College for all Texans

Texas Higher Education Coordinating Board

Texas Public University Cost Study

FY 2006 - FY 2008

March 2009

Texas Higher Education Coordinating Board

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Mission of the Coordinating Board

The Texas Higher Education Coordinating Board’s mission is to work with the Legislature, Governor, governing boards, higher education institutions, and other entities to help Texas meet the goals of the state’s higher education plan, *Closing the Gaps by 2015*, and thereby provide the people of Texas the widest access to higher education of the highest quality in the most efficient manner.

Philosophy of the Coordinating Board

The Texas Higher Education Coordinating Board will promote access to quality higher education across the state with the conviction that access without quality is mediocrity and that quality without access is unacceptable. The Board will be open, ethical, responsive, and committed to public service. The Board will approach its work with a sense of purpose and responsibility to the people of Texas and is committed to the best use of public monies. The Coordinating Board will engage in actions that add value to Texas and to higher education. The agency will avoid efforts that do not add value or that are duplicated by other entities.

The Texas Higher Education Coordinating Board does not discriminate on the basis of race, color, national origin, gender, religion, age, or disability in employment or the provision of services.

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Texas Public Universities

Formula Funding Cost Study FY 2006 through FY 2008

Executive Summary

This "all funds" Cost Study of Texas public universities was produced under the recommendations provided by the 2002 THECB University Formula Advisory Committee and adopted by the Coordinating Board in April 2004. The relative weights derived in this analysis are based on data in institutions' Annual Financial Report and are to be used to allocate the institutions' Instruction and Operations formula funding.

This report is based on data from Fiscal Years 2006, 2007, and 2008, the most recent available data for use in calculating the three-year average used to produce the final matrix relative weights. These weights show a continued compression in the matrix. The weights for individual disciplines and levels continue to decrease year over year causing funding rates to increase for a given level of funding. The rates in this report will be used for the Board's final I&O Formula Funding Recommendation to the Legislative Budget Board in the 81st session.

Notable changes between the matrix used to fund the FY 2008 – FY 2009 biennium and the matrix generated using FY 2006 – FY 2008 costs for use in funding the FY 2010 – FY 2011 biennium include:

- The Pharmacy Undergraduate Lower-Level relative weight decreased the most at 60 percent. The relative weight dropped from 1.76 to 0.71, primarily driven by a reduction in costs.
- The Pharmacy Masters relative weight increased the most at 33 percent. The relative weight increased from 14.90 to 19.87, primarily driven by an increase in costs.
- The Veterinary Medicine relative weight declined 16 percent at the Special Professional level.
- The Fine Arts Doctoral relative weight decreased 26 percent while the Business Administration Doctoral relative weight increased 24 percent.
- The Nursing Undergraduate Lower-Level and Upper-Lever relative weights decreased 29 and 25 percent respectively. The majority of this change is from the movement to 100 percent cost-based.
- The Health Services relative weights decreased at all levels from 14 to 27 percent with the majority of the cost reductions in the undergraduate levels.

Background

In 2002, the University Formula Advisory Committee (UFAC) developed a methodology to create cost-based relative weights for use in the university Instruction and Operations (I&O) matrix. This was in response to requests from the Coordinating Board and the Legislature to develop a cost-based methodology for determining the relative weights. The cost-based methodology serves as an objective starting point for distributing I&O formula funds and a mechanism to inform the Legislature about how the universities spend their funding. This study excludes Auxiliary Funds, which activities that cannot be legally supported with state funds.

Instruction and Operations Formula Funding

Total state funding represented 35 percent of total universities' revenues in FY 2008. The relative weights established in the university cost study are a key driver to the I&O formula, which accounts for 49 percent of total state funding distributed to the universities and 17 percent of the total universities' revenues in FY 2008. The use of these relative weights equally funds all institutions at the same amount of per semester credit hour (SCH) for any given level and discipline.

The weights in the matrix represent the ratio of educational costs to SCHs, by level and discipline. The matrix defines ratios for the five levels and 20 disciplines used in the I&O formula, which distributes funding by multiplying a rate ($59.02 for the 2008-2009 biennium) by the number of SCHs for a given level and discipline and matrix relative weight.

The weights calculation includes all unrestricted funds. The costs (all unrestricted funds) used to calculate the weights reconcile to each institution's Annual Financial Report (AFR). The study includes the operating cost elements (Instruction, Research, Academic Support, Student Services, and Institutional Support) funded by the I&O formula funds.

Academic Support, Institutional Support, and Student Services are taken directly from the institution's AFR. Instruction and Research elements are divided between faculty and teaching assistant salaries and departmental operating costs. These five cost elements, plus associated capital outlay from current funds, comprise all of the funding sources dedicated to higher education for I&O, as it is defined in the General Appropriations Act.

The study assigns these cost elements on the following allocation methodologies:

- Teaching Salaries in the study include the portion of the faculty salaries related to teaching and teaching assistant salaries. The methodology identifies faculty-teaching salaries using teaching load credits (TLC) reported on the University Class. The TLCs represent the portion of a faculty's time spent teaching. The remainder of the salaries is passed to Departmental Operating Expense. Institutions are surveyed for teaching assistant salaries.

- Academic Support costs are closely aligned with faculty salary expenses, so the Academic Support element is allocated by level and discipline according to the faculty salary expense distribution.

- Institutional Support and Student Services are allocated to one of the five levels using the institution-specific student headcounts distributions and to the 20 disciplines by the institution-specific SCHs distributions.

- Department Operating Expense (DOE) is charged to the appropriate academic discipline based on the institutions' internal budget designations by level and discipline.

Results of the Cost-Based Methodology

The relative weight matrix generated by the FY 2006 – FY 2008 University Cost Study (Table 1) discontinued the trend of compressing relative weights when compared to the relative weights used for the FY 2008 – FY 2009 biennium (Table 2). Yet, adjustments were made to every weight in the matrix. Total costs and total SCHs for the cost-based matrix are provided in Appendix A. The matrix developed for the FY 2008 – FY 2009 biennium used a phase-in to

transition the use of non-cost-based weights (25 percent) and cost-based weights (75 percent). The cost-based weights using FY 2006 – FY 2008 data to be used in funding the FY 2010 – FY 2011 do not include a phase-in and are 100 percent cost-based.

Notable changes between the matrix used to fund the FY 2008 – FY 2009 biennium and the matrix generated using FY 2006 – FY 2008 costs for use in funding the FY 2010 – FY 2011 biennium include:

- The Pharmacy Undergraduate Lower-Level relative weight decreased the most at 60 percent. The relative weight dropped from 1.76 to 0.71, primarily driven by a reduction in costs.
- The Pharmacy Masters relative weight increased the most at 33 percent. The relative weight increased from 14.90 to 19.87, primarily driven by an increase in costs.
- The Veterinary Medicine relative weight declined 16 percent at the Special Professional level.
- The Fine Arts Doctoral relative weight decreased 26 percent while the Business Administration Doctoral relative weight increased 24 percent.
- The Nursing Undergraduate Lower-Level and Upper-Lever relative weights decreased 29 and 25 percent respectively. The majority of this change is from the movement to 100 percent cost-based.
- The Health Services relative weights decreased at all levels from 14 to 27 percent with the majority of the cost reductions in the undergraduate levels.

The budget-neutral analysis adjusts the funding rate to compensate for changes in the relative weights (Appendix C). Using FY 2006 through FY 2008 data to calculate the relative weights, the rate increased from $59.02 to $60.11, a two percent increase. Therefore, any reduction in a relative weight of two percent or less will be largely offset by the increase in the rate, so that formula funding for that particular level and discipline will remain about the same. The percentage changes are shown in Table 3 and the weights are provided in Appendix B.

Table 1: Cost-Based Instruction and Operations Matrix, FY 2006 – FY 2008 Data

	Lower - Division	Upper - Division	Master's	Doctoral	Special Professional
Liberal Arts	1.00	1.72	4.18	9.29	0.00
Science	1.71	2.97	8.09	20.52	0.00
Fine Arts	1.39	2.32	5.43	7.19	0.00
Teacher Education	1.42	1.74	2.48	7.64	0.00
Agriculture	1.87	2.52	7.07	9.91	0.00
Engineering	2.41	3.87	7.63	15.96	0.00
Home Economics	1.06	1.70	2.86	6.62	0.00
Law	0.00	0.00	0.00	0.00	3.86
Social Service	1.94	2.05	2.97	13.84	0.00
Library Science	1.14	1.09	2.63	6.65	0.00
Veterinary Medicine	0.00	0.00	0.00	0.00	16.53
Vocational Training	1.66	1.97	0.00	0.00	0.00
Physical Training	1.29	1.28	0.00	0.00	0.00
Health Services	1.24	1.98	3.21	8.49	0.00
Pharmacy	0.71	4.24	19.87	29.55	3.79
Business Administration	1.11	1.73	3.42	24.27	0.00
Optometry	0.00	0.00	5.46	19.12	7.00
Teacher Education - Practice	1.30	1.78	0.00	0.00	0.00
Technology	1.90	2.38	4.41	3.37	0.00
Nursing	1.94	2.45	4.73	10.64	0.00

*The lower-division undergraduate Liberal Arts rate is applied to Developmental Education SCH.

Table 2: Current Instruction and Operations Matrix (FY 2008 – FY 2009 Biennium)

	Lower - Division	Upper - Division	Master's	Doctoral	Special Professional
Liberal Arts	1.00	1.77	4.01	9.94	0.00
Science	1.67	2.93	7.29	20.05	0.00
Fine Arts	1.50	2.51	5.65	9.78	0.00
Teacher Education	1.33	1.79	2.68	7.70	0.00
Agriculture	2.02	2.66	7.13	11.97	0.00
Engineering	2.46	3.51	7.39	17.05	0.00
Home Economics	1.17	1.83	3.21	7.10	0.00
Law	0.00	0.00	0.00	0.00	3.55
Social Service	1.89	2.09	3.76	12.21	0.00
Library Science	1.14	1.21	3.03	7.68	0.00
Veterinary Medicine	0.00	0.00	0.00	0.00	14.24
Vocational Training	1.90	2.37	0.00	0.00	0.00
Physical Training	1.29	1.49	0.00	0.00	0.00
Health Services	1.70	2.44	4.15	9.92	0.00
Pharmacy	1.76	3.85	14.90	25.27	5.13
Business Administration	1.18	1.68	3.70	19.08	0.00
Optometry	0.00	0.00	5.46	19.12	7.00
Teacher Education - Practice	1.31	1.99	0.00	0.00	0.00
Technology	1.85	2.42	5.08	0.00	0.00
Nursing	2.73	3.24	5.36	11.79	0.00

*The lower-division undergraduate Liberal Arts rate is applied to Developmental Education SCH.

Table 3: Variance, FY 2006 – FY 2008 Cost-Based to Current

	Lower - Division	Upper - Division	Master's	Doctoral	Special Professional
Liberal Arts	0%	-3%	4%	-7%	
Science	3%	1%	11%	2%	
Fine Arts	-7%	-8%	-4%	-26%	
Teacher Education	7%	-3%	-7%	-1%	
Agriculture	-7%	-5%	-1%	-17%	
Engineering	-2%	10%	3%	-6%	
Home Economics	-10%	-7%	-11%	-7%	
Law					9%
Social Service	3%	-2%	-21%	13%	
Library Science	0%	-10%	-13%	-13%	
Veterinary Medicine					16%
Vocational Training	-12%	-17%			
Physical Training	0%	-14%			
Health Services	-27%	-19%	-23%	-14%	
Pharmacy	-60%	10%	33%	17%	-26%
Business Administration	-6%	3%	-7%	27%	
Optometry			0%	0%	0%
Teacher Education - Practice	-1%	-11%			
Technology	3%	-2%	-13%		
Nursing	-29%	-25%	-12%	-10%	

Discipline Analysis, Average Cost per Semester Credit Hour Basis, by Institution

A discipline analysis is provided by reordering the cost study data by discipline, institution, and level to create Table 4, a comparison of average cost per SCH. This view compares institutions by discipline and indicates the institutions with the most efficient programs.

Table 4: FY 2008 Average Total Cost per Semester Credit Hour per Discipline

Institution	Liberal Arts	Science	Fine Arts	Teacher Education	Agriculture	Engineering	Home Economics	Law	Social Services	Library Science
The University of Texas at Arlington	290	455	313	400	663	1104	199		419	
The University of Texas at Austin	492	1659	672	1407		2000	422	1232	1200	661
The University of Texas at Dallas	452	578	305	236		994				
The University of Texas at El Paso	263	573	322	301		1057			496	
The University of Texas at Pan American	240	288	284	420		525	318		475	236
The University of Texas at Brownsville	429	603	655	480		1066	845		1451	
The University of Texas of the Permian Basin	279	372	419	446		1071	288		539	642
The University of Texas at San Antonio	192	490	395	783	826	732	662		1058	928
The University of Texas at Tyler	237	478	351	400		1075	237		176	
Texas A&M University	406	794	225	806	489	996	264			
Texas A&M University at Galveston	302	746			2041	897				498
Prairie View A&M University	284	346	282	423	2627	785	299		588	
Tarleton State University	211	317	303	355	622	392	207		284	
Texas A&M University - Commerce	267	291	439	326	313	377	208		366	210
Texas A&M University - Corpus Christi	253	499	423	515	1805	837	180		344	
Texas A&M University - Kingsville	327	404	528	501	499	615	454		648	
Texas A&M International University	321	353	436	399		549	254		553	
Texas A&M University - Texarkana	452	751	373	450		1045	508			
West Texas A&M University	216	270	571	312	493	527	338		220	
University of Houston	378	633	512	547		1276	311	554	576	
University of Houston - Clear Lake	373	461	390	365	1368	722	390		373	353
University of Houston - Downtown	225	421	220	309		360	249		306	
University of Houston - Victoria	433	468	930	473		591	353			
Midwestern State University	234	273	438	428		555	180		281	
University of North Texas	271	366	477	359		612	196		186	416
Stephen F. Austin State University	216	323	366	418	926	699	210		444	
Texas Southern University	358	460	403	866		882	395	647	497	
Texas Tech University	336	511	442	522	966	760	434	590	529	1604
Texas Woman's University	247	308	425	412	293	387	366		411	422
Angelo State University	333	341	397	300	290	507	311		354	
Lamar University	253	337	351	252		649	334		397	802
Sam Houston State University	289	275	396	374	311	638	272			472
Texas State University - San Marcos	240	292	344	321	408	403	292		475	
Sul Ross State University	426	855	515	550	715	467			5594	
Averages	310	488	421	468	870	769	332	756	687	604
High	492	1659	930	1407	2627	2000	845	1232	5594	1604
Low	192	270	220	236	290	360	180	554	176	210
Median	286	438	397	418	642	711	305	618	459	485

Table 4: FY 2008 Average Total Cost per Semester Credit Hour per Discipline (continued)

Institution	Vocational Training	Physical Training	Health Services	Pharmacy	Business Administration	Optometry	Teacher Education Practice	Technical	Nursing
The University of Texas at Arlington	253	796	244		302		196	761	554
The University of Texas at Austin			1140	1358	811		1007	370	1098
The University of Texas at Dallas		136	1209		731		358		
The University of Texas at El Paso		180	905		338		113	228	409
The University of Texas at Pan American		225	344		356		315	452	557
The University of Texas at Brownsville		898	564		437		425	966	812
The University of Texas of the Permian Basin		466	337		376		1023	458	
The University of Texas at San Antonio		161	319		357		284	871	
The University of Texas at Tyler			496		262		339	550	476
Texas A&M University		281	328		519		231	437	
Texas A&M University at Galveston	457	453	269		313			708	
Prairie View A&M University		276	381		498		726	628	592
Tarleton State University	290	199	440		239		321	348	481
Texas A&M University - Commerce	399	361	208		315		286	419	
Texas A&M University - Corpus Christi	645	319	593		410		362	766	646
Texas A&M University - Kingsville	397	393	413		513		504	429	
Texas A&M International University		283	385		378		312	798	536
Texas A&M University - Texarkana			899		410		500		778
West Texas A&M University		407	474		318		261	437	630
University of Houston	365	379	373	1239	379	1424	536	499	
University of Houston - Clear Lake			399	1019	484		193	659	
University of Houston - Downtown					262		369	478	
University of Houston - Victoria					562		486	601	641
Midwestern State University	286	297	392		307		573	1183	388
University of North Texas	221	423	319		356		456	726	
Stephen F. Austin State University	207	210	306		318		486	673	609
Texas Southern University	706	385	511	654	609		985	910	
Texas Tech University		224	430		533		450	496	
Texas Woman's University		413	485		255		367	369	554
Angelo State University		388	349		322		315	328	531
Lamar University	466	219	347		400		302	570	594
Sam Houston State University	136	176	291		334		298	283	
Texas State University - San Marcos		285	448		289		425	337	
Sul Ross State University	755	556	392		552		552	633	1697
Averages	399	350	469	1068	407	1424	435	574	662
High	755	898	1209	1358	811	1424	1023	1183	1697
Low	136	136	208	654	239	1424	113	228	388
Median	381	308	392	1129	366	1424	367	525	592

Total Full-Time Student Equivalent Comparison

Research-oriented institutions tend to be relatively costly institutions on a total full-time student equivalent (FTSE) basis primarily because of the amount spent on research. In addition, institutions with small student populations tend to be relatively costly on a total FTSE basis because of the minimum requirements needed to provide higher education services. A substantial investment must be made prior to serving a single student, and the cost per FTSE declines as the student body population increases. Table 5 provides a comparison of Total FTSEs, Total Costs, and the Average Cost per FTSE, as summarized below.

Table 5: FY 2008 Average Total Cost Per Full-Time Student Equivalent

Institution	Total FTSE	Total Expense	Expense per FTSE
The University of Texas at Arlington	19,843	$ 246,938,787	$ 12,445
The University of Texas at Austin	46,201	$ 1,272,730,190	$ 27,548
The University of Texas at Dallas	12,088	$ 209,126,882	$ 17,300
The University of Texas at El Paso	15,711	$ 179,298,500	$ 11,412
The University of Texas at Pan American	15,156	$ 132,008,307	$ 8,710
The University of Texas at Brownsville	3,136	$ 44,749,521	$ 14,270
The University of Texas of the Permian Basin	2,737	$ 27,801,725	$ 10,157
The University of Texas at San Antonio	22,432	$ 229,647,414	$ 10,238
The University of Texas at Tyler	4,876	$ 52,263,292	$ 10,719
Texas A&M University*	42,582	$ 723,144,809	$ 16,982
Texas A&M University at Galveston	1,530	$ 23,169,409	$ 15,140
Prairie View A&M University	7,367	$ 88,604,944	$ 12,027
Tarleton State University	7,987	$ 68,721,731	$ 8,604
Texas A&M University - Commerce	7,016	$ 60,148,475	$ 8,574
Texas A&M University - Corpus Christi	7,145	$ 82,233,904	$ 11,509
Texas A&M University - Kingsville	5,536	$ 69,182,372	$ 12,497
Texas A&M International University	4,120	$ 42,793,843	$ 10,388
Texas A&M University - Texarkana	1,157	$ 15,324,586	$ 13,250
West Texas A&M University	6,042	$ 56,483,007	$ 9,349
University of Houston	29,401	$ 445,669,715	$ 15,158
University of Houston - Clear Lake	5,314	$ 62,261,536	$ 11,717
University of Houston - Downtown	8,540	$ 67,871,085	$ 7,948
University of Houston - Victoria	1,982	$ 26,928,033	$ 13,587
Midwestern State University	4,877	$ 44,317,055	$ 9,087
University of North Texas	29,051	$ 281,085,007	$ 9,676
Stephen F. Austin State University	10,489	$ 96,794,294	$ 9,228
Texas Southern University	8,054	$ 112,627,849	$ 13,984
Texas Tech University	26,400	$ 359,750,601	$ 13,627
Texas Woman's University	10,005	$ 100,022,707	$ 9,998
Angelo State University	5,337	$ 54,150,945	$ 10,145
Lamar University	9,784	$ 90,604,691	$ 9,260
Sam Houston State University	14,828	$ 135,161,533	$ 9,115
Texas State University - San Marcos	24,523	$ 205,705,558	$ 8,388
Sul Ross State University	2,097	$ 32,616,947	$ 15,553
Totals	423,342	$ 5,739,939,251	
Average Statewide Cost			$ 13,559

*Excludes Research Foundation or Service Agencies.

Conclusion

The past three cost studies have indicated a compression of the weights. However, the weights generated using data from FY 2006 – FY 2008 show a slight decompression in the matrix. While the average weight decreased five percent, a third of the disciplines showed a relative increase. The rates in this report will be used for the Board's final I&O Formula Funding Recommendation to the Legislative Budget Board in the 81st session.

Appendix A

FY 2006 – FY 2008 Sum of All Costs at Public Universities

	Lower - Division	Upper -Division	Master's	Doctoral	Special Professional	Totals
Liberal Arts	1,968,112,692	1,302,387,461	600,914,740	432,407,370	262,072	$4,304,084,335
Science	1,167,967,529	933,452,120	427,922,925	652,840,522	456,024	$3,182,639,120
Fine Arts	378,634,799	297,172,635	110,159,459	51,990,067	0	$837,956,960
Teacher Education	68,935,797	355,569,046	451,415,442	227,513,043	1,853	$1,103,435,182
Agriculture	66,038,244	111,316,219	64,736,844	36,016,218	0	$278,107,525
Engineering	368,722,663	732,895,256	745,873,440	612,666,706	0	$2,460,158,065
Home Economics	65,895,719	88,093,756	25,531,374	17,007,878	0	$196,528,728
Law	0	0	545	0	248,107,451	$248,107,997
Social Service	14,005,947	43,339,371	67,683,472	17,161,342	0	$142,190,133
Library Science	2,009,331	3,305,249	40,266,923	4,893,844	0	$50,475,347
Veterinary Medicine	0	0	0	0	121,044,497	$121,044,497
Vocational Training	5,342,745	3,143,579	9,733	0	0	$8,496,057
Physical Training	64,201,411	2,820,400	25,150	0	0	$67,046,961
Health Services	69,134,059	142,242,363	145,199,354	28,627,091	0	$385,202,867
Pharmacy	329,602	5,302,581	23,416,279	26,666,328	107,042,204	$162,756,994
Business Administration	229,865,665	995,893,548	527,649,119	173,508,610	0	$1,926,916,942
Optometry	0	237,540	9,351,953	16,003,577	42,439,666	$68,032,737
Teacher Education - Practice	2,625,377	121,151,993	206,819	27	0	$123,984,216
Technology	52,408,847	97,325,655	20,250,015	32,345	0	$170,016,861
Nursing	26,103,715	186,342,607	73,599,107	16,292,611	0	$302,338,039
Totals	$4,550,334,142	$5,421,991,379	$3,334,212,694	$2,313,627,580	$519,353,767	$16,139,519,563

FY 2006 – FY 2008 Sum of All Semester Credit Hours at Public Universities

	Lower - Division	Upper -Division	Master's	Doctoral	Special Professional	Totals
Liberal Arts	9,856,319	3,793,980	719,778	233,094	-	14,603,171
Science	3,416,245	1,572,634	264,744	159,365	-	5,412,988
Fine Arts	1,362,108	642,350	101,529	36,214	-	2,142,201
Teacher Education	243,639	1,023,278	911,187	149,148	-	2,327,252
Agriculture	176,476	220,985	45,887	18,204	-	461,552
Engineering	765,324	947,793	489,633	192,259	-	2,395,009
Home Economics	312,675	258,837	44,725	12,861	-	629,098
Law	-	-	-	-	321,557	321,557
Social Service	36,159	105,821	114,283	6,212	-	262,475
Library Science	8,833	15,160	76,566	3,687	-	104,246
Veterinary Medicine	-	-	-	-	36,672	36,672
Vocational Training	16,076	7,980	-	-	-	24,056
Physical Training	248,459	11,054	-	-	-	259,513
Health Services	279,392	359,347	226,257	16,896	-	881,892
Pharmacy	2,339	6,257	5,902	4,519	141,361	160,378
Business Administration	1,032,891	2,880,546	771,923	35,800	-	4,721,160
Optometry	-	1	683	1,042	47,133	48,859
Teacher Education - Practice	10,089	341,084	-	-	-	351,173
Technology	137,965	204,713	22,981	48	-	365,707
Nursing	67,375	381,559	77,882	7,666	-	534,482
Totals	17,972,364	12,773,379	3,873,960	877,015	546,723	36,043,441

Appendix B

FY 2006 – FY 2008 Calculated Weights

Calculated weights are the resulting quotient of dividing the total costs by the total SCH, per level and discipline. These are not the same as weighted semester credit hours (WSCH).

	Lower - Division	Upper - Division	Master's	Doctoral	Special Professional
Liberal Arts	200	343	835	1,855	0
Science	342	594	1,616	4,097	0
Fine Arts	278	463	1,085	1,436	0
Teacher Education	283	347	495	1,525	0
Agriculture	374	504	1,411	1,978	0
Engineering	482	773	1,523	3,187	0
Home Economics	211	340	571	1,322	0
Law	0	0	0	0	772
Social Service	387	410	592	2,763	0
Library Science	227	218	526	1,327	0
Veterinary Medicine	0	0	0	0	3,301
Vocational Training	332	394	0	0	0
Physical Training	258	255	0	0	0
Health Services	247	396	642	1,694	0
Pharmacy	141	847	3,968	5,901	757
Business Administration	223	346	684	4,847	0
Optometry*	0	237,540	13,692	15,359	900
Teacher Education - Practice	260	355	0	0	0
Technology	380	475	881	674	0
Nursing	387	488	945	2,125	0

* Note: Optometry Matrix Values for FY 2010 - 2011 are not updated through the Cost Study to avoid a data bias error. The original FY 2004 - 2005 values are used.

Appendix C

FY 2006 – FY 2008 No Phase-In Distribution of Formula Funding

Institution	FY2008-09 Annual I&O Matrix Rate @ $59.02 (Using FY 08 SCH)	Annual Budget Neutral Rate $60.11 (Using FY 08 SCH)	Annual Difference	Average Annual Percent Change	System Impact
The University of Texas at Arlington	$84,187,006	$84,434,621	247,616	0.3%	$2,016,557
The University of Texas at Austin	219,397,049	220,199,295	802,246	0.4%	
The University of Texas at Dallas	63,134,467	63,868,600	734,133	1.2%	
The University of Texas at El Paso	56,064,340	55,948,701	(115,639)	(0.2%)	
The University of Texas at Pan American	47,313,864	47,047,045	(266,819)	(0.6%)	
The University of Texas at Brownsville	10,637,668	10,633,483	(4,185)	(0.0%)	
The University of Texas of the Permian Basin	8,631,723	8,711,130	79,406	0.9%	
The University of Texas at San Antonio	74,164,874	75,314,948	1,150,074	1.6%	
The University of Texas at Tyler	17,077,339	16,467,065	(610,274)	(3.6%)	
Texas A&M University*	197,484,895	200,301,317	2,816,422	1.4%	1,511,771
Texas A&M University at Galveston	4,749,074	4,879,811	130,737	2.8%	
Prairie View A&M University	26,252,844	25,981,245	(271,599)	(1.0%)	
Tarleton State University	26,531,112	26,450,235	(80,877)	(0.3%)	
Texas A&M University - Commerce	27,969,965	27,611,441	(358,524)	(1.3%)	
Texas A&M University - Corpus Christi	24,689,178	24,323,369	(365,808)	(1.5%)	
Texas A&M University - Kingsville	22,458,131	22,638,267	180,136	0.8%	
Texas A&M International University	13,213,121	13,169,900	(43,221)	(0.3%)	
Texas A&M University - Texarkana	4,480,264	4,437,158	(43,106)	(1.0%)	
West Texas A&M University	20,413,658	19,961,268	(452,390)	(2.2%)	
University of Houston	120,307,188	121,125,463	818,275	0.7%	1,209,325
University of Houston - Clear Lake	24,553,489	24,662,032	108,543	0.4%	
University of Houston - Downtown	23,574,064	23,987,153	413,089	1.8%	
University of Houston - Victoria	8,431,448	8,300,867	(130,581)	(1.5%)	
Midwestern State University	15,247,431	14,587,374	(660,057)	(4.3%)	
University of North Texas	101,361,542	100,677,996	(683,546)	(0.7%)	
Stephen F. Austin State University	31,558,347	30,949,312	(609,035)	(1.9%)	
Texas Southern University	27,861,134	27,543,834	(317,300)	(1.1%)	
Texas Tech University	105,310,292	107,141,021	1,830,729	1.7%	1,635,667
Angelo State University	15,553,925	15,358,864	(195,062)	(1.3%)	
Texas Woman's University	44,361,929	40,938,123	(3,423,807)	(7.7%)	
Lamar University	34,089,432	33,670,373	(419,059)	(1.2%)	(677,950)
Sam Houston State University	44,808,321	44,909,198	100,877	0.2%	
Texas State University - San Marcos	76,412,447	76,073,915	(338,533)	(0.4%)	
Sul Ross State University	6,966,672	6,945,438	(21,234)	(0.3%)	
Totals	**$1,629,248,234**	**$1,629,248,234**	**$0**	**0.0%**	
Sum of All Reductions					(677,950)
Biennial Cost of Hold Harmless					$(1,355,899)

Semester credit hours and all funds (excluding auxiliary) are averaged for FY 2006, FY 2007, and FY 2008 to calculate the relative weights. The formula funding estimates above are calculated by multiplying the relative weights by the FY 2008 SCHs, which is the latest data currently available.

* These figures exclude Texas A&M University Research Foundation and service agencies.

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For more information, contact:

Texas Higher Education Coordinating Board
P.O. Box 12788
Austin, TX 78711
512/427-6130

Paul Turcotte
Program Director
Planning and Accountability, Finance and Resource Planning

Gary Johnstone
Deputy Assistant Commissioner
Planning and Accountability, Finance and Resource Planning