

University of Houston System

FY2014 Budget Process

(August 2013 presentation with updates.)

October 31, 2013



UHS Financial Life Cycle

(Re-)Define individual campus missions and annual goals, enrollment plan – BOR Approval

Project new resources

- State appropriation
- Tuition, BOR Approval
- Local revenue

Progress card measures analyzed and updated

AFR

Annual financial report to state

-BOR review.

Campus budget development

- Consultation
- Performance analysis
- Expenditure projections
- BOR Approval

Revenues

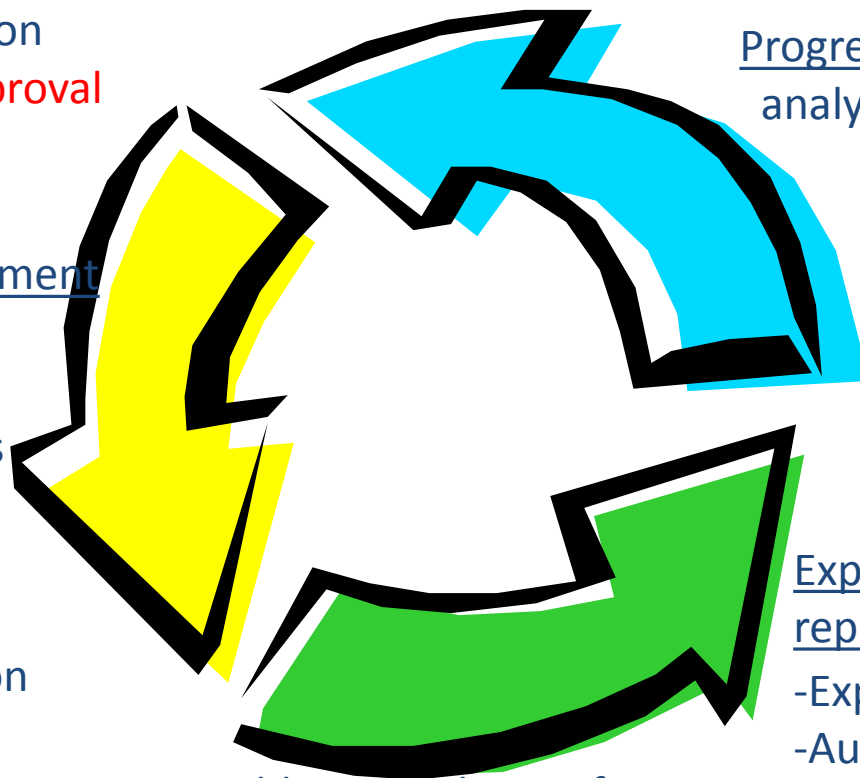
- State appropriation
- Tuition collection
- Auxiliary revenues
- Research & grant funds

Expenditure recording and reporting

- Expenditure control
- Auditing, BOR monitoring

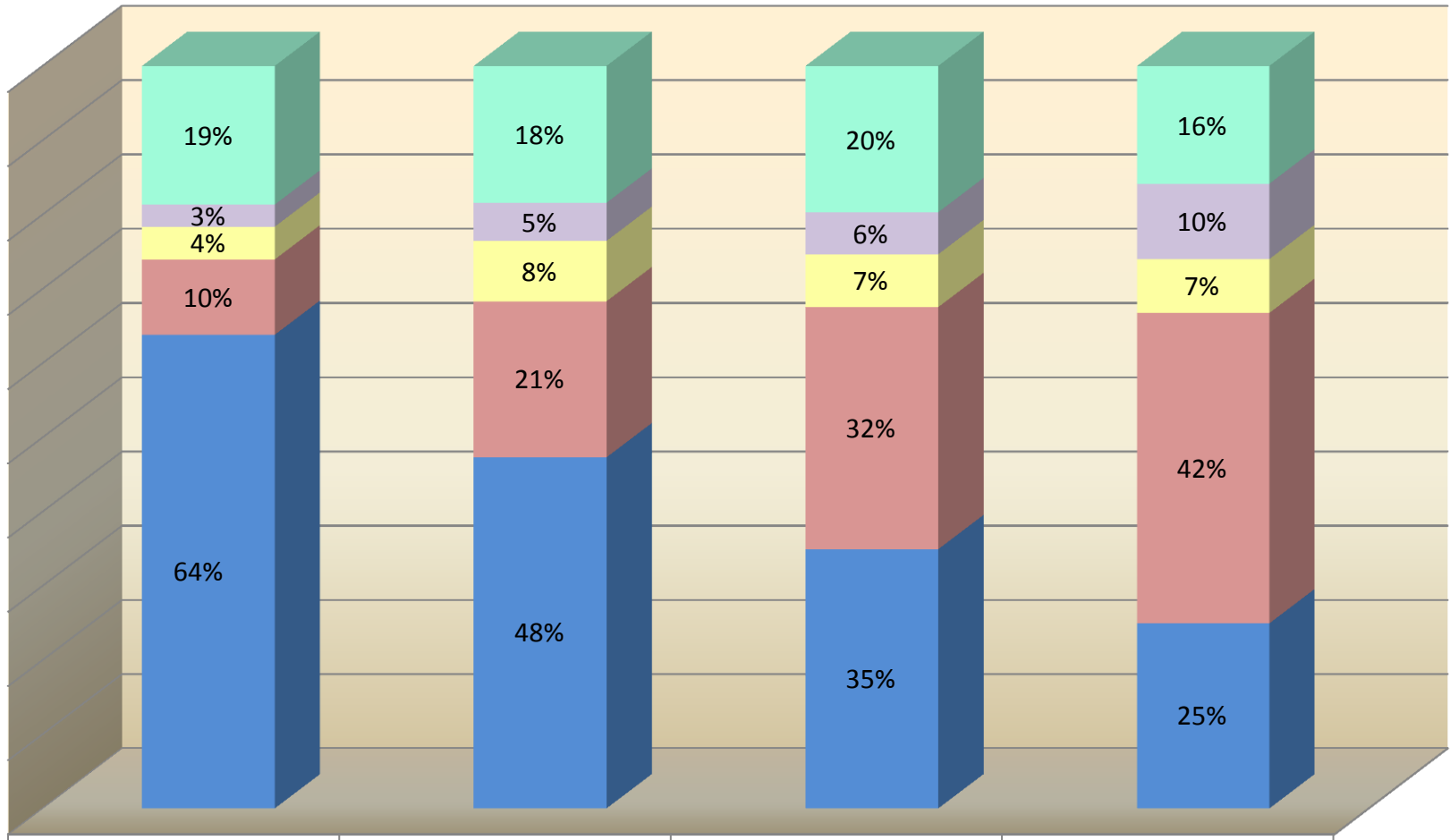
Monthly expenditures for program operations

- Expenditure tracking
- Accounting, -BOR contract approvals





University of Houston System Operating Budget

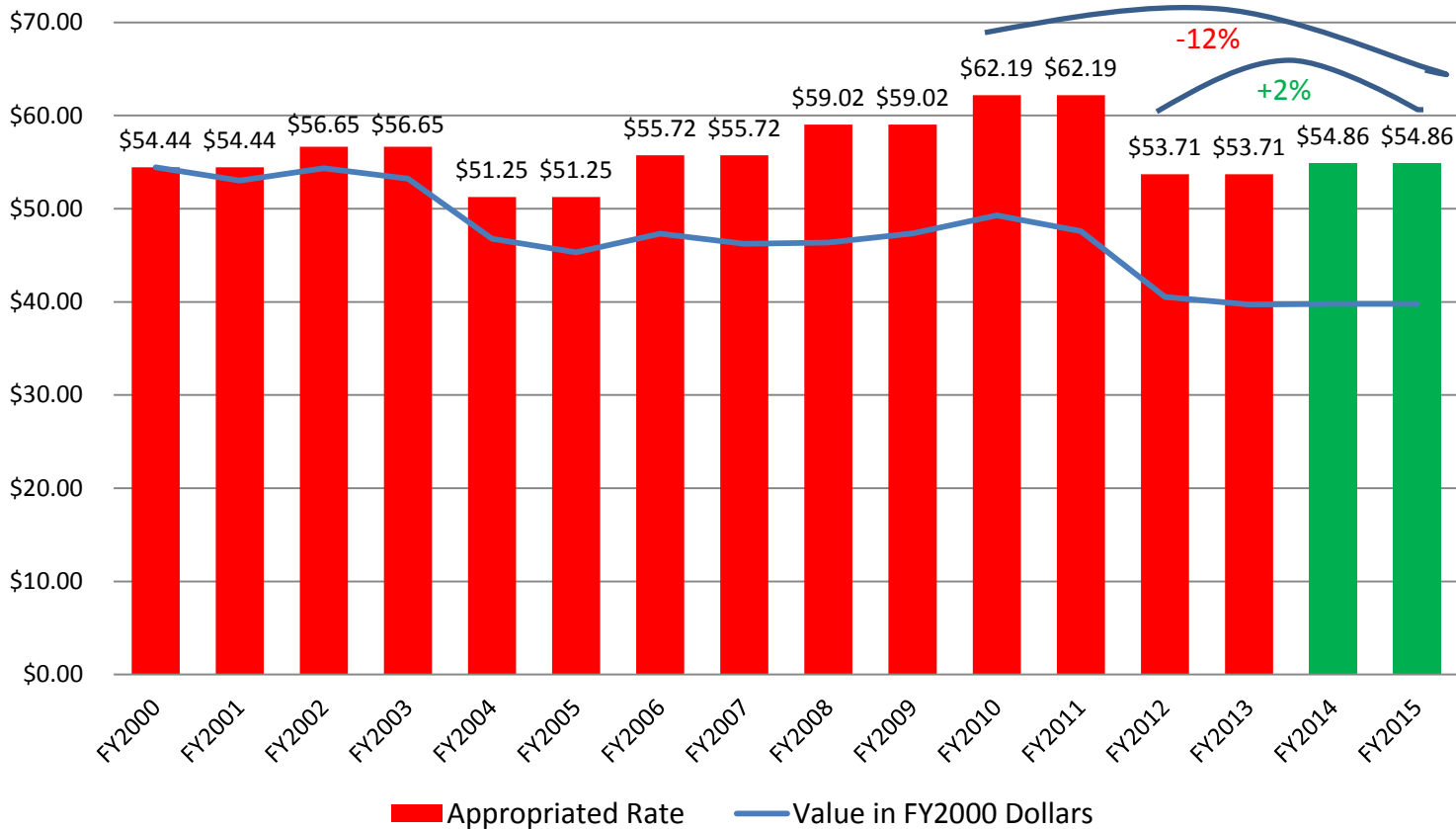


■ State Support ■ Student Support ■ Contracts - Research ■ Grants - Financial Aid ■ Other Support

(Updated through FY2014 Budget)



Legislative Funding Instruction & Operations Formula FY2000 to FY2015 Rate per Weighted Credit Hour



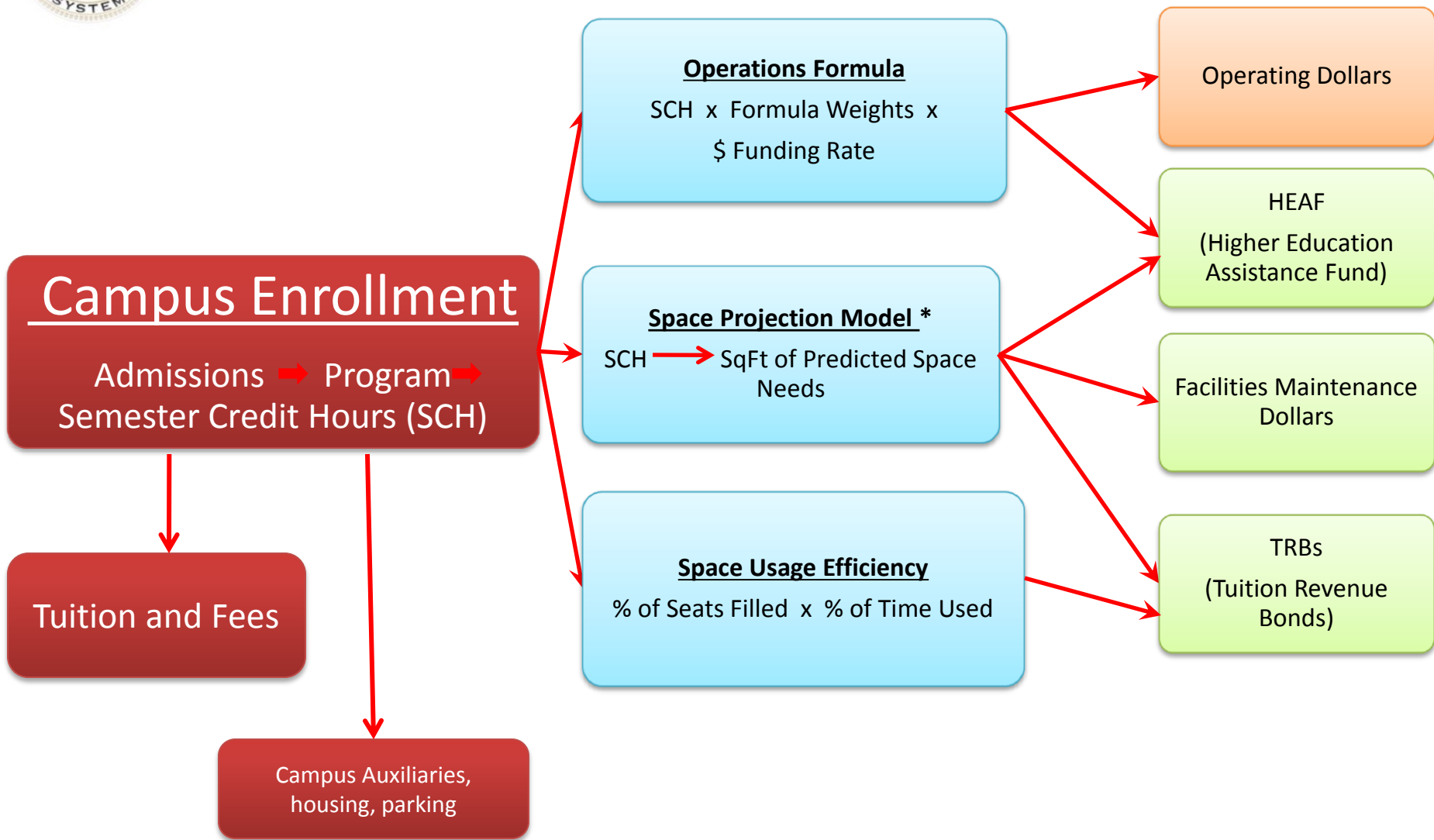
TEXAS FUNDING FORMULA

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

**NEXT BASE ENROLLMENT PERIOD - FALL 2014, INCLUDING PRIOR SUMMER,
FOLLOWING SPRING**



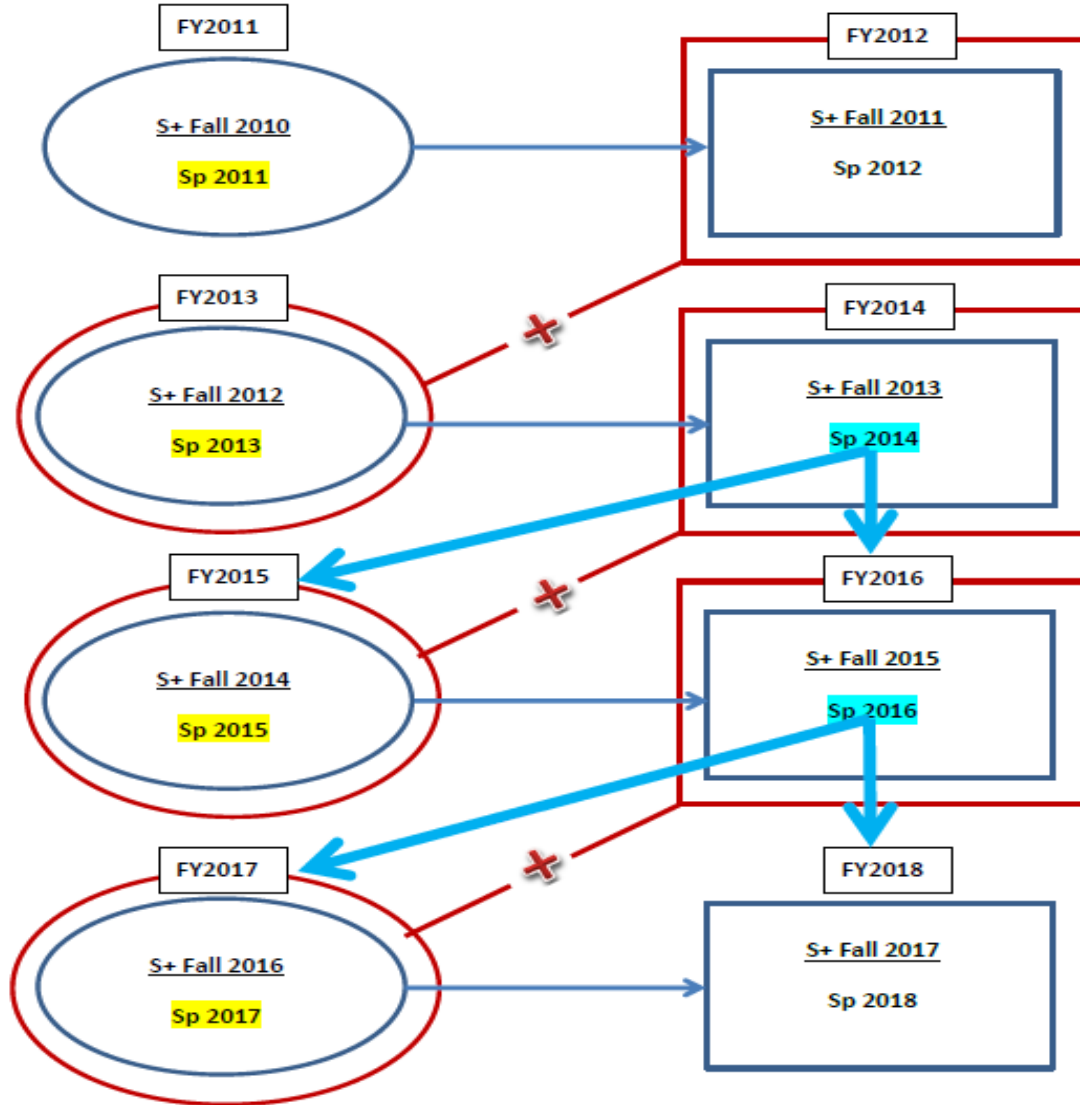
ENROLLMENT DRIVES FUNDING



* Other input to Space Projection Model includes research expenditures, number of facility and staff, and library holdings

Base Year for Enrollment for Funding Formula

First Year of Biennium



Legislature Meets

Proposed Tuition Setting for Next 2 years

University of Houston System

FY2014 Annual Budget

(August 2013 presentation with updates.)

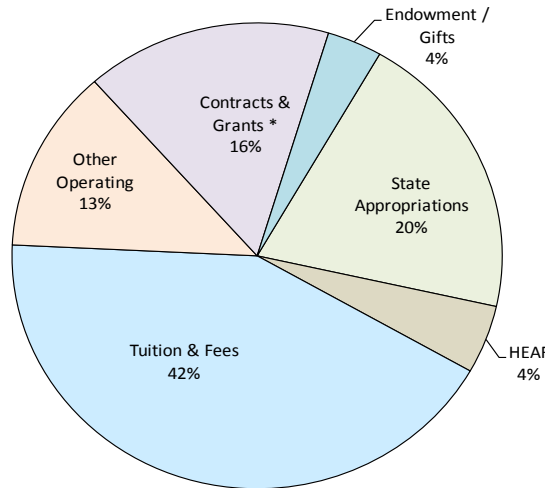
FY2013

Current year

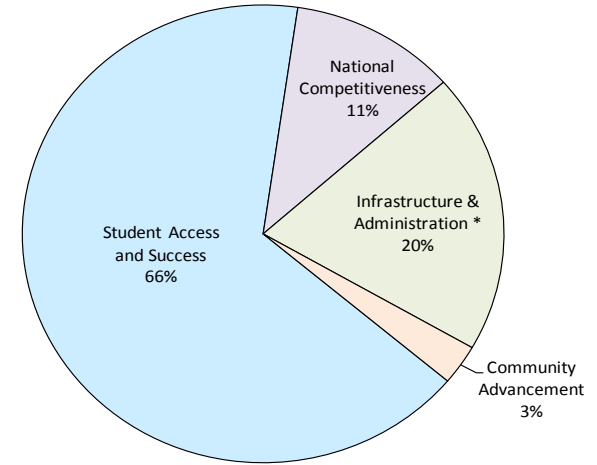
Total Budget

	\$ Millions
Operating Budget	\$ 1,247.5
Capital Facilities	247.2
Total	\$ 1,494.7

Operating Budget Source of Funds



Operating Budget Use of Funds



* Includes Federal Financial Aid Total \$1,247.5 Million

Total \$1,247.5 Million

UHS Total Budget

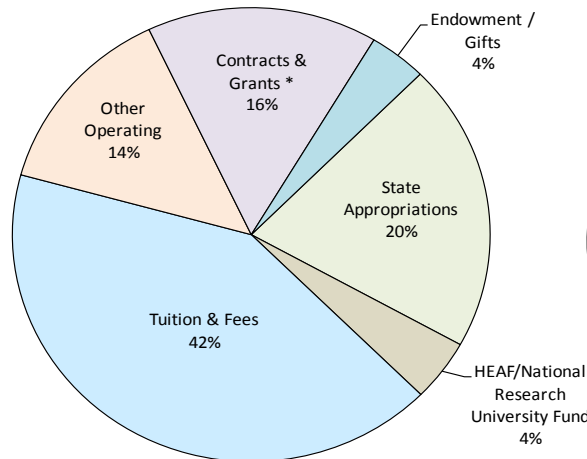
FY2014

New year

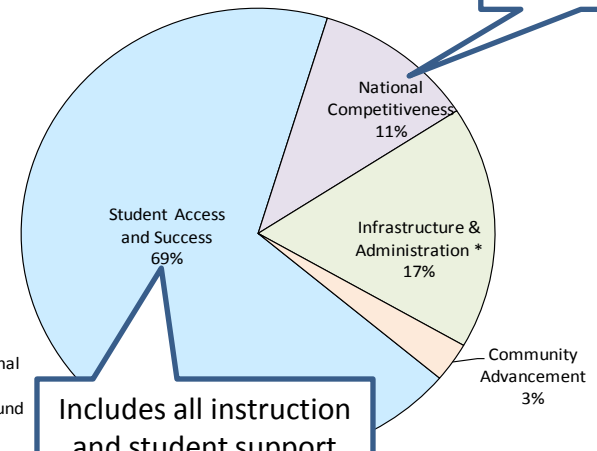
Total Budget

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

Operating Budget Source of Funds



Operating Budget Use of Funds



* Includes Federal Financial Aid

Total \$1,342.3 Million

Includes all instruction and student support

Total \$1,342.3 Million

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

		-----History years-----			Current year	New year		
		A	B	C	D	E		
		2010	2011	2012	2013	2014		
		Actual	Actual	Actual	Budgeted	Proposed		
1	State Appropriations	\$ 281.0	\$ 274.4	\$ 253.2	\$ 251.5	\$ 275.8	}	
	2 HEAF/National Research University Fund	53.3	50.8	58.8	59.1	58.9		16% Growth over 5 years
3	Tuition & Fee	437.1	487.1	516.8	530.4	561.3	}	
4	Other Operating	110.1	128.5	150.7	158.5	184.0		12% Growth over 5 years
5	Contracts & Grants *	224.0	246.3	192.2	202.8	209.8		
6	Endowment / Gifts	65.3	60.1	58.9	45.2	52.5		
7	Total	\$1,170.8	\$1,247.2	\$1,230.6	\$ 1,247.5	\$ 1,342.3	15% Growth over 5 years	

Includes state per student formula funding

Mostly Auxiliary Revenues

Restr
icted

* Includes Federal financial aid

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

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

2/3rd of spending

24% growth over 5 years

Includes debt service and utilities

Mainly public broadcasting

* Includes Federal financial aid

**University of Houston System
FY2014 Operating Budget Expenditures by Function**

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

**Academic Spending, add to D -19
Total = 70% of spending**

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