

**Commissioner's Charge to the
General Academic Institutions Formula
Advisory Committee (GAIFAC) for the
2024-25 Biennial Appropriations**

August 2021

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Agenda

General Academic Institutions Formula Advisory Committee

via Video Conference
(will be broadcast at <https://www.highered.texas.gov>)

Wednesday, August 25, 2021

10:00 a.m.

1. Welcome, Introduction & Remarks
Commissioner Harrison Keller, Ph.D.
2. Call to Order
Former Committee Chair - Noel Sloan
3. Election of Chair and Vice-Chair
Former Committee Chair - Noel Sloan
4. Overview of Formula Funding
Assistant Commissioner of Funding, Emily Cormier
5. Discussion, Review, and Consideration of the Commissioner's 2024-2025 Biennium Charges
New Chair
6. Plan for Future Meetings
New Chair
7. Adjournment
New Chair

Background

The General Academic Institution Formula Advisory Committee (GAIFAC) meets each biennium to address the Commissioner's charges relating to formula funding as part of the review process for the Board's formula funding recommendations to the Governor and Legislative Budget Board. Historically, the GAIFAC has reviewed the Instruction and Operations (I&O) and Infrastructure formulas as well as the small institution and teaching experience supplements. The general academic institution formulas were introduced in Texas in the mid-1960s, reworked during the 1998-1999 biennium, and first fully funded with an expenditure-based relative weight matrix in the 2010-11 biennium.

The I&O formula allocates funds on weighted semester credit hours (WSCH) in support of faculty salaries, departmental operating expenses, library, instructional administration, research enhancement, student services, and institutional support. The teaching experience supplement incentivizes the use of tenured and tenure-track faculty in undergraduate courses by providing a 10 percent bonus of WSCH for these courses. The I&O formula and teaching experience supplement allocated 84 percent of the total formula funding provided to general academic institutions for the 2022-23 biennium, for an annual rate of \$55.66 per WSCH. This was a decrease of \$0.19 per WSCH from the 2020-21 biennium.

The Infrastructure formula includes educational and general space support and a small institution supplement. This Infrastructure formula allocates funds on predicted square feet (an estimate of the space needed based on activity) in support of plant-related and utility expenses. The Infrastructure formula allocated 16 percent of the total formula funding for the 2022-23 biennium, for an annual average rate per predicted square foot of \$5.47. This maintained the rate from the 2020-21 biennium. The small institution supplement distributes additional resources on headcount to account for the reduced economies of scale associated with operating small institutions. Appropriations for the 2022-23 biennium provided \$1,316,567 annually to each institution with fewer than 5,000 headcount. This amount is gradually reduced as the institution approaches 10,000 headcount.

Commissioner's Charges

The GAIFAC is charged with proposing a set of formulas that provide the appropriate funding levels and financial incentives necessary to best achieve the four major goals of *60x30TX* plan. The committee is asked to conduct an open, public process, providing opportunities for all interested persons, institutions, or organizations that desire to provide input on formula funding issues to do so. The committee is required to provide its report of recommendations to the Commissioner by February 1, 2022. The GAIFAC's specific charges are to:

1. Study and make recommendations for the appropriate funding levels for the operations support and space support formulas and the percent split between the "utilities" and "operations and maintenance" (O&M) components of the space support formula. (TEC, Section 61.059 (b))
2. Study and make recommendations on the inputs to the operations support and space support formula, including, but not limited to, items such as a review of the weights in the expenditure study, tuition estimate methodologies, and online adjustments in the space model.
3. Study and make recommendations for the appropriate funding for the Texas Research University Fund, Texas Comprehensive Research Fund, and the Core Research Support Fund.
4. Study and make recommendations on the funding methodology for the Comprehensive Regional Universities under Senate Bill 1295. The study must review the methodology's allocation of funds and the promotion of student success. (Senate Bill 1295, 87th Texas Legislature, Regular Session, 2021).

Sec. 62.184. STUDY AND REPORT. (a) The coordinating board, in consultation with a representative group of eligible institutions, shall conduct a study on the method of funding provided under Section 62.183 to determine that method's effectiveness in:

- (1) allocating state funds fairly and equitably; and*
- (2) promoting student success at eligible institutions.*

5. Study and discuss considerations for adjusting formula funding to reflect the cost of education related to student characteristics, enrollment changes during the biennium, and any other relevant factors.

General Academic Institutions Formula Advisory Committee for the 2024-2025 Biennium

Name	Institution	Contacts
Ms. Bonnie Albright (2024) Associate VP for Finance & Operations	Sul Ross State University P.O. Box C-97 Alpine, Texas, 79832	bonnie.albright@sulross.edu 432-837-8078
Dr. Loren Blanchard (2024) President	University of Houston-Downtown One Main Street, Houston, TX 77002	blanchardl@uhd.edu 713-221-8001
Ms. Susan Brown (2024) AVP for Strategic Analysis & Institutional Reporting	The University of Texas Rio Grande Valley, 1201 West University Drive, Edinburg, TX 78539	susan.brown@utrgv.edu 956-665-2383
Mr. John Davidson (2022) Associate VP – Budget, Planning & Analysis	The University of Texas at Arlington 219 West Main St. Arlington, TX 76019	john.davidson@uta.edu 817-272-5499
Ms. Emily Deardorff (2022) Assistant Vice Chancellor for Government Relations	University of North Texas System (representing the University of North Texas) 208 E 10th St, Ste 630, Austin, TX 78701	emily.deardorff@untsystem.edu 512-936-8200
Mr. Joseph Duron (2026) Chief Administrative Officer	Texas A&M University System (representing Texas A&M University) 301 Tarrow St, College Station, TX 77840	duron@tamus.edu 979-458-6110
Ms. Judi Kruwell (2022) Interim VP for Finance & Administrative Services (<i>nominated to replace a member for an existing term; subject to Coordinating Board approval</i>)	Stephen F. Austin State University P.O. Box 6108, SFA Station Nacogdoches, TX 75962	kruwelljf@sfasu.edu 936-468-4541
Mr. Daniel Harper (2024) Vice Chancellor & CFO	Texas State University System (representing Sul Ross State University – Rio Grande College), 601 Colorado St, Austin, TX 78701	daniel.harper@tsus.edu 512-463-6449
Dr. James Hurley (2026) President & CEO	Tarleton State University Box T-0001, Stephenville, TX 76402	hurley@tarleton.edu 254-968-9100
Ms. Veronica Mendez (2022) VP for Business Affairs	The University of Texas at San Antonio 1 UTSA Circle, San Antonio, TX 78249	veronica.mendez@utsa.edu 210-458-4201
Ms. Noel Sloan (2026) Senior VP and CFO	Texas Tech University 2500 Broadway, Lubbock, TX 79409	noel.a.sloan@ttu.edu 806-834-1625
Mr. R. Jason Tomlinson (2024) VP for Finance & Administration	Texas Woman’s University P.O. Box 425588, Denton, TX 76204-5588	jtomlinson1@twu.edu 940-898-3505

Charge 1 – Study and make recommendations for the appropriate funding levels for the operations support and space support formulas and the percent split between the “utilities” and “operations and maintenance” (O&M) components of the space support formula. (TEC, Section 61.059 (b))

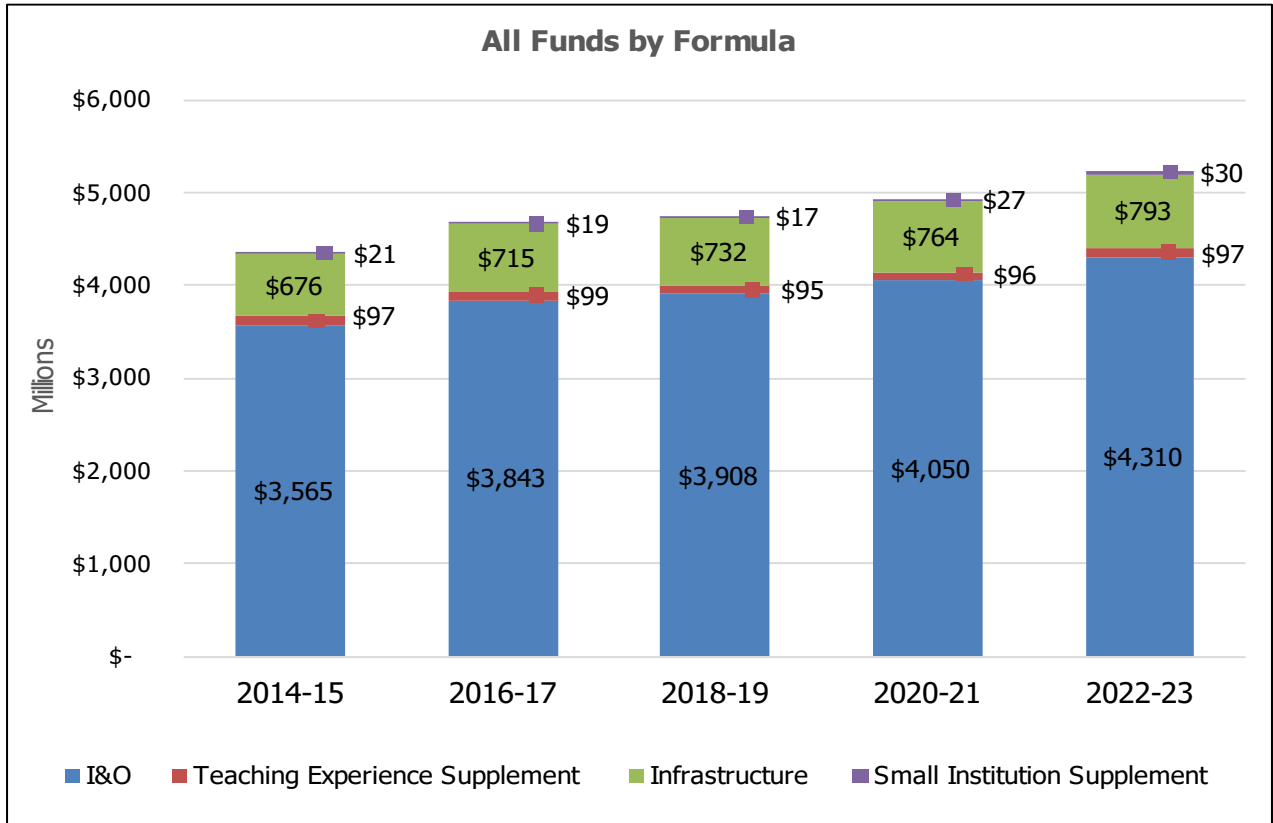
A workbook containing the Basis of Legislative Appropriations for the General Academic Institutions is located at <https://www.highered.texas.gov/institutional-resources-programs/funding-facilities/formula-funding/basis-of-legislative-appropriations/> and includes a comparison of current and prior biennial funding by strategy and the formulas used to allocate the funding. In addition, the workbook shows how each formula uses the data provided by the institutions. Of note, the amounts shown in this document are based on appropriated funding levels for the formulas in the 2020-21 biennium. These do not incorporate the five percent reduction taken by general academic institutions during the 2020-21 biennium.

Contributing Factors to Biennial Change in Formula Funding

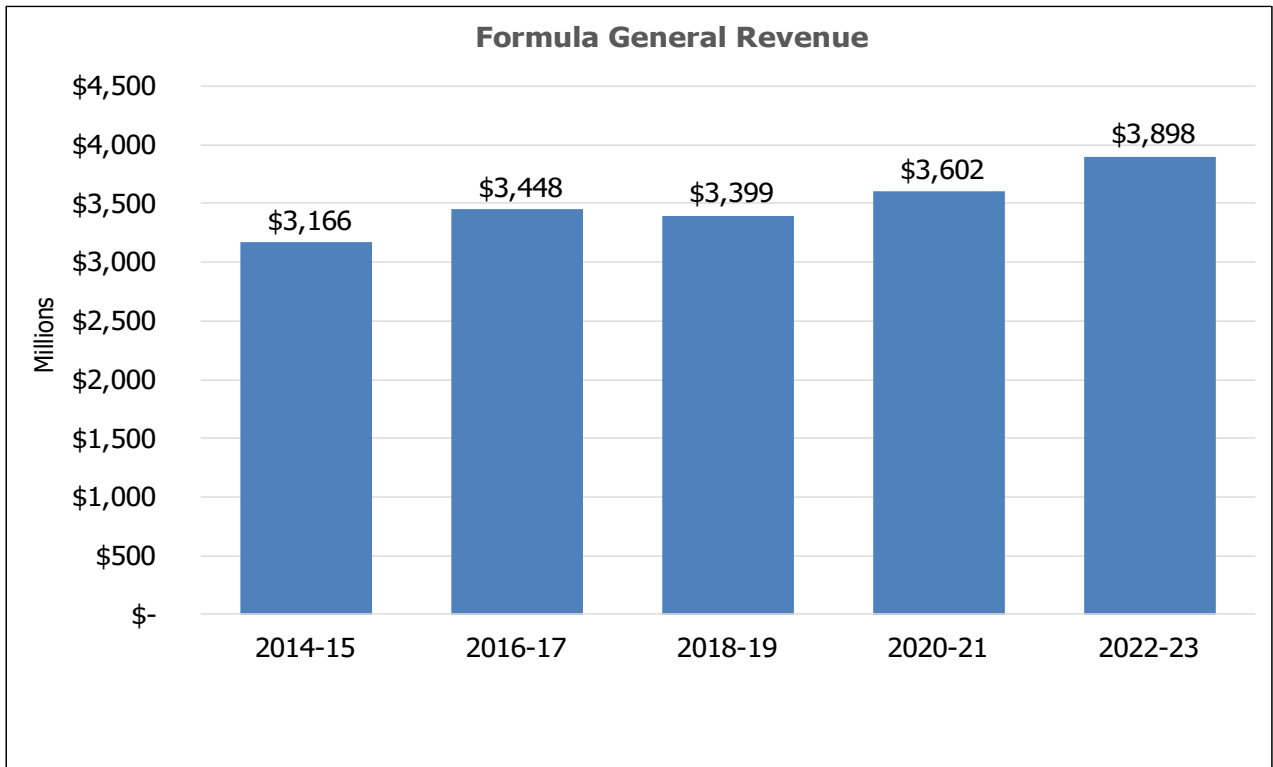
Across all formulas and supplements, the all funds formula funding appropriations for the general academic institutions increased by \$293.1 million, or 5.9 percent from the 2020-21 biennium.

Funding Strategy	2020-21	2022-23	Difference	Percent Change
I&O	\$ 4,050,086,111	\$ 4,309,657,148	\$ 259,571,037	6.4%
Teaching Experience Supplement	\$ 95,732,350	\$ 97,236,564	\$ 1,504,214	1.6%
Infrastructure	\$ 763,919,914	\$ 793,134,824	\$ 29,214,910	3.8%
Small Institution Supplement	\$ 27,412,450	\$ 30,245,752	\$ 2,833,302	10.3%
Formula Funding Appropriations (less Board Authorized Tuition)	\$ 4,937,150,825	\$ 5,230,274,288	\$ 293,123,463	5.9%

All Funds by Formula

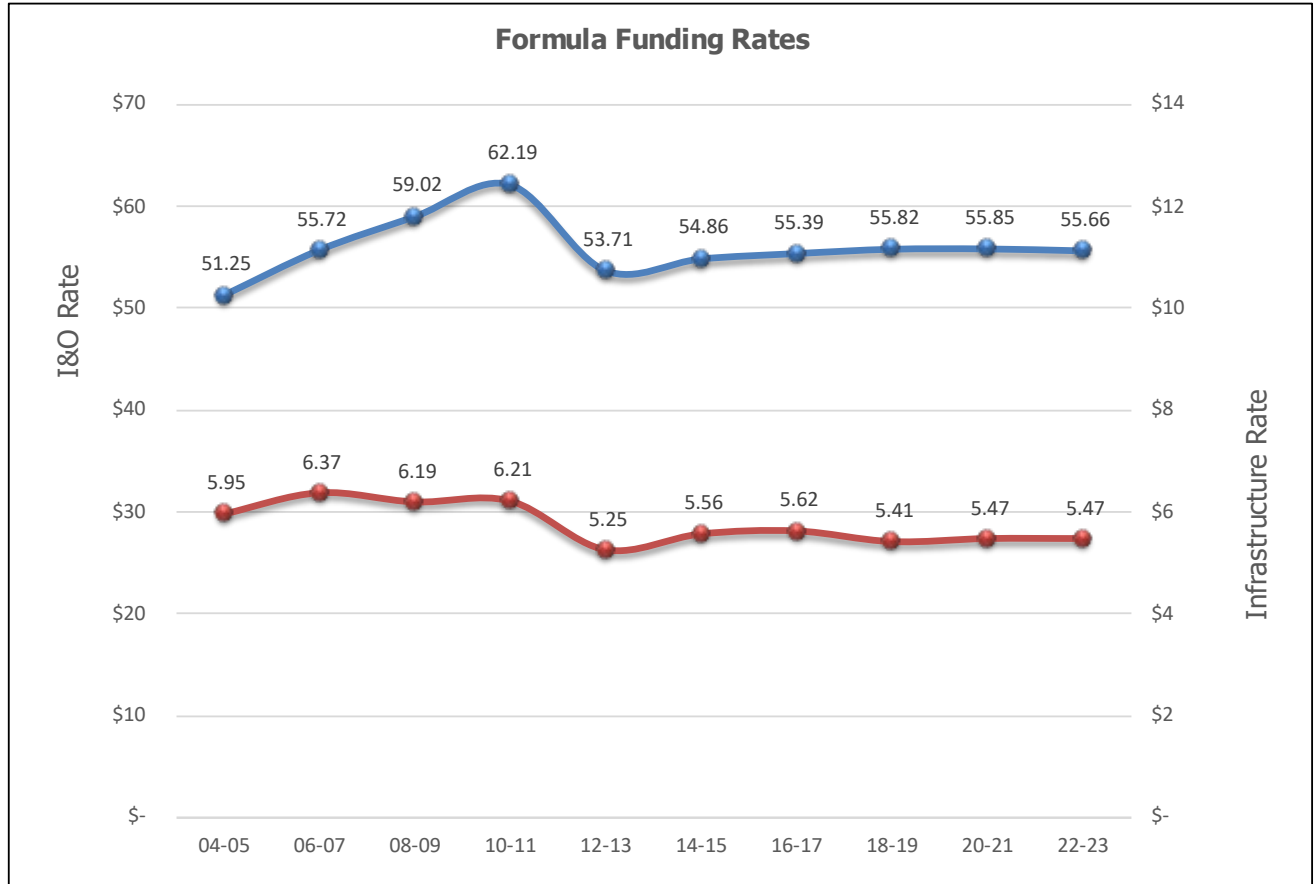


Formula General Revenue



Formula Funding Rate History

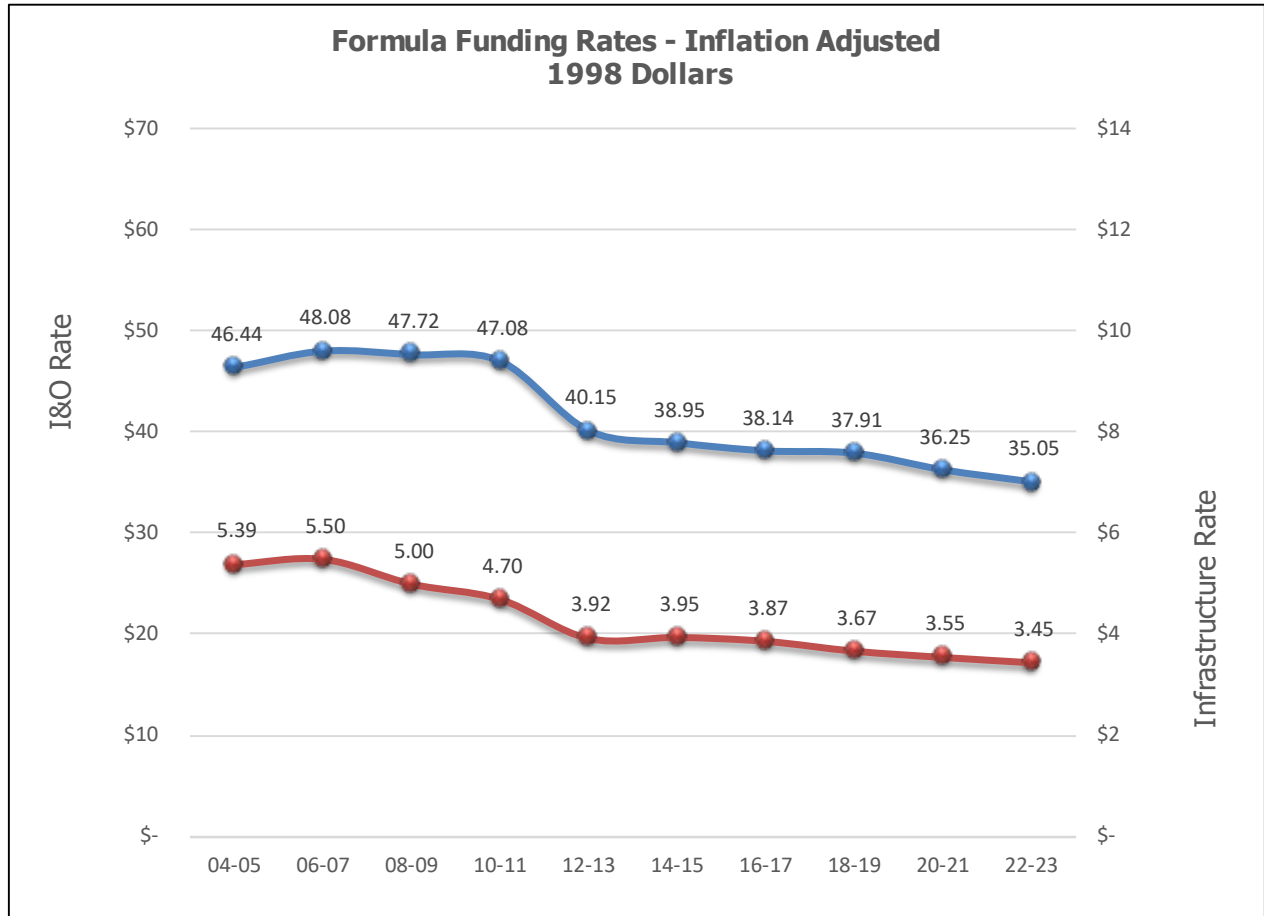
For the 2022-23 biennium, the I&O rate decreased by 0.35 percent while the Infrastructure rate was maintained at the 2020-21 rate.



Rates	04-05	06-07	08-09	10-11	12-13	14-15	16-17	18-19	20-21	22-23
I&O Rate	51.25	55.72	59.02	62.19	53.71	54.86	55.39	55.82	55.85	55.66
Infrastructure Rate	5.95	6.37	6.19	6.09	4.95	5.50	5.55	5.27	5.33	5.39

Formula Funding Rate History – Inflated Adjusted

The rates continue to significantly decline on an inflation-adjusted basis. Using the 2000-2001 biennium as a basis and adjusting to the 1998 dollar, this chart shows the purchasing power of the I&O rate decreased 36 percent and the Infrastructure rate decreased 53 percent.



Inflation Adjusted Rates	04-05	06-07	08-09	10-11	12-13	14-15	16-17	18-19	20-21	22-23
I&O Rate	46.44	48.08	47.72	47.08	40.15	38.95	38.14	37.91	36.25	35.05
Infrastructure Rate	5.39	5.50	5.00	4.61	3.70	3.90	3.82	3.58	3.46	3.39

Total Formula Funding Comparison

Formula Funding (Appropriations less Board Authorized Tuition)	2020-21	2022-23	Difference	Percent Change
UT-Arlington	\$ 291,127,960	\$ 304,507,273	\$ 13,379,313	4.6%
UT-Austin	\$ 545,780,344	\$ 566,277,363	\$ 20,497,019	3.8%
UT-Dallas	\$ 255,633,783	\$ 272,492,153	\$ 16,858,370	6.6%
UT-El Paso	\$ 162,553,823	\$ 165,667,202	\$ 3,113,379	1.9%
UT-Rio Grande Valley	\$ 177,405,923	\$ 212,720,621	\$ 35,314,698	19.9%
UT-Permian Basin	\$ 31,905,994	\$ 33,443,820	\$ 1,537,826	4.8%
UT-San Antonio	\$ 218,882,146	\$ 249,465,865	\$ 30,583,719	14.0%
UT-Tyler	\$ 60,578,051	\$ 64,557,969	\$ 3,979,918	6.6%
TAMU	\$ 664,904,899	\$ 701,458,871	\$ 36,553,972	5.5%
TAMU-Galveston	\$ 27,477,546	\$ 27,589,990	\$ 112,444	0.4%
Prairie View	\$ 62,216,040	\$ 61,450,811	\$ (765,229)	-1.2%
Tarleton	\$ 79,780,806	\$ 86,923,795	\$ 7,142,989	9.0%
TAMU-Central	\$ 16,782,528	\$ 17,264,683	\$ 482,155	2.9%
TAMU-CC	\$ 80,175,802	\$ 80,665,196	\$ 489,394	0.6%
TAMU-Kingsville	\$ 59,787,049	\$ 53,440,323	\$ (6,346,726)	-10.6%
TAMU-San Antonio	\$ 36,953,085	\$ 36,133,864	\$ (819,221)	-2.2%
TAMI	\$ 48,602,593	\$ 53,917,846	\$ 5,315,253	10.9%
WTAMU	\$ 60,846,127	\$ 61,379,448	\$ 533,321	0.9%
TAMU-Commerce	\$ 84,813,349	\$ 88,794,979	\$ 3,981,630	4.7%
TAMU-TeXarkana	\$ 15,227,358	\$ 15,512,038	\$ 284,680	1.9%
UH	\$ 368,584,426	\$ 392,352,190	\$ 23,767,764	6.4%
UH-Clear Lake	\$ 59,188,800	\$ 63,307,403	\$ 4,118,603	7.0%
UH-Downtown	\$ 69,720,677	\$ 78,698,149	\$ 8,977,472	12.9%
UH-Victoria	\$ 27,443,430	\$ 32,046,127	\$ 4,602,697	16.8%
Midwestern	\$ 35,336,396	\$ 33,259,665	\$ (2,076,731)	-5.9%
UNT	\$ 267,331,221	\$ 302,507,423	\$ 35,176,202	13.2%
UNT-Dallas	\$ 26,377,268	\$ 30,510,277	\$ 4,133,009	15.7%
SFA	\$ 75,882,864	\$ 74,132,609	\$ (1,750,255)	-2.3%
TSU	\$ 72,740,243	\$ 61,396,358	\$ (11,343,885)	-15.6%
TTU	\$ 323,753,738	\$ 349,975,319	\$ 26,221,581	8.1%
Angebo	\$ 50,368,604	\$ 50,055,901	\$ (312,703)	-0.6%
TWU	\$ 101,863,239	\$ 119,877,160	\$ 18,013,921	17.7%
Lamar	\$ 94,157,229	\$ 106,575,508	\$ 12,418,279	13.2%
Sam Houston	\$ 130,754,890	\$ 131,301,469	\$ 546,579	0.4%
TXST	\$ 230,894,101	\$ 230,502,712	\$ (391,389)	-0.2%
Sul Ross	\$ 14,501,287	\$ 12,889,841	\$ (1,611,446)	-11.1%
Sul Ross - RG	\$ 6,817,206	\$ 7,222,068	\$ 404,862	5.9%
TOTAL	\$ 4,937,150,825	\$ 5,230,274,288	\$ 293,123,463	5.9%

Formula General Revenue Comparison

Institution	General Revenue 2020-21	General Revenue 2022-23	Difference	Percent Change
UT-Arlington	\$ 201,519,596	\$ 216,822,219	\$ 15,302,623	7.6%
UT-Austin	\$ 391,036,720	\$ 418,419,488	\$ 27,382,769	7.0%
UT-Dallas	\$ 158,591,073	\$ 189,278,425	\$ 30,687,352	19.3%
UT-El Paso	\$ 121,486,458	\$ 129,828,368	\$ 8,341,911	6.9%
UT-Rio Grande Valley	\$ 132,483,579	\$ 156,187,184	\$ 23,703,605	17.9%
UT-Permian Basin	\$ 19,298,944	\$ 22,876,453	\$ 3,577,509	18.5%
UT-San Antonio	\$ 164,858,238	\$ 190,650,202	\$ 25,791,964	15.6%
UT-Tyler	\$ 44,243,556	\$ 47,215,572	\$ 2,972,017	6.7%
TAMU	\$ 524,806,338	\$ 550,306,373	\$ 25,500,035	4.9%
TAMU-Galveston	\$ 23,104,725	\$ 23,417,660	\$ 312,935	1.4%
Prairie View	\$ 36,539,927	\$ 36,245,048	\$ (294,879)	-0.8%
Tarleton	\$ 61,930,520	\$ 65,011,358	\$ 3,080,837	5.0%
TAMU-Central	\$ 13,318,448	\$ 13,767,712	\$ 449,264	3.4%
TAMU-CC	\$ 54,926,916	\$ 59,209,955	\$ 4,283,039	7.8%
TAMU-Kingsville	\$ 37,985,266	\$ 37,678,185	\$ (307,081)	-0.8%
TAMU-San Antonio	\$ 27,457,545	\$ 26,535,578	\$ (921,967)	-3.4%
TAMI	\$ 34,406,125	\$ 39,862,093	\$ 5,455,968	15.9%
WTAMU	\$ 45,077,124	\$ 45,627,626	\$ 550,502	1.2%
TAMU-Commerce	\$ 68,071,275	\$ 71,553,877	\$ 3,482,602	5.1%
TAMU-Texarkana	\$ 11,962,009	\$ 12,094,088	\$ 132,079	1.1%
UH	\$ 265,807,921	\$ 285,464,180	\$ 19,656,259	7.4%
UH-Clear Lake	\$ 41,326,907	\$ 47,114,688	\$ 5,787,781	14.0%
UH-Downtown	\$ 46,582,512	\$ 48,731,242	\$ 2,148,730	4.6%
UH-Victoria	\$ 20,936,129	\$ 23,087,259	\$ 2,151,130	10.3%
Midwestern	\$ 27,118,038	\$ 26,555,236	\$ (562,803)	-2.1%
UNT	\$ 183,615,273	\$ 209,811,653	\$ 26,196,379	14.3%
UNT-Dallas	\$ 20,516,349	\$ 24,139,575	\$ 3,623,227	17.7%
SFA	\$ 56,914,334	\$ 57,592,024	\$ 677,690	1.2%
TSU	\$ 35,474,750	\$ 43,266,503	\$ 7,791,753	22.0%
TTU	\$ 249,343,251	\$ 274,783,119	\$ 25,439,868	10.2%
Angelo	\$ 37,731,514	\$ 38,430,885	\$ 699,370	1.9%
TWU	\$ 84,920,708	\$ 97,829,439	\$ 12,908,731	15.2%
Lamar	\$ 70,945,485	\$ 81,265,565	\$ 10,320,080	14.5%
Sam Houston	\$ 98,250,585	\$ 98,421,240	\$ 170,655	0.2%
TXST	\$ 171,773,184	\$ 172,231,186	\$ 458,003	0.3%
Sul Ross	\$ 11,741,975	\$ 10,933,432	\$ (808,543)	-6.9%
Sul Ross-Rio Grande	\$ 5,645,968	\$ 5,844,746	\$ 198,778	3.5%
TOTAL	\$ 3,601,749,261	\$ 3,898,089,435	\$ 296,340,174	8.2%

Formula General Revenue-Dedicated Comparison

Institution	General Revenue Dedicated 2020-21	General Revenue Dedicated 2022-23	Difference	Percent Change
UT-Arlington	\$ 89,608,364	\$ 87,685,054	\$ (1,923,310)	-2.1%
UT-Austin	\$ 154,743,624	\$ 147,857,875	\$ (6,885,750)	-4.4%
UT-Dallas	\$ 97,042,710	\$ 83,213,728	\$ (13,828,982)	-14.3%
UT-El Paso	\$ 41,067,365	\$ 35,838,834	\$ (5,228,532)	-12.7%
UT-Rio Grande Valley	\$ 44,922,344	\$ 56,533,437	\$ 11,611,093	25.8%
UT-Permian Basin	\$ 12,607,050	\$ 10,567,367	\$ (2,039,683)	-16.2%
UT-San Antonio	\$ 54,023,908	\$ 58,815,663	\$ 4,791,755	8.9%
UT-Tyler	\$ 16,334,495	\$ 17,342,397	\$ 1,007,901	6.2%
TAMU	\$ 140,098,561	\$ 151,152,497	\$ 11,053,936	7.9%
TAMU-Galveston	\$ 4,372,821	\$ 4,172,330	\$ (200,491)	-4.6%
Prairie View	\$ 25,676,113	\$ 25,205,763	\$ (470,350)	-1.8%
Tarleton	\$ 17,850,286	\$ 21,912,437	\$ 4,062,152	22.8%
TAMU-Central	\$ 3,464,080	\$ 3,496,971	\$ 32,891	0.9%
TAMU-CC	\$ 25,248,886	\$ 21,455,241	\$ (3,793,645)	-15.0%
TAMU-Kingsville	\$ 21,801,783	\$ 15,762,138	\$ (6,039,645)	-27.7%
TAMU-San Antonio	\$ 9,495,540	\$ 9,598,286	\$ 102,746	1.1%
TAMI	\$ 14,196,468	\$ 14,055,753	\$ (140,715)	-1.0%
WTAMU	\$ 15,769,003	\$ 15,751,822	\$ (17,181)	-0.1%
TAMU-Commerce	\$ 16,742,074	\$ 17,241,102	\$ 499,028	3.0%
TAMU-TeXarkana	\$ 3,265,349	\$ 3,417,950	\$ 152,601	4.7%
UH	\$ 102,776,505	\$ 106,888,010	\$ 4,111,505	4.0%
UH-Clear Lake	\$ 17,861,893	\$ 16,192,715	\$ (1,669,178)	-9.3%
UH-Downtown	\$ 23,138,165	\$ 29,966,907	\$ 6,828,742	29.5%
UH-Victoria	\$ 6,507,301	\$ 8,958,868	\$ 2,451,567	37.7%
Midwestern	\$ 8,218,358	\$ 6,704,429	\$ (1,513,928)	-18.4%
UNT	\$ 83,715,948	\$ 92,695,770	\$ 8,979,823	10.7%
UNT-Dallas	\$ 5,860,919	\$ 6,370,702	\$ 509,782	8.7%
SFA	\$ 18,968,530	\$ 16,540,585	\$ (2,427,945)	-12.8%
TSU	\$ 37,265,493	\$ 18,129,855	\$ (19,135,638)	-51.3%
TTU	\$ 74,410,487	\$ 75,192,200	\$ 781,713	1.1%
Angelo	\$ 12,637,090	\$ 11,625,016	\$ (1,012,073)	-8.0%
TWU	\$ 16,942,531	\$ 22,047,721	\$ 5,105,190	30.1%
Lamar	\$ 23,211,744	\$ 25,309,943	\$ 2,098,199	9.0%
Sam Houston	\$ 32,504,305	\$ 32,880,229	\$ 375,924	1.2%
TXST	\$ 59,120,917	\$ 58,271,526	\$ (849,392)	-1.4%
Sul Ross	\$ 2,759,312	\$ 1,956,409	\$ (802,903)	-29.1%
Sul Ross-Rio Grande	\$ 1,171,238	\$ 1,377,322	\$ 206,084	17.6%
TOTAL	\$ 1,335,401,564	\$ 1,332,184,853	\$ (3,216,710)	-0.2%

Weighted Semester Credit Hours & I&O All Funds Comparison

This schedule shows the I&O formula appropriations and weighted semester credit hours used in the 2020-21 and 2022-23 biennium to compare the formula driver to the changes in an institutions' formula funding.

	2020-21 I&O	2022-23 I&O	Percent Change	2020-21 WSCH	2022-23 WSCH	Percent Change
UT-Arlington	\$ 254,525,304	\$ 264,051,119	3.7%	2,278,572	2,372,046	4.1%
UT-Austin	\$ 428,584,019	\$ 447,462,892	4.4%	3,836,788	4,019,686	4.8%
UT-Dallas	\$ 221,855,540	\$ 235,648,158	6.2%	1,986,105	2,116,894	6.6%
UT-El Paso	\$ 136,407,666	\$ 139,092,829	2.0%	1,221,154	1,249,510	2.3%
UT-Rio Grande Valley	\$ 151,676,431	\$ 183,459,771	21.0%	1,357,844	1,648,071	21.4%
UT-Permian Basin	\$ 25,606,901	\$ 26,231,653	2.4%	229,239	235,646	2.8%
UT-San Antonio	\$ 184,119,496	\$ 210,780,250	14.5%	1,648,282	1,893,499	14.9%
UT-Tyler	\$ 52,377,394	\$ 54,991,408	5.0%	468,895	494,003	5.4%
TAMU	\$ 575,178,502	\$ 606,177,739	5.4%	5,149,137	5,445,467	5.8%
TAMU-Galveston	\$ 19,073,488	\$ 17,951,990	-5.9%	170,750	161,268	-5.6%
Prairie View	\$ 48,870,419	\$ 47,637,374	-2.5%	437,500	427,940	-2.2%
Tarleton	\$ 68,740,439	\$ 74,562,230	8.5%	615,381	669,814	8.8%
TAMU-Central	\$ 12,459,788	\$ 12,820,521	2.9%	111,543	115,170	3.3%
TAMU-CC	\$ 66,440,075	\$ 67,517,130	1.6%	594,788	606,526	2.0%
TAMU-Kingsville	\$ 49,476,635	\$ 43,135,454	-12.8%	442,927	387,498	-12.5%
TAMU-San Antonio	\$ 29,730,853	\$ 28,627,568	-3.7%	266,158	257,170	-3.4%
TAMI	\$ 39,823,489	\$ 44,935,074	12.8%	356,510	403,665	13.2%
WTAMU	\$ 52,031,748	\$ 53,305,087	2.4%	465,801	478,855	2.8%
TAMU-Commerce	\$ 75,365,176	\$ 79,029,021	4.9%	674,687	709,940	5.2%
TAMU-Texarkana	\$ 10,170,233	\$ 10,598,170	4.2%	91,046	95,206	4.6%
UH	\$ 311,492,511	\$ 339,951,800	9.1%	2,788,556	3,053,884	9.5%
UH-Clear Lake	\$ 50,936,571	\$ 55,420,249	8.8%	455,996	497,856	9.2%
UH-Downtown	\$ 59,748,742	\$ 67,871,053	13.6%	534,885	609,705	14.0%
UH-Victoria	\$ 21,026,516	\$ 25,344,152	20.5%	188,234	227,674	21.0%
Midwestern	\$ 27,282,873	\$ 25,139,101	-7.9%	244,243	225,832	-7.5%
UNT	\$ 227,998,747	\$ 259,148,922	13.7%	2,041,100	2,328,009	14.1%
UNT-Dallas	\$ 20,766,392	\$ 24,279,503	16.9%	185,906	218,110	17.3%
SFA	\$ 63,224,602	\$ 61,859,681	-2.2%	566,002	555,703	-1.8%
TSU	\$ 60,643,864	\$ 49,189,349	-18.9%	542,899	441,882	-18.6%
TTU	\$ 270,957,214	\$ 294,169,491	8.6%	2,425,675	2,642,608	8.9%
Angelo	\$ 42,353,041	\$ 41,990,079	-0.9%	379,155	377,209	-0.5%
TWU	\$ 89,242,348	\$ 106,726,717	19.6%	798,919	958,756	20.0%
Lamar	\$ 82,878,262	\$ 95,098,399	14.7%	741,946	854,296	15.1%
Sam Houston	\$ 110,069,871	\$ 110,398,669	0.3%	985,372	991,743	0.6%
TXST	\$ 191,474,289	\$ 190,800,216	-0.4%	1,714,124	1,714,013	0.0%
Sul Ross	\$ 9,411,781	\$ 7,710,704	-18.1%	84,257	69,268	-17.8%
Sul Ross - RG	\$ 3,797,236	\$ 3,780,189	-0.4%	33,994	33,959	-0.1%
TOTAL	\$4,145,818,456	\$ 4,406,893,712	6.3%	37,114,370	39,588,380	6.7%

Predicted Square Feet & Infrastructure Formula Comparison

This schedule shows the Infrastructure formula funding and the adjusted predicted square feet (an estimate of the space an institution needs based on activity) in the 2020-21 and 2022-23 biennium to compare the primary formula driver to the changes in an institution's funding level. The predicted square feet values are adjusted to consider the effect of the utility rate adjustment used in the space support model.

	2020-21 Infrastructure	2022-23 Infrastructure	Percent Change	2020-21 Adj. Pred. SF	2022-23 Adj. Pred. SF	Percent Change
UT-Arlington	\$ 36,602,660	\$ 40,456,154	10.5%	3,434,054	3,755,523	9.4%
UT-Austin	\$ 117,196,323	\$ 118,814,471	1.4%	10,994,827	11,029,161	0.3%
UT-Dallas	\$ 33,778,243	\$ 36,843,995	9.1%	3,169,092	3,420,292	7.9%
UT-El Paso	\$ 26,146,156	\$ 26,574,373	1.6%	2,453,126	2,466,953	0.6%
UT-Rio Grande Valley	\$ 25,729,491	\$ 29,260,850	13.7%	2,413,764	2,716,315	12.5%
UT-Permian Basin	\$ 4,163,635	\$ 4,858,147	16.7%	390,625	451,001	15.5%
UT-San Antonio	\$ 34,762,651	\$ 38,685,615	11.3%	3,261,278	3,591,225	10.1%
UT-Tyler	\$ 8,056,986	\$ 9,254,799	14.9%	755,864	859,197	13.7%
TAMU*	\$ 89,726,397	\$ 95,281,132	6.2%	8,334,876	8,765,961	5.2%
TAMU-Galveston	\$ 5,770,925	\$ 7,004,866	21.4%	337,301	299,711	-11.1%
Prairie View	\$ 13,139,232	\$ 13,417,413	2.1%	1,232,774	1,245,608	1.0%
Tarleton	\$ 11,040,365	\$ 12,361,565	12.0%	1,035,758	1,147,478	10.8%
TAMU-Central	\$ 1,689,608	\$ 1,811,028	7.2%	158,516	168,118	6.1%
TAMU-CC	\$ 13,735,726	\$ 13,148,066	-4.3%	1,288,673	1,220,458	-5.3%
TAMU-Kingsville	\$ 9,541,385	\$ 8,680,225	-9.0%	895,216	805,744	-10.0%
TAMU-San Antonio	\$ 5,450,780	\$ 5,790,020	6.2%	511,430	537,495	5.1%
TAMI	\$ 7,681,306	\$ 8,071,708	5.1%	720,641	749,343	4.0%
WTAMU	\$ 8,814,380	\$ 8,074,361	-8.4%	826,994	749,542	-9.4%
TAMU-Commerce	\$ 9,448,173	\$ 9,765,958	3.4%	886,461	906,615	2.3%
TAMU-Texarkana	\$ 2,423,992	\$ 2,280,734	-5.9%	227,417	211,724	-6.9%
UH	\$ 57,091,915	\$ 52,400,390	-8.2%	5,356,052	4,864,502	-9.2%
UH-Clear Lake	\$ 7,706,423	\$ 7,388,438	-4.1%	723,051	685,885	-5.1%
UH-Downtown	\$ 9,971,935	\$ 10,827,096	8.6%	935,591	1,005,045	7.4%
UH-Victoria	\$ 3,783,781	\$ 4,068,841	7.5%	354,982	377,709	6.4%
Midwestern	\$ 5,883,732	\$ 5,691,236	-3.3%	552,022	528,345	-4.3%
UNT	\$ 39,332,474	\$ 43,358,501	10.2%	3,690,080	4,025,078	9.1%
UNT-Dallas	\$ 2,977,744	\$ 3,597,640	20.8%	279,366	333,985	19.6%
SFA	\$ 12,658,262	\$ 12,272,928	-3.0%	1,187,593	1,139,307	-4.1%
TSU	\$ 11,955,242	\$ 10,635,029	-11.0%	1,121,588	987,274	-12.0%
TTU	\$ 52,796,524	\$ 55,805,828	5.7%	4,953,889	5,180,646	4.6%
Angelo	\$ 8,015,563	\$ 8,065,822	0.6%	752,033	748,813	-0.4%
TWU	\$ 12,620,890	\$ 13,150,443	4.2%	1,184,126	1,220,775	3.1%
Lamar	\$ 11,278,967	\$ 11,477,109	1.8%	1,058,196	1,065,412	0.7%
Sam Houston	\$ 20,685,019	\$ 20,902,800	1.1%	1,940,571	1,940,456	0.0%
TXST	\$ 39,419,812	\$ 39,702,496	0.7%	3,697,972	3,685,868	-0.3%
Sul Ross	\$ 2,456,375	\$ 2,546,003	3.6%	230,461	236,368	2.6%
Sul Ross - RG	\$ 386,838	\$ 808,745	109.1%	68,405	75,077	9.8%
TOTAL	\$ 763,919,910	\$ 793,134,824	3.8%	71,414,661	73,198,010	2.5%

*includes space for TAMU College of Vet Med

Enrollment and Predicted Square Feet Projections

Board staff used the actual fall 2020 full-time student equivalent (FTSE) and a linear regression forecast to fall 2022, using the last five years actual values, to project a future FTSE level. This analysis results in a biennial FTSE growth of 1.7 percent. This is projected to increase the I&O formula by \$75 million, from \$4,406.9 million to \$4,482.0 million, assuming no change in the funding rate.

Additionally, Board staff used the actual fall 2020 values and a linear regression forecast to fall 2022, using the last five years actual values, to project a future predicted square feet level. This analysis results in a biennial predicted square feet growth of 2.7 percent. This is projected to increase the infrastructure formula by \$21.7 million, from \$793.1 million to \$814.8 million, assuming no change in the funding rate. These amounts do not include the Texas State Technical and Lamar State Colleges' infrastructure formula funding amounts, the Texas A&M Galveston shipboard operations set-aside, or the small institution supplement. For simplification, Texas A&M University College of Veterinary Medicine is included in the predicted square feet projections and is shown as funded at the Operations & Maintenance rate; however, when actual data is available for the upcoming biennium, the health-related institution rate will be used.

Together, these projections would increase total formula funding by \$96.8 million, from \$5,200.0 million to \$5,296.8 million.

I&O Growth Rate					Infrastructure Growth Rate		
Fall	Fall Headcount ¹	Annual Percent Change	Fall Full-Time Student Equivalents (FTSE) ^{2,3}	Annual Percent Change	Fall	Fall Predicted Square Feet (PSF) (Millions) ⁴	Annual Percent Change
2009	532,226	4.54%	415,376	3.71%	2009	58.17	6.18%
2010	557,550	4.76%	434,218	4.54%	2010	61.00	4.86%
2011	568,938	2.04%	443,881	2.23%	2011	62.05	1.71%
2012	576,693	1.36%	453,988	2.28%	2012	61.75	-0.48%
2013	584,785	1.40%	461,614	1.68%	2013	63.43	2.73%
2014	603,598	3.22%	475,889	3.09%	2014	64.65	1.93%
2015	619,175	2.58%	487,085	2.35%	2015	66.89	3.47%
2016	636,750	2.84%	501,024	2.86%	2016	68.61	2.56%
2017	651,137	2.26%	514,064	2.60%	2017	70.28	2.43%
2018	658,219	1.09%	520,036	1.16%	2018	70.80	0.74%
2019	657,985	-0.04%	519,352	-0.13%	2019	71.90	1.55%
2020	667,046	1.38%	525,064	1.10%	2020	73.71	2.52%
2021	674,459	1.11%	530,899	1.11%	2021	74.61	1.21%
2022	678,411	0.59%	534,009	0.59%	2022	75.73	1.50%
2023	684,281	0.87%	538,630	0.87%	2023	77.12	1.84%
FTSE Projected Biennial Percent Change: Fall 2020 to 2022				1.7%	PSF Projected Biennial Percent Chg: Fall 2020 to 2022		2.7%

Notes:

1. Headcount for future years is projected on a five-year linear regression.
2. Source: Accountability System – Statewide Full Time Student Equivalent by Fall (All Hours).
3. Projected FTSE based on percent change in projected headcount from previous year.
4. Source: Space Projection Model. Future years projected on a five-year linear regression.

Consumer Price Index Inflation (CPI-U) Projection

A linear regression of fall 2016 through 2022 CPI-U indices projected to 2027 results in an assumed biennial inflation rate of 2.3 percent. The biennial projection for the Higher Education Price Index (HEPI) is also 2.3 percent based on June 2021 projections. This would increase the I&O funding rate by \$1.28 (\$55.66 to \$56.94) and the Infrastructure funding rate by \$0.125 (\$5.47 to \$5.59).

These inflation-adjusted rates would increase the formula funding level an additional \$118.6 million from the growth projections for a total of \$5,415.4 million. For the Small Institution Supplement, a projected 1.7% growth in headcount would decrease the supplement from \$30.2 million to \$29.6 million, a decrease of \$0.6 million, for the FY 2024-2025 biennium. This would result in a total formula funding level, with growth and inflation included, of **\$5,445.0 million**, an increase of \$214.7 million over the 2020-21 biennium.

Inflation Rates

Year	Annual Average CPI-U ⁵	Higher Education Price Index (HEPI Regression)
2010	218.056	281.8
2011	224.939	288.4
2012	229.594	293.2
2013	232.957	297.8
2014	236.736	306.7
2015	237.017	312.9
2016	240.007	317.7
2017	245.120	327.4
2018	251.107	336.1
2019	255.657	346.0
2020	258.811	352.7
2021	262.723	361.8
2022	267.958	
2023	272.592	
2024	276.736	
2025	280.784	
Biennial Projected Average CPI-U	278.8	
Biennial Projected Change in Average CPI-U	2.3%	

Preliminary 2021	361.8
Biennial Projected Average HEPI	353.5
Biennial Projected Change in HEPI	2.3%

1. Annual Average Consumer Price Index data from Series Id: CUUR0000SA0, Non-Seasonally Adjusted U.S. City Average, All items, Base Period: 1982-84=100 <ftp://ftp.bls.gov/pub/special.requests/cpi/cpi.ai.txt> Last Updated: June 2021
2. The preliminary 2021 Higher Education Price Index (HEPI) was obtained from the June 2021 publication from the Commonfund Institute.

General Academic Institution Formula Funding Level Projections (does not include Texas State Technical College or Lamar State College Space Support)		
I&O Formula (with Teaching Experience Supplement) (in millions)		
Inflation		
2020-2021 Appropriated Rate	\$	55.66
Anticipated Inflation Rate		2.3%
Recommended Funding Rate (with inflation)	\$	56.94
Growth		
2022-2023 Weighted Semester Credit Hours		39,588,380
Anticipated Growth Rate		1.7%
2024-2025 Projected Growth in Weighted Semester Credit Hours		40,262,808
2022-2023 I&O + Teaching Exp Appropriation	\$	4,406.9
2024-2025 Recommendation with Inflation and Growth	\$	4,584.9
Recommended Increase	\$	178.0
Percent Increase		4.0%
Infrastructure Formula (in millions)		
Inflation		
2022-2023 Appropriated Rate	\$	5.47
Anticipated Inflation Rate		2.3%
Recommended Funding Rate (with inflation)	\$	5.59
Growth		
2022-2023 Predicted Square Feet		72,297,113
Anticipated Growth Rate		2.7%
2024-2025 Projected Predicted Square Feet		74,275,641
2022-2023 Infrastructure Formula Appropriation	\$	793.1
2024-2025 Recommendation with Inflation and Growth	\$	830.5
Recommended Increase	\$	37.4
Percent Increase		4.7%
Small Institution Supplement (in millions)		
2022-2023 Small Institution Supplement	\$	30.2
2024-2025 Recommendation with 1.7% Headcount Growth	\$	29.6
Recommended Increase/Decrease	\$	(0.6)
Percent Increase		-2.0%
Total Formula Funding (in millions)		
2022-2023		
I&O Formula (with Teaching Experience Supplement)	\$	4,406.9
Infrastructure Support	\$	793.1
Small Institution Supplement	\$	30.2
Total	\$	5,230.3
2024-2025		
I&O Formula (with Teaching Experience Supplement)	\$	4,584.9
Infrastructure Support	\$	830.5
Small Institution Supplement	\$	29.6
Total	\$	5,445.0
Recommended Increase	\$	214.7
Percent Increase		4.1%

Charge 2 – Study and make recommendations on the inputs to the operations support and space support formula, including, but not limited to, items such as a review of the weights in the expenditure study, tuition estimate methodologies, and online adjustments in the space model.

The Expenditure Study, developed by the GAIFAC in 2002, is a methodology to establish a relative weight matrix for the I&O formula. The study, collected annually, draws on the “all funds” expenses reported in each institutions’ annual financial report (AFR) and allocates the funds by the operating expense elements: instruction, research, academic and institutional support, and student services. Expenditures reported in the AFR are not broken out by level and discipline, so the study allocates the reported expenditures using headcount, semester credit hours (SCH), and faculty salary data (depending on the operating expense element). There are 5 levels of instruction and 20 disciplines (see below). The study uses the three most recent years of expenditures divided by three years of SCH to arrive at an expenditure per SCH for each discipline and level. The resulting expenditure per SCH for each discipline and level are then divided by the Liberal Arts Undergraduate Lower-Level (LA UGL) expenditure per SCH to form a relative weight. The relative weight of LA UGL is always 1.00. The relative weights in the study serve to fund different disciplines and levels at different amounts, allocating more funds for programs that are more expensive to offer. The I&O formula uses the applicable relative weights to produce weighted semester credit hours (WSCHs). The relative weights are updated every biennium and are listed in the General Appropriations Act. The I&O formula calculates each institutions’ total formula funding by multiplying the I&O rate by WSCHs. More information can be found [here](#).

Current Weights in the Expenditure Study

Relative Weight Matrix						
Fund Code	Discipline	UGL	UGU	MAS	DOC	SP
1	Liberal Arts	1.00	1.82	4.72	14.74	-
2	Science	1.38	2.75	7.67	22.30	-
3	Fine Arts	1.39	2.70	7.49	9.73	-
4	Teacher Education	1.40	1.91	2.34	8.70	-
5	Agriculture	1.64	2.33	8.51	15.18	-
6	Engineering	1.83	2.85	7.28	19.68	-
7	Home Economics	1.04	1.82	3.65	13.66	-
8	Law	-	-	-	-	5.56
9	Social Service	1.63	1.91	2.41	28.72	-
10	Library Science	2.73	1.99	3.50	16.55	-
11	Veterinary Science	-	-	-	-	22.77
12	Vocational Training	1.38	3.46	-	-	-
13	Physical Training	1.54	1.60	-	-	-
14	Health Services	0.93	1.60	2.72	11.99	3.17
15	Pharmacy	5.95	4.48	47.05	48.02	4.69
16	Business Administration	1.13	1.82	3.47	35.95	-
17	Optometry	-	-	-	-	5.76
18	Teacher Ed-Practice Teachir	1.98	2.30	-	-	-
19	Technology	1.89	2.42	4.86	36.15	-
20	Nursing	1.35	2.07	2.68	10.71	-
	Totals	1.20	2.19	4.50	17.87	6.36
VetMed calculated with estimated SCH (Headcount X 24).						

Expenditure Study Relative Weight History

Relative Weights	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Undergraduate Lower Level											
Liberal Arts	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Science	1.75	1.76	1.78	1.79	1.78	1.69	1.64	1.57	1.51	1.44	1.38
Fine Arts	1.42	1.43	1.45	1.45	1.47	1.47	1.46	1.46	1.45	1.43	1.39
Teacher Education	1.41	1.45	1.53	1.60	1.63	1.60	1.53	1.48	1.46	1.42	1.40
Agriculture	2.03	2.09	2.08	2.04	2.07	2.10	2.08	1.98	1.87	1.74	1.64
Engineering	2.42	2.43	2.46	2.45	2.38	2.25	2.15	2.05	1.96	1.88	1.83
Home Economics	1.03	1.02	1.03	1.05	1.10	1.13	1.11	1.11	1.11	1.09	1.04
Law	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Social Service	1.88	1.70	1.77	1.60	1.68	1.52	1.57	1.54	1.58	1.61	1.63
Library Science	1.44	1.50	1.52	1.57	1.49	1.49	1.44	1.87	2.19	2.37	2.73
Vocational Training	1.42	1.37	1.46	1.46	1.45	1.26	1.16	1.15	1.22	1.33	1.38
Physical Training	1.38	1.36	1.37	1.40	1.51	1.51	1.46	1.42	1.38	1.49	1.54
Health Services	1.19	1.14	1.09	1.07	1.07	1.05	1.02	0.99	0.97	0.94	0.93
Pharmacy	1.48	1.60	1.45	1.63	1.86	2.04	2.46	3.12	7.37	6.44	5.95
Business Administration	1.11	1.13	1.17	1.18	1.19	1.18	1.16	1.14	1.13	1.12	1.13
Teacher Education-Practical	1.60	1.83	2.00	2.19	2.28	2.23	1.91	2.00	2.00	2.11	1.98
Technology	2.10	2.27	2.35	2.32	2.26	2.18	2.08	1.97	1.91	1.88	1.89
Nursing	2.03	1.92	1.88	1.81	1.72	1.59	1.49	1.42	1.37	1.29	1.35
Undergraduate Upper Level											
Liberal Arts	1.69	1.69	1.71	1.74	1.76	1.76	1.73	1.73	1.75	1.80	1.82
Science	2.93	2.95	3.02	3.04	3.02	2.90	2.81	2.78	2.76	2.78	2.75
Fine Arts	2.33	2.37	2.43	2.48	2.52	2.52	2.51	2.58	2.66	2.73	2.70
Teacher Education	1.74	1.79	1.89	1.99	2.08	2.10	2.07	2.01	1.98	1.92	1.91
Agriculture	2.54	2.65	2.66	2.65	2.75	2.70	2.58	2.44	2.38	2.35	2.33
Engineering	3.70	3.59	3.58	3.58	3.52	3.37	3.22	3.12	2.99	2.91	2.85
Home Economics	1.66	1.64	1.65	1.66	1.75	1.77	1.76	1.76	1.80	1.83	1.82
Social Service	2.09	2.04	2.16	2.01	2.05	1.87	1.89	1.83	1.85	1.89	1.91
Library Science	1.12	1.20	1.36	1.51	1.57	1.54	1.54	1.62	1.75	1.84	1.99
Vocational Training	1.89	1.98	2.06	2.33	2.64	2.85	2.74	2.79	2.93	3.23	3.46
Physical Training	1.18	1.11	1.14	1.18	1.26	1.25	1.26	1.29	1.33	1.47	1.60
Health Services	1.81	1.76	1.73	1.70	1.65	1.59	1.55	1.54	1.56	1.58	1.60
Pharmacy	5.02	5.28	5.71	5.85	5.02	4.93	4.73	4.41	4.13	4.05	4.48
Business Administration	1.71	1.75	1.81	1.86	1.88	1.86	1.83	1.81	1.79	1.81	1.82
Teacher Ed-Practice Teaching	1.74	1.79	1.92	2.02	2.13	2.22	2.18	2.22	2.19	2.28	2.30
Technology	2.45	2.52	2.46	2.45	2.41	2.38	2.32	2.31	2.29	2.36	2.42
Nursing	2.21	2.06	2.01	2.08	2.11	2.10	2.04	2.03	2.04	2.04	2.07
Masters											
Liberal Arts	3.91	3.87	3.87	3.94	4.00	4.05	4.01	4.11	4.30	4.60	4.72
Science	7.97	7.70	7.59	7.54	7.53	7.43	7.04	7.10	7.33	7.70	7.67
Fine Arts	5.41	5.48	5.55	5.82	6.03	6.09	6.07	6.27	6.69	7.22	7.49
Teacher Education	2.27	2.30	2.43	2.51	2.56	2.47	2.39	2.38	2.41	2.40	2.34
Agriculture	7.13	7.33	7.71	8.08	7.80	7.21	6.54	6.87	7.43	8.09	8.51
Engineering	7.46	7.58	7.66	7.64	7.10	6.14	5.50	5.49	6.00	6.73	7.28
Home Economics	2.89	3.02	3.09	3.10	3.01	2.85	2.79	2.88	3.06	3.40	3.65
Social Service	2.98	2.89	3.07	2.89	2.93	2.57	2.47	2.30	2.31	2.35	2.41
Library Science	2.69	2.83	3.16	3.38	3.60	3.58	3.35	3.12	3.02	3.17	3.50
Health Services	3.15	3.08	2.96	2.90	2.79	2.67	2.54	2.55	2.62	2.70	2.72
Pharmacy	23.26	23.10	22.60	25.82	28.29	28.68	28.55	30.82	34.67	42.85	47.05
Business Administration	3.16	3.19	3.25	3.35	3.39	3.36	3.26	3.22	3.27	3.40	3.47
Optometry	5.46	41.14	34.48	37.77	37.52	0.00	0.00	0.00	0.00	0.00	0.00
Technology	3.86	3.87	3.86	3.90	3.89	3.72	3.42	3.46	3.82	4.34	4.86
Nursing	4.08	3.75	3.52	3.49	3.34	3.21	3.00	2.86	2.74	2.66	2.68
Doctoral											
Liberal Arts	9.22	9.33	9.72	10.22	10.77	10.88	10.90	11.35	12.38	13.79	14.74
Science	21.08	21.78	21.82	21.41	20.61	21.25	20.70	21.72	21.87	22.58	22.30
Fine Arts	7.21	7.44	7.64	7.89	7.95	7.78	7.48	7.87	8.47	9.37	9.73
Teacher Education	7.37	7.70	7.95	7.77	7.42	6.94	6.91	7.35	8.12	8.67	8.70
Agriculture	9.62	10.12	10.42	11.21	11.77	12.36	11.80	12.43	13.58	14.72	15.18
Engineering	16.03	16.75	17.34	17.92	17.98	17.70	17.15	17.39	18.47	19.43	19.68
Home Economics	7.24	7.77	8.37	8.55	8.67	8.50	9.09	9.50	10.50	11.93	13.66
Social Service	14.69	15.32	15.76	17.01	18.18	19.44	19.33	20.67	23.84	26.37	28.72
Library Science	9.64	11.95	12.74	12.41	12.06	13.02	14.64	15.47	15.16	14.47	16.55
Health Services	9.75	9.93	9.75	9.77	9.86	10.11	10.19	10.74	11.28	12.15	11.99
Pharmacy	34.22	36.07	38.52	37.34	35.14	32.24	32.17	36.55	39.21	43.58	48.02
Business Administration	23.34	23.05	23.21	23.52	23.92	24.41	24.70	25.73	28.23	32.95	35.95
Optometry	19.12	51.63	50.88	52.61	55.92	0.00	0.00	0.00	0.00	0.00	0.00
Technology	2.84	4.19	3.85	4.53	5.20	11.50	14.79	14.25	11.55	12.45	36.15
Nursing	9.25	8.55	8.60	8.85	8.99	9.30	9.57	10.01	10.29	10.72	10.71
Special Professional											
Law	4.15	4.48	4.81	5.08	5.13	4.95	4.77	4.79	4.99	5.29	5.56
Veterinary Sciences	20.04	20.27	21.15	21.91	22.03	22.84	23.30	24.35	24.58	23.76	22.77
Health Services	2.60	2.67	2.72	2.74	2.64	2.61	2.50	2.68	2.80	3.08	3.17
Pharmacy	3.97	4.03	4.20	4.25	4.32	4.26	4.23	4.32	4.47	4.63	4.69
Optometry	7.00	5.98	5.98	6.71	7.58	7.93	7.65	7.54	7.08	6.65	5.76

Expenditure Study Relative Weight History Year-Over-Year Percent Change

Relative Weights	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Undergraduate Lower Level											
Liberal Arts	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Science	1%	1%	1%	1%	-1%	-5%	-3%	-4%	-4%	-5%	-4%
Fine Arts	1%	1%	1%	0%	1%	0%	-1%	0%	-1%	-1%	-3%
Teacher Education	0%	3%	6%	5%	2%	-2%	-4%	-3%	-1%	-3%	-1%
Agriculture	8%	3%	0%	-2%	1%	1%	-1%	-5%	-6%	-7%	-6%
Engineering	0%	0%	1%	0%	-3%	-5%	-4%	-5%	-4%	-4%	-3%
Home Economics	-1%	-1%	1%	2%	5%	3%	-2%	0%	0%	-2%	-5%
Social Service	-1%	-10%	4%	-10%	5%	-10%	3%	-2%	3%	2%	1%
Library Science	8%	4%	1%	3%	-5%	0%	-3%	30%	17%	8%	15%
Vocational Training	-1%	-4%	7%	0%	-1%	-13%	-8%	-1%	6%	9%	4%
Physical Training	2%	-1%	1%	2%	8%	0%	-3%	-3%	-3%	8%	3%
Health Services	-3%	-4%	-4%	-2%	0%	-2%	-3%	-3%	-2%	-3%	-1%
Pharmacy	17%	8%	-9%	12%	14%	10%	21%	27%	136%	-13%	-8%
Business Administration	2%	2%	4%	1%	1%	-1%	-2%	-2%	-1%	-1%	1%
Teacher Education-Practical	12%	14%	9%	10%	4%	-2%	-14%	5%	0%	5%	-6%
Technology	7%	8%	4%	-1%	-3%	-4%	-5%	-5%	-3%	-2%	1%
Nursing	4%	-5%	-2%	-4%	-5%	-8%	-6%	-5%	-4%	-6%	5%
Undergraduate Upper Level											
Liberal Arts	-1%	0%	1%	2%	1%	0%	-2%	0%	1%	3%	1%
Science	-1%	1%	2%	1%	-1%	-4%	-3%	-1%	-1%	1%	-1%
Fine Arts	1%	2%	3%	2%	2%	0%	0%	3%	3%	3%	-1%
Teacher Education	1%	3%	6%	5%	5%	1%	-1%	-3%	-1%	-3%	-1%
Agriculture	3%	4%	0%	0%	4%	-2%	-4%	-5%	-2%	-1%	-1%
Engineering	-3%	-3%	0%	0%	-2%	-4%	-4%	-3%	-4%	-3%	-2%
Home Economics	-1%	-1%	1%	1%	5%	1%	-1%	0%	2%	2%	-1%
Social Service	3%	-2%	6%	-7%	2%	-9%	1%	-3%	1%	2%	1%
Library Science	4%	7%	13%	11%	4%	-2%	0%	5%	8%	5%	8%
Vocational Training	2%	5%	4%	13%	13%	8%	-4%	2%	5%	10%	7%
Physical Training	-2%	-6%	3%	4%	7%	-1%	1%	2%	3%	11%	9%
Health Services	-4%	-3%	-2%	-2%	-3%	-4%	-3%	-1%	1%	1%	1%
Pharmacy	11%	5%	8%	2%	-14%	-2%	-4%	-7%	-6%	-2%	11%
Business Administration	1%	2%	3%	3%	1%	-1%	-2%	-1%	-1%	1%	1%
Teacher Education-Practical	0%	3%	7%	5%	5%	4%	-2%	2%	-1%	4%	1%
Technology	1%	3%	-2%	0%	-2%	-1%	-3%	0%	-1%	3%	3%
Nursing	-6%	-7%	-2%	3%	1%	0%	-3%	0%	0%	0%	1%
Masters											
Liberal Arts	-4%	-1%	0%	2%	2%	1%	-1%	2%	5%	7%	3%
Science	-1%	-3%	-1%	-1%	0%	-1%	-5%	1%	3%	5%	0%
Fine Arts	-1%	1%	1%	5%	4%	1%	0%	3%	7%	8%	4%
Teacher Education	-3%	1%	6%	3%	2%	-4%	-3%	0%	1%	0%	-3%
Agriculture	2%	3%	5%	5%	-3%	-8%	-9%	5%	8%	9%	5%
Engineering	0%	2%	1%	0%	-7%	-14%	-10%	0%	9%	12%	8%
Home Economics	0%	4%	2%	0%	-3%	-5%	-2%	3%	6%	11%	7%
Social Service	2%	-3%	6%	-6%	1%	-12%	-4%	-7%	0%	2%	3%
Library Science	4%	5%	12%	7%	7%	-1%	-6%	-7%	-3%	5%	10%
Health Services	-2%	-2%	-4%	-2%	-4%	-4%	-5%	0%	3%	3%	1%
Pharmacy	-1%	-1%	-2%	14%	10%	1%	0%	8%	12%	24%	10%
Business Administration	-3%	1%	2%	3%	1%	-1%	-3%	-1%	2%	4%	2%
Optometry	0%	653%	-16%	10%	-1%	Deleted					
Technology	-5%	0%	0%	1%	0%		-8%	1%	10%	14%	12%
Nursing	-8%	-8%	-6%	-1%	-4%	-4%	-7%	-5%	-4%	-3%	1%
Doctoral											
Liberal Arts	0%	1%	4%	5%	5%	1%	0%	4%	9%	11%	7%
Science	4%	3%	0%	-2%	-4%	3%	-3%	5%	1%	3%	-1%
Fine Arts	2%	3%	3%	3%	1%	-2%	-4%	5%	8%	11%	4%
Teacher Education	-3%	4%	3%	-2%	-5%	-6%	0%	6%	10%	7%	0%
Agriculture	3%	5%	3%	8%	5%	5%	-5%	5%	9%	8%	3%
Engineering	1%	4%	4%	3%	0%	-2%	-3%	1%	6%	5%	1%
Home Economics	4%	7%	8%	2%	1%	-2%	7%	5%	11%	14%	15%
Social Service	2%	4%	3%	8%	7%	7%	-1%	7%	15%	11%	9%
Library Science	29%	24%	7%	-3%	-3%	8%	12%	6%	-2%	-5%	14%
Health Services	7%	2%	-2%	0%	1%	3%	1%	5%	5%	8%	-1%
Pharmacy	12%	5%	7%	-3%	-6%	-8%	0%	14%	7%	11%	10%
Business Administration	-4%	-1%	1%	1%	2%	2%	1%	4%	10%	17%	9%
Optometry	0%	170%	-1%	3%	6%	Deleted					
Technology	-4%	48%	-8%	18%	15%	121%	29%	-4%	-19%	8%	190%
Nursing	-7%	-8%	1%	3%	2%	3%	3%	5%	3%	4%	0%
Special Professional											
Law	6%	8%	7%	6%	1%	-4%	-4%	0%	4%	6%	5%
Veterinary Sciences	33%	1%	4%	4%	1%	4%	2%	5%	1%	-3%	-4%
Health Services	7%	3%	2%	1%	-4%	-1%	-4%	7%	4%	10%	3%
Pharmacy	5%	2%	4%	1%	2%	-1%	-1%	2%	3%	4%	1%
Optometry	0%	-15%	0%	12%	13%	5%	-4%	-1%	-6%	-6%	-13%

Fiscal Year 2020 Expenditure Study Counts of Institutions Reporting Hours for Discipline and Level Combinations

Discipline	UGL	UGU	MAS	DOC	SP
Liberal Arts	36	36	36	22	-
Science	36	36	35	17	-
Fine Arts	36	34	26	8	-
Teacher Education	35	35	35	24	-
Agriculture	18	19	16	8	-
Engineering	36	36	33	18	-
Home Economics	30	30	24	6	-
Law	-	-	-	-	6
Social Service	24	25	15	3	-
Library Science	14	10	9	3	-
Veterinary Science ¹	-	-	-	-	1
Vocational Training	11	10	-	-	-
Physical Training	26	5	-	-	-
Health Services	35	34	30	13	8
Pharmacy ²	1	2	3	3	4
Business Administration	36	36	36	16	-
Optometry ³	-	-	-	-	1
Teacher Ed-Practical	8	34	-	-	-
Technology	36	34	27	6	-
Nursing	23	26	19	7	-

1. Veterinary Science

- Currently only Texas A&M University has a College of Veterinary Medicine, although Texas Tech University will begin offering the program in Fall 2021. The Association of American Veterinary Medical Colleges lists 33 U.S. veterinary medical colleges. Efforts to include these cost data into our study have been unsuccessful due to our specific reporting requirements. Other states' institutions do not collect the data, do not discretely categorized the colleges, or report with categories too different to convert.

- The semester credit hours used for this discipline's expense per semester credit hour are the program's reported headcount times 24 instead of the Class Report (CBM004) semester credit hours. This adjustment allows the formula to more closely match the general revenue funded by the Legislature prior to merging the program into the relative weight matrix. The program's class report hours are used in the base year data.

2. Pharmacy Undergraduate Lower and Upper Level

- For the 2022-23 biennium, this discipline's lower and upper levels accounted for 1,013 base year semester credit hours, producing 4,576 weighted semester credit hours, for a total of \$534,841 in I&O formula funding.

3. Optometry

- University of Houston is currently the only institution with an optometry program.

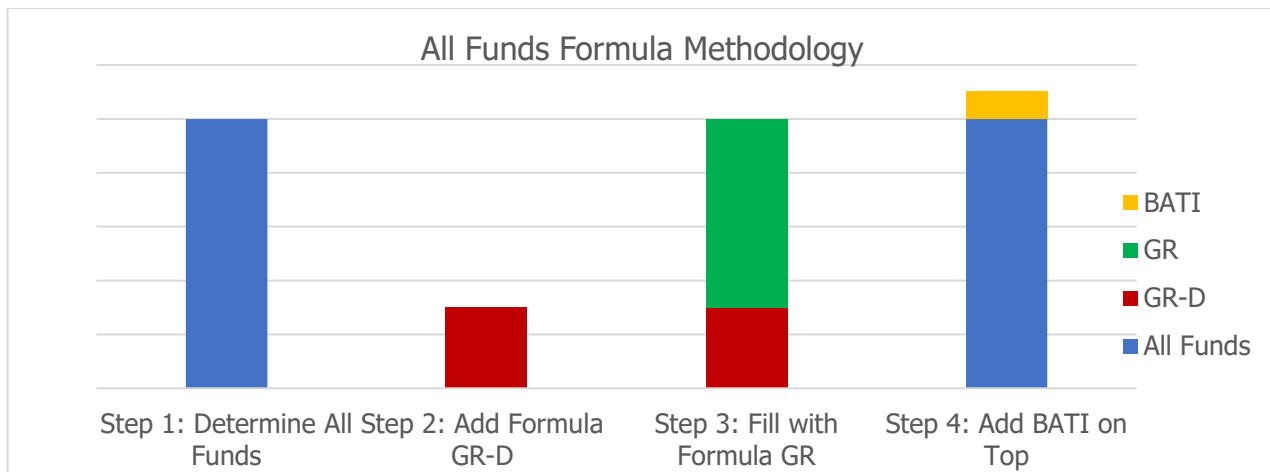
- Expenditure-based weight implemented in 2014-2015. The Association of Schools and Colleges of Optometry lists 21 U.S. optometry schools. Attempts to include their cost data into our expenditure study have been unsuccessful for the same reasons as with Veterinary Medicine.

- For the 2022-23 biennium, enrollments generated 15,933 semester credit hours, 91,774 weighted semester credit hours, and \$10,216,094 in formula funding, which was 0.2 percent of the \$4.407 billion appropriated to the I&O formula.

Tuition Estimate Methodologies

The Legislature uses an "All Funds" methodology for the general academic institution formulas, where the amount of formula General Revenue provided to institutions is offset by the amount of Other Educational and General (E&G) Income available to each institution. Other E&G Income includes specific tuition and fee revenue, such as statutory resident and nonresident tuition. The Legislative Budget Board uses data provided by institutions in the Legislative Appropriations Request (LARs) to estimate the amount of Other E&G Income available to institutions for an upcoming biennium. This amount is provided to institutions as estimated General Revenue-Dedicated appropriations in the General Appropriations Act – General Revenue-Dedicated Educational and General Income (GR-D 770). In addition, General Revenue-Dedicated Board Authorized Tuition Income (BATI) is also provided to institutions as an estimated appropriation (GR-D 704); however, these funds are not used as part of the All Funds formula methodology.

Certain amounts from the estimated Other E&G Income are set aside for purposes other than formula funding, such as for staff group insurance premiums or for Texas Public Education Grants. After the set-asides, the remaining amount of estimated Other E&G Income is used for formula funding. Once the total All Funds amount of formula funding is determined for an institution, the amount is funded first by the estimated available formula Other E&G Income. The remaining formula funding amount is funded by General Revenue Funds. The below is an illustration of the All Funds formula funding methodology.



Online Adjustments in the Space Model

The consideration of adjustments to space need for online/distance education in the Space Projection Model has been of interest in the last several biennia. The 84th Legislature required the THECB to produce a study on the Space Projection Models, including a requirement to consider the impacts of online courses in the model (the report can be found [here](#)). The 86th Legislature also required a review of the Space Model as it relates to distance education courses by the FY 2022-23 formula advisory committee. The committee recommended that all hours be included in the Space Model, regardless of instruction mode.

This discussion continues to be relevant today as the COVID-19 pandemic has changed many aspects of higher education, from where students are learning from, where faculty are working and teaching from, and what the long-term implications of these changes might mean.

Charge 3 – Study and make recommendations for the appropriate funding for the Texas Research University Fund, Texas Comprehensive Research Fund, and the Core Research Support Fund.

There are three research funds provided directly to general academic institutions to foster increased research capacity – the Texas Research University Fund (TRUF), the Core Research Support Fund (CRS), and the Texas Comprehensive Research Fund (CRF). These funds are appropriated directly in each eligible institution’s bill pattern. Statute defines both the allocation methodology and the institutions eligible to receive appropriations from each of the funds. As required by statute, the funds are provided to specific accountability groups as defined by the Texas Higher Education Coordinating Board. For the 2022-23 biennium, a total of **\$278.5 million** was appropriated for the three research funds, maintaining the level of funding in the 2020-21 biennium for this purpose.

Of note, the amounts shown in this document are based on appropriated funding levels for the research funds in the 2020-21 biennium. These do not incorporate the five percent reduction taken by general academic institutions during the 2020-21 biennium.

Texas Research University Fund (TRUF)

In 2015, the Texas Legislature created the TRUF to provide funds to the two Texas research universities with total research expenditures greater than \$450 million (Texas Education Code, Section 62, Subchapter C). The institutions currently eligible to receive funding from the TRUF are The University of Texas at Austin and Texas A&M University. The TRUF may be used by institutions to support faculty to ensure excellence in instruction and research. The distribution of funds is based on a three-year average of total research expenditures.

Total appropriations to the University of Texas at Austin and Texas A&M University for the TRUF are \$147.1 million for the 2022-23 biennium. This provides a rate of 10.1 percent of the three-year average of total research expenditures. Since inception, a total of \$566.4 million has been appropriated to these two institutions for the TRUF.

Texas Research University Fund Appropriations

Institution	FY 16-17	FY 18-19	FY 20-21	FY 22-23
TAMU	\$ 79,163,176	\$ 70,210,336	\$ 82,650,052	\$ 80,644,950
UT-Austin	67,912,618	54,957,878	64,425,742	66,430,842
Total	\$ 147,075,794	\$ 125,168,214	\$ 147,075,794	\$ 147,075,792

Core Research Support Fund (CRS)

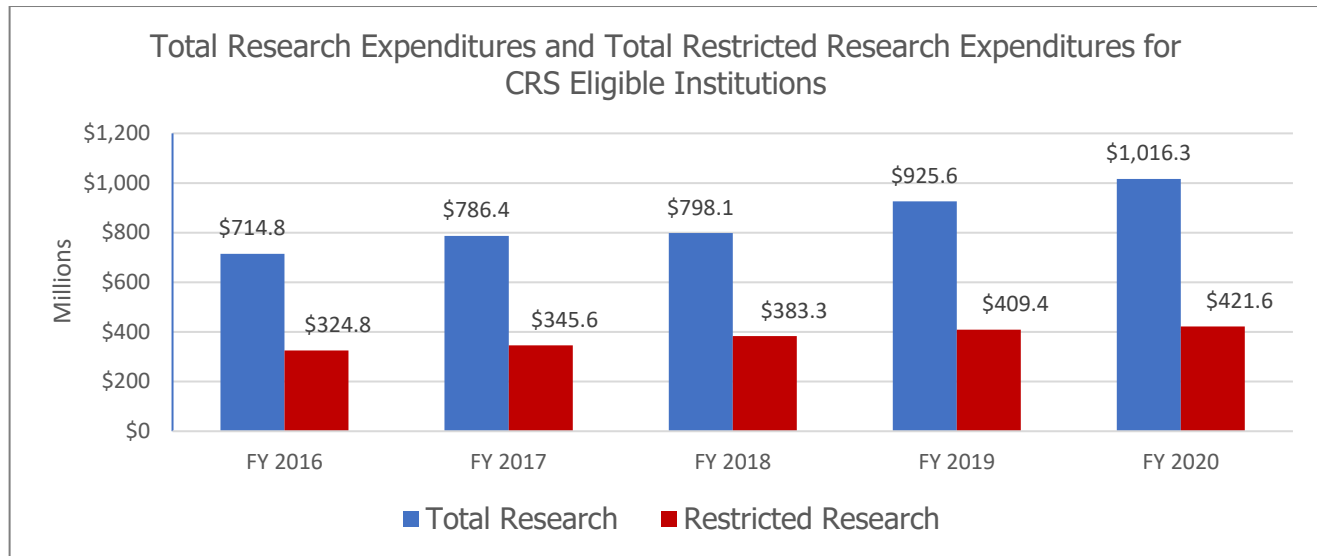
The Core Research Support Fund, created in 2015, provides funds to Texas emerging research universities in Texas (Texas Education Code, Chapter 62, Subchapter F-1). Appropriations for CRS may be used for the support and maintenance of educational and general activities, including research and student services, that promote increased research capacity. The allocation of the CRS is based equally on total and restricted research expenditures and uses a three-year average of total research expenditures and total restricted research expenditures.

Total appropriations to the eight emerging research universities for CRS is \$117.1 million for the 2022-23 biennium. This provides an average rate of 10.4 percent of eligible research expenditures.

Since inception, a total of \$456.7 million has been appropriated to the emerging research universities for the CRS.

Core Research Support Appropriations

Institution	FY 16-17	FY 18-19	FY 20-21	FY 22-23
Texas State	\$ 7,942,562	\$8,214,246	\$10,057,922	9,158,162
Texas Tech	22,679,150	21,244,506	23,216,554	20,322,956
UT-Arlington	13,476,936	11,581,814	13,514,488	14,227,326
UT-Dallas	18,353,802	16,020,760	17,160,774	16,941,400
UT-El Paso	15,803,288	14,210,348	14,895,954	13,534,188
UT-San Antonio	10,622,002	8,479,882	10,431,688	12,688,044
UH	21,774,816	20,833,922	22,958,570	23,480,920
UNT	6,458,858	4,814,790	4,875,460	6,758,414
Total	\$ 117,111,414	\$ 105,400,268	\$ 117,111,410	\$ 117,111,410

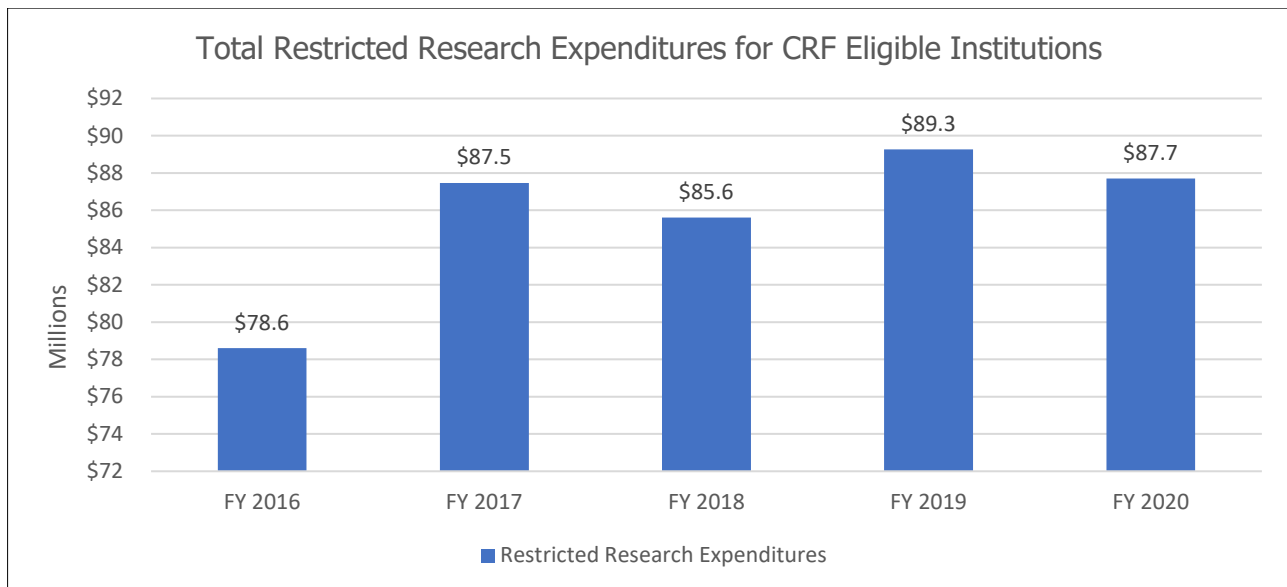


Texas Comprehensive Research Fund (CRF)

The CRF, created in 2015, provides funds to Texas public institutions that are neither research nor emerging research universities (Texas Education Code, Chapter 62, Subchapter E). Appropriations for the CRF may be used for the support and maintenance of educational and general activities, including research and student services, that promote increased research capacity. The distribution of CRF appropriations is based on a three-year average of restricted research expenditures. Appropriations for CRF include \$14.2 million to 25 institutions for the 2022-23 biennium. This provides a rate of 16.3 percent of the three-year average of restricted research expenditures. Since inception, a total of \$55.7 million has been appropriated to institutions for the CRF.

Comprehensive Research Fund Appropriations

Institution	FY 16-17	FY 18-19	FY 20-21	FY 22-23
Angelo	\$ 36,132	\$ 37,608	\$ 40,530	\$ 44,330
Lamar	422,186	272,096	267,210	334,198
Midwestern	81,786	68,956	80,740	107,908
Prairie View	1,649,384	1,315,334	1,315,882	1,331,760
Sam Houston	511,562	404,118	472,712	605,314
SFA	430,990	398,988	342,952	286,508
Sul Ross	239,250	216,818	226,824	234,494
Tarleton	1,068,208	928,186	962,146	869,096
TAMI	426,618	305,172	442,026	418,236
TAMU-Galveston	594,694	709,240	895,672	824,210
TAMU-Commerce	289,146	282,420	273,898	223,368
TAMU-Corpus Christi	2,083,874	2,389,810	2,871,004	2,925,450
TAMU-Kingsville	2,168,570	2,219,170	2,241,630	2,282,858
TAMU-San Antonio	10,180	24,634	27,764	15,024
TAMU-Texarkana	12,976	2,160	1,532	-
Texas Southern	204,842	372,316	647,764	661,496
Texas Woman's	270,084	215,144	304,304	481,650
UT-Tyler	338,470	141,988	200,198	215,110
UT-Permian Basin	99,900	23,052	83,732	164,074
UT-Rio Grande Valley	2,339,296	1,697,558	1,676,152	1,423,264
UH-Clear Lake	209,756	144,569	180,826	169,320
UH-Downtown	333,582	301,752	364,866	291,804
UH-Victoria	2,632	22,694	41,216	12,800
UNT-Dallas	4,878	3,056	5,766	6,146
West Texas A&M	443,390	348,318	305,028	343,956
Total	\$ 14,272,386	\$ 12,845,157	\$ 14,272,374	\$ 14,272,374



Charge 4 – Study and make recommendations on the funding methodology for the Comprehensive Regional Universities under Senate Bill 1295. The study must review the methodology’s allocation of funds and the promotion of student success. (Senate Bill 1295, 87th Texas Legislature, Regular Session, 2021)

Senate Bill 1295, related to financial support and incentives for comprehensive regional universities, requires THECB, in consultation with a representative group of eligible institutions, to conduct a study on the allocation methodology of funding provided under Section 62.183 of the Education Code. The study should determine that method's effectiveness in allocating state funds fairly and equitably, and promoting student success at eligible institutions. The full text of the enrolled version for SB 1295 can be found in Appendix C of these materials.

The bill defines an at-risk student as a student at an eligible institution whose SAT or ACT score was below the national mean or who has previously received a Pell grant. It also defines an eligible institution as one designated as a comprehensive, doctoral, or master’s university in the THECB’s accountability system. It specifies that eligible institutions are entitled to receive, in each state fiscal biennium, the sum of a base amount of \$500,000 or greater and a \$1,000 or greater amount multiplied by the average number of degrees awarded to an at-risk student. The number of degrees awarded is determined by using an average of the 3 years preceding the biennium. An alternative allocation method may be provided by appropriation.

Funding was not appropriated for this purpose in the 2022-23 biennium; however, the chart below displays an illustrative example of what appropriations may have looked like under this methodology for fiscal year 2022-23 using the most recent three years of data.

At-Risk State Support for Comprehensive Regional Universities (defined as a Comprehensive, Doctoral, or Masters University in THECB Accountability System)

Three-year average (2018 through 2020) undergraduate degrees of at-risk students (Pell recipient and/or below national average SAT/ACT)

Institution	FY 2022 Support	FY 2023 Support	Total At-Risk Support per Biennium	Base Funding	Rate per At-Risk Grad	Three-Year Average FY 18-20	FY 2020	FY 2019	FY 2018
						At-Risk Degrees	At-Risk Degrees	At-Risk Degrees	At-Risk Degrees
UT-Rio Grande Valley	\$ 2,115,833	\$ 2,115,833	\$ 4,231,667	\$ 500,000	\$ 3,731,667	3,732	3,785	3,927	3,483
UT-Permian Basin	\$ 537,167	\$ 537,167	\$ 1,074,333	\$ 500,000	\$ 574,333	574	545	603	575
UT-Tyler	\$ 823,167	\$ 823,167	\$ 1,646,333	\$ 500,000	\$ 1,146,333	1,146	1,213	1,133	1,093
TAMU-Galveston	\$ 347,667	\$ 347,667	\$ 695,333	\$ 500,000	\$ 195,333	195	175	181	230
Prairie View	\$ 757,667	\$ 757,667	\$ 1,515,333	\$ 500,000	\$ 1,015,333	1,015	1,081	1,009	956
Tarleton	\$ 1,146,500	\$ 1,146,500	\$ 2,293,000	\$ 500,000	\$ 1,793,000	1,793	1,818	1,758	1,803
TAMU-Central	\$ 460,667	\$ 460,667	\$ 921,333	\$ 500,000	\$ 421,333	421	411	420	433
TAMU-CC	\$ 907,167	\$ 907,167	\$ 1,814,333	\$ 500,000	\$ 1,314,333	1,314	1,417	1,299	1,227
TAMU-Kingsville	\$ 663,833	\$ 663,833	\$ 1,327,667	\$ 500,000	\$ 827,667	828	868	823	792
TAMU-San Antonio	\$ 748,500	\$ 748,500	\$ 1,497,000	\$ 500,000	\$ 997,000	997	1,085	1,005	901
TAMI	\$ 790,500	\$ 790,500	\$ 1,581,000	\$ 500,000	\$ 1,081,000	1,081	1,125	1,047	1,071
WTAMU	\$ 799,000	\$ 799,000	\$ 1,598,000	\$ 500,000	\$ 1,098,000	1,098	1,108	1,140	1,046
TAMU-Commerce	\$ 855,000	\$ 855,000	\$ 1,710,000	\$ 500,000	\$ 1,210,000	1,210	1,195	1,222	1,213
TAMU-Texarkana	\$ 389,333	\$ 389,333	\$ 778,667	\$ 500,000	\$ 278,667	279	299	278	259
UH-Clear Lake	\$ 735,667	\$ 735,667	\$ 1,471,333	\$ 500,000	\$ 971,333	971	1,050	984	880
UH-Downtown	\$ 1,295,000	\$ 1,295,000	\$ 2,590,000	\$ 500,000	\$ 2,090,000	2,090	2,035	2,214	2,021
UH-Victoria	\$ 490,833	\$ 490,833	\$ 981,667	\$ 500,000	\$ 481,667	482	508	476	461
Midwestern	\$ 619,167	\$ 619,167	\$ 1,238,333	\$ 500,000	\$ 738,333	738	727	759	729
UNT-Dallas	\$ 493,667	\$ 493,667	\$ 987,333	\$ 500,000	\$ 487,333	487	557	474	431
SFA	\$ 1,019,333	\$ 1,019,333	\$ 2,038,667	\$ 500,000	\$ 1,538,667	1,539	1,547	1,502	1,567
TSU	\$ 621,500	\$ 621,500	\$ 1,243,000	\$ 500,000	\$ 743,000	743	768	761	700
Angelo	\$ 576,333	\$ 576,333	\$ 1,152,667	\$ 500,000	\$ 652,667	653	715	657	586
TWU	\$ 951,500	\$ 951,500	\$ 1,903,000	\$ 500,000	\$ 1,403,000	1,403	1,508	1,320	1,381
Lamar	\$ 809,000	\$ 809,000	\$ 1,618,000	\$ 500,000	\$ 1,118,000	1,118	1,130	1,089	1,135
Sam Houston	\$ 1,625,167	\$ 1,625,167	\$ 3,250,333	\$ 500,000	\$ 2,750,333	2,750	2,828	2,770	2,653
Sul Ross	\$ 326,667	\$ 326,667	\$ 653,333	\$ 500,000	\$ 153,333	153	147	148	165
Sul Ross-Rio Grande	\$ 324,667	\$ 324,667	\$ 649,333	\$ 500,000	\$ 149,333	149	125	152	171
Total	\$21,230,500	\$21,230,500	\$42,461,000	\$13,500,000	\$ 28,961,000	28,961	29,770	29,151	27,962

Rate \$ 1,000

Source: CBM009, CBM00N, CBM00B, FAD

*matches unduplicated baccalaureate graduates to FAD and CBM00B for prior 10 years.

Students flagged as receiving pell and/or SAT/ACT score below the national average at any time in the prior 10 years. At-risk total only counts students once in any of the 3 categories for an unduplicated total.

*assumes that institutions would receive half the At-Risk Support in the first year and half in the second year.

Charge 5 – Study and discuss considerations for adjusting formula funding to reflect the cost of education related to student characteristics, enrollment changes during the biennium, and any other relevant factors.

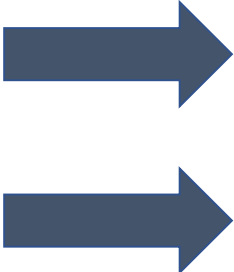
The I&O formula model uses an expenditure study to allocate funding based on course discipline and level (see Charge 3). The model does not currently consider any potential difference in the cost to educate students based on student population characteristics.

Additionally, the I&O formula uses base year data to determine appropriations for an upcoming biennium. The base period is the 12-month period used to measure the semester credit hours, or SCH. Final formula funding appropriations provided by the Legislature uses semester credit hour data generated during the summer and fall of even-numbered years and the spring of odd-numbered years, the most recent 12-month period prior to the end of the legislative session. For example, the data used to determine appropriation levels for the 2022-23 biennium was semester credit hour data from Summer 2020, Fall 2020, and Spring 2021. For the 2024-25 biennium, the base period used for appropriations will be Summer 2022, Fall 2022, and Spring 2023. This methodology does not account for any potential swings in enrollment, or semester credit hour generation, that may occur during a biennium and instead, the institution’s formula appropriation is set based on the historical base period data.

Base Year Period for 2024-25 Appropriations

ENROLLMENTS IN:

SUMMER 2022
FALL 2022
SPRING 2023



DETERMINE APPROPRIATIONS FOR:

FY 2024 – FALL 2023, SPRING 2024, SUMMER 2024

FY 2025 – FALL 2024, SPRING 2025, SUMMER 2025

Fall Enrollment Comparison

Institution	Fall 2018	Fall 2019	Fall 2020	Percent Change - Fall 2018 to Fall 2020
UT-Arlington	42,496	42,863	42,733	0.6%
UT-Austin	51,684	50,894	50,282	-2.7%
UT-Dallas	28,755	29,543	28,669	-0.3%
UT-El Paso	25,063	25,144	24,867	-0.8%
UT-Rio Grande Valley	28,489	28,909	32,220	13.1%
UT-Permian Basin	5,834	5,283	5,530	-5.2%
UT-San Antonio	32,101	32,389	34,402	7.2%
UT-Tyler	9,716	9,130	9,408	-3.2%
TAMU	63,694	63,859	65,272	2.5%
TAMU-Galveston	1,806	1,644	1,653	-8.5%
Prairie View	9,516	8,940	9,248	-2.8%
Tarleton	13,118	13,177	14,022	6.9%
TAMU-Central	2,464	2,440	2,339	-5.1%
TAMU-CC	11,929	11,452	10,820	-9.3%
TAMU-Kingsville	8,541	7,479	6,915	-19.0%
TAMU-San Antonio	6,616	6,714	6,741	1.9%
TAMI	7,884	8,305	8,270	4.9%
WTAMU	10,030	9,970	10,051	0.2%
TAMU-Commerce	12,072	11,725	11,624	-3.7%
TAMU-Texarkana	2,067	2,053	2,161	4.5%
UH	46,324	46,148	47,060	1.6%
UH-Clear Lake	8,961	9,082	9,053	1.0%
UH-Downtown	14,261	14,640	15,239	6.9%
UH-Victoria	4,381	4,499	4,931	12.6%
Midwestern	5,712	5,500	5,387	-5.7%
UNT	38,087	39,192	40,653	6.7%
UNT-Dallas	3,757	4,040	4,164	10.8%
SFA	13,058	12,862	12,488	-4.4%
TSU	9,732	9,034	7,015	-27.9%
TTU	37,845	38,250	39,574	4.6%
Angelo	10,242	10,289	10,489	2.4%
TWU	15,364	15,710	16,032	4.3%
Lamar	14,176	14,811	15,799	11.4%
Sam Houston	21,025	21,363	21,650	3.0%
TXST	38,644	38,187	37,812	-2.2%
Sul Ross	1,885	1,644	1,557	-17.4%
Sul Ross - RG	890	821	916	2.9%
Total	658,219	657,985	667,046	1.3%
Source: CBM001				

Appendix A: Texas Administrative Code Related to Formula Funding Committee

Use the links below to reference Texas Administrative Code related to the formula funding committee process:

§1.164	Authority and Specific Purposes of the General Academic Institutions Formula Advisory Committee
§1.165	Definitions
§1.166	Committee Membership and Officers
§1.167	Duration
§1.168	Meetings
§1.169	Tasks Assigned the Committee
§1.170	Report to the Board; Evaluation of Committee Costs and Effectiveness

Appendix B: 2022-23 Texas Higher Education Coordinating Board Formula Funding Recommendations (Includes Formula Advisory Committee Recommendations)

<https://www.highered.texas.gov/institutional-resources-programs/funding-facilities/formula-funding/basis-of-legislative-appropriations>

Appendix C: Tentative Schedule of Future Meetings

Meeting 2: Wednesday, September 22, 2021, 10:00am

Meeting 3: Wednesday, October 27, 2021, 10:00am

Meeting 4: Wednesday, November 17, 2021, 10:00am

Meeting 5 (if needed): Wednesday, December 8, 2021, 10:00am

Meeting 6 (if needed): Wednesday, January 5, 2022, 10:00am