



University
of Houston
Clear Lake

Welcome to the 2022
**STATE OF THE UNIVERSITY &
FINANCIAL UPDATE**

February 15, 2022



FINANCIAL STATE OF THE UNIVERSITY

Mark Denney

VP Finance and Administration

UHCL

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

UHCL

Financial Outlook

- Operational Trends
 - Enrollment History
 - Improved Budgeting
 - Forecasting forward
- Results:
 - Strong Fund Balance
 - Ability to Invest in our key assets

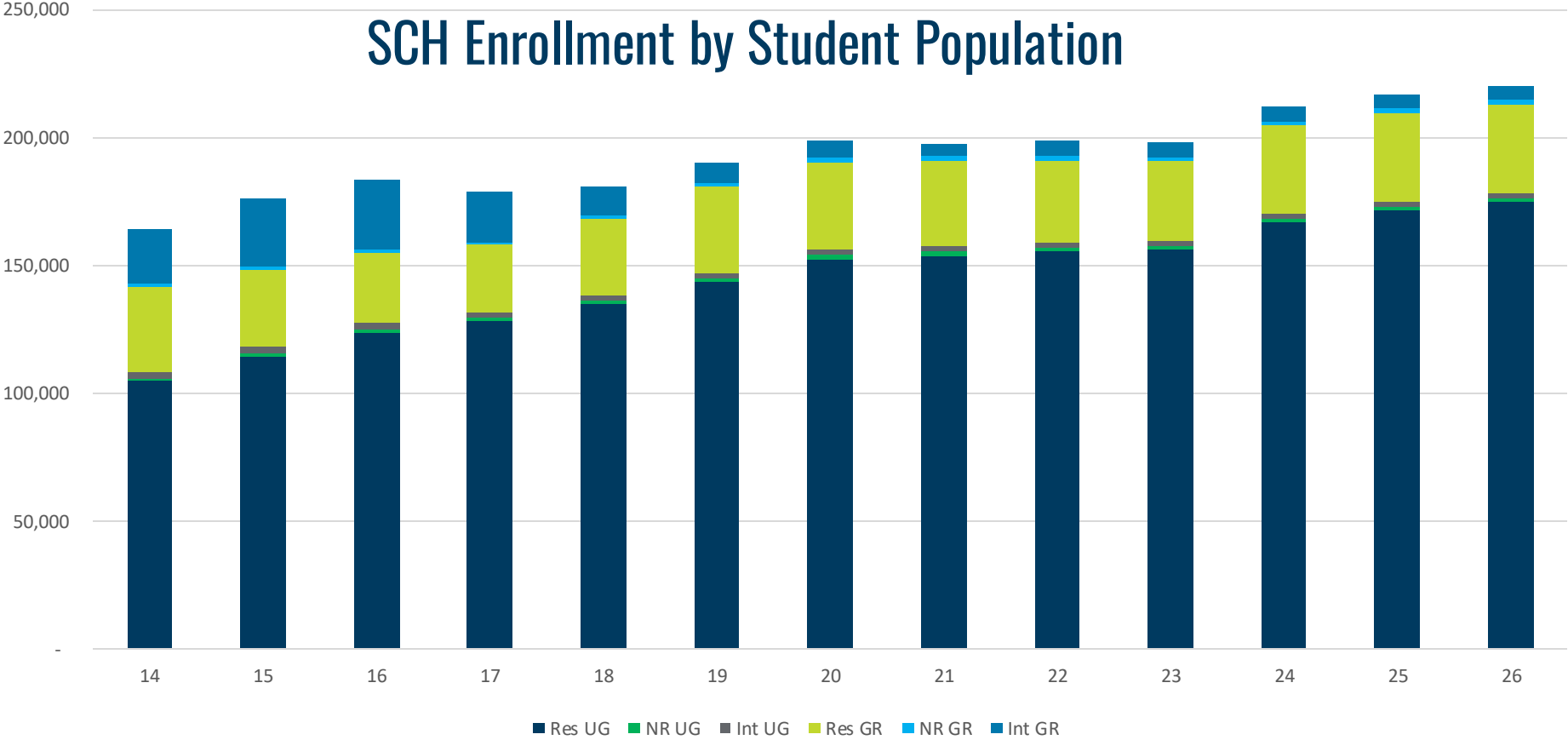


Financial Outlook

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Enrollment History and Projection



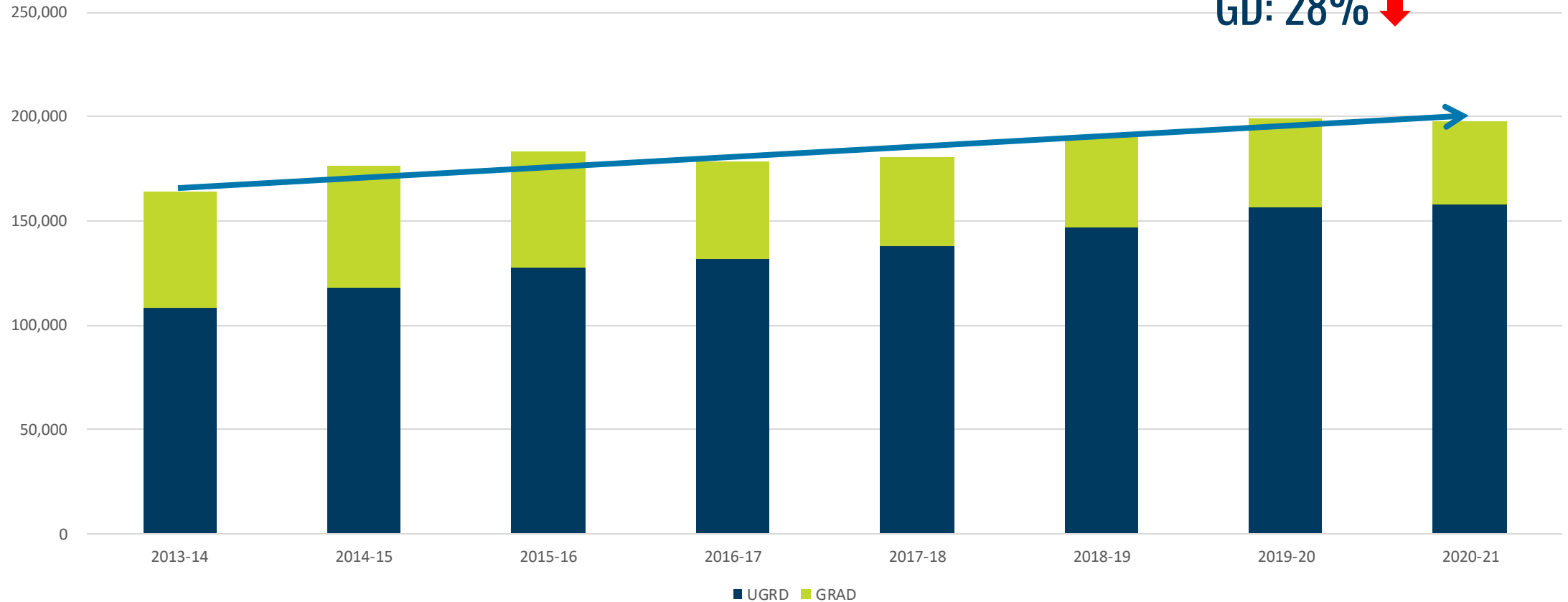
Understanding the Growth

Total Semester Credit Hours Delivered

20.6% total growth
over 8 years

UG: 45% ↑

GD: 28% ↓



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If you don't have the detail.....how can you understand it?

	FY 2017-18		FY 2018-19		FY 2019-20		FY 2020-21	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Expenditures Labor								
Faculty								
Tenure Track Faculty				53,034	23,041,041	20,758,469	23,170,152	21,066,590
Non-Tenure Track					2,686,265	2,677,770	2,691,543	2,744,199
Summer Instr				59,467	1,707,883	3,206,739	1,707,883	3,024,871
Adjunct Faculty					1,125,586	2,160,295	1,120,308	2,391,886
Graduate Assistants					695,090	1,065,411	630,090	1,092,023
Total Faculty	-	-	-	112,501	29,255,865	29,868,684	29,319,976	30,319,569
Staff								
Exempt Staff				12,900	20,705,693	19,662,690	21,597,957	20,961,664
Non-Exempt				2,107	8,961,913	7,588,672	9,446,694	7,569,284
Salary & Wages	60,132,172	58,642,901	57,748,671	56,209,361	954,246	1,096,624	451,651	1,029,180
Total Staff	60,132,172	58,642,901	57,748,671	56,224,368	30,621,852	28,347,986	31,496,302	29,560,128
Student Employees				786	1,104,813	864,196	1,303,194	946,362
Benefits	17,859,194	18,011,644	17,021,852	15,899,806	18,156,522	17,405,895	16,440,951	17,630,350
Total Labor	77,991,366	76,654,545	74,770,523	72,237,461	79,139,052	76,486,761	78,560,423	78,456,409

Without detailed
budgeting and tracking



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Financial Pro Forma

		FY 2017-18		FY 2018-19		FY 2019-20		FY 2020-21		FY 2021-22			FY 2022-23	FY 2023-24	FY 2024-25
		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Orig Forecast	Budget	Projection	Projection	Projection	Projection
Revenue	State Support														
	Total State	40,230,512	42,015,849	39,928,291	41,415,902	43,027,915	44,701,734	41,261,134	43,353,163	46,593,474	45,390,285	46,963,641	45,390,285	45,390,285	45,390,285
	Tuition														
	Total Tuition	56,811,414	51,796,176	55,807,605	55,091,808	56,983,467	59,236,014	59,129,009	58,224,665	60,106,874	61,035,932	60,425,573	64,649,531	69,741,610	71,999,360
	Fees														
	Fees	4,460,101	4,429,073	4,602,039	4,742,361	4,695,000	4,954,149	4,739,441	5,186,131		4,975,790	4,926,032	4,966,060	5,311,380	5,433,922
	Information Resource	4,100,350	4,286,941	4,276,858	4,512,591	4,453,822	4,696,624	4,453,822	5,057,684		5,238,542	5,186,157	5,228,299	5,591,853	5,720,866
	Total Fees	8,560,451	8,716,014	8,878,897	9,254,952	9,148,822	9,650,773	9,193,263	10,243,815	9,544,119	10,214,332	10,112,189	10,194,359	10,903,232	11,154,788
	Other Income														
	Total Other	3,248,469	3,174,287	3,280,935	5,000,520	4,310,751	5,437,132	4,841,620	4,782,169	3,087,027	3,421,850	3,524,627	3,064,829	3,064,829	3,064,829
Total Revenue		108,850,846	105,702,326	107,895,728	110,763,182	113,470,955	119,025,653	114,425,026	116,603,812	119,331,494	120,062,399	121,026,029	123,299,004	129,099,956	131,609,263
Expenditures	Labor														
	Faculty														
	Tenure Track Faculty				53,034	23,041,041	20,758,469	23,170,152	21,066,590	23,865,257	24,077,025	22,985,687	25,280,876	26,039,303	26,820,482
	Non-Tenure Track					2,686,265	2,677,770	2,691,543	2,744,199	2,772,289	3,254,682	3,318,355	3,417,416	3,519,939	3,625,537
	Summer Instr				59,467	1,707,883	3,206,739	1,707,883	3,024,871	1,759,119	1,707,883	3,024,871	1,793,277	1,847,075	1,902,488
	Adjunct Faculty					1,125,586	2,160,295	1,120,308	2,391,886	1,153,917	1,120,308	2,391,886	1,176,323	1,211,613	1,247,961
	Graduate Assistants					695,090	1,065,411	630,090	1,092,023	645,842	946,474	1,640,355	993,798	1,023,612	1,054,320
	Total Faculty	-	-	-	112,501	29,255,865	29,868,684	29,319,976	30,319,569	30,196,424	31,106,372	33,361,154	32,661,691	33,641,541	34,650,788
	Staff														
	Exempt Staff				12,900	20,705,693	19,662,690	21,597,957	20,961,664	22,305,303	23,670,199	22,972,856	24,853,709	25,599,320	26,367,300
	Non-Exempt				2,107	8,961,913	7,588,672	9,446,694	7,569,284	9,723,117	9,197,805	7,369,859	9,657,695	9,947,426	10,245,849
	Salary & Wages	60,132,172	58,642,901	57,748,671	56,209,361	954,246	1,096,624	451,651	1,029,180	462,784	634,566	1,445,990	666,294	686,283	706,872
	Total Staff	60,132,172	58,642,901	57,748,671	56,224,368	30,621,852	28,347,986	31,496,302	29,560,128	32,491,204	33,502,570	31,788,704	35,177,699	36,233,029	37,320,020
	Student Employees				786	1,104,813	864,196	1,303,194	946,362	1,335,774	1,823,317	1,324,068	1,914,483	1,971,917	2,031,075
	Benefits	17,859,194	18,011,644	17,021,852	15,899,806	18,156,522	17,405,895	16,440,951	17,630,350	17,854,171	16,411,419	16,421,712	17,231,990	17,748,950	18,281,418
	Total Labor	77,991,366	76,654,545	74,770,523	72,237,461	79,139,052	76,486,761	78,560,423	78,456,409	81,877,573	82,843,678	82,895,639	86,985,862	89,595,438	92,283,301
	M&O														
	Maint & Operations	23,398,950	21,143,115	24,822,983	22,485,302	26,325,771	21,882,191	26,424,383	29,186,112	31,833,861	29,066,839	32,104,743	33,709,980	34,721,279	35,762,918
	Travel and Business Exp			-	17,430	2,224,401	1,631,762	446,006	31,750	34,436	510,479	510,479	525,793	1,631,762	1,631,762
	Utilities	2,299,401	1,448,607	2,524,401	1,678,126	-	2,734	2,854,755	1,763,612	913,581	2,024,401	1,250,635	2,085,133	1,887,133	1,887,133
	Capital Outlay	3,199,303	2,781,636	3,079,759	2,466,603	3,102,499	2,488,531	2,837,912	2,674,991	3,067,769	2,942,889	2,773,941	3,031,176	3,031,176	3,031,176
	Debt Service	1,472,826	2,288,057	2,309,062	2,264,866	2,310,232	2,243,053	2,308,113	2,227,064		2,308,113	2,227,064	2,227,064	2,227,064	2,227,064
	Misc Other	489,000	199,599	389,000	307,890	369,000	283,763	369,000	207,647		369,000	207,647	380,070	380,070	380,070
	Total M&O	30,859,480	27,861,014	33,125,205	29,220,217	34,331,903	28,532,034	35,240,169	36,091,176	35,849,647	37,221,721	39,074,510	41,959,216	43,878,484	44,920,122
Total Expenditures		108,850,846	104,515,559	107,895,728	101,457,678	113,470,955	105,018,795	113,800,592	114,547,585	117,727,220	120,065,399	121,970,148	128,945,078	133,473,922	137,203,423
Net of Operations		-	1,186,767	-	9,305,504	-	14,006,858	624,434	2,056,227	1,604,274	(3,000)	(944,119)	(5,646,074)	(4,373,965)	(5,594,161)

Financial Outlook

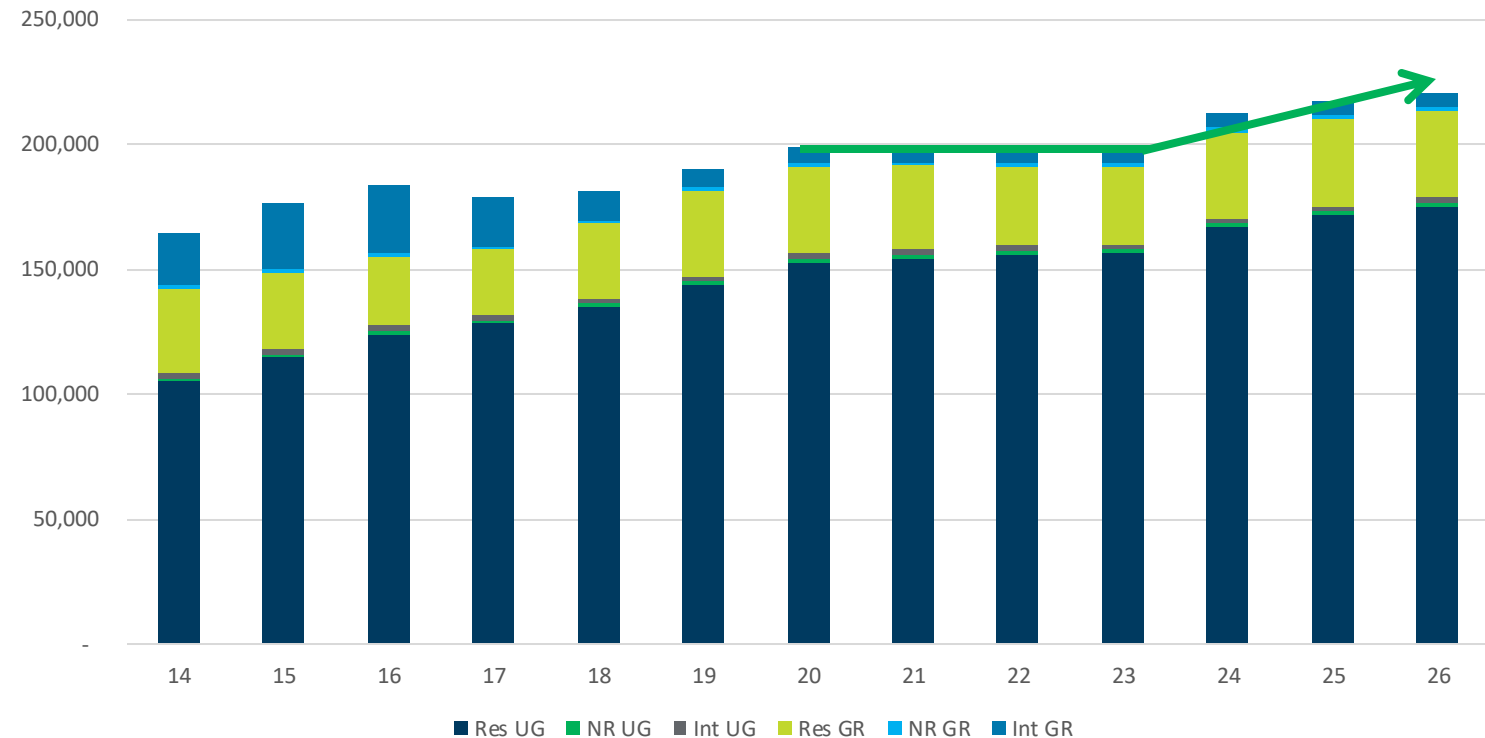
- Operational Trends
 - Enrollment History
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 - **Assumptions of the Pro Forma**
- Results:
 - Strong Fund Balance
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Assumptions of the Pro Forma

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

SCH Enrollment by Student Population



Assumptions of the Pro Forma

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



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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



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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
 - www.uhcl.edu/about/administrative-offices/budget/documents/fy22-annual-plan-and-budget-final.pdf
- 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.





STATE OF THE UNIVERSITY

Richard Walker, Ed.D.
Interim President

UHCL

Impact 2025 and Beyond

Mission

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.

Vision

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!

Core Values

- **Learner-focused**
- **Transformation**
- **Innovation**
- **Diversity and Inclusion**
- **Resilience**
- **Service**
- **Integrity**
- **Sustainability**



The Three Tiers of UHCL Strategic Plan

University Alignment



Impact 2025 and Beyond

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.

UHCL

UHCL Impact

Transform + Translate + Transcend


UHCL

Transform + Translate + Transcend = UHCL Impact

TRANSFORM

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.

UHCL



“ 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

UHCL alum says Spaceport internship began his engineering career

“ 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

Transform + Translate + Transcend = UHCL Impact

TRANSLATE

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.

UHCL



“ 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. ”

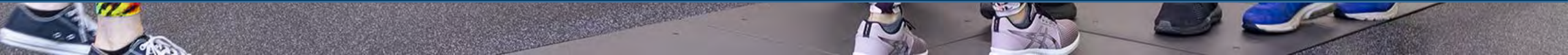
- Dorothea Lerman

“The work here at HHPI is so necessary for people with TBIs. Sean and I travel all over the state with our foundation, *When Sean Speaks*. 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



Institute offers help, hope to people with traumatic brain injury



Transform + Translate + Transcend = UHCL Impact

TRANSCEND

We **TRANSCEND** 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.

UHCL



“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

UHCL



ENROLLMENT

UHCL

FALL ENROLLMENT

Head Count

9,392

ENROLLED

+2.7%

From Fall 2020

UHCL

FALL ENROLLMENT

Student Credit Hours

87,452

+0.7%

From Fall 2020

UHCL

SPRING ENROLLMENT

Head Count

8,786

ENROLLED

+0.4%

From Spring 2021

UHCL

APPLICATIONS

Spring 2022

4,458

**Spring 2022
Applications**

33%

**Increase From
Spring 2021**

UHCL

GRADUATION

Highlights

1,624

**Bachelor's
Degrees Awarded**

22.5%

**Increase Since
2016-2017**

2,499

**Total Degrees in
2020-2021**

UHCL

FINANCIAL AID

\$64M

Disbursed To Students

includes scholarships, grants, waivers/exemptions, loans, and over
\$7M in federal stimulus funds

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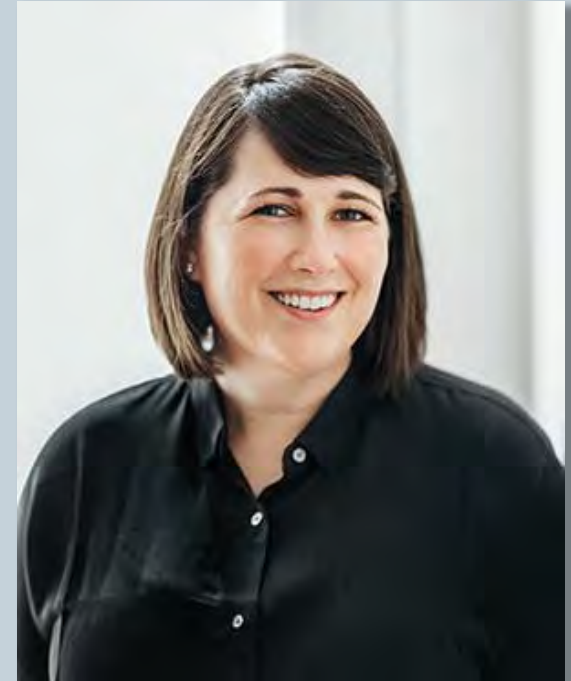


ACADEMIC AFFAIRS

UHCL

FACULTY HIGHLIGHTS

Dr. Beth Matusoff Merfish appointed as the inaugural chair of a newly created permanent City of Houston Women's Commission



FACULTY HIGHLIGHTS

**Launch of the Center for
Workplace Consulting (CWC) at
the Pearland location**



FACULTY HIGHLIGHTS

**University of Houston-Clear Lake's
computer engineering students and
faculty won three prestigious awards
from the Institute of Electrical and
Electronics Engineering**



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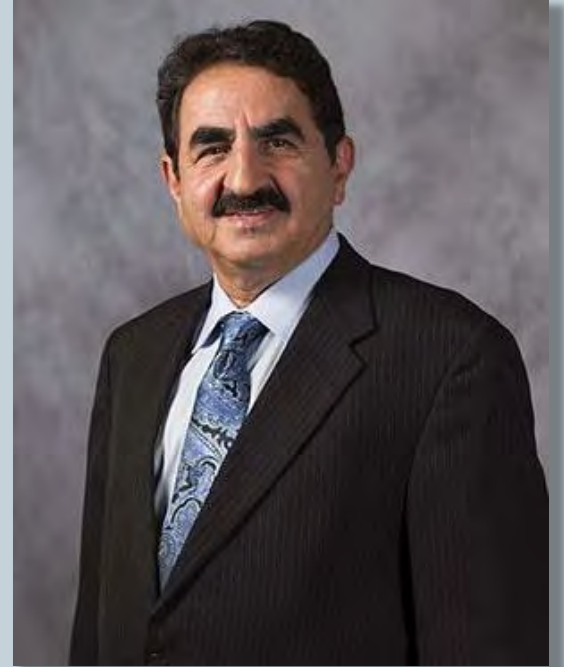
FACULTY HIGHLIGHTS

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



FACULTY HIGHLIGHTS

**William Amonette was awarded \$435K
from KBRwyle**



ACADEMIC HIGHLIGHTS

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)



ACADEMIC HIGHLIGHTS

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



UHCL



SOUTHERN ASSOCIATION OF COLLEGES AND SCHOOLS COMMISSION ON COLLEGES (SACSCOC)

UHCL



PRESIDENT AND PROVOST SEARCH UPDATES

UHCL



Office of the President



Richard Walker, Ed.D.
president@uhcl.edu

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