



TO: UHD Unit Managers
FROM: Loren J. Blanchard, Ph.D., President
DATE: November 11, 2024

RE: Plan/Budget Development – FY2026

As we enter the budget planning cycle for FY2026, I am writing to share our key priorities and expectations. Since this year marks the start of the state's 2026-27 biennium budget cycle, our FY2026 budget will be developed with uncertainties regarding the level of our state formula funding and the approval of our exceptional items request. With that in mind, detailed guidelines for the FY2026 plan and budget development process will soon be distributed to all unit managers.

Our enrollment and student success efforts remain vital to our campus' sustainability and growth. I am pleased to report that we are making progress toward improving enrollment with the implementation of enhanced recruitment, retention, and completion strategies. UHD's student credit hours for FY2024 increased by 4.5% when compared to FY2023. However, we have not yet returned to our pre-pandemic enrollment level, resulting in significant budgetary challenges that require additional adjustments to preserve the university's financial health.

To ensure efficient and effective use of resources, all unit managers are responsible for aligning budgeted initiatives with the university's strategic goals as outlined in ***A New Paradigm***:

- Enhance Student Success
- Cultivate Strategic Partnerships
- Create a Dynamic Academic Environment
- Engage Faculty and Staff
- Build Sustainable Operations
- Elevate Visibility and Recognition
- Promote Impactful Knowledge Creation

Units are further encouraged to review existing base budgets and identify items that can be reallocated to areas of greater need. Also, each manager should consider using existing fund balances to offset the cost of one-time initiatives.

Should you have any questions after receiving and reviewing the detailed budget planning guidelines, please contact Preston Heng, Director of Budget, at hengp@uhd.edu, for assistance.

Thank you for your service and commitment to the students and the mission of the University of Houston-Downtown. Our collective efforts will ensure that our resources are deployed effectively to advance the mission and strategic goals of our university.