Overview

As President Flores indicated in his memo, the FY2016 plan and budget will be grounded in the mission, vision, revised strategic plan, and progress card. In addition, the President has also directed that the Colleges use their newly drafted strategic plans in developing the FY2016 priorities.

In order to be realistic in our planning and budgeting efforts it is important to estimate the revenue that will be available to UHD. We do know the following:

- The Board of Regents has approved a 4.9% undergraduate tuition increase, which will yield approximately $3M of additional base funding.
- If we maintain our FY2015 enrollment increase we will have another $1.5M of new base funding.
- An additional $800K of tuition/fee revenue will be generated in FY2016 for each 1 percent of new enrollment growth.

Funding from the legislative session is at this point a matter of speculation. Although the state’s economy is strong, there will be many competing needs for new state dollars. For context, for the FY2014-15 biennium the state appropriated $3.6M in additional general revenue to UHD, which was actually a $1.8M increase for FY2014 that carried over to FY2015.

In terms of financial commitments that UHD has already made for FY2016, the following must be funded:

- $500K for Advising operations that have been supported for the last two years with gift/grant funds received from the Houston Endowment.
- $500K to base fund items that are temporarily being carried by one-time funds, including merit scholarships, maintenance and IT contracts, etc.
- Faculty and staff merit salary increases (For FY2015 UHD allocated a 3% pool that amounted to $1.5 M).

Considering fund availability and committed costs, colleges and business units in their plans must propose:

- Reallocation of existing funds;
- Operating efficiencies by improved scheduling, reducing expenses, and other means of cutting costs while maintaining effectiveness;
- Fund equity may be used for one-time items.
The documents central to the Planning and Budget Development process can be found at:  [http://www.uhd.edu/facultyandstaff/budget_and_procurement/BudgetDevelopment.html](http://www.uhd.edu/facultyandstaff/budget_and_procurement/BudgetDevelopment.html)

**Guidelines**

**Unit Plan Narrative:** At the College and business unit level, Deans and unit heads will need to provide a *Unit Plan Narrative*. This narrative should provide a high level summary of the initiative requests being submitted for FY2016, with a focus on how the proposed new initiatives support UHD’s *mission, vision, and goals* and how they will bring about improvement on key metrics reflected on the *UHD Progress Card*. A single *Unit Plan Summary* template for both Academic/Student Affairs and Administrative units is available on the website.

**Initiative Request Form(s):** Each specific request for funding to support a new initiative (or expand a current activity) must be submitted on an *Initiative Request Form*. There are two such forms, one for Academic/Student Affairs units and another for Administrative units. Both forms have multiple tabs.

- If a unit is planning to self-fund any one-time initiatives from their existing fund balances this should be noted on an *Initiative Request Form*.

**Plan/Budget Development Calendars:** Because there are varying organizational structures across the divisions of the university, there is a need to work from two calendars, one for Academic/Student Affairs and another for Administrative units. The calendars are synchronized at the beginning and end, but deviate in the middle. The respective calendars are posted on the website.

**Process**

- The VPs will kick off the Planning and Budget process with a Look-Back Exercise for funds allocated for the last completed fiscal year, FY2014.
- Proposed FY16 initiatives will be prioritized at every level.
- Deans and unit heads will propose realistic lists of priorities that reflect projected resources.
- Each VP will present their divisional plan to the Planning and Budget Development Committee for consideration.
- Based on the feedback, the VPs will combine all the items from the divisional plans into a single ranked list and put forth a recommendation to PBDC.
- Once finalized, PBDC will send the Plan and Budget to the President.