their higher education. Scholarships are a key component of those plans for many, and UHD will bring an additional \$600k for institutional scholarships in FY2012. The majority (\$400k) will come from the designated tuition set-aside, with the remainder comprised of additional base budget dollars (\$100k) and one-time fund balances (\$100k). Not included in this discussion is almost \$40 million in grants and scholarships that will be covered from other sources (\$27 million in federal grants, primarily PELL, see *Appendix C*).

UHD will also add new positions in the Enrollment Services area, including three Admissions Counselors/Recruiters, a Financial Aid Counselor, and an Enrollment Coordinator in Veteran's Services to assist the almost 500 U.S. veterans attending UH-Downtown.

During FY2012 UHD will also implement a Customer Relationship Management software product which will enable UHD students and prospective students to manage all facets of their university

relationship on-line. The CRM system has become the expected standard for college and universities and has proven to be a highly effective tool for recruiting and then retaining students.

- *Strengthened Advising (\$482,547 New Funds, \$91,000 HEAF)*

It has been demonstrated that high quality advising is essential to the success of students who are on the bubble in terms of academic preparedness. Having a personal connection with a specific advisor creates a sense of belonging that can be the difference between persistence and dropping out. For FY2012 UHD will add seven new advisor positions. Advising will be strengthened at the community colleges, at the college level, and in UHD's Transfer Center. HEAF funds have been identified to expand the Advising Center in UHD's College of Business.

- *High-Impact Educational Experiences (\$265,623 New Funds, \$117,579 Fund Balance)*

After a year of strategic planning workshops and intense internal discussion, the UHD community rallied around the idea that UHD would set itself apart by becoming a university 'where all students receive high-impact educational experiences and graduate with 21st Century skills.' These efforts are already underway, with UHD having conducted its first *Freshman Common Reading Experience* in Summer 2010 (over 600 incoming freshman participated in reading Malcolm Gladwell's *Outliers*). UHD is evaluating past experiences with high-impact activities – Learner's Communities, Supplemental Instruction programs, linked courses, capstone courses – to identify those which have had the greatest impact, and the UHD faculty are developing discipline-specific plans for infusing high-impact activities into the curriculum. Almost \$400k has been put into the FY2012 budget to support high-impact education at UHD, including a pool that the provost will allocate to support innovation in this area.

Also in support of high-impact education is the establishment of an Office of International Studies. Although students have always had opportunities to take advantage of international experiences at UHD, the number of chances to do so have been limited. The goal of this office will be to increase opportunities for high-impact experiences through faculty-led and study abroad academic programs as well as through interactions with students from abroad. International travel in association with academic programs can extend learning in ways that deepen knowledge and the understanding of international, environmental, economic, cultural, and political issues. Students will also gain a broader understanding of, and appreciation for, the United States and its way of life. Students who have experienced international study are better prepared to compete in the global marketplace.

- *Support for Academic Programs (\$117,000 HEAF)*

With resources scarce and UHD focusing what it has available on scholarships, advising, and high-impact experiences, there is little money allocated for the types of initiatives that generally come under this category. There are no new faculty lines in UHD's FY2012 budget, but this reflects the fact that faculty lines were largely protected as personnel cuts have been made over the past two years. HEAF funds have been identified for building a tutoring lab and a Retail Management Lab in the College of Business, with the latter being partially underwritten by a \$100k grant from the Texas Retailer's Association. UHD will also spend \$50k in the coming year to construct a Set Design workshop, which is a critical need for the theater program.

- *Library Support (\$2,300,000 HEAF)*

The university must continue to increase its library budget to keep up with the higher costs of library materials and provide support for new programs. This is particularly true as the library acquires more

electronic collections and electronic journals. In the coming year the UHD library will also be acquiring the materials needed to support the MBA program, which gets underway in Fall 2012.

- *Student Labs and Classroom Equipment (\$1,471,484 HEAF)*
To ensure that students are prepared for the technology-based workplace, the university is committed to providing them with access to current technology in ways that will best enrich their educational experience. HEAF money will be used to fund scheduled upgrades in a number of computing labs and to replace aging multimedia equipment and classroom presentation systems. Other investments in this category range from spectrophotometers to support the Chemistry program to the purchase of piano equipment and software to support Music. The deans and the provost retain control of approximately \$260k of HEAF that will be allocated throughout the academic year to address high-priority needs.

- *Accommodate Continued Growth (\$74,049 New Funds, \$107,000 HEAF)*
As students continue to put a premium on convenience of access, much of UHD's future growth is expected to come through the expansion of on-line programs and at its remote sites. Over the course of FY2011 UHD's academic leadership, working collaboratively with the IT division, was able to expand UHD's number of on-line degree completion programs from 3 to 13. As new on-line courses have been developed, most of the IT resources devoted to on-line expansion have been in support of faculty. As the new on-line programs are introduced and as enrollments continue to surge in this area, more resources must be directed to support students. For FY2012 UHD will add a Student On-line Course Support Specialist position. With regard to distance sites, some HEAF funds will be provided to enable some space reconfiguration at the LSC-UP site, and UHD will begin to invest at a new LSC Teaching Center in Atascosita, where business courses will be offered beginning in Fall 2011.

- *Recruit/Retain Highly Qualified Faculty (\$174,800 New Funds)*
These funds are needed to cover the cost of promotions in rank for UHD faculty.

Investment of FY 2012 Resources in Student Success Initiatives

	<u>New Funds/Fd Bal</u>	<u>HEAF</u>	<u>Total</u>
Scholarship Support/Recruiting/Enrollment Services	\$857,285	\$200,000	\$1,057,285
Strengthened Advising	\$482,547	\$91,000	\$573,547
High-Impact Experiences	\$383,202		\$383,202
Support for Academic Programs		\$117,000	\$117,000
Library Support		\$2,300,000	\$2,300,000
Student Labs and Classroom Equipment		\$1,471,484	\$1,471,484
Accommodate Continued Growth	\$74,049	\$107,000	\$181,049
Recruit/Retain Highly Qualified Faculty	\$174,800		\$174,800
Total	\$1,971,883	\$4,286,484	\$6,258,367

UH System Goal of National Competitiveness

Context

UH-Downtown is working to develop a national reputation for success in graduating students from groups who have historically had low levels of participation in higher education. UHD has already been recognized for being 47th in the nation for graduating African-American students with baccalaureate degrees and 34th for Latino students in that same category. The university's goal is to be a national leader in graduating, in a timely manner, minority students and first-generation students and those from educationally disadvantaged backgrounds. The central strategy for achieving this is to give all UHD students high-impact educational experiences designed to increase their success in school, work and life.

On the list of proven high-impact experiences, few score better than providing students with opportunities to work directly with faculty in conducting research. At UHD, both graduate and undergraduate students are actively encouraged to undertake research projects. An example of UHD's commitment in promoting undergraduate research can be seen in its nationally recognized Scholars Academy. Students in the Academy are eligible to apply for Student Research Stipends within the Departments of Natural Sciences, Computer and Mathematical Sciences, and Engineering Technology. The goals of the program are to improve critical thinking and communication skills, and to provide hands-on research experiences and education to foster interest in graduate school. UHD also sponsors an annual Student Research Conference, a campus-wide event at which students from all disciplines have the opportunity to present their research and project posters.

In the coming year UHD will be taking a major step to elevate the quantity and quality of research engaged in by its faculty. As an HSI/MSI, UHD has historically had access to significant pools of set-aside funds from the major grant-awarding agencies. Regrettably UHD has not been able to fully capitalize on those opportunities due in part to insufficient support of its faculty seeking to be active in research. For FY2012 UHD will establish an Office of Research and Sponsored Programs. This Research support function will be expanded from a single individual to a three person operation, headed up by a newly established Associate VP for Research. It is expected that much of the new activity that will result from this investment will provide opportunities to engage students in hands-on undergraduate research, which again is a high-value strategy on UHD's roster of high-impact educational experiences. From a funding perspective, the expectation is that over time the financial support for this function will transition, at least in part, from core institutional funds to indirect cost revenue spun off by the growing number of grants received.

In support of pockets of academic excellence that would underpin National Competitiveness, \$100k of HEAF funds is allocated so that the provost can establish an Excellence Fund for which the colleges can compete. These funds may be awarded to cover the equipment matching requirement of a competitive grant, or for an equipment purchase needed to enable a new initiative supporting first-generation students through University College. The degree to which any proposed initiative raises UHD's profile regionally or nationally will be a consideration in making awards from the Excellence Fund.

FY 2012 Budget Initiatives

- *Support for Research (\$258,344 New Funds, \$250,000 HEAF)*
The most significant investment here is the establishment of a new Office of Research and Sponsored Programs. This unit will be under the direction of a newly created Associate VP for Research and Sponsored Programs, with the budget for this office also including an administrative support position and operating funds. The HEAF allocation includes the creation of an Excellence Fund to be

administered out of the Provost's Office and also start-up funds (\$150k) in support of three Natural Sciences faculty members who will join UHD in Fall 2011. Such start-up funds will enable UHD to compete more effectively for promising faculty prospects – the type that are more likely to engage in activities that could bring national recognition to the university.

Investment of FY 2012 Resources in National Competitiveness Initiatives

	<u>New Funds</u>	<u>HEAF</u>	<u>Total</u>
Support for Research	\$258,344	\$250,000	\$508,344
Total	\$258,344	\$250,000	\$508,344

UH System Goal of Community Advancement

Context

UHD has a long history of civic engagement and has always prided itself on its community partnerships and community connections. The University has been recognized in recent years by both the Carnegie Institute and the President's Honor Roll for Community Service. UHD will work hard to retain those honors even with budgetary reductions. UHD's Office of Community Engagement continues to work with faculty members to more fully integrate community engagement activities throughout the curriculum, and community engagement activities and service learning are both excellent opportunities for high-impact experiences for students.

The University is currently appropriated \$382,500 of Community Development Grant (CDG) funds each year, which is allocated to support non-profit agencies in the Acres Homes community and in Houston's Near North Side. In the past, these funds had essentially been a pass-through, with limited university involvement. However, over the past two years, with the support of State Rep. Sylvester Turner, UHD was able to direct \$40,000 of CDG funds to support several university-initiated community engagement activities. In FY2011 grants were awarded on a competitive basis out of UHD's Office of Community Engagement, which funded initiatives ranging from internships with the Acres Homes Community Development Corporation (2nd year) to a 'Serving to Lead' program that put UHD students out into the community building houses with *Habitat for Humanity* and engaging in environmental clean-up projects. Rep. Turner has visited the university each year to listen to presentations on the university programs being supported and to meet the students involved. He has been very positive about the work being done and we anticipate continued support into the future.

An important step in applying university resources to advance community interests is to raise the level of awareness in the community about the University and what it has to offer. To this end, UHD has over the past five years taken steps to increase its base budget for marketing/branding activities. For FY2012 UHD will allocate another \$100k of base funding for Marketing. With its new strategic plan nearing completion, UHD is in a position to consider, within the context of the larger UH System Strategic Plan, how it might re-brand and re-position itself within the regional higher education marketplace. In the coming year UHD will also begin marketing its new MBA program to targeted communities, thereby providing cross-benefit and impact on other programs as well. UHD continues to be well below its peers in spending on university and enrollment marketing, but anticipates increased spending in these areas in the near future. UHD expects to purchase and implement a Customer Relationship Management (CRM) product over the next year, which will create a need – and an opportunity – to enhance our marketing efforts to attract qualified students.

Throughout the course of an academic year there will be dozens of community-based events on campus, ranging from public hearings by the local transit agency to special-topic conferences hosted by area legislators. Realizing the importance of engaging the community and building those relationships, UHD goes to great lengths to accommodate. To meet the growing demands in this area, for FY2012 UHD will add a Coordinator of Community Relations position. The University will also invest in new calendar software as it seeks to consolidate the many calendars that are kept around campus and better manage both internal and external events.

Finally, a popular venue for community events at UHD has been the Willow Street Pump Station complex, which was restored through a community cooperative in 2002/2003 (gift funds from Houston Endowment, long-term lease agreement with the City of Houston) before being purchased outright from the City in 2008. One factor that prevents the WSPS facility from being used more heavily is the lack of

parking at the site. UHD is now working with the City and another adjoining landowner to acquire a small tract that abuts the WSPS facility, which will enable a small but useful parking lot. The \$100k allotted here is not likely to cover the full cost, but having some money available to support this effort will be helpful.

FY 2012 Budget Initiatives

- *Branding/Marketing (\$100,000 New Funds)*
 UHD seeks to build a more substantial base budget for future branding/marketing efforts. The expectation is that UHD will provide similar annual increases over the next five years as it systematically builds its Marketing budget to where it is more in line with that of other institutions similar in size and mission.
- *Community Outreach (\$53,202 New Funds, \$125,000 HEAF)*
 The new operating funds will be used to add a Coordinator for Community Relations position. The HEAF funds will provide for the purchase of new calendar management software and to provide part of what will be needed to purchase the Steam Mill Street property for parking, should the opportunity present itself.

Investment of FY 2012 Resources in Community Advancement Initiatives

	<u>New Funds</u>	<u>HEAF</u>	<u>Total</u>
Branding/Marketing	\$100,000		\$100,000
Community Outreach	\$53,202	\$125,000	\$178,202
Total	\$153,202	\$125,000	\$278,202

University Infrastructure and Administration

Context

Success in promoting student access and success, and achieving academic and research excellence, requires that the university provide high quality facilities and administrative support. Well-designed and maintained facilities are important to the satisfaction of faculty, staff and students, and are also important to overall institutional effectiveness. The University's FY2012 plan provides for the continued maintenance and security of the existing physical plant, and supports initiatives that lead to increased administrative efficiency and better business practices.

For facilities to be conducive to learning, they must be situated in an environment where students, faculty and staff feel safe and secure. UH-Downtown is an expanding campus located in an area of the City that presents significant safety/security challenges. Students would not want to attend UHD if they did not feel safe while doing so. In FY2012 UHD will continue to employ technology to enhance campus security, upgrading and expanding the current camera program.

The university has made significant investments over the years to upgrade its technology infrastructure, and it continues to rely on incorporating new technology to gain competitive advantage and provide better service. The university must continue to fund its comprehensive technology renewal plan at an appropriate level if it is to protect its investments and maintain an up-to-date technology environment. As the university has become more technology dependent, it has also become more dependent on securing a support staff that is well trained in the use of technology. Recognizing the growing threat presented by hackers/cyber attacks and viruses, for FY2012 UHD will add its first full-time Information Security Administrator.

While these infrastructure and administrative initiatives are listed here as a separate priority, many of them are closely tied to the earlier priorities related to supporting student success.

FY 2012 Budget Initiatives

- *Ongoing Physical Plant Maintenance and Upgrades (\$87,900 New Funds, \$778,000 HEAF)*
UHD continuously seeks to identify facilities maintenance needs that can be addressed with HEAF dollars, and also budgets HEAF funds to take care of small renovation needs that arise during the year. In the current year, planned maintenance dollars have been used to fund a major central plant project (condensed water piping replacement) and to develop a new and very popular stair connection between One Main and the Academic Building. For FY2012 there are several projects in the queue that involve building new faculty office space that will cluster faculty from the same disciplines so as to foster a greater sense of community.

New operating dollars will be limited in this area and will be used primarily to keep up with increasing costs. The Facilities Management unit has requested funds to cover the increasing cost of (work order) software licensing, as well as small amounts to cover increases in contracted services for elevator maintenance, grounds maintenance, and pest control. Also requested is \$12k to upgrade a vacant custodial position to an entry-level carpenter.

- *Ongoing Technology Maintenance and Upgrades (\$206,975 New Funds, \$1,307,384 HEAF)*
Significant expenditures must be made each year to maintain and update the university's existing investments in technology. The computer-related equipment on which the university depends for its instructional programs and administrative operations must be upgraded and/or replaced in a

systematic manner. The university invests heavily each year to maintain its network and servers, and in recent years has had to put more resources into increasing its data storage capacity.

This year UHD is allocating \$200k to begin the transition from its current PSTN phone system to a system that employs voice-over-internet-protocol (VOIP) technology. The emergence of the internet and the use of e-mail, along with the proliferation of cell phones and related text messaging, have dramatically changed the way people communicate. In surveying the university community for cost-saving ideas, there were many suggestions that UHD 'eliminate the landline phones.' The switch to VOIP will require an initial capital outlay but will result in dramatically reduced telephony costs going forward.

New operating funds are being provided to add two critical positions in Information Technology. One is a programmer to support the new technology projects planned for the coming year, which include the Customer Relationship Management system implementation and upgrades to the current Student e-Services system, which are required before full implementation of CAPP can occur. The other is the Information Security Administrator position that was mentioned in the opening section.

- *Faculty/Staff Technology Support (\$615,000 HEAF)*

UHD has implemented technology standards in order to facilitate electronic communication and streamline technology support. The university's Desktop Project, initiated in FY1997, provides faculty and staff with the basic level of computing support (word processing, spreadsheet and database programs) needed to effectively perform job responsibilities. It provides for orderly and cost-effective upgrades of hardware and software through centralized purchases. The university also invests each year to maintain a high level of technology in its Technology, Teaching and Learning Center (TTLC), which is vital faculty resource.

- *Providing Campus Security (\$215,000 HEAF)*

The University is committed to providing the security needed to protect the investments it has made in its physical plant and to provide a safe environment for its students, faculty and staff. While the actual amount of crime committed on campus is relatively low, crime is a major concern of many on campus, especially those who teach or take classes in the evening. For FY2012 UHD will undertake to convert its camera program to a fully digital environment, while also expanding camera coverage in certain areas. During the Fall 2011 semester a committee will develop a new Emergency Response Plan. The plan will address appropriate responsibilities and responses in the event of emergency situations that might affect the campus community.

- *General Administration and Operations (\$118,201 New Funds, \$208,236 HEAF)*

To support the ongoing operations of the university, funding must be provided for administrative expenses. This category includes several items that fall under the heading of general administration, including increased licensing costs for the parking management software, some small charges for furniture and printing costs, and the projected increase in the UH System service charges. Also included is the HEAF allocation made each year for administrative units. This pool of funds is distributed to the administrative units based on an allocation model, with the money to be used for small capital needs that might arise throughout the year.

Investment of FY 2012 Resources in University Infrastructure and Administration

	<u>New Funds</u>	<u>HEAF</u>	<u>Total</u>
Ongoing Plant Maint & Upgrades	\$87,900	\$778,000	\$865,900
Ongoing Technology Maint & Upgrades	\$206,975	\$1,307,384	\$1,514,359
Faculty/Staff Technology Support		\$615,000	\$615,000
Provide Campus Security		\$215,000	\$215,000
General Administration and Operations	\$118,201	208,236	\$326,437
Total	\$413,076	\$3,123,620	\$3,536,696

University of Houston-Downtown
Appendix A - Allocation of New FY 2012 Resources

<u>Revenue Changes</u>	A
Appropriations Bill	
1 General Revenue	\$ (4,124,182)
2 State Matching Benefits	(830,934)
3 Less Estimated Rider Reductions	(507,619)
4 Subtotal General Revenue	<u>(5,462,735)</u>
Tuition and Fees from Growth	
5 Statutory Tuition	79,652
6 General Designated Tuition	930,957
7 Graduate/Professional Premium	-
8 Differential Designated Tuition	(8,778)
9 Academic Fees	-
10 Consolidated Univ Services Fee	377,458
11 Student Service Fee	158,676
12 Subtotal Growth	<u>1,537,965</u>
Tuition and Fees from Rate Changes	
13 Statutory Tuition	28,010
14 General Designated Tuition	2,048,012
15 Differential Designated Tuition	-
16 Academic Fees	-
17 Consolidated Univ Services Fee	559,760
18 Student Service Fee	-
19 Subtotal Rate Change	<u>2,635,782</u>
Other	
20 Non-endow Interest, FB	217,579
21 Total Net Revenue	<u><u>\$ (1,071,409)</u></u>

<u>Reductions/Accommodations for State Revenue Decline</u>		B
1	Departmental Cuts	\$ (3,017,914)
2	FY2011 reductions	(850,000)
3	Subtotal - Reductions	<u><u>\$ (3,867,914)</u></u>

<u>Priority/Initiative Allocations</u>		C
Priority 1. Student Success		
4	Scholarship Support/Recruiting/Enroll. Services	\$ 857,285
5	Strengthened Advising	482,547
6	High-Impact Educational Experiences	383,202
7	Accommodate Continued Growth	74,049
8	Recruit/Retain Highly Qualified Faculty	174,800
9	Subtotal - Student Success	<u>1,971,883</u>
Priority 2. National Competitiveness		
10	Support for Research	<u>258,344</u>
Priority 3. Community Advancement		
11	Branding/Marketing	100,000
12	Community Outreach	53,202
13	Subtotal - Community Advancement	<u>153,202</u>
Priority 4. Infrastructure & Administration		
14	Ongoing Physical Plant Maint. & Upgrades	87,900
15	Ongoing Technology Maint. & Upgrades	206,975
16	General Administration & Operations	118,201
17	Subtotal - Infrastructure & Administration	<u>413,076</u>
18	Total Priority/Initiative Allocations	<u><u>\$ 2,796,505</u></u>

19 **Total Net Reductions and New Allocations** \$ (1,071,409)

University of Houston-Downtown
Appendix B - Allocation of FY 2012 HEAF

<u>FY12 Allocation</u>	
HEAF	\$ 7,435,238
plus: UHS charges	349,866
Total Available	<u>\$ 7,785,104</u>

<u>Priority/Initiative</u>	<u>Allocation</u>
Priority 1. Student Success & Access	
Scholarship Support/Recruiting/Enroll. Services	\$ 200,000
Strengthened Advising	91,000
Support for Academic Programs	117,000
Library Support	2,300,000
Student Labs and Classroom Equipment	1,471,484
Accommodate Continued Growth	107,000
Subtotal	<u>\$ 4,286,484</u>
Priority 2. National Competitiveness	
Support for Research	<u>\$ 250,000</u>
Priority 3. Community Advancement	
Community Outreach	<u>\$ 125,000</u>
Priority 4. University Infrastructure & Administration	
Ongoing Physical Plant Maintenance & Upgrades	\$ 778,000
Ongoing Technology Maintenance & Upgrades	1,307,384
Faculty/Staff Technology Support	615,000
Providing Campus Security	215,000
General Administration & Operations	208,236
Subtotal	<u>\$ 3,123,620</u>
Total New Investments	<u>\$ 7,785,104</u>

University of Houston-Downtown

Appendix C - Projected Availability of Scholarships and Grants

	FY2011	FY2012
TEXAS Grant	\$ 5,469,729	\$ 6,480,000
Texas Public Education Grants (TPEG)	2,101,712	2,109,069
Designated Tuition - Scholarship Set-aside (20%)	2,216,730	2,610,925
<u>Endowed Scholarships</u>		
UHD endowed scholarship funds:		
Scholarship Match - Jeff Davis program (Edmonds)	\$ 40,000	\$ 69,000
AMP Match - Scholars Academy (Edmonds/Jones)	120,000	120,000
Scholars Academy	320,000	
UHD Achievers Scholarships	250,000	
Red Rose Scholarships funded through endowments	17,854	18,197
All Other UHD endowed scholarship funds	317,646	309,646
Endowed Scholarships 'make-up' w/Incentive Funds	250,000	200,000
	\$ 1,315,500	\$ 716,843
UHD portion of shared UH System scholarship endowments	\$ 19,187	\$ 16,406
Autrey, Cullen Leadership, Cullinan, Int'l Paper		
Endowed scholarships held at the UH Foundation	\$ 115,000	\$ 78,700
Dykes, A/B & Hearst-UHD, Hugh Roy Cullen-UHS		
<u>Non-Endowed Scholarships</u>		
Teacher Education Scholarships - Cain (1)	\$ 200,000	\$ 100,000
Red Rose Scholarships (RRB proceeds)	57,146	56,803
Deans' Transfer Scholarships (RRB proceeds)	40,000	40,000
100 Club Scholarships	400,000	250,000
All Other UHD non-endowed scholarship funds	\$ 697,146	\$ 446,803
Total	\$ 11,935,004	\$ 12,458,746

Note: UHD expects to process over \$27 million in PELL, SEOG, and CWSP grants in FY2012.

University of Houston-Downtown

Table 1 - Sources & Uses

(\$ in Millions)

	A	B		C	D	E		F	G
	<u>Historical</u>	-----Change-----			<u>Current</u>	-----Change-----			<u>New</u>
	FY2010 Budget	Dollars	Percent		FY2011 Budget	Dollars	Percent		FY2012 Budget
<u>Operating & Restricted Budget</u>									
Source of Funds									
1 State Appropriations	\$ 29.9	\$ 0.0	0.2%		\$ 30.0	\$ (5.5)	-18.2%		\$ 24.5
2 HEAF	8.3	(1.7)	-20.4%		6.6	0.1	1.4%		6.7
3 Tuition & Fees	54.3	6.4	11.8%		60.7	4.2	7.0%		64.9
4 Other Operating (Auxiliaries)	8.1	0.7	9.1%		8.9	(0.6)	-6.4%		8.3
5 Contracts & Grants (Restricted)	24.0	8.4	34.9%		32.4	2.5	7.9%		35.0
6 Endowments/Gifts (Restricted)	4.5	(0.2)	-5.5%		4.3	(0.3)	-6.1%		4.0
7 Total Sources	\$ 129.2	\$ 13.7	10.6%		\$ 142.9	\$ 0.6	0.4%		\$ 143.5
Use of Funds by Object									
8 Salaries and Wages - Faculty	\$ 27.0	\$ 1.1	4.0%		\$ 28.1	\$ 0.3	1.2%		\$ 28.5
9 Salaries and Wages - Staff	26.9	2.6	9.8%		29.6	(1.3)	-4.2%		28.3
10 Benefits	13.9	0.8	5.9%		14.7	(0.3)	-1.8%		14.4
11 M&O	20.1	2.8	14.1%		22.9	0.2	0.9%		23.1
12 Capital	9.2	(1.7)	-18.3%		7.5	0.1	0.8%		7.6
13 Scholarships	29.4	6.8	23.2%		36.2	2.9	8.0%		39.1
14 Debt Service	0.3	0.0	0.0%		0.3	0.0	0.0%		0.3
15 Utilities	2.5	(0.1)	-5.1%		2.3	(0.1)	-3.2%		2.3
16 Reserve for State Budget Reduction	-	1.3			1.3	(1.3)	-100.0%		-
17 Total Uses	\$ 129.2	\$ 13.7	10.6%		\$ 142.9	\$ 0.6	0.4%		\$ 143.5
<u>Capital Facilities Budget</u>									
Source of Funds									
18 HEAF	\$ 1.2	\$ (0.4)	-33.9%		\$ 0.8	\$ (0.1)	-10.9%		\$ 0.7
22 Total Sources	\$ 1.2	\$ (0.4)	-33.9%		\$ 0.8	\$ (0.1)	-10.9%		\$ 0.7
Use of Funds by Object									
24 Major Rehabilitation	\$ 1.2	\$ (0.4)	-33.9%		\$ 0.8	\$ (0.2)	-23.0%		\$ 0.6
25 Acquisitions	-	-			-	0.1			0.1
26 Total Uses	\$ 1.2	\$ (0.4)	-33.9%		\$ 0.8	\$ (0.1)	-10.9%		\$ 0.7
<u>Total Operating, Restricted and Capital Budget</u>									
27	\$ 130.4	\$ 13.3	10.2%		\$ 143.7	\$ 0.5	0.3%		\$ 144.2

University of Houston-Downtown
Table 2 - Operations

<u>Source of Funds</u>	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
General Funds				
State General Revenue Appropriations				
Formula Funding	\$ 23,761,688	\$ (4,139,213)	-17.4%	\$ 19,622,475
Special Items	382,500	15,031	3.9%	397,531
Less: Estimated Rider Reduction		(507,619)		(507,619)
State Benefits Appropriation	5,814,594	(830,934)	-14.3%	4,983,660
Subtotal State General Revenue Appropriations	29,958,782	(5,462,735)	-18.2%	24,496,047
Tuition and Fees				
Statutory & Graduate Premium	17,412,289	237,662	1.4%	17,649,951
Lab/other Student Fees	95,000			95,000
Subtotal Tuition and Fees	17,507,289	237,662	1.4%	17,744,951
HEAF	7,435,238			7,435,238
Income on State Treasury Deposits	20,000			20,000
Fund Balance	887,566	(57,700)	-6.5%	829,866
Subtotal General Funds	55,808,875	(5,282,773)	-9.5%	50,526,102
Designated				
Tuition and Fees				
Designated Tuition - General	27,371,218	2,778,969	10.2%	30,150,187
Designated Tuition - Differential	153,126	(8,778)	-5.7%	144,348
Library Fee	1,668,428	289,144	17.3%	1,957,572
Technology Fee	4,078,928	143,920	3.5%	4,222,848
Major/Department/Class Fees	4,717,434	574,154	12.2%	5,291,588
Subtotal Tuition and Fees	37,989,134	3,777,409	9.9%	41,766,543
Indirect Cost	580,780	(122,573)	-21.1%	458,207
Investment Income on Non-Endowed Funds	635,000			635,000
Endowment Income	47,459	(9,085)	-19.1%	38,374
Contracts / Grants / Gifts	90,139	(51,620)	-57.3%	38,519
Self Supporting Organizations/Others	1,609,600	106,500	6.6%	1,716,100
Fund Balance	2,374,808	(349,519)	-14.7%	2,025,289
Subtotal Designated Funds	43,326,920	3,351,112	7.7%	46,678,032
Auxiliary Enterprises				
Student Fees				
Student Service Fee	3,969,986	158,676	4.0%	4,128,662
Recreation and Wellness Center	1,104,942	54,263	4.9%	1,159,205
Other Student Fees	145,000	1,500	1.0%	146,500
Subtotal Student Fees	5,219,928	214,439	4.1%	5,434,367
Sales & Service - Parking	1,182,085	(32,085)	-2.7%	1,150,000
Sales & Service - Athletics/Hotel/UC/Other	1,245,293	14,465	1.2%	1,259,758
Fund Balance	103,344	24,268	23.5%	127,612
Subtotal Auxiliary Funds	7,750,650	221,087	2.9%	7,971,737
Total Current Operating Funds	106,886,445	(1,710,574)	-1.6%	105,175,871
Interfund Transfer	(733,844)	(1,156)	0.2%	(735,000)
Total Sources	\$ 106,152,601	\$ (1,711,730)	-1.6%	\$ 104,440,871
Use of Funds by Object				
Salaries and Wages	\$ 56,459,705	\$ (1,023,143)	-1.8%	\$ 55,436,562
Benefits	14,468,627	(295,142)	-2.0%	14,173,485
M&O	17,687,259	600,957	3.4%	18,288,216
Capital	7,495,172	57,932	0.8%	7,553,104
Scholarships	6,087,578	353,170	5.8%	6,440,748
Debt Service	273,689	68	0.0%	273,757
Utilities	2,349,999	(75,000)	-3.2%	2,274,999
Reserve for State Budget Reduction	1,330,572	(1,330,572)	-100.0%	-
Total Uses	\$ 106,152,601	\$ (1,711,730)	-1.6%	\$ 104,440,871

University of Houston-Downtown
Table 3 - Restricted

Source of Funds	FY2011 Budget	-----Change-----		FY2012 Budget
		Dollars	Percent	
Restricted				
Contracts and Grants				
Research	\$ 3,638,977	\$ 19,521	0.5%	\$ 3,658,498
Financial Aid	28,797,205	2,528,236	8.8%	31,325,441
Gifts	1,273,000	6,000	0.5%	1,279,000
Endowment Income	475,245	(1,892)	-0.4%	473,353
Other Restricted	2,317,172	(239,630)	-10.3%	2,077,542
Total Current Operating Funds	36,501,599	2,312,235	6.3%	38,813,834
Interfund Transfer	233,153	(28,241)	-12.1%	204,912
Total Sources	\$ 36,734,752	\$ 2,283,994	6.2%	\$ 39,018,746
Use of Funds by Object				
Salaries and Wages	\$ 1,225,528	\$ 117,444	9.6%	\$ 1,342,972
Benefits	199,264	34,352	17.2%	233,616
M&O	5,211,920	(391,835)	-7.5%	4,820,085
Scholarships	30,098,040	2,524,033	8.4%	32,622,073
Total Uses	\$ 36,734,752	\$ 2,283,994	6.2%	\$ 39,018,746

University of Houston-Downtown

Table 4 - Capital Projects

	Project to Date (1)	FY2012 Budget	Future Year Budgets	Total Project Budget	-----Funded From-----				
					HEAF	Revenue Bonds	Gifts	Other	
Major Repair and Rehabilitation									
Other Renovations	\$ -	\$ 300,000	\$ -	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -	
Projects Budgeted Annually									
Capital Renewal Deferred Maintenance		335,000	-	335,000	335,000				
Subtotal Major Repairs & Rehabilitation	\$ -	\$ 635,000	\$ -	\$ 635,000	\$ 635,000	\$ -	\$ -	\$ -	
Land Acquisition									
Acquisition of Steam Mill St. Property	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	
Subtotal Land Acquisition	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	
Total	\$ -	\$ 735,000	\$ -	\$ 735,000	\$ 735,000	\$ -	\$ -	\$ -	

(1) Project expenditures to date, estimated through August 31, 2011

University of Houston-Downtown

Table 5 - Number of Full-Time Equivalent Positions

Employee Classification	FY2011 Budget	-----Change-----		FY2012 Budget
		FTE	Percent	
Faculty	249	(5)	-2.0%	244
Part-time Faculty	221	(9)	-4.1%	212
Professional Staff	287	2	0.7%	289
Classified Staff	254	(14)	-5.5%	240
Temporary Staff	123	(6)	-4.9%	117
Total	1,134	(32)	-2.8%	1,102

University of Houston-Downtown
Table 6 - Student Credit Hours, Headcount, and FTE

	FY2008	FY2009	FY2010	FY2011	FY2012	FY12 vs FY11
	Actuals	Actuals	Actuals	Budget	Budget	Change
Semester Credit Hours						
Lower Division	122,127	120,759	128,801	127,809	131,696	3,887
Upper Division	142,121	148,228	148,398	157,044	161,677	4,633
Masters	1,911	2,139	2,169	2,214	2,155	(59)
Total	<u>266,159</u>	<u>271,126</u>	<u>279,368</u>	<u>287,067</u>	<u>295,528</u>	<u>8,461</u>
Semester Credit Hours-On/Off Campus						
On Campus	232,112	230,750	233,411	244,007	248,198	4,191
Off Campus	34,047	40,376	45,957	43,060	47,330	4,270
Total	<u>266,159</u>	<u>271,126</u>	<u>279,368</u>	<u>287,067</u>	<u>295,528</u>	<u>8,461</u>
Fall Headcount	11,793	12,283	12,742	13,124	13,352	228
Fall FTE	7,972	8,010	8,315	8,610	8,760	150

University of Houston-Downtown
Table 7 - Allocation of Student Service Fee

	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
Sources				
Current Year Appropriations	\$ 3,984,986	\$ 163,676	4.1%	\$ 4,148,662
Remissions/Exemptions	(15,000)	(5,000)	33.3%	(20,000)
Other Income	225,000	(3,000)	-1.3%	222,000
Budgeted Fund Balance	-	47,671		47,671
Total Sources	\$ 4,194,986	\$ 203,347	4.8%	\$ 4,398,333
Allocations				
Admissions Office	\$ -	\$ 106,404		\$ 106,404
Bayou Review	10,500			10,500
Call Center	200,000			200,000
Campus Activities Board	56,100			56,100
Campus Information Center	53,202	(6,210)	-11.7%	46,992
Career Services	292,048	8,301	2.8%	300,349
Clubs and Organizations	89,487			89,487
Community Involvement	60,666	85,579	141.1%	146,245
Disabled Student Services	19,796			19,796
Drama Production	46,025			46,025
Financial Aid Office	1,171,079	81,897	7.0%	1,252,976
Graduation/Diplomas	170,400			170,400
Handbook	8,000			8,000
International Programs	101,514	(19,226)	-18.9%	82,288
One Main Events	38,000			38,000
Registrar - SSF	222,228	14,863	6.7%	237,091
Software Consulting	40,000	(23,578)	-58.9%	16,422
Student Activities	398,728	(139,262)	-34.9%	259,466
Student Assistance Program	198,000			198,000
Student Awards	3,300			3,300
Student Contingency	13,000			13,000
Student Government	34,945			34,945
Student Health Services	268,182	(15,000)	-5.6%	253,182
Student Newspaper	35,870			35,870
Student Services	16,500	(16,500)	-100.0%	-
Unallocated	23,085	11,868	51.4%	34,953
Utilities/Other Overhead	109,667	7,234	6.6%	116,901
Veterans Services	62,161	87,567	140.9%	149,728
VP Student Services/Enroll Mgmt	432,503	19,410	4.5%	451,913
Welcome Week	20,000			20,000
Total Allocations	\$ 4,194,986	\$ 203,347	4.8%	\$ 4,398,333

University of Houston-Downtown
Note to Table 2: Operations Expenditures by Organization

Use of Funds by Organization	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
President	\$ 1,191,477	\$ 41,979	3.5%	\$ 1,233,456
Advancement & External Relations	2,189,197	(101,456)	-4.6%	2,087,741
Employment Services and Operations	1,446,518	(193,667)	-13.4%	1,252,851
Academic Affairs				
Administration (Provost)	3,961,179	1,179,670	29.8%	5,140,849
Business Administration	9,948,752	140,406	1.4%	10,089,158
Humanities and Social Sciences	11,696,186	156,808	1.3%	11,852,994
Public Service	6,116,601	6,643	0.1%	6,123,244
Sciences and Technology	8,555,647	(85,048)	-1.0%	8,470,599
University College	1,504,941	223,676	14.9%	1,728,617
Subtotal: Academic Affairs	41,783,306	1,622,155	3.9%	43,405,461
Scholarships	5,147,578	359,628	7.0%	5,507,206
Library	4,309,784	(52,446)	-1.2%	4,257,338
Continuing Education	870,594	(4,024)	-0.5%	866,570
Administration				
Administration (VP Administration)	830,257	(263,411)	-31.7%	566,846
Budget and Procurement	534,805	(27,330)	-5.1%	507,475
Business Affairs	1,946,238	(39,314)	-2.0%	1,906,924
Computing and Telecommunication	8,213,498	212,636	2.6%	8,426,134
Academic Computing	4,382,182	(221,002)	-5.0%	4,161,180
Physical Plant	7,303,960	(104,126)	-1.4%	7,199,834
Risk Management & Compliance	364,973	(28,081)	-7.7%	336,892
Utility	2,349,999	(75,000)	-3.2%	2,274,999
Subtotal: Administration	25,925,912	(545,628)	-2.1%	25,380,284
Student Affairs				
Administration (Student Affairs)	1,722,972	(218,025)	-12.7%	1,504,947
Enrollment Services	4,109,383	114,305	2.8%	4,223,688
Student Support Services	979,388	115,681	11.8%	1,095,069
Student Life	1,613,912	(213,688)	-13.2%	1,400,224
Subtotal: Student Affairs	8,425,655	(201,727)	-2.4%	8,223,928
Staff Benefits	9,193,825	(763,165)	-8.3%	8,430,660
Community Development	363,375	34,156	9.4%	397,531
Unallocated	48,717	(12,014)	-24.7%	36,703
System Service Charges	1,421,017	33,555	2.4%	1,454,572
Insurance Premium	283,481	87,431	30.8%	370,912
Debt Service	273,689	68	0.0%	273,757
Reserve for State Budget Reduction	1,330,572	(1,330,572)	-100.0%	-
Fund Balance Contingency	1,947,904	(686,003)	-35.2%	1,261,901
Total Uses	\$ 106,152,601	\$ (1,711,730)	-1.6%	\$ 104,440,871

University of Houston-Downtown
Note to Table 3: Restricted Expenditures by Organization

Use of Funds by Organization	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
President	\$ 35,000	\$ (30,000)	-85.7%	\$ 5,000
Advancement & External Relations	6,900	5,000	72.5%	11,900
Employment Services & Operations	44,000			44,000
Academic Affairs				
Administration (Provost)	263,966	(25,460)	-9.6%	238,506
Business Administration	166,496	305,525	183.5%	472,021
Humanities and Social Sciences	95,552	(44,185)	-46.2%	51,367
Public Service	843,239	(307,501)	-36.5%	535,738
Sciences and Technology	2,490,906	(112,590)	-4.5%	2,378,316
University College	923,210	87,300	9.5%	1,010,510
Subtotal: Academic Affairs	4,783,369	(96,911)	-2.0%	4,686,458
Scholarships	29,529,211	2,535,535	8.6%	32,064,746
Library	100,000			100,000
Administration				
Administration (VP Administration)	-	25,000		25,000
Physical Plant	34,100			34,100
Subtotal: Administration	34,100	25,000	73.3%	59,100
Student Affairs				
Administration (VP SSEM)		85,000		85,000
Subtotal: Student Affairs	-	85,000		85,000
Fund Balance Contingency	2,202,172	(239,630)	-10.9%	1,962,542
Total Uses	\$ 36,734,752	\$ 2,283,994	6.2%	\$ 39,018,746

Memo To: All UH-Downtown/PS Holders

UH-Downtown/PS 10.A.04

From: William Flores, President

Issue No. 5

Effective Date: 09/01/10

Subject: Faculty Teaching Workload

Page 1 of 3

1. PURPOSE

This PS defines the restructured faculty workload policy for the University of Houston-Downtown. The teaching course load described recognizes the increased faculty time commitments in the areas of service and scholarship at the university.

2. DEFINITIONS

- 2.1 The term “year,” unless otherwise specified in this PS, means the 9-month academic year.
- 2.2 The term “one-to-one course” refers to a course in which a student receives direct research supervision by a faculty member such as in the case of Directed Studies, Special Projects, and Undergraduate Research Supervision.

3. POLICY/PROCEDURES

3.1 Scope

The policy defined in this PS applies only to full-time tenured or tenure-track faculty members and only to the part of the year included in the 9-month academic year that encompasses two long semesters.

3.2 Principles

This policy is intended to facilitate effective teaching, support professional development, encourage research, maintain academic quality, and provide appropriate response to enrollment growth. Department chairs will regularly monitor each faculty member’s teaching load to ensure its consistency with sound pedagogical practices, and the best interests of the students, the department, the college, and the university.

3.3 Policy

- 3.3.1 The standard course load for a faculty member during the combined long semesters is 21 semester credit hours (9/12 or 12/9) of classroom instruction or the equivalent. It is the responsibility of the department chair, in consultation with the faculty and the dean, to ensure academic programs have appropriate coverage. In addition, faculty are expected to maintain scheduled office hours, perform other course-related activities, be involved in shared governance

activity, provide service to the community within their areas of expertise, and engage in research and other creative activities.

- 3.3.2 The teaching load for department chairs is nine (9) semester hours or equivalent per year.
- 3.3.3 Graduate semester hours shall count as 1.5 undergraduate semester hours in determining teaching load.
- 3.3.4 Course load adjustments to balance “half-course” credits, as for graduate teaching, shall either be banked until a full credit is earned or may be paid out as an overload if the faculty member should request overload pay. To consider departmental needs, the timing of a workload adjustment should be approved by the department chair but credited within two calendar years from the time the full credit is earned.
- 3.3.5 The department chair is responsible for assigning and monitoring the workload of faculty within the department to insure individual compliance to the course load requirement. The department chair will insure that other academic duties are assigned equitably within the department. Course releases below the 12/9 or 9/12 semester credit hours per year require written approval by departmental chair and college dean prior to annual scheduling. The department chair must report all course loads to the college dean, who must report these to the Vice President for Academic Affairs.

3.4 Adjustments and Exceptions to Policy

- 3.4.1 Adjustments and exceptions to this policy provide for other than the standard teaching workload in particular situations. Where adjustments and exceptions result in less than the standard teaching course load, such reduction shall be referred to as “reassigned time.” The following adjustments are current university-wide policy; however, other adjustments and exceptions may exist or be approved according to the bases indicated in the following sections.
- 3.4.2 The cumulative supervision of ten (10) undergraduate students enrolled in one-to-one courses shall count for 3 undergraduate course credits. The cumulative supervision of seven (7) graduate students enrolled in one-to-one courses shall count for 4.5 undergraduate course credits. This formula can be used in determining the faculty member’s course load or may be paid out as an overload if the faculty member prefers. Overload pay may be prorated on a per student basis for one-to-one courses. To be credited, all such one-to-one courses should follow the requirements of the Directed Studies Policy (03.A.17) including requirements for necessary approvals and documentation. Faculty and Department Chair will work together to ensure equitable distribution of one-to-one courses in order to maximize faculty-student contact.

3.4.3 Service as chair of thesis committees is credited with a graduate course release for four thesis committees chaired. Discontinuation of service as thesis committee chair while the thesis is in progress does not contribute to credited workload. Faculty who serve as thesis committee members, do so as part of their regular workload. The Department Chair or designee(s) responsible for thesis distribution will ensure equitable distributions of workload resulting from service on thesis committees.

4. SEE SECTION 3 FOR PROCEDURES

5. EXHIBITS

There are no exhibits associated with this policy.

6. REVIEW PROCESS

Responsible Party (Reviewer): President

Review: Biannually

Signed original on file in Employment Services and Operations.

7. POLICY HISTORY

Issue #3: 3/1/86

Issue #4: 1/1/07

8. REFERENCES

There are no references associated with this policy.



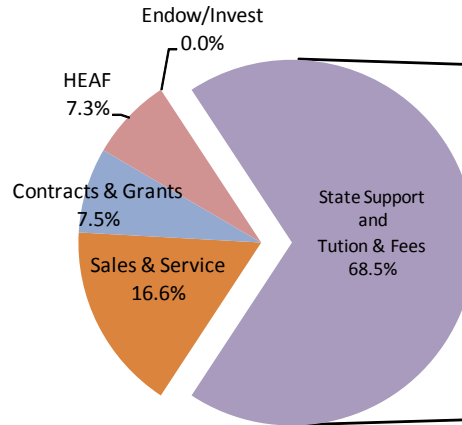
FY2011

Total Budget

	\$ Millions
Operating Budget	\$ 45.1
Capital Facilities	4.6
Total	\$ 49.7

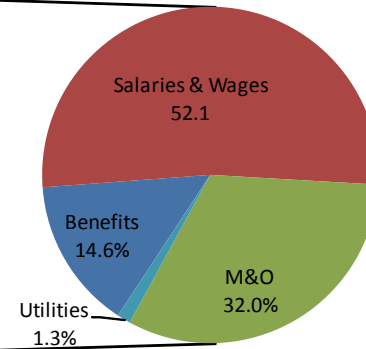
Operating Budget

\$ 45.1 Million



Instructional & Support Budget

\$ 30.9 Million



\$588/Credit Hour

\$403/Credit Hour

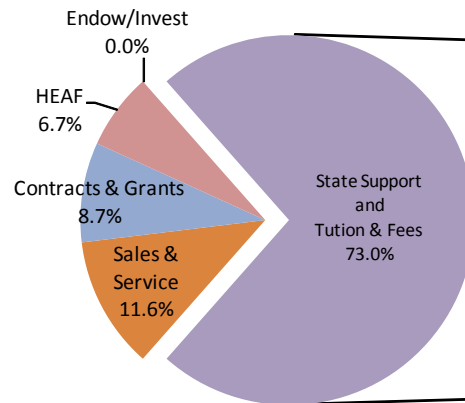
FY2012

Total Budget

	\$ Millions
Operating Budget	\$ 49.3
Capital Facilities	7.0
Total	\$ 56.3

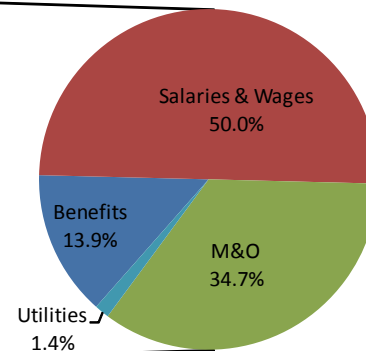
Operating Budget

\$ 49.3 Million



Instructional & Support Budget

\$ 36.0 Million



\$565/Credit Hour

\$412/Credit Hour



Instructional and Support Budget (\$ millions)

	A	B	C	D	E
	FY2011	Reductions	Increases	FY2012	Percent
	Budget	Targets		Budget	Change
					FY11 to FY12
Revenue					
Appropriations	13.1	(1.6)	2.1	13.6	3.8%
Tuition, Fees, Other Revenue	17.8		4.6	22.4	25.8%
Total Revenue	30.9	(1.6)	6.7	36.0	16.5%
Expenditures					
Instruction & Operations					
Salaries					
Ten/Ten Trk Faculty	8.9	(0.1)	1.6	10.4	16.9%
Other Faculty	1.4	(0.1)	0.3	1.6	14.3%
Subtotal, Faculty	10.3	(0.2)	1.9	12.0	16.5%
Professional Staff	8.1	(0.1)	0.8	8.8	8.6%
Support Staff	2.2	(0.1)	0.1	2.2	0.0%
Subtotal, Staff	10.3	(0.2)	0.9	11.0	6.8%
Subtotal	20.6	(0.4)	2.8	23.0	11.7%
Student Financial Aid					
TA/GA/RA					
Financial Aid	1.9		0.7	2.6	36.8%
Subtotal	1.9	-	0.7	2.6	36.8%
Operations					
Events	0.2			0.2	0.0%
Travel and Business	0.7	(0.1)		0.6	-14.3%
M&O Support	3.3	(1.3)	3.1	5.1	54.5%
Reserve for Endowment Loss	-			-	-
Equipment Purch & Repl	0.6			0.6	0.0%
Subtotal	4.8	(1.4)	3.1	6.5	35.4%
Support Organizations					
Safety and Police	0.1			0.1	
University Advancement	0.4	(0.1)		0.3	-25.0%
Information Technology	1.8		0.2	2.0	11.1%
Subtotal	2.3	(0.1)	0.2	2.4	4.3%
Facilities					
Maintenance	0.9		0.1	1.0	11.1%
Utilities	0.4		0.1	0.5	25.0%
Debt Service	-			-	-
Subtotal	1.3	-	0.2	1.5	15.4%
Total Expenditures	30.9	(1.9)	7.0	36.0	16.5%



Reductions to Instructional & Support Budget (\$ millions)

	<u>FY 2011 Budget</u>	<u>Reductions</u>	<u>FY 2012 Preliminary</u>	<u>Reductions FTE</u>	
<u>Expenditures</u>					
Instruction & Operations					
Salaries					
Ten/Ten Trk Faculty	\$ 8.9	\$ (0.1)	\$ 8.8	(1.0)	* Eliminate/reduce travel, memberships, sponsorships, hospitality
Other Faculty	1.4	(0.1)	1.3		* Reduce departmental operating budgets
Subtotal, Faculty	<u>10.3</u>	<u>(0.2)</u>	<u>10.1</u>	<u>(1.0)</u>	* Increase class sizes, reduce summer teaching loads and compensation, increase use of adjuncts
Professional Staff	8.1	(0.1)	8.0	(3.5)	
Support Staff	2.2	(0.1)	2.1	(1.0)	* Positions not filled, terminated, or only partially replaced
Subtotal Staff	<u>10.3</u>	<u>(0.2)</u>	<u>10.1</u>	<u>(4.5)</u>	
Subtotal Salaries	<u>20.6</u>	<u>(0.4)</u>	<u>20.2</u>	<u>(5.5)</u>	
Student Financial Aid	1.9		1.9		
Operations	4.8	(1.4)	3.4		
Support Organizations	2.3	(0.1)	2.2	(1.0)	
Facilities	1.3	-	1.3		
Total Expenditures	<u>\$ 30.9</u>	<u>\$ (1.9)</u>	<u>\$ 29.0</u>	<u>(6.5)</u>	



Increases to Instructional & Support Budget (\$ millions)

	<u>FY 2012 Preliminary</u>	<u>Increases</u>	<u>FY 2012 Budget</u>	<u>Increases FTE</u>	Summary of Major Increases: * Instructional faculty and essential staff to support increases in enrollment * Student success support: retention, graduation * Academic quality and value of degrees * Scholarships * Additional operational funding to support enrollment goals of downward expansion, off campus centers, and on-line delivery
Expenditures					
Instruction & Operations					
Salaries					
Ten/Ten Trk Faculty	\$ 8.8	\$ 1.6	\$ 10.4	5.0	
Other Faculty	1.3	0.3	1.6	8.0	
Subtotal, Faculty	<u>10.1</u>	<u>1.9</u>	<u>12.0</u>	<u>13.0</u>	
Professional Staff	8.0	0.8	8.8	4.5	
Support Staff	2.1	0.1	2.2	2.0	
Subtotal, Staff	<u>10.1</u>	<u>0.9</u>	<u>11.0</u>	<u>6.5</u>	
Subtotal Salaries	<u>20.2</u>	<u>2.8</u>	<u>23.0</u>	<u>19.5</u>	
Student Financial Aid	1.9	0.7	2.6		
Operations	3.4	3.1	6.5		
Support Organizations	2.2	0.2	2.4		
Facilities	1.3	0.2	1.5		
Total Expenditures	<u>\$ 29.0</u>	<u>\$ 7.0</u>	<u>\$ 36.0</u>	<u>19.5</u>	

University of Houston-Victoria Mission Statement

The University of Houston-Victoria (UHV) is a dynamic destination university in the Coastal Bend Region of Texas. UHV serves the educational needs, promotes the economic well-being, and advances the quality of life for the university and community through teaching, research, and service excellence.

As a separately accredited university in the University of Houston System, UHV is dedicated to providing students with educational and leadership opportunities that empower them to be successful 21st century professionals and citizens in the global economy. UHV offers undergraduate and graduate degrees in four schools: Arts and Sciences, Business Administration, Education and Human Development, and Nursing. Fully-online programs complement face-to-face programs and allow convenient access for UHV's traditional and non-traditional students. UHV also serves transfer students through articulation agreements with community colleges.

Civic engagement and service learning provide students the opportunity to make meaningful connections between their classroom experiences and their lives in an ever-changing and increasingly complex world. UHV enriches the region by offering economic development, life-long learning, outreach and special events, athletics and cultural experiences for the community.

UHV Core Values

- Academic excellence accessible to a diverse community.
- Continuous improvement and responsiveness to emerging issues.
- Freedom of inquiry and expression of truth in a culture of mutual respect, cooperation, and teamwork.
- The highest standards of ethics, integrity, and accountability.

Standing Goals

Goal 1: Teaching and Learning

UHV will provide high-quality instruction and learning support in selected degree programs, with emphasis upon outreach, collaboration, and responsiveness to the needs of local and international communities.

Goal 2: Research, External Grant Funding, and Scholarly Activities

UHV will contribute through research and scholarly activities to the advancement of knowledge in academic fields of inquiry, in teaching and learning, and in professional communities--commensurate with UHV's mission. This goal includes an increase in the number and amount of externally funded grants.

Goal 3: Community Engagement and Partnerships

UHV will help to serve the regional community's need for access to information resources, professional expertise, and continuing non-credit education; it will collaborate with other educational, entrepreneurial, governmental, and non-profit entities in promoting the educational, economic, and cultural development of the region. Service learning opportunities will integrate community service into the curriculum, providing opportunities for student civic engagement and faculty research.

- Goal 4: Enrollment Management and Student Services
UHV will optimally shape the size and characteristics of the student body to ensure diversity and reflect the needs of the global leaders of tomorrow, with an emphasis on student access and success, and student participation through athletics, student organizations and academic success initiatives.
- Goal 5: Financial and Administrative Support Services
UHV will demonstrate efficient and accountable stewardship of fiscal, human, and physical resources in its efforts to meet educational needs, to comply with oversight authorities, and to maintain public trust.
- Goal 6: University Advancement and Development
UHV will complement public support of the institution with private support; will provide accurate and timely information to institutional constituencies; and will maintain positive visibility within the regional and alumni communities.
- Goal 7: Planning, Assessment, and Accountability
UHV will maintain systematic processes for planning and budgeting, for institutional and employee assessment, and for professional development--with the intention of ensuring competitiveness, of improving effectiveness, and of complying with the mandates of the UH System, state legislature, Coordinating Board, and regional accrediting association. UHV will strive for greater accountability to stakeholders and increased transparency.
- Goal 8: Growth and Program Expansion
UHV endeavors to become a comprehensive, destination university through the inclusion of freshmen and sophomores (downward expansion), as well as through the development of new undergraduate and graduate programs, as needed to continue to meet the needs of the surrounding communities.

UH-VICTORIA PRIORITIES FOR FY 2012

OVERVIEW

The University of Houston-Victoria is a four-year, Master's comprehensive institution. During fall 2010 total enrollment equaled 4,095 students, which was a 12% increase over fall 2009. UHV achieved its largest enrollment to date during the spring 2010 semester with 4,195 students. Many UHV students work full-time or part-time, and they take an average of 8 credits per semester. Currently, UHV is organized into four Schools (Arts and Sciences, Business Administration, Education and Human Development, and Nursing) and offers 16 bachelors and 13 master's degrees. UHV awarded 868 degrees in 2010, including 515 bachelors and 335 master's degrees.

UHV is committed to serving the coastal bend region and other areas of Texas as well as the UH System off-campus centers with quality academic programs. To continue to be responsive to students and to fulfill the requirements of the UH System strategic priorities, UHV plans to develop and offer additional academic programs; form additional partnerships with area school districts, community colleges and universities, as well as with hospitals and health-related organizations, business and industries; support new construction in Victoria; develop and strengthen international programs and community advancement; continue fund-raising efforts to provide additional support for encouraging excellence throughout the university.

Annually UHV goes through an extensive process of reviewing assessment reports from the academic and administrative divisions on their prior year's performance and considering their proposed goals and supporting budget requests for the next year. These goals and requests are to be aligned with the university's strategic priorities, which are in turn aligned with UHS priorities. This planning/budgeting process includes open budget hearings, in which the heads of the various academic and administrative divisions present their goals and resource requests for the next year.

The major UHV goals for FY 2012 include:

1. Student Success
 - Faculty
 - Student Recruitment, Retention, and Graduation
 - Academic Programs
 - Distance Education
 - Support UHS Efforts at Sugar Land and Cinco Ranch
 - Downward Expansion
 - Hispanic-Serving Institution (HSI)
 - International Education
2. National Competitiveness
 - Professional Development Opportunities
 - Faculty Research
 - Externally Funded Grants
 - National Accreditation of Key Academic Programs
 - Equitable and Competitive Salaries for Faculty
3. Community Advancement
 - American Book Review Publication and Reading Series
 - LEAD Initiative (Letting Education Achieve Dreams)
 - Civic and Community Engagement Through Public Service
 - Small Business Development Center (SBDC)

- Athletics
- Continued Implementation of “Community Campus” Initiatives to Involve Students in the Cultural and Civic Life of the Community, Taking Advantage of Organizations and Opportunities Already Available

4. University Infrastructure and Administration

- Technology
- Operational Support
- Equitable and Competitive Salaries for Staff
- Quality Improvements
- Facilities

UHV's State Budget for FY2012 – Impact on the University

UHV views this next year with cautious optimism as fewer resources will be available to manage a much larger enterprise. Since state funding is largely driven by student enrollment, UHV's 54% student enrollment growth over the past 4 years has helped positively shape the size of UHV's state funding. The Legislature also funded a new special item for downward expansion of \$2.1 million per year. Although this is positive for the university, the reality is that UHV has taken a reduction of \$1.5 million in state funding. In "normal" times the university would have expected an additional \$3+ million per year, however, just slightly over \$500,000 of additional general revenue will be available each year of the next biennium.

UHV, as with other public universities, must retool using revised delivery methods and smaller support areas. The challenges for UHV are these: reduced budgetary resources; increasing enrollments—which require additional faculty and support; and downward expansion costs—which require up-front investments.

UHV will address these challenges in the following ways:

Increased Productivity:

- Increase in class sizes averaging about 20%
- Increase in average staff workload (more students)

Operating Efficiencies:

- Greater use of lecturers and of part-time faculty for lower-level classes (most new faculty hired to accommodate growth are lecturers)
- Reduction in summer course offerings
- Continued use of online course delivery and off-campus faculty

Budgetary Reductions:

- Elimination of and/or reductions in travel, memberships, sponsorships, and hospitality costs
- Reduced departmental operating budgets and carry forwards
- Positions not filled, terminated, or only partially replaced

UHV is committed to collaboration with other institutions and to online delivery of instruction and student services. It shares a library and other facilities with Victoria College, which also provides developmental coursework to UHV freshman. UHV is a major participant in the UH System's off-campus teaching centers in Sugar Land and Cinco Ranch, where the universities share a common staff and contribute proportionally to expenses on the basis of enrollments. Wharton County Junior College also shares facilities and services at the Sugar Land Center, and shared library resources are being built on-site by Fort Bend. Shared technology resources will continue to provide cost savings; UHV utilizes PeopleSoft, Blackboard/Learn systems, and development and research databases that are currently shared UH System resources. Shared resources and collaborative relationships will play a crucial part in limiting the cost of delivering instruction and student services.

System-wide service consolidations could help reduce costs, slow rising costs, and/or expand services to campuses. Several areas that could be reviewed to determine viability are training, security services, background checks of employee candidates, enhanced use of technology through expanding the capabilities of PeopleSoft, bulk software purchasing, major purchasing bids, and large maintenance contracts.

PRIORITY 1: STUDENT SUCCESS

CONTEXT

To provide ongoing support for the admission and enrollment of freshmen and sophomores, UHV will continue to develop recruitment activities, academic advising, on-campus student employment, and student development activities. In addition to adding a wider variety of lower division undergraduate courses, UHV will continue to develop new academic programs and expand off-campus and online programs to meet the educational needs of both traditional and non-traditional students. For FY 2012, UHV will continue to emphasize retention, especially of freshmen and sophomores.

Based on the cohort of first-time, full-time entering juniors who entered in fall 2006, 73.9% graduated within a four-year period. UHV led the state last year in a national survey of student satisfaction, based on seniors' response to the question of whether they would choose the same university if they could choose again. The university will continue to strive for high levels of student success and satisfaction, as it enters a new era as a destination university.

While implementing its new, additional mission as a destination university, UHV will continue its historical mission of serving non-traditional students on campus, at the UHS centers, and online. UHV accepted the UHSCR program lead for the BBA-Business Administration degree in 2010-2011 and is rebuilding enrollments in that program. In 2011, UHV expects to commence a new major in Spanish, to continue developing RN to BSN partnerships with community colleges, and to continue participating in a System-wide "consortium" approach to the delivery of BSN programs in the Houston area.

The university also considers international education to be vital to its mission. In fall 2010 UHV enrolled 143 international students from 31 different countries. It is important that the university continue to enroll students from other countries and to provide opportunities for U.S. students to study abroad. UHV works with the UH System and other universities to establish collaborative initiatives abroad. UHV has had recent initiatives in China, India, Mexico, Spain, and the United Kingdom.

Of further relevance to student access and success, UHV has made applying for designation as a Hispanic-Serving Institution a priority during FY 2012. Completed applications for HSI designation will be due January 31, 2012, and UHV may be eligible to complete the application for consideration during this cycle. Once approved, it will be necessary for the university to re-apply for HSI status on an annual basis. Prior to downward expansion, UHV's student body was approximately 17.6% Hispanic. The addition of freshmen and sophomores in fall 2010 raised Hispanic student enrollment, and those students now represent 25.5% of all undergraduates at UHV, which allows UHV to apply for designation as a Hispanic-Serving Institution. This designation will make UHV eligible for additional grant funding to support student success initiatives and will have implications for the award and administration of financial aid programs, specifically the disbursement of SEOG funds (Supplemental Educational Opportunity Grant).

FY 2012 BUDGET INITIATIVES

- *Faculty (\$781,475 New Resources)*

With significant enrollment growth and several new programs, UHV will be able to serve significantly more students. For FY 2012, ten new faculty positions will be funded, along with one-time funding to help support an endowed professorship (\$781,475).

- *Student Recruitment, Retention and Graduation (\$891,461 New Resources)*

Besides expanding academic programs, enrollment growth requires a strong commitment to student recruitment and retention. UHV will be developing new student orientation and retention programs as well as hiring academic advisors, student mentors, and tutors. UHV will continue to:

- Expand student scholarships to ensure that education remains affordable;
- Collaborate with community colleges to ensure transferability of credits;
- Extend student recruitment to high schools and former students;
- Continue LEAD (Letting Education Achieve Dreams) initiative;
- Grow and develop athletic scholarships and programs;
- Mentor prospective students through established programs;
- Market UHV as a destination university with relevant academic programs as well as an outreach university serving non-traditional students.

New funding will be used for the Jaguar Pledge which provides freshmen and sophomores who qualify, 1/3 of tuition and fees within financial aid packages (\$400,000). Additional resources from designated tuition set aside of 15% of designated tuition will be used for scholarships (\$346,334). Increased funding for athletic scholarships will be utilized to ensure continued program growth (\$92,200). Additional funding will support recruiting, marketing, and mentoring initiatives (\$52,927).

- *Reserve for Texas Grant Reduction (\$300,000 New Resources)*

The Texas Grant funds are being supplemented with \$300,000 new resources due to possible reductions in this state grant.

- *Academic Programs (\$1,155,988 New Resources) (\$54,400 HEAF)*

In 2011, UHV received approval from the UHS-Board of Regents and the Texas Higher Education Coordinating Board (THECB) to add one new degree program: MEd in Adult and Higher Education. Program proposals are currently in the approval process or in development to add a BA in Spanish, an MS in Biology, and an MSN with a Family Nurse Practitioner concentration.

Funding will be directed toward nursing programs and degrees as a result of reductions in state special item and to support growth in all academic programs (\$623,521). Due to program growth, additional resources will be used for adjuncts, course offerings, and student advising (\$167,323). Institutional enhancement funding is supplemented with new resources (\$365,144). HEAF funds will be used to upgrade instructional technology and instructional laboratories (\$54,400).

UHV is committed to assisting the development of other BSN programs in the UH System and to a System-wide approach to administration and delivery, including the realization of a “consortium” degree shared among the university providers.

- *Distance Education (\$52,947 New Resources) (\$786,662 HEAF)*

For several years UHV has been aggressive in expanding distance education opportunities for students. Semester credit hours generated by online courses have increased from 11,884 in fall 2006 to 20,414 in fall 2010, an increase of approximately 72%. Off-campus instruction (face-to-face and via ITV) increased from 4,467 to 8,174 SCH during the same time period, which is an 83% increase. UHV will transition to the Learn 9.1 course management system starting in the spring 2012 semester. To better reach and respond to students, UHV has online student orientation, advising and tutoring. Additional funds to support instructional design, networking operations, and programming requests are needed due to increased growth (\$32,947). UHV will continue to support Blackboard course management and incorporate multi-media in online courses using lecture capture technology (\$20,000). UHV will continue utilizing HEAF to enhance electronic library services and resources (\$299,362) and to extend instructional support services (\$487,300).

- *UHS Sugar Land and Cinco Ranch (\$73,467 New Resources) (\$708,131 Reallocated Resources) (\$1,400,000 HEAF)*
UHV assists in supporting, developing and expanding the UH System presence in Fort Bend County. Both sites are supervised by the Associate Vice Chancellor for UHS Sugar Land whose primary responsibilities are focused on program promotion and support. UHV is dedicated to on-going expansion in continuing to meet the needs of the Fort Bend community. Off-campus enrollment in Fort Bend County, including both ITV and face-to-face courses comprised 24% of UHV's total semester credit hour generation in fall 2010. UHV remains committed to providing high-quality programs and support services to students and faculty in Fort Bend County. It is important to note that in fall 2007, UHV took responsibility for additional programs and assumed a greater proportion of the operating expenses at UHSSL.

Local funds will be utilized to cover Sugar Land and Cinco Ranch service charges (\$73,467). Reallocated funds will be used for the new administrative service charges assessed for Sugar Land and Cinco Ranch (\$708,131). HEAF will be utilized to fund library space in the new Ft. Bend County Library located at the UHSSL campus (\$1,400,000).

- *Downward Expansion (\$450,000 New Resources) (\$2,100,000 Reallocated Resources)*
Downward expansion continues to be a priority for UHV in FY 2012. A total of 218 new freshmen and sophomores were admitted in fall 2010; approximately 35% of these students were the first generation of their family to attend college, and 65% identified themselves as members of under-represented minority groups. Continued refinement of UHV's marketing materials, the establishment of recruiting relationships with target high schools, and an increased number of academic advisors in the School of Arts and Sciences will help ensure that freshmen and sophomore enrollment in Victoria continues to increase. The goal is to enroll approximately 400 new freshmen and sophomores in fall 2011, almost doubling the previous year's enrollment with \$450,000 new resources dedicated to student housing.

The Texas Legislature recognized the importance of downward expansion in this region of Texas and allocated a yearly special item in the amount of \$2.1 million. This funding is being used to support multiple activities related to downward expansion that the university has already instituted but will be supported next year by this new special item. Such activities were hiring of new faculty; adding personnel and operational funding for student recruitment, retention and graduation efforts; and increasing academic programs.

PRIORITY 1. BUDGET TABLE

	<u>Reallocated Resources</u>	<u>New Resources</u>	<u>HEAF</u>	<u>Total</u>
Faculty		\$781,475		\$781,475
Student Recruitment, Retention and Graduation	\$300,000	891,461		1,191,461
Academic Programs		1,155,988	54,400	1,210,388
Distance Education		52,947	786,662	839,609
UHS Sugar Land & Cinco Ranch	708,131	73,467	1,400,000	2,181,598
Downward Expansion	2,100,000	450,000		2,550,000
Total	\$3,108,131	\$3,405,338	\$2,241,062	\$8,754,531

PRIORITY 2: NATIONAL COMPETITIVENESS

CONTEXT

UHV is committed to academic and research excellence. While national competitiveness is a challenge for all institutions, UHV strives to be competitive by enhancing programs and services, supporting faculty research, providing competitive salaries, developing credible assessment procedures and providing students with current technology and library resources.

The UHV School of Business Administration has received several national recognitions including:

- Princeton Review - #3 Greatest Opportunity for Minority Students (2010)
- Get Educated.com - #4 (Global MBA) (2009)
- Get Educated.com - #17 (Strategic MBA) (2009)
- Get Educated.com - AACSB accredited Distance MBA Best Buy (2009)
- GetEducated.com - #6 (BBA) Best Buy Bachelor's Business & Management (2009)
- Recognized as 2008 Education Award finalist by the U.S. Association of Small Business and Entrepreneurship.

Due to the American Book Review and other nationally recognized publications on campus, Victoria is becoming recognized nationally as a literary center and as a "haven for Humanities publishing." It has been said that there is a "literary renaissance" in Victoria due to the presence of these publications at UHV and all of the over 40 outstanding writers who have made presentations on campus since Fall 2006. In addition, the Victoria Advocate and UHV have partnered with a newly funded faculty Chair focused on journalism, writing for the media, and enhancing diversity in high school literature through Centro Victoria.

In the past year, the School of Nursing (SoN) received over \$1.2 million in sponsored funding to address professional nursing shortages and equip nursing labs and simulation centers. SoN graduate and undergraduate programs are fully accredited by the Commission for Collegiate Nursing Education (CCNE) through 2014.

In June 2010, counseling programs within the School of Education & Human Development received initial accreditation from the Council for Accreditation of Counseling and Related Educational Programs (CACREP). The SoEHD has also established a timeline for pursuing Teacher Education Accreditation Council (TEAC) accreditation.

FY 2012 BUDGET INITIATIVES

- *Professional Development Opportunities (\$25,920 New Resources)*

UHV provides faculty and staff with professional development opportunities to maintain and enrich the quality of its programs and services. By combining local, endowment and state funds, UHV supports faculty research and participation in professional conferences. In addition the University provides a broad array of online training to employees located at different sites.

Additional faculty development funds will be provided to support the associated costs of research, conference participation, and teaching awards (\$25,920).

Faculty promotion salary adjustments for full-time tenure-track faculty will continue to be 4 percent for assistant professors promoted to associate professors and 6 percent for associate professors promoted to full professors. This increase was implemented in fall 2010 and is designed to reward and retain outstanding faculty.

UHV conducts salary reviews to monitor internal equity and external competitiveness. Equity adjustments will be considered for faculty who have both an extreme equity pay issue compared to the market and have meritorious performance evaluations in FY 2012-2013 providing funds are available.

- *Faculty Research (\$15,000 New Resources)*

UHV faculty have been increasingly productive in publishing research and securing external grants. Overall sponsored projects totaled \$2,141,482 in FY2009 and increased to \$2,859,075 in FY2010. The number of submitted proposals increased from 24 in FY2009 to 35 in FY2010 and 10 grants were awarded. These grants are distributed in four Schools and Student /Academic Services in FY2010. The Research Administrator works with faculty on writing and submitting grant proposals for external funding as well as administering awarded programs.

Given the increased productivity and the need to further increase it, a new position will be shared between Sponsored Programs and Institutional Research, primarily to help with data collection, fiscal record keeping, and assessment. The \$15,000 new resources represent half the salary proposed.

PRIORITY 2. BUDGET TABLE

	<u>New Resources</u>	<u>HEAF</u>	<u>Total</u>
Professional Development	\$25,920		\$25,920
Sponsored programs/research	15,000		15,000
Total	\$40,920		\$40,920

PRIORITY 3: COMMUNITY ADVANCEMENT

CONTEXT

UHV is committed to enriching the community by offering programs and services that help citizens grow and develop. Initiatives that have enhanced the quality of life in Victoria include the American Book Review (ABR), Letting Education Achieve Dreams (LEAD) and the Small Business Development Center (SBDC) and Athletics. Also faculty and staff have funded grant programs that provide specialized educational programs for specific community groups. The Society for Critical Exchange hosts an annual conference on campus. Additional grant-funded projects help participants revitalize programs to make them more effective. The Teacher Quality Grants to support training and retention of public school teachers and Title V: Developing Hispanic-Serving Institutions is meant to increase transfer of community college students to four-year schools and improve the quality of distance education. The “Community Campus” initiative (see below) is intended to enrich student life and educational development by involving students as participants and contributors in the civic and cultural life of the wider community. At the same time the students’ involvement will enrich the community.

An important initiative begun in fall 2010 is intended to develop collaboration between the community and campus in providing educational and growth opportunities for residential students. This “Community Campus” initiative is intended to involve students in arts, cultural, and fitness opportunities available in the community and to foster their development as citizens and contributors to their future communities. The community campus will provide students an opportunity to develop greater civic responsibility through participation in local cultural, social, and political events, volunteerism, and community-based learning experiences. UHV currently lacks programs and opportunities in theatre, music, graphic and other creative arts and lacks sports and fitness facilities, but these are available in the community.

FY 2012 BUDGET INITIATIVES

- *Small Business Development Center (SBDC)*

This center continues to be committed to building and preserving long-term regional relationships impacting the economic health of communities in the area. SBDC provides free guidance and technical assistance in the form of counseling and training which impacts small business development, growth, and sustainability. SBDC added the Rural Business Grant in fall 2009 for \$79,985 which accommodates expanded educational services for rural areas. In FY 2009, the SBDC assisted local businesses in raising \$6.6 million in capital; that value increased to \$12.7 million in FY 2010, and projections indicate the SBDC will raise approximately \$20 million in capital in FY 2011 if the current pace continues.

- *Athletics (\$29,743 New Resources)*

UHV first added athletics teams in fall 2007. Baseball and softball teams competed in their first seasons during spring 2008; two additional sports were added in fall 2010: soccer and golf. UHV has had teams qualified for post-season play each season, and four of the six teams qualified for post-season tournaments this past year. Total season attendance at baseball and softball games was approximately 14,200 people. During a three-month period from February through April 2010, UHV hosted 40 home athletic events. The Athletics Program has notably raised UHV’s visibility and awareness within the community and has helped recruit students to Victoria. Increased funding for training, medical supplies, equipment, facilities rental, entry fees, uniforms, travel, lodging, and meals are being provided to support the continued growth of this program (\$29,743).

PRIORITY 3. BUDGET TABLE

	<u>New Resources</u>	<u>HEAF</u>	<u>Total</u>
Athletics	\$29,743		\$29,743
Total	\$29,743		\$29,743

PRIORITY 4: UNIVERSITY INFRASTRUCTURE AND ADMINISTRATION

CONTEXT

UHV is committed to maintaining, improving and expanding facilities to provide a safe, up-to-date and efficient environment conducive to learning, teaching, research and service. Administrative efficiency is an important university value that is demonstrated by reducing costs while improving services. Investments for this priority will focus on expanding technology, providing competitive and equitable salaries, and developing other quality improvements.

For two years, UHV has been using the fund balance to finance initiatives related to downward expansion and new program development. The University is aware of the need to replenish the fund balance.

FY 2012 BUDGET INITIATIVES

- *Technology (\$159,197 New Resources) (\$158,200 HEAF)*
As the number of students, faculty and staff increases, so do the university's information technology needs. UHV promotes using technology as a cost-effective method for providing university services, including improved electronic access bandwidth to support online course delivery and online registration. UHV will continue to invest in IT technical support as well as upgrade computers, servers and other equipment. These funds will continue PC replacement cycle, server replacements and upgrades, network equipment and upgrades and classroom technology support. Local funds will help with the purchase of software for labs and academic programs (\$159,197). HEAF funding will be utilized for upgrades and improvements described above (\$158,200).
- *Operational Support (\$229,556 New Resources) (\$123,500 HEAF)*
New funding will be used to support current operations as well as additional staff salaries in key areas and maintenance and operations. UHV will continue to make administrative investments needed to insure efficient and effective operations throughout the University and has established the office of Institutional Effectiveness (\$98,047). Local funding will be provided for additional utility, insurance, and custodial costs associated with increased facility size and users (\$131,509). HEAF funds will be used for plant support, campus security and technology (\$123,500).
- *Equitable and Competitive Salaries for Staff (\$24,914 New Resources)*
UHV will conduct salary reviews to monitor internal equity and external competitiveness. Equity adjustments will be considered for those who have both an extreme equity pay issue compared to the market and have meritorious performance evaluations. Such adjustments will be in the FY2012-13 fiscal year if funds are available. The new resources will be used for increased costs of employee benefits, consultant services for salary surveys and merit, equity and reclassifications (\$24,914).
- *Quality Improvements (\$4,520 New Resources)*
UHV will continue to support professional development for employees and to take additional measures to insure the university's infrastructure is able to support quality programs and services. UHV participated in an upgrade to the PeopleSoft system and has plans to implement the transfer credit and student advising modules to help improve advising and other student services. In spring 2012, UHV will also be starting the transition to the Learn 9.1 system for online course delivery. UHV collaborates with UH in the development and use of PeopleSoft and Learn 9.1. Additional funds will support the Employee Assistance Program and People Admin Simple Hire Applicant Tracking Module (\$4,520).

- *Facilities (\$12,600 New Resources) (\$879,500 HEAF)*

Facility improvements will include areas such as roof repairs, renovations, continued maintenance, and additional security lighting. Funding will be provided for additional security lighting to ensure safety of students and staff (\$12,600). IHV will utilize HEAF funds to acquire and remodel as needed a building to meet the needs of UHV’s physical plant (\$850,000) and to maintain facility maintenance campus wide (\$29,500).

PRIORITY 4. BUDGET TABLE

	<u>New Resources</u>	<u>HEAF</u>	<u>Total</u>
Technology	\$159,197	\$158,200	\$317,397
Operational Support	229,556	123,500	353,056
Equitable & Competitive Salaries for Staff	24,914		24,914
Quality Improvements	4,520		4,520
Facilities	12,600	879,500	892,100
Total	\$430,787	\$1,161,200	\$1,591,987

University of Houston-Victoria
Appendix A - Allocation of New FY 2012 Resources

<u>Revenue Changes</u>		A
Appropriations Bill		
1	General Revenue	\$ (1,388,362)
2	Less Estimated Rider Reductions	(192,507)
3	New Special Item - Downward Expansion	2,100,000
4	Subtotal Appropriations	<u>519,131</u>
Tuition and Fees from Growth		
5	Statutory Tuition	1,539,924
6	General Designated Tuition	1,115,024
7	Differential Designated Tuition	-
8	Extended Access Fee	248,947
9	Library Use Fee	31,119
10	Grad Business Fee	137,391
11	Student Service Fee	718,400
12	Nursing Fee	34,866
13	Other Student Fees	(52,300)
14	Subtotal Growth	<u>3,773,371</u>
Tuition and Fees from Rate Changes		
15	Statutory Tuition	12,501
16	General Designated Tuition	768,916
17	Differential Designated Tuition	-
18	Extended Access Fee	-
19	Library Use Fee	-
20	Grad Business Fee	-
21	Student Service Fee	-
22	Nursing Fee	-
23	Other Student Fees	-
24	Subtotal Rate change	<u>781,417</u>
25	Total Net Revenue	<u>\$ 5,073,919</u>

<u>Reductions for State Revenue Decline</u>		B
1	Departmental Reductions	\$ (433,000)
2	Special Item Cuts	(815,000)
3	FY2011 Reductions	(693,000)
4	Subtotal-Reductions	<u>\$ (1,941,000)</u>

<u>Priority/Initiative Allocations</u>		C
Priority 1. Student Success		
5	New Faculty Hires	\$ 781,475
6	Student Recruitment, Retention and Graduation	891,461
7	Reserve for Texas Grant Reduction	300,000
8	Academic Programs	1,155,988
9	Distance Education	52,947
10	Support UH System at Sugarland & Cinco	73,467
11	Reallocated Resources from HEAF at UHSSL/UHSCR	708,131
12	Reallocate Resources to New Special Item	2,100,000
13	Downward Expansion-Student Housing	450,000
14	Subtotal - Student Success	<u>6,513,469</u>
Priority 2. National Competitiveness		
15	Professional Development	25,920
16	Faculty Research	15,000
17	Subtotal - National Competitiveness	<u>40,920</u>
Priority 3. Community Advancement		
18	Small Business Development Center	-
19	Athletics	29,743
	Subtotal - Community Advancement	<u>29,743</u>
Priority 4. University Infrastructure & Administration		
20	Technology	159,197
21	Operational Support	229,556
22	Competitive and Equitable Salaries for Staff	24,914
23	Quality Improvements	4,520
24	Facilities	12,600
25	Subtotal - University Infrastructure & Administration	<u>430,787</u>
26	Total Priority/Initiative Allocations	<u>\$ 7,014,919</u>

27 **Total Net Reductions and New Allocations** **\$ 5,073,919**

University of Houston-Victoria
Appendix B - Allocation of FY 2012 HEAF

<u>FY12 Allocation</u>		<u>Priority/Initiative</u>	<u>Allocation</u>
HEAF Annual Allocation	\$ 2,393,921	Priority 1. Student Access and Success	
HEAF Balance	1,008,341	Academic Programs	\$ 54,400
		Distance Education	786,662
		Support UH System at Sugar Land and Cinco Ranch	1,400,000
Total Available	\$ 3,402,262	Subtotal	<u>\$ 2,241,062</u>
		Priority 3. University Infrastructure & Administration	
		Technology	\$ 158,200
		Operational Support	123,500
		Facilities	879,500
		Subtotal	<u>\$ 1,161,200</u>
		Total New Investments	\$ 3,402,262

University of Houston-Victoria
Appendix C - Projected Availability of Scholarships and Grants

	<u>FY2011</u>	<u>FY2012</u>
Funds from Endowed Scholarships	\$ 220,559	\$ 202,258
State Scholarships		
Texas Grant Program Scholarship	427,140	480,000
Accounting Scholarship	5,000	5,000
Texas Public Education Grant (TPEG)	695,341	771,144
Designated Tuition Financial Aid Set-Asides		
Undergraduate Scholarships	379,605	513,924
Graduate Scholarships	343,105	424,773
Institutional Scholarships	80,000	80,000
MBA Scholarships	40,000	40,000
Staff Scholarships	80,000	80,000
Athletic Scholarships	150,160	242,360
Jaguar Pledge Scholarships	-	400,000
Employee Tuition Exchange Program with Victoria College	15,000	15,000
Texas College Work Study	15,579	14,604
Special Leveraging Education Assistance Program (SLEAP)	3,334	-
Federal College Work Study	92,859	60,000
Federal Pell Grants	1,381,706	3,000,000
Leveraging Education Assistance Program	6,491	-
Federal Supplemental Education Opportunity Grants (SEOG)	61,311	42,801
National SMART Scholarship Grant (Federal)	20,000	-
Total	<u>\$ 4,017,190</u>	<u>\$ 6,371,864</u>

University of Houston-Victoria
Table 1 - Sources & Uses
(\$ in Millions)

	A		B		C		D		E		F		G	
	Historical		-----Change-----				Current		-----Change-----				New	
	FY2010 Budget		Dollars	Percent	FY2011 Budget		Dollars	Percent	FY2012 Budget		Dollars	Percent	FY2012 Budget	
Operating & Restricted Budget														
Source of Funds														
1 State Appropriations	\$	16.3	\$	(0.0)	-0.1%	\$	16.3	\$	0.4	2.4%	\$	16.7		
2 HEAF		1.2		0.9	60.4%		2.1		(1.3)	-59.5%		0.9		
3 Tuition & Fees		14.7		3.1	23.4%		17.8		4.6	25.5%		22.4		
4 Other Operating (Auxiliaries)		3.9		1.6	27.0%		5.5		(0.5)	-9.2%		5.0		
5 Contracts & Grants (Restricted)		2.7		0.4	13.9%		3.0		1.0	32.9%		4.0		
6 Endowments/Gifts (Restricted)		0.3		(0.0)	-1.2%		0.3		(0.0)	-7.2%		0.3		
7 Total Sources	\$	39.2	\$	5.9	13.5%	\$	45.1	\$	4.2	9.2%	\$	49.3		
Use of Funds by Object														
8 Salaries and Wages - Faculty	\$	9.6	\$	1.4	16.4%	\$	11.0	\$	1.1	10.3%	\$	12.1		
9 Salaries and Wages - Staff		9.6		0.4	4.0%		10.0		0.3	3.2%		10.4		
10 Benefits		5.0		0.4	8.6%		5.4		0.0	0.9%		5.5		
11 M&O		8.9		1.9	22.1%		10.9		0.8	7.7%		11.7		
12 Capital Equipment		2.3		0.0	0.4%		2.3		0.0	2.1%		2.4		
13 Scholarships		3.4		0.6	18.6%		4.0		2.4	59.5%		6.4		
14 Debt Service		-		0.4	9.4%		0.4		0.1	16.4%		0.5		
15 Utilities		0.4		-	0.0%		0.4		0.1	25.7%		0.4		
16 Reserve for State Budget Reduction		-		0.8			0.8		(0.8)	-100.0%		-		
17 Total Uses	\$	39.2	\$	5.9	13.5%	\$	45.1	\$	4.2	9.2%	\$	49.3		
Capital Facilities Budget														
Source of Funds														
18 HEAF	\$	1.1	\$	(0.9)	-98.9%	\$	0.2	\$	1.3	564.7%	\$	1.5		
19 Bonds		5.0		(0.7)	-5.1%		4.2		1.1	25.7%		5.3		
20 Gifts		-		0.1	2.1%		0.1		(0.1)	-72.3%		0.0		
21 Other		0.7		(0.7)	-33.6%		0.1		(0.0)	-18.3%		0.1		
22 Total Sources	\$	6.8	\$	(2.2)	-10.0%	\$	4.6	\$	2.4	52.0%	\$	7.0		
Use of Funds by Object														
23 Construction	\$	6.8	\$	(2.8)	-12.9%	\$	4.0	\$	2.0	50.0%	\$	6.0		
24 Major Rehabilitation		-		0.6			0.6		0.3	48.8%		1.0		
26 Total Uses	\$	6.8	\$	(2.2)	-10.0%	\$	4.6	\$	2.4	52.0%	\$	7.0		
Total Operating, Restricted and Capital Budget														
27	\$	46.0	\$	3.7	5.7%	\$	49.7	\$	6.6	13.2%	\$	56.3		

University of Houston-Victoria

Table 2 - Operations

	FY2011 Budget	-----Change-----		FY2012 Budget
		Dollars	Percent	
Source of Funds				
General Funds				
State General Revenue Appropriations				
Formula Funding	\$ 12,101,505	\$ 971,435	8.0%	\$ 13,072,940
Special Items	1,014,425	(259,797)	-25.6%	754,628
Less: Rider Reduction Estimates	-	(192,507)		(192,507)
State Benefits Appropriation	3,167,179	(124,524)	-3.9%	3,042,655
Subtotal State General Revenue Appropriations	16,283,109	394,607	2.4%	16,677,716
Tuition and Fees				
Statutory & Graduate Premium	5,369,845	1,552,425	28.9%	6,922,270
Lab/other Student Fees	6,000			6,000
Subtotal Tuition and Fees	5,375,845	1,552,425	28.9%	6,928,270
HEAF	2,335,692	58,229	2.5%	2,393,921
Income on State Treasury Deposits	14,523	7,859	54.1%	22,382
Fund Balance	852,296	(852,296)	-100.0%	-
Subtotal General Funds	24,861,465	1,160,824	4.7%	26,022,289
Designated				
Tuition and Fees				
Designated Tuition - General	8,154,434	1,883,940	23.1%	10,038,374
Technology Fee	1,798,532	248,947	13.8%	2,047,479
Major/Department/Class Fees	1,292,991	203,375	15.7%	1,496,366
Subtotal Tuition and Fees	11,245,957	2,336,262	20.8%	13,582,219
Indirect Cost	23,167			23,167
Investment Income on Non-Endedowed Funds	120,451	(16,236)	-13.5%	104,215
Contracts / Grants / Gifts	104,700	(50,000)	-47.8%	54,700
Self Supporting Organizations/Others	865,098	58,053	6.7%	923,151
Fund Balance	2,095,933	(903,776)	-43.1%	1,192,157
Subtotal Designated Funds	14,455,306	1,424,303	9.9%	15,879,609
Auxiliary Enterprises				
Student Fees				
Student Service Fee	1,086,451	718,400	66.1%	1,804,851
Other Student Fees	132,300	(52,300)	-39.5%	80,000
Subtotal Student Fees	1,218,751	666,100	54.7%	1,884,851
Sales & Service - Student Housing/Meal Plans	1,839,900	172,100	9.4%	2,012,000
Sales & Service - Athletics/Hotel/UC/Other	9,900	-		9,900
Fund Balance	150,000	(150,000)	-100.0%	-
Subtotal Auxiliary Funds	3,218,551	688,200	21.4%	3,906,751
Total Current Operating Funds	42,535,322	3,273,327	7.7%	45,808,649
Interfund Transfer	(772,602)	(84,224)	10.9%	(856,826)
Total Sources	\$ 41,762,720	\$ 3,189,103	7.6%	\$ 44,951,823
Use of Funds by Object				
Salaries and Wages	\$ 20,628,873	\$ 1,647,962	8.0%	\$ 22,276,835
Benefits	5,301,310	102,230	1.9%	5,403,540
M&O	10,163,119	1,256,253	12.4%	11,419,372
Capital	2,305,452	47,469	2.1%	2,352,921
Scholarships	1,837,051	730,150	39.7%	2,567,201
Debt Service	422,822	69,132	16.4%	491,954
Utilities	350,000	90,000	25.7%	440,000
Reserve for State Budget Reduction	754,093	(754,093)	-100.0%	-
Total Uses	\$ 41,762,720	\$ 3,189,103	7.6%	\$ 44,951,823

University of Houston-Victoria

Table 3 - Restricted

Source of Funds	FY2011 Budget	-----Change-----		FY2012 Budget
		Dollars	Percent	
Restricted				
Contracts and Grants				
Research/Contracts and Grants	\$ 1,107,731	\$ (668,335)	-60.3%	\$ 439,396
Financial Aid	1,933,420	1,668,985	86.3%	3,602,405
Endowment Income	220,559	(18,301)	-8.3%	202,258
Other Restricted	100,562	(4,779)	-4.8%	95,783
Total Current Operating Funds	3,362,272	977,570	29.1%	4,339,842
Total Sources	\$ 3,362,272	\$ 977,570	29.1%	\$ 4,339,842
Use of Funds by Object				
Salaries and Wages	\$ 388,028	\$ (197,047)	-50.8%	\$ 190,981
Benefits	108,648	(55,171)	-50.8%	53,477
M&O	701,509	(420,890)	-60.0%	280,619
Scholarships	2,164,087	1,650,678	76.3%	3,814,765
Total Uses	\$ 3,362,272	\$ 977,570	29.1%	\$ 4,339,842

University of Houston-Victoria

Table 4 - Capital Projects

	Project to Date (1)	FY2012 Budget	Future Year Budgets	Total Project Budget	-----Funded From-----			
					HEAF	Revenue Bonds	Gifts	Other
New Construction								
Student Housing - Jaguar Suites	\$ -	\$ 4,500,000	\$ 6,800,000	\$ 11,300,000	\$ 800,000	\$ 10,500,000		
Library Space - UHSSL		750,000		750,000	750,000			
Purchase Facilities Building with 0.79 acres		750,000		750,000	750,000			
Subtotal New Construction	\$ -	\$ 6,000,000	\$ 6,800,000	\$ 12,800,000	\$ 2,300,000	\$ 10,500,000	\$ -	\$ -
Major Repair and Rehabilitation								
Remodel space for offices - UHSSL		\$ 650,000		\$ 650,000	\$ 650,000			
Remodel purchased facilities building		100,000		100,000	100,000			
Athletic offices and trainer facility		200,000		200,000			50,000	150,000
Subtotal Major Repairs & Rehabilitation	\$ -	\$ 950,000	\$ -	\$ 950,000	\$ 750,000	\$ -	\$ 50,000	\$ 150,000
Total	\$ -	\$ 6,950,000	\$ 6,800,000	\$ 13,750,000	\$ 3,050,000	\$ 10,500,000	\$ 50,000	\$ 150,000

(1) Project expenditures to date estimated through August 31, 2011

6.25

University of Houston-Victoria
Table 5 - Number of Full-Time Equivalent Positions

Employee Classification	FY2011 Budget	-----Change-----		FY2012 Budget
		FTE	Percent	
Faculty	119	10	8.4%	129
Part-time Faculty	44	2	4.5%	46
Professional Staff	167	1	0.6%	168
Classified Staff	106			106
Temporary Staff	25	1	5.0%	26
Total	461	14	3.1%	475

University of Houston-Victoria
Table 6 - Student Credit Hours, Headcount, and FTE

	FY2008 Actuals	FY2009 Actuals	FY2010 Actuals	FY2011 Budget	FY2012 Budget	FY12 vs FY11 Change
Semester Credit Hours						
Lower Division				9,072	14,145	5,073
Upper Division	33,305	39,125	44,901	38,677	42,504	3,827
Masters	21,499	23,206	27,015	28,954	30,671	1,717
Total	54,804	62,331	71,916	76,703	87,320	10,617
Semester Credit Hours-On/Off Campus						
On Campus	6,511	5,559	6,063	11,311	13,098	1,787
Off Campus	48,293	56,772	65,853	65,392	74,222	8,830
Total	54,804	62,331	71,916	76,703	87,320	10,617
Fall Headcount	2,784	3,174	3,655	3,982	4,259	277
Fall FTE	1,943	2,224	2,626	2,987	3,194	207

University of Houston-Victoria
Table 7 - Allocation of Student Service Fees

Sources	FY2011	-----Change-----		FY2012
	Budget	Dollars	Percent	Budget
Current Year Revenue	\$ 1,218,751	\$ 666,100	54.7%	\$ 1,884,851
Budgeted Fund Balance	150,000	(150,000)	-100.0%	
Total Sources	\$ 1,368,751	\$ 516,100	37.7%	\$ 1,884,851
Allocations				
Financial Aid	\$ 423,354	\$ 11,430	2.7%	\$ 434,784
Student Relations	53,104	773	1.5%	53,877
Student Senate	4,000			4,000
Registrar	127,997	63,924	49.9%	191,921
Publications	9,000			9,000
Student Organization	3,250			3,250
SS Fees Contingency	244,599	515,155	210.6%	759,754
Special Events	13,842	(2,692)	-19.4%	11,150
Student Service Support	35,025			35,025
Credit Card Support	144,300	(74,300)	-51.5%	70,000
Parking	1,000.00			1,000.00
Telecommunications Service	14,206	360	2.5%	14,566
Transcripts	7,000			7,000
Commencement	52,000			52,000
Graduation & Diploma	10,000			10,000
VIP/Registration Support	11,891	(2,891)	-24.3%	9,000
Career Services	105,680	1,115	1.1%	106,795
ADA Compliance	1,000			1,000
International Student Relations	6,000			6,000
Community and Alumni Relations	21,750			21,750
Athletics	79,753	3,226	4.0%	82,979
Total Allocations	\$ 1,368,751	\$ 516,100	37.7%	\$ 1,884,851

University of Houston-Victoria

Note to Table 2: Operations Expenditures By Organization

	FY2011 Budget	-----Change-----		FY2012 Budget
		Dollars	Percent	
Use of Funds by Organization				
President				
President's Office	\$ 1,690,163	\$ 103,857	6.1%	\$ 1,794,020
Human Resources	474,675	13,394	2.8%	488,069
Marketing	602,686	860	0.1%	603,546
Subtotal President	2,767,524	118,111	4.3%	2,885,635
University Advancement	351,789	17,828	5.1%	369,617
Academic Affairs				
Office of the Provost	1,338,972	507,447	37.9%	1,846,419
Arts and Sciences	3,729,316	451,794	12.1%	4,181,110
Business Administration	5,307,389	543,109	10.2%	5,850,498
Small Business Development Center	220,050			220,050
Education	2,942,312	60,000	2.0%	3,002,312
Nursing	1,517,734	154,460	10.2%	1,672,194
Student & Academic Services	2,613,935	433,624	16.6%	3,047,559
Library	1,091,112	35,239	3.2%	1,126,351
Subtotal Academic Affairs	18,760,820	2,185,673	11.7%	20,946,493
Scholarships	1,837,051	730,150	39.7%	2,567,201
Administration and Finance				
Office of the VP Administration and Finance	1,327,925	33,249	2.5%	1,361,174
Budget	134,484	160	0.1%	134,644
Business Services	976,216	9,482	1.0%	985,698
Finance	389,494	40,022	10.3%	429,516
Information Technology	1,756,580	183,440	10.4%	1,940,020
Plant Operations	1,312,465	5,728	0.4%	1,318,193
Subtotal Administration and Finance	5,897,164	272,081	4.6%	6,169,245
Other				
Staff Benefits	5,301,310	102,230	1.9%	5,403,540
Contingency	576,562	299,546	52.0%	876,108
Debt Service	422,822	69,132	16.4%	491,954
System Service Charge	2,903,685	342,299	11.8%	3,245,984
Utilities	350,000	90,000	25.7%	440,000
Student Housing Services/Meal Plan	1,839,900	(283,854)	-15.4%	1,556,046
Reserve for State Reduction	754,093	(754,093)	-100.0%	-
Subtotal Other	12,148,372	(134,740)	-1.1%	12,013,632
Total Uses	\$ 41,762,720	\$ 3,189,103	7.6%	\$ 44,951,823

University of Houston-Victoria

Note to Table 3: Restricted Expenditures By Organization

	FY2011 Budget	-----Change-----		FY2012 Budget
		Dollars	Percent	
Use of Funds by Organization				
President	\$ 66,511	\$ (3,703)	-5.6%	\$ 62,808
Academic Affairs				
Office of the Provost	68,768	(36,899)	-53.7%	31,869
School of Arts and Sciences	93	74	79.6%	167
School of Education	750	(75)	-10.0%	675
School of Nursing	782,481	(632,481)	-80.8%	150,000
Small Business Development Center	279,396			279,396
Library	294	(30)	-10.2%	264
Financial Aid	220,559	(18,301)	-8.3%	202,258
Subtotal Academic Affairs	1,352,341	(687,712)	-50.9%	664,629
Scholarships	1,943,420	1,668,985	85.9%	3,612,405
Total Uses	\$ 3,362,272	\$ 977,570	29.1%	\$ 4,339,842

WORKLOAD, COMPENSATION, AND ADDITIONAL INCOME (University of Houston-Victoria)

F-1 Workload

General expectations with regard to teaching, research, and service are noted in section E.11.1. Percentage weights for evaluation are explained in E.7.4 and should provide guidance to the distribution of a faculty member's attention. Each academic school may have more specific expectations.

1.1 Teaching Load

This policy is in compliance with Sections 51.402 and 51.403 of the Texas Education Code, which requires the establishment of minimal teaching load requirements. Each faculty member paid full-time from the appropriations item "Faculty Salaries" must report a minimum of nine Teaching Load Credits (TLC) each semester. However, in practice, 12 TLCs represent the normal teaching load at UHV and may be reduced only with the Provost's approval (see below).

In addition to teaching, faculty workload includes academic advising, directing independent studies and theses, curriculum development, and committee work.

Faculty are also expected to engage in scholarly pursuits, remain active in their discipline and profession, and provide professional service to the community as need arises and time permits. Faculty workload policy attempts to quantify other activities related to instruction to assure fair and equitable workloads for all faculty members, while, simultaneously, meeting the special needs of this university.

Reduction in Teaching Load:

Although the overall standard remains a twelve-hour teaching load for each semester, this may be reduced at the discretion of the school to no fewer than nine for owed TLCs, additional time for productive research, administrative reassignment, grant projects, or possibly special projects. The following qualifications apply:

- The school/program must maintain its credit generation at the existing or expected level or above.
- Course scheduling must be maintained in a way that allows students to progress expeditiously toward their degrees.
- Faculty positions (full-time or part-time) cannot be added to support reductions in teaching load.
- If the semester teaching load has been reduced for the express purpose of allowing a faculty member more time for research, summer teaching must be comparably reduced, and the faculty member may not teach an overload or a course elsewhere for extra pay. Faculty members are otherwise free to engage in employment for additional compensation, so long as this falls within the provisions set by the Board of Regents (See F-3 below) and any applicable policy concerning external grants.
- There must be a written expectation of and accountability for what faculty members are expected to accomplish or produce if granted a reduction in teaching load, whether on a temporary or indefinite basis. This may be covered in a school policy statement or in a memorandum from the Dean to the individual faculty member.
- The reduction in teaching load may be continued only for so long as expectations are being fulfilled or until the task or project has been completed.