

Legislative Appropriations Request

For Fiscal Year 2018 and 2019

**Submitted to the
Office of the Governor, Budget Division,
and the Legislative Budget Board**

by

University of Houston

**Date of Submission
October, 2016**

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Schedules Not Included

Agency Code: 730	Agency Name: University of Houston	Date: October 17, 2016
<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 2018-19 biennium</p>		
Number	Name	
2C.1	Operating Costs Detail – Base Request	
3B	Rider Revisions and Additions Request	
3C	Rider Appropriations and Unexpended Balance Request	
5A - 5E	Capital Budget Project Schedules	
6B	Current Biennium One-time Expenditure Schedule	
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Schedule 3D	Group Insurance Data Elements (Supplemental)	
Schedule 8A	Tuition Revenue Bond Projects	
Schedule 8C	Revenue Capacity for Tuition Revenue Bond Projects (See UHSA)	
Schedule 8D	Tuition Revenue Bond Request by Project (See UHSA)	

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UH Overview and Goals

Since its founding in 1927, the University of Houston has evolved from its origins as a “college for working men and women” to a nationally competitive Tier One university that generates more than \$150 million in research annually and educates the people of Houston and the world. Today, UH provides more than 300 academic programs and extensive community and business partnerships. UH is the primary supplier of college-educated workers in the Greater Houston Region, and its research activity fuels the regional/state economy. Located in the energy capital of the world, UH reflects the diversity, vibrancy, and international reputation of the city and state it serves.

As part of the state-supported system of higher education in Texas, UH serves approximately 43,000 students. UH is a Tier One research university, 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.

A Metropolitan University with International Influence

Under the leadership of President Renu Khator, the University of Houston has achieved much in recent years as it strengthens its profile as a Tier One university. While keeping its metropolitan focus, UH has transformed into a large, highly selective institution with global reach. In the past eight years, student enrollment has grown from approximately 35,000 to 43,000 students, over 20%. The university now attracts more academically competitive students, as well. UH’s mean SAT score is 1150, almost 100 points higher than eight years ago. UH’s FTIC graduation rate has risen from 43% to 51% and is projected to reach 61% by 2020.

UH is also one of very few Tier One universities the federal government has designated as a Hispanic Serving Institution, which enables the university to compete for federal grants to increase Hispanic student success. In FY 2016, Phi Beta Kappa, the nation’s most prestigious honor society, established a chapter at UH, reflecting the campus’ increasing academic competitiveness.

A Great Value for Students and Investment in Texas

As UH has grown, we have made significant efforts to ensure college affordability and to strategically manage and invest our financial resources. These efforts include:

- UH in 4, which incentivizes students to complete a degree in 4 years through a fixed rate tuition plan;
- Cougar Promise, which provides full coverage of tuition and fees to undergraduates with family incomes of \$45,000 or less;
- More than doubling financial aid to students over the past ten years (\$49 million to \$116 million);
- Implementing performance-based funding, through which the UH colleges are rewarded for improvements in student success and national competitiveness;
- Increasing UH’s endowment by 20% to \$700 million;

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- Increasing annual giving nearly 150% to \$120 million; and
- Reducing administrative costs (from 10.4% in FY 2000 to 6.8% in FY 2015).

UH has been nationally recognized for its affordability and return on investment for students. The 2014 White House College Scorecard placed UH in the top 2% of 4-year institutions for low tuition, student loan default, and student borrowing. In 2015, U.S. News and World Report ranked UH 11th in graduating students with the least amount of debt. The Princeton Review also named UH a Best Value College. These are distinctions UH works hard to maintain.

Committed to Student Success for a Diverse Population

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 has achieved record performance this year in the following key student success measures:

- Total degrees awarded: 9,160
- Freshman first-year retention rate: 86%
- Freshman six-year graduation rate: 51%
- Freshman median SAT: 1150
- Course completion rate: 97%

Improvements in these measures have been achieved by the university's commitment to implementing and investing in initiatives that facilitate student success. These include increasing scholarships, expanding course offerings, enhancing student support services, and improving the curriculum. UH serves a student population that is unique among Texas' public research institutions. No ethnic group constitutes a majority of our students. In FY 2016, the student population was 28% White, 28% Hispanic, 20% Asian-American, 10% African-American, and 10% international. Moreover, many of UH's students are the first generation of their families to attend college, come from economically-disadvantaged households, or work while pursuing their education. As a result, these students often require more support than the traditional college student if they are to graduate on time.

To that end, UH is implementing innovative and effective student success programs. For example, through UH in 4 freshmen are guaranteed a flat tuition rate for four years as long as they earn 30 credit hours per year. During the first two years, freshman participation in UH in 4 has increased from 49% to 62%. These students are also performing better than non-UH in 4 students in key areas of performance:

	UH in 4 (FTIC)	Non-UH in 4 (FTIC)
First-Year Retention Rate	88.1%	84.6%
% Completing 30 SCH in First Year	83.4%	68.3%
Average GPA	3.09	2.97

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Committed to National Competitiveness: Building upon Recent Success

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: \$151M
- Number of scholarly citations: 65,166
- Doctorates awarded: 335
- Graduate programs ranked in the top 50 nationally: 9

UH has also achieved success in several other key areas of national competitiveness:

- Since 2012, UH has been identified as a Top American Research University by the Center for Measuring University Performance.
- In the past year, UH has increased its Association of Research Libraries (ARL) ranking from 77th to 65th. ARL members are the nation's most prominent research libraries.
- Since 2008, royalty revenue has grown from \$1.1 million to \$26.0 million.
- In 2016, the National Academy of Inventors ranked UH/UH System among the top 100 university systems for utility patents for the first time.
- Recently, UH has recruited three national academy members as part of the Governor's University Research Initiative.

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 investments in buildings, labs, equipment, and other infrastructure that a growing faculty needs to support a nationally competitive research enterprise. To that end, UH is constructing a new Health and Biomedical Sciences Building and launching a \$100 million multi-year capital renewal plan to renovate seven of the university's most important academic buildings (with over 800,000 square feet of space). These projects would not have been possible without the appropriation during the last legislative session of tuition revenue bonds for the Health & Biomedical Sciences Building and increased appropriations of HEAF, which will support the capital renewal plan. Moreover, TRBs appropriated for new UH academic buildings in Sugar Land and Katy will enhance the university's ability to reach students in two of the fastest growing regions of the Houston metropolitan area. The University of Houston is grateful to the Legislature for this support.

Committed to Community Advancement: A Highly Engaged Community Partner

Among Texas universities, UH stands out as a metropolitan university whose mission is focused on advancing the community in which it is located. Houston is becoming a national model for ethnic, socioeconomic, and cultural diversity, and UH is a highly engaged community partner. UH's estimated impact on the Houston economy exceeds \$3 billion per biennia. UH's impact, however, extends far beyond the Houston metropolitan area—our reach is truly worldwide.

Apart from its direct economic impact, the University of Houston provides many programs that enhance the quality of life in Houston and beyond. Among them are the Hobby School of Public Affairs, 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, UH has developed other strong partnerships and programs with public schools and community colleges in our region to enhance the academic skills of students, support teacher professional development, and produce more STEM educators. The success of these programs has been based in part on

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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.

UH 2018-19 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 85th 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. While the statewide formula funding rate for the FY 2016-17 biennium (\$55.39) was 1% higher than it was for the previous biennium, it was still 11% lower than the rate for the FY 2010-11 biennium (\$62.19). It is essential to close this gap. For the upcoming biennium, the University of Houston encourages the Legislature to provide funding consistent with the 2010-11 funding levels.

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

UH is committed to supporting veterans and their families by expanding opportunities for them to earn a college degree. To that end, UH funded \$8.8 million in Hazlewood exemptions in FY 2016. These costs increase each year, and most are absorbed at the institution level. Absent full state coverage, we must fund these exemptions through other resources, including tuition paid by other students. As the Comptroller of Public Accounts noted in August 2016, public colleges and universities are losing tuition revenue due to the exemption, and as a result "students without Hazlewood benefits are subsidizing those who have them." UH recommends that the state appropriate resources to cover all Hazlewood exemptions or modify the exemption.

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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5. Restoration of 4% Base Reduction

As requested, UH's LAR reflects a 4% biennial base reduction. UH recognizes that state agencies and institutions of higher education must make difficult funding decisions given the state's economic forecast. Still, as noted above, formula funding has declined in real dollars, and the university bears significant costs in covering Hazlewood exemptions. Further reductions will negatively impact the university's ability to build upon past progress and achieve its short and long-term goals. The University of Houston encourages the Legislature, as much as is possible and prudent, to restore the reduction.

II. TIER-ONE INITIATIVES

1. State Funding for Research Programs for Tier One Universities

Combined, the Core Research Support Fund, Texas Research Incentive Program, National Research University Fund, and Governor's University Research Initiative constitute an innovative and powerful tool for enhancing and 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 Permanent University Fund pursue their national competitiveness/Tier One goals. The University of Houston recommends increased appropriations to each of these funds.

2. Funding for 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 FY18 and FY19, 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
Partnership for Multicultural Success	\$2,565,750
Tier-One Initiative – Complex Systems	\$2,011,143
Restoration of 4% Biennial Base Reduction	\$1,355,312
Small Business Development Center	\$ 980,000

3. Funding for Small Business Development Centers

Small business development centers (SBDCs) are an important engine for economic development across the state and nation. For example, a recent independent impact study reported that as a result of businesses assisted in 2014, the UH SBDC contributed to the generation of over 5,000 new jobs, \$368 million in sales, and \$45 million in tax revenue. The University of Houston encourages the Legislature to continue its strong support for small business development centers.

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Approach to 4 and 10 Percent Base Reductions

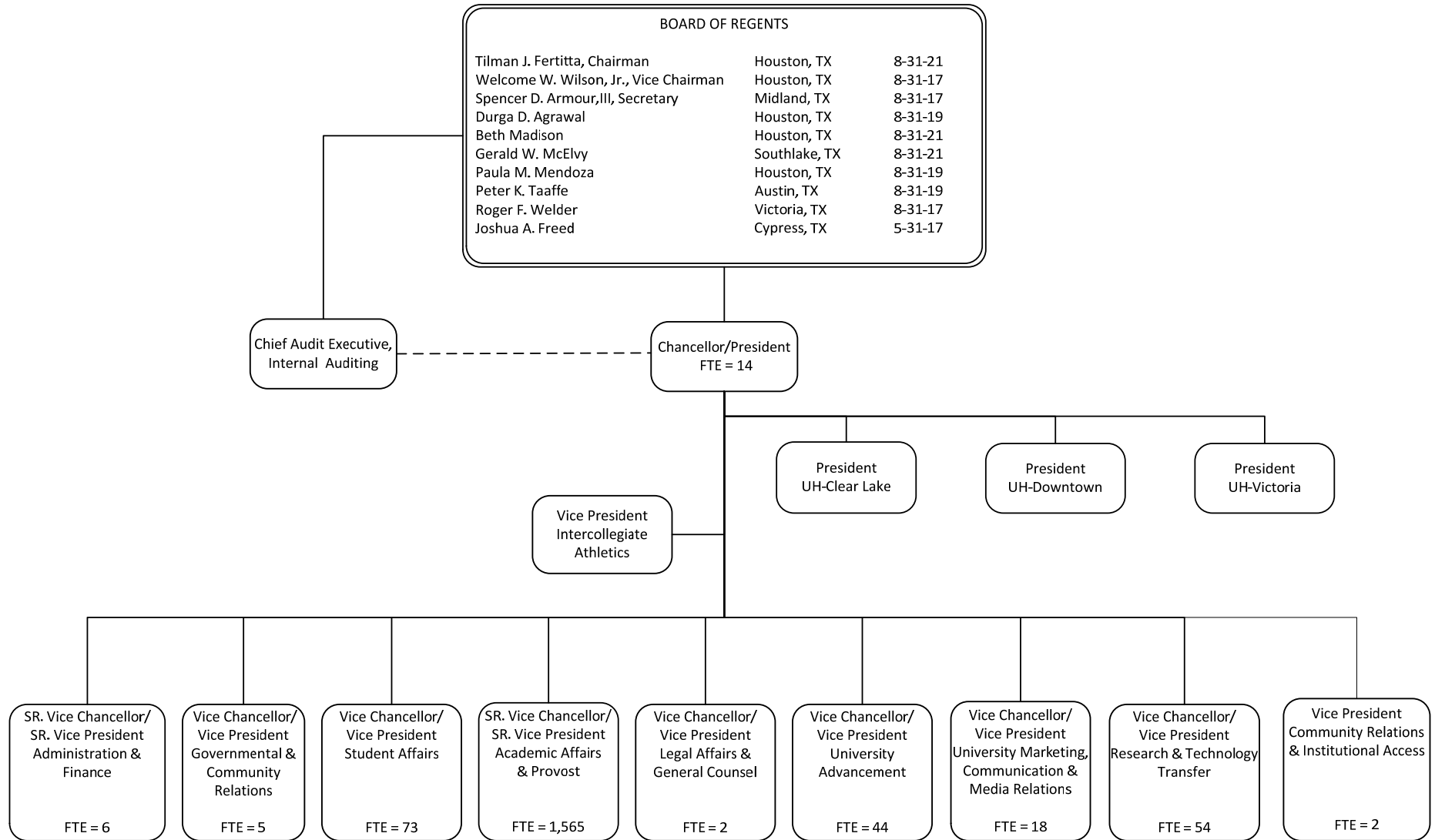
The University of Houston's LAR includes a 4% base reduction and a scenario for a 10% base reduction. For UH, these reductions total \$1.4 million and \$3.3 million respectively. The totality of lost funding would negatively impact the university's ability to achieve its goals. For UH, the choice was 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), thus requiring a higher reduction to special items.

Budget Area	4% Reduction	10% Reduction
Special Items	6.1%	14.7%
Institutional Enhancement/Worker's Comp	2.0%	5.0%

Maintaining College Affordability

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. UH is committed to this principle. 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 to achieve their goals. UH has made good progress on this front. Over the past several years, the university has eliminated non-essential services, consolidated departments, reduced expenses, and reallocated millions of dollars to pursue institutional priorities. As indicated earlier in this report, the university has also increased private support from \$49 million to \$120 million over the past eight years. These strategies have been critical to limiting tuition increases while at the same time improving student outcomes. Increased funding from the state during the current biennium has also allowed us to moderate tuition increases for the next two years. At UH, increases will be approximately 2%, which is generally consistent with inflation.

University of Houston System/University of Houston



FTE is budgeted FY2017 from Appropriated Funds; UH= 1,769 FTE, UHSA= 14 FTE, TOTAL= 1,783 FTE

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
1 Provide Instructional and Operations Support					
1 <i>Provide Instructional and Operations Support</i>					
1 OPERATIONS SUPPORT (1)	165,161,474	176,683,520	177,476,509	0	0
3 STAFF GROUP INSURANCE PREMIUMS	8,658,022	10,440,322	11,188,533	11,188,533	11,188,533
4 WORKERS' COMPENSATION INSURANCE	418,328	395,925	395,925	342,931	342,931
6 TEXAS PUBLIC EDUCATION GRANTS	7,143,573	7,553,623	7,630,472	7,805,973	7,990,194
TOTAL, GOAL 1	\$181,381,397	\$195,073,390	\$196,691,439	\$19,337,437	\$19,521,658
2 Provide Infrastructure Support					
1 <i>Provide Operation and Maintenance of E&G Space</i>					
1 E&G SPACE SUPPORT (1)	7,787,716	14,641,960	14,641,960	0	0
TOTAL, GOAL 2	\$7,787,716	\$14,641,960	\$14,641,960	\$0	\$0
3 Provide Special Item Support					
1 <i>Instructional Support Special Item Support</i>					

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
1 COLLEGE OF PHARMACY	2,008,744	0	0	0	0
<u>2</u> <i>Research Special Item Support</i>					
1 COMPLEX SYSTEMS RESEARCH CLUSTER	456,609	690,000	690,000	647,664	647,664
2 ENERGY RESEARCH CLUSTER	3,924,947	3,567,500	3,567,500	3,348,614	3,348,614
3 HOBBY SCHOOL OF PUBLIC AFFAIRS	277,258	2,200,000	2,200,000	2,065,018	2,065,018
<u>3</u> <i>Public Service Special Item Support</i>					
1 SMALL BUSINESS DEVELOPMENT	3,477,379	3,377,767	3,377,767	3,377,767	3,377,767
2 HEALTH SCIENCES RESEARCH CLUSTER	1,806,762	2,217,500	2,217,500	2,081,443	2,081,443
3 EDUCATION & COMMUNITY ADVANCEMENT	1,236,471	1,151,509	1,151,509	1,080,857	1,080,857
<u>4</u> <i>Institutional Support Special Item Support</i>					
1 INSTITUTIONAL ENHANCEMENT	0	0	0	3,322,806	3,322,806
<u>5</u> <i>Exceptional Item Request</i>					
1 EXCEPTIONAL ITEM REQUEST	0	0	0	0	0

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY		Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
TOTAL, GOAL	3	\$13,188,170	\$13,204,276	\$13,204,276	\$15,924,169	\$15,924,169
6	Research Funds					
1	Research Development Fund					
1	RESEARCH DEVELOPMENT FUND	9,136,454	0	0	0	0
2	Competitive Knowledge Fund					
1	COMPETITIVE KNOWLEDGE FUND	4,382,321	0	0	0	0
3	Core Research Support					
1	CORE RESEARCH SUPPORT	0	10,887,408	10,887,408	0	0
TOTAL, GOAL	6	\$13,518,775	\$10,887,408	\$10,887,408	\$0	\$0
TOTAL, AGENCY STRATEGY REQUEST		\$215,876,058	\$233,807,034	\$235,425,083	\$35,261,606	\$35,445,827
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*					\$0	\$0
GRAND TOTAL, AGENCY REQUEST		\$215,876,058	\$233,807,034	\$235,425,083	\$35,261,606	\$35,445,827

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	146,801,953	155,572,273	155,655,428	16,263,751	16,263,751
SUBTOTAL	\$146,801,953	\$155,572,273	\$155,655,428	\$16,263,751	\$16,263,751
General Revenue Dedicated Funds:					
704 Bd Authorized Tuition Inc	13,500,000	13,888,628	13,904,558	0	0
770 Est Oth Educ & Gen Inco	55,574,105	64,342,784	65,861,748	18,994,506	19,178,727
SUBTOTAL	\$69,074,105	\$78,231,412	\$79,766,306	\$18,994,506	\$19,178,727
Other Funds:					
802 License Plate Trust Fund No. 0802	0	3,349	3,349	3,349	3,349
SUBTOTAL	\$0	\$3,349	\$3,349	\$3,349	\$3,349
TOTAL, METHOD OF FINANCING	\$215,876,058	\$233,807,034	\$235,425,083	\$35,261,606	\$35,445,827

*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 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>GENERAL REVENUE</u>					
<u>1</u> General Revenue Fund					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2014-15 GAA)	\$143,274,187	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2016-17 GAA)	\$0	\$155,572,273	\$155,655,428	\$0	\$0
Regular Appropriations	\$0	\$0	\$0	\$16,263,751	\$16,263,751
<i>RIDER APPROPRIATION</i>					
Sec. 54, Special Provisions Higher Education, Appropriations for the Research Development Fund (\$3,535,700	\$0	\$0	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>					
Lapsed Appropriations	\$(7,934)	\$0	\$0	\$0	\$0
TOTAL, General Revenue Fund	\$146,801,953	\$155,572,273	\$155,655,428	\$16,263,751	\$16,263,751

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 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<hr/>						
TOTAL, ALL GENERAL REVENUE		\$146,801,953	\$155,572,273	\$155,655,428	\$16,263,751	\$16,263,751
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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 (2014-15 GAA)

\$14,042,115	\$0	\$0	\$0	\$0
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Regular Appropriations from MOF Table (2016-17 GAA)

\$0	\$13,848,971	\$13,848,971	\$0	\$0
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BASE ADJUSTMENT

Revised Receipts

\$(542,115)	\$39,657	\$55,587	\$0	\$0
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TOTAL, GR Dedicated - Estimated Board Authorized Tuition Increases Account No. 704

\$13,500,000	\$13,888,628	\$13,904,558	\$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 (2014-15 GAA)

\$61,441,915	\$0	\$0	\$0	\$0
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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 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>GENERAL REVENUE FUND - DEDICATED</u>						
Regular Appropriations from MOF Table (2016-17 GAA)		\$0	\$64,366,367	\$65,124,346	\$18,994,506	\$19,178,727
<i>BASE ADJUSTMENT</i>						
Revised Receipts		\$551,676	\$6,349,690	\$3,535,775	\$0	\$0
Adjustment to Expended		\$(6,419,486)	\$(6,373,273)	\$(2,798,373)	\$0	\$0
TOTAL,	GR Dedicated - Estimated Other Educational and General Income Account No. 770	\$55,574,105	\$64,342,784	\$65,861,748	\$18,994,506	\$19,178,727
TOTAL GENERAL REVENUE FUND - DEDICATED - 704, 708 & 770		\$69,074,105	\$78,231,412	\$79,766,306	\$18,994,506	\$19,178,727
TOTAL, ALL	GENERAL REVENUE FUND - DEDICATED	\$69,074,105	\$78,231,412	\$79,766,306	\$18,994,506	\$19,178,727
TOTAL,	GR & GR-DEDICATED FUNDS	\$215,876,058	\$233,803,685	\$235,421,734	\$35,258,257	\$35,442,478

OTHER FUNDS

2.B. Summary of Base Request by Method of Finance
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/13/2016 2:10:07PM

Agency code: 730	Agency name: University of Houston				
METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>OTHER FUNDS</u>					
802 License Plate Trust Fund Account No. 0802					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2016-17 GAA)	\$0	\$0	\$0	\$0	\$0
Regular	\$0	\$0	\$0	\$3,349	\$3,349
<i>RIDER APPROPRIATION</i>					
Art III, Special Provisions Higher Education, Sec 60, Texas Collegiate License Plate Scholarships (2	\$0	\$3,349	\$3,349	\$0	\$0
TOTAL, License Plate Trust Fund Account No. 0802	\$0	\$3,349	\$3,349	\$3,349	\$3,349
TOTAL, ALL OTHER FUNDS	\$0	\$3,349	\$3,349	\$3,349	\$3,349
GRAND TOTAL	\$215,876,058	\$233,807,034	\$235,425,083	\$35,261,606	\$35,445,827

2.B. Summary of Base Request by Method of Finance
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/13/2016 2:10:07PM

Agency code: 730	Agency name: University of Houston				
METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2014-15 GAA)	2,543.6	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2016-17 GAA)	0.0	2,544.7	2,544.7	1,769.2	1,769.2
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Over (Below) CAP	(292.2)	(775.5)	(775.5)	0.0	0.0
TOTAL, ADJUSTED FTES	2,251.4	1,769.2	1,769.2	1,769.2	1,769.2

**NUMBER OF 100% FEDERALLY
 FUNDED FTES**

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

10/13/2016 2:06:16PM

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

730 University of Houston

OBJECT OF EXPENSE	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1001 SALARIES AND WAGES	\$80,135,124	\$67,034,054	\$80,744,494	\$10,483,167	\$10,483,167
1002 OTHER PERSONNEL COSTS	\$2,441,984	\$2,317,712	\$2,328,585	\$508	\$508
1005 FACULTY SALARIES	\$106,286,363	\$121,624,726	\$122,185,559	\$2,144,826	\$2,144,826
1010 PROFESSIONAL SALARIES	\$2,046,284	\$3,231,639	\$3,229,089	\$1,364,780	\$1,364,780
1015 PROFESSIONAL SALARIES	\$0	\$0	\$0	\$0	\$0
2001 PROFESSIONAL FEES AND SERVICES	\$63,753	\$73,172	\$73,209	\$32,427	\$32,427
2002 FUELS AND LUBRICANTS	\$184	\$2,210	\$2,219	\$257	\$257
2003 CONSUMABLE SUPPLIES	\$709,798	\$310,100	\$310,389	\$89,545	\$89,545
2004 UTILITIES	\$97,367	\$13,578,195	\$187,639	\$109,003	\$109,003
2005 TRAVEL	\$20,881	\$16,842	\$16,842	\$14,899	\$14,899
2006 RENT - BUILDING	\$584,502	\$683,883	\$683,883	\$641,203	\$641,203
2007 RENT - MACHINE AND OTHER	\$502,223	\$1,202,039	\$1,202,294	\$51,756	\$51,756
2009 OTHER OPERATING EXPENSE	\$19,089,854	\$21,832,621	\$22,560,833	\$20,159,471	\$20,343,692
3001 CLIENT SERVICES	\$1,500	\$0	\$0	\$0	\$0
5000 CAPITAL EXPENDITURES	\$3,896,241	\$1,899,841	\$1,900,048	\$169,764	\$169,764
OOE Total (Excluding Riders)	\$215,876,058	\$233,807,034	\$235,425,083	\$35,261,606	\$35,445,827
OOE Total (Riders)					
Grand Total	\$215,876,058	\$233,807,034	\$235,425,083	\$35,261,606	\$35,445,827

2.D. Summary of Base Request Objective Outcomes
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

10/14/2016 2:17:20PM

730 University of Houston

Goal/ Objective / Outcome	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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					
	51.00%	51.00%	53.00%	56.00%	59.00%
2 % 1st-time, Full-time, Degree-seeking White Frsh Earn Degree in 6 Yrs					
	52.50%	52.50%	53.00%	56.00%	59.00%
3 % 1st-time, Full-time, Degree-seeking Hisp Frsh Earn Degree in 6 Yrs					
	45.80%	45.80%	50.00%	54.00%	59.00%
4 % 1st-time, Full-time, Degree-seeking Black Frsh Earn Degree in 6 Yrs					
	37.80%	37.80%	44.00%	48.00%	50.00%
5 % 1st-time, Full-time, Degree-seeking Other Frsh Earn Degree in 6 Yrs					
	61.20%	61.20%	62.00%	66.00%	70.00%
KEY 6 % 1st-time, Full-time, Degree-seeking Frsh Earn Degree in 4 Yrs					
	25.20%	29.00%	32.00%	40.00%	42.00%
7 % 1st-time, Full-time, Degree-seeking White Frsh Earn Degree in 4 Yrs					
	25.80%	29.80%	33.00%	41.00%	43.00%
8 % 1st-time, Full-time, Degree-seeking Hispanic Frsh Earn Degree in 4 Y					
	21.00%	25.00%	30.00%	38.00%	42.00%
9 % 1st-time, Full-time, Degree-seeking Black Frsh Earn Degree in 4 Yrs					
	22.60%	26.00%	28.00%	38.00%	40.00%
10 % 1st-time, Full-time, Degree-seeking Other Frsh Earn Degree in 4 Yrs					
	29.40%	33.40%	37.00%	41.00%	45.00%
KEY 11 Persistence Rate 1st-time, Full-time, Degree-seeking Frsh after 1 Yr					
	86.30%	86.30%	88.00%	89.00%	90.00%
12 Persistence 1st-time, Full-time, Degree-seeking White Frsh after 1 Yr					
	81.70%	81.70%	84.00%	85.00%	86.00%

2.D. Summary of Base Request Objective Outcomes
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

10/14/2016 2:17:20PM

730 University of Houston

<i>Goal/ Objective / Outcome</i>	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
13 Persistence 1st-time, Full-time, Degree-seeking Hisp Frsh after 1 Yr	83.20%	83.20%	85.00%	86.00%	87.00%
14 Persistence 1st-time, Full-time, Degree-seeking Black Frsh after 1 Yr	83.50%	83.50%	85.00%	88.00%	88.00%
15 Persistence 1st-time, Full-time, Degree-seeking Other Frsh after 1 Yr	92.30%	92.30%	92.30%	92.30%	92.30%
16 Percent of Semester Credit Hours Completed	97.07%	97.00%	97.00%	97.00%	97.00%
KEY 17 Certification Rate of Teacher Education Graduates	83.60%	85.00%	86.00%	87.00%	88.00%
18 Percentage of Underprepared Students Satisfy TSI Obligation in Math	91.38%	92.00%	92.00%	92.00%	92.00%
19 Percentage of Underprepared Students Satisfy TSI Obligation in Writing	92.11%	92.00%	92.00%	92.00%	92.00%
20 Percentage of Underprepared Students Satisfy TSI Obligation in Reading	75.51%	90.00%	90.00%	90.00%	90.00%
KEY 21 % of Baccalaureate Graduates Who Are 1st Generation College Graduates	50.84%	52.00%	52.00%	52.00%	52.00%
KEY 22 Percent of Transfer Students Who Graduate within 4 Years	58.10%	58.00%	59.00%	60.00%	61.00%
KEY 23 Percent of Transfer Students Who Graduate within 2 Years	19.70%	22.00%	23.00%	24.00%	25.00%
KEY 24 % Lower Division Semester Credit Hours Taught by Tenured/Tenure-Track	23.90%	24.00%	25.00%	25.00%	25.00%
KEY 25 State Licensure Pass Rate of Law Graduates	81.82%	82.00%	82.00%	83.00%	83.00%

2.D. Summary of Base Request Objective Outcomes
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

10/14/2016 2:17:20PM

730 University of Houston

<i>Goal/ Objective / Outcome</i>	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
KEY 26 State Licensure Pass Rate of Engineering Graduates	88.00%	88.00%	88.00%	88.00%	88.00%
KEY 28 State Licensure Pass Rate of Pharmacy Graduates	99.00%	95.00%	96.00%	97.00%	98.00%
KEY 30 Dollar Value of External or Sponsored Research Funds (in Millions)	122.90	130.20	134.10	138.20	142.30
31 External or Sponsored Research Funds As a % of State Appropriations	452.11%	600.00%	625.00%	625.00%	650.00%
32 External Research Funds As Percentage Appropriated for Research	745.77%	750.00%	750.00%	775.00%	775.00%
48 % Endowed Professorships/ Chairs Unfilled All/ Part of Fiscal Year	18.00%	17.00%	17.00%	16.00%	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
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2016
 TIME : 8:14:01AM

Agency code: 730

Agency name: University of Houston

Priority	Item	2018			2019			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Restoration of 4% Reduction	\$677,656	\$677,656		\$677,656	\$677,656		\$1,355,312	\$1,355,312
2	Complex Systems	\$1,009,797	\$1,009,797	4.5	\$1,001,346	\$1,001,346	4.5	\$2,011,143	\$2,011,143
3	SBDC	\$490,000	\$490,000	5.0	\$490,000	\$490,000	5.0	\$980,000	\$980,000
4	Partnership for Multicultur Success	\$1,282,875	\$1,282,875	10.0	\$1,282,875	\$1,282,875	10.0	\$2,565,750	\$2,565,750
Total, Exceptional Items Request		\$3,460,328	\$3,460,328	19.5	\$3,451,877	\$3,451,877	19.5	\$6,912,205	\$6,912,205

Method of Financing

General Revenue	\$3,460,328	\$3,460,328		\$3,451,877	\$3,451,877		\$6,912,205	\$6,912,205
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	\$3,460,328	\$3,460,328		\$3,451,877	\$3,451,877		\$6,912,205	\$6,912,205

Full Time Equivalent Positions

19.5

19.5

Number of 100% Federally Funded FTEs

2.F. Summary of Total Request by Strategy
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/18/2016

TIME : 8:15:16AM

Agency code: 730 Agency name: University of Houston

Goal/Objective/STRATEGY	Base 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
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	11,188,533	11,188,533	0	0	11,188,533	11,188,533
4 WORKERS' COMPENSATION INSURANCE	342,931	342,931	0	0	342,931	342,931
6 TEXAS PUBLIC EDUCATION GRANTS	7,805,973	7,990,194	0	0	7,805,973	7,990,194
TOTAL, GOAL 1	\$19,337,437	\$19,521,658	\$0	\$0	\$19,337,437	\$19,521,658
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
TOTAL, GOAL 2	\$0	\$0	\$0	\$0	\$0	\$0

2.F. Summary of Total Request by Strategy
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/18/2016
 TIME : 8:15:16AM

Agency code: 730 Agency name: University of Houston

Goal/Objective/STRATEGY	Base 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
3 Provide Special Item Support						
<i>1 Instructional Support Special Item Support</i>						
1 COLLEGE OF PHARMACY	\$0	\$0	\$0	\$0	\$0	\$0
<i>2 Research Special Item Support</i>						
1 COMPLEX SYSTEMS RESEARCH CLUSTER	647,664	647,664	1,009,797	1,001,346	1,657,461	1,649,010
2 ENERGY RESEARCH CLUSTER	3,348,614	3,348,614	0	0	3,348,614	3,348,614
3 HOBBY SCHOOL OF PUBLIC AFFAIRS	2,065,018	2,065,018	0	0	2,065,018	2,065,018
<i>3 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	2,081,443	2,081,443	0	0	2,081,443	2,081,443
3 EDUCATION & COMMUNITY ADVANCEMENT	1,080,857	1,080,857	0	0	1,080,857	1,080,857
<i>4 Institutional Support Special Item Support</i>						
1 INSTITUTIONAL ENHANCEMENT	3,322,806	3,322,806	0	0	3,322,806	3,322,806
<i>5 Exceptional Item Request</i>						
1 EXCEPTIONAL ITEM REQUEST	0	0	1,960,531	1,960,531	1,960,531	1,960,531
TOTAL, GOAL 3	\$15,924,169	\$15,924,169	\$3,460,328	\$3,451,877	\$19,384,497	\$19,376,046

2.F. Summary of Total Request by Strategy
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/18/2016

TIME : 8:15:16AM

Agency code: 730 Agency name: University of Houston

Goal/Objective/STRATEGY	Base 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
6 Research Funds						
1 <i>Research Development Fund</i>						
1 RESEARCH DEVELOPMENT FUND	\$0	\$0	\$0	\$0	\$0	\$0
2 <i>Competitive Knowledge Fund</i>						
1 COMPETITIVE KNOWLEDGE FUND	0	0	0	0	0	0
3 <i>Core Research Support</i>						
1 CORE RESEARCH SUPPORT	0	0	0	0	0	0
TOTAL, GOAL 6	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, AGENCY STRATEGY REQUEST	\$35,261,606	\$35,445,827	\$3,460,328	\$3,451,877	\$38,721,934	\$38,897,704
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$35,261,606	\$35,445,827	\$3,460,328	\$3,451,877	\$38,721,934	\$38,897,704

2.F. Summary of Total Request by Strategy
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/18/2016

TIME : 8:15:16AM

Agency code: 730 Agency name: University of Houston

<i>Goal/Objective/STRATEGY</i>	Base 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
General Revenue Funds:						
1 General Revenue Fund	\$16,263,751	\$16,263,751	\$3,460,328	\$3,451,877	\$19,724,079	\$19,715,628
	\$16,263,751	\$16,263,751	\$3,460,328	\$3,451,877	\$19,724,079	\$19,715,628
General Revenue Dedicated Funds:						
704 Bd Authorized Tuition Inc	0	0	0	0	0	0
770 Est Oth Educ & Gen Inco	18,994,506	19,178,727	0	0	18,994,506	19,178,727
	\$18,994,506	\$19,178,727	\$0	\$0	\$18,994,506	\$19,178,727
Other Funds:						
802 License Plate Trust Fund No. 0802	3,349	3,349	0	0	3,349	3,349
	\$3,349	\$3,349	\$0	\$0	\$3,349	\$3,349
TOTAL, METHOD OF FINANCING	\$35,261,606	\$35,445,827	\$3,460,328	\$3,451,877	\$38,721,934	\$38,897,704
FULL TIME EQUIVALENT POSITIONS	1,769.2	1,769.2	19.5	19.5	1,788.7	1,788.7

2.G. Summary of Total Request Objective Outcomes
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/14/2016
 Time: 2:24:34PM

Agency code: 730 Agency name: University of Houston

Goal/ Objective / Outcome

	BL 2018	BL 2019	Excp 2018	Excp 2019	Total Request 2018	Total Request 2019
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						
	56.00%	59.00%			56.00%	59.00%
2 % 1st-time, Full-time, Degree-seeking White Frsh Earn Degree in 6 Yrs						
	56.00%	59.00%			56.00%	59.00%
3 % 1st-time, Full-time, Degree-seeking Hisp Frsh Earn Degree in 6 Yrs						
	54.00%	59.00%			54.00%	59.00%
4 % 1st-time, Full-time, Degree-seeking Black Frsh Earn Degree in 6 Yrs						
	48.00%	50.00%			48.00%	50.00%
5 % 1st-time, Full-time, Degree-seeking Other Frsh Earn Degree in 6 Yrs						
	66.00%	70.00%			66.00%	70.00%
KEY 6 % 1st-time, Full-time, Degree-seeking Frsh Earn Degree in 4 Yrs						
	40.00%	42.00%			40.00%	42.00%
7 % 1st-time, Full-time, Degree-seeking White Frsh Earn Degree in 4 Yrs						
	41.00%	43.00%			41.00%	43.00%
8 % 1st-time, Full-time, Degree-seeking Hispanic Frsh Earn Degree in 4 Y						
	38.00%	42.00%			38.00%	42.00%

2.G. Summary of Total Request Objective Outcomes
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/14/2016

Time: 2:24:34PM

Agency code: 730

Agency name: University of Houston

Goal/ Objective / Outcome

	BL 2018	BL 2019	Excp 2018	Excp 2019	Total Request 2018	Total Request 2019
9 % 1st-time, Full-time, Degree-seeking Black Frsh Earn Degree in 4 Yrs	38.00%	40.00%			38.00%	40.00%
10 % 1st-time, Full-time, Degree-seeking Other Frsh Earn Degree in 4 Yrs	41.00%	45.00%			41.00%	45.00%
KEY 11 Persistence Rate 1st-time, Full-time, Degree-seeking Frsh after 1 Yr	89.00%	90.00%			89.00%	90.00%
12 Persistence 1st-time, Full-time, Degree-seeking White Frsh after 1 Yr	85.00%	86.00%			85.00%	86.00%
13 Persistence 1st-time, Full-time, Degree-seeking Hisp Frsh after 1 Yr	86.00%	87.00%			86.00%	87.00%
14 Persistence 1st-time, Full-time, Degree-seeking Black Frsh after 1 Yr	88.00%	88.00%			88.00%	88.00%
15 Persistence 1st-time, Full-time, Degree-seeking Other Frsh after 1 Yr	92.30%	92.30%			92.30%	92.30%
16 Percent of Semester Credit Hours Completed	97.00%	97.00%			97.00%	97.00%
KEY 17 Certification Rate of Teacher Education Graduates	87.00%	88.00%			87.00%	88.00%

2.G. Summary of Total Request Objective Outcomes
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/14/2016

Time: 2:24:34PM

Agency code: 730

Agency name: University of Houston

Goal/ Objective / Outcome

	BL 2018	BL 2019	Excp 2018	Excp 2019	Total Request 2018	Total Request 2019
18 Percentage of Underprepared Students Satisfy TSI Obligation in Math	92.00%	92.00%			92.00%	92.00%
19 Percentage of Underprepared Students Satisfy TSI Obligation in Writing	92.00%	92.00%			92.00%	92.00%
20 Percentage of Underprepared Students Satisfy TSI Obligation in Reading	90.00%	90.00%			90.00%	90.00%
KEY 21 % of Baccalaureate Graduates Who Are 1st Generation College Graduates	52.00%	52.00%			52.00%	52.00%
KEY 22 Percent of Transfer Students Who Graduate within 4 Years	60.00%	61.00%			60.00%	61.00%
KEY 23 Percent of Transfer Students Who Graduate within 2 Years	24.00%	25.00%			24.00%	25.00%
KEY 24 % Lower Division Semester Credit Hours Taught by Tenured/Tenure-Track	25.00%	25.00%			25.00%	25.00%
KEY 25 State Licensure Pass Rate of Law Graduates	83.00%	83.00%			83.00%	83.00%
KEY 26 State Licensure Pass Rate of Engineering Graduates	88.00%	88.00%			88.00%	88.00%

2.G. Summary of Total Request Objective Outcomes
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/14/2016

Time: 2:24:34PM

Agency code: 730

Agency name: University of Houston

Goal/ Objective / Outcome

	BL 2018	BL 2019	Excp 2018	Excp 2019	Total Request 2018	Total Request 2019
KEY 28 State Licensure Pass Rate of Pharmacy Graduates	97.00%	98.00%			97.00%	98.00%
KEY 30 Dollar Value of External or Sponsored Research Funds (in Millions)	138.20	142.30			138.20	142.30
31 External or Sponsored Research Funds As a % of State Appropriations	625.00%	650.00%			625.00%	650.00%
32 External Research Funds As Percentage Appropriated for Research	775.00%	775.00%			775.00%	775.00%
48 % Endowed Professorships/ Chairs Unfilled All/ Part of Fiscal Year	16.00%	16.00%			16.00%	16.00%
49 Average No Months Endowed Chairs Remain Vacant	12.00	12.00			12.00	12.00

730 University of Houston

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 1 Operations Support

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
					(1)	(1)
Output Measures:						
	1 Number of Undergraduate Degrees Awarded	6,340.00	6,657.00	6,990.00	7,339.00	7,706.00
	2 Number of Minority Graduates	3,222.00	3,383.00	3,552.00	3,730.00	3,916.00
	3 Number of Underprepared Students Who Satisfy TSI Obligation in Math	106.00	39.00	39.00	39.00	39.00
	4 Number of Underprepared Students Who Satisfy TSI Obligation in Writing	210.00	54.00	54.00	54.00	54.00
	5 Number of Underprepared Students Who Satisfy TSI Obligation in Reading	153.00	62.00	62.00	62.00	62.00
	6 Number of Two-Year College Transfers Who Graduate	2,298.00	2,459.00	2,631.00	2,815.00	3,012.00
Efficiency Measures:						
KEY 1	Administrative Cost As a Percent of Operating Budget	6.82 %	6.00 %	6.00 %	6.00 %	6.00 %
KEY 2	Avg Cost of Resident Undergraduate Tuition and Fees for 15 SCH	5,259.00	5,708.00	5,827.00	5,944.00	6,063.00
Explanatory/Input Measures:						
	1 Student/Faculty Ratio	21.00	21.00	21.00	21.00	20.00
	2 Number of Minority Students Enrolled	16,521.00	17,182.00	17,869.00	18,584.00	19,327.00
	3 Number of Community College Transfers Enrolled	12,216.00	12,460.00	12,710.00	12,964.00	13,223.00
	4 Number of Semester Credit Hours Completed	478,790.00	493,257.00	511,305.00	530,089.00	549,583.00

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

730 University of Houston

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 1 Operations Support

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
	5 Number of Semester Credit Hours	497,497.00	513,809.00	532,609.00	552,176.00	572,482.00
	6 Number of Students Enrolled as of the Twelfth Class Day	42,704.00	43,653.00	45,189.00	46,801.00	48,492.00
KEY	7 Average Student Loan Debt	22,727.00	22,000.00	22,500.00	21,500.00	21,500.00
KEY	8 Percent of Students with Student Loan Debt	52.90 %	52.50 %	52.30 %	52.10 %	51.90 %
KEY	9 Average Financial Aid Award Per Full-Time Student	10,890.00	11,000.00	11,100.00	11,200.00	11,300.00
KEY	10 Percent of Full-Time Students Receiving Financial Aid	77.50 %	78.00 %	78.00 %	79.00 %	79.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$58,053,295	\$53,806,284	\$54,059,477	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$2,434,976	\$2,310,555	\$2,321,428	\$0	\$0
1005	FACULTY SALARIES	\$103,936,946	\$119,183,037	\$119,743,870	\$0	\$0
1010	PROFESSIONAL SALARIES	\$596,340	\$666,835	\$669,972	\$0	\$0
2001	PROFESSIONAL FEES AND SERVICES	\$2,905	\$40,177	\$40,366	\$0	\$0
2002	FUELS AND LUBRICANTS	\$(9,297)	\$1,936	\$1,945	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$64,925	\$61,339	\$61,628	\$0	\$0
2004	UTILITIES	\$1,922	\$74,152	\$74,501	\$0	\$0
2005	TRAVEL	\$59	\$66	\$66	\$0	\$0
2006	RENT - BUILDING	\$0	\$0	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$5,147	\$54,024	\$54,279	\$0	\$0

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

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730 University of Houston

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 1 Operations Support

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
2009	OTHER OPERATING EXPENSE	\$73,356	\$441,201	\$404,856	\$0	\$0
3001	CLIENT SERVICES	\$0	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$900	\$43,914	\$44,121	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$165,161,474	\$176,683,520	\$177,476,509	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$111,888,964	\$116,488,699	\$116,571,854	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$111,888,964	\$116,488,699	\$116,571,854	\$0	\$0
Method of Financing:						
704	Bd Authorized Tuition Inc	\$13,500,000	\$13,888,628	\$13,904,558	\$0	\$0
770	Est Oth Educ & Gen Inco	\$39,772,510	\$46,302,844	\$46,996,748	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$53,272,510	\$60,191,472	\$60,901,306	\$0	\$0
Method of Financing:						
802	License Plate Trust Fund No. 0802	\$0	\$3,349	\$3,349	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$0	\$3,349	\$3,349	\$0	\$0

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

730 University of Houston

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 1 Operations Support

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$165,161,474	\$176,683,520	\$177,476,509	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		1,803.3	1,518.1	1,266.9	1,342.6	1,342.6

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.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

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730 University of Houston

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 1 Operations Support

Service Categories:

Service: 19 Income: A.2 Age: B.3

(1)

(1)

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$354,160,029	\$0	\$(354,160,029)	\$(354,160,029)	Formula funded strategies are not requested in 2018-2019 because amounts are not determined by institutions.
			<u>\$(354,160,029)</u>	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

730 University of Houston

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 3 Staff Group Insurance Premiums

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$8,658,022	\$10,440,322	\$11,188,533	\$11,188,533	\$11,188,533
TOTAL, OBJECT OF EXPENSE		\$8,658,022	\$10,440,322	\$11,188,533	\$11,188,533	\$11,188,533
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$8,658,022	\$10,440,322	\$11,188,533	\$11,188,533	\$11,188,533
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$8,658,022	\$10,440,322	\$11,188,533	\$11,188,533	\$11,188,533
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$11,188,533	\$11,188,533
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$8,658,022	\$10,440,322	\$11,188,533	\$11,188,533	\$11,188,533

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:

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730 University of Houston

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 3 Staff Group Insurance Premiums

Service Categories:
 Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$21,628,855	\$22,377,066	\$748,211	\$748,211	Growth in Costs.
			<u>\$748,211</u>	Total of Explanation of Biennial Change

730 University of Houston

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 4 Workers' Compensation Insurance

Service Categories:
 Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$418,328	\$395,925	\$395,925	\$342,931	\$342,931
TOTAL, OBJECT OF EXPENSE		\$418,328	\$395,925	\$395,925	\$342,931	\$342,931
Method of Financing:						
1	General Revenue Fund	\$418,328	\$349,930	\$349,930	\$342,931	\$342,931
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$418,328	\$349,930	\$349,930	\$342,931	\$342,931
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$0	\$45,995	\$45,995	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$45,995	\$45,995	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$342,931	\$342,931
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$418,328	\$395,925	\$395,925	\$342,931	\$342,931
FULL TIME EQUIVALENT POSITIONS:						

730 University of Houston

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 4 Workers' Compensation Insurance

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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STRATEGY DESCRIPTION AND JUSTIFICATION:

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$791,850	\$685,862	\$(105,988)	\$(105,988)	Variance in claim vs. appropriation.
			\$(105,988)	Total of Explanation of Biennial Change

730 University of Houston

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 6 Texas Public Education Grants

Service Categories:
 Service: 20 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$7,143,573	\$7,553,623	\$7,630,472	\$7,805,973	\$7,990,194
TOTAL, OBJECT OF EXPENSE		\$7,143,573	\$7,553,623	\$7,630,472	\$7,805,973	\$7,990,194
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$7,143,573	\$7,553,623	\$7,630,472	\$7,805,973	\$7,990,194
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$7,143,573	\$7,553,623	\$7,630,472	\$7,805,973	\$7,990,194
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$7,805,973	\$7,990,194
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$7,143,573	\$7,553,623	\$7,630,472	\$7,805,973	\$7,990,194

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:

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730 University of Houston

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 6 Texas Public Education Grants

Service Categories:
 Service: 20 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$15,184,095	\$15,796,167	\$612,072	\$612,072	Due to increase in tuition revenue.
			<u>\$612,072</u>	Total of Explanation of Biennial Change

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730 University of Houston

GOAL: 2 Provide Infrastructure Support

OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space

STRATEGY: 1 Educational and General Space Support

Service Categories:

Service: 10

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
Efficiency Measures:						
1	Space Utilization Rate of Classrooms	35.00	35.00	35.00	36.00	36.00
2	Space Utilization Rate of Labs	30.00	30.00	30.00	30.00	30.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$7,611,520	\$1,184,713	\$14,641,960	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$4,598	\$0	\$0	\$0	\$0
1010	PROFESSIONAL SALARIES	\$0	\$5,687	\$0	\$0	\$0
2001	PROFESSIONAL FEES AND SERVICES	\$152	\$152	\$0	\$0	\$0
2002	FUELS AND LUBRICANTS	\$9,297	\$0	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$510	\$0	\$0	\$0	\$0
2004	UTILITIES	\$(4,815)	\$13,390,905	\$0	\$0	\$0
2006	RENT - BUILDING	\$0	\$0	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$0	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$154,026	\$60,503	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$12,428	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$7,787,716	\$14,641,960	\$14,641,960	\$0	\$0

Method of Financing:

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

730 University of Houston

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space
 STRATEGY: 1 Educational and General Space Support

Service Categories:
 Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
1	General Revenue Fund	\$7,787,716	\$14,641,960	\$14,641,960	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$7,787,716	\$14,641,960	\$14,641,960	\$0	\$0
Method of Financing:						
704	Bd Authorized Tuition Inc	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$7,787,716	\$14,641,960	\$14,641,960	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		209.8	27.8	279.0	279.0	279.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

730 University of Houston

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space
 STRATEGY: 1 Educational and General Space Support

Service Categories:
 Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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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.

In fiscal year 2015 the institution recalibrated salaries to be more commensurate with current available funding sources. Approximately 200 FTE were moved from General Revenue Appropriation funds to institutional funding sources. In subsequent fiscal years, our goal is to restore space support staff funding from appropriated funds.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$29,283,920	\$0	\$(29,283,920)	\$(29,283,920)	Formula funded strategies are not requested in 2018-2019 because amounts are not determined by institutions.
			\$(29,283,920)	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

730 University of Houston

GOAL: 3 Provide Special Item Support

OBJECTIVE: 1 Instructional Support Special Item Support

STRATEGY: 1 College of Pharmacy

Service Categories:

Service: 19

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$832,684	\$0	\$0	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$0	\$0	\$0	\$0	\$0
1005	FACULTY SALARIES	\$1,176,060	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$0	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$2,008,744	\$0	\$0	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$2,008,744	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,008,744	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,008,744	\$0	\$0	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		27.3	0.0	0.0	0.0	0.0

730 University of Houston

GOAL: 3 Provide Special Item Support

OBJECTIVE: 1 Instructional Support Special Item Support

STRATEGY: 1 College of Pharmacy

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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STRATEGY DESCRIPTION AND JUSTIFICATION:

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$0	\$0	\$0	\$0	There is no biennial change for this strategy.
		\$0		Total of Explanation of Biennial Change

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GOAL: 3 Provide Special Item Support
 OBJECTIVE: 2 Research Special Item Support
 STRATEGY: 1 Complex Systems Research Cluster

Service Categories:

Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$451,616	\$679,998	\$679,998	\$638,275	\$638,275
1002	OTHER PERSONNEL COSTS	\$0	\$0	\$0	\$0	\$0
1005	FACULTY SALARIES	\$0	\$0	\$0	\$0	\$0
1010	PROFESSIONAL SALARIES	\$0	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$4,993	\$10,002	\$10,002	\$9,389	\$9,389
TOTAL, OBJECT OF EXPENSE		\$456,609	\$690,000	\$690,000	\$647,664	\$647,664
Method of Financing:						
1	General Revenue Fund	\$456,609	\$690,000	\$690,000	\$647,664	\$647,664
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$456,609	\$690,000	\$690,000	\$647,664	\$647,664
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$647,664	\$647,664
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$456,609	\$690,000	\$690,000	\$647,664	\$647,664
FULL TIME EQUIVALENT POSITIONS:		8.1	7.9	7.9	7.9	7.9

730 University of Houston

GOAL:	3	Provide Special Item Support	
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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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STRATEGY DESCRIPTION AND JUSTIFICATION:

Enhancing the University of Houston’s stature as a nationally recognized Tier One research university requires investment 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 Center for Advanced Computing and Data Systems; the Texas Institute for Measurement, Evaluation and Statistic; 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 2015, 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. In 2011, the Carnegie Foundation for the Advancement of Teaching classified the University of Houston as a Tier One research institution. Similarly, in 2012 UH was identified as a Top American Research University by the Center for Measuring University Performance. These achievements 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.

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GOAL: 3 Provide Special Item Support
 OBJECTIVE: 2 Research Special Item Support
 STRATEGY: 1 Complex Systems Research Cluster

Service Categories:
 Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$1,380,000	\$1,295,328	\$(84,672)	\$(84,672)	Due to 4% general revenue reduction.
			<u>\$(84,672)</u>	Total of Explanation of Biennial Change

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730 University of Houston

GOAL: 3 Provide Special Item Support
 OBJECTIVE: 2 Research Special Item Support
 STRATEGY: 2 Energy Research Cluster

Service Categories:
 Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,879,244	\$1,605,835	\$1,605,835	\$1,507,308	\$1,507,308
1002	OTHER PERSONNEL COSTS	\$350	\$387	\$387	\$364	\$364
1005	FACULTY SALARIES	\$340,785	\$175,179	\$175,179	\$164,431	\$164,431
1010	PROFESSIONAL SALARIES	\$614,030	\$718,113	\$718,113	\$674,053	\$674,053
2003	CONSUMABLE SUPPLIES	\$95,091	\$72,062	\$72,062	\$67,641	\$67,641
2004	UTILITIES	\$29,189	\$34,116	\$34,116	\$32,023	\$32,023
2005	TRAVEL	\$6,110	\$3,146	\$3,146	\$2,953	\$2,953
2006	RENT - BUILDING	\$584,284	\$682,907	\$682,907	\$641,007	\$641,007
2007	RENT - MACHINE AND OTHER	\$0	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$300,335	\$200,920	\$200,920	\$188,591	\$188,591
3001	CLIENT SERVICES	\$1,500	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$74,029	\$74,835	\$74,835	\$70,243	\$70,243
TOTAL, OBJECT OF EXPENSE		\$3,924,947	\$3,567,500	\$3,567,500	\$3,348,614	\$3,348,614
Method of Financing:						
1	General Revenue Fund	\$3,924,947	\$3,567,500	\$3,567,500	\$3,348,614	\$3,348,614
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$3,924,947	\$3,567,500	\$3,567,500	\$3,348,614	\$3,348,614

730 University of Houston

GOAL: 3 Provide Special Item Support
 OBJECTIVE: 2 Research Special Item Support
 STRATEGY: 2 Energy Research Cluster

Service Categories:
 Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$3,348,614	\$3,348,614
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$3,924,947	\$3,567,500	\$3,567,500	\$3,348,614	\$3,348,614
FULL TIME EQUIVALENT POSITIONS:		38.5	42.7	42.7	42.7	42.7

STRATEGY DESCRIPTION AND JUSTIFICATION:

Enhancing the University of Houston’s stature as a nationally recognized Tier One research university requires investment in its energy research programs, which represent one of the university’s major areas of strength. Located in the energy capital of the world, 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 TeSUH 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 2015, the university’s total research expenditures in energy programs totaled \$21.5 million.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

730 University of Houston

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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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. In 2011, the Carnegie Foundation for the Advancement of Teaching classified the University of Houston as a Tier One research institution. Similarly, in 2012 UH was identified as a Top American Research University by the Center for Measuring University Performance. These achievements 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.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$7,135,000	\$6,697,228	\$(437,772)	\$(437,772)	Due to 4% general revenue reduction.
			\$(437,772)	Total of Explanation of Biennial Change

3.A. Strategy Request
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

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730 University of Houston

GOAL: 3 Provide Special Item Support
 OBJECTIVE: 2 Research Special Item Support
 STRATEGY: 3 William P. Hobby School of Public Affairs

Service Categories:
 Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$203,659	\$836,162	\$836,162	\$784,859	\$784,859
1005	FACULTY SALARIES	\$61,241	\$1,349,945	\$1,349,945	\$1,267,118	\$1,267,118
2009	OTHER OPERATING EXPENSE	\$12,358	\$13,893	\$13,893	\$13,041	\$13,041
5000	CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$277,258	\$2,200,000	\$2,200,000	\$2,065,018	\$2,065,018
Method of Financing:						
1	General Revenue Fund	\$277,258	\$2,200,000	\$2,200,000	\$2,065,018	\$2,065,018
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$277,258	\$2,200,000	\$2,200,000	\$2,065,018	\$2,065,018
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,065,018	\$2,065,018
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$277,258	\$2,200,000	\$2,200,000	\$2,065,018	\$2,065,018
FULL TIME EQUIVALENT POSITIONS:		2.4	7.1	7.1	7.1	7.1
STRATEGY DESCRIPTION AND JUSTIFICATION:						

730 University of Houston

GOAL: 3 Provide Special Item Support
 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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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The Hobby Center for Public Policy (HCPP) began its transition to the Hobby School of Public Affairs (HSPA) in 2015. The Master of Public Policy (MPP) program started with classes preparing graduate students for careers in the public and private sectors through the development of quantitative skills and knowledge of theory and ethics, the use of multidisciplinary technical abilities, summer internships, and teaching soft skills such as teamwork. HSPA addresses the reality that Houston was the only major city in the nation without a public affairs school at a major public research university, and it leverages the city’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, graduate student training, undergraduate internship and professional training programs, community partnerships, workshops and special events, HSPA connects decision makers with objective analyses and graduates appropriate for serving local, state, national and international entities within the public realm and the private sector. HSPA’s distinctive education, research and outreach mission allows for new avenues for private funding and federal grants.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

A report by the McKinsey Global Institute states there is 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 ensures that the demand for an appropriately trained workforce is met. Solutions developed by the HSPA will benefit not only Houston, but other cities in Texas and in the nation that share similar challenges. Without special item funding, 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. Dual degree programs, which are a cost-effective option for students, would be delayed or not initiated. 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. Community partnerships and projects would be discontinued. The nationally accredited Certified Public Manager Program would cease at UH. The elimination of 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.

730 University of Houston

GOAL: 3 Provide Special Item Support
 OBJECTIVE: 2 Research Special Item Support
 STRATEGY: 3 William P. Hobby School of Public Affairs

Service Categories:
 Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$4,400,000	\$4,130,036	\$(269,964)	\$(269,964)	Due to 4% general revenue reduction.
			\$(269,964)	Total of Explanation of Biennial Change

730 University of Houston

GOAL: 3 Provide Special Item Support
 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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$2,741,995	\$2,567,766	\$2,567,766	\$2,567,766	\$2,567,766
1002	OTHER PERSONNEL COSTS	\$0	\$0	\$0	\$0	\$0
1005	FACULTY SALARIES	\$46,703	\$67,949	\$67,949	\$67,949	\$67,949
1010	PROFESSIONAL SALARIES	\$155,321	\$190,823	\$190,823	\$190,823	\$190,823
2001	PROFESSIONAL FEES AND SERVICES	\$50,978	\$32,427	\$32,427	\$32,427	\$32,427
2003	CONSUMABLE SUPPLIES	\$20,887	\$17,647	\$17,647	\$17,647	\$17,647
2004	UTILITIES	\$44,874	\$45,736	\$45,736	\$45,736	\$45,736
2007	RENT - MACHINE AND OTHER	\$34,266	\$51,756	\$51,756	\$51,756	\$51,756
2009	OTHER OPERATING EXPENSE	\$361,317	\$384,728	\$384,728	\$384,728	\$384,728
5000	CAPITAL EXPENDITURES	\$21,038	\$18,935	\$18,935	\$18,935	\$18,935
TOTAL, OBJECT OF EXPENSE		\$3,477,379	\$3,377,767	\$3,377,767	\$3,377,767	\$3,377,767
Method of Financing:						
1	General Revenue Fund	\$3,477,379	\$3,377,767	\$3,377,767	\$3,377,767	\$3,377,767
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$3,477,379	\$3,377,767	\$3,377,767	\$3,377,767	\$3,377,767

730 University of Houston

GOAL: 3 Provide Special Item Support
 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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$3,377,767	\$3,377,767
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$3,477,379	\$3,377,767	\$3,377,767	\$3,377,767	\$3,377,767
FULL TIME EQUIVALENT POSITIONS:		47.2	46.9	46.9	46.9	46.9

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 2016 for businesses assisted in 2014 showed that clients who received five or more hours of counseling from the SBDC generated over \$368.1 million in new sales and 5,333 new jobs. In addition, the same survey indicated that SBDC assistance helped clients obtain \$192.2 million in start-up and expansion capital, and generate new tax revenues of \$44.7 million, of which \$30.7 million went to the State of Texas.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

730 University of Houston

GOAL: 3 Provide Special Item Support
 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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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The Small Business Development Center special line item funding is used as a cash match to federal contracts. Without this funding from the State, over \$2.9 million in federal funds and approximately \$1.1 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 10 network partners such as Angelina College, Blinn College, Brazosport College, Lamar State College, Lamar University, Lee College, Lone Star College, Prairie View A&M University, Sam Houston State University, and San Jacinto College, as well as 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 tens 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. 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 \$61 million in state tax revenues as well as approximately 11,000 new jobs over the biennium.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$6,755,534	\$6,755,534	\$0	\$0	There is no biennial change for this strategy.
			\$0	Total of Explanation of Biennial Change

730 University of Houston

GOAL: 3 Provide Special Item Support
 OBJECTIVE: 3 Public Service Special Item Support
 STRATEGY: 2 Health Sciences Research Cluster

Service Categories:
 Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,126,513	\$1,282,465	\$1,282,465	\$1,203,778	\$1,203,778
1002	OTHER PERSONNEL COSTS	\$100	\$154	\$154	\$144	\$144
1005	FACULTY SALARIES	\$107,344	\$120,583	\$120,583	\$113,185	\$113,185
1010	PROFESSIONAL SALARIES	\$251,403	\$444,029	\$444,029	\$416,785	\$416,785
2002	FUELS AND LUBRICANTS	\$178	\$274	\$274	\$257	\$257
2003	CONSUMABLE SUPPLIES	\$4,911	\$4,535	\$4,535	\$4,257	\$4,257
2004	UTILITIES	\$21,652	\$33,286	\$33,286	\$31,244	\$31,244
2005	TRAVEL	\$8,739	\$12,727	\$12,727	\$11,946	\$11,946
2006	RENT - BUILDING	\$0	\$0	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$0	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$157,135	\$233,594	\$233,594	\$219,261	\$219,261
5000	CAPITAL EXPENDITURES	\$128,787	\$85,853	\$85,853	\$80,586	\$80,586
TOTAL, OBJECT OF EXPENSE		\$1,806,762	\$2,217,500	\$2,217,500	\$2,081,443	\$2,081,443
Method of Financing:						
1	General Revenue Fund	\$1,806,762	\$2,217,500	\$2,217,500	\$2,081,443	\$2,081,443
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,806,762	\$2,217,500	\$2,217,500	\$2,081,443	\$2,081,443

730 University of Houston

GOAL: 3 Provide Special Item Support
 OBJECTIVE: 3 Public Service Special Item Support
 STRATEGY: 2 Health Sciences Research Cluster

Service Categories:
 Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,081,443	\$2,081,443
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,806,762	\$2,217,500	\$2,217,500	\$2,081,443	\$2,081,443
FULL TIME EQUIVALENT POSITIONS:		25.1	27.1	27.1	27.1	27.1

STRATEGY DESCRIPTION AND JUSTIFICATION:

Enhancing the University of Houston’s stature as a nationally recognized Tier One research university requires investment 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 new programs in Biomedical Engineering and Nursing, and opened a new Health and Biomedical and Sciences Building. A second health and biomedical sciences building is currently under construction. Major UH programs conducting health-related research include the Texas Center for Superconductivity, the Center for Advanced Materials, the Center for Advanced Computing and Data Systems, and the Health Law and Policy Institute, in addition to UH’s Colleges of Optometry and Pharmacy. Investments in UH’s health sciences programs enables the university to leverage external funding from industry and the federal government. In FY 2015, the university’s total research expenditures in the health sciences totaled \$30 million.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

730 University of Houston

GOAL: 3 Provide Special Item Support
 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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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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. In 2011, the Carnegie Foundation for the Advancement of Teaching classified the University of Houston as a Tier One research institution. Similarly, in 2012 UH was identified as a Top American Research University by the Center for Measuring University Performance. These achievements 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.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$4,435,000	\$4,162,886	\$(272,114)	\$(272,114)	Due to 4% general revenue reduction.
			\$(272,114)	Total of Explanation of Biennial Change

730 University of Houston

GOAL: 3 Provide Special Item Support
 OBJECTIVE: 3 Public Service Special Item Support
 STRATEGY: 3 Education and Community Advancement

Service Categories:
 Service: 18 Income: A.2 Age: B.1

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$587,073	\$491,905	\$491,905	\$461,724	\$461,724
1002	OTHER PERSONNEL COSTS	\$0	\$0	\$0	\$0	\$0
1005	FACULTY SALARIES	\$557,470	\$566,927	\$566,927	\$532,143	\$532,143
1010	PROFESSIONAL SALARIES	\$88,557	\$88,552	\$88,552	\$83,119	\$83,119
2006	RENT - BUILDING	\$0	\$209	\$209	\$196	\$196
2009	OTHER OPERATING EXPENSE	\$3,371	\$3,916	\$3,916	\$3,675	\$3,675
TOTAL, OBJECT OF EXPENSE		\$1,236,471	\$1,151,509	\$1,151,509	\$1,080,857	\$1,080,857
Method of Financing:						
1	General Revenue Fund	\$1,236,471	\$1,151,509	\$1,151,509	\$1,080,857	\$1,080,857
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,236,471	\$1,151,509	\$1,151,509	\$1,080,857	\$1,080,857
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,080,857	\$1,080,857
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,236,471	\$1,151,509	\$1,151,509	\$1,080,857	\$1,080,857
FULL TIME EQUIVALENT POSITIONS:		17.1	15.9	15.9	15.9	15.9

730 University of Houston

GOAL: 3 Provide Special Item Support
 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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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STRATEGY DESCRIPTION AND JUSTIFICATION:

Enhancing the University of Houston’s stature as a nationally recognized Tier One research university requires investment 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. Signature programs at UH include the Health Law and Policy Institute, the Hobby School of Public Affairs, 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 2015, the university’s total research expenditures in education and community advancement totaled \$28.7 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. In 2011, the Carnegie Foundation for the Advancement of Teaching classified the University of Houston as a Tier One research institution. Similarly, in 2012 UH was identified as a Top American Research University by the Center for Measuring University Performance. 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.

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730 University of Houston

GOAL: 3 Provide Special Item Support
 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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$2,303,018	\$2,161,714	\$ (141,304)	\$ (141,304)	Due to 4% general revenue reduction.
			<u>\$ (141,304)</u>	Total of Explanation of Biennial Change

730 University of Houston

GOAL: 3 Provide Special Item Support
 OBJECTIVE: 4 Institutional Support Special Item Support
 STRATEGY: 1 Institutional Enhancement

Service Categories:
 Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$0	\$0	\$3,319,457	\$3,319,457
2009	OTHER OPERATING EXPENSE	\$0	\$0	\$0	\$3,349	\$3,349
TOTAL, OBJECT OF EXPENSE		\$0	\$0	\$0	\$3,322,806	\$3,322,806
Method of Financing:						
1	General Revenue Fund	\$0	\$0	\$0	\$3,319,457	\$3,319,457
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$0	\$0	\$3,319,457	\$3,319,457
Method of Financing:						
802	License Plate Trust Fund No. 0802	\$0	\$0	\$0	\$3,349	\$3,349
SUBTOTAL, MOF (OTHER FUNDS)		\$0	\$0	\$0	\$3,349	\$3,349
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$3,322,806	\$3,322,806
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$0	\$0	\$3,322,806	\$3,322,806
FULL TIME EQUIVALENT POSITIONS:						

730 University of Houston

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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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:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$0	\$6,645,612	\$6,645,612	\$6,645,612	Expenditures for FY2016-2017 are reported in Operations Support.
			<u>\$6,645,612</u>	Total of Explanation of Biennial Change

730 University of Houston

GOAL: 6 Research Funds
 OBJECTIVE: 1 Research Development Fund
 STRATEGY: 1 Research Development Fund

Service Categories:
 Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$2,265,204	\$0	\$0	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$1,960	\$0	\$0	\$0	\$0
1005	FACULTY SALARIES	\$59,814	\$0	\$0	\$0	\$0
1010	PROFESSIONAL SALARIES	\$340,633	\$0	\$0	\$0	\$0
2001	PROFESSIONAL FEES AND SERVICES	\$9,718	\$0	\$0	\$0	\$0
2002	FUELS AND LUBRICANTS	\$6	\$0	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$523,474	\$0	\$0	\$0	\$0
2004	UTILITIES	\$4,545	\$0	\$0	\$0	\$0
2005	TRAVEL	\$5,973	\$0	\$0	\$0	\$0
2006	RENT - BUILDING	\$218	\$0	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$462,810	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$1,803,040	\$0	\$0	\$0	\$0
3001	CLIENT SERVICES	\$0	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$3,659,059	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$9,136,454	\$0	\$0	\$0	\$0

Method of Financing:

730 University of Houston

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1	General Revenue Fund	\$9,136,454	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$9,136,454	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$9,136,454	\$0	\$0	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		38.6	0.0	0.0	0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Research Development Fund was 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 was to promote research capacity.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. Strategy Request
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 Automated Budget and Evaluation System of Texas (ABEST)

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730 University of Houston

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$0	\$0	\$0	\$0	There is no biennial change for this strategy.
			\$0	Total of Explanation of Biennial Change

730 University of Houston

GOAL: 6 Research Funds
 OBJECTIVE: 2 Competitive Knowledge Fund
 STRATEGY: 1 Competitive Knowledge Fund

Service Categories:
 Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$4,382,321	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$4,382,321	\$0	\$0	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$4,382,321	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$4,382,321	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,382,321	\$0	\$0	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		34.0	0.0	0.0	0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

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

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. Strategy Request
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 Automated Budget and Evaluation System of Texas (ABEST)

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730 University of Houston

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

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$0	\$0	\$0	\$0	There is no biennial change for this strategy.
			\$0	Total of Explanation of Biennial Change

3.A. Strategy Request
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730 University of Houston

GOAL: 6 Research Funds
 OBJECTIVE: 3 Core Research Support
 STRATEGY: 1 Core Research Support

Service Categories:
 Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$4,578,926	\$4,578,926	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$0	\$6,616	\$6,616	\$0	\$0
1005	FACULTY SALARIES	\$0	\$161,106	\$161,106	\$0	\$0
1010	PROFESSIONAL SALARIES	\$0	\$1,117,600	\$1,117,600	\$0	\$0
1015	PROFESSIONAL SALARIES	\$0	\$0	\$0	\$0	\$0
2001	PROFESSIONAL FEES AND SERVICES	\$0	\$416	\$416	\$0	\$0
2002	FUELS AND LUBRICANTS	\$0	\$0	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$0	\$154,517	\$154,517	\$0	\$0
2004	UTILITIES	\$0	\$0	\$0	\$0	\$0
2005	TRAVEL	\$0	\$903	\$903	\$0	\$0
2006	RENT - BUILDING	\$0	\$767	\$767	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$0	\$1,096,259	\$1,096,259	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$0	\$2,093,994	\$2,093,994	\$0	\$0
3001	CLIENT SERVICES	\$0	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$0	\$1,676,304	\$1,676,304	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$10,887,408	\$10,887,408	\$0	\$0

730 University of Houston

GOAL: 6 Research Funds
 OBJECTIVE: 3 Core Research Support
 STRATEGY: 1 Core Research Support

Service Categories:
 Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Method of Financing:						
1	General Revenue Fund	\$0	\$10,887,408	\$10,887,408	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$10,887,408	\$10,887,408	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$10,887,408	\$10,887,408	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		0.0	75.7	75.7	0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Core Research Support Fund provides funds to Texas emerging research institutions.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

These funds support increased research capacity and are distributed on a formula basis.

730 University of Houston

GOAL: 6 Research Funds
 OBJECTIVE: 3 Core Research Support
 STRATEGY: 1 Core Research Support

Service Categories:
 Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$21,774,816	\$0	\$(21,774,816)	\$(21,774,816)	Funding is not requested for 2018-2019 because amounts are not determined by institutions.
			\$(21,774,816)	Total of Explanation of Biennial Change

3.A. Strategy Request

10/14/2016 2:27:28PM

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$215,876,058	\$233,807,034	\$235,425,083	\$35,261,606	\$35,445,827
METHODS OF FINANCE (INCLUDING RIDERS):				\$35,261,606	\$35,445,827
METHODS OF FINANCE (EXCLUDING RIDERS):	\$215,876,058	\$233,807,034	\$235,425,083	\$35,261,606	\$35,445,827
FULL TIME EQUIVALENT POSITIONS:	2,251.4	1,769.2	1,769.2	1,769.2	1,769.2

3.A.1. PROGRAM-LEVEL REQUEST SCHEDULE
85th Regular Session, Agency Submission, Version 1

Agency Code: 730		Agency: University of Houston									
Date:						16-17	Requested	Requested	Biennial Total	Biennial Difference	
Goal	Goal Name	Strategy	Strategy Name	Program	Program Name	Base	2018	2019	18-19	\$	%
1 Instruction/Operations											
	1.11	Operations Support		Operations Support		\$354,160,029	\$0	\$0	\$0	(\$354,160,029)	-100.0%
	1.13	Staff Group Insurance		Staff Group Insurance		\$21,628,855	\$11,188,533	\$11,188,533	\$22,377,066	\$748,211	3.5%
	1.14	Workers' Compensation Insurance		Workers' Compensation Insuran		\$791,850	\$342,931	\$342,931	\$685,862	(\$105,988)	-13.4%
	1.16	Texas Public Education Grants		Texas Public Education Grants		\$15,184,095	\$7,805,973	\$7,990,194	\$15,796,167	\$612,072	4.0%
Total Goal Instructional and Operations Support						391,764,829	19,337,437	19,521,658	38,859,095	(\$352,905,734)	-90.1%
2 Infrastructure Support											
	2.11	E&G Space Support		E&G Space Support		\$29,283,920			\$0	(\$29,283,920)	-100.0%
Total Goal Infrastructure Support						\$29,283,920	\$0	\$0	\$0	(\$29,283,920)	-100.0%
3 Special Item Support											
	3.21	Complex System Research Cluster		Complex System Research Clust		\$1,380,000	\$647,664	\$647,664	\$1,295,328	(\$84,672)	-6.1%
	3.22	Energy Research Cluster		Energy Research Cluster		\$7,135,000	\$3,348,614	\$3,348,614	\$6,697,228	(\$437,772)	-6.1%
	3.23	Hobby School of Public Affairs		Hobby School of Public Affairs		\$4,400,000	\$2,065,018	\$2,065,018	\$4,130,036	(\$269,964)	-6.1%
	3.31	Small Business Development		Small Business Development		\$6,755,534	\$3,377,767	\$3,377,767	\$6,755,534	\$0	0.0%
	3.32	Health Sciences Research Cluster		Health Sciences Research Cluste		\$4,435,000	\$2,081,443	\$2,081,443	\$4,162,886	(\$272,114)	-6.1%
	3.33	Education & Community Advancement		Education & Community Advanc		\$2,303,018	\$1,080,857	\$1,080,857	\$2,161,714	(\$141,304)	-6.1%
	3.41	Institutional Enhancement		Institutional Enhancement		\$0	\$3,322,806	\$3,322,806	\$6,645,612	\$6,645,612	
Total Goal Special Item Support						\$26,408,552	\$15,924,169	\$15,924,169	\$31,848,338	\$5,439,786	20.6%
6 Research Funds											
	6.31	Core Research Support		Core Research Support		\$21,774,816			\$0	(\$21,774,816)	-100.0%
Total Goal Research Support						\$21,774,816	\$0	\$0	\$0	(\$21,774,816)	-100.0%
Grand Total						\$469,232,117	\$35,261,606	\$35,445,827	\$70,707,433	(\$398,524,684)	\$0

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2016
 TIME: 8:20:55AM

Agency code: 730 Agency name: University of Houston

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: Restoration of 4% Reduction Item Priority: 1 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 03-05-01 Exceptional Item Request		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	368,165	368,165
1002	OTHER PERSONNEL COSTS	34,817	34,817
1005	FACULTY SALARIES	100,973	100,973
1010	PROFESSIONAL SALARIES	76,737	76,737
2002	FUELS AND LUBRICANTS	17	17
2003	CONSUMABLE SUPPLIES	4,699	4,699
2004	UTILITIES	4,135	4,135
2005	TRAVEL	974	974
2006	RENT - BUILDING	41,913	41,913
2009	OTHER OPERATING EXPENSE	35,367	35,367
5000	CAPITAL EXPENDITURES	9,859	9,859
TOTAL, OBJECT OF EXPENSE		\$677,656	\$677,656
METHOD OF FINANCING:			
1	General Revenue Fund	677,656	677,656
TOTAL, METHOD OF FINANCING		\$677,656	\$677,656

DESCRIPTION / JUSTIFICATION:

UH requests restoring the 4% biennial base reduction. If implemented, the reduction would be taken primarily from special items that are used to support UH's research enterprise (energy, health sciences, complex systems, education and community advancement) as well as the Hobby School of Public Affairs. In addition, it would limit funding for university operations.

Enhancing UH's stature as a nationally recognized Tier One research university requires investment in its research programs. Funding for these items is used to develop the infrastructure and support the operations of UH's research programs in order to leverage external funding from the federal government, industry, and other grant making institutions. UH's progress as a Tier One university is measured in large part by its research activity. Since 2008, UH's research expenditures have increased from \$73.5 million to \$150.6 million. Restoring these funds would allow UH to leverage additional research dollars and advance its position as a Tier One institution.

4.A. Exceptional Item Request Schedule
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DATE: 10/18/2016
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Agency code: 730

Agency name:
University of Houston

CODE	DESCRIPTION	Excp 2018	Excp 2019
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The Hobby School of Public Affairs provides non-partisan policy analysis and research for the region and state. Until recently, Houston was the only major city in the nation without a public affairs school at a major public research university. Restoring funds for this special item would allow the school to conduct survey, public policy, and other research and to continue to establish itself as a school of public affairs, a transition which began in 2015.

Finally, more funds would also be available to fund operations that support the university's primary mission: the delivery of educational programs.

EXTERNAL/INTERNAL FACTORS:

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; and facilitate research partnerships with industry that lead to economic development.

Reducing special item funding would slow the university's research efforts and progress as a nationally competitive research institution. Many of these reductions are in areas of research excellence like energy and health sciences that are critical to the Houston and state economy. Finally, this reduction would slow the development of the Hobby School of Public Affairs and limit university operations during a period of record enrollment. UH encourages the Legislature, as much as is possible and prudent, to restore the reduction.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

To maintain special item funding.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2020	2021	2022
\$677,656	\$677,656	\$677,656

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2016
 TIME: 8:20:55AM

Agency code: 730 Agency name: University of Houston

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: Tier One Initiative-Complex Systems Item Priority: 2 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 03-02-01 Complex Systems Research Cluster		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	129,502	348,491
2009	OTHER OPERATING EXPENSE	880,295	652,855
TOTAL, OBJECT OF EXPENSE		\$1,009,797	\$1,001,346
METHOD OF FINANCING:			
1	General Revenue Fund	1,009,797	1,001,346
TOTAL, METHOD OF FINANCING		\$1,009,797	\$1,001,346
FULL-TIME EQUIVALENT POSITIONS (FTE):		4.50	4.50

DESCRIPTION / JUSTIFICATION:

The University of Houston requests funding for the Texas Center for Geodetic Imaging and Mapping, a center of excellence for research and education that provides on-demand, 4-dimensional imaging of Texas' terrain, streams, and near shore waters. The center is part of UH's Complex Systems research, which applies advanced computer, network and database technologies to address some of the nation's most important challenges.

The center will use state-of-the-art remote sensing/geosensing technologies, including aerial digital photography, hyperspectral imaging, and space/aircraft based radar, to produce high resolution, 4 dimensional images and digital elevation models.

These models can be applied to address many challenges confronting the State of Texas. These include: planning for and responding to population growth, businesses, and industry; documenting and responding to natural and man-made disasters including hurricanes, floods, wildfires, and toxic chemical and petroleum spills; and developing and maintaining transportation networks including highways and railways.

The center's products may be used by: state and local governments; school districts; institutions of higher education; and private sector companies. The Texas Center for Geodetic Imaging and Mapping will draw on the technological expertise and share equipment with the National Center for Airborne Laser Mapping (funded by the National Science Foundation and located at UH) to educate students and to prepare them for the growing numbers of jobs that require geospatial knowledge.

EXTERNAL/INTERNAL FACTORS:

Texas is a fast-growing state with a number of challenges. As aerial and other mapping becomes more advanced, they can help state and local leaders make important decisions. For example, as Texas' population centers expand, urban planners can use rich, multi-dimensional images to decide where to construct buildings and infrastructure.

4.A. Exceptional Item Request Schedule
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DATE: 10/18/2016
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Agency code: 730

Agency name:
University of Houston

CODE	DESCRIPTION	Excp 2018	Excp 2019
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The state has also been hit by a number of natural and man-made disasters in recent years, including wildfires, floods, tornadoes, and the West fertilizer plant explosion. The Texas Center for Geodetic Imaging and Mapping would be well-equipped to help the state identify disaster-prone areas (such as floodplains), mitigate future disasters, and better respond to disasters. As the state updates and maintains its transportation network, the center offers real-world tools that can assist in planning and constructing roads, bridges, ports, and rail lines.

Finally, UH is committed to producing a 21st century workforce that meets the needs of the state and Greater Houston region. The center will train students and so they can get high-skilled jobs that require geospatial knowledge.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

To cover costs associated with this Special Item.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2020	2021	2022
	\$1,001,346	\$1,001,346	\$1,001,346

4.A. Exceptional Item Request Schedule
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DATE: 10/18/2016
 TIME: 8:20:55AM

Agency code: 730 Agency name: University of Houston

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: Small Business Development Center Item Priority: 3 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No 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
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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.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

To cover costs associated with this Special Item.

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DATE: 10/18/2016
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Agency code: 730

Agency name:
University of Houston

CODE	DESCRIPTION	Excp 2018	Excp 2019
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ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2020	2021	2022
\$490,000	\$490,000	\$490,000

4.A. Exceptional Item Request Schedule
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DATE: 10/18/2016
 TIME: 8:20:55AM

Agency code: 730 Agency name: University of Houston

CODE	DESCRIPTION	Excp 2018	Excp 2019
	Item Name: Partnership for Multicultural Success Item Priority: 4 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 03-05-01 Exceptional Item Request		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	714,375	714,375
2009	OTHER OPERATING EXPENSE	568,500	568,500
TOTAL, OBJECT OF EXPENSE		\$1,282,875	\$1,282,875
METHOD OF FINANCING:			
1	General Revenue Fund	1,282,875	1,282,875
TOTAL, METHOD OF FINANCING		\$1,282,875	\$1,282,875
FULL-TIME EQUIVALENT POSITIONS (FTE):		10.00	10.00

DESCRIPTION / JUSTIFICATION:

Houston is a diverse, global city and international business hub. The University of Houston’s student population reflects this reality: no ethnic group constitutes a majority of our students, and 1 in 10 are international. To meet the needs of our campus and region, UH requests funding to expand its cultural and diversity programs. UH is home to several programs including Mexican-American, Asian-American and African-American Studies that focus on the vibrant cultures of our city, state, and world.

The Partnership for Multicultural Success will offer the following activities: 1) improving academic outcomes in minority communities (e.g. high school graduation/college enrollment rates, scholarships, etc.); 2) community engagement (e.g. lectures, festivals, and cultural events); 3) scholarly research (e.g. symposiums, publications, and scholars-in-residence); 4) professional development (e.g. internships, certification programs, mentoring); and 5) academic enrichment (e.g. courses, study abroad, etc.).

EXTERNAL/INTERNAL FACTORS:

Greater Houston is one of the most ethnically diverse and international regions in the nation. More than 60% of residents are minorities, and no racial or ethnic group makes up a majority of the population. The population is expected to reach 8 million by 2030. By then, more than half of young and college-age residents will be Hispanic. One in four will be African-American, Asian-American, or from another minority group.

The future of higher education in Houston and Texas depends on meeting the needs of historically under-represented students. According to the Texas Education Agency, Hispanic high school graduates lag behind other groups in terms of going to a 4-year college. In Fall 2014, just 17% of Hispanic high school graduates enrolled in a Texas public university, the lowest rate among racial and ethnic groups.

At the same time, achieving professional success is often more challenging for members of minority and international communities due to cultural, linguistic and economic

4.A. Exceptional Item Request Schedule
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Agency name:
University of Houston

<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2018</u>	<u>Excp 2019</u>
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barriers. Breaking down these barriers is essential for these groups to succeed in our society and for Houston to build its reputation as a national model for ethnic, cultural, and economic integration and success.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

To cover costs associated with this exceptional item.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

<u>2020</u>	<u>2021</u>	<u>2022</u>
\$1,282,875	\$1,282,875	\$1,282,875

4.B. Exceptional Items Strategy Allocation Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/18/2016**
 TIME: **8:22:49AM**

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

Code	Description	Excp 2018	Excp 2019
Item Name: Restoration of 4% Reduction			
Allocation to Strategy: 3-5-1 Exceptional Item Request			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	368,165	368,165
1002	OTHER PERSONNEL COSTS	34,817	34,817
1005	FACULTY SALARIES	100,973	100,973
1010	PROFESSIONAL SALARIES	76,737	76,737
2002	FUELS AND LUBRICANTS	17	17
2003	CONSUMABLE SUPPLIES	4,699	4,699
2004	UTILITIES	4,135	4,135
2005	TRAVEL	974	974
2006	RENT - BUILDING	41,913	41,913
2009	OTHER OPERATING EXPENSE	35,367	35,367
5000	CAPITAL EXPENDITURES	9,859	9,859
TOTAL, OBJECT OF EXPENSE		\$677,656	\$677,656
METHOD OF FINANCING:			
1 General Revenue Fund		677,656	677,656
TOTAL, METHOD OF FINANCING		\$677,656	\$677,656

Agency code: 730 Agency name: University of Houston

Code	Description	Excp 2018	Excp 2019
Item Name: Tier One Initiative-Complex Systems			
Allocation to Strategy: 3-2-1 Complex Systems Research Cluster			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	129,502	348,491
2009	OTHER OPERATING EXPENSE	880,295	652,855
TOTAL, OBJECT OF EXPENSE		\$1,009,797	\$1,001,346
METHOD OF FINANCING:			
1	General Revenue Fund	1,009,797	1,001,346
TOTAL, METHOD OF FINANCING		\$1,009,797	\$1,001,346
FULL-TIME EQUIVALENT POSITIONS (FTE):		4.5	4.5

Agency code: 730 Agency name: University of Houston

Code	Description	Excp 2018	Excp 2019
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.B. Exceptional Items Strategy Allocation Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/18/2016**
 TIME: **8:22:49AM**

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

Code	Description	Excp 2018	Excp 2019
Item Name: Partnership for Multicultural Success			
Allocation to Strategy: 3-5-1 Exceptional Item Request			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	714,375	714,375
2009	OTHER OPERATING EXPENSE	568,500	568,500
TOTAL, OBJECT OF EXPENSE		\$1,282,875	\$1,282,875
METHOD OF FINANCING:			
1	General Revenue Fund	1,282,875	1,282,875
TOTAL, METHOD OF FINANCING		\$1,282,875	\$1,282,875
FULL-TIME EQUIVALENT POSITIONS (FTE):		10.0	10.0

4.C. Exceptional Items Strategy Request
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2016
TIME: 8:24:17AM

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

GOAL: 3 Provide Special Item Support

OBJECTIVE: 2 Research Special Item Support

STRATEGY: 1 Complex Systems Research Cluster

Service Categories:

Service: 21 Income: A.2 Age: B.3

CODE DESCRIPTION	Exp 2018	Exp 2019
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	129,502	348,491
2009 OTHER OPERATING EXPENSE	880,295	652,855
Total, Objects of Expense	\$1,009,797	\$1,001,346

METHOD OF FINANCING:

1 General Revenue Fund	1,009,797	1,001,346
Total, Method of Finance	\$1,009,797	\$1,001,346

FULL-TIME EQUIVALENT POSITIONS (FTE):

4.5	4.5
-----	-----

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Tier One Initiative-Complex Systems

4.C. Exceptional Items Strategy Request
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2016
TIME: 8:24:17AM

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

GOAL: 3 Provide Special Item Support

OBJECTIVE: 3 Public Service Special Item Support

STRATEGY: 1 University of Houston Small Business Development Center

Service Categories:

Service: 13 Income: A.2 Age: B.3

CODE DESCRIPTION	Exp 2018	Exp 2019
-------------------------	-----------------	-----------------

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
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2016
TIME: 8:24:17AM

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

GOAL: 3 Provide Special Item Support

OBJECTIVE: 5 Exceptional Item Request

STRATEGY: 1 Exceptional Item Request

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE DESCRIPTION	Exp 2018	Exp 2019
-------------------------	-----------------	-----------------

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	1,082,540	1,082,540
1002 OTHER PERSONNEL COSTS	34,817	34,817
1005 FACULTY SALARIES	100,973	100,973
1010 PROFESSIONAL SALARIES	76,737	76,737
2002 FUELS AND LUBRICANTS	17	17
2003 CONSUMABLE SUPPLIES	4,699	4,699
2004 UTILITIES	4,135	4,135
2005 TRAVEL	974	974
2006 RENT - BUILDING	41,913	41,913
2009 OTHER OPERATING EXPENSE	603,867	603,867
5000 CAPITAL EXPENDITURES	9,859	9,859
Total, Objects of Expense	\$1,960,531	\$1,960,531

METHOD OF FINANCING:

1 General Revenue Fund	1,960,531	1,960,531
Total, Method of Finance	\$1,960,531	\$1,960,531

FULL-TIME EQUIVALENT POSITIONS (FTE): 10.0 10.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of 4% Reduction

Partnership for Multicultural Success

6.A. Historically Underutilized Business Supporting Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: **7/26/2016**
 Time: **1:56:53PM**

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

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year - HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2014			Total Expenditures FY 2014		HUB Expenditures FY 2015			Total Expenditures FY 2015	
			% 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%	\$0	\$0
21.1%	Building Construction	21.1 %	34.4%	13.3%	\$51,735,683	\$150,462,127	21.1 %	22.4%	1.3%	\$16,615,921	\$74,130,880	
32.9%	Special Trade	32.7 %	40.7%	8.0%	\$7,883,977	\$19,390,671	32.9 %	17.7%	-15.2%	\$4,786,621	\$27,003,942	
23.7%	Professional Services	23.6 %	22.2%	-1.4%	\$143,714	\$648,246	23.7 %	11.0%	-12.7%	\$99,267	\$899,893	
26.0%	Other Services	24.6 %	14.3%	-10.3%	\$7,742,053	\$54,258,413	26.0 %	11.5%	-14.5%	\$7,338,947	\$63,904,365	
21.1%	Commodities	21.0 %	22.7%	1.7%	\$14,401,773	\$63,378,124	21.1 %	22.5%	1.4%	\$14,254,022	\$63,268,726	
	Total Expenditures		28.4%		\$81,907,200	\$288,137,581		18.8%		\$43,094,778	\$229,207,806	

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

Attainment:

If FY2014, the University of Houston attained the statewide HUB goal in three out of five procurement categories that had expenditures, and in two out of five categories with expenditures in FY2015.

Applicability:

The University of Houston does not build roads or bridges so the Heavy Construction category is not applicable to UH.

Factors Affecting Attainment:

In both FY2014 and FY2015, the UH HUB goals for Other Services and Professional Services were not met in large part because those categories included contracts awarded to non-HUB vendors following a competitive procurement process in which HUB vendors were invited to participate. Most prime contractors in the Other Services and Professional Services categories did not utilize subcontractors. In FY2015, the Special Trade HUB goal was not met due to a decrease in HUB subcontracting during this period. After several years of robust construction spending on new building projects, UH construction spending slowed down in FY2015 to half the level it was in FY2014, which reduced UH HUB expenditures in the Building Construction category by \$35 million from FY2014 to FY2015, though UH still managed to meet the percentage HUB goal for Building Construction in FY2015.

"Good-Faith" Efforts:

University of Houston HUB outreach and compliance activity increased significantly in FY2015. After hiring Maya Thornton, HUB Director, in July 2014, UH added two HUB Specialists to assist Maya with HUB activities. The UH HUB program was audited by the State Auditor's Office during FY2015 and received a "substantially compliant" rating. Since the audit looked back at FY2014, the auditors did not consider the improvements made by Maya in FY2015 prior to the audit. However, all of the auditor's recommendations have been implemented. The increased focus that UH is placing on its HUB program will help broaden the use of HUB vendors in the coming years.

6.G HOMELAND SECURITY FUNDING SCHEDULE - PART A TERRORISM

DATE: 10/14/2016
TIME: 2:33:28PM

85th 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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
OBJECTS OF EXPENSE						
1001	SALARIES AND WAGES	\$261	\$100,000	\$125,000	\$125,000	\$125,000
2002	FUELS AND LUBRICANTS	\$0	\$25,000	\$25,000	\$25,000	\$25,000
2003	CONSUMABLE SUPPLIES	\$0	\$100	\$500	\$500	\$500
2009	OTHER OPERATING EXPENSE	\$165,801	\$425,002	\$349,097	\$244,097	\$244,097
TOTAL, OBJECTS OF EXPENSE		\$166,062	\$550,102	\$499,597	\$394,597	\$394,597
METHOD OF FINANCING						
1	General Revenue Fund	\$81	\$368,000	\$305,000	\$200,000	\$200,000
	Subtotal, MOF (General Revenue Funds)	\$81	\$368,000	\$305,000	\$200,000	\$200,000
8888	Local/Not Appropriated Funds	\$165,981	\$182,102	\$194,597	\$194,597	\$194,597
	Subtotal, MOF (Other Funds)	\$165,981	\$182,102	\$194,597	\$194,597	\$194,597
TOTAL, METHOD OF FINANCE		\$166,062	\$550,102	\$499,597	\$394,597	\$394,597

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

The FY2016 operating expenses reflect updating the mandated dispatch radio system along with replacing several vehicles for the police, security and EHLS that were needed for the staff to be able to respond quickly and efficiently as emergencies arise. Various items such as trainings, qualifications at the range, 14 bullet-proof vests and AED supplies were also included in the report.

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

DATE: 10/14/2016
TIME: 2:33:28PM

85th 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 2015	Est 2016	Bud 2017	BL 2018	BL 2019
OBJECTS OF EXPENSE						
1001	SALARIES AND WAGES	\$136,133	\$100,000	\$125,000	\$125,000	\$125,000
2002	FUELS AND LUBRICANTS	\$2,400	\$25,000	\$25,000	\$25,000	\$25,000
2003	CONSUMABLE SUPPLIES	\$150	\$100	\$500	\$500	\$500
2009	OTHER OPERATING EXPENSE	\$0	\$33,279	\$33,279	\$33,279	\$33,279
5000	CAPITAL EXPENDITURES	\$150,000	\$368,000	\$305,000	\$200,000	\$200,000
TOTAL, OBJECTS OF EXPENSE		\$288,683	\$526,379	\$488,779	\$383,779	\$383,779
METHOD OF FINANCING						
1	General Revenue Fund	\$136,133	\$368,000	\$305,000	\$200,000	\$200,000
2	Available School Fund	\$152,550	\$158,379	\$183,779	\$183,779	\$183,779
	Subtotal, MOF (General Revenue Funds)	\$288,683	\$526,379	\$488,779	\$383,779	\$383,779
TOTAL, METHOD OF FINANCE		\$288,683	\$526,379	\$488,779	\$383,779	\$383,779

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

The University of Houston closed for 2 days due to severe flooding and was on standby for several other days while the City of Houston had other flooding issues occurring on campus and off. The FY2016 operating expenses reflected updating the mandated dispatch radio system and purchasing AED supplies in this report. Several vehicles for the Police, Security and Environmental Health & Life Safety were replaced for the staff to be able to respond quickly and efficiently as emergencies arise.

**6.H. Estimate Total Of All Funds Outside the General Appropriations Bill Act Pattern Schedule
2016 - 17 and 2018 - 19 Biennial**

Agency Code: 00730
Agency Name: University of Houston

	2016-17 Biennium				2018-19 Biennium			
	<u>FY 2016 Revenue</u>	<u>FY 2017 Revenue</u>	<u>Biennium Total</u>	<u>Percent of Total</u>	<u>FY 2018 Revenue</u>	<u>FY 2019 Revenue</u>	<u>Biennium Total</u>	<u>Percent of Total</u>
APPROPRIATED SOURCES INSIDE THE BILL PATTERN								
State Appropriations (excluding HEGI & State Paid Fringes)	\$ 165,026,595	\$ 165,113,099	\$ 330,139,694		\$ 164,435,444	\$ 164,435,444	\$ 328,870,888	
Tuition and Fees (net of Discounts and Allowances)	76,013,751	78,931,649	154,945,400		78,931,649	78,931,649	157,863,298	
Endowment and Interest Income	80,644	79,710	160,354		79,710	79,710	159,420	
Sales and Services of Educational Activities (net)	4,700,000	4,700,000	9,400,000		4,700,000	4,700,000	9,400,000	
Total	<u>245,820,990</u>	<u>248,824,458</u>	<u>494,645,448</u>	21.3%	<u>248,146,803</u>	<u>248,146,803</u>	<u>496,293,606</u>	21.0%
APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN								
State Appropriations (HEGI & State Paid Fringes)	\$ 33,773,572	\$ 35,312,165	\$ 69,085,737		\$ 35,312,165	\$ 35,312,165	\$ 70,624,330	
Higher Education Assistance Funds	35,180,036	52,770,054	87,950,090		52,770,054	52,770,054	105,540,108	
Total	<u>68,953,608</u>	<u>88,082,219</u>	<u>157,035,827</u>	6.8%	<u>88,082,219</u>	<u>88,082,219</u>	<u>176,164,438</u>	7.5%
NON-APPROPRIATED SOURCES								
Tuition and Fees (net of Discounts and Allowances)	387,053,396	407,007,411	794,060,807		407,007,411	407,007,411	814,014,822	
Federal Grants and Contracts	144,773,696	143,145,477	287,919,173		143,145,477	143,145,477	286,290,954	
State Grants and Contracts	15,267,404	16,119,745	31,387,149		16,119,745	16,119,745	32,239,490	
Local Government Grants and Contracts	26,378,794	26,697,294	53,076,088		26,697,294	26,697,294	53,394,588	
Private Gifts and Grants	69,163,334	69,576,334	138,739,668		69,576,334	69,576,334	139,152,668	
Endowment and Interest Income	23,154,814	23,998,765	47,153,579		23,998,765	23,998,765	47,997,530	
Sales and Services of Educational Activities (net)	51,847,698	48,330,005	100,177,703		48,330,005	48,330,005	96,660,010	
Auxiliary Enterprises (net)	104,727,763	109,269,480	213,997,243		109,269,480	109,269,480	218,538,960	
Other Income	1,058,906	1,058,906	2,117,812		1,058,906	1,058,906	2,117,812	
Total	<u>823,425,805</u>	<u>845,203,417</u>	<u>1,668,629,222</u>	71.9%	<u>845,203,417</u>	<u>845,203,417</u>	<u>1,690,406,834</u>	71.5%
TOTAL SOURCES	<u>\$ 1,138,200,403</u>	<u>\$ 1,182,110,094</u>	<u>\$ 2,320,310,497</u>	100.0%	<u>\$ 1,181,432,439</u>	<u>\$ 1,181,432,439</u>	<u>\$ 2,362,864,878</u>	100.0%

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/14/2016

Time: 2:39:50PM

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

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	Biennial Total	

1 Hobby School of Public Affairs

Category: Programs - Service Reductions (Contracted)

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 14.7% reduction would adversely affect the university's ability to enhance research productivity and achieve its other Tier One goals.

Strategy: 1-1-1 Operations Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$323,125	\$323,125	\$646,250
General Revenue Funds Total	\$0	\$0	\$0	\$323,125	\$323,125	\$646,250
Item Total	\$0	\$0	\$0	\$323,125	\$323,125	\$646,250

FTE Reductions (From FY 2018 and FY 2019 Base Request)

3 Tier 1 - Complex System Research

Category: Programs - Service Reductions (Contracted)

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 14.7% reduction would adversely affect the university's ability to enhance research productivity and achieve its other Tier One goals.

Strategy: 1-1-1 Operations Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$101,343	\$101,343	\$202,686
General Revenue Funds Total	\$0	\$0	\$0	\$101,343	\$101,343	\$202,686
Item Total	\$0	\$0	\$0	\$101,343	\$101,343	\$202,686

FTE Reductions (From FY 2018 and FY 2019 Base Request)

4 Tier 1 - Energy Research

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/14/2016

Time: 2:39:50PM

Agency code: 730 Agency name: University of Houston

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	Biennial Total	

Category: Programs - Service Reductions (Contracted)

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 14.7% reduction would adversely affect the university's ability to enhance research productivity and achieve its other Tier One goals.

Strategy: 1-1-1 Operations Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$523,976	\$523,977	\$1,047,953
General Revenue Funds Total	\$0	\$0	\$0	\$523,976	\$523,977	\$1,047,953
Item Total	\$0	\$0	\$0	\$523,976	\$523,977	\$1,047,953

FTE Reductions (From FY 2018 and FY 2019 Base Request)

5 Tier 1 - Health & Sciences 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 14.7% reduction would adversely affect the university's ability to enhance research productivity and achieve its other Tier One goals.

Strategy: 1-1-1 Operations Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$325,695	\$325,695	\$651,390
General Revenue Funds Total	\$0	\$0	\$0	\$325,695	\$325,695	\$651,390
Item Total	\$0	\$0	\$0	\$325,695	\$325,695	\$651,390

FTE Reductions (From FY 2018 and FY 2019 Base Request)

6 Tier 1 - Education & Community Adv

Category: Programs - Service Reductions (Other)

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/14/2016

Time: 2:39:50PM

Agency code: 730 Agency name: University of Houston

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	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 14.7% reduction would adversely affect the university's ability to enhance research productivity and achieve its other Tier One goals.

Strategy: 1-1-1 Operations Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$169,128	\$169,127	\$338,255	
General Revenue Funds Total	\$0	\$0	\$0	\$169,128	\$169,127	\$338,255	
Item Total	\$0	\$0	\$0	\$169,128	\$169,127	\$338,255	

FTE Reductions (From FY 2018 and FY 2019 Base Request)

7 Institutional Enhancement

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: 1-1-1 Operations Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$165,961	\$165,961	\$331,922	
General Revenue Funds Total	\$0	\$0	\$0	\$165,961	\$165,961	\$331,922	
Item Total	\$0	\$0	\$0	\$165,961	\$165,961	\$331,922	

FTE Reductions (From FY 2018 and FY 2019 Base Request)

8 Worker' Compensation Insurance

Category: Programs - Service Reductions (Other)

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/14/2016

Time: 2:39:50PM

Agency code: 730 Agency name: University of Houston

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	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: 1-1-1 Operations Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$17,147	\$17,147	\$34,294	
General Revenue Funds Total	\$0	\$0	\$0	\$17,147	\$17,147	\$34,294	
Item Total	\$0	\$0	\$0	\$17,147	\$17,147	\$34,294	
FTE Reductions (From FY 2018 and FY 2019 Base Request)							
AGENCY TOTALS							
General Revenue Total				\$1,626,375	\$1,626,375	\$3,252,750	\$3,252,750
Agency Grand Total	\$0	\$0	\$0	\$1,626,375	\$1,626,375	\$3,252,750	\$3,252,750
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2018 and FY 2019 Base Request)							

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

730 University of Houston					
	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
Gross Tuition					
Gross Resident Tuition	57,110,868	59,378,262	62,294,168	63,726,934	65,230,890
Gross Non-Resident Tuition	49,010,780	55,934,915	58,746,723	60,097,898	61,516,208
Gross Tuition	106,121,648	115,313,177	121,040,891	123,824,832	126,747,098
Less: Resident Waivers and Exemptions (excludes Hazlewood)	(434,807)	(640,392)	(724,843)	(741,515)	(759,014)
Less: Non-Resident Waivers and Exemptions	(22,085,563)	(27,102,894)	(30,945,959)	(31,657,717)	(32,404,839)
Less: Hazlewood Exemptions	(1,258,633)	(1,388,871)	(1,619,734)	(1,656,987)	(1,696,092)
Less: Board Authorized Tuition Increases (TX. Educ. Code Ann. Sec. 54.008)	(13,645,872)	(13,885,418)	(13,904,558)	(14,224,363)	(14,560,058)
Less: Tuition increases charged to doctoral students with hours in excess of 100 (TX. Educ. Code Ann. Sec. 54.012)	(4,860)	0	0	0	0
Less: Tuition increases charged to undergraduate students with excessive hours above degree requirements. (TX. Educ. Code Ann. Sec. 61.0595)	(1,126,389)	(1,098,991)	(1,351,673)	(1,382,761)	(1,415,394)
Less: Tuition rebates for certain undergraduates (TX. Educ. Code Ann. Sec. 54.0065)	(151,000)	(175,000)	(55,242)	(56,513)	(57,846)
Plus: Tuition waived for Students 55 Years or Older (TX. Educ. Code Ann. Sec. 54.013)	21,704	24,193	29,837	30,523	31,243
Less: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	(492,063)	(634,952)	(689,500)	(705,358)	(722,005)
Plus: Tuition waived for Texas Grant Recipients (TX. Educ. Code Ann. Sec. 56.307)	0	0	0	0	0
Subtotal	66,944,165	70,410,852	71,779,219	73,430,141	75,163,093
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)	(7,143,573)	(7,553,623)	(7,630,472)	(7,805,973)	(7,990,194)
Less: Transfer of Funds (2%) for Physician/Dental 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)	(61,486)	0	0	0	0
Less: Other Authorized Deduction					
Net Tuition	59,739,106	62,857,229	64,148,747	65,624,168	67,172,899
	99 (Revised)				

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	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
Student Teaching Fees	0	0	0	0	0
Special Course Fees	0	0	0	0	0
Laboratory Fees	85,206	90,103	72,839	74,514	76,273
Subtotal, Tuition and Fees (Formula Amounts for Health-Related Institutions)	59,824,312	62,947,332	64,221,586	65,698,682	67,249,172
OTHER INCOME					
Interest on General Funds:					
Local Funds in State Treasury	79,717	306,081	350,000	350,000	350,000
Funds in Local Depositories, e.g., local amounts	0	0	0	0	0
Other Income (Itemize)					
Subtotal, Other Income	79,717	306,081	350,000	350,000	350,000
Subtotal, Other Educational and General Income	59,904,029	63,253,413	64,571,586	66,048,682	67,599,172
Less: O.A.S.I. Applicable to Educational and General Local Funds Payrolls	(3,564,768)	(2,717,088)	(2,764,058)	(2,764,058)	(2,764,058)
Less: Teachers Retirement System and ORP Proportionality for Educational and General Funds	(3,387,723)	(2,793,412)	(2,844,457)	(2,844,457)	(2,844,457)
Less: Staff Group Insurance Premiums	(8,658,022)	(10,440,322)	(11,188,533)	(11,188,533)	(11,188,533)
Total, Other Educational and General Income (Formula Amounts for General Academic Institutions)	44,293,516	47,302,591	47,774,538	49,251,634	50,802,124
Reconciliation to Summary of Request for FY 2015-2017:					
Plus: Transfer of Funds for Texas Public Education Grants Program and Physician Loans	7,143,573	7,553,623	7,630,472	7,805,973	7,990,194
Plus: Transfer of Funds 2% for Physician/Dental 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	8,658,022	10,440,322	11,188,533	11,188,533	11,188,533
Plus: Board-authorized Tuition Income	13,645,872	13,885,418	13,904,558	14,224,363	14,560,058
Plus: Tuition Increases Charged to Doctoral Students with Hours in Excess of 100	4,860	0	0	0	0

Schedule 1A: Other Educational and General Income

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	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
Plus: Tuition Increases Charged to Undergraduate Students with Excessive Hours above Degree Requirements (TX. Educ. Code Ann. Sec. 61.0595)	1,126,389	1,098,991	1,351,673	1,382,761	1,415,394
Plus: Tuition rebates for certain undergraduates (TX Educ.Code Ann. Sec. 54.0065)	151,000	175,000	55,242	56,513	57,846
Plus: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	492,063	634,952	689,500	705,358	722,005
Less: Tuition Waived for Students 55 Years or Older	(21,704)	(24,193)	(29,837)	(30,523)	(31,243)
Less: Tuition Waived for Texas Grant Recipients	0	0	0	0	0
Total, Other Educational and General Income Reported on Summary of Request	75,493,591	81,066,704	82,564,679	84,584,612	86,704,911

Schedule 2: Selected Educational, General and Other Funds

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730 University of Houston					
	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
General Revenue Transfers					
Transfer from Coordinating Board for Advanced Research Program	100,000	0	0	0	0
Transfer from Coordinating Board for Texas College Work Study Program (2015, 2016, 2017)	344,856	217,444	215,000	0	0
Transfer from Coordinating Board for Professional Nursing Shortage Reduction Program	0	70,000	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 (2015, 2016, 2017)	0	0	0	0	0
Other (Itemize)					
License Plate Scholarship	9,522	0	0	0	0
Promote Participation & Success	11,410	0	0	0	0
Student Success	0	130,000	0	0	0
National Research & University Fund	9,131,233	9,454,322	0	0	0
Other: Fifth Year Accounting Scholarship	0	0	0	0	0
Texas Grants	23,054,302	21,162,490	23,000,000	0	0
B-on-Time Program	4,166,509	3,012,510	3,230,000	0	0
Less: Transfer to System Administration	0	0	0	0	0
Subtotal, General Revenue Transfers	36,817,832	34,046,766	26,445,000	0	0
General Revenue HEF for Operating Expenses	35,885,768	35,180,036	52,770,054	52,770,054	52,770,054
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 (2015, 2016, 2017)	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 2015	Act 2016	Bud 2017	Est 2018	Est 2019
Gross Designated Tuition (Sec. 54.0513)	231,128,719	248,287,467	262,175,861	262,175,861	262,175,861
Indirect Cost Recovery (Sec. 145.001(d))	19,901,645	19,488,441	19,830,922	19,830,922	20,425,850
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 %		74.87%			
GR-D/Other %		25.13%			
Total Percentage		100.00%			
FULL TIME ACTIVES					
1a Employee Only	966	723	243	966	2,061
2a Employee and Children	292	219	73	292	439
3a Employee and Spouse	237	177	60	237	235
4a Employee and Family	294	220	74	294	363
5a Eligible, Opt Out	13	10	3	13	20
6a Eligible, Not Enrolled	42	31	11	42	183
Total for This Section	1,844	1,380	464	1,844	3,301
PART TIME ACTIVES					
1b Employee Only	24	18	6	24	53
2b Employee and Children	5	4	1	5	11
3b Employee and Spouse	10	7	3	10	4
4b Employee and Family	10	7	3	10	8
5b Eligible, Opt Out	1	1	0	1	2
6b Eligible, Not Enrolled	16	12	4	16	89
Total for This Section	66	49	17	66	167
Total Active Enrollment	1,910	1,429	481	1,910	3,468

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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	966	723	243	966	2,061
2e Employee and Children	292	219	73	292	439
3e Employee and Spouse	237	177	60	237	235
4e Employee and Family	294	220	74	294	363
5e Eligible, Opt Out	13	10	3	13	20
6e Eligible, Not Enrolled	42	31	11	42	183
Total for This Section	1,844	1,380	464	1,844	3,301

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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	990	741	249	990	2,114
2f Employee and Children	297	223	74	297	450
3f Employee and Spouse	247	184	63	247	239
4f Employee and Family	304	227	77	304	371
5f Eligible, Opt Out	14	11	3	14	22
6f Eligible, Not Enrolled	58	43	15	58	272
Total for This Section	1,910	1,429	481	1,910	3,468

Schedule 4: Computation of OASI
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Agency 730 University of Houston

Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2015		2016		2017		2018		2019	
	<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)	71.3838	\$8,892,398	74.8722	\$8,095,986	74.8722	\$8,235,942	74.8722	\$8,235,942	74.8722	\$8,235,942
Other Educational and General Funds (% to Total)	28.6162	\$3,564,768	25.1278	\$2,717,088	25.1278	\$2,764,058	25.1278	\$2,764,058	25.1278	\$2,764,058
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	\$12,457,166	100.0000	\$10,813,074	100.0000	\$11,000,000	100.0000	\$11,000,000	100.0000	\$11,000,000

Schedule 5: Calculation of Retirement Proportionality and ORP Differential

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Description	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	80,021,250	66,680,310	67,505,544	67,505,544	67,505,544
Employer Contribution to TRS Retirement Programs	5,441,445	4,534,261	4,590,377	4,590,377	4,590,377
Gross Educational and General Payroll - Subject To ORP Retirement	96,924,773	99,735,714	101,963,394	101,963,394	101,963,394
Employer Contribution to ORP Retirement Programs	6,397,035	6,582,557	6,729,584	6,729,584	6,729,584
Proportionality Percentage					
General Revenue	71.3838 %	74.8722 %	74.8722 %	74.8722 %	74.8722 %
Other Educational and General Income	28.6162 %	25.1278 %	25.1278 %	25.1278 %	25.1278 %
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)	3,387,723	2,793,412	2,844,457	2,844,457	2,844,457
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	0	0	0	0	0
Differential					
Differential Percentage	1.9000 %	1.9000 %	1.9000 %	1.9000 %	1.9000 %
Gross Payroll Subject to Differential - Optional Retirement Program	20,615,789	20,338,947	20,338,947	20,338,947	20,338,947
Total Differential	391,700	386,440	386,440	386,440	386,440

Schedule 6: Constitutional Capital Funding
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730 University of Houston					
Activity	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
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	35,180,036	52,770,054	52,770,054	52,770,054
Project Allocation					
Library Acquisitions	0	0	0	0	0
Construction, Repairs and Renovations	35,885,768	35,180,036	52,770,054	52,770,054	52,770,054
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
 85th Regular Session, Agency Submission, Version 1
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Date: 10/14/2016
 Time: 2:52:40PM

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

	Actual 2015	Actual 2016	Budgeted 2017	Estimated 2018	Estimated 2019
Part A.					
FTE Postions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	1,013.0	1,021.8	1,021.8	1,021.8	1,021.8
Educational and General Funds Non-Faculty Employees	1,238.4	747.4	747.4	747.4	747.4
Subtotal, Directly Appropriated Funds	2,251.4	1,769.2	1,769.2	1,769.2	1,769.2
Non Appropriated Funds Employees	4,331.3	5,010.4	5,221.7	5,221.7	5,221.7
Subtotal, Other Funds & Non-Appropriated	4,331.3	5,010.4	5,221.7	5,221.7	5,221.7
GRAND TOTAL	6,582.7	6,779.6	6,990.9	6,990.9	6,990.9
Part B.					
Personnel Headcount					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	1,038.0	1,047.0	1,047.0	1,047.0	1,047.0
Educational and General Funds Non-Faculty Employees	1,589.0	1,072.0	1,072.0	1,072.0	1,072.0
Subtotal, Directly Appropriated Funds	2,627.0	2,119.0	2,119.0	2,119.0	2,119.0
Non Appropriated Funds Employees	7,727.0	8,712.0	9,080.0	9,080.0	9,080.0
Subtotal, Non-Appropriated	7,727.0	8,712.0	9,080.0	9,080.0	9,080.0
GRAND TOTAL	10,354.0	10,831.0	11,199.0	11,199.0	11,199.0

Schedule 7: Personnel
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Date: 10/14/2016
 Time: 2:52:40PM

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

	Actual 2015	Actual 2016	Budgeted 2017	Estimated 2018	Estimated 2019
PART C.					
Salaries					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	\$113,117,082	\$114,104,736	\$116,614,290	\$116,614,290	\$116,614,290
Educational and General Funds Non-Faculty Employees	\$78,212,247	\$49,824,278	\$50,627,817	\$50,627,817	\$50,627,817
Subtotal, Directly Appropriated Funds	\$191,329,329	\$163,929,014	\$167,242,107	\$167,242,107	\$167,242,107
Non Appropriated Funds Employees	\$242,656,451	\$283,923,733	\$306,898,877	\$306,898,877	\$306,898,877
Subtotal, Non-Appropriated	\$242,656,451	\$283,923,733	\$306,898,877	\$306,898,877	\$306,898,877
GRAND TOTAL	\$433,985,780	\$447,852,747	\$474,140,984	\$474,140,984	\$474,140,984

Schedule 8B: Tuition Revenue Bond Issuance History

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Authorization Date	Authorization Amount	Issuance Date	Issuance Amount	Authorized Amount Outstanding as of 08/31/2016	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		
					Aug 31 2016	\$0
2001	\$51,000,000	Oct 9 2002	\$51,000,000			
		<i>Subtotal</i>	\$51,000,000	\$0		
					Aug 31 2016	\$0
2003	\$25,000,000	Jun 16 2004	\$25,000,000			
		<i>Subtotal</i>	\$25,000,000	\$0		
					Aug 31 2016	\$0
2006	\$57,600,000	Feb 4 2009	\$57,600,000			
		<i>Subtotal</i>	\$57,600,000	\$0		
					Aug 31 2016	\$0
2016	\$163,832,000	Feb 8 2016	\$63,000,000			
		Jan 31 2017	\$46,832,000			
		Mar 9 2018	\$54,000,000			
		<i>Subtotal</i>	\$163,832,000	\$0		
					Aug 31 2016	\$0

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Special Item: 1 **Restoration of 4% Biennial Base Reduction**

(1) Year Special Item: 2018
Original Appropriations: \$677,656

(2) Mission of Special Item:

UH requests restoring the 4% biennial base reduction which was primarily taken from special items that support research excellence as well as the Hobby School of Public Affairs and university operations. These special items fund research operations in energy, health sciences, education and community advancement, complex systems, and public policy as well as university operations.

(3) (a) Major Accomplishments to Date:

Strong support from the Legislature has enabled UH to make significant progress in enrollment, research productivity, and graduation rates. Since FY 2008, enrollment has increased from 34,663 to 43,778, and degrees awarded increased from 6,961 to 9,160. Research expenditures increased from \$73.5 million to \$150.6 million. UH's graduation rate rose from 43% to 51%. The freshman median SAT score is 1150—nearly 100 points higher than eight years ago. These and other accomplishments have increased the university's standing as a Tier One institution as recognized by the Carnegie Foundation for the Advancement of Teaching, Top American Research Universities (TARU), and other organizations. Finally, the Hobby Center for Public Policy began its transition to the Hobby School of Public Affairs (HSPA) in 2015. HPSA now serves graduate students, provides professional development, conducts public policy research, and offers public events and lectures.

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

If funding is restored, UH expects to leverage more external research funding, deliver more education programs, and attract, retain, and graduate more highly-qualified students. Since 2008, enrollment has grown approximately 3% on average each year, a trend we expect to continue. UH's six year graduation rate is on track to pass 60% by 2020.

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

NA

(5) Formula Funding:

N

(6) Startup Funding:

N

(7) Transition Funding:

N

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(8) Non-general Revenue Sources of Funding:

NA

(9) Consequences of Not Funding:

UH's progress as a Tier One university is measured in large part by its research activity. Reducing special item funding would slow the university's research efforts and progress as a nationally competitive research institution. Many of these reductions would be in areas of research excellence like energy and health sciences that are critical to the Houston and state economy. Finally, this reduction would slow the development of the Hobby School of Public Affairs and limit university operations during a period of record enrollment. UH encourages the Legislature, as much as is possible and prudent, to restore the reduction.

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Special Item: 2 **Tier One Initiative – Energy Research**

(1) Year Special Item: 2008
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 2015, total research expenditures in energy programs were \$21.5 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. The university has also established new energy-related academic and research programs in Petroleum Engineering and Subsea Engineering.

(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 key energy research programs, including the Texas Center for Superconductivity, the TcSUH Applied Research Hub, and the Center for Advanced Materials, 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

(6) Startup Funding:

N

(7) Transition Funding:

N

(8) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
2015	\$21.5M	Federal government, industry, other grant-making organizations
2016	\$22.8M	Federal government, industry, other grant-making organizations

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2017	\$23.5M	Federal government, industry, other grant-making organizations
2018	\$24.2M	Federal government, industry, other grant-making organizations
2019	\$24.9M	Federal government, industry, other grant-making organizations

(9) Consequences of Not Funding:

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: 3 **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 2015, total research expenditures in the health sciences were \$30 million. Over the past two years, the University of Houston has launched a School of Nursing and begun construction of a second health and biomedical sciences building, which will house the UH College of Pharmacy, research labs, and clinical programs. UH programs conducting health-related research include the Texas Center for Superconductivity, the Center for Advanced Computing and Data Systems, 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.

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

NA

(5) Formula Funding:

N

(6) Startup Funding:

N

(7) Transition Funding:

N

(8) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
2015	\$30.0M	Federal government, industry, other grant-making organizations

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2016	\$31.8M	Federal government, industry, other grant-making organizations
2017	\$32.8M	Federal government, industry, other grant-making organizations
2018	\$33.7M	Federal government, industry, other grant-making organizations
2019	\$34.7M	Federal government, industry, other grant-making organizations

(9) Consequences of Not Funding:

6. 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: 4 **Partnership for Multicultural Success**

(1) Year Special Item: 2018
Original Appropriations: \$1,282,875

(2) Mission of Special Item:

UH requests funding to expand its cultural and diversity programs to meet the needs of our campus and region. UH is home to several programs including Mexican-American, Asian-American and African-American Studies that focus on the vibrant cultures of our city, state, and world.

The Partnership for Multicultural Success will offer the following activities: 1) improving academic outcomes in minority communities (e.g. high school graduation/college enrollment rates, scholarships, etc.); 2) community engagement (e.g. lectures, festivals, and cultural events); 3) scholarly research (e.g. symposiums, publications, and scholars-in-residence); 4) professional development (e.g. internships, certification programs, mentoring); and 5) academic enrichment (e.g. courses, study abroad, etc.).

Houston is a diverse, global city and international business hub. The University of Houston’s student population reflects this reality: no ethnic group constitutes a majority of our students, and 1 in 10 is international.

(3) (a) Major Accomplishments to Date:

Between Fall 2007 and Fall 2015, minority enrollment grew from over 18,000 students to over 26,000. Hispanic enrollment grew by 75%. UH has been designated as a Hispanic Serving Institution by the U.S. Department of Education.

From FY 2008-15, the number of minority degrees awarded increased from 1,907 to 3,222—nearly 70%. UH is leading the way in closing the achievement gaps of underrepresented students. From FY 2012-15, the 4-year graduation rate for African-American and Hispanic students increased by 11 and 7 percentage points respectively. They are now close to the graduation rate of white students.

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

UH expects to enroll and graduate more minority students. We also expect minority students’ graduation rates will continue to improve, and special item funding would further this trend. Finally, Greater Houston will continue to be a national model for cultural, ethnic, and economic integration.

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

NA

(5) Formula Funding:

N

(6) Startup Funding:

N

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(7) Transition Funding:

N

(8) Non-general Revenue Sources of Funding:

NA

(9) Consequences of Not Funding:

Greater Houston is experiencing dramatic demographic changes. An increasing number of its students and working professionals are non-white. Not funding this item would limit the ability of UH to provide programs that would facilitate greater student success, professional development, and economic and cultural integration.

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Special Item: 5 **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 its 32 county Gulf Coast region, 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 calendar 2016 for businesses assisted in calendar 2014 showed that clients who received five or more hours of counseling from the SBDC:

- *Created 5,333 new jobs, with a 3 year total from 2012 through 2014 of 13,480 new jobs
- *Generated over \$368.1 million in new sales
- *Retained 2,385 jobs. \$266.1 million in sales were saved
- *Generated new tax revenues of \$44.7 million, consisting of \$30.7 million in State taxes, and \$14 million in federal taxes
- *Obtained \$192.2 million in new capital financing

During FY 2015, the SBDC:

- * Provided 26,175 training hours over 520 classes to 7,132 entrepreneurs
- *Provided 37,235 advising hours to 5,513 clients

(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 premier small business training facility offers educational programs for small business in a group setting. In 2016, the UH SBDC completed a major renovation of its training facility in downtown Houston, expanding its training capacity. The audiovisual system was also upgraded, enhancing its capabilities for streaming and recording classes and seminars for the small business community. With the expansion, we anticipate increases in the number of entrepreneurs we train, as our class offerings increase. This in turn will provide an increased client pipeline for potential program impact. 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.

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

Federal and University funding.

(5) Formula Funding:

N

(6) Startup Funding:

N

(7) Transition Funding:

N

(8) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
2016	\$2,962,982	Federal & Local Government support
	\$1,121,073	Private Sources, including partner match, program income
2017	\$2,840,944	Federal & Local Government support
	\$1,191,356	Private Sources, including partner match, program income
2018	\$2,840,944	Federal & Local Government support
	\$1,200,000	Private Sources, including partner match, program income
2019	\$2,840,944	Federal & Local Government support
	\$1,200,000	Private Sources, including partner match, program income

(9) Consequences of Not Funding:

The UH SBDC would be unable to meet the cost-sharing provisions of its two core federal awards with a total funding loss to the SBDC network of more than \$4 million of non-general revenue funding annually, and would essentially result in the demise of the UH SBDC program. In addition to the current federal awards that require cost-sharing, our state funds have been used in the past to apply for additional federal funding from both the SBA and other federal agencies to assist small businesses, that if awarded, would significantly contribute to UH's efforts to enhance Tier One research status. The loss of SBDC services to Houston and the Gulf Coast business community would have a 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 the reduction of new job creation.

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Special Item: 6 **Hobby School of Public Affairs**

(1) Year Special Item: 2014
Original Appropriations: \$2,200,000

(2) Mission of Special Item:

The University of Houston seeks funding to expand the services of the Hobby School of Public Affairs (HSPA). HSPA provides an innovative, multi-disciplinary Master of Public Policy degree emphasizing quantitative methods with a solid foundation of ethics and applied skills, and its research division and programs offer resources to assist government and businesses in making sound decisions and in recruiting trained employees. Through graduate education, research projects, undergraduate internships, professional training, dual degree options, public lectures, and events, HSPA prepares its students with the skills necessary to excel in the real world of the 21st century.

(3) (a) Major Accomplishments to Date:

The Hobby School of Public Affairs offers a multi-disciplinary Master of Public Policy (MPP) degree; provides objective, non-partisan analyses; conducts advanced research training; provides leadership training through its professional certification program and government internship programs; and builds impactful partnerships with the community. HSPA's research division has conducted applied research in areas such as state demographics, law enforcement, real estate and redistricting and has obtained grants from the National Science Foundation and local entities. The Survey Research Institute provides public opinion surveys and data on topics for clients including universities such as Rice University and Texas A&M University, state agencies, local governments, and various civic organizations. The 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) provides undergraduates the opportunity to work as full-time legislative interns. The Civic Houston Internship Program has placed more than 1300 students in federal, state, and local governmental offices, and the nationally accredited Certified Public Manager program serves working professionals. Campus-wide outreach is resulting in multi-disciplinary research papers on real-world challenges such as work/life conflicts, firefighter stress, and city performance evaluation.

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

Twenty-seven students are enrolled in the MPP program for the fall 2016 semester, with a target of adding 25 new students in 2017. HSPA is hiring tenured or tenure track faculty in quantitative methods (economics and political science), ethics (political theory and philosophy) and decision sciences (business, psychology and computer science) to expand its curriculum and research expertise. MPP students will provide a thorough research analysis of the Higher Education Board's 60/30 plan. A dual degree with the UH Graduate College of Social Work and a co-terminal degree with the UH Honors College will be launched. Leadership training will continue through civic engagement projects and governmental internships in Houston, Austin, and Washington. The Survey Research Institute will continue and increase its regional and state surveys of public attitudes. HSPA will increase its partnerships with local governments and non-profit organizations through new community participatory research projects, certificate programs, special events and workshops. HSPA's speaker series will serve as an educational outreach to the public. The HSPA summer institute will continue to train nationwide PhD candidates in research methods. Demographic workshops will be conducted for academics and non-profit professionals. Increased private fundraising efforts will augment the opportunities allowed by graduate student support and the government internship programs as well as endowed chairs and professorships

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

Government grants from local and federal sources and contributions from private entities funded research and internships.

(5) Formula Funding:

N

(6) Startup Funding:

N

(7) Transition Funding:

N

(8) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
2016	\$456,161	Private foundations, corporations, individual contributions, independent school districts, state and federal agencies, higher education institutions.
2017	\$456,161	Private foundations, corporations, individual contributions, independent school districts, state and federal agencies, higher education institutions.
2018	\$556,161	Private foundations, corporations, individual contributions, independent school districts, state and federal agencies, higher education institutions.
2019	\$556,161	Private foundations, corporations, individual contributions, independent school districts, state and federal agencies, higher education institutions.

(9) Consequences of Not Funding:

Without special item funding, the Hobby School of Public Affairs (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. Dual degree programs with other UH departments would be delayed. 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. Community partnerships and projects would be discontinued. The nationally accredited Certified Public Manager Program would cease at UH. The elimination of 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.

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Special Item: 7 **Tier One Initiative – 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. 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 Teach Houston, the Hobby School of Public Affairs, 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 2015, total research expenditures in education and community advancement were \$28.7 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

(6) Startup Funding:

N

(7) Transition Funding:

N

(8) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
2015	\$28.7M	Federal government, industry, other grant-making organizations

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2016	\$30.4M	Federal government, industry, other grant-making organizations
2017	\$31.3M	Federal government, industry, other grant-making organizations
2018	\$32.3M	Federal government, industry, other grant-making organizations
2019	\$33.2M	Federal government, industry, other grant-making organizations

(9) 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: 8 **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. In FY 2015, total research expenditures in complex systems were \$9.8 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

(6) Startup Funding:

N

(7) Transition Funding:

N

(8) Non-general Revenue Sources of Funding:

Fiscal Year	Amount	Source
2015	\$9.8M	Federal government, industry, other grant-making organizations

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2016	\$10.4M	Federal government, industry, other grant-making organizations
2017	\$10.7M	Federal government, industry, other grant-making organizations
2018	\$11.0M	Federal government, industry, other grant-making organizations
2019	\$11.4M	Federal government, industry, other grant-making organizations

(9) Consequences of Not Funding:

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: 9 **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: 9,160
Record freshman 1-year retention: 86%
Record freshman 6-year graduation rate: 51%
Record freshman median SAT: 1150
Record number of doctorates: 335
Record total research expenditures: \$151M
Record royalty income: \$26M
Record scholarly citations: 65,166

(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

(6) Startup Funding:

N

(7) Transition Funding:

N

(8) Non-general Revenue Sources of Funding:

Fiscal Year Amount Source

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2015	NA	Unlike other special items, Intitutional Enhancement is not a university program into which revenue from other sources is allocated.
2016	NA	
2017	NA	
2018	NA	
2019	NA	

(9) 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.
