

University of Houston System FY2017 Annual Budget

May 19, 2016



UH System Accomplishments

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

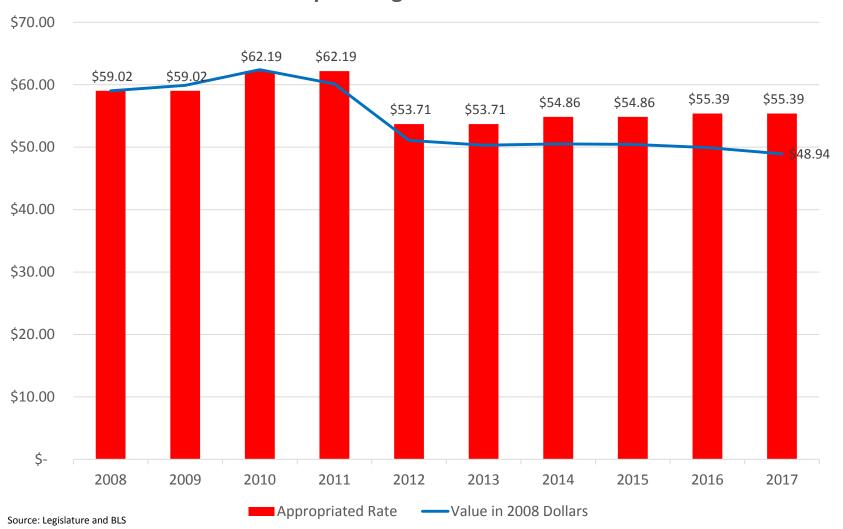


UH System FY17 Budget Summary

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



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





* Includes Federal Financial Aid

* Includes Federal Financial Aid

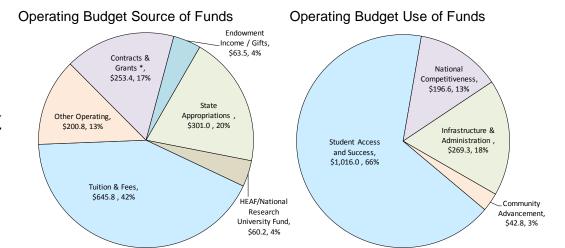
University of Houston System Budget

Total \$1,524.7 Million

Total \$1,603.6 Million

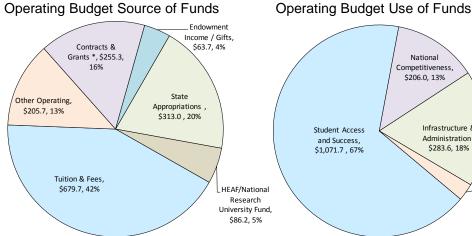
FY2016

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



FY2017

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



National Competitiveness. \$206.0, 13% Infrastructure & Student Access Administration, and Success, \$1,071.7,67% \$283.6, 18% Community Advancement, \$42.3, 2%

Total \$1,524.7 Million



Capital Construction Budget FY2017 Project Expenditures by University

UH Capital Projects FY2017		UH-Downtown Capital Projects FY2017				
Description	FY2017	Description	FY2017			
Multi-Disciplinary Research & Engineering Bldg.	12,607,508	STEM Building	2,000,000			
Health & Bio Science 2	44,700,000	PeopleSoft - Student	1,410,000			
Capital Renewal Deferred Maintenance	8,000,000	Renovations/Adaptations	1,000,000			
Cougar Sub Station Project	12,603,000	Capitial Renewal Deferred Maintenance	1,632,000			
Garage #5	23,177,000	Total	6,042,000			
TDECU Football Stadium with Band Facility	1,735,892					
Quad Housing	7,605,655					
Academic Building - Sugar Land	5,400,000	UH-Victoria Capital Projects FY20)17			
Basketball Arena	11,573,148	Description	FY2017			
Indoor Football Practice Facility Design	2,000,000	North Building - Complete Shell Space	4,400,000			
ERP Temp Parking	1,013,392	Sophomore Housing	16,600,000			
Land Acquisition in Katy	14,832,000	Student Center	6,000,000			
Total	145,247,595	Learning Commons (Library)	12,500,000			
		Science, Technology Building (STEM)	12,000,000			
UH-Clear Lake Capital Projects FY20	17	Student Recreation/Kinesiology Building	2,000,000			
Description	FY2017	Pedestrian Walkways on Ben Wilson Street	3,700,000			
Recreation Fields	61,300	Downtown Arts Facility Expansion	2,000,000			
Modular Building	109,421	Town Plaza Mall (UHV Extension)	3,700,000			
STEM and Classroom Building	7,200,000	Campus Expansion	2,585,000			
Health Sciences and Classroom Building	2,462,400	Total	65,485,000			
Freshmen Housing	8,821,661					
Dining Facilities	714,000	Total University of Houston System	246,722,150			
Recreation and Wellness Center	8,500,000					
Capital Renewal Deferred Maintenance	1,650,000	System Capital Projects Allocation	on			
Parking Lot/Roadway Maintenance	428,773	Campus	% of Total			
	29,947,555	University of Houston	58.9%			
		UH-Clear Lake	12.1%			
		UH-Downtown	2.4%			
		UH-Victoria	26.5%			
		Total	100.0%			



	University	of Housto	n System O	perating B	udget	
		Revenues	FY2013 - FY	/2017		
		\$	in Millions			
		Α	В	С	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	State Appropriations	\$ 259.5	\$ 279.6	\$ 280.7	\$ 301.0	\$ 313.0
2	HEAF/National Research University Fund	50.9	59.7	59.9	60.2	86.2
3	Tuition & Fees	540.1	561.2	606.5	645.8	679.7
4	Other Operating	132.9	157.9	161.0	200.8	205.7
5	Contracts & Grants *	278.7	276.8	267.7	253.4	255.3
6	Endowment Income / Gifts	72.2	76.8	87.6	63.5	63.7
7	Total	\$1,334.3	\$1,412.0	\$1,463.4	\$1,524.7	\$ 1,603.6
	* Includes Federal financial aid					



	University of Houston System Operating Budget											
	Ехр	enditures	FY2013 - F	Y2017								
	1	\$ in	Millions									
		Α	В	С	D	Е						
		2013	2014	2015	2016	2017						
		Actual	Actual	Actual	Budgeted	Proposed						
1	Student Access and Success	\$ 846.2	\$ 936.0	\$ 952.9	\$ 1,016.0	\$ 1,071.7						
2	National Competitiveness	142.3	157.4	161.7	196.6	206.0						
3	Infrastructure & Administration	185.6	204.6	208.9	269.3	283.6						
4	Community Advancement	44.3	48.0	48.2	42.8	42.3						
5	Total	\$1,218.4	\$1,346.0	\$1,371.7	\$ 1,524.7	\$ 1,603.6						



University of Houston

FY2017 Annual Budget



Recent Accomplishments

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

UNIVERSITY of HOUSTON

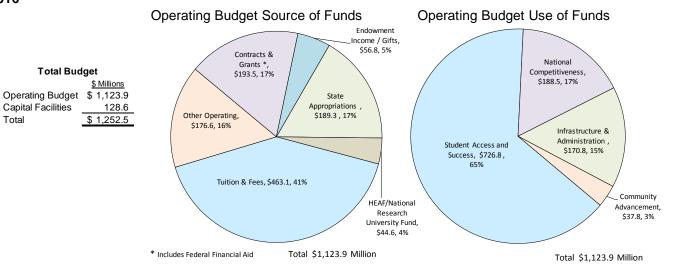


YOU ARE THE PRIDE

University of Houston Budget

FY2016

Total



FY2017

Operating Budget Source of Funds Operating Budget Use of Funds Endowment Income / Gifts, \$57.4, 5% Contracts & National Grants *, Competitiveness, **Total Budget** \$193.3, 17% \$197.7, 17% State Operating Budget \$ 1,174.1 Appropriations . Other \$191.0,16% Capital Facilities 145.2 Operating, Total \$ 1,319.3 \$184.3, 16% Infrastructure & Administration, Student Access \$175.7, 15% and Success. \$762.9,65% HEAF/National Tuition & Fees. Community Research \$485.9, 41% Advancement. University Fund, \$37.8, 3% \$62.2, 5% Total \$1.174.1 Million Total \$1,174.1 Million * Includes Federal Financial Aid



YOU ARE THE PRIDE

	Unive	sity of H	louston Ope	erating Bud	get	
			es FY2013 -			
			\$ in Millions			
		A	В	C	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	State Appropriations	\$161.8	\$ 176.5	\$ 177.5	\$ 189.3	\$ 191.0
2	HEAF/National Research University Fund	35.9	44.7	44.9	44.6	62.2
3	Tuition & Fees	398.7	408.3	435.5	463.1	485.9
4	Other Operating	112.2	135.3	138.7	176.6	184.3
5	Contracts & Grants *	219.6	212.1	204.6	193.5	193.3
6	Endowment Income / Gifts	63.1	66.4	76.8	56.8	57.4
7	Total	\$991.3	\$ 1,043.3	\$ 1,078.0	\$1,123.9	\$ 1,174.1
	* Includes Federal financial aid					



YOU ARE THE PRIDE

	University of Houston Operating Budget											
	E	xpenditu	ıres	s FY201	۱3 -	FY2017						
			\$ ir	n Millions	3							
		А		В		С		D		Е		
		2013		2014		2015		2016		2017		
		Actual		Actual		Actual		Budgeted		Proposed		
1	Student Access and Success	\$613.9		\$682.8		\$ 695.9		\$ 726.8		\$ 762.9		
2	National Competitiveness	137.9		151.8		156.2		188.5		197.7		
3	Infrastructure & Administration	99.1		116.6		119.0		170.8		175.7		
4	Community Advancement	38.9		42.3		42.2		37.8		37.8		
5	Total	\$889.8		\$993.5		\$ 1,013.3		\$1,123.9		\$ 1,174.1		



Use of New Operating Resources: \$30.6 million

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



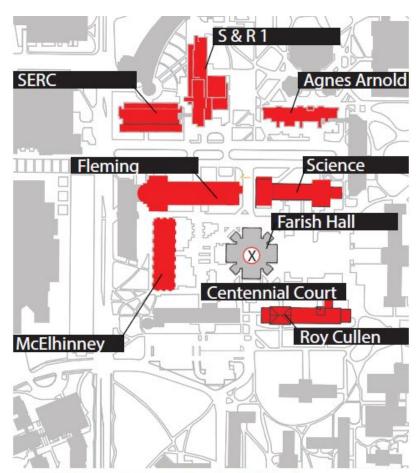
The Core Renovation Program

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



Buildings Under Consideration

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



Proposed Renovation of Legacy Buildings

FY2017 Annual Budget

Recent Accomplishments

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

UH-Clear Lake Budget

FY2016

Operating Budget Source of Funds

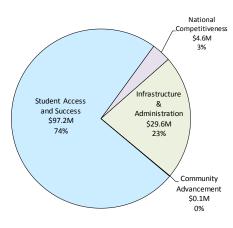
Endowment / Operating, Gifts, \$1.3M \$2.0M 1% 2% Contracts & Grants * \$15.0M 11% State Appropriations Tuition & Fees \$36.8M \$71.1M 28% 54%

* Includes Federal Financial Aid

Total \$131.5 Million

HEAF, \$5,3M

Operating Budget Use of Funds



Total \$131.5 Million

FY2017

Operating Budget Source of Funds

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

Total Budget

Operating Budget \$131.5

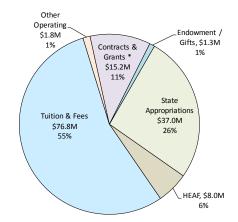
Capital Facilities

Total

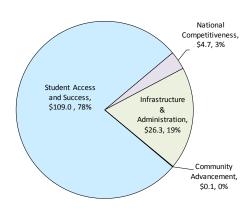
\$ Millions

23.1

\$154.6



Operating Budget Use of Funds



Total \$140.1 Million

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	Ul	H-Clear Lal	ke Operat	ing Budg	et								
			s FY2013 -										
	\$ in Millions												
		Α	В	С	D	E							
		2013	2014	2015	2016	2017							
		Actual	Actual	Actual	Budgeted	Proposed							
1	State Appropriations	\$ 29.1	\$ 30.9	\$ 30.8	\$ 36.8	\$ 37.0							
2	HEAF	5.2	5.2	5.2	5.3	8.0							
3	Tuition & Fees	50.6	56.6	65.6	71.1	76.8							
4	Other Operating	2.6	2.8	2.8	2.0	1.8							
5	Contracts & Grants *	14.2	14.8	15.4	15.0	15.2							
6	Endowment / Gifts	1.7	1.8	1.3	1.3	1.3							
7	Total	\$ 103.4	\$ 112.1	\$121.1	\$ 131.5	\$ 140.1							
	* Includes Federal financial aid	1											

	UH-C	lear Lak	e Operati	ing Budge	t	
	Ex	penditure	es FY2013	- FY2017		
		\$	in Millions			
		Α	В	С	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	Student Access and Success	\$ 77.0	\$ 83.6	\$ 89.9	\$ 97.2	\$ 109.0
2	National Competitiveness	2.0	1.8	1.6	4.6	4.7
3	Infrastructure & Administration	21.4	21.3	22.1	29.6	26.3
4	Community Advancement	0.6	0.4	0.8	0.1	0.1
5	Total	\$ 101.0	\$107.1	\$ 114.4	\$ 131.5	\$ 140.1

Use of New Operating Resources: \$9 million

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



FY2017 Annual Budget



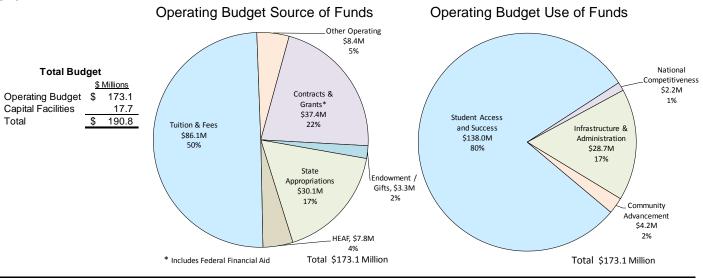
Recent Accomplishments

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



UH-Downtown Budget

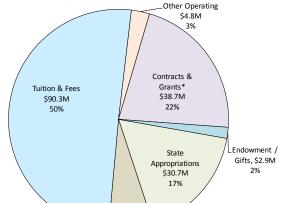
FY2016



FY2017

Total Budget Operating Budget \$ 179.1 Capital Facilities Total 185.1

6.0



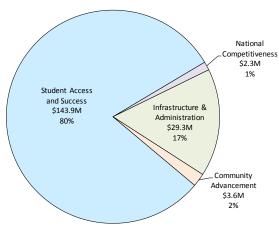
HEAF, \$11.7M

Total \$179.1 Million

Operating Budget Source of Funds

* Includes Federal Financial Aid

Operating Budget Use of Funds



Total \$179.1 Million



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



		UH - 1	Downtown			
	Ex	penditures	s FY2013 -	FY2017		
	I	\$ i	n Millions			
		Α	В	С	D	Е
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	Student Access and Success	\$ 110.3	\$ 119.6	\$ 121.5	\$ 138.0	\$ 143.9
2	National Competitiveness	1.4	2.5	2.5	2.2	2.3
3	Infrastructure & Administration	25.1	26.1	27.0	28.7	29.3
4	Community Advancement	3.8	4.4	4.3	4.2	3.6
5	Total	\$ 140.6	\$ 152.6	\$ 155.3	\$ 173.1	\$ 179.1



Use of New Operating Resources: \$7.8 million

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



University of Houston-Victoria

FY2017 Annual Budget



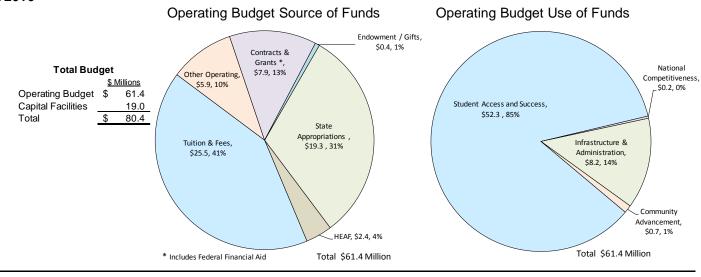
Recent Accomplishments

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



University of Houston-Victoria Budget

FY2016



FY2017

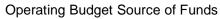
 Total Budget

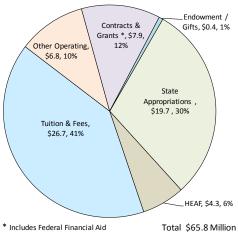
 \$ Millions

 Operating Budget
 \$ 65.8

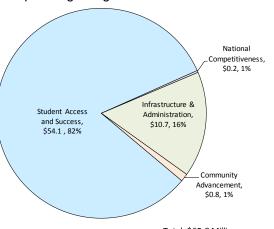
 Capital Facilities
 65.5

 Total
 \$ 131.3





Operating Budget Use of Funds





	University of Houston-Victoria Operating Budget											
			s FY2013									
			\$ in Millions									
		Α	В	С	D	Е						
		2013	2014	2015	2016	2017						
		Actual	Actual	Actual	Budgeted	Proposed						
1	State Appropriations	\$ 17.0	\$ 19.0	\$ 18.9	\$ 19.3	\$ 19.7						
2	HEAF	2.4	2.4	2.4	2.4	4.3						
3	Tuition & Fees	21.7	23.5	24.9	25.5	26.7						
4	Other Operating	2.8	4.1	4.3	5.9	6.8						
5	Contracts & Grants *	6.9	8.3	9.3	7.9	7.9						
6	Endowment / Gifts	0.9	1.4	1.3	0.4	0.4						
7	Total	\$ 51.7	\$ 58.7	\$ 61.1	\$ 61.4	\$ 65.8						
	* Includes Federal financial ai	d										



	University of	Housto	n-\	/ictoria (Ор	erating E	Bu	ıdget					
	Exp	enditure	28	FY2013 -	FY	/2017							
	\$ in Millions												
		Α		В		С		D			E		
		2013		2014		2015		2016		2	017		
		Actual		Actual		Actual		Budgeted		Pro	posed		
1	Student Access and Success	\$ 43.3		\$ 48.6		\$ 44.1		\$ 52.3		\$	54.1		
2	National Competitiveness	0.1		0.2		0.4		0.2			0.2		
3	Infrastructure & Administration	8.2		7.8		8.1		8.2			10.7		
4	Community Advancement	0.9		0.9		0.9		0.7			0.8		
5	Total	\$ 52.5		\$ 57.5		\$ 53.5		\$ 61.4		\$	65.8		



Use of New Operating Resources: \$3.8 million

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

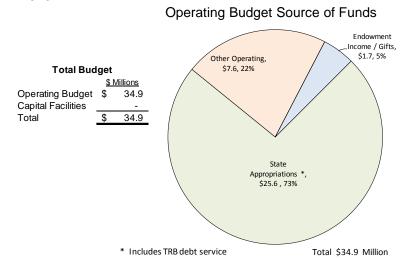


University of Houston System Administration

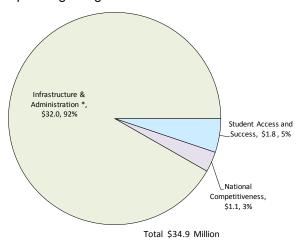
FY2017 Annual Budget

University of Houston System Administration Budget

FY2016

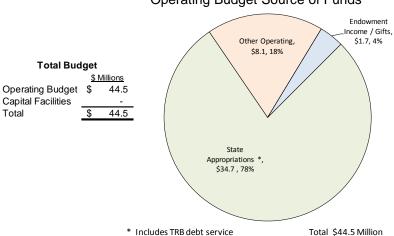


Operating Budget Use of Funds

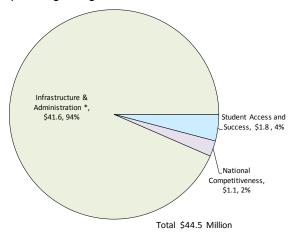


FY2017

Operating Budget Source of Funds



Operating Budget Use of Funds





	University of Houst	on Syster	n Admini	stration Op	perating Bu	udget
		Revenues	FY2013 - I	FY2017		
		\$	in Millions			
		Α	В	С	D	E
		2013	2014	2015	2016	2017
		Actual	Actual	Actual	Budgeted	Proposed
1	State Appropriations *	\$ 27.1	\$ 25.8	\$ 25.9	\$ 25.6	\$ 34.7
2	Other Operating	8.5	8.4	8.1	7.6	8.1
3	Contracts & Grants	1.5	1.5	1.5	0.0	0.0
4	Endowment Income / Gifts	4.0	4.4	4.6	1.7	1.7
5	Total	\$ 41.1	\$ 40.1	\$ 40.1	\$ 34.9	\$ 44.5
	* Includes TRB debt service					



University of Houston System Administration Operating Budget Expenditures FY2013 - FY2017 \$ in Millions													
									A	В	С	D	E
		2013	2014	2015	2016	2017							
		Actual	Actual	Actual	Budgeted	Proposed							
1	Student Access and Success	\$ 1.7	\$ 1.4	\$ 1.5	\$ 1.8	\$ 1.8							
2	National Competitiveness	0.9	1.1	1.0	1.1	1.1							
3	Infrastructure & Administration *	31.8	32.8	32.7	32.0	41.6							
4	Community Advancement	0.1	0.0	0.0	0.0	0.0							
5	Total	\$ 34.5	\$35.3	\$35.2	\$ 34.9	\$ 44.5							
	* Includes TRB debt service												