

# AGENDA

## Planning & Budget Committee (PBC)

11/16/22 | Noon

1. **Call to order:** Dr. Michael at 12:04 p.m.

2. **Approval of Meeting Notes: Notes from 10/13/22 in November folder**

*Please note the corrected/final dates. These are provided in context in the updated document "22-23 Planning and Budget Calendar..." in the November meeting folder.*

No modifications were sent to Dr. Michael before the meeting. He asked members to review and send any updates to either himself or Jamie.

3. **Old Business**

Dr Michael:

Revised calendar is available. Mr. Denney brought copies with him and it is also available in the Teams folder.

From Mr. Denney:

The two-part Financial "State of the University," probably 25-30 min each session. The date will be set after Dr. Walker's investiture in late January.

Part 1: Focusing on how we ended FY2022

- How did last year turn out?
- How did we do?

Part 2: Focusing on how things look for FY2023 and the legislative session.

- What does that tell us for looking forward?

Reports are not ready but Mr. Denney gave a summary of how we ended FY22.

- Enrollment was flat. It was our second year of flat enrollment. We were actually down in undergraduate enrollment but up in graduate enrollment. Graduate students pay higher tuition than undergraduates so we were actually up in tuition and fee dollars.
- A sliver lining of the labor shortage here on campus is that we had substantial salary savings across the university for labor costs (due to open positions).
- The net result is we ended the year with about a \$2,000,000 surplus within Education & General (ledgers 1 and 2)

- We reduced our fund balance coming into the year in central funds - designated tuition and state funding. We increased our fund balance in our local funds - the colleges their fees and their designated differential tuition, The continuing challenge is that the colleges hold on to their differential tuition dollars and seek central dollars to cover their costs. Mr. Denney is working to create a tuition and fee book which would list all tuition and fees charged and what the fees are intended to purchase. That will help us establish boundaries between central and local dollars to do a better allocation of when to use central vs local dollars.
- This could show if Designated Differential tuition should be increased, decreased or left the same. This will be highlighted in the presentation.

How things look for next year:

- Next year is going to be challenging.
- During the pandemic, community college enrollment was down and the majority of our students still come to us from community colleges. So, if our primary pipeline for new students is down, then enrollment on our campus is going to be challenged for a while.
- Enrollment is down this year for our campus as well as UH-V. We didn't have a decline last year but UH-V and UH-D did. We don't know how the enrollment is in the rest of the state.
- San Jac is our primary feeder their enrollment is up but Mr. Denney doesn't know how that will translate for our enrollment next year.
- UHCL is taking recruitment of new students seriously as well as retention of current students.
- While optimistic, Mr. Denney thinks that erasing the 5+% we are down this year will be challenging.
- There was pressure across the state to not increase tuition this year and Mr. Denney suspects the same for next year.
- Will the state consider increasing state funding to make up that difference? The Chancellors of the state systems would be supportive of this. But Mr. Denney has concerns because that state funding may go away at some point and then how do we make up that difference? Possibly with a large tuition increase at some later date.
- Freezing tuition is also concerning because at some point it becomes expected that tuition remains constant which is unrealistic with the high inflation rate we are experiencing.
- We have requested an increase in our state funding to the level it was in 2010-2011. Mr. Denney expects the rate to be increased but not to the requested rate.
- Enrollment being down also impacts UHCL state funding. UHCLs state funding is determined by our enrollment relative to every other public university's enrollment. If UHCL enrollment is smaller relative to other public universities then the amount we get will be smaller.
- In late January when the state Comptroller gives his forecast to the legislature the Legislative Budget Board will take our actual summer enrollment, our actual fall enrollment and our projected spring enrollment because spring won't be known by the late January and tell each university how much money they will get. We will base our budget on that estimate until they give

- us the actual \$/semester credit hour they will fund once the Spring enrollment number is finalized.
- Mr. Denney said the last positive note though for us is, even though we're down in enrollment, we are up in graduate students and we continue to be up in the STEM fields and other fields that earn more appropriation dollars. Our total number of students is not favorable, but our mix of students is absolutely favorable for us in the funding formula as well as in tuition dollars that we receive. Our mix of students is improving.
  - Comparing our campus with UH-D and UH-V. The last time Mr. Denney saw numbers both campuses were down more than we were.
  - **Question** from Dr. Rohde: Will the HEAF funds increase for STEM capital investment? **Answer** from Mr. Denney: Calculation of HEAF funds is a little confusing and the state is not necessarily clear about it. Our HEAF dollars are used for technology upgrades and support (academic & institutional). We used HEERF funding for a lot of recent upgrades but have begun using the HEAF funds. The state looks at how large or small our HEAF fund balance is and by the time they look at it two years from now, the balance should be small which would show we are using the HEAF dollars and put us in a good position. Mr. Denney is optimistic that as we add more space we will get more HEAF dollars. Not knowing the actual formula the state uses makes it difficult to answer that question.
  - **Follow-up question** from Dr. Rohde: One of the reasons I bring that up is that you have pointed out that STEM is increasing, but one of the issues that we're having right now is that the funds are entirely important for us to replace laboratory teaching equipment and that could have a huge impact on how well STEM can be provided. **Answer** (Mr Denney): Within the STEM 1 building the equipment is new and we are using the last of the construction bond to purchase instructional equipment within the STEM building. We will use the \$45million Campus Construction Assistance Program (CCAP) dollars and will add an additional \$5 million institutional dollars for a total of \$50 million for campus upgrades. The first priority will be the renovation of all the biology labs in the Bayou building to make sure they can support our current and future enrollment (10 years at least). We will look at both space and everything needed to support that growth. In the funding request for STEM 2, we asked for funding to renovate Delta building. The programs currently in Delta, forgive me if I miss anybody, but it's predominantly computer engineering, computer programming, cyber security, robotics, would move to the STEM 2 with the intent that biology would stay in Bayou with their new renovated spaces.
  - Next, Mr. Denney briefly talked about the budget calendar. The dates are set to give PBC more time to look at the requests. Deja Sero is training the budget managers and their support staff to get budget initiatives that are much more detailed and to be able to place them

exactly where they'll go in the budget. PBC will go through the process of evaluating them and it will be the same thing that we have done in the past. PBC will probably not make any decisions until May when we have solid numbers from the state.

- Mr. Denney does not anticipate there is going to be capacity for funding a lot of initiatives. He's trying to make this point across campus with senior leadership - that if they have new things that they need to do, they need to predominantly look internally and try to reprogram dollars from less important things to more important things.
- The bulk of our dollars are spent on people, ~70% of budget
- Deja Sero has created a set of management reports to will be shared with managers soon to get feedback and to help make better decisions. Mr. Denney pointed out a lack of reporting as a fundamental problem for budgeting at UHCL.
- **Question** (Sai Sreerami): "Who are budget managers?" **Answer** (Mr. Denney): It's really anybody who has a budget. If you're responsible for a budget that makes you budget manager so obviously from the VP's and then any area that's the Deans, any directors, executive directors, AVP's, so forth all the way down to departments. Predominantly we go 3 layers across the campus, the divisions, units and then departments and the units are a college or like within A&F (my division) the units are campus public safety, facilities, management control, human resources, planning and budget.
- **Question** (Sai Sreerami): "Where do software requests that are received in OIT fall in the calendar?" **Answer** (Mr. Denney): if it's institutional wide support, even if there's really only one department that uses it but it's for the benefit of the entire institution, then that should be in the Office of Information Technologies budget. And so Dr. Gaskins, even if it wasn't his initiative, would make sure that there's consensus and support that this is the software that we need and then he would propose it in his budget. If it's a specific department that wants it, and it only supports their operations, then they should make that request and it would be in their budget.
- **Question** (Dr. Michael): "Can you update us on TMC?" **Answer** (Mr. Denney): We lease the building space from The Texas Medical Center. In 2019, one year before our lease ended, we reached out and let TMC know we wanted to extend our lease. They responded and said they would send some rates but we never heard anything after that. In July 2020 they said we should meet virtually. They informed us they had changed their maintenance plans for that building and didn't want to renew our lease for our current space but wanted us to move to a smaller space that did not meet our needs. We asked if they had another option. No response. UHCL took the legal position that we had an agreement to extend the lease via email – a 5-year lease. They did not like that so UHCL said we would try to find something on

our own. They did allow UHCL to extend the lease for 2 years giving us until Dec. 2022 to find new space in TMC. We found space in a building owned by Houston Community College on the Coleman campus. They were willing to give us an entire floor. It turned out that HCC had a ground lease for this building from TMC and TMC would not allow HCC to make a profit on any sublease. So, the search is ongoing for space. There are 4 possible locations – 2 inside TMC and 2 outside TMC. The programs will go fully online for the spring & summer semesters with the hopes that a lease will be signed in December (2022) and construction will be completed in time for the classes to resume in person for the fall 2023 semester.



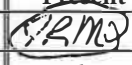

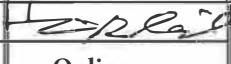
- Mr. Denney shared that UHCL asked for additional funding for CADD because we have a backlog of 350 families in the area. The current funding is \$400,000/biennium. We asked the funding be increased to \$2,000,000/biennium. That's just for operation of the center.
- There's a new severe head injury protocol in Dr Ammonette's Health and Human Performance Institute that would benefit from space in TMC. The space for that program is small and we might be able to accommodate them in the new lease.




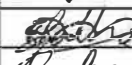
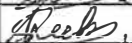
**Meeting adjourned at 12:55 p.m.**  
**December meeting is currently 12/21/22.**

#### **4. New Business/Announcements**

**University of Houston  Clear Lake**  
 FY2022 - FY2023 Planning and Budget Committee (PBC) Attendance Sheet

Meeting Date: 11/16/2022

Members	Seat	Role	Absent/Present
Meagan Bearden	USA	Staff Representative	Present
Yvette Bendeck	Faculty 1 (serving until 2023)	BUS College Representative	
Mark Denney	VP Administration & Finance	Division Representative	
Omah Williams-Duncan	Faculty 2 (serving until 2024)	COE College Representative	Online
LeeBrian Gaskins	AVP Information Technology	Department Representative	Online
<b>Jamie Hester</b>	<b>PBC Administrative Support</b>		Present
Lorie Jacobs	Faculty 3 (serving until 2023)	HSH College Representative	Online
Kurt Lund	USA	Staff Representative	
Chris Maynard	Academic Affairs/Provost	Division Representative	
<b>Tim Michael</b>	<b>Chair</b>	BUS College Representative	Present
Jeffrey Mountain	Faculty 5 (serving until 2023)	CSE College Representative	
Juan Olguin	Office of President 1	Division Representative	Online
Tina Powellson	Interim VP Student Affairs	Division Representative	
Miriam Qumsieh (ex-officio)	Office of Institutional Effectiveness	Department Representative	
Larry Rohde	Faculty 6 (serving until 2024)	CSE College Representative	Online
Deja Sero (ex-officio)	Vice Chair	Department Representative	
Ed Waller	College Dean	College Representative	
TBD	SGA	Student Representative	

Alternates	Seat	Role	Absent/Present
Elbby Antony	VP University Advancement	Division Representative	
DeAngel Bonilla	Academic Affairs/Provost	Division Representative	
Gloria Boza	Office of the President	Division Representative	
Soma Datta	Faculty Representative	Faculty 1	Online
Henock Gebrehiwot	Office of Institutional Effectiveness	Department Representative	
Miguel Gonzalez	College Dean	College Representative	
Preeti Jain	Faculty Representative	Faculty 2	Online
Iliana Melendez	VP Student Affairs	Division Representative	
	USA	Staff Representative	
Cindy Saltaman 	VP Student Affairs	Division Representative	
Sheeba Thomas	AVP Information Technology	Department Representative	

*SAN L. SREERAMA*      *BIT*

Non-Voting Guests			Absent/Present
Elbby Antony	University Advancement		
Sherry Hawn	Administration and Finance		Online
Tim Richardson	Student Success Initiatives		Online
Kara Hadley-Shakya	Strategic Enrollment Mgmt.		
Joe Staley	University Advancement		Online
Maureen Villarreal	Administration and Finance		
Lea Black	Strategic Enrollment Mgmt.		

*Meagan Bearden*      *USA*

*MJM*

Holly Nolan - Online  
 Tina Powellson  
 Cindy Saltzman

**PBC Nov. 16, 2022****Online Attendance**

Full Name	User Action	Timestamp
Gaskins, LeeBrian E	Joined before	11/16/22, 11:55:01 AM
Hawn, Sherry B.	Joined before	11/16/22, 11:55:01 AM
Hester, Jamie	Joined	11/16/22, 11:55:01 AM
Hester, Jamie	Left	11/16/22, 11:59:35 AM
Hester, Jamie	Joined	11/16/22, 12:05:34 PM
Rohde, Larry H	Joined	11/16/22, 11:55:58 AM
Williams-Duncan, Omah M.	Joined	11/16/22, 11:56:45 AM
Nolan, Holly Ann	Joined	11/16/22, 11:57:17 AM
Datta, Soma	Joined	11/16/22, 11:58:24 AM
Olguin, Juan	Joined	11/16/22, 12:05:34 PM
Jacobs, Lorie Louise	Joined	11/16/22, 12:05:34 PM
Jain, Preeti	Joined	11/16/22, 12:05:34 PM
Sreerama, Sai Lakshmi	Joined	11/16/22, 12:09:38 PM
Staley, Joseph	Joined	11/16/22, 12:23:04 PM
Richardson, Timothy L	Joined	11/16/22, 12:25:39 PM

FY2024 PLANNING & BUDGET CALENDAR

Sept 1, 2022 through Aug 31, 2023

Dates	Strategic Planning & Initiatives	Planning & Assessment	Planning & Budget	Tuition and Fees
October 15		<b>2021-2022 Assessment Plans DUE:</b> After completing "Results" and "Use of Results with fall, spring, and summer data.		Draft Student Service Fee (SSF) projections to SFAC
October 15		<b>2023-2024 Assessment Plan DUE:</b> Revise plans for 2022-2023 based on results (outcomes, methods, criteria for success and connection to strategic plan).		
November 9 - 18			Budget Manager Trainings: Department leaders being planning FY24 initiatives	Draft Tuition and Fee projections
December 2	<b>DRAFT FY24 Initiatives due:</b> Departments due to Unit/College Heads			
December 16	<b>DRAFT FY24 Initiatives due:</b> Units/Colleges due to Division VP			
January 12			<b>Legislative Session begins.</b>	
January 20	<b>DRAFT FY24 Initiatives due:</b> Division VP reviews draft and provides to PBC and SPO for feedback		PBC Receives VP reviewed draft FY24 Initiatives for feedback	
February 1			<b>DRAFT FY24 Initiatives:</b> PBC provides feedback to Vice Presidents	
February 10	<b>FINAL FY24 Initiatives DUE from Departments to Unit/College Head</b> (connected to FY22 "use of results" and Tier II of Strategic Plan)			
February 20			<b>Final FY23 Reclassifications due to HR</b> for accurate reflection in FY2024 Budget	Proposed Tuition & Fees presented to PBC <i>(optional fees only)</i>
March 1	<b>FINAL FY24 Initiatives DUE from Unit/College Head to Vice Presidents</b> (connected to FY22 "use of results" and Tier II of Strategic Plan)			
March 1 - 15	Vice President's prioritize Initiative funding requests under their supervision.		FY23 budget loaded to budget system to begin FY24 preparation	
Week of March 20	Vice Presidents present initiatives to division's faculty and/or staff. <b>Faculty and staff are encouraged to provide feedback regarding inclusions, exclusions, and order of list.</b>		<b>FY24 Reclassifications due to HR</b> , effective 9/1/2023, in order to be reflected in the FY2024 Budget.	All Tuition and Fee Request forms due to PBO. <i>(Optional Fees only)</i>
March 20 - April 3	Vice Presidents combine initiatives lists.		Hyperion Training for budget development begins	



FY2024 PLANNING & BUDGET CALENDAR

Sept 1, 2022 through Aug 31, 2023

Dates	Strategic Planning & Initiatives	Planning & Assessment	Planning & Budget	Tuition and Fees
<b>Week of April 3</b>	Vice Presidents present list to entire UHCL community. <b>Comments are encouraged and can be heard during meeting or emailed to Component Heads. Comments will be taken into consideration before final list is sent to PBC.</b>		Final Hyperion Module and Reports Training	Univ Council reviews and recommends Optional Fee requests to President.
<b>April 5</b>	Final Combined and Prioritized FY24 Initiative Funding Requests to PBO and PBC		PBC Receives FY24 Initiative Requests and Scoring Matrix for final review before University Council	
<b>April 28</b>	PBC provides final scoring matrix and recommendations to PBO and University Council			
<b>May 1 - 31</b>			Business Administrators develop FY24 proposed budget in Hyperion	Tuition & Fees Presented to Board of Regents
<b>May 11</b>	University Council meets and provides FY24 Initiative Requests recommendations to President			
<b>May 31</b>			<b>Legislative Session ends</b>	
<b>June ??</b>	President presents FY2024 Annual Plan to UHS.			
<b>July 20</b>			Final Plan and Budget due to UHS	
<b>August 25</b>	<b>BOR approves FY2024 Annual Plan and Budget</b>			
<b>August 31</b>			Pending Board approval, supervisors can share new year salary with employees.	