Objective to today’s presentation

- Financial outlook for UHCL
- Basis of that outlook
- Prioritization as we move forward
Financial Outlook for UHCL

- Informed by the Financial Pro Forma
- Overall: Strong Foundation
  - Projecting continued enrollment growth
  - Financial stability
  - Strong reserves
  - Still requires focus and commitment
Basis for that positive outlook
Financial Outlook

• Operational Trends
  ▪ Enrollment History
  ▪ Improved Budgeting
  ▪ Forecasting forward

• Results:
  ▪ Strong Fund Balance
  ▪ Ability to Invest in our key assets
Financial Outlook

• Operational Trends
  - Enrollment History
  - Improved Budgeting
  - Forecasting forward

• Results:
  - Strong Fund Balance
  - Ability to Invest in our key assets
Enrollment History and Projection

SCH Enrollment by Student Population

- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26

Res UG  NR UG  Int UG  Res GR  NR GR  Int GR
Understanding the Growth

Total Semester Credit Hours Delivered

20.6% total growth over 8 years
UG: 45%
GD: 28%
Financial Outlook

- Operational Trends
  - Enrollment History
  - **Improved Budgeting**
  - Forecasting forward

- Results:
  - Strong Fund Balance
  - Ability to Invest in our key assets
If you don’t have the detail how can you understand it?

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Faculty</strong></td>
<td></td>
<td>Budget</td>
<td>Actual</td>
<td>Budget</td>
<td>Actual</td>
</tr>
<tr>
<td>Tenure Track Faculty</td>
<td>53,034</td>
<td>25,041,041</td>
<td>20,758,469</td>
<td>23,170,152</td>
<td>21,066,590</td>
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<td>2,686,265</td>
<td>2,677,770</td>
<td>2,744,199</td>
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<td>Summer Instr</td>
<td>1,707,883</td>
<td>3,206,739</td>
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<td>Adjunct Faculty</td>
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<td>1,120,308</td>
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<td>1,065,411</td>
<td>630,090</td>
<td>1,092,023</td>
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<td>Budget</td>
<td>Actual</td>
<td>Budget</td>
<td>Actual</td>
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<td>20,705,693</td>
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<td>21,597,957</td>
<td>20,961,664</td>
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<td>7,569,284</td>
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<td>57,748,671</td>
<td>56,209,361</td>
<td>56,224,368</td>
<td>30,621,852</td>
<td>28,347,986</td>
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<tr>
<td>Total Staff</td>
<td>60,132,172</td>
<td>58,642,901</td>
<td>57,748,671</td>
<td>56,224,368</td>
<td>31,496,302</td>
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<tr>
<td><strong>Student Employees</strong></td>
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<td>Budget</td>
<td>Actual</td>
<td>Budget</td>
<td>Actual</td>
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<tr>
<td>Benefits</td>
<td>17,859,194</td>
<td>18,011,644</td>
<td>17,021,852</td>
<td>15,899,806</td>
<td>18,156,522</td>
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<tr>
<td>Total Labor</td>
<td>77,991,366</td>
<td>76,654,545</td>
<td>74,770,523</td>
<td>72,237,461</td>
<td>79,139,052</td>
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<tr>
<td><strong>Without detailed budgeting and tracking</strong></td>
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UHCL
Financial Outlook

- Operational Trends
  - Enrollment History
  - Improved Budgeting
  - Forecasting forward

- Results:
  - Strong Fund Balance
  - Ability to Invest in our key assets
<table>
<thead>
<tr>
<th>Revenue</th>
<th>FY 2017-18</th>
<th>FY 2018-19</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
<th>Orig Forecast</th>
<th>Budget</th>
<th>Projection</th>
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<tr>
<td>Total Revenue</td>
<td>108,850,846</td>
<td>107,852,362</td>
<td>107,852,184</td>
<td>110,785,158</td>
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<td>Expenditures Labor</td>
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<tr>
<td>Faculty</td>
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<td></td>
<td></td>
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<tr>
<td>Tenure Track Faculty</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
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<tr>
<td>Non-Tenure Track</td>
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<tr>
<td>Summer Instructor</td>
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<td>-</td>
<td></td>
<td>-</td>
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<tr>
<td>Adjunct Faculty</td>
<td>1,120,586</td>
<td>1,210,295</td>
<td>1,216,389</td>
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<td>1,321,213</td>
<td>1,294,901</td>
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<td>Graduate Assistants</td>
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<td>1,065,411</td>
<td>1,008,000</td>
<td>1,103,023</td>
<td>645,942</td>
<td>946,474</td>
<td>1,160,505</td>
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<td>Total Faculty</td>
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<td></td>
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<td></td>
<td>112,501</td>
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<tr>
<td>Exempt Staff</td>
<td>12,000</td>
<td>20,705,593</td>
<td>19,606,620</td>
<td>21,597,587</td>
<td>21,505,503</td>
<td>21,587,658</td>
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<tr>
<td>Non-Exempt</td>
<td>2,107</td>
<td>8,961,913</td>
<td>7,588,677</td>
<td>9,446,694</td>
<td>9,273,117</td>
<td>9,180,805</td>
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<tr>
<td>Salary &amp; Wages</td>
<td>954,246</td>
<td>1,096,624</td>
<td>1,023,651</td>
<td>1,072,190</td>
<td>462,784</td>
<td>634,566</td>
<td>686,283</td>
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<tr>
<td>Total Staff</td>
<td>60,132,172</td>
<td>58,642,901</td>
<td>57,749,671</td>
<td>56,209,361</td>
<td>34,341,306</td>
<td>34,501,370</td>
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<tr>
<td>Student Employees</td>
<td>786</td>
<td>1,104,813</td>
<td>864,196</td>
<td>1,301,194</td>
<td>1,335,774</td>
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<tr>
<td>Benefits</td>
<td>17,859,194</td>
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<td>72,237,462</td>
<td>79,129,052</td>
<td>78,560,423</td>
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<td>MBO</td>
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<td>Net of Operations</td>
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<td>-14,006,858</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>(5,646,074)</td>
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</tbody>
</table>

**Financial Pro Forma**
Financial Outlook

• Operational Trends
  ▪ Enrollment History
  ▪ Improved Budgeting
  ▪ Forecasting forward
    ○ Assumptions of the Pro Forma

• Results:
  ▪ Strong Fund Balance
  ▪ Ability to Invest in our key assets
Assumptions of the Pro Forma

- Conservative Revenue
  - Enrollment driven
  - Too early to project growth in Fiscal Year 2023
  - But we do project to return to prior growth trends
Assumptions of the Pro Forma

• Expenditures
  ▪ Labor:
    o FY2023: 5% increase
    o FY2024 Forward: 3% increase
  ▪ Maintenance & Operations:
    o Varies by Type
    o Based on logical assumptions
    o Impacted by Pandemic and other Operational changes
Financial Outlook

- Operational Trends
  - Enrollment History
  - Improved Budgeting
  - Forecasting forward
    - Assumptions of the Pro Forma

- Results:
  - Strong Fund Balance
  - Ability to Invest in our key assets
Fund Balances – reasons why they are critical

• Four primary reasons:
  • Restricted – you cannot use outside of why you have the funds
  • Avoid interruptions when relative minor events occur
  • Give Institutions time to adapt when major changes occur
  • Capacity to invest when opportunities arise
Some Examples of UHCL Reserves

- Committed - Avoid interruptions when relative minor events occur
  - Equipment/Vehicle Replacement pools
  - Extreme weather operations contingency
  - Asbestos/Mold abatement
- Give Institutions time to adapt when major changes occur
  - 10% Operational Reserves
- Capacity to invest when opportunities arise
  - CCAP Institutional Support
  - Energy Savings Performance Initiative
  - TMC Relocation
Financial Outlook

- Operational Trends
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- Results:
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Investment in key assets:

• Investment in our Campus
  ▪ Commitment to our Shared Governance Processes
  ▪ Classroom Upgrade program
  ▪ Creating welcoming campus
  ▪ Preventative maintenance vs. reactionary maintenance
  ▪ Campus Construction Assistance Program - CCAP

• Investment in our Employees
  ▪ Transparent Hiring Processes
  ▪ Job Architecture and Improved CUPA data Initiatives
  ▪ Annual pay increases
  ▪ Market Based salary goals

• Driven by the Strategic Plan
Connection to the Strategic Plan

• Strategic Plan Drives Budget Initiatives
  - Tier I Objective Owners will review Division and College Budget Initiatives

• Consistent with Shared Governance
  - Objective Owners review will be provided to PBC
Additional Information Available on the Web

• Copy of today’s Presentation
  • www.uhcl.edu/administration-and-finance-division/reports

• FY2021 Annual Financial Report (AFR)
  • uh.edu/finance/StateReport/AFR/UHS_AFR_FY2021_Austin.pdf
  • Page 81

• FY2022 Approved UHCL Budget Documents

• Recast of UHCL Administrative Charge
  • www.uhcl.edu/administration-and-finance-division/reports

• Detail of UHCL Education and General Financial Pro Forma
  • www.uhcl.edu/administration-and-finance-division/reports
In Conclusion

• Strong Financial Position
• Positive forecast is not wishful thinking
• Despite forecast – we must maintain focus on the strategic plan and performance metrics
• Look for continued investment – with expected returns
Thank you for your participation!

Questions can be sent to: Denney@uhcl.edu
Subject: FY2022 Financial State of the University

A consolidated list of all submitted questions and the response will be distributed through Shared Governance and posted.
The University of Houston-Clear Lake places its highest priority on serving a diverse body of students in every aspect of their university experience. UHCL’s teacher scholars provide high quality, student-centered undergraduate and graduate programs that prepare students to thrive in a competitive workplace and to make meaningful contributions to their communities. UHCL fosters critical thinking and lifelong learning through a strong legacy of vibrant community partnerships complementing its historical focus on teaching, research, creative activity, and service.

**Mission**

The University of Houston-Clear Lake will lead as a learner-centered university dedicated to achieving national prominence in transformative education grounded in creative activities, innovative research, and community partnerships that serve regional, state, and global locations. UHCL launches your future!

**Vision**

**Core Values**
- Learner-focused
- Transformation
- Innovation
- Diversity and Inclusion
- Resilience
- Service
- Integrity
- Sustainability
The Three Tiers of UHCL Strategic Plan

University Alignment

Tier 1
University Alignment
2020

Tier 2
College/Division
2021

Tier 3
Individuals
2022
The strategic plan is a real-time roadmap impacting student success and elevating UHCL’s profile as a thought leader. We collaborate with community partners to provide innovative opportunities to create a more inclusive culture for life-long learners on campus and throughout the region.
Transform + Translate + Transcend
We **TRANSFORM** student lives through experiential learning and workforce readiness, using highly credentialed faculty with real-world experience, focusing upon diverse communities, first-generation students, and lifelong learners.
“I feel that my education at UHCL prepared me very well to be here. I had professors who cared and wanted to see me succeed. There are a lot of senior-level NASA engineers here, and I’m learning from them and I just want to keep developing.”

-Mitchell Jefferies
"The dual master’s program has been important to me throughout my career because it provided both the business and healthcare administration perspectives and exposed me to business and healthcare leaders across Houston and beyond. That was my primary reason to come to UH-Clear Lake."

- Cris Daskevich

Hospital CEO lauds networking opportunities in MHA program
We **TRANSLATE** knowledge to actionable solutions and interventions by generating and applying research and discovery learning through multidisciplinary approaches to solve crucial social and scientific problems.
Training caregivers is a big part of everything we do anyway, and this is a great opportunity to provide the help in the family’s more natural environment, through video conferencing.

- Dorothea Lerman
The work here at HHPI is so necessary for people with TBIs. Sean and I travel all over the state with our foundation, *WhenSeanSpeaks*. Pre-COVID, we put in 26,750 miles in one year speaking to schools, churches and safety groups about drunk driving, so I know from all our traveling, there is nothing like HHPI anywhere else.

- Jenny Carter
Transform + Translate + Transcend = UHCL Impact

We **TRANSCEEND** boundaries to collaborate across industry and community partnerships to develop our economy, our educational systems, our physical and social ecology, and our quality of life.
Local principals and human resources directors often specifically ask for our graduates. It’s because our students are so well-prepared, and through the New Teacher Mentoring Program, professors continue to guide them through their first few years in the classroom.

"Local principals and human resources directors often specifically ask for our graduates. It’s because our students are so well-prepared, and through the New Teacher Mentoring Program, professors continue to guide them through their first few years in the classroom."

- Kelly Moore
UHCL at Pearland
U.S. News and World Report Top 25 Regional Universities in the Western United States.

Our Goal
ENROLLMENT
FALL ENROLLMENT

Head Count

9,392

ENROLLED

+2.7%

From Fall 2020
FALL ENROLLMENT

Student Credit Hours

87,452

+0.7%

From Fall 2020
SPRING ENROLLMENT

Head Count
8,786
ENROLLED
+0.4%
From Spring 2021
APPLICATIONS

Spring 2022

4,458
Spring 2022 Applications

33%
Increase From Spring 2021
GRADUATION

Highlights

1,624 Bachelor’s Degrees Awarded
22.5% Increase Since 2016-2017
2,499 Total Degrees in 2020-2021
FINANCIAL AID

$64M
Disbursed To Students

includes scholarships, grants, waivers/exemptions, loans, and over $7M in federal stimulus funds
Dr. Beth Matusoff Merfish appointed as the inaugural chair of a newly created permanent City of Houston Women’s Commission
Launch of the Center for Workplace Consulting (CWC) at the Pearland location
University of Houston-Clear Lake’s computer engineering students and faculty won three prestigious awards from the Institute of Electrical and Electronics Engineering.
Dr. Christina Cedillo awarded the Leadership Award for People with Disabilities for 2021
FACULTY HIGHLIGHTS

Kathy Matthew and Sadegh Davari received a $4 million grant from the U.S. Department of Education
William Amonette was awarded $435K from KBRwyle
UHCL partnered with San Jacinto College District, Rice Space Institute, Texas A&M University, and Texas Southern University to form the Houston Spaceport Center for Research, Education and Workforce Development Consortium (HS-CREW)
UHCL will join the first-ever cohorts of the Aspen-AASCU Intensive: Transfer Student Success and Equity, comprised of 29 other two and four-year partnerships from across the country.
SOUTHERN ASSOCIATION OF COLLEGES AND SCHOOLS
COMMISSION ON COLLEGES (SACSCOC)