

# Recommendations of the Formula Advisory Committees

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Chairs of the Formula Advisory Committees

- Chancellor Brent Wallace, Community and Technical Colleges
- Daniel Harper, General Academic Institutions
- Michael Tramonte, Health-Related Institutions

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## Formula Advisory Committees (FACs)

### Overview

- FACs are required by statute to review higher education formulas each biennium

### Three Committees

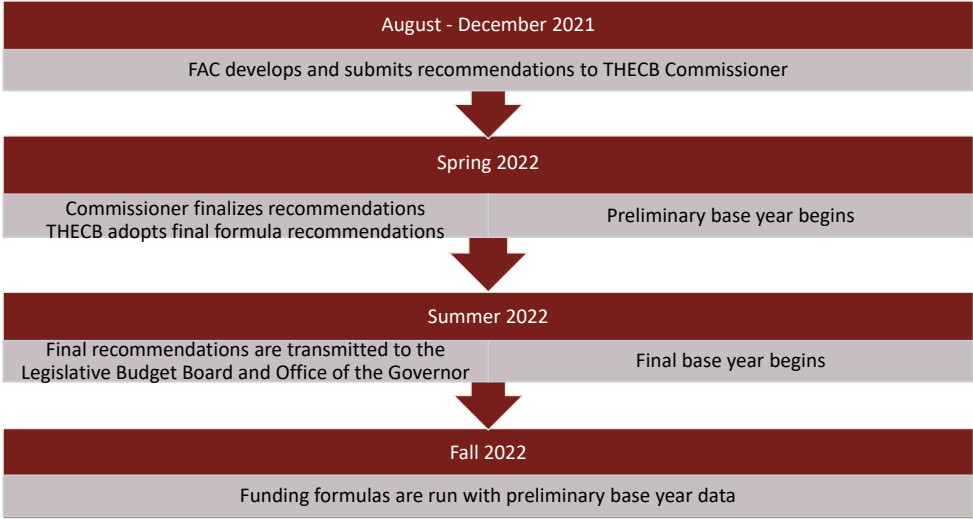
- General Academic Institutions FAC
- Community and Technical Colleges FAC
- Health Related Institutions FAC

### Membership

- Committees include variety of institutional representatives, including presidents, chancellors, chief financial officers, professors, and governmental relations

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# Formula Funding Recommendations Timeline



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# Overview of Formulas and Recommendations

- Funding formulas are the primary driver and distribution of state funding among institutions of higher education
- The Legislature sets the rates based on available funding, including consideration of enrollment changes and other factors
- FAC recommendations across the three sectors are rate based:
  - Increase rate for inflation (sector specific); and
  - Fund growth in formula drivers (e.g., enrollment growth for instruction and operations formulas)

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# Recommendations of the Community and Technical Colleges FAC

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## Community Colleges Recommendations

### Core Operations

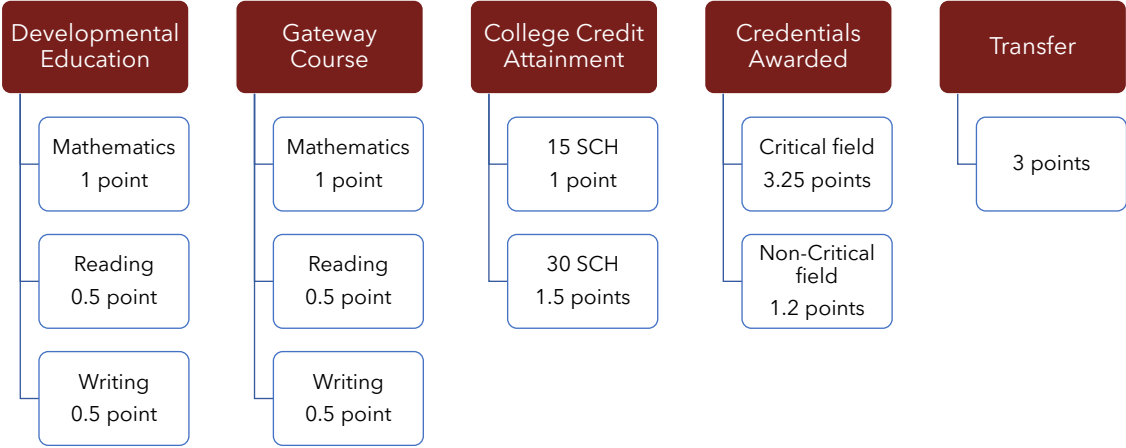
- Increase funding to each district to \$2.0 million from \$1.4 million per biennium

### Community Colleges Formulas

- Increase rate for inflation and fund growth in:
  - Contact Hour Formula
  - Student Success Point Formula

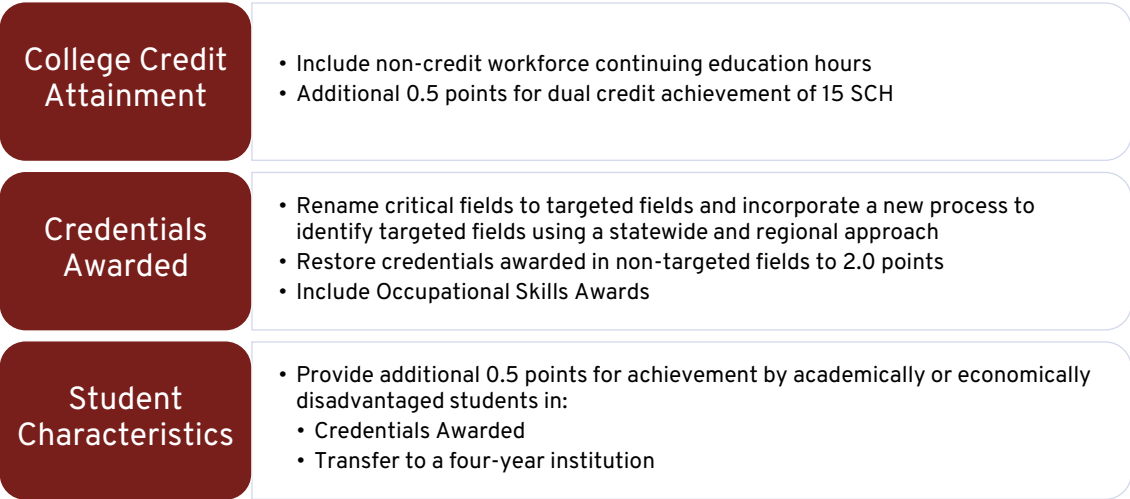
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# Current Student Success Points



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# Recommended Changes to Student Success Points



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# State & Technical Colleges Recommendations

## Texas State Technical College (TSTC) Returned Value Formula

- Include return value for workforce continuing education students in the calculation

## TSTC Dual Credit

- Fund dual credit through a contact hour formula

## Lamar State Colleges Instruction and Administration Formula

- Increase rate for inflation and fund enrollment growth

## Infrastructure Formula and Small Class Supplement

- Increase rate/supplement for inflation and fund growth

# Recommendations of the General Academic Institutions FAC

# General Academic Institutions Recommendations

## General Academic Institution Formulas

- Increase rates for inflation and fund growth in the Instruction and Operations and Infrastructure formulas
- Increase small institution supplement amount for inflation

## Research Formula Funding

- Include performance-based research funds (Texas Research University Fund, Core Research Support Fund, and Texas Comprehensive Research Fund) as part of formula considerations
- Increase rates for inflation and fund increased research expenditures

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# Senate Bill 1295: Study on Comprehensive Regional University Funding

## SB1295 Legislative Requirements

- Defines support to regional universities through a funding allocation that would provide:
  - \$500,000 in base funding; and
  - \$1,000 per “at-risk” degree awarded
- Provides for THECB to study funding methodology and promotion of student success

## Recommendations

- Funding methodology providing for base funding and an amount per “at-risk” degree is:
  - Appropriate and equitable
  - Supports the cost of providing enhanced student success initiatives
- Further study on the definition of an “at-risk” student is needed

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# Recommendations of the Health-Related Institutions FAC

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Recommendations of the Formula Advisory Committees – April 2022
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## Health-Related Institutions Recommendations

**Health-Related Institution Formulas**

- Increase rate for inflation and fund growth in the Instruction and Operations, Infrastructure, Research Enhancement, and Graduate Medical Education formulas

**Mission Specific Formulas**

- Fund the performance-driven funding target based on the institution's performance as measured by its mission specific formula incentives

**Podiatric Medicine**

- Fund podiatric medical students at the medical weight in the Instruction and Operations formula
- Include accredited podiatric medicine residents in the Graduate Medical Education Formula

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Footer text
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# Questions?