

Legislative Appropriations Request

For Fiscal Year 2016 and 2017

**Submitted to the
Governor's Office of Budget, Planning and Policy
and the Legislative Budget Board**

by

University of Houston

**Date of
Submission
October 2014**

**University of Houston
Legislative Appropriation Request**

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Agency Code: 730	Agency Name: University of Houston	Date: August 1, 2014
<p>For the schedules identified below, the University of Houston either has no information to report or the schedule is not applicable. Accordingly, these schedules have been excluded from the U.H. Legislative Appropriations Request for the 2016-17 biennium</p>		
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2C.1	Operating Costs Detail – Base Request	
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UH Overview and Goals

The University of Houston is part of the state-supported system of higher education in Texas, serving 40,000 students and generating approximately \$131 million in externally funded research expenditures annually. UH is the flagship institution of the University of Houston System and its principal doctoral degree-granting institution. As such, it has the traditional functions and obligations of a comprehensive research university:

- The full range of undergraduate through doctoral academic programs,
- Nationally recognized quality in its programs and faculty,
- Extensive externally funded basic and applied research, and
- Diverse cultural and public service programs of benefit to the community and the state.

Under the leadership of President Renu Khator, the University of Houston has achieved much in recent years as it rises among the ranks of national universities. First, the Carnegie Foundation for the Advancement of Teaching has classified UH as a university with “very high research activity,” a distinction it shares with only three other universities in Texas (Texas A&M, UT-Austin and Rice). Second, UH has been designated a Hispanic Serving Institution (HSI) by the federal government, which enables the university to compete for federal grants designed to increase the participation and success of Hispanics in higher education. UH is one of only three Tier One universities nationwide to receive HSI designation. Third, the University of Houston has launched and is developing a health science center. By co-locating the university’s many health-related academic, research and clinical programs and facilitating collaboration among them, we are significantly extending their reach and impact. These and other accomplishments would not have been possible without diligent pursuit and adherence to the university’s three overarching goals of student success, national competitiveness, and community advancement, all of which further the state’s goals for higher education identified in “Closing the Gaps,” as well as the social and economic well-being of the Houston metropolitan area – UH’s primary service area.

Student Success

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 furthering its position as a Tier One university. To that end, UH achieved record performance this year in following key student success measures:

- Total degrees awarded: 8,590
- Freshman first-year retention rate: 85%
- Freshman six-year graduation rate: 48%
- Freshman Median SAT: 1140
- Course completion rate: 97%

These improvements in student success have been achieved by the university’s commitment to implementing new initiatives that facilitate student success, such as increasing scholarships, expanding course offerings, enhancing student support services, and improving the curriculum. Currently, the university is planning two major undergraduate student success initiatives: First is UH in 4, through which freshmen will be guaranteed a flat tuition rate for four years as long as they earn 30 credit hours per year. Over 1,400 freshmen have signed up for UH in 4 for the fall 2014 semester, the long-term result of which will be an improvement in the number and timeliness of degrees awarded. Second is the Foundations of Excellence program, through which UH is engaging in an in-depth assessment of how we deliver instruction, provide support services, and otherwise engage students during their freshman year. The results of this process will lead to the establishment of a comprehensive first-year experience program for freshmen in the coming years.

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In the graduate arena, doctoral enrollment has increased by 25 percent (from 1,647 to 2,061) over the past five years. 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). To further advance the university's excellence in graduate education, the UH Graduate School was launched this year. As it develops, the Graduate School will play an increasingly essential role in the recruitment, admissions, support and graduation of a Tier One graduate student body.

National Competitiveness

The University of Houston's goal of maintaining and improving its standing as a Tier One university will occur only if the institution increases external research funding and enhances its academic programs to a level commensurate with the nation's leading public research universities. To that end, the university achieved record highs last year on the following national competitiveness measures:

- Total research expenditures: \$131M
- Federal research expenditures: \$61M
- Number of scholarly citations: 49,440
- Doctorates awarded: 314
- Graduate programs ranked in the top 10 nationally: 10

The trajectory of technology transfer at the university is one of its most impressive stories: Since 2008, royalty revenue has grown from \$1.1 million to \$16.6 million. Currently, UH ranks 14th nationally among all public universities and first among all public universities without a medical school. UH's high level of research productivity requires hiring exceptional faculty in areas of programmatic excellence, particularly in the STEM disciplines, the health sciences and energy. It also requires building the facilities needed to support a nationally competitive research enterprise. Two years ago, UH opened the first of two Health & Biomedical Sciences Buildings, the second of which is currently being planned (and for which capital construction funding is requested in this LAR). Also in the planning stages is a new Multidisciplinary Research & Engineering Building, which, like the health sciences buildings, will greatly enhance the university's capacity to perform externally-funded research upon completion.

Community Advancement

Unlike other Texas universities, UH is a metropolitan university whose mission is focused on advancing the community in which it is located. An economic impact study conducted by UH economist Dr. Barton Smith estimates that our impact on the Houston economy exceeds \$3 billion on a biennial basis. However, given the size and quality of UH, our impact extends far beyond the Houston metropolitan area – our reach is truly world-wide. Apart from its direct economic impact, the University of Houston has a multitude of programs that enhance the quality of life in Houston and beyond. Among them are the Hobby Center for Public Policy, the Health Law and Policy Institute, and the Texas Institute for Measurement, Evaluation and Statistics (TIMES), which addresses one of Texas' and the nation's most important challenges – the English reading skills of elementary school students for whom English is not their primary language. In addition to the TIMES program, the University of Houston has developed other strong partnerships with public schools and community colleges in our region to enhance the academic skills of students and support the professional development of teachers. Doing so is essential to developing a pipeline of students ready to succeed in higher education. The success of these programs has been based in part on special item funding from the state. Building upon our programs in education and community advancement is also central to the University of Houston's Tier One goals.

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UH 2014 Legislative Priorities

None of the accomplishments the University of Houston has made in the areas of student success, national competitiveness, and community advancement would have been possible without strong support from the Texas Legislature. As we look to the 84th session, we will again seek the investments from the state needed to build on the momentum achieved over the past several years. We ask that the Legislature give strong consideration to the University of Houston's priorities for the session, given the importance of higher education to the future of Texas.

I. ADEQUATE AND FAIR FUNDING FOR STUDENTS

1. Base Formula Funding

As demands on our universities grow, it is imperative to provide adequate resources for basic educational services through the formulas. Without sufficient base formula funding, universities will not be able to accommodate enrollment demand through course delivery; we will not be able to enhance program quality by recruiting and retaining exceptional faculty members; and we will not be able to enhance student success through academic support services. In short, we will not be able to achieve the goals of "Closing the Gaps." While the statewide formula funding rate for the current biennium was 2% higher than it was for the previous biennium, it was still 12% lower than the rate for the FY 2010-2011 biennium. It is essential to close this gap. For the upcoming biennium, the University of Houston encourages the Legislature to provide sufficient funding for the formula so that it covers at least current services (growth plus inflation) at the state's universities.

2. Financial Aid/TEXAS Grants

In addition to resources for university operations, state funding for student financial aid is essential if Texas is to expand access to higher education and facilitate student graduation. This is especially true at the University of Houston, where the education of many of our students is not paid for by their families. Rather our students typically work to pay for college and rely heavily on financial aid. Therefore, the University of Houston encourages the Legislature to increase funding for TEXAS Grants.

3. Hazlewood Exemptions

The University of Houston is dedicated to supporting veterans and their families by expanding opportunities for them to earn a college degree. The Hazlewood Act is a crucial part of this equation. According to the Texas Higher Education Coordinating Board, Hazlewood exemptions statewide have jumped from \$24.6 million in FY 2009 to \$118.4 million in FY 2013. In FY 2013, the University of Houston funded \$5.4 million of the institution's Hazlewood exemptions. Absent full state coverage for Hazlewood, the University of Houston must fund these exemptions through other institutional resources, including tuition paid by other students. We recommend that the state appropriate resources to cover all Hazlewood exemptions.

4. Pharmacy Formula Funding

Currently, there is considerable disparity between the funding for Texas pharmacy programs that are funded through the health sciences formula versus those that are funded through the formula for general academic institutions. Programs at the general academic institutions (including the University of Houston, University of Texas at Austin, and Texas Southern University) receive significantly less funding on a per student basis for delivering the same curriculum. The University of Houston encourages the Legislature to appropriate additional funds to the pharmacy programs at the general academic institutions in order to achieve equity.

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II. TIER-ONE INITIATIVES

1. State Funding Programs for Tier One Universities

Combined, the Research Development Fund, Texas Competitive Knowledge Fund, Texas Research Incentive Program, and National Research University Fund constitute an innovative and powerful tool for developing more nationally-competitive Tier One research universities. They are of critical importance to the continued growth of Texas' economy and advancement in significant areas of research and industry. They are also the primary resources through which UH and other universities not supported by the Public University Fund pursue their national competitiveness/Tier One goals. The University of Houston recommends increased appropriations to each of these funds.

2. Funding for Special Items and Exceptional Items

Each year the Legislature funds numerous programs at the University of Houston that fall outside the scope of formula funding. These programs have a tremendous impact on our academic programs, research endeavors and the communities we serve. For FY16 and FY17, the University of Houston is requesting exceptional item funding for the following initiatives that directly support the university's goals of national competitiveness, student success and community advancement (as described above).

Exceptional Items	Biennial Request
Hobby School of Public Affairs	\$4,000,000
Tier-One Initiative – Energy Research	\$4,000,000
College of Pharmacy Equity Funding	\$8,928,000
Tier-One Initiative – Health Sciences	\$6,000,000
Small Business Development Center	\$ 980,000

III. ADEQUATE FACILITIES

1. Funding for Capital Construction Projects

Maintaining quality in our classrooms, laboratories, libraries and equipment is critical to achieving the University of Houston's goals of academic and research excellence. And as the number of students and faculty on campus grows, so too does the need for expanded and better infrastructure. State funding for capital construction projects, either through direct appropriation or through tuition revenue bonds, is vital for addressing these needs. As part of the FY16-FY17 LAR, the University of Houston has requested funding for the following two projects:

- Health and Biomedical Sciences Center 2 (\$165,000,000)

This building will provide state-of-the-art infrastructure to support students, faculty, and research activities in the university's health sciences programs. The new center will include a primary care clinic, nursing and physical therapy programs, the College of Pharmacy, the Center for Drug Discovery/Research, and the Division of Research. The programming and design of the project began in May 2014. Anticipated completion will be in November 2016.

- UH Sugar Land Academic Building (\$91,350,000)

Through this project, the University of Houston will construct a new academic building (150,000 square feet) at the Sugar Land campus. This new building is part of a major UH effort to expand the programs in this rapidly growing area through active partnerships with the Sugar Land/Fort Bend County community, which has already

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contributed \$20 million to existing academic endeavors. UH plans to add 22 new programs in Business, Education, and Technology at Sugar Land, and for the College of Technology to serve as an anchor college at the campus. The additional space provided by this new building is crucial to the expansion of degree and workforce programs at Sugar Land.

2. Higher Education Assistance Fund (HEAF)

HEAF funding is essential to Texas universities for the purposes of capital construction, improvements, repair and rehabilitation, and the acquisition of equipment. Given the growth at Texas universities, their need for expanded facilities, and increasing construction costs, the University of Houston recommends that the Legislature re-authorize HEAF for the next ten years with a 50% increase (from \$262.5 million to \$393.75 million). This increment is consistent with increases for the past two ten-year allocation cycles.

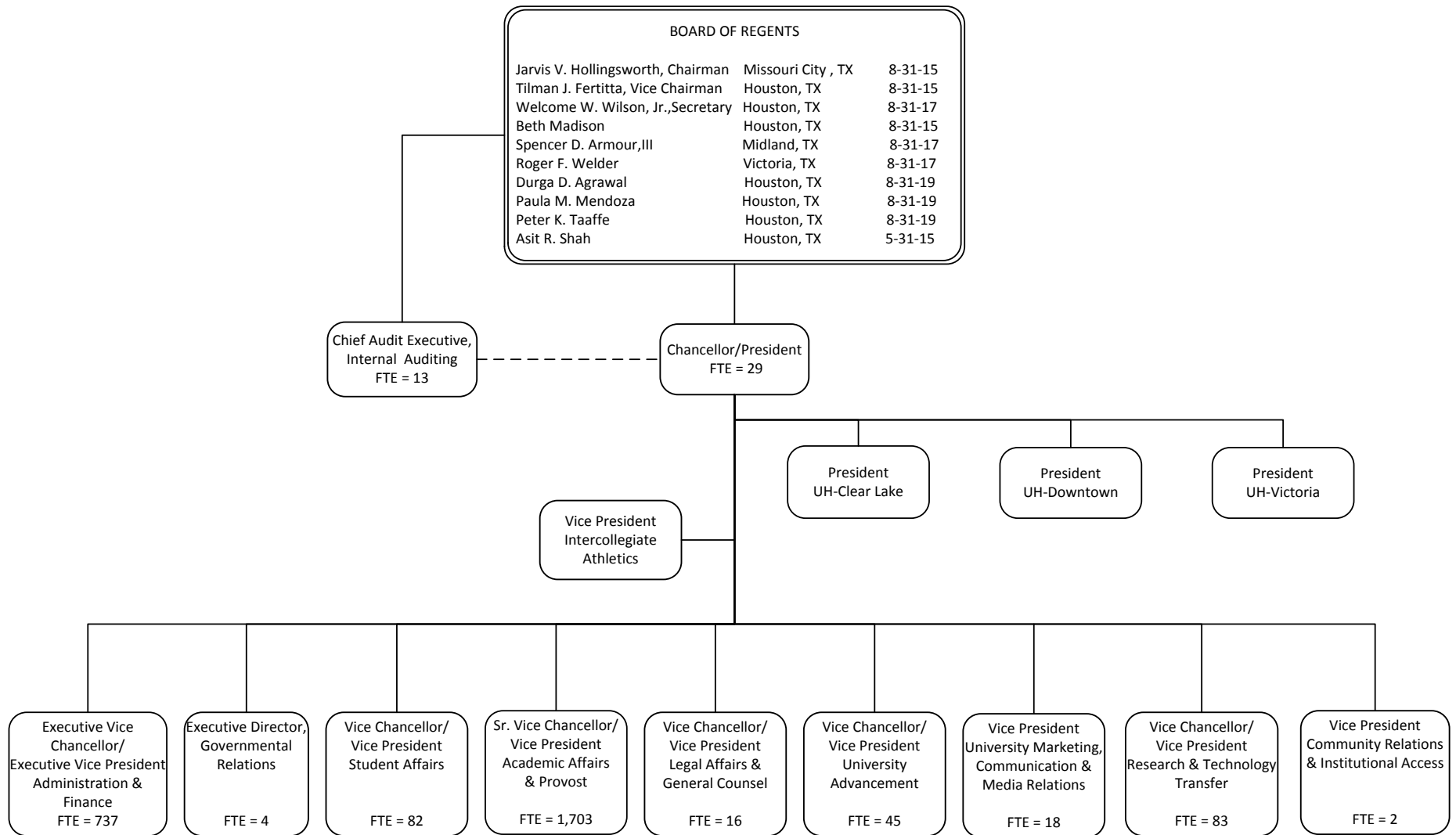
Approach to 10 Percent Base Reduction

As requested, the University of Houston has developed a scenario through which 10 percent of base resources have been reduced from line item funding. For UH this totaled \$2.7 million, the loss of which would have a significant negative impact on the university's ability to achieve its goals, as well as those identified in "Closing the Gaps." For UH, the choice was between absorbing the cuts in its special items, thereby impairing progress on the university's national competitiveness and community advancement goals, or absorbing the cuts in fund groups used to support the general operations of the university, thereby compromising the advancement of all of the university's goals. Ultimately, we decided to limit cuts to the latter (Institutional Enhancement, Worker's Compensation Insurance) to 5 percent, thus requiring a reduction to special items of 11.9 percent per program over the course of the biennium.

Effective Management of Resources and Accountability

While the University of Houston believes that increased state funding for higher education is important to the future of Texas, we also realize that universities must be good stewards of the dollars with which they are entrusted. The University of Houston is committed to this principle. Accomplishing our goals, we believe, is predicated on effective management of resources, which the University of Houston strives to achieve. Given increasing student debt nationwide, 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. private support, research grants) as they work to achieve their goals. The University of Houston has made good progress on this front. Over the past several years, the university has eliminated non-essential services, consolidated departments, reduced expenses, and, in general, made it a practice to reallocate resources to pursue institutional priorities in order to limit increases in tuition. The University of Houston is currently ranked 7th nationwide for students graduating with the least amount of debt. This is a distinction we will work hard to maintain.

University of Houston System/University of Houston



FTE is budgeted FY2015 from Appropriated Funds; UH= 2,669 FTE, UHSA= 63 FTE, TOTAL= 2,732 FTE

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
1 Provide Instructional and Operations Support					
1 Provide Instructional and Operations Support					
1 OPERATIONS SUPPORT (1)	174,645,352	194,657,132	197,391,101	0	0
3 STAFF GROUP INSURANCE PREMIUMS	9,132,654	8,008,257	8,595,262	8,595,262	8,595,262
4 WORKERS' COMPENSATION INSURANCE	444,952	349,930	349,930	349,930	349,930
6 TEXAS PUBLIC EDUCATION GRANTS	7,144,156	6,966,824	7,529,248	7,702,400	7,884,200
TOTAL, GOAL 1	\$191,367,114	\$209,982,143	\$213,865,541	\$16,647,592	\$16,829,392
2 Provide Infrastructure Support					
1 Provide Operation and Maintenance of E&G Space					
1 E&G SPACE SUPPORT (1)	11,905,364	13,431,753	13,924,193	0	0
2 TUITION REVENUE BOND RETIREMENT	0	0	0	0	0
TOTAL, GOAL 2	\$11,905,364	\$13,431,753	\$13,924,193	\$0	\$0
3 Provide Special Item Support					

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>1</u> <i>Instructional Support Special Item Support</i>					
1 COLLEGE OF PHARMACY	0	2,000,000	2,000,000	2,000,000	2,000,000
<u>2</u> <i>Research Special Item Support</i>					
1 COMPLEX SYSTEMS RESEARCH CLUSTER	358,145	690,000	690,000	690,000	690,000
2 ENERGY RESEARCH CLUSTER	4,209,865	3,567,500	3,567,500	3,567,500	3,567,500
3 HOBBY SCHOOL OF PUBLIC AFFAIRS	0	200,000	200,000	200,000	200,000
<u>3</u> <i>Public Service Special Item Support</i>					
1 SMALL BUSINESS DEVELOPMENT	3,340,108	3,377,767	3,377,767	3,377,767	3,377,767
2 HEALTH SCIENCES RESEARCH CLUSTER	2,666,949	2,217,500	2,217,500	2,217,500	2,217,500
3 EDUCATION & COMMUNITY ADVANCEMENT	1,576,070	1,151,509	1,151,509	1,151,509	1,151,509
<u>4</u> <i>Institutional Support Special Item Support</i>					
1 INSTITUTIONAL ENHANCEMENT	0	0	0	3,387,201	3,387,201
TOTAL, GOAL 3	\$12,151,137	\$13,204,276	\$13,204,276	\$16,591,477	\$16,591,477

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
6 Research Funds					
<u>1</u> Research Development Fund					
1 RESEARCH DEVELOPMENT FUND	7,116,580	2,216,711	9,021,077	0	0
<u>2</u> Competitive Knowledge Fund					
1 COMPETITIVE KNOWLEDGE FUND	3,061,979	4,382,321	4,382,321	0	0
TOTAL, GOAL 6	\$10,178,559	\$6,599,032	\$13,403,398	\$0	\$0
TOTAL, AGENCY STRATEGY REQUEST	\$225,602,174	\$243,217,204	\$254,397,408	\$33,239,069	\$33,420,869
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$225,602,174	\$243,217,204	\$254,397,408	\$33,239,069	\$33,420,869

2) - Research fund strategies are not requested because amounts are not determined by institutions.

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	129,687,358	140,115,107	146,676,370	16,941,407	16,941,407
SUBTOTAL	\$129,687,358	\$140,115,107	\$146,676,370	\$16,941,407	\$16,941,407
General Revenue Dedicated Funds:					
704 Bd Authorized Tuition Inc	14,039,113	13,836,504	13,848,971	0	0
770 Est Oth Educ & Gen Inco	81,875,703	89,265,593	93,872,067	16,297,662	16,479,462
SUBTOTAL	\$95,914,816	\$103,102,097	\$107,721,038	\$16,297,662	\$16,479,462
TOTAL, METHOD OF FINANCING	\$225,602,174	\$243,217,204	\$254,397,408	\$33,239,069	\$33,420,869

*Rider appropriations for the historical years are included in the strategy amounts.

2.B. Summary of Base Request by Method of Finance
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Agency code: **730** Agency name: **University of Houston**

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>GENERAL REVENUE</u>					
<u>1</u> General Revenue Fund					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2012-13 GAA)	\$128,198,995	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2014-15 GAA)	\$0	\$143,517,290	\$143,274,187	\$0	\$0
Regular Appropriations	\$0	\$0	\$0	\$16,941,407	\$16,941,407
<i>UNEXPENDED BALANCES AUTHORITY</i>					
Sec. 54, Special Provisions for Higher Education, Appropriation for Research Development Fund	\$1,488,363	\$(3,402,183)	\$3,402,183	\$0	\$0
TOTAL, General Revenue Fund	\$129,687,358	\$140,115,107	\$146,676,370	\$16,941,407	\$16,941,407
TOTAL, ALL GENERAL REVENUE	\$129,687,358	\$140,115,107	\$146,676,370	\$16,941,407	\$16,941,407

GENERAL REVENUE FUND - DEDICATED

2.B. Summary of Base Request by Method of Finance
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Agency code: **730** Agency name: **University of Houston**

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
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GENERAL REVENUE FUND - DEDICATED

704 GR Dedicated - Estimated Board Authorized Tuition Increases Account No. 704

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2012-13 GAA)

\$13,684,074	\$0	\$0	\$0	\$0
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Regular Appropriations from MOF Table (2014-15 GAA)

\$0	\$14,042,115	\$14,042,115	\$0	\$0
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BASE ADJUSTMENT

Revised Revenue Receipts

\$355,039	\$(205,611)	\$(193,144)	\$0	\$0
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TOTAL, GR Dedicated - Estimated Board Authorized Tuition Increases Account No. 704

\$14,039,113	\$13,836,504	\$13,848,971	\$0	\$0
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770 GR Dedicated - Estimated Other Educational and General Income Account No. 770

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2012-13 GAA)

\$55,770,433	\$0	\$0	\$0	\$0
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Regular Appropriations from MOF Table (2014-15 GAA)

2.B. Summary of Base Request by Method of Finance
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Agency code:	730	Agency name:	University of Houston			
METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017	
<u>GENERAL REVENUE FUND - DEDICATED</u>						
	\$0	\$60,523,704	\$61,441,915	\$16,297,662	\$16,479,462	
<i>BASE ADJUSTMENT</i>						
Revised Revenue Receipts	\$2,980,306	\$(365,006)	\$(8,000,617)	\$0	\$0	
Adjustment to Expended	\$23,124,964	\$29,106,895	\$40,430,769	\$0	\$0	
TOTAL, GR Dedicated - Estimated Other Educational and General Income Account No. 770	\$81,875,703	\$89,265,593	\$93,872,067	\$16,297,662	\$16,479,462	
TOTAL GENERAL REVENUE FUND - DEDICATED - 704, 708 & 770	\$95,914,816	\$103,102,097	\$107,721,038	\$16,297,662	\$16,479,462	
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED	\$95,914,816	\$103,102,097	\$107,721,038	\$16,297,662	\$16,479,462	
TOTAL, GR & GR-DEDICATED FUNDS	\$225,602,174	\$243,217,204	\$254,397,408	\$33,239,069	\$33,420,869	
GRAND TOTAL	\$225,602,174	\$243,217,204	\$254,397,408	\$33,239,069	\$33,420,869	

2.B. Summary of Base Request by Method of Finance

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Agency code: 730		Agency name: University of Houston				
METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017	
FULL-TIME-EQUIVALENT POSITIONS						
REGULAR APPROPRIATIONS						
Regular Appropriations from MOF Table (2012-13 GAA)	2,700.0	0.0	0.0	0.0	0.0	
Regular Appropriations from MOF Table (2014-15 GAA)	0.0	2,543.6	2,543.6	2,669.3	2,669.3	
UNAUTHORIZED NUMBER OVER (BELOW) CAP						
Unauthorized number over (below) cap	(143.8)	1.1	125.7	0.0	0.0	
TOTAL, ADJUSTED FTES	2,556.2	2,544.7	2,669.3	2,669.3	2,669.3	

NUMBER OF 100% FEDERALLY FUNDED FTES

2.C. Summary of Base Request by Object of Expense

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730 University of Houston

OBJECT OF EXPENSE	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1001 SALARIES AND WAGES	\$84,452,500	\$97,816,114	\$101,286,065	\$11,300,708	\$11,300,708
1002 OTHER PERSONNEL COSTS	\$4,238,073	\$3,592,870	\$3,593,264	\$86,527	\$86,527
1005 FACULTY SALARIES	\$107,893,017	\$116,822,853	\$118,093,681	\$1,827,716	\$1,827,716
1010 PROFESSIONAL SALARIES	\$2,691,262	\$2,641,973	\$1,988,324	\$1,131,049	\$1,131,049
2001 PROFESSIONAL FEES AND SERVICES	\$449,096	\$240,100	\$214,532	\$0	\$0
2002 FUELS AND LUBRICANTS	\$22,703	\$70,414	\$70,727	\$807	\$807
2003 CONSUMABLE SUPPLIES	\$791,770	\$540,628	\$460,955	\$119,322	\$119,322
2004 UTILITIES	\$397,268	\$435,241	\$354,630	\$8,627	\$8,627
2005 TRAVEL	\$44,897	\$19,000	\$20,822	\$18,376	\$18,376
2006 RENT - BUILDING	\$1,290,756	\$17,818	\$18,115	\$0	\$0
2007 RENT - MACHINE AND OTHER	\$204,629	\$213,705	\$103,835	\$1,113	\$1,113
2008 DEBT SERVICE	\$0	\$0	\$0	\$0	\$0
2009 OTHER OPERATING EXPENSE	\$19,772,415	\$18,948,006	\$26,667,110	\$17,827,542	\$18,009,342
3001 CLIENT SERVICES	\$1,350	\$2,500	\$2,542	\$0	\$0
5000 CAPITAL EXPENDITURES	\$3,352,438	\$1,855,982	\$1,522,806	\$917,282	\$917,282
OOE Total (Excluding Riders)	\$225,602,174	\$243,217,204	\$254,397,408	\$33,239,069	\$33,420,869
OOE Total (Riders)					
Grand Total	\$225,602,174	\$243,217,204	\$254,397,408	\$33,239,069	\$33,420,869

2.D. Summary of Base Request Objective Outcomes
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

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730 University of Houston

Goal/ Objective / Outcome	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1 Provide Instructional and Operations Support					
1 Provide Instructional and Operations Support					
KEY 1 % 1st-time, Full-time, Degree-seeking Frsh Earn Degree in 6 Yrs					
	47.50%	48.30%	49.00%	50.00%	51.00%
2 % 1st-time, Full-time, Degree-seeking White Frsh Earn Degree in 6 Yrs					
	46.90%	48.80%	50.20%	51.50%	52.80%
3 % 1st-time, Full-time, Degree-seeking Hisp Frsh Earn Degree in 6 Yrs					
	41.10%	43.40%	43.90%	44.50%	45.00%
4 % 1st-time, Full-time, Degree-seeking Black Frsh Earn Degree in 6 Yrs					
	35.20%	35.50%	35.50%	36.00%	36.50%
5 % 1st-time, Full-time, Degree-seeking Other Frsh Earn Degree in 6 Yrs					
	61.10%	61.00%	61.00%	62.00%	62.00%
KEY 6 % 1st-time, Full-time, Degree-seeking Frsh Earn Degree in 4 Yrs					
	19.70%	20.00%	20.90%	21.80%	22.70%
7 % 1st-time, Full-time, Degree-seeking White Frsh Earn Degree in 4 Yrs					
	24.10%	24.50%	25.90%	27.20%	28.60%
8 % 1st-time, Full-time, Degree-seeking Hispanic Frsh Earn Degree in 4 Y					
	14.60%	14.60%	15.20%	15.90%	16.70%
9 % 1st-time, Full-time, Degree-seeking Black Frsh Earn Degree in 4 Yrs					
	12.10%	12.30%	12.70%	13.10%	13.50%
10 % 1st-time, Full-time, Degree-seeking Other Frsh Earn Degree in 4 Yrs					
	24.50%	25.10%	26.20%	27.20%	28.30%
KEY 11 Persistence Rate 1st-time, Full-time, Degree-seeking Frsh after 1 Yr					
	84.60%	84.80%	85.70%	86.60%	87.50%
12 Persistence 1st-time, Full-time, Degree-seeking White Frsh after 1 Yr					
	80.20%	79.50%	80.40%	81.40%	82.30%

2.D. Summary of Base Request Objective Outcomes
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

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730 University of Houston

<i>Goal/ Objective / Outcome</i>	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
13 Persistence 1st-time, Full-time, Degree-seeking Hisp Frsh after 1 Yr	83.20%	83.40%	84.30%	85.30%	86.20%
14 Persistence 1st-time, Full-time, Degree-seeking Black Frsh after 1 Yr	82.30%	82.10%	83.10%	84.10%	85.10%
15 Persistence 1st-time, Full-time, Degree-seeking Other Frsh after 1 Yr	90.00%	90.90%	91.50%	92.10%	92.70%
16 Percent of Semester Credit Hours Completed	96.94%	97.00%	97.00%	97.00%	97.00%
KEY 17 Certification Rate of Teacher Education Graduates	85.50%	87.20%	88.90%	90.60%	92.40%
18 Percentage of Underprepared Students Satisfy TSI Obligation in Math	78.38%	63.89%	70.00%	75.00%	80.00%
19 Percentage of Underprepared Students Satisfy TSI Obligation in Writing	83.78%	92.11%	95.00%	95.00%	95.00%
20 Percentage of Underprepared Students Satisfy TSI Obligation in Reading	72.46%	73.47%	75.00%	77.00%	80.00%
KEY 21 % of Baccalaureate Graduates Who Are 1st Generation College Graduates	48.21%	47.80%	49.40%	50.90%	52.50%
KEY 22 Percent of Transfer Students Who Graduate within 4 Years	52.70%	54.40%	55.00%	55.50%	56.00%
KEY 23 Percent of Transfer Students Who Graduate within 2 Years	15.40%	15.00%	15.00%	15.50%	15.50%
KEY 24 % Lower Division Semester Credit Hours Taught by Tenured/Tenure-Track	25.00%	25.70%	26.00%	26.00%	26.00%
KEY 25 State Licensure Pass Rate of Law Graduates	88.72%	90.00%	91.00%	92.00%	92.00%

2.D. Summary of Base Request Objective Outcomes
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

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<i>Goal/ Objective / Outcome</i>	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
KEY 26 State Licensure Pass Rate of Engineering Graduates	84.08%	85.00%	86.50%	88.00%	90.00%
KEY 28 State Licensure Pass Rate of Pharmacy Graduates	100.00%	98.71%	99.00%	99.00%	99.00%
KEY 30 Dollar Value of External or Sponsored Research Funds (in Millions)	118.30	103.90	105.00	108.00	110.00
31 External or Sponsored Research Funds As a % of State Appropriations	657.15%	593.20%	625.00%	625.00%	625.00%
32 External Research Funds As Percentage Appropriated for Research	794.61%	630.47%	650.00%	650.00%	650.00%
48 % Endowed Professorships/ Chairs Unfilled All/ Part of Fiscal Year	16.67%	17.23%	16.50%	16.50%	16.00%
49 Average No Months Endowed Chairs Remain Vacant	12.00	12.00	12.00	12.00	12.00

2.E. Summary of Exceptional Items Request
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2014
 TIME : 1:20:30PM

Agency code: 730

Agency name: University of Houston

Priority	Item	2016			2017			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Hobby School of Public Affairs	\$2,000,000	\$2,000,000	15.0	\$2,000,000	\$2,000,000	15.0	\$4,000,000	\$4,000,000
2	Energy-Intelligent Oil Fields	\$2,000,000	\$2,000,000	6.0	\$2,000,000	\$2,000,000	6.0	\$4,000,000	\$4,000,000
3	Pharmacy Equity Funding	\$4,464,000	\$4,464,000	32.0	\$4,464,000	\$4,464,000	32.0	\$8,928,000	\$8,928,000
4	Health Science Center Expansion	\$3,000,000	\$3,000,000	6.0	\$3,000,000	\$3,000,000	6.0	\$6,000,000	\$6,000,000
5	Tuition Revenue Bond Retirement	\$22,349,761	\$22,349,761		\$22,349,761	\$22,349,761		\$44,699,522	\$44,699,522
6	Small Business Development Center	\$490,000	\$490,000	5.0	\$490,000	\$490,000	5.0	\$980,000	\$980,000
Total, Exceptional Items Request		\$34,303,761	\$34,303,761	64.0	\$34,303,761	\$34,303,761	64.0	\$68,607,522	\$68,607,522

Method of Financing

General Revenue	\$34,303,761	\$34,303,761		\$34,303,761	\$34,303,761		\$68,607,522	\$68,607,522
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	\$34,303,761	\$34,303,761		\$34,303,761	\$34,303,761		\$68,607,522	\$68,607,522

Full Time Equivalent Positions

64.0

64.0

Number of 100% Federally Funded FTEs

2.F. Summary of Total Request by Strategy
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/17/2014

TIME : 1:20:30PM

Agency code: 730 Agency name: University of Houston

Goal/Objective/STRATEGY	Base 2016	Base 2017	Exceptional 2016	Exceptional 2017	Total Request 2016	Total Request 2017
1 Provide Instructional and Operations Support						
<i>1 Provide Instructional and Operations Support</i>						
1 OPERATIONS SUPPORT	\$0	\$0	\$0	\$0	\$0	\$0
3 STAFF GROUP INSURANCE PREMIUMS	8,595,262	8,595,262	0	0	8,595,262	8,595,262
4 WORKERS' COMPENSATION INSURANCE	349,930	349,930	0	0	349,930	349,930
6 TEXAS PUBLIC EDUCATION GRANTS	7,702,400	7,884,200	0	0	7,702,400	7,884,200
TOTAL, GOAL 1	\$16,647,592	\$16,829,392	\$0	\$0	\$16,647,592	\$16,829,392
2 Provide Infrastructure Support						
<i>1 Provide Operation and Maintenance of E&G Space</i>						
1 E&G SPACE SUPPORT	0	0	0	0	0	0
2 TUITION REVENUE BOND RETIREMENT	0	0	22,349,761	22,349,761	22,349,761	22,349,761
TOTAL, GOAL 2	\$0	\$0	\$22,349,761	\$22,349,761	\$22,349,761	\$22,349,761

2.F. Summary of Total Request by Strategy
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/17/2014
 TIME : 1:20:30PM

Agency code: 730 Agency name: University of Houston

Goal/Objective/STRATEGY	Base 2016	Base 2017	Exceptional 2016	Exceptional 2017	Total Request 2016	Total Request 2017
3 Provide Special Item Support						
1 <i>Instructional Support Special Item Support</i>						
1 COLLEGE OF PHARMACY	\$2,000,000	\$2,000,000	\$4,464,000	\$4,464,000	\$6,464,000	\$6,464,000
2 <i>Research Special Item Support</i>						
1 COMPLEX SYSTEMS RESEARCH CLUSTER	690,000	690,000	0	0	690,000	690,000
2 ENERGY RESEARCH CLUSTER	3,567,500	3,567,500	2,000,000	2,000,000	5,567,500	5,567,500
3 HOBBY SCHOOL OF PUBLIC AFFAIRS	200,000	200,000	2,000,000	2,000,000	2,200,000	2,200,000
3 <i>Public Service Special Item Support</i>						
1 SMALL BUSINESS DEVELOPMENT	3,377,767	3,377,767	490,000	490,000	3,867,767	3,867,767
2 HEALTH SCIENCES RESEARCH CLUSTER	2,217,500	2,217,500	3,000,000	3,000,000	5,217,500	5,217,500
3 EDUCATION & COMMUNITY ADVANCEMENT	1,151,509	1,151,509	0	0	1,151,509	1,151,509
4 <i>Institutional Support Special Item Support</i>						
1 INSTITUTIONAL ENHANCEMENT	3,387,201	3,387,201	0	0	3,387,201	3,387,201
TOTAL, GOAL 3	\$16,591,477	\$16,591,477	\$11,954,000	\$11,954,000	\$28,545,477	\$28,545,477

2.F. Summary of Total Request by Strategy
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/17/2014

TIME : 1:20:30PM

Agency code: 730 Agency name: University of Houston

Goal/Objective/STRATEGY	Base 2016	Base 2017	Exceptional 2016	Exceptional 2017	Total Request 2016	Total Request 2017
6 Research Funds						
<i>1 Research Development Fund</i>						
1 RESEARCH DEVELOPMENT FUND	\$0	\$0	\$0	\$0	\$0	\$0
<i>2 Competitive Knowledge Fund</i>						
1 COMPETITIVE KNOWLEDGE FUND	0	0	0	0	0	0
TOTAL, GOAL 6	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, AGENCY STRATEGY REQUEST	\$33,239,069	\$33,420,869	\$34,303,761	\$34,303,761	\$67,542,830	\$67,724,630
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$33,239,069	\$33,420,869	\$34,303,761	\$34,303,761	\$67,542,830	\$67,724,630

2.F. Summary of Total Request by Strategy
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/17/2014

TIME : 1:20:30PM

Agency code: 730	Agency name: University of Houston					
Goal/Objective/STRATEGY	Base 2016	Base 2017	Exceptional 2016	Exceptional 2017	Total Request 2016	Total Request 2017
General Revenue Funds:						
1 General Revenue Fund	\$16,941,407	\$16,941,407	\$34,303,761	\$34,303,761	\$51,245,168	\$51,245,168
	\$16,941,407	\$16,941,407	\$34,303,761	\$34,303,761	\$51,245,168	\$51,245,168
General Revenue Dedicated Funds:						
704 Bd Authorized Tuition Inc	0	0	0	0	0	0
770 Est Oth Educ & Gen Inco	16,297,662	16,479,462	0	0	16,297,662	16,479,462
	\$16,297,662	\$16,479,462	\$0	\$0	\$16,297,662	\$16,479,462
TOTAL, METHOD OF FINANCING	\$33,239,069	\$33,420,869	\$34,303,761	\$34,303,761	\$67,542,830	\$67,724,630
FULL TIME EQUIVALENT POSITIONS	2,669.3	2,669.3	64.0	64.0	2,733.3	2,733.3

2.G. Summary of Total Request Objective Outcomes
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/17/2014
 Time: 1:20:31PM

Agency code: 730

Agency name: University of Houston

Goal/ Objective / Outcome

	BL 2016	BL 2017	Excp 2016	Excp 2017	Total Request 2016	Total Request 2017
1 Provide Instructional and Operations Support						
1 <i>Provide Instructional and Operations Support</i>						
KEY 1 % 1st-time, Full-time, Degree-seeking Frsh Earn Degree in 6 Yrs						
	50.00%	51.00%	0.00%	0.00%	50.00%	51.00%
2 % 1st-time, Full-time, Degree-seeking White Frsh Earn Degree in 6 Yrs						
	51.50%	52.80%	0.00%	0.00%	51.50%	52.80%
3 % 1st-time, Full-time, Degree-seeking Hisp Frsh Earn Degree in 6 Yrs						
	44.50%	45.00%	0.00%	0.00%	44.50%	45.00%
4 % 1st-time, Full-time, Degree-seeking Black Frsh Earn Degree in 6 Yrs						
	36.00%	36.50%	0.00%	0.00%	36.00%	36.50%
5 % 1st-time, Full-time, Degree-seeking Other Frsh Earn Degree in 6 Yrs						
	62.00%	62.00%	0.00%	0.00%	62.00%	62.00%
KEY 6 % 1st-time, Full-time, Degree-seeking Frsh Earn Degree in 4 Yrs						
	21.80%	22.70%	0.00%	0.00%	21.80%	22.70%
7 % 1st-time, Full-time, Degree-seeking White Frsh Earn Degree in 4 Yrs						
	27.20%	28.60%	0.00%	0.00%	27.20%	28.60%
8 % 1st-time, Full-time, Degree-seeking Hispanic Frsh Earn Degree in 4 Y						
	15.90%	16.70%	0.00%	0.00%	15.90%	16.70%

2.G. Summary of Total Request Objective Outcomes
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/17/2014
 Time: 1:20:31PM

Agency code: 730

Agency name: University of Houston

Goal/ Objective / Outcome

	BL 2016	BL 2017	Excp 2016	Excp 2017	Total Request 2016	Total Request 2017
9 % 1st-time, Full-time, Degree-seeking Black Frsh Earn Degree in 4 Yrs	13.10%	13.50%	0.00%	0.00%	13.10%	13.50%
10 % 1st-time, Full-time, Degree-seeking Other Frsh Earn Degree in 4 Yrs	27.20%	28.30%	0.00%	0.00%	27.20%	28.30%
KEY 11 Persistence Rate 1st-time, Full-time, Degree-seeking Frsh after 1 Yr	86.60%	87.50%	0.00%	0.00%	86.60%	87.50%
12 Persistence 1st-time, Full-time, Degree-seeking White Frsh after 1 Yr	81.40%	82.30%	0.00%	0.00%	81.40%	82.30%
13 Persistence 1st-time, Full-time, Degree-seeking Hisp Frsh after 1 Yr	85.30%	86.20%	0.00%	0.00%	85.30%	86.20%
14 Persistence 1st-time, Full-time, Degree-seeking Black Frsh after 1 Yr	84.10%	85.10%	0.00%	0.00%	84.10%	85.10%
15 Persistence 1st-time, Full-time, Degree-seeking Other Frsh after 1 Yr	92.10%	92.70%	0.00%	0.00%	92.10%	92.70%
16 Percent of Semester Credit Hours Completed	97.00%	97.00%	0.00%	0.00%	97.00%	97.00%
KEY 17 Certification Rate of Teacher Education Graduates	90.60%	92.40%	0.00%	0.00%	90.60%	92.40%

2.G. Summary of Total Request Objective Outcomes
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/17/2014
 Time: 1:20:31PM

Agency code: 730

Agency name: University of Houston

Goal/ Objective / Outcome

	BL 2016	BL 2017	Excp 2016	Excp 2017	Total Request 2016	Total Request 2017
18 Percentage of Underprepared Students Satisfy TSI Obligation in Math	75.00%	80.00%	0.00%	0.00%	75.00%	80.00%
19 Percentage of Underprepared Students Satisfy TSI Obligation in Writing	95.00%	95.00%	0.00%	0.00%	95.00%	95.00%
20 Percentage of Underprepared Students Satisfy TSI Obligation in Reading	77.00%	80.00%	0.00%	0.00%	77.00%	80.00%
KEY 21 % of Baccalaureate Graduates Who Are 1st Generation College Graduates	50.90%	52.50%	0.00%	0.00%	50.90%	52.50%
KEY 22 Percent of Transfer Students Who Graduate within 4 Years	55.50%	56.00%	0.00%	0.00%	55.50%	56.00%
KEY 23 Percent of Transfer Students Who Graduate within 2 Years	15.50%	15.50%	0.00%	0.00%	15.50%	15.50%
KEY 24 % Lower Division Semester Credit Hours Taught by Tenured/Tenure-Track	26.00%	26.00%	0.00%	0.00%	26.00%	26.00%
KEY 25 State Licensure Pass Rate of Law Graduates	92.00%	92.00%	0.00%	0.00%	92.00%	92.00%
KEY 26 State Licensure Pass Rate of Engineering Graduates	88.00%	90.00%	0.00%	0.00%	88.00%	90.00%

2.G. Summary of Total Request Objective Outcomes
 84th Regular Session, Agency Submission, Version 1
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Date : 10/17/2014

Time: 1:20:31PM

Agency code: 730

Agency name: University of Houston

Goal/ Objective / Outcome

	BL 2016	BL 2017	Excp 2016	Excp 2017	Total Request 2016	Total Request 2017
KEY 28 State Licensure Pass Rate of Pharmacy Graduates	99.00%	99.00%	0.00%	0.00%	99.00%	99.00%
KEY 30 Dollar Value of External or Sponsored Research Funds (in Millions)	108.00	110.00	0.00	0.00	108.00	110.00
31 External or Sponsored Research Funds As a % of State Appropriations	625.00%	625.00%	0.00%	0.00%	625.00%	625.00%
32 External Research Funds As Percentage Appropriated for Research	650.00%	650.00%	0.00%	0.00%	650.00%	650.00%
48 % Endowed Professorships/ Chairs Unfilled All/ Part of Fiscal Year	16.50%	16.00%	0.00%	0.00%	16.50%	16.00%
49 Average No Months Endowed Chairs Remain Vacant	12.00	12.00	0.00	0.00	12.00	12.00

730 University of Houston

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Provide Instructional and Operations Support Service Categories:
 STRATEGY: 1 Operations Support Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016 ⁽¹⁾	BL 2017 ⁽¹⁾
Output Measures:						
1	Number of Undergraduate Degrees Awarded	5,757.00	5,834.00	5,892.00	5,951.00	6,010.00
2	Number of Minority Graduates	2,797.00	2,917.00	2,946.00	2,976.00	3,005.00
3	Number of Underprepared Students Who Satisfy TSI Obligation in Math	58.00	28.00	20.00	15.00	12.00
4	Number of Underprepared Students Who Satisfy TSI Obligation in Writing	93.00	64.00	50.00	40.00	30.00
5	Number of Underprepared Students Who Satisfy TSI Obligation in Reading	50.00	35.00	30.00	25.00	20.00
6	Number of Two-Year College Transfers Who Graduate	2,046.00	2,042.00	2,062.00	2,083.00	2,104.00
Efficiency Measures:						
KEY 1	Administrative Cost As a Percent of Operating Budget	6.30 %	6.22 %	5.52 %	6.00 %	6.00 %
Explanatory/Input Measures:						
1	Student/Faculty Ratio	22.00	22.00	22.00	22.00	22.00
2	Number of Minority Students Enrolled	14,837.00	14,850.00	14,899.00	15,271.00	15,643.00
3	Number of Community College Transfers Enrolled	10,970.00	10,875.00	11,154.00	11,432.00	11,711.00
4	Number of Semester Credit Hours Completed	437,036.00	434,233.00	444,714.00	455,195.00	465,677.00
5	Number of Semester Credit Hours	455,036.00	458,052.00	469,108.00	480,164.00	491,220.00

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

3.A. Strategy Request
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/17/2014 1:20:31PM

730 University of Houston

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Provide Instructional and Operations Support Service Categories:
 STRATEGY: 1 Operations Support Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016 ⁽¹⁾	BL 2017 ⁽¹⁾
6	Number of Students Enrolled as of the Twelfth Class Day	39,540.00	40,579.00	41,618.00	42,657.00	43,696.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$63,713,993	\$77,576,180	\$78,868,324	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$4,099,783	\$3,449,284	\$3,506,737	\$0	\$0
1005	FACULTY SALARIES	\$103,659,594	\$110,550,594	\$111,883,644	\$0	\$0
1010	PROFESSIONAL SALARIES	\$506,162	\$610,184	\$620,348	\$0	\$0
2001	PROFESSIONAL FEES AND SERVICES	\$366,939	\$211,017	\$214,532	\$0	\$0
2002	FUELS AND LUBRICANTS	\$19,094	\$68,774	\$69,920	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$372,231	\$336,036	\$341,633	\$0	\$0
2004	UTILITIES	\$271,426	\$340,334	\$346,003	\$0	\$0
2005	TRAVEL	\$4,249	\$2,406	\$2,446	\$0	\$0
2006	RENT - BUILDING	\$185	\$17,818	\$18,115	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$126,189	\$101,039	\$102,722	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$1,242,800	\$1,228,154	\$1,248,611	\$0	\$0
3001	CLIENT SERVICES	\$0	\$2,500	\$2,542	\$0	\$0
5000	CAPITAL EXPENDITURES	\$262,707	\$162,812	\$165,524	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$174,645,352	\$194,657,132	\$197,391,101	\$0	\$0

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

730 University of Houston

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Provide Instructional and Operations Support Service Categories:
 STRATEGY: 1 Operations Support Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016 ⁽¹⁾	BL 2017 ⁽¹⁾
Method of Financing:						
1	General Revenue Fund	\$95,007,346	\$106,530,116	\$105,794,573	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$95,007,346	\$106,530,116	\$105,794,573	\$0	\$0
Method of Financing:						
704	Bd Authorized Tuition Inc	\$14,039,113	\$13,836,504	\$13,848,971	\$0	\$0
770	Est Oth Educ & Gen Inco	\$65,598,893	\$74,290,512	\$77,747,557	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$79,638,006	\$88,127,016	\$91,596,528	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$174,645,352	\$194,657,132	\$197,391,101	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		2,014.4	1,992.1	2,075.5	2,011.4	2,011.4

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Instruction and Operations Formula provides funding for faculty salaries, departmental operating expense, library, instructional administration, research enhancement, student services and institutional support. The funds are distributed on a weighted semester credit hour basis. The rate per weighted semester credit hour is established by the Legislature each biennium.

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

730 University of Houston

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Provide Instructional and Operations Support Service Categories:
 STRATEGY: 3 Staff Group Insurance Premiums Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$9,132,654	\$8,008,257	\$8,595,262	\$8,595,262	\$8,595,262
TOTAL, OBJECT OF EXPENSE		\$9,132,654	\$8,008,257	\$8,595,262	\$8,595,262	\$8,595,262
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$9,132,654	\$8,008,257	\$8,595,262	\$8,595,262	\$8,595,262
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$9,132,654	\$8,008,257	\$8,595,262	\$8,595,262	\$8,595,262
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$8,595,262	\$8,595,262
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$9,132,654	\$8,008,257	\$8,595,262	\$8,595,262	\$8,595,262

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

The strategy funds the Worker's Compensation payments related to Educational and General funds.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

730 University of Houston

GOAL:	1	Provide Instructional and Operations Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Provide Instructional and Operations Support	Service Categories:		
STRATEGY:	4	Workers' Compensation Insurance	Service: 06	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$444,952	\$349,930	\$349,930	\$349,930	\$349,930
TOTAL, OBJECT OF EXPENSE		\$444,952	\$349,930	\$349,930	\$349,930	\$349,930
Method of Financing:						
1	General Revenue Fund	\$444,952	\$349,930	\$349,930	\$349,930	\$349,930
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$444,952	\$349,930	\$349,930	\$349,930	\$349,930
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$349,930	\$349,930
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$444,952	\$349,930	\$349,930	\$349,930	\$349,930
FULL TIME EQUIVALENT POSITIONS:						
STRATEGY DESCRIPTION AND JUSTIFICATION:						
EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:						

730 University of Houston

GOAL:	1	Provide Instructional and Operations Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Provide Instructional and Operations Support	Service Categories:		
STRATEGY:	6	Texas Public Education Grants	Service: 20	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$7,144,156	\$6,966,824	\$7,529,248	\$7,702,400	\$7,884,200
TOTAL, OBJECT OF EXPENSE		\$7,144,156	\$6,966,824	\$7,529,248	\$7,702,400	\$7,884,200
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$7,144,156	\$6,966,824	\$7,529,248	\$7,702,400	\$7,884,200
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$7,144,156	\$6,966,824	\$7,529,248	\$7,702,400	\$7,884,200
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$7,702,400	\$7,884,200
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$7,144,156	\$6,966,824	\$7,529,248	\$7,702,400	\$7,884,200

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy represents tuition set aside for the Texas Public Education Grants program as required by Section 56.033 of the Texas Education Code.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. Strategy Request
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/17/2014 1:20:31PM

730 University of Houston

GOAL: 2 Provide Infrastructure Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space Service Categories:
 STRATEGY: 1 Educational and General Space Support Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016 ⁽¹⁾	BL 2017 ⁽¹⁾
Efficiency Measures:						
1	Space Utilization Rate of Classrooms	40.00	35.00	35.00	35.00	35.00
2	Space Utilization Rate of Labs	30.00	27.00	27.00	28.00	28.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$11,853,062	\$12,336,527	\$13,924,193	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$22,801	\$49,067	\$0	\$0	\$0
1010	PROFESSIONAL SALARIES	\$0	\$20,983	\$0	\$0	\$0
2002	FUELS AND LUBRICANTS	\$3,609	\$902	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$562	\$869	\$0	\$0	\$0
2004	UTILITIES	\$14,475	\$44,789	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$0	\$43,500	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$10,855	\$761,781	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$0	\$173,335	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$11,905,364	\$13,431,753	\$13,924,193	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$11,905,364	\$13,431,753	\$13,924,193	\$0	\$0

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

730 University of Houston

GOAL: 2 Provide Infrastructure Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space Service Categories:
 STRATEGY: 1 Educational and General Space Support Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016 ⁽¹⁾	BL 2017 ⁽¹⁾
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$11,905,364	\$13,431,753	\$13,924,193	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$11,905,364	\$13,431,753	\$13,924,193	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		326.0	331.5	372.0	372.0	372.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

This is an item generated by a variety of formulas including replacement cost of buildings, gross square footage of educational, general and service buildings, fall student headcount and employee headcount. It covers salaries, wages, supplies, travel, equipment and other operating expenses to maintain campus property--including land and buildings. It also provides for physical plant administration and planning, and associated purchase and delivery of electricity, natural gas, or other energy sources, including steam and chilled water. This strategy request includes the direct cost of utility plant operations, purchase of water and wastewater services, and any debt service directly related to utilities operations. This does not include cost of utilities for auxiliary enterprises.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	1	0
OBJECTIVE:	1	Instructional Support Special Item Support	Service Categories:		
STRATEGY:	1	College of Pharmacy	Service:	19	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$824,234	\$824,234	\$824,234	\$824,234
1002	OTHER PERSONNEL COSTS	\$0	\$0	\$0	\$0	\$0
1005	FACULTY SALARIES	\$0	\$1,175,766	\$1,175,766	\$1,175,766	\$1,175,766
2009	OTHER OPERATING EXPENSE	\$0	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Method of Financing:						
1	General Revenue Fund	\$0	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,000,000	\$2,000,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
FULL TIME EQUIVALENT POSITIONS:		0.0	33.7	33.7	33.7	33.7

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	1	0
OBJECTIVE:	1	Instructional Support Special Item Support	Service Categories:		
STRATEGY:	1	College of Pharmacy	Service: 19	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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STRATEGY DESCRIPTION AND JUSTIFICATION:

Currently, Pharmacy programs funded through the formula for General Academic Institutions (GAI) - University of Houston, UT-Austin, Texas Southern University - receive fewer resources on a per student basis than Pharmacy programs funded through the formula for Health-Related Institutions (HRI) - Texas Tech, Texas A&M, University of North Texas. In 2000, the funding levels for these two types of Pharmacy programs were approximately equal when the GAI weighting was 13.43. Today, however, the funding formula has a weight of 4.03 which results in significant funding inequity. For example, if HRI and GAI Pharmacy programs both have 500 professional Pharmacy students, the HRI-based program would receive \$7,955,000 and the GAI-based program would receive \$2,765,000 annually. When added to resources appropriated through the formula for General Academic Institutions, funding for this special item provides the UH College of Pharmacy with resources that partially close this gap.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The University of Houston College of Pharmacy (UHCOP) has been a member of the world's largest medical center, the Texas Medical Center (TMC) for over 30 years. UHCOP students and faculty deliver countless essential pharmaceutical care services throughout the TMC, regional Federally Qualified Health Centers (FQHC) that provide essential health care services to the state's neediest patients, as well as health care hospitals, clinics and pharmacies across Texas. UHCOP researchers collaborate with a myriad of world-class researchers, located within the many member institutions of the TMC and beyond, in order to develop new life-saving therapies and new impactful discoveries. For example, IV Busulfex developed by a UHCOP faculty member is now used in 65% of myeloid leukemia patients undergoing bone marrow transplant.

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Research Special Item Support	Service Categories:		
STRATEGY:	1	Complex Systems Research Cluster	Service: 21	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1001	SALARIES AND WAGES	\$350,211	\$594,798	\$639,006	\$639,006	\$639,006
1002	OTHER PERSONNEL COSTS	\$0	\$13	\$14	\$14	\$14
1005	FACULTY SALARIES	\$(66)	\$0	\$0	\$0	\$0
1010	PROFESSIONAL SALARIES	\$0	\$91,635	\$47,161	\$47,161	\$47,161
2009	OTHER OPERATING EXPENSE	\$8,000	\$3,554	\$3,819	\$3,819	\$3,819
TOTAL, OBJECT OF EXPENSE		\$358,145	\$690,000	\$690,000	\$690,000	\$690,000
Method of Financing:						
1	General Revenue Fund	\$358,145	\$690,000	\$690,000	\$690,000	\$690,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$358,145	\$690,000	\$690,000	\$690,000	\$690,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$690,000	\$690,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$358,145	\$690,000	\$690,000	\$690,000	\$690,000
FULL TIME EQUIVALENT POSITIONS:		6.2	11.8	11.8	11.8	11.8

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Research Special Item Support	Service Categories:		
STRATEGY:	1	Complex Systems Research Cluster	Service:	21	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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STRATEGY DESCRIPTION AND JUSTIFICATION:

As part of its drive to become a nationally recognized tier-one research university, the University of Houston has established a goal of increasing research expenditures to \$150M. To reach this level of productivity, UH is investing in its research programs in complex systems – the application of advanced computer, network and database technologies to address some of the nation’s most important challenges. At UH, scientists are incorporating the traditional disciplines of computer science, biology, chemistry, geology, engineering, and psychology among others into complex systems that address such diverse issues as air quality, homeland security, student learning, and space operations. Major UH programs conducting complex systems research include the Texas Learning and Computation Center; the Texas Institute for Measurement, Evaluation and Statistics; and the National Center for Airborne Laser Mapping. Investments in UH’s complex systems research programs enables the university to leverage external funding from industry and the federal government. In FY 2013, the university’s total research expenditures in complex systems totaled \$9.8 million.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The state of Texas has recognized that increasing the number of nationally competitive Tier One research universities is critical to the state’s economic future. With more Tier One universities, Texas will draw more top students, scientists and scholars to the state; improve the quality of its workforce, particularly in the sciences and engineering; and facilitate research partnerships with industry that lead to economic development. Three years ago, the Carnegie Foundation for the Advancement of Teaching classified the University of Houston as a Tier One research institution for the first time (joining UT-Austin, Texas A&M and Rice as the only other universities in Texas to hold this distinction). This achievement would not have been possible without strong financial support from the state, including funding for the university’s complex systems research programs appropriated through this special item.

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Research Special Item Support	Service Categories:		
STRATEGY:	2	Energy Research Cluster	Service: 21	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,891,557	\$1,491,248	\$1,685,324	\$1,685,324	\$1,685,324
1002	OTHER PERSONNEL COSTS	\$2,920	\$4,440	\$5,018	\$5,018	\$5,018
1005	FACULTY SALARIES	\$250,737	\$126,911	\$52,481	\$52,481	\$52,481
1010	PROFESSIONAL SALARIES	\$980,003	\$703,090	\$601,918	\$601,918	\$601,918
2003	CONSUMABLE SUPPLIES	\$67,554	\$97,281	\$109,942	\$109,942	\$109,942
2004	UTILITIES	\$32,725	\$0	\$0	\$0	\$0
2005	TRAVEL	\$20,017	\$5,949	\$6,724	\$6,724	\$6,724
2007	RENT - MACHINE AND OTHER	\$1,230	\$985	\$1,113	\$1,113	\$1,113
2009	OTHER OPERATING EXPENSE	\$214,763	\$209,534	\$230,031	\$230,031	\$230,031
5000	CAPITAL EXPENDITURES	\$748,359	\$928,062	\$874,949	\$874,949	\$874,949
TOTAL, OBJECT OF EXPENSE		\$4,209,865	\$3,567,500	\$3,567,500	\$3,567,500	\$3,567,500
Method of Financing:						
1	General Revenue Fund	\$4,209,865	\$3,567,500	\$3,567,500	\$3,567,500	\$3,567,500
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$4,209,865	\$3,567,500	\$3,567,500	\$3,567,500	\$3,567,500

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Research Special Item Support	Service Categories:		
STRATEGY:	2	Energy Research Cluster	Service: 21	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017	
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)						\$3,567,500	\$3,567,500
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,209,865	\$3,567,500	\$3,567,500	\$3,567,500	\$3,567,500	
FULL TIME EQUIVALENT POSITIONS:		43.3	38.1	38.1	38.1	38.1	

STRATEGY DESCRIPTION AND JUSTIFICATION:

As part of its drive to become a nationally recognized tier-one research university, the University of Houston has established a goal of increasing research expenditures to \$150M. To reach this level of productivity, UH is investing in its energy research programs, which represent one of the university's major areas of strength. Located in the center of the world's energy industry, UH has built partnerships with international companies and developed research programs that focus not only on oil and gas but on electricity, alternative energy sources, conservation and air quality. Signature UH energy programs include the Texas Center for Superconductivity, the TcSUH Applied Research Hub, the Center for Advanced Materials, the Texas Diesel Testing and Research Center, and the Energy Research Park – a 64-acre complex that serves as the cornerstone for UH's academic/research programs, industrial partnerships, professional training, and economic development activities related to energy. Investments in UH's energy programs enable the university to leverage external funding from industry and the federal government. In FY 2013, the university's total research expenditures in energy programs totaled \$25 million.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Research Special Item Support	Service Categories:		
STRATEGY:	2	Energy Research Cluster	Service: 21	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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The state of Texas has recognized that increasing the number of nationally competitive Tier One research universities is critical to the state's economic future. With more Tier One universities, Texas will draw more top students, scientists and scholars to the state; improve the quality of its workforce, particularly in the sciences and engineering; and facilitate research partnerships with industry that lead to economic development. Three years ago, the Carnegie Foundation for the Advancement of Teaching classified the University of Houston as a Tier One research institution for the first time (joining UT-Austin, Texas A&M and Rice as the only other universities in Texas to hold this distinction). This achievement would not have been possible without strong financial support from the state, including funding for the university's energy research programs appropriated through this special item.

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	1	0
OBJECTIVE:	2	Research Special Item Support	Service Categories:		
STRATEGY:	3	William P. Hobby School of Public Affairs	Service:	19	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$103,900	\$103,900	\$103,900	\$103,900
2009	OTHER OPERATING EXPENSE	\$0	\$96,100	\$96,100	\$96,100	\$96,100
5000	CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$200,000	\$200,000	\$200,000	\$200,000
Method of Financing:						
1	General Revenue Fund	\$0	\$200,000	\$200,000	\$200,000	\$200,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$200,000	\$200,000	\$200,000	\$200,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$200,000	\$200,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$200,000	\$200,000	\$200,000	\$200,000
FULL TIME EQUIVALENT POSITIONS:		0.0	1.0	1.0	1.0	1.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	1	0
OBJECTIVE:	2	Research Special Item Support	Service Categories:		
STRATEGY:	3	William P. Hobby School of Public Affairs	Service:	19	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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The Hobby Center for Public Policy (HCPP) begins its transition to the Hobby School of Public Affairs (HSPA) with the start of its Master of Public Policy program in 2015. The creation of a public affairs school will address the reality that Houston is the only major city in the nation without a public affairs school at a major public research university. HSPA will leverage the City of Houston’s diverse population, its status as an economic leader in the global economy, and its ability to serve as a laboratory for policy innovation. Through real-world research projects and graduate student training, HSPA will help decision makers analyze data, communicate research findings and recruit trained professionals. Using an interdisciplinary approach including political science, economics, law, business, psychology, and social work, HSPA students will be uniquely prepared to address ever present public policy challenges through the development of quantitative skills, advanced multidisciplinary technical abilities and knowledge of theory and ethics. Applied research projects will enhance student education while providing objective findings to decision makers and the general public. Hobby School graduates will be leaders in basic research, applied research and education appropriate for serving local, state, national and international entities within the public realm, the private sector and academia. HSPA's distinctive education and research mission also allows for new avenues for private funding.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

In a global economy, the increased complexity of government and business requires highly skilled individuals who can manage, leverage technology, analyze complex data and arrive at ethical, pragmatic solutions. According to a study by the McKinsey Global Institute, the need for data professionals is continually increasing and will result in a shortage of 140,000 to 190,000 people with advanced analytical skills and a lack of 1.5 million managers and analysts with the skills to analyze data to make effective decisions. Funding for HSPA will ensure that the demand for an appropriately trained workforce is met. HSPA professors, researchers and graduate students will serve as sources of support to government, business and non-profit organizations by providing objective analyses; breaking down complex problems; identifying cause and effect and correlations; communicating findings effectively; analyzing effectiveness; and building public-private collaborations. Through classroom learning and application of research skills to real-world problems, students will develop the ability to address challenges in an objective manner and become employee “experts” who are in a position to train and share knowledge with other employees, essentially resulting in a better trained workforce and more effective organizations. Solutions developed by the HSPA will benefit not only the City of Houston, but other cities in Texas and in the nation that share similar challenges.

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Public Service Special Item Support	Service Categories:		
STRATEGY:	1	University of Houston Small Business Development Center	Service:	13	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1001	SALARIES AND WAGES	\$2,296,952	\$2,753,805	\$2,793,006	\$2,793,006	\$2,793,006
1002	OTHER PERSONNEL COSTS	\$2,204	\$8,468	\$0	\$0	\$0
1005	FACULTY SALARIES	\$52,500	\$408	\$188,279	\$188,279	\$188,279
1010	PROFESSIONAL SALARIES	\$148,633	\$213,386	\$0	\$0	\$0
2001	PROFESSIONAL FEES AND SERVICES	\$2,732	\$22,483	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$39,687	\$25,450	\$0	\$0	\$0
2004	UTILITIES	\$68,771	\$42,236	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$45,131	\$48,281	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$683,498	\$155,982	\$396,482	\$396,482	\$396,482
5000	CAPITAL EXPENDITURES	\$0	\$107,268	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$3,340,108	\$3,377,767	\$3,377,767	\$3,377,767	\$3,377,767
Method of Financing:						
1	General Revenue Fund	\$3,340,108	\$3,377,767	\$3,377,767	\$3,377,767	\$3,377,767
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$3,340,108	\$3,377,767	\$3,377,767	\$3,377,767	\$3,377,767

Method of Financing:

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Public Service Special Item Support	Service Categories:		
STRATEGY:	1	University of Houston Small Business Development Center	Service:	13	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
770	Est Oth Educ & Gen Inco	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$3,377,767	\$3,377,767
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$3,340,108	\$3,377,767	\$3,377,767	\$3,377,767	\$3,377,767
FULL TIME EQUIVALENT POSITIONS:		41.4	45.6	48.7	48.7	48.7

STRATEGY DESCRIPTION AND JUSTIFICATION:

The University of Houston Small Business Development Center was established in 1984 under a cooperative agreement with the US Small Business Administration. As one of the preeminent SBDCs in the country and a flagship of small business assistance in Texas, the UH SBDC's central focus is providing quality assistance to the small business community by increasing growth and survivability. The UH SBDC accomplishes its mission by providing free one-on-one business counseling, low-cost business seminars, government procurement assistance, international trade, and technology development. The UH SBDC has had a very successful positive economic impact on Houston and the surrounding communities, particularly in the area of job creation. An annual independent impact study completed in 2013 for businesses assisted in 2011 showed that clients who received five or more hours of counseling from the SBDC generated over \$278.21 million in new sales and approximately 4,4711 new jobs. In addition, the same survey indicated that SBDC assistance helped clients obtain \$259.9 million in start-up and expansion capital, and generate new tax revenues of \$35.5 million.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Public Service Special Item Support	Service Categories:		
STRATEGY:	1	University of Houston Small Business Development Center	Service:	13	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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The Small Business Development Center special line item funding is used as a cash match to federal contracts and without this funding from the State, over \$2.9 million in Federal funds and approximately \$1.8 million in other local community funds and program income would be lost annually. State and local economic impact in terms of job creation and tax revenues due to the loss of SBDC services would be felt in the Houston area as well as in the surrounding communities served by our 11 network partners such as Angelina College, Blinn College, Brazosport College, Lamar State College, and San Jacinto College, and those who are funded by UH through our SBA cooperative agreement.

The loss of SBDC services to the Houston and Gulf Coast business communities would have a dramatic negative impact as ten of thousands of start-up entrepreneurs and existing business owners would be unable to access low-cost professional business services. Based on historical data, sales growth, job creation, and capital expansion would be significantly reduced with a major loss being in the inner city. The combination of the above factors would cause declining tax revenues and job expansion with our two most recent impact studies suggesting possible cumulative loss of approximately \$80 million in tax revenues as well as 9,955 new jobs over the biennium.

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730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Public Service Special Item Support	Service Categories:		
STRATEGY:	2	Health Sciences Research Cluster	Service: 21	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,913,348	\$1,196,377	\$1,309,454	\$1,309,454	\$1,309,454
1002	OTHER PERSONNEL COSTS	\$68,680	\$29,088	\$31,837	\$31,837	\$31,837
1005	FACULTY SALARIES	\$118,591	\$97,872	\$20,770	\$20,770	\$20,770
1010	PROFESSIONAL SALARIES	\$268,229	\$411,470	\$330,070	\$330,070	\$330,070
2002	FUELS AND LUBRICANTS	\$0	\$738	\$807	\$807	\$807
2003	CONSUMABLE SUPPLIES	\$10,150	\$8,570	\$9,380	\$9,380	\$9,380
2004	UTILITIES	\$5,310	\$7,882	\$8,627	\$8,627	\$8,627
2005	TRAVEL	\$19,848	\$10,645	\$11,652	\$11,652	\$11,652
2006	RENT - BUILDING	\$68	\$0	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$320	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$133,623	\$416,181	\$452,570	\$452,570	\$452,570
5000	CAPITAL EXPENDITURES	\$128,782	\$38,677	\$42,333	\$42,333	\$42,333
TOTAL, OBJECT OF EXPENSE		\$2,666,949	\$2,217,500	\$2,217,500	\$2,217,500	\$2,217,500
Method of Financing:						
1	General Revenue Fund	\$2,666,949	\$2,217,500	\$2,217,500	\$2,217,500	\$2,217,500
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,666,949	\$2,217,500	\$2,217,500	\$2,217,500	\$2,217,500

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Public Service Special Item Support	Service Categories:		
STRATEGY:	2	Health Sciences Research Cluster	Service: 21	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,217,500	\$2,217,500
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,666,949	\$2,217,500	\$2,217,500	\$2,217,500	\$2,217,500
FULL TIME EQUIVALENT POSITIONS:		38.3	25.9	25.9	25.9	25.9

STRATEGY DESCRIPTION AND JUSTIFICATION:

As part of its drive to become a nationally recognized Tier One research university, the University of Houston has established a goal of increasing research expenditures to \$150M. To reach this level of productivity, UH is investing in its health sciences research programs, which represent one of the university's major areas of strength. Located in one of the world's premier cities for health care and research, UH has developed strong partnerships with other member institutions of the Texas Medical Center, launched a new program in Biomedical Engineering, and opened a new Biomedical and Health Sciences Building in fall 2012. Major UH programs conducting health-related research include the Texas Center for Superconductivity, the Center for Advanced Materials, the Texas Learning and Computation Center, and the Health Law and Policy Institute, in addition to UH's Colleges of Optometry and Pharmacy. Investments in UH's health sciences programs enable the university to leverage external funding from industry and the federal government. In FY 2013, the university's total research expenditures in the health sciences totaled \$31 million.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Public Service Special Item Support	Service Categories:		
STRATEGY:	2	Health Sciences Research Cluster	Service:	21	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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The state of Texas has recognized that increasing the number of nationally competitive Tier One research universities is critical to the state's economic future. With more Tier One universities, Texas will draw more top students, scientists and scholars to the state; improve the quality of its workforce, particularly in the sciences and engineering; and facilitate research partnerships with industry that lead to economic development. Three years ago, the Carnegie Foundation for the Advancement of Teaching classified the University of Houston as a Tier One research institution for the first time (joining UT-Austin, Texas A&M and Rice as the only other universities in Texas to hold this distinction). This achievement would not have been possible without strong financial support from the state, including funding for the university's health sciences research programs appropriated through this special item.

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Public Service Special Item Support	Service Categories:		
STRATEGY:	3	Education and Community Advancement	Service:	18	
			Income:	A.2	
			Age:	B.1	

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1001	SALARIES AND WAGES	\$767,137	\$475,050	\$558,583	\$558,583	\$558,583
1002	OTHER PERSONNEL COSTS	\$24,513	\$42,231	\$49,658	\$49,658	\$49,658
1005	FACULTY SALARIES	\$706,032	\$488,981	\$390,420	\$390,420	\$390,420
1010	PROFESSIONAL SALARIES	\$79,279	\$144,441	\$151,900	\$151,900	\$151,900
2009	OTHER OPERATING EXPENSE	\$(891)	\$806	\$948	\$948	\$948
TOTAL, OBJECT OF EXPENSE		\$1,576,070	\$1,151,509	\$1,151,509	\$1,151,509	\$1,151,509
Method of Financing:						
1	General Revenue Fund	\$1,576,070	\$1,151,509	\$1,151,509	\$1,151,509	\$1,151,509
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,576,070	\$1,151,509	\$1,151,509	\$1,151,509	\$1,151,509
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,151,509	\$1,151,509
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,576,070	\$1,151,509	\$1,151,509	\$1,151,509	\$1,151,509
FULL TIME EQUIVALENT POSITIONS:		23.6	18.6	18.6	18.6	18.6

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Public Service Special Item Support	Service Categories:		
STRATEGY:	3	Education and Community Advancement	Service:	18	Income: A.2 Age: B.1

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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STRATEGY DESCRIPTION AND JUSTIFICATION:

As part of its drive to become a nationally recognized tier-one research university, the University of Houston has established a goal of increasing research expenditures to \$150M. To reach this level of productivity, UH must invest in its education and community advancement programs. As Texas' premier metropolitan research university, UH has developed research and outreach programs that address the major challenges facing our cities and state. Specific areas of expertise include economic development; social issues such as substance abuse, aging, immigration, child welfare, health services and homelessness; and all levels of education. In 2008, UH was recognized by the Carnegie Foundation for the Advancement of Teaching with its highest designation for community engagement. Signature programs at UH include the Health Law and Policy Institute, the Hobby Center for Public Policy, and the Texas Institute for Measurement, Evaluation and Statistics (TIMES), which focuses on the evaluation and improvement of the English reading skills of elementary school students for whom English is not their first language. Investments in UH's education and community advancement research programs enables the university to leverage funding from external sources, including the federal government. In FY 2013, the university's total research expenditures in education and community advancement totaled \$22.3 million.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The state of Texas has recognized that increasing the number of nationally competitive Tier One research universities is critical to the state's economic future. With more Tier One universities, Texas will draw more top students, scientists and scholars to the state; improve the quality of its workforce, particularly in the sciences and engineering; and facilitate research partnerships with industry that lead to economic development. Three years ago, the Carnegie Foundation for the Advancement of Teaching classified the University of Houston as a Tier One research institution for the first time (joining UT-Austin, Texas A&M and Rice as the only other universities in Texas to hold this distinction). This achievement would not have been possible without strong financial support from the state, including funding for the university's education and community advancement programs appropriated through this special item.

730 University of Houston

GOAL:	3	Provide Special Item Support	Statewide Goal/Benchmark:	3	0
OBJECTIVE:	4	Institutional Support Special Item Support	Service Categories:		
STRATEGY:	1	Institutional Enhancement	Service: 19	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$0	\$0	\$3,387,201	\$3,387,201
TOTAL, OBJECT OF EXPENSE		\$0	\$0	\$0	\$3,387,201	\$3,387,201
Method of Financing:						
1	General Revenue Fund	\$0	\$0	\$0	\$3,387,201	\$3,387,201
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$0	\$0	\$3,387,201	\$3,387,201
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$3,387,201	\$3,387,201
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$0	\$0	\$3,387,201	\$3,387,201
FULL TIME EQUIVALENT POSITIONS:		0.0	0.0	0.0	64.1	64.1

STRATEGY DESCRIPTION AND JUSTIFICATION:

Institutional enhancement resources are used to fund the core operations of the university, including the delivery of instruction, support for students, support for the university's research activities and general administration. They are essential to achievement of the university's goals and its effective operation.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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GOAL:	6	Research Funds	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Research Development Fund	Service Categories:		
STRATEGY:	1	Research Development Fund	Service: 21	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,666,240	\$463,995	\$580,041	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$17,172	\$10,279	\$0	\$0	\$0
1005	FACULTY SALARIES	\$43,650	\$0	\$0	\$0	\$0
1010	PROFESSIONAL SALARIES	\$708,956	\$446,784	\$236,927	\$0	\$0
2001	PROFESSIONAL FEES AND SERVICES	\$79,425	\$6,600	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$301,586	\$72,422	\$0	\$0	\$0
2004	UTILITIES	\$4,561	\$0	\$0	\$0	\$0
2005	TRAVEL	\$783	\$0	\$0	\$0	\$0
2006	RENT - BUILDING	\$1,290,503	\$0	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$31,759	\$19,900	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$758,005	\$750,903	\$7,764,109	\$0	\$0
3001	CLIENT SERVICES	\$1,350	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$2,212,590	\$445,828	\$440,000	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$7,116,580	\$2,216,711	\$9,021,077	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$7,116,580	\$2,216,711	\$9,021,077	\$0	\$0

(2) - Research fund strategies are not requested because amounts are not determined by institutions.

730 University of Houston

GOAL:	6	Research Funds	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Research Development Fund	Service Categories:		
STRATEGY:	1	Research Development Fund	Service: 21	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$7,116,580	\$2,216,711	\$9,021,077	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$7,116,580	\$2,216,711	\$9,021,077	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		33.0	12.4	10.0	10.0	10.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Research Development Fund is distributed among eligible institutions based on the average amount of restricted research funds expended by each institution per year for the three preceding fiscal years. The purpose of these funds is to promote research capacity.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

(2) - Research fund strategies are not requested because amounts are not determined by institutions.

730 University of Houston

GOAL: 6 Research Funds Statewide Goal/Benchmark: 2 13
 OBJECTIVE: 2 Competitive Knowledge Fund Service Categories:
 STRATEGY: 1 Competitive Knowledge Fund Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Objects of Expense:						
1005	FACULTY SALARIES	\$3,061,979	\$4,382,321	\$4,382,321	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$3,061,979	\$4,382,321	\$4,382,321	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$3,061,979	\$4,382,321	\$4,382,321	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$3,061,979	\$4,382,321	\$4,382,321	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$3,061,979	\$4,382,321	\$4,382,321	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		30.0	34.0	34.0	34.0	34.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The purpose of the Texas Competitive Knowledge fund is to support faculty for the purpose of instructional excellence and research.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

(2) - Research fund strategies are not requested because amounts are not determined by institutions.

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$225,602,174	\$243,217,204	\$254,397,408	\$33,239,069	\$33,420,869
METHODS OF FINANCE (INCLUDING RIDERS):				\$33,239,069	\$33,420,869
METHODS OF FINANCE (EXCLUDING RIDERS):	\$225,602,174	\$243,217,204	\$254,397,408	\$33,239,069	\$33,420,869
FULL TIME EQUIVALENT POSITIONS:	2,556.2	2,544.7	2,669.3	2,669.3	2,669.3

(2) - Research fund strategies are not requested because amounts are not determined by institutions.

4.A. Exceptional Item Request Schedule
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DATE: 10/17/2014
 TIME: 1:20:32PM

Agency code: 730

Agency name:
University of Houston

CODE	DESCRIPTION	Excp 2016	Excp 2017
	Item Name: The Hobby School of Public Affairs		
	Item Priority: 1		
	Includes Funding for the Following Strategy or Strategies: 03-02-03 William P. Hobby School of Public Affairs		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,193,000	1,193,000
2009	OTHER OPERATING EXPENSE	680,000	680,000
5000	CAPITAL EXPENDITURES	127,000	127,000
TOTAL, OBJECT OF EXPENSE		\$2,000,000	\$2,000,000
METHOD OF FINANCING:			
1	General Revenue Fund	2,000,000	2,000,000
TOTAL, METHOD OF FINANCING		\$2,000,000	\$2,000,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		15.00	15.00

DESCRIPTION / JUSTIFICATION:

The University of Houston requests start-up funding to support the development of a new Hobby School of Public Affairs (HSPA) that will leverage the City of Houston’s diverse population, its status as an economic leader in the global economy, and its ability to serve as a laboratory for policy innovation. Building upon the data gathering and analysis strengths of the Hobby Center for Public Policy, the school would draw upon faculty from various disciplines including political science, economics, law, business, psychology, and social work to create an interdisciplinary core curriculum that fosters team work and requires students to apply knowledge to practice.

Unlike traditional policy schools, the HSPA will combine the technical and analytical training of the social sciences with a firm grounding in the humanistic study of political theory and moral philosophy to create a Master of Public Policy degree program to begin in Fall 2015. Consequently, HSPA students will be uniquely able to discuss the technical details of policies as well as their implications for issues such as how a policy affects the relationship between a citizen and the government, what core moral, political, and economic principles it involves, or what practical consequences it may have for other policy issues and problems.

EXTERNAL/INTERNAL FACTORS:

4.A. Exceptional Item Request Schedule
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DATE: **10/17/2014**
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Agency code: **730**

Agency name:
University of Houston

CODE	DESCRIPTION	Excp 2016	Excp 2017
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The increased size and complexity of government requires highly skilled individuals who are equipped not only to lead and manage, but to leverage technology, analyze complex data and arrive at ethical, pragmatic, reality-based solutions. According to a study by the McKinsey Global Institute, the need for professionals capable of understanding and analyzing data is continually increasing and will result in a shortage of 140,000 to 190,000 people with advanced analytical skills, and 1.5 million managers and analysts with the skills to analyze data to make effective decisions. Funding for HSPA will ensure that the local, statewide, and national demand for appropriately trained public affairs leaders is met.

HSPA professors, researchers, and graduate students will serve as sources of support to government, business, and non-profit organizations by applying advanced research methods to address real world problems ranging from pension shortfalls, to government inefficiency, to school funding issues. HSPA students will be trained to provide objective analysis; to break down complex problems into workable components; to demonstrate cause and effect and correlations through research methods; to communicate problems clearly so decision makers and the public can understand them; to analyze a policy's effectiveness over time; and to build public-private collaborations. Solutions developed by the HSPA will benefit not only the City of Houston, but other cities in Texas and in the nation that share similar challenges.

4.A. Exceptional Item Request Schedule
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Agency code: 730

Agency name:
University of Houston

CODE	DESCRIPTION	Excp 2016	Excp 2017
	Item Name: Energy – Intelligent Oil Fields		
	Item Priority: 2		
	Includes Funding for the Following Strategy or Strategies: 03-02-02 Energy Research Cluster		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	500,000	500,000
2009	OTHER OPERATING EXPENSE	200,000	200,000
5000	CAPITAL EXPENDITURES	1,300,000	1,300,000
	TOTAL, OBJECT OF EXPENSE	\$2,000,000	\$2,000,000
METHOD OF FINANCING:			
1	General Revenue Fund	2,000,000	2,000,000
	TOTAL, METHOD OF FINANCING	\$2,000,000	\$2,000,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		6.00	6.00

DESCRIPTION / JUSTIFICATION:

The University of Houston seeks exceptional item funding to expand its energy portfolio in the area of intelligent exploration and production of hydrocarbons with the aim of increasing the ultimate recoverable reserves (i.e. intelligent oil fields). There are significant challenges in the exploration and production of hydrocarbons in conventional and unconventional reservoirs that will benefit from the ability to collect and report information in real-time regarding the reservoir and to enable real-time reservoir level intervention. Recent developments in smart materials, sensors and devices along with advances in micro and nanotechnology, data storage, analytics and large-scale computing provide the basis for the design of intelligent oil and gas fields. The tools used will consist of inventions and technological innovations from a broad range of fields towards critical applications in the discovery and recovery of hydrocarbons. This center would use subject matter experts with industrial credentials to break down academic silos, make the connections between fundamental research being conducted at UH and the scientific and technological challenges facing industry, and rapidly grow joint efforts between industry and academia. This lab-to-field approach would solve complex technical challenges using advanced technology and cutting-edge research.

EXTERNAL/INTERNAL FACTORS:

4.A. Exceptional Item Request Schedule
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DATE: **10/17/2014**
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Agency code: **730**

Agency name:
University of Houston

CODE	DESCRIPTION	Excp 2016	Excp 2017
	<p>The boom in oil and gas exploration in Texas creates enhanced opportunities for new academic/industry partnerships. This initiative will bring together expertise from diverse science and engineering units across the University of Houston and from industry to develop integrated technologies in a goal-directed manner. Practical goals include better estimation of reserves, recouping a greater fraction of the hydrocarbons in a reservoir, monitoring 4D changes during production, developing informatics and sensor aided hydraulic fracturing, and extending monitoring and sensing technologies to ultra-deep subsea reservoirs.</p> <p>UH has a strong core of expertise in geoscience, geophysics, geotechnical electronics, computer science, mechanical engineering, electrical engineering and petroleum engineering, with significant overlapping and synergistic expertise in the area of conventional and unconventional hydrocarbon terrestrial and subsea reservoirs. Current faculty members have demonstrated expertise in developing smart cements, smart wireless and optical sensors and devices based on advances in micro and nanotechnology. The UH Geophysics group has developed field test sites (including wells) on University lands, petrophysical and simulation laboratories, and an industry-leading capability in seismic field acquisition and data processing. These outstanding strengths along with the geographical proximity to the heart of the energy industry in Houston provide a significant case for the development of such a center of excellence.</p>		

4.A. Exceptional Item Request Schedule
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DATE: 10/17/2014
 TIME: 1:20:32PM

Agency code: 730

Agency name:
University of Houston

CODE	DESCRIPTION	Excp 2016	Excp 2017
	Item Name: Pharmacy Equity Funding		
	Item Priority: 3		
	Includes Funding for the Following Strategy or Strategies: 03-01-01 College of Pharmacy		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	2,553,000	2,553,000
1002	OTHER PERSONNEL COSTS	165,300	165,300
2009	OTHER OPERATING EXPENSE	1,678,080	1,678,080
5000	CAPITAL EXPENDITURES	67,620	67,620
TOTAL, OBJECT OF EXPENSE		\$4,464,000	\$4,464,000
METHOD OF FINANCING:			
1	General Revenue Fund	4,464,000	4,464,000
TOTAL, METHOD OF FINANCING		\$4,464,000	\$4,464,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		32.00	32.00

DESCRIPTION / JUSTIFICATION:

Currently, Pharmacy programs funded through the formula for General Academic Institutions (GAI) - University of Houston, UT-Austin, Texas Southern University - receive fewer resources on a per student basis than Pharmacy programs funded through the formula for Health-Related Institutions (HRI) - Texas Tech, Texas A&M, University of North Texas. In 2000, the funding levels for these two types of Pharmacy programs were approximately equal when the GAI weighting was 13.43. Today, however, the funding formula has a weight of 4.03 which results in significant funding inequity. For example, if HRI and GAI Pharmacy programs both have 500 professional Pharmacy students, the HRI-based program would receive \$7,955,000 and the GAI-based program would receive \$2,765,000 annually. When added to resources appropriated through the formula for General Academic Institutions, funding for this special item provides the UH College of Pharmacy with resources that partially close this gap. \$8,928,000 is requested in exceptional funding to fully eliminate this inequity.

EXTERNAL/INTERNAL FACTORS:

The University of Houston College of Pharmacy (UHCOP) has been a member of the world's largest medical center, the Texas Medical Center (TMC) for over 30 years. UHCOP students and faculty deliver countless essential pharmaceutical care services throughout the TMC, regional Federally Qualified Health Centers (FQHC) that provide essential health care services to the state's neediest patients, as well as health care hospitals, clinics and pharmacies across Texas. UHCOP researchers collaborate with a myriad of world-class researchers, located within the many member institutions of the TMC and beyond, in order to develop new life-saving therapies and new impactful discoveries. For example, IV Busulfex developed by a UHCOP faculty member is now used in 65% of myeloid leukemia patients undergoing bone marrow transplant.

4.A. Exceptional Item Request Schedule
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2014
 TIME: 1:20:32PM

Agency code: 730

Agency name:
University of Houston

CODE	DESCRIPTION	Excp 2016	Excp 2017
	Item Name: Health Science Center Expansion		
	Item Priority: 4		
	Includes Funding for the Following Strategy or Strategies: 03-03-02 Health Sciences Research Cluster		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	600,000	600,000
2009	OTHER OPERATING EXPENSE	400,000	400,000
5000	CAPITAL EXPENDITURES	2,000,000	2,000,000
	TOTAL, OBJECT OF EXPENSE	\$3,000,000	\$3,000,000
METHOD OF FINANCING:			
1	General Revenue Fund	3,000,000	3,000,000
	TOTAL, METHOD OF FINANCING	\$3,000,000	\$3,000,000
	FULL-TIME EQUIVALENT POSITIONS (FTE):	6.00	6.00

DESCRIPTION / JUSTIFICATION:

Over the past two years, the University of Houston has consolidated its health-related programs into a Health Science Center (HSC) approved by the UH System Board of Regents in January 2013. These programs include Optometry, Pharmacy, Clinical Psychology, Social Work, Health and Human Performance, and Communication Disorders among others. To support its new HSC, UH has constructed a new Health & Biomedical Sciences Building and is in the process of developing a second building, for which Tuition Revenue Bond funding is being requested.

As a next step in the development of its HSC, UH is adding programs in nursing, a doctoral program in Physical Therapy, and a Primary Care Clinic in partnership with a Federally Qualified Health Clinic (FQHC). The Primary Care Clinic will include a Behavioral Health Center (BHC) to treat and provide preventive care for addictive behaviors and conditions such as obesity, diabetes, and hypertension. The BHC will be led by faculty from UH's programs in Clinical Psychology, Social Work, and Health & Human Performance. The Primary Care Clinic, including the Behavioral Health Center, will serve a large number of medically-indigent patients in Houston's Third Ward neighborhood.

Overall, these programs and services will ensure a rich, interdisciplinary learning and research experience for UH students; address critical workforce shortages; leverage external funding; and provide health services to a community in need. Exceptional item funding is requested to provide the operational support needed to launch and develop these programs.

EXTERNAL/INTERNAL FACTORS:

4.A. Exceptional Item Request Schedule
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/17/2014**
TIME: **1:20:32PM**

Agency code: **730**

Agency name:
University of Houston

CODE	DESCRIPTION	Excp 2016	Excp 2017
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Health care is the largest and fastest growing industry in Texas employing 1.3 million workers in more than 200 careers. The number of health care jobs is expected to grow 44% over the next five years. Expanding the University of Houston's Health Science Center will enhance the university's ability to help meet this demand. More specifically, there is a critical shortage of nurses and physical therapists in Texas, which the new programs at UH will address.

In terms of clinical services, 50 percent of Houston's population in the surrounding UH neighborhood is medically indigent. Comprehensive primary health care will be provided to this underserved population, with particular emphasis placed on preventative medicine. Federal dollars for the FQHC will help support patient care.

4.A. Exceptional Item Request Schedule
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2014
 TIME: 1:20:32PM

Agency code: 730

Agency name:
University of Houston

CODE	DESCRIPTION	Excp 2016	Excp 2017
	Item Name: Tuition Revenue Bond Retirement Item Priority: 5 Includes Funding for the Following Strategy or Strategies: 02-01-02 Tuition Revenue Bond Retirement		
OBJECTS OF EXPENSE:			
2008	DEBT SERVICE	22,349,761	22,349,761
TOTAL, OBJECT OF EXPENSE		\$22,349,761	\$22,349,761
METHOD OF FINANCING:			
1	General Revenue Fund	22,349,761	22,349,761
TOTAL, METHOD OF FINANCING		\$22,349,761	\$22,349,761

DESCRIPTION / JUSTIFICATION:

While the principal and interest debt service for new tuition revenue bonds is being requested here, any amounts appropriated should be at UH System Administration. Interest rate assumptions used for Debt Service Estimates at 6% for 20 years as provided by Texas Public Finance Authority.

EXTERNAL/INTERNAL FACTORS:

Maintaining quality in our classrooms, laboratories, libraries and equipment is critical to achieving the University of Houston's goals of academic and research excellence. And as the number of students and faculty on campus grows, so too does the need for expanded and better infrastructure. The quality of facilities will be a particular challenge for UH in the coming years. A facilities condition audit 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. Funding capital construction projects either through direct appropriation or through tuition revenue bonds is vital for addressing some of these needs.

4.A. Exceptional Item Request Schedule
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2014
 TIME: 1:20:32PM

Agency code: 730

Agency name:
University of Houston

CODE	DESCRIPTION	Excp 2016	Excp 2017
	Item Name: Small Business Development Center		
	Item Priority: 6		
	Includes Funding for the Following Strategy or Strategies: 03-03-01 University of Houston Small Business Development Center		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	395,000	395,000
2009	OTHER OPERATING EXPENSE	95,000	95,000
	TOTAL, OBJECT OF EXPENSE	\$490,000	\$490,000
METHOD OF FINANCING:			
1	General Revenue Fund	490,000	490,000
	TOTAL, METHOD OF FINANCING	\$490,000	\$490,000
	FULL-TIME EQUIVALENT POSITIONS (FTE):	5.00	5.00

DESCRIPTION / JUSTIFICATION:

The UH SBDC proposes to maximize new job creation through the creation of a High Growth Stage 2 Business Team. The SBDC will expand services to include a specialty team focusing on Stage 2 businesses who typically employ 10-99 employees, have annual revenue of \$500k to \$50 million, provide substantial products and services outside the company's geographical location, and have a growth commitment. These firms are ripe for economic and job growth (educated and well paid talent) and are excellent opportunities for investment. The SBDC Stage 2 Business Team will focus on recruitment, expansion capital, partnering, growth strategies and coaching for strategic planning, leadership, and technical skills and resources. High Growth Stage 2 Business Team client objectives would be to (a) Recruit and develop 40-50 new business clients each year, (b) Support capital infusion of \$50-100 million annually, (c) Grow job creation by 1,000 at peak on average annual basis, and (d) Increase sales growth by double digits on average annual basis.

EXTERNAL/INTERNAL FACTORS:

The greater Houston area has benefited from a strong economy, a multitude of high quality educational institutions, a well trained workforce, a pro-business environment, and population growth from both within the United States and from around the world. Over the past five years, the combination of these positive influences have fostered thousands of new businesses, of which, a number are near or reaching Stage 2 status. These potential high growth firms need advanced advice and counsel focused on leadership thinking towards growth, vision, market expansion and analysis, technical and management skills, and partnering within the marketplace to access opportunities. We see a huge opportunity for the SBDC to provide these critical growth elements and expand with these firms to create large numbers of new jobs.

4.B. Exceptional Items Strategy Allocation Schedule
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/17/2014**
 TIME: **1:20:32PM**

Agency code: **730** Agency name: **University of Houston**

Code	Description	Excp 2016	Excp 2017
Item Name: The Hobby School of Public Affairs			
Allocation to Strategy: 3-2-3 William P. Hobby School of Public Affairs			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,193,000	1,193,000
2009	OTHER OPERATING EXPENSE	680,000	680,000
5000	CAPITAL EXPENDITURES	127,000	127,000
TOTAL, OBJECT OF EXPENSE		\$2,000,000	\$2,000,000
METHOD OF FINANCING:			
1	General Revenue Fund	2,000,000	2,000,000
TOTAL, METHOD OF FINANCING		\$2,000,000	\$2,000,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		15.0	15.0

4.B. Exceptional Items Strategy Allocation Schedule
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/17/2014**
 TIME: **1:20:32PM**

Agency code: **730** Agency name: **University of Houston**

Code	Description	Excp 2016	Excp 2017
Item Name: Energy – Intelligent Oil Fields			
Allocation to Strategy: 3-2-2 Energy Research Cluster			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	500,000	500,000
2009	OTHER OPERATING EXPENSE	200,000	200,000
5000	CAPITAL EXPENDITURES	1,300,000	1,300,000
TOTAL, OBJECT OF EXPENSE		\$2,000,000	\$2,000,000
METHOD OF FINANCING:			
1 General Revenue Fund		2,000,000	2,000,000
TOTAL, METHOD OF FINANCING		\$2,000,000	\$2,000,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		6.0	6.0

4.B. Exceptional Items Strategy Allocation Schedule
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/17/2014**
 TIME: **1:20:32PM**

Agency code: **730** Agency name: **University of Houston**

Code	Description	Excp 2016	Excp 2017
Item Name: Pharmacy Equity Funding			
Allocation to Strategy: 3-1-1 College of Pharmacy			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	2,553,000	2,553,000
1002	OTHER PERSONNEL COSTS	165,300	165,300
2009	OTHER OPERATING EXPENSE	1,678,080	1,678,080
5000	CAPITAL EXPENDITURES	67,620	67,620
TOTAL, OBJECT OF EXPENSE		\$4,464,000	\$4,464,000
METHOD OF FINANCING:			
1 General Revenue Fund		4,464,000	4,464,000
TOTAL, METHOD OF FINANCING		\$4,464,000	\$4,464,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		32.0	32.0

Agency code: 730 Agency name: University of Houston

Code	Description	Excp 2016	Excp 2017
Item Name: Health Science Center Expansion			
Allocation to Strategy: 3-3-2 Health Sciences Research Cluster			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	600,000	600,000
2009	OTHER OPERATING EXPENSE	400,000	400,000
5000	CAPITAL EXPENDITURES	2,000,000	2,000,000
TOTAL, OBJECT OF EXPENSE		\$3,000,000	\$3,000,000
METHOD OF FINANCING:			
1	General Revenue Fund	3,000,000	3,000,000
TOTAL, METHOD OF FINANCING		\$3,000,000	\$3,000,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		6.0	6.0

4.B. Exceptional Items Strategy Allocation Schedule
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/17/2014**
 TIME: **1:20:32PM**

Agency code: **730** Agency name: **University of Houston**

Code	Description	Excp 2016	Excp 2017
Item Name: Tuition Revenue Bond Retirement			
Allocation to Strategy: 2-1-2 Tuition Revenue Bond Retirement			
OBJECTS OF EXPENSE:			
2008	DEBT SERVICE	22,349,761	22,349,761
TOTAL, OBJECT OF EXPENSE		\$22,349,761	\$22,349,761
METHOD OF FINANCING:			
1	General Revenue Fund	22,349,761	22,349,761
TOTAL, METHOD OF FINANCING		\$22,349,761	\$22,349,761

4.B. Exceptional Items Strategy Allocation Schedule
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/17/2014**
 TIME: **1:20:32PM**

Agency code: **730** Agency name: **University of Houston**

Code	Description	Excp 2016	Excp 2017
Item Name: Small Business Development Center			
Allocation to Strategy: 3-3-1 University of Houston Small Business Development Center			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	395,000	395,000
2009	OTHER OPERATING EXPENSE	95,000	95,000
TOTAL, OBJECT OF EXPENSE		\$490,000	\$490,000
METHOD OF FINANCING:			
1	General Revenue Fund	490,000	490,000
TOTAL, METHOD OF FINANCING		\$490,000	\$490,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		5.0	5.0

4.C. Exceptional Items Strategy Request
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2014
TIME: 1:20:32PM

Agency Code: **730** Agency name: **University of Houston**

GOAL: 2 Provide Infrastructure Support Statewide Goal/Benchmark: 2 - 0
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space Service Categories:
 STRATEGY: 2 Tuition Revenue Bond Retirement Service: 10 Income: A.2 Age: B.3

CODE DESCRIPTION	Exp 2016	Exp 2017
OBJECTS OF EXPENSE:		
2008 DEBT SERVICE	22,349,761	22,349,761
Total, Objects of Expense	\$22,349,761	\$22,349,761
METHOD OF FINANCING:		
1 General Revenue Fund	22,349,761	22,349,761
Total, Method of Finance	\$22,349,761	\$22,349,761

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Tuition Revenue Bond Retirement

4.C. Exceptional Items Strategy Request
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2014
TIME: 1:20:32PM

Agency Code: **730** Agency name: **University of Houston**

GOAL: 3 Provide Special Item Support Statewide Goal/Benchmark: 1 - 0
 OBJECTIVE: 1 Instructional Support Special Item Support Service Categories:
 STRATEGY: 1 College of Pharmacy Service: 19 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2016	Excp 2017
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	2,553,000	2,553,000
1002 OTHER PERSONNEL COSTS	165,300	165,300
2009 OTHER OPERATING EXPENSE	1,678,080	1,678,080
5000 CAPITAL EXPENDITURES	67,620	67,620
Total, Objects of Expense	\$4,464,000	\$4,464,000
METHOD OF FINANCING:		
1 General Revenue Fund	4,464,000	4,464,000
Total, Method of Finance	\$4,464,000	\$4,464,000
FULL-TIME EQUIVALENT POSITIONS (FTE):	32.0	32.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Pharmacy Equity Funding

4.C. Exceptional Items Strategy Request
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2014
TIME: 1:20:32PM

Agency Code: **730** Agency name: **University of Houston**

GOAL: 3 Provide Special Item Support Statewide Goal/Benchmark: 2 - 0
 OBJECTIVE: 2 Research Special Item Support Service Categories:
 STRATEGY: 2 Energy Research Cluster Service: 21 Income: A.2 Age: B.3

CODE DESCRIPTION	Exp 2016	Exp 2017
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	500,000	500,000
2009 OTHER OPERATING EXPENSE	200,000	200,000
5000 CAPITAL EXPENDITURES	1,300,000	1,300,000
Total, Objects of Expense	\$2,000,000	\$2,000,000

METHOD OF FINANCING:

1 General Revenue Fund	2,000,000	2,000,000
Total, Method of Finance	\$2,000,000	\$2,000,000

FULL-TIME EQUIVALENT POSITIONS (FTE): 6.0 6.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Energy – Intelligent Oil Fields

4.C. Exceptional Items Strategy Request
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2014
TIME: 1:20:32PM

Agency Code: **730** Agency name: **University of Houston**

GOAL: 3 Provide Special Item Support Statewide Goal/Benchmark: 1 - 0
 OBJECTIVE: 2 Research Special Item Support Service Categories:
 STRATEGY: 3 William P. Hobby School of Public Affairs Service: 19 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2016	Excp 2017
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	1,193,000	1,193,000
2009 OTHER OPERATING EXPENSE	680,000	680,000
5000 CAPITAL EXPENDITURES	127,000	127,000
Total, Objects of Expense	\$2,000,000	\$2,000,000
METHOD OF FINANCING:		
1 General Revenue Fund	2,000,000	2,000,000
Total, Method of Finance	\$2,000,000	\$2,000,000
FULL-TIME EQUIVALENT POSITIONS (FTE):	15.0	15.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

The Hobby School of Public Affairs

4.C. Exceptional Items Strategy Request
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2014
TIME: 1:20:32PM

Agency Code: **730** Agency name: **University of Houston**

GOAL: 3 Provide Special Item Support Statewide Goal/Benchmark: 2 - 0
 OBJECTIVE: 3 Public Service Special Item Support Service Categories:
 STRATEGY: 1 University of Houston Small Business Development Center Service: 13 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2016	Excp 2017
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	395,000	395,000
2009 OTHER OPERATING EXPENSE	95,000	95,000
Total, Objects of Expense	\$490,000	\$490,000

METHOD OF FINANCING:

1 General Revenue Fund	490,000	490,000
Total, Method of Finance	\$490,000	\$490,000

FULL-TIME EQUIVALENT POSITIONS (FTE): 5.0 5.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Small Business Development Center

4.C. Exceptional Items Strategy Request
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2014
TIME: 1:20:32PM

Agency Code: **730** Agency name: **University of Houston**

GOAL: 3 Provide Special Item Support Statewide Goal/Benchmark: 2 - 0
 OBJECTIVE: 3 Public Service Special Item Support Service Categories:
 STRATEGY: 2 Health Sciences Research Cluster Service: 21 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2016	Excp 2017
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	600,000	600,000
2009 OTHER OPERATING EXPENSE	400,000	400,000
5000 CAPITAL EXPENDITURES	2,000,000	2,000,000
Total, Objects of Expense	\$3,000,000	\$3,000,000

METHOD OF FINANCING:

1 General Revenue Fund	3,000,000	3,000,000
Total, Method of Finance	\$3,000,000	\$3,000,000

FULL-TIME EQUIVALENT POSITIONS (FTE): 6.0 6.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Health Science Center Expansion

6.A. Historically Underutilized Business Supporting Schedule
 84th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: **10/17/2014**
 Time: **1:20:33PM**

Agency Code: **730** Agency: **University of Houston**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2012 - 2013 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2012			Total Expenditures FY 2012		HUB Expenditures FY 2013			Total Expenditures FY 2013	
			% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$	% Goal	% Actual	Diff
11.2%	Heavy Construction	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0	
21.1%	Building Construction	21.1 %	25.4%	4.3%	\$33,959,696	\$133,789,624	21.1 %	22.6%	1.5%	\$39,973,718	\$176,958,107	
32.7%	Special Trade Construction	32.7 %	33.3%	0.6%	\$8,357,347	\$25,121,982	32.7 %	34.3%	1.6%	\$6,492,557	\$18,926,853	
23.6%	Professional Services	23.6 %	26.8%	3.2%	\$170,914	\$638,791	23.6 %	25.1%	1.5%	\$906,833	\$3,610,358	
24.6%	Other Services	24.6 %	11.2%	-13.4%	\$5,351,019	\$47,838,114	24.6 %	11.1%	-13.5%	\$5,810,970	\$52,581,948	
21.0%	Commodities	21.0 %	23.6%	2.6%	\$12,581,108	\$53,381,644	21.0 %	24.6%	3.6%	\$14,455,041	\$58,758,718	
	Total Expenditures		23.2%		\$60,420,084	\$260,770,155		21.8%		\$67,639,119	\$310,835,984	

B. Assessment of Fiscal Year 2012 - 2013 Efforts to Meet HUB Procurement Goals

Attainment:

The University of Houston attained or exceeded four out of five, or 80%, of the applicable statewide HUB procurement goals in FY2012 and FY2013. Overall HUB spending increased from \$60.4 million to \$67.6 million from FY2012 to FY2013, though overall HUB use decreased from 23.2% of total expenditures to 21.8% during the same period.

Applicability:

The University of Houston did not have expenditures in the "Heavy Construction" category in FY2012 or FY2013.

Factors Affecting Attainment:

In both FY2012 and FY2013, the statewide HUB goal for "Other Services" was not met in large part because that category includes services that are not available from HUB vendors, such as large insurance policies and library subscription services. The campus dining service and temporary personnel service contracts, which are also included in this category, were awarded to non-HUB vendors through a competitive process that included HUB vendors. Though each of the selected vendors subcontracts to HUBs, the majority of expenditures for dining and temp services are not subcontracted.

"Good-Faith" Efforts:

The University of Houston (UH) made the following good faith efforts to comply with statewide HUB goals as stated by 34 TAC Section 20.13(c): (1) required a HUB Subcontracting Plan for all contracts over \$100,000; (2) sought bids from at least two HUB vendors on competitively bid contracts over \$5,000; (3) assisted minority and women-owned businesses with HUB certification, as well as provided information on how to do business with the University of Houston; (4) conducted HUB vendor shows in which HUB vendors met with University of Houston employees to describe their products and services; (5) encouraged HUB use by listing the departments that utilized HUBs the most in a monthly newsletter distributed to all UH administrative employees ; and (6) brokered a Mentor-Protégé agreement.

6.G HOMELAND SECURITY FUNDING SCHEDULE - PART A TERRORISM

DATE: 10/17/2014

TIME: 1:20:33PM

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **730** Agency name: **University of Houston**

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
OBJECTS OF EXPENSE						
1001	SALARIES AND WAGES	\$194,191	\$194,191	\$194,191	\$194,191	\$194,191
2002	FUELS AND LUBRICANTS	\$75,000	\$50,000	\$50,000	\$50,000	\$50,000
2003	CONSUMABLE SUPPLIES	\$0	\$100	\$100	\$100	\$100
2009	OTHER OPERATING EXPENSE	\$285,866	\$8,000	\$8,000	\$8,000	\$8,000
TOTAL, OBJECTS OF EXPENSE		\$555,057	\$252,291	\$252,291	\$252,291	\$252,291
METHOD OF FINANCING						
1	General Revenue Fund	\$252,491	\$195,191	\$195,191	\$195,191	\$195,191
	Subtotal, MOF (General Revenue Funds)	\$252,491	\$195,191	\$195,191	\$195,191	\$195,191
8888	Local/Not Appropriated Funds	\$302,566	\$57,100	\$57,100	\$57,100	\$57,100
	Subtotal, MOF (Other Funds)	\$302,566	\$57,100	\$57,100	\$57,100	\$57,100
TOTAL, METHOD OF FINANCE		\$555,057	\$252,291	\$252,291	\$252,291	\$252,291
FULL-TIME-EQUIVALENT POSITIONS						
NO FUNDS WERE PASSED THROUGH TO LOCAL ENTITIES						
NO FUNDS WERE PASSED THROUGH TO OTHER STATE AGENCIES OR INSTITUTIONS OF HIGHER EDUCATION						
USE OF HOMELAND SECURITY FUNDS						

6.G HOMELAND SECURITY FUNDING SCHEDULE - PART B NATURAL OR MAN-MADE DISASTERS

DATE: 10/17/2014
TIME: 1:20:33PM

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **730** Agency name: **University of Houston**

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
OBJECTS OF EXPENSE						
1001	SALARIES AND WAGES	\$194,191	\$194,191	\$194,191	\$194,191	\$194,191
2002	FUELS AND LUBRICANTS	\$75,000	\$50,000	\$50,000	\$50,000	\$50,000
2003	CONSUMABLE SUPPLIES	\$0	\$100	\$100	\$100	\$100
2009	OTHER OPERATING EXPENSE	\$10,508	\$240,000	\$240,000	\$240,000	\$240,000
TOTAL, OBJECTS OF EXPENSE		\$279,699	\$484,291	\$484,291	\$484,291	\$484,291
METHOD OF FINANCING						
1	General Revenue Fund	\$199,506	\$234,191	\$234,191	\$234,191	\$234,191
	Subtotal, MOF (General Revenue Funds)	\$199,506	\$234,191	\$234,191	\$234,191	\$234,191
8888	Local/Not Appropriated Funds	\$80,193	\$250,100	\$250,100	\$250,100	\$250,100
	Subtotal, MOF (Other Funds)	\$80,193	\$250,100	\$250,100	\$250,100	\$250,100
TOTAL, METHOD OF FINANCE		\$279,699	\$484,291	\$484,291	\$484,291	\$484,291
FULL-TIME-EQUIVALENT POSITIONS						
NO FUNDS WERE PASSED THROUGH TO LOCAL ENTITIES						
NO FUNDS WERE PASSED THROUGH TO OTHER STATE AGENCIES OR INSTITUTIONS OF HIGHER EDUCATION						
USE OF HOMELAND SECURITY FUNDS						

**6.H. Estimate Total Of All Funds Outside the General Appropriations Bill Act Pattern Schedule
2014 - 15 and 2016 - 17 Biennial**

Agency Code: 00730
Agency Name: University of Houston

	2014-15 Biennium				2016-17 Biennium			
	FY 2014 Revenue	FY 2015 Revenue	Biennium Total	Percent of Total	FY 2016 Revenue	FY 2017 Revenue	Biennium Total	Percent of Total
APPROPRIATED SOURCES INSIDE THE BILL PATTERN								
State Appropriations (excluding HEGI & State Paid Fringes)	\$ 149,584,831	\$ 150,401,187	\$ 299,986,018		\$ 150,401,187	\$ 150,401,187	\$ 300,802,374	
Tuition and Fees (net of Discounts and Allowances)	64,397,018	64,402,688	128,799,706		64,402,688	64,402,688	128,805,376	
Endowment and Interest Income	102,500	92,984	195,484		92,984	92,984	185,968	
Sales and Services of Educational Activities (net)	4,200,000	4,050,000	8,250,000		4,050,000	4,050,000	8,100,000	
Total	<u>218,284,349</u>	<u>218,946,859</u>	<u>437,231,208</u>	<u>21.3%</u>	<u>218,946,859</u>	<u>218,946,859</u>	<u>437,893,718</u>	<u>21.0%</u>
APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN								
State Appropriations (HEGI & State Paid Fringes)	\$ 32,236,334	\$ 32,236,334	\$ 64,472,668		\$ 32,236,334	\$ 32,236,334	\$ 64,472,668	
Higher Education Assistance Funds	35,885,768	35,885,768	71,771,536		35,885,768	35,885,768	71,771,536	
Total	<u>68,122,102</u>	<u>68,122,102</u>	<u>136,244,204</u>	<u>6.6%</u>	<u>68,122,102</u>	<u>68,122,102</u>	<u>136,244,204</u>	<u>6.5%</u>
NON-APPROPRIATED SOURCES								
Tuition and Fees (net of Discounts and Allowances)	343,551,967	360,044,859	703,596,826		360,044,859	360,044,859	720,089,718	
Federal Grants and Contracts	136,288,298	139,674,842	275,963,140		139,674,842	139,674,842	279,349,684	
State Grants and Contracts	9,771,236	9,396,987	19,168,223		9,396,987	9,396,987	18,793,974	
Local Government Grants and Contracts	26,479,410	26,503,312	52,982,722		26,503,312	26,503,312	53,006,624	
Private Gifts and Grants	55,475,735	55,607,619	111,083,354		55,607,619	55,607,619	111,215,238	
Endowment and Interest Income	18,294,635	21,828,127	40,122,762		21,828,127	21,828,127	43,656,254	
Sales and Services of Educational Activities (net)	35,863,825	46,892,650	82,756,475		46,892,650	46,892,650	93,785,300	
Auxiliary Enterprises (net)	97,178,898	96,977,547	194,156,445		96,977,547	96,977,547	193,955,094	
Other Income	1,034,006	1,058,906	2,092,912		1,058,906	1,058,906	2,117,812	
Total	<u>723,938,010</u>	<u>757,984,849</u>	<u>1,481,922,859</u>	<u>72.1%</u>	<u>757,984,849</u>	<u>757,984,849</u>	<u>1,515,969,698</u>	<u>72.5%</u>
TOTAL SOURCES	<u>\$ 1,010,344,461</u>	<u>\$ 1,045,053,810</u>	<u>\$ 2,055,398,271</u>	<u>100.0%</u>	<u>\$ 1,045,053,810</u>	<u>\$ 1,045,053,810</u>	<u>\$ 2,090,107,620</u>	<u>100.0%</u>

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/17/2014

Time: 1:50:10PM

Agency code: **730** Agency name: **University of Houston**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2016	2017	Biennial Total	2016	2017	Biennial Total	

1 Hobby School of Public Affairs

Category: Programs - Service Reductions (Other)

Item Comment: Special item funding is used to support some of the University of Houston's most important research and public service programs. Therefore, the impact of a 12.0% reduction would adversely affect the university's ability to enhance research productivity and achieve its other Tier One goals.

Strategy: 3-2-3 William P. Hobby School of Public Affairs

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$23,803	\$23,803	\$47,606
General Revenue Funds Total	\$0	\$0	\$0	\$23,803	\$23,803	\$47,606
Item Total	\$0	\$0	\$0	\$23,803	\$23,803	\$47,606

FTE Reductions (From FY 2016 and FY 2017 Base Request)

2 College of Pharmacy

Category: Programs - Service Reductions (Other)

Item Comment: Special item funding is used to support some of the University of Houston's most important research and public service programs. Therefore, the impact of a 12.0% reduction would adversely affect the university's ability to enhance research productivity and achieve its other Tier One goals.

Strategy: 3-1-1 College of Pharmacy

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$238,031	\$238,031	\$476,062
General Revenue Funds Total	\$0	\$0	\$0	\$238,031	\$238,031	\$476,062
Item Total	\$0	\$0	\$0	\$238,031	\$238,031	\$476,062

FTE Reductions (From FY 2016 and FY 2017 Base Request)

3 Tier 1 - Complex System Research

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/17/2014

Time: 1:50:10PM

Agency code: **730** Agency name: **University of Houston**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2016	2017	Biennial Total	2016	2017	Biennial Total	

Category: Programs - Service Reductions (Other)

Item Comment: Special item funding is used to support some of the University of Houston's most important research and public service programs. Therefore, the impact of a 12.0% reduction would adversely affect the university's ability to enhance research productivity and achieve its other Tier One goals.

Strategy: 3-2-1 Complex Systems Research Cluster

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$82,121	\$82,121	\$164,242
General Revenue Funds Total	\$0	\$0	\$0	\$82,121	\$82,121	\$164,242
Item Total	\$0	\$0	\$0	\$82,121	\$82,121	\$164,242

FTE Reductions (From FY 2016 and FY 2017 Base Request)

4 Tier 1- Energy Research

Category: Programs - Service Reductions (Other)

Item Comment: Special item funding is used to support some of the University of Houston's most important research and public service programs. Therefore, the impact of a 12.0% reduction would adversely affect the university's ability to enhance research productivity and achieve its other Tier One goals.

Strategy: 3-2-2 Energy Research Cluster

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$424,588	\$424,588	\$849,176
General Revenue Funds Total	\$0	\$0	\$0	\$424,588	\$424,588	\$849,176
Item Total	\$0	\$0	\$0	\$424,588	\$424,588	\$849,176

FTE Reductions (From FY 2016 and FY 2017 Base Request)

5 Tier 1- Health and Sciences Research

Category: Programs - Service Reductions (Other)

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

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Date: 10/17/2014

Time: 1:50:10PM

Agency code: 730 Agency name: University of Houston

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2016	2017	Biennial Total	2016	2017	Biennial Total	

Item Comment: Special item funding is used to support some of the University of Houston's most important research and public service programs. Therefore, the impact of a 12.0% reduction would adversely affect the university's ability to enhance research productivity and achieve its other Tier One goals.

Strategy: 3-3-2 Health Sciences Research Cluster

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$263,917	\$263,917	\$527,834
General Revenue Funds Total	\$0	\$0	\$0	\$263,917	\$263,917	\$527,834
Item Total	\$0	\$0	\$0	\$263,917	\$263,917	\$527,834

FTE Reductions (From FY 2016 and FY 2017 Base Request)

6 Tier 1- Education & Community Adv

Category: Programs - Service Reductions (Other)

Item Comment: Special item funding is used to support some of the University of Houston's most important research and public service programs. Therefore, the impact of a 12.0% reduction would adversely affect the university's ability to enhance research productivity and achieve its other Tier One goals.

Strategy: 3-3-3 Education and Community Advancement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$137,047	\$137,047	\$274,094
General Revenue Funds Total	\$0	\$0	\$0	\$137,047	\$137,047	\$274,094
Item Total	\$0	\$0	\$0	\$137,047	\$137,047	\$274,094

FTE Reductions (From FY 2016 and FY 2017 Base Request)

7 Institutional Enhancement

Category: Programs - Service Reductions (Other)

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

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Date: 10/17/2014

Time: 1:50:10PM

Agency code: **730** Agency name: **University of Houston**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2016	2017	Biennial Total	2016	2017	Biennial Total	

Item Comment: In addition to supporting the University of Houston’s research and community advancement goals, core funding is used to support the university’s general operations-most importantly, the delivery of instruction and support services to students. Therefore, reductions in these core funding items would negatively impact everything the university is working to accomplish on behalf of the state- enhancing student access and success improving program quality, increasing research productivity, and being of service to the community.

Strategy: 3-4-1 Institutional Enhancement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$169,360	\$169,360	\$338,720
General Revenue Funds Total	\$0	\$0	\$0	\$169,360	\$169,360	\$338,720
Item Total	\$0	\$0	\$0	\$169,360	\$169,360	\$338,720

FTE Reductions (From FY 2016 and FY 2017 Base Request)

8 Worker’s Compensation Insurance

Category: Programs - Service Reductions (Other)

Item Comment: In addition to supporting the University of Houston’s research and community advancement goals, core funding is used to support the university’s general operations-most importantly, the delivery of instruction and support services to students. Therefore, reductions in these core funding items would negatively impact everything the university is working to accomplish on behalf of the state- enhancing student access and success improving program quality, increasing research productivity, and being of service to the community.

Strategy: 1-1-4 Workers' Compensation Insurance

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$17,497	\$17,497	\$34,994
General Revenue Funds Total	\$0	\$0	\$0	\$17,497	\$17,497	\$34,994
Item Total	\$0	\$0	\$0	\$17,497	\$17,497	\$34,994

FTE Reductions (From FY 2016 and FY 2017 Base Request)

AGENCY TOTALS

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

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Date: 10/17/2014

Time: 1:50:10PM

Agency code: **730** Agency name: **University of Houston**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2016	2017	Biennial Total	2016	2017	Biennial Total	
General Revenue Total				\$1,356,364	\$1,356,364	\$2,712,728	\$2,712,728
Agency Grand Total	\$0	\$0	\$0	\$1,356,364	\$1,356,364	\$2,712,728	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2016 and FY 2017 Base Request)							

8. Summary of Requests for Capital Project Financing

Agency Code: 730		Agency: University of Houston		Prepared by: Margie Hattenbach								
Date: 07/30/2014			Amount Requested									
			Project Category									
Project ID #	Capital Expenditure Category	Project Description	New Construction	Health & Safety	Deferred Maintenance	Maintenance	2016-17 Total Amount Requested	MOF Code #	MOF Requested	2016-17 Estimated Debt Service (If Applicable)	Debt Service MOF Code #	Debt Service MOF Requested
1	7341	Health and Biomedical Sciences Center 2	\$ 165,000,000				\$ 165,000,000	GR 001	Tuition Revenue Bond	\$ 28,770,904	GR 001	General Revenue Fund
2	7341	Sugar Land Academic Building	\$ 91,350,000				\$ 91,350,000	GR 001	Tuition Revenue Bond	\$ 15,928,619	GR 001	General Revenue Fund

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730 University of Houston					
	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
Gross Tuition					
Gross Resident Tuition	56,644,041	55,859,256	52,220,900	53,422,000	54,682,700
Gross Non-Resident Tuition	42,811,271	48,037,726	45,024,700	46,060,300	47,147,300
Gross Tuition	99,455,312	103,896,982	97,245,600	99,482,300	101,830,000
Less: Resident Waivers and Exemptions (excludes Hazlewood)	(339,543)	(385,759)	(370,425)	(378,900)	(387,900)
Less: Non-Resident Waivers and Exemptions	(16,867,176)	(19,916,334)	(20,115,001)	(20,577,600)	(21,063,300)
Less: Hazlewood Exemptions	(862,335)	(966,646)	(981,658)	(1,004,200)	(1,027,900)
Less: Board Authorized Tuition Increases (TX. Educ. Code Ann. Sec. 54.008)	(14,039,113)	(14,080,257)	(13,848,971)	(14,167,500)	(14,501,800)
Less: Tuition increases charged to doctoral students with hours in excess of 100 (TX. Educ. Code Ann. Sec. 54.012)	(21,597)	(14,220)	(14,362)	(14,700)	(15,000)
Less: Tuition increases charged to undergraduate students with excessive hours above degree requirements. (TX. Educ. Code Ann. Sec. 61.0595)	(404,250)	(988,003)	(999,309)	(1,022,300)	(1,046,400)
Less: Tuition rebates for certain undergraduates (TX. Educ. Code Ann. Sec. 54.0065)	(89,000)	(149,000)	(110,090)	(112,600)	(115,300)
Plus: Tuition waived for Students 55 Years or Older (TX. Educ. Code Ann. Sec. 54.013)	10,612	10,555	10,509	10,700	11,000
Less: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	(483,700)	(479,912)	(483,141)	(494,300)	(505,900)
Plus: Tuition waived for Texas Grant Recipients (TX. Educ. Code Ann. Sec. 56.307)	0	0	0	0	0
Subtotal	66,359,210	66,927,406	60,333,152	61,720,900	63,177,500
Less: Transfer of funds for Texas Public Education Grants Program (Tex. Educ. Code Ann. Sec. 56c) and for Emergency Loans (Tex. Educ. Code Ann. Sec. 56d)	(7,144,156)	(6,966,824)	(7,529,248)	(7,702,400)	(7,884,200)
Less: Transfer of Funds (2%) for Physician Loans (Medical Schools)	0	0	0	0	0
Less: Statutory Tuition (Tx. Educ. Code Ann. Sec. 54.051) Set Aside for Doctoral Incentive Loan Repayment Program (Tx. Educ. Code Ann. Sec. 56.095)	(59,582)	(69,206)	(65,064)	(66,600)	(68,100)
Less: Other Authorized Deduction					
Net Tuition	59,155,472	59,891,376	52,738,840	53,951,900	55,225,200

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	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
Student Teaching Fees	0	0	0	0	0
Special Course Fees	2,448	0	2,400	2,450	2,500
Laboratory Fees	79,048	80,999	90,000	92,100	94,200
Subtotal, Tuition and Fees (Formula Amounts for Health-Related Institutions)	59,236,968	59,972,375	52,831,240	54,046,450	55,321,900
OTHER INCOME					
Interest on General Funds:					
Local Funds in State Treasury	83,468	80,000	80,000	80,000	80,000
Funds in Local Depositories, e.g., local amounts	0	0	0	0	0
Other Income (Itemize)					
Subtotal, Other Income	83,468	80,000	80,000	80,000	80,000
Subtotal, Other Educational and General Income	59,320,436	60,052,375	52,911,240	54,126,450	55,401,900
Less: O.A.S.I. Applicable to Educational and General Local Funds Payrolls	(4,657,036)	(4,471,961)	(4,468,688)	(4,468,688)	(4,468,688)
Less: Teachers Retirement System and ORP Proportionality for Educational and General Funds	(4,044,752)	(4,252,873)	(4,126,895)	(4,126,895)	(4,126,895)
Less: Staff Group Insurance Premiums	(9,132,654)	(8,008,257)	(8,595,262)	(8,595,262)	(8,595,262)
Total, Other Educational and General Income (Formula Amounts for General Academic Institutions)	41,485,994	43,319,284	35,720,395	36,935,605	38,211,055
Reconciliation to Summary of Request for FY 2013-2017:					
Plus: Transfer of Funds for Texas Public Education Grants Program and Physician Loans	7,144,156	6,966,824	7,529,248	7,702,400	7,884,200
Plus: Transfer of Funds 2% for Physician Loans (Medical Schools)	0	0	0	0	0
Plus: Transfer of Funds for Cancellation of Student Loans of Physicians	0	0	0	0	0
Plus: Organized Activities	0	0	0	0	0
Plus: Staff Group Insurance Premiums	9,132,654	8,008,257	8,595,262	8,595,262	8,595,262
Plus: Board-authorized Tuition Income	14,039,113	14,080,257	13,848,971	14,167,500	14,501,800
Plus: Tuition Increases Charged to Doctoral Students with Hours in Excess of 100	21,597	14,220	14,362	14,700	15,000

Schedule 1A: Other Educational and General Income

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	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
Plus: Tuition Increases Charged to Undergraduate Students with Excessive Hours above Degree Requirements (TX. Educ. Code Ann. Sec. 61.0595)	404,250	988,003	999,309	1,022,300	1,046,400
Plus: Tuition rebates for certain undergraduates (TX Educ.Code Ann. Sec. 54.0065)	89,000	149,000	110,090	112,600	115,300
Plus: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	483,700	479,912	483,141	494,300	505,900
Less: Tuition Waived for Students 55 Years or Older	(10,612)	(10,555)	(10,509)	(10,700)	(11,000)
Less: Tuition Waived for Texas Grant Recipients	0	0	0	0	0
Total, Other Educational and General Income Reported on Summary of Request	72,789,852	73,995,202	67,290,269	69,033,967	70,863,917

Schedule 2: Selected Educational, General and Other Funds

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	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
General Revenue Transfers					
Transfer from Coordinating Board for Advanced Research Program	0	0	100,000	0	0
Transfer from Coordinating Board for Texas College Work Study Program (2011, 2012, 2013)	165,409	228,495	215,000	0	0
Transfer from Coordinating Board for Professional Nursing Shortage Reduction Program	0	0	0	0	0
Transfer of GR Group Insurance Premium from Comptroller (UT and TAMU Components only)	0	0	0	0	0
Less: Transfer to Other Institutions	0	0	0	0	0
Less: Transfer to Department of Health, Disproportionate Share - State-Owned Hospitals (2011, 2012, 2013)	0	0	0	0	0
Other (Itemize)					
License Plate Scholarship	11,290	11,500	11,500	0	0
Promote Participation & Success	0	13,000	0	0	0
National Research & University Fund	8,453,949	8,815,807	8,900,000	0	0
College Readiness Initiative	310,000	0	0	0	0
Other: Fifth Year Accounting Scholarship	0	0	0	0	0
Texas Grants	18,693,333	23,280,256	22,175,000	0	0
B-on-Time Program	4,847,199	5,045,572	3,326,620	0	0
Less: Transfer to System Administration	0	0	0	0	0
Subtotal, General Revenue Transfers	32,481,180	37,394,630	34,728,120	0	0
General Revenue HEF for Operating Expenses	35,885,768	35,885,768	35,885,768	35,885,768	35,885,768
Transfer from Available University Funds (UT, A&M and Prairie View A&M Only)	0	0	0	0	0
Other Additions (Itemize)					
Increase Capital Projects - Educational and General Funds	0	0	0	0	0
Transfer from Department of Health, Disproportionate Share - State-owned Hospitals (2011, 2012, 2013)	0	0	0	0	0
Transfers from Other Funds, e.g., Designated funds transferred for educational and general activities (Itemize)	0	0	0	0	0
Transfer from Coordinating Board for Incentive Funding	0	0	0	0	0
Other (Itemize)					

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	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
Gross Designated Tuition (Sec. 54.0513)	195,997,502	206,183,199	218,045,842	218,045,842	218,045,842
Indirect Cost Recovery (Sec. 145.001(d))	18,312,403	18,700,000	18,110,167	19,100,000	19,300,000
Correctional Managed Care Contracts	0	0	0	0	0

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	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
GR & GR-D Percentages					
GR %	65.82%				
GR-D %	34.18%				
Total Percentage	100.00%				
FULL TIME ACTIVES					
1a Employee Only	1,308	861	447	1,308	1,125
2a Employee and Children	363	239	124	363	257
3a Employee and Spouse	270	178	92	270	120
4a Employee and Family	329	217	112	329	200
5a Eligible, Opt Out	17	11	6	17	11
6a Eligible, Not Enrolled	72	47	25	72	189
Total for This Section	2,359	1,553	806	2,359	1,902
PART TIME ACTIVES					
1b Employee Only	38	25	13	38	31
2b Employee and Children	4	3	1	4	6
3b Employee and Spouse	8	5	3	8	5
4b Employee and Family	15	10	5	15	6
5b Eligible, Opt Out	1	1	0	1	4
6b Eligible, Not Enrolled	22	14	8	22	54
Total for This Section	88	58	30	88	106
Total Active Enrollment	2,447	1,611	836	2,447	2,008

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	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
FULL TIME RETIREES by ERS					
1c Employee Only	0	0	0	0	0
2c Employee and Children	0	0	0	0	0
3c Employee and Spouse	0	0	0	0	0
4c Employee and Family	0	0	0	0	0
5c Eligible, Opt Out	0	0	0	0	0
6c Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
PART TIME RETIREES by ERS					
1d Employee Only	0	0	0	0	0
2d Employee and Children	0	0	0	0	0
3d Employee and Spouse	0	0	0	0	0
4d Employee and Family	0	0	0	0	0
5d Eligible, Opt Out	0	0	0	0	0
6d Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
Total Retirees Enrollment	0	0	0	0	0
TOTAL FULL TIME ENROLLMENT					
1e Employee Only	1,308	861	447	1,308	1,125
2e Employee and Children	363	239	124	363	257
3e Employee and Spouse	270	178	92	270	120
4e Employee and Family	329	217	112	329	200
5e Eligible, Opt Out	17	11	6	17	11
6e Eligible, Not Enrolled	72	47	25	72	189
Total for This Section	2,359	1,553	806	2,359	1,902

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	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
TOTAL ENROLLMENT					
1f Employee Only	1,346	886	460	1,346	1,156
2f Employee and Children	367	242	125	367	263
3f Employee and Spouse	278	183	95	278	125
4f Employee and Family	344	227	117	344	206
5f Eligible, Opt Out	18	12	6	18	15
6f Eligible, Not Enrolled	94	61	33	94	243
Total for This Section	2,447	1,611	836	2,447	2,008

Schedule 4: Computation of OASI
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Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2013		2014		2015		2016		2017	
	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>
General Revenue (% to Total)	64.2664	\$8,375,618	65.8187	\$8,611,103	65.8187	\$8,604,799	65.8187	\$8,604,799	65.8187	\$8,604,799
Other Educational and General Funds (% to Total)	35.7336	\$4,657,036	34.1813	\$4,471,961	34.1813	\$4,468,688	34.1813	\$4,468,688	34.1813	\$4,468,688
Health-Related Institutions Patient Income (% to Total)	0.0000	\$0	0.0000	\$0	0.0000	\$0	0.0000	\$0	0.0000	\$0
Grand Total, OASI (100%)	100.0000	\$13,032,654	100.0000	\$13,083,064	100.0000	\$13,073,487	100.0000	\$13,073,487	100.0000	\$13,073,487

Schedule 5: Calculation of Retirement Proportionality and ORP Differential

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Description	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	90,755,580	88,775,139	67,500,000	67,500,000	67,500,000
Employer Contribution to TRS Retirement Programs	5,445,335	6,036,709	5,463,665	5,463,665	5,463,665
Gross Educational and General Payroll - Subject To ORP Retirement	97,897,482	97,051,446	89,681,818	89,681,818	89,681,818
Employer Contribution to ORP Retirement Programs	5,873,849	6,405,395	6,609,882	6,609,882	6,609,882
Proportionality Percentage					
General Revenue	64.2664 %	65.8187 %	65.8187 %	65.8187 %	65.8187 %
Other Educational and General Income	35.7336 %	34.1813 %	34.1813 %	34.1813 %	34.1813 %
Health-related Institutions Patient Income	0.0000 %	0.0000 %	0.0000 %	0.0000 %	0.0000 %
Proportional Contribution					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	4,044,752	4,252,873	4,126,895	4,126,895	4,126,895
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	0	0	0	0	0
Differential					
Gross Payroll Subject to Differential - Optional Retirement Program	23,226,000	23,060,207	23,060,207	23,060,207	23,060,207
Total Differential	580,650	438,144	438,144	438,144	438,144

Schedule 6: Constitutional Capital Funding
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Activity	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
A. PUF Bond Proceeds Allocation	0	0	0	0	0
Project Allocation					
Library Acquisitions	0	0	0	0	0
Construction, Repairs and Renovations	0	0	0	0	0
Furnishings & Equipment	0	0	0	0	0
Computer Equipment & Infrastructure	0	0	0	0	0
Reserve for Future Consideration	0	0	0	0	0
Other (Itemize)					
B. HEF General Revenue Allocation	35,885,768	35,885,768	35,885,768	35,885,768	35,885,768
Project Allocation					
Library Acquisitions	0	0	0	0	0
Construction, Repairs and Renovations	35,885,768	35,885,768	35,885,768	35,885,768	35,885,768
Furnishings & Equipment	0	0	0	0	0
Computer Equipment & Infrastructure	0	0	0	0	0
Reserve for Future Consideration	0	0	0	0	0
HEF for Debt Service	0	0	0	0	0
Other (Itemize)					

Schedule 7: Personnel
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Date: 10/17/2014
 Time: 1:48:09PM

Agency code: **730** Agency name: **University of Houston**

	Actual 2013	Actual 2014	Budgeted 2015	Estimated 2016	Estimated 2017
Part A.					
FTE Postions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	1,050.4	1,045.6	1,095.1	1,095.1	1,095.1
Educational and General Funds Non-Faculty Employees	1,505.8	1,499.1	1,574.2	1,574.2	1,574.2
Subtotal, Directly Appropriated Funds	2,556.2	2,544.7	2,669.3	2,669.3	2,669.3
Non Appropriated Funds Employees	3,750.1	3,849.7	4,118.0	4,118.0	4,118.0
Subtotal, Other Funds & Non-Appropriated	3,750.1	3,849.7	4,118.0	4,118.0	4,118.0
GRAND TOTAL	6,306.3	6,394.4	6,787.3	6,787.3	6,787.3
Part B.					
Personnel Headcount					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	1,277.0	1,271.0	1,331.0	1,331.0	1,331.0
Educational and General Funds Non-Faculty Employees	2,011.0	2,002.0	2,102.0	2,102.0	2,102.0
Subtotal, Directly Appropriated Funds	3,288.0	3,273.0	3,433.0	3,433.0	3,433.0
Non Appropriated Funds Employees	6,239.0	6,404.0	6,850.0	6,850.0	6,850.0
Subtotal, Non-Appropriated	6,239.0	6,404.0	6,850.0	6,850.0	6,850.0
GRAND TOTAL	9,527.0	9,677.0	10,283.0	10,283.0	10,283.0

Schedule 7: Personnel
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Date: 10/17/2014
 Time: 1:48:09PM

Agency code: **730** Agency name: **University of Houston**

	Actual 2013	Actual 2014	Budgeted 2015	Estimated 2016	Estimated 2017
PART C.					
Salaries					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	\$110,874,956	\$114,976,215	\$120,419,332	\$120,419,332	\$120,419,332
Educational and General Funds Non-Faculty Employees	\$88,141,232	\$90,787,483	\$95,335,639	\$95,335,639	\$95,335,639
Subtotal, Directly Appropriated Funds	\$199,016,188	\$205,763,698	\$215,754,971	\$215,754,971	\$215,754,971
Non Appropriated Funds Employees	\$194,351,882	\$203,106,066	\$217,261,288	\$217,261,288	\$217,261,288
Subtotal, Non-Appropriated	\$194,351,882	\$203,106,066	\$217,261,288	\$217,261,288	\$217,261,288
GRAND TOTAL	\$393,368,070	\$408,869,764	\$433,016,259	\$433,016,259	\$433,016,259

Agency 730 University of Houston

Project Priority:	Project Code:	Tuition Revenue Bond Request	Total Project Cost	Cost Per Total Gross Square Feet
1	1	\$ 165,000,000	\$ 165,000,000	\$ 660
Name of Proposed Facility:		Project Type:		
Health and Biomedical Sciences Center 2		New Construction		
Location of Facility:		Type of Facility:		
Main Campus		Research		
Project Start Date:		Project Completion Date:		
05/01/2014		11/01/2016		
Gross Square Feet:		Net Assignable Square Feet in Project		
250,000		162,500		

Project Description

Through this project, the University of Houston will design and construct a new Health and Biomedical Sciences Center 2 (250,000 square feet) at the UH Central Campus. This building will provide state-of-the-art infrastructure needed to increase student enrollment, faculty FTE, and research funding. The Health and Biomedical Sciences Center 2 will include a primary care and behavioral clinic to serve the community adjacent to the university, nursing and physical therapy programs, the College of Pharmacy, the Center for Drug Discovery/Research, and the Division of Research. The programming and design of the project will commence in May 2014; the anticipated completion date of core and shell construction is November 2016.

Agency 730 University of Houston

Project Priority:	Project Code:	Tuition Revenue Bond Request	Total Project Cost	Cost Per Total Gross Square Feet
2	2	\$ 91,350,000	\$ 91,350,000	\$ 609
Name of Proposed Facility:	Project Type:			
New Academic Building - UH at Sugar Land	New Construction			
Location of Facility:	Type of Facility:			
Sugar Land Campus	Academic			
Project Start Date:	Project Completion Date:			
01/01/2016	01/01/2018			
Gross Square Feet:	Net Assignable Square Feet in Project			
150,000	97,500			

Project Description

Through this project, the University of Houston will construct a new academic building (150,000 square feet) at the Sugar Land campus. This new building is part of a major UH effort to expand programs in this rapidly growing area. Through active partnerships, the greater Sugar Land community has already contributed \$20 million to existing academic endeavors. UH plans to add 22 new programs in Business, Education, and Technology at UH Sugar Land, and for the College of Technology to serve as an anchor college at the campus. The additional space provided by this new building is crucial to the expansion of degree and workforce programs at that match regional work force needs.

Schedule 8B: Tuition Revenue Bond Issuance History

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Authorization Date	Authorization Amount	Issuance Date	Issuance Amount	Authorized Amount Outstanding as of 08/31/2014	Proposed Issuance Date for Outstanding Authorization	Proposed Issuance Amount for Outstanding Authorization
1997	\$12,000,000	Feb 10 1999	\$12,000,000			
		<i>Subtotal</i>	\$12,000,000	\$0		
2001	\$51,000,000	Oct 9 2002	\$51,000,000			
		<i>Subtotal</i>	\$51,000,000	\$0		
2003	\$25,000,000	Jun 16 2004	\$25,000,000			
		<i>Subtotal</i>	\$25,000,000	\$0		
2006	\$57,600,000	Feb 4 2009	\$57,600,000			
		<i>Subtotal</i>	\$57,600,000	\$0		

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Special Item: 1 **Small Business Development Center**

(1) Year Special Item: 1984
Original Appropriations: \$200,000

(2) Mission of Special Item:

The UH Small Business Development Centers provide the tools and resources to help small regional businesses start, grow, and succeed. Through two core services, free one-on-one management consulting and low-cost business training seminars, the SBDC helps new entrepreneurs start their business, existing business owners attract customers, increase sales, and improve operations, and assists clients in obtaining capital to open or expand their business. The UH SBDC also offers specialized consulting and training in government contracting, assisting business owners obtain State, local, and federal government contracts.

(3) (a) Major Accomplishments to Date:

Through 15 service centers, located within our 32 county Gulf Coast region, the UH SBDC had a very successful positive economic impact on Houston and the surrounding communities, particularly in the area of job creation. An annual independent impact study completed in 2013 for businesses assisted in 2011 showed that clients who received five or more hours of counseling from the SBDC generated over \$278.2 million in new sales. UH SBDC clients seen in 2011 created approximately 4,471 new jobs, with a 3 year total from 2009 through 2011 of 13,781 new jobs. The survey completed in 2013 also estimated that an additional 5,320 jobs and \$278.2 million in sales were saved due to UH SBDC counseling. In FY2013, the UH SBDC Network held 509 training events, which provided 26,353 hours of training for 7,381 entrepreneurs and 39,132 hours of consulting for 5,725 clients. In addition, the survey indicated that new tax revenues generated as a result of UH SBDC counseling was \$35.5 million for clients seen in 2011, with a 3 year total from 2009 through 2011 of over \$113 million in new tax revenues. UH SBDC clients seen in 2011 obtained \$259.9 million in financing.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

Our purpose is to strengthen small businesses so that they will contribute to the economic vitality of our communities through job creation and retention. We continue to provide small companies with assistance in obtaining financing and government contracts to begin or expand their business, as well as help start-up and existing businesses evaluate and implement business solutions to improve survivability, growth potential, and new employment opportunities. The University of Houston Small Business Development Center (UH SBDC) Network has a strong history of meeting or exceeding all program objectives and milestones, and we anticipate again achieving high economic impact results. Our Network is in the process of launching our newest web-based initiative with full deployment to all service centers that will significantly increase our presence in the business community, providing alternative paths of educational and counseling for our clients through on-line training and on-line counseling in the next several years, and a very efficient registration and credit card processing system. The UH SBDC is also forming new strategic alliances with local partners to provide outreach more efficiently and effectively to the small businesses within our 32 county region.

(4) Funding Source Prior to Receiving Special Item Funding:

Federal and University funding.

(5) Formula Funding:

N/A

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(6) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
2014	\$2,935,978	Federal & Local Government support
	\$1,798,164	Private Sources, including partner match, program income
2015	\$3,085,978	Federal & Local Government support
	\$1,798,164	Private Sources, including partner match, program income
2016	\$3,085,978	Federal & Local Government support
	\$1,798,164	Private Sources, including partner match, program income
2017	\$3,085,978	Federal & Local Government support
	\$1,798,164	Private Sources, including partner match, program income

(7) Consequences of Not Funding:

The UH SBDC would be unable to meet the cost-sharing provisions of two of its Federal contracts with a total funding loss to the SBDC network of more than \$4.7 million of non-general revenue funding annually, and would essentially result in the demise of the program. In addition to the Federal awards that require cost-sharing, in the last 3 fiscal years, the SBDC obtained another nearly \$7 million in Federal funding to assist small businesses that significantly contributed to the UH's efforts to obtain Tier One research status. These funds would not have been received by the University without the existence of its SBDC. The loss of SBDC services to Houston and the Gulf Coast business community would have dramatic negative impact, as thousands of start-up entrepreneurs and existing business owners, who cannot or would not seek business counseling from the private sector, would be unable to access professional business services. Based on historical data, sales growth, job creation, and capital expansion would be significantly reduced. The combination of the above factors would certainly cause declining tax revenues as well as the loss of existing jobs and new job creation.

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Special Item: 2 **Education & Community Advancement**

(1) Year Special Item: 2012
 Original Appropriations: \$750,000

(2) Mission of Special Item:

The Education and Community Advancement special item is used to develop the infrastructure and support the operations of UH’s education and community advancement research programs, in order to leverage external funding from the federal government, industry and other grant making institutions. Education and community advancement are one of UH’s research strengths and key to its goals as a nationally competitive Tier One research university.

(3) (a) Major Accomplishments to Date:

As Texas’ premier metropolitan research university, UH has developed research and outreach programs that address the major challenges facing our cities and state. In recognition of these activities, UH was awarded by the Carnegie Foundation for the Advancement of Teaching with its highest designation for community engagement. Specific areas of expertise at UH include economic development; social issues such as substance abuse, aging, immigration, child welfare, health services and homelessness; and all levels of education. Signature programs include the Health Law and Policy Institute, the Hobby Center for Public Policy, and the Texas Institute for Measurement, Evaluation and Statistics (TIMES), which focuses on the evaluation and improvement of the English reading skills of elementary school students for whom English is not their first language. In FY 2013, total research expenditures in education and community advancement were \$22.3 million and federal research expenditures were \$16.5 million.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

With continued investments in research faculty, staff, facilities, equipment and operations, the University of Houston expects continued growth in research productivity in education and community advancement.

(4) Funding Source Prior to Receiving Special Item Funding:

NA

(5) Formula Funding:

N/A

(6) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
2013	\$22M	Federal government, industry, other grant-making organizations
2014	\$23M	Federal government, industry, other grant-making organizations
2015	\$24M	Federal government, industry, other grant-making organizations
2016	\$25M	Federal government, industry, other grant-making organizations
2017	\$26M	Federal government, industry, other grant-making organizations

Schedule 9: Special Item Information

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(7) Consequences of Not Funding:

Not funding this special item would reduce the university's ability to invest in its education and community advancement research programs and the external funding that would be leveraged. It would also slow the university's progress as a nationally competitive Tier One research institution.

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Special Item: 3 **Tier One Initiative – Complex Systems**

(1) Year Special Item: 2012
 Original Appropriations: \$2,500,000

(2) Mission of Special Item:

The Complex Systems special item is used to develop the infrastructure and support the operations of University of Houston complex systems research programs, in order to leverage external funding from the federal government, industry and other grant making institutions. Complex Systems is one of UH’s research strengths and key to its goals as a nationally competitive Tier One research university.

(3) (a) Major Accomplishments to Date:

Complex systems is the application of advanced computer, network and database technologies to address some of the nation’s most important challenges. Currently, scientists are incorporating the traditional disciplines of computer science, biology, chemistry, geology, engineering, and psychology among others into complex systems that address such diverse issues as air quality, homeland security, student learning, and space operations. Major recent accomplishments include training physicians in surgical procedures using interactive robotics and developing new software to enhance visualization of living cells. In FY 2013, total research expenditures in complex systems were \$9.8 million and federal research expenditures were \$8.2 million.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

With continued investments in research faculty, staff, facilities, equipment and operations, the University of Houston expects continued growth in research productivity in complex systems.

(4) Funding Source Prior to Receiving Special Item Funding:

NA

(5) Formula Funding:

N/A

(6) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
2013	\$10M	Federal government, industry, other grant-making organizations
2014	\$11M	Federal government, industry, other grant-making organizations
2015	\$12M	Federal government, industry, other grant-making organizations
2016	\$13M	Federal government, industry, other grant-making organizations
2017	\$14M	Federal government, industry, other grant-making organizations

(7) Consequences of Not Funding:

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Not funding this special item would reduce the university's ability to invest in its complex systems research programs and the external funding that would be leveraged. It would also slow the university's progress as a nationally competitive Tier One research institution.

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Special Item: 4 **Tier One Initiative – Health Sciences**

(1) Year Special Item: 2012
 Original Appropriations: \$2,500,000

(2) Mission of Special Item:

The Health Sciences special item is used to develop the infrastructure and support the operations of University of Houston health-related research programs, in order to leverage external funding from the federal government, industry and other grant making institutions. The health sciences are one of UH’s research strengths and key to its goals as a nationally competitive Tier One research university.

(3) (a) Major Accomplishments to Date:

In FY 2013, total research expenditures in the health sciences were \$31 million and federal research expenditures were \$25 million. Over the past two years, the University of Houston has consolidated its health-related programs into a Health Science Center (HSC) approved by the UH System Board of Regents in January 2013. To support its new HSC, UH has constructed a new Health & Biomedical Sciences Building and is in the process of developing a second building. UH programs conducting health-related research include the Texas Center for Superconductivity, the Center for Advanced Materials, the Texas Learning and Computation Center, and the Health Law and Policy Institute.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

With continued investments in research faculty, staff, facilities, equipment and operations, the University of Houston expects continued growth in research productivity in the health sciences. As a next step in the development of its HSC, UH is adding programs in Nursing, a doctoral program in Physical Therapy, and a Primary Care Clinic in partnership with a Federally Qualified Health Clinic (FQHC). The Primary Care Clinic will include a Behavioral Health Center (BHC) to treat and provide preventive care for conditions such as obesity, diabetes, and hypertension. The BHC will be led by faculty from UH’s programs in Clinical Psychology, Social Work, and Health & Human Performance. The Primary Care Clinic, including the Behavioral Health Center, will serve a large number of medically-indigent patients in Houston’s Third Ward neighborhood.

(4) Funding Source Prior to Receiving Special Item Funding:

NA

(5) Formula Funding:

N/A

(6) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
2013	\$31M	Federal government, industry, other grant-making organizations
2014	\$32M	Federal government, industry, other grant-making organizations
2015	\$33M	Federal government, industry, other grant-making organizations
2016	\$34M	Federal government, industry, other grant-making organizations

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2017 \$35M Federal government, industry, other grant-making organizations

(7) Consequences of Not Funding:

Not funding this special item would reduce the university's ability to invest in its health sciences research programs and the external funding that would be leveraged. It would also slow the university's progress as a nationally competitive Tier One research institution.

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Special Item: 5 **Tier One Initiative – Energy Research**

(1) Year Special Item: 2012
 Original Appropriations: \$2,500,000

(2) Mission of Special Item:

The Energy Research special item is used to develop the infrastructure and support the operations of University of Houston energy research programs, in order to leverage external funding from the federal government, industry and other grant making institutions. Energy is one of UH’s research strengths and key to its goals as a nationally competitive Tier One research university.

(3) (a) Major Accomplishments to Date:

In FY 2013, total research expenditures in energy programs were \$25 million and federal research expenditures were \$15 million. Significant progress has been made in developing the UH Energy Research Park – a 64-acre complex that now serves as the cornerstone for UH’s academic/research programs, industrial partnerships, professional training, and economic development activities related to energy.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

Over the next two years, resources will continue to be invested in the development of the university’s Energy Research Park, as well as key energy research programs, including the Texas Center for Superconductivity, the TcSUH Applied Research Hub, the Center for Advanced Materials, and the Texas Diesel Testing and Research Center, all of which have proven tremendously successful to date and for which there is great potential in the future with respect to research productivity and economic development.

(4) Funding Source Prior to Receiving Special Item Funding:

NA

(5) Formula Funding:

N/A

(6) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
2013	\$25M	Federal government, industry, other grant-making organizations
2014	\$26M	Federal government, industry, other grant-making organizations
2015	\$27M	Federal government, industry, other grant-making organizations
2016	\$28M	Federal government, industry, other grant-making organizations
2017	\$29M	Federal government, industry, other grant-making organizations

(7) Consequences of Not Funding:

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Not funding this special item would reduce the university's ability to invest in its energy research programs and the external funding that would be leveraged. It would also slow the university's progress as a nationally competitive Tier One research institution.

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Special Item: 6 Institutional Enhancement

(1) Year Special Item: 2000
 Original Appropriations: \$1,781,305

(2) Mission of Special Item:

Institutional enhancement resources are used to fund the core operations of the university, including the delivery of instruction, support for students, support for the university’s research activities and general administration. They are essential to achievement of the university’s goals and its effective operation.

(3) (a) Major Accomplishments to Date:

Record degrees awarded: 8,590
 Record freshman 1-year retention: 85%
 Record freshman 6-year graduation rate: 48%
 Record freshman median SAT: 1140
 Record number of doctorates: 314
 Record total research expenditures: \$131M
 Record royalty income: \$16.6M
 Record scholarly citations: 49,440

(3) (b) Major Accomplishments Expected During the Next 2 Years:

With continued Institutional Enhancement funding, the University of Houston expects to build upon enrollment, student success, degrees awarded, and research productivity achieved during the current biennium.

(4) Funding Source Prior to Receiving Special Item Funding:

NA

(5) Formula Funding:

N/A

(6) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
2013	NA	Unlike other special items, Institutional Enhancement is not a university program into which revenue from other sources is allocated.
2014	NA	Unlike other special items, Institutional Enhancement is not a university program into which revenue from other sources is allocated.
2015	NA	Unlike other special items, Institutional Enhancement is not a university program into which revenue from other sources is allocated.
2016	NA	Unlike other special items, Institutional Enhancement is not a university program into which revenue from other sources is allocated.
2017	NA	Unlike other special items, Institutional Enhancement is not a university program into which revenue from other sources is allocated.

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(7) Consequences of Not Funding:

Not funding this special item would slow the university's progress as a nationally competitive Tier One research institution, making it more difficult for the university to build upon its success in student access and success, as well as research productivity.

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Special Item: 7 **Hobby School of Public Affairs**

(1) Year Special Item: 2014
Original Appropriations: \$400,000

(2) Mission of Special Item:

The University of Houston seeks funding to expand the services of the Hobby Center for Public Policy (HCPP) while making the transition to the Hobby School of Public Affairs (HSPA). HSPA will provide the resources to assist government and business in making sound decisions. Through research projects and graduate student training, HSPA will help decision makers analyze data, communicate research findings and recruit trained professionals to improve overall operations within the public and private sectors.

(3) (a) Major Accomplishments to Date:

The HCPP provides decision-makers with objective, non-partisan analyses; informs the community of significant public policy issues; conducts advanced research training through a national summer institute; and provides leadership training through its professional certification program and government internship programs. HCPP's research division has conducted applied research on areas such as state demographics, law enforcement, real estate and redistricting. The HCPP has obtained grants from the National Science Foundation for a study of Houston's housing market and to conduct research training. The Survey Research Institute provides public opinion surveys and data on topics distributed through traditional and online reports and conferences to clients including universities such as Rice University, state agencies and commissions such as the Texas Lottery Commission, local governments such as the City of Houston and various civic organizations. HCPP's Concept Visualization Lab creates multi-dimensional visualizations and proto-types to display research findings in dynamic and interactive graphics. Hobby Fellows (Austin) and Leland Fellows (Washington, DC) provides undergraduates the opportunity to work as full-time legislative interns. The Civic Houston Internship Program has placed more than 1000 students in federal, state, county and city governmental offices. The nationally accredited Certified Public Manager program prepares working professionals in the Houston region.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

The HCPP will begin its Master of Public Policy (MPP) graduate degree program and expand its overall research capabilities, with both endeavors serving as the catalyst for the Hobby School of Public Affairs. The MPP program, beginning in fall 2015, will have an interdisciplinary curriculum that combines strong quantitative skills with a foundation in ethics and teamwork, which will prepare its graduates to work as analysts and leaders in government and business. Survey Research Institute will continue and increase its regional and state surveys of public attitudes on major policy issues through traditional and online methods. HSPA will partner with Rice University on a study of the diversity found in Houston neighborhoods. HCPP will increase its partnerships with local governments and non-profit organizations. HSPA's speaker series will serve as an educational outreach to the community at large. With new funding from the National Science Foundation, the HSPA summer institute will continue to train nationwide PhD candidates in research methods. Increased private fundraising efforts will augment the opportunities allowed by the government internship programs and graduate student support.

(4) Funding Source Prior to Receiving Special Item Funding:

Government grants from local and federal sources; contributions from private entities

730 University of Houston

(5) Formula Funding:

N/A

(6) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
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2014	\$ 500,000	Private foundations, corporations, individual contributions, independent school districts, state agencies, higher education institutions.
2015	\$3,505,000	Private foundations, corporations, individual contributions, independent school districts, state and federal agencies, higher education institutions.
2016	\$3,000,000	Private foundations, corporations, individual contributions, independent school districts, state and federal agencies, higher education institutions.
2017	\$1,765,000	Private foundations, corporations, individual contributions, independent school districts, state and federal agencies, higher education institutions.

(7) Consequences of Not Funding:

Without special item funding, the HCPP/HSPA would terminate much of its present research and other on-going projects, resulting in a loss of basic public policy research capability for the Houston region. It would not be able to meet its research obligations with partners such as Rice University and Texas A&M University nor funding entities such as the National Science Foundation. The polling and visualization capabilities offered to public and private sector entities would be greatly cut back or discontinued. Education, training and leadership programs would be curtailed or abolished, decreasing public service and employment opportunities for undergraduate and graduate students. The elimination of the HCPP/HSPA's major programs would result in a multi-million dollar loss of private funding of its unique programs as well as positive visibility for UH, Houston and the state of Texas.
