



TO: UHD Unit Leaders

FROM: Loren J. Blanchard, Ph.D., President

DATE: November 03, 2025

RE: Plan/Budget Development – FY2027

As we enter the budget planning cycle for Fiscal Year 2027, I am writing to share an overview of the budget development process and the principles that will guide our work.

The University's budget reflects more than a financial plan; the budget is also a statement of how we intend to advance our mission. To that end, we remain committed to aligning our resources with the priorities articulated in *A New Paradigm*, supporting academic excellence, enhancing the student experience, and ensuring long-term financial sustainability.

As we navigate an everchanging higher education landscape, thoughtful planning and collaboration are essential. I have charged the University Budget Advisory Committee (UBAC), formerly the Planning & Budget Development Committee (PBDC), with continuing its important work of eliminating our structural deficit while also balancing the need for a salary merit program to award and recognize our talented faculty and staff.

In the coming weeks, the guidelines for the FY2027 planning and budget development will be distributed to all units. When developing budgets for FY2027, units are required to align all initiatives with UHD's [Strategic Goals](#). To ensure efficient and effective use of the University's resources, units are encouraged to review existing base budgets and reallocate funds as needed to address the greatest priorities. Also, each unit should consider whether existing fund balances can be used to fund new initiatives.

Should you have any questions after receiving and viewing the budget planning guidelines, please feel free to contact Preston Heng, Director of Budget, at hengp@uhd.edu.

As we carry out the budget process, we will continue to emphasize fiscal responsibility, transparency, and strategic investment. Thank you for your dedication as we work together to build a strong and sustainable future for the University of Houston-Downtown.