

**Fiscal Year 2013
Plan and Budget
May 16, 2012**

**Presented to the
Board of Regents
University of Houston System
Chancellor Renu Khator**

**University of Houston System
FY2013 Plan and Budget**

Contents

<u>Tab</u>		<u>Page</u>
1. Summary-UH System Combined		
	Executive Summary	1.1
	Budget	
	Fund Groups Used in the Budget Presentation	1.7
	Appendix A-Investment of New Resources.....	1.9
	Table 1 - Sources & Uses-Operating, Restricted and Capital Facilities.....	1.10
	Table 2 - Operations.....	1.11
	Table 3 - Restricted.....	1.12
	(Table 4 is not applicable to the summary)	
	Table 5 - Full Time Equivalent Positions	1.13
	Table 6 - Student Credit Hours, Headcount and FTE	1.14
2. UH System Administration		
	Executive Summary	2.1
	Plan	
	Mission & Goals	2.5
	UHSA Plan	2.6
	Budget	
	Appendix A-Investment of New Resources.....	2.9
	Table 1 - Sources & Uses-Operating, Restricted and Capital Facilities.....	2.10
	Table 2 - Operations.....	2.11
	Table 3 - Restricted.....	2.12
	Table 5 - Full Time Equivalent Positions	2.13
	Note to Table 2.	2.14
	Note to Table 3	2.15
3. University of Houston		
	Executive Summary	3.1
	Plan	
	University Mission & Goals	3.5
	University Priorities	3.6
	Budget	
	Appendix A-Investment of New Resources.....	3.17
	Appendix B-HEAF	3.18
	Appendix C-Availability of Scholarship Funds	3.19
	Table 1 - Sources & Uses-Operating, Restricted and Capital Facilities.....	3.20
	Table 2 - Operations.....	3.21
	Table 3 - Restricted.....	3.22
	Table 4 - Capital Projects.....	3.23
	Table 5 - Full Time Equivalent Positions	3.24
	Table 6 - Student Credit Hours, Headcount and FTE	3.25
	Table 7 - Allocation of Student Service Fees.....	3.26
	Note to Table 2	3.27
	Note to Table 3	3.28
	Faculty Workload Policy	3.29
4. UH-Clear Lake		
	Executive Summary	4.1
	Plan	
	University Mission & Goals	4.5
	University Priorities	4.6

Contents (continued)

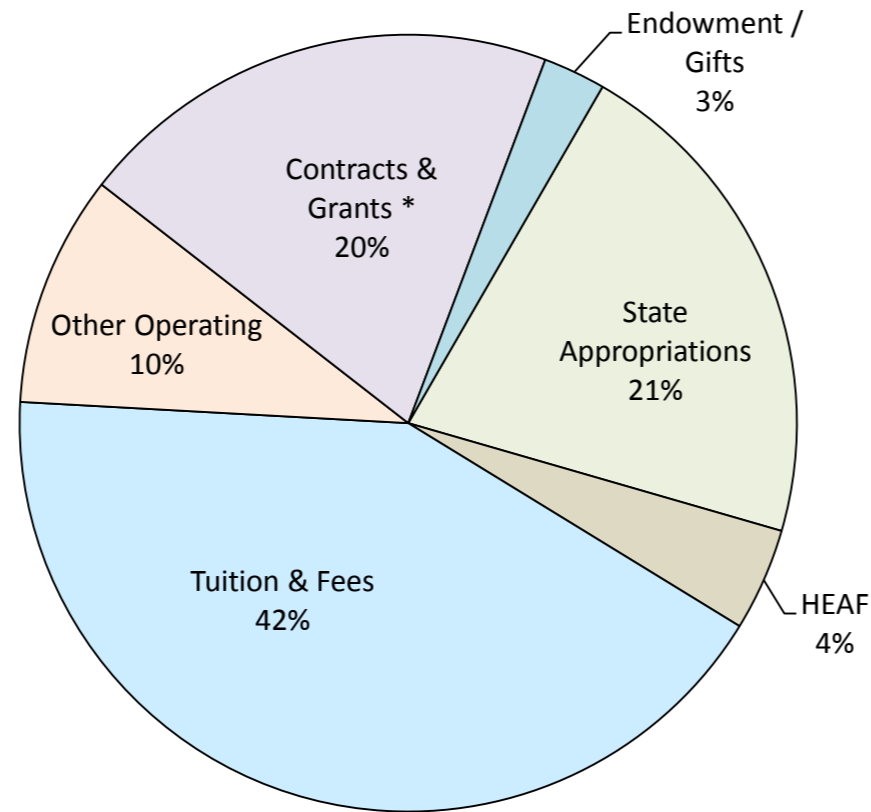
Tab

Budget	
Appendix A-Investment of New Resources	4.17
Appendix B-HEAF	4.18
Appendix C-Availability of Scholarship Funds	4.19
Table 1 - Sources & Uses-Operating, Restricted and Capital Facilities	4.20
Table 2 - Operations.....	4.21
Table 3 - Restricted.....	4.22
Table 4 - Capital Projects.....	4.23
Table 5 - Full Time Equivalent Positions.....	4.24
Table 6 - Student Credit Hours, Headcount and FTE	4.25
Table 7 - Allocation of Student Service Fees	4.26
Note to Table 2	4.27
Note to Table 3	4.28
Faculty Workload Policy	4.29
5. UH-Downtown	
Executive Summary	5.1
Plan	
University Mission.....	5.5
University Priorities	5.8
Budget	
Appendix A-Investment of New Resources.....	5.23
Appendix B-HEAF	5.24
Appendix C-Availability of Scholarship Fund.....	5.25
Table 1 - Sources & Uses-Operating, Restricted and Capital Facilities.....	5.26
Table 2 - Operations.....	5.27
Table 3 - Restricted.....	5.28
Table 4 - Capital Projects.....	5.29
Table 5 - Full Time Equivalent Positions.....	5.30
Table 6 - Student Credit Hours, Headcount and FTE	5.31
Table 7 - Allocation of Student Service Fees.....	5.32
Note to Table 2	5.33
Note to Table 3	5.34
Faculty Workload Policy	5.35
6. UH-Victoria	
Executive Summary	6.1
Plan	
University Mission & Goals	6.5
University Priorities	6.9
Budget	
Appendix A-Investment of New Resources.....	6.17
Appendix B-HEAF	6.18
Appendix C-Availability of Scholarship Funds	6.19
Table 1 - Sources & Uses-Operating, Restricted and Capital Facilities.....	6.20
Table 2 - Operations.....	6.21
Table 3 - Restricted.....	6.22
Table 4 - Capital Projects.....	6.23
Table 5 - Full Time Equivalent Positions.....	6.24
Table 6 - Student Credit Hours, Headcount and FTE	6.25
Table 7 - Allocation of Student Service Fees.....	6.26
Note to Table 2	6.27
Note to Table 3	6.28
Faculty Workload Policy	6.29

University of Houston System Budget

FY2012

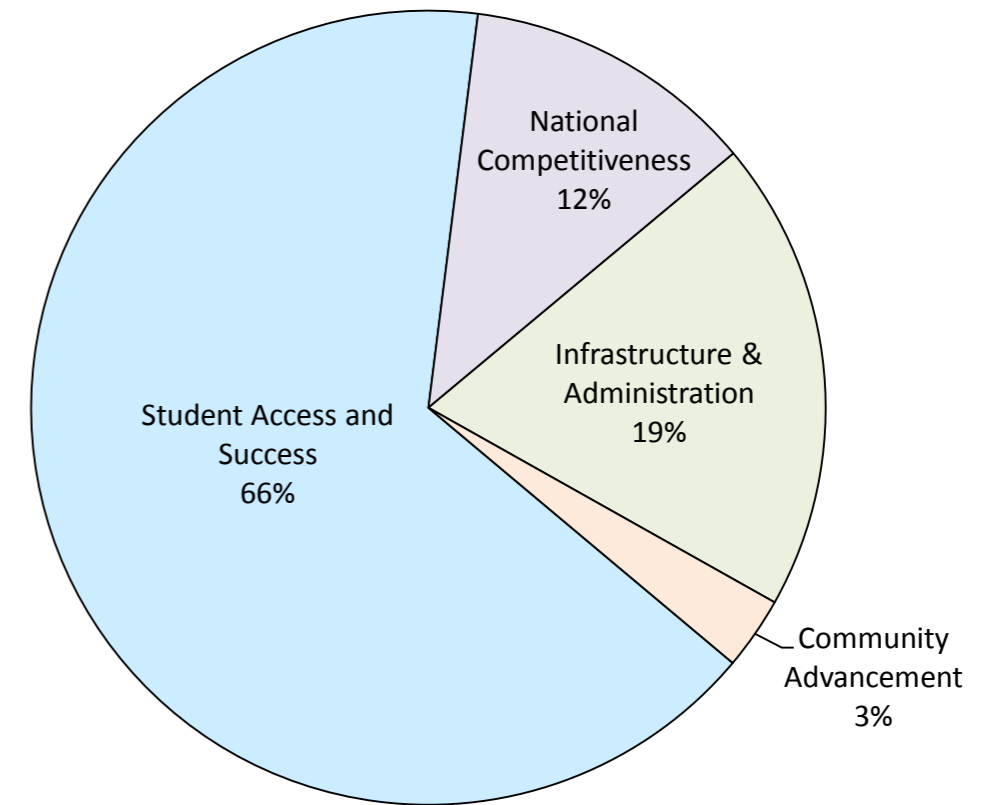
Operating Budget Source of Funds



* Includes Federal Financial Aid

Total \$1,190.0 Million

Operating Budget Use of Funds

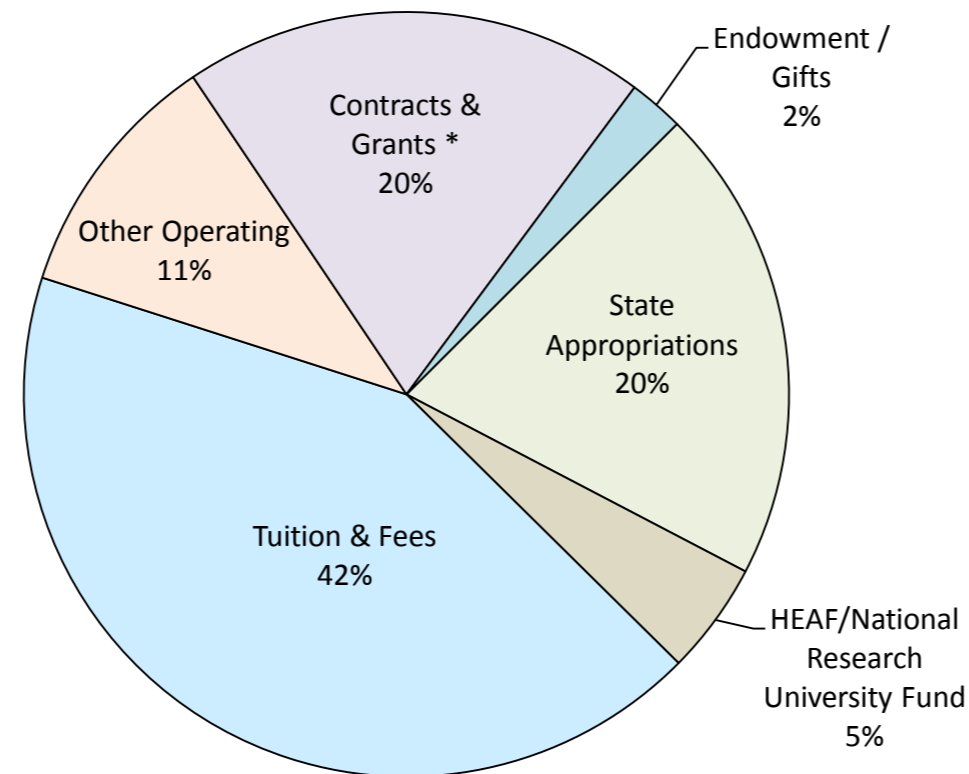


Total \$1,190.0 Million

Total Budget

	\$ Millions
Operating Budget	\$ 1,190.0
Capital Facilities	167.7
Total	\$ 1,357.7

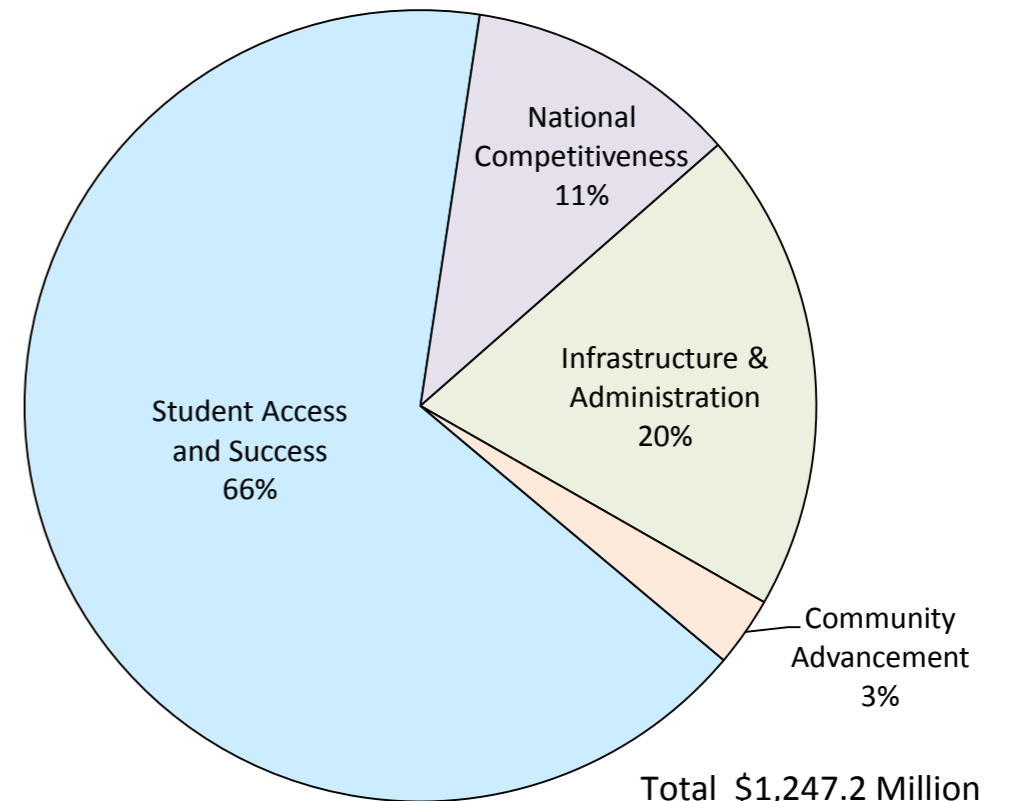
Operating Budget Source of Funds



* Includes Federal Financial Aid

Total \$1,247.2 Million

Operating Budget Use of Funds



Total \$1,247.2 Million

Total Budget

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

University of Houston System Capital Construction Budget
FY2013 Project Expenditures by Campus

UH Projects	
Description	FY2013
New Football Stadium	\$ 41,900,000
Cougar Village 2	38,200,000
Cougar Place	36,150,000
University Center	27,000,000
Garage 1A	14,500,000
Health and Biomedical	9,700,000
Health and Biomed 4&5 floor buildout	8,750,000
ERP Improvements	8,517,177
Science Complex	7,900,000
Capital Renewal/Deferred Maintenance	7,004,703
Classroom and Business	6,770,000
Central Utility Plant	5,803,196
West Dining	2,700,000
Cougar Substation	2,300,000
Stadium Parking Garage	1,300,000
Total, UH	\$ 218,495,076

UH-Downtown	
Description	FY2013
Parking Garage Project	\$ 672,104
Capital Renewal/Deferred Maintenance Renovations	400,000
	321,710
Refurbish OMB South Deck Stair Tower	100,000
Air Conditioning Upgrade A710	75,000
Total, UH-Downtown	\$ 1,568,814

UH-Victoria	
Description	FY2013
Jaguar Suites Student Housing	\$ 8,300,000
Purchase/Renovate Casa Del Rio Apartments	5,700,000
Academic/Economic Development Bldg	5,000,000
Purchase/Renovate Arlington Apartments	4,750,000
Purchase of Lots for Student Housing	560,000
Renovate Facilities Services Building	300,000
Renovate Athletic Offices and Trainer Facility	120,000
Total, UH-Victoria	\$ 24,730,000

UH-Clear Lake	
Description	FY2013
Bayou Loop Road	\$ 1,100,000
Capital Renewal/Deferred Maintenance	980,000
Parking Lot/Roadway Maintenance	224,958
Science Labs	100,000
Total, UH-Clear Lake	\$ 2,404,958

System Capital Projects Allocation	
Campus	% of Total
University of Houston	88%
UH-Clear Lake	1%
UH-Downtown	1%
UH-Victoria	10%
Total	100%

University of Houston System Operating Budget
Revenues FY2009 - FY2013
\$ in Millions

	A 2009 Actual	B 2010 Actual	C 2011 Actual	D 2012 Budgeted	E 2013 Proposed
1 State Appropriations	\$ 289.0	\$ 284.4	\$ 273.5	\$ 251.6	\$ 251.5
2 HEAF/National Research University Fund	53.3	53.3	50.9	50.9	59.1
3 Tuition & Fees	399.0	436.5	480.1	501.2	530.5
4 Other Operating	97.3	102.1	135.9	114.9	132.7
5 Contracts & Grants *	187.0	251.2	252.3	240.5	244.3
6 Endowment / Gifts	43.5	46.7	78.3	30.9	29.1
7 Total	\$ 1,069.1	\$ 1,174.2	\$ 1,271.0	\$ 1,190.0	\$ 1,247.2

* Includes Federal financial aid

13

University of Houston System Operating Budget
Expenditures FY2009 - FY2013
\$ in Millions

	A 2009 Actual	B 2010 Actual	C 2011 Actual	D 2012 Budgeted *	E 2013 Proposed
1 Student Access and Success	\$ 670.5	\$ 737.1	\$ 768.1	\$ 784.0	\$ 826.7
2 National Competitiveness	87.8	98.3	137.1	142.1	139.0
3 Infrastructure & Administration	206.1	200.1	272.8	228.7	246.0
4 Community Advancement	41.0	42.8	32.9	35.2	35.5
5 Total	<u>\$ 1,005.4</u>	<u>\$ 1,078.3</u>	<u>\$ 1,210.9</u>	<u>\$ 1,190.0</u>	<u>\$ 1,247.2</u>

* FY2012 Budget as adopted on 8-16-2011

**University of Houston System
FY2013 Operating Budget Expenditures by Function**

Expenditures by Function	A	B	C	D	E	F	G	H	I	J	K	L
	Instruction	Research	Academic Support	Subtotal	Public Service	Student Services	Institutional Support	Physical Plant	Scholarships & Fellowships	Auxiliary Enterprises	FY2013 Total	FY2012 Total
1 Cost of Goods Sold			\$ 3,000	\$ 3,000	\$ 1,150,000	\$ 400	\$ 609,128			\$ 1,346,474	\$ 3,109,002	\$ 2,862,788
2 Faculty Salaries	195,997,042	12,543,526	10,854,530	219,395,098	1,328,774	101,311	28,482		30,000	31,378	220,915,043	215,274,142
3 Staff Salaries	30,125,932	31,030,334	89,929,151	151,085,417	13,901,062	22,748,261	54,291,790	16,660,085	995,040	29,316,947	288,998,602	294,120,237
4 Subtotal	226,122,974	43,573,860	100,783,681	370,480,515	15,229,836	22,849,572	54,320,272	16,660,085	1,025,040	29,348,325	509,913,645	509,394,379
5 Benefits	24,582,070	5,595,068	15,332,499	45,509,637	3,216,294	4,257,836	55,396,670	2,108,470	26,161	8,064,141	118,579,209	115,322,030
6 Capital	827,822	13,677,616	14,398,818	28,904,256	443,100	752,365	8,675,121	538,410	-	3,744,152	43,057,404	43,434,832
7 M&O	14,949,301	74,830,581	48,250,525	138,030,407	15,391,872	10,494,265	68,655,964	38,316,725	3,241,960	90,821,170	364,952,363	332,663,503
8 Scholarship & Fellowship	1,438,685	1,339,463	1,856,954	4,635,102	11,500	322,513	714,675	-	199,949,276	1,932,917	207,565,983	186,285,937
9 Subtotal	17,215,808	89,847,660	64,506,297	171,569,765	15,846,472	11,569,143	78,045,760	38,855,135	203,191,236	96,498,239	615,575,750	562,384,272
10 Total	\$ 267,920,852	\$ 139,016,588	\$ 180,625,477	\$ 587,562,917	\$ 35,442,602	\$ 38,676,951	\$ 188,371,830	\$ 57,623,690	\$ 204,242,437	\$ 135,257,179	\$ 1,247,177,606	\$ 1,189,963,469

Expenditures by Campus	A	B	C	D	E	F	G	H	I	J	K	L
	Instruction	Research	Academic Support	Subtotal	Public Service	Student Services	Institutional Support	Physical Plant	Scholarships & Fellowships	Auxiliary Enterprises	FY2013 Total	FY2012 Total
11 System Admin	\$ -	\$ 919,799	\$ 1,073,083	\$ 1,992,882	\$ 31,350	\$ 229,512	\$ 30,987,618	\$ 240,881	\$ 24,943	\$ -	\$ 33,507,186	\$ 33,753,482
12 University of Houston	173,191,060	131,272,760	133,663,002	438,126,822	32,373,402	24,206,276	114,302,907	41,881,335	136,206,971	120,165,363	907,263,076	862,523,499
13 UH-Clear Lake	37,050,160	2,997,363	14,392,229	54,439,752	21,500	4,123,491	14,633,109	7,857,506	15,105,139	5,790,632	101,971,129	100,935,206
14 UH-Downtown	37,616,059	3,694,208	24,456,620	65,766,887	2,167,785	4,687,525	20,903,005	5,619,286	44,239,809	7,427,779	150,812,076	143,459,617
15 UH-Victoria	20,063,573	132,458	7,040,543	27,236,574	848,565	5,430,147	7,545,191	2,024,682	8,665,575	1,873,405	53,624,139	49,291,665
16 Total	\$ 267,920,852	\$ 139,016,588	\$ 180,625,477	\$ 587,562,917	\$ 35,442,602	\$ 38,676,951	\$ 188,371,830	\$ 57,623,690	\$ 204,242,437	\$ 135,257,179	\$ 1,247,177,606	\$ 1,189,963,469

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 2013 Resources

<u>Revenue Changes</u>		A
Appropriations Bill		
1	General Revenue	\$ (1,458,432)
2	State Matching Benefits	1,354,279
3	Estimated Rider Reductions	46,190
4	National Research University Fund (NRUF)	8,200,000
5	Subtotal General Revenue	<u>8,142,037</u>
Tuition and Fees		
6	Statutory/Premium Tuition	6,477,830
7	Designated Tuition	11,257,668
8	Academic Fees	3,034,077
9	Consolidated Univ Serv Fee	882,900
10	Student Services Fee	4,731,214
11	University Center Fees	4,352,939
12	Other	(1,391,024)
13	Subtotal Tuition and Fees	<u>29,345,604</u>
Other		
14	Aux Admin/Endowment & Investment Interest	(594,026)
15	Total Net Revenue	<u>\$ 36,893,615</u>

<u>Reallocations/Reductions</u>		B
1	Departmental Cuts	\$ (1,658,523)
2	Reallocated from Rider Reduction Reserves	(2,390,000)
3	Reallocation from Endowment Contingency Reserves	(2,500,000)
4	Reallocation from Texas Grant Contingency Reserves	(2,500,000)
5	Reallocations & Fund Balance	(2,841,842)
6	Allocate Reserves from FY2012	(1,348,215)
7	Subtotal - Reallocations/Reductions	<u>\$ (13,238,580)</u>

<u>Priority/Initiative Allocations</u>		C
8	Priority 1. Student Access and Success	\$ 23,150,320
9	Priority 2. National Competitiveness	11,678,622
10	Priority 3. University Infrastructure & Administration	15,025,031
11	Priority 4. Community Advancement	278,222
12	Total Priority/Initiative Allocations	<u>\$ 50,132,195</u>
13	Total Net Reductions and New Allocations	<u>\$ 36,893,615</u>

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>
	FY2011 Budget	Dollars	Percent	FY2012 Budget	Dollars	Percent	FY2013 Budget
<u>Operating & Restricted Budget</u>							
Source of Funds							
1 State Appropriations	\$ 295.0	\$ (43.4)	-14.7%	\$ 251.6	\$ 8.0	3.2%	\$ 259.7
2 HEAF	25.8	(6.0)	-23.4%	19.8	(1.0)	-5.0%	18.8
3 Tuition & Fees	455.4	45.8	10.1%	501.2	29.3	5.8%	530.5
4 Other Operating (Auxiliaries)	149.1	(3.1)	-2.0%	146.0	18.7	12.8%	164.8
5 Contracts & Grants (Restricted)	237.8	2.6	1.1%	240.5	3.9	1.6%	244.3
6 Endowments/Gifts (Restricted)	29.7	1.1	3.8%	30.9	(1.7)	-5.6%	29.1
7 Total Sources	\$ 1,192.8	\$ (2.9)	-0.2%	\$ 1,190.0	\$ 57.2	4.8%	\$ 1,247.2
Use of Funds by Object							
8 Salaries and Wages - Faculty	\$ 210.3	\$ 6.3	3.0%	\$ 216.6	\$ 5.5	2.6%	\$ 222.1
9 Salaries and Wages - Staff	296.8	5.3	1.8%	302.1	3.0	1.0%	305.1
10 Benefits	112.3	1.8	1.6%	114.1	9.1	8.0%	123.2
11 M&O	268.3	(30.3)	-11.3%	238.0	16.5	6.9%	254.6
12 Capital	41.6	3.1	7.4%	44.7	(1.5)	-3.3%	43.2
13 Scholarships	176.1	20.3	11.5%	196.4	9.4	4.8%	205.8
14 Debt Service	54.0	1.0	1.8%	55.0	15.3	27.8%	70.3
15 Utilities	22.5	0.5	2.2%	23.0	(0.1)	-0.3%	22.9
16 Reserve for State Budget Reduction	10.8	(10.8)		-	-		-
17 Total Uses	\$ 1,192.8	\$ (2.9)	-0.2%	\$ 1,190.0	\$ 57.2	4.8%	\$ 1,247.2
<u>Capital Facilities Budget</u>							
Source of Funds							
18 HEAF	\$ 25.1	\$ 6.1	24.4%	\$ 31.2	\$ 1.0	3.2%	\$ 32.2
19 Bonds	111.7	11.4	10.2%	123.2	31.2	25.3%	154.3
20 Gifts	4.0	3.6	88.8%	7.6	21.0	276.8%	28.5
21 Other	9.4	(3.5)	-37.8%	5.8	26.3	452.3%	32.2
22 Total Sources	\$ 150.1	\$ 17.6	11.7%	\$ 167.7	\$ 79.5	47.4%	\$ 247.2
Use of Funds by Object							
23 Construction	\$ 81.5	\$ 35.7	43.8%	\$ 117.2	\$ 90.2	76.9%	\$ 207.4
24 Major Rehabilitation	68.7	(18.3)	-26.6%	50.4	(10.6)	-21.0%	39.8
25 Acquisitions	-	0.1	na	0.1	(0.1)	-100.0%	-
26 Total Uses	\$ 150.1	\$ 17.6	11.7%	\$ 167.7	\$ 79.5	47.4%	\$ 247.2
<u>Total Operating, Restricted and Capital Budget</u>							
27	\$ 1,343.0	\$ 14.7	1.1%	\$ 1,357.7	\$ 136.7	10.1%	\$ 1,494.4

University of Houston System Combined
Table 2 - Operations

Source of Funds	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
General Funds				
State General Revenue Appropriations				
Formula Funding	\$ 175,526,744	\$ (1,176,606)	-0.7%	\$ 174,350,138
Special Items	12,778,990			12,778,990
National Research University Fund	-	8,200,000	na	8,200,000
Less: Rider Reduction Estimates	(3,038,291)	46,190	-1.5%	(2,992,101)
Tuition Revenue Bonds	23,963,183	(281,826)	-1.2%	23,681,357
State Benefits Appropriation	42,364,589	1,219,246	2.9%	43,583,835
Dedicated Appropriations	48,700	11,887	24.4%	60,587
Subtotal State General Revenue Appropriations	251,643,915	8,018,891	3.2%	259,662,806
Tuition and Fees				
Statutory Tuition	97,604,028	5,470,851	5.6%	103,074,879
Lab/other Student Fees	468,613	(9,704)	-2.1%	458,909
Subtotal Tuition and Fees	98,072,641	5,461,147	5.6%	103,533,788
HEAF	50,929,094			50,929,094
Indirect Cost	1,238,909			1,238,909
Aux Admin Chg/Other	3,912,300			3,912,300
Income on State Treasury Deposits	193,789	(5,000)	-2.6%	188,789
Fund Balance	1,706,764	438,737	25.7%	2,145,501
Subtotal General Funds	407,697,412	13,913,775	3.4%	421,611,187
Designated				
Tuition and Fees				
Designated Tuition - General	200,936,839	6,485,445	3.2%	207,422,284
Designated Tuition - Differential	40,685,424	4,266,975	10.5%	44,952,399
Premium (Law, Pharmacy, Optometry)	13,720,251	200,000	1.5%	13,920,251
Consolidated University Services Fee	38,154,649	882,900	2.3%	39,037,549
Library Fee	2,812,896	190,779	6.8%	3,003,675
Technology Fee	8,690,650	269,888	3.1%	8,960,538
Major/Department/Class Fees	56,528,836	2,597,150	4.6%	59,125,986
Subtotal Tuition and Fees	361,529,545	14,893,137	4.1%	376,422,682
Indirect Cost	12,462,353	2,858,220	22.9%	15,320,573
Investment Income on Non-Endowed Funds	3,977,944	(417,190)	-10.5%	3,560,754
Endowment Income	6,523,154	(1,051,664)	-16.1%	5,471,490
Contracts / Grants / Gifts	2,992,360	568,364	19.0%	3,560,724
Self Supporting Organizations/Others	28,956,766	7,863,608	27.2%	36,820,374
Fund Balance	5,799,548	1,751,398	30.2%	7,550,946
Subtotal Designated Funds	422,241,670	26,465,873	6.3%	448,707,543
Auxiliary Enterprises				
Student Fees				
Student Service Fee	25,276,863	4,662,700	18.4%	29,939,563
Recreation and Wellness Center	8,210,469	(83,428)	-1.0%	8,127,041
University Center Fee	7,274,326	4,352,939	59.8%	11,627,265
Other Student Fees	865,849	500	0.1%	866,349
Subtotal Student Fees	41,627,507	8,932,711	21.5%	50,560,218
Sales & Service - Student Housing	24,321,880	2,725,994	11.2%	27,047,874
Sales & Service - Parking	12,234,364	2,516,534	20.6%	14,750,898
Sales & Service - Athletics/Hotel/UC/Other	42,118,984	1,411,614	3.4%	43,530,598
Fund Balance	130,871	26,462	20.2%	157,333
Subtotal Auxiliary Funds	120,433,606	15,613,315	13.0%	136,046,921
Total Current Operating Funds	950,372,688	55,992,963	5.9%	1,006,365,651
Interfund Transfer	(31,719,155)	(940,771)	3.0%	(32,659,926)
Total Sources	\$ 918,653,533	\$ 55,052,192	6.0%	\$ 973,705,725
Use of Funds by Object				
Salaries and Wages	\$ 462,843,127	\$ 22,971,348	5.0%	\$ 485,814,475
Benefits	107,070,094	8,891,033	8.3%	115,961,127
M&O	165,545,713	7,304,592	4.4%	172,850,305
Capital	34,881,354	603,262	1.7%	35,484,616
Scholarships	70,383,234	493,572	0.7%	70,876,806
Debt Service	54,963,201	14,864,292	27.0%	69,827,493
Utilities	22,966,810	(75,907)	-0.3%	22,890,903
Total Uses	\$ 918,653,533	\$ 55,052,192	6.0%	\$ 973,705,725

University of Houston System Combined
Table 3 - Restricted

	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
Source of Funds				
Restricted				
Contracts and Grants				
Research	\$ 104,591,198	\$ (4,535,368)	-4.3%	\$ 100,055,830
Financial Aid	117,139,388	8,840,523	7.5%	125,979,911
Gifts	18,720,951	(1,325,912)	-7.1%	17,395,039
Endowment Income	8,336,008	(122,031)	-1.5%	8,213,977
Other Restricted	3,577,606	(255,494)	-7.1%	3,322,112
Houston Public Media	18,728,922	(425,569)	-2.3%	18,303,353
Total Current Operating Funds	271,094,073	2,176,149	0.8%	273,270,222
Interfund Transfer	215,863	(14,204)	-6.6%	201,659
Total Sources	\$ 271,309,936	\$ 2,161,945	0.8%	\$ 273,471,881
Use of Funds by Object				
Salaries and Wages	\$ 55,846,489	\$ (14,493,635)	-26.0%	\$ 41,352,854
Benefits	7,075,956	209,709	3.0%	7,285,665
M&O	72,503,022	9,213,779	12.7%	81,716,801
Capital	9,834,978	(2,074,490)	-21.1%	7,760,488
Scholarships	126,049,491	8,872,582	7.0%	134,922,073
Debt Service		434,000	na	434,000
Total Uses	\$ 271,309,936	\$ 2,161,945	0.8%	\$ 273,471,881

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

Employee Classification	FY2012 Budget	-----Change-----		FY2013 Budget
		FTE	Percent	
Faculty	1,728	27	2%	1,755
Part-time Faculty	1,311	12	1%	1,323
Professional Staff	2,948	52	2%	3,000
Classified Staff	1,882	45	2%	1,927
Temporary Staff	984	16	2%	1,000
Total	8,853	152	2%	9,005

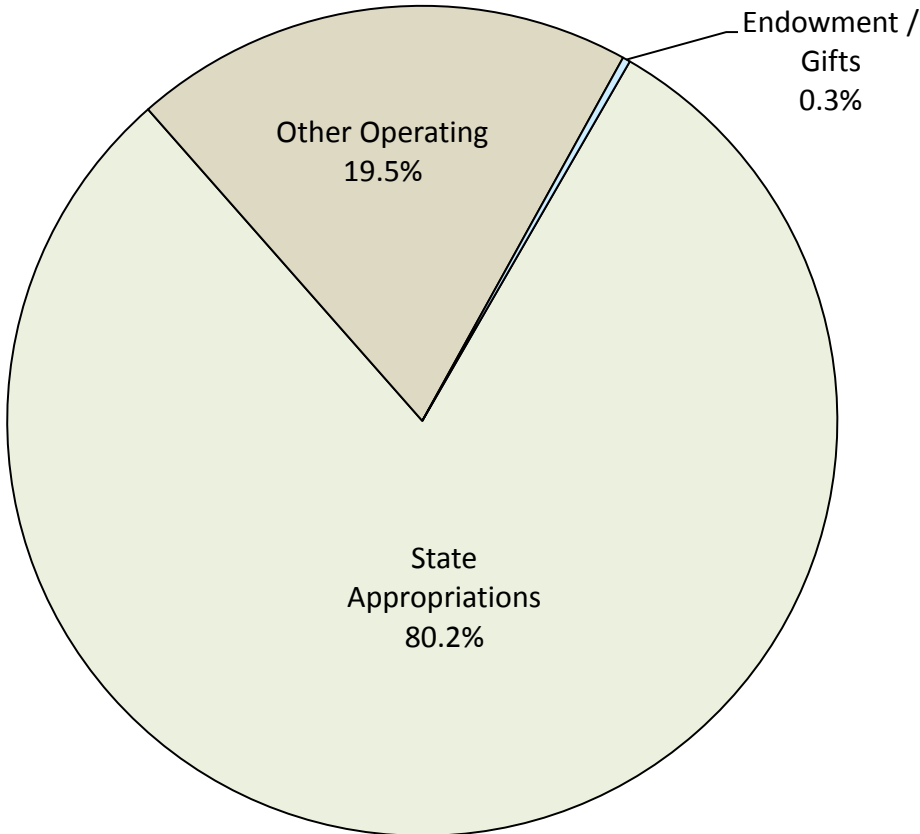
University of Houston System Combined
Table 6 - Student Credit Hours, Headcount, and FTE

	FY2009 Actuals	FY2010 Actuals	FY2011 Actuals	FY2012 Budget	FY2013 Budget	FY13 vs FY12 \$ Change
Semester Credit Hours						
Lower Division	537,095	556,534	591,239	591,398	604,295	12,897
Upper Division	572,611	601,434	625,032	635,343	648,567	13,224
Masters	165,685	179,336	182,215	185,027	187,309	2,282
Doctoral	18,908	22,181	25,893	24,946	27,298	2,352
Special Professional	60,494	59,211	58,348	58,137	56,812	(1,325)
Total	1,354,793	1,418,696	1,482,727	1,494,851	1,524,281	29,430
Semester Credit Hours-On/Off Campus						
On Campus	1,093,330	1,118,721	1,145,564	1,172,913	1,155,387	(17,526)
Off Campus	261,463	299,975	337,163	321,938	368,894	46,956
Total	1,354,793	1,418,696	1,482,727	1,494,851	1,524,281	29,430
Fall Headcount	59,219	61,040	63,846	65,113	65,568	455
Fall FTE	44,268	45,374	47,543	48,163	49,052	889

University of Houston System Administration Budget

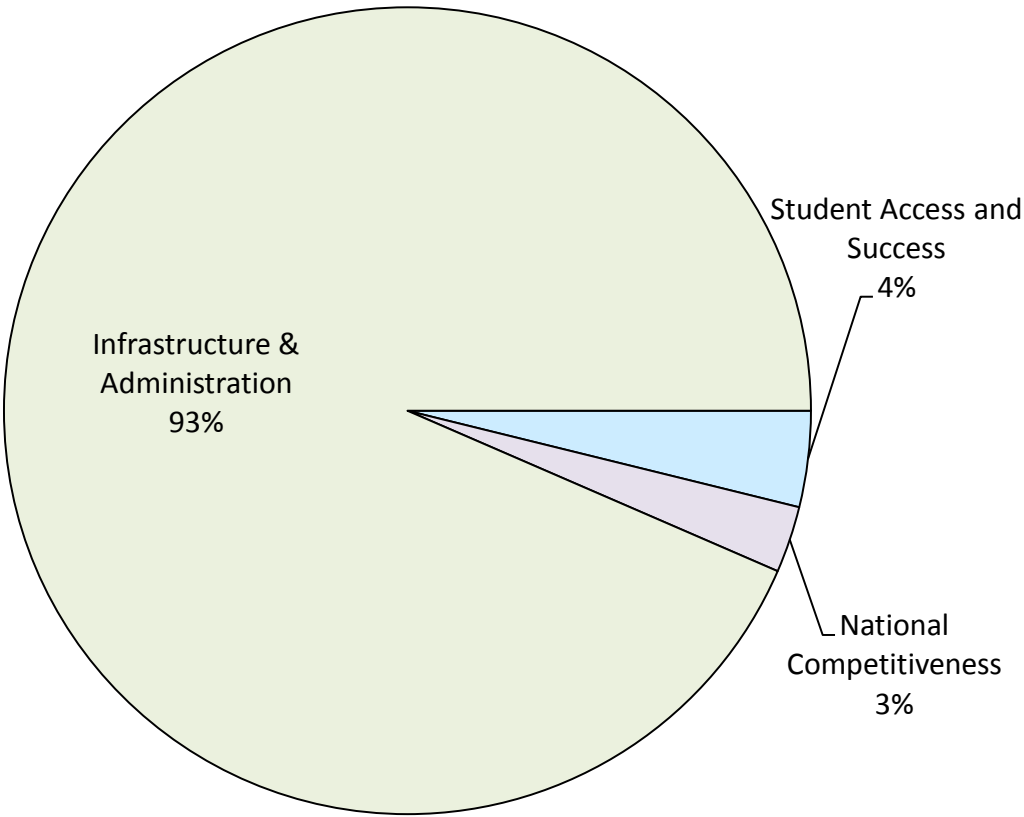
FY2012

Operating Budget Source of Funds



Total \$33.8 Million

Operating Budget Use of Funds



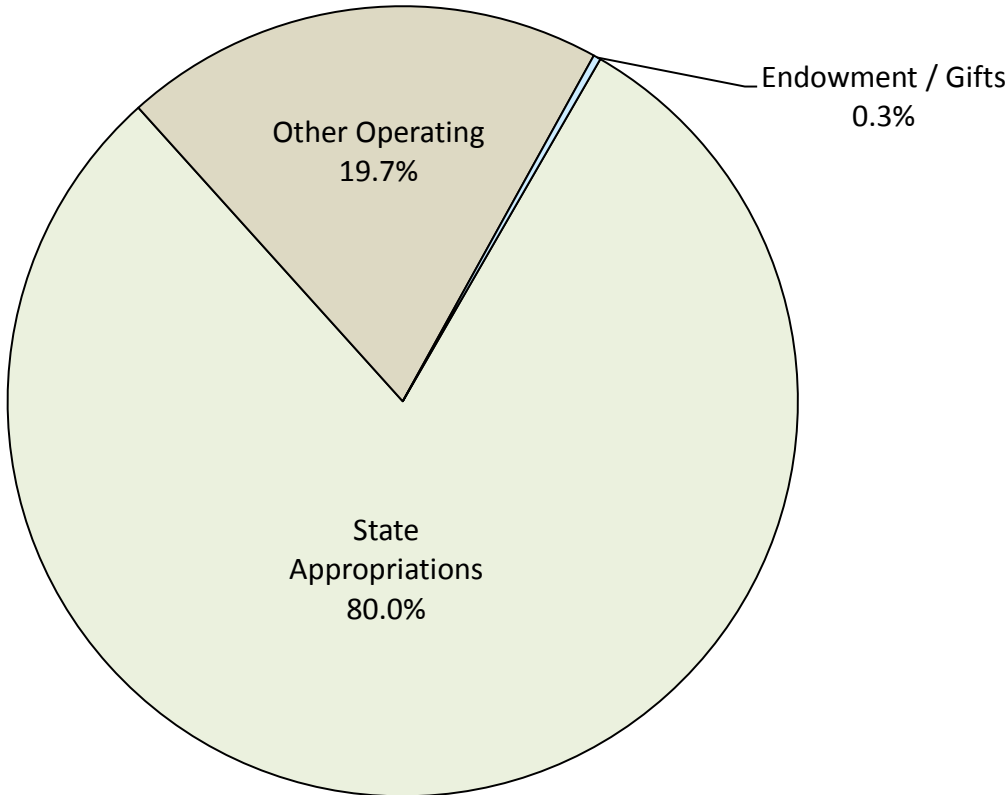
Total \$33.8 Million

Total Budget

	\$ Millions
Operating Budget	\$ 33.8
Capital Facilities	-
Total	\$ 33.8

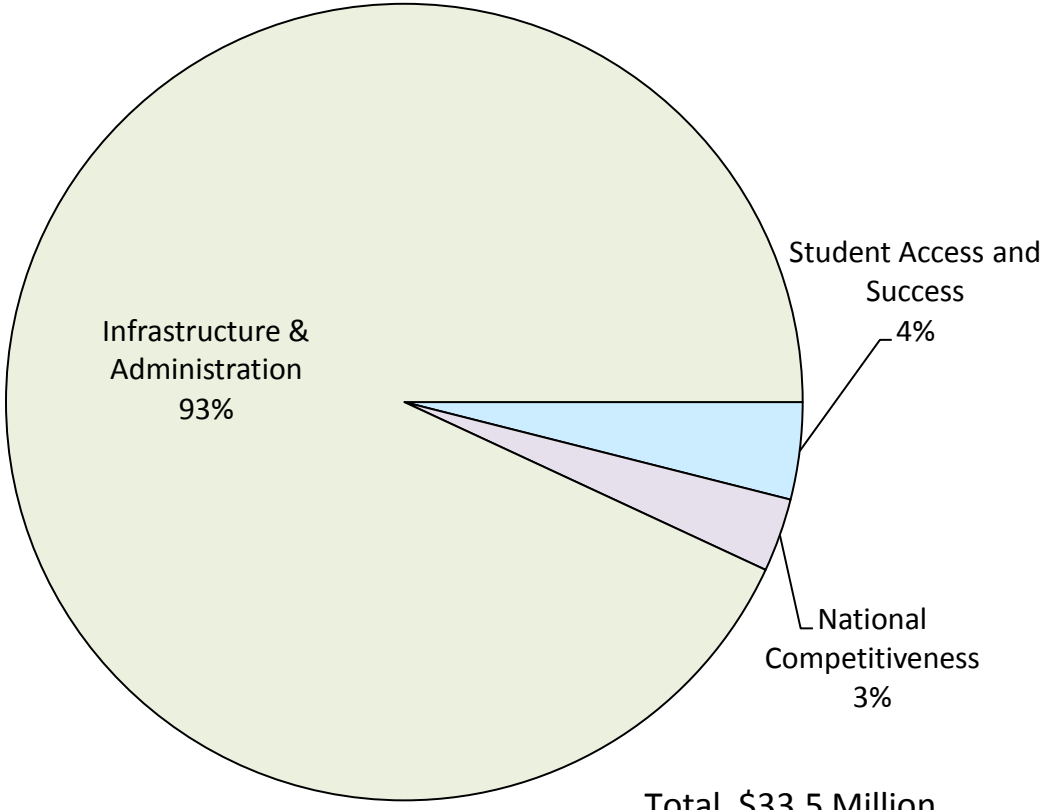
FY2013

Operating Budget Source of Funds



Total \$33.5 Million

Operating Budget Use of Funds



Total \$33.5 Million

Total Budget

	\$ Millions
Operating Budget	\$ 33.5
Capital Facilities	-
Total	\$ 33.5

2.1

University of Houston System Administration Operating Budget
Revenues FY2009 - FY2013
\$ in Millions

	A 2009 Actual	B 2010 Actual	C 2011 Actual	D 2012 Budgeted	E 2013 Proposed
1 State Appropriations *	\$ 12.0	\$ 4.2	\$ 4.0	\$ 27.1	\$ 26.8
2 Other Operating	5.1	(0.2)	0.9	6.6	6.6
3 Contracts & Grants	2.0	-	1.6	-	
4 Endowment / Gifts	4.3	2.3	3.9	0.1	0.1
5 Total	\$ 23.4	\$ 6.3	\$ 10.4	\$ 33.8	\$ 33.5

* Includes the move of \$24.0 million in debt service from the campuses in FY2012 and \$23.7 million FY2013

**University of Houston System Administration Operating Budget
Expenditures FY2009 - FY2013
\$ in Millions**

	A 2009 Actual	B 2010 Actual	C 2011 Actual	D 2012 Budgeted	E 2013 Proposed
1 Student Access and Success	\$ 5.2	\$ 5.6	\$ 5.0	\$ 1.3	\$ 1.3
2 National Competitiveness	1.0	1.1	2.6	0.9	1.0
3 Infrastructure & Administration *	11.6	8.5	8.5	31.6	31.2
4 Community Advancement	0.1	-	0.1	-	-
5 Total	<u>\$ 17.9</u>	<u>\$ 15.2</u>	<u>\$ 16.2</u>	<u>\$ 33.8</u>	<u>\$ 33.5</u>

* Includes the move of \$24.0 million in debt service from the campuses in FY2012 and \$23.7 million FY2013

**University of Houston System Administration
FY 2013 Operating Budget Expenditures by Function**

Budget Node Description	A	B	C	D	E	F	G	H	I	J	K	L	
	Instruction	Research	Academic Support	Subtotal	Public Service	Student Services	Institutional Support	Physical Plant	Scholarships & Fellowships	Auxiliary Enterprises	FY2013 Total	FY2012	Total
1 Exempt Staff		\$ 320,000	\$ 775,219	\$ 1,095,219		\$ 229,512	\$ 4,927,565	\$ 20,000			\$ 6,272,296	\$ 6,230,062	
2 Non-Exempt Staff			68,466	68,466			116,766	78,297			263,529	283,251	
3 Student Employees			-	0			13,000				13,000	13,000	
4 Subtotal	-	320,000	843,685	1,163,685	-	229,512	5,057,331	98,297	-	-	6,548,825	6,526,313	
5 Benefits			4,353	4,353			1,311,151				1,315,504	1,302,922	
6 Capital			-	-			15,000	-			15,000	15,000	
7 M&O		599,799	191,045	790,844	31,350	-	24,474,924	142,584			25,439,702	25,602,967	
8 Travel & Business Expense			34,000	34,000			128,112				162,112	280,212	
9 Scholarship & Fellowship				-			1,100		24,943		26,043	26,068	
10 Subtotal	-	599,799	225,045	824,844	31,350	-	24,619,136	142,584	24,943	-	25,642,857	25,924,247	
11 Total Expenditure Budget	\$ -	\$ 919,799	\$ 1,073,083	\$ 1,992,882	\$ 31,350	\$ 229,512	\$ 30,987,618	\$ 240,881	\$ 24,943	\$ -	\$ 33,507,186	\$ 33,753,482	

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 2013 Plan

Overview

As the global economy becomes increasingly driven by the creation of new knowledge and technological innovation, success for the Gulf Coast region 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, 7% Asian, and 40% white. The student population at the UH System is 16% African-American, 26% Hispanic, 15% Asian, and 33% white. Clearly, we are doing a good job of providing access to a diverse student population. In fact, as of this year, UH, UHCL and UHD have all been designated as Hispanic Serving Institutions (HSI) by the federal government, which allows them to compete for federal funding intended to enhance the participation and success of Hispanic students in higher education. UHV will apply for HSI designation in 2013.

UH System performance with respect to the measures on its progress card has also been strong:

	2011 Report	2012 Report
Total Enrollment	63,846	65,256
Total Degrees Awarded	12,664	13,685
Federal Research Expenditures	\$54M	\$62M

With improved performance, the UH System universities are poised for continued success in the coming years. To harness this potential, we have been engaged in regular strategic planning activities over the past several years. Last year, the universities developed campus master plans designed to facilitate the accomplishment of their enrollment and research targets. This year, more in-depth campus master planning is underway, particularly at UH-Victoria, where enrollment for the first time of freshmen, sophomores and residential students has created a need for student housing and expanded space for instruction and student services. In February, the UHS Board of Regents approved the construction of a new academic building for UHV. Scheduled to open in fall 2014, the new building will house new classrooms, student services, and the College of Business. In addition, the University of Houston has been developing a public/private partnership at the UH Sugar Land Campus with TimeGate, Inc., an international leader in the digital gaming industry. Through this partnership, TimeGate will construct a building on the Sugar Land campus to house both their operations and related digital gaming programs at UH and UHV. Students in the UH and UHV programs will have the opportunity to participate in professional internships with TimeGate.

Over the past year, much progress has also been made in expanding the reach and accessibility of UH System academic programs throughout the Houston region. Growth at the UH System's off-campus teaching centers has been substantial (12% in the past year alone), fueled by UH's growth in Sugar Land (24%), UH's and UHD's growth in Northwest Houston (48%), and UHCL's growth at the Pearland campus (40%). The UH System universities are also taking a much more coordinated approach to undergraduate admissions. The applications of students not accepted to the University of Houston are now immediately directed to UHD and UHV, and undergraduates at all four universities now have the ability to seamlessly take up to six hours at one of the other

UHS institutions. These new services facilitate enrollment at our universities and make it easier for students to complete a degree.

FY 2013 Initiatives

- *UH System Campus Master Planning and Collaborative Initiatives*

In FY 2013, the UH System Administration, in collaboration with campus leadership, will continue campus master planning activities: The University of Houston will analyze and address inefficiencies in its use of research and instructional space; UHV and UHCL will continue downward expansion planning activities; and UHD will address transportation and parking issues associated with its space-limited urban campus. With respect to 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 FY13, the UH System will continue to expand program delivery at the off-campus teaching centers. Specifically, next year the University of Houston will deliver the Bauer MBA at the Northwest campus and two new programs at Sugar Land – the BS in Digital Media and the MS in Sports and Fitness Administration.
- *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 FY13, the universities will implement a system-wide electronic time-keeping system for hourly employees. Replacing the manual, paper-based system currently employed will save time and money and improve the accuracy of records.
- *83rd Texas Legislature*

Strong support from the Texas Legislature is critical if the UH System universities are to achieve their goals of excellence. When the 83rd Texas Legislature opens in January 2013, the UH System will implement a legislative agenda that demonstrates the value of our institutions to the state, so that we are well-positioned for increased funding (should it become available) and legislation that supports our operations.
- *Federal Legislative Agenda*

During FY13 the UH System will develop and pursue its federal agenda for FY14, 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 the process, it will be especially important to demonstrate that transparency, accountability and affordability are strong components of UH System operations.

University of Houston System Administration
Appendix A - Allocation of New FY 2013 Resources

<u>Revenue Changes</u>		A
Appropriations Bill		
1	Tuition Revenue Bonds	\$ (281,826)
Other		
2	Other/Endow Inc, Service Charge	35,530
3	Total Net Revenue	<u><u>\$ (246,296)</u></u>

<u>Reallocations/Reductions</u>		B
Subtotal - Reallocations/Reductions		<u><u>\$ -</u></u>

<u>Priority/Initiative Allocations</u>		C
Priority 3. University Infrastructure & Administration		
1	TRB Debt Service	\$ (281,826)
2	Administrative Support	35,530
3	Total Priority/Initiative Allocations	<u><u>\$ (246,296)</u></u>

University of Houston - System Administration

Table 1 - Sources & Uses

(\$ in Millions)

	A	B	C	D	E	F	G
	Historical	Change		Current	Change		New
	FY2011 Budget	Dollars	Percent	FY2012 Budget	Dollars	Percent	FY2013 Budget
Operating & Restricted Budget							
Source of Funds							
1 State Appropriations	\$ 29.7	\$ (2.6)	-8.8%	\$ 27.1	\$ (0.3)	-1.1%	\$ 26.8
4 Other Operating	10.2	(3.6)	-35.3%	6.6	-	0.0%	6.6
6 Endowments/Gifts (Restricted)	0.1	-	0.0%	0.1	-	0.0%	0.1
7 Total Sources	\$ 40.0	\$ (6.2)	-15.5%	\$ 33.8	\$ (0.3)	-0.9%	\$ 33.5
Use of Funds by Object							
8 Salaries and Wages - Staff	\$ 8.4	\$ (1.9)	-21.9%	\$ 6.5	\$ -	0.0%	\$ 6.5
10 Benefits	1.6	(0.3)	-18.1%	1.3	-	0.0%	1.3
11 M&O	4.1	(2.2)	-53.0%	1.9	-	0.0%	1.9
12 Capital Equipment	0.4	(0.4)	-99.3%	-	-	0.0%	-
14 Debt Service	25.2	(1.2)	-4.1%	24.0	(0.3)	-1.3%	23.7
16 Reserve for State Budget Reduction	0.2	(0.2)	-99.3%	-	-	-	-
17 Total Uses	\$ 40.0	\$ (6.2)	-15.5%	\$ 33.8	\$ (0.3)	-0.9%	\$ 33.5

Total Operating, Restricted and Capital Budget

27	\$ 40.0	\$ (6.2)	-15.5%	\$ 33.8	\$ (0.3)	-0.9%	\$ 33.5
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University of Houston-System Administration

Table 2 - Operations

	FY2012 Budget	-----Change-----		FY2013 Budget
		Dollars	Percent	
Source of Funds				
General Funds				
State General Revenue Appropriations				
Formula Funding	\$ 1,425,000	\$ -	0.0%	\$ 1,425,000
Special Items	586,961		0.0%	586,961
Less: Rider Reduction Estimates	(70,000)		0.0%	(70,000)
Tuition Revenue Bonds	23,963,183	(281,826)	-1.2%	23,681,357
State Benefits Appropriation	1,193,790		0.0%	1,193,790
Subtotal State General Revenue Appropriations	27,098,934	(281,826)	-1.0%	26,817,108
Designated				
Investment Income on Non-Endowed Funds	169,582	(35,730)	-21.1%	133,852
Endowment Income	1,389,545	(448,817)	-32.3%	940,728
Service Charge	4,088,393	418,322	10.2%	4,506,715
Fund Balance	938,702	104,557	11.1%	1,043,259
Subtotal Designated Funds	6,586,222	38,332	0.6%	6,624,554
Total Current Operating Funds	33,685,156	(243,494)	-0.7%	33,441,662
Total Sources	\$ 33,685,156	\$ (243,494)	-0.7%	\$ 33,441,662
Use of Funds by Object				
Salaries and Wages	\$ 6,526,313	\$ 22,512	0.3%	\$ 6,548,825
Benefits	1,302,922	12,582	1.0%	1,315,504
M&O	1,877,738	3,238	0.2%	1,880,976
Capital	15,000			15,000
Debt Service	23,963,183	(281,826)	-1.2%	23,681,357
Total Uses	\$ 33,685,156	\$ (243,494)	-0.7%	\$ 33,441,662

University of Houston-System Administration
Table 3 - Restricted

	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
Source of Funds				
Restricted				
Gifts	\$ 16,000	\$ -	0.0%	\$ 16,000
Endowment Income	52,326	(2,802)	-5.4%	49,524
Total Current Operating Funds	68,326	(2,802)	-4.1%	65,524
Total Sources	\$ 68,326	\$ (2,802)	-4.1%	\$ 65,524
Use of Funds by Object				
M&O	68,326	(2,802)	-4.1%	65,524
Total Uses	\$ 68,326	\$ (2,802)	-4.1%	\$ 65,524

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

Employee Classification	FY2012 Budget	-----Change-----		FY2013 Budget
		FTE	Percent	
Professional Staff	64	-	0.0%	64
Classified Staff	14	-	0.0%	14
Total	78	-	0.0%	78

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

	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
Use of Funds by Organization				
Regents	\$ 229,297			229,297
Chancellor	1,451,192	10,582	0.7%	1,461,774
Academic Affairs	971,949			971,949
Student Affairs	219,394	9,512	4.3%	228,906
Research	306,362	13,238	4.3%	319,600
Administration and Finance	1,355,506			1,355,506
University Advancement	403,890			403,890
Governmental Relations	790,048			790,048
General Counsel	1,084,976			1,084,976
Auditing	889,455			889,455
Staff Benefits	1,326,790	5,000	0.4%	1,331,790
Subtotal Operations	9,028,859	38,332	0.4%	9,067,191
NASA Programs	586,961			586,961
Other Uses				
Transfer to UH for Charter School	106,153			106,153
Debt Service	23,963,183	(281,826)	-1.2%	23,681,357
Total Uses	\$ 33,685,156	\$ (243,494)	-0.7%	\$ 33,441,662

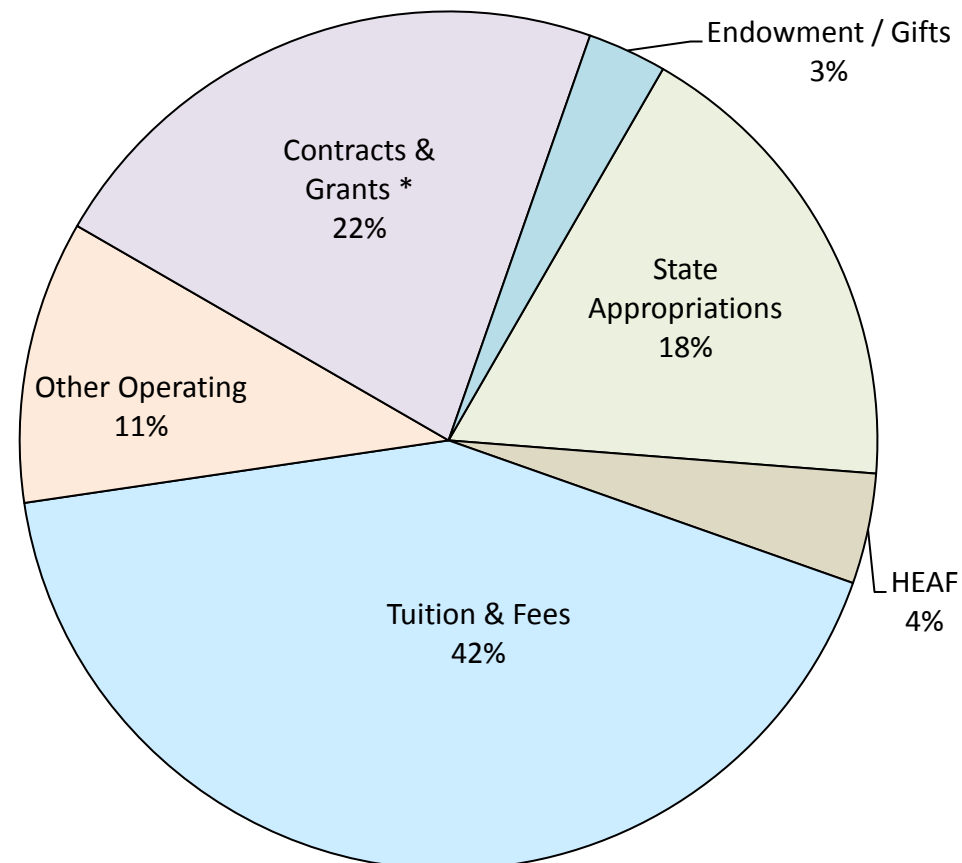
University of Houston-System Administration
Note to Table 3: Operations Expenditures By Organization

	FY2012 Budget	-----Change-----		FY2013 Budget
		Dollars	Percent	
Use of Funds by Organization				
Academic Affairs	\$ 68,326	\$ (2,802)	-4.1%	\$ 65,524
Subtotal Operations	68,326	(2,802)	-4.1%	65,524
Total Uses	\$ 68,326	\$ (2,802)	-4.1%	\$ 65,524

University of Houston Budget

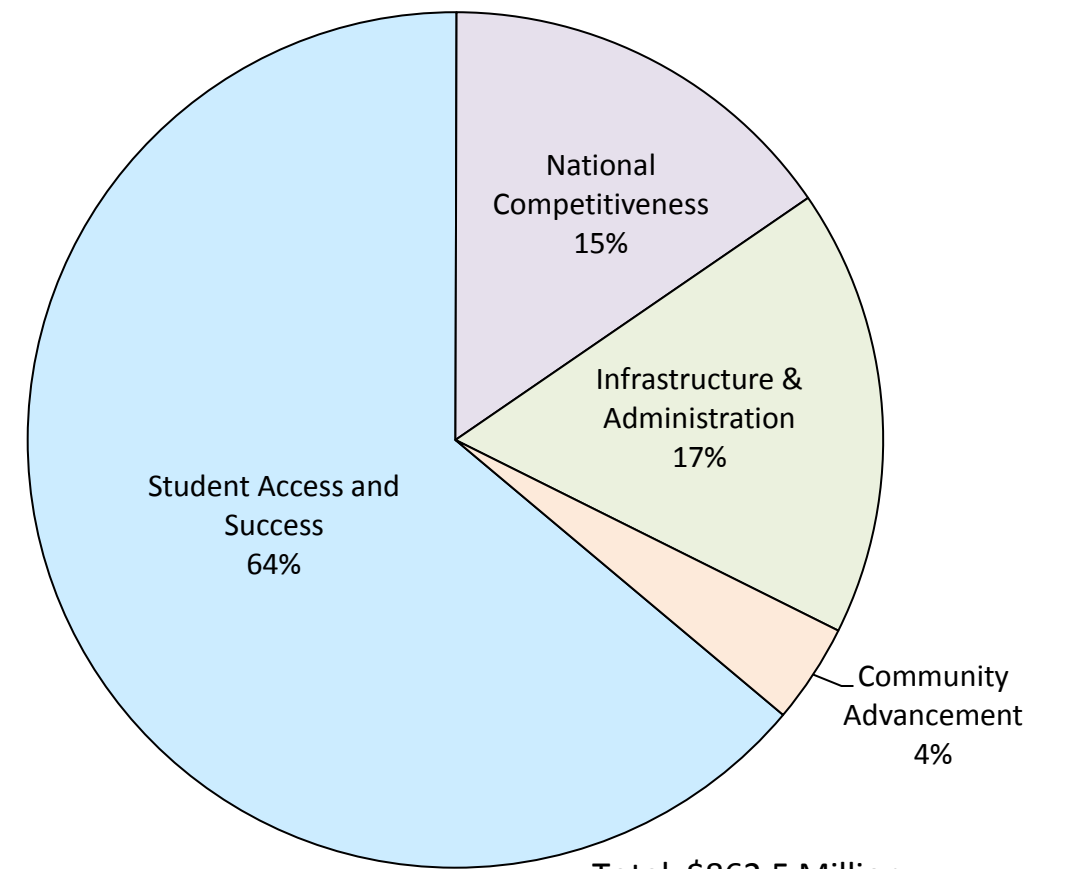
FY2012

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$862.5 Million

Operating Budget Use of Funds



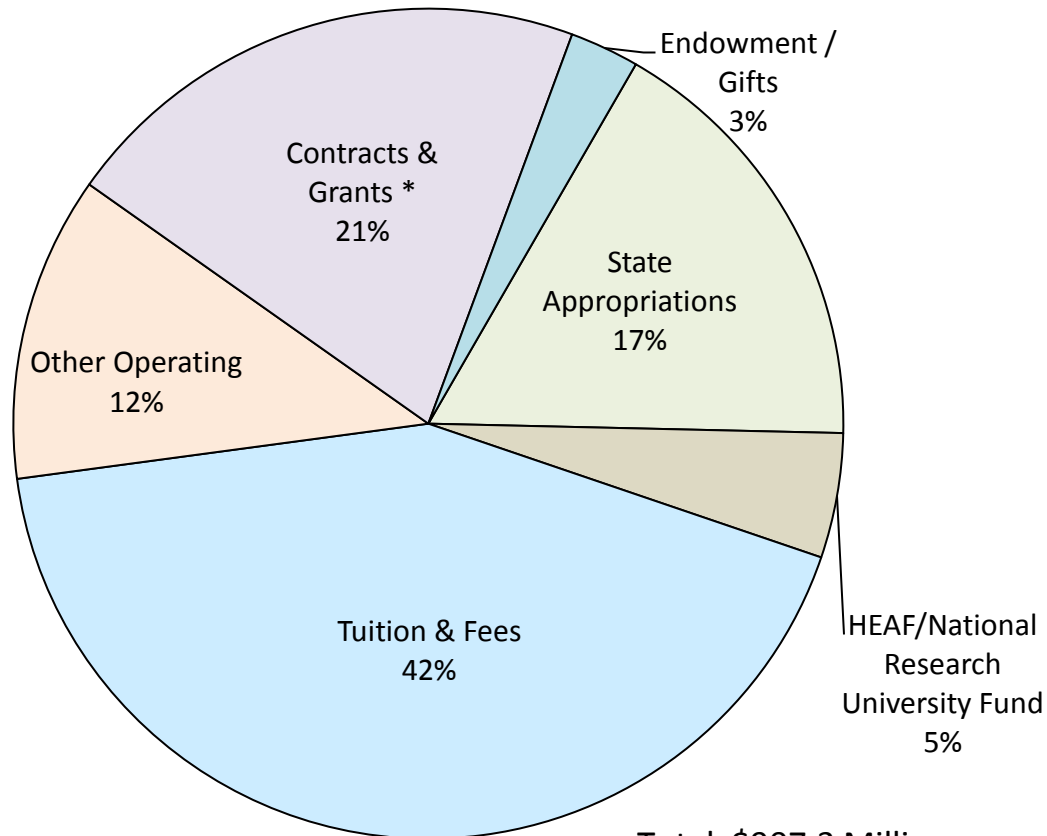
Total \$862.5 Million

Total Budget

	\$ Millions
Operating Budget	\$ 862.5
Capital Facilities	154.1
Total	\$ 1,016.6

FY2013

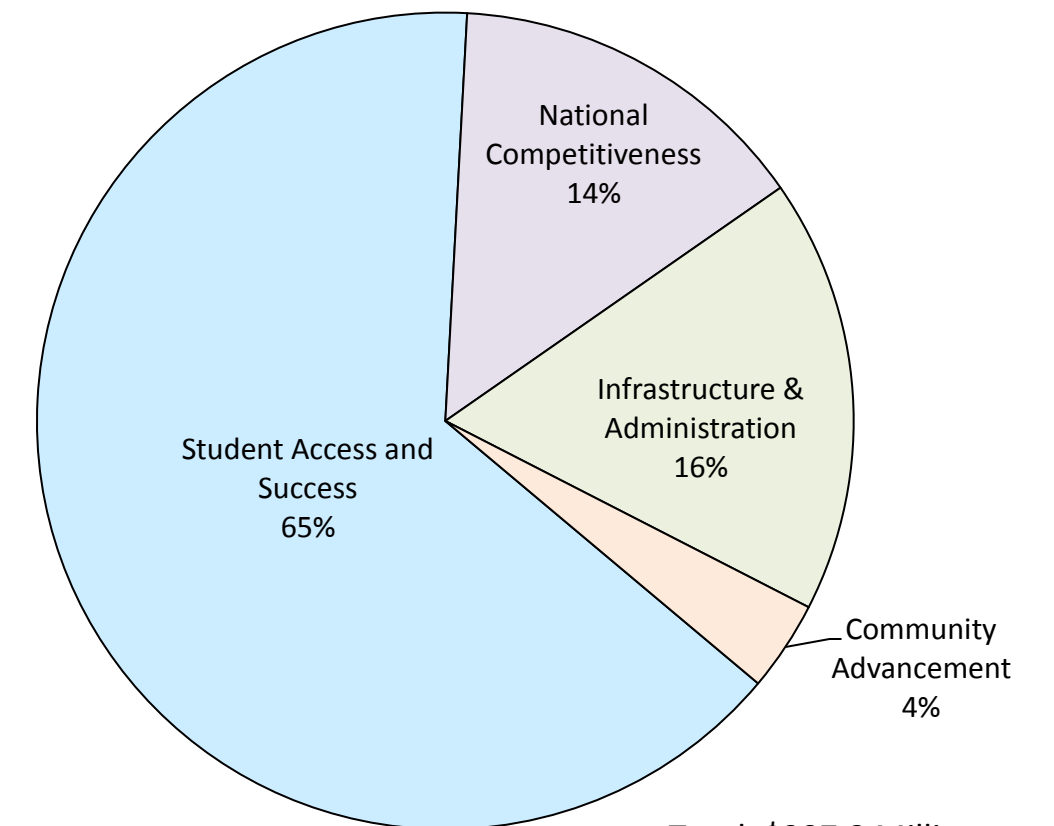
Operating Budget Source of Funds



* Includes Federal Financial Aid

Total \$907.3 Million

Operating Budget Use of Funds



Total \$907.3 Million

Total Budget

	\$ Millions
Operating Budget	\$ 907.3
Capital Facilities	218.5
Total	\$ 1,125.8

University of Houston Operating Budget
Revenues FY2009 - FY2013
\$ in Millions

	A 2009 Actual	B 2010 Actual	C 2011 Actual	D 2012 Budgeted	E 2013 Proposed
1 State Appropriations **	\$ 189.2	\$ 192.1	\$ 181.5	\$ 154.4	\$ 154.5
2 HEAF/National Research University Fund	36.1	36.1	35.9	35.9	44.1
3 Tuition & Fees	294.0	321.0	348.5	364.6	387.0
4 Other Operating	81.0	92.2	123.7	92.0	108.0
5 Contracts & Grants *	145.1	196.3	186.3	189.9	189.2
6 Endowment / Gifts	36.5	40.6	70.7	25.7	24.5
7 Total	<u>\$ 781.9</u>	<u>\$ 878.3</u>	<u>\$ 946.6</u>	<u>\$ 862.5</u>	<u>\$ 907.3</u>

* Includes Federal financial aid

** Includes the move of \$10.7 million in debt service to UHSA in FY2012 and FY2013

**University of Houston Operating Budget
Expenditures FY2009 - FY2013
\$ in Millions**

	A 2009 Actual	B 2010 Actual	C 2011 Actual	D 2012 Budgeted	E 2013 Proposed
1 Student Access and Success	\$ 490.6	\$ 533.6	\$ 542.1	\$ 551.4	\$ 587.4
2 National Competitiveness	84.5	94.5	126.2	132.7	131.3
3 Infrastructure & Administration *	136.0	129.7	191.2	146.0	156.2
4 Community Advancement	37.2	38.9	29.7	32.4	32.4
5 Total	<u>\$ 748.3</u>	<u>\$ 796.7</u>	<u>\$ 889.2</u>	<u>\$ 862.5</u>	<u>\$ 907.3</u>

* Includes the move of \$10.7 million in debt service to UHSA in FY2012 and FY2013

**University of Houston
FY2013 Operating Budget Expenditures by Function**

	A	B	C	D	E	F	G	H	I	J	K	L
Expenditure Budget	Instruction	Research	Academic Support	Subtotal	Public Service	Student Services	Institutional Support	Physical Plant	Scholarships & Fellowships	Auxiliary Enterprises	FY 2013 Total	FY 2012 Total
1 Cost of Goods Sold			\$ 3,000	\$ 3,000	\$ 1,150,000	\$ 400	\$ -			\$ 1,334,474	\$ 2,487,874	\$ 2,238,660
2 Tenure Track Faculty	104,893,873	2,487,537	2,002,856	109,384,266	50,500	31,310			30,000		109,496,076	107,968,920
3 Non-Tenure Track Faculty	18,006,535	9,339,795	4,971,730	32,318,060	709,005	70,001	28,482				33,125,548	33,913,112
4 Adjunct Faculty	6,161,979	711,694	2,433,879	9,307,552	76,414						9,383,966	8,847,020
5 Graduate Assistant	4,643,647	2,948,115	10,302,605	17,894,367	24,350	969,504	200,500		400,049	298,603	19,787,373	19,267,475
6 Exempt Staff	14,630,611	22,842,174	48,224,507	85,697,292	10,136,684	11,464,727	24,347,744	3,132,206	62,644	15,209,694	150,050,991	158,440,358
7 Non-Exempt Staff	3,251,248	2,230,303	7,083,684	12,565,235	2,230,363	2,347,220	4,744,718	8,490,398	-	4,399,347	34,777,280	36,374,615
8 Student Employees	602,017	203,680	3,512,411	4,318,108	117,126	375,692	115,916	109,620	62,521	3,205,414	8,304,397	7,507,251
9 Summer Instruction Salaries	2,118,411	4,500	1,133,481	3,256,392	480,000						3,736,392	1,377,958
10 Subtotal	154,308,321	40,767,798	79,665,153	274,741,272	13,824,442	15,258,454	29,437,360	11,732,224	555,214	23,113,058	368,662,023	373,696,709
11 Benefits	7,759,857	5,046,370	9,528,103	22,334,330	2,839,698	2,088,505	48,343,463	473,433	26,161	6,405,333	82,510,923	81,167,564
12 Capital	501,822	13,667,616	6,317,354	20,486,792	443,100	75,258	5,200,000	265,000		3,721,152	30,191,302	30,253,987
13 M&O	6,547,229	67,587,838	30,984,546	105,119,613	13,142,062	6,066,613	30,052,626	29,403,179	1,446,277	80,322,636	265,553,006	228,914,995
14 Travel & Business Expense	2,635,146	2,863,675	5,307,892	10,806,713	962,600	641,893	749,458	7,500	180,748	3,335,793	16,684,705	19,930,891
15 Scholarship & Fellowship	1,438,685	1,339,463	1,856,954	4,635,102	11,500	75,153	520,000		133,998,571	1,932,917	141,173,243	126,320,693
16 Subtotal	11,122,882	85,458,592	44,466,746	141,048,220	14,559,262	6,858,917	36,522,084	29,675,679	135,625,596	89,312,498	453,602,256	405,420,566
17 Total Expenditure Budget	\$ 173,191,060	\$ 131,272,760	\$ 133,663,002	\$ 438,126,822	\$ 32,373,402	\$ 24,206,276	\$ 114,302,907	\$ 41,881,336	\$ 136,206,971	\$ 120,165,363	\$ 907,263,076	\$ 862,523,499

3.4

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 2013, the University of Houston faces a time of fundamental change in the way it operates. For the current fiscal year, the Texas Legislature reduced UH's appropriation by \$32.3 million, and for FY13 the university will face an additional, much smaller reduction of \$933,684. The end result is that state resources (including HEAF) now constitute only 21% of the university's operating budget. The simple solution to these reductions would be to raise tuition and fees to make up the difference. However, given increasing student debt nationwide, as well as an economy that is producing limited jobs right now for recent college graduates, tuition and fee increases cannot be the primary strategy for maintaining institutional quality. Instead universities must optimize the use of existing resources and develop new revenue streams (e.g., enrollment growth, private support, research grants) as they work to achieve their goals. The University of Houston has made good progress on this front. Enrollment has grown – producing increased tuition and fee revenues – and the university has eliminated non-essential services, consolidated departments, and reduced expenses (e.g., communications allowances, business and travel budgets). As a result, UH will not increase tuition next year for undergraduate students. In 2011, the university was ranked 12th nationwide for students graduating with the least amount of debt. This is a distinction we will work hard to maintain.

At the same time that the legislature is reducing general operating funds for public universities, it is fulfilling its commitment to develop more nationally competitive research institutions. During FY 2012, UH reached another important milestone on its journey as a Tier One research university – qualifying for the National Research University Fund (NRUF). Current estimates are that UH will receive \$8.2 million next year to invest in research initiatives, the timing of which could not be better. Development of the research enterprise is very expensive – especially with respect to facilities and equipment – and the University of Houston has extraordinary needs in this area. In fact, the university will not be able to achieve its research goals without major investments in infrastructure. NRUF, along with other state funds for research (e.g., Research Development Fund, Texas Competitive Knowledge Fund, Texas Research Incentive Program) will provide the resources needed to do so.

Space for research is not the only facilities challenge facing UH as it seeks to accomplish its goals. A facilities condition audit conducted over the past year has revealed major renovation and maintenance needs that the university must address. These include general maintenance and repair of campus buildings, as well as repurposing of facilities that are no longer suitable for their intended use (e.g., decades-old science facilities and student housing). In addition, the university will embark next year on three major facilities projects that will dramatically enhance the quality of the campus: renovation of the University Center, renovation of Hofheinz Pavilion, and construction of a new football stadium. Funded in large part through student-authorized fees, these projects, once completed, will reshape the UH experience for both students and the community.

The FY13 Plan and Budget has been developed within this context. In total, the University of Houston will invest \$38.9 million in new resources and \$35.9 million in recurring HEAF (Higher Education Assistance Fund) in the university priorities identified on the following page. Of the new resources, \$22.5 million was generated through increased tuition and fee dollars (the majority of which resulted from enrollment growth), while \$8.2 million was generated through reallocation of existing resources, demonstrating the university's commitment to applying existing dollars to their best possible use.

	<u>New Resources</u>	<u>HEAF*</u>	<u>Total</u>
Student Success	\$16,741,057	\$1,000,000	\$17,741,057
National Competitiveness	11,300,000	3,500,000	14,800,000
University Infrastructure and Administration	10,942,823	31,385,768	42,328,591
Total	<u>\$38,983,880</u>	<u>\$35,885,768</u>	<u>\$74,869,648</u>

*Recurring resources

The UH FY13 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, we have succeeded in developing a plan and budget for next year that will allow the university to move forward on its priorities and build upon recent successes for some of its most important progress card measures. Over the past four years, for example, the university has grown by 15% in enrollment, 13% in degrees awarded, and 49% in federal research expenditures.

Reallocations and Operating Efficiencies

Over the past several years, as the university has negotiated budget reductions from the state, reallocations and operating efficiencies have become standard practice during the annual planning and budgeting cycle. This was the case for FY 2013, as well. In total, after a careful examination of its budgets, the university will reallocate \$8.2 million next year to fund the priorities discussed in this plan. The source of these reallocations includes funds from previous years that were reserved for contingencies that did not arise. Specifically, reserves were held to cover potential reductions in endowment income, TEXAS Grants, and state funds reduced through legislative riders. Since these reductions have not occurred to the extent anticipated, we are freeing up some of these resources to invest in new initiatives.

In addition to these central reallocations, the UH colleges were charged during the planning process to implement reallocations on their own, particularly to fund one-time initiatives through the use of fund equity. As part of this process, the UH colleges have budgeted \$10.6 million from their local state allocations and tuition and fees for initiatives next year in support of their priorities – investments that would not have been possible through new central tuition and fee dollars. Similar investments will take place in the UH divisions. For example, the Division of Student Affairs will invest \$6.3 million in reallocated resources to perform much-needed deferred maintenance on UH residence halls and the Campus Recreation & Wellness Center next year, as well as to fill three critical new staff positions as the division seeks to reorganize its operations and provide better service to students.

Given the extraordinary facilities challenges the university is facing, we are also continuing to examine how instructional and research space can be used more efficiently. Specifically, we are studying ways to optimize course scheduling so that classes are delivered more uniformly throughout the day, and we are utilizing online instruction to deliver all or part of specific courses (hybrids) in order to free up classroom space on campus. Doing so will lead to greater course availability for students, facilitate the timely completion of a degree, and reduce the need for new classroom space. Similarly, we are studying how effectively research space is being utilized on campus, with the goal of ensuring that space is allocated based on the productivity of the faculty member occupying it.

Finally, we are examining university operations in search of better ways to conduct business. Building on our consolidations/reductions in IT services last year, the Division of Information Technology continues to work with the colleges to identify additional ways of providing these service more effectively.

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:

	2011 Report	2012 Report
Total Enrollment	38,752	39,820
Total Degrees Awarded	7,230	7,840
Freshman 1-year Retention Rate	82%	81%
Freshman 6-year Graduation Rate	46%	46%
Transfer 1-year Retention Rate	76%	77%
Transfer 4-year Graduation Rate	59%	61%
Course Completion Rate	94%	94%
Freshman Acceptance Rate	71%	63%
Freshman Median SAT	1090	1114

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 – building upon the success already achieved in these areas over the past several years.

Also next year, the university will complete construction of Cougar Village II, a new undergraduate residence hall designed to complement the adjacent Cougar Village I, the university's residence hall for freshmen. Students who live on campus have higher rates of retention and graduation, so increasing the number of beds is essential to the university's student success goals. Currently, 11% of undergraduates live on campus. Ultimately, we want that percentage to increase to 25%.

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, for example, doctoral enrollment has increased by six percent (from 1,787 to 1,892). Consistent long-term growth in graduate enrollment will enable UH to achieve its goal of a student body that is 25% graduate (up from 20% today), which is consistent with a Tier One university profile.

FY 2013 Budget Initiatives

- *Financial Aid (\$1,271,162 New Resources)*

Increases in financial aid are needed to attract and retain students at both the undergraduate and graduate levels. Specifically, \$1,271,162 will be invested in need-based scholarships for both undergraduate and graduate students in FY13.

- Student Support & Campus Life Initiatives (\$1,071,322 New Resources)*

Enhancing the quality of student services and campus activities is essential to attracting and retaining students. In the colleges next year, resources will be used to expand student advising and tutoring. Centrally, resources will be invested in student recruitment activities, registration services, orientation, and a new student testing center. Through student-authorized increases to the Student Services Fee, resources will be used to enhance multiple campus activities, including Frontier Fiesta, Homecoming, the Marching Band, the Student Government Association and Coog Radio.
- Faculty Retention (\$4,759,041 New Resources)*

Rewarding the university's most productive faculty members with merit-based salary increases for their efforts in the classroom and research is imperative to retaining them and enhancing UH's ability to achieve its goals of student success and national competitiveness. In FY13, the university will invest \$4,759,041 to fund a 3% merit-based raise pool and cover faculty promotion and tenure salary increases.
- Expanded Instruction (\$650,000 New Resources)*

Through a combination of tenured/tenure-track and instructional faculty, the University of Houston must expand instruction if it is to accommodate enrollment growth, facilitate degree completion, and maximize revenue. In FY13, \$650,000 will be used to hire instructional and adjunct faculty positions in areas of high instructional demand.
- Off-Campus Program Expansion (\$900,000 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 (UH Sugar Land Campus). Resources will be used to support instruction, facilities, and operations.
- Professional Program Enhancements (\$3,565,000 New Resources)*

The UH professional colleges and graduate programs are key to addressing the advanced professional workforce needs of Houston's economy. In FY13, UH will invest \$3,565,000 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 merit scholarships in Law (\$939,010), new faculty in the Bauer College of Business (\$1,004,542), and support for professional master's programs across multiple colleges (\$765,000).
- University Libraries (\$171,593 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 FY13, \$171,593 in new resources and \$1,000,000 in recurring HEAF will be used to maintain collections and enhance services.
- University Center Transformation Project (\$4,352,939 New Resources)*

This summer construction will begin on the University Center Transformation Project, a three-year endeavor to create a state-of-the-art hub for student activities on campus. Next year, \$4,352,939 in new resources will be used to fund the debt service on this \$80 million project. Completion is scheduled for December 2014.

Priority 1. Investment of Resources in FY 2013 Initiatives

	New Resources	HEAF*	Total
Financial Aid	\$1,271,162		\$1,271,162
Student Support & Campus Life Initiatives	1,071,322		1,071,322
Faculty Retention	4,759,041		4,759,041
Expanded Instruction	650,000		650,000
Off-Campus Program Expansion	900,000		900,000
Professional Program Enhancements	\$3,565,000		\$3,565,000
University Libraries	171,593	\$1,000,000	1,171,593
University Center Transformation Project**	4,352,939		4,352,939
Total	\$16,741,057	\$1,000,000	\$17,741,057

*Recurring resources

**Funded through student-authorized fee

Priority 2. National Competitiveness

Context

The University of Houston's goal of achieving and maintaining national competitiveness 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 four years, UH has made significant progress in increasing its research productivity. Four years ago, for example, federal research expenditures (the most competitive to secure) were \$40.1 million. Last year they were \$59.7 million – an increase of 49%. In addition, seven UH faculty this year have received National Science Foundation Early Career Development Awards (a record for the institution). These prestigious awards reflect the outstanding quality of new UH faculty and their capacity to produce nationally competitive research. Finally, UH has made great strides in the number of doctorates awarded, increasing 19% over the past four years (from 239 to 284). Excellence in doctoral education is an important characteristic of a Tier One university.

While much has been accomplished in recent years, maintaining and increasing UH's high level of research productivity will be challenging. After a two-year surge in available research funding from the American Recovery and Reinvestment Act (stimulus funding), federal research budgets have returned to the lower levels of previous years. Also, 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 the coming years.

To compete successfully in this environment, the University of Houston must carefully select the areas of research and scholarship in which to invest. This year, the university has established a goal of hiring 60 new faculty in STEM disciplines (science, technology, engineering and mathematics) over the next two years. These positions will be focused in the health sciences and energy, the university's two great areas of strength, which also align with high levels of external research funding and the needs of the regional economy. Currently, UH is on track to fill 27 new and replacement faculty positions in STEM disciplines this year, plus an additional 24 positions in other areas of strength and need for the university.

As the number of UH faculty grows, a central challenge is finding the space on campus to house them. This is especially true for STEM faculty, who often require large amounts of space for their labs. The colleges of Engineering and Natural Sciences & Mathematics are particularly affected. Currently, these two colleges are at or near capacity in terms of lab space for their faculty. To address these issues, the University of Houston will dedicate its new appropriation from the National Research University Fund to large scale investments in core research facilities and infrastructure. These investments will be supplemented through existing resources from the Research Development Fund, Texas Research Incentive Program, indirect cost recovery, and royalty income.

FY 2013 Budget Initiatives

- *New Faculty Positions (\$2,000,000 New Resources)*

Increasing the university's research expenditures is dependent upon both increasing the productivity of current faculty and increasing the number of researchers on campus. In FY13, the University of Houston will invest \$2,000,000 to create approximately 17-20 new faculty positions, the majority of which will be dedicated to STEM disciplines. Combined with replacement hires, these new faculty lines will position UH to achieve its goal of 60 STEM hires by the end of next year. It is important to note that all new faculty positions will be essential not only for achieving UH's research goals but for meeting growing instructional demand, as well.

- *Core Research Facilities (\$9,300,000 New Resources)*

Given the enormous expense of research facilities and infrastructure, it is critical that the university develop, where possible, facilities that serve scientists and engineers across campus. To that end, the university's \$8,200,000 NRUF appropriation will be invested in multiple core facilities next year, including facilities for animal care, imaging, and academic computing. In addition, \$1,100,000 in new resources will be used to fund the debt service of the Health and Biomedical Sciences Building.

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

In FY13, 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.

Priority 2. Investment of Resources in FY 2013 Initiatives

	New Resources	HEAF*	Total
New Faculty Positions	\$2,000,000		\$2,000,000
Core Research Facilities	9,300,000		9,300,000
Faculty Start-Ups		\$3,500,000	\$3,500,000
Total	\$11,300,000	\$3,500,000	\$14,800,000

*Recurring resources

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 university has completed the Science & Engineering Research Center and Student Teaching Labs Building and by August will complete the new Classroom and Business Building, to accommodate our growing enrollment. Construction of the Health and Biomedical Sciences Building and renovations at the Energy Research Park also continue, both of which are essential to expanding research space on campus and enhancing the productivity of our scientists and engineers.

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 experienced a net reduction of 222 staff FTE. In making these reductions, the university eliminated non-essential services and in some cases consolidated departments, while preserving positions important to the university's two main goals of student success and national competitiveness. At the same time that we expect greater efficiency and better performance from staff, we must remain committed to providing them 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. Last 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 \$75 million, 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 \$491 million two years ago to \$590 million last year.

FY 2013 Budget Initiatives

- *Staff Retention (\$4,351,798 New Resources)*
In FY13, the University of Houston will allocate \$4,351,798 to pay for a merit-based salary increase of 3.0 percent and associated benefits for staff members.
- *Capital Renewal/Deferred Maintenance (\$14,330,000 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 \$7,325,297 allocation to the six-year, \$38.4 million central utilities plant expansion (e.g., upgrades to boiler and chillers), as well as improvements to classroom space, support space and other infrastructure, as prioritized through the university's Facilities Condition Audit.

- *Maintenance & Utilities for New Campus Facilities (\$2,023,226 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.
- *Capital Construction Projects (\$14,555,768 HEAF)*
In FY13, \$14,555,768 in HEAF resources will be used to fund major construction projects on campus, including the Cougar Substation, fire and life safety enhancements, and the Health & Biomedical Sciences Building.
- *Football Stadium Construction/Hofheinz Pavilion Renovation (\$3,904,014 New Resources)*
In support of its move to the Big East Athletics Conference, the university will continue planning for the construction of a new football stadium and renovation of Hofheinz Pavilion. The stadium is expected to be completed in time for the fall 2014 football season. Funds will be used to cover debt service for the project.
- *Information Technology Initiatives (\$492,718 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 FY13, \$492,718 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.
- *Staff Positions & Administrative Support (\$171,067 New Resources)*
In FY13, the university will use \$171,067 to hire two staff in the departments of Auditing and Equal Employment Opportunity, as well as provide operations support for the Board of Regents office.

Priority 3. Investment of Resources in FY 2013 Initiatives

	New Resources	HEAF*	Total
Staff Retention	\$4,351,798		\$4,351,798
Capital Renewal/Deferred Maintenance		\$14,330,000	14,330,000
Maintenance & Utilities for New Campus Facilities	2,023,226		2,023,226
Capital Construction Projects		14,555,768	14,555,768
Football Stadium Construction/Hofheinz Pavilion Renovation**	3,904,014		3,904,014
Information Technology Initiatives	492,718	2,500,000	2,992,718
Staff Positions & Administrative Support	171,067		171,067
Total	\$10,942,823	\$31,385,768	\$42,328,591

*Recurring resources

**Funded through student-authorized fee

University of Houston
Appendix A - Allocation of New FY 2013 Resources

Revenue Changes		A
Appropriations Bill		
1	General Revenue	\$ (933,684)
2	National Research University Fund (NRUF)	8,200,000
3	State Matching Benefits	1,039,100
4	Subtotal General Revenue	<u>8,305,416</u>
Tuition and Fees		
5	Statutory/Premium Tuition	4,600,000
6	Designated Tuition	7,236,162
7	Academic Fees	1,074,639
8	Consolidated Univ Serv Fee	882,900
9	Student Service Fee	4,337,793
10	University Center Fees	4,352,939
11	Subtotal Tuition and Fees	<u>22,484,433</u>
Other		
12	Non-endow Investment Income, Lab Fees	(26,732)
13	Total Net Revenue	<u>\$ 30,763,117</u>

Reallocations/Reductions		B
1	Reallocated from Rider Reduction Reserves	\$ (2,390,000)
2	Reallocation from Endowment Contingency Reserves	(2,500,000)
3	Reallocation from Texas Grant Contingency Reserves	(2,500,000)
4	Allocate Reserves from FY2012	(830,763)
5	Subtotal - Reductions	<u>\$ (8,220,763)</u>

Priority/Initiative Allocations		C
Priority 1. Student Success		
6	Financial Aid	\$ 1,271,162
7	Student Support & Campus Life Initiatives	1,071,322
8	Faculty Retention	4,759,041
9	Expanded Instruction	650,000
10	Off-Campus Program Expansion	900,000
11	Professional Program Enhancements	3,565,000
12	University Libraries	171,593
13	University Center Transformation Project	4,352,939
14	Subtotal - Student Access and Success	<u>16,741,057</u>
Priority 2. National Competitiveness		
15	New Faculty Positions	2,000,000
16	Core Research Facilities	9,300,000
17	Subtotal - National Competitiveness	<u>11,300,000</u>
Priority 3. University Infrastructure & Administration		
18	Staff Retention	4,351,798
19	Maintenance & Utilities for New Campus Facilities	2,023,226
20	Football Stadium Construction/Hofheinz Pavilion Renovatio	3,904,014
21	Information Technology Initiatives	492,718
22	Staff Positions & Administrative Support	171,067
23	Subtotal - University Infrastructure & Administration	<u>10,942,823</u>
24	Total Priority/Initiative Allocations	<u>\$ 38,983,880</u>

25 **Total Net Reductions and New Allocations** **\$ 30,763,117**

University of Houston
Appendix B - Allocation of FY 2013 HEAF

<u>FY13 Allocation</u>	
HEAF	<u>\$ 35,885,768</u>

<u>Priority/Initiative</u>	<u>HEAF</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	\$ 14,330,000
Capital Construction Projects	14,555,768
Information Technology Initiatives	2,500,000
Subtotal	<u>\$ 31,385,768</u>
Total New Investments	<u><u>\$ 35,885,768</u></u>

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

	<u>FY2012</u>	<u>FY2013</u>
Funds from Endowed Scholarships	\$ 3,800,000	\$ 3,800,000
Premium Tuition Scholarships (Law)	911,000	742,638
Texas Grant Program Scholarships	17,600,000	18,208,333
Texas Public Education Grant (TPEG)	7,159,248	9,323,930
Property Deposit Scholarships	1,044,000	141,702
Honors Scholarships	8,000	8,000
International Education Fee Scholarship	179,039	233,832
Designated Tuition Financial Aid Set-Asides		
Undergraduate Scholarships	14,534,062	20,606,415
Graduate Scholarships	5,011,621	7,435,150
B-on-Time Program	3,606,415	2,268,691
Pre-Med Scholarship	190,000	190,000
Merit Scholarships	10,996,073	7,000,000
UH Transfer Scholarships	500,000	500,000
UH Grant-in-Aid Scholarship	1,173,000	1,524,194
Doctoral Student Tuition Fellowship	10,054,844	9,275,309
Presidential Fellowship Stipend Augmentation	458,448	286,496
Federal College Work Study	1,435,347	1,347,864
Federal Pell Grants	50,000,000	53,000,000
Federal Supplemental Education Opportunity Grants (SEOG)	1,000,000	1,000,000
Total	<u>\$ 129,661,097</u>	<u>\$ 136,892,554</u>

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

	A		B		C		D		E		F		G	
	Historical		-----Change-----				Current		-----Change-----				New	
	FY2011	Budget	Dollars	Percent	FY2012	Budget	Dollars	Percent	FY2013	Budget				
Operating & Restricted Budget														
Source of Funds														
1 State Appropriations	\$	184.3	\$	(29.9)	-16.2%	\$	154.4	\$	8.3	5.4%	\$	162.7		
2 HEAF		11.9		(4.9)	-41.1%		7.0		-	0.0%		7.0		
3 Tuition & Fees		329.9		34.7	10.5%		364.6		22.4	6.1%		387.0		
4 Other Operating (Auxiliaries)		120.5		0.5	0.4%		121.0		15.9	13.2%		136.9		
5 Contracts & Grants (Restricted)		191.7		(1.8)	-0.9%		189.9		(0.7)	-0.4%		189.2		
6 Endowments/Gifts (Restricted)		24.5		1.1	4.7%		25.7		(1.2)	-4.6%		24.5		
7 Total Sources	\$	862.8	\$	(0.3)	0.0%	\$	862.5	\$	44.7	5.2%	\$	907.3		
Use of Funds by Object														
8 Salaries and Wages - Faculty	\$	147.7	\$	4.7	3.2%	\$	152.4	\$	3.5	2.3%	\$	155.9		
9 Salaries and Wages - Staff		221.3		9.2	4.2%		230.5		(0.4)	-0.2%		230.0		
10 Benefits		78.1		1.9	2.4%		80.0		7.1	8.9%		87.2		
11 M&O		211.2		(27.4)	-13.0%		183.8		17.4	9.5%		201.2		
12 Capital Equipment		27.7		3.8	13.6%		31.5		(1.1)	-3.5%		30.4		
13 Scholarships		123.4		13.4	10.9%		136.8		2.9	2.1%		139.7		
14 Debt Service		27.7		2.1	7.7%		29.9		15.4	51.4%		45.2		
15 Utilities		17.2		0.5	2.9%		17.7		-	0.0%		17.7		
16 Reserve for State Budget Reduction		8.5		(8.5)	-100.0%		-		-			-		
17 Total Uses	\$	862.8	\$	(0.3)	0.0%	\$	862.5	\$	44.7	5.2%	\$	907.3		
Capital Facilities Budget														
Source of Funds														
18 HEAF	\$	24.0	\$	4.9	20.4%	\$	28.9	\$	-	0.0%	\$	28.9		
19 Bonds		100.9		15.4	15.3%		116.3		16.3	14.0%		132.6		
20 Gifts		3.9		3.6	92.6%		7.5		20.9	277.4%		28.5		
21 Other		6.9		(5.6)	-81.3%		1.3		27.2	2111.4%		28.5		
22 Total Sources	\$	135.7	\$	18.4	13.5%	\$	154.1	\$	64.4	41.8%	\$	218.5		
Use of Funds by Object														
23 Construction	\$	71.7	\$	36.6	51.1%	\$	108.3	\$	78.7	72.6%	\$	187.0		
24 Major Rehabilitation		64.0		(18.3)	-28.6%		45.8		(14.2)	-31.1%		31.5		
26 Total Uses	\$	135.7	\$	18.4	13.5%	\$	154.1	\$	64.4	41.8%	\$	218.5		
Total Operating, Restricted and Capital Budget														
27	\$	998.5	\$	18.1	1.8%	\$	1,016.6	\$	109.2	10.7%	\$	1,125.8		

University of Houston
Table 2 - Operations

Source of Funds	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
General Funds				
State General Revenue Appropriations				
Formula Funding	\$ 118,435,473	\$ (933,684)	-0.8%	\$ 117,501,789
Special Items	10,697,206			10,697,206
National Research University Fund		8,200,000	na	8,200,000
Less: Rider Reduction Estimates	(1,900,000)			(1,900,000)
State Benefits Appropriation	27,161,411	1,039,100	3.8%	28,200,511
Subtotal State General Revenue Appropriations	154,394,090	8,305,416	5.4%	162,699,506
Tuition and Fees				
Statutory Tuition	59,490,278	4,400,000	7.4%	63,890,278
Lab/other Student Fees	366,813	(9,704)	-2.6%	357,109
Subtotal Tuition and Fees	59,857,091	4,390,296	7.3%	64,247,387
HEAF	35,885,768			35,885,768
Indirect Cost	1,238,909			1,238,909
Aux Admin Chg/Other	3,889,300			3,889,300
Income on State Treasury Deposits	106,407			106,407
Subtotal General Funds	255,371,565	12,695,712	5.0%	268,067,277
Designated				
Tuition and Fees				
Designated Tuition - General	138,002,946	3,224,950	2.3%	141,227,896
Designated Tuition - Differential	38,605,652	4,011,212	10.4%	42,616,864
Premium (Law, Pharmacy, Optometry) & Graduate Premium	13,720,251	200,000	1.5%	13,920,251
Consolidated University Services Fee	38,154,649	882,900	2.3%	39,037,549
Major/Department/Class Fees	46,179,605	1,074,639	2.3%	47,254,244
Subtotal Tuition and Fees	274,663,103	9,393,701	3.4%	284,056,804
Indirect Cost	11,761,091	3,005,668	25.6%	14,766,759
Investment Income on Non-Endowed Funds	2,514,147	(17,028)	-0.7%	2,497,119
Endowment Income	4,956,816	(575,822)	-11.6%	4,380,994
Contracts / Grants / Gifts	2,778,836	628,589	22.6%	3,407,425
Arte Publico/Opt Clinic/Self Supp Org/Intellectual Prop	20,994,301	7,361,633	35.1%	28,355,934
Subtotal Designated Funds	317,668,294	19,796,741	6.2%	337,465,035
Auxiliary Enterprises				
Student Fees				
Student Service Fee	15,759,049	4,337,793	27.5%	20,096,842
Recreation and Wellness Center	7,051,264	(68,076)	-1.0%	6,983,188
University Center Fees	7,274,326	4,352,939	59.8%	11,627,265
Subtotal Student Fees	30,084,639	8,622,656	28.7%	38,707,295
Sales & Service - Student Housing	22,309,880	2,006,994	9.0%	24,316,874
Sales & Service - Parking	10,277,067	1,989,684	19.4%	12,266,751
Sales & Service - Athletics/Hotel/UC/Other	40,130,609	1,512,214	3.8%	41,642,823
Subtotal Auxiliary Funds	102,802,195	14,131,548	13.7%	116,933,743
Total Current Operating Funds	675,842,054	46,624,001	6.9%	722,466,055
Interfund Transfer	(28,885,768)	-		(28,885,768)
Total Sources	\$ 646,956,286	\$ 46,624,001	7.2%	\$ 693,580,287
Use of Funds by Object				
Salaries and Wages	\$ 329,523,418	\$ 17,810,713	5.4%	\$ 347,334,131
Benefits	73,372,462	7,002,955	9.5%	80,375,417
M&O	118,999,902	6,021,528	5.1%	125,021,430
Capital	21,703,534	924,980	4.3%	22,628,514
Scholarships	55,821,308	(53,673)	-0.1%	55,767,635
Debt Service	29,867,157	14,917,498	49.9%	44,784,655
Utilities	17,668,505			17,668,505
Total Uses	\$ 646,956,286	\$ 46,624,001	7.2%	\$ 693,580,287

University of Houston

Table 3 - Restricted

	FY2012 Budget	-----Change-----		FY2013 Budget
		Dollars	Percent	
Source of Funds				
Restricted				
Contracts and Grants				
Research	\$ 97,350,000	\$ (3,287,201)	-3.4%	\$ 94,062,799
Financial Aid	73,830,242	3,012,950	4.1%	76,843,192
Gifts	17,091,141	(1,162,802)	-6.8%	15,928,339
Endowment Income	7,478,802	32,298	0.4%	7,511,100
Other Restricted	1,088,106	(54,100)	-5.0%	1,034,006
Houston Public Media	18,728,922	(425,569)	-2.3%	18,303,353
Total Current Operating Funds	215,567,213	(1,884,424)	-0.9%	213,682,789
Total Sources	\$ 215,567,213	\$ (1,884,424)	-0.9%	\$ 213,682,789
Use of Funds by Object				
Salaries and Wages	\$ 53,289,348	\$ (14,707,771)	-27.6%	\$ 38,581,577
Benefits	6,664,435	138,654	2.1%	6,803,089
M&O	64,808,365	11,374,386	17.6%	76,182,751
Capital	9,781,953	(2,031,465)	-20.8%	7,750,488
Scholarships	81,023,112	2,907,772	3.6%	83,930,884
Debt Service		434,000	na	434,000
Total Uses	\$ 215,567,213	\$ (1,884,424)	-0.9%	\$ 213,682,789

University of Houston

Table 4 - Capital Projects

	-----Project Expenditures-----			Total Project Budget	-----Funded From-----			
	Project to Date (1)	FY2013 Budget	Future Year Budgets		HEAF	Revenue Bonds	Gifts	Other
New Construction								
Classroom & Business Building	\$ 34,230,000	\$ 6,770,000	\$ -	\$ 41,000,000	\$ 4,589,485	\$ 25,000,000	\$ 9,110,515	\$ 2,300,000
Cougar Place Apartment Replacement	10,100,000	36,150,000	2,250,000	48,500,000	-	48,500,000	-	-
Cougar Village 2	9,700,000	38,200,000	2,100,000	50,000,000	-	50,000,000	-	-
University Center Transformation	5,900,000	27,000,000	47,100,000	80,000,000	-	74,573,250	-	5,426,750
New Football Stadium	3,022,000	41,900,000	60,078,000	105,000,000	5,000,000	40,000,000	60,000,000	-
Stadium Parking Garage	24,700,000	1,300,000	-	26,000,000	-	26,000,000	-	-
Garage 1A	4,000,000	14,500,000	1,500,000	20,000,000	-	20,000,000	-	-
Health & Biomedical Sciences Building	60,300,000	9,700,000	-	70,000,000	14,800,000	37,000,000	6,012,700	12,187,300
HBSC - 5th Floor Build-out	1,350,000	8,750,000	500,000	10,600,000	-	-	-	10,600,000
West Side Dining	6,600,000	2,700,000	-	9,300,000	-	5,000,000	-	4,300,000
Subtotal New Construction	\$ 159,902,000	\$ 186,970,000	\$ 113,528,000	\$ 460,400,000	\$ 24,389,485	\$ 326,073,250	\$ 75,123,215	\$ 34,814,050
Major Repair and Rehabilitation								
Central Utility Plant Expansion*	30,600,000	5,803,196	2,000,000	38,403,196	38,263,196	-	140,000	-
Science Complex Lab Renovations	49,400,000	7,900,000	300,000	57,600,000	-	57,600,000	-	-
Projects Budgeted Annually								
Capital Renewal Deferred Maintenance		7,004,703		7,004,703	7,004,703	-	-	-
Energy Research Park - Site Improvements	467,823	1,532,177		2,000,000	-	2,000,000	-	-
Energy Research Park - Bldg. Improvements	13,050,453	6,700,000	249,547	20,000,000	2,500,000	11,100,000	3,000,000	3,400,000
ERP Building 1 Renovation	7,325,404	285,000		7,610,404	-	7,610,404	-	-
ERP Sub Station Project*		2,300,000	22,621,000	24,921,000	24,921,000	-	-	-
Subtotal Major Repairs & Rehabilitation	\$ 100,843,680	\$ 31,525,076	\$ 25,170,547	\$ 157,539,303	\$ 72,688,899	\$ 78,310,404	\$ 3,140,000	\$ 3,400,000
Total	\$ 260,745,680	\$ 218,495,076	\$ 138,698,547	\$ 617,939,303	\$ 97,078,384	\$ 404,383,654	\$ 78,263,215	\$ 38,214,050

(1) Project expenditures to date, estimated through August 31, 2012

* Requires BOR/CB approval

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

Employee Classification	FY2012 Budget	-----Change-----		FY2013 Budget
		FTE	Percent	
Faculty	1,150	20	1.7%	1,170
Part-time Faculty	944	7	0.7%	951
Professional Staff	2,148	15	0.7%	2,163
Classified Staff	1,245	38	3.1%	1,283
Temporary Staff	735			735
Total	6,222	80	1.3%	6,302

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

	FY2009 Actuals	FY2010 Actuals	FY2011 Actuals	FY2012 Budget	FY2013 Budget	FY13 vs FY12 Change
Semester Credit Hours						
Lower Division	416,336	427,733	447,339	447,806	452,974	5,168
Upper Division	293,768	308,671	325,503	323,938	343,212	19,274
Masters	85,385	94,871	96,439	96,172	95,511	(661)
Doctoral	18,908	22,181	25,893	24,946	27,298	2,352
Special Professional	60,494	59,211	58,348	58,137	56,812	(1,325)
Total	874,891	912,667	953,522	950,999	975,807	24,808
Semester Credit Hours-On/Off Campus						
On Campus	745,835	765,241	791,189	794,084	800,162	6,078
Off Campus	129,056	147,426	162,333	156,915	175,645	18,730
Total	874,891	912,667	953,522	950,999	975,807	24,808
Fall Headcount	36,104	37,000	38,752	39,403	39,820	417
Fall FTE	29,387	29,747	31,127	31,243	32,066	823

University of Houston
Table 7 - Allocation of Student Service Fees

Sources	FY2012 Budget	-----Change-----		FY2013 Budget
		Dollars	Percent	
Current Year Revenue	\$ 15,759,049	\$ 4,337,793	27.5%	\$ 20,096,842
Budgeted Fund Balance	632,869	(195,480)	-30.9%	437,389
Total Sources	\$ 16,391,918	\$ 4,142,313	25.3%	\$ 20,534,231
Allocations				
Academic Achievers - Ctr. Mexican-Am. Studies *	\$ 62,923	\$ -		\$ 62,923
Activities Funding Board (AFB)	139,205	5,592	4.0%	144,797
A.D. Bruce Religion Center	34,991	89,691	256.3%	124,682
Band Program	211,400			211,400
Blaffer Art Gallery	20,000			20,000
Campus Recreation	566,332	13,366	2.4%	579,698
Center for Leadership & Fraternity and Sorority Life	277,448	2,150	0.8%	279,598
Center for Students w/Disabilities	400,632	30,674	7.7%	431,306
Center for Student Involvement	622,325	18,909	3.0%	641,234
Child Care Center	116,417	27,794	23.9%	144,211
Coog Radio		9,000	na	9,000
Counseling and Psychological Services	1,306,444	47,098	3.6%	1,353,542
Council of Ethnic Organizations (CEO)	107,733	45,525	42.3%	153,258
Dean of Students **	932,031	11,676	1.3%	943,707
Forensics Society	238,263	(55,845)	-23.4%	182,418
Frontier Fiesta Association	151,808	19,141	12.6%	170,949
Homecoming	62,163	9,974	16.0%	72,137
Intercollegiate Athletics	4,407,707			4,407,707
Intercollegiate Athletics - Stadium		3,375,000	na	3,375,000
Learning and Assessment	68,089	4,095	6.0%	72,184
Learning Support Services	527,720	16,590	3.1%	544,310
Metropolitan Volunteer Program	44,915	25,365	56.5%	70,280
Student Government Association	128,471	13,928	10.8%	142,399
Student Program Board	225,910	33,726	14.9%	259,636
Student Publications	241,066	(10,499)	-4.4%	230,567
Student Video Network	108,077	(34,963)	-32.4%	73,114
University Career Services	907,691	20,000	2.2%	927,691
University Center	1,395,341	34,657	2.5%	1,429,998
University Health Center	1,838,510	10,490	0.6%	1,849,000
Urban Experience Program	104,422	29,336	28.1%	133,758
Veterans' Services	139,851	11,411	8.2%	151,262
VPSA		533,746	na	533,746
VPSA Business Office	116,797	(116,797)	-100.0%	-
Wellness Center	221,236	65,493	29.6%	286,729
SFAC Operating	6,000			6,000.00
Administrative Charge Increase	200,000	(200,000)	-100.0%	-
Budgeted Reserve	460,000	55,990	12.2%	515,990
Total Allocations	\$ 16,391,918	\$ 4,142,313	25.3%	\$ 20,534,231

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

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

University of Houston

Note to Table 2: Operations Expenditures By Organization

	FY2012 Budget	-----Change-----		FY2013 Budget
		Dollars	Percent	
Use of Funds by Organization				
President	\$ 3,595,706	\$ 103,532	2.9%	\$ 3,699,238
University Advancement	9,662,696	(391,285)	-4.0%	9,271,411
Student Affairs	38,730,603	(1,680,657)	-4.3%	37,049,946
Research Division	22,304,721	15,341,673	68.8%	37,646,394
Academic Affairs				
Office of the Provost	76,014,118	2,373,095	3.1%	78,387,213
Library	17,515,340	79,858	0.5%	17,595,198
Architecture	4,813,289	61,986	1.3%	4,875,275
Business Administration	40,985,021	1,451,873	3.5%	42,436,894
Education	11,339,438	464,158	4.1%	11,803,596
Engineering	29,818,733	474,798	1.6%	30,293,531
Hotel & Restaurant Management	10,390,920	525,149	5.1%	10,916,069
Law	23,091,391	1,474,180	6.4%	24,565,571
Liberal Arts and Social Sciences	59,880,554	1,029,914	1.7%	60,910,468
Natural Sciences & Mathematics	45,146,744	3,123,959	6.9%	48,270,703
Optometry	15,825,673	1,233,110	7.8%	17,058,783
Pharmacy	10,835,332	1,120,327	10.3%	11,955,659
Social Work	3,914,791	258,960	6.6%	4,173,751
Technology	12,348,475	416,498	3.4%	12,764,973
Honors	2,434,851	40,958	1.7%	2,475,809
Subtotal Academic Affairs	\$ 364,354,670	\$ 14,128,823	3.9%	\$ 378,483,493
Administration and Finance	71,057,928	2,892,584	4.1%	73,950,512
Utilities	17,668,505			17,668,505
Staff Benefits	46,736,100	2,155,672	4.6%	48,891,772
Athletics	27,943,717	1,961,197	7.0%	29,904,914
Institutional Reserves	10,237,634	161,264	1.6%	10,398,898
Legislative Mandates	4,772,178	(305,493)	-6.4%	4,466,685
Debt Service	29,867,157	14,917,498	49.9%	44,784,655
System Service Charge	24,671	(2,660,807)		(2,636,136)
Reserve for State Budget Reduction				
Total Uses	\$ 646,956,286	\$ 46,624,001	7.2%	\$ 693,580,287

University of Houston
Note to Table 3: Restricted Expenditures By Organization

	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
Use of Funds by Organization				
President	\$ 80,860	\$ (5,123)	-6.3%	\$ 75,737
University Advancement		204,928	na	204,928
Student Affairs	1,113,840	(453,341)	-40.7%	660,499
Research Division	18,958,175	(8,893,452)	-46.9%	10,064,723
Academic Affairs				
Office of the Provost	96,681,518	2,735,608	2.8%	99,417,126
Library	260,452	(14,192)	-5.4%	246,260
Architecture	391,652	159,969	40.8%	551,621
Business Administration	6,270,061	430,762	6.9%	6,700,823
Education	6,659,074	(1,451,504)	-21.8%	5,207,570
Engineering	17,509,524	3,171,398	18.1%	20,680,922
Hotel & Restaurant Management	3,054,783	(570,112)	-18.7%	2,484,671
Law	545,683	28,379	5.2%	574,062
Liberal Arts and Social Sciences	17,176,396	(159,571)	-0.9%	17,016,825
Natural Sciences & Mathematics	23,949,197	4,722,187	19.7%	28,671,384
Optometry	6,566,540	(735,714)	-11.2%	5,830,826
Pharmacy	4,584,986	97,164	2.1%	4,682,150
Social Work	4,135,815	(379,815)	-9.2%	3,756,000
Technology	3,588,849	(698,167)	-19.5%	2,890,682
Honors	767,623	(61,315)	-8.0%	706,308
Subtotal Academic Affairs	\$ 192,142,153	\$ 7,275,077	3.8%	\$ 199,417,230
Administration and Finance	85,574	(140)	-0.2%	85,434
Athletics	3,186,611	(12,373)	-0.4%	3,174,238
Total Uses	\$ 215,567,213	\$ (1,884,424)	-0.9%	\$ 213,682,789

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.

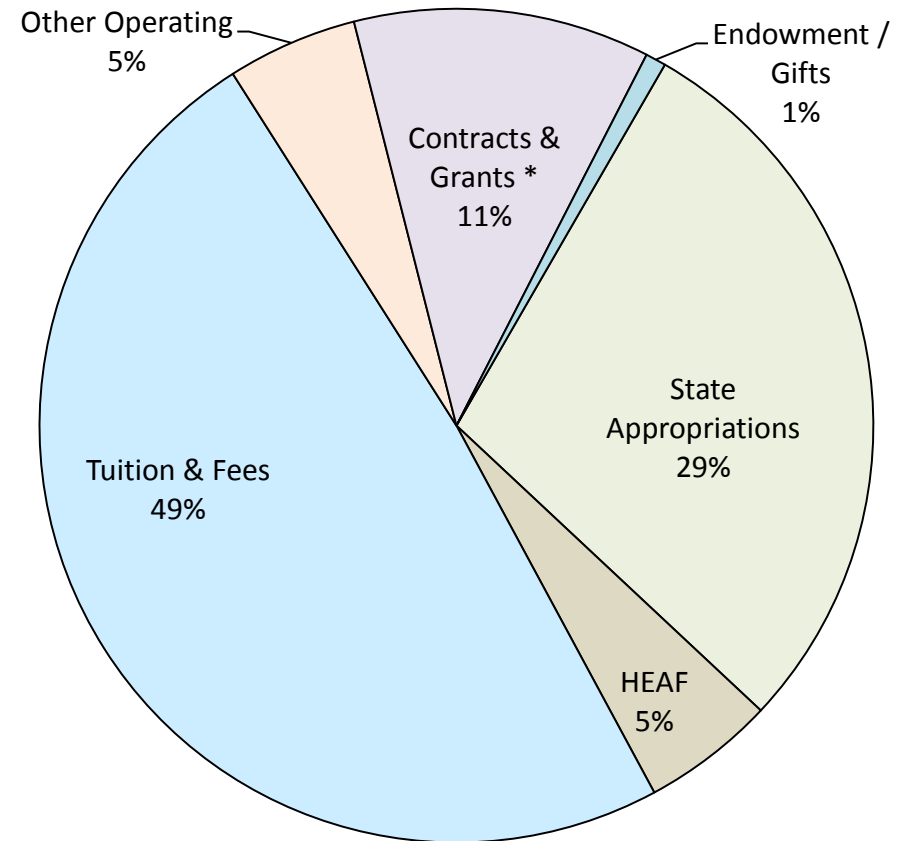
Every department's compliance with these minimum teaching load requirements shall be assessed each academic year. If a department is found to be out of compliance, the institution shall take appropriate steps to address the noncompliance and to prevent such noncompliance in the future.

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

UH-Clear Lake Budget

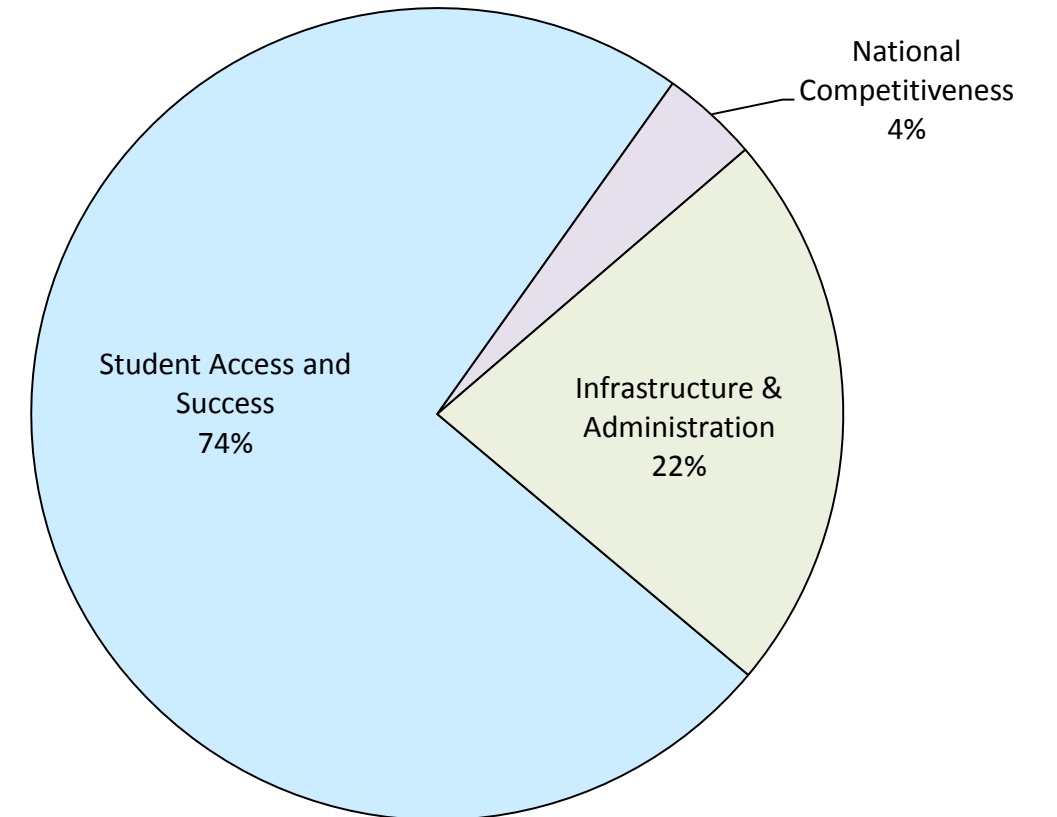
FY2012

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$100.9 Million

Operating Budget Use of Funds

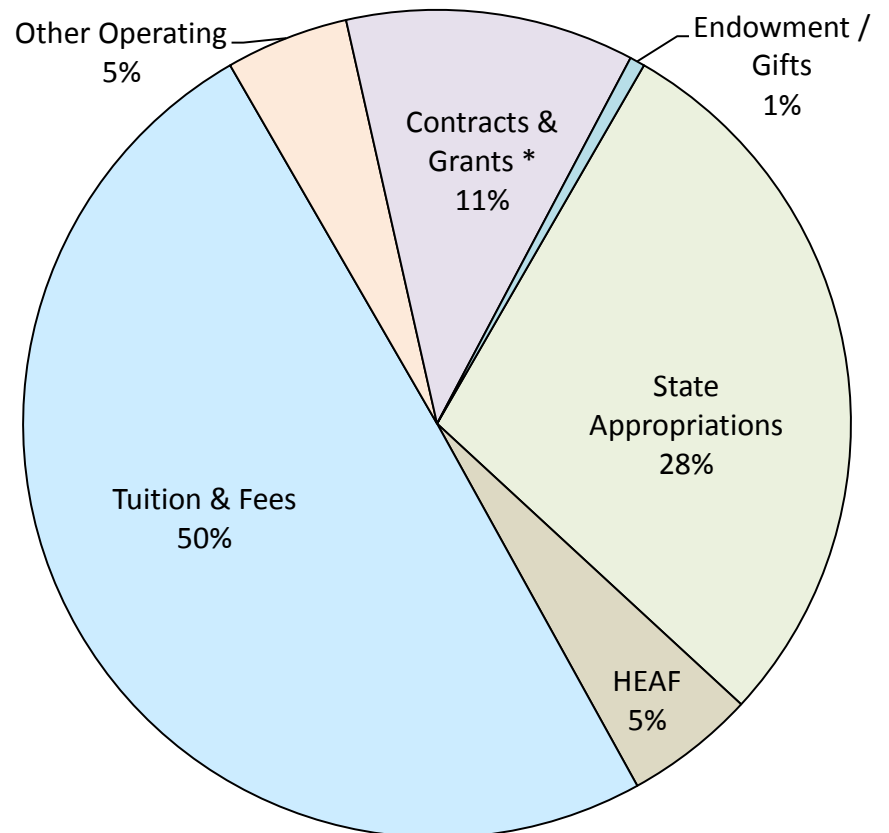


Total \$100.9 Million

Total Budget	
	\$ Millions
Operating Budget	\$ 100.9
Capital Facilities	6.0
Total	\$ 106.9

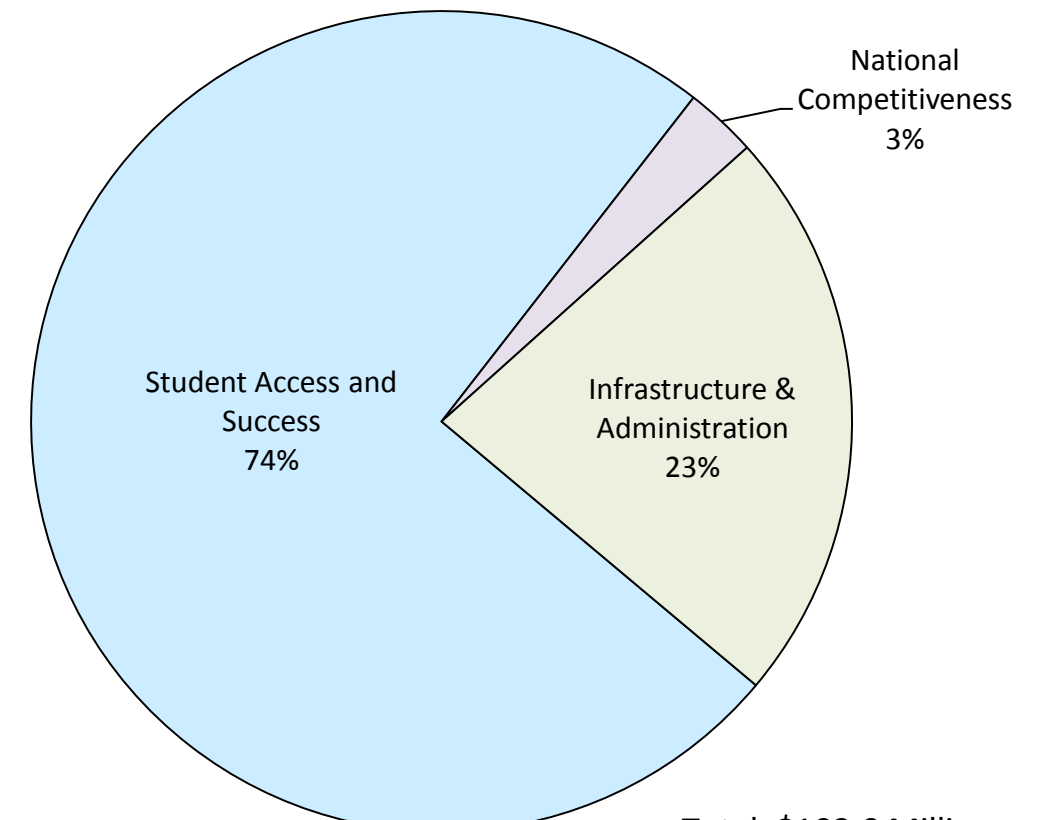
FY2013

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$102.0 Million

Operating Budget Use of Funds



Total \$102.0 Million

Total Budget	
	\$ Millions
Operating Budget	\$ 102.0
Capital Facilities	2.4
Total	\$ 104.4

UH-Clear Lake Operating Budget
Revenues FY2009 - FY2013
\$ in Millions

	A 2009 Actual	B 2010 Actual	C 2011 Actual	D 2012 Budgeted	E 2013 Proposed
1 State Appropriations **	\$ 35.4	\$ 35.7	\$ 35.2	\$ 28.9	\$ 29.1
2 HEAF	5.4	5.4	5.2	5.2	5.2
3 Tuition & Fees	39.8	43.4	50.5	49.3	50.7
4 Other Operating	4.4	4.0	3.3	5.1	4.9
5 Contracts & Grants *	9.4	12.4	14.9	11.6	11.5
6 Endowment / Gifts	0.6	0.9	1.3	0.8	0.6
7 Total	<u>\$ 95.0</u>	<u>\$ 101.8</u>	<u>\$ 110.4</u>	<u>\$ 100.9</u>	<u>\$ 102.0</u>

* Includes Federal financial aid

** Includes the move of \$3.0 million in debt service to UHSA in FY2012 and FY2013

4.2

UH-Clear Lake Operating Budget
Expenditures FY2009 - FY2013
\$ in Millions

	A 2009 Actual	B 2010 Actual	C 2011 Actual	D 2012 Budgeted	E 2013 Proposed
1 Student Access and Success	\$ 62.5	\$ 69.1	\$ 73.2	\$ 74.4	\$ 75.9
2 National Competitiveness	1.2	1.3	3.4	3.9	2.9
3 Infrastructure & Administration *	25.5	24.1	29.6	22.6	23.2
4 Community Advancement	0.2	0.2	-	-	-
5 Total	<u>\$ 89.4</u>	<u>\$ 94.7</u>	<u>\$ 106.2</u>	<u>\$ 100.9</u>	<u>\$ 102.0</u>

* Includes the move of \$3.0 million in debt service to UHSA in FY2012 and FY2013

4.3

UH-Clear Lake FY2013 Operating Budget Expenditures by Function

	A	B	C	D	E	F	G	H	I	J	K	L
Expenditure Budget	Instruction	Research	Academic Support	Subtotal	Public Service	Student Services	Institutional Support	Physical Plant	Scholarships & Fellowships	Auxiliary Enterprises	FY2013 Total	FY2012 Total
1 Cost of Goods Sold				\$ -			\$ 609,128			\$ 10,000	\$ 619,128	\$ 622,128
2 Salary & Wages - Faculty	23,995,863		224,175	24,220,038							24,220,038	23,657,492
3 Salary & Wages - Staff	3,262,982	1,375,191	6,585,815	11,223,988		2,015,932	8,178,138	2,540,868		3,081,279	27,040,205	26,445,695
4 Subtotal	27,258,845	1,375,191	6,809,990	35,444,026		2,015,932	8,178,138	2,540,868		3,081,279	51,260,243	50,103,187
5 Benefits	6,757,742	255,753	1,863,176	8,876,671		579,359	2,714,597	910,132		877,354	13,958,113	12,942,113
6 Capital	254,000	10,000	2,314,354	2,578,354		480,000	20,000	140,993			3,219,347	3,309,820
7 M&O	2,779,573	1,356,419	3,404,709	7,540,701	21,500	1,048,200	3,111,246	2,053,813		1,132,256	14,907,716	16,863,984
8 Scholarship & Fellowship									15,105,139		15,105,139	14,143,518
9 Debt Service										344,045	344,045	367,150
10 Utilities								2,211,700		345,698	2,557,398	2,583,306
11 Subtotal	3,033,573	1,366,419	5,719,063	10,119,055	21,500	1,528,200	3,131,246	4,406,506	15,105,139	1,821,999	36,133,645	37,267,778
12 Total Expenditure Budget	\$ 37,050,160	\$ 2,997,363	\$ 14,392,229	\$ 54,439,752	\$ 21,500	\$ 4,123,491	\$ 14,633,109	\$ 7,857,506	\$ 15,105,139	\$ 5,790,632	\$ 101,971,129	\$ 100,935,206

4.4

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 2013, 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 2013 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 2013. The major priorities include:

1. Student Access and Success (\$3,813,518)
 - Student Financial Assistance
 - General Student Support
 - Academic Support
 - Pearland
 - Instructional Support – Human Sciences & Humanities
 - Faculty Compensation (One-time Merit)
 - Faculty Promotions
2. Academic and Research Excellence/National Competitiveness (\$1,575,283)
 - Teaching and Research Resources
3. University Infrastructure and Administration (\$3,436,318)
 - Campus Facilities

- University Computing
- Capital Renewal and Deferred Maintenance
- Faculty and Staff Benefits
- Operations Support
- Staff Compensation (One-time Merit)

4. Community Advancement

- University Advancement

Priority 1. Student Access and Success

Context

In fall 2011, UHCL's enrollment was 8,185 which for the second year in a row established a new high in the university's history. As an upper-level and graduate institution, UHCL serves two very different student groups. The undergraduate student body (4,911 in fall 2011) consists primarily of community college transfer students. Over 75% of UHCL fall 2011 undergraduates are first time students from a Gulf Coast community college. The graduate student body (3,274 in fall 2011) continues to be represented primarily by individuals who are working full-time and pursuing graduate study on a part-time basis in the evening.

In Fall 2011, Hispanic students were 28.9% of UHCL's undergraduate enrollment which qualified UHCL as a Hispanic Serving Institution. Hispanic students now comprise 23.0% 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 2011, international students were 9.7% (797 students) of UHCL's total enrollment. It should be noted that UHCL ranked 33rd in a list of the top 40 master's universities in the United States for the number of international students enrolled in 2010-2011.

For fiscal year 2011, UH-Clear Lake graduated 2,302 students with 1,197 at the bachelor's level, 1,096 at the master's level and nine doctoral degrees. As of August 2011, UHCL had over 53,000 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 has met its short-term goal 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 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. It should be noted that there were no faculty or staff raises for fiscal year 2012.

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 seven master's, five bachelor's degrees and eight professional development certificates online. In fiscal year 2011, UHCL generated 30% of its semester credit hours (SCH) off-campus and online.

A major initiative for UHCL during the past two years was the start-up of the UHCL Pearland Campus. Fall 2010 enrollment was 530 and Spring 2011 enrollment was 673. For Fall 2011 and Spring 2012, the enrollment was 721 and 798, respectively. 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 continues to significantly contribute to UHCL's top priority of student access and success.

With the passage of Senate Bill 324 and House Bill 706 in the 2011 session of the Texas Legislature, UHCL received legislative authority for downward expansion (i.e., addition of freshmen and sophomore level courses). Planning efforts are underway with a target date of Fall 2014 for the first freshman class. UHCL will have admission standards that are complementary to UH and UHD in order to position the UH system as a premier metropolitan system of higher education.

FY 2013 Budget Initiatives

- *Student Financial Assistance (\$95,036 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. Funding is in place for automatic transfer scholarships for 400 new first-time undergraduate students at UHCL. It should be noted that from Fall 2010 to Fall 2011, 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 2013.
- *General Student Support (\$244,439 New Resources)*
Due to enrollment growth and expanded retention efforts, additional Student Service Fee revenue is needed for Fiscal Year 2013. The additional revenue will be used to provide students with additional support for transportation, transition services, career counseling, student leadership, and student activities.
- *Academic Support (\$865,495 New Resources)*
Additional Library Use Fee revenue will be used to offset the 12% annual increase in costs for e-resources and the 5% annual increase in costs for print materials thereby maintaining the current level of library resources for students and faculty needed to support accreditation goals, new online programs and courses, research needs as well as teaching and learning. Two schools will hire more adjuncts to maintain strong course offerings and meet the needs of growing programs.
- *Pearland (\$394,280 New Resources; \$600,000 HEAF)*
In FY12, the Pearland campus enrollment grew by 26% over FY11 headcount. This growth necessitates the reallocation of funds to provide a consistent and on-going funding source.
- *Instructional Support (\$130,000 New Resources; \$1,015,000 HEAF)*
The School of Human Sciences and Humanities is receiving \$130,000 from reallocated funds for two new full-time faculty positions, which are anticipated to result in the school achieving 65% coverage of SCH by full-time faculty. UHCL's Higher Education and Assistance Funds (HEAF) will be used in fiscal year 2013 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.

- *Faculty Compensation (\$425,268 New Resources)*
Due to budget reductions during fiscal year 2012, UHCL did not provide a salary increase for faculty and staff. During fiscal year 2013, UHCL will allocate a 2.5% merit pool for one-time stipend awards.
- *Faculty Promotions (\$44,000 New Resources)*
Promotion stipends are provided for those faculty promoted to associate professor and professor.

Priority 1. Investment of Resources in FY 2013 Budget Initiatives

	<u>New Resources</u>	<u>HEAF</u>	<u>Total</u>
Student Financial Assistance	\$95,036		\$95,036
General Student Support	244,439		244,439
Academic Support	865,495		865,495
Pearland	394,280	\$600,000	994,280
Instructional Support	130,000	1,015,000	1,145,000
Faculty Compensation	425,268		425,268
Faculty Promotions	44,000		44,000
Total	\$2,198,518	\$1,615,000	\$3,813,518

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 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. Additional program accreditations are held by UHCL in the behavior analysis, chemistry, computer engineering, computer information systems, and school psychology programs.

During fiscal year 2012, UHCL had a very successful site visit for the reaffirmation of its regional accreditation by the Commission on Colleges (COC) of the Southern Association of Colleges and Schools. During fiscal year 2013, UHCL will revise as needed and initiate its Quality Enhancement Plan based on feedback from the COC following the site visit which was completed in April 2012. Also, UHCL's School of Business will complete preparation for an AACSB accreditation site visit coming in fall 2013.

FY 2013 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 2013, will fund \$250,000 for faculty desktop 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, scholarly online journals, ejournals, computers, DVD's and films as well as print books and print journals. Neumann Library currently provides online access on demand to over 130,000 eBooks, 26,000 ejournals and 6,000 films, with efficient access to full-text electronic journal articles.

Priority 2. Investment of Resources in FY 2013 Budget Initiatives

	<u>New Resources</u>	<u>HEAF</u>	<u>Total</u>
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 and service to students, staff development, and community outreach. Investments for fiscal year 2013 will center on campus facilities, university computing and deferred maintenance. During fiscal year 2013, UHCL will complete the final phase of renovations planned for the Arbor Building.

FY 2013 Budget Initiatives

- *Campus Facilities (\$180,413 HEAF)*
UHCL will address ADA accessibility issues that arise during the year, replace dated and worn furniture in common areas used by students, and identify new equipment purchases that will increase operating efficiencies in the custodial department to offset personnel reductions experienced over the past 12 months.
- *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.
- *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 students, visitors and employees 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 (\$840,049 New Resources)*
The new funding is needed to provide benefits for compensation and staff positions paid from local funds in fiscal year 2013.
- *Operations Support (\$142,523 New Resources)*
New resources are committed to increase the level of funding required to support additional UHS staff and compensation increases. Funds are also provided to support facilities operations.
- *Staff Compensation (\$429,862 New Resources)*
Due to budget reductions during fiscal year 2012, UHCL did not provide a salary increase for faculty and staff. During fiscal year 2013, UHCL will allocate a 2.5% merit pool for one-time stipend awards.

Priority 3. Investment of Resources in FY 2013 Budget Initiatives

	<u>New Resources</u>	<u>HEAF</u>	<u>Total</u>
Campus Facilities		\$180,413	\$180,413
University Computing		678,471	678,471
Capital Renewal/Deferred Maintenance		1,165,000	1,165,000
Faculty and Staff Benefits	\$840,049		840,049
System Service Charge	142,523		142,523
Staff Compensation	429,862		429,862
Total	<hr/> \$1,412,434	<hr/> \$2,023,884	<hr/> \$3,436,318

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 2012 for the third 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 2013, UHCL will continue to expand its alumni and donor base, enhance relationships with chambers of commerce and economic development organizations, increase its outreach in health services, support the arts, and enrich relationships with community colleges and area school districts. Major new initiatives for fiscal year 2013 include:

- Completion of the expansion and renovation of the Arbor building for academic and outreach initiatives for the Center for Autism and Developmental Disabilities, the Art School for Children and Young Adults, and the Psychological Services Clinic.
- Renovation of the Neumann Library with grant money for additional space for the JSC History Collection which is a UHCL/NASA Johnson Space Center partnership.
- Partner with the Clear Lake Area Chamber of Commerce and the Pearland Chamber of Commerce to raise the profile and partnership – orientation of UHCL in both communities.
- Expansion and renovation of the UHCL Art Gallery with external grant funding for exhibits by UHCL faculty, students, and alumni as well as area community colleges and The Arts Alliance Center at Clear Lake.
- Increase alumni engagement with UHCL through programs and events at the school and academic program levels.

University of Houston-Clear Lake FY13 Reallocations and Reductions

The UHCL general revenue appropriation included in Conference Committee HB1 (5-26-11), plus the higher education rider reductions equated to a 20.2% reduction in FY12 from the FY11 appropriated amount. Although this state reduction of \$5,803,332 occurred in one year, we 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 allowed 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 the third and final year of departmental budget reductions and the reallocation of funds to higher priority initiatives in the amount of \$2.2 million. 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.

Reallocations and reductions to fund the following 4 priorities came from centrally held unallocated funds and departmental cuts from the President's Office \$72,000, Academic Affairs \$971,000 and Administration and Finance \$325,000.

Pearland Campus \$394,280

In fiscal year 2011, UHCL generated 30% of its semester credit hours (SCH) off campus or online. Start up of the Pearland Campus in FY11 was a major initiative that impacted the off campus SCH production. In only the second year of operation, the enrollment of 721 for Fall, 2011 and 798 for Spring, 2012 reflects a 26% growth over the prior year. These funds provide a consistent and ongoing funding source to support this highly successful initiative.

Instruction \$130,000

Two faculty FTE were added to the School of Human Sciences and Humanities to achieve the university goal of at least 65% SCH taught by full time faculty.

Benefits \$840,049

The substantial increase in state paid and locally paid benefits is due to funding shifts of salaries and wages. These shifts require reallocation of resources to fully fund this fixed cost.

Waivers \$891,024

Funds were reallocated to increase the amount set aside from tuition to cover the increasing amount of waivers granted based on Texas Education Code requirements. The fastest growing of these is a provision for children of veterans to access unused benefits of the veteran. The Legacy Act provides waiver of all tuition and fees, except the Student Service Fee, for up to 150 semester credit hours and is increasing approximately 25% each year. Competitive scholarship waivers continue to rise with our recruitment of international students. Total waivers are approximately 11% of our total statutory and designated tuition. The increase in FY13 will bring budget in line with projected actuals.

University of Houston-Clear Lake
Appendix A - Allocation of New FY 2013 Resources

Revenue Changes		A
Appropriations Bill		
1	General Revenue	\$ (172,990)
2	State Matching Benefits	315,179
3	Subtotal General Revenue	<u>142,189</u>
Tuition and Fees		
4	Statutory Tuition	794,282
5	Designated Tuition	885,699
6	Academic Fees	345,199
7	Student Service Fee	250,189
8	Waivers	(891,024)
9	Subtotal Tuition and Fees	<u>1,384,345</u>
Other		
10	Investment Income	(178,040)
11	Total Net Revenue	<u>\$ 1,348,494</u>

Reallocations/Reductions		B
1	Departmental Cuts	\$ (1,217,083)
2	Reallocations	(1,045,375)
3	Subtotal - Reallocations/Reductions	<u>\$ (2,262,458)</u>

Priority/Initiative Allocations		C
Priority 1. Student Access and Success		
4	Student Financial Assistance	\$ 95,036
5	General Student Support	244,439
6	Academic Support	865,495
7	Pearland	394,280
8	Instructional Support	130,000
9	Faculty Compensation (One-Time Merit)	425,268
10	Faculty Promotions	44,000
11	Subtotal - Student Access and Success	<u>2,198,518</u>
Priority 3. University Infrastructure & Administration		
12	Faculty and Staff Benefits	840,049
13	Operations Support	142,523
14	Staff Compensation (One-Time Merit)	429,862
15	Subtotal - University Infrastructure & Administration	<u>1,412,434</u>
16	Total Priority/Initiative Allocations	<u>\$ 3,610,952</u>

17 **Total Net Reductions and New Allocations** **\$ 1,348,494**

University of Houston-Clear Lake
Appendix B - Allocation of FY 2013 HEAF

<u>FY13 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>\$ 5,214,167</u>

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

	<u>FY2012</u>	<u>FY2013</u>
Funds from Endowed Scholarships	\$ 375,000	\$ 261,561
Texas Grant Program Scholarships	863,000	1,640,000
Texas Public Education Grant (TPEG)	1,157,475	1,182,320
Property Deposit Scholarships	15,285	18,440
Designated Tuition Financial Aid Set-Asides		
Undergraduate Scholarships	1,163,647	1,170,755
Graduate Scholarships	1,026,678	1,109,976
Academic Recognition Scholarships		
B-on-Time Program	387,883	390,251
New Student Scholarships	407,000	442,000
Scholarships - Transfer	1,316,200	1,316,200
Alumni Annual Fund Scholarships	9,000	1,601
Cullen Leaders Scholarships	24,000	36,185
Federal College Work Study	150,000	155,000
Federal Pell Grants	6,700,000	7,700,000
Federal Supplemental Education Opportunity Grants (SEOG)	192,907	200,106
Total	<u>\$ 13,788,075</u>	<u>\$ 15,624,395</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>
	FY2011 Budget	Dollars	Percent		FY2012 Budget	Dollars	Percent		FY2013 Budget
Operating & Restricted Budget									
Source of Funds									
1 State Appropriations	\$ 34.7	\$ (5.8)	-16.7%		\$ 28.9	\$ 0.1	0.5%		\$ 29.1
2 HEAF	5.2	-	0.0%		5.2	-	0.0%		5.2
3 Tuition & Fees	46.9	2.4	5.0%		49.3	1.4	2.8%		50.7
4 Other Operating (Auxiliaries)	4.0	1.2	29.5%		5.1	(0.3)	-5.7%		4.9
5 Contracts & Grants (Restricted)	10.6	0.9	8.7%		11.6	(0.1)	-0.5%		11.5
6 Endowments/Gifts (Restricted)	0.5	0.3	63.3%		0.8	(0.1)	-18.3%		0.6
7 Total Sources	\$ 102.0	\$ (1.0)	-1.0%		\$ 100.9	\$ 1.0	1.0%		\$ 102.0
Use of Funds by Object									
8 Salaries and Wages - Faculty	\$ 23.6	\$ 0.1	0.4%		\$ 23.7	\$ 0.6	2.4%		\$ 24.2
9 Salaries and Wages - Staff	27.6	(1.1)	-4.1%		26.4	0.6	2.2%		27.0
10 Benefits	12.5	0.5	3.8%		12.9	1.0	7.9%		14.0
11 M&O	19.2	(1.7)	-9.1%		17.5	(2.0)	-11.2%		15.5
12 Capital	3.7	(0.4)	-10.5%		3.3	(0.1)	-2.7%		3.2
13 Scholarships	12.5	1.6	13.1%		14.1	1.0	6.8%		15.1
14 Debt Service	0.4	0.0	0.2%		0.4	(0.0)	-6.3%		0.3
15 Utilities	2.6	(0.0)	-0.6%		2.6	(0.0)	-1.0%		2.6
17 Total Uses	\$ 102.0	\$ (1.0)	-1.0%		\$ 100.9	\$ 1.0	1.0%		\$ 102.0

Capital Facilities Budget

Source of Funds									
19 Bonds	\$ 6.6	\$ (5.1)	-77.0%		\$ 1.5	\$ (1.5)	-100.0%		\$ -
21 Other	2.4	2.1	86.9%		4.5	(2.1)	-46.1%		2.4
22 Total Sources	\$ 9.0	\$ (3.0)	-33.4%		\$ 6.0	\$ (3.6)	-59.8%		\$ 2.4
Use of Funds by Object									
23 Construction	\$ 5.8	\$ (2.9)	-49.9%		\$ 2.9	\$ (1.8)	-62.3%		\$ 1.1
24 Major Rehabilitation	3.2	(0.1)	-2.8%		3.1	(1.8)	-57.4%		1.3
26 Total Uses	\$ 9.0	\$ (3.0)	-33.4%		\$ 6.0	\$ (3.6)	-59.8%		\$ 2.4

Total Operating, Restricted and Capital Budget

27	\$ 111.0	\$ (4.1)	-3.7%		\$ 106.9	\$ (2.5)	-2.4%		\$ 104.4
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University of Houston-Clear Lake

Table 2 - Operations

Source of Funds	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
General Funds				
State General Revenue Appropriations				
Formula Funding	\$ 22,970,856	\$ (172,990)	-0.8%	\$ 22,797,866
Special Items	342,664			342,664
Less: Rider Reduction Estimates	(368,165)			(368,165)
State Benefits Appropriation	5,983,073	315,179	5.3%	6,298,252
Subtotal State General Revenue Appropriations	28,928,428	142,189	0.5%	29,070,617
Tuition and Fees				
Statutory & Graduate Premium	13,541,529	237,303	1.8%	13,778,832
Lab/other Student Fees	800			800
Subtotal Tuition and Fees	13,542,329	237,303	1.8%	13,779,632
HEAF	5,214,167			5,214,167
Aux Admin Chg/Other	23,000			23,000
Income on State Treasury Deposits	45,000			45,000
Fund Balance	876,898	(15,798)	-1.8%	861,100
Subtotal General Funds	48,629,822	363,694	0.7%	48,993,516
Designated				
Tuition and Fees				
Designated Tuition - General	22,745,332	575,849	2.5%	23,321,181
Designated Tuition - Differential	1,935,424	27,531	1.4%	1,962,955
Library Fee	855,324	216,939	25.4%	1,072,263
Technology Fee	2,420,323	12,931	0.5%	2,433,254
Major/Department/Class Fees	3,561,277	69,353	1.9%	3,630,630
Subtotal Tuition and Fees	31,517,680	902,603	2.9%	32,420,283
Indirect Cost	219,888	(22,096)	-10.0%	197,792
Investment Income on Non-Endowed Funds	555,000	(178,040)	-32.1%	376,960
Endowment Income	138,419	(24,567)	-17.7%	113,852
Contracts / Grants / Gifts	120,305	(57,830)	-48.1%	62,475
Self Supporting Organizations/Others	1,234,821	45,800	3.7%	1,280,621
Fund Balance	1,643,400	41,832	2.5%	1,685,232
Subtotal Designated Funds	35,429,513	707,702	2.0%	36,137,215
Auxiliary Enterprises				
Student Fees				
Student Service Fee	3,584,301	244,439	6.8%	3,828,740
Other Student Fees	639,349			639,349
Subtotal Student Fees	4,223,650	244,439	5.8%	4,468,089
Sales & Service - Parking	807,297			807,297
Sales & Service - Athletics/Hotel/UC/Other	718,717	(37,100)	-5.2%	681,617
Fund Balance	3,259	10,193	312.8%	13,452
Subtotal Auxiliary Funds	5,752,923	217,532	3.8%	5,970,455
Total Current Operating Funds	89,812,258	1,288,928	1.4%	91,101,186
Interfund Transfer	(1,241,561)	(53,397)	4.3%	(1,294,958)
Total Sources	\$ 88,570,697	\$ 1,235,531	1.4%	\$ 89,806,228
Use of Funds by Object				
Salaries and Wages	\$ 49,079,999	\$ 1,106,901	2.3%	\$ 50,186,900
Benefits	12,817,685	982,094	7.7%	13,799,779
M&O	14,960,485	(798,997)	-5.3%	14,161,488
Capital	3,256,795	(47,448)	-1.5%	3,209,347
Scholarships	5,505,277	41,994	0.8%	5,547,271
Debt Service	367,150	(23,105)	-6.3%	344,045
Utilities	2,583,306	(25,908)	-1.0%	2,557,398
Total Uses	\$ 88,570,697	\$ 1,235,531	1.4%	\$ 89,806,228

University of Houston-Clear Lake

Table 3 - Restricted

	FY2012 Budget	-----Change-----		FY2013 Budget
		Dollars	Percent	
Source of Funds				
Restricted				
Contracts and Grants				
Research	\$ 3,143,304	\$ (974,479)	-31.0%	\$ 2,168,825
Financial Aid	8,430,000	920,000	10.9%	9,350,000
Gifts	334,810	(116,110)	-34.7%	218,700
Endowment Income	129,269	(58,058)	-44.9%	71,211
Other Restricted	316,175	29,832	9.4%	346,007
Total Current Operating Funds	12,353,558	(198,815)	-1.6%	12,154,743
Interfund Transfer	10,951	(793)	-7.2%	10,158
Total Sources	<u>\$ 12,364,509</u>	<u>\$ (199,608)</u>	<u>-1.6%</u>	<u>\$ 12,164,901</u>
Use of Funds by Object				
Salaries and Wages	\$ 1,023,188	\$ 50,155	4.9%	\$ 1,073,343
Benefits	124,428	33,906	27.2%	158,334
M&O	2,525,627	(1,160,271)	-45.9%	1,365,356
Capital	53,025	(43,025)	-81.1%	10,000
Scholarships	8,638,241	919,627	10.6%	9,557,868
Total Uses	<u>\$ 12,364,509</u>	<u>\$ (199,608)</u>	<u>-1.6%</u>	<u>\$ 12,164,901</u>

University of Houston-Clear Lake

Table 4 - Capital Projects

	Project to Date (1)	FY2013 Budget	Future Year Budgets	Total Project Budget	-----Funded From-----			
					HEAF	Revenue Bonds	Gifts	Other
New Construction								
Bayou Loop Road		\$ 1,100,000		\$ 1,100,000				\$ 1,100,000
Subtotal New Construction	\$ -	\$ 1,100,000	\$ -	\$ 1,100,000	\$ -	\$ -	\$ -	\$ 1,100,000
Major Repair and Rehabilitation								
Projects Budgeted Annually								
Capital Renewal Deferred Maintenance	\$ 938,796	\$ 980,000		\$ 1,918,796	\$ 1,876,896			\$ 41,900
Science Labs	890,000	100,000		990,000				990,000
Parking Lot/Roadway Maintenance	249,952	224,958		474,910				474,910
Subtotal Major Repairs & Rehabilitation	\$ 2,078,748	\$ 1,304,958	\$ -	\$ 3,383,706	\$ 1,876,896	\$ -	\$ -	\$ 1,506,810
Total	\$ 2,078,748	\$ 2,404,958	\$ -	\$ 4,483,706	\$ 1,876,896	\$ -	\$ -	\$ 2,606,810

(1) Project expenditures to date, estimated through August 31, 2012

4.23

University of Houston-Clear Lake

Table 5 - Number of Full-Time Equivalent Positions

Employee Classification	FY2012 Budget	-----Change-----		FY2013 Budget
		FTE	Percent	
Faculty	205	1	0.5%	206
Part-time Faculty	109	3	2.8%	112
Professional Staff	279	3	1.1%	282
Classified Staff	277	(2)	-0.7%	275
Temporary Staff	106	10	9.4%	116
Total	976	15	1.5%	991

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

	FY2009 Actuals	FY2010 Actuals	FY2011 Actuals	FY2012 Budget	FY2013 Budget	FY13 vs FY12 Change
Semester Credit Hours						
Upper Division	91,490	99,464	105,121	104,975	106,025	1,050
Masters	54,955	55,281	56,232	56,029	56,564	535
Total	146,445	154,745	161,353	161,004	162,589	1,585
Semester Credit Hours-On/Off Campus						
On Campus	111,186	114,006	113,076	117,533	112,186	(5,347)
Off Campus	35,259	40,739	48,277	43,471	50,403	6,932
Total	146,445	154,745	161,353	161,004	162,589	1,585
Fall Headcount	7,658	7,643	8,099	8,099	8,185	86
Fall FTE	4,647	4,686	4,966	4,966	5,052	86

Note: The FY2013 Budget reflects Fall 2011, Spring 2012 and Summer 2011 Actuals.

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

Sources	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
Current Year Revenue	\$ 3,584,301	\$ 244,439	6.8%	\$ 3,828,740
Total Sources	\$ 3,584,301	\$ 244,439	6.8%	\$ 3,828,740
Allocations				
AVP, Student Affairs	\$ 215,030			\$ 215,030
Career and Counseling	755,570	50,700	6.7%	806,270
Financial Aid	511,740			511,740
Health Service	246,120			246,120
Intercultural/International Student Services	278,303	45,000	16.2%	323,303
Student Life	296,813	32,111	10.8%	328,924
Student Transportation	43,794	35,644	81.4%	79,438
Orientation and Welcome Week	10,000			10,000
Annual Leadership Conference	16,500	16,100	97.6%	32,600
Dean of Students	422,564	12,100	2.9%	434,664
Student Cultural Arts	20,000	8,000	40.0%	28,000
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	69,961			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	42,973	28,784	67.0%	71,757
International Student Program	7,000			7,000
Educational Program and Outreach	20,000			20,000
Student Success Tutors		16,000	na	16,000
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	\$ 3,584,301	\$ 244,439	6.8%	\$ 3,828,740

University of Houston-Clear Lake

Note to Table 2: Operations Expenditures By Organization

	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
Use of Funds by Organization				
President				
President's Office	\$ 792,075	\$ (11,881)	-1.5%	\$ 780,194
University Advancement	1,331,580	(59,808)	-4.5%	1,271,772
Subtotal President	2,123,655	(71,689)	-3.4%	2,051,966
Academic Affairs				
Information Resources	529,931	8,400	1.6%	538,331
University Computing	5,767,668	(80,389)	-1.4%	5,687,279
Library	3,296,279	186,391	5.7%	3,482,670
Sr. VP and Provost	3,400,227	(247,808)	-7.3%	3,152,419
Student Services	4,024,516	215,831	5.4%	4,240,347
Enrollment Management	10,031,919	(1,097)	0.0%	10,030,822
Academic Affairs	440,449	30,000	6.8%	470,449
Business	10,233,099	198,216	1.9%	10,431,315
Education	6,862,283	(365,562)	-5.3%	6,496,721
Human Sciences and Humanities	8,123,430	26,890	0.3%	8,150,320
Science and Computer Engineering	6,655,940	161,094	2.4%	6,817,034
Subtotal Academic Affairs	59,365,741	131,966	0.2%	59,497,707
Administration and Finance				
VP Administration & Finance	6,425,155	(212,668)	-3.3%	6,212,487
Facilities Management & Construction	3,911,946	(2,609)	-0.1%	3,909,337
Utilities	2,583,306	(25,908)	-1.0%	2,557,398
Subtotal Administration & Finance	12,920,407	(241,185)	-1.9%	12,679,222
Other				
Unallocated: Other	448,338	577,994	128.9%	1,026,332
Debt Service	367,150	(23,105)	-6.3%	344,045
System Service Charge	2,162,515	82,056	3.8%	2,244,571
Other Transfers	128,608	2,761	2.1%	131,369
Staff Benefits	10,759,283	776,733	7.2%	11,536,016
Insurance Premiums	295,000			295,000
Subtotal Other	14,160,894	1,416,439	10.0%	15,577,333
Total Uses	\$ 88,570,697	\$ 1,235,531	1.4%	\$ 89,806,228

University of Houston-Clear Lake

Note to Table 3: Restricted Expenditures By Organization

	FY2012 Budget	-----Change-----		FY2013 Budget
		Dollars	Percent	
Use of Funds by Organization				
President				
President's Office	\$ 4,394	\$ (4,394)	-100.0%	
University Advancement	2,000	1,000	50.0%	3,000
Subtotal President	6,394	(3,394)	-53.1%	3,000
Academic Affairs				
Information Resources	558,852	(302,452)	-54.1%	256,400
Library	4,349	(69)	-1.6%	4,280
Sr. VP and Provost	650,000	(590,000)	-90.8%	60,000
Student Services		160,400	na	160,400
Enrollment Management	8,636,881	920,987	10.7%	9,557,868
Business	54,715	(50,000)	-91.4%	4,715
Education	1,027,139	(310,582)	-30.2%	716,557
Human Sciences & Humanities	968,014	23,276	2.4%	991,290
Science and Computer Engineering	453,165	(47,774)	-10.5%	405,391
Subtotal Academic Affairs	12,353,115	(196,214)	-1.6%	12,156,901
Administration and Finance				
	5,000			5,000
Total Uses	\$ 12,364,509	\$ (199,608)	-1.6%	\$ 12,164,901

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.

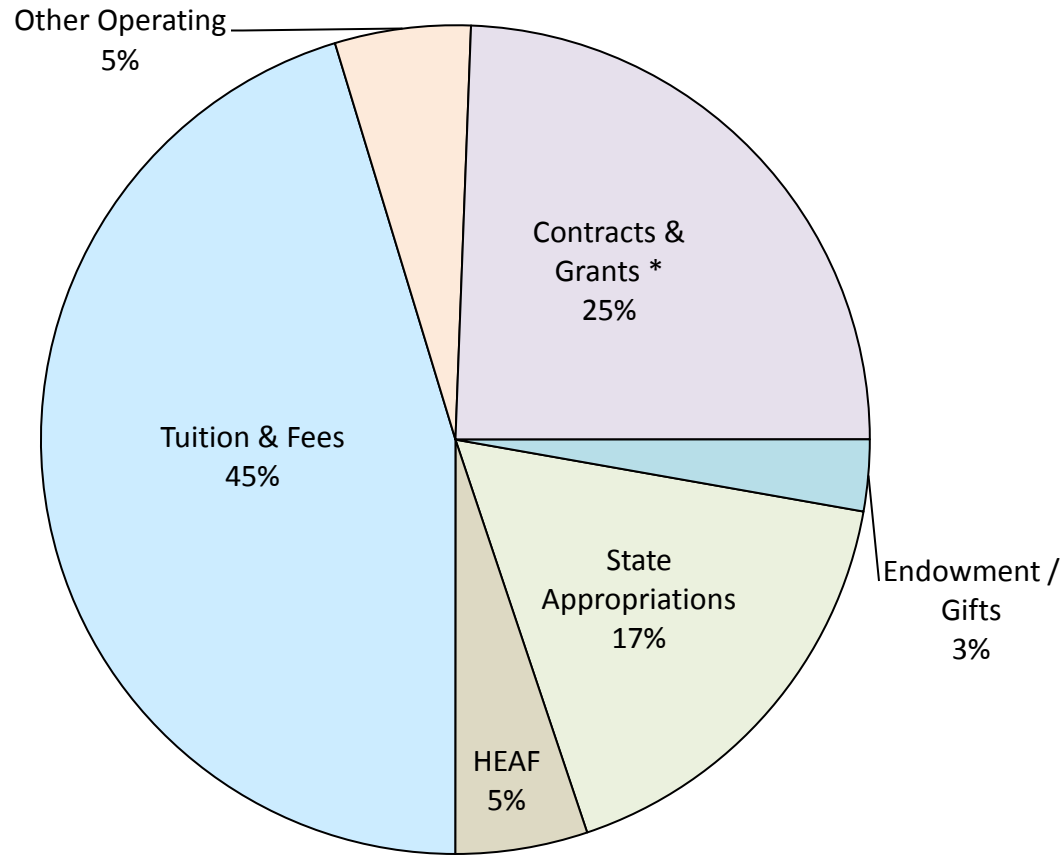
6.5 Documentation

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.

UH-Downtown Budget

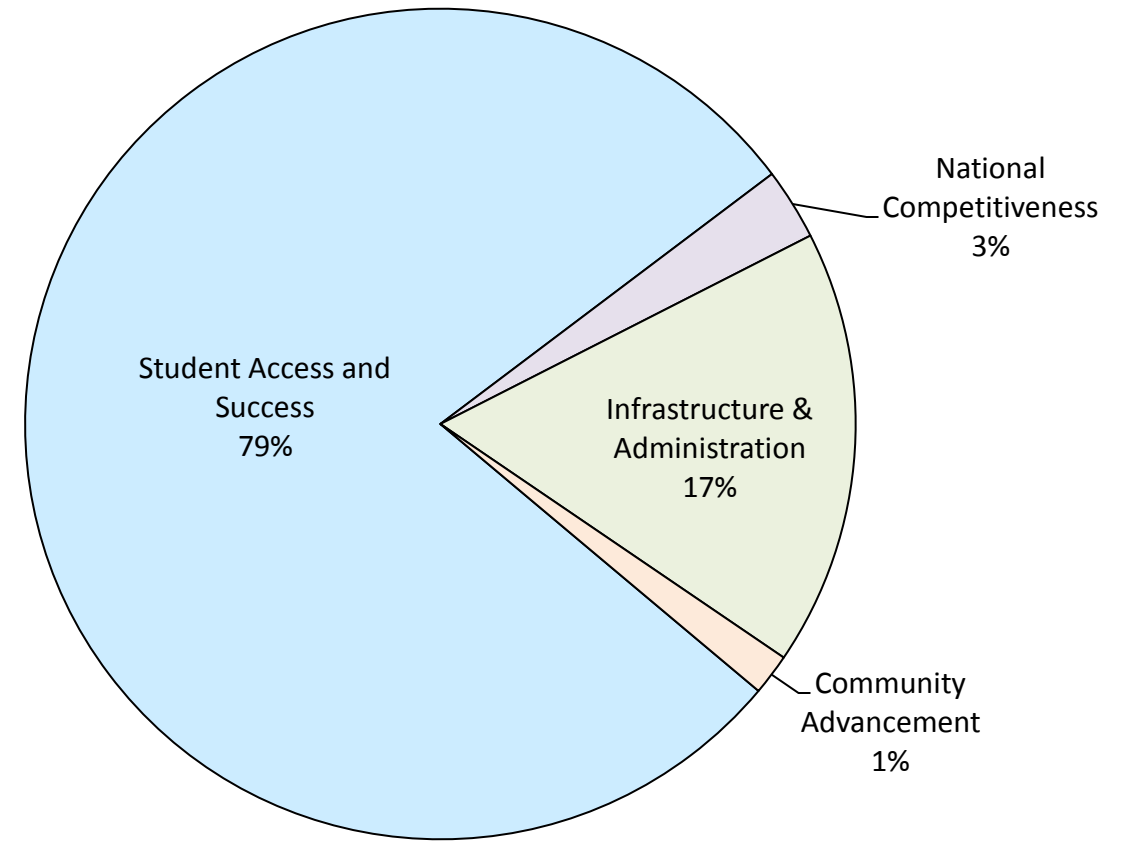
FY2012

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$143.5 Million

Operating Budget Use of Funds

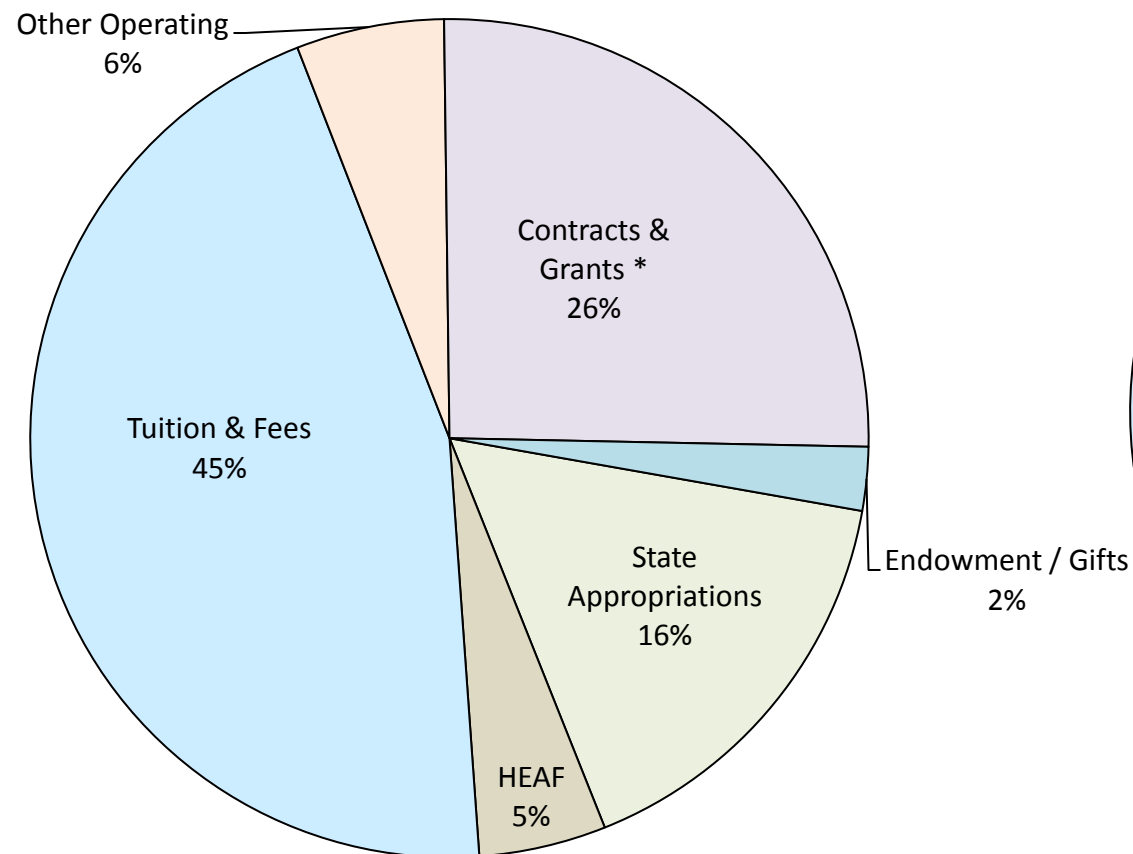


Total \$143.5 Million

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

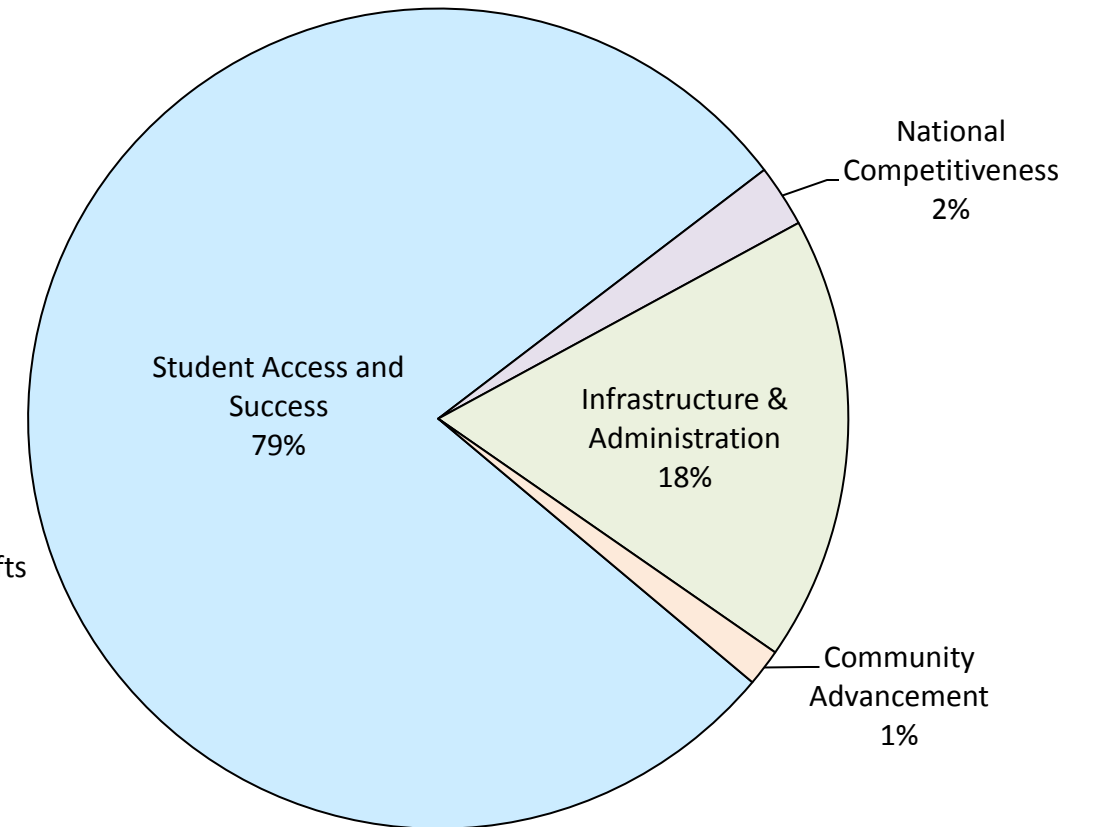
FY2013

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$150.8 Million

Operating Budget Use of Funds



Total \$150.8 Million

Total Budget	
	\$ Millions
Operating Budget	\$ 150.8
Capital Facilities	1.6
Total	\$ 152.4

UH - Downtown
Revenues FY2009 - FY2013
\$ in Millions

	A 2009 Actual	B 2010 Actual	C 2011 Actual	D 2012 Budgeted	E 2013 Proposed
1 State Appropriations **	\$34.1	\$33.6	\$33.9	\$24.5	\$24.4
2 HEAF	9.5	9.5	7.4	7.4	7.4
3 Tuition & Fees	51.0	54.9	60.6	65.0	68.2
4 Other Operating	6.1	5.5	6.2	7.6	8.6
5 Contracts & Grants *	27.3	35.4	41.7	35.0	38.5
6 Endowment / Gifts	1.6	2.2	1.8	4.0	3.7
7 Total	<u>\$129.6</u>	<u>\$141.1</u>	<u>\$151.6</u>	<u>\$143.5</u>	<u>\$150.8</u>

* Includes Federal financial aid

** Includes the move of \$6.2 million in debt service to UHSA in FY2012 and FY2013

5.2

UH - Downtown
Expenditures FY2009 - FY2013
\$ in Millions

	A 2009 Actual	B 2010 Actual	C 2011 Actual	D 2012 Budgeted	E 2013 Proposed
1 Student Access and Success	\$85.6	\$97.3	\$108.6	\$112.8	\$118.4
2 National Competitiveness	1.0	1.3	3.7	4.0	3.7
3 Infrastructure & Administration *	26.5	30.2	31.1	24.4	26.5
4 Community Advancement	2.5	2.9	2.6	2.3	2.2
5 Total	<u>\$115.6</u>	<u>\$131.7</u>	<u>\$146.0</u>	<u>\$143.5</u>	<u>\$150.8</u>

* Includes the move of \$6.2 million in debt service to UHSA in FY2012 and FY2013

**UH-Downtown
FY2013 Operating Budget Expenditures by Function**

	A	B	C	D	E	F	G	H	I	J	K	L
Expenditure Budget	Instruction	Research	Academic Support	Subtotal	Public Service	Student Services	Institutional Support	Physical Plant	Scholarships & Fellowships	Auxiliary Enterprises	FY2013 Total	FY2012 Total
1 Cost of Goods Sold										\$ 2,000	\$ 2,000	\$ 2,000
2 Salary & Wages - Faculty	28,920,258		88,409	29,008,667	12,855					31,378	29,052,900	28,483,045
3 Salary & Wages - Staff	514,926	1,012,664	10,809,326	12,336,916	840,219	2,839,425	8,794,656	1,651,493	469,826	3,122,610	30,055,145	28,117,309
4 Subtotal	29,435,184	1,012,664	10,897,735	41,345,583	853,074	2,839,425	8,794,656	1,651,493	469,826	3,153,988	59,108,045	56,600,354
5 Benefits	6,934,667	270,931	3,221,246	10,426,844	213,703	825,796	2,310,529	493,200		781,454	15,051,526	14,452,414
6 Capital	72,000		4,711,000	4,783,000		197,107	2,234,727			23,000	7,237,834	7,503,104
7 M&O	1,174,208	2,410,613	5,626,639	9,211,460	1,101,008	825,197	7,563,093	1,566,739		2,926,334	23,193,831	22,939,297
8 Scholarship & Fellowship									43,769,983		43,769,983	39,413,692
9 Debt Service										273,857	273,857	273,757
10 Utilities								1,907,854		267,146	2,175,000	2,274,999
11 Subtotal	1,246,208	2,410,613	10,337,639	13,994,460	1,101,008	1,022,304	9,797,820	3,474,593	43,769,983	3,490,337	76,650,505	72,404,849
12 Total	\$ 37,616,059	\$ 3,694,208	\$ 24,456,620	\$ 65,766,887	\$ 2,167,785	\$ 4,687,525	\$ 20,903,005	\$ 5,619,286	\$ 44,239,809	\$ 7,427,779	\$ 150,812,076	\$ 143,459,617

5.4

University of Houston-Downtown FY 2013 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/Tactics Listed in UHD's *Strategic Plan 2020*

The UHD Strategic Planning Group (SPG), under the direction of the provost, met regularly over the past year to finalize the new university strategic plan, titled *UHD Strategic Plan 2020*. As the plan was being developed it was shared on several occasions with the university community for comment/feedback. Town Hall meetings focusing on the draft strategic plan were held, at which members of the community could ask questions or offer comments directly to the SPG leadership.

The final strategic plan was far-reaching and included numerous strategies or 'tactics' for achieving stated goals and objectives. As the university planning process was getting underway the members of the SPG, along with members of the president's cabinet, were asked to review all of the listed tactics and select their Top 10. Upon tallying the results there were 18 tactics that were deemed most critical.

Of the 18 tactics receiving the most support, 12 were focused on Goal 1 - the overarching goal of making sure students succeed academically and are well-prepared to succeed in their lives after UHD. Student success is built on retention and is ultimately measured by the number of students earning degrees and going on to become contributing members of society. The remaining six priority tactics were sprinkled among the Goals 2 through 5. The favored tactics and the goals to which they relate are shown below:

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.

- Tactic 1.1.1:** Increase admission standards incrementally each year until the entering freshmen and transfer student academic profiles approach those at peer Institutions while maintaining ethnic diversity.
- Tactic 1.1.2:** Increase recruitment activities, including the involvement of faculty and alumni, at high schools and other appropriate venues where college-ready high school students can be contacted.
- Tactic 1.1.4:** Develop early-college and other course articulation and transfer agreements with high schools in the region.
- Tactic 1.2.1:** Improve recruiting strategies on community college campuses to include full-time advising personnel on campuses.
- Tactic 1.3.1:** Create a new ‘Director of Retention’ position within the office of the VPAA whose responsibility it is to coordinate and assess all efforts to increase the retention rate at UHD.
- Tactic 1.3.2:** Develop freshman learning communities with cohorts of 24 to 30 students each guided by both a student mentor and a faculty or staff mentor.
- Tactic 1.3.3:** Require students to declare a major upon entry so they can be encouraged and supported by student groups, advisors, mentors, and faculty in their chosen area of interest.
- Tactic 1.3.6:** Increase the number and financial level of scholarships available for FTIC freshman students.
- Tactic 1.3.7:** Refine the Early Alert System, expand its use by faculty, and develop a student mentoring facility with support systems, staff, and services to diagnose student problems and support students having difficulties.
- Tactic 1.3.10:** Implement a requirement that all entering freshmen and all transfer students complete a college success seminar prior to (during the summer) or during their first full-time semester.
- Tactic 1.4.1:** Provide a complete degree plan to each student upon entry to UHD.
- Tactic 1.4.2:** Infuse experiential learning opportunities such as faculty-led research, community service, and other high-impact experiences in all four undergraduate academic years.

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.

- Tactic 2.1.1:** Commencing in Fall 2011, each year expand the curricula to develop at least one unique ‘niche market’ academic program that meets current or future workforce needs.

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

Tactic 3.2.4: Develop new and expand existing graduate programs concurrent with providing graduate assistantships and other financial and substantive support consistent with levels of support at peer institutions.

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.

Tactic 4.5.1: Provide explicit written expectations for each new faculty member regarding the expectations for tenure and promotion.

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.

Tactic 5.1.1: Develop and implement a comprehensive communication plan for the University to increase public awareness of UHD and enhance its reputation for academic excellence.

Tactic 5.2.1: Develop a plan for a defined fundraising campaign (comprehensive or targeted).

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.

Tactic 6.1.2: Provide annual opportunities for workshops or seminars by nationally recognized academic leaders in student engagement, high-impact experiences, or innovative teaching methodologies.

Overview of UHD's FY 2013 Plan and the Process through Which It Was Developed

For FY2013 plan/budget development the university made several changes to the composition of the planning/budgeting body and to the process as well.

The University Planning Council (UPC), which had served as the coordinating body of UHD's planning efforts for many years, was re-engineered and renamed the UHD Planning and Budget Development Committee (PBDC). The PBDC was trimmed down to 18 members, six less than the 24-member UPC. The composition of the PBDC was more heavily weighted with faculty, and the committee was chaired by an active, full-time faculty member.

While the planning process at UHD remains unit-based and bottom-up, there were important changes made. Perhaps the biggest change was the greatly increased focus on accountability at the division level. Before any requests for new resources for FY2013 were considered, each of the division heads were required to provide a detailed status report on the initiatives that had been funded for FY2012. While some degree of assessment/accountability had been built into the previous process, the level of scrutiny had not approached what was experienced this year. As a result of this careful review there were unit heads who acknowledged that some of the funding received in the prior year could not be used as intended, which resulted in the money being pulled back and reallocated for FY2013.

Another change was the focus on tying FY2013 funding requests to the high-priority tactics identified through the strategic planning process. This was less the case a year ago, as the new strategic plan was still in development at that time and because so much of the focus during the prior planning cycle was on making the deep cuts necessitated by the reduction in state general revenue support.

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

STUDENT ACCESS AND SUCCESS

- Scholarship Support/Recruiting/Enrollment Services
- Strengthen Advising, Mentoring, Tutoring
- High-impact Educational Experiences
- Recruit/Retain Highly Qualified Faculty
- Library Support
- Student Labs and Classroom Equipment
- Accommodate Continued Growth

NATIONAL COMPETITIVENESS

- N/A

COMMUNITY ADVANCEMENT

- Marketing/Community Awareness

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 next section.

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 2011 enrollment was an all-time high of 12,918. Further, the 2,477 students who earned a degree from UHD in FY2011 was almost double the 1,279 who graduated ten years earlier. Minority graduates at UHD have increased from 799 in FY 2001 to 1,746 in FY 2011, an increase of 119% for the same time frame. In fact, UHD has been recognized for its success in graduating African-American and Hispanic students with baccalaureate degrees, where it ranks 37th nationally.

As the University prepares for a new year, 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-third of UHD's students enter as first-time-in-college freshmen (FTIC), and two-thirds transfer in from community colleges and four-year institutions. The majority 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.

One year ago in its annual plan, UHD indicated that it would soon submit to the UH System leadership and the Board of Regents a request for approval of automatic admission standards for UHD. The request went before the Board in February 2012 and was approved. These automatic admission standards will go into effect in Fall 2013. UHD remains committed to being a highly accessible institution with a student body that reflects the diversity of the city/region in all ways, but in Fall 2013 the university will begin actively redirecting to the community colleges those students who are demonstrably under-prepared to successfully take on university-level coursework. Our expectation is that the resources now being directed toward recruitment and marketing efforts, as well as those to improve retention through better advising, mentoring, and the expansion of high-impact practices, will offset the lost enrollments that will come about due to the higher admission standards. While the new standards may ultimately prove to be a short-term drag on enrollment growth, in time they will transform UHD into a university of choice for high-achieving students, paving the way for sustained growth.

The University continues to develop its plan to infuse high-impact educational practices across the curriculum. A team of faculty has refined UHD's *High-impact Practices Implementation Action Plan*, which will serve as a guide for building on current best practices and for identifying new high-impact opportunities, all with a focus of improving student success. The university will hold a *High-Impact Practices Showcase* in late April 2012, at which faculty will share information and look for ways they might collaborate in developing and delivering high-impact education experiences. Such activities can include learning communities, supplemental instruction, undergraduate research, international education, capstone courses, and civic engagement. An exciting high-impact initiative in the FY2013 plan/budget is start-up funds to begin the establishment of an Honors Program at UHD. Collectively these activities are part of UHD's larger strategy for improving retention and graduation rates.

Whether arriving as an FTIC or as transfer student, every UHD student benefits from UHD's commitment to keep higher education within financial reach. UHD prides itself on being among the best values in Texas public higher education. For FY2013, UHD will be increasing its tuition/fee rate for a student enrolled in 15 hours by \$139, or 4.8%. This increase will bring the cost to \$3,017, still 16% below the current statewide average of \$3,583. UHD is very appreciative that the UHS leadership and Board were willing to approve the requested increase, and is encouraged by the newly stated goal of getting both UHD and UHV out of the bottom quartile for statewide cost-of-attendance.

The University's FY2013 budget reflects its commitment to student success in the priority that it gives to initiatives such as scholarships, advising, high-impact practices, faculty support, library, and instructional technologies. 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 2013 Budget Initiatives

- *Scholarship Support/Recruiting/Enrollment Services (\$751,956 New Funds, \$330,000 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 \$460k for institutional scholarships to FY2013 through the designated tuition set-aside program. In FY2013 UHD students will have access to approximately \$44 million of non-loan financial aid (\$31 million in federal grants, primarily PELL, see *Appendix C*).

UHD will also add new positions in the Enrollment Services area, including four Admissions Case Managers, two additional Admissions Recruiters, and a Student Loan Assistant in Financial Aid.

During FY2013 UHD will implement a Customer Relationship Management (CRM) software product which will enable UHD to manage its interactions with prospective students. The implementation of this software comes at a time when competition for students is increasing and as the University is beginning the process of adopting admission standards and will be critical to enrollment growth. Funds were allocated for the CRM project in FY2012, but it was known at the time that the amount allocated would only be enough to get the project underway. At this time prospective vendors are being evaluated. 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, Mentoring, Tutoring (\$304,000 New Funds)*

UHD is in the process radically reinventing its approach to providing advising, mentoring, and tutoring services to its students. New Advising and Mentoring Centers are under construction, and the existing Academic Support Center is being reconfigured. The new facilities and operating model are heavily influenced by the nationally recognized Student Advising and Mentoring Center (SAM Center) at SHSU. The operating model relies less on advising staff and more on carefully cultivated faculty members, who will continue to teach but who will also spend 20 hours per week as advisors. The model also employs 'early alert' strategies to identify struggling students while there is still time for them to recover. After ten years in operation at SHSU the results are in – it works. Retention rates have improved dramatically, as have both the four- and six-year graduation rates.

Funding for build-out of the new centers comes from Cullen Excellence funds, while the ongoing operating costs will be covered with revenue generated by the recently approved increase in UHD's Advising Fee. Additionally, proposals are being developed for philanthropic support of these initiatives.

- *High-Impact Educational Experiences (\$100,000 New Funds)*

UHD committed heavily in its FY2012 budget to fund high-impact educational practices (HIP) across the university. With FY2012 being a year of evaluation and self-examination regarding current HIP practices, much of the FY2012 allocation remains unspent. These funds will carry forward into FY2013 to support the expansion of proven practices and the implementation costs of new ones. The FY2013 budget does include funds to begin the establishment of an Honors Program at UHD. Providing an Honors Program is not only a proven HIP strategy, but a strong indicator of the kind of university that UHD is moving to become.
- *Recruit/Retain Highly Qualified Faculty (\$478,000 New Funds, \$720,000 Reserves)*

The strength of any university is its faculty, and in FY2013 UHD will be committing significant resources to demonstrate support for faculty, both full- and part-time. As always, funds are provided to cover the cost of promotions in rank for UHD faculty. In addition, the university is committing funds from reserves to provide one-time, non-base merit stipends for deserving faculty. The pool of available funds will be equal to 2.5% of total salaries. While the university would have preferred to provide base salary increases, this will not be possible until enrollments begin to grow at a more significant pace. The FY2013 budget also contains funds to increase the rates paid to part-time faculty, upon which UHD relies heavily.
- *Library Support (\$2,650,000 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 new graduate programs that the institution expects to bring on line. The library HEAF allocation also includes funds for some new furniture, beyond what was provided for in the Library-Phase II renovation project.
- *Student Labs and Classroom Equipment (\$1,375,000 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 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 analytical equipment to support Natural Science programs to funds for the build-out of a new art studio.
- *Accommodate Continued Growth (\$279,966 New Funds, \$22,000 HEAF)*

While overall enrollment growth has not always met projections in recent years, there have been pockets within the larger university where growth has been dramatic. Among these is in on-line instruction, where growth has been so pronounced that it has challenged the University's ability to provide adequate support. For FY2013 UHD will add two new IT positions to support on-line instruction, a System Administrator for on-line and another Programmer position.

UHD continues to serve a growing number of students with disabilities, so a new Disabilities Services Coordinator will be added, along with additional funds for student scribes. The university also continues to experience solid growth at its off-site locations, so will be making investments in furniture and equipment for personnel assigned to LSC and HCC campuses.

Investment of FY 2013 Resources in Student Success Initiatives

	<u>New Funds</u>	<u>Reserves</u>	<u>HEAF</u>	<u>Total</u>
Scholarship Support/Recruiting/Enrollment Services	\$751,956		\$330,000	\$1,081,956
Strengthened Advising, Mentoring, Tutoring High-Impact Experiences	\$304,000			\$304,000
Recruit/Retain Highly Qualified Faculty	\$100,000			\$100,000
Library Support	\$478,000	\$720,000		\$1,198,000
Student Labs and Classroom Equipment			\$2,650,000	\$2,650,000
Accommodate Continued Growth	\$279,966		\$1,375,000	\$1,375,000
			\$22,000	\$301,966
Total	\$1,913,922	\$720,000	\$4,377,000	\$7,010,922

UH System Goal of National Competitiveness

Context

UHD continues to develop a national reputation for success in graduating students from groups that have historically had low levels of participation in higher education. UHD has been recognized for its success in graduating African-American and Hispanic students with baccalaureate degrees, where it ranks 37th nationally. 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.

A budget priority for UHD in FY2012 has been the establishment of a true Office of Research and Sponsored Programs (ORSP). For most of its history UHD has, for reasons of self-image and resource limitations, never committed to developing its research capacity. There have been pockets of research success, primarily in the STEM and Education fields, but overall research-related expenditures have been very low for a university the size of UHD. This year UHD's Research support function is being expanded from a single individual to a three person operation, to be led by a newly hired Associate VP for ORSP. 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. Over time the financial support for this function will transition from core institutional funds to indirect cost revenue spun off by the growing number of grants received.

While touched on in the previous section on *Student Success*, UHD has a goal of becoming regionally recognized, and ultimately nationally recognized, for its ability to employ high-impact educational practices to drive academic success among students from segments of society that have historically been under-represented in higher education. In its strategic plan UHD establishes the goal of annually hosting a national conference focused on high-impact practices and the role they can play to improve retention and graduation rates of those students 'on the bubble'.

A major bit of national recognition for UHD came recently, when the University was cited for its outstanding achievements in community service. This is covered more thoroughly in the *Community Advancement* section.

Another area of opportunity for UHD to gain national recognition is in campus development. With its distinctive location and mission, UHD has the potential to be a model urban university. Sitting on the bank of historic Buffalo Bayou, in the shadow of the spectacular skyline of the country's 4th largest city, with the light rail (LRT) pulling up at its front door throughout the day and night, UHD has the opportunity to create something very special with its campus. The area to the north of campus, long

neglected due to the ‘pending’ construction, is now in the process of being remade as part of the LRT expansion project. There will be new streets and sidewalks, improved intersections and lighting, as well as landscaping upgrades. In addition, as the LRT expansion project is being completed in the area surrounding campus the City and TXDOT are completing work on long-awaited Hike & Bike paths which will bisect campus and greatly enhance pedestrian connectivity along both the north-south and east-west axes. UHD continues to work with the DesignLab team from the Hines College of Architecture to develop its long-range campus master plan, with an eye toward developing a high-functioning urban campus that will one day garner national attention.

FY 2013 Budget Initiatives

- *N/A*

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, and this year UHD was particularly pleased to have made the President's Honor Roll for Community Service *with Distinction*. In developing the Honor Roll this year the Corporation for National and Community Service recognized more than 600 colleges and universities. However, of those only 110 were recognized as making the Honor Roll *with Distinction*, noted for their strong institutional commitment to service, development of campus-community partnerships producing measurable impact, and engagement of students in meaningful service. Of note, only two universities in Texas – St. Mary's University and UHD – were recognized *with Distinction*. UHD will work hard to retain this honor, even with current budgetary constraints. UHD's Office of Global Citizenship 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 continues to work with Rep. Sylvester Turner to put UHD students into the community to engage in service learning projects and internships, with funding coming through UHD's Community Development special item. In FY2012 grants were awarded on a competitive basis out of UHD's Office of Global Citizenship, which funded initiatives ranging from internships with the Acres Homes Community Development Corporation (3rd year) to a Media Writing class partnership with the Texas Department of Criminal Justice's Prisoner Entrepreneurial Program, to the Scholar's Academy adoption of a middle school science class. 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 several years taken steps to increase its base budget for marketing/branding activities. For FY2013 UHD will allocate some one-time funding to support UHD's '*Major Opportunity*' marketing campaign. With its new strategic plan in place and with admission standards coming in Fall 2013, UHD is seeking to re-brand and re-position itself within the regional higher education marketplace.

Finally, building awareness in the community can't be a passive exercise. Too often in the past UHD has expected recognition of its good work to simply happen, because it should. While this might be a reasonable expectation in a small community where the university is a major player, in a large metropolitan center like Houston it is easy to get overlooked. Going forward UHD will be looking for more opportunities to actively tell its story, as it is a story worth telling. To this end, for FY2013 UHD will be adding a University Archivist position in the library. Among this person's duties will be the job of assembling materials that collectively tell the UHD story. While this position is added with the long view in mind, it will pay immediate dividends as UHD begins to prepare for its 40th anniversary in 2014.

FY 2013 Budget Initiatives

- *Marketing/Community Awareness (\$62,000 New Funds, \$100,000 Reserves)*
UHD seeks to build a more substantial base budget for future branding/marketing efforts, but for FY2013 will be content with additional one-time monies to support the new marketing campaign.

For FY2013 UHD will also add a University Archivist position. This long-requested position will provide important support as UHD prepares for its 40th anniversary, which comes in 2014.

Investment of FY 2013 Resources in Community Advancement Initiatives

	<u>New Funds</u>	<u>Reserves</u>	<u>HEAF</u>	<u>Total</u>
Marketing/Community Awareness	\$62,000	\$100,000		\$162,000
Total	\$62,000	\$100,000		\$162,000

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 FY2013 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. UHD 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. After a recently completed comprehensive review of the police department, in FY2013 UHD will add two new positions to add strength in key areas. The University will also make several technology investments to enhance security, including new police radios that will enable better communication with City and County law enforcement agencies, and funds to put digital video systems in all police patrol vehicles.

In FY2013 UHD will add an Emergency Manager position. This position will ensure that emergency plans are kept up-to-date and are well-communicated across the university. The person will be responsible for emergency preparedness training at all levels, and will coordinate tabletop exercises on various emergency response scenarios to ensure that the administration is prepared to act in the event of fast-developing emergency situation.

UHD 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 UHD 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. For FY2013 UHD will add two IT positions to support on-line instruction, an area of booming growth in recent years.

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 2013 Budget Initiatives

- *Ongoing Physical Plant Maintenance and Upgrades (\$936,710 HEAF, \$125,000 Reserves)*
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 projects ranging from the re-tubing of a hot water boiler to replacement of vinyl tile in a number of elevator landings. A major deferred maintenance project for FY2013 will be the refurbishment of the exterior stairway that leads from the South Deck of the One Main Building down to Johnny Goyen Park, located on the north bank of Buffalo Bayou.

- *Ongoing Technology Maintenance and Upgrades (\$323,958 New Funds, \$100,000 Reserves, \$1,406,658 HEAF)*

Significant expenditures must be made each year to maintain and update the University's existing investments in technology. The technology 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 another \$115K to finish out the project to transition from its current PSTN phone system to a system that employs voice-over-internet-protocol (VOIP) technology. This money will go toward new handsets and for a VOIP-capable voice logger for the Police department. In FY2013 UHD will also have to switch its Banner platform from VMS, which will no longer be supported, to Linux. This will be a two-phase process.

New operating funds are being provided to add four new positions with direct ties to technology. A Sharepoint Administrator position will be added in IT. This position will support numerous technology projects, including web site redesign and implementation of new workflow applications. A Web Designer position will be added in the Provost's Office to coordinate all of the web-related work being done across that division, and a Programmer/Data Analyst will be added in the Institutional Reporting Office. Also in support of the web site redesign project, a Web Writer position will be added in University Advancement. The web redesign project will be covered by one-time reserves.

- *Faculty/Staff Technology Support (\$675,000 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 a vital faculty resource.

- *Providing Campus Security (\$286,968 New Funds, \$150,000 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. In FY2013 UHD will add two new positions to strengthen the police department. New police radios will be purchased, along with digital video systems for all police patrol cars. As stated in the introduction to this section of the plan, for FY2013 UHD will also add a much-needed Emergency Manager position.

- *General Administration and Operations (\$280,119 New Funds, \$822,467 Reserves, 239,736 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 hardware maintenance and software licensing costs in IT and Police, funds to cover the increased cost of property insurance, and an increase in UH System service charges. Funding for one-time, non-base merit stipends for UHD staff is also included here. While the University would prefer to provide base pay increases, that is not possible at this time due to sluggish enrollment growth.

Also included here 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 2013 Resources in University Infrastructure and Administration

	<u>New Funds</u>	<u>Reserves</u>	<u>HEAF</u>	<u>Total</u>
Ongoing Physical Plant Maintenance & Upgrades		\$125,000	\$936,710	\$1,061,710
Ongoing Technology Maintenance & Upgrades	\$323,958	\$100,000	\$1,406,658	\$1,830,616
Faculty/Staff Technology Support			\$675,000	\$675,000
Provide Campus Security	\$286,968		\$150,000	\$436,968
General Administration and Operations	\$280,119	\$822,467	\$239,736	\$1,342,322
Total	\$891,045	\$1,047,467	\$3,408,104	\$5,346,616

Summary of Reallocations and Operating Efficiencies

In constructing its operating budget for FY2012, in the face of deep reductions in state funding, UHD eliminated 38 positions - filled and vacant, totaling \$2.8M – and cut \$300K of non-salary expense. While all universities across the state were making budget cuts, few started from as low a base as UHD.

Nothing tells this story better than the data, so it is instructive to review how UHD compares to other Texas public universities in terms of state funding, tuition/fee rates, and key manpower ratios.

Financial Measures (from the THECB State Accountability System)

- Appropriated Funds-per-FTE Student (Fall 2011)
 - State-wide Average: \$6,526
 - UH-Downtown: \$4,588
 - Currently 30% below the state-wide average

- Average Cost of Resident Undergraduate Tuition/Fees for 30 hours (THECB)
 - State-wide Average: \$7,166 (FY2012)
 - UH-Downtown: \$6,034 (FY2013)
 - UHD's rates for *next year* will still be 16% below the current state-wide average

Personnel Measures (as compared to nine self-selected state peer institutions using IPEDS data)

- Student-to-Faculty
 - Group Average: 31 : 1
 - UH-Downtown: 41 : 1

- Student-to-Staff:
 - Group Average: 14 : 1
 - UH-Downtown: 28 : 1

- Staff-to-Faculty:
 - Group Average: 2.2 : 1
 - UH-Downtown: 1.5 : 1

Many universities around the state have made reductions over the past 2-3 years by cutting excess and eliminating layers of staff that were not essential. UHD did not have that luxury, because due to its history of low per-FTE Student GR funding and low tuition/fee rates UHD has always been a comparatively lean operation.

UHD will continue to examine its operations and look for ways by which it can become more efficient. UHD will continue to employ technology to improve business services and deliver instruction, providing that sound practices are followed and quality can be assured. With the majority of the University's expenditures being in the form of salary and benefits, the greatest opportunities for cost containment will come through gains in employee productivity. In FY2013 it will be improvements in productivity that will drive efficiency at UHD and provide the opportunities to reallocate scarce resources to their best and highest use.

University of Houston-Downtown
Appendix A - Allocation of New FY 2013 Resources

<u>Revenue Changes</u>	A
Appropriations Bill	
1 General Revenue	\$ (66,617)
2 Estimated Rider Reductions	36,719
3 Subtotal General Revenue	<u>(29,898)</u>
Tuition and Fees	
4 Statutory Tuition	557,577
5 Designated Tuition	2,208,711
6 Mandatory Fees	1,001,361
7 Waivers	(500,000)
8 Subtotal Tuition and Fees	<u>3,267,649</u>
Other	
9 Investment Income, Aux, IDC	(331,247)
10 Endowment Income	(93,537)
11 Subtotal Other	<u>(424,784)</u>
12 Total Net Revenue	<u>\$ 2,812,967</u>

<u>Reallocations/Reductions</u>	B
1 Reserves	\$ (1,796,467)
Subtotal - Reallocations/Reductions	<u>\$ (1,796,467)</u>

<u>Priority/Initiative Allocations</u>	C
Priority 1. Student Access and Success	
2 Scholarship Support/Recruiting/Enroll. Services	\$ 751,956
3 Strengthened Advising, Mentoring, Tutoring	304,000
4 High-Impact Educational Experiences	100,000
5 Recruit/Retain Highly Qualified Faculty	1,198,000
6 Accommodate Continued Growth	279,966
7 Subtotal - Student Access and Success	<u>2,633,922</u>
Priority 3. Infrastructure & Administration	
8 Ongoing Technology Maint. & Upgrades	423,958
9 Provide Campus Security	286,968
10 General Administration & Operations	1,102,586
11 Subtotal - Infrastructure & Administration	<u>1,813,512</u>
Priority 4. Community Advancement	
12 Marketing/Community Awareness	162,000
Subtotal - Community Advancement	<u>162,000</u>
13 Total Priority/Initiative Allocations	<u>\$ 4,609,434</u>

14 Total Net Reductions and New Allocations **\$ 2,812,967**

University of Houston-Downtown
Appendix B - Allocation of FY 2013 HEAF

<u>FY13 Allocation</u>	
HEAF	\$ 7,435,238
plus: Reserves	474,866
Total Available	\$ 7,910,104

<u>Priority/Initiative</u>	<u>Allocation</u>
Priority 1. Student Success & Access	
Scholarship Support/Recruiting/Enroll. Services	\$ 330,000
Library Support	2,650,000
Student Labs and Classroom Equipment	1,375,000
Accommodate Continued Growth	22,000
Subtotal	<u>\$ 4,377,000</u>
Priority 3. University Infrastructure & Administration	
Ongoing Physical Plant Maintenance & Upgrades	\$ 1,061,710
Ongoing Technology Maintenance & Upgrades	1,406,658
Faculty/Staff Technology Support	675,000
Providing Campus Security	150,000
General Administration & Operations	239,736
Subtotal	<u>\$ 3,533,104</u>
Total New Investments	<u>\$ 7,910,104</u>

University of Houston-Downtown

Appendix C - Projected Availability of Scholarships and Grants

	FY2012	FY2013
TEXAS Grant	\$ 6,480,000	\$ 6,275,000
Texas Public Education Grants (TPEG)	2,109,069	1,943,841
Designated Tuition - Scholarship Set-Asides (20%)	2,610,925	2,957,686
 <u>Endowed Scholarships</u>		
UHD endowed scholarship funds:		
Scholarship Match - Jeff Davis program	\$ 69,000	\$ 40,000
AMP Match - Scholars Academy	120,000	129,152
Red Rose Scholarships funded through endowments	18,197	21,878
All other UHD endowed scholarship funds	309,646	487,440
Incentive/Achievers Scholarship Funds	200,000	350,000
	\$ 716,843	\$ 1,028,470
 UHD portion of shared UH System scholarship endowments	 \$ 16,406	 \$ 26,000
Autrey, Cullen Leadership, Cullinan, Int'l Paper		
Endowed scholarships held at the UH Foundation	\$ 78,700	\$ 117,700
Dykes, A/B, Engel, Wood & Hearst-UHD, Hugh Roy Cullen-UHS		
 <u>Non-Endowed Scholarships</u>		
Teacher Education Scholarships - Cain	\$ 100,000	\$ 100,000
Red Rose Scholarships	56,803	53,122
Deans' Transfer Scholarships	40,000	40,000
100 Club Scholarships	250,000	250,000
All other UHD non-endowed scholarship funds	\$ 446,803	\$ 443,122
 Total	 \$ 12,458,746	 \$ 12,791,819

Note: UHD expects to process over \$31 million in PELL, SEOG, and CWSP grants in FY2013.

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>
	FY2011 Budget	Dollars	Percent	FY2012 Budget	Dollars	Percent	FY2013 Budget
<u>Operating & Restricted Budget</u>							
Source of Funds							
1 State Appropriations	\$ 30.0	\$ (5.4)	-18.1%	\$ 24.5	\$ (0.2)	-0.6%	\$ 24.4
2 HEAF	6.6	0.1	1.4%	6.7	(0.2)	-2.4%	6.5
3 Tuition & Fees	60.7	4.2	7.0%	64.9	3.3	5.1%	68.2
4 Other Operating (Auxiliaries)	8.9	(0.6)	-6.4%	8.3	1.2	14.1%	9.5
5 Contracts & Grants (Restricted)	32.4	2.5	7.7%	34.9	3.6	10.2%	38.5
6 Endowments/Gifts (Restricted)	4.3	(0.3)	-6.1%	4.0	(0.4)	-9.1%	3.7
7 Total Sources	\$ 142.9	\$ 0.6	0.4%	\$ 143.5	\$ 7.4	5.1%	\$ 150.8
Use of Funds by Object							
8 Salaries and Wages - Faculty	\$ 28.1	\$ 0.3	1.2%	\$ 28.5	\$ 0.6	2.1%	\$ 29.1
9 Salaries and Wages - Staff	29.6	(1.3)	-4.2%	28.3	1.7	6.1%	30.1
10 Benefits	14.7	(0.3)	-1.8%	14.4	0.6	4.5%	15.1
11 M&O	22.9	0.2	0.9%	23.1	0.4	1.5%	23.5
12 Capital	7.5	0.1	0.8%	7.6	(0.3)	-4.2%	7.2
13 Scholarships	36.2	2.9	8.0%	39.1	4.4	11.4%	43.5
14 Debt Service	0.3	0.0	0.0%	0.3	0.0	0.0%	0.3
15 Utilities	2.3	(0.1)	-3.2%	2.3	(0.1)	-4.4%	2.2
16 Reserve for State Budget Reduction	1.3	(1.3)	-100.0%	-	-		-
17 Total Uses	\$ 142.9	\$ 0.6	0.4%	\$ 143.5	\$ 7.4	5.1%	\$ 150.8
<u>Capital Facilities Budget</u>							
Source of Funds							
18 HEAF	\$ 0.8	\$ (0.1)	-10.9%	\$ 0.7	\$ 0.2	22.0%	\$ 0.9
20 Other	-	-		-	0.7		0.7
22 Total Sources	\$ 0.8	\$ (0.1)	-10.9%	\$ 0.7	\$ 0.8	113.4%	\$ 1.6
Use of Funds by Object							
24 Major Rehabilitation	\$ 0.8	\$ (0.2)	-23.0%	\$ 0.6	\$ 0.9	147.1%	\$ 1.6
25 Acquisitions	-	0.1		0.1	(0.1)		-
26 Total Uses	\$ 0.8	\$ (0.1)	-10.9%	\$ 0.7	\$ 0.8	113.4%	\$ 1.6
<u>Total Operating, Restricted and Capital Budget</u>							
27	\$ 143.7	\$ 0.5	0.3%	\$ 144.2	\$ 8.2	5.7%	\$ 152.4

University of Houston-Downtown
Table 2 - Operations

Source of Funds	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
General Funds				
State General Revenue Appropriations				
Formula Funding	\$ 19,622,475	\$ (66,617)	-0.3%	\$ 19,555,858
Special Items	397,531			397,531
Less: Estimated Rider Reduction	(507,619)	36,719	-7.2%	(470,900)
State Benefits Appropriation	4,983,660	(132,220)	-2.7%	4,851,440
Dedicated Appropriations-TX College Work Study	48,700	11,887	24.4%	60,587
Subtotal State General Revenue Appropriations	24,544,747	(150,231)	-0.6%	24,394,516
Tuition and Fees				
Statutory & Graduate Premium	17,649,951	307,577	1.7%	17,957,528
Lab/other Student Fees	95,000			95,000
Subtotal Tuition and Fees	17,744,951	307,577	1.7%	18,052,528
HEAF	7,435,238			7,435,238
Income on State Treasury Deposits	20,000	(5,000)	-25.0%	15,000
Fund Balance	829,866	(55,000)	-6.6%	774,866
Subtotal General Funds	50,574,802	97,346	0.2%	50,672,148
Designated				
Tuition and Fees				
Designated Tuition - General	30,150,187	1,757,550	5.8%	31,907,737
Designated Tuition - Differential	144,348	228,232	158.1%	372,580
Library Fee	1,957,572	(26,160)	-1.3%	1,931,412
Technology Fee	4,222,848	(33,537)	-0.8%	4,189,311
Major/Department/Class Fees	5,291,588	1,130,774	21.4%	6,422,362
Subtotal Tuition and Fees	41,766,543	3,056,859	7.3%	44,823,402
Indirect Cost	458,207	(125,352)	-27.4%	332,855
Investment Income on Non-Endowed Funds	635,000	(135,000)	-21.3%	500,000
Endowment Income	38,374	(2,458)	-6.4%	35,916
Contracts / Grants / Gifts	38,519	(2,395)	-6.2%	36,124
Self Supporting Organizations/Others	1,716,100	(3,100)	-0.2%	1,713,000
Fund Balance	2,025,289	1,694,409	83.7%	3,719,698
Subtotal Designated Funds	46,678,032	4,482,963	9.6%	51,160,995
Auxiliary Enterprises				
Student Fees				
Student Service Fee	4,128,662	(62,764)	-1.5%	4,065,898
Recreation and Wellness Center	1,159,205	(15,352)	-1.3%	1,143,853
Other Student Fees	146,500	500	0.3%	147,000
Subtotal Student Fees	5,434,367	(77,616)	-1.4%	5,356,751
Sales & Service - Parking	1,150,000	526,850	45.8%	1,676,850
Sales & Service - Athletics/Hotel/UC/Other	1,259,758	(63,500)	-5.0%	1,196,258
Fund Balance	127,612	16,269	12.7%	143,881
Subtotal Auxiliary Funds	7,971,737	402,003	5.0%	8,373,740
Total Current Operating Funds	105,224,571	4,982,312	4.7%	110,206,883
Interfund Transfer	(735,000)	(833,814)	113.4%	(1,568,814)
Total Sources	\$ 104,489,571	\$ 4,148,498	4.0%	\$ 108,638,069
Use of Funds by Object				
Salaries and Wages	\$ 55,436,562	\$ 2,203,654	4.0%	\$ 57,640,216
Benefits	14,173,485	596,089	4.2%	14,769,574
M&O	18,288,216	1,290,229	7.1%	19,578,445
Capital	7,553,104	(315,270)	-4.2%	7,237,834
Scholarships	6,489,448	473,695	7.3%	6,963,143
Debt Service	273,757	100	0.0%	273,857
Utilities	2,274,999	(99,999)	-4.4%	2,175,000
Total Uses	\$ 104,489,571	\$ 4,148,498	4.0%	\$ 108,638,069

University of Houston-Downtown
Table 3 - Restricted

	FY2012 Budget	-----Change-----		FY2013 Budget
		Dollars	Percent	
Source of Funds				
Restricted				
Contracts and Grants				
Research	\$ 3,658,498	\$ (243,958)	-6.7%	\$ 3,414,540
Financial Aid	31,276,741	3,813,719	12.2%	35,090,460
Gifts	1,279,000	(47,000)	-3.7%	1,232,000
Endowment Income	473,353	(77,668)	-16.4%	395,685
Other Restricted	2,077,542	(227,721)	-11.0%	1,849,821
Total Current Operating Funds	38,765,134	3,217,372	8.3%	41,982,506
Interfund Transfer	204,912	(13,411)	-6.5%	191,501
Total Sources	\$ 38,970,046	\$ 3,203,961	8.2%	\$ 42,174,007
Use of Funds by Object				
Salaries and Wages	\$ 1,342,972	\$ 124,857	9.3%	\$ 1,467,829
Benefits	233,616	48,336	20.7%	281,952
M&O	4,820,085	(936,362)	-19.4%	3,883,723
Scholarships	32,573,373	3,967,130	12.2%	36,540,503
Total Uses	\$ 38,970,046	\$ 3,203,961	8.2%	\$ 42,174,007

University of Houston-Downtown

Table 4 - Capital Projects

	Project to Date (1)	FY2013 Budget	Future Year Budgets	Total Project Budget	-----Funded From-----				
					HEAF	Revenue Bonds	Gifts	Other	
Major Repair and Rehabilitation									
	Parking Garage Project	\$ -	\$ 672,104	\$ -	\$ 672,104	\$ -	\$ -	\$ -	\$ 672,104
	Other Renovations		321,710	-	321,710	321,710			
	Refurbish OMB South Deck Stair Tower		100,000	-	100,000	100,000			
	Air Conditioning Upgrade A710 (Academic MDF)		75,000	-	75,000	75,000			
Projects Budgeted Annually									
	Capital Renewal Deferred Maintenance		400,000	-	400,000	400,000			
	Subtotal Major Repairs & Rehabilitation	\$ -	\$ 1,568,814	\$ -	\$ 1,568,814	\$ 896,710	\$ -	\$ -	\$ 672,104
Total		\$ -	\$ 1,568,814	\$ -	\$ 1,568,814	\$ 896,710	\$ -	\$ -	\$ 672,104

(1) Project expenditures to date, estimated through August 31, 2012

University of Houston-Downtown

Table 5 - Number of Full-Time Equivalent Positions

Employee Classification	FY2012	-----Change-----		FY2013
	Budget	FTE	Percent	Budget
Faculty	244	2	0.8%	246
Part-time Faculty	212	1	0.5%	213
Professional Staff	289	23	8.0%	312
Classified Staff	240	3	1.3%	243
Temporary Staff	117	5	4.3%	122
Total	1,102	34	3.1%	1,136

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

	FY2009 Actuals	FY2010 Actuals	FY2011 Actuals	FY2012 Budget	FY2013 Budget	FY13 vs FY12 Change
Semester Credit Hours						
Lower Division	120,759	128,801	133,169	131,696	137,713	6,017
Upper Division	148,228	148,398	148,921	161,677	152,645	(9,032)
Masters	2,139	2,169	2,061	2,155	3,488	1,333
Total	271,126	279,368	284,151	295,528	293,846	(1,682)
Semester Credit Hours-On/Off Campus						
On Campus	230,750	233,411	229,775	248,198	226,438	(21,760)
Off Campus	40,376	45,957	54,376	47,330	67,408	20,078
Total	271,126	279,368	284,151	295,528	293,846	(1,682)
Fall Headcount	12,283	12,742	12,900	13,352	13,176	(176)
Fall FTE	8,010	8,315	8,335	8,760	8,644	(116)

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

	FY2012 Budget	-----Change-----		FY2013 Budget
		Dollars	Percent	
Sources				
Current Year Appropriations	\$ 4,148,662	\$ (51,764)	-1.2%	\$ 4,096,898
Remissions/Exemptions	(20,000)	(11,000)	55.0%	(31,000)
Other Income	222,000	65,000	29.3%	287,000
Budgeted Fund Balance	47,671	18,457	38.7%	66,128
Total Sources	\$ 4,398,333	\$ 20,693	0.5%	\$ 4,419,026
Allocations				
Admissions Office	\$ 106,404	\$ 32,026	30.1%	\$ 138,430
Banner Financial Aid Maintenance	-	14,000	na	14,000
Bayou Review	10,500	-		10,500
Call Center	200,000	-		200,000
Campus Activities Board	56,100	-		56,100
Campus Information Center	46,992	-		46,992
Career Services	300,349	(1)	0.0%	300,348
Clubs and Organizations	89,487	-		89,487
Community Involvement	146,245	(146,245)	-100.0%	-
Disabled Student Services	19,796	-		19,796
Drama Production	46,025	-		46,025
Financial Aid Office	1,252,976	(22,660)	-1.8%	1,230,316
Graduation/Diplomas	170,400	-		170,400
Handbook	8,000	-		8,000
International Programs	82,288	-		82,288
One Main Events	38,000	-		38,000
Registrar - SSF	237,091	2,396	1.0%	239,487
Software Consulting	16,422	-		16,422
Student Assistance Program	198,000	15,282	7.7%	213,282
Student Awards	3,300	-		3,300
Student Contingency	13,000	-		13,000
Student Government	34,945	-		34,945
Student Health Services	253,182	86,655	34.2%	339,837
Student Life	259,466	48,118	18.5%	307,584
Student Newspaper	35,870	-		35,870
Student Success	-	34,552	na	34,552
Unallocated	34,953	(34,953)	-100.0%	-
Utilities/Other Overhead	116,901	(4,706)	-4.0%	112,195
Veterans Services	149,728	(41,397)	-27.6%	108,331
VP Student Success/Enroll Mgmt	451,913	37,626	8.3%	489,539
Welcome Week	20,000	-		20,000
Total Allocations	\$ 4,398,333	\$ 20,693	0.5%	\$ 4,419,026

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

Use of Funds by Organization	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
President	\$ 1,233,456	\$ (32,917)	-2.7%	\$ 1,200,539
Advancement & External Relations	2,087,741	36,714	1.8%	2,124,455
Employment Services and Operations	1,252,851	101,370	8.1%	1,354,221
Academic Affairs				
Administration (Provost)	5,140,849	351,959	6.8%	5,492,808
Business Administration	10,089,158	180,834	1.8%	10,269,992
Humanities and Social Sciences	11,852,994	8,918	0.1%	11,861,912
Public Service	6,123,244	(103,451)	-1.7%	6,019,793
Sciences and Technology	8,470,599	(318,673)	-3.8%	8,151,926
University College	1,728,617	244,107	14.1%	1,972,724
Subtotal: Academic Affairs	43,405,461	363,694	0.8%	43,769,155
Scholarships	5,555,906	486,536	8.8%	6,042,442
Library	4,257,338	335,634	7.9%	4,592,972
Continuing Education	866,570	1,744	0.2%	868,314
Administration				
Administration (VP Administration)	566,846	(38,709)	-6.8%	528,137
Budget and Procurement	507,475	8,282	1.6%	515,757
Business Affairs	1,906,924	(44,276)	-2.3%	1,862,648
Computing and Telecommunication	8,426,134	(83,173)	-1.0%	8,342,961
Academic Computing	4,161,180	158,546	3.8%	4,319,726
Physical Plant	7,199,834	(884,592)	-12.3%	6,315,242
Risk Management & Compliance	336,892	63,714	18.9%	400,606
University Business Services	-	1,065,781	na	1,065,781
Utility	2,274,999	(99,999)	-4.4%	2,175,000
Subtotal: Administration	25,380,284	145,574	0.6%	25,525,858
Student Affairs				
Administration (Student Affairs)	1,504,947	212,757	14.1%	1,717,704
Enrollment Services	4,223,688	198,343	4.7%	4,422,031
Student Support Services	1,095,069	366,162	33.4%	1,461,231
Student Life	1,400,224	23,483	1.7%	1,423,707
Subtotal: Student Affairs	8,223,928	800,745	9.7%	9,024,673
Staff Benefits	8,430,660	(137,219)	-1.6%	8,293,441
Community Development	397,531	-	-	397,531
Unallocated	36,703	(36,703)	-100.0%	-
System Service Charges	1,454,572	9,545	0.7%	1,464,117
Insurance Premium	370,912	27,003	7.3%	397,915
Debt Service	273,757	100	0.0%	273,857
Fund Balance Contingency	1,261,901	2,046,678	162.2%	3,308,579
Total Uses	\$ 104,489,571	\$ 4,148,498	4.0%	\$ 108,638,069

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

	FY2012 Budget	-----Change-----		FY2013 Budget
		Dollars	Percent	
Use of Funds by Organization				
President	\$ 5,000	\$ -		\$ 5,000
Advancement & External Relations	11,900	(11,900)	-100.0%	-
Employment Services & Operations	44,000	(44,000)	-100.0%	-
Academic Affairs				
Administration (Provost)	238,506	1,683	0.7%	240,189
Business Administration	472,021	53,017	11.2%	525,038
Humanities and Social Sciences	51,367	20,236	39.4%	71,603
Public Service	535,738	123,781	23.1%	659,519
Sciences and Technology	2,378,316	(519,164)	-21.8%	1,859,152
University College	1,010,510	(841,510)	-83.3%	169,000
Subtotal: Academic Affairs	4,686,458	(1,161,957)	-24.8%	3,524,501
Scholarships	32,016,046	3,752,007	11.7%	35,768,053
Library	100,000	(100,000)	-100.0%	-
Administration				
Administration (VP Administration)	25,000	151,435	605.7%	176,435
Physical Plant	34,100	(34,100)	-100.0%	-
Subtotal: Administration	59,100	117,335	198.5%	176,435
Student Affairs				
Administration (VP SSEM)	85,000	765,197	900.2%	850,197
Subtotal: Student Affairs	85,000	765,197	900.2%	850,197
Fund Balance Contingency	1,962,542	(112,721)	-5.7%	1,849,821
Total Uses	\$ 38,970,046	\$ 3,203,961	8.2%	\$ 42,174,007

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

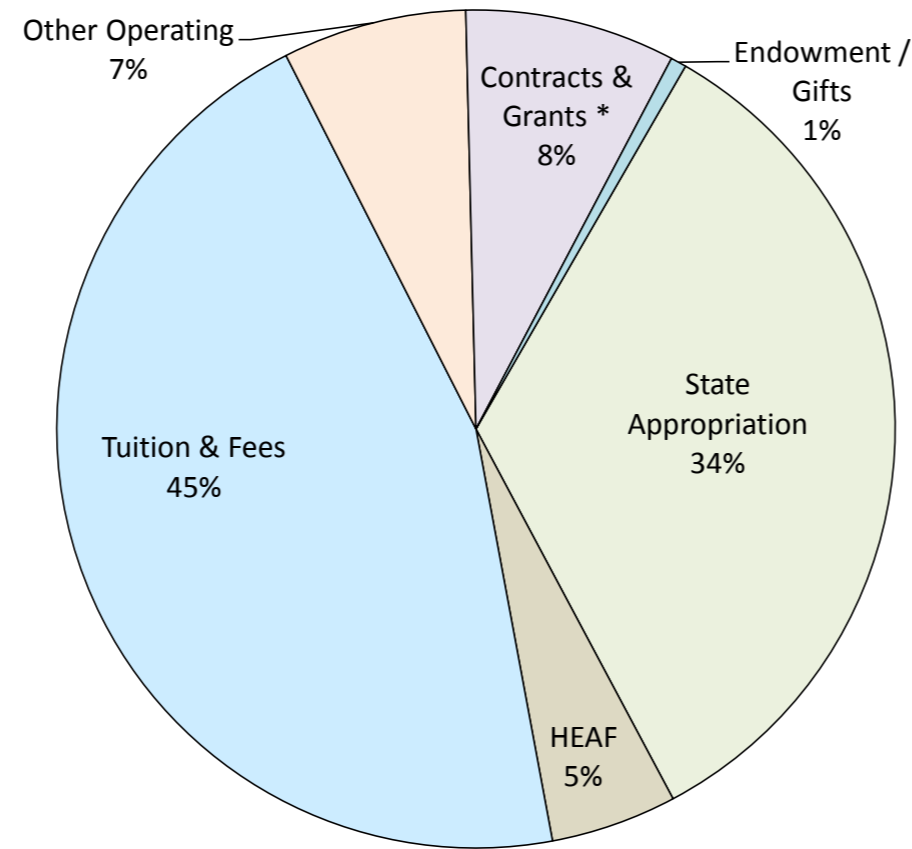
8. REFERENCES

There are no references associated with this policy.

UH-Victoria Budget

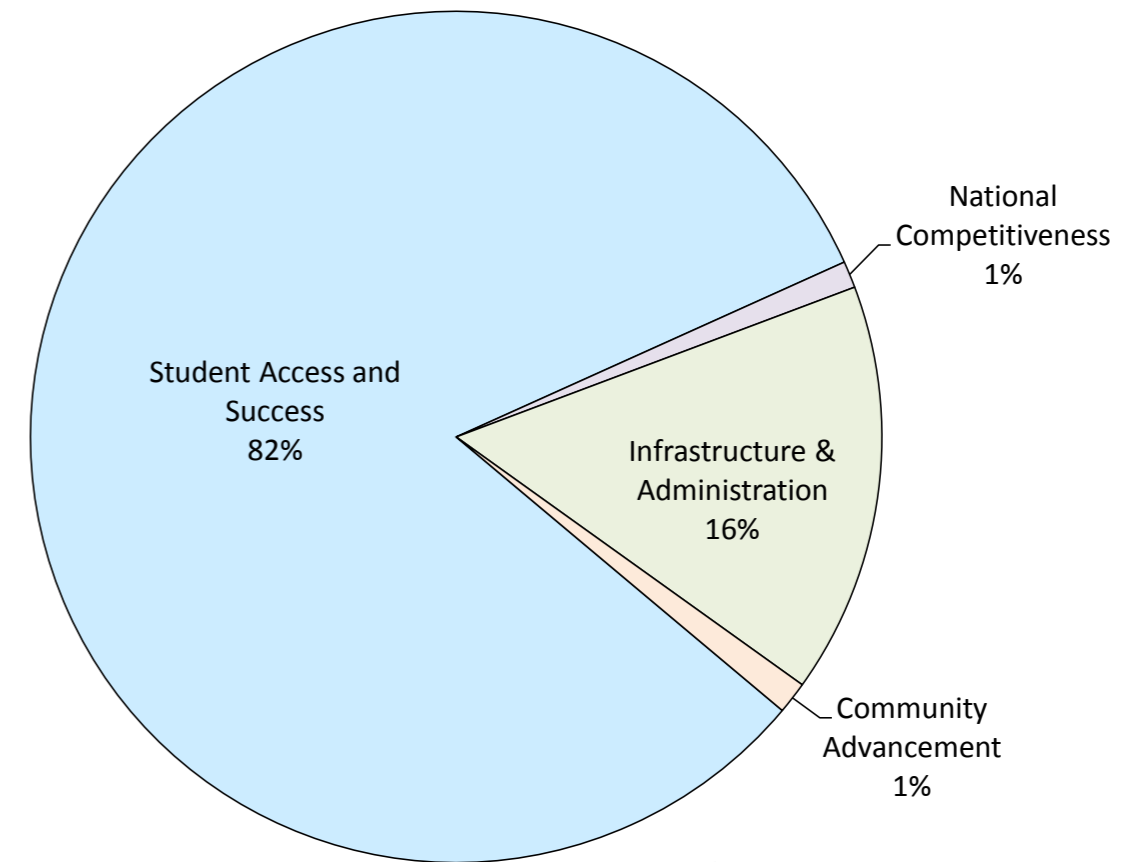
FY2012

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$49.3 Million

Operating Budget Use of Funds

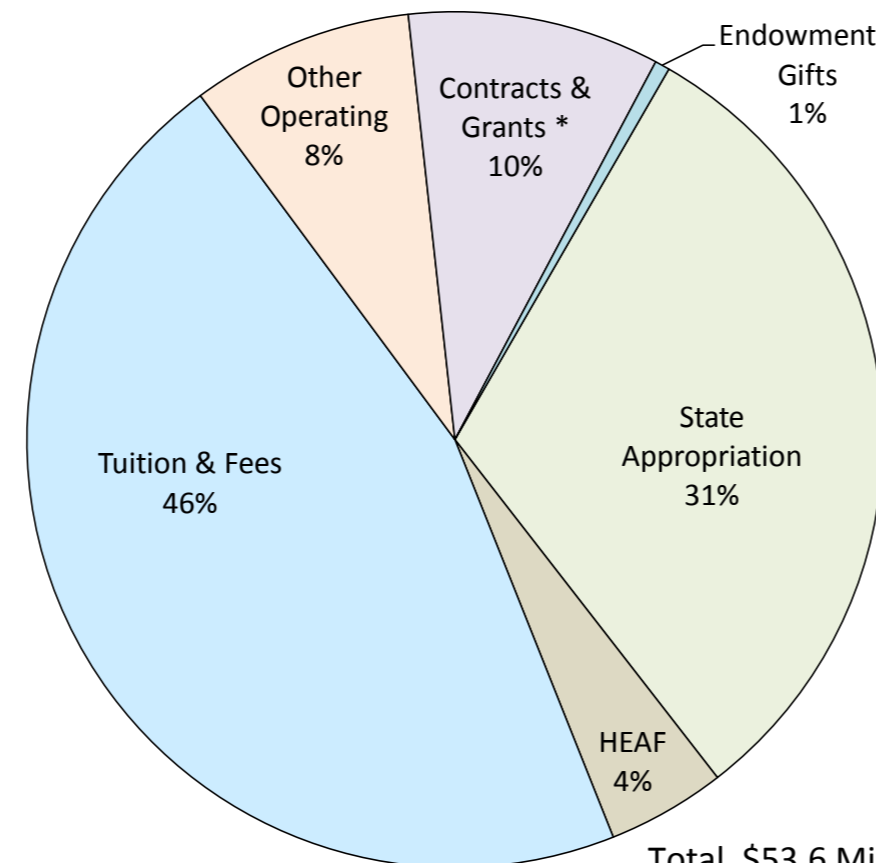


Total \$49.3 Million

Total Budget

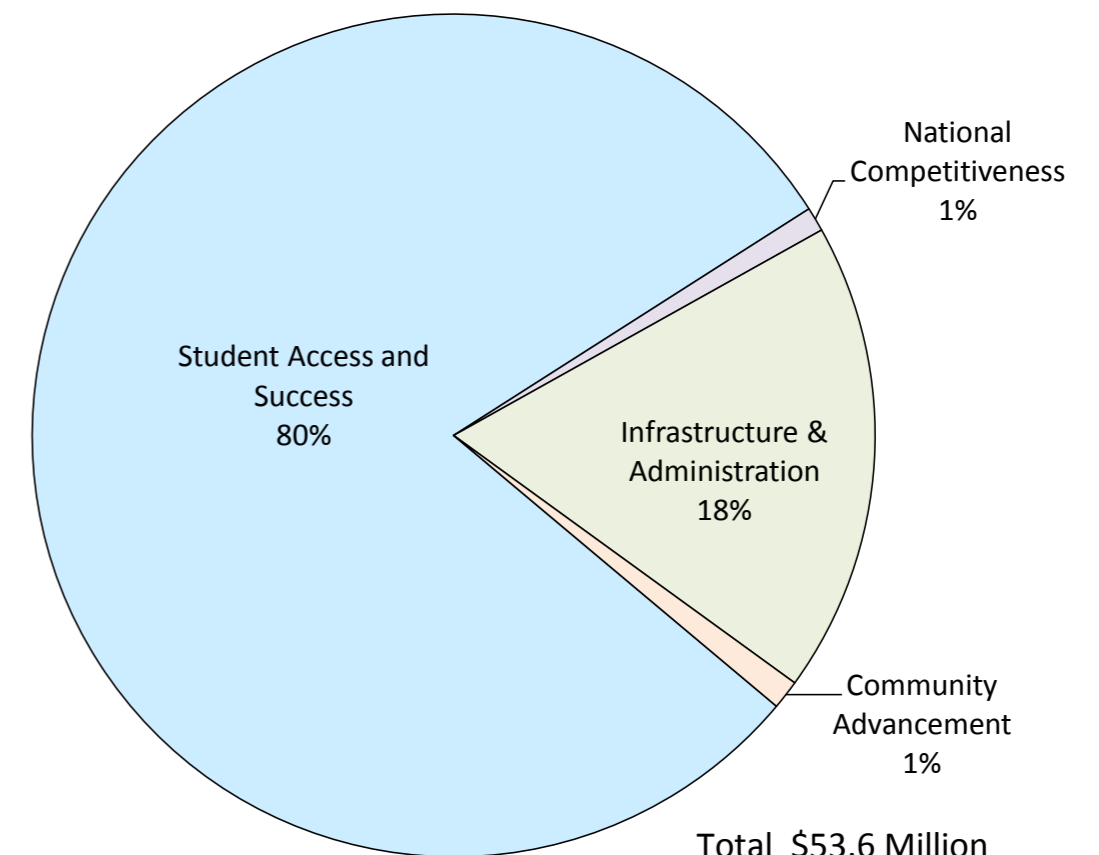
	<u>\$ Millions</u>
Operating Budget	\$ 49.3
Capital Facilities	6.9
Total	\$ 56.2

Operating Budget Source of Funds



* Includes Federal Financial Aid Total \$53.6 Million

Operating Budget Use of Funds



Total \$53.6 Million

Total Budget

	<u>\$ Millions</u>
Operating Budget	\$ 53.6
Capital Facilities	24.8
Total	\$ 78.4

UH-Victoria Operating Budget
Revenues FY2009 - FY2013
\$ in Millions

	A 2009 Actual	B 2010 Actual	C 2011 Actual	D 2012 Budgeted	E 2013 Proposed
1 State Appropriation **	\$18.3	\$18.8	\$18.9	\$16.7	\$16.7
2 HEAF	2.3	2.3	2.4	2.4	2.4
3 Tuition & Fees	14.2	17.2	20.5	22.4	24.6
4 Other Operating	0.7	0.6	1.8	3.5	4.5
5 Contracts & Grants *	3.2	7.1	7.8	4.0	5.1
6 Endowment / Gifts	0.5	0.7	0.6	0.3	0.3
7 Total	<u>\$39.2</u>	<u>\$46.7</u>	<u>\$52.0</u>	<u>\$49.3</u>	<u>\$53.6</u>

* Includes Federal financial aid

** Includes the move of \$4.1 million in debt service to UHSA in FY2012 and \$3.8 million FY2013

UH-Victoria Operating Budget
Expenditures FY2009 - FY2013
 \$ in Millions

	A 2009 Actual	B 2010 Actual	C 2011 Actual	D 2012 Budgeted	E 2013 Proposed
1 Student Access and Success	\$26.6	\$31.5	\$39.2	\$40.5	\$42.8
2 National Competitiveness	0.1	0.1	1.2	0.5	0.5
3 Infrastructure & Administration *	6.5	7.6	12.4	7.7	9.7
4 Community Advancement	1.0	0.8	0.5	0.6	0.6
5 Total	<u>\$34.2</u>	<u>\$40.0</u>	<u>\$53.3</u>	<u>\$49.3</u>	<u>\$53.6</u>

* Includes the move of \$4.1 million in debt service to UHSA in FY2012 and \$3.8 million FY2013

**UH-Victoria
FY2013 Operating Budget Expenditures by Function**

	A	B	C	D	E	F	G	H	I	J	K	L
Expenditure Budget	Instruction	Research	Academic Support	Subtotal	Public Service	Student Services	Institutional Support	Physical Plant	Scholarships & Fellowships	Auxiliary Enterprises	FY2013 Total	FY2012 Total
1 Faculty	\$ 9,695,638			\$ 9,695,638							\$ 9,695,638	\$ 9,046,706
2 Non-Tenure Track Faculty											-	
3 Adjunct Faculty	651,713			651,713							651,713	483,159
4 Graduate Assistant	49,000			49,000							49,000	34,000
5 Exempt Staff	2,001,911	98,207	1,915,246	4,015,364	437,984	2,020,757	2,374,093	133,251			8,981,449	8,163,298
6 Non-Exempt Staff	499,109		414,069	913,178	110,997	434,287	438,379	491,597			2,388,438	2,195,644
7 Summer Instruction Salaries	1,552,772			1,552,772							1,552,772	1,496,730
8 Overtime/Longevity/Other	670,481		237,803	908,284	3,339	51,205	40,315	12,355			1,015,498	1,048,279
9 Subtotal	15,120,624	98,207	2,567,118	17,785,949	552,320	2,506,249	2,852,787	637,203			24,334,508	22,467,816
10 Benefits	3,129,804	22,014	715,621	3,867,439	162,893	764,176	716,930	231,705			5,743,143	5,457,017
11 Capital			1,056,110	1,056,110			1,205,394	132,417			2,393,921	2,352,921
12 M&O	1,563,126	6,811	2,566,008	4,135,945	91,677	1,755,666	2,496,091	1,019,594	1,614,935	1,873,405	12,987,313	11,997,686
13 Travel & Business Expense	250,019	5,426	135,686	391,131	41,675	156,696	80,414	3,763			673,679	634,259
14 Scholarship & Fellowship						247,360	193,575		7,050,640		7,491,575	6,381,966
15 Subtotal	1,813,145	12,237	3,757,804	5,583,186	133,352	2,159,722	3,975,474	1,155,774	8,665,575	1,873,405	23,546,488	21,366,832
16 Total Expenditure Budget	\$ 20,063,573	\$ 132,458	\$ 7,040,543	\$ 27,236,574	\$ 848,565	\$ 5,430,147	\$ 7,545,191	\$ 2,024,682	\$ 8,665,575	\$ 1,873,405	\$ 53,624,139	\$ 49,291,665

6.4

University of Houston-Victoria Mission Statement

UHV Mission

UHV is a multi-site university in the Coastal Bend region of Texas. UHV enhances the region through teaching, research, service, and community engagement. Both graduate and undergraduate students enjoy online and face-to-face opportunities in Schools of Arts and Sciences, Business Administration, Education and Human Development, and Nursing. Delivering programs in face-to-face, online and hybrid formats, the University of Houston-Victoria (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. UHV also serves transfer students through articulation agreements with community colleges, including Victoria College. Finally, UHV values civic engagement and service learning by providing students with opportunities 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 trends and 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.

UHV Goals

Goal 1: Teaching and Learning

UHV will provide high-quality instruction and learning support in selected degree programs and with multi-site delivery options.

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

UHV will contribute through research and scholarly activities to the advancement of knowledge in teaching and learning, with the additional goal of increasing 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.

Goal 4: Student Success

UHV will meet the needs of the student body with proven academic strategies for student access and success as well as augment student life through athletics and student organizations.

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, comply with oversight authorities, and

maintain public trust.

Goal 6: University Advancement and Development
UHV will construct a resource base with public and private resources that will meet its multi-site needs and strengthen its multiple delivery models.

Goal 7: Planning, Assessment, and Accountability
UHV will maintain systematic processes for planning and budgeting, for institutional and employee assessment, and for professional development, preserving accountability measures for all required State laws, Coordinating Board mandates, and SACS principles of reaffirmation.

Goal 8: Downward Expansion
UHV endeavors to become a comprehensive, destination university by attracting freshmen and sophomores as well as by developing new undergraduate and graduate programs.

UH-VICTORIA PRIORITIES FOR FY 2013

OVERVIEW

The University of Houston-Victoria is a four-year, master's comprehensive institution, offering 25 bachelors and 15 master's degrees. During fall 2011 total enrollment reached 4,330 students, a 5.7% increase over the previous fall semester. UHV awarded 1,025 degrees in 2011, including 596 baccalaureate and 429 master's degrees.

Making UHV a destination campus continues to be a priority for UHV in 2013. The creation of the UHV Guarantee (which guarantees coverage of all fees and tuition for students who qualify for federal/state aid and whose families earn under \$50,000) will initiate additional growth. Students from families earning \$50,001 and above can qualify for graduated amounts of aid, based on income. In addition UHV will make its application in 2013 to be a federally-designated Hispanic Serving Institution (HSI). This status will make UHV eligible for additional federal grant funding to support student success initiatives and will have implications for the award and administration of financial aid programs, specifically the disbursement of Supplemental Educational Opportunity Grant (SEOG) funds. Given that slightly more than 50% of first- and second-year students now enrolling at UHV are Hispanic, these funds would be useful in implementing tactics that enhance student retention and increase student success.

The UHV planning/budgeting process, which includes open budget hearings, always balances the many locales within its multi-site identity. As such, UHV will continue to be responsive to UH System strategic priorities. It will offer additional academic programs; form additional partnerships with area school districts, community colleges and universities; create synergies with hospitals and health-related organizations; strengthen its ties to area business and industries; support new construction in Victoria; and develop and strengthen international programs and community partnerships.

The major UHV goals for FY 2013 thus include:

1. Student Success
 - Faculty
 - Student Recruitment, Retention, and Graduation
 - Academic Programs and Faculty Recruitment

- Multiple-Delivery Systems
 - UH Sugar Land and UHS Cinco Ranch
 - Destination University/Downward Expansion
2. National Competitiveness
 - Professional Development Opportunities
 - Equity and Competitive Salaries for Faculty
 - Faculty Research
 3. Community Advancement
 - Athletics
 4. University Infrastructure and Administration
 - Technology
 - Operational Support
 - Equitable and Competitive Salaries for Staff
 - Quality Improvements
 - Facilities Expansion

UHV's State Budget for FY2013 – Impact on the University

UHV views this next year with cautious optimism, as constrained resources must manage an expanding enterprise. Since state funding is largely driven by student enrollment, UHV's 56% student enrollment growth over the past 4 years has helped positively shape the size of UHV's state funding. While the Legislature funded a new special item for downward expansion of \$2.1 million per year (\$4.2 million total), the cost of downward expansion to date has exceed \$6 million. An additional reality is that UHV has taken a reduction of \$1.5 million in state funding.

To address the fiscal challenge, UHV has embraced multiple revenue-enhancing strategies. It has increased productivity, efficiency, and job reassignments as three ways of doing more with current resources. But because adding new programs and program concentrations requires additional staffing, UHV is also committed to finding resources for these costs, which are up-front investments in its academic infrastructure—absolutely vital if enrollment is to expand at all levels, from the first- and second-year students to upper-level transfer students, and, of course, the many graduate students who are entering UHV's master's programs. Moreover, UHV is expanding its reach in new locations, with the School of Nursing moving into The Woodlands and the School of Education & Human Development putting courses in Gonzalez. There are additional negotiations with Houston Community College to offer education courses on its Katy campus this fall.

The institution, thus, intentionally will make use of additional funds to spur academic growth in critical fields, at the undergraduate and graduate levels, by targeting programs such as the new Master's in Family Nurse Practitioner, the Master's in International Business, expansion of STEM discipline courses at the lower levels to attract high-ability students, mandated Core Curriculum redesign by the Coordinating Board, and increased support systems for first- and second-year students. To increase retention and graduation rates, UHV plans to coordinate services into a student success ("one-stop shop") model, thereby integrating and enhancing advising, tutoring, financial aid, and early warning or intrusive assistance. Moreover, some funds will be allocated toward student affairs so that stronger linkages between academic and student affairs may also augment students' success rates as they move through their academic careers.

Finally, UHV is not only committed to academic collaboration with other institutions. It also remains committed to the sharing of financial and facilities resources. In Victoria, UHV shares a library and other facilities with Victoria College, which also provides developmental coursework to UHV freshmen. Although UHV is a major player in the delivery of courses at UH Sugar Land and UHS Cinco Ranch, it shares a common staff and contributes proportionally to expenses on the basis of enrollments. At UH Sugar Land, UHV shares facilities and services with Wharton County Junior College and shares library resources with Fort Bend County. 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 role in limiting the cost of delivering instruction and student services.

PRIORITY 1. STUDENT SUCCESS

CONTEXT

The downward expansion of UHV in 2010 has entailed a sea change in the approaches for student access and success, necessitating an emphasis on retention of first- and second-year students and on funneling resources into those strategies that support the recruitment, admission, enrollment, and retention of freshmen and sophomores. While implementing its new, additional goal of becoming a destination university, UHV will continue its historical mission of serving non-traditional students on the Victoria campus, UH Sugar Land, UHS Cinco Ranch, and online. Semester credit hours generated by online courses have increased from 12,698 in fall 2007 to 21,371 in fall 2011, an increase of approximately 68%. Off-campus instruction (face-to-face and via ITV) increased from 5,297 to 8,021 SCH during the same time period, which is a 52% increase. To better reach and respond to students, UHV has implemented online student orientation, advising and tutoring.

The institution has been encouraged by recent survey data that students have noticed these efforts. Based on the cohort of first-time, full-time entering juniors who entered in fall 2007, 70.3% graduated within a four-year period, UHV led the State 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. As UHV enters a new era as a destination university, it will continue to enhance its student success initiatives.

In programmatic terms for FY 2013, UHV expects to expand its RN to BSN degree program in The Woodlands, feed the upward growth trend in the School of Business Administration's graduate business degrees, augment its new major in Spanish, establish degree opportunities on site in Gonzales County, and continue participating in a System-wide "consortium" approach to the delivery of baccalaureate and Master's programs in the Houston area. Moreover, UHV plans to teach courses at Houston Community College's campus in Katy as well as to continue its discussions with Victoria College and other community colleges regarding reverse articulation agreements that would provide additional seamless access points for transfer students seeking baccalaureate degrees, while not damaging community college completion rates if students attended UHV programs prior to the receipt of a two-year degree.

FY 2013 BUDGET INITIATIVES

- *Faculty (\$350,269 New Resources)*
With significant enrollment growth and several new programs, UHV will be able to serve significantly more students. For FY 2013, ten new faculty positions will be funded, along with one-time funding to help support an endowed professorship.
- *Student Recruitment, Retention and Graduation (\$374,718 New Resources, \$21,692 HEAF)*
Besides expanding academic programs, enrollment growth requires a strong commitment to student recruitment and retention. UHV will expand new student orientation and retention programs, construct an academic support lab, and hire academic advisors, student mentors, and tutors. Specifically, new funding will be used for the UHV Guarantee, which provides free tuition and fees to freshmen and sophomores from outside the Victoria College service area whose families meet certain income requirements. UHV will also extend and expand its financial aid opportunities for freshmen and sophomores who do not qualify for free tuition and fees based on family income.

- Academic Programs (\$741,579 New Resources, \$282,631 HEAF)*

In 2012, UHV received approval from the UHS Board of Regents and the Texas Higher Education Coordinating Board (THECB) to add the following degree programs: B.A. in Spanish and B.B.A. in Finance. As a result of a reduction in state funding for special items, additional funding will be directed toward nursing programs. HEAF funds will be used to upgrade instructional technology and instructional laboratories. Approximately 70% of HEAF funds dedicated to academic programs will be used for technology.
- Multiple Delivery Systems (\$334,750 HEAF)*

UHV will continue to support Blackboard course management and incorporate multi-media in online courses using lecture capture technology. UHV will continue utilizing HEAF and additional Library fees to enhance electronic library services and resources and to extend instructional support services. Approximately 60% of HEAF funds dedicated to this initiative will be used for technology.
- UH Sugar Land and UHS Cinco Ranch (\$70,257 New Resources)*

UHV assists in supporting, developing and expanding the UH/UH System presence in Fort Bend County. Both off campus sites are supervised by the Associate Vice Chancellor for UH 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 nearly 32% of UHV's total semester credit hour generation in fall 2011. UHV remains committed to providing high-quality programs and support services to students and faculty in Fort Bend County.

Local funds will be utilized to support Sugar Land and Cinco Ranch service charges. HEAF was utilized in 2012 to fund library space in the new Ft. Bend County Library located at the UH Sugar Land campus and remodel classrooms for additional faculty offices. UHV also employed HEAF funds to purchase new copiers at UH Sugar Land, which UHV faculty and staff, UH System staff, and other parties may use.
- Destination University-Downward Expansion (\$40,000 New Resources, \$800,000 HEAF)*

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 for two years (\$4.2 million total). This funding is being used to support multiple activities related to downward expansion that the university has already instituted. Such activities are hiring of new faculty; adding personnel and operational funding for student recruitment, retention and graduation efforts; and increasing academic programs.

PRIORITY 1. INVESTMENT OF RESOURCES IN FY 2013 INITIATIVES

	<u>New Resources</u>	<u>HEAF</u>	<u>Total</u>
Faculty	\$350,269		\$350,269
Student Recruitment, Retention & Graduation	374,718	21,692	396,410
Academic Programs	741,579	282,631	1,024,210
Multiple Delivery Systems		334,750	334,750
UH Sugar Land & UHS Cinco Ranch	70,257		70,257
Destination University-Downward Expansion	40,000	800,000	840,000
Total	\$1,576,823	\$1,439,073	\$3,015,896

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. UHV faculty members have also been increasingly productive in publishing research and securing external grants. The percentage of proposals awarded was 45% in FY 2011, during which UHV received 13 new awards. The number of active awards has increased from 18 in FY10 to 20 in FY11.

In addition, UHV has received national recognition for the quality of its programs from many sources:

The UHV School of Business Administration (SoBA) has received several citations, including: *Princeton Review*—Greatest Opportunity for Minority Students (#3) (2010); Get Educated.com for Global MBA (#4), Strategic MBA (#17), and Best Buy Bachelor’s Business & Management (#6) (2009); and 2008 Education Award finalist by the U.S. Association of Small Business and Entrepreneurship.

The UHV School of Arts and Sciences is becoming a national leader in the area of publishing. Because of the *American Book Review* and other nationally recognized publications on campus, Victoria is 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. Recently, ABR reached an important milestone when it brought in Robert Coover, one of the most famous American writers of the past thirty years and a director of creative writing at Brown University, who gave a reading to the campus and civic communities.

The UHV 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.

The UHV School of Education & Human Development (SoEHD) 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. All of its programs have passage rates on State licensure examinations of over 90%.

FY 2013 BUDGET INITIATIVES

- *Professional Development Opportunities (\$37,366 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.

- *Equity and Competitive Salaries for Faculty (\$323,644 New Resources)*
 Faculty promotion salary adjustments for full-time tenure-track faculty will continue to be 4% for assistant professors promoted to associate professors and 6% for associate professors promoted to full professors. 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 providing funds are available. Merit adjustments of 2.5% will also be allocated to faculty based on FY 2012 evaluations. Each UHV School has a system of merit evaluation with clear and substantial differentials to encourage meritorious performance. Equity adjustments are based on CUPA averages, the standards in the field of evaluating faculty salaries. Non-academic units, too, have merit-based evaluations and merit differentials based on performance.
- *Faculty Research (\$17,612 New Resources)*
 The UHV Research Administrator works with faculty on writing and submitting grant proposals for external funding as well as administering awarded programs. To support these efforts another grant writer position will be considered.

PRIORITY 2. INVESTMENT OF RESOURCES IN FY 2013 INITIATIVES

	<u>New Resources</u>	<u>HEAF</u>	<u>Total</u>
Professional Development Opportunities	\$37,366		\$37,366
Equity & Competitive Salaries for Faculty	323,644		323,644
Faculty Research	17,612		17,612
Total	\$378,622		\$378,622

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). The SBDC 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 have an impact on small business development, growth, and sustainability. In FY 2010, the SBDC assisted local businesses in raising \$12.7 million in capital; that value increased to \$13.5 million in FY 2011. SBDC staff also conducted 4,595 hours of direct counselor activity with center clients.

In addition, faculty and staff have funded grants 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 academic programs and opportunities in theatre, music, graphic and other creative arts, and lacks sports and fitness facilities; but these are available in the community.

Finally, UHV Athletics is an important way in which we enrich the Victoria community. 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. Our softball team currently is completing in Georgia to go to the national tournament. Total season attendance at baseball and softball games was approximately 14,200 people.

FY 2013 BUDGET INITIATIVES

- *Athletics (\$116,222 New Resources)*

The Athletics Program has notably raised UHV’s visibility and awareness within the community and has helped recruit students to Victoria. Increased funding for scholarships, training, medical supplies, equipment, facilities rental, entry fees, uniforms, travel, lodging, and meals are being provided to support the continued growth of this program.

PRIORITY 3. INVESTMENT OF RESOURCES IN FY 2013 INITIATIVES

	<u>New Resources</u>	<u>HEAF</u>	<u>Total</u>
Athletics	\$116,222		\$116,222
Total	\$116,222		\$116,222

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.

FY 2013 BUDGET INITIATIVES

- *Technology (\$84,469 New Resources, \$136,487 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 cycles, server replacements and upgrades, network equipment and upgrades, and classroom technology support. UHV is also upgrading IT capacity within student housing to meet the increasing demands from residential students. Local funds will be utilized to purchase software for labs and academic programs. HEAF funding will be utilized for upgrades and improvements described above.
- *Operational Support (\$478,826 New Resources, \$685,944 HEAF)*
New funding will be used to support additional staff in key areas and maintenance and operations. UHV will continue to make administrative investments needed to insure efficient and effective operations throughout the University. Local funding will be provided for additional utility, insurance, and custodial costs associated with increased facility size and users. HEAF funds will be used for plant support, campus security and technology.
- *Equitable and Competitive Salaries for Staff (\$377,497 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 FY 2012 fiscal year. Merit adjustment of 2.5% will be allocated based on FY 2012 employee evaluations. The new resources will be used for increased costs of employee benefits, consultant services for salary surveys and merit, equity and reclassifications.
- *Quality Improvements (\$73,135 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 plans to implement the transfer credit and student advising modules to help improve advising and other student services. In spring 2012, UHV started 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.

- *Facilities (\$88,631 New Resources, \$132,417 HEAF)*

Facility improvements will include areas such as roof repairs, renovations, continued maintenance, and additional security lighting. UHV will use HEAF funds to acquire and remodel, as needed, a building to meet the needs of UHV's physical plant and for facility maintenance campus wide.

PRIORITY 4. INVESTMENT OF RESOURCES IN FY 2013 INITIATIVES

	<u>New Resources</u>	<u>HEAF</u>	<u>Total</u>
Technology	\$84,469	\$136,487	\$220,956
Operational Support	478,826	685,944	1,164,770
Equitable & Competitive Salaries for Staff	377,497		377,497
Quality Improvements	73,135		73,135
Facilities	88,631	132,417	221,048
Total	\$1,102,558	\$954,848	\$2,057,406

University of Houston-Victoria
Appendix A - Allocation of New FY 2013 Resources

Revenue Changes		A
Appropriations Bill		
1	General Revenue	\$ (3,315)
2	Estimated Rider Reductions	9,471
3	Subtotal Appropriations	<u>6,156</u>
Tuition and Fees		
4	Statutory Tuition	525,971
5	Designated Tuition	927,096
6	Academic Fees	612,878
7	Student Service Fee	143,232
8	Subtotal Tuition and Fees	<u>2,209,177</u>
9	Total Net Revenue	<u><u>\$ 2,215,333</u></u>

Reallocations/Reductions		B
1	Departmental Reductions	\$ (441,440)
2	FY2012 Reductions	(517,452)
3	Subtotal-Reallocations/Reductions	<u><u>\$ (958,892)</u></u>

Priority/Initiative Allocations		C
Priority 1. Student Access and Success		
4	Faculty	\$ 350,269
5	Student Recruitment, Retention and Graduation	374,718
6	Academic Programs	741,579
7	UH System Service Charge, UH Sugar Land & UHS Cinco Ranch	70,257
8	Destination University - Downward Expansion	40,000
9	Subtotal - Student Access and Success	<u>1,576,823</u>
Priority 2. National Competitiveness		
10	Professional Development Opportunities	37,366
11	Equity and Competitive Salaries for Faculty	323,644
12	Faculty Research	17,612
13	Subtotal - National Competitiveness	<u>378,622</u>
Priority 3. University Infrastructure & Administration		
14	Technology	84,469
15	Operational Support	478,826
16	Equitable and Competitive Salaries for Staff	377,497
17	Quality Improvements	73,135
18	Facilities	88,631
19	Subtotal - University Infrastructure & Administration	<u>1,102,558</u>
Priority 4. Community Advancement		
20	Athletics	116,222
	Subtotal - Community Advancement	<u>116,222</u>
21	Total Priority/Initiative Allocations	<u><u>\$ 3,174,225</u></u>

22 Total Net Reductions and New Allocations	<u><u>\$ 2,215,333</u></u>
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University of Houston-Victoria
Appendix B - Allocation of FY 2013 HEAF

<u>FY13 Allocation</u>	
HEAF Annual Allocation	\$ 2,393,921
1 Total Available	<u>\$ 2,393,921</u>

<u>Priority/Initiative</u>	<u>Allocation</u>
Priority 1. Student Access and Success	
Student Recruitment, Retention, and Graduation	\$ 21,692
Academic Programs	282,631
Multiple Delivery Systems	334,750
Destination University - Downward Expansion	800,000
Subtotal	<u>\$ 1,439,073</u>
Priority 3. University Infrastructure & Administration	
Technology	\$ 136,487
Operational Support	685,944
Facilities	132,417
Subtotal	<u>\$ 954,848</u>
Total New Investments	<u>\$ 2,393,921</u>

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

	<u>FY2012</u>	<u>FY2013</u>
Funds from Endowed Scholarships	\$ 202,258	\$ 186,457
State Scholarships		
Texas Grant Program Scholarship	480,000	515,000
Accounting Scholarship	5,000	5,000
Texas Public Education Grant (TPEG)	771,144	819,347
Designated Tuition Financial Aid Set-Asides		
Undergraduate Scholarships	513,924	774,300
Graduate Scholarships	424,773	467,750
Institutional Scholarships	80,000	80,000
MBA Scholarships	40,000	40,000
Staff Scholarships	80,000	80,000
Athletic Scholarships	242,360	247,360
Jaguar Pledge Scholarships	400,000	400,000
Presidential Scholarships		30,000
Spirit of the Jaguar Scholarships		5,000
Employee Tuition Exchange Program with Victoria College	15,000	15,000
Texas College Work Study	14,604	14,604
Federal College Work Study	60,000	80,000
Federal Pell Grants	3,000,000	4,000,000
Federal Supplemental Education Opportunity Grants (SEOG)	42,801	45,655
Top 10% Scholarship		12,000
Teach Grant	-	24,000
Total	<u>\$ 6,371,864</u>	<u>\$ 7,841,473</u>

University of Houston-Victoria

Table 1 - Sources & Uses

(\$ in Millions)

	A	B		C	D	E		F	G
	<u>Historical</u>	-----Change-----			<u>Current</u>	-----Change-----			<u>New</u>
	FY2011 Budget	Dollars	Percent		FY2012 Budget	Dollars	Percent		FY2013 Budget
<u>Operating & Restricted Budget</u>									
Source of Funds									
1 State Appropriations	\$ 16.3	\$ 0.4	2.4%		\$ 16.7	\$ 0.0	0.0%		\$ 16.7
2 HEAF	2.1	(1.3)	-59.5%		0.9	(0.8)	-97.7%		0.0
3 Tuition & Fees	17.8	4.6	25.5%		22.4	2.2	9.9%		24.6
4 Other Operating (Auxiliaries)	5.5	(0.5)	-9.2%		5.0	1.9	38.0%		6.9
5 Contracts & Grants (Restricted)	3.0	1.0	32.9%		4.0	1.1	26.3%		5.1
6 Endowments/Gifts (Restricted)	0.3	(0.0)	-7.2%		0.3	(0.0)	-6.5%		0.3
7 Total Sources	\$ 45.1	\$ 4.2	9.2%		\$ 49.3	\$ 4.3	8.8%		\$ 53.6
Use of Funds by Object									
8 Salaries and Wages - Faculty	\$ 11.0	\$ 1.1	10.3%		\$ 12.1	\$ 0.9	7.1%		\$ 13.0
9 Salaries and Wages - Staff	10.0	0.3	3.2%		10.4	1.0	9.7%		11.4
10 Benefits	5.4	0.0	0.9%		5.5	0.2	3.4%		5.7
11 M&O	10.9	0.8	7.7%		11.7	0.7	6.2%		12.4
12 Capital Equipment	2.3	0.0	2.1%		2.4	0.0	1.7%		2.4
13 Scholarships	4.0	2.4	59.5%		6.4	1.1	17.4%		7.5
14 Debt Service	0.4	0.1	16.4%		0.5	0.4	71.5%		0.7
15 Utilities	0.4	0.1	25.7%		0.4	0.1	11.4%		0.5
16 Reserve for State Budget Reduction	0.8	(0.8)	-100.0%		-	-			-
17 Total Uses	\$ 45.1	\$ 4.2	9.2%		\$ 49.3	\$ 4.3	8.8%		\$ 53.6
<u>Capital Facilities Budget</u>									
Source of Funds									
18 HEAF	\$ 0.2	\$ 1.3	564.7%		\$ 1.5	\$ 0.8	54.0%		\$ 2.4
19 Bonds	4.2	1.1	25.7%		5.3	16.4	308.7%		21.7
20 Gifts	0.1	(0.1)	-72.3%		0.0	0.0	92.3%		0.0
21 Other	0.1	(0.0)	-18.3%		0.1	0.5	716.1%		0.6
22 Total Sources	\$ 4.6	\$ 2.3	49.8%		\$ 7.0	\$ 17.8	255.8%		\$ 24.7
Use of Funds by Object									
23 Construction	\$ 4.0	\$ 2.0	50.0%		\$ 6.0	\$ 13.3	221.8%		\$ 19.3
24 Major Rehabilitation	0.6	0.3	48.8%		1.0	4.5	470.5%		5.4
26 Total Uses	\$ 4.6	\$ 2.3	49.8%		\$ 7.0	\$ 17.8	255.8%		\$ 24.7
<u>Total Operating, Restricted and Capital Budget</u>									
27	\$ 49.8	\$ 6.5	13.0%		\$ 56.2	\$ 22.1	39.3%		\$ 78.4

University of Houston-Victoria
Table 2 - Operations

Source of Funds	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
General Funds				
State General Revenue Appropriations				
Formula Funding	\$ 13,072,940	\$ (3,315)	0.0%	\$ 13,069,625
Special Items	754,628			754,628
Less: Rider Reduction Estimates	(192,507)	9,471	-4.9%	(183,036)
State Benefits Appropriation	3,042,655	(2,813)	-0.1%	3,039,842
Subtotal State General Revenue Appropriations	16,677,716	3,343	0.0%	16,681,059
Tuition and Fees				
Statutory & Graduate Premium	6,922,270	525,971	7.6%	7,448,241
Lab/other Student Fees	6,000			6,000
Subtotal Tuition and Fees	6,928,270	525,971	7.6%	7,454,241
HEAF	2,393,921			2,393,921
Income on State Treasury Deposits	22,382			22,382
Fund Balance	-	509,535	na	509,535
Subtotal General Funds	26,022,289	1,038,849	4.0%	27,061,138
Designated				
Tuition and Fees				
Designated Tuition - General	10,038,374	927,096	9.2%	10,965,470
Technology Fee	2,047,479	290,494	14.2%	2,337,973
Major/Department/Class Fees	1,496,366	322,384	21.5%	1,818,750
Subtotal Tuition and Fees	13,582,219	1,539,974	11.3%	15,122,193
Indirect Cost	23,167			23,167
Investment Income on Non-Endowed Funds	104,215	(51,392)	-49.3%	52,823
Contracts / Grants / Gifts	54,700			54,700
Self Supporting Organizations/Others	923,151	40,953	4.4%	964,104
Fund Balance	1,192,157	(89,400)	-7.5%	1,102,757
Subtotal Designated Funds	15,879,609	1,440,135	9.1%	17,319,744
Auxiliary Enterprises				
Student Fees				
Student Service Fee	1,804,851	143,232	7.9%	1,948,083
Other Student Fees	80,000			80,000
Subtotal Student Fees	1,884,851	143,232	7.6%	2,028,083
Sales & Service - Student Housing/Meal Plans	2,012,000	719,000	35.7%	2,731,000
Sales & Service - Athletics/Hotel/UC/Other	9,900	-		9,900
Subtotal Auxiliary Funds	3,906,751	862,232	22.1%	4,768,983
Total Current Operating Funds	45,808,649	3,341,216	7.3%	49,149,865
Interfund Transfer	(856,826)	(53,560)	6.3%	(910,386)
Total Sources	\$ 44,951,823	\$ 3,287,656	7.3%	\$ 48,239,479
Use of Funds by Object				
Salaries and Wages	\$ 22,276,835	\$ 1,827,568	8.2%	\$ 24,104,403
Benefits	5,403,540	297,313	5.5%	5,700,853
M&O	11,419,372	788,594	6.9%	12,207,966
Capital	2,352,921	41,000	1.7%	2,393,921
Scholarships	2,567,201	31,556	1.2%	2,598,757
Debt Service	491,954	251,625	51.1%	743,579
Utilities	440,000	50,000	11.4%	490,000
Total Uses	\$ 44,951,823	\$ 3,287,656	7.3%	\$ 48,239,479

University of Houston-Victoria

Table 3 - Restricted

Source of Funds	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
Restricted				
Contracts and Grants				
Research	\$ 439,396	\$ (29,730)	-6.8%	\$ 409,666
Financial Aid	3,602,405	1,093,854	30.4%	4,696,259
Endowment Income	202,258	(15,801)	-7.8%	186,457
Other Restricted	95,783	(3,505)	-3.7%	92,278
Total Current Operating Funds	4,339,842	1,044,818	24.1%	5,384,660
Total Sources	\$ 4,339,842	\$ 1,044,818	24.1%	\$ 5,384,660
Use of Funds by Object				
Salaries and Wages	\$ 190,981	\$ 39,124	20.5%	\$ 230,105
Benefits	53,477	(11,187)	-20.9%	42,290
M&O	280,619	(61,172)	-21.8%	219,447
Scholarships	3,814,765	1,078,053	28.3%	4,892,818
Total Uses	\$ 4,339,842	\$ 1,044,818	24.1%	\$ 5,384,660

University of Houston-Victoria

Table 4 - Capital Projects

	Project to Date (1)	FY2013 Budget	Future Year Budgets	Total Project Budget	-----Funded From-----			
					HEAF	Revenue Bonds	Gifts	Other
New Construction								
Student Housing - Jaguar Suites	\$ 3,000,000	\$ 8,300,000		\$ 11,300,000	\$ 800,000	\$ 10,500,000		
Academic/Economic Development Building	200,000	5,000,000	\$ 6,319,000	11,519,000	2,200,000	8,519,000		\$ 800,000
Purchase 2 lots for future student housing		560,000		560,000		560,000		
Purchase Arlington Apartments		2,250,000		2,250,000		2,250,000		
Purchase Casa Del Rio Apartments		3,200,000		3,200,000		3,200,000		
Subtotal New Construction	\$ 3,000,000	\$ 19,310,000	\$ 6,319,000	\$ 28,829,000	\$ 3,000,000	\$ 25,029,000	\$ -	\$ 800,000
Major Repair and Rehabilitation								
Renovate Arlington Apartments		\$ 2,500,000		\$ 2,500,000		\$ 2,500,000		
Renovate Casa Del Rio Apartments		2,500,000		2,500,000		2,500,000		
Facilities Service Building		300,000		300,000	300,000			
Athletic offices and trainer facility		120,000		120,000			80,000	40,000
Subtotal Major Repairs & Rehabilitation	\$ -	\$ 5,420,000	\$ -	\$ 5,420,000	\$ 300,000	\$ 5,000,000	\$ 80,000	\$ 40,000
Total	\$ 3,000,000	\$ 24,730,000	\$ 6,319,000	\$ 34,249,000	\$ 3,300,000	\$ 30,029,000	\$ 80,000	\$ 840,000

(1) Project expenditures to date estimated through August 31, 2012

6.23

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

Employee Classification	FY2012 Budget	-----Change-----		FY2013 Budget
		FTE	Percent	
Faculty	129	4	3.1%	133
Part-time Faculty	46	1	2.2%	47
Professional Staff	168	11	6.5%	179
Classified Staff	106	6	5.7%	112
Temporary Staff	26	1	2.9%	27
Total	475	23	4.8%	498

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

	FY2009 Actuals	FY2010 Actuals	FY2011 Actuals	FY2012 Budget	FY2013 Budget	FY13 vs FY12 Change
Semester Credit Hours						
Lower Division			10,731	11,896	13,608	1,712
Upper Division	39,125	44,901	45,487	44,753	46,685	1,932
Masters	23,206	27,015	27,483	30,671	31,746	1,075
Total	62,331	71,916	83,701	87,320	92,039	4,719
Semester Credit Hours-On/Off Campus						
On Campus	5,559	6,063	11,524	13,098	16,601	3,503
Off Campus	56,772	65,853	72,177	74,222	75,438	1,216
Total	62,331	71,916	83,701	87,320	92,039	4,719
Fall Headcount	3,174	3,655	4,095	4,259	4,387	128
Fall FTE	2,224	2,626	3,115	3,194	3,290	96

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

Sources	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
Current Year Revenue	\$ 1,884,851	\$ 143,232	7.6%	\$ 2,028,083
Total Sources	\$ 1,884,851	\$ 143,232	7.6%	\$ 2,028,083
Allocations				
Financial Aid	\$ 434,784			\$ 434,784
Student Relations	53,877			53,877
Student Senate	4,000	8,000	200.0%	12,000
Registrar	191,921	1,710	0.9%	193,631
Publications	9,000			9,000
Student Organization	3,250			3,250
SS Fees Contingency	759,754	836	0.1%	760,590
Special Events	11,150			11,150
Student Service Support	35,025			35,025
Credit Card Support	70,000			70,000
Parking	1,000.00			1,000
Telecommunications Service	14,566			14,566
Transcripts	7,000			7,000
Commencement	52,000			52,000
Graduation & Diploma	10,000			10,000
VIP/Registration Support	9,000			9,000
Career Services	106,795	2,026	1.9%	108,821
ADA Compliance	1,000			1,000
International Student Relations	6,000			6,000
Jaguar Journey		6,000	na	6,000
Student Transportation		71,200	na	71,200
Community and Alumni Relations	21,750			21,750
Athletics	82,979	53,460	64.4%	136,439
Total Allocations	\$ 1,884,851	\$ 143,232	7.6%	\$ 2,028,083

University of Houston-Victoria

Note to Table 2: Operations Expenditures By Organization

	FY2012 Budget	-----Change-----		FY2013 Budget
		Dollars	Percent	
Use of Funds by Organization				
President				
President's Office	\$ 1,794,020	\$ 64,391	3.6%	\$ 1,858,411
Human Resources	488,069	(223)	0.0%	487,846
Marketing	603,546	(8,379)	-1.4%	595,167
Subtotal President	2,885,635	55,789	1.9%	2,941,424
University Advancement	369,617	42,361	11.5%	411,978
Academic Affairs				
Office of the Provost	1,846,419	(454,583)	-24.6%	1,391,836
Arts and Sciences	4,181,110	316,617	7.6%	4,497,727
Business Administration	5,850,498	395,442	6.8%	6,245,940
Small Business Development Center	220,050			220,050
Education	3,002,312	(266,321)	-8.9%	2,735,991
Nursing	1,672,194	71,486	4.3%	1,743,680
Student Affairs	3,047,559	32,138	1.1%	3,079,697
Library	1,126,351	256,306	22.8%	1,382,657
Subtotal Academic Affairs	20,946,493	351,085	1.7%	21,297,578
Scholarships	2,567,201	31,556	1.2%	2,598,757
Administration and Finance				
Office of the VP Administration and Finance	1,361,174	108,237	8.0%	1,469,411
Budget	134,644	1,400	1.0%	136,044
Business Services	985,698	40,908	4.2%	1,026,606
Finance	429,516	6,636	1.5%	436,152
Information Technology	1,940,020	42,697	2.2%	1,982,717
Plant Operations	1,318,193	13,987	1.1%	1,332,180
Subtotal Administration and Finance	6,169,245	213,865	3.5%	6,383,110
Other				
Staff Benefits	5,403,540	297,313	5.5%	5,700,853
Contingency	876,108	(87,149)	-9.9%	788,959
Debt Service	491,954	251,625	51.1%	743,579
System Service Charge	3,245,984	70,257	2.2%	3,316,241
Utilities	440,000	50,000	11.4%	490,000
Student Housing Services/Meal Plan	1,556,046	2,010,954	129.2%	3,567,000
Subtotal Other	12,013,632	2,593,000	21.6%	14,606,632
Total Uses	\$ 44,951,823	\$ 3,287,656	7.3%	\$ 48,239,479

University of Houston-Victoria

Note to Table 3: Restricted Expenditures By Organization

	FY2012	-----Change-----		FY2013
	Budget	Dollars	Percent	Budget
Use of Funds by Organization				
President	\$ 62,808	\$ (1,726)	-2.7%	\$ 61,082
Academic Affairs				
Office of the Provost	32,975	(31,837)	-96.5%	1,138
Research Development		30,058	na	30,058
School of Nursing	150,000	(50,000)	-33.3%	100,000
Small Business Development Center	279,396	20,270	7.3%	299,666
Financial Aid	202,258	(15,801)	-7.8%	186,457
Subtotal Academic Affairs	664,629	(47,310)	-7.1%	617,319
Scholarships	3,612,405	1,093,854	30.3%	4,706,259
Total Uses	\$ 4,339,842	\$ 1,044,818	24.1%	\$ 5,384,660

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.