

ITEM REDUCTIONS BY METHOD OF FINANCING
 81st Regular Session, 2010-11 Item Reductions
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 2/16/2010
 Time: 4:44:13PM
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Agency code: 784

Agency name: University of Houston - Downtown

Item Priority and Name/ Method of Financing	2010	2011	Biennial Total	Target
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1 Reduce Community Development Special Item

Item Comment: The Community Development Grant special item is funded entirely with general revenue funds and will be subject to the 5 percent reduction. These funds support community-based initiatives. The impact will be fewer service learning opportunities for UHD students.

GENERAL REVENUE FUNDS

1 General Revenue Fund	\$0	\$19,125		
General Revenue Funds Total	\$0	\$19,125		
Item Total	\$0	\$19,125		

2 Suspension of planned faculty/staff pay raise

Item Comment: Suspend plans to implement in-year pay raise. During FY2010 budget development it was determined that UHD would provide a 2% mid-year pay raise, conditioned on (1) enrollment growth and (2) the Texas economy showing improvement. Enrollment growth targets were achieved, generating the base funds needed to support the raise, but the 5% reduction is a clear indicator that the second condition is not met. The impact will be increased difficulty in recruiting/retaining high-quality faculty and staff. Approximately \$800,000 of budgeted FY2010 expenditures that were to be covered with general revenue will be shifted to non-state funds. This will free up \$800,000 of general revenue that can go to meeting the 5% cut requirement. The reduction will be reflected in the Operations Support strategy.

GENERAL REVENUE FUNDS

1 General Revenue Fund	\$800,000	\$0		
General Revenue Funds Total	\$800,000	\$0		
Item Total	\$800,000	\$0		

3 Discontinue distance education operations at certain sites

Item Comment: Discontinue operations at remote sites (Cinco Ranch, The University Center at The Woodlands) that are not financially self-sustaining. Efforts will be made to minimize the impact on students, with the expectation being that the programs currently being offered by UHD at these locations will be picked up by other university partners. Various funding sources are impacted by this reduction. Expenses will be reallocated so that general revenue funds can be returned to the state. The reduction will be reflected in the Operations Support strategy.

GENERAL REVENUE FUNDS

1 General Revenue Fund	\$0	\$550,000		
General Revenue Funds Total	\$0	\$550,000		

* - Indicates amount does not meet target requirements.

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Item Total	\$0	\$550,000		

4 Lapse vacant salary dollars from GR-funded

Item Comment: In the course of normal operations the institution will capture some amount of lapsed salary funds from temporarily vacant positions. Through the first four months of FY2010, UHD captured \$104K from those positions funded from GR funds. The strategy that is impacted by this reduction is Operations Support.

GENERAL REVENUE FUNDS

1 General Revenue Fund	\$104,000	\$0
General Revenue Funds Total	\$104,000	\$0
Item Total	\$104,000	\$0

5 M&O Support - Reduce undistributed M&O funds

Item Comment: During FY2010 budget development, numerous requests for additional M&O support came forward from the various units. An M&O reserve totaling \$200,000 was established in the base budget for Academic Affairs, Admin & Finance, and Student Services, with the funds to be distributed later in the year, as needed. This reserve will be reduced by 50 percent for both FY2010 and FY2011. It is anticipated that reduced faculty/staff travel will result, reducing opportunities for faculty/staff development. Much of that travel is in-state. Various funding sources are impacted by this reduction. Expenses will be reallocated so that general revenue funds can be returned to the state. The reduction will be reflected in the Operations Support strategy.

GENERAL REVENUE FUNDS

1 General Revenue Fund	\$100,000	\$100,000
General Revenue Funds Total	\$100,000	\$100,000
Item Total	\$100,000	\$100,000

6 Implement Flexible Hiring Freeze(2/5/10-8/31/10)

Item Comment: A flexible hiring freeze was put into effect at UHD on February 5th, with no vacant positions to be filled until the president has reviewed and approved. A freeze in faculty and staff hiring will result in a decrease in service provided to the university community and students. It will also mean that faculty and staff workloads will increase without any added compensation. Various funding sources are impacted by this reduction. Expenses will be reallocated so that general revenue funds can be returned to the state. The reduction will be reflected in the Operations Support strategy.

GENERAL REVENUE FUNDS

1 General Revenue Fund	\$141,037	\$0
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General Revenue Funds Total	\$141,037	\$0		
Item Total	\$141,037	\$0		
 7 Continue Flexible Hiring Freeze				
Item Comment: Continue the flexible hiring freeze into and throughout FY2011. A freeze in faculty and staff hiring will result in a decrease in service provided to the university community and students. It will also mean that faculty and staff workloads will increase without any added compensation. Various funding sources are impacted by this reduction. Expenses will be reallocated so that general revenue funds can be returned to the state. The reduction will be reflected in the Operations Support strategy. This corresponds to a reduction of 9.34 FTE.				
GENERAL REVENUE FUNDS				
1 General Revenue Fund	\$0	\$535,967		
General Revenue Funds Total	\$0	\$535,967		
Item Total	\$0	\$535,967		
 Agency General Revenue Total	 \$1,145,037	 \$1,205,092		
Agency GR Dedicated Total				
 Agency Grand Total	 \$1,145,037	 \$1,205,092	 \$2,350,129	 \$2,350,129

* - Indicates amount does not meet target requirements.