Agenda Materials
General Academic Institution Formula Advisory Committee (GAIFAC) for the 2016-2017 Biennial Appropriations

February 2014
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Meeting of the General Academic Institutions Formula Advisory Committee
Texas Higher Education Coordinating Board
Board Room, First Floor
1200 East Anderson Lane, Austin
Thursday, February 20, 2014
1:00 p.m.
Call-In

Agenda

I. Call to Order

II. Consideration and approval of the minutes from December 4, 2013 meeting

III. Discussion, review, and consideration of the Commissioner’s 2016-2017 Biennium charges

IV. Planning for subsequent meetings

V. Adjournment

Call In Instructions

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<table>
<thead>
<tr>
<th>Name</th>
<th>Institution</th>
<th>Contacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Martin V. Baylor</td>
<td>The University of Texas at Pan American&lt;br&gt;1201 W. University Dr. Edinburg, TX 78539</td>
<td><a href="mailto:baylormv@utpa.edu">baylormv@utpa.edu</a>&lt;br&gt;(956) 665-2121</td>
</tr>
<tr>
<td>Ms. Jean R. Bush</td>
<td>University of North Texas&lt;br&gt;Hurley Administration Building, Room 213&lt;br&gt;1501 W. Chestnut St. Denton, TX 76201</td>
<td><a href="mailto:jean.bush@unt.edu">jean.bush@unt.edu</a>&lt;br&gt;(940) 565-2055</td>
</tr>
<tr>
<td>Ms. B.J. Crain</td>
<td>Texas A&amp;M University&lt;br&gt;Division of Finance&lt;br&gt;1181&lt;br&gt;Rudder Tower, 8th Floor&lt;br&gt;College Station, TX 77843</td>
<td><a href="mailto:bjcrain@tamu.edu">bjcrain@tamu.edu</a>&lt;br&gt;(979) 862-7777</td>
</tr>
<tr>
<td>Dr. F. Dominic Dottavio</td>
<td>Tarleton State University&lt;br&gt;P.O. Box T-0001&lt;br&gt;Stephenville, TX 76402</td>
<td><a href="mailto:president@tarleton.edu">president@tarleton.edu</a>&lt;br&gt;(254) 968-9100</td>
</tr>
<tr>
<td>Dr. Dana L. Gibson</td>
<td>Sam Houston State University&lt;br&gt;Box 2027&lt;br&gt;Huntsville, TX 77341</td>
<td><a href="mailto:dlg017@shsu.edu">dlg017@shsu.edu</a>&lt;br&gt;(936) 294-1013</td>
</tr>
<tr>
<td>Ms. Martha Hilley</td>
<td>The University of Texas at Austin&lt;br&gt;Butler School of Music&lt;br&gt;2406 Robert Dedman Dr., stop E3100 Austin, TX 78712</td>
<td><a href="mailto:mfhilley@austin.utexas.edu">mfhilley@austin.utexas.edu</a>&lt;br&gt;(512) 471-0751</td>
</tr>
<tr>
<td>Dr. Edward T. Hugetz</td>
<td>University of Houston-Downtown&lt;br&gt;203 E. Cullen Building&lt;br&gt;Houston, TX 77204</td>
<td><a href="mailto:hugetze@uhd.edu">hugetze@uhd.edu</a>&lt;br&gt;(713) 221-5005</td>
</tr>
<tr>
<td>Dr. Rodney H. Mabry</td>
<td>The University of Texas at Tyler&lt;br&gt;3900 University Blvd. Tyler, TX 75799</td>
<td><a href="mailto:president@utttyler.edu">president@utttyler.edu</a>&lt;br&gt;(903) 566-7119</td>
</tr>
<tr>
<td>Mr. Jim McShan</td>
<td>Texas Southern University&lt;br&gt;Hannah Hall, 145A&lt;br&gt;3100 Cleburne St.&lt;br&gt;Houston, TX 77004</td>
<td><a href="mailto:mcshanjc@tsu.edu">mcshanjc@tsu.edu</a>&lt;br&gt;(713) 313-7302</td>
</tr>
<tr>
<td>Dr. Perry Moore</td>
<td>Texas State University System&lt;br&gt;200 E 10th Suite 600&lt;br&gt;Austin, TX 78701</td>
<td><a href="mailto:perry.moore@tsus.edu">perry.moore@tsus.edu</a>&lt;br&gt;(512) 463-7281</td>
</tr>
<tr>
<td>Dr. Robert Neely</td>
<td>Texas Woman's University&lt;br&gt;P.O. Box 425617&lt;br&gt;Denton, TX 76204</td>
<td><a href="mailto:rneely@twu.edu">rneely@twu.edu</a>&lt;br&gt;(940) 898-3301</td>
</tr>
<tr>
<td>Dr. Marc A. Nigliazzo</td>
<td>Texas A&amp;M University Central Texas&lt;br&gt;1001 Leadership Place&lt;br&gt;Killeen, TX 76549</td>
<td><a href="mailto:marc.nigliazzo@ct.tamus.edu">marc.nigliazzo@ct.tamus.edu</a>&lt;br&gt;(254) 519-5720</td>
</tr>
<tr>
<td>Dr. John Opperman</td>
<td>Texas Tech University System&lt;br&gt;PO Box 42013&lt;br&gt;Lubbock, TX 79409</td>
<td><a href="mailto:john.opperman@ttu.edu">john.opperman@ttu.edu</a>&lt;br&gt;(512) 463-3860</td>
</tr>
<tr>
<td>Dr. Paula M. Short</td>
<td>University of Houston&lt;br&gt;Ezekiel W. Cullen Building, Room 204 S2019&lt;br&gt;4800 Calhoun Rd.&lt;br&gt;Houston, TX 77004</td>
<td><a href="mailto:pmsshort@uh.edu">pmsshort@uh.edu</a>&lt;br&gt;(713) 743-0450</td>
</tr>
<tr>
<td>Ms. Cynthia V. Villa</td>
<td>The University of Texas at El Paso&lt;br&gt;500 West University Administration Building, Suite 301&lt;br&gt;El Paso, TX 79968</td>
<td><a href="mailto:cvilla@utep.edu">cvilla@utep.edu</a>&lt;br&gt;(915) 747-5113</td>
</tr>
</tbody>
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Meeting of the General Academic Institutions Formula Advisory Committee
Texas Higher Education Coordinating Board
Board Room, First Floor
1200 East Anderson Lane, Austin
Wednesday, December 4, 2013
1:00 p.m.

Minutes
Attendees: Mr. Martin V. Baylor, Ms. Jean R. Bush, Ms. B.J. Crain, Dr. F. Dominic Dottavio, Dr. Dana L. Gibson, Dr. Martha Hilley, Dr. Edward T. Hugetz, Dr. Rodney H. Mabry, Dr. Perry Moore, Dr. Robert Neely, Dr. Marc A. Nigliazzo, Dr. John Opperman, and Dr. Paula M. Short

Absent: Mr. Jim McShan, and Ms. Cynthia V. Villa

Staff: David Gardner, Susan Brown, Thomas Keaton, and Paul Turcotte

I. The meeting was called to order at 1:13 p.m.

II. The minutes from the meeting on November 18, 2013 were reviewed and unanimously approved by nomination from Dr. Moore and second from Dr. Dottavio.

III. The committee discussed, reviewed, and considered the Commissioner’s 2016-2017 Biennium charges.
   a. The chair reviewed the draft recommendation for charge 2 relating to funding levels, invited questions from the committee, and with no inquiries from the committee, the committee unanimously approved the recommendation by nomination from Ms. Crain and second from Dr. Moore.
   
   b. The chair reviewed the draft recommendation for charge 3 relating to funding competency-based education, invited questions for the committee, and with no inquiries from the committee, the committee unanimously approved the draft recommendation for by nomination from Dr. Dottavio and second from Ms. Hilley.
   
   c. On charge 1 relating to outcomes-based funding, the chair reviewed the additional options provided to the committee by staff.
      
      i. Committee members expressed concerns about the added complexity and large redistribution in funding associated with introducing the methodology to enable unique weights for accountability groups.
      
      ii. Members rejected option 2 because it monetized the model using national SREB salaries by Carnegie classification. This component yielded the undesired effect of rewarding institutions for increased expenses and penalizing institutions for economizing.
      
      iii. The committee deemed options 6, 7, 8, 9, and 10 too complex. Scaling each metric and then affording institutions within the accountability group to select the weights placed on each metric would be difficult to present to legislatures and may result in large and unacceptable redistributions.
      
      iv. Introducing the "student characteristic adjusted graduates" metric (recommended by the Rand Corporation) smoothed out redistributions.
However, the committee agreed the metric’s calculations were too complicated.

v. The committee considered using the transfer degree metric introduced in option 9 as a potential replacement for the Total Undergraduate Degrees per 100 FTSE. This metric would counter the loss experienced with the retention metrics institutions with large numbers of transfer student experience because most transfer students do not attend 90 hours at the transfer-in institution.

vi. Members revisited the concept of including graduate metrics into the model and agreed this was not desired, as the outcomes-based model should focus on undergraduate studies. Limiting the model’s scope make the institutions more comparable as their undergraduate mission’s vary less than their overall missions. However, limiting the scope to undergraduate studies makes weighting the institutions by accountability groups awkward.

vii. Members questioned the meaning of mission and if defined by incoming student characteristics then option 1 scaled as presented does not adequately address the varied entering student bodies at the institutions. Option 8, which included student characteristic adjusted graduates, does this best. The committee requested the at-risk components be disaggregated in an effort to modify the metric feeling the at-risk measure could be modified to address this issue in a less complicated manner.

viii. The chair requested staff provide models before the holidays for the committee to review and comment on between meetings in an effort to come to a consensus at the next meeting. The chair and staff agreed to meet in the next week to select variations on option 1 that would meet the committee’s requests. The chair will assign subcommittees if necessary to work issues before the next full meeting.

ix. Dr. Gardner reminded the committee how essential their input is in this process and that it is critical that they provide candid feedback to the staff in order to establish a model that all the institutions can support and champion during the session. The model’s success depends on the fully support of the higher education community.

IV. The meeting was adjourned at 2:20 p.m. to reconvene on January 24, 2014 at 1:00 p.m.