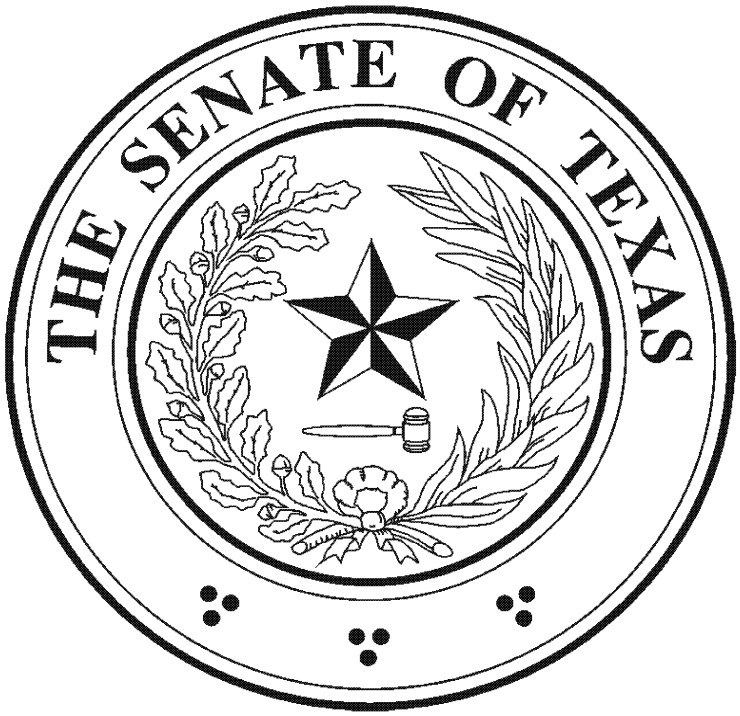

Senate Education Subcommittee on Higher Education

Interim Report

December, 2006

Please direct questions and comments to:

Senator Judith Zaffirini, Chair
Senate Subcommittee on Higher Education
P.O. Box 12068
Austin, Texas 78711
512/463-0121

Interim Report prepared by:

Kate Moore, Director of Subcommittee, while Senator Royce West was Chair
Warren von Eschenbach, PhD, Director of Subcommittee

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Senator Judith Zaffirini
Chair

Senator Kip Averitt
Senator Kyle Janek
Senator Todd Staples
Senator Royce West
Senator Tommy Williams

Senate Education Subcommittee on Higher Education

November 30, 2006

The Honorable
David Dewhurst
Lieutenant Governor of Texas
P.O. Box 12068
Austin, Texas 78711

Dear Lieutenant Governor Dewhurst:

The Senate Subcommittee on Higher Education hereby submits our interim report, including recommendations to the 80th Legislature.

Respectfully submitted,

Senator Judith Zaffirini, Chair

Senator Kip Averitt

Senator Kyle Janek

Senator Todd Staples

Senator Royce West

Senator Tommy Williams

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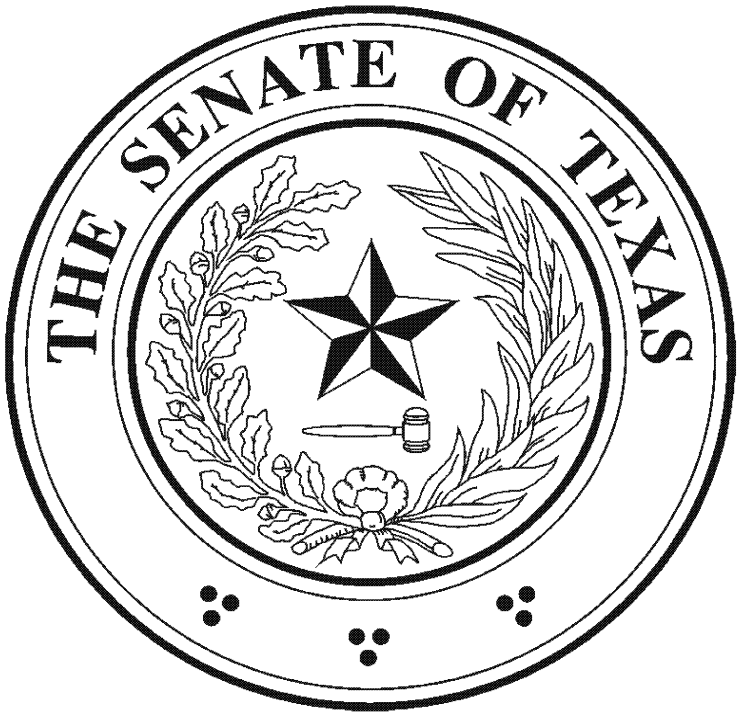

Senate Education Subcommittee on Higher Education

Interim Report

December, 2006

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Acknowledgements

The Senate Education Subcommittee for Higher Education thanks the following for their assistance during our interim hearings and contributions to the writing of this report:

Texas Higher Education Coordinating Board
Texas Public Universities and Systems
Legislative Budget Board
Texas Education Agency

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Carleton Turner, Senate Sergeant-at-Arms
Sharon Scarborough, Senate Media Director
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Senate Research Center

This report initially was developed by Kate Moore, Subcommittee Director, while Senator Royce West was Subcommittee Chair. On September 1 Lieutenant Governor Dewhurst named Senator Judith Zaffirini to chair the Subcommittee. Warren von Eschenbach was named Director. He finalized the report with the assistance of Sarah Hicks, Director, and Daniel Harper, Policy Analyst, Senate Finance Committee. The report was made possible by the leadership of the Subcommittee members and the contribution of their dedicated staff:

Warren von Eschenbach, PhD, representing Senator Judith Zaffirini
Johanna Sheffield, representing Senator Kip Averitt
Casey Haney, representing Senator Kyle Janek
Jen Moore and Alicia Philips representing Senator Todd Staples
Kate Moore, representing Senator Royce West
Jason Baxter, representing Senator Tommy Williams
Sarah Hicks, Daniel Harper, and Amy Jeter, representing Senate Finance Committee and Senator Steve Ogden
Andrea Sheridan, representing Lieutenant Governor David Dewhurst
Rick Travis, Daniel Estrada, John Miller, Greg Owens, Susan Sherman, and John Wielmaker, Legislative Budget Board

The Subcommittee also appreciates the numerous stakeholders for their involvement in developing this report, especially those who provided testimony during public hearings.

Introduction

On February 3, 2006, Lieutenant Governor David Dewhurst issued the following interim charges to the Senate Education Subcommittee on Higher Education:

1. Study the impact and costs associated with distance learning on traditional higher education.

2. Study the cost of education at public institutions of higher education, specifically, tuition de-regulation and student fees. The committee should also review current tuition and fee exemptions and make recommendations for improving student access to education.

3. Study what impact any changes to the percentage requirement of the Top 10% Law could have on students currently in the educational pipeline, discuss developing a uniform transcript and a standard methodology for calculating GPAs, and make recommendations for relating to the application of the Top 10% Law, including to children of Texas residents in the military.

4. Monitor the progress of the Closing the Gaps goals and recommend any legislative action needed to ensure we stay on target to meet the goals by 2015.

5. Study the relationship of College of Education coursework on teacher effectiveness and student performance. Examine the State's role in the accountability of these teacher preparation programs in delivering the most effective instruction strategies recommended or validated by scientifically-based research, particularly in the area of reading. Examine past and current studies linking teacher preparedness with student performance and identify any barriers to conducting such research. Make recommendations for legislative changes to improve programs

Joint Charge with Senate Finance Committee
1. Monitor changes made during the 79th Legislature, Regular Session, to adjust higher education funding formulas by adopting a cost-based formula matrix. Make recommendations for continuing improvements.

The Subcommittee held public hearings related to the interim charges on April 24, 2006; June 29, 2006; August 24, 2006; and September 24, 2006 (See Appendices A, B, C, and D) and a joint hearing with the Senate Finance Committee on September 24, 2006 (See Appendix F).

This Interim Report initially was developed under the direction of Senator Royce West, former Chair, by Kate Moore, Director of the Subcommittee. On September 1 Lieutenant Governor David Dewhurst named Senator Zaffirini as chair of the Subcommittee on Higher Education, and Warren von Eschenbach, Director of the Subcommittee, assumed duties for finalizing it. The report includes background, an overview of the testimony received, and recommendations by the Subcommittee. Unless otherwise noted, all charts, graphs, and tables were created from information provided by the Legislative Budget Board, the Texas Higher Education Coordinating Board, Texas Education Agency, and higher education institutions.

Recommendations

Senate Subcommittee on Higher Education
December, 2006

Charge One—Distance Learning

Based on expert testimony received during subcommittee hearings and consultation with institutions of higher education, the Subcommittee makes the following recommendations regarding Interim Charge One for the Legislature's consideration:

QUALITY AND EFFECTIVENESS
The continued development and distribution of consistent quality standards for distance education courses, particularly online courses, serve as building blocks for collaboration and partnership among institutions and systems.

Recommendation 1
Require the Coordinating Board's Distance Education Advisory Council to review, refine, and widely disseminate the adopted Principles of Good Practices for electronically delivered learning and to adapt those Principles for blended or hybrid learning (when more than 50 percent of the content is delivered online) as well.

Recommendation 2
Require public institutions of higher education to implement the Principles of Good Practice as the minimum quality standard for electronically delivered courses and ensure that the standard is applied consistently across all institutions, as also required by the SACS Commission on Colleges.

Recommendation 3
Direct the Coordinating Board's Distance Education Advisory Council to research and recommend peer review systems for online education that are based on existing national and state models.

Recommendation 4
Encourage public institutions of higher education to implement recommended peer review tools that assess and ensure the quality of online education courses.

COLLABORATION AND ACCESS

Initiatives that increase access and collaboration are vital for the future of distance education in Texas. Collaboration may prove to be the only way that colleges and universities can continue to have access to a multiplicity of costly and sophisticated resources that are required for successful distance education programs. Removing existing barriers is essential for effective collaboration among institutions and systems.

Recommendation 5
Require the Coordinating Board's Distance Education Advisory Council to address faculty workload reporting, articulation of courses across institutions, inter-institutional registration procedures, and course scheduling, as these issues relate to collaborative programs.

Recommendation 6
Require the Coordinating Board's Distance Education Advisory Council to evaluate the feasibility of creating and maintaining a statewide repository of learning objects to be shared by all public institutions of higher education.

Recommendation 7
Review and potentially expand statewide negotiation of access to digital online library resources and software.

Recommendation 8
Explore ways to support collaborative programs by facilitating statewide, inter-institutional registration processes and student services, similar to the infrastructure behind the UT TeleCampus.

FISCAL ISSUES, INCENTIVES AND EFFICIENCY

In addition to increasing access, distance education can create efficiencies when planned well. To fully realize the benefits, however, fiscal issues must be addressed and new policies implemented.

Recommendation 9
Consider rewarding institutions for offering distance learning courses that share resources, increase quality, promote collaboration, and meet critical needs (*e.g.*, serving rural areas and inner-city populations and filling workplace shortages such as for teachers and nurses and other high-need areas identified by the state).

Recommendation 10
Require the Coordinating Board's Distance Education Advisory Council to assess the financial impact of online learning on space and facilities, and require institutions to coordinate blended learning practices that result in efficient use of space and facilities (classroom scheduling).

Recommendation 11
Require the Coordinating Board's Distance Education Advisory Council to identify quality online training resources and make them available statewide for faculty members who are interested in teaching distance education courses.

Recommendation 12
Require the Coordinating Board to identify and provide opportunities for statewide cooperative purchasing for software and services (*e.g.*, course management systems, student information systems, degree audit software, online tutoring and mentoring, *etc.*).

Recommendation 13
Require the Coordinating Board and the Texas Education Agency to explore the feasibility and the costs associated with establishing Internet 2 connectivity to all public and private school districts, education service centers, and public and private institutions of higher education to ensure that access to distance education is comprehensive and statewide.

Charge Two—Cost of Education

Based on the testimony received by the Subcommittee and the findings of the State Auditor's report and the Texas Higher Education Coordinating Board's report regarding exemption and waiver programs, the Subcommittee makes the following recommendations regarding Interim Charge Two for the Legislature's consideration:

Recommendation 1
Require that institutions of higher education address consistency in higher education financial reporting by incorporating applicable requirements and accounting standards of the Governmental Accounting Standards Board (GASB), Texas state laws, and the guidelines and policies of the Texas Higher Education Coordinating Board and the National Association of College and University Business Officers. Institutions should continue to cooperate with efforts by the THECB to develop uniform "total academic cost" information.

Recommendation 2
Hold institutions accountable for uses of tuition monies resulting from increases in tuition by continuing to require the Report Concerning Designated Tuition (General Appropriations Act, Special Provisions Related only to State Agencies of Higher Education, Section 59, SB 1, 79th Legislature) and continue efforts to implement an accountability system that focuses on outcome measures.

Recommendation 3
Continue to utilize the FAFSA and each institution's cost of attendance to determine students with unmet needs and prioritize tuition set-aside funds to provide assistance to students whose cost of tuition and required fees is not met through other non-loan and self-help financial assistance programs.

Recommendation 4
Require institutions to review, certify, and report their fund balances to their governing board annually.

Recommendation 5
Repeal and re-write current exemption and waiver statutes, bringing all relevant statutes together for easy access and reference.

Recommendation 6
Raise the requirements for students to continue receiving tuition exemptions and waivers.

Recommendation 7
Limit the exemptions to apply only to tuition and mandatory fees, excluding optional or discretionary fees.

Recommendation 8
Require each institution to designate an office to function as a clearinghouse for tuition exemptions and waivers.

Recommendation 9
Require the Coordinating Board to work with institutional representatives to develop application templates for tuition exemption and waiver programs.

Recommendation 10
Provide a two-year lead time for implementation when new exemption and waiver legislation is passed.

Charge Three—Top Ten Percent

Based on expert testimony, the Subcommittee makes the following recommendations regarding Interim Charge Three for the Legislature's consideration:

Recommendation 1
Consider modifying the Top 10 Percent Law to ensure uniformity in high school class rank policies and to support the flexibility that colleges need to enroll a highly qualified and diverse class, ensuring that military families who are Texas residents have full participation in the benefits of the law.

Recommendation 2
Require the Texas Education Agency to develop and implement a method for calculating a uniform Grade Point Average.

Charge Four—Closing the Gaps

Based on data collected by the Texas Higher Education Coordinating Board, the Subcommittee makes the following recommendations regarding Interim Charge Four for the Legislature's consideration:

Recommendation 1
Develop a strategic plan for higher education to improve planning and coordination from across campuses and systems and to deploy higher educational resources in an educationally-sound and cost-efficient manner.

PARTICIPATION

By 2015 close the gaps in participation rates to add 630,000 students.

Recommendation 2

Identify and expand early-childhood (0-4 years) education programs in the state. Develop a statewide early childhood education strategy that includes parental training and information outreach, school-based programs, faith-based activities, and other institutions such as children's museums.

Recommendation 3

Improve rigor of senior year in high school for all students: Develop strong remediation programs jointly between public education and higher education for low achievers; expand dual-credit and Advanced Placement opportunities for high achievers.

Recommendation 4

Align high school exit and college readiness standards (HB 1, 2006 Third Called Special Session). Align workforce readiness and college-readiness standards.

Recommendation 5

Increase funding for state financial aid programs (TEXAS Grant, B-on-Time, Work Study, Texas Education Opportunity Grant Program, Tuition Equalization Grant Program) in a manner that creates incentives to perform at a high level academically and be graduated in a timely manner. Develop through incentives, relatively low-cost programs for financing baccalaureate training (dual admissions programs, 2-plus-2 plans, etc.).

STUDENT SUCCESS

By 2015 award 210,000 undergraduate degrees, certificates and other identifiable student successes from high quality programs.

Recommendation 6

Strengthen the developmental education programs in both two- and four-year institutions. Strengthen assessment and diagnostic tools and apply innovative pedagogies such as accelerated learning and on-line instruction.

Recommendation 7

Strengthen the culture of transfer at every community college in Texas. Strengthen and expand articulation agreements with four-year institutions.

Recommendation 8
Increase accountability for all institutions of higher education to improve transfer and completion rates.

Recommendation 9
Develop a statewide initiative to redesign lower-division instruction in an educationally-sound and cost-efficient manner (HB 1, 2006 Third Called Special Session).

Recommendation 10
Establish strong accountability criteria for measuring learning outcomes at every institution of higher education.

EXCELLENCE
By 2015 substantially increase the number of nationally recognized programs or services at colleges and universities in Texas.

Recommendation 11
Develop standards and criteria for academic excellence in conformity with institutional missions and for different groups in accountability system.

Recommendation 12
Develop strong and uniform campus review processes for all academic programs, undergraduate and graduate.

Recommendation 13
Develop formula-funding models that include both incentives and performance-based criteria.

RESEARCH
By 2015 increase the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation.

Recommendation 14
Increase funding for basic research through the Advanced Research Program (ARP).

Recommendation 15
Strengthen alignment among institutional research priorities, statewide initiatives, and business interests and needs.

Charge Five—Colleges of Education

Based on expert testimony, including recommendations provided by the Texas Education Agency, the Subcommittee makes the following recommendations regarding Interim Charge Five for the Legislature's consideration:

Recommendation 1
Clarify Texas Education Code, Section 21.045, to provide the State Board of Educator Certification with a comprehensive suite of options to pursue sanctions against non-compliant educator preparation programs.

Recommendation 2
Authorize the State Board of Educator Certification to collect fees from educator preparation programs for the cost of administration involved in the support of the creation and maintenance of these programs.

Recommendation 3
Clarify in statute that school districts are authorized to release evaluation documents to the Texas Education Agency and the State Board for Educator Certification for purposes of enforcing the educator preparation accountability system, with the proper confidentiality measures in place.

Recommendation 4
Clarify in statute that law enforcement agencies may provide the appropriate information from a criminal investigation or prosecution to the Texas Education Agency for the designated function.

Recommendation 5
Consider sustaining and increasing funding for establishing large-scale research centers and collaboratives whose findings are more likely to be generalizable to a wide scope of teacher education programs.

Recommendation 6
Support research initiatives that will examine the social contexts and cultural factors specific to enhancing success in preparing a highly qualified, diverse

teacher workforce, particularly among teacher education programs in historically black, Hispanic-serving, and culturally diverse institutions of higher learning.

Recommendation 7
Support the dissemination and implementation of findings related to College of Education coursework and teacher effectiveness in relation to student performance.

Recommendation 8
Provide funds to replicate research about effective teacher education to be applied in diverse educational settings, including two- and four-year institutions and alternative programs.

Joint Charge—Cost-Based Matrix

Based on expert testimony The Senate Finance Subcommittee and the Senate Subcommittee on Higher Education make the following recommendations regarding the cost-based formula matrix for the Legislature's consideration:

Recommendation 1
Continue the phase-in of the cost-based matrix with the goal of full implementation by 2010.

Recommendation 2
Review the effectiveness of the teaching experience supplement and consider increasing the weight up to 50 percent for lower-division courses only.

Recommendation 3
Direct the Texas Higher Education Coordinating Board to study the feasibility of developing a cost-based formula matrix for health-related institutions.

Recommendation 4
Direct the Texas Higher Education Coordinating Board to report the 80th Legislature no later than March 1, 2007, on the appropriate level of funding for instruction & operations at general academic institutions as reflected in the cost study.

CHARGE ONE

Study the impact and costs associated with distance learning on traditional higher education.

DISTANCE LEARNING

Charge One—Distance Learning

Introduction

Distance learning is a rapidly developing segment of higher education in Texas and the nation. When appropriately designed and conscientiously practiced by the provider and responsibly pursued by the learner, distance learning can be at least as effective as traditional classroom instruction for the delivery and acquisition of many types of knowledge.

The proliferation of distance learning delivery systems has created the capability for many institutions to reach far beyond their traditional service areas with relative ease—one of several momentous changes enabled by technology. The increasing capability to reach learners in their homes or offices via television and the Internet makes the concept of geographical boundaries somewhat arbitrary, at least from a technological point of view.

With the development of these expanded capabilities, learners will have more choices and therefore exercise greater influence in the educational market than at any time in the past. Colleges and universities must seriously re-examine not only the nature of the educational programs they offer, but also the methods by which they are offered. The weakening of boundaries between institutions will offer opportunities for forward-looking institutions to offer the best distance learning initiatives of which they are capable.

The integration of educational technology into the learning process, whether at a distance or in the campus classroom, can significantly change the relationships that have traditionally existed among teacher, learner, and learning resources. Technology supporters eagerly champion the opportunities this affords; traditionalists are more cautious. Nevertheless, when used properly, technology can serve important purposes as the state addresses the educational challenges that lie ahead.

The state's higher education system cannot be all things to all people in all locations. Within the context of developing needed resources, it can, however, help expand courses and programs by using technology to leverage investments already made in faculty, facilities, and learning resources.[1]

Initiatives that increase access and collaboration are vital for the future of distance education in Texas. This may include improving convenient, affordable access to personal computers, Internet service, computing facilities in public libraries and community centers, and enhancing campus technology infrastructure. It is noted that urban, suburban, and rural areas may have different access needs. The use of public/private partnerships, the creation of incentives, and, in some cases, direct funding of initiatives, are possible solutions.[2]

The state of Texas has a unique opportunity to break down barriers to collaboration and to increase access to higher education using distance learning as the tool.[3] In 2002 the Texas Higher Education Coordinating Board's Distance Education Advisory Council issued a report summarizing these as financial barriers, institutional/cultural barriers, and bureaucratic policies and practices.[4] Collaborative course development, shared learning objects, cross-institutional support, and training are examples of activities that will encourage such alliances and help Texas realize both efficiency and effectiveness in education.[5]

The Senate Subcommittee on Higher Education heard testimony regarding Interim Charge One on June 29, 2006. The hearing included invited testimony from the following persons:

- Teri Flack, Deputy Commissioner, Texas Higher Education Coordinating Board

- Rey Garcia, President and CEO, Texas Association of Community Colleges

- Virginia Stewart-Miller, Director of Information Technology, Huston-Tillotson University

- Darcy W. Hardy, Assistant Vice Chancellor for Academic Affairs and Director of UT TeleCampus, The University of Texas System

- MacGregor Stephenson, Associate Vice Chancellor for Academic and Student Affairs, Texas A&M University System

- Phil Turner, Vice Provost for Learning Enhancement, University of North Texas

- Ed Hugetz, Associate Vice Chancellor for Planning and University Outreach, University of Houston System

- Doug Fox, Associate Vice President for Information Technology and Chief Information Officer, Angelo State University

- William M. Marcy, Provost and Senior Vice President for Academic Affairs, Texas Tech University

- Ann Stuart, Chancellor and President, Texas Woman's University

- Pamela Cope Morgan, Director of Extended Education, Midwestern State University

- Randy McDonald, Director, Office of Instructional Technology, Stephen F. Austin State University

- Charlene Evans, Senior Vice President of University Relations and Ombudsman, Texas Southern University

The Subcommittee asked that all witnesses who were invited to testify provide a two-page document outlining the courses offered, enrollment, and costs associated with distance learning. (See Appendix A)

Texas Higher Education Coordinating Board

Teri Flack, Deputy Commissioner, Texas Higher Education Coordinating Board, discussed various types of distance education—video classes, videotaped instruction, off-campus instruction, and asynchronous education for students who do not conform to the traditional hours of instruction. Ms. Flack said that Dr. Carol Twigg, Executive Director of the Center for Academic Transformation at Rensselaer Polytechnic Institute, has consulted with 25 universities to streamline the large core courses and use innovations such as online tutorials. These universities, Ms. Flack noted, have reduced the costs of the courses by 35 percent and produced significant gains in learning in most institutions.

Texas Association of Community Colleges

Rey Garcia, President and CEO, Texas Association of Community Colleges, was invited to give an overview of distance education at the community college level. Dr. Garcia testified that the Legislature created a dedicated fund for the Virtual College of Texas and STARLINK.

He explained that the Virtual College of Texas allows the 50 Community College Districts to develop and coordinate distance learning affordably and efficiently. Dr. Garcia stated that 27,000 students have used the Virtual College of Texas, including 6,700 students enrolled this year and that it is undergoing a complete review by the Southern Association of Colleges and Schools (SACS).

Virtual College of Texas

Virtual College of Texas is a consortium of accredited public Texas community and technical colleges. The mission of Virtual College is to provide distance learning access to all Texans wherever they may live, regardless of geographic, distance, or time constraints. Virtual College maximizes student access with its seamless model of delivering distance education. Students enroll at a local college and are able to take courses provided by other colleges throughout Texas while still receiving support services from the local institution. Virtual Colleges of Texas is hosted by the Austin Community College District.

STARLINK

STARLINK is a community college-based system that provides staff development at community colleges via the Internet or programs downloaded from the video library. STARLINK is a network of 138 colleges and universities in 29 states and Canada. During its 16-year history, it has produced and delivered 200 programs via satellite, totaling approximately 300 hours of training and information for approximately a quarter-million faculty members and administrators. The Dallas County Community College has five employees to run STARLINK. The state provides 50 percent of STARLINK's funding with subscriptions and dues providing the remaining funds.

STARLINK connects all of the community and technical colleges in the state through its statewide satellite and Internet-based network. The facilities and offices of STARLINK are located at the LeCroy Center of the Dallas County Community College District.

Texas Association of Developing Colleges
Barbara Hawkins, Executive Director of the Texas Association of Developing Colleges, a collaborative technology enhancement project of Huston-Tillotson University, Paul Quinn College, Wiley College, and Texas College, was invited to present their program to the subcommittee.
Ms. Hawkins discussed the challenge of collaboration in distance learning in transmitting and receiving point-to-point and multi-point courses among the five historically black colleges in Texas. Ms. Hawkins said that they have identified a product by PolyVision and that the program will prepare African American students who want to become teachers.

Virginia Stewart Miller, Director of Technology at Huston-Tillotson, said that the program provides better courses to students and produces better teachers for the state. Ms. Miller said that enrollment growth has been better than expected and that students report satisfaction with the courses.

The cost for the start-up is $1.3 million in the first year, with an additional $830,000 in the second year. Each institution has set aside funds, and the project has received a PolyVision grant for these purposes. The investment serves the goal of closing the gaps in participation by placing the courses at historically black colleges.

The University of Texas System
Darcy Hardy, The University of Texas TeleCampus Director, was invited to testify about The University of Texas TeleCampus and noted that UT's distance learning programs began in the late 1800s with correspondence courses.

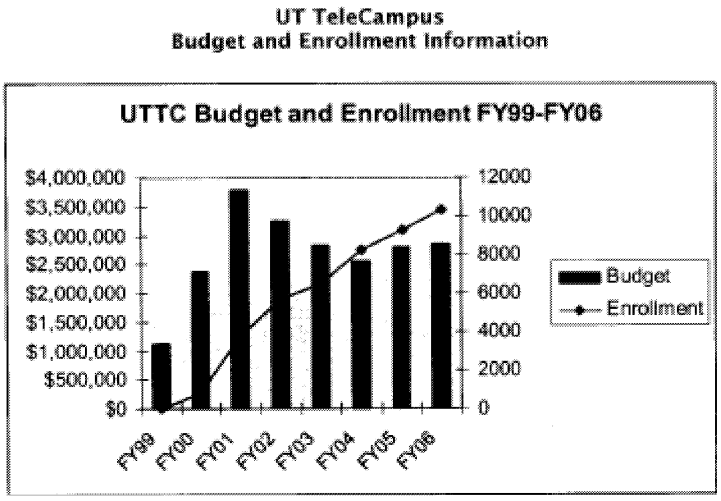
The UT TeleCampus is a central support unit that facilitates distance education initiatives within The University of Texas System. The UT TeleCampus staff develop, support, and promote distance education programs and courses to further the UT institutions' goals of providing more access to higher education for the residents of Texas and beyond. The UT TeleCampus does not award credit or degrees, but facilitates collaboration among the universities by providing cost-effective tools, methods, and services for distance education.

Students enroll through a UT campus, Dr. Hardy said, and pay $41 million in tuition and fees each year. From 91 to 95 percent of students complete online courses, she stated, compared to from 50 to 60 percent of students

who complete correspondence courses. Dr. Hardy said that tenured or tenure-track faculty teach courses for undergraduates and that students enroll typically in one of two online courses in addition to regular classroom courses.

The UT TeleCampus enrollment in fiscal year (FY) 2006 will exceed 10,000. She said that it is a line item appropriation in UT System's bill pattern and that the Available University Fund provides 71 percent of its revenue. She pointed out that total funding has declined while enrollment has grown and that this decrease has eliminated funding for faculty training. Dr. Hardy said that since FY 1999, total funding was less than $25 million and that total annual tuition and fees provide $11 million in additional revenue to the universities.

The following chart provides the history of UT TeleCampus's budget:



Texas A&M University System

MacGregor Stephenson, Associate Vice Chancellor for Academic and Student affairs, Texas A&M University System, was invited to discuss the Texas A&M System's distance learning programs. He said that distance learning provides quality physics degrees in regional universities that otherwise would lack adequate programs. Dr. Stephenson also reported the following:

- Texas A&M and Texas Tech University collaborate on a "doc at a distance" program—a joint PhD degree in agriculture for working professionals;

- Texas A&M-Corpus Christi offers online a bachelor of science degree in nursing; and

- Texas A&M-Commerce offers a master's of business administration degree that is available worldwide entirely online, with an enrollment that has grown from 152 students to 800 students during the last four years.

Dr. Stephenson emphasized that the state might want to establish standards for distance learning at the master's degree level. He said that students need to be self-motivated and to understand the expectations of distance learning. Dr. Stephenson provided the following overview of Texas A&M University System's distance education.

- System Summary, Fall, 2005
  - 1,619 distance education courses offered by system institutions
  - 30,986 student headcount enrollment
  - 93,695 Semester Credit Hours (SCH) or 8.12 percent of 1.15 million SCH generated systemwide
  - 49 percent of these courses were off-campus, face-to-face courses
  - 43 percent of these courses were Internet-based
  - Student ethnicity in distance education courses compared to overall systemwide ethnic populations is as follows:
    - White = 70.3 percent distance education/61.2 percent total population
    - Black = 11.3 percent distance education /11.9 percent total population
    - Hispanic = 13.2 percent distance education/18.5 percent total population
    - Asian = 2 percent distance education /2.3 percent total population
    - Other = 3.3 percent distance education /6.2 percent total population

University of North Texas

Phil Turner, Vice Provost for Learning Enhancement, University of North Texas (UNT), was invited to testify about North Texas' distance education

programs and noted that North Texas is the state's largest online provider, with 11,000 students enrolled in Fall, 2005. He said that North Texas has tried to improve the completion rates of students in large-enrollment classes (up to 500 students) by using online techniques.

Dr. Turner said that a significant percentage of the students take only online courses, but the majority of online students take one online course and four traditional classroom courses and are graduated earlier than those who take only classroom courses. He stated that if the students enrolled in online courses had enrolled in classroom courses, North Texas would need four more large buildings. Dr. Turner said that there are significant costs associated with creating quality online courses, which provided $7 million in revenue in Fall, 2005, but that the cost for distance learning support is $1.6 million per year.

The following chart breaks down the Fall, 2005 enrollment figures, comparing students who took courses at UNT only, students who took distance learning courses only (DL Only), and students who took a combination of on-campus and distance learning courses (Both):

Fall 2005 Enrollments

Took Classes	**At UNT Only**	**DL Only**	**Both**
Anglo	15,841	1,232	4,411
African American	2,664	174	829
Hispanic	2,526	180	571
Asian/Pacific Islander	1,129	46	226
Female	13,259	1,264	3,756
Male	10,711	449	2,607

University of Houston System

Ed Hugetz, Associate Vice Chancellor for Planning and University Outreach, University of Houston (UH), was invited to testify about the distance learning programs at the University of Houston System.

He stated that UH-Victoria has 60 percent of its enrollment in online courses and that each of its 80 faculty members teaches online courses. He said that UH-Victoria has reshaped itself into a TeleCampus and that faculty members need to be comfortable with using all modes of technology. Mr. Hugetz stated that systemwide, online enrollment growth is

approximately 28 percent, but it is expected to flatten to approximately 15 percent. He said that the growth in online courses may be undermined by hybrids in which students meet weekly in a classroom while the majority of instruction is online. Mr. Hugetz noted that the popularity of online courses arises from distances to a college; traffic in Houston; and the time demands of balancing family, work, and academic responsibilities.

The following charts depict the enrollment profile and number of courses offered by the UH System for FY 2005:

Enrollment Profile (FY 2005) for UH System* -- Face-to-Face (F2F), Online, and Interactive TV (ITV)

	F2F	Online	ITV	Total
UH	1,129	9,759	8,432	19,320
UH-Clear Lake	2,606	2,866	0	5472
UH-Downtown (UHD)	2,779	3,294	1,341	7414
UH-Victoria (UHV)	3,047	7,828	752	11,627
UHS TOTAL	**9,561**	**23,747**	**10,525**	**43,833**

*Enrollments include UH System at Cinco Ranch (2,330) and UH System at Sugar Land (5,463)

Number of Courses Offered (FY 2005)*

	Fall 04	Spring 05	Summer 05	Total
UH	188	205	139	532
UH-Clear Lake	60	72	51	183
UH-Downtown (UHD)	183	199	137	519
UH-Victoria (UHV)	372	388	213	973
				2,207

*Course offerings are duplicated if offered at multiple locations (UHD and UHV)

Texas State University System

Doug Fox, Chief Information Officer at Angelo State University (ASU), was invited to testify on behalf of the Texas State System. Mr. Fox said that students come to college better prepared for online courses. He said that ASU and Amarillo Community College (ACC) provide asynchronous Internet courses to produce nurse educators for face-to-face instruction of nursing students at ACC. He emphasized that faculty must receive training to present online courses and use technology.

Texas Tech University System

Texas Tech University (TTU) provost, William Marcy, said that TTU is a TEA-certified independent school district (TTUISD) and provides kindergarten through PhD education entirely at a distance. Dr. Marcy stated that TTUISD is a major supplier of credit by examination. In the 2004-05 school year, TTUISD had an enrollment of 24,000 and issued 67,000 credit-by-examination packages, including packets for the advanced high school diploma program, to school districts across the state. Dr. Marcy said that TTUISD provides curricula to many home-schooled children, pre-kindergarten through 12th grade.

Texas Tech provides the following distance education programs:

- Core Curriculum**:** Students can complete the core curriculum online and in print media. Approximately 51 percent of students taking these courses are from TTU, and 49 percent are from other universities.
- Undergraduate**:** TTU offers two undergraduate degrees at a distance for students who are place-bound or who cannot otherwise obtain a degree because of personal or professional commitments.
- Graduate**:** TTU offers 17 master's degrees and two doctorates at a distance or at off-campus sites and is waiting for final approval from SACS for three additional doctoral degrees and two additional master's degrees to be offered at a distance or off-campus. Additionally, TTU offers eight distance graduate certificate or certification preparation programs.
- In 2004-05, TTU offered 359 distance or off-campus courses (762 course sections) generating 28,928 SCH. This includes formula-eligible enrollments in courses offered 50 percent or more electronically, in blended/hybrid modalities, and off-campus. Courses offered by extension are not included.

Texas Woman's University System

Texas Woman's University (TWU) chancellor, Ann Stuart, said that in 2001 TWU had 256 students enrolled in distance learning, which grew to 4,083 in 2006. Dr. Stuart noted that distance learning is growing at 15 percent a year. She warned that cost savings cannot be the primary focus in higher education, especially because of the diversity in the K-12 population and the lack of technology in low-income homes. Dr. Stuart cautioned against

dismantling universities in favor of distance learning because of the beneficial social aspects of education.

Dr. Stuart said that TWU has great success with online graduate degrees and bachelor's degree completion for students with associate degrees. She said that workplace needs can be matched to online courses. Dr. Stuart noted that minority enrollment and success in online courses are the same as that of white students. She said that distance learning will not reduce the need for campus infrastructure, but that universities can use their resources more effectively with both programs.

Midwestern State University

Pam Morgan, Director of Extended Education, Midwestern State University (MSU), said that she currently is finishing her doctorate at UNT, which would have been impossible without distance learning. MSU moved into distance learning first in radiological science, nursing, respiratory care, and other health care areas. Ms. Morgan said that MSU has started providing distance learning to students who have earned some college credit or have an associate degree to encourage them to complete a bachelor's degree.

The following chart provides data related to MSU's various method of delivering instruction, comparing the number of sections offered, the number semester credit hours (SCH), the number of full-time equivalent (FTE) students, the percentage of FTE students:

	# Sections Offered		# Beginning SCH		# FTE Students (SCH/15)		% FTE Students (SCH/15)	
Method of Delivery	Fall, 2005	Spring, 2006	Fall, 2005	Spring, 2006	Fall, 2005	Spring, 2006	Fall, 2005	Spring, 2006
Internet	123	122	5,992	6,029	399.5	401.9	8.51	9.10
2-Way Video	21	29	186	165	12.4	11.0	0.26	0.25
Face-Face Off Campus	2	1	72	33	4.8	2.2	0.10	0.05
Telecourses	4	3	489	504	32.6	33.6	0.69	0.76
All non-Distance Ed courses	1,169	1,165	63,656	59,502	4,243.7	3,966.8	90.43	89.84
Total for MSU	1,319	1,320	70,395	66,233	4,693.0	4,415.5	100.00	100.00

Stephen F. Austin State University

Randy McDonald, Director, Office of Instructional Technology at Stephen F. Austin State University (SFA), said that the university offers online courses in its specialties in forestry interpretation, elementary education, and

music. Distance learning has experienced dynamic growth, he said, but has now leveled off at approximately 15 percent. He said that only seven percent of online students live on campus.

In addition to these online programs, several individual courses are offered. Since 1999, SFA has developed 191 online courses. In Spring, 2006, SFA offered 109 sections of 79 online courses with a total of 2,198 enrollments representing 4.3 percent of the total SFA enrollments. The number of courses being developed for online delivery has grown steadily during the last five years and is expected to continue as new online programs are added.

The following chart demonstrates the growth in demand of online courses for SFA:

SFA Fall Semester Enrollments in Online Courses by Year

Year	1999	2000	2001	2002	2003	2004	2005
Enrollment	55	225	531	790	1,332	1,639	1,786

Texas Southern University

Charlene Evans, Senior Vice President of University Relations and Ombudsman, Texas Southern University (TSU), said that the university's distance learning graduate courses offerings are in greater demand and that its online enrollment reflects the demographic profile of the general student body. She said that TSU has 30 online courses and that it offers grants to faculty to develop courses.

Charge One—Distance Learning

Recommendations

Based on expert testimony received during Subcommittee hearings and consultation with institutions of higher education, the Subcommittee makes the following recommendations regarding Interim Charge One for the Legislature's consideration:

QUALITY AND EFFECTIVENESS
The continued development and distribution of consistent quality standards for distance education courses, particularly online courses, serve as building blocks for collaboration and partnership among institutions and systems.

Recommendation 1
Require the Coordinating Board's Distance Education Advisory Council to review, refine, and widely disseminate the adopted Principles of Good Practices for electronically delivered learning and to adapt those Principles for blended or hybrid learning (when more than 50 percent of the content is delivered online) as well.

Recommendation 2
Require public institutions of higher education to implement the Principles of Good Practice as the minimum quality standard for electronically delivered courses and ensure that the standard is applied consistently across all institutions, as also required by the SACS Commission on Colleges.

Recommendation 3
Direct the Coordinating Board's Distance Education Advisory Council to research and recommend peer review systems for online education that are based on existing national and state models.

Recommendation 4
Encourage public institutions of higher education to implement recommended peer review tools that assess and ensure the quality of online education courses.

COLLABORATION AND ACCESS

Initiatives that increase access and collaboration are vital for the future of distance education in Texas. Collaboration may prove to be the only way that colleges and universities can continue to have access to a multiplicity of costly and sophisticated resources that are required for successful distance education programs. Removing existing barriers is essential for effective collaboration among institutions and systems.

Recommendation 5

Require the Coordinating Board's Distance Education Advisory Council to address faculty workload reporting, articulation of courses across institutions, inter-institutional registration procedures, and course scheduling, as these issues relate to collaborative programs.

Recommendation 6

Require the Coordinating Board's Distance Education Advisory Council to evaluate the feasibility of creating and maintaining a statewide repository of learning objects to be shared by all public institutions of higher education.

Recommendation 7

Review and potentially expand statewide negotiation of access to digital online library resources and software.

Recommendation 8

Explore ways to support collaborative programs by facilitating statewide, inter-institutional registration processes and student services, similar to the infrastructure behind the UT TeleCampus.

FISCAL ISSUES, INCENTIVES AND EFFICIENCY

In addition to increasing access, distance education can create efficiencies when planned well. To fully realize the benefits, however, fiscal issues must be addressed and new policies implemented.

Recommendation 9

Consider rewarding institutions for offering distance learning courses that share resources, increase quality, promote collaboration, and meet critical needs (*e.g.*, serving rural areas and inner-city populations and filling workplace shortages such as for teachers and nurses and other high-need areas identified by the state).

Recommendation 10
Require the Coordinating Board's Distance Education Advisory Council to assess the financial impact of online learning on space and facilities, and require institutions to coordinate blended learning practices that result in efficient use of space and facilities (classroom scheduling).

Recommendation 11
Require the Coordinating Board's Distance Education Advisory Council to identify quality online training resources and make them available statewide for faculty members who are interested in teaching distance education courses.

Recommendation 12
Require the Coordinating Board to identify and provide opportunities for statewide cooperative purchasing for software and services (*e.g.*, course management systems, student information systems, degree audit software, online tutoring and mentoring, *etc.*).

Recommendation 13
Require the Coordinating Board and the Texas Education Agency to explore the feasibility and the costs associated with establishing Internet 2 connectivity to all public and private school districts, education service centers, and public and private institutions of higher education to ensure that access to distance education is comprehensive and statewide.

CHARGE TWO

Study the cost of education at public institutions of higher education, specifically, tuition deregulation and student fees. The subcommittee should also review current tuition and fee exemptions and make recommendations for improving access to education.

COST OF EDUCATION

Charge Two—Cost of Education

Introduction

To achieve the goals of *Closing the Gaps* and to ensure an educated workforce that is prepared for the demands of the 21st Century, Texas must take measures to keep higher education affordable. Prices at our nation's four-year public colleges and universities, however, are up 35 percent from five years ago, after adjusting for inflation.[6] The increase in average tuition and fees for two-year public colleges in 2006-07 was just slightly above the inflation rate.[7] The average total tuition, fees, room, and board charges for in-state students at public institutions are $12,796.[8] While total student aid increased by 3.7 percent to $134.8 billion in 2005-06, total federal grant aid failed to keep pace with inflation.[9] Consequently, even after grant aid and tax benefits are considered, full-time students enrolled in public four-year colleges and universities pay an average of approximately $2,700 in net tuition and fees.[10]

To compound the problem, tuition and fees represent only a fraction of the total cost of attending college. When living costs and other education-related expenses are considered, tuition and fees constitute 67 percent of the total budget for full-time students enrolled in four-year private colleges and universities, 36 percent of the budget for in-state residential students at public four-year institutions, and only 18 percent of the budget for two-year public college students commuting from off-campus housing.[11]

The difficulty of keeping higher education affordable is exacerbated by reductions in revenue from non-tuition sources, particularly state and local appropriations in the public sector, which contributed to rapidly rising public college tuition levels in recent years.[12] Other important factors affecting costs include health benefits and utilities, which have increased in price more rapidly in recent years than the prices of other goods and services purchased by colleges and universities.[13]

Higher education affordability also is affected by how long a student remains in college. Time-to-degree significantly impacts the cost of education, not only in terms of additional tuition, fees, and education-related expenses, but also in terms of foregone salaries and other earnings. Among bachelor's degree recipients in 1999-2000, those who began their studies in

four-year public colleges and universities took an average of 6.2 years to earn their degrees, and those who began in four-year private institutions took an average of 5.3 years to earn their degrees.[14] With more students incurring greater debt to finance their college education, encouraging students to complete degrees timely should continue to be a priority.

Increased costs also affect taxpayers who subsidize public higher education. Higher education institutions have a role in keeping college affordable by taking steps to control costs and make efficient use of public funds.

The challenge for the Legislature, therefore, is to understand the mechanisms that contribute to increased costs of higher education. Only then can it develop policies to keep college affordable and encourage timely graduation so that the state may achieve its goals of increasing access to higher education and improving student success.

Cost of Education

Institutions typically define the total cost of education (also referred to as the cost of attendance) as comprising statutory tuition, designated tuition, mandatory fees, college and course fees, books and supplies, room and board, transportation, and personal expenses.[15] The cost of attendance usually is used by financial aid officers in determining student financial aid packages and provides a reasonably accurate estimate of true costs incurred by students.

In addressing Interim Charge Two relating to the cost of education, the Senate Subcommittee on Higher Education heard invited testimony from the following persons:

- Carol Smith, Assistant State Auditor, State Auditor's Office
- Tony Rose, Managing Senior Auditor, State Auditor's Office
- Kevin Hegarty, Vice President and Chief Financial Officer, The University of Texas at Austin
- Jon Whitmore, President, Texas Tech University
- Jay Gogue, Chancellor and President, University of Houston

- Sue Redman, Senior Vice President of Finance and Chief Financial Office, Texas A&M University

- Raymund Paredes, Commissioner of Higher Education, Texas Higher Education Coordinating Board

- Teri Flack, Deputy Commissioner, Texas Higher Education Coordinating Board

- Jane Caldwell, Director of Grants and Special Programs, Texas Higher Education Coordinating Board

The Texas Higher Education Coordinating Board estimates the cost of education for the purposes of student budgeting. In doing so, it uses the average amount charged to resident undergraduate students enrolled for 15 semester credit hours (SCH) at Texas public universities. These amounts reported include statutory tuition, designated tuition, average mandatory fees, and average college course fees. A student's actual charges may vary, however, based on the student's type and level of enrollment, the college the student attends within the university, the student's specific personal circumstances, or other reasons deemed appropriate by the institution. Senate Bill 1528, 2005 Regular Legislative Session, however, required the Texas Higher Education Coordinating Board to create and adopt clear definitions for terms such as tuition and mandatory fees.[16] The purpose was to increase consistency in the way that the cost of education is calculated and how current exemption and waiver programs are interpreted and applied to individual students. The definitions adopted by the Coordinating Board at its quarterly meeting on January, 2006 are included in Appendix B-1.

The following charts represent the cost of education as reported to the Texas Higher Education Coordinating Board by public higher education institutions:

Public Institutions Fall, 2005-Spring, 2006 College Student Budgets[17]

Institution	Resident Tuition and Fees	Nonresident Tuition and Fees	Books and Supplies	Room and Board	Trans-portation	Personal Expenses	Resident Total	Nonresident Total
Universities								
Angelo State University	$4,346	$12,514	$1,000	$6,038	$1,800	$1,800	$14,984	$23,152
Lamar University	$4,809	$13,245	$692	$3,764	$2,017	$1,892	$13,174	$21,610
Midwestern State University	$4,678	$12,942	$1,050	$5,638	$1,132	$1,214	$13,712	$21,976
Prairie View A&M University	$5,048	$13,258	$794	$7,445	$1,847	$1,692	$16,826	$25,036
Sam Houston State University	$5,136	$12,872	$741	$6,682	$3,018	$1,577	$17,154	$24,890
Stephen F. Austin State University	$4,788	$12,998	$929	$5,459	$1,925	$1,450	$14,551	$22,761
Sul Ross State University	$4,150	$12,394	$1,026	$5,500	$1,060	$1,730	$13,466	$21,710
Tarleton State University	$4,238	$12,450	$800	$5,896	$917	$1,971	$13,822	$22,034
Texas A&M International	$4,218	$12,498	$1,300	$5,562	$1,514	$2,161	$14,755	$23,035
Texas A&M University	$6,771	$13,914	$1,180	$6,885	$803	$1,660	$17,299	$24,442
Texas A&M University-Commerce	$4,167	$12,430	$990	$6,060	$1,260	$1,580	$14,057	$22,320

Public Institutions Fall, 2005-Spring, 2006 College Student Budgets[18]

Institution	Resident Tuition and Fees	Nonresident Tuition and Fees	Books and Supplies	Room and Board	Trans-portation	Personal Expenses	Resident Total	Nonresident Total
Universities								
Texas A&M University-Corpus Christi	$4,574	$13,104	$840	$7,152	$1,372	$1,245	$15,183	$23,713
Texas A&M University at Galveston	$5,185	$13,134	$1,180	$6,885	$803	$1,660	$15,713	$23,662
Texas A&M University-Kingsville	$4,351	$12,846	$1,027	$3,759	$1,602	$2,286	$13,025	$21,520
Texas A&M University-Texarkana	$3,192	$11,464	$896	$4,740	$1,980	$1,528	$12,336	$20,608
Texas Southern University	$4,468	$13,478	$844	$6,526	$1,545	$1,966	$15,349	$24,359
Texas State University-San Marcos	$5,380	$12,932	$950	$7,000	$1,170	$1,840	$16,340	$23,892
Texas Tech University	$6,465	$14,192	$845	$6,506	$1,394	$1,836	$17,046	$24,773
Texas Woman's University	$4,920	$11,370	$900	$5,445	$1,062	$2,025	$14,352	$20,802
The University of Texas at Arlington	$5,910	$12,120	$800	$5,670	$2,150	$1,350	$15,880	$22,090
The University of Texas at Austin	$7,288	$16,636	$800	$8,000	$850	$2,150	$19,088	$28,436
The University of Texas at Brownsville	$4,062	$12,214	$560	$7,824	$1,465	$2,262	$16,173	$24,325
The University of Texas at Dallas	$6,838	$16,612	$1,200	$6,412	$2,044	$1,812	$18,306	$28,080

Public Institutions Fall, 2005-Spring, 2006 College Student Budgets[19]

Institution	Resident Tuition and Fees	Nonresident Tuition and Fees	Books and Supplies	Room and Board	Trans-portation	Personal Expenses	Resident Total	Nonresident Total
Universities								
The University of Texas at El Paso	$4,984	$12,626	$990	$7,972	$1,678	$1,376	$17,000	$24,642
The University of Texas at San Antonio	$6,016	$14,138	$1,000	$6,488	$2,085	$2,162	$17,761	$25,883
The University of Texas at Tyler	$4,671	$12,532	$750	$7,344	$1,674	$1,082	$15,521	$23,382
The University of Texas of the Permian Basin	$4,282	$12,219	$850	$4,486	$1,549	$1,710	$12,877	$20,814
The University of Texas-Pan American	$3,605	$11,116	$1,000	$5,214	$2,568	$2,722	$15,109	$22,620
University of Houston	$5,517	$12,326	$1,050	$8,600	$2,350	$2,900	$20,417	$27,226
University of Houston-Clear Lake	$4,872	$13,026	$924	$9,460	$1,104	$2,988	$19,348	$27,502
University of Houston-Downtown	$4,153	$12,327	$1,020	$8,222	$3,140	$3,588	$20,123	$28,297
University of Houston-Victoria	$4,520	$12,630	$800	$5,758	$2,192	$1,882	$15,152	$23,262
University of North Texas	$6,181	$14,400	$1,030	$5,800	$1,650	$1,700	$16,361	$24,580
West Texas A&M University	$3,956	$11,434	$850	$4,742	$924	$1,618	$12,090	$19,568
Public University Average	$4,933	$12,953	$930	$6,322	$1,637	$1,895	$15,716	$23,735

Texas private institutions also are required to report annually the cost of education to the Coordinating Board. This information is published for student budgeting purposes and is provided below:

Cost of Education at Texas Private Institutions

	2004-2005 ACADEMIC YEAR			2003-2004 ACADEMIC YEAR			2002-2003 ACADEMIC YEAR		
ICUT Institutions	**Tuition & Fees**	**Room & Board**	**Total**	**Tuition & Fees**	**Room & Board**	**Total**	**Tuition & Fees**	**Room & Board**	**Total**
Abilene Christian University	$14,200	$5,270	$19,470	$13,290	$5,080	$18,370	$12,430	$4,830	$17,260
Amberton University (1)	$6,000	$0	$6,000	$6,000	$0	$6,000	$4,950	$0	$4,950
Austin College	$18,980	$7,089	$26,069	$17,925	$6,822	$24,747	$16,562	$6,497	$23,059
Baylor University	$19,780	$5,713	$25,493	$18,430	$5,434	$23,864	$17,214	$6,002	$23,216
College of St. Thomas More	$12,000	$2,850	$14,850	$9,000	$3,780	$12,780	$9,646	$3,780	$13,426
Concordia University	$16,160	$6,570	$22,730	$15,410	$6,350	$21,760	$14,410	$6,150	$20,560
Dallas Baptist University	$11,610	$4,644	$16,254	$11,010	$4,290	$15,300	$10,350	$4,159	$14,509
East Texas Baptist University	$12,000	$3,873	$15,873	$10,290	$3,624	$13,914	$9,800	$3,456	$13,256
Hardin-Simmons University	$13,376	$3,922	$17,298	$12,176	$3,699	$15,875	$11,250	$3,515	$14,765
Houston Baptist University	$11,850	$4,566	$16,416	$12,180	$4,443	$16,623	$11,355	$4,443	$15,798
Howard Payne University	$12,000	$4,615	$16,615	$11,150	$4,026	$15,176	$10,500	$4,000	$14,500
Huston-Tillotson College	$8,190	$5,542	$13,732	$8,190	$3,000	$11,190	$8,110	$5,376	$13,486
Jacksonville College	$4,886	$3,170	$8,056	$4,723	$1,248	$5,971	$4,500	$2,630	$7,130
Jarvis Christian College	$6,330	$3,485	$9,815	$6,330	$3,485	$9,815	$5,550	$3,485	$9,035
LeTourneau University	$15,430	$6,050	$21,480	$14,010	$5,820	$19,830	$13,240	$5,610	$18,850
Lon Morris College	$7,000	$5,200	$12,200	$6,500	$4,600	$11,100	$7,600	$4,600	$12,200
Lubbock Christian University	$11,088	$5,279	$16,367	$11,452	$4,380	$15,832	$10,992	$5,100	$16,092
McMurry University	$13,680	$5,255	$18,935	$12,930	$5,047	$17,977	$11,968	$4,838	$16,806
Our Lady of the Lake University	$15,932	$5,230	$21,162	$15,356	$5,032	$20,388	$13,682	$4,812	$18,494
Paul Quinn College	$6,410	$4,725	$11,135	$5,210	$3,925	$9,135	$5,210	$3,850	$9,060
Rice University	$19,223	$8,380	$27,603	$19,662	$7,880	$27,542	$17,691	$7,430	$25,121
St. Edward's University	$15,960	$5,968	$21,928	$14,710	$5,718	$20,428	$13,620	$5,560	$19,180
St. Mary's University	$17,756	$6,498	$24,254	$16,492	$5,435	$21,927	$15,016	$5,286	$20,302
Schreiner University	$14,043	$6,880	$20,923	$13,640	$6,800	$20,440	$13,002	$6,654	$19,656
Southern Methodist University	$25,358	$8,852	$34,210	$23,588	$8,391	$31,979	$21,942	$7,954	$29,896
Southwestern Adventist University	$11,859	$5,534	$17,393	$11,156	$5,270	$16,426	$10,628	$5,020	$15,648
Southwest Assemblies of God University	$8,198	$4,798	$12,996	$8,430	$4,470	$12,900	$8,400	$4,470	$12,870
Southwestern Christian College	$5,600	$3,456	$9,056	$5,334	$3,290	$8,624	$5,334	$3,290	$8,624
Southwestern University	$20,220	$6,870	$27,090	$18,870	$6,540	$25,410	$17,570	$6,240	$23,810
Texas Christian University	$19,740	$5,880	$25,620	$17,590	$5,780	$23,370	$16,340	$5,302	$21,642
Texas College	$8,276	$5,682	$13,958	$7,680	$4,730	$12,410	$5,920	$2,930	$8,850
Texas Lutheran University	$16,600	$5,030	$21,630	$15,470	$4,780	$20,250	$14,550	$4,442	$18,992
Texas Wesleyan University	$11,950	$4,475	$16,425	$10,950	$4,325	$15,275	$11,276	$4,160	$15,436
Trinity University	$20,635	$7,580	$28,215	$19,176	$7,290	$26,466	$17,364	$6,990	$24,354
University of Dallas	$19,162	$6,736	$25,898	$18,104	$6,494	$24,598	$17,024	$6,302	$23,326
University of the Incarnate Word	$16,082	$5,746	$21,828	$15,248	$5,586	$20,834	$14,328	$5,510	$19,838
University of Mary Hardin-Baylor	$12,380	$5,728	$18,108	$11,540	$5,728	$17,268	$10,650	$4,210	$14,860
University of St. Thomas	$16,312	$5,607	$21,919	$15,112	$5,454	$20,566	$13,912	$5,127	$19,039
Wayland Baptist University	$9,250	$3,668	$12,918	$8,650	$3,384	$12,034	$8,600	$3,668	$12,268
Wiley College	$6,782	$4,214	$10,996	$6,376	$4,092	$10,468	$5,960	$3,824	$9,784
ICUT INSTITUTIONS AVERAGE	**$18,307**	**$5,401**	**$18,573**	**$12,484**	**$5,013**	**$17,372**	**$11,711**	**$4,910**	**$16,499**

(1) Amberton University has no housing.

Raymund Paredes, Commissioner, Texas Higher Education Coordinating Board, testified that higher education in Texas remains affordable because the average tuition and fees are more than $1,100 below the national average, but that the cost of higher education is rising faster than financial aid. Federal financial aid still accounts for approximately 70 percent of student financial aid, but this aid has shifted from grants to loans. He stated that increases in tuition and fees at community colleges are a larger concern because community colleges will educate approximately 70 percent of students in the future and that these students typically are the most vulnerable financially.

Dr. Paredes also testified that Pell grants have declined as a percentage of the cost of tuition and fees from 90 percent in the early 1970s to 30 percent now. He said that the Coordinating Board estimates that the funding for TEXAS Grants will support only renewal students in the next several years unless additional funding is provided.

TUITION EXEMPTIONS AND WAIVERS

Texas currently has 56 exemption and waiver programs that reduce the amount of tuition and/or fees paid by certain students as they enroll in Texas public institutions. The tuition and fee revenues foregone through these awards totaled more than $251 million in FY 2005. The programs range in value from a single fee for one term to all tuition and fees for the life of an eligible person. The oldest program, authorized in 1929, mentions veterans of the Spanish American War; the most recent programs were authorized in 2005.[20]

These programs were not created as a part of a single long-term plan for higher education. They were created independently as different concerns and needs were identified. Their inconsistent terminology and requirements indicate little or no attention to other similar programs. Therefore, the state faces the task of deciding if or how to meld the programs created to benefit certain populations with its current strategic plan for closing the gaps in higher education.[21]

Tuition exemptions and waivers are reflected in Appendix B-7 and B-8.

Jane Caldwell, Director of Grants and Special Programs, Texas Higher Education Coordinating Board, testified that there is a lack of consistency regarding how universities operate the 42 exemption and 28 waiver

programs and that in 2004, 76 programs served 146,000 students, costing $233 million in foregone tuition and fees.

Ms. Caldwell suggested that the exemption programs can be made more cost-effective by restricting eligibility to undergraduate students and to students who satisfy academic progress requirements similar to the state financial aid programs. She said that the exemption programs are inconsistent as to the eligibility requirements and the value of the exemption. She also cautioned against imposing the same modifications on the waiver programs given that they serve a different purpose and affect different students.

STATE AUDITOR'S REPORT: THE REASONABLENESS OF TUITION INCREASES

In response to the Legislative Audit Committee, the State Auditor completed an audit of the reasonableness of tuition increases at the state's four largest public institutions of higher education, namely, The University of Texas at Austin, Texas A&M University, Texas Tech University, and the University of Houston.

The State Auditor's report includes the following conclusions:

> Higher education institutions' unique accounting methods restrict fiscal analysis of tuition increases at four of the state's largest higher education institutions.[22] However, when assessed by other types of criteria such as peer group comparisons, tuition increases at these four institutions appear reasonable.[23]
>
> Institutions' unique accounting methods also restricted the State Auditor's Office's ability to draw a conclusion, based on fiscal audit analysis alone, regarding the need for tuition increases or for the amount of the increases implemented during the 2004-2005 biennium at the four institutions audited: The University of Texas at Austin, Texas A&M University, Texas Tech University, and the University of Houston.[24]
>
> Only one audited institution—Texas Tech University—established separate budget, revenue, and expenditure accounts that enabled the State Auditor's Office to identify the specific expenditures that were made with the revenue from increased

> tuition. Although the University of Houston did not establish separate accounts, it maintained records that allowed the verification that the increased tuition was spent as planned.[25] The two other audited institutions budgeted and, in most cases, spent the amount of funds they intended to spend in the areas for which they stated that tuition increases were necessary.[26]
>
> Texas Tech University was the only audited institution that performed the statutorily required calculation to identify students to whom priority must be given in awarding student financial aid from the funds set aside from the increased tuition revenue.[27] A statewide survey of four-year institutions of higher education that raised tuition above the $46 per semester credit hour indicated that no other institution in the state performed this calculation.[28] It is important to note that the audited institutions appear to have acted in good faith in attempting to meet their understanding of student need in awarding financial aid.[29] In addition, some institutions set aside significantly more than they were required to set aside.[30]

House Bill 3015 (2003 Regular Session) amended the Texas Education Code to permit Texas higher education institutions to charge the amount of designated tuition they consider necessary.[31]

Percentage increases in tuition and mandatory fees (adjusted for inflation) during the 2004-05 biennium at the four institutions were as follows:[32]

- The University of Texas at Austin: 38 percent
- Texas A&M University: 20 percent
- Texas Tech University: 44 percent
- University of Houston: 49 percent

The following chart shows the percentage increases in tuition and mandatory fees and the percentage increases in the cost of education for the four institutions: [33]

Increases in Designated Tuition, Mandatory Fees, and Cost of Attendance Before Student Financial Aid at Four Higher Education Institutions (Adjusted for inflation - constant 2004 dollars)						
Institution	Percentage Increase in Tuition over the 2004-2005 Biennium	Percentage Increase in Mandatory Fees over the 2004-2005 Biennium	Percentage Increase in Tuition and Mandatory Fees over the 2004-2005 Biennium	Percentage Increase in Cost of Attendance from the 2002-2003 Biennium to the 2004-2005 Biennium [a]	Five-Year Percentage Increase in Cost of Attendance 2001-2005	Average Annual Increase in Cost of Attendance 2001-2005
The University of Texas at Austin	54%	7%	38%	7%	19%	3.8%
Texas A&M University	33%	3%	20%	23%	32%	6.4%
Texas Tech University	34%	65%	44%	15%	23%	4.6%
University of Houston	40%	81%	49%	33%	43%	8.6%
[a] Cost of attendance is for resident students living on campus and includes tuition and fees, books, supplies, transportation, miscellaneous personal expenses, room and board, and student loan fees.						
Sources: Tuition and mandatory fees figures are from each institution's common data sets posted on their Web sites. The cost of attendance was provided by each institution's student financial aid office, except for Texas A&M University, which posted all five academic years on its student financial aid Web site. Adjustments in cost for inflation were based on the Consumer Price Index from the U.S. Department of Labor Statistics.						

Increases in tuition at these institutions generated $176.2 million in additional revenue from Spring and Fall, 2004 and Spring, 2005 (excluding Summer, 2004 and 2005).[34] The net amount of new revenue from these three semesters available for general operating expenses after deducting the required 20 percent financial aid set-aside was $133.2 million.[35] Some institutions set aside more than the minimum required, such as the 29 percent The University of Texas at Austin set aside.[36]

Minus the student financial aid set-aside, each institution had the following amounts of revenue for general operating expenses from increased tuition in 2004-05 (including Summer tuition for 2004-05):[37]

- The University of Texas at Austin: $60.4 million
- Texas A&M University: $28.9 million
- Texas Tech University: $17.5 million
- University of Houston: $26.4 million

The following table presents enrollments and operating expenses for the four audited institutions and their tuition and fees, cost of attendance, and revenue from increases in designated tuition:[38]

Enrollments, Operating Expenses, Tuition and Fees, Cost of Attendance, and Increased Tuition Revenues at Four Higher Education Institutions						
Institution	Total Enrollment (for all Student Categories) in Fall 2004 (Academic Year 2004-2005)	Total Operating Expenses FY 2004 [a]	Average Tuition and Mandatory Fees in Academic Year 2004-2005	Average Cost of Attendance in Academic Year 2004-2005 [b]	Total Revenue from Increased Tuition for Spring 2004 and Fall and Spring 2004-2005	
The University of Texas at Austin	50,377	$1.4 billion	$5,734	$17,488	Spring 2004: Fall 2004 and Spring 2005: Total:	$16.1 million 68.5 million $84.6 million
Texas A&M University	44,435	$842 million [c]	$5,955	$16,167	Spring 2004: Fall 2004 and Spring 2005 Total:	$ 4.8 million 29.8 million $34.6 million
Texas Tech University	28,325	$426 million	$5,848	$16,729	Spring 2004: Fall 2004 and Spring 2005 (as of March 31, 2005) Total:	$ 3.2 million 19.9 million $23.1 million
University of Houston	35,180	$500 million	$4,973	$17,882	Spring 2004: Fall 2004 and Spring 2005: Total:	$ 7.1 million 26.8 million $33.9 million
					Total Revenue	$176.2 million
					Student Financial Aid Set-Aside	$43.0 million
					Net Increased Revenue for General Operating Expenses	$133.2 million

Charge Two—Cost of Education

Recommendations

Based on the testimony received by the subcommittee and the findings of the State Auditor's report and the Texas Higher Education Coordinating Board's report regarding exemption and waiver programs, the subcommittee makes the following recommendations regarding Interim Charge Two for the Legislature's consideration:

Recommendation 1
Require that institutions of higher education address consistency in higher education financial reporting by incorporating applicable requirements and accounting standards of the Governmental Accounting Standards Board (GASB), Texas state laws, and the guidelines and policies of the Texas Higher Education Coordinating Board and the National Association of College and University Business Officers. Institutions should continue to cooperate with efforts by the THECB to develop uniform "total academic cost" information.

Recommendation 2
Hold institutions accountable for uses of tuition monies resulting from increases in tuition by continuing to require the Report Concerning Designated Tuition (General Appropriations Act, Special Provisions Related only to State Agencies of Higher Education, Section 59, SB 1, 79th Legislature) and continue efforts to implement an accountability system that focuses on outcome measures.

Recommendation 3
Continue to utilize the FAFSA and each institution's cost of attendance to determine students with unmet needs and prioritize tuition set-aside funds to provide assistance to students whose cost of tuition and required fees is not met through other non-loan and self-help financial assistance programs.

Recommendation 4
Require institutions to review, certify, and report their fund balances to their governing board annually.

Recommendation 5
Repeal and re-write current exemption and waiver statutes, bringing all relevant statutes together for easy access and reference.

Recommendation 6
Raise the requirements for students to continue receiving tuition exemptions and waivers.

Recommendation 7
Limit the exemptions to apply only to tuition and mandatory fees, excluding optional or discretionary fees.

Recommendation 8
Require each institution to designate an office to function as a clearinghouse for tuition exemptions and waivers.

Recommendation 9
Require the Coordinating Board to work with institutional representatives to develop application templates for tuition exemption and waiver programs.

Recommendation 10
Provide a two-year lead time for implementation when new exemption and waiver legislation is passed.

CHARGE THREE

Study what impact any changes to the percentage requirement of the Top 10% Law could have on students currently in the educational pipeline, discuss developing a uniform transcript and a standard methodology for calculating GPAs, and make recommendations for relating to the application of the Top 10% Law, including to children of Texas residents in the military.

TOP TEN PERCENT LAW

Charge Three—Top Ten Percent

Introduction

House Bill 588 (1997 Regular Legislative Session) allows for any student who is graduated in the top 10 percent of his or her class from an accredited high school in the State of Texas to be admitted into the Texas public university of his or her choice within two years of graduation and upon completion of the university's admission requirements. The policy has improved student diversity at both The University of Texas at Austin (UT-Austin) and at Texas A&M University (TAMU). What's more, the law is an incentive for students to perform well in high school and has been a recruiting tool for students in the top 10 percent of their class and who otherwise might not have considered pursuing higher education.

Despite numerous benefits of the policy, the Legislature may consider revising the law to address several unintended consequences. Challenges associated with the Top Ten Percent Law include a capacity problem at UT-Austin, in which the number of top ten percent students admitted each year is expected to outgrow classroom space. Similarly, some critics argue that the single criterion for automatic admission does not provide institutions with the flexibility needed to pursue goals of increasing educational diversity and remaining competitive with the country's best universities.

Because the law has benefited many students from diverse communities and ethnic groups throughout Texas, a repeal is unlikely. Possible modifications to the law include establishing uniformity in high school class rank policies; ensuring that military families who are Texas residents can benefit fully from the law; allowing institutions to rescind admissions if a student's academic performance is inadequate during his or her senior year in high school; or lowering the percentage of students who are automatically admitted as long as levels of student diversity are maintained or increased.

The Senate Subcommittee on Higher Education heard testimony regarding Interim Charge Three on September 14, 2006, from the following persons:

- Raymund Paredes, Commissioner of Higher Education, Texas Higher Education Coordinating Board

- Bill Powers, President, The University of Texas at Austin
- Kedra Ishop, Associate Director of Admissions, The University of Texas at Austin
- Gary Lavergne, Admissions Program Manager, The University of Texas at Austin
- Alice Reinarz, Assistant Provost for Enrollment, Texas A&M University
- Tito Guerrero, Vice President and Associate Provost for Diversity, Texas A&M University
- Lorenzo Garcia, Superintendent, El Paso ISD
- Reece Blincoe, Superintendent, Stockdale ISD
- Roy Knight, Superintendent, Lufkin ISD
- Nola Wellman, Superintendent, Eanes ISD
- Cathy Bryce, Superintendent, Highland Park ISD
- Criss Cloudt, Associate Commissioner for Accountability and Data Quality, Texas Education Agency
- Karen Dvorak, Director, Accountability Research, Texas Education Agency
- George Rislov, Director of Curriculum, Texas Education Agency

Raymund Paredes, Commissioner, Texas Higher Education Coordinating Board (THECB), testified that while THECB has not taken an official position regarding the Top Ten Percent Law, two concerns are worth noting: 1) It gives an unfair advantage to some students over others and 2) An admissions policy that has a single criterion dominate does not provide institutions with the flexibility needed to pursue goals of increasing educational diversity.

According to Dr. Paredes, the Top Ten Percent Law has had the most dramatic impact at The University of Texas at Austin (UT-Austin) and at Texas A&M University (TAMU). He said that diversity has improved at both institutions but that not all improvement can be attributed to the Top Ten Percent Law. Other programs also have had an effect on increasing racial and ethnic diversity. Dr. Paredes said that there have been benefits, but the admission of a large number of students by a single criterion is not ideal public policy.

Dr. Paredes testified that UT-Austin and TAMU are scrutinized because they are perceived to be better than other state institutions. He said that the state has an obligation to raise the profile of other quality programs and raise the standards of all public institutions, including two-year colleges. Dr. Paredes added that due to the great variability in the quality of high schools, not all high schools have the same level of academic rigor.

The Commissioner suggested that any reform of the Top Ten Percent Law should aim to increase access to higher education by motivating all students to pursue an advanced degree. He urged that a mechanism to calculate a standard grade point average be developed and that the same high school curriculum should be required for all applicants eligible for admission under the Top Ten Percent Law. He stated that whether the Top Ten Percent Law is eliminated or modified, the state should hold institutions accountable for recruitment and retention efforts. Dr. Paredes recommended that universities develop an admissions policy that would allow institutions to rescind admissions if a student's academic performance is inadequate during his or her senior year in high school. The lack of rigor in the senior year, he said, results in increased remediation and refresher courses. Dr. Paredes also said that "senioritis" could be reduced by encouraging dual-credit classes and advanced placement (AP) courses.

Testifying on behalf of UT-Austin were Bill Powers, President; Kedra Ishop, Associate Director of Admissions; and Gary Lavergne, Admissions Program Manager. Mr. Powers explained that the Top Ten Percent Law is crucial for UT-Austin's diversity efforts, along with outreach efforts and scholarship programs. He stated that the law is an uncapped entitlement and has created a capacity problem at UT-Austin. He explained that the Top Ten Percent Law was enacted act a time when institutions had limited tools for creating diversity, but now limits the institution's ability to recruit students with

extraordinary skills and proficiencies. Mr. Powers testified that the university would like a larger portion of its admissions to be conducted under a holistic review. Currently, one-forth of students admitted to UT-Austin are minority students.

Mr. Powers said that he does not favor repealing the Top Ten Percent Law, but supports limiting it to a workable percentage of students. He stressed that any modification that includes a cap should strive to maintain some level of certainty for students. He suggested that modifying the law to guarantee admission to only students in the fifth to eighth percentile of his or her graduating class would be a temporary fix.

Ms. Ishop testified that the growth and performance of students who were graduated in the top 10 percent of their classes have been steady but that the SAT scores and grade point average of students who are not enrolled under the Top Ten Percent Law have improved due to increased competition. She said that top 10 percent students generally outperform and outpace other students in retention and graduation rates. Ms. Ishop stated that competition for spaces has increased, capacity is dwindling, and a single criterion for admission is not good policy.

Testifying on behalf of Texas A&M University were Robert Gates, President; Alice Reinarz, Assistant Provost for Enrollment; and Tito Guerrero, Vice President and Associate Provost for Diversity. In a written statement presented to the Subcommittee, Dr. Gates indicated that the Top Ten Percent Law does not significantly impact TAMU, but could in the future, and that the law encourages students to perform well in high school and is an effective recruiting tool for students who otherwise might not have considered pursuing higher education. Dr. Reinarz explained that TAMU's situation is different from UT-Austin's in that the number of students admitted under the Top Ten Percent Law has hovered below 50 percent while the law has been in effect. Dr. Reinarz added that top 10 students perform well at TAMU. She said that TAMU favors early and consistent reporting of high school rank, endorses the concept of using advanced curriculum, and supports rescinding admissions to high school students due to poor academic performance during their senior year. Dr. Reinarz added that the Top Ten Percent Law has helped increase geographic diversity, with 1,000 high schools represented in TAMU's freshman class in 2006-07.

Lorenzo Garcia, Superintendent, El Paso Independent School District (ISD), stated that he is pleased to hear testimony about the success of students admitted under the Top Ten Percent Law, but urged that if the law is modified, recruiting students who are not enrolled under the law needs to be enhanced.

Reece Blincoe, Superintendent, Stockdale ISD, testified in favor of retaining the Top Ten Percent Law due to the opportunity it has provided students, especially those from rural districts.

Roy Knight, Superintendent, Lufkin ISD, argued that it is a myth that the Top Ten Percent Law creates a single admissions criterion because it reflects a full curriculum of study and increased credit requirements for graduation. He said that it actually provides a holistic approach to education and that SAT scores are the least reliable indicator for academic success.

Nola Wellman, Superintendent, Eanes ISD, testified that there have been unintended consequences of the Top Ten Percent Law and explained that the number of Eanes ISD students who attended UT-Austin and TAMU has decreased by one-half because many Eanes ISD students apply to those institutions but choose to go elsewhere.

Cathy Bryce, Superintendent, Highland Park ISD, also testified about the unintended consequences of the Top Ten Percent Law. She explained that most Highland Park ISD students who are in the top 10 percent of their classes do not enroll at UT-Austin or TAMU, but apply to these universities as a "back-up." She said that many Highland Park graduates enroll at out-of-state institutions and that many other qualified students are not accepted because so many top 10 percent students from other high schools are admitted.

Criss Cloudt, Associate Commissioner for Accountability and Data Quality, Texas Education Agency (TEA); Karen Dvorak, Accountability Research, TEA; and George Rislov, Director of Curriculum, TEA; testified regarding the exchange of student records. Ms. Cloudt described the deployment of a web-based application for the exchange of student records between public school districts and for the submission of transcripts to higher education institutions. Such an automated system would have the following benefits:

- more efficient use of school districts' and higher education institutions' resources;
- continuity of services;
- correct academic placements;
- increased security of student record transmissions;
- increased security of student transcript transmission; and
- decreased delays in transmitting student data and transcripts.

Ms. Dvorak said that standards for exchanging student records and electronic standards for high school transcripts must be developed and that the system should be completed no later than the 2007-08 academic year.

Regarding a uniform GPA, TEA has requested information about similar proposals from other states. Mr. Rislov said TEA representatives have discussed the issue with the Urban Curriculum Council and Alliance and that other surveys are being conducted on a statewide basis. A meeting of stakeholders will be convened to discuss the idea and its implementation.

The following graphs regarding admission and enrollment data were provided by The University of Texas at Austin and Texas A&M University:

The University of Texas at Austin:

THE UNIVERSITY OF TEXAS AT AUSTIN
OFFICE OF ADMISSIONS

History of HB 588:

1998-2004 HB 588 implemented statewide. Admissions did not include race consciousness.

2005-2006 HB 588 still in effect. Race conscious admission resumed for that portion of the freshman class not automatically admitted.

Table 1
Admitted and Enrolled Freshmen
Variations on Computing Percentage of HB 588 Automatic Admits
Summer/Fall, 2002-2005 and Preliminary 2006*

Admitted	Enrolled
Summer/Fall, 2002, we admitted 13,476 students - 11,416 were from Texas high schools - 6,313 were automatically admitted HB 588 students or 55.3% of the admitted Texas high school graduates and 46.8% of all admits.	**Summer/Fall, 2002**, we enrolled 7,935 first-time freshmen - 7,234 were from Texas high schools - 3,932 were automatically admitted HB 588 students or 54.4% of the enrolled Texas high school graduates and 49.6% of all first-time freshmen.
Summer/Fall, 2003, we admitted 11,504 students - 10,107 were from Texas high schools - 7,132 were automatically admitted HB 588 students or 70.6% of the admitted Texas high school graduates and 61.9% of all admits.	**Summer/Fall, 2003**, we enrolled 6,544 first-time freshmen - 6,093 were from Texas high schools - 4,289 were automatically admitted HB 588 students or 70.4% of the enrolled Texas high school graduates and 65.5% of all first-time freshmen.
Summer/Fall, 2004, we admitted 11,788 students - 10,602 were from Texas high schools - 7,089 were automatically admitted HB 588 students or 66.9% of the admitted Texas high school graduates and 60.1% of all admits.	**Summer/Fall, 2004**, we enrolled 6,796 first-time freshmen - 6,398 were graduates of Texas high schools - 4,241 were automatically admitted HB 588 students or 66.3% of the Texas high school graduates and 62.4% of all first-time freshmen.
Summer/Fall, 2005, we admitted 12,207 students - 10,769 were from Texas high schools - 7,466 were automatically admitted HB 588 students or 69.3% of the admitted Texas high school graduates and 61.2% of all admits.	**Summer/Fall, 2005**, we enrolled 6,912 first-time freshmen - 6,388 were graduates of Texas high schools - 4,391 were automatically admitted HB 588 students or 68.7% of the Texas high school graduates and 63.5% of all first-time freshmen.
Summer/Fall, 2006*, as of 4th Class Day we admitted 13,307 students - 11,625 were from Texas high schools - 8,354 were automatically admitted HB 588 students or 71.8% of the admitted Texas high school graduates and 62.8% of all admits.	**Summer/Fall, 2006**, as of 4th Class Day we enrolled 7,421 first-time freshmen - 6,864 were graduates of Texas high schools - 4,902 were automatically admitted HB 588 students or 71.4% of the Texas high school graduates and 66.1% of all first-time freshmen.

Table 2
Admitted Freshmen
Variations on Computing Percentage of HB 588 Automatic Admits
Summer/Fall, 2002-2005, including 2006 estimate (4th Class Day)

Note: This is the same data reported in Table 1, but without verbiage.

Year	Total[1] Admits	Admits from TX HS[2]	HB 588 Admits[3]	HB 588 % of All Admits	HB 588 % of Admits from TX HS
1999	11,949	10,689	4,911	41%	46%
2000	13,256	11,553	5,579	42%	48%
2001	12,733	10,845	5,623	44%	52%
2002	13,476	11,416	6,313	47%	55%
2003	11,504	10,107	7,132	62%	71%
2004	11,788	10,602	7,089	60%	67%
2005	12,207	10,769	7,466	61%	69%
2006*	**13,307**	**11,625**	**8,354**	**63%**	**72%**

[1] *Statistical Handbook(s),* 1999-2005, UT Office of Institutional Research.
[2] UT Office of Admissions
[3] UT Office of Admissions

Texas A&M University:

Texas A&M University	
Admitted	**Enrolled**
Summer/Fall, 2002 we admitted 11,777 students 10,824 were from Texas high schools 5,629 were automatically admitted HB 588 students or 52.0% of the admitted Texas High school graduates This is 47.8% of total admits	**Summer/Fall, 2002**, we enrolled 6,949 students 6,614 were from Texas high schools 3,369 were automatically admitted HB 588 students or 50.9% of the enrolled Texas high school graduates This is 48.5% of total enrollees
Summer/Fall, 2003, we admitted 11,639 students 10,749 were from Texas high schools 5,714 were automatically admitted HB 588 students or 53.2% of the admitted Texas High school graduates This is 49.1% of total admits	**Summer/Fall, 2003**, we enrolled 6,726 students 6,396 were from Texas high schools 3,324 were automatically admitted HB 588 students or 52% of the admitted Texas High school graduates This is 49.4% of total enrollees
Summer/Fall, 2004, we admitted 12,426 students 11,575 were from Texas high schools 5,682 were automatically admitted HB 588 students or 49.09% of the admitted Texas High school graduates This is 45.73% of total admits	**Summer/Fall, 2004**, we enrolled 7,068 students 6,780 were from Texas high schools 3,301 were automatically admitted HB 588 students or 48.69% of the enrolled Texas high school graduates This is 46.70% of total enrollees
Summer/Fall, 2005, we admitted 12,503 students 11,344 were from Texas high schools 5,932 were automatically admitted HB 588 students or 52.29% of the admitted Texas High school graduates This is 47.44% of total admits	**Summer/Fall, 2005**, we enrolled 7,104 students 6,770 were from Texas high schools 3,672 were automatically admitted HB 588 students or 54.24% of the enrolled Texas high school graduates This is 51.69% of total enrollees

Texas A&M University
First-Time in College Student Enrollment by Top 10% Entry Status
Fall Semester

	2002		2003		2004		2005	
	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%
White	2778	2980	2754	2784	2617	3023	2593	2850
Native American	12	15	12	15	14	24	11	17
African American	87	95	71	87	104	109	129	127
Asian American	125	105	109	125	140	127	121	200
Hispanic	346	318	365	327	418	447	568	433
International	8	48	13	54	5	35	9	42
Unknown/Other	12	20	0	10	3	2	1	3
All Students	3368	3581	3324	3402	3301	3767	3432	3672

Charge Three—Top Ten Percent

Recommendations

Based on expert testimony, the subcommittee makes the following recommendations regarding Interim Charge Three for the Legislature's consideration:

Recommendation 1
Consider modifying the Top 10 Percent Law to ensure uniformity in high school class rank policies and to support the flexibility that colleges need to enroll a highly qualified and diverse class, ensuring that military families who are Texas residents have full participation in the benefits of the law.

Recommendation 2
Require the Texas Education Agency to develop and implement a method for calculating a uniform Grade Point Average.

CHARGE FOUR

Monitor the progress of Closing the Gaps goals and recommend any legislative action needed to ensure we stay on target to meet the goals by 2015.

CLOSING THE GAPS

Charge Four—Closing the Gaps

Introduction

Closing the Gaps by 2015, was adopted in October, 2000, by the Texas Higher Education Coordinating Board with strong support from the state's educational, business, and political leaders. The plan, which is directed at closing educational gaps within Texas as well as between Texas and other states, has four goals: to close the gaps in student participation, student success, excellence, and research.

Steve Murdock, State Demographer, has made predictions about the education level of Texas future workforce. He projects that the number of Texas residents in public colleges and universities will double in the next 40 years. If Texas does not increase the educational attainment of the fastest growing population segments, the future labor force will be less educated.

Significant difficulties and challenges have to be addressed to meet these goals, including affordability, student preparation, and funding. Increased costs of higher education, coupled with stagnant student financial aid and state and federal funding, have made college less affordable for many families and hampered the state's efforts to increase access to higher education, especially among low-income residents. Poor alignment between high school and college curricula causes many students to be unprepared for the rigors of college education when they are graduated from high school. Consequently, fewer students remain in college and complete their degrees timely. Lack of sufficient revenue hinder institutions' efforts to recruit and retain quality faculty by offering competitive salaries. It also impedes the state's progress in meeting its goals of improving excellence and increasing research activities of higher education institutions.

Higher education is vital to the economic growth of the state and the social well-being its citizens. In 2005 median earnings for bachelor's degree holders between the ages of 25 and 34 working full-time were $13,900 higher than median earnings of high school graduates working full-time. For workers between the ages of 45 and 54, the median earnings gap was $22,900.[39] Over a lifetime, a person with a bachelor's degree will earn an average of $2.1 million—nearly twice as much as someone with only a high school diploma.[40] The transformation of the world economy increasingly demands a more highly educated workforce with postsecondary skills and

credentials. Ninety percent of the fastest-growing jobs in the new information and service economy will require some postsecondary education.[41]

The Legislature must continue to address issues regarding student financial aid, college readiness, and higher education funding to ensure that Texas remains competitive economically, endowed culturally, and active civically.

CLOSING THE GAPS

The following is taken from the executive summary of *Closing the Gaps*:[42]

> Texas is profiting from a diverse, vibrant growing economy.[43] Yet this prosperity could turn to crisis if steps are not taken quickly to ensure an educated population and workforce for the future.[44] At present, the proportion of Texans enrolled in higher education is declining.[45] Too few higher education programs are noted for excellence and too few higher education institutions reach their full potential.[46]
>
> Texas must take bold steps for the future success of its people.[47] This higher education plan outlines the goals of closing the gaps in higher education participation and success, in educational excellence, and in funded research over the next 15 years.[48] It is by no means a list of all desirable actions in Texas higher education, but rather outlines the four challenges that are the most critical to overcome for the future well-being of the state.[49]
>
> In *Closing the Gap by 2015: 2005 Progress Report* the Texas Higher Education Coordinating Board Staff provides a detailed statistical analysis of the state's progress toward achieving these goals:

Goal 1. Close the Gaps in Participation – By 2015, close the gaps in participation rates across Texas to add 630,000 more students.

Goal and Target Revision:

The participation goal and targets were revised to reflect the updated demographic projections by the Texas State Data Center. The participation rate goal remains at the original 5.7 percent for the state as a whole and for Whites, African-Americans, and Hispanics. The targets represent minimum expectations, not barriers to higher participation rates.

2005 and 2010 Participation Targets' Analyses

Enrollment Public and Independent Institutions	Actual Fall 2000	Actual Fall 2005[1]	Percentage Change 2000-2005	2005 Targets	2010 Target	Growth to Reach 2010 Target	2015 Target
Statewide	1,019,517	1,220,487	19.7%	1,169,000	1,423,000	16.6%	1,650,000
African-American	108,463	139,734	28.8%	132,000	158,300	13.3%	172,700
Hispanic	237,394	319,459	34.6%	340,000	474,000	48.4%	676,100
White	570,042	629,211	10.4%	591,000	660,500	5.0%	671,300

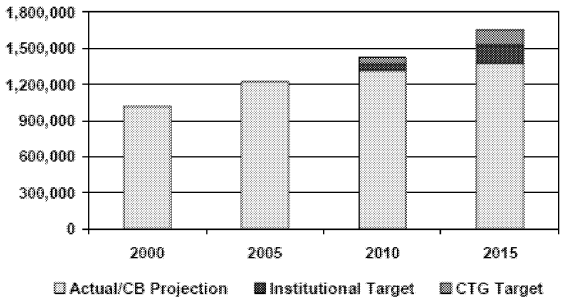
[1] Fall 2005 data for Central Texas College has not been certified.

Analysis:

- With enrollment growth of 19.7 percent, or more than 200,000 students, from fall 2000 to fall 2005, the state has exceeded its *Closing the Gaps* statewide enrollment target for 2005. An additional 16.6 percent growth is needed to reach the fall 2010 target.
- African-American and White student participation targets for 2005 were exceeded. African-American enrollment rose by 28.8 percent between fall 2000 and fall 2005, and White participation increased 10.4 percent. Despite the comparatively low percentage increase among Whites, their increasing number significantly boosted overall enrollment.
- From fall 2000 to fall 2005, Hispanic enrollment increased by 34.6 percent, or over 81,000 additional students. Despite its magnitude, this growth was not sufficient to reach the 2005 Hispanic enrollment target. An increase of 43.2 percent was needed.
- Examination of only the 2000 and 2005 data provides some disturbing trends. The percentage of enrollment growth peaked from fall 2001 to fall 2002 statewide and for most ethnic/racial groups, but has been falling since. In fact, fewer White students were enrolled in fall 2005 than in fall 2004.

- Institutional targets offer additional concern. Even with revisions, they fall short of the state's 2010 participation target by approximately 50,000 students and, even more dramatically, for Hispanic students by 100,000.

Institutional Enrollment Targets Are Not Enough



- Between FY 2001 and FY 2005, unduplicated first-time undergraduate enrollment grew by only 3.5 percent. The increase at universities (10.7 percent) outpaced that at community and technical colleges (1.3 percent). The number of White first-time enrollees actually dropped by 5.2 percent, whereas Hispanic enrollments were up 21 percent and African-American enrollments by 10.4 percent.

- First-time undergraduate enrollment dropped at public universities and at community/technical colleges between fall 2004 and fall 2005. Equally concerning is that drops were experienced in all ethnic and racial categories. The number of White first-timers decreased the most (down 6.3 percent), but Hispanics (down 3.3 percent) and African-American enrollees (down 2.6 percent) fell as well. For additional information on university enrollments and applicants, see Appendix A.

Conclusion:

The 2005 *Closing the Gaps* targets for total enrollment and for African-American and White enrollment were achieved; but the target for Hispanic enrollment was not met. Although Hispanics accounted for the most enrollment growth from 2000 to 2005, revised enrollment targets adopted because of tremendous Hispanic population growth will make the 2010 target of about 475,000 students even harder to achieve. Hispanic participation must increase by 50 percent in the next five years to reach the 2010 target.

In addition, the percentage of recent high school graduates who enter directly into college is not increasing, suggesting a need to enhance efforts to encourage high school students to prepare for, enroll in, and succeed in college.

The state must be willing to fund programs designed to help attract and retain students, especially those that have been historically underserved. At the same time, institutions must be willing to commit to the state and students, to provide a quality education and help those students who are not prepared academically and/or financially.

Goal 2. Close the Gaps in Success – By 2015, award 210,000 undergraduate degrees, certificates and other identifiable successes from high quality programs.

Success Target Revision: Level and Race/Ethnicity

The original success goal was to increase by 50 percent the number of undergraduate degrees, certificates and other identifiable student successes from high quality programs. The revised goal changed the undergraduate award objective to 210,000 degrees and certificates awarded in 2015, nearly an 80 percent increase.

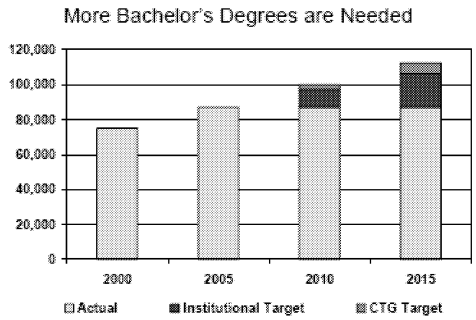
2005 and 2010 Success Targets' Analyses

Type of Success (Public and Independent Institutions)	FY 2000	FY 2005	Percentage Change 2000-2005	2005 Targets	2010 Target	Growth to Reach 2010 Target	2015 Target
Certificates, Associate's and Bachelor's Degrees	116,249	145,212	24.9%	134,000	171,000	17.8%	210,000
Associate's Degrees	25,586	35,999	40.7%	28,000	43,400	20.6%	55,500
Bachelor's Degrees	74,906	86,952	16.1%	87,500	100,000	15.0%	112,500
Doctoral Degrees	2,629	2,979	13.3%	2,800	3,350	12.5%	3,900
African-American Certificates, Associate's and Bachelor's Degrees	11,217	14,811	32.0%	13,000	19,800	33.7%	24,300
Hispanic Certificates, Associate's and Bachelor's Degrees	23,369	33,708	44.2%	31,000	50,000	48.3%	67,000
Technology-Related Degrees	12,411	14,102	13.6%	19,000	24,000	70.2%	29,000
Allied Health and Nursing Degrees	13,644	16,054	17.7%	13,500	20,300	26.4%	26,100
Teachers Certified	11,763	23,059	96.0%	19,000	34,600	50.0%	44,700
Math & Science Teacher Certificates	2,566	2,520	-1.8%				6,500

Analysis:

- In FY 2001, the number of credentials awarded to undergraduates (certificates, associate's and bachelor's degrees) increased by only 526 awards over FY 2000. During the following four years, the number of academic awards increased by more than 5,000 annually. These increases moved the state past the 2005 *Closing the Gaps* success target of 134,000 awards, as institutions awarded 145,212 undergraduate degrees and certificates in FY 2005 – more than 8 percent over the *Closing the Gaps* target. During the next five years, growth of 17.8 percent is required to achieve the 2010 target.

- The 2010 success target and 2015 goal were raised to mirror the higher *Closing the Gaps* participation measures associated with updated population projections. With the higher success targets set by the Coordinating Board, the revised institutional targets fall short of the statewide targets. New strategies are needed to help institutions further increase the number of awards they make.



- Bachelor's degrees accounted for only 41.6 percent of the increase in undergraduate awards from FY 2000 to FY 2005, accounting for nearly 87,000 diplomas awarded in 2005. Baccalaureate awards must maintain a 15 percent increase to achieve the 2010 target of 100,000 degrees.

- Increases in bachelor's awards were not distributed evenly across racial and ethnic groups. The number of African-American and Hispanic students receiving bachelor's must increase by 27 percent and 31 percent, respectively, to meet the 2010 institutional targets.

- The emphasis on undergraduate awards has encouraged two-year institutions to award associate degrees to students who have completed their degree requirements but did not apply to receive the award. The high 40 percent growth rate for associate degrees between FY 2000 and FY 2005 might not be maintained, but a growth of only 20 percent is required to meet the 2010 target.

- The number of certificates and undergraduate degrees awarded to African-Americans has increased significantly, and the 2005 target of 13,000 awards was exceeded in FY 2003. By 2005, the five-year growth rate reached 32 percent, but the rate of increase must be exceeded slightly to match the 2010 target of 19,800 awards.

- The number of certificates and undergraduate degrees awarded to Hispanics increased by over 2,000 awards annually from FY 2002 to FY 2005, for a five-year rate of 44.2 percent. The 2005 intermediate target of 31,000 was surpassed in FY 2004, and 33,708 degrees and certificates were conferred in FY 2005. Reaching the 2010 target of 50,000 awards will require a 48.3 percent increase.

- The number of doctoral degrees awarded during the five-year window began with two years of increases totaling less than 50 per year and another with a 132-degree decrease in awards. Achievement of the 2005 target seemed unlikely despite an increase of 150 degrees from FY 2003 and FY 2004. But in FY 2005, 2,979 degrees were awarded, an increase of 250 over the prior year, and the 2005 target of 2,800 was surpassed.

- Six-year graduation rates for first-time, full-time university students slowly increased over the past five years from 49.2 percent to 55.5 percent statewide, a positive sign but still a relatively low rate compared with other states. Although not specifically identified in *Closing the Gaps*, the time that students take to earn degrees should be reduced to improve graduation rates, reduce costs for students and parents, and better utilize enrollment capacity at institutions. The four-year graduation rate also increased modestly from 19.9 percent in FY 2000 to 24.3 percent in FY 2005.

- Of students receiving financial aid, those with work/study graduate in six years at a higher rate than those receiving other types of financial aid. Appendix B provides information on the six-year graduation rates for the fall 1999 cohort based on the type of financial aid received.

Success Target Revision: Programmatic Fields

> The target for the number of students completing allied health and nursing bachelor's and associate's degrees and certificates was raised from 16,700 to 20,300 by 2010; and from 20,000 to 26,100 by 2015. The target related to new teachers certified was reframed from counting only students graduating from university programs to new certifications from all routes, including alternative certification programs. The target for the critical teaching fields of math and science was also changed from certifications from university programs to teachers certified through all types of routes.

Analysis of Programmatic Fields

- Technology awards are important for the state's business climate. Unfortunately, undergraduate degrees and certificates in computer science, engineering, engineering technology, and physical science programs have been stagnant. The five-year rate of increase was only 14 percent to 14,102, far short of the 2005 target of 19,000. Meeting the 2010 target of 24,000 will require a five-year growth rate of 70 percent.

- Allied health and nursing undergraduate awards exceeded the 2005 target of 13,500, which was set to stop a steady drop in awards. The awards increased by 18 percent over the five years to a total of 16,054 in FY 2005. A large portion of these awards were earned by two-year college students. This promising turn-around for a field that had experienced many years of decline may be the result of support provided by the Legislature, such as the Nursing Enrollment Growth Funding and Professional Nursing Shortage Reduction Program. Achievement of the 2010 target will require even more robust growth of 26 percent.

- Teacher preparation has changed tremendously since *Closing the Gaps* was adopted in 2000. According to the State Board of Educator Certification, 70 percent of newly certified teachers in 2000 were prepared in traditional university undergraduate programs. By 2005, traditionally prepared teachers represented 40 percent of new certifications, alternative certification programs accounted for 44 percent, and post-baccalaureate programs were responsible for 16 percent.

Conclusion:

Progress toward some success targets is encouraging. The state continues to award more degrees and certificates to African-American and Hispanic students. Doctoral degrees, allied health and nursing, and teacher education certifications have all passed their 2005 intermediate targets. The multiple legislative actions taken to encourage the production of additional nurses has succeeded.

Technology awards remain a cause for concern. The number of awards increased by about 2,000 between FY 2000 and FY 2005, far short of the 6,500 additional awards needed to meet the *Closing the Gaps* target.

New strategies must be developed and implemented to encourage students to not only enroll, but complete awards to receive the full benefit of education.

Goal 3. Close the Gaps in Excellence – By 2015, substantially increase the number of nationally recognized programs or services at colleges and universities.

The excellence goal and targets were not revised.

Progress Toward 2010 Excellence Targets

Increase the number of....	2000	2005	2010[1]
Research institutions ranked in the top 10	0	0	1
Public research universities in the top 10	0	0	2
Public liberal arts universities ranked in the top 30	0	0	2
Health Science Centers ranked among the top 10	0	0	1

[1] *Closing the Gaps by 2015* identifies only one intermediate excellence target – for 2010.

Analysis:

- All Texas public higher education institutions have identified at least one program to develop for national recognition. All but six public institutions have also identified at least one type of national recognition that they have received recently (accessible at http://www.thecb.state.tx.us/ClosingTheGaps/). The list of recognitions continues to increase, with notable awards to faculty and for institutional accomplishments.

- Texas Southern University (TSU) and Prairie View A&M University are making progress related to the benchmarks established in *The Priority Plan to Strengthen Education* at those institutions. Some areas continue to need attention. Prairie View A&M University has received approval for all academic programs in the Priority Plan and is continuing to pursue expansion of its enrollment. Degrees in eight of 13 program areas listed for TSU in the Priority Plan have been approved. TSU has submitted proposals for two of the other degree programs.

- In the absence of a national ranking system for community and technical colleges, the Coordinating Board will work with the colleges to develop guidelines to assist them in meeting the intent of the excellence goal.

- Richland College of the Dallas County Community College District is the first educational institution in the nation to receive the prestigious Baldrige Award, the highest Presidential honor for quality and organizational performance excellence.

- Texas institutions reported that two additional faculty members were inducted into the Academy of Science in 2006; two more into the Academy of Engineering, with one current Academy of Engineering member expected to relocate to Texas next year; and two new inductees into the Institute of Medicine.

Progress toward the 2005 excellence target – Conclusion:

Texas public and independent higher education institutions are home to approximately 100 programs identified among the "Top 10" in various categories of the *U.S. News & World Report* national rankings. In addition, the state's public and independent institutions consistently appear in a variety of education-related rankings and some faculty members are honored recipients of the National Science Foundation's Medal of Science and Medal of Technology.

Goal 4. Close the Gaps in Research – By 2015, increase the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation.

Goal and Target Revision:

The research goal was restated from increasing the level of federal science and engineering research funding to Texas institutions by 50 percent – $1.3 billion (in constant dollars) to increasing the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation. This revision neutralizes fluctuations in the amount of federal research funding nationwide, and focuses on the intent of the measure: to improve funding to Texas institutions relative to other states.

Progress Toward 2010 Research Targets
Federal Science and Engineering Obligations, and
Federal Science and Engineering Research and Development Obligations[1]
(in millions)

	Federal Science & Engineering Research & Development Obligations		
	Current $	1998 $	% of Federal
1998	$730.0	$719.3	5.3%
1999	$834.6	$822.3	5.4%
2000	$958.2	$884.4	5.5%
2001	$1,147.8	$1,065.2	5.9%
2002	$1,222.3	$1,103.4	5.8%
2003	$1,385.2	$1,233.7	6.1%
2010			6.2%

[1]Source: National Science Foundation.

Progress Toward 2010 Research Targets
Research Expenditures

Funding by Texas public universities and health-related institutions[1]	FY 2000	FY 2005	Increase from FY 2000 to FY 2005	2007 Target[2]
Actual Research and Development Expenditures	$1.60 billion	$2.47 billion	$870 million	
Constant 1998 $ Research and Development Expenditures	$1.54 billion	$2.10 billion	$557 million	$2.2 billion

[1]Source: Texas Higher Education Coordinating Board's *Research Expenditures* annual reports.
[2]*Closing the Gaps by 2015* provides only an intermediate target for 2007. The target represents an increase of 5 percent per year.

Analysis:

- In FY 2003 (the most recent data available), Texas institutions of higher education ranked fourth in federal obligations for science and engineering research and development. Texas with $1,385.2 million followed California ($3,193.4 million), New York ($1,857.6 million), and Pennsylvania ($1,417.3 million).

- Federal science and engineering research and development obligations garnered by Texas higher education institutions increased by 13.5 percent between FY 2002 and FY 2003, compared to 8.3 percent in California and 2.8 percent in Pennsylvania.

- Despite the increase in federal R&D obligations to Texas institutions, California with 14 percent and New York with 8.1 percent of total obligations remain firmly ahead of Texas and Pennsylvania, which have just over 6 percent of the obligations.

- In FY 2005, research expenditures reported by public Texas institutions to the Coordinating Board totaled $2.47 million, an increase of 9.6 percent over FY 2004. Public universities and health-related institutions' research expenditures grew $133.1 million (12 percent) and $82.7 million (7.2 percent), respectively, compared to FY 2004.

- In FY 2005, the federal government provided 60.3 percent of the research funds expended -- an increase from 58.1 percent of funds in FY 2004.

- The National Institutes of Health provided Texas higher education institutions with 64 percent of the federal research support for science and engineering received in both FY 2002 and FY 2003. National Institutes of Health funding is not expected to increase significantly.

Progress toward the 2005 research target – Conclusion:

Texas institutions have made significant progress in obtaining federal funds and are better positioned to sustain the higher percentage of federal obligations for science and engineering. Despite this progress, the research funding gap between California and New York and Texas remains essentially unchanged.

The Senate Subcommittee on Higher Education heard testimony regarding Interim Charge Four on June 29, 2006, from the following persons:

- Robert Shepard, Chair, Texas Higher Education Coordinating Board
- Teri Flack, Senior Advisor to the Commissioner, Texas Higher Education Coordinating Board
- David Gardner, Deputy Commissioner and Chief Operating Officer, Texas Higher Education Coordinating Board

Dr. Gardner testified that the latest demographic projections require the 2015 college enrollment goal to increase by 130,000 students to 630,000 students. He added that the enrollment growth for Hispanic students fell 20,000 short of the 2005 goal and that since 2002, the number of graduates has increased by more than 7,000 per year.

Universities have surpassed the 2005 goal for federal research dollars in 2002, according to Dr. Gardner. As a result, the Coordinating Board has increased the goal to 6.5 percent of total federal grant awards. Texas universities secured 5.3 percent of total federal grants in 1998 and 6.1 percent in 2003.

Charge Four—Closing the Gaps

Recommendations

Based on data collected by the Texas Higher Education Coordinating Board, the Subcommittee makes the following recommendations regarding Interim Charge Four for the Legislature's consideration:

Recommendation 1
Develop a strategic plan for higher education to improve planning and coordination from across campuses and systems and to deploy higher educational resources in an educationally-sound and cost-efficient manner.

PARTICIPATION
By 2015 close the gaps in participation rates to add 630,000 students.

Recommendation 2
Identify and expand early-childhood (0-4 years) education programs in the state. Develop a statewide early childhood education strategy that includes parental training and information outreach, school-based programs, faith-based activities, and other institutions such as children's museums.

Recommendation 3
Improve rigor of senior year in high school for all students: Develop strong remediation programs jointly between public education and higher education for low achievers; expand dual-credit and Advanced Placement opportunities for high achievers.

Recommendation 4
Align high school exit and college readiness standards (HB 1, 2006 Third Called Special Session). Align workforce readiness and college-readiness standards.

Recommendation 5
Increase funding for state financial aid programs (TEXAS Grant, B-on-Time, Work Study, Texas Education Opportunity Grant Program, Tuition Equalization Grant Program) in a manner that creates incentives to perform at a high level academically and be graduated in a timely manner. Develop through incentives, relatively low-cost programs for financing baccalaureate training (dual admissions programs, 2-plus-2 plans, etc.).

STUDENT SUCCESS

By 2015 award 210,000 undergraduate degrees, certificates and other identifiable student successes from high quality programs.

Recommendation 6

Strengthen the developmental education programs in both two- and four-year institutions. Strengthen assessment and diagnostic tools and apply innovative pedagogies such as accelerated learning and on-line instruction.

Recommendation 7

Strengthen the culture of transfer at every community college in Texas. Strengthen and expand articulation agreements with four-year institutions.

Recommendation 8

Increase accountability for all institutions of higher education to improve transfer and completion rates.

Recommendation 9

Develop a statewide initiative to redesign lower-division instruction in an educationally-sound and cost-efficient manner (HB 1, 2006 Third Called Special Session).

Recommendation 10

Establish strong accountability criteria for measuring learning outcomes at every institution of higher education.

EXCELLENCE

By 2015 substantially increase the number of nationally recognized programs or services at colleges and universities in Texas.

Recommendation 11

Develop standards and criteria for academic excellence in conformity with institutional missions and for different groups in accountability system.

Recommendation 12

Develop strong and uniform campus review processes for all academic programs, undergraduate and graduate.

Recommendation 13
Develop formula-funding models that include both incentives and performance-based criteria.

RESEARCH

By 2015 increase the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation.

Recommendation 14
Increase funding for basic research through the Advanced Research Program (ARP).

Recommendation 15
Strengthen alignment among institutional research priorities, statewide initiatives, and business interests and needs.

CHARGE FIVE

Study the relationship of College of Education coursework on teacher effectiveness and student performance. Examine the State's role in the accountability of these teacher preparations programs in delivering the most effective instruction strategies recommended or validated by scientifically-based research, particularly in the area of reading. Examine past and current studies linking teacher preparedness with student performance and identify any barriers to conducting such research. Make recommendations for legislative changes to improve programs

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COLLEGES OF EDUCATION

Charge Five—Colleges of Education

Introduction

Teacher quality is one of the most important factors in improving student achievement and is critical for maintaining America's standing in the global economy. Accordingly, the federal *No Child Left Behind Act of 2001 (NCLB)* mandates that all classes be taught by a highly qualified teacher by the end of the 2005–06 school year. To be considered highly qualified under *NCLB*, teachers must hold a bachelor's degree, be fully certified by the state, and demonstrate competency in the core academic subjects they teach.[50]

Unfortunately, a significant number of teachers are teaching subjects out of their field, and it is becoming increasingly difficulty to attract and retain quality teachers. The quality of teacher preparation programs, therefore, is integral to ensuring that our nation's schools are staffed with skilled professionals capable of raising student achievement. Given the increasing number of persons who are pursuing teaching certification through alternative certification programs, it is important that the state develop systems to measure the effectiveness of education preparation programs.

Colleges of Education
Texas has led the nation in teacher preparation reform. Examples of reforms in the 1980s and 1990s to improve teacher preparedness and enhance student achievement include the following:

- Establishing a monitoring body to assist with oversight of accountability (State Board for Educator Certification)

- Developing state standards and test frameworks (Examination for the Certification of Educators in Texas (ExCET) now Texas Examinations of Educator Standards (TExES))

- Shifting from traditional to field-based programs (Centers for Professional Development for Technology)

- Designing a statewide system for supporting teacher induction and retention spanning P-16 (The Texas Beginning Educator Support System)

- Requiring collaboration in teacher preparation among community colleges and four-year institutions of higher education

- Funding for the design of research centers and collaborative partnerships to promote statewide research about the effectiveness of teacher preparation programs.

These measures have significantly increased rigor and strengthened accountability in the design, delivery, and evaluation of all teacher education programs.

While the numbers of university-based programs have been reduced from 87 to 56 during this time frame, those that remain are committed to excellence are aligned with best practices for instruction based upon valid empirical research in teacher education, and demonstrate visibly their accountability regarding Accountability System for Educator Preparation (ASEP) and Title II rankings.

Educational reform in Texas has and continues to be characterized and supported by collaboration with educators in P-16 public and private education sectors and with input from business and industry.[51]

There is an increasing body of evidence indicating that superior teaching trumps parental involvement and motivation in achieving student academic success.

A recent report found on the Excellence in Education Trust website[52] suggests that the characteristics of the most successful teachers include mastering their disciplines; engaging in lifelong learning; adapting to the individual needs of their students; following a curriculum that addresses individual needs; teaching that is not tailored to a test; validating their students' backgrounds; and expecting success from every child.

State Board for Educator Certification

House Bill 1116 (2005 Regular Legislative Session) required teacher certification administration functions to be integrated into TEA. Effective September 1, 2005, State Board of Education Certification (SBEC) employees became part of TEA under a new department, Educator Quality and P-16 Initiatives. The SBEC board still exists and maintains governance

authority over certification matters. The Texas Education Agency is conducting an extensive review of the implemented processes and functions of the certification agency transition.

Teacher Certification

Certification in Texas is completed either through a traditional or alternative certification program. As of August 18, 2006, according to the TEA Division of Educator Standards, there were 143 educator preparation programs in Texas, including 87 alternative teacher preparation programs. Traditional educator programs are usually university-based, while alternative programs may be administered through a university, community college, education service center, school district, private entity, or county program.

An entity desiring to become an educator certification program must submit an application and proposal supplying information proving that it has met certain standards. Once the required information is compiled, it is submitted to the certification staff for review, and the staff conducts an on-site pre-approval visit to the new program. After this information is reviewed, an approved recommendation goes to SBEC for final approval. If SBEC approves the program, there is additional coordination that occurs with the Texas Higher Education Coordinating Board for final authorization. The program also is subject to a post-approval visit within a year of initial approval.

A flowchart provided to the Subcommittee titled, "Pipeline to Preparation of Teachers in Texas," is shown in Appendix E-1.

Educator Preparation Accountability

To address educator preparation programs' quality and accountability, the Senate Subcommittee on Higher Education heard testimony regarding Interim Charge Five on August 24, 2006, from the following persons:

- Raymund Paredes, Commissioner of Higher Education, Texas Higher Education Coordinating Board

- Patricia Hayes, Associate Commissioner, Educator Quality and P-16 Initiatives, Texas Education Agency

- Raymond Glynn, Deputy Associate Commissioner, Educator Quality and P-16 Initiatives, Texas Education Agency

- Karen Loonam, Director, Division of Educator Standards, Texas Education Agency

- Karen Embry Jenlink, Dean, School of Education, St. Edward's University

- Mary Ann Rankin, Dean, College of Natural Sciences, The University of Texas at Austin

- Kathy Hargrove, Associate Dean, School of Education and Human Development, Southern Methodist University

- Robert Wimpelberg, Dean, College of Education, University of Houston

- Mike Hudson, Executive Director, National Center for Educational Accountability (NCEA)

- William Reaves, Executive Director, Center for Research, Evaluation, and Advancement of Teacher Education (CREATE)

Patricia Hayes, Associate Commissioner, Educator Quality and P-16 Initiatives, Texas Education Agency, testified that the Accountability System for Educator Preparation (ASEP) program's purpose is to ensure that entities are held accountable for the certification readiness of individuals who complete teacher certification programs. Accreditation is based on the candidates' performance on examinations and beginning educators' performance on the appraisal system for beginning teachers adopted by SBEC. She pointed out that there are annual reporting requirements of data elements that do not affect the accreditation status of a program.

According to Ms. Hayes, ASEP uses cohorts of "completers" from an academic year as a basis for measuring the effectiveness of educator preparation programs. Completers are students who, during an academic year, complete all program requirements, excluding the certification exams. ASEP uses initial and final pass rates, and the data are disaggregated according to ethnicity and gender, as required by the law. Students as a

whole and all ethnic and gender groups perform at either the minimum initial (70 percent) or final (80 percent) pass rate.

A program has three years to bring teachers to the acceptable level for certification in a special curriculum area. If the program does not meet this state accountability standard, according to Ms. Hayes, it will not be allowed to train a teacher for that area (for example, the life sciences curriculum).

Dr. Karen Embry Jenlink, Dean, School of Education, St. Edward's University, presented an overview of the teacher preparation program at St. Edward's University, stating that 37 percent of the students in teacher preparation are Hispanic. She stated that St. Edward's works closely with Austin Independent School District high schools in high-need areas.

Dr. Jenlink suggested the following legislative changes: heighten support for carefully designed research in conjunction with TEA to utilize database information in a confidential manner; sustain and increase funding for establishing large-scale research centers and collaboratives whose findings are more likely to be amenable to a wide scope of teacher education programs such as CREATE; and support research initiatives that will examine social contexts and cultural factors for a diverse workforce.

Dr. Mary Ann Rankin, Dean, College of Natural Sciences, The University of Texas at Austin, explained the teacher preparation program for mathematics and science majors at The University of Texas at Austin. She noted that since the inception of UTeach in 1997, the number of mathematics majors has doubled, and the number of certified science majors has increased approximately sixfold. She also reported that the National Research Council and the United States Department of Education cited UTeach as a model program. She said that many other institutions in Texas, Louisiana, Colorado, and elsewhere are exploring ways to create similar programs and that California has just begun an initiative based on the UTeach model that will be the largest in the nation.

Dr. Kathy Hargrove, Associate Dean, School of Education and Human Development, Southern Methodist University, and Dr. Robert Wimpelberg, Dean, College of Education, University of Houston, gave overviews of their teacher preparation programs. Dr. Wimpelberg stated that the University of Houston requires teachers to train in urban classrooms for three semesters before they can be hired full-time by school districts. Dr. Hargrove cited the

problems with data collection and said that there is a general consensus among the panel members regarding the Family Education Rights and Privacy Act's (FERPA) data restriction and the problems associated with the inability to access teacher evaluations and student test scores.

Mike Hudson, Executive Director, NCEA, and Dr. William Reaves, Executive Director, CREATE, testified regarding the importance of data collection for quality teacher preparation programs. They agreed that access to data is critical to assess student performance and that every teacher preparation program should be involved in the NCEA data study.

Dr. Reaves said that he is monitoring Ohio and Louisiana initiatives to determine what teaching preparation practices lead to high levels of achievement. He stated that those states are accessing data in ways that Texas currently cannot.

Charge Five—Colleges of Education

Recommendations

Based on expert testimony, including recommendations provided by the Texas Education Agency, the Subcommittee makes the following recommendations regarding Interim Charge Five for the Legislature's consideration:

Recommendation 1
Clarify Texas Education Code, Section 21.045, to provide the State Board of Educator Certification with a comprehensive suite of options to pursue sanctions against non-compliant educator preparation programs.

Recommendation 2
Authorize the State Board of Educator Certification to collect fees from educator preparation programs for the cost of administration involved in the support of the creation and maintenance of these programs.

Recommendation 3
Clarify in statute that school districts are authorized to release evaluation documents to the Texas Education Agency and the State Board for Educator Certification for purposes of enforcing the educator preparation accountability system, with the proper confidentiality measures in place.

Recommendation 4
Clarify in statute that law enforcement agencies may provide the appropriate information from a criminal investigation or prosecution to the Texas Education Agency for the designated function.

Recommendation 5
Consider sustaining and increasing funding for establishing large-scale research centers and collaboratives whose findings are more likely to be generalizable to a wide scope of teacher education programs.

Recommendation 6
Support research initiatives that will examine the social contexts and cultural factors specific to enhancing success in preparing a highly qualified, diverse teacher workforce, particularly among teacher education programs in

historically black, Hispanic-serving, and culturally diverse institutions of higher learning.

Recommendation 7
Support the dissemination and implementation of findings related to College of Education coursework and teacher effectiveness in relation to student performance.

Recommendation 8
Provide funds to replicate research about effective teacher education to be applied in diverse educational settings, including two- and four-year institutions and alternative programs.

JOINT CHARGE WITH SENATE FINANCE

Monitor changes made during the 79th Legislature, Regular Session, to adjust higher education funding formulas by adopting a cost-based formula matrix. Make recommendations for continuing improvements.

COST-BASED FORMULA MATRIX

Joint Charge—Cost-Based Matrix

Introduction

Higher education institutions receive state support primarily through formula funding. In 1997 Senator Bill Ratliff tried to simplify the formulas used to fund general academic institutions by developing and implementing an Instruction and Operations matrix that was intended to represent the statewide average cost of instruction for the various disciplines and levels offered at Texas public universities.

In 2002 the Texas Higher Education Coordinating Board directed its University Formula Advisory Committee to conduct a cost study to validate the relative weights contained in the matrix. The 79th Legislature adopted this cost-based matrix, but elected to phase-in the matrix over three biennia, with the goal of full implementation in 2010. The decision to phase-in the matrix was based on the desire to transition institutions into the new cost-based matrix and allow the Legislature to monitor the effects of these changes.

Because it is the goal of the Legislature to maintain a fair and effective methodology to fund institutions of higher education, it is important to study closely the effects of the cost-based matrix and make adjustments as necessary.

Formula Funding

In Fiscal Year 2006-07, General Academic Institutions receive 59.4 percent of all general revenue support through the formula. The formula comprises two components: instruction and operation (I&O) and infrastructure. In the current biennium, 83 percent of the formula funds are allocated to I&O, which is based on weighted semester credit hours. Infrastructure accounts for the remaining 17 percent and is based on predicted square foot needs of an institution, as determined by the Higher Education Coordinating Board. Each institution's relative share of formula funding is determined by these two components.

The total amount of formula funding is allocated based on each institution's relative share of the I&O and infrastructure components. This amount is referred to as All Funds. The All Funds amount is the sum of the general revenue, as determined by the Legislature, statutory tuition and certain fees

collected by the institutions. The amount that each institution is projected to collect in statutory tuition and applicable fees is subtracted from the All Funds amount to determine the amount of general revenue each institution receives.

Additional information about formula funding calculations are including in the Legislative Budget Board's materials in Appendix F-1.

Cost-Based Formula Matrix

The Senate Finance Subcommittee and the Senate Subcommittee on Higher Education on September 14, 2006, heard testimony regarding their Joint Interim Charge related to the cost-based formula matrix. The committees hearing invited testimony from the following persons:

- Rick Travis, Higher Education Team Manager, Legislative Budget Board
- Susan Sherman, Higher Education Analyst, Legislative Budget Board
- Raymund Paredes, Commissioner of Higher Education, Texas Higher Education Coordinating Board
- Mark Yudof, Chancellor, The University of Texas System
- Bill Jones, Board Vice Chair, Texas A&M University System
- Jay Gogue, Chancellor, University of Houston System
- Gretchen Bataille, President, University of North Texas
- Phil Diebel, Vice President for Finance and Business Affairs, University of North Texas
- Donald Haragan, Interim Chancellor, Texas Tech University System
- Charles R. Matthews, Chancellor, Texas State University System
- Jesse Rogers, President, Midwestern State University

- Baker Pattillo, Interim President, Stephen F. Austin State University
- Danny Gallant, Associate Vice President for Budget and Finance, Stephen F. Austin State University
- Bobby Wilson, Interim President, Texas Southern University
- Ann Stuart, Chancellor, Texas Woman's University

Commissioner Raymund Paredes, Texas Higher Education Coordinating Board, and Susan Brown, Assistant Commissioner, Planning and Accountability, Texas Higher Education Coordinating Board, provided information about the development of the cost-based formula matrix and discussed possible modifications.

Ms. Brown explained that the weights adopted by the 78th Legislature were developed in 1997 as a means to simplify the complex system of formulas that had been used to distribute funding to the institutions for instruction, operations, and physical plant operations and maintenance. This matrix is referred to as the original matrix. In 2002 the Coordinating Board directed its University Formula Advisory Subcommittee to conduct a cost study to validate the relative weights contained in the matrix. The workgroup determined that the matrix should reflect an objective analysis of universities' actual costs and that the most appropriate methodology for calculating the weights was an "all funds" approach based on each institution's financial report. The weights in the matrix are intended to represent the ratio of total educational costs to total semester credit hours, by level and discipline. The cost-based matrix is updated every two years based on expenditure data from the previous two years.

Ms. Brown said that in addition to faculty costs, the workgroup agreed that five additional elements of the cost should be included because the I&O formula funds these activities as well. These additional elements are academic support, institutional support, student services, other instruction, and research. The Coordinating Board recommended that the cost based matrix be phased-in over three biennia, with the weights being recalculated every two years based on updated actual expenditures. The recommended phase-in is 50 percent the first biennium, 75 percent the second biennium, and full implementation occurring in the 2010-11 biennium. The first phase

of the cost-based matrix was adopted by the 79th Legislature and included in the General Appropriations Act (GAA).

The current matrix, the cost-based matrix with no phase-in, and the cost-based matrix with phase-in and hold harmless limited to three percent are as follows:[53]

Table 1: Current Instruction & Operations Matrix

	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional
LIBERAL ARTS*	1.00	1.96	3.94	12.04	
SCIENCE	1.53	3.00	7.17	19.29	
FINE ARTS	1.85	3.11	6.51	17.47	
TEACHER ED	1.28	1.96	3.23	9.95	
AGRICULTURE	2.05	2.54	6.64	16.37	
ENGINEERING	3.01	3.46	8.20	21.40	
HOME ECONOMICS	1.58	2.12	4.34	10.79	
LAW					3.22
SOCIAL SERVICE	1.64	1.84	5.80	11.92	
LIBRARY SCIENCE	1.45	1.52	4.22	12.26	
VOCATIONAL TRAIN	1.45	2.59			
PHYSICAL TRAINING	1.36	1.36			
HEALTH SERVICES	2.87	3.46	6.47	15.98	
PHARMACY	4.00	4.64	9.00	19.11	9.00
BUSINESS ADMIN	1.41	1.59	4.59	13.91	
	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional
OPTOMETRY			5.46	19.12	7.00
TEACHER ED-PRACT.	2.43	2.57			
TECHNOLOGY	1.99	2.56	6.61		
NURSING	4.91	5.32	6.49	16.32	
VET MED					16.72

*Lower division undergraduate Liberal Arts is the rate applied to Developmental Education semester credit hour.

Table 2: Cost-Based Instruction & Operations Matrix, No Phase-In

	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional
LIBERAL ARTS	1.00	1.77	4.20	9.74	
SCIENCE	1.79	3.01	8.08	20.15	
FINE ARTS	1.41	2.37	5.30	7.16	
TEACHER ED	1.40	1.86	2.55	6.88	
AGRICULTURE	2.06	2.70	7.63	10.49	
ENGINEERING	1.85	3.10	6.21	15.30	
HOME ECONOMICS	1.06	1.82	3.05	6.15	
LAW					3.56
SOCIAL SERVICE	2.39	2.76	3.37	12.28	
LIBRARY SCIENCE	1.12	1.14	2.97	5.44	
VOCATIONAL TRAIN	2.83	2.45			
PHYSICAL TRAINING	1.34	1.25			
HEALTH SERVICES	1.32	2.14	3.70	9.52	
PHARMACY	0.91	3.32	18.51	26.34	3.74
BUSINESS ADMIN	1.07	1.63	3.30	19.26	
OPTOMETRY			5.46	19.12	7.00
TEACHER ED-PRACT	1.08	1.82			
TECHNOLOGY	1.87	2.37	4.57		
NURSING	2.24	2.66	5.28	10.66	
VET MED					14.16

Table 3: Cost-Based Instruction & Operations Matrix, with Phase-In and Losses Limited to 3 Percent

	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional
LIBERAL ARTS	1.00	1.86	4.07	10.89	
SCIENCE	1.66	3.00	7.63	19.72	
FINE ARTS	1.63	2.74	5.91	12.31	
TEACHER ED	1.34	1.91	2.89	8.41	
AGRICULTURE	2.06	2.62	7.14	13.43	
ENGINEERING	2.43	3.28	7.21	18.35	
HOME ECONOMICS	1.32	1.97	3.70	8.47	
LAW					3.39
SOCIAL SERVICE	2.01	2.30	4.59	12.10	
LIBRARY SCIENCE	1.28	1.33	3.59	8.85	
VOCATIONAL TRAIN	2.14	2.52			
PHYSICAL TRAINING	1.35	1.30			
HEALTH SERVICES	2.10	2.80	6.10	12.75	
	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional
PHARMACY	2.45	3.98	13.75	22.72	6.37
BUSINESS ADMIN	1.24	1.61	3.95	16.59	
OPTOMETRY			5.46	19.12	7.00
TEACHER ED-PRACT	1.75	2.19			
TECHNOLOGY	1.93	2.46	5.59		
NURSING	3.58	4.96	5.89	13.49	
VET MED					15.44

Dr. Paredes testified that current formulas do not include specific incentives to achieve specific outcomes important to the state and that the Legislature should consider creating incentive funding. He said that the state should provide a base level of funding to enable institutions to plan strategically and that the formula is an objective method for allocating funding in a systematic manner based on verifiable data. Dr. Paredes suggested that modifications be made to tie formula funding to the goals of *Closing the Gaps* and that funding be linked to desired outcomes. For example, instead of funding based on semester credit hours enrolled on the 12th class day of each semester as currently done, the funding could be based on semester credit hours completed.

Dr. Paredes suggested that another area for reconsideration is developmental education courses, which are funded at the Liberal Arts weight. Institutions have indicated cost associated with developmental educational, such as tutoring and counseling, are expensive and so developmental education should be considered its own weight. Additional weights could be given to successful completion of entry level credit bearing courses by developmental educational students. He also recommended that funding should be linked to elements of the accountability system embedded in the formula, such as funding based on the growth in the number of baccalaureate degrees awarded. Incentives also could be created to encourage enrolling transfer students from community colleges or to promote graduates in critical fields such as the STEM (Science, Technology, Engineering, and Mathematics) fields.

Mark Yudof, Chancellor, The University of Texas System, testified in support of the cost-based formula funding. He expressed some concerns about how data are collected by the Coordinating Board, but agreed that using costs associated with providing education is a sensible methodology.

Chancellor Yudof remarked that the state must try to align its funding with a long-term strategic plan to keep Texas competitive and provide incentives to expand high-priority programs in areas such as education, engineering, and nursing. He suggested that funding be provided for enrollment growth, inflation, utilities, and infrastructure, as emphasized in institutions' legislative appropriations requests.

Bill Jones, Vice Chair, Texas A&M University System Board of Regents, testified that the cost-based matrix is sound state policy. Mr. Jones said that

using updated actual expenditure data to validate the weights is good policy and that phasing in the matrix over three biennia allows institutions to make any necessary adjustments. He also supports hold harmless funding for institutions that would otherwise experience a significant loss in formula funds as part of the transition to the cost-based matrix. However, hold harmless funds should be provided outside the formula.

Jay Gogue, Chancellor, University of Houston (UH) System, testified that the UH System opposes the cost-based matrix even though UH's institutions received more funding through the cost-based matrix as compared to the original matrix. UH remains concerned that the new matrix was developed based on a study of university expenditures rather than actual educational costs. He also noted that the weights for critical areas, such as teacher education, engineering, health services, and nursing, were lowered. Chancellor Gogue added that pharmacy and optometry would be more appropriately funded through the health-related institution formula.

Gretchen Bataille, President, University of North Texas (UNT), said that the cost-based matrix phase-in had no significant impact on UNT operations. She testified that the matrix is a fair and equitable method for distributing I&O funding. Dr. Bataille added that she supports incentive funding outside the formulas.

Donald Haragan, Interim Chancellor, Texas Tech University (TTU) System, said that he supports the matrix as a fair, unbiased, and equitable method for distribution of funding. Dr. Haragan said that TTU believes that the new matrix reflects positive changes to the basic core academic programs and recognizes the importance of undergraduate lower division courses in science and liberal arts.

Charles Matthews, Chancellor, Texas State University (TSU) System, testified that he supports the new matrix, as it works well for TSU System universities. However, he pointed out that Lamar University, which has a high enrollment in nursing and engineering programs, was the single university within the system to lose formula funds as a result of the new matrix.

Jesse Rogers, President, Midwestern State University (MSU), testified that MSU is unaffected by the change in methodology and that he believes that in the long term, the new matrix will serve higher education needs well.

Dr. Rogers emphasized that it is important that the state use a matrix ratio that is related to costs as opposed to historical precedent.

Baker Pattillo, Interim President, Stephen F. Austin University (SFA), said that SFAU supports the cost-based matrix funding process because it reflects the costs associated with undergraduate education. He added that SFAU recommends that incentive funding for critical needs areas, such as teacher education and nursing, be addressed outside the formulas.

Bobby Wilson, Interim President, Texas Southern University (TSU), expressed concern that the methodology of the cost study used to develop the matrix weights favor programs with low credit hour production, which, in effect, penalizes programs that may be more cost-efficient. Dr. Wilson stated average salaries for both law and business faculty members are significantly higher than the faculty in agriculture and education; likewise, these areas are more likely to generate higher credit hour production to make them more cost efficient with regard to cost per credit hour produced. In addition he said a major concern for TSU is the disparity in funding between university-based pharmacy programs and those either located in or designated as being part of a health science center. Dr. Wilson pointed out all colleges of pharmacy are required to compete for new faculty and to adhere to accreditation guidelines that call for expansion of the quality of the experiential programs. He suggested Doctor of Pharmacy programs located on general academic campuses should be funded using the same model used for Doctor of Pharmacy programs that are associated with health-related institutions. Dr. Wilson also added that special item funding should be made available to assist institutions adversely affected by the formula change.

Ann Stuart, Chancellor, Texas Woman's University (TWU), testified that the cost-based matrix is fair to the extent that it is based on actual costs and applies equally to all universities. Chancellor Stuart requested additional formula funding to address declining state support per student, additional GR funds for rising utility rates, enrollment growth, and inflation.

Joint Charge—Cost-Based Matrix

Recommendations

Based on expert testimony The Senate Finance Subcommittee and the Senate Subcommittee on Higher Education make the following recommendations regarding the cost-based formula matrix for the Legislature's consideration:

Recommendation 1
Continue the phase-in of the cost-based matrix with the goal of full implementation by 2010.

Recommendation 2
Review the effectiveness of the teaching experience supplement and consider increasing the weight up to 50 percent for lower-division courses only.

Recommendation 3
Direct the Texas Higher Education Coordinating Board to study the feasibility of developing a cost-based formula matrix for health-related institutions.

Recommendation 4
Direct the Texas Higher Education Coordinating Board to report the 80th Legislature no later than March 1, 2007, on the appropriate level of funding for instruction & operations at general academic institutions as reflected in the cost study.

Conclusion

In response to the charges issued by Lieutenant Governor David Dewhurst, the Senate Education Subcommittee on Higher Education has identified these various recommendations for the 80th Legislature.

Addressing Texas higher education needs is critical for the future of our great state. Ensuring that campuses grow to accommodate enrollment, that higher education is affordable, and that every student in this state has an opportunity to a secondary education is a responsibility that requires collaboration among legislators and the higher education community. Research, economic development, and general improvements to quality of life can be attributed to post secondary education. The state's investment in higher education is a key component to ensuring competitiveness, both nationally and globally, and meeting the increasing demands of a growing population and a diversified workforce. As other demands of state government continue to compete for limited resources, higher education institutions and future Legislatures must continue to be creative and proactive in funding higher education.

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APPENDIX A

Interim Charge One --Distance Learning

Appendix A-1 Texas Association of Community Colleges

Virtual College of Texas

Mission: The Virtual College of Texas (VCT) is a consortium of all accredited, public Texas community and technical colleges. It includes the 50 community college districts and the four colleges of the Texas State Technical College system. The mission of VCT is to provide distance learning access to all Texans wherever they may live, regardless of geographic, distance, or time constraints.

Host - Provider Model: Member institutions of the Virtual College of Texas share distance learning courses under the terms of a statewide VCT Memorandum of Understanding, which is based upon an operational model referred to as the Host-Provider Model.

The host (local) college:

- Enrolls students locally to take courses from remote (provider) colleges.
- Provides VCT-enrolled students with the same slate of student services it provides its other students.
- Administers tests as directed by provider colleges' instructors.
- Awards course credit and Includes the courses on its own transcripts.

The provider (remote) college:

- Provides instructors who define course content and instructional methodologies; directs all class activities, including assignments and tests, and awards final grades.
- Establishes the academic calendar for courses it offers through VCT

- Created in 1998 with funding from the Abell-Hanger Foundation and Meadows Foundation. VCT is also supported in part with trusteed funds from the Higher Education Coordinating Board
- In FY 2006, 44 Community College Districts and the Texas State Technical College System participated in VCT.
- For FY 2006, 6740 students have enrolled in courses through VCT.
- Since its creation, VCT has served over 27,000 students.
- In FY 2006, VCT has offered 1240 courses.
- $3.9 million in grants have been awarded to colleges for projects supported by VCT.
- Student surveys indicate the majority of participants choose courses through VCT based on the enhanced availability and flexibility VCT offers.
- VCT is currently undergoing a scheduled assessment by the Southern Association of Colleges and Schools (SACS), the regional accrediting agency, to ensure quality of its programs.
- VCT will continue to work with SACS to complete its review and will continue to provide quality distance educational opportunities for community college students in Texas.

STARLINK

- STARLINK links all of the community and technical colleges in the state through its statewide satellite and Internet-based teleconference network. STARLINK is formally governed by TACC through a contractual arrangement with the Dallas County Community College District.

- STARLINK was was established in 1989 with an initial three-year Perkins State Leadership grant and became a trusteed fund at the Coordinating Board in 1997.

- As an agency of TACC, STARLINK produces and distributes programming to benefit higher education, state agencies, and other public entities.

- Since becoming operational in the fall of 1989, STARLINK has been rated as one of the top 3 training networks in the United States by the U.S. Distance Learning Association.

- STARLINK has produced and/or distributed 150 professional development and informational videoconferences targeted primarily to community and technical colleges, reaching more than 90,000 audience members.

- In FY 2006, STARLINK provided 6152 viewers with teleconferencing training and 2600 viewers with Internet streamed training.

- STARLINK has produced and/or distributed information and training videoconferences that served over 30,000 employees of state agencies and other public entities.

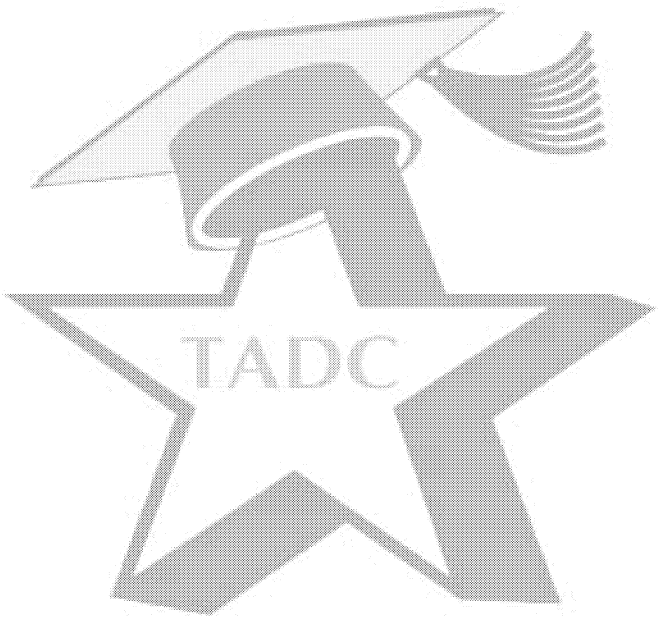
- FY 2006, survey of members/users indicates that 91% found their overall experience with STARLINK to have been Excellent or Good.

- For 2006-2007, STARLINK plans include:
  - 9 Faculty development teleconferences/seminars
  - 31 Teaching strategy videos
  - 6 Leadership broadcast teleconferences for students, faculty, & administrators.

Appendix A-2 Texas Association of Developing Colleges

LINKING LEARNING WITH THUNDER™

Collaborative Technology Enhancement Project



The Texas Association of Developing Colleges

Educational Excellence

Barbara Hawkins, Executive Director

PREPARED FOR THE

SENATE SUBCOMMITTEE ON HIGHER EDUCATION

Chair:	Senator Royce West
Members:	Senator Kip Averitt
	Senator Kyle Janek
	Senator Todd Staples
	Senator Tommy Williams
	Senator Judith Zaffirini

Table of Contents

Executive Summary

This document presents a proposal for additional funding for the Centers for Teacher Education (CTE), a collaborative program of the Texas Association of Developing Colleges (TADC). The TADC consortium is composed of five private Texas Historically Black Institutions: Huston-Tillotson University, Jarvis Christian College, Paul Quinn College, Wiley College, and Texas College. For nearly a decade, the TADC Consortium has successfully delivered distance education courses leveraging video-teleconferencing technology to enable collaboration between pre-service faculty, staff and students at the participating schools.

Research performed by Educause, a nonprofit association whose mission is to advance higher education by promoting the intelligent use of information technology, indicates that

- Higher education and the business infrastructure cannot accommodate the growing diverse population and enrollments, making distance education programs necessary.
- On-line resources are increasingly becoming more important for recruiting and retaining students because students are shopping for courses that meet their schedules and circumstances
- The accepted past practices for educating is being challenged, allowing for more non-traditional faculty roles in distance education.
- Instruction is becoming more learner-centered, non-linear, and self-directed.
- Academic emphasis is shifting from course-completion to competency

Utilizing these findings, the TADC Consortium developed a Three-Year Strategic

Plan to attract an increased number of potential educators and to achieve improved learning outcomes for the CTE program. The Consortium identified a collaborative system that will enhance our Distance Education program and more particularly improve our ability to train and prepare educators in mathematics and science. Thunder™, a virtual flip chart platform developed by PolyVision (a division of Steelcase), is the enabling technology selected. It is our belief that by using this tool to refine our pedagogical processes, we will improve the ability of remote students to engage in real-time collaborative learning environments with their instructors and students at distant sites.

To implement the technology at the five participating institutions, the estimated total cost is $1.3 million. Project costs include indirect costs for technology infrastructure preparation, such as electric and network wiring, as well as the costs for Thunder™ installation and integration services. The TADC participating schools currently have $380K allocated to the project, leaving $920K to be obtained from other sources.

The remainder of this document presents a more detailed background on the TADC program in general and an overview of the **Linking Learning with Thunder**™ Project implementation plan.

2 Background Information

2.1 TADC

TADC

TEXAS ASSOCIATION OF DEVELOPING COLLEGES

The Texas Association of Developing Colleges (TADC) is a multi-service consortium of five privately supported liberal arts colleges and universities throughout the state of Texas. The TADC was established in 1967 as a nonprofit corporation with a purpose of servicing and supporting initiatives designed to improve educational opportunities at Huston-Tillotson University in Austin, Jarvis Christian College in Hawkins, Paul Quinn College in Dallas, Texas College in Tyler and Wiley College in Marshall.

The Centers for Teacher Education (CTE) program was established by the 74th Texas Legislature and is managed by the Texas Higher Education Coordinating Board (THECB). The THECB provides funds to support programs under contract to the five member institutions of the TADC.

The CTE Programs at the participating colleges are designed to:

- Recruit, train, and place qualified individuals into the teaching profession;
- Integrate the use of technology into the colleges' teacher preparation programs;
- Deliver distance education and technology training opportunities to pre-service teacher education candidates; and
- Provide or participate in offering teacher preparation courses via distance education technologies.

2.2 CTE Program Overview

2.2.1 Current State

The TADC institutions leverage technology to deliver teacher education preparation courses using the following methods.

1. Online: A method in which instruction is supplemented, either partially or fully, using courseware, such as "BlackBoard," "WebCT," or "Jenzabar Internet Campus Solution (JICS)," and is delivered through desktop computing communications. Note: In many cases, the primary mode of instructional delivery is via e-mail if courseware is not available (i.e., University of Phoenix Online Program).
2. Video conferencing: A method in which instruction is delivered via streaming technologies, through live conferencing (point-to-point/multipoint) or by the instructional delivery of pre-recorded media elements, such as slides, film, audio or videotape.
3. Hybrid course delivery: This method represents a formalized combination of the three (correspondence, online and video conferencing) delivery modes.

In most configuration scenarios researched, video conferencing systems, such as the Polycom VS4000 (currently being employed in the TADC model), utilize compressed video for the transmission of images over the institution's network.

The video compression process is designed to decrease the amount of data being transmitted. Although this process has the potential to impact the quality of video and/or sound, it decreases the amount of bandwidth required to transmit and reduces the associated cost of the communication, thus making it a viable means for instructional delivery.

2.2.2 Challenges

Though the VTC platform effectively supports pedagogy and interaction for lecture intensive courses, issues frequently arise surrounding the need to present ad-hoc content at the time of instruction. Additionally, to improve academic learning, our collaborative strategic planning indicates:

- A need to review instructional best practices in order to redefine pedagogy for teacher education and delivery must be undertaken to achieve the desired learning outcomes.
- Development of assessment methods and tools for ongoing documentation of specific outcomes will improve our ability to constructively redesign curricular and
- According to SACS, electronically offered programs both support and extend the roles of educational institutions. Increasingly they are integral to academic organization with growing implications for institutional infrastructure.

Similar to other postsecondary institutions, TADC institutions are also experiencing an increasing number of nontraditional students. Recruitment of this population is essential if private institutions are to remain competitive providers of quality educational experiences.

According to the National Center for Educational Statistics, *The Condition of Education 2006* report, only 40% of private higher education institutions offered distance learning courses. Online course offerings are an invaluable resource for our institutions to serve this population. The report also indicates the enrollment rate of individuals between 25 and 29 years of age increased from 8 to 13% between 1970 and 2004.

Initial research on the effect of advanced software and student outcomes suggests:

> "… that the use of advanced software facilitated communication features, which provide an environment that fosters more sophisticated and feature rich interaction, is important in terms of determining student outcomes. It is not sufficient to create online interaction; rather it is the inherent quality of that interaction which is important in determining student outcomes."

(Gold, S., *The Effect of Software Facilitated Communication on Student Outcomes in Online Classes*, *The Journal of Educators Online*, Volume 1, Number 1, July 2004).

3. Project Overview

The proposed enhanced distance learning design for TADC is a five-site implementation of Thunder, using PolyVision's proven Thunder authentic room design model and its Thunder technology. The design is intended to support enterprise collaboration while increasing overall network scalability. Thunder Virtual Flipchart System is the world's most innovative emergent technological product in enterprise collaboration and distance learning.

Solving a critical need at the heart of all organizational collaboration, learning and progress, PolyVision's ground-breaking Thunder system redefines the collaborative process, providing teams with the essential environment and tools to work or learn together, regardless of physical location.

Thunder Virtual Flipchart provides an entirely new dimension of collaboration in which any data and information, in any format, can be communicated, stored, displayed, and organized – all captured on an unlimited, shared group canvas, in real time.

Thunder is a series of large-format displays whose content can be simultaneously shared over any network with other similarly-equipped rooms, as well as participants on personal computers. The unique user interface on Thunder is simple and intuitive, providing easily recognizable icons that represent familiar tools and actions. In the simplest Thunder mode, participants can create, edit, move, resize and delete written content in a variety of formats with the stroke of a stylus or finger.

With the touch of an icon, Thunder immediately integrates all forms of media and content into meetings, creates a stream of projected images that flow freely among groups, and allows complete creative flexibility. Following a class/meeting, content is seamlessly archived, emailed to all participants, and ready at the touch of an icon for immediate retrieval, whenever desired and from any location.

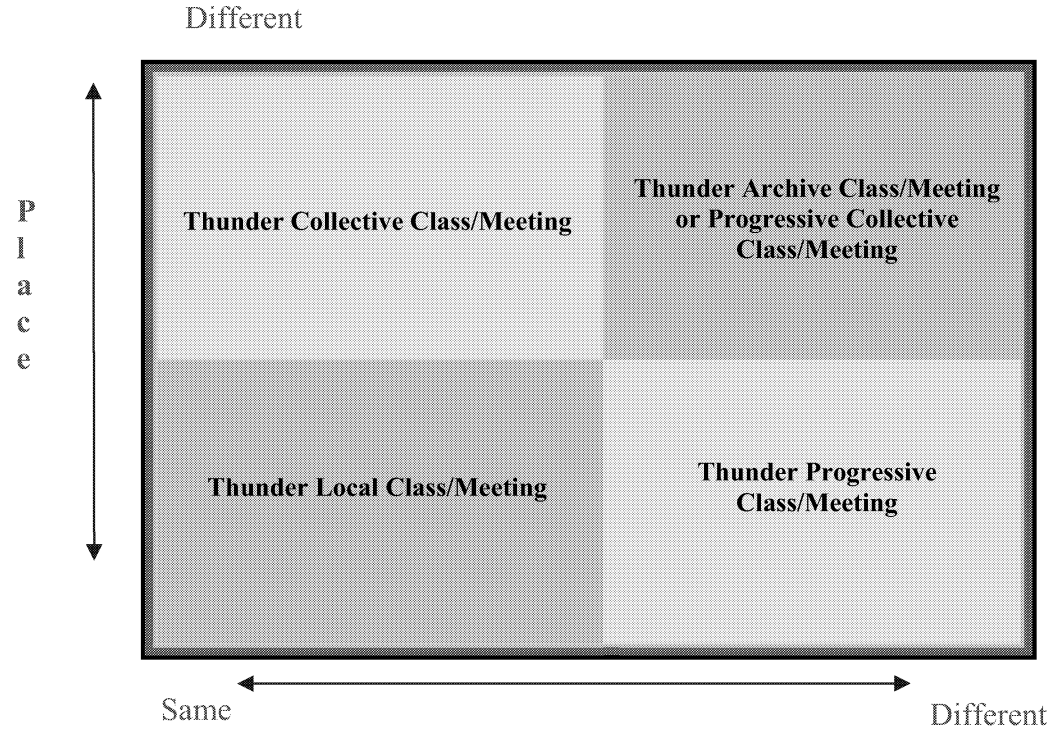
Like all of PolyVision's products, Thunder Virtual Flipchart is designed to be simple to use, while providing the flexibility and collaborative capabilities that current collaboration tools simply cannot deliver.

- **The group easel** allows input and sharing of any media image – analog or digital. As easy to use as a flipchart, participants control functionality and jot notes and drawings onto a "page" with a stylus or finger.
- **Multiple pages are "posted"** – projected – onto the wall in high resolution, allowing all of the information to remain visible to all participants throughout the class/meeting, much like flipchart pages in a non-digital world.
- **With the touch of an icon**, participants from other sessions, classrooms, or even other countries can join a class/meeting; see all of the posted information, exchange data, and share ideas – regardless of physical location.
- **Each page created** in the class/meeting is saved on the system and can be displayed, edited, retrieved, printed, or emailed; thus allowing participants to leave knowing their information has been captured.

- **Using the web to post information** from a computer to the classroom whiteboard, Thunder Virtual Flipchart enables real-time display of content from any participant's personal laptop, allowing team members to join from any location.
- **Instant scanning, real-time video, and One-Click Publishing™** allow for simple, immediate distribution of materials.
- **Thunder Virtual Flipchart System** runs on PolyVision's Freedom GCX™, the new generation group computer.

Thunder Virtual Flipchart Participation Modes

When collaborating on projects and assignments, teams can participate with Thunder using four basic participation modes. Each mode is discussed in depth on the following pages.

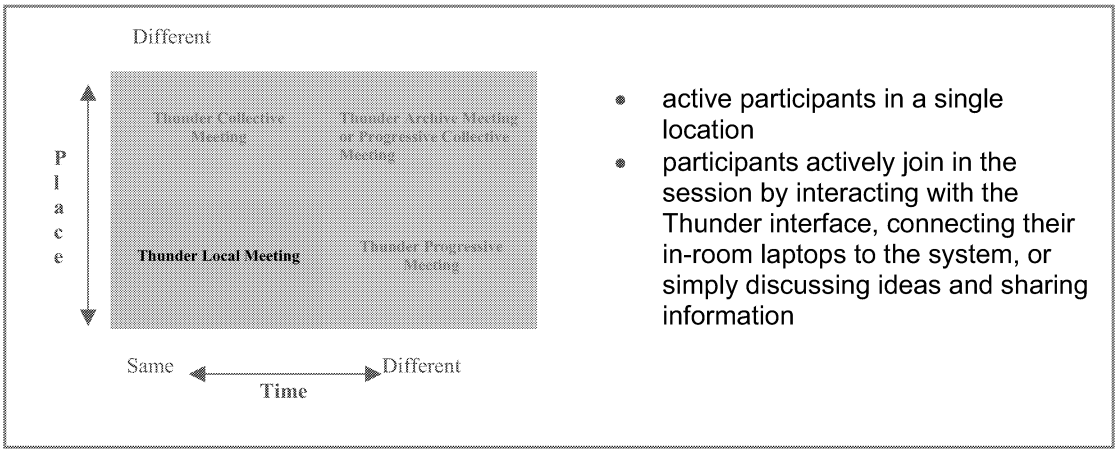


Thunder Virtual Flipchart Participation Mode Summary	
Thunder Local Class/Meeting	• active participants in a single location • participants actively join in the session by interacting with the Thunder interface, connecting their in-room laptops to the system, or simply discussing ideas and sharing information
Thunder Collective Class/Meeting	• active participants in a multiple locations • participants actively join in the session by connecting multiple Thunder systems, interacting with the Thunder interface, connecting their in-room or remote laptops to the system, or simply discussing ideas and sharing information
Thunder Progressive Class/Meeting or Progressive Collective Class/Meeting	• active participants in one or multiple locations • participants recall a pre-existing session to continue moving the project / initiative forward • they connect one or multiple Thunder systems, interact with the Thunder interface, connect their in-room or remote laptops to the system, or simply discuss ideas and share information
Thunder Archive Class/Meeting	• participants in one or multiple locations recall an archived session to review information

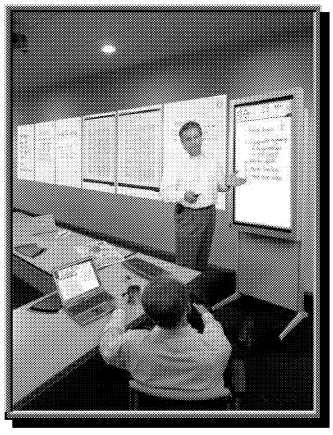
3.1.1 Local Class/Meeting

Same Place – **Same** Time

There must be at least one Thunder room involved to start a Thunder session. Placement of the Thunder room within an organization will depend upon the team members' collaboration needs, intended uses, and plans for future development.



- active participants in a single location
- participants actively join in the session by interacting with the Thunder interface, connecting their in-room laptops to the system, or simply discussing ideas and sharing information

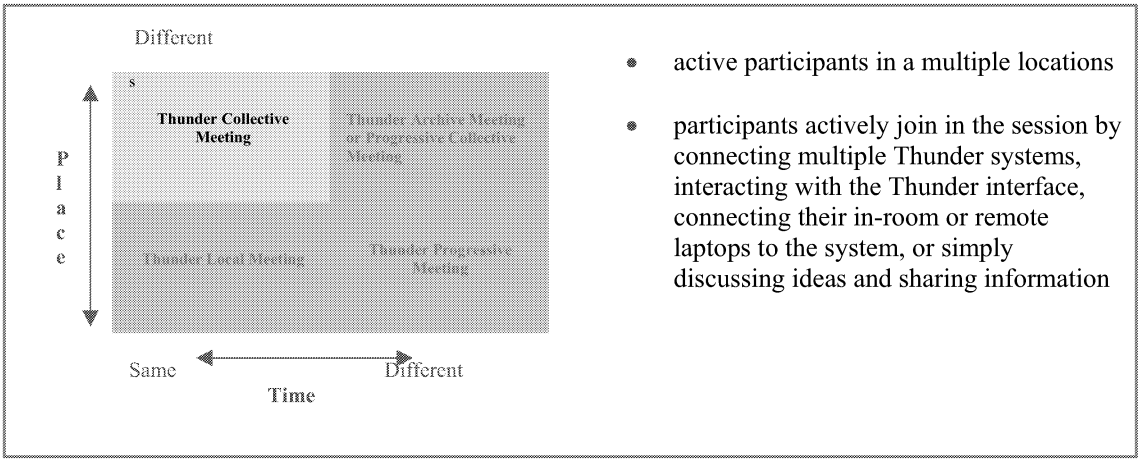


11:00am Tuesday
Austin

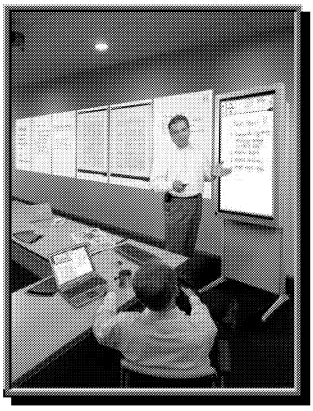
3.1.2 Collective Class/Meeting

Different place – **Same** Time

When multiple Thunder rooms are involved, they are connected through the network by simply clicking the icon on the user interface and entering the location of the additional Thunder room in a dialogue box. Once connected, every easel in the session will show the exact same information. Changes made on one easel are immediately reflected on the other easels in the session. Similarly, any changes to the images displayed on the projectors are reflected immediately in all rooms.

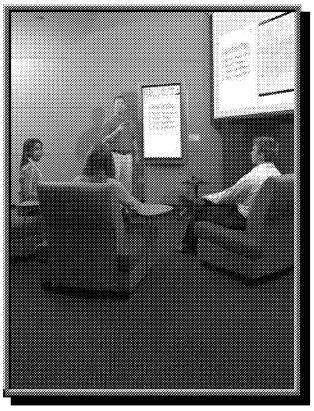


- active participants in a multiple locations
- participants actively join in the session by connecting multiple Thunder systems, interacting with the Thunder interface, connecting their in-room or remote laptops to the system, or simply discussing ideas and sharing information



11:00am Tuesday
Austin , Texas

1:00pm Tuesday
Chicago (remote user)



11:00pm Tuesday
Hawkins, Texas

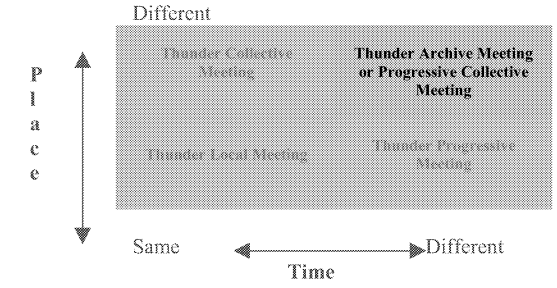
3.1.3 Participation – Regardless of Physical Location

Laptop participants share the exact same user interface, regardless of physical location. This interface is live and editable in real-time in all locations. The "projected" images appear in separate desktop windows on the laptop monitor and can be edited, just as if the participant were working within the Thunder easel. These windows/images can be opened and viewed as desired.

3.1.4 Progressive Class/Meeting or Progressive Collective Class/Meeting

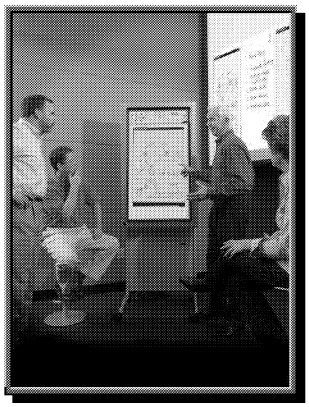
Same Place – **Different** Time

After the initial session is saved in the system, teams may access session contents to collaborate in Thunder progressive meetings, regardless of physical location, to continue moving their projects / initiatives forward.



- active participants in one or multiple locations
- participants recall a pre-existing session to continue moving the project / initiative forward
- they connect one or multiple Thunder systems, interact with the Thunder interface, connect their in-room or remote laptops to the system, or simply discuss ideas and share information

2:00pm Tuesday Austin Finance Class Meets

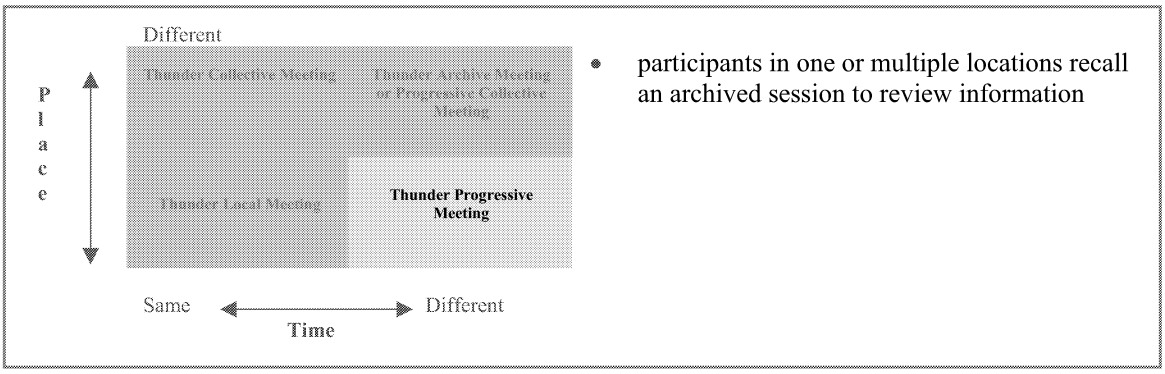


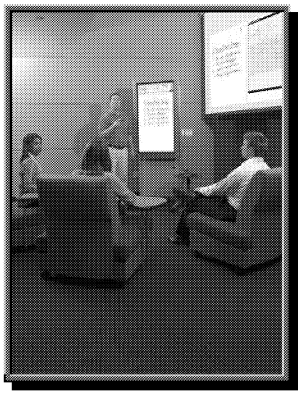
4:00pm Tuesday Austin 2nd session Finance Class Meets

3.1.5 Archive Class/Meeting

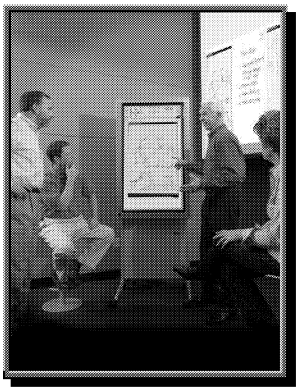
Different Place – **Different** Time

A saved, archived Thunder session is accessed by connecting to a Thunder system through the network. The participant simply searches the archives for the session and opens it on the system. Once the session is open, the participant can search the session for the desired information.

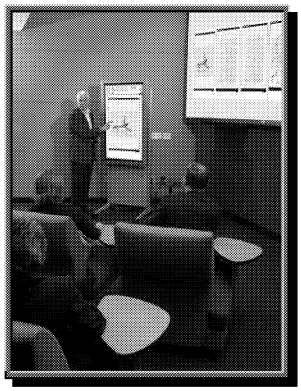




2:00pm Tuesday Austin class meets



4:00pm Tuesday Tyler Reviews and Utilizes notes



3:00pm Friday Dallas Class Utilizes Notes – Interactive project begun between campuses thus ongoing collaboration required.

3.2 Project Roles and Responsibilities

This section provides a summary of the project stakeholder responsibilities to be fulfilled in order to complete the proposed project within budget, time and quality requirements specified by the TADC Consortium.

3.2.1 PolyVision Corporation, A Steelcase Company

- Manufacturer and Supplier of Thunder hardware and software
- Certifies The Whitlock Group to ensure compliance with Thunder installation guidelines to provide a true Thunder experience
- Provides web-based training for end-users and support personnel
- Provides software upgrades
- Provides hardware warranty support to The Whitlock Group
- Attains client sign-off to proceed
- Attains client sign-off to solidify project completion

3.2.2 The Whitlock Group

- Obtains certification from PolyVision
- Project lead, responsible for all project management and coordination

Provides complete design, specification for the Thunder system inc

3.2.3 Participating Institution Project Lead

- Issues purchase orders to PolyVision Corporation and The Whitlock Group
- Signs agreements, including software license and maintenance agreements

- Provides IT and AV technical support, as requested by Project Manager including:
    - Network testing
    - Network integration
    - AV equipment commissioning (testing)
- Provides building facilities support, as requested by Project Manager including:
    - Building access
    - Electrical access and testing
- Signs off installation when complete
- Requires AV, IT and Training staff to attend mandatory training sessions
- Provides training to end-users via own training staff

3.3 Benefits

The unique capability of the Thunder Enterprise Collaboration System to richly display information around the room and document classes to allow for subsequent reviews is of great importance to the CTE Program. Full implementation will allow connections between TADC schools and the wider community. It will be used to educate rural communities within Texas on the latest high technology offerings/tools.

It will also be used by presidents and their staff for training and collaborative meetings. In addition to the communication and collaboration capabilities that Thunder provides it will significantly augment TADC key initiatives.

- ❖ Attract and retain student/faculty
- ❖ Technology integration made simple for the classroom instructor

- Progress training and adoption of the ongoing shifts in teaching and learning methods
- Increase enrollment through distance educational classes

- Increase class offerings by engaging other campuses to extend their course offerings
- Allow for flexibility in demographic shifts (esp. introduction of adults returning to school)

Specific user requirements addressed by the Thunder Virtual Flipchart System include:

- wall-of-screens (i.e. each node visible on separate display)
- tremendous capacity for sharing documents, graphics, video clips, etc. among each of the nodes
- capacity for collaborative, real-time interaction with documents across all nodes
- capacity to archive events including process and interactions (i.e., not just outcomes) tools (hardware/software) to create and publish communication objects for use as stimulus during events (e.g. web objects, databases, multimedia objects)
- devices (e.g. laptops, scanners, etc.) for use by participants to document, annotate and synthesize knowledge

3.4 Phase One

Phase one of this effort requires each of the five schools to perform the infrastructure upgrades necessary for installation and to perform staff readiness by developing a training and development program.

3.4.1 Staff Training and Readiness

Specific knowledge of the Thunder system is vital to early adoption and long-term success of the implementation. The Whitlock Group will assess the readiness and training needs of four key constituencies within the TADC participating campuses: IT staff, AV staff, Support and Training staff, and Users.

In addition, PolyVision recommends that the TADC participating campuses use their internal training specialists to implement campus-wide Thunder end-user training. "Train the trainer" sessions, which will result in internal Thunder expertise, will be provided by PolyVision on each TADC campus. Thunder's intuitive user-interface and ease of use will allow each institution's trainer to implement a simple and straight-forward end-user training process throughout their institution. This training will encourage early adoption and maximize effectiveness of the Thunder system.

Ongoing and refresher Thunder training is also available through PolyVision's web-based training programs.

3.4.2 Infrastructure Readiness

The infrastructure support modifications checklist must be completed by each campus before installation of the product begins. Following is the categorical checklist defined for the ***Linking Learning with Thunder™ Project.***

3.4.2.1 Network Readiness

Capability	Description
Network connection types used in building (e.g. Ethernet over CAT-5, wireless 802.11G, etc.). List all.	
Bandwidth of wired network (e.g. 10-BaseT, 100-Base-T, Gigabit)	
Methods allowed at this location for remote access to network by employees, if any. (e.g. VPN, Citrix, remote desktop protocol (RDP))	
Methods allowed at this location for vendor access to network, if any. (e.g. VPN, Citrix, remote desktop protocol (RDP))	
Network security toll-gates before equipment goes onto network (what approvals are required and by whom?)	

Capability	Description
Type of Thunder networking environment to be installed at this location: 1. Standalone, as an in-room replacement for a flipchart 2. As an island, used within a very limited network space that doesn't allow outside access 3. On the internal LAN with no outside access, available to anyone in the organization with permission 4. In a demilitarized zone, providing access from inside the LAN and from the outside as well. 5. On the internal LAN with outside access through the firewall, available to users both inside and outside the organization 6. Directly on the Internet, providing public access.	
Wide-area network (WAN) bandwidth from this location to each other location that Thunder will be installed	
Typical network bandwidth available during the day on this WAN	

3.4.2.2 Electrical Readiness

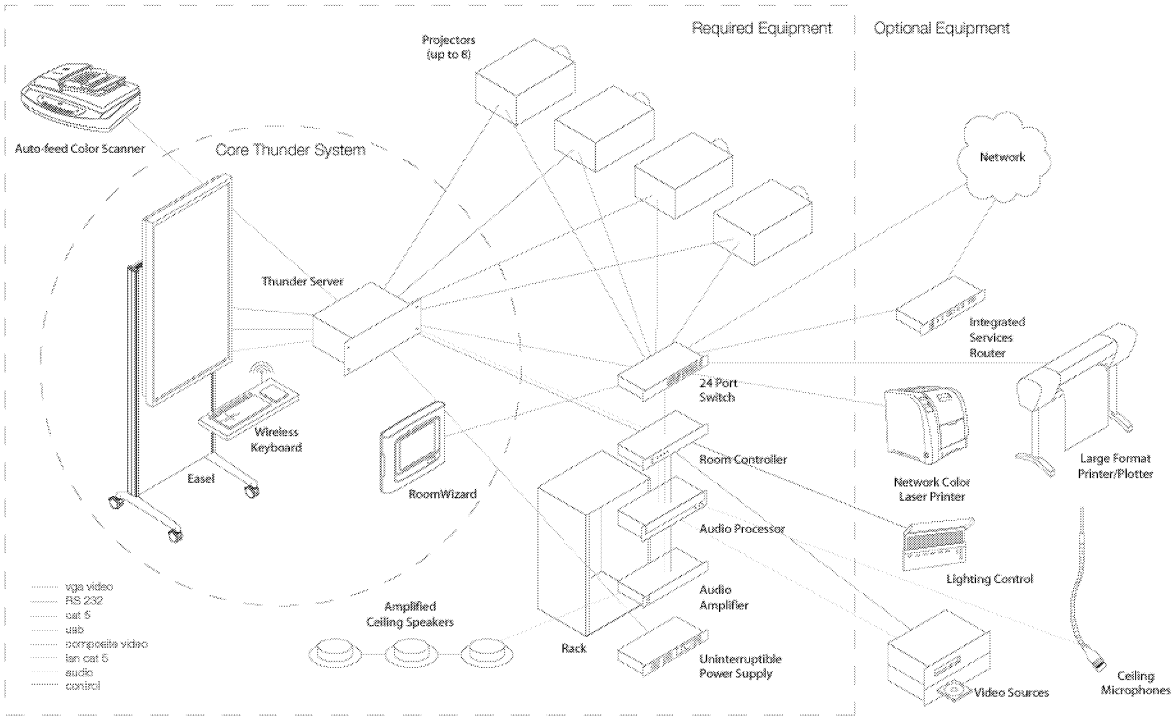
	Description
Amperage of circuit available for Thunder rack, if any	
Amperage of other devices already on the same circuit as the Thunder rack	
Amperage of circuit available for projectors, if any	
Amperage of other devices already on the same circuit as projectors	
Amperage of circuit available for easel (plasma display, etc.), if any	
Amperage of other devices already on the same circuit as the easel	
Amperage of circuit available for RoomWizard, if any	
Amperage of other devices already on the same circuit as the RoomWizard	

3.5 Phase Two

The proposed design would incorporate a number of features to provide the robust, scalable enterprise collaboration environment:

- Real-time site-to-site communication (via laptop or Thunder-to-Thunder Room)
- Meeting participation from remote locations
- Automatic projector control
- In-room video to Thunder
- Backup power to prevent data loss

The diagram on the next page shows the required and optional equipment quoted for the installation.



3.6 Project Budget

	Year 1 (Start Up Cost)	Year 2	Year 3
Phase 1 Project Costs			
Network Readiness	$75,000.00		
Electrical Readiness	$50,000.00		
Faculty/Staff Readiness	$62,500.00		
	$187,500.00		
Phase 2 Project Costs			
Capital Expense			
- Hardware	$305,000.00		
- Software	$200,000.00		
Total Capital Expense	$505,000.00		
Installation Labor	$125,000.00		
	$817,500.00		
Annual Fees			
Hardware Room Maintenance Year 1 (optional)[1]	$30,500.00	$36,600.00	$45,750.00
Software Maintenance (12 month pro-rata)	$36,000.00	$36,000.00	$36,000.00
Remote Access User Fee[2]	$86,125.00	$86,125.00	$86,125.00
	$152,625.00	$158,725.00	$167,875.00
Annualized Cost	**$970,125.00**	**$158,725.00**	**$167,875.00**
Total Project Cost	**$1,296,725.00**		
Funds allocated as of June 2006			
PolyVision Education Grant	$122,125.00	$122,125.00	$122,125.00
Participating Institution Contribution	$100,000.00		
	$222,125.00	**$122,125.00**	**$122,125.00**
Remaining amount to be funded per year	**$748,000.00**	**$36,600.00**	**$122,125.00**
Additional Funds Needed to fully funded programs	$830,350.00		

4 Closing Summary

Enrollment in HBCU's in the United States increased 8.3% between 1993 and 2003, and enrollment in historically black colleges in Texas increased 23.8% between 1993 and 2003 (See the table below).

FALL 2003, ENROLLMENT IN HISTORICALLY BLACK COLLEGES & UNIVERSITIES

Geographic Area	Enrollment	Percent Increase Between 1993 and 2003
United States	303,512	8.3%
Texas	32,326	23.8%

Source: Marks, Joseph L. *Fact Book on Higher Education* (2005)

Additionally, of the students that live in the Central Texas region and enrolled in a public university, only 33.6% attended a college outside of the Central Texas region (THECB 2006). Central Texas residents tend to stay in Central Texas for higher education. However, enrollment in higher education, particularly among minority students in Texas, remains low. According to the THECB, in the year 2000, 5% of the college-aged population was enrolled in higher education (2000). During 2000, only 4.6 % of the black college age population enrolled in higher education (THECB). The Hispanic enrollment rate is even lower at 3.7% (THECB 2000). These statistics and other factors lead to the development of "Closing the Gaps: The Texas Higher Education Plan." As part of this plan, several improvement targets were established.

The 2005 “Closing the Gaps Progress Report” indicates that enrollment targets for both public and independent institutions combined for the year 2005 have been met for white and black students, but not for Hispanic students. To meet 2005 target enrollment for Hispanics 30,600 additional Hispanic students would have to be enrolled.

The CTE programs coordinated through TADC are uniquely positioned to contribute to the State’s Closing the Gaps initiative. Our track record demonstrates that we have had a positive impact through these programs.

Our request for increased funding for the CTE Program represents an opportunity for the Texas Legislature to demonstrate a continued commitment to diversity and creating educational opportunities for its entire population. We hope that this request is considered favorably, and we thank you for the opportunity to present our findings and approach for improving the quality of Distance Education offered in our region.

Prepared by:

Barbara Hawkins, TADC Executive Director

Janice Smith, Huston-Tillotson Associate Professor of Instructional Technology

Virginia Stewart, Huston-Tillotson Director of Information Technology

Karen Gill, PolyVision Account Executive

Appendix A-3 The University of Texas System

The University of Texas System **FACT SHEET**

Nine Universities. Six Health Institutions. Unlimited Possibilities.

June 2006

UT TeleCampus (UTTC)

Objective
To provide greater access to The University of Texas System's broad array of higher education resources by making them available online to distance learners worldwide.

Response
The UT TeleCampus was launched in 1998 to develop and deliver high-quality online courses, degree programs and support services at the System level in cooperation with all 15 UT institutions.

Results
- Steady enrollment growth averaging 12%, with 10k+ enrollments in 2005-06, up from 9k+ in 2004-05.
- Over 40,000 total enrollments since 1999 – long semesters average 4,000+ each – with academic course completion rates at 91-95 %.
- More than $41 million in tuition, fees and formula funding generated for the UT System member institutions offering courses via the UT TeleCampus.

UTTC Students and Faculty
UT TeleCampus enrollments include both undergraduate and graduate students. Most graduate students are busy working professionals and true distance learners; most undergraduates are taking courses on campus and need online capability for scheduling flexibility. The undergraduate exceptions are the bachelor degree completion programs that serve working adults in criminology, criminal justice, and allied health services. Distance learning students range in age from 17 to 61+, but most are 25-40 years old. UTTC seeks to attract a diverse ethnic mix; typically less than half of the students identify as Anglo/white. The fall 2005 enrollees' ethnic composition was 1,307 white; 670 Hispanic; 612 not selecting; 221 black; 77 Asian; 13 American Indian; and 17 other.

TeleCampus courses are taught by the same faculty who teach on campus, and who have partnered with the TeleCampus to develop online courses. The TeleCampus provides a full spectrum of training and support services for both faculty and students. UTTC also provides grants to UT member institutions to help fund course and program development, including faculty course release time, instructional design support, and course production.

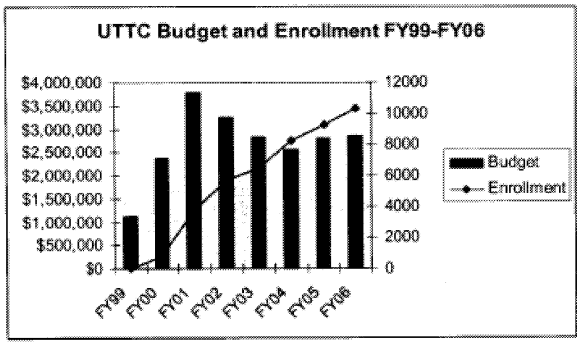
Content and Delivery
UT TeleCampus courses meet all of the same criteria as the onsite equivalents. Courses are instructor-led and follow the same semester schedule as the host campus. All course content can be found in the online "virtual" classroom, including the course syllabus, how to reach the instructor, course expectations, and assignments. Extensive quality control measures play a critical role in UTTC success and help institutions meet or exceed THECB and SACS standards.

Students apply to the campus offering the program they wish to pursue, and upon successful completion of the curriculum receive their degree or certificate from that campus. Students take courses and receive support centrally via the UTTC, which provides for UT System-wide cost-savings and efficiencies of scale. The same general admissions criteria that apply to an on-campus program apply to its online equivalent. Courses are rigorous and interactive.

UTTC offers more than 17 graduate and undergraduate programs with more than two dozen certificate and degree options; a growing menu of professional development courses; and a successful K-12 project, TRACK (TAKS Readiness and Core Knowledge), presented in partnership with the System's Institute for Public School Initiatives. Over 50,000 students used TRACK this 2005-06 school year.

For More Information
Access www.uttc.org (or www.telecampus.utsystem.edu) or contact the director, Dr. Darcy Hardy, assistant vice chancellor for academic affairs, at dhardy@utsystem.edu, 512-499-4207.

UT TeleCampus
Budget and Enrollment Information



UTTC AUF and Non-AUF Funding

	AUF $	Non AUF $ **	Enrollment	AUF %
FY99	$1,118,999	$0	0	100.00%
FY00	$2,379,563	$0	788	100.00%
FY01	$3,782,619	$0	3756	100.00%
FY02	$3,146,975	$103,235	5688	96.82%
FY03	$2,691,719	$132,235	6466	95.32%
FY04	$2,007,146	$556,880	8202	78.28%
FY05	$1,988,029	$809,916	9250	71.05%
FY06	$2,019,481	$825,501	10350	70.98%

***** Includes UT TeleCampus Assessment, contract production and professional development courses***

UTTC Funding Sources and Percentages FY 06
TeleCampus funding sources, as a percentage of total operating budget:
- Direct UT System support via AUF:..... 71%
- Invoicing campuses for services provided (the TeleCampus Assessment): 25%
- Contract production and professional development courses:..... 4%

UTTC Campus Assessment and Estimated Revenue (Summer 2005, Fall 2005, Spring 2006)
- UTTC Campus Assessment: $728,878
- Estimated Revenue to Campuses (tuition, fees, formula funding): $11,032,853

2005-2006 School Year Snapshot
Courses per Semester
- Fall 2005..... 143
- Spring 2006..... 149
- Summer 2006..... 92

Total Courses Offered..... 384

Total Enrollment:..... 11,009
Total SCHs produced:..... 33,027

Appendix A-4 Texas A&M University System

TEXAS A&M UNIVERSITY SYSTEM
Distance Education Courses, Enrollments and Ethnic Breakdown

- System Summary Fall 2005
  - 1,619 Distance Education Courses Offered by System Institutions
  - 30,986 Student Headcount Enrollment
  - 93,695 SCH or 8.12% of 1.15 million SCH Generated System-wide
  - 49% of these courses were Off-Campus, Face-to-Face Courses
  - 43% of these courses were Internet-based
  - Student Ethnicity in Distance Education Courses Compared to Overall System-wide Ethnic Populations as follows:
    - White 70.3% Distance Education/61.2% Population
    - Black 11.3% Distance Education/11.9% Population
    - Hispanic 13.2% Distance Education/18.5% Population
    - Asian 2% Distance Education/2.3% Population
    - Other 3.3% Distance Education/6.2% Population

- Trends System-wide Fall 2000 to Fall 2005
  - Sections Offered increased from 828 to 1,619 (96% Increase)
    - Face-to-Face Courses increased 54%
      - Largest Increase came from Courses taught at Public or Private Schools (1583%)
    - Internet Courses increased 39%
  - Students Participating increased from 13,023 to 30,986 (138% Increase)
    - Face-to-Face Enrollment increased 52%
    - Internet Enrollment increased 506%
  - SCH Generated increased from 38,100 to 93,695 (146% Increase)
    - Face-to-Face SCH increased 60%
    - Internet SCH increased 502%

- Institutional Highlights
  - Prairie View A&M University – Increase from 100 SCH in 2000 to 948 SCH in 2005 through Internet Education, an 848% increase
  - Tarleton State University – Increase from 339 SCH in 2000 to 3,252 SCH in 2005 through Internet Education, an 859% increase
  - Texas A&M International University – 100% of Distance Education by Internet
  - Texas A&M University – Increase from 303 SCH in 2000 to 8,741 SCH in 2005 through Internet Education, a 2,785% increase
  - Texas A&M University – Commerce – 27.71% Total SCH by Distance
  - Texas A&M University – Kingsville – 12.66% Total SCH by Distance
  - Texas A&M University – Texarkana – 25.7% Total SCH by Distance
  - West Texas A&M University - 18.7% Total SCH by Distance

Note: Texas A&M University Health Science Center provided 22 distance education courses which were used by 58 students, generating a total of 326 SCH. The Health Science Center tracks students by headcount rather than by SCH so this data was not

included in overall summary. Ethnic breakout of the students was: 30 white, 16 Hispanic, 5 black, 6 Asian, and 1 other.

- Distance Education Costs
  - Costs associated with distance education are as variable as the types of delivery systems which may support them
  - The major cost drivers which may apply to the various methods of distance education delivery include:
    - Curriculum Development
    - Faculty Salary for Course Development
    - Faculty Salary for Course Delivery
    - Faculty Travel to Course Location
    - Support Services for Students
    - Pedagogical Support – Staff or Consultant support for the professor in developing the course content and delivery system in the most effective manner
    - Infrastructure support – The hardware and software required to bring the course to the student and to provide interaction between faculty and student (servers, routers, internet bandwidth, internet cameras and microphones, and software to support all functions).
    - IT Support – Staff working to ensure the delivery system, both hardware and software, is operating effectively and is sufficient to meet the demands of the class. This can require 24 hour a day maintenance support.

- Budget Process for Distance Education
  - Due to the variety of means by which distance education may be provided, each institution provides budget support options in a variety of ways
  - Courses are typically created at the departmental or college level
  - Funding for development and operation of courses may come from many different internal budget sources as well as external grants.
  - Some institutions provide direct centralized technical and pedagogical support to faculty for the development of distance education courses which are paid for by fee for service arrangements or through institutional budgets
  -
- Texas A&M University System Distance Education Revenue
  - In addition to the standard statutory and designated tuition, most institutions charge a general distance education fee ranging from $25 per SCH to $40 per SCH. (Texas A&M University – Texarkana does no charge a distance education fee.)
  - Individual Colleges or Departments may also charge additional fees above the $40/SCH fee. For some courses, these fees may be higher than the general distance education fee.
  - Institutions have also created various fee exemptions (i.e. health center fee and student recreation fee) for students taking only distance education courses which limits the overall revenue generated from fees.

- System components estimated that the 93,695 SCH generated more than $2,179,000 in institutional general distance education fees for the Fall of 2005.

Appendix A-3 University of North Texas

University of North Texas Distance Learning

UNT is the largest provider of online credit courses among Texas public universities.

Enrollment in online courses in Fall 2005 was 11,232, an 18% increase from Fall 2004 and a 400% increase from Fall 2000.

Online courses in Fall 2005 generated 22,600 undergraduate semester credit hours and 10,445 graduate semester credit hours.

Based on the average rate of classroom utilization at UNT, approximately four additional classroom buildings would have been required to house this additional enrollment (10.75 classrooms per building).

UNT offers 28 programs and 401 course sections electronically.
The most popular programs are:

- Master's in Applied Technology, Training, and Development
- Graduate Academic Certificate in Behavioral Analysis
- Master's in Rehabilitation Counseling
- Master's in Library and Information Sciences
- Texas Teacher Certification
- School Library Certification
- Master's in Special Education (Gifted and Talented)
- Master's of Science in Hospitality Management
- MBA in Strategic Management

25% of Master's students are pursuing their degrees through the use of online courses only.

While only 1.5% of undergraduates take *only* online courses, 22% of undergraduates take *both* online and face-to-face courses (up from 15% in Fall 2004).

Students who take *both* online and face-to-face courses average 1 semester credit hour more than students who take *only* face-to-face courses.

22,375 students at UNT are enrolled in courses where faculty use an online learning management system, a 31% increase from Fall 2004.

University of North Texas Distance Learning

Fall 2005 Enrollments

Took Classes	**At UNT Only**	**DL Only**	**Both**
Anglo	15,841	1,232	4,411
African-American	2,664	174	829
Hispanic	2,526	180	571
Asian/Pac. Islander	1,129	46	226
Female	13,259	1,264	3,756
Male	10,711	449	2,607

Note: There were no significant differences by race in mode of instruction. A significantly higher proportion of females took online only courses.

Costs: Technology Infrastructure & Teaching Support

Center for Distributed Learning (CDL)	$1,044,371
Distributed Learning Support (DLS)	$ 480,062
UNT Distributed Learning Grants	$ 150,000
Total	$1,674,433

Note: CDL works directly with faculty and staff to assist in putting courses online. DLS maintains servers and other equipment as well as provides the license for WebCT. Distributed Learning Grants are small grants to UNT faculty to help move courses and programs online.

Income

Tuition & University Fees from Enrollment in online courses	$7,503,643

Distance Education saves the university the costs of over 11,000 on-campus enrollments as well as costs incurred from building use/maintenance, utilities, security, parking, etc.

Appendix A-6 University of Houston System

University of Houston System
Distance Education Fact Sheet

The University of Houston System includes four universities:

- University of Houston
- University of Houston-Downtown
- University of Houston-Clear Lake
- University of Houston-Victoria

and two teaching centers:

- UHS at Cinco Ranch
- UHS at Sugar Land

Instruction is also offered at several locations in the metropolitan area in collaboration with our community partners. These sites include:

- Cape Center (city of Houston)
- El Campo
- Pearland
- San Jacinto North campus
- Texas Medical Center
- University Center (Woodlands)

Program Overview

The universities of UHS offer 28 undergraduate degrees (upper division coursework only) and 19 master's degrees at off-campus locations in the greater Houston area and/or via distance learning technology. Distance learning courses are delivered primarily via the internet (online) or via Instructional Television (compressed video, television broadcast, or tape/dvd purchase). Fields of study include high-demand areas such as business, teacher education/certification, educational leadership/administration, counseling, psychology, computer information systems, and technology.

*Enrollment Profile (FY 2005)

	F2F	Online	ITV	Total
UH	1129	9759	8432	19320
UH-Clear Lake	2606	2866	0	5472
UH-Downtown	2779	3294	1341	7414
UH-Victoria	3047	7828	752	11627
UHS TOTAL	**9561**	**23747**	**10525**	**43833**

*enrollments include UHS at Cinco Ranch (2330) and UHS at Sugar Land (5463)

*Number of Courses Offered (FY 2005)

	Fall 04	Spring 05	Summer 05	Total
UH	188	205	139	532
UH-Clear Lake	60	72	51	183
UH-Downtown	183	199	137	519
UH-Victoria	372	388	213	973
				2207

*course offerings are duplicated if offered at multiple locations (UHD and UHV)

Ethnic Breakdown (where identified)

White	48%
Black	15%
Hispanic	17%
Asian	14%
International	3%
Other/Unk.	2%

Important Factors Regarding UHS Distance Education

- UH System has effectively utilized distance education to address goals related to *Closing the Gaps*.
  - Participation---distance education has extended access to high quality educational opportunities offered by UHS. Enrollment in UH distance education and off-campus programs has increased over 160% since 2000.
  - Success---a study completed at UH indicated that the availability of DE courses was one factor that allowed students to maintain financial aid eligibility and continuous enrollment.
  - Graduation---a follow-up study at UH indicated that 2/3 of undergraduates receiving baccalaureate degrees in Spring 2005 completed distance education courses in their program of study.

- Enrollment in UHS distance education programs is projected to slow to an annualized rate of 15% over the next 4 years. Projected growth mirrors national trends identified by the Sloan-C Foundation in their annual reports on distance learning futures and trends.

- Enrollment in UHS distance education programs is becoming more representative of the communities served by our institutions. In 2000, over 75% of students enrolled in distance courses were white; in 2005, slightly less than half were white.

- The use of distance learning technology has significantly impacted the delivery of instruction on-campus. At UH, the use of hybrids (combining traditional face-to-face instruction with online instruction) maximizes the use of physical plant

(classroom space and parking) while providing students with greater flexibility in scheduling (reduced seat time combined with asynchronous learning options). A recent study at UH confirms high levels of satisfaction with the learning experience offered by hybrids and comparable to improved learning outcomes. Enrollment in hybrid courses has grown over 100% from 2004 to 2005.

- At present, a majority of enrollment at UH-Victoria is in distance education/off-campus programs. This is a product of strategic initiatives at UHV to extend access to higher education, especially in the Houston metropolitan region, by developing fully online degrees in high-demand areas such as business and education. Faculty teaching in UHV's distance education program complete training in the use of instructional technology.

Distance Education Cost Analysis-University of Houston

The task of analyzing costs associated with distance education is complicated by the fact that the programs are part of the university's broader effort to more effectively deliver instruction to our students. Consequently, the costs of instruction, facilities, support staff, etc. are often borne by multiple units spanning the university and the academic colleges. The complexity of determining the true costs associated with distance education have been confirmed by efforts at other universities (i.e. University of Wisconsin, Penn State, Drexel, etc.).

The cost of delivering distance education based on central support expenditures at UH produces the following breakdown:

Central Distance Education Office (Salaries/Wages and Maintenance & Operations)	3,000,000
Faculty Development	804,284
Information Technology	
WebCT/VISTA	1,280,457
Digital Media/Streaming	265,432
Instructional Television	226,726
Facilities Costs	257,771
TOTAL	**$5,834,670**

Appendix A-7 Texas State University System

Texas State University System
Distance Education Enrollment
Fall 2005

		Section Count	Enrollment Total	SCH Total
Angelo State University				
Face to Face	Military Base	4	109	318
Internet	Individual Telecomm	36	499	1442
Videotape/TV	On-Campus	1	34	102
		41	*642*	*1862*
Sam Houston State University				
Face to Face	Off-Campus	43	847	2541
Face to Face	Foreign Country	6	12	24
Face to Face	Inter-institutional	127	2639	7890
Face to Face	Public/Private School	4	112	336
Face to Face	Correctional Institution	2	37	111
Internet	Individual Telecomm	58	1317	3682
Two Way Interactive	On-Campus	7	120	360
Two Way Interactive	Inter-institutional	4	56	168
		251	*5140*	*15112*
Sul Ross State University				
Face to Face	Public/Private School	3	5	15
Face to Face	Work Location	2	4	12
Internet	On-Campus	17	342	1008
Two Way Interactive	Work Location	1	18	54
Two Way Interactive	Inter-institutional	2	15	24
Two Way Interactive	Public/Private School	7	34	99
		32	*418*	*1212*
Texas State University				
Face to Face	Public/Private School	70	1240	3696
Face to Face	Inter-institutional	109	2074	6078
Face to Face	Military Base	4	60	180
Face to Face	Off-Campus	22	269	788
Internet	Individual Telecomm	58	1047	3070
Two Way Interactive	Inter-institutional	10	97	291
Videotape/TV	Inter-institutional	3	51	153
		276	*4838*	*14256*
Lamar University				
Face to Face	Inter-institutional	3	15	45
Face to Face	Off-Campus	33	672	2022
Internet	Individual Telecomm	25	670	1946
Two Way Interactive	Off-Campus	1	4	12
Two Way Interactive	Public/Private School	52	299	891
Videotape/TV	Individual Telecomm	12	550	1632
		126	*2210*	*6548*

		Section Count	Enrollment Total	SCH Total
Lamar Institute of Technology				
Face to Face	Out-of-District	4	24	72
Internet	Individual Telecomm	10	151	465
Internet	In-District	2	55	191
		16	*230*	*728*
Lamar State College-Port Arthur				
Face to Face	Out-of-District	7	150	460
Face to Face	Correctional Institution	24	312	997
Internet	Individual Telecomm	17	270	851
		48	*732*	*2308*
Lamar State College-Orange				
Face to Face	Out-of-District	7	145	435
Internet	Individual Telecomm	10	252	731
Internet	In-District	1	24	72
		18	*421*	*1238*

	Ethnic Composition						
Institution	**African American**	**Hispanic**	**White**	**Asian**	**Other**	**Tuition from Distance Ed Courses**	**Fees from Distance Ed Courses**
Angelo State University	41	113	464	15	9	320,332	18,334
Sam Houston State University	241	401	2363	42	56	1,662,320	2,082,179
Sul Ross State University	13	268	129	2	6	60,600	158,722
Sul Ross-Rio Grande College	0	139	30	9	8	26,700	33,642
Texas State University	168	544	1,905	98	116	4,440,618	2,114,580
Lamar University	481	76	1509	52	92	753,135	439,850
Lamar Institute of Technology	80	20	104	10	7	36,400	27,664
Lamar State College-Port Arthur	178	105	425	18	6	120,850	106,664
Lamar State College-Orange	52	6	356	5	2	94,088	66,818

Question: Are the tuition and fees collected from distance education courses returned to the units delivering those courses or does some of that revenue flow to other units? If it flows to other units then which units benefit?

Tuition collected by the universities from all courses, including distance education courses, is treated as part of overall instructional income (along with statutory tuition) and is not earmarked for the unit that delivers the course.

Fees on the other hand, are generally returned to the units delivering those courses and usually to the specific course that generated the fee.

Most university related fees (i.e. medical fee, athletic fee, student services fee) are waived for Distance Education students.

However, often there is an electronic fee for distance education students. These funds are returned to the department teaching the class.

Appendix A-8 Texas Tech University System

Texas Tech University Distance Learning

Access and "Closing the Gaps":

- Distance education is about access, not cost savings. Texas Tech University (TTU) offers educational opportunities at a distance to students from kindergarten through the doctorate.
- K-12**:** TTU's Division of Outreach and Distance Education (ODE) enables Texas K-12 students to complete elementary and secondary education through TTU Independent School District. TTUISD is a TEA-accredited, K-12 diploma program that provides curriculum entirely at a distance and averages 1,300 students in any given semester.

  TTU Outreach and Distance Education also collaborates with numerous Texas school districts to supplement their curricula. Students enrolled in local school districts, as well as home-schooled students, often take one or more courses from our K-12 offerings. In 2004-05, total enrollments in K-12 courses numbered nearly 24,000, and enrollments in credit-by-examinations at a distance numbered nearly 67,000. More than 87% of the K-12 students served reside in Texas. Austin, Brownsville, Dallas, Eagle Pass, El Paso, Fort Worth, Goose Creek, Houston, San Antonio and Ysleta are the top ten school districts in Texas served through bulk orders of CBEs.
- Core Curriculum**:** Students can complete the core curriculum online and in print media. Approximately 51% of students taking these courses are from TTU, and 49% are from other universities.
- Undergraduate**:** TTU offers two undergraduate degrees at a distance for students who are place-bound or who cannot otherwise obtain a degree because of personal or professional commitments.
- Graduate**:** TTU offers 17 master's degrees and two doctorates at a distance or at off-campus sites. We are waiting for final approval from SACS of three additional doctoral degrees and two additional master's degrees to be offered at a distance or off-campus. Additionally, TTU offers eight distance graduate certificate or certification preparation programs.
- Ethnicity: The percentages in each ethnic classification for Fall 2005 distance undergraduate and graduate degree and certificate seeking students mirrored TTU's population but were slightly less in each classification due to 10% "other or unknown" responses from distance learners.
- Female and Part-time Learners**:** In Fall 2005, the remarkable differences between TTU distance learners and on-campus students were: 1) women constituted 65% of the distance degree and certificate students; and 2) 85% of the distance learners were enrolled for 8 or fewer credit hours. These two differences are similar to that found in the national analysis of distance learning conducted by the U.S. Department of Education and included the U.S. Senate report analysis of the TEACH Act, H.R. 487, 107th Cong. *Congressional Record*, 147, S2009.
- Place-bound students**:** TTU's distance offerings extend access to higher education to those students who cannot travel to or live on campus. 75% of TTU's students from Texas come from homes located more than 100 miles away from Lubbock.

Curricular access

- Distance education works well at the graduate level where students have learned how to learn; it tends to be least effective with freshmen.
- Some courses of study are not well suited for delivery at a distance. This is a significant obstacle to the distance delivery of certain types of laboratory, performance and project intensive courses.
- In 2004-2005, TTU offered a total of 359 distance or off-campus courses (762 course sections) generating 28,928 SCH. This includes formula-eligible enrollments in courses offered 50% or more electronic, in blended/hybrid modalities, and off-campus. Courses offered by extension are not included.

Costs

- Distance education that conforms to best practices is typically not less expensive than face-to-face classroom education.
- There is no standardized, statewide costing methodology.
- At TTU, we have leveraged existing allocations to reach more Texas students. TTU distance and off-campus learning activities are primarily initiatives of academic units with limited centralized overhead expenditures.

Faculty participation and faculty issues

- Not all faculty are willing to learn the required skills and pedagogy to be effective in distance education.
- Many faculty who do participate in distance education expect extra compensation due to the intensive preparation required and out-of-class student interaction.
- Although TTU has an intellectual property policy that specifically addresses intellectual property and electronically-delivered instructional materials, there are still unresolved issues regarding intellectual property rights on the part of faculty.
- Tenure-track faculty teaching face-to-face courses design and teach online sections of the same course. More than 97% of TTU's Fall 2005 distance/electronic courses were taught by full-time TTU faculty.

Technology and infrastructure

- Technology issues remain significant. There must be a capable distance education technology organization to support faculty teaching at a distance.
- WebCT, a course management system supported by TTU, is used to facilitate student learning in more than 1,000 courses, which are largely face-to-face or "blended" instruction.
- The technology infrastructure is in place to support on-campus instruction and research as well as distance education (wireless network, Library access, online registration and bill payment, online student support).

Appendix A-9 Texas Woman's University

Texas Woman's University

Distance Learning Budget and Revenue
Presented to the Subcommittee on Higher Education
June 29, 2006

Revenue

Tuition and fees generated by students taking distance learning courses only

Category	Fall 2005	Spring 2006	TOTAL
Tuition	$996,205.00	$951,986.00	$1,948,191.00
Board Authorized Tuition	$840,668.00	$808,037.00	$1,648,705.00
Computer Use Fees	$184,304.00	$177,200.00	$361,504.00
ID Fees	$3,775.00	$3,662.00	$7,437.00
International Fees	$1,888.00	$1,831.00	$3,719.00
Library Fees	$94,400.00	$91,550.00	$185,950.00
Publication Fees	$18,860.00	$18,270.00	$37,130.00
Student Services Fees	$220,538.52	$212,642.28	$433,180.80
Distance Learning Fees—Departmental	$354,519.00	$357,641.00	$712,160.00
Distance Learning Fees—University	$171,795.00	$160,770.00	$332,565.00
Course Fees	$89,819.00	$96,186.00	$186,005.00

Note: Students enrolled in distance learning courses pay a variable distance learning fee per course. This fee ranges from $15/credit hour to $300/course. Part of the fee ($15/credit hour) is used by the university for distance learning administration. The remaining portion of the distance learning fee is used by the academic unit for instructional costs other than faculty salaries. Medical Service and Student Center fees are waived for students in distance learning courses only.

Distance learning tuition and course-related fees generated by students taking distance learning and face-to-face combinations

Category	Fall 2005	Spring 2006	TOTAL
Tuition	$494,056.00	$611,773.00	$1,105,829.00
Board Authorized Tuition	$472,602.00	$588,015.00	$1,060,617.00
Distance Learning Fees—Departmental	$138,974.00	$193,259.00	$332,233.00
Distance Learning Fees—University	$91,995.00	$117,624.00	$209,619.00
Course Fees	$43,331.00	$49,720.00	$93,051.00

Distance Learning Budget

Although all administrative and support units at TWU work with distance learning students, two units contain personnel dedicated to distance learning support—the Office of Lifelong Learning and the Blagg-Huey Library. The Office of Lifelong Learning is responsible for overall administration of distance learning as well as faculty training and student support. Distance learning personnel in the unit include the Director of Distance Learning, Manager of Instructional Design, Senior Instructional Designer, Coordinator of DL Student Support Services, Distance Learning Secretary, a part-time graphic specialist and a graduate assistant. The distance learning personnel within the Blagg-Huey Library include the Distance Learning Librarian, a Librarian Assistant II, a graduate assistant, and a student assistant. This unit supports the academic resource needs of distance learning students and faculty.

DL Budget for Lifelong Learning (2005-2006)

Salaries	$291,658.73
M&O	$364,755.59
Capital	$42,834.67
Travel	$14,288.14
Wages	$50,651.00
TOTAL	$764,188.13

DL Budget for Blagg-Huey Library (2005-2006)

Salaries	$75,866
Wages (student)	$18,570
TOTAL	$94,436

Appendix A-10 Midwestern State University

The Senate Subcommittee on Higher Education

Midwestern State University

June 29, 2006

Pamela Morgan (940) 397-4785 pamela.morgan@mwsu.edu

Midwestern State University delivers distance education courses in the following programs; M.E. in Ed Leadership and Principal Certification, Superintendent Certificate, M.A. in Human Resource Dev, Training & Development, and Counseling, Post-Master's Nurse Educator Certificate Program, MHA in HSAD, MPA in PUAD, BS Radiologic Science, MS Radiologic Science, RN-BSN , RRT-BSRC, and the Bachelor of Applied Arts & Sciences.

	# Sections Offered		# Beginning SCH		# FTE Students (SCH/15)		% FTE Students (SCH/15)	
Method of Delivery	Fall 2005	Spring 2006	Fall 2005	Spring 2006	Fall 2005	Spring 2006	Fall 2005	Spring 2006
Internet	123	122	5992	6029	399.5	401.9	8.51%	9.10%
2-Way Video	21	29	186	165	12.4	11.0	0.26%	0.25%
Face-Face Off Campus	2	1	72	33	4.8	2.2	0.10%	0.05%
Telecourses	4	3	489	504	32.6	33.6	0.69%	0.76%
All non DE courses	1169	1165	63656	59502	4243.7	3966.8	90.43%	89.84%
Total for MSU	1319	1320	70395	66233	4693.0	4415.5	100.00%	100.00%

	Frequency		Percent	
Unduplicated Head Count	**Fall 2005**	**Spring 2006**	**Fall 2005**	**Spring 2006**
Campus Only Students	4955	4548	78.91	77.14
Distance Ed & Campus Students	622	653	9.91	11.08
2 way and Internet Only Students (combined DE)	23	17	0.37	0.29
2-way video Only Students	53	38	0.84	0.64
Internet Only Students	626	640	9.97	10.85
Total MSU Students	6279	5896	100.00	100.00
Distance Ed Course Sections	150	155	11.37	11.74
Non Distance Ed Course Sections (Campus)	1169	1165	88.63	88.26
Total MSU Course Sections	1319	1320	100.00	100.00

	Fall 2005		Spring 2006	
Ethnicity by Headcount	**Dist Ed**	**All**	**Dist Ed**	**All**
White, Non-Hispanic	73.08	68.39	72.09	67.52
Black, Non-Hispanic	8.12	12.12	10.65	12.53
Hispanic	11.25	8.31	9.50	8.24
Asian or Pacific Islander	2.28	3.07	3.17	3.41
American Indian or Alaskan Native	1.71	1.00	1.73	0.98
Non-Resident Alien	0.57	5.78	0.29	6.00
Not Reported by Student	2.99	1.32	2.59	1.31
Total	100.00	100.00	100.00	100.00

The Senate Subcommittee on Higher Education

Midwestern State University

June 29, 2006

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Distance Education Expenses

	2005-2006 Expenses
TTVN Membership Fee	10,000
Region IX Membership Fee	5,400
T1 Circuit - Region IX	5,000
T1 Circuit - TAMU	8,917
Video Bridge Maintenance	10,449
Video Classroom Maintenance	3,000
Telecommunications Part-Time Staff (.25 FTE)	4,135
Telecommunications/Info Systems Student Wages (3)	6,240
Telecommunications/Info Systems Technician Wages	25,908
WebCT Annual Maintenance	28,500
Telecourse License	4,689
UCD semester fees	3,600
Support Software for WebCT	2,692
Distance Education Staff	214,896
Distance Education M & O	35,000
MSU Full time Faculty and Adjunct Faculty	815,369
Total DE Costs for 2005-06 (approx)	**1,183,795**

Distance Education Tuition & Fee Rates Fall 2006

Credit Hours	Student Tuition: Texas Resident	Student Tuition: Non-Resident	Student Service Fee	Local Tuition	Computer Use Fee	Library Fee	Publ Fee	Intl Educ Fee	Distance Learning Fee	Total Resident Tuit/Fees	Total Non-Res Tuit/Fees
12	600.00	3,900.00	171.00	792.00	144.00	60.00	5.00	4.00	384.00	2,160.00	5,460.00
9	450.00	2,925.00	128.25	594.00	108.00	45.00	5.00	4.00	288.00	1,622.25	4,097.25

Appendix A-11 Stephen F. Austin State University

Stephen F. Austin State University
Distance Education Program Summary

Stephen F. Austin State University (SFA) currently offers courses and programs via distance education in accordance with the standards set forth by the Texas Higher Education Coordinating Board. The SFA Office of Instructional Technology is responsible for overseeing the development, delivery, and support of distance education. For more information visit http://sfaonline.sfasu.edu or contact Dr. Randy McDonald at rmcdonald@sfasu.edu or (936) 468-1010.

Currently, SFA offers online degree and certificate programs including:

- Bachelor of Science in Agriculture – Animal Science degree completion program
- Bachelor of Science in Agriculture – Horticulture degree completion program
- Early Childhood-4th Grade Distance Education degree completion program
- Master of Arts in Music Education
- Master of Science in Resource Interpretation
- Master of Education Professional Reading Specialist
- The Elementary Education Post Baccalaureate Initial Certification Program
- Master Reading Teacher Certification Program
- English as a Second Language and Bilingual Certification Program

In addition to these online programs, several individual courses are offered. Since 1999, SFA has developed 191 online courses. In Spring 2006, SFA offered 109 sections of 79 online courses with a total of 2,198 enrollments representing 4.3 % of total SFA enrollments. The number of courses being developed for online delivery has grown steadily over the past 5 years and is expected to continue as new programs come online.

SFA Fall Semester Enrollments in Online Courses by Year

Year	1999	2000	2001	2002	2003	2004	2005
Enrollment	55	225	531	790	1332	1639	1786

Ethnic Breakdown of Traditional and Online Enrollments at SFA, Spring 2006

	African American	Caucasian	Hispanic	Native American	Pacific Islander	Other	Total
Traditional	16%	73%	8%	1%	1%	1%	100%
Online	13%	79%	6%	1%	1%	0%	100%

Stephen F. Austin State University
Distance Education Costs, Budgets and Income Summary

Stephen F. Austin State University funds the Office of Instructional Technology with an annual budget of $526,000. About 75% of this budget is used to support full-time and part-time staff, essential hardware and software, marketing and administration of distance education processes.

In addition to the line item budget, a distance education fee of $25 per semester credit hour is assessed to students enrolled in electronically-delivered courses. Income from this fee is used to support online course development and delivery and maintain distance education equipment.

The portion of the fee-generated funds used for course and program development is distributed through an internal grant process. In this process, academic departments wishing to develop online programs apply for permission and funding for the program's development. These grant applications, which are reviewed by a subcommittee made up of members of the Office of Instructional Technology, the faculty designers, and academic department leadership are approved by the college dean. Successful applications receive development funding. Courses then must pass a final quality review before being approved as an online course.

Salaries of faculty teaching online courses are supported through normal academic department budgets.

Estimated Income from distance education tuition and fees for Spring 2006

$ 645,201	undergraduate tuition and fees
$ 322,610	graduate tuition and fees
$ 142,900	distance education fee
$1,110,711	TOTAL estimated income from tuition and fees

Estimated Expenses to offer distance education for Spring 2006

$ 131,000	distance education administration and technical support
$ 545,000	faculty salaries to teach 109 sections
$ 22,500	additional compensation for development of 9 new courses
$ 109,000	additional compensation paid for course maintenance and delivery
$ 169,125	benefits for all compensation
$ 253,922	university overhead 26% of all expenses
$1,230,547	TOTAL estimated expenses to offer distance education Spring 2006

Appendix A-12 Texas Southern University

TEXAS SOUTHERN UNIVERSITY REPORT ON DISTANCE LEARNING
PREPARED FOR THE
SENATE SUBCOMMITTEE ON HIGHER EDUCATION
JUNE 29, 2006

DISTANCE LEARNING AT TEXAS SOUTHERN UNIVERSITY

Texas Southern University has established the Center for e-Learning ("the Center") whose mission is to provide support and resources that enable the faculty to efficiently use technology to deliver and enhance instruction and research. The first courses under the university-wide plan were offered in academic year 2003. Currently, distance learning courses are offered in business, education, science and technology, and public affairs. The courses were selected based on a university study which identified courses that could be readily adapted to electronic delivery while meeting the needs of the student body. The offering of a complete academic program or programs through distance learning is currently being evaluated. Distance learning is promoted in a number of ways. Each academic year, selected faculty members are given grants to develop distance learning courses. To date, 30 courses have been developed and 15 are under development. All courses offered must comply with the requisite criteria established by our accrediting bodies, the state of Texas, university policy and industry best practices. The following charts provide a breakdown of the number of courses offered, enrollment and ethnic breakdown.

Summer 2004 (1 course)	
White/Non-Hispanic	1
Black/Non-Hispanic	31
Hispanic	3
Asian/Pacific Islander	
Other	
Unknown	
Total Enrolled	**35**

Fall 2004 (5 courses)	
White/Non-Hispanic	5
Black/Non-Hispanic	125
Hispanic	3
Asian/Pacific Islander	2
Other	
Unknown	1
Total Enrolled	**136**

Spring 2005 (28 courses)	
White/Non-Hispanic	6
Black/Non-Hispanic	208
Hispanic	8
Asian/Pacific Islander	7
Other	18
Unknown	1
Total Enrolled	**248**

Summer 2005 (2 courses)	
White/Non-Hispanic	5
Black/Non-Hispanic	35
Hispanic	1
Asian/Pacific Islander	1
Other	
Unknown	3
Total Enrolled	**45**

Fall 2005 (6 courses)	
White/Non-Hispanic	8
Black/Non-Hispanic	154
Hispanic	5
Asian/Pacific Islander	3
Other	2
Unknown	3
Total Enrolled	**175**

Spring 2006 (13 courses)	
White/Non-Hispanic	6
Black/Non-Hispanic	265
Hispanic	8
Asian/Pacific Islander	4
Other	8
Unknown	3
Total Enrolled	**294**

Summer 2006 (2 courses)	
White/Non-Hispanic	
Black/Non-Hispanic	43
Hispanic	2
Asian/Pacific Islander	
Other	
Unknown	1
Total Enrolled	**46**

Fall 2006 (9 courses)	
White/Non-Hispanic	4
Black/Non-Hispanic	92
Hispanic	3
Asian/Pacific Islander	1
Other	4
Unknown	
Total Enrolled	**104**

Texas Southern University

TEXAS SOUTHERN UNIVERSITY REPORT ON DISTANCE LEARNING
PREPARED FOR THE
SENATE SUBCOMMITTEE ON HIGHER EDUCATION
JUNE 29, 2006

Fiscal Year	Number of Distance Learning Courses Offered	Tuition & Fees Paid
2003 - 2004	0 UG Courses	
	1 Graduate courses	$27,342.00
		$27,342.00
2004 - 2005	8 UG Courses	$167,107.60
	8 Graduate courses	$167,934.00
	19 Pharmacy Prof. - Post Bach	$1,005.20
		$335,041.60
2005 - 2006	15 UG Courses	$294,342.40
	6 Graduate courses	$ 93,009.60
		$387,352.00
2006 - 2007	8 UG Courses	$ 82,739.20
	1 Graduate courses	$ 2,871.60
		$85,610.80

The Office of e-Learning has a $400,000 budget dedicated to the operation of e-Learning course offerings; personnel salaries are not included in this amount as they are funded from other resources. The Office of Academic Affairs and the Office of Information Technology (OIT) have provided resources needed for the initiation and maintenance of quality e-Learning at TSU. OIT has supported the installation of wiring, networking, data integrity, and other issues relative to the technology. In addition, OIT has incorporated into its existing faculty training program a component to address both the technological and instructional issues involved in e-Learning. Recently, this unit received a grant to upgrade and incorporate facilities for distance classes in its infrastructure. Additional resources have been used to increase the distance learning capacity of the University's library and to maintain the Blackboard Learning System. Please note that the tuition and fee amounts above are approximate.

Texas Southern University

APPENDIX B

Interim Charge Two --Cost of Education

Appendix B-1 Tuition and Fee Definitions

Chapter 13. Financial Planning
Subchapter H. Reporting of Tuition and Fees

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§13.140 Purpose

The purpose of this subchapter is to establish the reporting requirements for institutions to submit data on tuition and fees and to provide uniform definitions for the different types of tuition and fees.

Source Note: *The provisions of this §13.140 adopted to be effective February 21, 2006, 31 TexReg 1023*

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§13.141 Authority

2005 Tex.Sess.Law Serv, 288 (Vernon) requires the Board to compile data on the tuition and fees charged at each two-year and four-year institution of public higher education and report that data to the Texas Legislature. Texas Education Code, §54.053 authorizes the Board to adopt rules to carry out the purposes of Texas Education Code, Chapter 54, Subchapter B.

Source Note: *The provisions of this §13.141 adopted to be effective February 21, 2006, 31 TexReg 1023*

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§13.142 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

(1) Auxiliary fee--A mandatory or discretionary fee that an institution charges to recover costs from a student for a service or activity that is self-supporting.

(2) Coordinating Board--The Texas Higher Education Coordinating Board.

(3) Course fee--A mandatory fee required of all students enrolled in a given course; or a discretionary fee required of students in a given course who wish to participate in a special activity. This includes fees for state-funded continuing education courses.

(4) Discretionary fee--An optional fee that the governing board of an institution is permitted, but not required, by statute to charge all students. Examples of this fee

are parking fees charged under Texas Education Code, §54.505 and incidental fees charged under Texas Education Code, §54.504.

(A) Voluntary fee--A discretionary fee authorized under Texas Education Code, §§54.503, 54.5061 and 54.513, that is charged only to those students who make use of the service or item for which the fee is established. This includes fees for state-funded continuing education courses.

(B) Matriculation fee--A discretionary fee authorized under Texas Education Code, §54.006(a), that an institution, other than a public community college or public technical college, may charge a student withdrawing from the institution before the first day of class.

(5) General academic teaching institution--An institution included in the provisions of Texas Education Code, §61.003(3).

(6) Incidental fee--A mandatory fee authorized by the governing board of an institution and collected under Texas Education Code, §55.16 or §130.084, and levied at the discretion of the governing board of an institution that is charged to all students; or a discretionary fee collected under Texas Education Code, §54.504, for particular services provided to students.

(7) Institution or institution of higher education--Any public technical institute, public junior college, public senior college or university, medical or dental unit, public state college, or other agency of higher education as defined in Texas Education Code, §61.003(8).

(8) Mandatory fee--A fee authorized by statute or the governing board of an institution that is charged to a student upon enrollment. For institutions other than public community colleges, such fees would be required to be paid by the census date or other date as mandated by the state for formula funding purposes. Examples of such fees are: laboratory fees, course and incidental fees collected under Texas Education Code, §55.16(c), and other mandatory fees as authorized by the governing board of the institution. For public community colleges, such fees would include fees collected from students enrolled in state-funded continuing education courses.

(A) Laboratory fee--A mandatory fee that is charged under Texas Education Code, §54.501.

(B) Compulsory fee--A mandatory fee authorized under Texas Education Code, §§54.503, 54.5061, and 54.513.

(9) Medical and dental unit--An institution included in the provisions of Texas Education Code, §61.003(5).

(10) Optional fee--Has the same meaning as discretionary fee defined in paragraph (4) of this section.

(11) Public junior or community college--Any junior or community college certified by the board in accordance with Texas Education Code, §61.063.

(12) Public technical institute--An institution included in the provisions of Texas Education Code, §61.003(7).

(13) Required fee--Has the same meaning as mandatory fee defined in paragraph (8) of this section.

(14) Tuition--Statutory, designated, and/or board-authorized tuition.

(A) Statutory tuition--A tuition charge authorized under Texas Education Code, §54.051, in an amount determined by the Texas Legislature for resident or nonresident students. This includes the charge for state-funded continuing education courses.

(B) Designated tuition--A tuition charge authorized under Texas Education Code, §54.0513, that institutions other than public community colleges may impose on any graduate or undergraduate, resident or nonresident student, in an amount that the governing board of the institution considers necessary for the effective operation of the institution.

(C) Board authorized tuition--A tuition charge that a general academic teaching institution or a medical and dental unit may impose on any graduate resident or nonresident student in an amount as specified in Texas Education Code, §54.008.

(15) Tuition fee--Statutory, designated, and/or board-authorized tuition.

Source Note: *The provisions of this §13.142 adopted to be effective February 21, 2006, 31 TexReg 1023; amended to be effective August 15, 2006, 31 TexReg 6331*

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§13.143 Reporting

(a) By May 1, 2006, each institution shall report to the Board the types and amounts of tuition and fees charged to students by semester, beginning with the 2003 Fall semester and including the 2005 Spring semester.

(b) Beginning December 1, 2006, each institution shall report the types and amounts of tuition and fees charged to students by semester during the previous academic year.

(c) In reporting the types and amounts of tuition and fees charged to students, all institutions shall classify the tuition and fees according to the definitions of those terms provided in §13.142 of this title (relating to Definitions).

Source Note: *The provisions of this §13.143 adopted to be effective February 21, 2006, 31 TexReg 1023*

Appendix B-2 Peer Institution Cost of Education (Research)

Texas Higher Education Coordinating Board
Out-Of-State Peers Research

Fall 2002 - Spring 2006 College Budgets

Texas Peer Institutions include: The University of Texas at Austin and Texas A&M University

Institution Name	State	Published In-State Tuition & Fees	Published Out-of-State Tuition & Fees	Books & Supplies	On Campus Room & Board	On Campus Other Expenses	Total Cost Resident On Campus	Off Campus (not with family) Room & Board	Off Campus (not with family) Other Expenses	Total Cost Resident Off Campus	Total Cost Nonresident On Campus	Total Cost Nonresident Off Campus
FY 2005-2006												
University of California-Berkeley	CA	$6,512	$23,961	$1,266	$12,554	$1,978	$22,310	$9,064	$2,642	$19,484	$39,759	$36,933
University of Illinois at Urbana-Champaign	IL	$8,634	$22,720	$950	$7,176	$2,480	$19,240	--	--		$33,326	
University of Michigan-Ann Arbor	MI	$9,213	$27,601	$980	$7,374	$2,076	$19,643	$7,374	$2,076	$19,643	$38,031	$38,031
University of Minnesota-Twin Cities	MN	$8,622	$20,252	$900	$6,556	$2,120	$18,198	$6,978	$2,120	$18,620	$29,828	$30,250
Ohio State University-Main Campus	OH	$8,082	$19,305	$1,080	$7,452	$3,564	$20,178	--	--		$31,401	
AVERAGE OUT-OF-STATE 2005-2006		$8,213	$22,768	$1,035	$8,222	$2,444	$19,914	$7,805	$2,279	$19,249	$34,469	$35,071
FY 2004-2005												
University of California-Berkeley	CA	$5,956	$22,912	$1,240	$11,630	$1,938	$20,764	$9,182	$2,576	$18,954	$37,720	$35,910
University of Illinois at Urbana-Champaign	IL	$7,944	$20,864	$920	$6,848	$2,490	$18,202	--	--		$31,122	
University of Michigan-Ann Arbor	MI	$8,201	$26,027	$956	$7,030	$2,076	$18,263	$7,030	$2,076	$18,263	$36,089	$36,089
University of Minnesota-Twin Cities	MN	$8,230	$19,860	$870	$6,458	$1,776	$17,334	$6,948	$1,776	$17,824	$28,964	$29,454
Ohio State University-Main Campus	OH	$7,542	$18,129	$1,044	$7,344	$3,240	$19,170	--	--		$29,757	
AVERAGE OUT-OF-STATE 2005-2006		$7,575	$21,558	$1,006	$7,862	$2,304	$18,747	$7,720	$2,143	$18,347	$32,730	$33,818
FY 2003-2004												
University of California-Berkeley	CA	$5,250	$19,460	$1,158	$11,212	$1,838	$19,458	$8,524	$2,490	$17,422	$33,668	$31,632
University of Illinois at Urbana-Champaign	IL	$7,010	$18,046	$782	$6,618	$2,476	$16,886	--	--		$27,922	
University of Michigan-Ann Arbor	MI	$7,975	$24,778	$938	$6,704	$2,021	$17,638	$6,704	$2,021	$17,636	$34,441	$34,441
University of Minnesota-Twin Cities	MN	$7,116	$18,746	$730	$6,044	$1,742	$15,632	$6,614	$1,742	$16,202	$27,262	$27,832
Ohio State University-Main Campus	OH	$6,651	$16,638	$990	$6,780	$2,940	$17,361	--	--		$27,348	
AVERAGE OUT-OF-STATE 2003-2004		$6,800	$19,534	$920	$7,472	$2,203	$17,395	$7,281	$2,084	$17,087	$30,128	$31,302
FY 2002-2003												
University of California-Berkeley	CA	$4,336	$16,715	$1,108	$10,608	$1,760	$17,812	$7,394	$2,384	$15,222	$30,191	$27,601
University of Illinois at Urbana-Champaign	IL	$6,704	$15,308	$770	$6,360	$2,426	$16,260	$6,360	$2,426	$16,260	$24,864	$24,864
University of Michigan-Ann Arbor	MI	$7,485	$23,365	$756	$6,372	$2,060	$16,673	$6,372	$2,060	$16,673	$32,553	$32,553
University of Minnesota-Twin Cities	MN	$6,280	$16,854	$730	$5,696	$1,742	$14,448	$6,380	$1,742	$15,132	$25,022	$25,706
Ohio State University-Main Campus	OH	$5,691	$15,114	$981	$6,291	$2,664	$15,627	$6,165	$4,599	$17,436	$25,050	$26,859
AVERAGE OUT-OF-STATE 2002-2003		$6,099	$17,471	$869	$7,065	$2,130	$16,164	$6,534	$2,642	$16,145	$27,536	$27,517

Appendix B-3 Peer Institution Cost of Education (Emerging Research)

Texas Higher Education Coordinating Board
Out-Of-State Peers Emerging Research

Fall 2002 - Spring 2006 College Budgets

Texas Peer Institutions Include: Texas Tech University, University of Texas at Arlington, University of Texas at Dallas, University of Texas at El Paso, University of Texas at San Antonio, University of Houston, University of North Texas

Institution Name	State	Published In-State Tuition & Fees	Published Out-of-State Tuition & Fees	Books & Supplies	On Campus Room & Board	On Campus Other Expenses	Total Cost Resident On Campus	Off Campus (not with family) Room & Board	Off Campus (not with family) Other Expenses	Total Cost Resident Off Campus	Total Cost Nonresident On Campus	Total Cost Nonresident Off Campus
2005-2006												
Colorado State University	CO	$4,562	$15,524	$900	$6,316	$2,000	$13,778	--	--		$24,740	
Eastern Michigan University	MI	$6,541	$17,896	$900	$6,356	$1,800	$15,597	$5,925	$2,200	$15,566	$26,952	$26,921
Florida Atlantic University	FL	$2,607	$13,113	$700	$7,962	$1,410	$12,679	--	--		$23,185	
Florida International University	FL	$3,062	$15,462	$1,050	$9,102	$3,698	$16,912	$9,672	$4,380	$18,164	$29,312	$30,564
Oklahoma State University-Main Campus	OK	$4,365	$12,389	$880	$5,848	$3,810	$14,903	--	--		$22,927	
San Diego State University	CA	$3,122	$13,292	$1,242	$9,849	$3,105	$17,318	$9,053	$3,425	$16,842	$27,488	$27,012
San Francisco State University	CA	$3,128	$13,298	$1,260	$10,458	$3,654	$18,500	$10,458	$3,654	$18,500	$28,670	$28,670
SUNY at Albany	NY	$5,887	$12,147	$1,000	$8,050	$1,672	$16,609	--	--		$22,869	
University of Akron Main Campus	OH	$7,958	$16,682	$900	$7,208	$2,630	$18,696	$9,072	$3,160	$21,090	$27,420	$29,814
University of California-Riverside	CA	$6,590	$24,410	$1,650	$10,200	$2,950	$21,390	$7,500	$3,800	$19,540	$39,210	$37,360
University of Central Florida	FL	$3,339	$16,471	$860	$8,246	$3,676	$16,121	$8,246	$3,676	$16,121	$29,253	$29,253
University of Cincinnati-Main Campus	OH	$8,877	$22,629	$1,140	$7,890	$5,150	$23,057	$7,890	$5,150	$23,057	$36,809	$36,809
University of Illinois at Chicago	IL	$6,498	$20,888	$850	$7,678	$2,400	$19,426	$9,900	$2,400	$21,648	$31,816	$34,038
University of Maryland-Baltimore County	MD	$8,520	$16,596	$1,000	$8,090	$2,046	$19,656	$11,290	$3,950	$24,760	$27,732	$32,836
University of Memphis	TN	$5,084	$15,148	$900	$6,069	$3,777	$15,830	$6,069	$3,777	$15,830	$25,894	$25,894
University of Nebraska at Lincoln	NE	$5,540	$14,450	$880	$5,861	$2,670	$14,951	--	--		$23,861	
University of Nevada-Las Vegas	NV	$3,566	$13,033	$850	$8,326	$2,420	$15,162	--	--		$24,629	
University of New Mexico-Main Campus	NM	$4,109	$13,438	$816	$6,276	$3,040	$14,241	$7,252	$4,062	$16,239	$23,570	$25,568
University of North Carolina at Charlotte	NC	$3,549	$13,961	$900	$6,050	$2,400	$12,899	$7,200	$5,200	$16,849	$23,311	$27,261
University of South Carolina-Columbia	SC	$7,314	$18,956	$785	$6,083	$3,755	$17,937	$7,911	$3,755	$19,765	$29,579	$31,407
University of Wisconsin-Milwaukee	WI	$6,220	$18,972	$950	$4,596	$3,160	$14,926	$6,130	$3,160	$16,460	$27,678	$29,212
AVERAGE OUT-OF-STATE 2005-2006		$5,354	$16,131	$972	$7,453	$2,915	$16,695	$8,238	$3,717	$18,695	$27,472	$30,175

Texas Higher Education Coordinating Board
Out-Of-State Peers Emerging Research

Fall 2002 - Spring 2006 College Budgets

Institution Name	State	Published In-State Tuition & Fees	Published Out-of-State Tuition & Fees	Books & Supplies	On Campus Room & Board	On Campus Other Expenses	Total Cost Resident On Campus	Off Campus (not with family) Room & Board	Off Campus (not with family) Other Expenses	Total Cost Resident Off Campus	Total Cost Nonresident On Campus	Total Cost Nonresident Off Campus
2004-2005												
Colorado State University	CO	$3,790	$14,377	$900	$6,016	$2,000	$12,706	--	--		$23,293	
Eastern Michigan University	MI	$5,951	$16,291	$900	$6,082	$1,800	$14,733	$5,655	$2,200	$14,706	$25,073	$25,046
Florida Atlantic University	FL	$2,474	$12,479	$686	$6,433	$1,384	$10,977	--	--		$20,982	
Florida International University	FL	$2,914	$15,420	$1,140	$7,341	$3,580	$14,975	$9,346	$4,240	$17,640	$27,481	$30,146
Oklahoma State University-Main Campus	OK	$4,071	$11,361	$840	$5,602	$3,660	$14,173	--	--		$21,463	
San Diego State University	CA	$2,936	$13,106	$1,260	$8,787	$2,993	$15,976	$8,729	$3,303	$16,228	$26,146	$26,398
San Francisco State University	CA	$2,880	$13,050	$1,260	$10,458	$3,534	$18,132	$10,458	$3,534	$18,132	$28,302	$28,302
SUNY at Albany	NY	$5,810	$12,070	$800	$7,234	$1,556	$15,400	--	--		$21,660	
University of Akron Main Campus	OH	$7,510	$15,740	$900	$6,660	$2,630	$17,700	$8,558	$3,160	$20,128	$25,930	$28,358
University of California-Riverside	CA	$6,133	$23,089	$1,600	$9,800	$2,900	$20,433	$7,000	$3,600	$18,333	$37,389	$35,289
University of Central Florida	FL	$3,180	$15,686	$828	$7,398	$3,542	$14,948	$7,398	$3,542	$14,948	$27,454	$27,454
University of Cincinnati-Main Campus	OH	$8,379	$21,351	$830	$7,425	$5,125	$21,759	$7,425	$5,125	$21,759	$34,731	$34,731
University of Illinois at Chicago	IL	$7,824	$19,072	$850	$7,534	$2,400	$18,608	$8,100	$2,400	$19,174	$29,856	$30,422
University of Maryland-Baltimore County	MD	$8,020	$15,620	$1,000	$7,620	$2,046	$18,686	$11,290	$3,946	$24,256	$26,286	$31,856
University of Memphis	TN	$4,480	$13,204	$900	$5,780	$3,777	$14,937	$5,780	$3,777	$14,937	$23,661	$23,661
University of Nebraska at Lincoln	NE	$5,268	$13,758	$850	$5,555	$2,554	$14,227	--	--		$22,717	
University of Nevada-Las Vegas	NV	$3,270	$11,944	$850	$8,248	$2,410	$14,778	--	--		$23,452	
University of New Mexico-Main Campus	NM	$3,738	$12,500	$792	$5,576	$2,958	$13,064	$7,056	$3,954	$15,540	$21,826	$24,302
University of North Carolina at Charlotte	NC	$3,473	$13,585	$900	$5,900	$2,400	$12,673	$7,000	$5,200	$16,573	$22,785	$26,685
University of South Carolina-Columbia	SC	$6,416	$16,784	$720	$5,590	$3,755	$16,481	$7,675	$3,755	$18,566	$26,849	$28,934
University of Wisconsin-Milwaukee	WI	$5,831	$18,583	$800	$4,230	$3,160	$14,021	$5,730	$3,160	$15,521	$26,773	$28,273
AVERAGE OUT-OF-STATE 2004-2005		$4,969	$15,194	$934	$6,918	$2,865	$15,685	$7,813	$3,660	$17,763	$25,910	$28,657

Texas Higher Education Coordinating Board
Out-Of-State Peers Emerging Research

Fall 2002 - Spring 2006 College Budgets

Institution Name	State	Published In-State Tuition & Fees	Published Out-of-State Tuition & Fees	Books & Supplies	On Campus Room & Board	On Campus Other Expenses	Total Cost Resident On Campus	Off Campus (not with family) Room & Board	Off Campus (not with family) Other Expenses	Total Cost Resident Off Campus	Total Cost Nonresident On Campus	Total Cost Nonresident Off Campus
2003-2004												
Colorado State University	CO	$3,745	$14,216	$900	$5,902	$2,000	$12,547	--	--		$23,018	
Eastern Michigan University	MI	$5,812	$15,544	$900	$5,850	$1,800	$14,362	$5,393	$2,200	$14,305	$24,094	$24,037
Florida Atlantic University	FL	$2,354	$11,164	$660	$5,600	$1,331	$9,945	--	--		$18,755	
Florida International University	FL	$2,668	$13,696	$1,110	$7,455	$4,196	$15,429	$8,498	$4,840	$17,116	$26,457	$28,144
Oklahoma State University-Main Campus	OK	$3,748	$10,066	$960	$5,468	$2,980	$13,156	--	--		$19,474	
San Diego State University	CA	$2,488	$10,948	$1,224	$8,787	$2,875	$15,374	$8,385	$3,173	$15,270	$23,834	$23,730
San Francisco State University	CA	$2,480	$10,940	$1,224	$10,458	$3,516	$17,878	$10,458	$3,516	$17,678	$26,138	$26,138
SUNY at Albany	NY	$5,770	$11,720	$800	$7,181	$1,542	$15,293	--	--		$21,243	
University of Akron Main Campus	OH	$6,809	$14,298	$800	$6,268	$2,504	$16,381	$8,074	$3,710	$19,393	$23,870	$26,882
University of California-Riverside	CA	$5,433	$19,643	$1,450	$9,350	$2,750	$18,983	$6,500	$3,250	$16,633	$33,193	$30,843
University of Central Florida	FL	$3,013	$14,041	$800	$7,191	$3,423	$14,427	$7,191	$3,423	$14,427	$25,455	$25,455
University of Cincinnati-Main Campus	OH	$7,623	$19,230	$815	$7,113	$4,440	$19,991	$7,200	$4,400	$20,038	$31,598	$31,645
University of Illinois at Chicago	IL	$6,958	$16,654	$850	$7,270	$2,400	$17,478	$7,270	$2,400	$17,478	$27,174	$27,174
University of Maryland-Baltimore County	MD	$7,388	$14,290	$800	$7,575	$1,949	$17,712	$10,752	$3,759	$22,699	$24,614	$29,601
University of Memphis	TN	$4,234	$12,388	$800	$5,300	$3,080	$13,414	$5,300	$3,080	$13,414	$21,568	$21,568
University of Nebraska at Lincoln	NE	$4,771	$12,353	$772	$5,204	$2,490	$13,237	--	--		$20,819	
University of Nevada-Las Vegas	NV	$2,826	$11,313	$850	$7,834	$2,410	$13,920	--	--		$22,407	
University of New Mexico-Main Campus	NM	$3,313	$11,954	$768	$5,450	$2,892	$12,423	$6,898	$3,866	$14,845	$21,064	$23,486
University of North Carolina at Charlotte	NC	$3,105	$13,142	$900	$5,700	$2,300	$12,005	$6,800	$5,000	$15,805	$22,042	$25,842
University of South Carolina-Columbia	SC	$5,778	$15,116	$720	$5,327	$3,524	$15,349	$7,290	$3,593	$17,381	$24,687	$26,719
University of Wisconsin-Milwaukee	WI	$5,104	$17,856	$800	$5,072	$2,494	$13,470	$5,072	$3,086	$14,062	$26,222	$26,814
AVERAGE OUT-OF-STATE 2003-2004		$4,544	$13,837	$900	$6,731	$2,709	$14,884	$7,405	$3,553	$16,703	$24,177	$26,539

Texas Higher Education Coordinating Board
Out-Of-State Peers Emerging Research

Fall 2002 - Spring 2006 College Budgets

Institution Name	State	Published In-State Tuition & Fees	Published Out-of-State Tuition & Fees	Books & Supplies	On Campus Room & Board	On Campus Other Expenses	Total Cost Resident On Campus	Off Campus (not with family) Room & Board	Off Campus (not with family) Other Expenses	Total Cost Resident Off Campus	Total Cost Nonresident On Campus	Total Cost Nonresident Off Campus
2002-2003												
Colorado State University	CO	$3,435	$12,705	$800	$5,538	$2,000	$11,773	$5,920	$2,000	$12,155	$21,043	$21,425
Eastern Michigan University	MI	$5,027	$13,760	$900	$5,597	$1,800	$13,324	$5,073	$2,200	$13,200	$22,057	$21,933
Florida Atlantic University	FL	$2,229	$9,851	$640	$5,600	$1,300	$9,769	$7,015	$1,300	$11,184	$17,391	$18,806
Florida International University	FL	$2,512	$11,977	$1,080	$7,180	$4,096	$14,868	$8,318	$4,726	$16,636	$24,333	$26,101
Oklahoma State University-Main Campus	OK	$3,025	$8,079	$930	$5,150	$2,980	$12,085	$6,000	$2,980	$12,935	$17,139	$17,989
San Diego State University	CA	$1,942	$10,402	$1,206	$8,307	$2,794	$14,249	$8,149	$3,083	$14,380	$22,709	$22,840
San Francisco State University	CA	$1,898	$10,358	$1,206	$9,570	$3,506	$16,180	$9,570	$3,506	$16,180	$24,640	$24,640
SUNY at Albany	NY	$4,820	$9,720	$800	$6,768	$1,552	$13,940	$6,740	$1,580	$13,940	$18,840	$18,840
University of Akron Main Campus	OH	$6,098	$12,912	$750	$6,250	$2,504	$15,602	$8,074	$3,710	$18,632	$22,416	$25,446
University of California-Riverside	CA	$4,550	$16,929	$1,350	$8,700	$2,600	$17,200	$6,100	$3,100	$15,100	$29,579	$27,479
University of Central Florida	FL	$2,820	$12,229	$800	$6,282	$2,410	$12,312	$7,020	$3,960	$14,600	$21,721	$24,009
University of Cincinnati-Main Campus	OH	$6,936	$17,319	$790	$6,774	$4,290	$18,790	$6,800	$4,290	$18,816	$29,173	$29,199
University of Illinois at Chicago	IL	$6,592	$13,920	$850	$7,070	$2,400	$16,912	$7,070	$2,400	$16,912	$24,240	$24,240
University of Maryland-Baltimore County	MD	$6,362	$12,546	$800	$6,780	$1,857	$15,799	$10,240	$3,580	$20,982	$21,983	$27,166
University of Memphis	TN	$3,704	$10,858	$800	$5,496	$3,080	$13,080	$5,800	$3,080	$13,384	$20,234	$20,538
University of Nebraska at Lincoln	NE	$4,125	$10,718	$756	$4,875	$2,420	$12,176	$4,815	$2,420	$12,116	$16,769	$18,709
University of Nevada-Las Vegas	NV	$2,616	$10,401	$850	$6,140	$2,400	$12,006	$6,910	$3,290	$13,666	$19,791	$21,451
University of New Mexico-Main Campus	NM	$3,169	$11,436	$744	$5,300	$2,892	$12,105	$6,710	$3,866	$14,489	$20,372	$22,756
University of North Carolina at Charlotte	NC	$2,944	$12,503	$900	$5,510	$2,280	$11,634	$6,610	$4,940	$15,394	$21,193	$24,953
University of South Carolina-Columbia	SC	$4,984	$13,104	$607	$5,064	$3,608	$14,263	$7,304	$3,608	$16,503	$22,383	$24,623
University of Wisconsin-Milwaukee	WI	$4,353	$17,105	$712	$4,954	$2,434	$12,453	$4,954	$3,012	$13,031	$25,205	$25,783
AVERAGE OUT-OF-STATE 2002-2003		$4,007	$12,325	$870	$6,329	$2,629	$13,834	$6,914	$3,173	$14,964	$22,153	$23,282

Appendix B-4 Peer Institution Cost of Education (Doctoral)

Texas Higher Education Coordinating Board
Out-Of-State Peers Doctoral

Fall 2002 - Spring 2006 College Budgets

Texas Peer Institutions Include: Sam Houston State University, Texas A&M University-Commerce, Texas A&M University Kingsville, Texas Southern University, Texas State University-San Marcos, Texas Woman's University

Institution Name	State	Published In-State Tuition & Fees	Published Out-of-State Tuition & Fees	Books & Supplies	On Campus Room & Board	On Campus Other Expenses	Total Cost Resident On Campus	Off Campus (not with family) Room & Board	Off Campus (not with family) Other Expenses	Total Cost Resident Off Campus	Total Cost Nonresident On Campus	Total Cost Nonresident Off Campus
2005-2006												
California State University-Fresno	CA	$2,986	$13,156	$1,240	$7,416	$2,254	$13,896	$6,766	$2,904	$13,896	$24,066	$24,066
Cleveland State University	OH	$7,394	$13,850	$800	$7,008	$3,776	$18,978	$6,808	$3,776	$18,778	$25,434	$25,234
East Tennessee State University	TN	$4,487	$13,799	$942	$5,034	$4,795	$15,258	$7,886	$4,795	$18,110	$24,570	$27,422
Eastern Michigan University	MI	$6,541	$17,896	$900	$6,356	$1,800	$15,597	$5,925	$2,200	$15,566	$26,952	$26,921
Idaho State University	ID	$4,000	$11,700	$900	$4,988	$2,952	$12,840	$7,496	$3,638	$16,034	$20,540	$23,734
Indiana University of Pennsylvania-Main Campus	PA	$6,221	$13,644	$900	$4,954	$2,991	$15,066	$4,954	$2,991	$15,066	$22,489	$22,489
Middle Tennessee State University	TN	$4,600	$13,912	$1,000	$5,029	$2,464	$13,093	$7,100	$2,464	$15,164	$22,405	$24,476
New Mexico State University-Main Campus	NM	$3,918	$13,206	$817	$6,784	$3,310	$14,829	$6,784	$3,310	$14,829	$24,117	$24,117
Northern Arizona University	AZ	$4,393	$13,023	$800	$5,960	$3,462	$14,615	$7,420	$3,782	$16,395	$23,245	$25,025
San Jose State University	CA	$3,292	$13,462	$1,242	$8,718	$3,402	$16,654	$8,856	$3,510	$16,900	$26,824	$27,070
University of Colorado at Denver and Health Sciences Center	CO	$5,021	$16,191	$1,300	--	--		$7,236	$3,528	$17,085		$28,255
University of Massachusetts-Boston	MA	$8,265	$19,320	$800	--	--		$8,500	$2,240	$19,805		$30,860
University of Massachusetts-Lowell	MA	$8,166	$19,068	$600	$6,312	$1,068	$16,146	$2,500	$2,368	$13,634	$27,048	$24,536
University of Nevada-Las Vegas	NV	$3,566	$13,033	$850	$8,326	$2,420	$15,162	--	--		$24,629	
University of North Carolina at Greensboro	NC	$3,440	$14,960	$1,510	$5,526	$2,210	$12,686	$7,704	$2,974	$15,628	$24,206	$27,148
University of South Alabama	AL	$4,502	$8,312	$1,000	$5,877	$1,950	$13,329	$6,992	$1,950	$14,444	$17,139	$18,254
AVERAGE OUT-OF-STATE 2005-2006		$5,050	$14,283	$975	$6,306	$2,775	$14,868	$6,862	$3,095	$16,089	$23,833	$25,307

Texas Higher Education Coordinating Board
Out-Of-State Peers Doctoral

Fall 2002 - Spring 2006 College Budgets

Institution Name	State	Published in-State Tuition & Fees	Published Out-of-State Tuition & Fees	Books & Supplies	On Campus Room & Board	On Campus Other Expenses	Total Cost Resident On Campus	Off Campus (not with family) Room & Board	Off Campus (not with family) Other Expenses	Total Cost Resident Off Campus	Total Cost Nonresident On Campus	Total Cost Nonresident Off Campus
2004-2005												
California State University-Fresno	CA	$2,704	$12,874	$1,260	$7,180	$2,184	$2,904	$6,582	$2,782	$17,206	$28,820	$25,740
Cleveland State University	OH	$6,820	$13,538	$900	$6,392	$3,776	$3,776	$6,392	$3,776	$17,360	$30,088	$27,482
East Tennessee State University	TN	$4,059	$12,547	$900	$4,858	$4,374	$4,795	$7,670	$4,374	$17,802	$29,449	$26,574
Eastern Michigan University	MI	$5,961	$16,291	$900	$6,082	$1,800	$2,200	$5,855	$2,200	$14,437	$29,828	$26,773
Idaho State University	ID	$3,700	$10,780	$800	$4,850	$2,540	$3,638	$7,060	$3,278	$15,250	$25,230	$22,546
Indiana University of Pennsylvania-Main Campus	PA	$6,085	$13,351	$800	$4,872	$2,613	$2,991	$4,872	$2,613	$13,157	$25,708	$23,827
Middle Tennessee State University	TN	$4,230	$12,718	$1,000	$4,924	$2,210	$2,464	$7,100	$2,210	$15,234	$26,952	$22,316
New Mexico State University-Main Campus	NM	$3,666	$12,210	$788	$6,032	$3,059	$3,310	$6,032	$3,059	$15,911	$27,333	$24,611
Northern Arizona University	AZ	$4,073	$12,953	$800	$5,420	$3,370	$3,782	$6,310	$3,680	$15,900	$28,053	$25,835
San Jose State University	CA	$2,958	$13,128	$1,260	$8,136	$2,664	$3,510	$8,856	$3,420	$20,916	$32,784	$28,194
University of Colorado at Denver and Health Sciences Center	CO	$4,093	$16,427	$1,186	--	--	$3,528	$6,975	$3,231			
University of Massachusetts-Boston	MA	$8,024	$18,757	$800	--	--	$2,240	$8,500	$2,100			
University of Massachusetts-Lowell	MA	$7,891	$18,424	$600	$6,011	$1,000	$2,368	$2,500	$2,365	$10,111	$27,936	$29,168
University of Nevada-Las Vegas	NV	$3,270	$11,944	$850	$8,248	$2,410	--	--	--			
University of North Carolina at Greensboro	NC	$3,435	$14,403	$1,463	$5,140	$2,491	$2,974	$6,631	$3,025	$15,725	$28,665	$25,542
University of South Alabama	AL	$4,290	$7,922	$1,000	$4,222	$1,950	$1,950	$6,912	$1,950	$14,084	$21,006	$16,044
AVERAGE OUT-OF-STATE 2005-2006		$4,703	$13,842	$960	$5,883	$2,603	$3,095	$6,536	$2,938	$15,623	$27,835	$24,973

Texas Higher Education Coordinating Board
Out-Of-State Peers Doctoral

Fall 2002 - Spring 2006 College Budgets

Institution Name	State	Published In-State Tuition & Fees	Published Out-of-State Tuition & Fees	Books & Supplies	On Campus Room & Board	On Campus Other Expenses	Total Cost Resident On Campus	Off Campus (not with family) Room & Board	Off Campus (not with family) Other Expenses	Total Cost Resident Off Campus	Total Cost Nonresident On Campus	Total Cost Nonresident Off Campus
2003-2004												
California State University-Fresno	CA	$2,414	$10,874	$920	$7,180	$2,192	$12,706	$6,572	$2,800	$12,706	$21,166	$21,166
Cleveland State University	OH	$6,040	$11,916	$800	$6,236	$3,776	$16,852	$6,236	$3,776	$16,852	$22,728	$22,728
East Tennessee State University	TN	$3,839	$11,771	$900	$4,565	$4,195	$13,499	$7,479	$4,195	$16,413	$21,431	$24,345
Eastern Michigan University	MI	$5,812	$15,544	$900	$5,850	$1,800	$14,362	$5,393	$2,200	$14,305	$24,094	$24,037
Idaho State University	ID	$3,448	$10,048	$800	$4,680	$2,412	$11,340	$6,848	$3,150	$14,246	$17,940	$20,846
Indiana University of Pennsylvania-Main Campus	PA	$5,785	$12,733	$800	$4,738	$2,339	$13,662	$4,738	$2,339	$13,662	$20,610	$20,610
Middle Tennessee State University	TN	$3,810	$11,842	$1,000	$4,248	$2,210	$11,368	$7,100	$2,210	$14,220	$19,300	$22,152
New Mexico State University-Main Campus	NM	$3,372	$11,250	$760	$5,856	$2,916	$12,904	$5,856	$2,916	$12,904	$20,782	$20,782
Northern Arizona University	AZ	$3,508	$12,028	$750	$5,374	$3,302	$12,934	$5,532	$3,606	$13,396	$21,454	$21,916
San Jose State University	CA	$2,563	$11,023	$1,224	$8,465	$2,448	$14,700	$8,856	$3,185	$15,828	$23,160	$24,268
University of Colorado at Denver and Health Sciences Center	CO	$3,478	$14,628	$1,162	--	--		$6,975	$3,231	$14,846		$25,996
University of Massachusetts-Boston	MA	$6,977	$17,837	$800	--	--		$8,500	$2,100	$18,377		$29,037
University of Massachusetts-Lowell	MA	$7,338	$17,776	$500	$5,724	$1,000	$14,562	$2,500	$2,262	$12,600	$25,000	$23,038
University of Nevada-Las Vegas	NV	$2,826	$11,313	$850	$7,834	$2,410	$13,920	--	--		$22,407	
University of North Carolina at Greensboro	NC	$3,123	$14,016	$1,400	$4,960	$2,440	$11,923	$6,370	$2,900	$13,793	$22,816	$24,686
University of South Alabama	AL	$3,770	$7,160	$1,000	$5,312	$1,854	$11,936	$6,766	$1,854	$13,390	$15,326	$16,780
AVERAGE OUT-OF-STATE 2003-2004		$4,263	$12,597	$910	$5,787	$2,521	$13,333	$6,381	$2,848	$14,503	$21,301	$22,827

Texas Higher Education Coordinating Board
Out-Of-State Peers Doctoral

Fall 2002 - Spring 2006 College Budgets

Institution Name	State	Published In-State Tuition & Fees	Published Out-of-State Tuition & Fees	Books & Supplies	On Campus Room & Board	On Campus Other Expenses	Total Cost Resident On Campus	Off Campus (not with family) Room & Board	Off Campus (not with family) Other Expenses	Total Cost Resident Off Campus	Total Cost Nonresident On Campus	Total Cost Nonresident Off Campus
2002-2003												
California State University-Fresno	CA	$1,868	$10,328	$900	$6,598	$2,156	$11,522	$6,006	$2,748	$11,522	$19,982	$19,982
Cleveland State University	OH	$5,196	$10,244	$800	$5,884	$3,776	$15,656	$5,884	$3,776	$15,656	$20,704	$20,704
East Tennessee State University	TN	$3,311	$10,269	$900	$4,390	$4,029	$12,630	$7,261	$4,034	$15,506	$19,588	$22,464
Eastern Michigan University	MI	$5,027	$13,760	$900	$5,597	$1,800	$13,324	$5,073	$2,200	$13,200	$22,057	$21,933
Idaho State University	ID	$3,136	$9,376	$700	$4,410	$3,134	$11,380	$6,390	$3,134	$13,360	$17,620	$19,600
Indiana University of Pennsylvania-Main Campus	PA	$5,541	$12,159	$500	$4,524	$2,339	$12,904	$4,524	$2,339	$12,904	$19,522	$19,522
Middle Tennessee State University	TN	$3,442	$10,400	$1,000	$4,060	$2,210	$10,712	$7,100	$2,210	$13,752	$17,670	$20,710
New Mexico State University-Main Campus	NM	$3,216	$10,788	$672	$5,784	$2,790	$12,462	$5,784	$2,790	$12,462	$20,034	$20,034
Northern Arizona University	AZ	$2,585	$11,105	$750	$5,156	$3,254	$11,745	$5,450	$3,552	$12,337	$20,265	$20,857
San Jose State University	CA	$1,987	$10,447	$882	$8,136	$2,070	$13,075	$7,956	$2,250	$13,075	$21,535	$21,535
University of Colorado at Denver and Health Sciences Center	CO	$3,152	$13,420	$1,100	--	--		$7,798	$3,232	$15,282		$25,550
University of Massachusetts-Boston	MA	$5,227	$5,227	$680	--	--		$8,500	$2,580	$16,987		$16,987
University of Massachusetts-Lowell	MA	$5,213	$14,651	$500	$5,464	$1,058	$12,235	$2,500	$2,262	$10,475	$21,673	$19,913
University of Nevada-Las Vegas	NV	$2,616	$10,401	$850	$6,140	$2,400	$12,006	$6,910	$3,290	$13,666	$19,791	$21,451
University of North Carolina at Greensboro	NC	$2,993	$13,367	$1,340	$4,860	$2,390	$11,583	$6,120	$2,780	$13,233	$21,957	$23,607
University of South Alabama	AL	$3,410	$8,500	$800	$5,202	$1,854	$11,266	$6,516	$1,854	$12,580	$14,356	$15,670
AVERAGE OUT-OF-STATE 2002-2003		$3,620	$10,778	$830	$5,443	$2,519	$12,321	$6,236	$2,814	$13,500	$19,768	$20,657

Appendix B-5 Peer Institution Cost of Education (Comprehensive)

Texas Higher Education Coordinating Board
Out-Of-State Peers Comprehensive

Fall 2002 - Spring 2006 College Budgets

Texas Peer Institutions Include: Lamar University, Prairie View A&M University, Stephen F. Austin State University, Tarleton State University, Texas A&M International University, Texas A&M University - Corpus Christi, University of Texas - Pan American, West Texas A&M University

Institution Name	State	Published In-State Tuition & Fees	Published Out-of-State Tuition & Fees	Books & Supplies	On Campus Room & Board	On Campus Other Expenses	Total Cost Resident On Campus	Off Campus (not with family) Room & Board	Off Campus (not with family) Other Expenses	Total Cost Resident Off Campus	Total Cost Nonresident On Campus	Total Cost Nonresident Off Campus
2005-2006												
Arkansas State University-Main Campus	AR	$5,440	$12,145	$1,000	$4,510	$2,966	$13,916	$12,485	$2,966	$21,891	$20,621	$28,596
Austin Peay State University	TN	$4,635	$13,947	$1,350	$4,800	$3,000	$13,785	$5,262	$3,000	$14,247	$23,097	$23,559
Bowie State University	MD	$5,481	$14,786	$2,678	$6,573	$1,882	$16,614	$8,934	$2,186	$19,279	$25,919	$28,584
California State University-Los Angeles	CA	$3,035	$13,205	$1,242	$7,353	$3,192	$14,822	$8,190	$3,381	$15,848	$24,892	$26,018
California State University-Northridge	CA	$3,036	$13,206	$1,242	$8,880	$3,634	$16,792	$8,880	$3,634	$16,792	$26,962	$26,962
Central Missouri State University	MO	$5,550	$10,680	$500	$5,180	$2,300	$13,530	--	--	--	$18,660	$21,369
CUNY Lehman College	NY	$4,290	$8,930	$832	--	--		$7,310	$4,297	$16,729	$24,077	
Eastern Illinois University	IL	$6,373	$15,631	$120	$6,196	$2,130	$14,819	-	-		$20,569	$21,870
Eastern Kentucky University	KY	$4,660	$13,070	$800	$5,040	$1,650	$12,150	$6,400	$2,600	$13,460	$20,370	
Eastern New Mexico University-Main Campus	NM	$2,733	$9,845	$900	$4,683	$5,142	$13,458	--	--		$26,414	$24,514
Florida Gulf Coast University	FL	$3,373	$15,414	$700	$7,460	$2,840	$14,373	$7,000	$1,400	$12,473	$22,820	$23,820
Kennesaw State University	GA	$3,044	$10,360	$1,000	$9,108	$2,352	$15,504	$9,108	$3,352	$16,504	$25,160	$25,005
Morgan State University	MD	$6,110	$13,520	$2,000	$6,990	$2,650	$17,750	$6,435	$3,050	$17,595	$22,013	$22,713
North Carolina Central University	NC	$3,778	$13,522	$1,500	$4,700	$2,291	$12,269	$5,000	$2,691	$12,969	$17,861	$21,701
Northeastern Illinois University	IL	$4,517	$8,357	$1,320	--	--		$7,416	$4,608	$17,861	$17,732	
Northwest Missouri State University	MO	$5,535	$9,540	$450	$5,492	$2,250	$13,727	--	--		$18,554	
Pittsburg State University	KS	$3,562	$10,444	$800	$4,550	$2,780	$11,672	--	--		$16,968	$16,968
Southwestern Oklahoma State University	OK	$3,456	$8,256	$1,112	$4,600	$3,000	$12,168	$4,600	$3,000	$12,168	$24,008	
Tennessee Technological University	TN	$4,396	$13,708	$1,330	$6,275	$2,695	$14,696	--	--		$23,970	$24,620
The University of West Florida	FL	$2,782	$13,520	$1,000	$6,600	$2,850	$13,232	$6,600	$3,500	$13,882	$16,463	$20,812
University of Louisiana at Lafayette	LA	$3,324	$9,504	$1,000	$3,478	$2,481	$10,283	$7,367	$2,941	$14,632	$22,497	
Western Carolina University	NC	$3,410	$12,846	$2,004	$4,900	$2,747	$13,061	--	--		$22,093	$23,807
AVERAGE OUT-OF-STATE 2005-2006		$4,205	$12,011	$1,131	$5,868	$2,741	$13,931	$7,332	$3,107	$15,755		

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2004-2005												
Arkansas State University-Main Campus	AR	$5,155	$11,515	$1,000	$4,320	$2,880	$13,355	$11,715	$2,880	$20,750	$19,715	$27,110
Austin Peay State University	TN	$4,224	$12,712	$1,350	$4,296	$2,500	$12,370	$5,018	$2,500	$13,092	$20,858	$21,580
Bowie State University	MD	$5,218	$13,583	$2,596	$6,321	$1,750	$15,885	$8,674	$2,122	$18,610	$24,250	$26,975
California State University-Los Angeles	CA	$2,849	$13,019	$1,260	$7,110	$2,664	$13,883	$7,110	$2,844	$14,063	$24,053	$24,233
California State University-Northridge	CA	$2,778	$12,948	$1,260	$8,216	$3,294	$15,548	$8,216	$3,294	$15,548	$25,718	$25,718
Central Missouri State University	MO	$5,340	$10,260	$500	$4,988	$2,300	$13,128	--	--		$18,048	
CUNY Lehman College	NY	$4,270	$8,910	$798	--	--		$6,971	$4,136	$16,175		$20,815
Eastern Illinois University	IL	$5,781	$14,046	$120	$5,750	$2,130	$13,781	--	--		$22,046	
Eastern Kentucky University	KY	$3,792	$10,464	$800	$4,658	$1,500	$10,750	$5,400	$2,200	$12,192	$17,422	$18,864
Eastern New Mexico University-Main Campus	NM	$2,578	$9,099	$800	$4,436	$4,992	$12,808	--	--		$19,329	
Florida Gulf Coast University	FL	$3,056	$15,152	$700	$6,010	$1,400	$11,166	$7,000	$1,400	$12,156	$23,262	$24,252
Kennesaw State University	GA	$2,898	$9,866	$1,000	$8,850	$2,346	$15,094	$8,850	$3,252	$16,000	$22,062	$22,968
Morgan State University	MD	$5,718	$12,958	$2,000	$6,780	$2,650	$17,148	$6,435	$3,050	$17,203	$24,388	$24,443
North Carolina Central University	NC	$3,042	$12,486	$1,500	$4,311	$2,175	$11,028	$5,000	$2,575	$12,117	$20,472	$21,561
Northeastern Illinois University	IL	$3,596	$6,572	$1,200	--	--		$7,272	$4,482	$16,550		$19,526
Northwest Missouri State University	MO	$5,325	$9,180	$450	$5,080	$2,200	$13,055	--	--		$16,910	
Pittsburg State University	KS	$3,294	$9,652	$800	$4,334	$2,760	$11,188	--	--		$17,546	
Southwestern Oklahoma State University	OK	$3,200	$7,680	$1,088	$4,544	$2,724	$11,556	$4,544	$2,724	$11,556	$16,036	$16,036
Tennessee Technological University	TN	$3,970	$12,458	$1,265	$5,978	$2,657	$13,870	--	--		$22,358	
The University of West Florida	FL	$2,574	$12,584	$800	$6,294	$2,720	$12,388	$6,294	$3,250	$12,918	$22,398	$22,928
University of Louisiana at Lafayette	LA	$3,228	$9,408	$1,000	$3,386	$2,416	$10,030	$7,173	$2,864	$14,265	$16,210	$20,445
Western Carolina University	NC	$3,273	$12,709	$1,930	$4,528	$2,571	$12,302	--	--		$21,738	
AVERAGE OUT-OF-STATE 2004-2005		$3,871	$11,239	$1,101	$5,510	$2,531	$13,017	$7,045	$2,905	$14,880	$20,741	$22,497

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2003-2004												
Arkansas State University-Main Campus	AR	$4,810	$10,720	$1,000	$4,155	$2,880	$12,845	$11,190	$2,880	$19,880	$18,755	$25,790
Austin Peay State University	TN	$4,004	$11,936	$1,000	$4,096	$800	$9,900	$6,100	$3,400	$14,504	$17,832	$22,436
Bowie State University	MD	$4,722	$12,065	$2,472	$6,020	$1,667	$14,881	$8,261	$2,021	$17,476	$22,224	$24,819
California State University-Los Angeles	CA	$2,441	$10,901	$1,224	$6,876	$2,628	$13,169	$6,876	$2,790	$13,331	$21,629	$21,791
California State University-Northridge	CA	$2,444	$10,904	$1,200	$7,965	$2,805	$14,414	$7,965	$2,805	$14,414	$22,874	$22,874
Central Missouri State University	MO	$3,984	$7,680	$500	$4,796	$2,300	$11,580	--	--		$15,276	$20,555
CUNY Lehman College	NY	$4,270	$8,910	$759	--	--		$6,796	$4,090	$15,915	$19,731	
Eastern Illinois University	IL	$4,982	$12,107	$120	$5,374	$2,130	$12,606	--	--		$15,450	$16,440
Eastern Kentucky University	KY	$3,198	$8,790	$800	$4,510	$1,350	$9,858	$4,900	$1,950	$10,848	$17,985	
Eastern New Mexico University-Main Campus	NM	$2,472	$8,028	$770	$4,415	$4,772	$12,429	--	--		$22,292	$22,292
Florida Gulf Coast University	FL	$2,837	$13,192	$700	$7,000	$1,400	$11,937	$7,000	$1,400	$11,937	$20,836	$21,596
Kennesaw State University	GA	$2,724	$9,360	$750	$8,560	$2,166	$14,200	$8,520	$2,966	$14,960	$23,296	$23,561
Morgan State University	MD	$5,078	$12,076	$2,000	$6,570	$2,650	$16,298	$6,435	$3,050	$16,563	$19,057	$19,892
North Carolina Central University	NC	$2,802	$12,171	$1,000	$4,311	$1,575	$9,688	$4,306	$2,415	$10,523		$18,423
Northeastern Illinois University	IL	$3,165	$5,805	$1,152	--	--		$7,110	$4,356	$15,783	$15,767	
Northwest Missouri State University	MO	$4,845	$8,355	$450	$4,812	$2,150	$12,257	--	--		$16,510	
Pittsburg State University	KS	$2,962	$8,784	$800	$4,166	$2,760	$10,688	--	--		$14,558	$14,558
Southwestern Oklahoma State University	OK	$2,948	$6,658	$1,068	$4,192	$2,640	$10,848	$4,192	$2,640	$10,848	$19,682	
Tennessee Technological University	TN	$3,750	$11,682	$920	$4,700	$2,380	$11,750	--	--		$20,180	$20,710
The University of West Florida	FL	$2,470	$10,660	$800	$6,000	$2,720	$11,990	$6,000	$3,250	$12,520	$16,185	$19,152
University of Louisiana at Lafayette	LA	$2,700	$8,960	$1,000	$3,861	$2,364	$9,925	$6,390	$2,802	$12,892	$20,967	
Western Carolina University	NC	$2,806	$12,167	$1,920	$4,406	$2,474	$11,606	--	--		$19,054	$20,993
AVERAGE OUT-OF-STATE 2003-2004		$3,473	$10,087	$1,018	$5,339	$2,331	$12,143	$6,803	$2,854	$14,160		

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2002-2003												
Arkansas State University-Main Campus	AR	$4,480	$10,090	$900	$4,060	$2,700	$12,140	$9,810	$2,700	$17,890	$17,750	$23,500
Austin Peay State University	TN	$3,454	$10,412	$1,000	$3,820	$760	$9,034	$1,797	$5,087	$11,338	$15,992	$18,296
Bowie State University	MD	$3,344	$10,360	$1,205	$5,673	$1,625	$11,847	$8,052	$1,970	$14,571	$18,863	$21,587
California State University-Los Angeles	CA	$1,920	$10,380	$900	$6,399	$2,466	$11,685	$6,399	$2,682	$11,901	$20,145	$20,361
California State University-Northridge	CA	$1,886	$10,346	$1,200	$7,700	$2,616	$13,402	$7,700	$2,616	$13,402	$21,862	$21,862
Central Missouri State University	MO	$3,240	$6,247	$450	$4,630	$2,300	$10,620	$4,700	$2,300	$10,690	$13,627	$13,697
CUNY Lehman College	NY	$3,470	$7,070	$692	--	--		$6,819	$3,882	$14,663		$18,263
Eastern Illinois University	IL	$4,648	$11,155	$120	$6,000	$2,130	$12,898	$6,250	$3,690	$14,708	$19,405	$21,215
Eastern Kentucky University	KY	$2,928	$8,040	$800	$4,146	$1,350	$9,224	$4,146	$1,550	$9,424	$14,336	$14,536
Eastern New Mexico University-Main Campus	NM	$2,282	$7,847	$759	$4,350	$4,845	$12,246	$5,397	$4,845	$13,293	$17,801	$18,848
Florida Gulf Coast University	FL	$2,628	$12,172	$700	$7,000	$1,400	$11,728	$7,000	$1,400	$11,728	$21,272	$21,272
Kennesaw State University	GA	$2,516	$8,546	$812	$8,520	$2,112	$13,960	$8,520	$2,966	$14,814	$19,990	$20,844
Morgan State University	MD	$4,698	$11,118	$2,000	$6,360	$2,650	$15,708	$8,435	$3,050	$16,183	$22,128	$22,603
North Carolina Central University	NC	$2,674	$11,597	$800	$4,206	$1,575	$9,255	$4,898	$2,415	$10,787	$16,178	$19,710
Northeastern Illinois University	IL	$3,000	$8,016	$960	--	--		$6,894	$4,212	$15,066		$20,082
Northwest Missouri State University	MO	$4,410	$7,252	$400	$4,556	$2,050	$11,416	$4,556	$2,050	$11,416	$14,258	$14,258
Pittsburg State University	KS	$2,534	$7,496	$800	$4,660	$2,274	$10,268	$6,104	$2,630	$12,068	$15,230	$17,030
Southwestern Oklahoma State University	OK	$2,416	$5,601	$772	$3,692	$2,336	$9,216	$3,692	$2,336	$9,216	$12,401	$12,401
Tennessee Technological University	TN	$3,266	$10,224	$810	$4,544	$1,880	$10,500	$4,544	$1,880	$10,500	$17,458	$17,458
The University of West Florida	FL	$2,314	$9,490	$800	$6,000	$2,672	$11,786	$6,000	$3,202	$12,316	$18,962	$19,492
University of Louisiana at Lafayette	LA	$2,388	$8,568	$1,000	$2,896	$2,650	$8,934	$6,390	$2,757	$12,535	$15,114	$18,715
Western Carolina University	NC	$2,610	$11,525	$1,908	$4,216	$2,381	$11,115	$4,436	$2,381	$11,335	$20,030	$20,250
AVERAGE OUT-OF-STATE 2002-2003		$3,051	$9,252	$899	$5,171	$2,239	$11,349	$5,925	$2,846	$12,720	$17,740	$18,922

Appendix B-6 Peer Institution Cost of Education (Master's)

Texas Higher Education Coordinating Board
Out-Of-State Peers Master's Upper and Lower

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Texas Peer Institutions Include:
UPPER LEVEL: Angelo State University, Midwestern State University, Texas A&M University Galveston, The University of Texas at Brownsville, The University of Texas of the Permian Basin, University of Houston-Downtown
LOWER LEVEL: Texas A&M University-Texarkana, University of Houston-Clear Lake, University of Houston Victoria

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2005-2006												
Upper Level:												
Chadron State College	NE	2966	5312	800	4074	2020	$9,860	--	--		$12,206	
Georgia Southwestern State University	GA	3056	10372	1000	4810	3422	$12,288	4810	3422	$12,288	$19,604	$19,604
Governors State University	IL	--	--	--	--	--		--	--			
Indiana University-South Bend	IN	4988	12407	976	--	--		6762	3536	$16,262		$23,681
Louisiana State University-Shreveport	LA	3270	7600	1000	--	--		6403	2565	$13,238		$17,568
Northwestern Oklahoma State University	OK	3379	4991	900	2980	2200	$9,459	3500	2200	$9,979	$11,071	$11,591
Southern Arkansas University Main Campus	AR	4290	6300	1000	3790	3000	$12,080	--	--		$14,090	
University of Baltimore	MD	--	--	--	--	--		--	--			
University of Illinois at Springfield	IL	6257	15407	1200	7110	3650	$18,217	--	--		$27,367	
University of Michigan-Dearborn	MI	6255	14175	800	--	--		3376	2799	$13,230		$21,150
Western New Mexico University	NM	2863	10423	1000	4670	3340	$11,873	--	--		$19,433	
AVERAGE OUT-OF-STATE 2005-2006		$4,147	$9,665	$964	$4,572	$2,939	$12,296	$4,970	$2,904	$12,999	$17,295	$18,719
Lower Level:												
Alabama A & M University	AL	$4,420	$8,320	$1,800	$4,770	$2,600	$13,590	$4,770	$2,600	$13,590	$17,490	$17,490
Arizona State University at the West Campus	AZ	$4,251	$15,730	$948	$6,768	$3,726	$15,693	$8,354	$4,680	$18,233	$27,172	$29,712
Arkansas Tech University	AR	$3,432	$6,864	$1,090	$4,290	$2,280	$11,092	$10,200	$2,280	$17,002	$14,524	$20,434
California Maritime Academy	CA	$3,446	$13,616	$1,242	$7,030	$3,402	$15,120	$8,528	$3,510	$16,726	$25,290	$26,896
California State University-Dominguez Hills	CA	$2,991	$13,161	$900	$7,770	$2,630	$14,291	$9,000	$2,988	$15,879	$24,461	$26,049
California State University-San Marcos	CA	$3,062	$13,232	$1,260	$8,616	$3,204	$16,142	$8,616	$3,204	$16,142	$26,312	$26,312
Chicago State University	IL	$6,295	$11,155	$1,400	$6,212	$3,300	$17,207	$6,212	$3,300	$17,207	$22,067	$22,067
Colorado State University-Pueblo	CO	$3,874	$14,514	$1,306	$6,088	$3,760	$15,028	$7,234	$3,760	$16,174	$25,668	$26,814
Columbus State University	GA	$2,944	$10,260	$800	$7,400	$2,625	$13,769	$10,635	$3,391	$17,770	$21,085	$25,086
Florida Gulf Coast University	FL	$3,373	$15,414	$700	$7,460	$2,840	$14,373	$7,000	$1,400	$12,473	$26,414	$24,514
Jackson State University	MS	$3,964	$8,872	$1,800	$5,044	$4,100	$14,908	$5,900	$4,100	$15,764	$19,816	$20,672
Maine Maritime Academy	ME	$7,680	$13,610	$1,000	$6,720	$800	$16,200	--	--		$22,130	
Massachusetts Maritime Academy	MA	$5,107	$15,732	$700	$6,464	$4,550	$16,821	--	--		$27,446	
Northern Kentucky University	KY	$4,968	$9,696	$800	$5,358	$2,466	$13,592	$14,190	$2,666	$22,624	$18,320	$27,352
Portland State University	OR	$4,960	$17,125	$1,600	--	--		$9,800	$3,000	$19,360		$31,525
The University of Tennessee-Chattanooga	TN	$4,500	$13,524	$900	$6,474	$2,766	$14,640	--	--		$23,664	

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The University of West Florida	FL	$2,782	$13,520	$1,000	$6,600	$2,850	$13,232	$6,600	$3,500	$13,882	$23,970	$24,620
University of Colorado at Colorado Springs	CO	$4,855	$15,260	$2,592	$6,418	$3,992	$17,857	$7,236	$3,992	$18,675	$28,262	$29,080
University of Illinois at Springfield	IL	$6,257	$15,407	$1,200	$7,110	$3,650	$18,217	--	--		$27,367	
University of Southern Maine	ME	$5,873	$14,693	$832	$6,827	$3,119	$16,651	$6,827	$3,119	$16,651	$25,471	$25,471
Western New Mexico University	NM	$2,863	$10,423	$1,000	$4,670	$3,340	$11,873	--	--		$19,433	
Worcester State College	MA	$5,079	$11,159	$984	$7,420	$3,016	$16,499	$5,400	$3,516	$14,979	$22,579	$21,059
Wright State University-Main Campus	OH	$6,619	$12,994	$1,476	$6,664	$2,577	$17,336	$8,700	$3,108	$19,903	$23,711	$26,278
AVERAGE OUT-OF-STATE 2005-2006		$4,504	$12,795	$1,188	$6,462	$3,072	$15,188	$8,067	$3,229	$16,835	$23,302	$25,080
2004-2005												
Upper Level:												
Chadron State College	NE	2828	5108	750	3950	1925	$9,453	--	--		$11,733	
Georgia Southwestern State University	GA	2876	9844	900	4506	3726	$12,008	4506	3726	$12,008	$18,976	$18,976
Governors State University	IL	--	--	--	--	--		--	--			
Indiana University-South Bend	IN	4754	11825	976	--	--		6762	3536	$16,028		$23,099
Louisiana State University-Shreveport	LA	3184	7490	1000	--	--		6403	2565	$13,152		$17,458
Northwestern Oklahoma State University	OK	3085	4557	800	2920	2050	$8,855	2920	2050	$8,855	$10,327	$10,327
Southern Arkansas University Main Campus	AR	3798	5618	1000	3600	3000	$11,398	--	--		$13,218	
University of Baltimore	MD	--	--	--	--	--		--	--			
University of Illinois at Springfield	IL	5539	13549	1200	6816	3600	$17,155	--	--		$25,165	
University of Michigan-Dearborn	MI	5711	12687	800	--	--		3323	2547	$12,381		$19,357
Western New Mexico University	NM	2557	9565	1000	4466	3340	$11,363	--	--		$18,371	
AVERAGE OUT-OF-STATE 2004-2005		$3,815	$8,916	$936	$4,376	$2,940	$11,705	$4,783	$2,885	$12,485	$16,298	$17,843
Lower Level:												
Alabama A & M University	AL	$4,420	$8,320	$1,800	$4,770	$2,600	$13,590	$4,770	$2,600	$13,590	$17,490	$17,490
Arizona State University at the West Campus	AZ	$4,064	$12,919	$838	$6,574	$3,726	$15,202	$8,110	$4,680	$17,592	$24,057	$26,547
Arkansas Tech University	AR	$3,696	$7,392	$1,030	$3,841	$2,150	$10,717	$9,550	$2,150	$16,426	$14,413	$20,122
California Maritime Academy	CA	$3,240	$13,410	$1,260	$7,030	$2,780	$14,310	$6,528	$3,540	$16,568	$24,480	$26,738
California State University-Dominguez Hills	CA	$2,771	$12,941	$900	$7,063	$2,454	$13,188	$9,000	$2,717	$15,388	$23,358	$25,558
California State University-San Marcos	CA	$2,776	$12,946	$1,260	$8,616	$3,204	$15,856	$8,616	$3,204	$15,856	$26,026	$26,026
Chicago State University	IL	$5,633	$9,983	$1,400	$6,100	$3,300	$16,433	$6,100	$3,300	$16,433	$20,783	$20,783
Colorado State University-Pueblo	CO	$3,190	$14,206	$874	$5,912	$3,312	$13,288	$7,236	$3,312	$14,612	$24,306	$25,630
Columbus State University	GA	$2,808	$9,776	$800	$7,380	$2,679	$13,667	$10,077	$3,127	$16,812	$20,635	$23,780
Florida Gulf Coast University	FL	$3,056	$15,152	$700	$6,010	$1,400	$11,166	$7,000	$1,400	$12,156	$23,262	$24,252
Jackson State University	MS	$3,842	$8,570	$1,600	$4,974	$3,900	$14,316	$5,700	$3,900	$15,042	$19,044	$19,770
Maine Maritime Academy	ME	$7,095	$12,635	$900	$6,400	$800	$15,195	--	--		$20,735	
Massachusetts Maritime Academy	MA	$4,963	$15,443	$700	$6,157	$4,538	$16,358	--	--		$26,838	

Texas Higher Education Coordinating Board
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Institution Name	State	Published In-State Tuition & Fees	Published Out-of-State Tuition & Fees	Books & Supplies	On Campus Room & Board	On Campus Other Expenses	Total Cost Resident On Campus	Off Campus (not with family) Room & Board	Off Campus (not with family) Other Expenses	Total Cost Resident Off Campus	Total Cost Nonresident On Campus	Total Cost Nonresident Off Campus
Northern Kentucky University	KY	$4,368	$9,096	$800	$5,378	$1,706	$12,252	$10,500	$1,906	$17,574	$16,980	$22,302
Portland State University	OR	$4,761	$16,866	$1,500	--	--		$9,000	$2,700	$17,961		$30,066
The University of Tennessee-Chattanooga	TN	$4,094	$12,350	$850	$6,290	$2,634	$13,868	--	--		$22,124	
The University of West Florida	FL	$2,574	$12,584	$800	$6,294	$2,720	$12,388	$6,294	$3,250	$12,918	$22,398	$22,928
University of Colorado at Colorado Springs	CO	$4,502	$16,004	$2,352	$5,998	$3,800	$16,652	$7,236	$3,800	$17,890	$26,154	$29,392
University of Illinois at Springfield	IL	$5,539	$13,549	$1,200	$6,816	$3,600	$17,155	--	--		$25,165	
University of Southern Maine	ME	$5,510	$13,670	$700	$6,502	$2,999	$15,711	$6,502	$2,999	$15,711	$23,871	$23,871
Western New Mexico University	NM	$2,557	$9,565	$1,000	$4,466	$3,340	$11,363	--	--		$18,371	
Worcester State College	MA	$4,579	$10,659	$984	$6,808	$3,016	$15,387	$5,400	$3,516	$14,479	$21,467	$20,559
Wright State University-Main Campus	OH	$6,245	$12,260	$1,440	$6,204	$2,454	$16,343	$8,697	$2,960	$19,342	$22,358	$25,357
AVERAGE OUT-OF-STATE 2004-2005		$4,186	$12,187	$1,117	$6,163	$2,869	$14,291	$7,684	$3,059	$15,914	$22,105	$23,954
2003-2004												
Upper Level:												
Chadron State College	NE	$2,624	$4,712	$650	$3,862	$1,825	$8,961	--	--		$11,049	
Georgia Southwestern State University	GA	$2,798	$9,430	$850	$4,204	$3,726	$11,578	$4,204	$3,726	$11,578	$18,210	$18,210
Governors State University	IL	--	--	--	--	--		--	--			
Indiana University-South Bend	IN	$4,570	$11,163	$976	--	--		$6,761	$3,958	$16,265		$22,858
Louisiana State University-Shreveport	LA	$2,884	$7,214	$1,000	--	--		$6,403	$2,565	$12,852		$17,182
Northwestern Oklahoma State University	OK	$2,803	$4,030	$800	$2,720	$1,950	$8,273	$2,720	$1,950	$8,273	$9,500	$9,500
Southern Arkansas University Main Campus	AR	$3,496	$5,186	$1,000	$3,460	$3,000	$10,956	--	--		$12,646	
University of Baltimore	MD	--	--	--	--	--		--	--			
University of Illinois at Springfield	IL	$4,610	$11,510	$1,000	$6,518	$3,550	$15,678	--	--		$22,578	
University of Michigan-Dearborn	MI	$5,556	$12,341	$800	--	--		$2,275	$2,375	$11,006		$17,791
Western New Mexico University	NM	$2,370	$8,922	$800	$4,280	$3,000	$10,450	--	--		$17,002	
AVERAGE OUT-OF-STATE 2003-2004		$3,523	$8,279	$875	$4,174	$2,842	$10,983	$4,473	$2,915	$11,995	$15,164	$17,108
Lower Level:												
Alabama A & M University	AL	$3,352	$6,184	$900	$4,500	$2,300	$11,052	$4,500	$2,300	$11,052	$13,884	$13,884
Arizona State University at the West Campus	AZ	$3,595	$12,115	$823	$6,453	$3,657	$14,528	$7,960	$4,593	$16,971	$23,048	$25,491
Arkansas Tech University	AR	$3,312	$6,624	$990	$3,725	$2,100	$10,127	$9,100	$2,100	$15,502	$13,439	$18,814
California Maritime Academy	CA	$2,896	$11,356	$1,224	$6,750	$2,748	$13,618	$7,872	$3,492	$15,484	$22,078	$23,944
California State University-Dominguez Hills	CA	$2,483	$10,943	$1,206	$7,078	$2,448	$13,215	$8,478	$2,677	$14,844	$21,675	$23,304
California State University-San Marcos	CA	$2,414	$10,874	$1,080	$8,616	$3,026	$15,136	$8,616	$3,026	$15,136	$23,596	$23,596
Chicago State University	IL	$4,382	$10,767	$1,400	$6,000	$2,800	$14,582	$6,000	$3,300	$15,082	$20,967	$21,467
Colorado State University-Pueblo	CO	$2,898	$12,888	$874	$5,850	$3,262	$12,884	$6,976	$3,262	$14,010	$22,874	$24,000
Columbus State University	GA	$2,676	$9,312	$800	$7,270	$2,485	$13,231	$9,771	$3,325	$16,572	$19,867	$23,208
Florida Gulf Coast University	FL	$2,837	$13,192	$700	$7,000	$1,400	$11,937	$7,000	$1,400	$11,937	$22,292	$22,292

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Jackson State University	MS	$3,612	$8,116	$1,400	$4,770	$3,700	$13,482	$5,500	$3,700	$14,212	$17,986	$18,716
Maine Maritime Academy	ME	$6,510	$11,560	$900	$5,820	$800	$14,030	--	--		$19,080	
Massachusetts Maritime Academy	MA	$4,663	$15,143	$700	$5,809	$4,269	$15,441	--	--		$25,921	
Northern Kentucky University	KY	$3,744	$7,992	$650	$5,066	$1,706	$11,166	$10,500	$1,906	$16,800	$15,414	$21,048
Portland State University	OR	$4,278	$13,674	$1,400	--	--		$8,500	$2,300	$16,478		$25,874
The University of Tennessee-Chattanooga	TN	$3,852	$11,504	$850	$5,500	$2,602	$12,904	--	--		$20,556	
The University of West Florida	FL	$2,470	$10,660	$800	$6,000	$2,720	$11,990	$6,000	$3,250	$12,520	$20,160	$20,710
University of Colorado at Colorado Springs	CO	$3,845	$14,445	$2,304	$5,824	$3,682	$15,655	$6,974	$3,682	$16,805	$26,255	$27,405
University of Illinois at Springfield	IL	$4,610	$11,510	$1,000	$6,518	$3,550	$15,678	--	--		$22,578	
University of Southern Maine	ME	$5,198	$12,878	$660	$6,205	$2,940	$15,003	$6,205	$2,940	$15,003	$22,683	$22,683
Western New Mexico University	NM	$2,370	$8,922	$800	$4,280	$3,000	$10,450	--	--		$17,002	
Worcester State College	MA	$4,123	$10,203	$984	$6,060	$1,816	$12,983	$5,400	$2,316	$12,823	$19,063	$18,903
Wright State University-Main Campus	OH	$5,682	$11,154	$1,300	$5,861	$2,442	$15,285	$8,420	$2,819	$18,221	$20,757	$23,693
AVERAGE OUT-OF-STATE 2003-2004		$3,731	$10,957	$1,032	$5,957	$2,702	$13,381	$7,432	$2,910	$14,970	$20,509	$22,168
2002-2003												
Upper Level:												
Chadron State College	NE	$2,356	$4,186	$625	$3,754	$1,701	$8,436	$3,620	$1,701	$8,302	$10,266	$10,132
Georgia Southwestern State University	GA	$2,564	$8,594	$850	$3,926	$4,004	$11,344	$3,926	$4,004	$11,344	$17,374	$17,374
Governors State University	IL	--	--	--	--	--		--	--			
Indiana University-South Bend	IN	$3,780	$10,119	$976	--	--		$6,761	$3,116	$14,633		$20,972
Louisiana State University-Shreveport	LA	$2,368	$6,698	$900	--	--		$6,403	$2,565	$12,236		$16,566
Northwestern Oklahoma State University	OK	$2,348	$3,092	$800	$2,600	$1,900	$7,648	$2,600	$1,900	$7,648	$8,392	$8,392
Southern Arkansas University Main Campus	AR	$3,006	$4,494	$800	$3,220	$3,000	$10,026	$5,250	$4,000	$13,056	$11,514	$14,544
University of Baltimore	MD	--	--	--	--	--		--	--			
University of Illinois at Springfield	IL	$4,309	$10,879	$1,000	$6,370	$3,550	$15,229	$6,775	$3,550	$15,634	$21,799	$22,204
University of Michigan-Dearborn	MI	$5,332	$12,892	$800	--	--		$2,190	$2,466	$10,788		$18,348
Western New Mexico University	NM	$2,262	$8,478	$800	$4,700	$2,096	$9,858	$3,684	$2,322	$9,068	$16,074	$15,284
AVERAGE OUT-OF-STATE 2002-2003		$3,147	$7,715	$839	$4,095	$2,709	$10,424	$4,579	$2,847	$11,412	$14,237	$15,980
Lower Level:												
Alabama A & M University	AL	$3,040	$5,560	$800	$4,500	$2,300	$10,640	$4,500	$2,300	$10,640	$13,160	$13,160
Arizona State University at the West Campus	AZ	$2,585	$11,105	$748	--	--		$7,236	$4,175	$14,744		$23,264
Arkansas Tech University	AR	$3,076	$6,152	$800	$3,576	$2,000	$9,452	$7,900	$2,000	$13,776	$12,528	$16,852
California Maritime Academy	CA	$2,340	$10,800	$1,206	$5,562	$2,466	$11,574	$7,704	$3,240	$14,490	$20,034	$22,950
California State University-Dominguez Hills	CA	$1,917	$10,377	$1,206	$6,738	$2,682	$12,543	$8,784	$3,357	$15,264	$21,003	$23,724
California State University-San Marcos	CA	$1,868	$10,328	$1,000	--	--		$8,206	$2,788	$13,862		$22,322
Chicago State University	IL	$3,774	$9,239	$1,400	$6,000	$2,800	$13,974	$6,000	$3,300	$14,474	$19,439	$19,939

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Colorado State University-Pueblo	CO	$2,620	$2,620	$858	$5,624	$3,273	$12,375	$7,876	$3,273	$14,627	$12,375	$14,627
Columbus State University	GA	$2,466	$8,496	$800	$7,120	$2,505	$12,891	$9,816	$3,068	$16,150	$18,921	$22,180
Florida Gulf Coast University	FL	$2,628	$12,172	$700	$7,000	$1,400	$11,728	$7,000	$1,400	$11,728	$21,272	$21,272
Jackson State University	MS	$3,462	$7,966	$1,200	$4,676	$3,500	$12,838	$5,300	$3,500	$13,462	$17,342	$17,966
Maine Maritime Academy	ME	$5,840	$10,460	$900	$5,650	$800	$13,190	$6,100	$800	$13,640	$17,810	$18,260
Massachusetts Maritime Academy	MA	$4,063	$14,543	$700	$5,500	$4,025	$14,288	$4,400	$2,500	$11,663	$24,768	$22,143
Northern Kentucky University	KY	$3,216	$7,464	$650	$4,862	$1,706	$10,434	$10,500	$1,906	$16,272	$14,682	$20,520
Portland State University	OR	$3,885	$13,266	$1,300	–	–		$8,200	$2,000	$15,385		$24,766
The University of Tennessee-Chattanooga	TN	$3,550	$10,570	$800	$5,300	$2,529	$12,179	$5,300	$2,529	$12,179	$19,199	$19,199
The University of West Florida	FL	$2,314	$9,490	$800	$6,000	$2,672	$11,786	$6,000	$3,202	$12,316	$18,962	$19,492
University of Colorado at Colorado Springs	CO	$3,420	$13,992	$1,872	$5,896	$3,708	$14,896	$7,866	$3,708	$16,866	$25,468	$27,438
University of Illinois at Springfield	IL	$4,309	$10,879	$1,000	$6,370	$3,550	$15,229	$6,775	$3,550	$15,634	$21,799	$22,204
University of Southern Maine	ME	$4,796	$11,966	$660	$3,958	$2,800	$14,214	$5,958	$2,800	$14,214	$21,384	$21,384
Western New Mexico University	NM	$2,262	$8,478	$800	$4,700	$2,096	$9,858	$3,684	$2,322	$9,068	$16,074	$15,284
Worcester State College	MA	$2,962	$9,156	$816	$5,452	$1,806	$11,036	$5,000	$2,306	$11,084	$17,230	$17,278
Wright State University-Main Campus	OH	$5,262	$10,425	$1,200	$5,584	$3,033	$15,079	$7,074	$2,685	$16,221	$20,242	$21,384
AVERAGE OUT-OF-STATE 2002-2003		$3,289	$9,805	$966	$5,603	$2,583	$12,510	$6,834	$2,726	$13,816	$18,665	$20,331

Appendix B-7 Tuition Exemptions

State of Texas Exemption Programs
FY2004

Target Population	Enabling Legislation	Date Authorized	Optional or Mandatory	Reimbursed?	Current Value	Current Tenure	Current Requirements	Deadline for Entry	Deadline for Use	Students Awarded	Amount Exempted and Waived
Veterans	54.203	1971	M	No	"all dues, fees, and charges, including fees for correspondence courses but excluding property deposit fees, student services fees, and any fees or charges for lodging, board, or clothing"	150 credit hours	-resident at time of entry;-resident at time of using exemption;--service in required point in history and/or length of time;--honorable discharge; exhaust federal veterans benefits first;-no default on a state or fed student loan	n/a	n/a	8,858	$12,974,851.75
Veterans' Surviving Children	54.203		M	No	"all dues, fees, and charges, including fees for correspondence courses but excluding property deposit fees, student services fees, and any fees or charges for lodging, board, or clothing"	150 credit hours	child of deceased member of US Armed Forces who was a TX resident at time of entry and died as a result of injury/illness related to service; exhaust federal veterans benefits first; no default on a state or fed student loan; resident at time of using exemption	n/a	n/a	8	$24,096.20
							child of deceased member of Texas National Guard or Texas Air National Guard killed since 1/1/1940 while on active duty for US or state; resident at time of using exemption				
Highest Ranking HS Grad	54.201	1971	O	No	"tuition during both semesters of the first regular session immediately following their graduation"	2 regular semesters	highest ranking graduate of accredited Texas high school	first 4 regular sessions following graduation	first 4 regular sessions following graduation	1,102	$2,492,341.80
Blind or Deaf Students	54.205	1971	M	No	"Tuition fees [which] includes all dues, fees, and enrollment charges whatsoever for which exemptions may be lawfully made, including fees for correspondence courses, general property deposit fees, and student services fees, but does not include fees or charges for lodging, board, or clothing."	no limit, as long as student meets requirements	resident of Texas; blind as defined in 91.05(5), Human Resources Code or deaf; certification of disability by appropriate state agency; written statement of ed purpose and degree or certificate to be pursued; HS diploma or equivalent; letter of recommendation; proof meets all other inst entrance requirements	n/a	n/a	3,278	$5,013,060.85
Disabled Peace Officers'/Firemen's Children	54.204	1971	M	No	"all dues, fees, and charges....[but] does not apply to general property deposits or to fees or charges for lodging, board or clothing"	first 120 undergrad SCH	child of disabled eligible employee; meet all entrance requirements of inst; meet institution's academic progress requirements	by age 21 unless eligible to participate in a school district's special education program under 29.003	age 26	116	$290,197.26

State of Texas Exemption Programs
FY2004

Target Population	Enabling Legislation	Date Authorized	Optional or Mandatory	Reimbursed?	Current Value	Current Tenure	Current Requirements	Deadline for Entry	Deadline for Use	Students Awarded	Amount Exempted and Waived
Firemen taking Fire Science Curriculum	54.208	1971	M	No	"tuition and laboratory fees..for person enrolled in course or courses offered as part of fire science curriculum; does not apply to deposits which may be required in the nature of security for the return or proper care of property loaned for the use of students"	no limit, as long as student meets requirements	employment as a fireman by any political subdivision of the state enrolled in courses offered as part of a fire science curriculum	n/a	n/a	1,456	$504,955.60
Children of MIAs/POWs	54.209	1971	M	No	"tuition and fees" includes tuition, service fees, lab fees, building use fees, and all other fees except room, board, or clothing fees or deposits in the nature of security for the return or proper care of property"	while under 21 or 25 if receiving majority of support from parent and parent continues to be MIA or POW	child of Texas resident on active duty as member of US armed forces who, at time of registration is classified by DOD as MIA or POW	under age 21 or under age 25 if receiving majority of support from parent	under age 21 or under age 25 if receiving majority of support from parent	2	$1,075.00
Students Enrolled in 2 Institutions of Same System	54.503(g)		O	No	"The governing board of the [second] college or university may waive the payment of all compulsory student services fees."	no limit, as long as student meets requirements	enrollment in more than one institution within a college or university system under concurrent enrollment provisions of joint or cooperative programs between institutions	n/a	n/a	4,215	$2,142,084.40
Senior Citizens (65+) Auditing Classes	54.210 (b)	1975 or 1995	O	No	enrollment "without the payment of a fee"	no limit, as long as student meets requirements	at least 65 years of age; auditing class; space available in the class	age > = 65	n/a	165	$98,823.80
Senior Citizens (65+) Taking Courses for Credit	54.210 (c)	1975 or 1995	O	No	enrollment for credit "up to 6 hours....each semester without payment of tuition"	no limit, as long as student meets requirements	at least 65 years of age; space available in the class	age > = 65	n/a	3,122	$538,544.00
Foster Care Students	54.211	1993	M	No	"tuition and fees authorized in this chapter"	no limit, once in program	in foster care or other residential care under Dpt. of Protective and Regulatory Services on or after (1) day preceding student's 18th birthday, (2) day of 14th birthday if also eligible for adoption on/after that date, or (3) day student graduated from HS or received GED; enrollment as undergraduate	by third anniversary of date discharged from foster or other residential care, date of HS graduation or GED, whichever is earliest or 21st birthday	n/a	950	$1,516,086.46
Adopted Students	54.2111	2003	M	No	"tuition and fees authorized in this chapter"	no limit, once in program	was formerly in foster or other residential care; was adopted; was subject of adoption assistance agreement under Subchapter D, Ch 162, Family Code	n/a	n/a	11	$21,454.66
Senior Citizens 55+	54.013	1995	O	No	"lowered tuition rates" that may vary by student residency classification, programs, campuses or courses	no limit, as long as student meets requirements	at least 55 years of age; enrollment cannot preclude a less-than-55 year old from enrolling in a course for credit toward a degree or certificate	age > = 55	n/a	904	$146,923.80

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State of Texas Exemption Programs
FY2004

Target Population	Enabling Legislation	Date Authorized	Optional or Mandatory	Reimbursed?	Current Value	Current Tenure	Current Requirements	Deadline for Entry	Deadline for Use	Students Awarded	Amount Exempted and Waived
Disabled Peace Officers	54.2041	1997	O	No	"tuition and fees authorized by this chapter for a course for which space is available"	12 semes-ters or sessions of undergrad-uate work, plus hours for first master's degree, plus hours for first doctoral degree	resident of Texas; resided in TX the 12 months prior to enrollment; permanently disabled from injury suffered in performance of duty as peace officer of state or political subdivision of state; unable to continue employment as a peace office because of disability	n/a	n/a	23	$105,618.90
Children of Deceased Public Servants	Government Code 615.0225	2001	M	No	"tuition and fees", if in or eligible for inst housing, free food and housing; if no inst housing available, comparable stipend for room and board; allowance for textbooks	for lesser of 200 SCH or until receive bachelor's degree	surviving dependent child of deceased public servant; enroll full-time	n/a	n/a	65	$35,733.25
Spouse of Deceased Public Servant	Government Code 615.0225	2001	M	No	"tuition and fees", if in or eligible for inst housing, free food and housing; if no inst housing available, comparable stipend for room and board; allowance for textbooks	for lesser of 200 SCH or until receive master's degree	surviving spouse of deceased public servant, enroll full-time	n/a	n/a		
Children of Professional Nurse Faculty or Staff	54.221	2005	M	No	"tuition", prorated if parent is employed less than full time, but not less than 25% of tuition	10 semes-ters or summer sessions or until received bachelor's degree	resident of Texas; enrolled as undergraduate; child of person employed or under contract to be employed full-time as member of professional nursing faculty or staff at the beginning term of enrollment at same institution at which parent is employed	25 years of age or younger	25 years of age or younger	new program Fall 2005	
Preceptors for Professional Nursing Education Programs	54.222	2005	M	No	tuition, not to exceed $500 per semester	no limit as long as student meets program requirements	resident of Texas; registered nurse serving under written preceptor agreement with an undergraduate professional nursing program as a clinical preceptor at time of enrollment	n/a	n/a	new program Fall 2006	
Children of Preceptors for Professional Nursing Education Programs	54.222	2005	M	No	tuition, not to exceed $500 per semester	10 semes-ters or summer sessions or until received bachelor's degree	resident of Texas; child of registered nurse serving under written preceptor agreement with an undergraduate professional nursing program as a clinical preceptor at time of child's enrollment; enrolled as an undergraduate	n/a	n/a	new program Fall 2006	

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State of Texas Exemption Programs
FY2004

Target Population	Enabling Legisla-tion	Date Auth-orized	Optional or Manda-tory	Reim-bursed?	Current Value	Current Tenure	Current Requirements	Deadline for Entry	Deadline for Use	Students Awarded	Amount Exempted and Waived
Students Dual-Enrolled in High School and Community College	130.008		O	No	"tuition fee"	no limit as long as student meets program require-ments	enrollment in course for which student may receive joint high school and college credit; agreement between school district and community college for the waiver	n/a	n/a	30,919	$9,991,692.74
Students Living Outside Public Community/Jr College District	130.0032		O	No	payment of in-district rather than out-of-district tuition	no limit as long as student meets program require-ments	ownership of property subject to ad valorem taxation by the district by student (or parent, is student is a dependent)	n/a	n/a	879	$928,785.00
							residence outside the granting school's district but in taxing district of a contiguous public junior college				
					payment of lowered out-of-district tuition but not less than in-district rate		residence in service area of district; not residing in junior college district; demonstrates financial need				
Students Concurrently Enrolled in >1 Institution	54.062		M	No	waiver of minimum tuition charges at second school; application of per-hour charge only	no limit as long as student meets program require-ments	concurrent enrollment in more than one institution of higher education that charges a minimum tuition rate	n/a	n/a	878	$169,351.00
Children of Certain TANF Recipients	54.212		M	Yes	tuition and fees authorized by this chapter for the first academic year in which the student enrolls	one academic year	resident of Texas; graduation from public HS in Texas; during last year of public HS was dependent child receiving TANF benefits for at least 6 months; met inst admissions requirements prior to enrollment	before age 22; prior to 2nd anniversary of HS graduation	before age 22; prior to 2nd anniversary of HS graduation	106	$232,742.00
Educational Aides	54.214		M	Yes	tuition and fees other than class or laboratory fees	no limit as long as student meets program require-ments	resident of Texas; currently employed by TX school district; previously employed at least 1 year as ed aide; show financial need per CB definitions; enroll in courses leading to teacher certification; meet CB academic progress requirements	within 5 years of employment as aide for 1 year	receipt of teaching certificate	8,571	$8,262,360.00
Dual High School and College-Level Credit (All public institutions)	54.216		O	No	all or part of tuition and fees	no limit as long as student meets program require-ments	enrollment in a course for which student is entitled to simultaneously receive credit towards HS academic requirements and course credit towards college degree	n/a	n/a	2,541	$429,442.00
Students Enrolled in 3rd-Party Fully-Funded Courses	54.217		O	No	tuition and fees	no limit as long as student meets program require-ments	enrollment in courses fully funded by federal or other sources	n/a	n/a	No data collected.	
Students Enrolled in Distance Learning or Off-Campus Courses	54.218		O	No	"a fee"	no limit as long as student meets program require-ments	enrolled in only distance learning courses or other off-campus courses; cannot reasonably be expected to use activities, services for which fee is collected; inst determines waiver will not impair ability of inst to service debt or continue to offer activity/service	n/a	n/a	8,781	$1,717,157.12

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State of Texas Exemption Programs
FY2004

Target Population	Enabling Legislation	Date Authorized	Optional or Mandatory	Reimbursed?	Current Value	Current Tenure	Current Requirements	Deadline for Entry	Deadline for Use	Students Awarded	Amount Exempted and Waived
Fee Proration for Students Enrolled in Short Courses	54.5025		O	No	flowered fee charges	no limit as long as student meets program requirements	enrollment in semester or term the institution deems to be short enough to justify the decreased charges	n/a	n/a	0	$0.00
Students Graduating Early from HS or Graduating with College Hours	56.203		M	Yes	$2000 for graduating in 36 months; $1000 for graduating with 15 SCH college credit in 36 months; $1000 for graduating with 30 SCH in 41 months or on regular schedule. Funds may be used towards tuition and fee charges	only as long as appropriated funds last	graduation from public high school in Texas in requisite amount of time and/or with requisite number of college hours; completion of recommended curriculum; resident of Texas; if attending independent college or university, institution must agree to meet state award	prior to 5 years from date of HS graduation	Eligibility ends 6 years after HS graduation.	6,284	$3,506,747.00
Students unable to Use Facilities/Services for which Fees are Charged (2 programs)	54.5035		O	No	waiver of mandatory or discretionary fee; May not include tuition or laboratory fees.	no limit as long as student meets program requirements	first determines that student is not reasonably able to participate in or use activity, service, or facility for which the fee is charged and that waiver won't impair inst ability to meet debt obligations or otherwise support the activity/service/facility	n/a	n/a	10,175	$3,008,375.00
							first determines that waiver of (mandatory or discretionary fee for a specific category of students is in the best interest of the institution or is critical to the viability of an academic initiative and that waiver won't impair inst ability to meet debt obligations or otherwise support the activity/service/facility	n/a	n/a		
Students enrolled in 15-18 hours	54.010	1999	O	No	waiver of tuition for up to 3 hours	no limit as long as student meets program requirements	first determines policy will increase course loads of students or improve retention/graduation rate; student enrolls in degree plan and meets academic progress requirements; enrolled in at least 15 hours	n/a	n/a	375	$40,584.00
Students enrolled at TAMU in summer 06 or 07	54.0516	2005	M if money is appropriated	No funds appropriated	waiver of 1/4 statutory tuition charges	no limit	Legislature must appropriate funds to reimburse the institution; if it does, inst must waive 1/4 undergraduate resident statutory tuition; designated tuition may not be raised to compensate	n/a	n/a	0	$0.00
Pilot Program for Educationally Disadvantaged students concurrently enrolled in HS and community colleges	54.2161	2005	O 5 institutions apply to participate in pilot	No funds appropriated	waiver of tuition and mandatory fees and receipt of free textbooks (to be paid for by school district)	no limit as long as student meets program requirements	student must be educationally disadvantaged and enrolled in courses that concurrently provide high school and college credit	n/a	n/a	0	$0.00
Needy Students	54.0513(d)	2001	O	No	waiver of designated tuition	no limit	institution determines payment of tuition would work an undue financial hardship on the student	n/a	n/a	3,893	$154,115.00

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Appendix B-8 Tuition Waivers

State of Texas Exemption Programs
FY2004

Target Population	Enabling Legislation	Date Authorized	Optional or Mandatory	Reimbursed?	Current Value	Current Tenure	Current Requirements	Deadline for Entry	Deadline for Use	Students Awarded	Amount Exempted and Waived
Needy Students	54.503(e)		O	No	waiver of student services fees	no limit	institution determines payment of tuition would work an undue financial hardship on the student	n/a	n/a	701	$135,036.00

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State of Texas Waiver Programs
FY2004

Target Population		Enabling Legislation	Optional or Mandatory	Current Value	Current Tenure	Current Requirements	Apply to spouse and children?	Apply to member/ employee?	Students Awarded	Amount Exempted and Waived
Military	Military member stationed in TX	54.058(b)	M	pay resident rather than nonresident tuition	while stationed here	be currently assigned to active duty in TX or be a member of a TX unit of NG or reserves	Yes	Yes		
	Military spouse and child of member reassigned to duty outside of Texas	54.058(c)	M	pay resident rather than nonresident tuition	as long as residing continuously in TX	spouse or child of member assigned to duty elsewhere after duty in TX	Yes	No		
	Spouse or dependent child of non-Texas member of US Armed Forces who previously lived in TX at least 6 mo	54.058(d)	M	pay resident rather than nonresident tuition	as long as meets requirements	lived in TX at least 6 months at some time in the past; at least 1 yr prior to enrollment -- member filed paperwork with military to make TX home and have TX legal residence for income tax purposes + registered to vote in TX + either owned real paty in TX, had auto registered in TX or has had valid well on file with county clerk of home county	Yes	No	10333 (data not collected separately per program)	$15,893,423 (data not collected separately per program)
	Spouse or child of member who intends to make TX home	54.058(g)	M	pay resident rather than nonresident tuition	as long as meets requirements	child or spouse of member provides institution a letter of intent to make TX his/her home	Yes	No		
	Retired member of US Armed Forces	54.058(i)	M	pay resident rather than nonresident tuition	as long as meets requirements	Member has retired or is honorably discharged and at least 1 yr prior to enrollment -- member filed paperwork with military to make TX home and have TX legal residence for income tax purposes + registered to vote in TX + either owned real paty in TX, had auto registered in TX or has had valid well on file with county clerk of home county	Yes	Yes		
	Member, spouse or child who established eligibility through 54.058(b)-54.058(i) who continue in same degree or certificate program	54.058(j)	M	pay resident rather than nonresident tuition	as long as meets requirements	Met one of the sets of requirements for a waiver outlined above and remains continuously enrolled in a degree or certificate program. Does not terminate by leaving service or by divorce from member.	Yes	Yes		
	Spouse or child of deceased member	54.058(f)	M	pay resident rather than nonresident tuition	as long as meets requirements	spouse (member) dies or is killed and spouse or child becomes TX resident within 60 days of his/her death	Yes	No	8	$24,098.00
	Member enrolled in Radiological Science Pgm at MSU	54.058(h)	O	pay a tuition and fee amount down to but not less than the resident rate	while enrolled in program	begin radiological science program while stationed in TX; continue program by telecommunications after reassigned duty elsewhere	No	Yes	0	$0.00
Faculty and Dependents		54.059	M	pay resident rather than nonresident tuition	as long as meets requirements	Be employed as teacher or professor by institution of higher educationat least 1/2-time on a regular monthly salary basis	Yes	Yes	1,172	$3,913,907.36
Resident of ARK, LA, NM or OK		54.060(e)	M (reciprocal agreement)	pay rate a TX resident would pay at a similar institution in the student's home state	as long as meets requirements	register in public upper-level inst, LSC-O, LSC-PA, junior college or tech college in a county adjacent to state in which student resides	No	Yes	2,819	$3,257,166.81

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State of Texas Waiver Programs
FY 2004

Target Population	Enabling Legislation	Optional or Mandatory	Current Value	Current Tenure	Current Requirements	Apply to spouse and children?	Apply to member/ employee?	Students Awarded	Amount Exempted and Waived
Resident of NM or OK	54.060(a)	M (reciprocal agreement)	pay rate a TX resident would pay at a similar institution in the student's home state	as long as meets requirements	register in technical college in county within 100 miles of the state in which student resides	No	Yes	2,819	$3,267,169.00
Residents of Mexico	54.060(b)	M	pay resident rather than nonresident tuition	as long as meets requirements	show financial need and register in univ or technical college located in county adjacent to Mexico, TX Southmost College, TAMU-CC, TAMU-K or UTSA	No	Yes	2,428	$12,858,494.60
Residents of Mexico	54.060(b)	M	pay resident rather than nonresident tuition	as long as meets requirements	show financial need and enroll in courses that are part of grad degree program in public health conducted in county adjacent to Mexico	No	Yes	0	$0.00
Residents of Mexico	54.060(c)	O	pay resident rather than nonresident tuition	as long as meets requirements	show financial need and enroll in an institution NOT participating in 54.060(b) waiver program; follow rules as adopted by the CB	No	Yes	203	$1,183,898.00
Residents of Mexico	54.060(d)	O	pay resident rather than nonresident tuition	as long as meets requirements	enter into an exchange program with an institution in another country in keeping with CB rules for the Reciprocal Educational Exchange Program	No	Yes	693, incoming 929 outgoing	no dollar amount collected
Residents of ARK, LA, NM or OK	54.060(g)	O (reciprocal agreement)	pay rate a TX resident would pay at a similar institution in the student's home state	as long as meets requirements	be from a county or parish of one of the listed states that is adjacent to Texas	No	Yes	2,044	$8,597,619.00
Residents of other states	54.0601	O	pay a rate lower than nonresident but not below resident rate	as long as meets requirements	be enrolled in a general academic teaching institution located within 100 miles of the TX border and approved by CB to participate in program	No	Yes	734	$3,908,500.00
Teaching or Research Assistants	54.063	M	pay resident rather than nonresident tuition	as long as meets requirements	employment by institution on at least a half-time basis as RA or TA in a field related to field of study. May attend any public institution.	Yes	Yes	14,116	$59,900,143.92
Competitive Scholarship Recipients	54.064	M	pay resident rather than nonresident tuition	one year, but can compete for waivers in more than one year	receive a competitive scholarship from the institution for at least $1000. TX residents must also be eligible for the scholarships. Cannot exceed 5% of enrollment for like semester, previous year	No	Yes	13,059	$65,282,436.33
Biomedical Research Scholarship Recipients	54.065	M	pay resident rather than nonresident tuition	as long as meets requirements	must hold a competitive academic scholarship or stipend and be accepted into a clinical and biomedical research training program leading to both MD and PhD and is not a Texas resident	No	Yes	76	$727,722.00

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State of Texas Waiver Programs
FY2004

Target Population	Enabling Legislation	Optional or Manda-tory	Current Value	Current Tenure	Current Requirements	Apply to spouse and children?	Apply to member/ employee?	Students Awarded	Amount Exempted and Waived
Registered Nurses in Postgraduate Nsg Degree Plans	54.069	O	pay resident rather than nonresident tuition	as long as meets requirements	be enrolled in pgm designed to lead to MS or higher degree in nursing and intend to teach in Texas in pgm designed to prepare students as registered nurses	No	Yes	4	$13,844.00
Foreign Service Officers	54.070	M	pay resident rather than nonresident tuition	as long as meets requirements	be assigned to an office of the department of state in Mexico	No	Yes	0	$0.00
Olympic Athletes attending UT-Brownsville/TSC	54.073	M	pay resident rather than nonresident tuition	as long as meets requirements	be a participating athlete in a Community Olympic Development Program or at a US Olympic training center in TX, or be training as a participating new athlete in a Community Olympic Development Program in TX or at a US Olympic training center in TX in a program approved by the governing body for the athlete's Olympic sport; or residing here as a participating athlete at a facility in TX approved by the governing body for the athlete's Olympic sport, in a program approved by that body.	No	Yes	new program fall 2005	
Persons Transferred here as a part of the State's Economic Development and Diversification Efforts	54.073	M	pay resident rather than nonresident tuition	as long as meets requirements	be employed by company and transferred to TX as part of the EDD program; or be the child of such a person, and give inst a letter of intent to make TX home.	Child, but not spouse	Yes	72	$235,884.16
Persons here through NATO	54.074	M	pay resident rather than nonresident tuition	as long as meets requirements	reside in TX in accordance with NATO agreement	Yes	Yes	398	$1,322,987.00
Students from other Nations of the Western Hemisphere	54.207	O	exemption from all tuition	one year, but can compete for waivers in more than one year	be native born citizen and resident of a nation in Western Hemisphere other than Cuba, selected by CB in state-side competition	No	Yes	208	$1,552,166.00
Academic Common Market	160.07	O	pay resident rather than nonresident tuition	as long as meets requirements	student must be graduate student enrolled in program of study offered in Texas that is not offered in their home state. Done on a reciprocal basis with other state of the Regional Education Pact	No	Yes	118	$313,983.00

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Appendix B-9 State Auditor's Report

State Auditor's Office
John Keel, CPA
State Auditor

An Audit Report on

The Reasonableness and Results of Tuition Increases Implemented by Four Higher Education Institutions in the 2004-2005 Biennium

September 2, 2005

Members of the Legislative Audit Committee:

Reasonableness of tuition increases at four public higher education institutions

Higher education institutions' unique accounting methods restrict fiscal audit analysis of tuition increases at four of the State's largest higher education institutions. However, when assessed by other types of criteria such as peer group comparisons, tuition increases at these four institutions appear reasonable.

Factors unique to higher education accounting restricted the State Auditor's Office's ability to draw a conclusion, based on fiscal audit analysis alone, regarding the need for tuition increases or for the amount of the increases implemented during the 2004–2005 biennium at the four institutions we audited: The University of Texas at Austin, Texas A&M University, Texas Tech University, and the University of Houston. The following points provide further detail:

- Although we could not determine the reasonableness of tuition increases using a fiscal audit analysis, we identified other criteria against which to evaluate the reasonableness of tuition increases such as accreditation standards from the Southern Association of Colleges and Schools, compliance with statutory requirements, and comparisons with each institution's national peer group. When institutions' performance is assessed using these types of criteria, tuition increases appear reasonable. Part 3 of the *Analysis of Tuition Increases* attached to this letter contains additional information regarding these criteria.

- Institutions receive revenue from a variety of public, private, and local sources, and they have—under higher education standard accounting principles—the flexibility to combine and make transfers within and among accounts and funds that do not have legal, grantor, or donor restrictions. This precludes a fiscal audit analysis to determine the need for additional funding in any specific area (such as faculty salaries) at a point in time.

- Universities use various criteria—financial analysis, institutional priorities, and other information, such as peer comparisons—to develop budgets and make trade-offs between equally important, competing

Background Information

House Bill 3015 (78th Legislature, Regular Session) amended the Texas Education Code to permit Texas higher education institutions to charge the amount of designated tuition they consider necessary.

Percentage increases in tuition and mandatory fees (adjusted for inflation) during the 2004-2005 biennium at the four audited institutions were as follows:

- The University of Texas at Austin: 38 percent
- Texas A&M University: 20 percent
- Texas Tech University: 44 percent
- University of Houston: 49 percent

Increases in tuition at these institutions generated $176.2 million in additional revenue from spring and fall 2004 and spring 2005 (excluding summer 2004 and 2005). The net amount of new revenue from these three semesters available for general operating expenses after deducting the required financial aid set-aside was $133.2 million. Some institutions set aside more than the minimum required, such as the 29 percent the University of Texas at Austin set aside.

Net of the student financial aid set-aside, each institution had the following amounts of revenue for general operating expenses from increased tuition in 2004 and 2005 (not including summer tuition for 2004 or 2005):

- The University of Texas at Austin: $60.4 million
- Texas A&M University: $28.9 million
- Texas Tech University: $17.5 million
- University of Houston: $26.4 million

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needs. This information does not provide a basis for a fiscal audit analysis of need for tuition increases.

- Significant differences in the ways that higher education institutions classify revenues and expenditures preclude the development of meaningful comparisons across institutions. For example, there are no standard benchmarks for ratios in areas such as instruction expenditures per student or administrative expenditures to total expenditures.

Recommendation

The above factors are common to higher education fiscal administration; however, the information institutions report to decision makers, students, families, and the general public could be more useful if it were presented in a more consistent manner. The Legislature may consider requiring institutions to develop and implement more detailed standards for the classification of reported revenues and expenditures. Such standards could result in institutions' and the Texas Higher Education Coordinating Board's (Coordinating Board) producing the detailed information necessary to provide reports that are more accessible and comparable across the State's institutions of higher education. Efforts are already underway to address consistency in financial reporting.

Uses of Increased Tuition Revenue

Only one audited institution—Texas Tech University—established separate budget, revenue, and expenditure accounts that enabled us to identify the specific expenditures that were made with the revenue from increased tuition. Although the University of Houston did not establish separate accounts, it maintained records that allowed us to verify that the increased tuition revenue was spent as planned.

The two other audited institutions budgeted and, in most cases, spent the amount of funds they intended to spend in the areas for which they stated that tuition increases were necessary. However, as discussed above, these institutions' use of multiple sources of revenue for these expenditures prevented us from determining their actual expenditures from increased tuition revenue, or whether revenue from increased tuition was the source of their actual expenditures in the areas for which they stated that increases in tuition were necessary. Part 2 of the *Analysis of Tuition Increases* attached to this letter provides additional details on the audited institutions' planned, budgeted, and actual expenditures.

Recommendation

To hold institutions accountable for the receipt and expenditures of incremental tuition revenue, the Legislature would need to require public institutions to account separately for the uses of that revenue. An alternative approach would be for the Legislature to consider using outcome measures compared to the stated reasons for increases in tuition as a way to ensure accountability for such increases.

Distribution of Student Financial Aid from Funds Set Aside from Increased Tuition Revenue

Texas Tech University was the only audited institution that performed the statutorily required calculation to identify students to whom priority must be given in awarding student financial aid from the funds set aside from increased tuition revenue. A statewide survey of four-year institutions of higher education that raised

tuition above $46 per semester credit hour indicated that no other institution in the state performed this calculation.

As specified in Texas Education Code, Section 56.012(b), "priority shall be given to students who meet the coordinating board definition of financial need and whose cost for tuition and required fees is not met through other non-loan financial assistance." The effect of giving priority in awarding financial aid to students identified by the called-for calculation would have been to partially or fully offset the increased cost of tuition and fees for students with less than the greatest amount of financial need. Students with the greatest amount of financial need would have their cost of tuition and fees already covered by non-loan (grant) aid. Identifying students to whom priority must be given according to statute requires a unique calculation that is separate from the existing financial aid award calculation process.

As part of this audit, we conducted a retrospective priority analysis based on our interpretation of the Texas Education Code's definition of unmet need. The results of that analysis indicated that, at the audited institutions over spring and fall 2004 and spring 2005:

- 62,196 awards could have been but were not awarded to students who met the statutory requirements for priority in awards. Because the Texas Education Code does not specify the amounts of financial aid to be awarded to eligible students, it is not possible to determine how much in set-aside funds these students would have received. It is important to note that the audited institutions appear to have acted in good faith in attempting to meet their understanding of student need in awarding financial aid. In addition, some institutions set aside significantly more than they were required to set aside.
- 18,244 awards totaling $11,423,881 from set-aside funds were made to students who did not qualify for priority in the award of set-aside funds according to the statutory definition of unmet need. Most students who received awards from set-aside funds had financial need according to the Coordinating Board's and the federal definition.

Part 4 of the *Analysis of Tuition Increases* attached to this letter contains additional information regarding the student financial aid prioritization requirement.

There are challenges to implementing the student financial aid prioritization requirements of the Texas Education Code, as follows:

- Institutions would not be able to perform the precise calculation to identify students who qualify for prioritization until all non-loan aid had been awarded, which would require a retrospective analysis to comply with the statute. Texas Tech University was able to perform the statutorily required calculation only by estimating the average tuition and fees cost for the year and identifying eligible students early in the semester, before all non-loan aid was known. Even this process, however, resulted in awards' being given to some students who later became ineligible for their awards as a result of receiving additional non-loan aid.
- When financial aid set-aside funds were being awarded at the beginning of each semester, institutions had estimates of the total amount of tuition revenue that would be available for that aid. If more revenue was taken in for the set-aside, the balance was carried forward to the next semester instead of being awarded in the semester in which the revenue was taken in.

- The amounts of financial aid awarded from the set-aside funds varied from institution to institution. The Texas Education Code specifies the different types of aid that could be awarded with tuition set-aside funds, but it does not specify the amount to be awarded each student.
- The Texas Education Code does not define precisely what giving priority to students with unmet need means. As a result, institutions interpreted this differently. One institution reported that this meant considering those students but not necessarily awarding them set-aside funds.
- The Texas Education Code does not prohibit awarding tuition set-aside funds to students who do not have unmet need.

Recommendation

To address these challenges, the Legislature should consider (1) capturing more precisely legislative intent regarding the distribution of student financial aid from the required set-aside funds and (2) providing guidance on implementation of that intent.

Review of Fund Account Balances to Identify Funds to Mitigate the Need for Tuition Increases

Because institutions have the flexibility to combine and make transfers within and among funds, we could not identify accounts with surplus funds that could be used to mitigate tuition increases. However, our analysis identified certain account balances that the institutions agreed had surplus funds that would be used to support future operating budgets, thus potentially mitigating future tuition increases in the short term. It is important to note, however, that any funds that might have been used to defer or mitigate tuition increases would be available only for a limited time (for example, for one or two semesters) and would not necessarily mitigate tuition increases in the long term. Part 5 of the *Analysis of Tuition Increases* attached to this letter provides additional details on our analysis of audited institutions' fund balances.

The University of Texas at Austin is implementing comprehensive policies and procedures for the routine review of account balances in the three types of funds we audited: unexpended plant funds, endowments, and service departments, which are part of designated funds at the university. The other three audited institutions have some policies in place for reviewing some, but not all, of these types of account balances, including service department accounts in the educational and general fund as applicable.

Recommendation

To ensure that institutions consider the results of their fund balance reviews in making decisions regarding tuition rates, the Legislature would need to require them to conduct and document their reviews of fund balances and certify their inclusion of these reviews in their tuition planning processes.

The *Analysis of Tuition Increases* attached to this letter contains additional details regarding the institutions we audited and their increases in tuition, as well as the audited institutions' responses to this audit report.

We appreciate the audited institutions' cooperation during our audit. If you have any questions, please contact Carol Smith, Assistant State Auditor, or me at (512) 936-9500.

Sincerely,

John Keel, CPA
State Auditor

cc: The University of Texas at Austin
Members of the University of Texas System Board of Regents
Mr. Mark G. Yudof, Chancellor, The University of Texas System
Dr. Larry R. Faulkner, President, The University of Texas at Austin
Texas A&M University
Members of the Texas A&M University System Board of Regents
Dr. Robert D. McTeer, Chancellor, Texas A&M University System
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University of Houston
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Dr. G. Jay Gogue, Chancellor of the University of Houston System and President of the University of Houston

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Analysis of Tuition Increases

Contents

Part 1: Background Information

After the 78th Legislature gave governing boards of state higher education institutions the authority to charge students designated tuition at a rate considered necessary for the effective operation of the institution, the four institutions we audited implemented increases in designated tuition that increased the total average tuition by 33 to 54 percent over the 2004–2005 biennium (adjusted for inflation). These institutions—The University of Texas at Austin, Texas A&M University, Texas Tech University, and the University of Houston—are four of the five largest public higher education institutions in the state.

During the same period, these four institutions raised mandatory student fees by 7 percent to 81 percent. As Table 1 shows, the *combined* increase in tuition and mandatory fees ranged from 20 percent to 49 percent.

Table 1

Increases in Designated Tuition, Mandatory Fees, and Cost of Attendance Before Student Financial Aid at Four Higher Education Institutions (Adjusted for inflation - constant 2004 dollars)

Institution	Percentage Increase in Tuition over the 2004-2005 Biennium	Percentage Increase in Mandatory Fees over the 2004-2005 Biennium	Percentage Increase in Tuition and Mandatory Fees over the 2004-2005 Biennium	Percentage Increase in Cost of Attendance from the 2002-2003 Biennium to the 2004-2005 Biennium [a]	Five-Year Percentage Increase in Cost of Attendance 2001-2005	Average Annual Increase in Cost of Attendance 2001-2005
The University of Texas at Austin	54%	7%	38%	7%	19%	3.8%
Texas A&M University	33%	3%	20%	23%	32%	6.4%
Texas Tech University	34%	65%	44%	15%	23%	4.6%
University of Houston	40%	81%	49%	33%	43%	8.6%

[a] Cost of attendance is for resident students living on campus and includes tuition and fees, books, supplies, transportation, miscellaneous personal expenses, room and board, and student loan fees.

Sources: Tuition and mandatory fees figures are from each institution's common data sets posted on their Web sites. The cost of attendance was provided by each institution's student financial aid office, except for Texas A&M University, which posted all five academic years on its student financial aid Web site. Adjustments in cost for inflation were based on the Consumer Price Index from the U.S. Department of Labor Statistics.

However, as Table 1 also shows, the total cost of attendance at these four institutions increased by 7 percent to 33 percent during the biennium before taking student financial aid into account. Over the *five-year period* from 2001 to 2005, the increase in the cost of attendance at the four institutions, without considering student financial aid, ranged from 19 percent to 43 percent. The average *annual* increase in cost of attendance over the five-year period ranged from 3.8 percent to 8.6 percent. Over the same five-year period, the Texas median family income (for a family of four) increased from $56,108 to $56,278 (in constant 2004 dollars), an increase of only 0.3 percent over five years and an average annual increase of only 0.06 percent.

Although the amount of federal, state, and institutional financial aid awarded by each of the four audited institutions significantly reduced the average cost

of attendance for students with financial need, further analysis would be necessary to determine how the burden of the increases in tuition was distributed across all income groups. Because most students from low-income families would have the total cost of tuition and fees covered by their non-loan financial aid, the effect of giving priority in awards to students with unmet need as defined by the Texas Education Code would be to offset some of the increased tuition cost for students who did not qualify for enough non-loan aid (grants) to cover the cost of tuition and fees.

Tuition increases at the four audited institutions generated $176.2 million in additional revenue from spring and fall 2004 and spring 2005 to date, $133.2 million of which was available for general operating expenses.

Table 2 presents enrollments and operating expenses for the four audited institutions and their tuition and fees, cost of attendance, and increased revenues from increased designated tuition from spring and fall 2004 and spring 2005 in current dollars. As this table shows, increases in tuition at these institutions have generated $176.2 million in additional revenue to date. After setting aside at least the required portion of this revenue for student financial aid, the four institutions had $133.2 million in additional revenue for general operating expenses over the biennium.

Table 2

Enrollments, Operating Expenses, Tuition and Fees, Cost of Attendance, and Increased Tuition Revenues at Four Higher Education Institutions

Institution	Total Enrollment (for all Student Categories) in Fall 2004 (Academic Year 2004-2005)	Total Operating Expenses FY 2004 [A]	Average Tuition and Mandatory Fees in Academic Year 2004-2005	Average Cost of Attendance in Academic Year 2004-2005 [B]	Total Revenue from Increased Tuition for Spring 2004 and Fall and Spring 2004-2005	
The University of Texas at Austin	50,377	$1.4 billion	$5,734	$17,488	Spring 2004:	$16.1 million
					Fall 2004 and Spring 2005:	68.5 million
					Total:	$84.6 million
Texas A&M University	44,435	$842 million [C]	$5,955	$16,167	Spring 2004:	$ 4.8 million
					Fall 2004 and Spring 2005	29.8 million
					Total:	$34.6 million
Texas Tech University	28,325	$426 million	$5,848	$16,729	Spring 2004:	$ 3.2 million
					Fall 2004 and Spring 2005 (as of March 31, 2005)	19.9 million
					Total:	$23.1 million
University of Houston	35,180	$500 million	$4,973	$17,882	Spring 2004:	$ 7.1 million
					Fall 2004 and Spring 2005:	26.8 million
					Total:	$33.9 million
					Total Revenue	$176.2 million
					Student Financial Aid Set-Aside	$43.0 million
					Net Increased Revenue for General Operating Expenses	$133.2 million

[A] Total operating expenditures include instruction, research, public service, academic support, student services, institutional support, operations and maintenance of plant, scholarships and fellowships, auxiliary enterprises, and depreciation and amortization.

[B] Cost of attendance is for resident undergraduate students living on campus and includes tuition and fees, books, supplies, transportation, miscellaneous personal expenses, room and board, and student loan fees.

[C] Total Texas A&M University operating expenditures include only research expenditures accounted for by Texas A&M University, for a total of $61,993,044, as Texas A&M reported in its fiscal year 2004 annual financial reports. They do not include research expenditures by Texas A&M University's related service agencies, such as the Texas Cooperative Extension. When reporting research expenditures to the Texas Higher Education Coordinating Board, Texas A&M University includes expenditures made by the service agencies, which results in the total research expenditure figure of $390.7 million shown in Table 17.

Sources: (1) Enrollment numbers are from each institution's statistical handbook or fact book published on its Web site; (2) operating expenses are from each institution's annual financial report; (3) Tuition and mandatory fees are from each institution's common data sets posted on their Web sites; (4) Cost of attendance was provided by each university's student financial aid office, except for Texas A&M, which posted all costs for five academic years on its Web site. The amounts of increased tuition revenue were provided by each institution and verified by the State Auditor's Office.

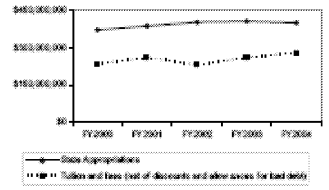
Nationwide, the portion of higher education revenues contributed by state appropriations has been decreasing, but the prices that institutions pay for goods and services have been increasing.

The portion of total higher education revenues contributed by state appropriations has declined steadily over the past 20 years nationwide, although appropriations per full-time student equivalent (FTSE) have tended to rise and fall cyclically in response to downturns and upturns in the economy. Nationwide during the past twenty years, tuition and fees have risen as state support for higher education has decreased. In many cases, however, universities make the decision to increase tuition and fees in a context of identifying and implementing other options for making up budget shortfalls, such as cost savings, staff reductions, reallocations, and use of reserves. Figure 1 shows the trend in state appropriations and the trend in average net tuition and fees for each of the four audited institutions, using figures from each institution's annual financial reports for fiscal year 2000 through fiscal year 2004.

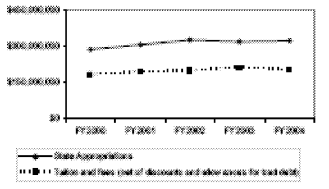
Figure 1

Audited Institutions' State Appropriations and Tuition and Fees [a]
(Net of Discounts and Allowances for Bad Debt)
Fiscal Years 2000-2004

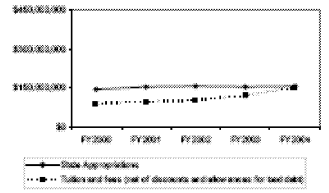
The University of Texas at Austin



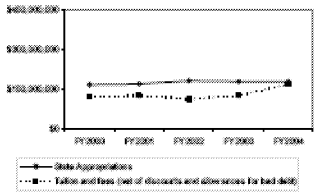
Texas A&M University [b]



Texas Tech University



University of Houston



[a] State appropriations include appropriations from General Revenue and excellence funding. Excellence funding for the University of Texas at Austin and Texas A&M University is distributed from funds appropriated to the Available University Fund (AUF) from the state's Permanent University Fund (PUF), the largest public higher education endowment in the country. General Revenue funding for Texas Tech University and the University of Houston includes funds appropriated from the Higher Education Fund (HEF), which is primarily used for capital infrastructure expenditures.

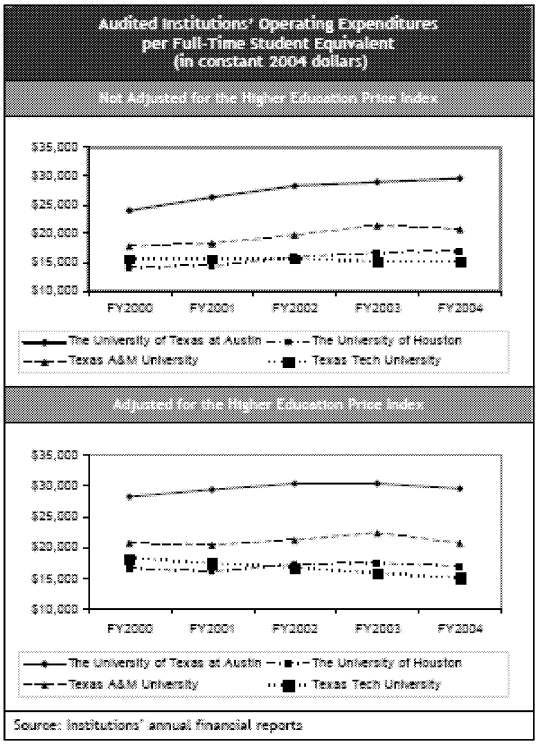
[b] Texas A&M University's discounts and allowances for bad debt increased in fiscal year 2004.

Source: General Appropriations Acts (for General Revenue); institutions' annual financial reports for tuition and fees revenue and for AUF excellence and HEF funding.

While state appropriations have declined as a percentage of higher education revenues, expenses have steadily increased in higher education. However, when adjusted for inflation, expenditures have remained fairly stable over the past five years. The Higher Education Price Index (HEPI) tracks the prices that higher education institutions pay for goods and services in the same manner that the Consumer Price Index (CPI) tracks the prices that consumers pay for goods and services. Since the HEPI began being calculated in 1961, it has consistently increased at a higher rate than the CPI. Although actual prices that higher education institutions pay vary depending on timing and local conditions, the HEPI provides a reliable method for evaluating and analyzing changes in higher education expenditures and identifying potential inefficiencies and cost savings. Figure 2 tracks the total expenditures over the

past five years of the four institutions we audited before and after adjusting for changes in the HEPI.

Figure 2



Part 2: Was Revenue from Tuition Increases Used as Planned and Required?

Tables 3–10 provide available information regarding each audited institution's plans and budgets for the uses of increased tuition revenue and each institution's financial aid set-asides and expenditures in the areas for which they planned to use increased tuition revenue. Because information is presented based on the method each institution used to maintain that information, the formats for these tables vary from institution to institution.

Table 3

The University of Texas at Austin		
Fiscal Year 2004		
Category	Amount Planned	Actual Amount
Financial Aid Set-aside	$4,300,000	$4,501,783
Expenditures in area(s) for which increased tuition revenue was intended to be used:		
Repair and Renovations	11,700,000	11,700,000
Total Expenditures	$16,000,000	$16,201,783
Revenue from Tuition Increase	$16,000,000	$16,077,795
Sources: Data is from (1) testimony to the Legislature on January 20, 2004, (2) the University of Texas at Austin's operating budget, and (3) the University of Texas at Austin's accounting system.		

Table 4

The University of Texas at Austin			
Fiscal Year 2005			
Category	Amount Planned	Amount Budgeted	Actual Amount as of March 31, 2005 [a]
Financial Aid Set-aside	$19,700,000	$19,650,589	$19,650,589
Expenditures in areas for which increased tuition revenue was intended to be used:			
Repair and Renovations	16,000,000	16,000,000	6,423,226
Salary/Fringes	25,600,000	22,072,157	14,301,262
New Faculty	2,300,000	1,800,000	1,046,808
Start-Up Costs	6,600,000	5,648,318	1,240,000
Fringes	0	4,885,355	3,056,251
Total Expenditures	$70,200,000	$70,056,419	$45,718,136
Revenue from Tuition Increase	$70,200,000	$70,056,419	$68,495,186
[a] At the time this table was prepared, actual revenue and expenditures were available only through March 31, 2005. No tuition revenue for summer 2005 is included. Actual expenditures should not be used for an actual-to-budget comparison or analysis. They are presented only to indicate that activity has occurred in the intended areas during the fiscal year.			
Sources: Data is from (1) testimony to the Legislature on January 20, 2004, (2) the University of Texas at Austin's operating budget, and (3) the University of Texas at Austin's accounting system.			

Texas A&M University used a comprehensive budget approach to determine the need for and amount of tuition increases in fiscal years 2004 and 2005. In the summer of 2003, it identified all needs and determined how much of the unmet budget of $38.7 million could be covered by budget cuts in other areas, reallocations, and other sources, such as the $2 per semester credit hour statutory tuition increase and new fees. After taking these adjustments into consideration for fiscal year 2004, adding an additional $5.0 million for waivers and other financial assistance (including a projected set-aside from increased tuition for student financial assistance), a budget shortfall of $5.6 million remained. This amount provided the basis for determining the amount of tuition increases for spring 2004. Texas A&M University followed the same process in determining the amount of designated tuition to charge in fiscal year 2005.

For fiscal year 2004, Texas A&M University projected, budgeted, and received $5.6 million in additional revenue from increased tuition in spring and summer 2004. In fiscal year 2005, it projected increased tuition revenue of $27.7 million, budgeted $27.9 million, and had received $25.0 million as of March 31, 2005.

Because of the method Texas A&M University used for determining the amount of tuition increases and because Texas A&M treated all designated tuition the same for accounting purposes, it is not possible to specify where funds from incremental increases in designated tuition were spent. As a result, the expenditures shown in the tables are incremental increases in expenditures in areas for which increased tuition revenue was intended to be used, as estimated by a year-to-year comparison from the previous year to the current year. Expenditures in both tables, which exceed revenue from increased tuition by significant amounts, were funded by revenue from multiple sources, including the revenue from increased tuition in spring 2004 and fall 2004.

Table 5

Texas A&M University			
Fiscal Year 2004			
Category	Amount Planned	Amount Budgeted	Actual Amount
Financial Aid Set-aside	$ 1,400,000	$ 1,395,171	$ 925,126
Incremental expenditures in areas for which increased tuition revenue was intended to be used:			
Student Initiatives	3,600,000	4,104,111	3,115,410 [a]
Faculty Initiatives	13,700,000	13,733,905	5,172,545 [a]
Other Initiatives (Net of Budget Cuts and Reallocations)	4,600,000	4,263,359	3,845,484 [a]
Total Expenditures	$23,300,000	$23,496,546	$13,058,565

[a] Increased tuition revenue for fiscal year 2004 funded portions of these expenditures, which were also funded from additional revenue sources. These incremental expenditures are estimated by calculating the increase in expenditures of selected financial accounts from August 31, 2003, to August 31, 2004. These estimated expenditures should not be used for actual-to-budget comparisons. They are presented only to indicate that activity occurred in the intended areas during the fiscal year.

Sources: Data is from (1) presentations made by Texas A&M University's president to Texas A&M University students prior to the University's decision to increase tuition, (2) Texas A&M University's operating budget for fiscal year 2004, and (3) Texas A&M University's accounting system.

Table 6

Texas A&M University			
Fiscal Year 2005			
Category	Amount Planned	Amount Budgeted	Actual Amount as of March 31, 2005 [a]
Financial Aid Set Aside	$ 5,192,396	$ 5,192,396	$ 4,032,171
Incremental expenditures in areas for which increased tuition revenue was intended to be used:			
Student Initiatives	6,217,604	8,586,769	12,817,312 [a]
Faculty Initiatives	18,240,000	18,209,326	8,323,221 [a]
Other Initiatives (net of Budget Cuts and Reallocations)	6,970,000	6,343,271	11,379,675 [a]
Total Expenditures	$36,620,000	$38,331,762	$36,552,379

[a] Increased tuition revenue for fiscal year 2004 funded portions of these expenditures, which were also funded from additional revenue sources. These incremental expenditures are estimated by calculating the increase in expenditures of selected financial accounts from March 31, 2004, to March 31, 2005. These estimated expenditures should not be used for actual-to-budget comparisons. They are presented only to indicate that activity occurred in the intended areas during the fiscal year

Sources: Data is from (1) presentations made by Texas A&M University's president to Texas A&M University students prior to the University's decision to increase tuition, (2) Texas A&M University's operating budget for fiscal year 2005, and (3) Texas A&M University's accounting system.

Table 7

Texas Tech University		
Fiscal Year 2004		
Category	Amount Planned	Actual Amount [a]
Financial Aid Set-aside	$ 941,000	$ 962,050
Expenditures in areas for which increased tuition revenue was intended to be used:		
New Faculty	932,000	0
Merit	1,530,000	1,500,000
Fringes (merit)	382,000	0
Other	0	9,901
Total Expenditures	$3,785,000	$ 2,471,951
Revenue from Tuition Increase	$ 3,785,000	$ 3,177,547
[a] Actual Amounts are from spring 2004 only; they do not include tuition revenue from the summer session in 2004.		
Sources: Data is from (1) testimony to the Legislature and (2) other unaudited information provided by Texas Tech University.		

Table 8

Texas Tech University			
Fiscal Year 2005			
Category	Amount Planned	Amount Budgeted	Actual Amount as of March 31, 2005[a]
Financial Aid Set-aside	$ 4,253,768	$4,253,768	$4,632,696
Expenditures in areas for which increased tuition revenue was intended to be used:			
New Faculty	3,587,000	3,587,000	3,530,105
Merit	8,200,000	8,200,000	8,200,000
Fringes (new faculty)	1,516,064	1,516,064	1,516,064
Student Services and Advising	867,457	867,457	542,424
Lab Equipment	882,543	887,543	644,280
Academic Enhancement	1,321,338	1,321,338	250,461
President's Scholarship Fund	2,000,000	2,000,000	2,000,000
Faculty Start-Up (Fiscal Year 2004 Roll Forward)	0	1,345,321	202,272
Total Expenditures	$22,628,170	$23,978,491	$21,518,302
Revenue from Tuition Increase	$22,628,170	$22,628,170	$19,912,405
[a] At the time this table was prepared, actual revenue and expenditures were available only through March 31, 2005. No tuition revenue for summer 2005 is included. Actual expenditures to date should not be used for an actual-to-budget comparison or analysis. They are presented only to indicate that activity has occurred in the intended areas during the fiscal year.			
Sources: Data is from (1) testimony to the Legislature and (2) other unaudited information provided by Texas Tech University.			

Table 9

University of Houston Fiscal Year 2004			
Category	Amount Planned	Amount Budgeted	Actual Amount
Financial Aid Set-aside	$1,820,675	$1,820,675	$1,482,303
Expenditures in areas for which increased tuition revenue was intended to be used:			
Graduate Assistant Tuition Fellowships	4,164,000	4,164,000	4,116,950
Health Insurance Subsidy	1,373,223	1,896,442	1,554,859
Presidential Grad Fellowship	458,448	458,448	458,448
Undergraduate Scholarships	701,584	701,584	5,174,910
Total Expenditures	$8,517,930	$9,041,149	$12,787,470
Revenue	$8,517,930	$8,517,930	$7,115,886

Sources: Data was obtained from (1) information provided to the Joint Interim Committee on Higher Education on January 20, 2004, (2) response provided to the Legislative Oversight Committee on Higher Education on June 8, 2004, and (3) unaudited information provided by the University of Houston.

Table 10

University of Houston Fiscal Year 2005 General Deregulated Designated and Differential Tuition			
Category	Amount Planned	Amount Budgeted [a]	Actual Amount as of April 13, 2005 [b]
Financial Aid Set-aside	$4,305,908 [c]	$4,305,908 [c]	$5,976,768
Expenditures of Revenue from Tuition Increase:			
Differential expenditures for Various Schools and Colleges	5,666,131	3,213,686	1,228,028
Institutional Commitments	5,927,936	28,904,416	9,246,115
Academic Commitments	11,121,956	12,618,816	4,341,340
Administrative Commitments	3,021,442	3,788,409	2,038,235
University Advancement	45,000	948,028	481,118
Total Expenditures	$30,088,373	$53,779,263	$23,311,604
Revenue from Tuition Increase	$30,209,914	$30,209,914	$26,768,560 [d]

[a] Amount budgeted draws on multiple sources of funding, including revenue from increased tuition.

[b] These expenditures were funded from multiple sources of revenue, including increased tuition revenue. At the time this table was prepared, actual expenditures for fiscal year 2005 were available only for the first seven months of that fiscal year. As a result, actual expenditures in the last column indicate only that activity has occurred in the intended areas during the fiscal year. They should not be used for an actual-to-budget comparison or analysis.

[c] Excludes financial aid set aside from differential tuition.

[d] Actual gross revenue from increased tuition is as of April 13, 2005.

Sources: Data was obtained from (1) information provided to the Joint Interim Committee on Higher Education on January 20, 2004, (2) response provided to the Legislative Oversight Committee on Higher Education on June 8, 2004, and (3) unaudited information provided by the University of Houston.

Cost-Savings Measures Implemented by the Four Audited Institutions

While it is difficult to analyze costs across an entire institution, it is possible to conduct a cost analysis and recommend improvements in efficiency and effectiveness in one specific area of higher education operations, especially in the business functions. Institutions routinely perform this kind of analysis to reduce costs and improve services.

When determining the necessity and amounts of tuition increases beginning in spring 2004, each institution's tuition policy advisory committee analyzed and quantified the institution's unmet needs that fell within the definitions of House Bill 3015. They also analyzed the current budget capacity and possibilities for cost savings and reallocations. The following are examples of cost-savings measures developed and/or implemented by the audited institutions in the 2004–2005 biennium:

- The University of Texas at Austin, in planning the amount of tuition increases for academic year 2003–2004, reported $38.7 million in budget reductions for that year, including a $25 million cut in college and vice president budgets. The Legislative Budget Board's March 2005 performance report on the University of Texas at Austin also reports on the university's "best practice" methodology for determining and realizing maximum cost-benefit from efficiency improvements in major cost centers, such as the integration of office supply procurement, networked office machines, and automated services for students and staff.
- Texas A&M University reported a 6.6 percent cut in administrative, college, and library budgets totaling $20.4 million before determining the amount of tuition increase for academic year 2003–2004. The Legislative Budget Board's January 2005 performance report on Texas A&M University called this reallocation process "exemplary" and noted additional areas in which Texas A&M could realize significant savings, such as by combining its decentralized business functions.
- Texas Tech University is currently implementing cost-savings recommendations from an external study conducted in 2004 of potential efficiencies across all operations. Initiatives that Texas Tech University has begun include improvements in strategic sourcing of high-spend commodities, energy management, business processes, and shared service agreements for administrative functions.
- The University of Houston reported reducing operating budgets by $9.2 million and utilizing available fund balances of approximately $2.6 million to help minimize the increase in designated tuition during fiscal year 2004. It has also developed an Internal Customer Service Center in the Finance Division to ensure that cost savings and efficiency are constantly addressed throughout the university. This center provides internal customer service to university offices, units, and departments and is staffed with consultants, trainers, and documentation developers. The University of Houston believes that this centralized service is relatively

unique in higher education. The University of Houston reports having implemented savings initiatives in key functions over the past 24 months, such as a transition from manual to electronic functions and imaging applications in key business and service areas, the rebidding of contracts for better value, and the elimination of the position of vice president for administration. The University of Houston reports that completed initiatives are producing annualized savings of at least $8.3 million and that another $14.4 million in savings initiatives are currently in process.

Part 3: Were Tuition Increases Reasonable When Measured Against Non-Accounting Criteria?

To assess reasonableness of the tuition increases implemented by the four audited institutions, we assembled separate peer groups for each institution and developed comparisons for key indicators. We drew on each institution's own peer group selections, as well as other widely accepted groupings. In each case, we selected institutions that are recognized as leading public institutions of higher education and that, across multiple criteria, are similar to the Texas institution with which they are being compared in this report. Table 11 below lists the peer institutions for each audited institution.

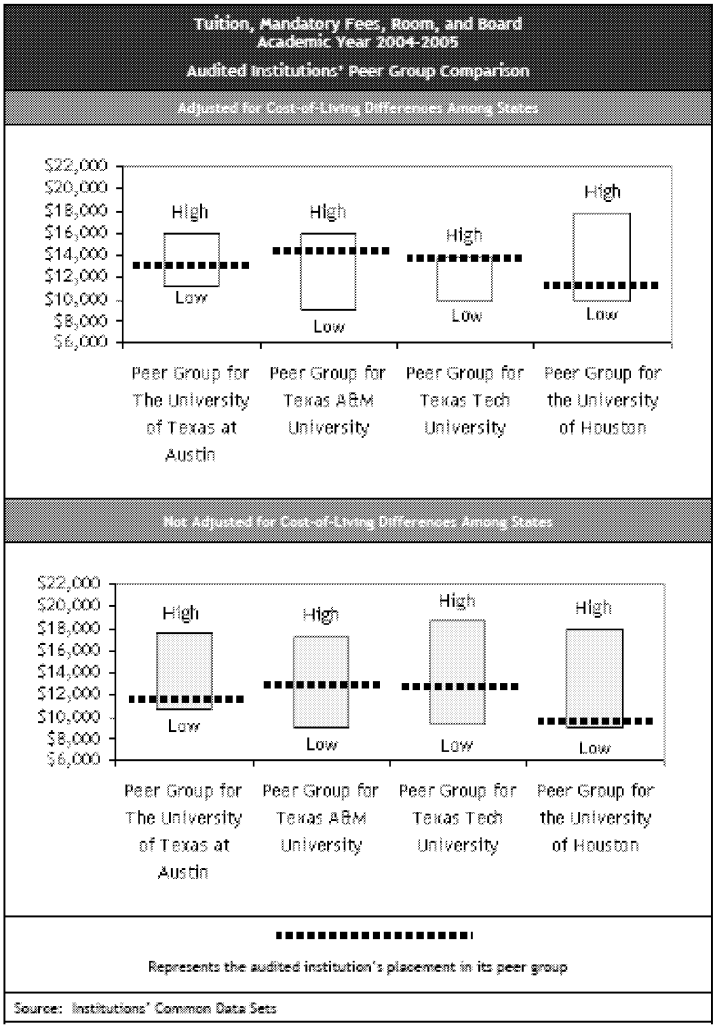
Table 11

Audited Institutions' Peer Groups	
The University of Texas at Austin	**Texas A&M University**
Indiana University - Bloomington	Georgia Institute of Technology
The Ohio State University	The Ohio State University
The University of California - Berkeley	Oklahoma State University
University of Illinois at Urbana-Champaign	University of California - Davis
University of Michigan - Ann Arbor	University of Florida
University of Minnesota - Twin Cities	University of Illinois at Urbana-Champaign
The University of North Carolina at Chapel Hill	University of Minnesota - Twin Cities
University of Wisconsin - Madison	The University of North Carolina at Chapel Hill
Texas Tech University	**University of Houston**
California Polytechnic State University - San Luis Obispo	The University of Alabama at Birmingham
Iowa State University	University of Cincinnati - Main Campus
Michigan State University	University of Illinois at Chicago
North Carolina State University	University of South Carolina - Columbia
Oklahoma State University	University of Pittsburgh
University of Colorado at Boulder	The University of Utah
University of Nebraska - Lincoln	University of Wisconsin - Milwaukee
Virginia Polytechnic Institute and State University	Wayne State University

Figures 3–9 show the results of our peer group comparisons.

Figure 3

Tuition, Mandatory Fees, Room, and Board
Academic Year 2004-2005
Audited Institutions' Peer Group Comparison



Source: Institutions' Common Data Sets

Figure 4

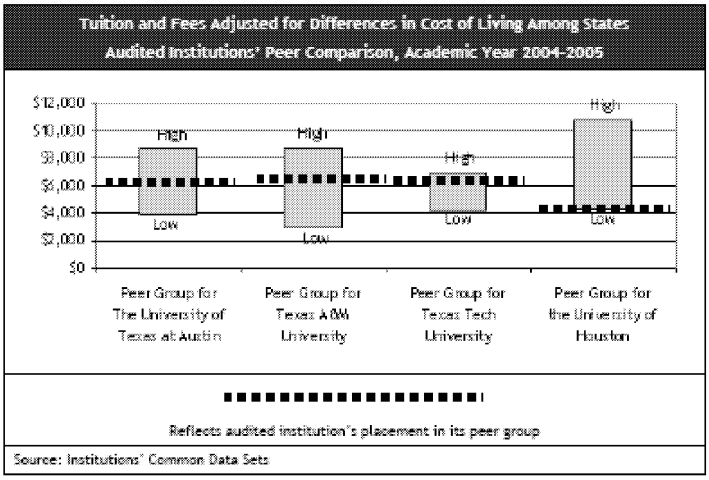


Figure 5

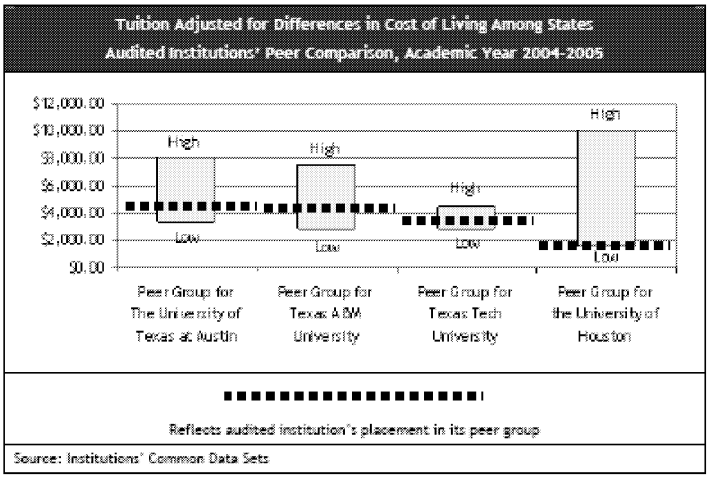
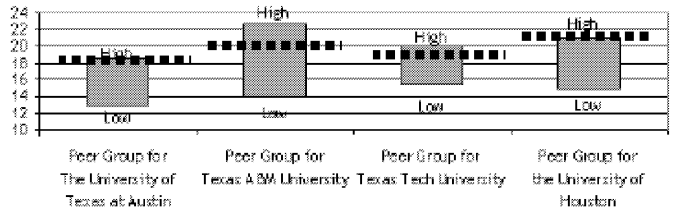


Figure 6

Student/Faculty Ratio
Audited Institutions' Peer Comparison, Academic Year 2004-2005



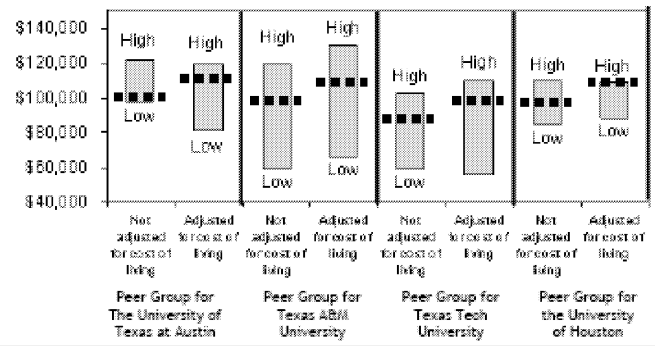
Reflects audited institution's placement in its peer group

Note: A low student/faculty ratio is desirable because it indicates smaller class sizes.

Source: Institutions' Common Data Sets

Figure 7

Average Faculty Salaries
Adjusted and Not Adjusted for Cost-of-Living Differences Among States
Audited Institutions' Peer Comparison, Academic Year 2004-2005

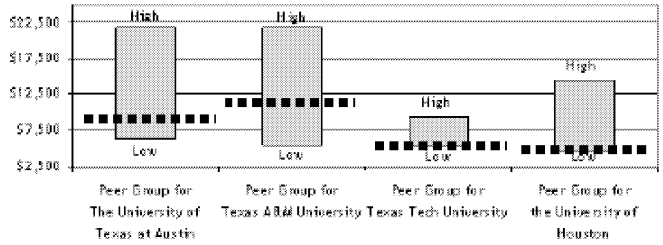


Reflects audited institution's placement in its peer group

Source: Lombardi Center, the University of Florida

Figure 8

Instructional Expence per Full-Time Student Equivalent
Audited Institutions' Peer Comparison, Fiscal Year 2003

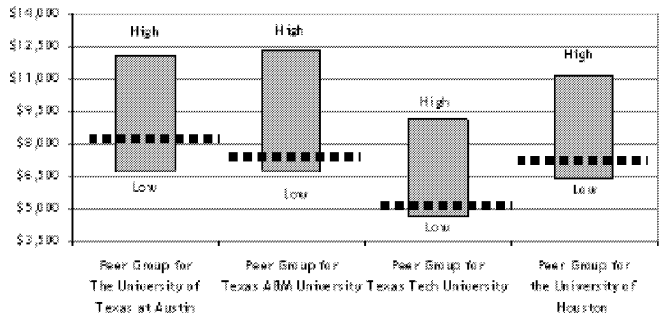


Reflects audited institution's placement in its peer group

Source: The National Center for Education Statistics' Integrated Postsecondary Education Data System

Figure 9

Average Total Grant Aid per Student (Federal, State, and Institutional Aid)
Received by Full-Time, First-Time, Degree/Certificate-Seeking Undergraduates
Audited Institutions' Peer Comparison, Academic Year 2001-2002



Reflects audited institution's placement in its peer group

Source: The National Center for Education Statistics' Integrated Postsecondary Education Data System

We were unable to report research expenditures by peer group because of inconsistencies in the ways the four audited institutions reported research expenditures for fiscal year 2002 to the Coordinating Board and to the National Science Foundation (NSF). These inconsistencies are not explained by the differences in the reporting guidelines of the Coordinating Board and the NSF.

Audited Institutions' Progress in Key Performance Areas

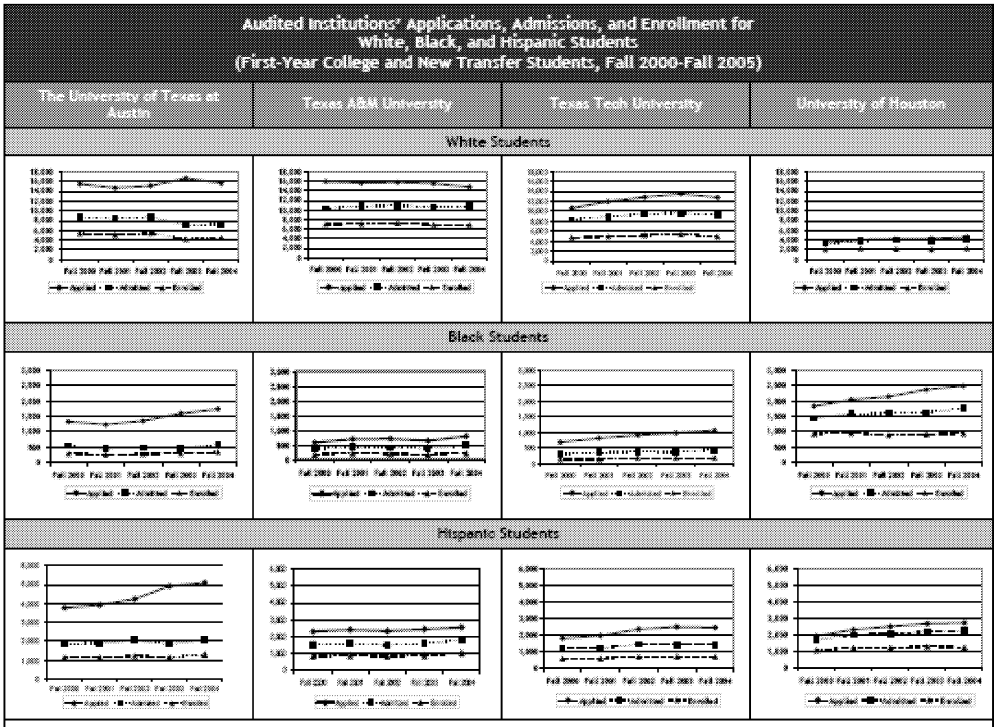
Texas Education Code, Section 54.0515(e), requires that each institution, as a condition to tuition deregulation, reasonably implement the following:

- Make satisfactory progress towards the goals provided in its master plan for higher education and in "Closing the Gaps," the State's master plan for higher education; and
- Meet acceptable performance criteria, including measures such as graduation rates, retention rates, enrollment growth, educational quality, efforts to enhance minority participation, opportunities for financial aid, and affordability.

Figure 10 shows the trends in audited institutions' applications, admissions, and enrollment by ethnicity. As this figure illustrates, applications, admissions, and enrollment of black and Hispanic students have generally been increasing.

Figure 10

Audited Institutions' Applications, Admissions, and Enrollment for White, Black, and Hispanic Students (First-Year College and New Transfer Students, Fall 2000-Fall 2005)



Source: Demographic information from each institution. Charts for each group of students are presented with different scales to present the information in a more readable format.

The number of Hispanic and black students who enrolled at each of the four audited institutions increased, in some cases significantly, from 2000 to 2004. However, the proportion of the student body represented by Hispanic and black students increased only slightly over the same period, remaining well below the proportion of Hispanic and black people in the State's population at large. Lesser improvement in this area indicates that underrepresentation in higher education remains a significant challenge to full participation.

The following tables provide additional information on the audited institutions' performance in the areas of student body diversity, freshman retention, school completion as measured by four- and six-year graduation, student/faculty ratios, class size, students' employment after graduation, and research and development expenditures.

Table 12

Improvement in Ensuring the Return of First-Year Students (Retention) at Audited Institutions					
Institution	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004
The University of Texas at Austin	89.8%	90.6%	90.7%	91.8%	93.2%
Texas A&M University	88.4%	88.1%	89.4%	89.0%	90.0%
Texas Tech University	78.6%	80.3%	82.3%	82.0%	82.0%
University of Houston	75.9%	78.0%	78.5%	79.0%	78.0%

Source: Fall 2000 through fall 2002 - Texas Public Universities' Data and Performance Report, Texas Higher Education Coordinating Board (June 2002, May 2003, and August 2004); fall 2003 through fall 2004 - Common Data Sets for 2003 and 2004 posted on each institution's Web site.

Table 13

Improvement in School Completion Rate (Four- and Six-Year Graduation Rates) at Audited Institutions			
	Fiscal Year 2000	Fiscal Year 2002	Fiscal Year 2004
The University of Texas at Austin			
Four-Year Graduation Rate	36.2%	37.0%	42.1%
Six-Year Graduation Rate	70.0%	73.7%	73.8%
Texas A&M University			
Four-Year Graduation Rate	27.5%	31.2%	36.4%
Six-Year Graduation Rate	76.7%	78.2%	79.2%
Texas Tech University			
Four-Year Graduation Rate	24.0%	27.0%	25.3%
Six-Year Graduation Rate	56.7%	60.3%	64.0%
University of Houston			
Four-Year Graduation Rate	11.8%	10.2%	11.5%
Six-Year Graduation Rate	43.8%	44.5%	46.7%
Source: Texas Higher Education Coordinating Board's Higher Education Accountability System			

Table 14

Improvement (Reduction) in Student/Faculty Ratio (Average Number of Students per Faculty Member) at Audited Institutions				
Institution	Fiscal Year 2000 Student/Faculty Ratio	Fiscal Year 2002 Student/Faculty Ratio	Fiscal Year 2004 Student/Faculty Ratio	Target Student/Faculty Ratios
The University of Texas at Austin	19.1	19.5	17.8	17.3
Texas A&M University	19.2	19.2	18.0	17.5
Texas Tech University	17.4	18.7	18.2	17.2
University of Houston	20.9	21.5	21.5	20.5
Source: Texas Higher Education Coordinating Board				

Table 15

Improvement in Class Size at Audited Institutions				
Institution	Fall 2000	Fall 2002	Fall 2004	Improvement (increase in percentage) from Fall 2000 to Fall 2004
Percent of Classes with Fewer than 20 Students				
The University of Texas at Austin	33.8%	32.4%	33.3%	(0.5%)
Texas A&M University	11.2%	23.8%	22.7%	11.5%
Texas Tech University	33.0%	32.2%	30.9%	(2.1%)
University of Houston	21.5%	20.6%	20.8%	(0.7%)
Percent of Classes with More than 50 Students				
Institution	Fall 2000	Fall 2002	Fall 2004	Improvement (decrease in percentage) from Fall 2000 to Fall 2004
The University of Texas at Austin	20.7%	23.2%	23.3%	2.6%
Texas A&M University	22.4%	22.1%	20.4%	(2.0%)
Texas Tech University	10.9%	12.9%	13.6%	2.7%
University of Houston	28.0%	28.2%	26.6%	(1.4%)
Source: Texas Higher Education Coordinating Board Accountability System				

Table 16

Improvement in Number of Students Gaining Employment or Entering Professional or Graduate School in Texas Immediately after Graduation at Audited Institutions			
Institution	Fiscal Year 2001	Fiscal Year 2002	Fiscal Year 2003
The University of Texas at Austin	77.5%	76.6%	77.7%
Texas A&M University	84.1%	83.4%	83.5%
Texas Tech University	86.3%	86.5%	85.9%
University of Houston	85.7%	87.5%	86.5%
Statewide Average	86.0%	85.3%	85.6%
Source: Texas Higher Education Coordinating Board Accountability System			

Table 17

Increases in Research and Development Expenditures at Audited Institutions							
Institution	Fiscal Year 2000	Fiscal Year 2001	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	5-Year Percentage Increase	Percent of Total State Expenditures
The University of Texas at Austin	$295,901,287	$321,580,736	$366,355,359	$376,403,651	$382,391,771	29.2%	34.5%
Texas A&M University [a]	$331,027,971	$340,660,614	$372,828,854	$390,305,058	$390,654,670	18.0%	35.2%
Texas Tech University	$44,110,624	$43,373,437	$51,701,449	$56,147,235	$48,142,661	9.1%	4.3%
University of Houston	$58,729,891	$61,332,253	$82,865,307	$88,608,021	$75,927,432	29.3%	6.8%
Total Research and Development Expenditures Statewide	$881,270,555	$948,223,316	$1,076,789,336	$1,118,412,186	$1,109,601,581	25.9%	

[a] Research expenditures for Texas A&M University include expenditures by the Texas A&M service agencies, for which Texas A&M University faculty also conduct research. These figures are not strictly comparable with those for the University of Texas at Austin, which do not include expenditures from its service agencies, such as the McDonald Observatory or the Bureau of Economic Geology. This difference in reporting is an issue yet to be resolved by the Texas Higher Education Coordinating Board. Research expenditures for Texas A&M University in fiscal year 2004, without including the service agencies, were $61,993,044.

Source: Texas Higher Education Coordinating Board

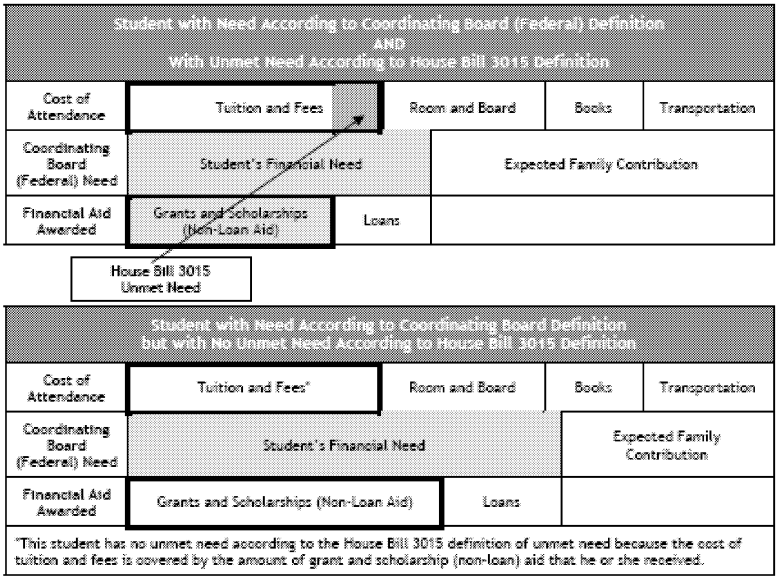
Part 4: Did Audited Institutions Award Student Financial Aid from Revenue from Increased Tuition as Required?

House Bill 3015 specified that "priority shall be given to students who meet the coordinating board definition of financial need and whose cost for tuition and required fees is not met through other non-loan financial assistance programs."

Following the House Bill 3015 definition of unmet need, a student with greatest need according to the Texas Higher Education Coordinating Board's (Coordinating Board) definition (which is also the federal definition) would most likely have enough non-loan aid to cover the total cost of tuition and fees. The statute requires that students who meet the Coordinating Board's definition of need and who do *not* have enough non-loan aid to cover the cost of tuition and fees are to be given priority in the award of the tuition financial aid set-aside.

Figure 11 illustrates the difference between (1) a student with unmet need as defined by House Bill 3015 and (2) a student without unmet need as defined by House Bill 3015 but who has financial need according to the Coordinating Board definition. The latter student, with financial need but with no unmet need as defined by House Bill 3015, does not qualify for priority in awards of funds set aside from revenue from increased tuition.

Figure 11



Only one of the audited institutions—Texas Tech University—performed the calculation necessary to identify the students to whom House Bill 3015 required priority to be given in awarding the set-aside for student financial aid from increased tuition revenue. However, the other three audited institutions appear to have acted in good faith in attempting to meet their understanding of student need in awarding financial aid. In addition, as Table 18 shows, some institutions set aside significantly more than they were required to set aside.

Table 18

Amounts Audited Institutions Set Aside from Increased Tuition Revenue for Student Financial Aid Required by House Bill 3015

Semester(s)	Category of Tuition	Minimum Amount Required to be Set Aside: Amount of Increased Tuition Revenue Above $46 per Semester Credit Hour	Minimum Amount Required to be Set Aside: Minimum Required Set-Aside for Category (20% for resident undergraduate; 15% for resident graduate)	Actual Amount Institution Set Aside	Amount Institution Set Aside Above Minimum
The University of Texas at Austin					
Spring 2004, Fall 2004, and Spring 2005	Resident Undergraduate	$63,188,238	$12,637,648		
	Resident Graduate	$7,252,338	1,087,851		
	Total		$13,725,499	$24,183,997	$10,458,498
Texas A&M University					
Spring 2004, Fall 2004, and Spring 2005	Resident Undergraduate	$27,560,880	$5,512,176		
	Resident Graduate	$1,258,172	188,726		
	Total		$5,700,902	$5,717,014	$16,112
Texas Tech University					
Spring 2004, Fall 2004, and Spring 2005	Resident Undergraduate	$22,351,848	$4,470,370		
	Resident Graduate	$738,104	110,716		
	Total		$4,581,086	$5,594,746	$1,013,660
University of Houston					
Spring 2004 and Fall 2004	Resident Undergraduate	$24,261,663	$4,852,332		
	Resident Graduate	$5,917,279	$887,592		
	Total		$5,739,924	$7,459,071	$1,719,147
	Totals for all Institutions		$29,747,411	$42,954,828	$13,207,417

Source: Information was consolidated from data provided by each institution's department of financial reporting, department of student financial services, and director of budgets.

The State Auditor's Office performed a priority analysis based on the House Bill 3015 definition of unmet need that was retrospective for spring 2004 and fall 2005 and based on mid-semester data for spring 2005. To perform this analysis, we obtained the student financial aid and student billing/payment databases for the period of interest from the four institutions. Our population of eligible students for spring 2005 is overstated by the number of students identified as eligible who have since become ineligible because of receiving additional non-loan aid. Table 19 shows the results of our analysis for each of the four audited institutions.

Table 19

Calculation of Awards from Tuition Revenue Set-Aside According to the House Bill 3015 Definition of Unmet Need (Calculation was retrospective for spring and fall 2004 and made at mid-semester for spring 2005)

	The University of Texas at Austin	Texas A&M University	Texas Tech University	University of Houston	Totals for All Institutions
Total number of students over three semesters (cumulative total) who qualified for priority in awards from set-aside tuition revenue (students who met HB 3015 definition of unmet need) [a]	27,643	25,074	20,851	21,515	95,083
Total cumulative number of tuition set-aside awards over three semesters made to students who qualified for priority in awards from tuition set-aside funds	21,250	1,983	5,697	3,960	32,890
Total cumulative tuition set-aside dollars awarded to students over three semesters qualifying for priority in award of set-aside funds	$8,436,661 (54.8% of total $ awarded)	$1,423,043 (34% of total $ awarded)	$2,164,880 (85% of total $ awarded)	$2,873,566 (66.6% of total $ awarded)	$14,898,150 (56.6% of total $ awarded)
Total cumulative number of tuition set-aside awards over three semesters that could have been made to qualifying students with priority but were not	6,397	23,091	15,153	17,555	62,196
Total cumulative dollar amount of unmet need over three semesters according to HB 3015 [b]	$49,770,292	$47,365,877	$32,687,040	$72,425,599	$202,248,808
Total cumulative number of awards over three semesters made to students with no unmet need according to HB 3015 definition	12,962	1,570	1,058	2,654	18,244
Total cumulative tuition set-aside dollars awarded over three semesters to students with no unmet need according to HB 3015 definition	$6,970,810 (45.2% of total $ awarded)	$2,757,339 (66% of total $ awarded)	$380,509 (15% of total $ awarded)	$1,315,223 (31.4% of total $ awarded)	$11,423,881 (43.4% of total $ awarded)

[a] All totals are cumulative over three semesters, including duplicate counts for awards made (or due) to the same eligible or ineligible students for more than one semester.

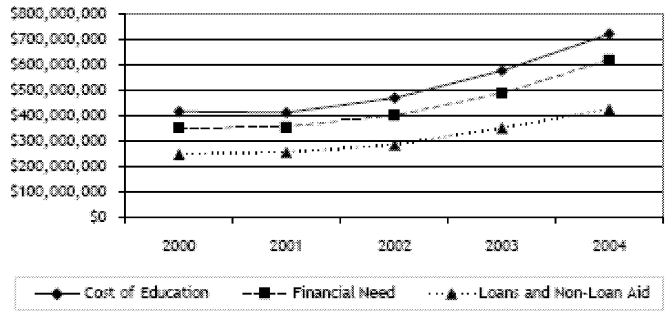
[b] Over the three semesters included in this analysis, the four audited institutions set aside a total of $42,954,828 for student financial aid to be distributed as required by House Bill 3015, $13.2 million more than required by the law. The total amount set aside, if distributed in compliance with House Bill 3015, would have covered 21 percent of total unmet need as defined by House Bill 3015. The number of awards and the amounts of awards varied greatly among the four institutions because the bill did not specify the amount of an award from these funds.

Source: All calculations were based on self-reported student financial aid and billing information from the four audited institutions for all students with financial need according to the Coordinating Board (and federal) definition.

Figure 12 presents trends in the total cost of attendance, financial need, and loans and non-loan aid at the four audited institutions. Cost of attendance includes tuition and fees, any room and board, books, transportation, and miscellaneous expenses for the total number of students enrolled for each fiscal year. As Figure 12 shows, both the cost of attendance and financial need are growing at a faster rate than loans and non-loan aid.

Figure 12

Trends in Total Cost of Attendance, Financial Need, and Loan and Non-Loan Aid at the Audited Institutions



Source: Texas Higher Education Coordinating Board

Part 5: Did Audited Institutions Have Fund Balances that Could Be Spent to Mitigate Future Tuition Increases?

Analysis of Fund Balances at Audited Institutions

There are no accepted general criteria for evaluating the reasonableness of unrestricted fund balances maintained by higher education institutions. In the absence of such criteria, we reviewed a sample of 3 of the 12 funds[1] used in higher education fiscal administration: unexpended plant funds, service department funds (which are part of the educational and general or designated funds), and endowment funds.

From the 9,033 accounts within those funds at the four audited institutions, we selected 601 accounts for further evaluation. Those accounts had balances or transfer activity that appeared to be excessive or questionable according to the conditions in Table 20 and based on the purpose of the account.

Table 20

Accounts that Met Conditions for Further Evaluation			
	Unexpended Plant Funds	Service Department Accounts within the Educational and General or Designated Funds	Endowment Funds
Conditions for Further Evaluation	▪ Accounts with little or no activity in at least two of the last five fiscal years ▪ Accounts whose annual activity did not decrease the balance over time	▪ Balances as of August 31, 2004, that exceeded 25 percent (three months' worth) of annual expenditures ▪ Accounts with little or no activity in the last five fiscal years	▪ Accounts created since September 1, 2000, for which the primary funding source was not donor gifts ▪ Accounts created prior to September 1, 2000, that received significant non-gift funding in the last five fiscal years
Number of Accounts that Met Conditions for Further Evaluation			
The University of Texas at Austin	308	42	76
Texas A&M University	8	33	25
Texas Tech University	22	33	20
University of Houston	16	10	8

For 249 of these 601 accounts, the institutions provided explanations for the balances in the unexpended plant fund and service department accounts and for the specific transaction activity for endowment fund accounts. We provided information from our review of the remaining 352 accounts to the

[1] The 12 fund types include educational and general, designated, auxiliary enterprises, restricted, loan, endowment, annuity and life income, unexpended plant, renewals and replacements, retirement of indebtedness, investment in plant, and agency. We focused on unexpended plant funds, service department funds (which are part of the educational and general or designated funds) and endowment funds for the following reasons:

(1) Unexpended plant accounts hold large dollar amounts for capital-related projects and are subject to periods of significant activity and periods of extended dormancy, allowing balances to build unnecessarily if they are not monitored regularly.

(2) In service department accounts, users are charged based on agreed-upon rates for the services. If the rates are not managed appropriately and adjusted downward as needed, balances can build in these accounts.

(3) Institutions can move undedicated funds into endowment accounts for future, unspecified uses. Therefore, these funds could be used to offset operating expenses and mitigate the need for tuition increases.

institutions for their own analysis. Institutions' responses for unexpended plant fund and service department accounts are summarized as follows:

- **Unexpended Plant Fund Accounts.** Institutions frequently responded that they planned to use the funds in these accounts for future plant-related projects funded by those accounts or other plant-related accounts. For example, some responses mentioned that institutions were holding funds for deferred maintenance associated with unspecified projects.
- **Service Department Accounts.** Institutions frequently responded that they use surplus funds in these accounts to reduce rates they charge for services such as computing services (when there are deficits in these accounts, institutions also increase the rates they charge for services). Institutions also responded that they use surplus funds in these accounts to make capital upgrades in areas such as telecommunications. Additionally, institutions' responses indicated that if any surpluses were determined to have resulted from activities funded with federal money, the institutions would need to reimburse the federal government (for example, by reducing future rates charged to activities funded with federal money) and that it would be improper to transfer these funds to another account.

In the case of endowment funds, we did not identify any questionable diversions of funds. However, it is important to note that institutions' management and their boards of regents decide when to use unrestricted funds to create quasi-endowment funds, which are not technically endowment funds but are created by the institution to function as endowment funds. Because institutions have significant flexibility in creating quasi-endowment funds, we were unable to assess the reasonableness of the balances in these funds.

Because of institutions' flexibility in managing funds, for the most part we could not conclusively identify accounts with surplus funds that could be used to mitigate tuition increases. However, our analysis identified four account balances that the institutions agreed had surplus funds that would be used to support future operating budgets, thus potentially mitigating future tuition increases, at least for the short term. These account balances included the following:

- A $1 million dormant unexpended plant fund account at Texas A&M University. The institution stated that it planned to make those funds "available to help fund future years' educational and general budgets or one-time needs."
- A total of $96,479 from three projects within a $23 million unexpended plant fund account at Texas A&M University. The institution responded that the projects were completed and that it had transferred or will transfer the balances back to the original funding accounts.
- A $3.6 million designated fund service department account at Texas Tech University for which the balance exceeded nine times the total annual expenditures. Texas Tech University reported that it had identified the

account in 2004 and has subsequently taken action to "prevent the recurrence of an excessive fund balance." It also reported that it planned to use $1.5 million of these funds to support the operating budgets for fiscal years 2006 and 2007, thus "mitigating tuition increases." Texas Tech University provided other plans for the remainder of those funds such as reducing service charges, refunding federal overcharges, and transferring some of the balance to an account deemed underfunded.

- A $209,921 dormant unexpended plant fund account at Texas Tech University. The institution reported that this account was originally funded with designated funds, it had closed this account on April 22, 2005, and "[t]he funds were returned to the original source."

Our analysis also identified numerous other examples of account balances that met our conditions for further evaluation for which institutions asserted that they would use surplus funds in the future for the same account or for a different account.

Each institution has formal or informal policies and procedures to periodically review the types of accounts covered by our analysis. Our audit objectives did not include specific tests of each institution's adherence to its stated procedures. In general, the institutions asserted that they perform such account balance reviews at least annually. The University of Texas at Austin, Texas A&M University, and the University of Houston provided information about formal procedures for reviewing service department balances. Texas Tech University indicated that it did not have formal review procedures for these balances but that management performs periodic informal reviews. The procedures for the three institutions with formal procedures suggest that each institution would periodically review the rates charged by its service departments to ensure that any surpluses or deficits that developed were eliminated by adjusting future rates rather than by transferring out any excess funds. The University of Texas at Austin was the only institution that provided formal policies for periodically reviewing unexpended plant fund account balances and endowment accounts.

Our analysis of the five-year history of unexpended plant fund and service department accounts, as well as the institutions' responses to our balance inquiries, suggest that the institutions' own review processes have identified dormant or surplus balances. In those cases, the institutions reported that they have taken corrective action (for example, by transferring balances out of accounts that no longer need the funds or by reducing billing rates to user departments).

However, this analysis and some institution responses also provide empirical evidence that some prior internal balance reviews might not have been performed as effectively or as comprehensively as possible to identify surplus funds promptly. For example, we observed numerous unexpended plant fund accounts with project-specific account titles (for example, fire damage repair to a specific building or renovation of a specific room or lab) that had no

monetary activity for at least four years. Although we did not ask to see construction records, based on the description of these projects it is likely that some or all of them (many with balances below $50,000) were completed long enough ago that thorough annual account reviews should have already closed them out and transferred these unspent balances.

We made similar observations on some non-construction accounts, to which the institutions responded that during fiscal year 2005 they transferred to other uses the balances no longer needed in those accounts. However, the period of inactivity or size of the surplus balance in relation to the accounts' normal level of expenditures raised a question regarding why review procedures did not identify these amounts sooner. Therefore, the institutions might wish to review their current policies and procedures to ensure that they are properly designed and consistently implemented to promptly identify and address all surplus funds no longer needed in specific accounts.

Summary of Objectives, Scope, and Methodology

Our objectives were to:

- Determine whether the basis and methodologies used to support tuition and fee increases that occurred as a result of House Bill 3015 (78th Legislature) appear reasonable.
- Evaluate whether tuition and fee increases have been utilized as planned and required.
- Assess whether the institutions appear to be maintaining excessive unrestricted fund balances, some of which could be spent to mitigate future tuition increases.

The audit scope covered four institutions: The University of Texas at Austin, Texas A&M University, Texas Tech University, and the University of Houston. The scope included these institutions' documents and electronic records spanning the period from September 1, 1999, to March 31, 2005.

The audit methodology included the following:

- Review of research regarding the relationship between tuition increases, tuition and fee increases, student financial aid, and enrollment patterns.
- Analysis of each audited institution's process and methodology for determining the need for increases in tuition in 2004 and 2005.
- Review of each audited institution's cost-savings and reallocation efforts prior to determining the amount of tuition increases needed.
- Analysis of each audited institution's calculations of areas and amounts of need and projected revenues from increased tuition.
- Analysis of tuition and fees, cost of attendance, median family income, and enrollment demographics from 2000 to 2005.
- National peer group comparisons of tuition and fees, expenditures, and key performance indicators.
- A review of audited institutions' budgets, revenues, and expenditures from September 1, 1999, to March 31, 2005, in areas of expenditures funded by increased tuition revenue.
- Analysis of compliance with House Bill 3015 with regard to tuition increases and structure, set-asides for student financial aid, and the distribution of that aid.
- Analysis of balances in 9,033 accounts in endowment funds, unexpended plant funds, and service department funds within education and general or designated funds.

This audit was conducted in accordance with generally accepted government auditing standards.

The University of Texas at Austin's Management's Response

OFFICE OF THE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER
THE UNIVERSITY OF TEXAS AT AUSTIN
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August 2, 2005

INTERAGENCY MAIL

Mr. John Keel, CPA
State Auditor
Robert E. Johnson Building
1501 North Congress, Suite 4.224
Agency Code: 308

Dear Mr. Keel:

We have reviewed the draft audit report titled "*The Reasonableness and Results of Tuition Increases Implemented by Four Higher Education Institutions in the 2004-2005 Biennium.*" We thank you and your colleagues for the good work on this report. Your colleagues were professional and courteous. We appreciate your consideration of our preliminary comments offered on the first draft report. On behalf of The University of Texas at Austin, we offer the following comments regarding the final report.

Recommendation #1 (Page 2)
We agree that accountability can be enhanced by the development of more detailed standards for the classification of revenues and expenditures. As noted by the SAO in its report, there are fundamental differences that prevent meaningful comparisons between or among institutions of higher education. Institutions differ greatly in size, scope of operations and availability of multiple funding sources. Institutions should be encouraged to identify comparative institutions and make periodic logical comparisons. The University of Texas at Austin has established a comparative group with which it regularly compares itself for the purpose of assessing its performance.

Recommendation #2 (Page 2)
We agree that there are opportunities to enhance institutional accountability for the use of tuition monies resulting from an increase in tuition. Because institutions of higher education have multiple funding sources, requiring institutions to account for tuition increases by cohort may not enhance institutional accountability. We believe that accountability can best be enhanced by requiring institutions to provide periodic public analysis that compares the goals on which a tuition increase was based to the actual results delivered. This analysis might also incorporate the State's goals contained in "Closing the Gaps."

Recommendation #3 (Page 4)
We agree that the legislature should work with the Texas Higher Education Coordinating Board and institutions to more precisely capture legislative intent regarding the distribution of student financial aid from required set-aside funds. The University of

Texas at Austin volunteers to participate in such an effort. Current legislation requires the determination of "unmet tuition need" for the purpose of awarding set-aside financial aid. This determination can only be made after all possible sources of other non-set-aside financial aid are known unless it is to be based on estimates. We do not recommend using estimates because it can result in making awards to students who ultimately prove to be ineligible for financial aid. On the other hand, using actual data would require a university to delay making the award of set-aside financial aid until after the beginning of a semester. A delay would cause significant hardship to students and families who need to plan financially. It would also be inconsistent with commonly accepted national practices for the award of financial aid. It is for these reasons that UT Austin did not perform the statutorily-required calculation as noted by the SAO. Rather, we believe that the Legislature intended for the set-aside financial aid to be awarded to students on a timetable in accordance with the commonly accepted national practices for the award of financial aid, which invalidated the need for such a calculation.

Additionally, we believe that the term "priority" as used in the legislation was meant to highlight that the definition of a needy student should give consideration to students coming from middle income families. We do not believe that the term was intended to dictate a new methodology to award the set-aside funds that was different from commonly accepted methodologies. At UT Austin the parameters for determining financial need and awarding the set-aside monies were increased from the traditional annual family income cutoff of $40,000 to $80,000. This was done to provide additional grant assistance to more students from middle income families. In 2003, the median household income in Texas was $52,182 (four person family) (http://www.census.gov/hhes/www/income/medincsixandstate.html). By definition, then, half of the Texas households earned less than this sum, so that $52,000 is a reasonable proxy for "middle income." However, by including families up to $80,000, we estimate that we accounted for the bottom seventy-five percent of all Texas families. However "middle income" is defined, the bottom three-fourths of the Texas population should count as middle income. Had UT Austin applied the definition of "priority" as it was used in the course of audit testing, it would have made financial aid awards to students with family incomes of up to $200,000 principally funded by reducing the amounts that were otherwise awarded to students of more modest financial means. We do not believe that the Legislature intended that financial aid awards be reduced for more needy students in order to provide grant funds for students from families with six figure incomes. We believe that the award of the financial aid set-aside made by UT Austin was appropriate and was made in accordance with the intentions of the Texas Legislature.

Auditor's Follow-Up Comment

House Bill 3015 required that priority be given to students (1) with financial need and (2) with unmet need according to the bill's definition. Because students from families with incomes as high as $200,000 can and do qualify for financial need according to the federal and Texas Higher Education Coordinating Board definitions, these students' unmet need according to House Bill 3015 would need to be calculated in order to determine whether they qualified for priority in awarding financial aid from the funds set aside from increased tuition revenue. The federal government takes several factors

into account in identifying students with financial need, in addition to their family income, such as the number of dependents in the household, number of people in the household attending college, and age of the oldest parent.

(The University of Texas at Austin's Management's Response, page 2, continued)

Recommendation #4 (Page 5)
We agree that a periodic, comprehensive review of balances should be made and the results considered in making decisions regarding whether to increase tuition and/or fees. As noted by the SAO, The University of Texas at Austin already has procedures intended to ensure that this happens. We believe that our procedures have been effective in ensuring that available balances are incorporated into the regular budget process and are therefore considered in the tuition setting process.

Appendix

We additionally offer the following comments regarding the attachments.

Table 2 – The University of Texas at Austin would emphasize that when measured based on tuition and fees, (i.e., components of costs it can influence or control), UT Austin has the second lowest Average Tuition and Mandatory Fees in Academic Year 2004-2005 amongst the four institutions presented. In contrast, UT Austin has the second highest Average Cost of Attendance of those presented due to the higher cost of living in Austin as compared to College Station and Lubbock. Cost of living is not controllable by the University or an institution.

Table 3 – The University of Texas at Austin would emphasize that the fiscal year 2005 expenditures presented in the "Actual" column are for a partial year yet the revenue from the tuition increase is for a full year. By the end of the fiscal year, the University will have spent the entire amount of the revenue from tuition increase.

Part 4: Did Audited Institutions Award Student Financial Aid from Revenue from Increased Tuition as Required? - The University of Texas at Austin's awarding policy and amount of set-aside went beyond what was required by HB3015. We estimate that our parameters for awarding the set-aside accounted for about seventy-five percent of all Texas families. The awarding policy gave consideration to students that received minimal or no grant support. National studies, as well as institutional data, verify that middle income families, particularly those families making more than $80,000 a year, are not suffering from lack of access or opportunity to enroll in higher education. The University's awarding policy responded specifically to the national, state and institutional data available, as well as, being mindful of the Texas Higher Education Coordinating Board's "Closing the Gaps" initiative. Of particular concern are those students coming from needy families.

We appreciate the opportunity to comment on this report. We are available to provide any clarification to these responses or to answer any questions.

Sincerely,

Kaylyn Hegarty
Vice President and Chief Financial Officer

c: Chancellor Mark G. Yudof, The University of Texas System
President Larry R. Faulkner, The University of Texas at Austin

Texas A&M University's Management's Response

TEXAS A&M UNIVERSITY
1246 TAMU
College Station, Texas 77843-1246
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E-Mail: PRESIDENT@TAMU.EDU

August 2, 2005

Office of the President
Robert M. Gates

Mr. John Keel, CPA
State Auditor
P.O Box 12067
Austin, TX 78711-2067

Dear Mr. Keel:

Comments related to the audit report titled "The Reasonableness and Results of Tuition Increases Implemented by Four Higher Education Institutions in the 2004-2005 Biennium" are attached. Texas A&M University appreciates the working relationship and open communication established by your office during the audit, and the efforts of your staff to understand the approach the University took in determining tuition increases.

As is noted in more detail in the comments attached, Texas A&M recognizes the increasing burden of the cost of higher education placed on students and their families. Accordingly, each year the University performs a detailed review of priorities weighed against other funding options. Only after careful consideration of these factors, including legislative appropriations, will a tuition increase be implemented. As is noted in Table 1 of the Attachment to the audit report, Texas A&M had the lowest percentage increase in tuition and mandatory fees over the 2004-2005 biennium of the four institutions audited.

Additionally, Texas A&M has set aside funds for financial aid above the amount required. The University strives to maximize the use of funds set aside from increased tuition to best meet the needs of our students and achieve State and University priorities.

Thank you for the opportunity to comment on the statements and recommendations included in the audit report. As always, I and my staff are available for further discussion and to answer any questions you may have.

Sincerely,

Robert M. Gates

Attachment

cc: Dr. Robert D. McTeer, Chancellor, Texas A&M University System
Dr. David B. Prior, Executive Vice President and Provost
Ms. K. Sue Redman, Senior Vice President and Chief Financial Officer

State Auditor's Office Report on The Reasonableness and Results of Tuition Increases Implemented by Four Higher Education Institutions in the 2004-2005 Biennium

Comments on Statements and Recommendations

SAO's Recommendations:

The Legislature may consider requiring institutions to develop and implement more detailed standards for the classification of reported revenues and expenditures. Such standards could result in institutions and the Texas Higher Education Coordinating Board (Coordinating Board) producing the detailed information necessary to provide reports that are more accessible and comparable across the State's institutions of higher education.

SAO's Recommendations:

To hold institutions accountable for the receipt and expenditures of incremental tuition revenue, the Legislature would need to require public institutions to account separately for the uses of that revenue. An alternative approach would be for the Legislature to consider using outcome measures compared to the stated reasons for increases in tuition as a way to ensure accountability for such increases.

TAMU's Response:

Approach to Tuition Increase Determination

TAMU is very cognizant of the increasing burden of higher education placed on students and their families. In fact, and as noted in the attachment to the audit report, administrative, college, and library expenditures were reduced at TAMU by $20.4 million (or 6.6%) prior to determining the amount of tuition increase for the 2003-2004 academic year.

In preparing our annual budgets and determining amounts required for tuition increases, TAMU undertook a detailed review process of priorities and incremental funding sources. The University then reallocated resources and implemented efficiencies before calculating the amount needed from increased tuition. Tuition increases were an output of the budget process, and were limited in amount to the difference in incremental expenditures and incremental funding. While expenditures weren't designed to be traced to the specific dollars generated by tuition increases, actual financial results versus budget can be examined to assess reasonableness of tuition increases.

Compliance with Laws and Other Authoritative Guidelines

Texas A&M University's (TAMU) accounting methods are in accordance with applicable regulatory requirements and accounting standards, including: Governmental Accounting

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Standards Board (GASB) standards, Texas state law, and the Texas Higher Education Coordinating Board (THECB) guidelines and requirements.

TAMU segregates budgeted and actual expenditures related to various fund groups in accordance with the standards, laws, and guidance noted above. Because the revenues received from tuition increases were not adequate to fund the initiatives and priorities established, funds from additional sources were used to fill the shortfalls. Funds are only combined to the extent permitted and to maximize the efficiencies in financing University and State priorities, initiatives, and objectives.

Accountability

Further restrictions on the use of funds and/or requirements to track expenditures would reduce efficiencies and increase administrative costs at the University because of the complexity of the various funding sources and expenditures made by Research Universities. TAMU believes that the appropriate review for accountability of the use of increased tuition is in outcomes rather than the tracking of individual revenue and expenditure line items. Many accountability measures are already addressed in the Higher Education Accountability System, of which TAMU is included.

Should additional monitoring of expenditures and funds related to tuition increases be deemed necessary by the Legislature, TAMU proposes to coordinate efforts with the THECB and our peer research institution, as grouped according to the Higher Education Accountability System. Currently, TAMU and the University of Texas are designated as Research Universities in the Higher Education Accountability System. The other two institutions included in this SAO Report are categorized as "Emerging Research Universities" and may have different levels of complexity and considerations as do other universities in the State.

SAO's Recommendations:

To address these challenges, the Legislature should consider (1) capturing more precisely legislative intent regarding the distribution of student financial aid from the required set-aside funds and (2) providing guidance on implementation of that intent.

TAMU's Response:

The THECB is currently authorized to set guidelines for state institutions of higher education, including those related to student financial aid. Texas A&M University awarded the HB3015 deregulated tuition set-asides for financial aid as scholarships and grants in accordance with the established definition of financial need used by the THECB, which mirrors the federal definition of financial need. Each year, the Department of Student Financial Aid reviews the available funds from various sources (federal, state, and institution) to determine the best way to meet the needs of our students and the priorities of the institution and state while working within the restrictions placed on those funds. The packaging of funds is conducted in a manner to best meet the needs of students at all income levels. It should be noted that the greater the number of

restrictions on funds and the less flexibility, the more difficult it is to accomplish these two goals - meeting student needs and meeting institutional and state priorities.

With regard to the priority definition, TAMU interpreted priority to mean consideration for aid, but considered that priority in the context of its overall packaging of financial aid. The packaging of financial aid takes into account how to assist as many students as possible while minimizing unmet financial need for all students. However, it should be noted that the timing of financial aid decisions and the receipt of additional scholarships and grants after the original package is made can make large differences in the final analysis after that aid is actually disbursed to the student.

Texas institutions of higher education are subject to a number of metrics, which are tracked and reported on allowing for assessment of performance and increased accountability to deliver on State priorities. TAMU's efforts are focused on improving performance related to these metrics and the University seeks to maximize the use of funds to do so. If desired by the Legislature, TAMU will work with the THECB to develop, track, and report on additional performance metrics. However, further restrictions limiting flexibility, including those impacting policies related to student financial aid, may increase administrative costs and negatively impact the University's ability to impact existing performance metrics and State priorities.

It is also important to note that TAMU's actual set asides of financial aid from tuition for the period audited (Spring 2004, Fall 2004, and Spring 2005) exceeded the minimum required set asides. The minimum set aside required of TAMU for this time period was $5.7 million. Another $5 million on top of this amount was set aside for financial aid.

SAO's Recommendations:

To ensure that institutions consider the results of their fund balance reviews in making decisions regarding tuition rates, the Legislature would need to require them to conduct and document their reviews of fund balances and certify their inclusion of these reviews in their tuition planning processes.

TAMU's Response:

As noted in comments on other statements above, TAMU seeks to limit the amount of tuition increases through a detailed review of priorities and incremental funding sources. Fund balances are examined on a periodic basis as part of this process. In the event available funds are identified, amounts are considered as funding sources for future years' budgets – as was noted in the specific examples mentioned in the attachment to the audit report.

TAMU constantly and consistently strives to improve efficiencies, effectiveness, and controls across the University. TAMU understands the importance of fund balance reviews and will continue to focus efforts on assessing fund balance levels and factoring results of these reviews into fiscal decisions and budgets.

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State Auditor's Office Report on The Reasonableness and Results of Tuition Increases Implemented by Four Higher Education Institutions in the 2004-2005 Biennium

Comments on Tables and Figures

Comments on Table 18:
This table understates TAMU's total commitment to financial aid by approximately $5 million. It is our understanding that the auditors did not include this additional amount as it could not be directly tied to deregulated tuition.

Comments on Table 19:
The differing amounts between each institution in the number of students who received the funds generated by the mandated set-asides reflect differences in how these funds were used. Texas A&M University awarded larger dollar amounts to meet specific needs – both student and institutional. Other institutions approached the use of these funds differently (for example by providing awards to more students but at lower dollar amounts per student) to meet their specific needs. In addition, these numbers only reflect the mandated set-asides and do not reflect the awards from the additional funds allocated for financial aid as referenced in the comments on Table 18 above.

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Texas Tech University's Management's Response

TEXAS TECH UNIVERSITY
Office of the President
Box 42009
Lubbock, TX 79409-2005
(806) 742-2121
FAX (806) 742-2138

August 31, 2005

Mr. John Keel, CPA
State Auditor
P. O. Box 12067
Austin, Texas 78711-2067

RE: TTU Management Response to Audit of Tuition Increases

Dear Mr. Keel,

Texas Tech University would like to thank your office for their willingness to maintain an open dialogue throughout the audit. The ongoing communication has benefited all participants and provided a productive and positive environment.

With regard to the first recommendation, higher education throughout Texas and the nation is guided by the use of national standards, policy, and practices promulgated through the Governmental Accounting Standards Board (GASB) and the National Association of College and University Business Officers (NACUBO). Although each institution maintains an individual accounting system, following established standards and practices helps ensure proper reporting of revenue and expenditures and allows for needed comparisons among institutions. Currently, NACUBO and the Texas Association of State Senior College and University Business Officers (TASSCUBO) have ongoing efforts to address consistency in higher education financial reporting, which we support. We do not believe more rigid standards related to classification of revenues and expenditures are necessary.

Related to the second recommendation, the report acknowledges that although specifically accounting for incremental tuition was not required by House Bill 3015, Texas Tech did separately track the incremental tuition revenue and related expenditures in order to maintain the highest accountability to our constituents, particularly our students. The university has reviewed each tuition increase with the administration and the Board of Regents to ensure that the revenues were used for the identified areas of need.

Additionally, the Higher Education Coordinating Board and each board of regents approved the Higher Education Accountability System in Fall 2004 to provide consistent information for decision-making related to tuition deregulation as required in the statutes. The Texas Tech

An EEO/Affirmative Action Institution

Board of Regents has adopted the key measures from the Coordinating Board Accountability System to monitor the University's effectiveness in providing a quality education. Thus, Texas Tech believes present standards and processes, including the Coordinating Board Accountability System, ensure accountability.

The third recommendation focused on a number of challenges and whether there should be an action to clarify the distribution of student financial aid from the required set-aside funds. Texas Tech University acknowledges the complexity of awarding financial aid. The university believes the statute is clear that only students who have established financial need in accordance with the Coordinating Board rules are eligible for the financial assistance funded by designated tuition. If the Coordinating Board rules require changes to further clarify financial need for this program, Texas Tech would participate in the process. The majority of set-aside funds at Texas Tech were awarded to students who were prioritized according to those with greatest unmet need to fully fund tuition and fees with gift aid, including set-aside funds. The balance was awarded to students with unmet need based on standard practices utilized by the profession. Texas Tech believes its policies accomplish the Legislature's intent for this financial assistance.

Finally, Texas Tech possesses very limited available fund balances to consider as an ongoing resource to offset tuition increases as suggested in the final recommendation. We attempt to consider all resources when making allocation decisions; however, we agree that defining a process that contemplates the condition under which fund balances (including unbudgeted contingencies) will be used is worthwhile.

Thank you for the opportunity to respond to the findings and recommendations. Our staff is available for further discussions as you require.

Regards,

Jon Whitmore

Jon Whitmore
President

cc: Thomas Anderes, Senior Vice President for Administration and Finance
William Marcy, Provost/Senior Vice President for Academic Affairs
Martha Brown, Associate Vice Chancellor of Governmental Relations
Kimberly F. Turner, Director of Audit Services

University of Houston's Management's Response

UNIVERSITY OF HOUSTON SYSTEM
UNIVERSITY OF HOUSTON

JAY GOGUE
Chancellor, UH System
President, University of Houston

July 20, 2005

Mr. John Keel, CPA
State Auditor
P. O. Box 12067
Austin, Texas 78701

Dear Mr. Keel:

Thank you for the opportunity to provide comments in response to your report on tuition increases at selected higher education institutions. We appreciate the difficulty of this task.

In response to the recommendations included in the report, I offer the following observations:

The first two recommendations relate to accountability for the use of designated tuition. Legislative action is not necessary to provide guidance in accounting for and reporting revenues and expenditures. Any additional financial reporting requirements should be developed with consultation between universities and the Comptroller's office to ensure that the most effective and meaningful information is available.

In response to the comments on financial aid, the University of Houston acknowledges the report's assessment of the difficulty in implementing the requirements of the Act. The University is continuously reviewing its financial aid processes in efforts to improve service and ensure compliance with all applicable statutes and policies. Since the challenges to the implementation of the prioritization requirements and the administration of the awards are largely procedural and given the nature of these challenges, it is appropriate to work with the other Texas universities and the Texas Higher Education Coordinating Board to reconcile these prioritization requirements with standard practices in the financial aid profession in accordance with state and federal laws.

The last recommendation relates to legislative requirements for fund balance reviews. Effective management and utilization of fund balances is a core management responsibility within our institution and an integral part of our annual budget development process. We utilized available fund balances to limit tuition increases in the period reviewed in this report. Statutory requirements for fund balance reviews at the University of Houston would not provide any additional benefit to our students or the State.

Thank you again for the opportunity to comment on the report. Please let me know if I can provide assistance as you complete this difficult task.

Sincerely,

Jay Gogue

JG/jm

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APPENDIX C

Interim Charge Three --Top Ten Percent

Appendix C-1 The University of Texas at Austin

THE UNIVERSITY OF TEXAS AT AUSTIN
OFFICE OF ADMISSIONS

History of HB 588:

1998-2004 HB 588 implemented statewide. Admissions did not include race consciousness.

2005-2006 HB 588 still in effect. Race conscious admission resumed for that portion of the freshman class not automatically admitted.

Table 1
Admitted and Enrolled Freshmen
Variations on Computing Percentage of HB 588 Automatic Admits
Summer/Fall 2002-2006

Admitted	Enrolled
Summer/Fall 2002, we admitted 13,476 students - 11,416 were from Texas high schools - 6,313 were automatically admitted HB 588 students or 55.3% of the admitted Texas high school graduates and 46.8% of all admits.	**Summer/Fall 2002**, we enrolled 7,935 first-time freshmen - 7,234 were from Texas high schools - 3,932 were automatically admitted HB 588 students or 54.4% of the enrolled Texas high school graduates and 49.6% of all first-time freshmen.
Summer/Fall 2003, we admitted 11,504 students - 10,107 were from Texas high schools - 7,132 were automatically admitted HB 588 students or 70.6% of the admitted Texas high school graduates and 61.9% of all admits.	**Summer/Fall 2003**, we enrolled 6,544 first-time freshmen - 6,093 were from Texas high schools - 4,289 were automatically admitted HB 588 students or 70.4% of the enrolled Texas high school graduates and 65.5% of all first-time freshmen.
Summer/Fall 2004, we admitted 11,788 students - 10,602 were from Texas high schools - 7,089 were automatically admitted HB 588 students or 66.9% of the admitted Texas high school graduates and 60.1% of all admits.	**Summer/Fall 2004**, we enrolled 6,796 first-time freshmen - 6,398 were graduates of Texas high schools - 4,241 were automatically admitted HB 588 students or 66.3% of the Texas high school graduates and 62.4% of all first-time freshmen.
Summer/Fall 2005, we admitted 12,207 students - 10,769 were from Texas high schools - 7,466 were automatically admitted HB 588 students or 69.3% of the admitted Texas high school graduates and 61.2% of all admits.	**Summer/Fall 2005**, we enrolled 6,912 first-time freshmen - 6,388 were graduates of Texas high schools - 4,391 were automatically admitted HB 588 students or 68.7% of the Texas high school graduates and 63.5% of all first-time freshmen.
***Summer/Fall 2006,** we admitted 13,307 students - 11,625 were from Texas high schools - 8,353 were automatically admitted HB 588 students or 71.9% of the admitted Texas high school graduates and 62.8% of all admits.	**Summer/Fall 2006**, we enrolled 7,421 first-time freshmen - 6,864 were graduates of Texas high schools - 4,902 were automatically admitted HB 588 students or 71.4% of the Texas high school graduates and 66.1% of all first-time freshmen.

Table 2
Admitted Freshmen
Variations on Computing Percentage of HB 588 Automatic Admits
Summer/Fall 1999-2006

Note: This is the same data reported in Table 1, but without verbiage.

Year	Total[1] Admits	Admits from TX HS[2]	HB 588 Admits[3]	HB 588 % of All Admits	HB 588 % of Admits from TX HS
1999	11949	10689	4911	41%	46%
2000	13256	11553	5579	42%	48%
2001	12733	10845	5623	44%	52%
2002	13476	11416	6313	47%	55%
2003	11504	10107	7132	62%	71%
2004	11788	10602	7089	60%	67%
2005	12207	10769	7466	61%	69%
2006	13307	11625	8353	63%	72%

[1] *Statistical Handbook(s),* 1999-2005, UT Office of Institutional Research.
[2] UT Office of Admissions
[3] UT Office of Admissions

Table 3
Enrolled Freshmen
Variations on Computing Percentage of HB 588 Automatic Admits
Summer/Fall 1999-2006

Note: This is the same data reported in Table 1

Year	Total Enrolled[4]	Enrolled from TX HS[5]	HB 588 Admitted who Enrolled[6]	HB 588 % of All Enrolled	HB 588 % of Enrolled from TX HS
1999	7040	6521	2925	42%	45%
2000	7686	7059	3346	44%	47%
2001	7337	6678	3423	47%	51%
2002	7935	7234	3923	49%	54%
2003	6544	6093	4289	66%	70%
2004	6796	6398	4241	62%	66%
2005	6912	6388	4391	64%	69%
2006	**7421**	**6864**	**4902**	**66%**	**71%**

Table 4
Number of Texas Schools Represented in the Entering Freshman Class
1996-2006

	Number of Students in the Cohort	Number of Texas High Schools
1996	5519	616
1997	6230	659
1998	6014	655
1999	6513	699
2000	7040	759
2001	6641	764
2002	7188	804
2003	6046	788
2004	6356	815
2005	6333	798
2006	6840	853

[4] *Statistical Handbook(s),* 1999-2005, UT Office of Institutional Research
[5] "Top 10% Report," UT Office of Admissions
[6] "Top 10% Report," UT Office of Admissions

Table 5
Mean SAT and Freshman Year GPA of Top 10% and Non-Top 10% Students from Texas High Schools Entering 1996-2006

	Top 10%	Top 10%		Non-Top 10%	
	% of Class	SAT	FYGPA	SAT	FYGPA
1996	42%	1253	3.21	1197	2.65
1997	37%	1249	3.23	1180	2.64
1998	41%	1243	3.23	1193	2.72
1999	45%	1231	3.25	1193	2.76
2000	47%	1226	3.26	1205	2.86
2001	51%	1225	3.24	1215	2.85
2002	54%	1226	3.24	1222	2.90
2003	70%	1223	3.24	1257	3.05
2004	66%	1221	3.21	1258	3.00
2005	69%	1226	3.18	1277	3.02
2006*	71%	1220	Available Fall 2007	1257	Available Fall 2007

Important note:

The drop in SAT averages from 2005 to 2006 was common throughout the US, especially for large institutions, and was due in part to changes made on the SAT 1: Reasoning Test. Students in the 2006 cohort were the first class to take the "New SAT," which was 40 minutes longer, included a 25 minute writing sample, and much more expensive (from $25 to $41). The College Board reports that nationwide and institution-level score declines are likely the result of dramatically reduced multiple test-taking by students. Multiple test-taking usually results in higher scores for an individual. The average ACT Composite score, a test that did not change or see any change in test-taking behaviors in its population, remained steady at 26.

Table 6
Racial/Ethnic Breakdown
Admitted and Enrolled Classes
Summer/Fall 2006

	Admitted		Enrolled	
RACE	**N**	**%**	**N**	**%**
AMERICAN INDIAN	68	1%	38	1%
ASIAN AMERICAN	2315	17%	1327	18%
AFRICAN AMERICAN	683	5%	387	5%
INTERNATIONAL	547	4%	249	3%
HISPANIC	2406	18%	1389	19%
WHITE	7280	55%	4029	54%
Unknown	8	0%	2	0%
Total	**13307**	**100%**	**7421**	**100%**

Table 7
Racial/ Ethnic Breakdown by Top 10% status
Graduates of Texas High Schools only
Summer/Fall 2006

	Admitted						Enrolled					
RACE	**Top 10%**		**Non Top 10%**		**Total**		**Top 10%**		**Non Top 10%**		**Total**	
	N	**%**	**N**	**%**	**N**	**%**	**N**	**%**	**N**	**%**	**N**	**%**
AMERICAN INDIAN	37	0%	23	1%	60	1%	23	0%	10	1%	33	0%
ASIAN AMERICAN	1572	19%	488	15%	2060	18%	929	19%	327	17%	1256	18%
AFRICAN AMERICAN	463	6%	198	6%	661	6%	268	5%	110	6%	378	6%
INTERNATIONAL	192	2%	63	2%	255	2%	108	2%	38	2%	146	2%
HISPANIC	1790	21%	528	16%	2318	20%	1049	21%	314	16%	1363	20%
WHITE	4297	51%	1971	60%	6268	54%	2524	51%	1163	59%	3687	54%
Unknown	2	0%	1	0%	3	0%	1	0%		0%	1	0%
Total	**8353**	**100%**	**3272**	**100%**	**11625**	**100%**	**4902**	**100%**	**1962**	**100%**	**6864**	**100%**

Table 8
Continuing and Graduation Rates for First-Time Freshmen
Graduates of Texas High Schools
1996-2005

	1996		1997		1998		1999		2000		2001		2002		2003		2004		2005	
	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%
Continuing																				
After 1 yr	**89.66**	84.09	**91.60**	82.74	**92.32**	85.65	**92.34**	85.93	**93.19**	89.52	**91.29**	88.20	**91.53**	90.25	**93.05**	92.57	**93.23**	92.30	**92.30**	90.74
After 2 yrs	**85.30**	76.86	**87.56**	75.33	**87.78**	80.40	**89.06**	79.95	**89.15**	84.24	**87.64**	82.06	**87.72**	85.25	**88.55**	87.25	**88.59**	85.91		
After 3 yrs	**80.85**	72.06	**82.72**	71.06	**82.57**	75.59	**84.27**	74.67	**83.20**	77.86	**81.60**	75.55	**80.98**	78.10	**82.16**	78.94				
After 4 yrs	**36.66**	39.64	**38.51**	41.56	**37.33**	43.09	**37.71**	38.71	**34.34**	36.68	**32.90**	34.16	**31.77**	35.61						
After 5 yrs	**8.98**	12.39	**9.05**	12.65	**8.44**	11.65	**6.80**	10.07	**7.56**	8.94	**7.36**	7.65								
After 6 yrs	**2.92**	5.33	**3.34**	4.46	**2.79**	4.20	**2.22**	3.59	**2.45**	3.96										
Graduated																				
After 1 yr											**0.03**									
After 2 yrs	**0.08**	0.03	**0.17**	0.12	**0.12**	0.11	**0.03**	0.17	**0.09**	0.08	**0.18**	0.34	**0.10**	0.18	**0.07**	0.28	**0.07**	0.19		
After 3 yrs	**3.17**	1.84	**3.39**	1.73	**2.99**	2.11	**3.07**	2.37	**3.92**	3.10	**4.47**	3.50	**4.50**	3.63	**3.92**	5.54				
After 4 yrs	**45.18**	30.73	**45.46**	28.76	**46.80**	32.50	**47.79**	35.32	**51.05**	39.64	**51.15**	40.61	**51.58**	42.88						
After 5 yrs	**71.87**	56.86	**73.80**	55.99	**74.69**	61.66	**77.06**	61.15	**76.15**	65.28	**76.37**	66.39								
After 6 yrs	**78.09**	63.94	**79.07**	63.33	**80.78**	69.06	**81.78**	68.02	**81.41**	71.86										
Combined*																				
After 1 yr	**89.66**	84.09	**91.60**	82.74	**92.32**	85.65	**92.34**	85.93	**93.19**	89.52	**91.32**	88.20	**91.53**	90.25	**93.05**	92.57	**93.23**	92.30	**92.30**	90.74
After 2 yrs	**85.38**	76.89	**87.73**	75.45	**87.90**	80.51	**89.09**	80.12	**89.24**	84.32	**87.82**	82.40	**87.82**	85.43	**88.62**	87.53	**88.66**	86.10		
After 3 yrs	**84.02**	73.90	**86.11**	72.79	**85.56**	77.70	**87.34**	77.04	**87.12**	80.96	**86.07**	79.05	**85.48**	81.73	**86.08**	84.48				
After 4 yrs	**81.84**	70.37	**83.97**	70.32	**84.13**	75.59	**85.50**	74.03	**85.39**	76.32	**84.05**	74.77	**83.35**	78.49						
After 5 yrs	**80.85**	69.25	**82.85**	68.64	**83.13**	73.31	**83.86**	71.22	**83.71**	74.22	**83.73**	74.04								
After 6 yrs	**81.01**	69.27	**82.41**	67.79	**83.57**	73.26	**84.00**	71.61	**83.86**	75.82										

Table 9
Applicants/Admits/First-Time Enrolled Freshmen
Summers and Falls Combined
1996-2006

All Freshman Applications																
	White		Native American		African American		Asian American		Hispanic		International		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
1996	10584	61%	119	1%	809	5%	2363	14%	2492	14%	896	5%			**17263**	100%
1997	9134	61%	67	0%	639	4%	2184	15%	1955	13%	946	6%	57	0%	**14982**	100%
1998	10138	60%	94	1%	660	4%	2491	15%	2338	14%	958	6%	118	1%	**16797**	100%
1999	11051	58%	87	0%	1030	5%	2668	14%	2831	15%	1199	6%	64	0%	**18930**	100%
2000	12737	59%	107	0%	1186	6%	2939	14%	3087	14%	1404	7%	79	0%	**21539**	100%
2001	11723	56%	127	1%	1053	5%	3123	15%	3164	15%	1673	8%	123	1%	**20986**	100%
2002	12603	57%	110	0%	1159	5%	3259	15%	3487	16%	1447	7%	114	1%	**22179**	100%
2003	13944	57%	111	0%	1351	6%	3439	14%	4101	17%	1477	6%	96	0%	**24519**	100%
2004	12417	54%	127	1%	1456	6%	3262	14%	4035	18%	1571	7%	140	1%	**23008**	100%
2005	12552	52%	124	1%	1552	6%	3483	15%	4457	19%	1700	7%	57	0%	**23925**	100%
2006	14301	52%	178	1%	1915	7%	4005	15%	5148	19%	1741	6%	27	0%	**27315**	100%

All Freshman Admits																
	White		Native American		African American		Asian American		Hispanic		International		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
1996	7167	63%	63	1%	501	4%	1654	14%	1761	15%	310	3%			**11456**	100%
1997	7964	65%	54	0%	419	3%	1938	16%	1592	13%	312	3%	10	0%	**12289**	100%
1998	7659	64%	59	0%	401	3%	1942	16%	1620	14%	252	2%	42	0%	**11975**	100%
1999	7421	62%	47	0%	517	4%	1970	16%	1705	14%	248	2%	41	0%	**11949**	100%
2000	8162	62%	59	0%	562	4%	2151	16%	1823	14%	471	4%	28	0%	**13256**	100%
2001	7787	61%	68	1%	445	3%	2198	17%	1815	14%	355	3%	65	1%	**12733**	100%
2002	8258	61%	61	0%	494	4%	2298	17%	1945	14%	379	3%	41	0%	**13476**	100%
2003	6852	60%	37	0%	448	4%	1991	17%	1795	16%	348	3%	33	0%	**11504**	100%
2004	6814	58%	53	0%	569	5%	2013	17%	1911	16%	390	3%	38	0%	**11788**	100%
2005	6745	55%	59	0%	617	5%	2076	17%	2183	18%	498	4%	29	0%	**12207**	100%
2006	7280	55%	68	1%	683	5%	2315	17%	2406	18%	547	4%	8	0%	**13307**	100%

All Enrolled First-time Freshmen																
	White		Native American		African American		Asian American		Hispanic		International		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
1996	4159	65%	34	1%	266	4%	942	15%	932	14%	97	2%			**6430**	100%
1997	4730	67%	36	1%	190	3%	1130	16%	892	13%	107	2%			**7085**	100%
1998	4399	65%	37	1%	199	3%	1133	17%	891	13%	83	1%	2	0%	**6744**	100%
1999	4447	63%	28	0%	286	4%	1221	17%	976	14%	82	1%			**7040**	100%
2000	4801	62%	32	0%	296	4%	1325	17%	1011	13%	217	3%	4	0%	**7686**	100%
2001	4447	61%	34	0%	242	3%	1413	19%	1024	14%	139	2%	38	1%	**7337**	100%
2002	4882	62%	35	0%	272	3%	1452	18%	1137	14%	157	2%			**7935**	100%
2003	3866	59%	19	0%	267	4%	1153	18%	1068	16%	156	2%	15	0%	**6544**	100%
2004	3901	57%	28	0%	309	5%	1218	18%	1149	17%	173	3%	18	0%	**6796**	100%
2005	3838	56%	33	0%	351	5%	1192	17%	1244	18%	236	3%	18	0%	**6912**	100%
2006	4029	54%	38	1%	387	5%	1327	18%	1389	19%	249	3%	2	0%	**7421**	100%

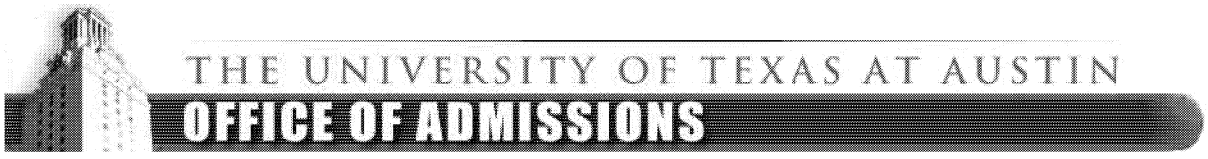
Table 10
First-Time Enrolled Freshmen from Texas High Schools
Summers and Falls Combined
1996-2006

Top 10% First-Time Enrolled Freshmen from Texas High Schools																
	White		Native American		African American		Asian American		Hispanic		International		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
1996	1497	62%	8	0%	91	4%	430	18%	396	16%	6	0%			**2428**	100%
1997	1408	60%	10	0%	50	2%	505	22%	358	15%	1	0%			**2332**	100%
1998	1497	60%	9	0%	69	3%	519	21%	414	16%	5	0%			**2513**	100%
1999	1620	55%	10	0%	160	5%	609	21%	513	18%	10	0%	3	0%	**2925**	100%
2000	1921	57%	9	0%	156	5%	653	20%	591	18%	15	0%	1	0%	**3346**	100%
2001	1942	57%	10	0%	137	4%	718	21%	575	17%	25	1%	16	0%	**3423**	100%
2002	2203	56%	19	0%	156	4%	800	20%	703	18%	51	1%			**3932**	100%
2003	2378	55%	15	0%	194	5%	781	18%	858	20%	61	1%	2	0%	**4289**	100%
2004	2270	54%	20	0%	225	5%	776	18%	887	21%	60	1%	3	0%	**4241**	100%
2005	2288	52%	18	0%	252	6%	782	18%	966	22%	85	2%			**4391**	100%
2006	2524	51%	23	0%	268	5%	929	19%	1049	21%	108	2%	1	0%	**4902**	100%

Non-Top 10% First-Time Enrolled Freshmen from Texas High Schools																
	White		Native American		African American		Asian American		Hispanic		International		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
1996	2215	66%	21	1%	164	5%	461	14%	506	15%	8	0%			**3375**	100%
1997	2781	69%	22	1%	135	3%	567	14%	519	13%	9	0%			**4033**	100%
1998	2457	68%	24	1%	119	3%	542	15%	441	12%	14	0%			**3597**	100%
1999	2472	69%	14	0%	113	3%	559	16%	424	12%	7	0%	7	0%	**3596**	100%
2000	2529	68%	21	1%	129	3%	606	16%	401	11%	25	1%	2	0%	**3713**	100%
2001	2076	64%	20	1%	98	3%	607	19%	426	13%	15	0%	13	0%	**3255**	100%
2002	2188	66%	12	0%	99	3%	562	17%	411	12%	30	1%			**3302**	100%
2003	1202	67%	4	0%	64	4%	299	17%	199	11%	35	2%	1	0%	**1804**	100%
2004	1384	64%	8	0%	77	4%	388	18%	251	12%	44	2%	5	0%	**2157**	100%
2005	1230	62%	10	1%	87	4%	350	18%	264	13%	44	2%	12	1%	**1997**	100%
2006	1163	59%	10	1%	110	6%	327	17%	314	16%	38	2%			**1962**	100%

All Enrolled First-time Freshmen from Texas High Schools																
	White		Native American		African American		Asian American		Hispanic		International		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
1996	3712	64%	29	0%	255	4%	891	15%	902	16%	14	0%			**5803**	100%
1997	4189	66%	32	1%	185	3%	1072	17%	877	14%	10	0%			**6365**	100%
1998	3954	65%	33	1%	188	3%	1061	17%	855	14%	19	0%			**6110**	100%
1999	4092	63%	24	0%	273	4%	1168	18%	937	14%	17	0%	10	0%	**6521**	100%
2000	4450	63%	30	0%	285	4%	1259	18%	992	14%	40	1%	3	0%	**7059**	100%
2001	4018	60%	30	0%	235	4%	1325	20%	1001	15%	40	1%	29	0%	**6678**	100%
2002	4391	61%	31	0%	255	4%	1362	19%	1114	15%	81	1%			**7234**	100%
2003	3580	59%	19	0%	258	4%	1080	18%	1057	17%	96	2%	3	0%	**6093**	100%
2004	3654	57%	28	0%	302	5%	1164	18%	1138	18%	104	2%	8	0%	**6398**	100%
2005	3518	55%	28	0%	339	5%	1132	18%	1230	19%	129	2%	12	0%	**6388**	100%
2006	3687	54%	33	0%	378	6%	1256	18%	1363	20%	146	2%	1	0%	**6864**	100%

Revised December 6, 2006



IMPLEMENTATION AND RESULTS OF THE TEXAS AUTOMATIC ADMISSIONS LAW (HB 588) at THE UNIVERSITY OF TEXAS AT AUSTIN

DEMOGRAPHIC ANALYSIS OF ENTERING FRESHMEN FALL 2006

ACADEMIC PERFORMANCE OF TOP 10% AND NON-TOP 10% STUDENTS
ACADEMIC YEARS 1996-2005

Prepared by:

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Introduction

This is the ninth in a series of reports on the demographic makeup of Top 10% students entering The University of Texas at Austin. These reports were developed to provide easy access to understandable data for the press, the general public, policy analysts, political decision-makers, and fellow academicians.

The Texas Top 10% Law (HB 588) requires the automatic admission of any student graduating in the top 10% of an accredited Texas high school.

As in past reports, the entering summer/fall class of 1996 is a comparison group. It was the last year in which students were admitted under a classic admissions model using affirmative action to assist in the accomplishment of the University's diversity goals.[1] (Affirmative Action was re-introduced to the admissions process with the entering class of 2005.) The continuation and graduation rates of these students are illustrated in a companion to this report.

This paper is designed to present simple, descriptive statistics relative to graduates of Texas high schools matriculating as entering freshmen from 1996-2006. This is not a position paper. It is not an evaluation of past or present affirmative action policies. It is not a proposed blueprint for other universities or public institutions seeking diversity. It is not representative of the higher education experience in all of Texas. It is merely another chapter about what has happened at The University of Texas at Austin the year before the interruption of affirmative action (1996), the years in which there was no affirmative action (1997-2004), and its return (2005 and 2006).

During the years immediately preceding *Hopwood*, The University of Texas used what has been described as a "Classic Model" for making admissions decisions. It included factors that allowed for the easy and efficient processing of very large numbers of applications. Decisions were made after distributing students in descending order based on a predicted freshman grade point average. The prediction formula, a multiple regression equation, relied on the combined SAT score (or a concorded ACT score) and high school class rank. The ACT/SAT, like virtually all standardized tests at all levels of education, has a well-documented history of differential performance gaps among socio-economic, gender, and racial-ethnic groups.[2] Strict adherence to such a mechanical procedure would have produced classes with unacceptably low diversity levels, and thus, adversely impacting the educational experience for all students. At the time, in order to enroll a freshman class bearing some resemblance to the state itself, the University used affirmative action. This policy was in place until *Hopwood* forced its removal in 1997. The last freshman class admitted to UT Austin under such a classic model was for summer/fall of 1996.

With the entering class of 1997, the University's admission policy expanded to include the following factors:

1. **The Academic Index (AI)**
   High School Record:
   - Class rank
   - Completion of UT required high school curriculum
   - Extent to which students exceed the UT required units
   - SAT/ACT score

2. **The Personal Achievement Index (PAI)**
   - Scores on two essays
   - Leadership
   - Extracurricular Activities
   - Awards/honors
   - Work experience
   - Service to school or community
   - Special circumstances:
     - Socio-economic status of family
     - Single parent home
     - Language spoken at home
     - Family responsibilities
     - Socio-economic status of school attended
     - Average SAT/ACT of school attended in relation to student's own SAT/ACT

Beginning with the entering class of 2005, race/ethnicity was added to the list of special circumstances. Test scores and class rank are still considered, but the ambition to tackle rigorous high school coursework, the production of quality prose, the desire to make a difference in one's school, home, or community, evidence of employability (work), and some sense of having excelled in any number of areas are also considered. Moreover, admissions officials place these attributes in the context of the circumstances under which the student lived. Since 1997, the rational, thoughtful, and reasoned judgments of people complemented prediction formulas. Throughout the United States this is called the "holistic approach." The University of Texas implemented an admissions routine that analyzes the qualities each applicant would bring to an entering freshman class.

Demographic Analysis—1996-2006

Table 1 below illustrates the numbers of applicants, admits, and enrolled students from 1996 through 2006. Throughout this report, n-counts include first-time freshmen for the fall plus those entering during the preceding summer and continuing into the fall. Since the size of the entering classes ranges from 6430 to 7935 it is most appropriate to focus on percentages.

***Important note:* Table 1 and Table 2 are the only tables illustrating *all* first-time freshmen. *Table 1a, 2a, 3 and those that follow illustrate the graduates of Texas high schools only*. Graduates of Texas high schools are isolated because HB 588 grants an automatic admission entitlement only to graduates of public and accredited non-public high schools in Texas. For this reason, the n-counts and other data reported here will not match official first time freshman data reported by the Office of Institutional Research in its Statistical Handbook.**

Notes to researchers:

Concise descriptions of UT Austin's admissions policies by year are as follows:

- 1996—The Classic Admissions model (as described above) including ACT/SAT/class rank with an affirmative action plan.
- 1997—Use of the "AI" (as described above), the "PAI" (as described above), with an institutional policy admitting the top 10%, and no affirmative action policy—the result of the *Hopwood* decision.
- 1998-2004—Use of the "AI", the "PAI", with HB 588 mandated automatic admission of the top 10%, and no affirmative action policy—the result of the *Hopwood* decision.
- 2005—Use of the "AI", the "PAI", with HB 588 mandated automatic admission of the top 10%, and the reinstatement of affirmative action (as described above)—the result of the *Grutter* decision.

Drops in SAT averages from 2005 to 2006 were common throughout the US, especially for large institutions, and was due in part to changes made on the SAT 1: Reasoning Test. Students in the 2006 cohort were the first class to take the "New SAT," which was 40 minutes longer, included a 25-minute writing sample, and much more expensive (from $25 to $41). The College Board reports that nationwide and institution-level score declines are likely the result of dramatically reduced multiple test-taking by students. Multiple test-taking usually results in higher scores for an individual. The average ACT Composite score, a test that did not change or see any change in test-taking behaviors in its population, remained steady at 26.[3]

Office of Admissions
The University of Texas at Austin
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[1] See the text of HB 588 on the University of Texas Admissions Research website at: http://www.utexas.edu/student/research/reports/admissions/HB588Law.htm. For a more in depth discussion of the Classic Model of Admissions see Bruce Walker and Gary Lavergne, "Affirmative Action and Percentage Plans", *College Board Review*, May 2001 no. 193, p. 18-23.

[2] Throughout their histories, both the SAT and the ACT have recorded gaps in mean scores among different racial/ethnic groups and by household incomes. The annual report for the SAT is called the *College-Bound Senior Report* and the ACT is called the *ACT Profile.* These reports are issued nationally and by state.

[3] See http://www.collegeboard.com/satscores/letter.html

Table 1
Applicants/Admits/First-Time Enrolled Freshmen
Summers and Falls Combined
1996-2006

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

All Freshman Applications

	White		Native American		African American		Asian American		Hispanic		International		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
1996	10584	61%	119	1%	809	5%	2363	14%	2492	14%	896	5%			**17263**	100%
1997	9134	61%	67	0%	639	4%	2184	15%	1955	13%	946	6%	57	0%	**14982**	100%
1998	10138	60%	94	1%	660	4%	2491	15%	2338	14%	958	6%	118	1%	**16797**	100%
1999	11051	58%	87	0%	1030	5%	2668	14%	2831	15%	1199	6%	64	0%	**18930**	100%
2000	12737	59%	107	0%	1186	6%	2939	14%	3087	14%	1404	7%	79	0%	**21539**	100%
2001	11723	56%	127	1%	1053	5%	3123	15%	3164	15%	1673	8%	123	1%	**20986**	100%
2002	12603	57%	110	0%	1159	5%	3259	15%	3487	16%	1447	7%	114	1%	**22179**	100%
2003	13944	57%	111	0%	1351	6%	3439	14%	4101	17%	1477	6%	96	0%	**24519**	100%
2004	12417	54%	127	1%	1456	6%	3262	14%	4035	18%	1571	7%	140	1%	**23008**	100%
2005	12552	52%	124	1%	1552	6%	3483	15%	4457	19%	1700	7%	57	0%	**23925**	100%
2006	14301	52%	178	1%	1915	7%	4005	15%	5148	19%	1741	6%	27	0%	**27315**	100%

All Freshman Admits

	White		Native American		African American		Asian American		Hispanic		International		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
1996	7167	63%	63	1%	501	4%	1654	14%	1761	15%	310	3%			**11456**	100%
1997	7964	65%	54	0%	419	3%	1938	16%	1592	13%	312	3%	10	0%	**12289**	100%
1998	7659	64%	59	0%	401	3%	1942	16%	1620	14%	252	2%	42	0%	**11975**	100%
1999	7421	62%	47	0%	517	4%	1970	16%	1705	14%	248	2%	41	0%	**11949**	100%
2000	8162	62%	59	0%	562	4%	2151	16%	1823	14%	471	4%	28	0%	**13256**	100%
2001	7787	61%	68	1%	445	3%	2198	17%	1815	14%	355	3%	65	1%	**12733**	100%
2002	8258	61%	61	0%	494	4%	2298	17%	1945	14%	379	3%	41	0%	**13476**	100%
2003	6852	60%	37	0%	448	4%	1991	17%	1795	16%	348	3%	33	0%	**11504**	100%
2004	6814	58%	53	0%	569	5%	2013	17%	1911	16%	390	3%	38	0%	**11788**	100%
2005	6745	55%	59	0%	617	5%	2076	17%	2183	18%	498	4%	29	0%	**12207**	100%
2006	7280	55%	68	1%	683	5%	2315	17%	2406	18%	547	4%	8	0%	**13307**	100%

All Enrolled First-time Freshmen

	White		Native American		African American		Asian American		Hispanic		International		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
1996	4159	65%	34	1%	266	4%	942	15%	932	14%	97	2%			**6430**	100%
1997	4730	67%	36	1%	190	3%	1130	16%	892	13%	107	2%			**7085**	100%
1998	4399	65%	37	1%	199	3%	1133	17%	891	13%	83	1%	2	0%	**6744**	100%
1999	4447	63%	28	0%	286	4%	1221	17%	976	14%	82	1%			**7040**	100%
2000	4801	62%	32	0%	296	4%	1325	17%	1011	13%	217	3%	4	0%	**7686**	100%
2001	4447	61%	34	0%	242	3%	1413	19%	1024	14%	139	2%	38	1%	**7337**	100%
2002	4882	62%	35	0%	272	3%	1452	18%	1137	14%	157	2%			**7935**	100%
2003	3866	59%	19	0%	267	4%	1153	18%	1068	16%	156	2%	15	0%	**6544**	100%
2004	3901	57%	28	0%	309	5%	1218	18%	1149	17%	173	3%	18	0%	**6796**	100%

2005	3838	56%	33	0%	351	5%	1192	17%	1244	18%	236	3%	18	0%	**6912**	100%
2006	4029	54%	38	1%	387	5%	1327	18%	1389	19%	249	3%	2	0%	**7421**	100%

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 1a
First-Time Enrolled Freshmen from Texas High Schools
Summers and Falls Combined
1996-2006

Top 10% First-Time Enrolled Freshmen from Texas High Schools																
	White		Native American		African American		Asian American		Hispanic		International		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
1996	1497	62%	8	0%	91	4%	430	18%	396	16%	6	0%			**2428**	100%
1997	1408	60%	10	0%	50	2%	505	22%	358	15%	1	0%			**2332**	100%
1998	1497	60%	9	0%	69	3%	519	21%	414	16%	5	0%			**2513**	100%
1999	1620	55%	10	0%	160	5%	609	21%	513	18%	10	0%	3	0%	**2925**	100%
2000	1921	57%	9	0%	156	5%	653	20%	591	18%	15	0%	1	0%	**3346**	100%
2001	1942	57%	10	0%	137	4%	718	21%	575	17%	25	1%	16	0%	**3423**	100%
2002	2203	56%	19	0%	156	4%	800	20%	703	18%	51	1%			**3932**	100%
2003	2378	55%	15	0%	194	5%	781	18%	858	20%	61	1%	2	0%	**4289**	100%
2004	2270	54%	20	0%	225	5%	776	18%	887	21%	60	1%	3	0%	**4241**	100%
2005	2288	52%	18	0%	252	6%	782	18%	966	22%	85	2%			**4391**	100%
2006	2524	51%	23	0%	268	5%	929	19%	1049	21%	108	2%	1	0%	**4902**	100%
Non-Top 10% First-Time Enrolled Freshmen from Texas High Schools																
	White		Native American		African American		Asian American		Hispanic		International		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
1996	2215	66%	21	1%	164	5%	461	14%	506	15%	8	0%			**3375**	100%
1997	2781	69%	22	1%	135	3%	567	14%	519	13%	9	0%			**4033**	100%
1998	2457	68%	24	1%	119	3%	542	15%	441	12%	14	0%			**3597**	100%
1999	2472	69%	14	0%	113	3%	559	16%	424	12%	7	0%	7	0%	**3596**	100%
2000	2529	68%	21	1%	129	3%	606	16%	401	11%	25	1%	2	0%	**3713**	100%
2001	2076	64%	20	1%	98	3%	607	19%	426	13%	15	0%	13	0%	**3255**	100%
2002	2188	66%	12	0%	99	3%	562	17%	411	12%	30	1%			**3302**	100%
2003	1202	67%	4	0%	64	4%	299	17%	199	11%	35	2%	1	0%	**1804**	100%
2004	1384	64%	8	0%	77	4%	388	18%	251	12%	44	2%	5	0%	**2157**	100%
2005	1230	62%	10	1%	87	4%	350	18%	264	13%	44	2%	12	1%	**1997**	100%
2006	1163	59%	10	1%	110	6%	327	17%	314	16%	38	2%			**1962**	100%

All Enrolled First-time Freshmen from Texas High Schools																
	White		Native American		African American		Asian American		Hispanic		International		Unknown		Total	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
1996	3712	64%	29	0%	255	4%	891	15%	902	16%	14	0%			**5803**	100%
1997	4189	66%	32	1%	185	3%	1072	17%	877	14%	10	0%			**6365**	100%
1998	3954	65%	33	1%	188	3%	1061	17%	855	14%	19	0%			**6110**	100%
1999	4092	63%	24	0%	273	4%	1168	18%	937	14%	17	0%	10	0%	**6521**	100%
2000	4450	63%	30	0%	285	4%	1259	18%	992	14%	40	1%	3	0%	**7059**	100%
2001	4018	60%	30	0%	235	4%	1325	20%	1001	15%	40	1%	29	0%	**6678**	100%
2002	4391	61%	31	0%	255	4%	1362	19%	1114	15%	81	1%			**7234**	100%
2003	3580	59%	19	0%	258	4%	1080	18%	1057	17%	96	2%	3	0%	**6093**	100%
2004	3654	57%	28	0%	302	5%	1164	18%	1138	18%	104	2%	8	0%	**6398**	100%
2005	3518	55%	28	0%	339	5%	1132	18%	1230	19%	129	2%	12	0%	**6388**	100%
2006	3687	54%	33	0%	378	6%	1256	18%	1363	20%	146	2%	1	0%	**6864**	100%

THE UNIVERSITY OF TEXAS AT AUSTIN
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Table 2

TOP 10% STUDENTS ADMITTED TO UT AUSTIN BY RACIAL/ETHNIC BACKGROUND

HB 588 Automatic Admits divided by (" /") Total Admits

Summer/Fall 1999-2006

ETHNICITY	1999		2000		2001		2002		2003		2004		2005		2006	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
White	2753/7421	37%	3182/8162	39%	3213/7787	41%	3527/8258	43%	3996/6852	58%	3817/6814	56%	3887/6745	58%	4297/7280	59%
African American	268/517	52%	291/562	52%	245/445	55%	278/494	56%	326/448	73%	428/569	75%	441/617	71%	463/683	68%
Asian American	998/1970	51%	1034/2151	48%	1081/2198	49%	1211/2298	53%	1250/1991	63%	1257/2013	62%	1302/2076	63%	1572/2315	68%
Hispanic	911/1705	53%	1020/1823	56%	1012/1815	56%	1177/1945	61%	1424/1795	79%	1451/1911	76%	1656/2183	76%	1790/2406	74%

Table 2a

TOP 10% STUDENTS ADMITTED TO UT AUSTIN BY RACIAL/ETHNIC BACKGROUND

HB 588 Automatic Admits divided by (" /") Admits from Texas High Schools

Summer/Fall 1999-2006

ETHNICITY	1999		2000		2001		2002		2003		2004		2005		2006	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
White	2753/6664	41%	3182/7194	44%	3213/6629	48%	3527/6969	51%	3996/6004	67%	3817/6132	62%	3887/5906	66%	4297/6268	69%
African American	268/491	55%	291/531	55%	245/424	58%	278/452	62%	326/425	77%	428/553	77%	441/592	74%	463/661	70%
Asian American	998/1828	55%	1034/1941	53%	1081/1909	57%	1211/1965	62%	1250/1725	72%	1257/1823	69%	1302/1865	70%	1572/2060	76%
Hispanic	911/1643	55%	1020/1753	58%	1012/1714	59%	1177/1817	65%	1424/1745	82%	1451/1860	78%	1656/2119	78%	1790/2318	77%

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 2b
UNIVERSITY OF TEXAS ENTERING FRESHMAN CLASSES
Breakout of Top 10% Status
Enrolled Students from Texas High Schools
Summer/Fall 1996-2006

	TX Grads	Top 10%		Non-Top 10%	
	N	N	%	N	%
1996	5803	2428	42%	3375	58%
1997	6365	2332	37%	4033	63%
1998	6110	2513	41%	3597	59%
1999	6521	2925	45%	3596	55%
2000	7059	3346	47%	3713	53%
2001	6678	3423	51%	3255	49%
2002	7234	3932	54%	3302	46%
2003	6093	4289	70%	1804	30%
2004	6398	4241	66%	2157	34%
2005	6388	4391	69%	1997	31%
2006	6864	4902	71%	1962	29%

Table 3
MEAN COLLEGE ADMISSION TEST SCORES OF ENROLLED TOP 10% AND NON-TOP 10% STUDENTS
Graduates of Texas High Schools
Summer/Fall 1996-2006

Note: The ranges below, and throughout this report, represent SAT combined scores and concorded ACT scores. As is the case with the UT admissions routine, students submitting more than one set of scores were given the benefit of the best performance from a single test date.

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Top 10%	1253	1249	1243	1231	1226	1225	1226	1223	1221	1226	1220
Non-Top 10%	1197	1180	1193	1193	1205	1215	1222	1257	1258	1277	1257
Total	1220	1205	1214	1210	1215	1220	1224	1233	1233	1242	1230

THE UNIVERSITY OF TEXAS AT AUSTIN
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Table 4a

SAT SCORE RANGES FOR ENROLLED FRESHMEN TOP 10% STUDENTS

Graduates of Texas High Schools

Summer/Fall 1996-2006

Note: The ranges below, and throughout this report, represent SAT combined scores and concorded ACT scores. As is the case with the UT admissions routine, students submitting more than one set of scores were given the benefit of the best performance from a single test date.

SAT	1996		1997		1998		1999		2000		2001		2002		2003		2004		2005		2006	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
<900	15	1	16	1	27	1	68	2	82	2	81	2	98	3	128	3	135	3	129	3	171	3
900-990	54	2	76	3	89	4	122	4	176	5	190	6	223	6	258	6	263	6	247	6	298	6
1000-1090	297	12	251	11	309	12	375	13	439	13	440	13	522	13	572	13	560	13	570	13	690	14
1100-1190	475	20	439	19	473	19	540	18	669	20	692	20	728	19	805	19	801	19	844	19	891	18
1200-1290	622	26	632	27	664	26	762	26	810	24	811	24	933	24	1023	24	1004	24	1026	23	1145	23
1300-1390	557	23	546	23	557	22	636	22	675	20	704	21	848	22	841	20	830	20	863	20	949	19
1400-1490	305	13	300	13	300	12	324	11	381	11	393	11	461	12	499	12	478	11	507	12	547	11
1500+	103	4	72	3	94	4	98	3	114	3	112	3	119	3	163	4	169	4	205	5	211	4
Total	**2428**	100	**2332**	100	**2513**	100	**2925**	100	**3346**	100	**3423**	100	**3932**	100	**4289**	100	**4241**	100	**4391**	100	**4902**	100
SAT Mean	**1253**		**1249**		**1243**		**1231**		**1226**		**1225**		**1226**		**1223**		**1221**		**1226**		**1220**	

Table 4b

SAT SCORE RANGES FOR ENROLLED FRESHMEN NON-TOP 10% STUDENTS

Graduates of Texas High Schools

Summer/Fall 1996-2006

Note: The sum of the SAT intervals in 2005 may not equal to the total because 14 entering freshmen were specially enrolled "Hurricane Katrina" students who had no test scores.

SAT	1996		1997		1998		1999		2000		2001		2002		2003		2004		2005		2006	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
<900	40	1	77	2	52	1	47	1	45	1	19	1	43	1	30	2	36	2	30	2	56	3
900-990	151	4	226	6	169	5	181	5	117	3	96	3	96	3	43	2	47	2	41	2	69	4
1000-1090	482	14	741	18	560	16	602	17	531	14	439	13	374	11	128	7	130	6	140	7	142	7
1100-1190	948	28	1118	28	1009	28	965	27	1005	27	806	25	776	24	274	15	397	18	233	12	305	16
1200-1290	1046	31	1105	27	1009	28	1018	28	1155	31	1072	33	1074	33	577	32	639	30	564	28	504	26
1300-1390	513	15	552	14	591	16	544	15	611	16	572	18	655	20	491	27	608	28	599	30	578	29
1400-1490	166	5	181	4	178	5	202	6	193	5	206	6	239	7	209	12	247	11	302	15	244	12
1500+	29	1	33	1	29	1	37	1	56	2	45	1	45	1	51	3	53	2	74	4	64	3
Total	**3375**	100	**4033**	100	**3597**	100	**3596**	100	**3713**	100	**3255**	100	**3302**	100	**1804**	100	**2157**	100	**1997**	100	**1962**	100
SAT Mean	**1197**		**1180**		**1193**		**1193**		**1205**		**1215**		**1222**		**1257**		**1258**		**1277**		**1257**	

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Table 5
TASP/TSI RESULTS FOR TOP 10% AND NON-TOP 10% STUDENTS
1997-2006

	Exempt (%)		Passed (%)		Remediation (%)		Total (n-count)	
	Top 10%	Other	Top 10%	Other	Top 10%	Other	Top 10%	Other
1997	79	79	19	18	2	3	2332	4003
1998	89	82	10	15	1	3	2513	3597
1999	90	85	9	14	1	1	2925	3596
2000	90	88	8	10	1	1	3346	3713
2001	91	91	8	8	1	1	3423	3255
2002	96	95	4	5	<1	1	3932	3302
2003	97	97	2	3	<1	<1	4289	1804
2004	94	96	4	3	2	1	4241	2157
2005	87	93	11	5	2	2	4391	1997
2006	90	92	9	6	1	2	4902	1962

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Table 6
FRESHMAN YEAR PERFORMANCE BY SAT SCORE RANGE
Entering 1996-2005
Graduates of Texas High Schools

	Entering 1996				Entering 1997				Entering 1998				Entering 1999				Entering 2000			
	Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%	
SAT Ranges	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	15	2.61	40	2.11	16	2.08	77	2.14	27	2.34	52	2.28	68	2.62	47	2.40	82	2.52	45	2.49
900-990	54	2.58	151	2.46	76	2.86	226	2.32	89	2.68	169	2.37	122	2.85	181	2.49	176	2.86	117	2.61
1000-1090	297	2.83	482	2.50	251	2.72	741	2.47	309	2.88	560	2.60	375	2.90	602	2.58	439	2.94	531	2.69
1100-1190	475	3.04	948	2.62	439	3.07	1118	2.59	473	2.97	1009	2.67	540	3.09	965	2.63	669	3.09	1005	2.76
1200-1290	622	3.19	1046	2.67	632	3.24	1105	2.66	664	3.22	1009	2.76	762	3.23	1018	2.84	810	3.28	1155	2.87
1300-1390	557	3.39	513	2.76	546	3.41	552	2.93	557	3.46	591	2.86	636	3.47	544	2.98	675	3.50	611	3.06
1400-1490	305	3.56	166	3.07	300	3.59	181	3.08	300	3.66	178	3.15	324	3.66	202	3.11	381	3.67	193	3.27
1500+	103	3.66	29	3.05	72	3.67	33	3.04	94	3.74	29	3.20	98	3.81	37	3.45	114	3.78	56	3.13
Total/Mean	2428	3.21	3375	2.65	2332	3.23	4033	2.64	2513	3.23	3597	2.72	2925	3.25	3596	2.76	3346	3.26	3713	2.86
SAT Mean	1253		1197		1249		1180		1243		1193		1231		1193		1226		1205	

Table 6 (continued from above)
FRESHMAN YEAR PERFORMANCE BY SAT SCORE RANGE
Entering 1996-2005
Graduates of Texas High Schools

Note: The sum of the SAT intervals in 2005 may not equal to the total because 14 entering freshmen were specially enrolled "Hurricane Katrina" students who had no test scores.

	Entering 2001				Entering 2002				Entering 2003				Entering 2004				Entering 2005			
	Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%	
SAT Ranges	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	81	2.32	19	2.46	98	2.46	43	2.16	128	2.50	30	2.17	135	2.32	36	2.34	129	2.33	30	2.35
900-990	190	2.75	96	2.59	223	2.69	96	2.43	258	2.71	43	2.46	263	2.59	47	2.29	247	2.60	41	2.70
1000-1090	440	2.87	439	2.57	522	2.89	374	2.66	572	2.90	128	2.79	560	2.82	130	2.70	570	2.80	140	2.53
1100-1190	692	3.08	806	2.70	728	3.08	776	2.80	805	3.09	274	2.94	801	3.09	397	2.80	844	2.98	233	2.79
1200-1290	811	3.28	1072	2.87	933	3.24	1074	2.94	1023	3.26	577	3.02	1004	3.27	639	3.01	1026	3.21	564	2.99
1300-1390	704	3.5	572	3.10	848	3.49	655	3.06	841	3.51	491	3.15	830	3.45	608	3.17	863	3.44	599	3.13
1400-1490	393	3.67	206	3.24	461	3.67	239	3.25	499	3.66	209	3.30	478	3.65	247	3.19	507	3.64	302	3.27
1500+	112	3.79	45	3.27	119	3.77	45	3.32	163	3.81	51	3.51	169	3.78	53	3.31	205	3.82	74	3.49
Total/Mean	3423	3.24	3255	2.85	3932	3.24	3302	2.90	4289	3.24	1804	3.05	4241	3.21	2157	3.00	4391	3.18	1997	3.02
SAT Mean	1225		1215		1226		1222		1223		1257		1221		1258		1226		1277	

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Table 6a
FRESHMAN YEAR PERFORMANCE BY SAT SCORE RANGE
Entering 1996-2005
Graduates of Texas High Schools
White Students

	Entering 1996				Entering 1997				Entering 1998				Entering 1999				Entering 2000			
	Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%	
SAT Ranges	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900			13	2.03	2	1.79	27	2.28	5	2.49	11	2.01	7	2.72	16	2.48	9	2.52	15	2.49
900-990	5	2.89	62	2.34	17	3.00	97	2.36	23	2.63	77	2.44	25	2.86	76	2.51	33	2.87	63	2.55
1000-1090	119	2.79	253	2.5	114	2.75	484	2.49	120	2.85	340	2.60	141	2.95	386	2.61	180	2.88	328	2.69
1100-1190	280	3.04	608	2.65	240	3.09	777	2.56	280	2.97	720	2.67	271	3.13	679	2.65	372	3.08	705	2.76
1200-1290	397	3.14	764	2.67	414	3.25	823	2.66	427	3.22	712	2.76	483	3.25	744	2.82	540	3.29	814	2.86
1300-1390	400	3.40	371	2.75	350	3.39	417	2.92	381	3.44	450	2.82	409	3.46	405	2.97	450	3.47	439	3.05
1400-1490	219	3.51	121	3.09	217	3.57	130	3.07	196	3.63	124	3.16	220	3.63	141	3.10	261	3.65	130	3.25
1500+	77	3.66	23	3.10	54	3.64	26	2.86	65	3.72	23	3.36	64	3.80	25	3.39	76	3.79	35	3.25
Total/Mean	1497	3.24	2215	2.68	1408	3.28	2871	2.65	1497	3.26	2457	2.73	1620	3.32	2472	2.77	1921	3.31	2529	2.86
SAT Mean	1280		1214		1275		1194		1267		1206		1267		1205		1262		1212	

Table 6a (continued from above)
FRESHMAN YEAR PERFORMANCE BY SAT SCORE RANGE
Entering 1996-2005
Graduates of Texas High Schools
White Students

	Entering 2001				Entering 2002				Entering 2003				Entering 2004				Entering 2005			
	Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%	
SAT Ranges	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	7	1.91	6	2.28	8	2.42	4	2.38	12	2.98	4	2.22	5	2.06	8	2.33	11	2.40	5	2.31
900-990	50	2.61	39	2.55	46	2.64	39	2.54	54	2.90	14	2.40	55	2.72	17	2.20	48	2.56	10	2.36
1000-1090	169	2.90	244	2.58	213	2.83	209	2.67	221	2.95	74	2.75	205	2.85	66	2.60	185	2.82	64	2.73
1100-1190	398	3.05	510	2.75	401	3.04	509	2.82	448	3.10	183	2.99	444	3.11	262	2.78	425	3.00	131	2.89
1200-1290	537	3.26	726	2.85	595	3.22	775	2.95	651	3.25	421	3.00	615	3.29	433	3.04	621	3.23	362	3.02
1300-1390	460	3.47	388	3.12	590	3.50	459	3.05	574	3.50	333	3.14	542	3.46	421	3.16	571	3.47	405	3.13
1400-1490	255	3.66	137	3.30	278	3.65	162	3.25	326	3.66	144	3.28	305	3.62	147	3.21	321	3.63	199	3.29
1500+	66	3.81	26	3.26	72	3.72	31	3.40	92	3.76	28	3.55	99	3.76	30	3.29	106	3.80	50	3.47
Total/Mean	1942	3.28	2076	2.87	2203	3.28	2188	2.94	2378	3.32	1202	3.06	2270	3.31	1384	3.02	2288	3.28	1230	3.08
SAT Mean	1257		1223		1261		1236		1262		1267		1262		1267		1268		1295	

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 6b
FRESHMAN YEAR PERFORMANCE BY SAT SCORE RANGE
Entering 1996-2005
Graduates of Texas High Schools
African American Students

	Entering 1996				Entering 1997				Entering 1998				Entering 1999				Entering 2000			
	Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%	
SAT Ranges	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	2	2.83	12	2.20	3	2.37	23	2.02	2	2.50	18	2.25	23	2.40	13	2.30	25	2.40	11	2.29
900-990	5	1.94	16	2.48	5	2.96	29	2.27	9	2.76	18	2.47	30	2.96	18	2.46	29	2.83	15	2.67
1000-1090	27	2.69	51	2.50	11	2.79	31	2.33	22	2.65	25	2.63	40	3.02	30	2.49	36	2.99	25	2.64
1100-1190	29	2.71	50	2.65	12	3.01	34	2.40	19	3.12	25	2.75	36	2.93	26	2.52	27	3.02	39	2.82
1200-1290	23	3.24	26	2.29	14	3.36	15	2.47	11	3.07	22	2.89	22	3.18	18	2.99	27	3.05	25	2.58
1300-1390	5	3.24	7	2.23	4	3.54	3	2.77	3	3.56	8	3.1	9	3.34	5	2.51	11	3.36	11	3.02
1400-1490			2	2.97	1	3.97			3	3.93	3	3.16			2	3.27	1	4.00	2	3.84
1500+															1	3.68			1	2.29
Total/Mean	91	2.84	164	2.48	50	3.08	135	2.31	69	2.95	119	2.66	160	2.94	113	2.58	156	2.91	129	2.70
SAT Mean	1139		1100		1139		1038		1111		1091		1058		1080		1068		1122	

Table 6b (continued from above)
FRESHMAN YEAR PERFORMANCE BY SAT SCORE RANGE
Entering 1996-2005
Graduates of Texas High Schools
African American Students

	Entering 2001				Entering 2002				Entering 2003				Entering 2004				Entering 2005			
	Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%	
SAT Ranges	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	22	2.20	6	2.37	23	2.26	19	2.02	31	2.19	12	2.34	46	1.97	13	2.34	45	2.18	12	2.32
900-990	19	2.60	8	2.45	27	2.73	12	2.15	30	2.62	11	2.25	40	2.51	8	1.96	35	2.31	8	2.13
1000-1090	38	2.74	22	2.52	49	2.84	19	2.60	61	2.74	10	2.35	54	2.81	11	2.42	66	2.65	11	1.95
1100-1190	29	2.92	22	2.68	19	2.83	21	2.71	30	2.93	14	2.50	34	2.95	13	2.94	50	2.80	23	2.52
1200-1290	23	3.31	31	2.78	29	3.22	18	2.73	31	3.33	12	3.07	33	3.11	19	2.62	42	3.09	16	2.70
1300-1390	5	3.81	9	3.06	7	3.37	10	2.17	9	3.37	4	2.92	14	3.33	10	3.12	11	3.21	14	2.98
1400-1490	1	3.64			1	3.24			2	3.53	1	3.42	3	3.83	1	2.13	3	3.80	2	2.49
1500+					1	4.0									2	2.51				
Total/Mean	137	2.81	98	2.68	156	2.84	99	2.44	194	2.79	64	2.55	225	2.69	77	2.58	252	2.66	87	2.50
SAT Mean	1059		1137		1059		1079		1063		1065		1046		1116		1059		1118	

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 6c
FRESHMAN YEAR PERFORMANCE BY SAT SCORE RANGE
Entering 1996-2005
Graduates of Texas High Schools
Asian American Students

	Entering 1996				Entering 1997				Entering 1998				Entering 1999				Entering 2000			
	Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%	
SAT Ranges	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	2	2.36	3	2.11	2	1.80	6	2.31			4	1.98	4	3.14	3	2.43	10	2.56	5	2.29
900-990	7	2.80	18	2.62	13	2.73	33	2.58	13	2.83	25	2.39	17	3.00	28	2.63	22	3.00	19	2.78
1000-1090	44	3.11	52	2.67	37	2.57	94	2.33	50	3.00	90	2.67	61	2.98	80	2.57	78	3.02	78	2.78
1100-1190	77	3.12	135	2.59	97	3.09	153	2.75	78	3.12	139	2.75	105	3.05	146	2.58	118	3.25	139	2.74
1200-1290	113	3.39	133	2.72	131	3.26	157	2.70	137	3.32	161	2.84	133	3.22	154	2.90	133	3.32	189	2.96
1300-1390	98	3.46	86	2.88	139	3.49	82	3.05	129	3.49	86	3.00	165	3.56	91	3.01	156	3.58	115	3.15
1400-1490	66	3.72	31	3.24	70	3.69	36	3.15	86	3.71	33	2.97	92	3.70	47	3.11	103	3.72	48	3.26
1500+	23	3.68	3	3.69	16	3.72	6	3.74	26	3.78	4	2.87	32	3.85	10	3.53	33	3.78	13	3.04
Total/Mean	430	3.38	461	2.74	505	3.29	567	2.73	519	3.38	542	2.79	609	3.36	559	2.8	653	3.40	606	2.94
SAT Mean	1272		1213		1263		1193		1277		1201		1268		1210		1257		1225	

Table 6c (continued from above)
FRESHMAN YEAR PERFORMANCE BY SAT SCORE RANGE
Entering 1996-2005
Graduates of Texas High Schools
Asian American Students

	Entering 2001				Entering 2002				Entering 2003				Entering 2004				Entering 2005			
	Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%	
SAT Ranges	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	9	2.03	1	1.13	10	2.23	4	2.64	9	2.01	3	1.77	12	2.48	3	2.16	11	2.30		
900-990	34	2.69	12	2.62	30	3.01	9	2.05	27	2.78	5	2.99	30	2.42	3	2.47	24	2.55	3	2.34
1000-1090	76	2.89	61	2.56	53	2.91	57	2.71	68	2.90	14	3.02	58	2.93	11	3.11	65	2.79	23	2.18
1100-1190	116	3.14	144	2.60	147	3.17	130	2.77	109	3.20	38	2.99	116	3.19	52	2.90	124	3.11	30	2.82
1200-1290	144	3.30	187	2.99	193	3.30	159	2.92	187	3.33	66	3.09	179	3.36	106	3.03	170	3.28	74	3.01
1300-1390	185	3.58	129	3.08	167	3.55	134	3.14	192	3.61	100	3.20	179	3.49	118	3.20	157	3.39	122	3.23
1400-1490	114	3.73	57	3.14	156	3.70	58	3.18	128	3.72	54	3.37	138	3.70	79	3.20	141	3.69	75	3.29
1500+	40	3.78	16	3.32	44	3.84	11	3.15	61	3.87	19	3.53	64	3.80	16	3.56	90	3.83	23	3.52
Total/Mean	718	3.35	607	2.89	800	3.38	562	2.93	781	3.41	299	3.17	776	3.38	388	3.11	782	3.33	350	3.11
SAT Mean	1262		1242		1272		1242		1278		1300		1280		1304		1288		1322	

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 6d
FRESHMAN YEAR PERFORMANCE BY SAT SCORE RANGE
Entering 1996-2005
Graduates of Texas High Schools
Hispanic Students

	Entering 1996				Entering 1997				Entering 1998				Entering 1999				Entering 2000			
	Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%	
SAT Ranges	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	11	2.61	12	2.11	9	2.11	21	2.05	20	2.29	19	2.52	32	2.75	15	2.40	38	2.57	14	2.73
900-990	36	2.54	54	2.54	41	2.83	67	2.17	44	2.66	49	2.23	50	2.71	58	2.41	90	2.83	19	2.60
1000-1090	105	2.80	124	2.43	89	2.74	126	2.55	113	2.94	100	2.54	130	2.78	103	2.51	144	2.96	95	2.58
1100-1190	88	3.05	149	2.51	85	3.01	146	2.62	95	2.83	114	2.54	126	3.09	110	2.60	150	3.01	109	2.80
1200-1290	84	3.15	112	2.68	71	3.16	97	2.61	86	3.10	102	2.64	116	3.16	92	2.81	102	3.22	109	2.86
1300-1390	51	3.26	43	2.63	51	3.35	47	2.82	39	3.43	39	2.93	47	3.26	34	2.92	51	3.47	41	2.92
1400-1490	18	3.60	10	2.31	10	3.33	14	2.97	14	3.60	16	3.45	10	3.78	11	3.35	14	3.60	9	3.38
1500+	3	3.50	2	1.34	2	4.00	1	3.35	3	3.71	2	2.02	2	3.66	1	3.91	2	3.27	5	3.42
Total/Mean	396	3.00	506	2.52	358	2.99	519	2.55	414	2.96	441	2.59	513	3	424	2.64	591	3.04	401	2.78
SAT Mean	1158		1136		1147		1128		1134		1140		1129		1128		1114		1158	

Table 6d (continued from above)
FRESHMAN YEAR PERFORMANCE BY SAT SCORE RANGE
Entering 1996-2005
Graduates of Texas High Schools
Hispanic Students

	Entering 2001				Entering 2002				Entering 2003				Entering 2004				Entering 2005			
	Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%		Top 10%		Non-Top 10%	
SAT Ranges	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	43	2.51	6	2.94	52	2.56	16	2.14	71	2.61	11	2.06	67	2.54	9	2.32	56	2.42	13	2.39
900-990	86	2.90	36	2.64	112	2.60	35	2.50	145	2.67	12	2.50	131	2.60	17	2.44	135	2.69	15	3.16
1000-1090	149	2.87	107	2.55	198	2.96	87	2.61	211	2.89	28	2.86	229	2.73	38	2.80	239	2.83	40	2.53
1100-1190	143	3.13	116	2.60	151	3.13	103	2.69	205	3.01	35	2.83	192	3.02	61	2.73	225	2.90	41	2.57
1200-1290	93	3.29	111	2.83	101	3.26	111	2.93	134	3.21	65	3.02	159	3.14	61	2.73	177	3.11	90	2.86
1300-1390	41	3.32	37	2.96	71	3.37	43	3.06	56	3.31	41	2.97	81	3.37	48	3.15	102	3.42	44	2.93
1400-1490	15	3.55	11	3.09	18	3.71	14	3.42	33	3.47	5	3.22	26	3.59	13	3.12	27	3.45	20	3.25
1500+	5	3.74	2	3.60			2	2.94	3	4.00	2	2.25	2	3.98	4	2.91	5	3.84	1	3.83
Total/Mean	575	3.04	426	2.71	703	3.01	411	2.77	858	2.96	199	2.87	887	2.92	251	2.81	966	2.94	264	2.80
SAT Mean	1109		1149		1103		1155		1100		1189		1110		1189		1122		1193	

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 7a
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND ETHNICITY
Entering 1996

Note: N-counts below represent students with a college admissions test score. SAT means represent SAT combined scores and concorded ACT scores. As is the case with the UT admissions routine, students submitting more than one set of scores were given the benefit of the best performance from a single test date. Students with no hours toward a GPA were excluded from the computation of the GPA mean. On very rare occasions students are admitted as freshmen to Pharmacy. Those are included in the total but are not listed.

College/School	Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	27	1296	3.16				4	1160	3.54	7	1236	3.42	38	1270	3.24
Business	318	1277	3.36	20	1183	3.02	97	1276	3.43	58	1178	3.23	495	1261	3.34
Communication	129	1223	3.10	13	1110	2.59	16	1211	3.20	27	1155	3.13	187	1206	3.08
Education	43	1184	3.08	4	1145	2.84	8	1230	3.50	9	1096	3.10	65	1171	3.13
Engineering	208	1335	3.35	13	1122	2.50	83	1346	3.44	68	1221	2.98	374	1309	3.28
Fine Arts	48	1259	3.40				4	1260	3.51	17	1118	2.97	69	1224	3.30
Liberal Arts	371	1293	3.27	17	1132	3.02	55	1288	3.37	104	1134	2.89	548	1258	3.20
Natural Science	333	1274	3.11	19	1150	2.87	157	1241	3.34	99	1142	2.96	613	1240	3.14
Nursing	19	1184	3.01	4	1020	2.60	4	1083	3.05	7	1083	2.56	35	1131	2.88
Social Work	1	1210	4.00	1	1200	3.74	1	1300	2.88				3	1237	3.54
Total	1497	1280	3.24	91	1139	2.84	430	1272	3.38	396	1158	3.00	2428	1253	3.21
College/School	Non-Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	17	1312	2.92							2	1330	3.47	19	1314	2.97
Business	219	1279	2.99	14	1166	3.02	62	1284	3.34	40	1170	2.95	337	1262	3.05
Communication	282	1199	2.72	19	1093	2.52	27	1224	2.77	45	1124	2.52	373	1186	2.69
Education	71	1140	2.71	8	1011	2.76	8	1229	2.51	18	1146	2.46	105	1138	2.66
Engineering	196	1261	2.75	14	1172	2.63	69	1252	2.76	56	1171	2.65	339	1241	2.74
Fine Arts	132	1208	2.86	9	1167	2.50	6	1208	3.04	16	1151	2.86	164	1198	2.84
Liberal Arts	897	1190	2.58	55	1041	2.34	128	1159	2.55	216	1103	2.46	1308	1167	2.55
Natural Science	369	1239	2.55	41	1137	2.35	156	1211	2.63	103	1167	2.39	679	1215	2.53
Nursing	27	1157	2.89	1	1050	1.86	4	1115	2.97	8	1224	2.15	40	1164	2.73
Social Work	5	1194	2.82	3	1150	2.83				2	1000	2.86	10	1142	2.83
Total	2215	1214	2.68	164	1100	2.48	461	1213	2.74	506	1136	2.52	3375	1197	2.65

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 7b
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND ETHNICITY
Entering 1997

College/School	Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	16	1254	3.56				3	1373	3.49	2	1095	3.59	21	1256	3.55
Business	307	1272	3.38	5	1156	3.03	120	1298	3.47	45	1211	3.33	479	1272	3.39
Communication	121	1248	3.27	6	1223	3.56	13	1235	3.43	32	1127	3.16	172	1223	3.27
Education	34	1169	3.13				7	1106	3.13	12	1113	3.05	54	1149	3.12
Engineering	217	1329	3.28	8	1185	3.26	109	1311	3.26	70	1142	2.70	406	1289	3.18
Fine Arts	44	1238	3.30	1	1230	3.49	4	1298	3.59	8	1160	3.21	57	1231	3.31
Liberal Arts	351	1281	3.28	11	1098	3.08	56	1263	3.29	77	1158	3.04	497	1256	3.24
Natural Science	302	1264	3.18	19	1106	2.84	188	1221	3.19	94	1144	2.93	607	1227	3.13
Nursing	15	1169	2.95				4	1163	3.20	15	1013	2.84	34	1099	2.93
Social Work	1	1250	4.00							3	1097	3.13	4	1135	3.35
Total	1408	1275	3.28	50	1139	3.08	505	1263	3.29	358	1147	2.99	2332	1249	3.23
College/School	Non-Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	30	1244	2.92				4	1328	3.32				34	1254	2.96
Business	286	1267	3.06	4	1258	2.80	85	1256	3.26	33	1214	3.14	411	1260	3.11
Communication	274	1177	2.87	8	1126	2.42	16	1188	2.88	48	1138	2.62	348	1171	2.83
Education	134	1094	2.49	12	976	2.36	14	1096	2.66	27	1041	2.60	188	1079	2.50
Engineering	246	1273	2.71	11	1155	2.53	78	1264	2.89	55	1217	2.52	395	1259	2.72
Fine Arts	131	1162	2.68	8	994	2.85	10	1131	2.73	18	1114	2.82	171	1148	2.70
Liberal Arts	1076	1175	2.54	59	1003	2.12	147	1150	2.43	203	1108	2.47	1496	1157	2.50
Natural Science	543	1203	2.54	30	1043	2.31	209	1176	2.64	123	1118	2.42	910	1181	2.54
Nursing	48	1107	2.47	3	1073	2.45	2	1240	3.17	9	1109	2.89	62	1110	2.56
Social Work	13	1151	2.78							3	980	2.97	16	1119	2.81
Total	2781	1194	2.65	135	1038	2.31	567	1193	2.73	519	1128	2.55	4033	1180	2.64

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 7c
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND ETHNICITY
Entering 1998

College/School	Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	24	1296	3.38				3	1303	3.04	2	1320	3.34	29	1298	3.34
Business	382	1264	3.28	21	1106	3.09	141	1282	3.49	78	1111	2.90	625	1243	3.27
Communication	121	1227	3.33	7	1110	2.84	19	1268	3.26	31	1103	2.94	178	1205	3.24
Education	28	1184	3.17	2	990	2.90	4	1125	3.43	16	1021	2.89	50	1120	3.09
Engineering	281	1329	3.31	5	1080	2.94	126	1318	3.36	84	1168	2.98	497	1296	3.27
Fine Arts	42	1252	3.42				1	1110	4.00	4	1033	2.69	48	1233	3.38
Liberal Arts	284	1263	3.26	17	1114	2.79	54	1288	3.42	74	1126	3.01	432	1237	3.22
Natural Science	314	1253	3.17	16	1161	3.04	167	1248	3.29	118	1157	2.99	621	1230	3.17
Nursing	19	1107	3.01				4	1143	3.66	6	1065	2.73	29	1103	3.04
Social Work	2	1205	2.19	1	800	2.34				1	1160	3.10	4	1093	2.45
Total	1497	1267	3.26	69	1111	2.95	519	1277	3.38	414	1134	2.96	2513	1243	3.23
College/School	Non-Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	18	1324	2.86							3	1240	3.02	21	1312	2.89
Business	125	1290	3.06	7	1163	2.84	25	1288	3.10	12	1192	2.97	170	1278	3.05
Communication	135	1240	2.93	3	1217	3.19	9	1284	3.35	27	1143	2.63	177	1226	2.91
Education	91	1142	2.92	1	940	3.11	6	1080	2.85	10	1152	2.86	111	1137	2.88
Engineering	281	1284	2.67	15	1228	2.94	95	1257	2.83	49	1226	2.66	447	1270	2.71
Fine Arts	106	1186	2.91	3	1053	3.04	8	1171	3.37	16	1132	2.54	135	1177	2.89
Liberal Arts	1165	1180	2.73	60	1031	2.51	174	1169	2.72	212	1110	2.63	1623	1164	2.71
Natural Science	490	1212	2.56	22	1149	2.76	217	1196	2.77	105	1151	2.40	844	1199	2.60
Nursing	31	1121	2.81	5	1032	2.42	6	1107	2.75	1	930	2.88	43	1104	2.76
Social Work	15	1139	2.53	3	1083	2.62	2	1105	2.12	6	1163	2.57	26	1136	2.52
Total	2457	1206	2.73	119	1091	2.66	542	1201	2.79	441	1140	2.59	3597	1193	2.72

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 7d
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND ETHNICITY
Entering 1999

College/School	Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	20	1358	3.32				1	1380	3.50	2	1275	2.73	23	1352	3.27
Business	400	1252	3.40	38	1095	2.99	173	1269	3.43	99	1145	3.09	715	1233	3.34
Communication	164	1239	3.31	10	1126	3.19	18	1250	3.29	41	1121	3.15	234	1214	3.28
Education	39	1133	3.20	8	901	2.73				15	1012	3.08	62	1074	3.11
Engineering	274	1314	3.28	28	1089	2.75	142	1319	3.36	116	1153	2.90	566	1271	3.20
Fine Arts	53	1273	3.52	3	1040	3.44	4	1128	3.17	12	1164	3.23	72	1237	3.45
Liberal Arts	314	1274	3.33	28	1014	2.96	54	1264	3.40	88	1119	3.11	490	1230	3.27
Natural Science	332	1268	3.26	40	1060	2.97	211	1240	3.30	137	1115	2.89	725	1219	3.19
Nursing	24	1182	3.11	4	953	2.63	6	1185	2.94	3	1117	3.11	37	1152	3.03
Social Work				1	930	3.00							1	930	3.00
Total	1620	1267	3.32	160	1058	2.94	609	1268	3.36	513	1129	3.00	2925	1231	3.25
College/School	Non-Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	11	1345	2.83				1	1350	4.00	1	1200	3.70	13	1335	3.00
Business	94	1294	2.98	6	1145	2.64	21	1344	3.23	13	1247	2.95	139	1290	3.00
Communication	171	1250	3.07	2	1100	2.05	11	1294	3.38	21	1250	2.96	206	1252	3.07
Education	120	1114	2.76	5	1036	2.90	8	1104	2.82	12	1082	2.58	147	1108	2.75
Engineering	307	1253	2.61	13	1145	2.81	116	1271	2.73	59	1157	2.43	500	1244	2.63
Fine Arts	110	1178	2.90	4	1093	1.95	5	1104	2.74	14	1085	2.51	133	1163	2.82
Liberal Arts	1038	1184	2.80	58	1035	2.53	178	1158	2.81	189	1098	2.72	1470	1163	2.78
Natural Science	585	1217	2.69	22	1148	2.63	212	1209	2.75	108	1139	2.55	935	1205	2.69
Nursing	25	1123	2.75	1	1090	2.42	4	1208	2.76	4	1108	2.76	34	1130	2.74
Social Work	11	1136	2.63	2	1065	2.57	3	1240	2.94	3	1093	1.95	19	1138	2.56
Total	2472	1205	2.77	113	1080	2.58	559	1210	2.80	424	1128	2.64	3596	1193	2.76

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 7e
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND ETHNICITY
Entering 2000

College/School	Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	19	1343	3.61	1	1030	3.28	2	1390	3.86	2	1305	3.60	24	1330	3.61
Business	517	1251	3.29	39	1055	2.78	207	1257	3.48	132	1126	3.05	901	1226	3.27
Communication	214	1221	3.34	9	1071	2.90	18	1184	3.28	49	1094	3.32	290	1192	3.32
Education	35	1151	3.22	9	1010	3.29	7	1117	3.47	18	1016	2.98	69	1094	3.20
Engineering	291	1304	3.27	22	1162	3.27	153	1293	3.35	129	1143	2.93	600	1262	3.23
Fine Arts	53	1235	3.44	3	1163	3.33	7	1246	3.45	22	1126	2.97	87	1205	3.31
Liberal Arts	369	1279	3.38	26	1068	2.94	60	1263	3.40	96	1090	2.94	554	1235	3.29
Natural Science	402	1265	3.26	39	1069	2.81	193	1240	3.36	133	1112	3.10	776	1223	3.24
Nursing	20	1162	3.40	7	890	2.35	6	1122	2.98	8	1079	2.89	41	1093	3.06
Social Work	1	1160	2.20	1	990	2.88				2	1035	3.27	4	1055	2.91
Total	1921	1262	3.31	156	1068	2.91	653	1257	3.40	591	1114	3.04	3346	1226	3.26
College/School	Non-Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	10	1385	3.02				4	1370	3.57	2	1425	3.09	16	1386	3.17
Business	58	1244	2.98	2	1075	2.85	17	1261	3.00	8	1195	3.47	87	1238	3.03
Communication	64	1281	3.27	1	1050	2.86	8	1255	3.34	9	1178	2.97	85	1264	3.24
Education	105	1142	2.91	1	870	1.77	10	1181	2.99	10	1040	2.60	126	1135	2.89
Engineering	209	1302	2.89	16	1254	3.11	72	1312	3.02	41	1235	2.74	351	1294	2.91
Fine Arts	133	1182	2.83	1	1030	2.92	7	1187	2.75	17	1161	2.60	159	1178	2.80
Liberal Arts	1403	1188	2.86	82	1085	2.65	262	1177	2.93	209	1139	2.84	1968	1177	2.86
Natural Science	517	1246	2.76	25	1177	2.63	223	1251	2.89	98	1168	2.67	879	1236	2.78
Nursing	17	1179	2.66	1	1200	2.79	2	1180	3.03	6	1160	2.32	26	1176	2.61
Social Work	13	1193	2.79				1	1340	3.24	1	1240	3.00	16	1204	2.83
Total	2529	1212	2.86	129	1122	2.70	606	1225	2.94	401	1158	2.78	3713	1205	2.86

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 7f
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND ETHNICITY
Entering 2001

College/School	Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	31	1384	3.40	1	1120	3.00	4	1358	3.55	4	1388	3.60	40	1375	3.42
Business	373	1290	3.41	20	1094	2.86	183	1304	3.52	77	1140	3.25	662	1270	3.41
Communication	270	1203	3.35	15	1038	3.15	42	1165	3.18	70	1091	3.15	400	1174	3.29
Education	45	1149	3.32	6	910	2.55	4	1125	3.56	13	975	2.92	68	1093	3.19
Engineering	329	1307	3.25	16	1119	2.98	167	1304	3.36	120	1141	2.94	646	1270	3.22
Fine Arts	56	1224	3.50	2	1130	2.78	9	1322	3.71	13	1148	3.29	80	1220	3.47
Liberal Arts	405	1238	3.27	29	1035	2.96	80	1203	3.26	130	1100	3.10	658	1197	3.23
Natural Science	406	1252	3.13	40	1059	2.58	225	1237	3.27	132	1093	2.87	814	1213	3.10
Nursing	24	1152	2.99	7	1074	2.55	4	1123	2.89	13	1024	2.80	48	1103	2.86
Social Work	3	1297	3.22	1	1070	3.00				3	1033	2.57	7	1151	2.91
Total	1942	1257	3.28	137	1059	2.81	718	1262	3.35	575	1109	3.04	3423	1225	3.24
College/School	Non-Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	8	1336	2.97	2	1280	2.32				2	1245	3.52	12	1312	2.95
Business	63	1375	3.32	1	880		35	1375	3.38	3	1287	3.12	104	1364	3.34
Communication	39	1212	3.24	2	1150	2.76	1	1070	3.93	11	1088	3.06	54	1183	3.21
Education	96	1136	2.98				11	1185	2.79	10	1103	3.13	118	1138	2.98
Engineering	224	1273	2.85	11	1184	2.36	94	1325	2.98	52	1190	2.77	387	1271	2.86
Fine Arts	119	1190	2.89	2	1110	3.15	13	1132	2.59	17	1098	2.46	155	1174	2.84
Liberal Arts	978	1220	2.91	47	1101	2.69	177	1233	2.92	177	1152	2.73	1401	1209	2.88
Natural Science	484	1224	2.68	30	1171	2.65	258	1219	2.78	138	1153	2.60	920	1211	2.70
Nursing	41	1137	2.78	2	1195	3.85	16	1103	2.97	9	1053	2.73	69	1119	2.85
Social Work	24	1115	2.76	1	1120	3.69	2	1035	2.50	7	1026	2.79	35	1091	2.77
Total	2076	1223	2.87	98	1137	2.68	607	1242	2.89	426	1149	2.71	3255	1215	2.85

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 7g
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND ETHNICITY
Entering 2002

College/School	Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	21	1380	3.43	1	1290	3.03	5	1396	3.25	3	1297	3.41	30	1372	3.38
Business	412	1296	3.44	29	1093	2.82	200	1311	3.54	88	1155	3.23	741	1275	3.42
Communication	245	1242	3.35	9	1052	3.07	28	1205	3.46	61	1129	3.31	345	1215	3.35
Education	46	1142	3.26	3	920	2.59	4	1190	2.96	30	1002	2.83	83	1086	3.07
Engineering	422	1307	3.27	27	1077	2.85	204	1309	3.37	129	1142	2.93	795	1272	3.22
Fine Arts	48	1254	3.52	1	1280	3.59	5	1386	3.61	9	1033	3.08	64	1237	3.47
Liberal Arts	523	1228	3.23	51	1057	2.88	85	1238	3.39	165	1080	3.03	839	1186	3.19
Natural Science	444	1257	3.16	29	1023	2.72	259	1235	3.30	199	1092	2.93	955	1208	3.14
Nursing	37	1095	3.01	5	992	2.65	9	1151	2.71	17	974	2.63	71	1064	2.83
Social Work	5	1128	2.79	1	990	3.13	1	970	3.46	2	1090	2.20	9	1087	2.77
Total	2203	1261	3.28	156	1059	2.84	800	1272	3.38	703	1103	3.01	3932	1226	3.24
College/School	Non-Top 10%														
	White			African American			Asian American			Hispanic			All Students		
Architecture	12	1394	3.14							2	1415	3.48	15	1397	3.24
Business	31	1348	3.31	1	1030	2.50	20	1401	3.37	2	1040	3.02	57	1348	3.33
Communication	68	1329	3.35	2	1150	2.24	5	1360	3.39	4	1248	2.56	79	1322	3.28
Education	121	1151	3.12	3	1090	2.14	14	1174	3.00	21	1100	2.84	161	1143	3.05
Engineering	307	1274	2.79	12	1200	2.47	132	1283	2.74	85	1196	2.62	547	1262	2.75
Fine Arts	110	1206	2.99	2	1290	2.31	17	1148	2.78	18	1143	3.09	151	1192	2.97
Liberal Arts	967	1232	2.99	43	994	2.47	138	1224	3.09	159	1130	2.76	1316	1211	2.95
Natural Science	517	1233	2.80	33	1139	2.41	216	1232	2.91	109	1171	2.81	887	1223	2.82
Nursing	29	1153	2.66	1	960	2.81	13	1131	2.91	4	1098	2.46	47	1138	2.72
Social Work	26	1137	2.95	2	970	2.52	6	1153	2.82	7	1104	3.12	41	1126	2.94
Total	2188	1236	2.94	99	1079	2.44	562	1242	2.93	411	1155	2.77	3302	1222	2.90

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 7h
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND ETHNICITY
Entering 2003

College/School	Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	30	1364	3.37				5	1354	3.44	1	1350	3.60	36	1362	3.39
Business	351	1312	3.45	24	1134	2.99	153	1342	3.62	94	1148	3.20	635	1287	3.44
Communication	214	1234	3.41	16	1030	3.08	21	1262	3.34	57	1118	3.03	313	1203	3.32
Education	45	1107	3.26	5	858	2.26	7	1139	3.25	27	1009	3.02	85	1060	3.12
Engineering	411	1306	3.30	29	1130	2.76	183	1313	3.38	167	1134	2.91	808	1266	3.21
Fine Arts	60	1243	3.61	2	1110	3.08	9	1281	3.61	16	1178	3.17	89	1228	3.52
Liberal Arts	681	1244	3.32	46	1050	2.80	95	1214	3.37	237	1074	3.00	1072	1194	3.23
Natural Science	519	1253	3.21	58	1055	2.76	298	1254	3.35	228	1102	2.89	1128	1212	3.16
Nursing	61	1139	3.17	12	988	2.49	9	1088	3.29	20	987	2.50	103	1086	2.97
Social Work	6	1180	3.09	2	835	2.13	1	1260	3.68	11	932	2.61	20	1013	2.76
Total	2378	1262	3.32	194	1062	2.79	781	1278	3.41	858	1100	2.96	4289	1223	3.24
College/School	Non-Top 10%														
	White			African American			Asian American			Hispanic			All Students		
Architecture	9	1387	3.44				2	1410	3.51	2	1415	2.90	15	1364	3.44
Business	23	1415	3.55				8	1471	3.63				32	1424	3.57
Communication	6	1308	3.21							1	1300	3.30	8	1315	3.25
Education	62	1197	3.15	1	1030	2.36	5	1192	3.48	10	1123	3.23	79	1184	3.17
Engineering	218	1299	2.87	9	1152	2.47	90	1335	3.22	41	1213	2.86	373	1294	2.96
Fine Arts	82	1211	3.13	3	1130	3.28	9	1197	3.23	14	1135	2.86	109	1198	3.11
Liberal Arts	548	1261	3.12	36	1007	2.43	72	1292	3.19	80	1202	2.95	746	1246	3.08
Natural Science	238	1277	2.98	15	1143	2.77	112	1276	3.07	46	1175	2.69	420	1261	2.97
Nursing	3	1073	2.77				1	1210	3.66	2	975	2.45	6	1063	2.81
Social Work	13	1215	3.06							3	1153	2.62	16	1204	2.98
Total	1202	1267	3.06	64	1065	2.55	299	1300	3.17	199	1189	2.87	1804	1257	3.05

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 7i
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND ETHNICITY
Entering 2004

College/School	Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	22	1364	3.58	1	1430	3.71	6	1398	3.63	1	1250	3.23	31	1370	3.57
Business	399	1297	3.43	19	1092	2.80	156	1332	3.60	111	1160	3.11	696	1278	3.40
Communication	214	1251	3.49	17	1064	3.18	33	1254	3.51	63	1130	3.34	332	1218	3.45
Education	49	1142	3.15	13	1038	2.91	6	1050	2.62	35	1021	2.78	104	1084	2.97
Engineering	378	1323	3.29	27	1066	2.39	172	1342	3.33	186	1148	2.79	785	1274	3.15
Fine Arts	56	1266	3.61				3	1307	2.30	11	1157	3.48	70	1250	3.53
Liberal Arts	566	1231	3.29	60	1019	2.79	88	1243	3.40	228	1079	2.89	962	1180	3.17
Natural Science	536	1247	3.14	70	1057	2.53	289	1246	3.33	215	1114	2.88	1132	1208	3.10
Nursing	41	1157	3.36	15	976	2.65	19	1087	2.92	34	976	2.63	110	1063	2.95
Social Work	9	1129	3.20	3	1033	2.74	4	1008	2.78	3	947	2.61	19	1059	2.95
Total	2270	1262	3.31	225	1046	2.69	776	1280	3.38	887	1110	2.92	4241	1221	3.21
College/School	Non-Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	10	1377	2.97				1	1210	1.86	2	1420	3.04	13	1371	2.89
Business	20	1373	3.40	1	1350	2.84	10	1426	3.39	1	1420	4.00	32	1390	3.40
Communication	31	1332	3.49	1	850	2.58	4	1338	3.59	4	1240	3.72	41	1311	3.49
Education	131	1188	3.00	1	1030	2.00	13	1193	3.09	17	1119	2.74	166	1176	2.98
Engineering	229	1310	2.88	12	1198	2.55	96	1309	2.98	46	1232	2.82	400	1297	2.89
Fine Arts	88	1216	3.19	3	1170	2.93	13	1304	3.22	21	1163	3.16	128	1213	3.18
Liberal Arts	559	1266	3.03	37	1039	2.50	70	1286	3.13	93	1162	2.81	774	1244	2.99
Natural Science	299	1270	2.96	22	1200	2.71	176	1311	3.16	61	1216	2.62	575	1273	2.98
Nursing										3	1060	2.87	3	1060	2.87
Social Work	17	1248	3.46				5	1228	3.22	3	1233	2.49	25	1242	3.29
Total	1384	1267	3.02	77	1116	2.58	388	1304	3.11	251	1189	2.81	2157	1258	3.00

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

November 6, 2006

Table 7j
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND ETHNICITY
Entering 2005

College/School	Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	23	1384	3.59	3	1267	2.85	3	1350	3.71	4	1395	3.47	33	1372	3.52
Business	330	1309	3.44	30	1076	2.82	143	1337	3.44	110	1151	3.11	628	1275	3.35
Communication	197	1251	3.32	26	1091	2.70	17	1322	3.49	70	1107	3.09	312	1209	3.23
Education	80	1157	3.07	13	1002	2.31	11	1171	3.28	32	1025	2.63	138	1113	2.90
Engineering	323	1341	3.24	16	1190	2.73	140	1370	3.35	120	1205	2.95	627	1315	3.19
Fine Arts	63	1254	3.36	1	1070	2.60	5	1240	3.60	19	1126	3.20	89	1220	3.33
Liberal Arts	709	1244	3.28	70	1049	2.67	118	1240	3.33	321	1108	2.92	1235	1195	3.16
Natural Science	513	1255	3.17	83	1043	2.60	318	1265	3.29	259	1110	2.85	1209	1212	3.09
Nursing	40	1178	3.33	8	933	2.67	20	1131	3.09	22	1061	3.10	92	1113	3.16
Social Work	10	1247	3.24	2	930	3.03	7	1049	1.49	9	1004	2.69	28	1097	2.78
Total	2288	1268	3.28	252	1059	2.66	782	1288	3.33	966	1122	2.94	4391	1226	3.18
College/School	Non-Top 10%														
	White			African American			Asian American			Hispanic			All Students		
	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA	N	SAT	GPA
Architecture	13	1402	3.26	1	1110	3.00	1	1500	4.00	3	1333	3.15	20	1381	3.27
Business	23	1400	3.42	1	1050	2.10	9	1450	3.66	4	1310	3.41	37	1393	3.44
Communication	27	1379	3.27	2	1280	2.03	4	1353	2.88	1	1110	3.04	34	1362	3.19
Education	65	1257	3.13				8	1251	3.31	9	1178	2.83	84	1248	3.08
Engineering	221	1335	2.97	12	1263	2.73	104	1320	2.99	44	1259	2.78	399	1317	2.95
Fine Arts	116	1215	3.26	2	1065	2.78	17	1216	3.16	20	1117	3.07	157	1197	3.22
Liberal Arts	486	1285	3.09	45	1030	2.48	94	1332	3.20	106	1183	2.91	759	1260	3.04
Natural Science	249	1304	2.95	24	1200	2.42	112	1323	3.08	73	1178	2.59	471	1283	2.90
Nursing	3	1353	3.95							1	1200	2.00	4	1315	3.30
Social Work	27	1269	3.13				1	1330	3.00	3	1197	0.00	32	1263	2.98
Total	1230	1295	3.08	87	1118	2.51	350	1322	3.11	264	1193	2.80	1997	1277	3.02

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 8
FRESHMAN YEAR PERFORMANCE BY SAT SCORE RANGE AND GENDER
Entering 1996-2005

SAT Ranges	Top 10%																			
	Entering 1996				Entering 1997				Entering 1998				Entering 1999				Entering 2000			
	Male		Female		Male		Female		Male		Female		Male		Female		Male		Female	
	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	4	2.33	11	2.72	5	2.07	11	2.08	9	2.64	18	2.19	19	2.43	49	2.69	23	2.63	59	2.47
900-990	17	2.46	37	2.64	22	2.77	54	2.90	28	2.59	61	2.73	30	2.72	92	2.89	43	2.69	133	2.91
1000-1090	88	2.78	209	2.85	86	2.62	165	2.77	80	2.80	229	2.91	118	2.92	257	2.89	145	2.81	294	3.00
1100-1190	152	2.91	323	3.10	168	2.95	271	3.14	174	2.89	299	3.02	194	3.01	346	3.14	259	2.96	410	3.18
1200-1290	270	3.08	352	3.28	241	3.06	391	3.36	261	3.11	403	3.29	327	3.11	435	3.32	342	3.16	468	3.37
1300-1390	298	3.33	259	3.47	263	3.32	283	3.50	279	3.44	278	3.48	319	3.40	317	3.54	334	3.43	341	3.56
1400-1490	181	3.48	124	3.69	165	3.53	135	3.67	171	3.63	129	3.70	198	3.61	126	3.73	208	3.60	173	3.75
1500+	73	3.59	30	3.84	48	3.63	24	3.75	65	3.69	29	3.83	68	3.81	30	3.82	79	3.75	35	3.85
Total/ Mean GPA	1083	3.19	1345	3.24	998	3.17	1334	3.28	1067	3.24	1446	3.22	1273	3.25	1652	3.26	1433	3.22	1913	3.29
Mean Test Score	1290		1223		1275		1231		1279		1216		1269		1202		1260		1200	

SAT Ranges	Non-Top 10%																			
	Entering 1996				Entering 1997				Entering 1998				Entering 1999				Entering 2000			
	Male		Female		Male		Female		Male		Female		Male		Female		Male		Female	
	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	20	2.00	20	2.22	28	2.00	49	2.23	26	2.25	26	2.30	25	2.39	22	2.41	21	2.44	24	2.54
900-990	59	2.33	92	2.54	84	2.31	142	2.33	54	2.36	115	2.38	74	2.44	107	2.53	47	2.65	70	2.59
1000-1090	195	2.39	287	2.57	293	2.36	448	2.54	215	2.51	345	2.66	233	2.40	369	2.70	208	2.61	323	2.73
1100-1190	471	2.49	477	2.75	532	2.49	586	2.68	460	2.55	549	2.77	482	2.51	483	2.75	465	2.64	540	2.86
1200-1290	606	2.54	440	2.84	630	2.57	475	2.79	561	2.60	448	2.97	568	2.68	450	3.03	655	2.75	500	3.03
1300-1390	351	2.71	162	2.86	365	2.82	187	3.14	409	2.76	182	3.07	377	2.89	167	3.16	409	2.97	202	3.24
1400-1490	133	3.01	33	3.30	123	2.89	58	3.48	132	3.09	46	3.33	143	2.98	59	3.44	132	3.21	61	3.41
1500+	23	2.96	6	3.39	27	3.00	6	3.19	21	2.98	8	3.77	30	3.38	7	3.76	46	3.05	10	3.47
Total/ Mean GPA	1858	2.57	1517	2.75	2082	2.57	1951	2.71	1878	2.64	1719	2.82	1932	2.67	1664	2.87	1983	2.79	1730	2.94
Mean Test Score	1220		1168		1206		1152		1222		1162		1217		1166		1229		1178	

THE UNIVERSITY OF TEXAS AT AUSTIN
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Table 8 (continued from page 25)

FRESHMAN YEAR PERFORMANCE BY SAT SCORE RANGE AND GENDER

Entering 1996-2005

SAT Ranges	Top 10%																			
	Entering 2001				Entering 2002				Entering 2003				Entering 2004				Entering 2005			
	Male		Female		Male		Female		Male		Female		Male		Female		Male		Female	
	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	27	2.32	54	2.33	32	2.22	66	2.57	30	2.68	98	2.44	38	2.23	97	2.36	33	2.00	96	2.44
900-990	54	2.56	136	2.83	57	2.37	166	2.80	77	2.64	181	2.75	80	2.51	183	2.63	76	2.56	171	2.62
1000-1090	133	2.74	307	2.93	181	2.81	341	2.94	189	2.81	383	2.94	181	2.65	379	2.90	177	2.70	393	2.85
1100-1190	255	2.92	437	3.17	264	2.93	464	3.16	293	2.99	512	3.15	302	2.99	499	3.16	301	2.84	543	3.05
1200-1290	333	3.11	478	3.39	393	3.18	540	3.29	420	3.18	603	3.31	384	3.13	620	3.36	416	3.14	610	3.26
1300-1390	362	3.40	342	3.60	409	3.37	439	3.61	402	3.42	439	3.60	406	3.32	424	3.58	391	3.31	472	3.55
1400-1490	233	3.62	160	3.74	270	3.62	191	3.73	285	3.61	214	3.72	268	3.61	210	3.70	290	3.57	217	3.72
1500+	79	3.77	33	3.85	83	3.73	36	3.85	96	3.76	67	3.88	115	3.74	54	3.87	124	3.78	81	3.86
Total/ Mean GPA	1476	3.19	1947	3.28	1689	3.20	2243	3.26	1792	3.23	2497	3.25	1775	3.17	2466	3.23	1808	3.15	2583	3.19
Mean Test Score	1263		1197		1261		1199		1258		1197		1256		1195		1261		1202	
SAT Ranges	Non-Top 10%																			
	Entering 2001				Entering 2002				Entering 2003				Entering 2004				Entering 2005			
	Male		Female		Male		Female		Male		Female		Male		Female		Male		Female	
	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA	N	GPA
<900	14	2.34	5	2.91	24	1.87	19	2.52	14	2.17	16	2.17	20	2.43	16	2.22	19	2.41	11	2.24
900-990	34	2.69	62	2.53	26	2.41	70	2.44	24	2.26	19	2.72	22	2.08	25	2.48	14	2.68	27	2.70
1000-1090	148	2.45	291	2.63	139	2.53	235	2.73	51	2.57	77	2.94	39	2.47	91	2.80	60	2.51	80	2.55
1100-1190	368	2.59	438	2.80	317	2.63	459	2.91	105	2.81	169	3.02	168	2.61	229	2.95	101	2.76	132	2.81
1200-1290	598	2.74	474	3.04	567	2.83	507	3.06	275	2.83	302	3.19	280	2.86	359	3.12	290	2.87	274	3.12
1300-1390	361	3.00	211	3.28	430	2.94	225	3.30	295	3.00	196	3.36	363	3.06	245	3.32	392	3.04	207	3.31
1400-1490	161	3.19	45	3.42	174	3.17	65	3.47	154	3.23	55	3.49	168	3.11	79	3.37	209	3.22	93	3.39
1500+	40	3.31	5	2.98	38	3.30	7	3.46	41	3.48	10	3.61	45	3.24	8	3.73	56	3.40	18	3.78
Total/ Mean GPA	1724	2.79	1531	2.92	1715	2.82	1587	2.99	959	2.94	845	3.17	1105	2.91	1052	3.10	1148	2.98	849	3.09
Mean Test Score	1243		1183		1251		1191		1283		1229		1283		1233		1299		1247	

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 9a
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND GENDER
Entering 1996

Note: N-counts below represent students with a college admissions test score. SAT means represent SAT combined scores a concorded ACT scores. As is the case with the UT admissions routine, students submitting more than one set of scores were given the benefit of the best performance from a single test date. Students with no hours toward a GPA were excluded from the computation of the GPA mean. On very rare occasions students are admitted as freshmen to Pharmacy. Those are included in the total but are not listed.

College/School	Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	22	1275	3.02	16	1263	3.55
Business	229	1286	3.27	266	1241	3.41
Communication	47	1259	2.84	140	1188	3.16
Education	11	1163	2.91	54	1173	3.18
Engineering	277	1320	3.29	97	1279	3.24
Fine Arts	26	1244	3.27	43	1212	3.32
Liberal Arts	182	1308	3.17	366	1233	3.22
Natural Science	287	1269	3.10	326	1214	3.17
Nursing	2	1110	2.81	33	1132	2.89
Social Work				3	1237	3.54
Total	1083	1290	3.19	1345	1223	3.24
College/School	Non-Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	13	1318	2.82	6	1305	3.31
Business	215	1275	2.96	122	1240	3.21
Communication	153	1217	2.56	220	1165	2.78
Education	24	1094	2.43	81	1151	2.72
Engineering	291	1245	2.74	48	1218	2.75
Fine Arts	66	1223	2.82	98	1181	2.86
Liberal Arts	669	1183	2.44	639	1150	2.66
Natural Science	420	1239	2.45	259	1176	2.66
Nursing	6	1253	2.10	34	1148	2.84
Social Work	1	1120	1.90	9	1144	2.94
Total	1858	1220	2.57	1517	1168	2.75

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 9b

SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND GENDER

Entering 1997

College/School	Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	8	1241	3.61	13	1265	3.52
Business	209	1286	3.33	270	1261	3.44
Communication	48	1270	3.19	124	1205	3.30
Education	7	1201	3.12	47	1141	3.12
Engineering	289	1291	3.14	117	1282	3.28
Fine Arts	22	1261	3.37	35	1212	3.28
Liberal Arts	145	1278	3.08	352	1248	3.31
Natural Science	268	1252	3.08	339	1207	3.17
Nursing	1	1030	2.54	33	1102	2.94
Social Work	1	1200	3.54	3	1113	3.29
Total	998	1275	3.17	1334	1231	3.28
College/School	Non-Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	17	1276	2.88	17	1231	3.05
Business	240	1273	3.06	171	1242	3.19
Communication	116	1198	2.58	232	1157	2.95
Education	45	1076	2.39	143	1079	2.54
Engineering	343	1268	2.72	52	1202	2.68
Fine Arts	74	1180	2.57	97	1124	2.79
Liberal Arts	751	1167	2.42	745	1146	2.58
Natural Science	488	1207	2.46	422	1150	2.63
Nursing	8	1100	2.69	54	1111	2.54
Social Work				16	1119	2.81
Total	2082	1206	2.57	1951	1152	2.71

THE UNIVERSITY OF TEXAS AT AUSTIN
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Table 9c

SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND GENDER

Entering 1998

College/School	Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	6	1318	3.18	23	1293	3.38
Business	258	1267	3.26	367	1227	3.28
Communication	34	1279	3.29	144	1188	3.22
Education	8	1065	2.69	42	1130	3.17
Engineering	347	1304	3.26	150	1277	3.27
Fine Arts	21	1212	3.41	27	1249	3.35
Liberal Arts	133	1295	3.29	299	1212	3.20
Natural Science	257	1263	3.15	364	1207	3.18
Nursing	3	1040	3.40	26	1111	3.00
Social Work				4	1093	2.45
Total	1067	1279	3.24	1446	1216	3.22
College/School	Non-Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	11	1327	2.68	10	1295	3.12
Business	92	1312	3.03	78	1239	3.08
Communication	69	1240	2.83	108	1217	2.97
Education	15	1141	2.25	96	1136	2.98
Engineering	380	1276	2.70	67	1241	2.76
Fine Arts	54	1207	2.86	81	1156	2.91
Liberal Arts	794	1181	2.62	829	1148	2.80
Natural Science	460	1230	2.50	384	1161	2.72
Nursing	2	1135	2.53	41	1103	2.77
Social Work	1	1100	1.00	25	1137	2.58
Total	1878	1222	2.64	1719	1162	2.82

THE UNIVERSITY OF TEXAS AT AUSTIN
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Table 9d

SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND GENDER

Entering 1999

College/School	Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	10	1387	3.30	13	1325	3.25
Business	315	1258	3.35	400	1212	3.33
Communication	68	1260	3.28	166	1196	3.28
Education	6	1112	3.07	56	1069	3.11
Engineering	406	1290	3.20	160	1220	3.21
Fine Arts	17	1265	3.37	55	1228	3.48
Liberal Arts	141	1263	3.26	349	1216	3.28
Natural Science	310	1256	3.18	415	1191	3.19
Nursing				37	1152	3.03
Social Work				1	930	3.00
Total	1273	1269	3.25	1652	1202	3.26
College/School	Non-Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	6	1383	2.80	7	1293	3.20
Business	81	1313	2.89	58	1257	3.16
Communication	89	1292	2.92	117	1222	3.18
Education	31	1117	2.58	116	1106	2.79
Engineering	426	1246	2.58	74	1233	2.91
Fine Arts	47	1154	2.69	86	1167	2.90
Liberal Arts	717	1178	2.68	753	1150	2.87
Natural Science	529	1229	2.63	406	1174	2.76
Nursing	2	1080	2.58	32	1133	2.75
Social Work	4	1140	3.12	15	1138	2.42
Total	1932	1217	2.67	1664	1166	2.87

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 9e

SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND GENDER

Entering 2000

College/School	Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	9	1279	3.48	15	1361	3.69
Business	389	1249	3.25	512	1207	3.29
Communication	62	1238	3.30	228	1180	3.33
Education	12	1078	2.76	57	1097	3.29
Engineering	433	1268	3.21	167	1244	3.27
Fine Arts	28	1216	3.16	59	1199	3.38
Liberal Arts	178	1271	3.23	376	1217	3.31
Natural Science	320	1272	3.20	456	1189	3.26
Nursing	2	1085	2.63	39	1094	3.08
Social Work				4	1055	2.91
Total	1433	1260	3.22	1913	1200	3.29
College/School	Non-Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	7	1387	2.72	9	1386	3.52
Business	48	1244	3.04	39	1232	3.03
Communication	31	1330	3.13	54	1226	3.30
Education	24	1144	2.76	102	1133	2.92
Engineering	299	1296	2.90	52	1286	2.98
Fine Arts	58	1218	2.69	101	1154	2.87
Liberal Arts	1015	1191	2.79	953	1162	2.93
Natural Science	495	1260	2.69	384	1206	2.90
Nursing	3	1233	1.62	23	1168	2.74
Social Work	3	1223	2.53	13	1199	2.90
Total	1983	1229	2.79	1730	1178	2.94

THE UNIVERSITY OF TEXAS AT AUSTIN
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Table 9f

SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND GENDER

Entering 2001

College/School	Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	16	1418	3.34	24	1346	3.48
Business	300	1295	3.39	362	1249	3.42
Communication	86	1170	3.19	314	1176	3.32
Education	8	1140	3.07	60	1087	3.20
Engineering	469	1275	3.18	177	1259	3.33
Fine Arts	26	1255	3.48	54	1203	3.47
Liberal Arts	212	1241	3.15	446	1177	3.27
Natural Science	356	1251	3.05	458	1182	3.14
Nursing	2	1040	3.23	46	1106	2.85
Social Work	1	1280	3.78	6	1130	2.76
Total	1476	1263	3.19	1947	1197	3.28
College/School	Non-Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	7	1334	2.74	5	1280	3.25
Business	72	1379	3.28	32	1329	3.48
Communication	24	1233	3.15	30	1143	3.25
Education	16	1170	2.73	102	1132	3.02
Engineering	325	1274	2.82	62	1257	3.07
Fine Arts	58	1222	2.87	97	1145	2.82
Liberal Arts	673	1231	2.81	728	1190	2.95
Natural Science	541	1225	2.65	379	1190	2.77
Nursing	6	1153	2.77	63	1116	2.86
Social Work	2	1150	2.77	33	1087	2.77
Total	1724	1243	2.79	1531	1183	2.92

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 9g

SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND GENDER

Entering 2002

College/School	Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	9	1336	3.25	21	1387	3.44
Business	326	1313	3.41	415	1245	3.42
Communication	80	1257	3.26	265	1202	3.37
Education	12	1078	2.83	71	1087	3.10
Engineering	580	1276	3.17	215	1260	3.36
Fine Arts	16	1246	3.32	48	1234	3.52
Liberal Arts	258	1216	3.10	581	1173	3.22
Natural Science	399	1237	3.14	556	1187	3.13
Nursing	9	1026	2.55	62	1069	2.88
Social Work				9	1087	2.77
Total	1689	1261	3.20	2243	1199	3.26
College/School	Non-Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	9	1437	3.26	6	1338	3.20
Business	38	1362	3.30	19	1320	3.38
Communication	24	1334	3.10	55	1317	3.36
Education	22	1146	2.85	139	1142	3.08
Engineering	452	1267	2.72	95	1242	2.87
Fine Arts	49	1231	2.89	102	1174	3.01
Liberal Arts	607	1235	2.85	709	1191	3.05
Natural Science	502	1248	2.80	385	1190	2.84
Nursing	6	1190	3.27	41	1130	2.63
Social Work	6	1208	3.34	35	1111	2.87
Total	1715	1251	2.82	1587	1191	2.99

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 9h
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND GENDER
Entering 2003

College/School	Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	17	1372	3.22	19	1353	3.53
Business	254	1319	3.45	381	1266	3.43
Communication	89	1226	3.26	224	1194	3.34
Education	8	1025	2.89	77	1064	3.14
Engineering	593	1269	3.21	215	1257	3.22
Fine Arts	28	1176	3.33	61	1252	3.61
Liberal Arts	347	1226	3.20	725	1179	3.24
Natural Science	442	1253	3.17	686	1186	3.16
Nursing	12	1062	2.76	91	1089	2.99
Social Work	2	925	2.99	18	1023	2.73
Total	1792	1258	3.23	2497	1197	3.25
College/School	Non-Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	9	1412	3.31	6	1292	3.65
Business	20	1422	3.58	12	1429	3.55
Communication	6	1343	3.49	2	1230	2.51
Education	14	1281	2.97	65	1163	3.21
Engineering	310	1301	2.90	63	1259	3.22
Fine Arts	42	1191	2.85	67	1201	3.27
Liberal Arts	328	1263	2.96	418	1233	3.17
Natural Science	225	1285	2.87	195	1234	3.08
Nursing	1	1120	2.63	5	1052	2.85
Social Work	4	1250	2.93	12	1188	2.99
Total	959	1283	2.94	845	1229	3.17

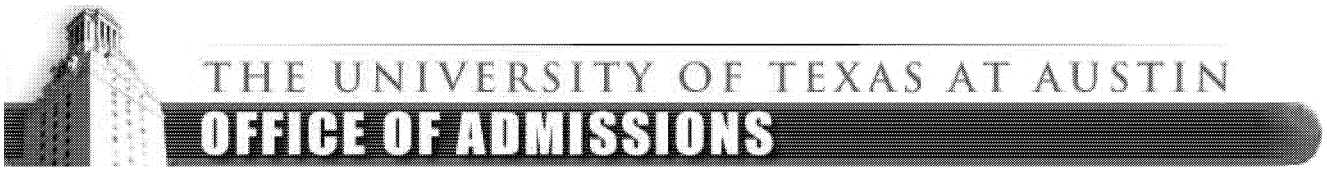
THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT #9

Table 9i
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND GENDER
Entering 2004

College/School	Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	12	1400	3.62	19	1351	3.53
Business	322	1295	3.39	374	1262	3.41
Communication	76	1236	3.45	256	1213	3.45
Education	15	1063	2.23	89	1088	3.10
Engineering	582	1279	3.10	203	1261	3.28
Fine Arts	20	1266	3.31	50	1244	3.62
Liberal Arts	307	1194	3.07	655	1174	3.22
Natural Science	432	1251	3.12	700	1182	3.09
Nursing	6	1060	2.43	104	1063	2.98
Social Work	3	1013	3.05	16	1068	2.93
Total	1775	1256	3.17	2466	1195	3.23
College/School	Non-Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	6	1378	2.83	7	1364	2.95
Business	17	1408	3.32	15	1371	3.48
Communication	15	1369	3.56	26	1278	3.46
Education	27	1203	2.59	139	1170	3.05
Engineering	344	1298	2.86	56	1291	3.14
Fine Arts	44	1244	3.18	84	1196	3.18
Liberal Arts	364	1254	2.90	410	1234	3.07
Natural Science	283	1301	2.89	292	1247	3.07
Nursing				3	1060	2.87
Social Work	5	1250	3.37	20	1241	3.27
Total	1105	1283	2.91	1052	1233	3.10

Table 9j
SAT MEAN AND FRESHMAN GPA BY UNDERGRADUATE COLLEGES AND GENDER Entering 2005

College/School	Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	10	1369	3.54	23	1373	3.50
Business	287	1295	3.36	341	1259	3.34
Communication	79	1246	3.15	233	1197	3.25
Education	33	1072	2.76	105	1125	2.96
Engineering	482	1316	3.13	145	1311	3.39
Fine Arts	26	1208	3.20	63	1225	3.38
Liberal Arts	433	1217	3.13	802	1183	3.17
Natural Science	441	1245	3.10	768	1193	3.09
Nursing	7	1154	2.37	85	1110	3.22
Social Work	10	1070	2.35	18	1112	2.92
Total	1808	1261	3.15	2583	1202	3.19
College/School	Non-Top 10%					
	Male			Female		
	N	SAT	GPA	N	SAT	GPA
Architecture	9	1399	2.99	11	1365	3.48
Business	26	1413	3.43	11	1345	3.47
Communication	12	1396	3.11	22	1343	3.23
Education	14	1222	2.50	70	1254	3.24
Engineering	339	1315	2.93	60	1324	3.10
Fine Arts	56	1213	3.30	101	1189	3.18
Liberal Arts	419	1277	3.00	340	1241	3.08
Natural Science	267	1320	2.94	204	1234	2.86
Nursing				4	1315	3.30
Social Work	6	1200	1.42	26	1277	3.43
Total	1148	1399	2.98	849	1247	3.08



IMPLEMENTATION AND RESULTS OF THE TEXAS AUTOMATIC ADMISSIONS LAW (HB 588)
at
THE UNIVERSITY OF TEXAS AT AUSTIN
Report 9 (part 2)
STUDENT FLOW
TEXAS HIGH SCHOOL GRADUATES
SUMMER AND FALL ENTERING FRESHMEN
ACADEMIC YEARS 1996-2005

Prepared by:

The Office of Admissions
The University of Texas at Austin

Introduction

One of the concerns expressed during emotional debates over the Texas Automatic Admissions Law (HB 588), otherwise called the "Top 10% Law," was that large numbers of students were being encouraged to reach beyond their academic capacity, apply to UT Austin, and be automatically admitted. This often led to predictions of lower retention and graduation rates.

At the University of Texas one-year persistence is defined as the percent of students who returned for their sophomore year. And of course, two-year persistence is the percent of students enrolling the following fall.

As stated in Part 1 and in earlier reports, this paper is designed to present simple, descriptive statistics relative to graduates of Texas high schools matriculating as entering freshmen from 1996-2005. This is not a position paper. It is not an evaluation of past or present affirmative action policies. It is not a proposed blueprint for other universities or public institutions seeking diversity. It is not representative of the higher education experience in all of Texas. It is merely another chapter about what has happened at The University of Texas at Austin the year before the interruption of affirmative action (1996), the years in which there was no affirmative action (1997-2004), and its return (2005).

Methodology

The students selected for this study are the same as cohorts studied in Part 1 of this report. This is limited to entering freshmen from Texas high schools for the summer/fall semesters from 1996 through 2005. Since the cohorts are filtered to exclude all but graduates of Texas high schools, i.e., the group eligible for the top 10% entitlement, persistence and graduation rates will not match exactly what is reported by the Office of Institutional Research (now called the Office of Information Management and Analysis) in its *Statistical Handbook*, which includes all entering freshmen. Table 1 below provides the n-counts used in the tables that

follow. The American Indian, International, and “unknown” groups are excluded due to low n-counts. Table 2,
however, illustrates whole entering classes from Texas high schools and thus includes those groups.

In Tables 2-7 a student is counted as “continuing” if he/she had courses listed in the next and following fall semesters. During these “snapshots” a check was made to determine if an individual had graduated. Fall semester graduates are counted as graduates and not as continuing.

THE UNIVERSITY OF TEXAS AT AUSTIN
TOP 10% REPORT 9 part 2

Table 1
N-Counts of Cohorts
Enrolled Freshmen from Texas High Schools
1996-2005

	1996		1997		1998		1999		2000		2001		2002		2003		2004		2005	
White	1497	2215	1408	2781	1497	2457	1620	2472	1921	2529	1942	2076	2203	2188	2378	1202	2270	1384	2288	1230
African American	91	164	50	135	69	119	160	113	156	129	137	98	156	99	194	64	225	77	252	87
Asian American	430	461	505	567	519	542	609	559	653	606	718	607	800	562	781	299	776	388	782	350
Hispanic	396	506	358	519	414	441	513	424	591	401	575	426	703	411	858	199	887	251	966	264
All Students	2428	3375	2332	4033	2513	3597	2925	3596	3346	3713	3423	3255	3932	3302	4289	1804	4241	2157	4391	1997

Table 2
Continuing and Graduation Rates for First-Time Freshmen
Graduates of Texas High Schools
1996-2005

	1996		1997		1998		1999		2000		2001		2002		2003		2004		2005	
Continuing																				
After 1 yr	**89.66**	84.09	**91.60**	82.74	**92.32**	85.65	**92.34**	85.93	**93.19**	89.52	**91.29**	88.20	**91.53**	90.25	**93.05**	92.57	**93.23**	92.30	**92.30**	90.74
After 2 yrs	**85.30**	76.86	**87.56**	75.33	**87.78**	80.40	**89.06**	79.95	**89.15**	84.24	**87.64**	82.06	**87.72**	85.25	**88.55**	87.25	**88.59**	85.91		
After 3 yrs	**80.85**	72.06	**82.72**	71.06	**82.57**	75.59	**84.27**	74.67	**83.20**	77.86	**81.60**	75.55	**80.98**	78.10	**82.16**	78.94				
After 4 yrs	**36.66**	39.64	**38.51**	41.56	**37.33**	43.09	**37.71**	38.71	**34.34**	36.68	**32.90**	34.16	**31.77**	35.61						
After 5 yrs	**8.98**	12.39	**9.05**	12.65	**8.44**	11.65	**6.80**	10.07	**7.56**	8.94	**7.36**	7.65								
After 6 yrs	**2.92**	5.33	**3.34**	4.46	**2.79**	4.20	**2.22**	3.59	**2.45**	3.96										
Graduated																				
After 1 yr											**0.03**									
After 2 yrs	**0.08**	0.03	**0.17**	0.12	**0.12**	0.11	**0.03**	0.17	**0.09**	0.08	**0.18**	0.34	**0.10**	0.18	**0.07**	0.28	**0.07**	0.19		
After 3 yrs	**3.17**	1.84	**3.39**	1.73	**2.99**	2.11	**3.07**	2.37	**3.92**	3.10	**4.47**	3.50	**4.50**	3.63	**3.92**	5.54				
After 4 yrs	**45.18**	30.73	**45.46**	28.76	**46.80**	32.50	**47.79**	35.32	**51.05**	39.64	**51.15**	40.61	**51.58**	42.88						
After 5 yrs	**71.87**	56.86	**73.80**	55.99	**74.69**	61.66	**77.06**	61.15	**76.15**	65.28	**76.37**	66.39								
After 6 yrs	**78.09**	63.94	**79.07**	63.33	**80.78**	69.06	**81.78**	68.02	**81.41**	71.86										
Combined*																				
After 1 yr	**89.66**	84.09	**91.60**	82.74	**92.32**	85.65	**92.34**	85.93	**93.19**	89.52	**91.32**	88.20	**91.53**	90.25	**93.05**	92.57	**93.23**	92.30	**92.30**	90.74
After 2 yrs	**85.38**	76.89	**87.73**	75.45	**87.90**	80.51	**89.09**	80.12	**89.24**	84.32	**87.82**	82.40	**87.82**	85.43	**88.62**	87.53	**88.66**	86.10		
After 3 yrs	**84.02**	73.90	**86.11**	72.79	**85.56**	77.70	**87.34**	77.04	**87.12**	80.96	**86.07**	79.05	**85.48**	81.73	**86.08**	84.48				
After 4 yrs	**81.84**	70.37	**83.97**	70.32	**84.13**	75.59	**85.50**	74.03	**85.39**	76.32	**84.05**	74.77	**83.35**	78.49						
After 5 yrs	**80.85**	69.25	**82.85**	68.64	**83.13**	73.31	**83.86**	71.22	**83.71**	74.22	**83.73**	74.04								
After 6 yrs	**81.01**	69.27	**82.41**	67.79	**83.57**	73.26	**84.00**	71.61	**83.86**	75.82										

* The “Combined” value is the sum of the “Continuing” and “Graduated” values.

Table 3
Continuing and Graduation Rates for First-Time Freshmen
White Graduates of Texas High Schools
1996-2005

	1996		1997		1998		1999		2000		2001		2002		2003		2004		2005	
Continuing																				
After 1 yr	**88.91**	84.47	**91.48**	82.56	**92.38**	84.82	**92.53**	86.37	**93.91**	88.61	**91.66**	87.52	**91.74**	90.08	**93.31**	92.51	**94.14**	92.34	**92.79**	91.30
After 2 yrs	**84.84**	77.43	**87.93**	75.69	**87.71**	80.26	**89.32**	80.02	**89.22**	83.43	**87.49**	81.79	**87.61**	85.88	**89.66**	86.61	**89.91**	86.69		
After 3 yrs	**80.56**	73.36	**82.53**	72.13	**82.50**	75.38	**84.75**	75.44	**83.55**	77.82	**81.67**	75.92	**80.44**	78.93	**83.68**	78.20				
After 4 yrs	**34.27**	39.05	**37.57**	41.57	**35.60**	41.15	**35.19**	37.30	**31.44**	34.80	**30.33**	32.56	**29.19**	33.59						
After 5 yrs	**7.15**	11.33	**7.46**	12.12	**6.95**	9.08	**5.43**	9.43	**6.45**	8.07	**6.39**	7.37								
After 6 yrs	**2.74**	5.10	**2.56**	4.06	**2.27**	3.66	**1.79**	3.48	**1.98**	3.32										
Graduated																				
After 1 yr																				
After 2 yrs	**0.07**		**0.07**	0.11	**0.07**	0.08	**0.06**	0.20	**0.16**	0.04	**0.21**	0.24	**0.18**	0.14	**0.13**	0.25	**0.09**	0.22		
After 3 yrs	**3.21**	1.85	**3.55**	1.66	**3.08**	2.12	**3.21**	2.22	**4.84**	2.93	**4.79**	2.84	**5.76**	3.70	**4.08**	5.41				
After 4 yrs	**48.37**	32.73	**47.87**	30.17	**49.31**	34.56	**51.36**	37.30	**55.28**	41.48	**53.76**	42.10	**55.20**	46.07						
After 5 yrs	**74.89**	60.00	**76.56**	58.11	**76.69**	64.55	**80.37**	63.43	**79.13**	66.59	**77.91**	67.34								
After 6 yrs	**80.23**	66.95	**81.39**	65.73	**81.83**	70.21	**84.20**	70.02	**83.76**	72.52										
Combined*																				
After 1 yr	**88.91**	84.47	**91.48**	82.56	**92.38**	84.82	**92.53**	86.37	**93.91**	88.61	**91.66**	87.52	**91.74**	90.08	**93.31**	92.51	**94.14**	92.34	**92.79**	**91.30**
After 2 yrs	**84.91**	77.43	**88.00**	75.80	**87.78**	80.34	**89.38**	80.22	**89.38**	83.47	**87.70**	82.03	**87.79**	86.02	**89.79**	86.86	**90.00**	**86.91**		
After 3 yrs	**83.77**	75.21	**86.08**	73.79	**85.58**	77.50	**87.96**	77.66	**88.39**	80.75	**86.46**	78.76	**86.20**	82.63	**87.76**	**83.61**				
After 4 yrs	**82.64**	71.78	**85.44**	71.74	**84.91**	75.71	**86.55**	74.60	**86.72**	76.28	**84.09**	74.66	**84.39**	**79.66**						
After 5 yrs	**82.04**	71.33	**84.02**	70.23	**83.64**	73.63	**85.80**	72.86	**85.58**	74.66	**84.30**	**74.71**								
After 6 yrs	**82.97**	72.05	**83.95**	69.79	**84.10**	73.87	**85.99**	73.50	**85.74**	**75.84**										

* The “Combined” value is the sum of the “Continuing” and “Graduated” values.

Table 4
Continuing and Graduation Rates for First-Time Freshmen
African American Graduates of Texas High Schools
1996-2005

	1996		1997		1998		1999		2000		2001		2002		2003		2004		2005	
Continuing																				
After 1 yr	**89.01**	83.54	**100.0**	84.44	**95.65**	94.12	**92.50**	89.38	**92.95**	94.57	**90.51**	91.84	**89.10**	92.93	**89.69**	92.19	**87.56**	92.21	**89.68**	88.51
After 2 yrs	**83.52**	79.88	**90.00**	71.11	**95.65**	82.35	**87.50**	82.30	**90.38**	87.60	**80.29**	83.67	**86.54**	79.80	**82.47**	82.81	**84.00**	84.42		
After 3 yrs	**81.32**	71.95	**92.00**	73.33	**89.86**	84.03	**81.25**	77.88	**83.33**	79.84	**81.75**	77.55	**81.41**	73.74	**77.84**	75.00				
After 4 yrs	**42.86**	44.51	**42.00**	49.63	**36.23**	43.70	**50.63**	46.90	**43.59**	41.09	**41.61**	39.80	**39.74**	44.44						
After 5 yrs	**13.19**	17.07	**10.00**	12.59	**15.94**	22.69	**10.63**	13.27	**12.18**	13.18	**11.68**	9.18								
After 6 yrs	**6.59**	6.71		4.44	**8.70**	5.88	**2.50**	4.42	**3.85**	3.88										
Graduated																				
After 1 yr																				
After 2 yrs																				
After 3 yrs		1.22			**2.90**	0.84	**2.50**		**2.56**	3.10	**1.46**	3.06	**1.28**	2.02	**1.55**	3.13				
After 4 yrs	**34.07**	21.95	**40.00**	13.33	**49.28**	30.25	**33.13**	26.55	**38.46**	32.56	**37.96**	33.67	**37.82**	25.25						
After 5 yrs	**54.95**	43.29	**76.00**	43.70	**68.12**	52.94	**67.50**	51.33	**67.95**	58.14	**66.42**	61.22								
After 6 yrs	**60.44**	53.66	**88.00**	51.85	**76.81**	67.23	**76.25**	60.18	**76.92**	67.44										
Combined*																				
After 1 yr	**89.01**	83.54	**100.0**	84.44	**95.65**	94.12	**92.50**	89.38	**92.95**	94.57	**90.51**	91.84	**89.10**	92.93	**89.69**	92.19	**87.56**	92.21	**89.68**	**88.51**
After 2 yrs	**83.52**	79.88	**90.00**	71.11	**95.65**	82.35	**87.50**	82.30	**90.38**	87.60	**80.29**	83.67	**86.54**	79.80	**82.47**	82.81	**84.00**	**84.42**		
After 3 yrs	**81.32**	73.17	**92.00**	73.33	**92.76**	84.87	**83.75**	77.88	**85.89**	82.94	**83.21**	80.61	**82.69**	75.76	**79.39**	**78.13**				
After 4 yrs	**76.93**	66.46	**82.00**	62.96	**85.51**	73.95	**83.76**	73.45	**82.05**	73.65	**79.57**	73.47	**77.56**	**69.69**						
After 5 yrs	**68.14**	60.36	**86.00**	56.29	**84.06**	75.63	**78.13**	64.60	**80.13**	71.32	**78.10**	**70.40**								
After 6 yrs	**67.03**	60.37	**88.00**	56.29	**85.51**	73.11	**78.75**	64.60	**80.77**	**71.32**										

* The “Combined” value is the sum of the “Continuing” and “Graduated” values.

Table 5
Continuing and Graduation Rates for First-Time Freshmen
Asian American Graduates of Texas High Schools
1996-2005

	1996		1997		1998		1999		2000		2001		2002		2003		2004		2005	
Continuing																				
After 1 yr	**95.35**	87.64	**94.26**	88.36	**95.95**	90.77	**96.22**	87.84	**96.32**	94.55	**94.01**	91.93	**93.88**	92.17	**97.31**	94.98	**96.13**	95.88	**95.40**	93.43
After 2 yrs	**91.40**	80.91	**90.10**	79.72	**91.14**	83.95	**93.76**	82.29	**94.03**	89.27	**92.90**	85.34	**91.63**	86.83	**92.06**	89.97	**93.04**	90.72		
After 3 yrs	**87.21**	74.62	**87.33**	71.43	**86.32**	78.78	**89.49**	75.85	**87.29**	79.54	**85.38**	76.94	**84.88**	79.72	**85.02**	83.95				
After 4 yrs	**37.44**	41.43	**42.18**	44.97	**42.00**	51.29	**37.11**	45.08	**34.76**	42.08	**36.07**	38.06	**30.75**	37.54						
After 5 yrs	**10.23**	14.53	**10.50**	15.52	**8.86**	18.63	**8.37**	10.73	**4.90**	8.42	**7.10**	6.92								
After 6 yrs	**3.02**	6.72	**4.75**	5.47	**2.50**	5.54	**2.46**	3.58	**1.68**	4.79										
Graduated																				
After 1 yr											**0.14**									
After 2 yrs	**0.23**	0.22	**0.40**	0.35	**0.39**	0.18		0.18		0.17	**0.14**	0.99		0.36		0.67		0.26		
After 3 yrs	**4.42**	2.82	**4.36**	3.00	**3.09**	1.84	**2.63**	3.58	**2.60**	3.96	**4.04**	5.60	**3.50**	3.20	**3.97**	6.69				
After 4 yrs	**49.54**	32.32	**45.94**	26.99	**46.44**	28.04	**53.53**	31.13	**54.36**	38.12	**52.79**	40.53	**55.75**	41.28						
After 5 yrs	**77.21**	58.13	**77.03**	53.97	**79.00**	58.30	**80.62**	59.39	**81.62**	67.99	**80.92**	70.51								
After 6 yrs	**83.72**	64.20	**81.78**	60.85	**86.13**	70.30	**86.21**	67.44	**85.45**	74.75										
Combined*																				
After 1 yr	**95.35**	87.64	**94.26**	88.36	**95.95**	90.77	**96.22**	87.84	**96.32**	94.55	**94.15**	91.93	**93.88**	92.17	**97.31**	94.98	**96.13**	95.88	**95.40**	**93.43**
After 2 yrs	**91.63**	81.13	**90.50**	80.07	**91.53**	84.13	**93.76**	82.47	**94.03**	89.44	**93.04**	86.33	**91.63**	87.19	**83.68**	90.64	**93.04**	**90.98**		
After 3 yrs	**91.63**	77.44	**91.69**	74.43	**89.41**	80.62	**92.12**	79.43	**89.89**	83.50	**89.42**	82.54	**88.38**	82.92	**88.99**	**90.64**				
After 4 yrs	**86.98**	73.75	**88.12**	71.96	**88.44**	79.33	**90.64**	76.21	**89.12**	80.20	**88.86**	78.59	**86.50**	**78.82**						
After 5 yrs	**87.44**	72.66	**87.53**	69.49	**87.86**	76.93	**88.99**	70.12	**86.52**	76.41	**88.02**	**77.43**								
After 6 yrs	**86.74**	70.92	**86.53**	66.32	**88.63**	75.84	**88.67**	71.02	**87.13**	**79.54**										

* The “Combined” value is the sum of the “Continuing” and “Graduated” values.

Table 6
Continuing and Graduation Rates for First-Time Freshmen
Hispanic Graduates of Texas High Schools
1996-2005

	1996		1997		1998		1999		2000		2001		2002		2003		2004		2005	
Continuing																				
After 1 yr	86.36	79.05	86.87	77.84	87.44	81.86	87.13	79.25	87.99	86.53	86.61	84.74	88.19	87.10	89.04	88.94	89.74	85.66	89.13	87.88
After 2 yrs	81.31	69.76	82.12	69.94	82.85	76.42	83.04	75.24	83.76	80.80	82.43	77.70	83.64	80.78	83.68	86.93	82.41	78.09		
After 3 yrs	75.25	64.43	75.70	64.55	77.29	70.75	78.17	67.22	77.83	75.31	76.87	70.19	77.81	72.99	76.34	77.39				
After 4 yrs	42.68	39.13	36.59	35.84	38.16	42.86	42.30	36.79	40.27	38.65	36.17	35.68	38.41	42.34						
After 5 yrs	13.13	13.64	13.13	12.14	12.32	14.51	8.38	11.79	12.35	13.22	10.09	9.86								
After 6 yrs	2.78	4.15	4.75	5.20	4.11	4.54	3.12	4.01	4.23	6.48										
Graduated																				
After 1 yr																				
After 2 yrs			0.28			0.23				0.25	0.17			0.24						
After 3 yrs	2.53	0.99	1.96	1.35	2.42	2.72	2.73	2.12	2.88	2.74	3.83	4.23	2.56	3.65	3.96	5.53				
After 4 yrs	32.33	23.32	36.32	27.75	37.69	27.89	34.50	30.42	37.90	32.67	42.26	34.27	39.54	32.12						
After 5 yrs	59.60	46.44	58.39	51.06	63.29	51.93	65.50	51.89	63.28	55.61	66.96	56.57								
After 6 yrs	68.69	54.15	65.08	57.42	71.26	61.90	70.76	58.49	71.07	64.84										
Combined*																				
After 1 yr	86.36	79.05	86.87	77.84	87.44	81.86	87.13	79.25	87.99	86.53	86.61	84.74	88.19	87.10	89.04	88.94	89.74	85.66	89.13	87.88
After 2 yrs	81.31	69.76	82.40	69.94	82.85	76.65	83.04	75.24	83.76	81.05	82.60	77.70	83.64	81.02	83.68	86.93	82.41	78.09		
After 3 yrs	77.78	65.42	77.66	65.90	79.71	73.47	80.90	69.34	80.71	78.05	80.70	74.42	80.37	76.64	80.30	82.92				
After 4 yrs	75.01	62.45	72.91	63.59	75.85	70.75	76.80	67.21	78.17	71.32	78.43	69.95	77.95	74.46						
After 5 yrs	72.73	60.08	71.52	63.20	75.61	66.44	73.88	63.68	75.63	68.83	77.05	66.43								
After 6 yrs	71.47	58.30	69.83	62.62	75.37	66.44	73.88	62.50	75.30	71.32										

* The “Combined” value is the sum of the “Continuing” and “Graduated” values.

Breakdown of Students Offered Admission to UT Austin
Students Graduating From Senate District Schools
By Texas Senate District
2006 only

	Top 10%		Non-Top 10%			
Senate District	Count	Percent of District Total	N	Percent of District Total	District Total	District Percent of Grand Total
1	136	79%	37	21%	173	1.51%
2	222	83%	44	17%	266	2.32%
3	173	91%	18	9%	191	1.67%
4	302	67%	152	33%	454	3.96%
5	330	71%	138	29%	468	4.08%
6	149	90%	17	10%	166	1.45%
7	651	66%	328	34%	979	8.54%
8	403	62%	250	38%	653	5.69%
9	285	79%	76	21%	361	3.15%
10	299	68%	139	32%	438	3.82%
11	332	75%	108	25%	440	3.84%
12	281	79%	76	21%	357	3.11%
13	253	61%	164	39%	417	3.64%
14	447	54%	381	46%	828	7.22%
15	233	90%	27	10%	260	2.27%
16	242	59%	168	41%	410	3.57%
17	557	66%	281	34%	838	7.31%
18	329	78%	95	22%	424	3.70%
19	206	83%	42	17%	248	2.16%
20	262	89%	32	11%	294	2.56%
21	267	84%	52	16%	319	2.78%
22	152	86%	24	14%	176	1.53%
23	136	79%	37	21%	173	1.51%
24	183	82%	41	18%	224	1.95%
25	409	70%	179	30%	588	5.13%
26	297	81%	68	19%	365	3.18%
27	227	87%	34	13%	261	2.28%
28	99	87%	15	13%	114	0.99%
29	168	80%	43	20%	211	1.84%
30	128	55%	104	45%	232	2.02%
31	113	80%	28	20%	141	1.23%
Grand Total	**8271**	**72%**	**3198**	**28%**	**11469**	**100.00%**

Breakdown of UT Austin Enrolling Freshmen
Students Graduating From Senate District Schools
By Texas Senate District
2006 only

	Top 10%		Non-Top 10%			
Senate District	Count	Percent of District Total	Count	Percent of District Total	District Total	District Percent of Grand Total
1	76	77%	23	23%	99	1.46%
2	161	83%	32	17%	193	2.84%
3	112	90%	13	10%	125	1.84%
4	168	64%	94	36%	262	3.86%
5	198	69%	88	31%	286	4.21%
6	89	90%	10	10%	99	1.46%
7	383	67%	188	33%	571	8.41%
8	213	56%	164	44%	377	5.55%
9	153	77%	45	23%	198	2.92%
10	182	70%	77	30%	259	3.81%
11	206	76%	66	24%	272	4.00%
12	149	76%	46	24%	195	2.87%
13	151	67%	74	33%	225	3.31%
14	286	53%	249	47%	535	7.88%
15	141	93%	10	7%	151	2.22%
16	128	57%	98	43%	226	3.33%
17	328	65%	178	35%	506	7.45%
18	212	75%	70	25%	282	4.15%
19	134	80%	33	20%	167	2.46%
20	139	89%	18	11%	157	2.31%
21	160	83%	32	17%	192	2.83%
22	88	85%	16	15%	104	1.53%
23	78	80%	19	20%	97	1.43%
24	117	85%	20	15%	137	2.02%
25	253	70%	108	30%	361	5.32%
26	163	81%	39	19%	202	2.97%
27	110	81%	25	19%	135	1.99%
28	55	82%	12	18%	67	0.99%
29	85	75%	29	25%	114	1.68%
30	73	61%	46	39%	119	1.75%
31	66	84%	13	16%	79	1.16%
Grand Total	**4857**	**72%**	**1935**	**28%**	**6792**	**100.00%**

Breakdown of UT Austin Enrolling Freshmen
Students Graduating From House District Schools
By Texas House District
2006 only

	Top 10%		Non-Top 10%			
House District	Count	Percent of District Total	Count	Percent of District Total	District Total	District Percent of Grand Total
1	10	91%	1	9%	11	0.16%
2	13	87%	2	13%	15	0.22%
3	9	90%	1	10%	10	0.15%
4	23	96%	1	4%	24	0.35%
5	18	95%	1	5%	19	0.28%
6	22	69%	10	31%	32	0.47%
7	18	69%	8	31%	26	0.38%
8	25	100%		0%	25	0.37%
9	16	80%	4	20%	20	0.29%
10	22	79%	6	21%	28	0.41%
11	14	82%	3	18%	17	0.25%
12	19	90%	2	10%	21	0.31%
13	18	72%	7	28%	25	0.37%
14	20	67%	10	33%	30	0.44%
15	60	58%	43	42%	103	1.52%
16	38	93%	3	7%	41	0.60%
17	41	89%	5	11%	46	0.68%
18	26	93%	2	7%	28	0.41%
19	19	70%	8	30%	27	0.40%
20	53	68%	25	32%	78	1.15%
21	23	70%	10	30%	33	0.49%
22	7	50%	7	50%	14	0.21%
23	34	87%	5	13%	39	0.57%
24	81	74%	29	26%	110	1.62%
25	32	80%	8	20%	40	0.59%
26	116	61%	74	39%	190	2.80%
27	99	80%	24	20%	123	1.81%
28	19	90%	2	10%	21	0.31%
29	40	82%	9	18%	49	0.72%
30	37	95%	2	5%	39	0.57%
31	70	90%	8	10%	78	1.15%
32	44	83%	9	17%	53	0.78%
33	26	84%	5	16%	31	0.46%
34	34	83%	7	17%	41	0.60%
35	22	96%	1	4%	23	0.34%
36	17	89%	2	11%	19	0.28%
37	43	86%	7	14%	50	0.74%
38	2	50%	2	50%	4	0.06%
39	38	88%	5	12%	43	0.63%
40	18	100%		0%	18	0.27%
41	37	88%	5	12%	42	0.62%
42	5	83%	1	17%	6	0.09%
43	20	67%	10	33%	30	0.44%
44	33	79%	9	21%	42	0.62%
45	45	67%	22	33%	67	0.99%
46	54	59%	38	41%	92	1.35%
47	73	65%	40	35%	113	1.66%
48	79	46%	94	54%	173	2.55%

	Top 10%	Non-Top 10%				Top 10%
House District	Count	Percent of District Total	Count	Percent of District Total	District Total	District Percent of Grand Total
50	91	58%	67	42%	158	2.33%
51	16	89%	2	11%	18	0.27%
52	94	65%	50	35%	144	2.12%
53	24	86%	4	14%	28	0.41%
54	33	87%	5	13%	38	0.56%
55	34	79%	9	21%	43	0.63%
56	14	74%	5	26%	19	0.28%
57	11	92%	1	8%	12	0.18%
58	18	95%	1	5%	19	0.28%
59	21	88%	3	13%	24	0.35%
60	15	94%	1	6%	16	0.24%
61	19	90%	2	10%	21	0.31%
62	12	71%	5	29%	17	0.25%
63	43	72%	17	28%	60	0.88%
64	21	38%	34	62%	55	0.81%
65	39	75%	13	25%	52	0.77%
66	84	50%	84	50%	168	2.47%
68	10	77%	3	23%	13	0.19%
69	18	90%	2	10%	20	0.29%
70	44	71%	18	29%	62	0.91%
71	13	87%	2	13%	15	0.22%
72	13	87%	2	13%	15	0.22%
73	59	71%	24	29%	83	1.22%
74	30	88%	4	12%	34	0.50%
75	13	76%	4	24%	17	0.25%
76	32	78%	9	22%	41	0.60%
77	12	71%	5	29%	17	0.25%
78	13	65%	7	35%	20	0.29%
79	19	83%	4	17%	23	0.34%
80	35	78%	10	22%	45	0.66%
81	10	91%	1	9%	11	0.16%
82	21	75%	7	25%	28	0.41%
83	8	73%	3	27%	11	0.16%
84	17	85%	3	15%	20	0.29%
85	11	92%	1	8%	12	0.18%
86	17	89%	2	11%	19	0.28%
87	12	86%	2	14%	14	0.21%
88	7	70%	3	30%	10	0.15%
89	74	76%	24	24%	98	1.44%
90	25	71%	10	29%	35	0.52%
91	10	77%	3	23%	13	0.19%
92	30	83%	6	17%	36	0.53%
93	18	90%	2	10%	20	0.29%
94	55	74%	19	26%	74	1.09%
95	19	76%	6	24%	25	0.37%
96	35	83%	7	17%	42	0.62%
97	18	47%	20	53%	38	0.56%
98	84	71%	35	29%	119	1.75%
99	26	72%	10	28%	36	0.53%
100	23	68%	11	32%	34	0.50%
101	34	83%	7	17%	41	0.60%

	Top 10%	Non-Top 10%				Top 10%
House District	Count	Percent of District Total	Count	Percent of District Total	District Total	District Percent of Grand Total
102	3	50%	3	50%	6	0.09%
103	2	100%		0%	2	0.03%
104	5	100%		0%	5	0.07%
105	18	69%	8	31%	26	0.38%
106	29	88%	4	12%	33	0.49%
107	47	87%	7	13%	54	0.80%
108	23	40%	35	60%	58	0.85%
109	28	90%	3	10%	31	0.46%
110	17	100%		0%	17	0.25%
111	19	86%	3	14%	22	0.32%
112	42	64%	24	36%	66	0.97%
113	60	81%	14	19%	74	1.09%
114	17	40%	26	60%	43	0.63%
115	55	48%	60	52%	115	1.69%
116	16	73%	6	27%	22	0.32%
117	52	76%	16	24%	68	1.00%
118	25	83%	5	17%	30	0.44%
119	31	72%	12	28%	43	0.63%
120	11	100%		0%	11	0.16%
121	46	60%	31	40%	77	1.13%
122	55	79%	15	21%	70	1.03%
123	42	74%	15	26%	57	0.84%
124	28	93%	2	7%	30	0.44%
125	47	80%	12	20%	59	0.87%
126	26	96%	1	4%	27	0.40%
127	39	59%	27	41%	66	0.97%
128	45	92%	4	8%	49	0.72%
129	36	58%	26	42%	62	0.91%
130	90	70%	38	30%	128	1.88%
131	28	78%	8	22%	36	0.53%
132	114	69%	52	31%	166	2.44%
133	23	53%	20	47%	43	0.63%
134	55	40%	83	60%	138	2.03%
135	84	76%	26	24%	110	1.62%
136	43	43%	57	57%	100	1.47%
137	10	33%	20	67%	30	0.44%
138	13	72%	5	28%	18	0.27%
139	34	89%	4	11%	38	0.56%
140	27	93%	2	7%	29	0.43%
141	13	93%	1	7%	14	0.21%
142	19	100%		0%	19	0.28%
143	48	96%	2	4%	50	0.74%
144	16	94%	1	6%	17	0.25%
145	21	88%	3	13%	24	0.35%
146	18	58%	13	42%	31	0.46%
147	11	79%	3	21%	14	0.21%
148	14	78%	4	22%	18	0.27%
149	94	84%	18	16%	112	1.65%
150	106	75%	36	25%	142	2.09%
Grand Total	**4857**	**72%**	**1935**	**28%**	**6792**	**100.00%**

Appendix C-2 Texas A&M University

Texas A&M University	
Admitted	**Enrolled**
Summer/Fall 2002 we admitted 11,777 students 10,824 were from Texas high schools 5,629 were automatically admitted HB 588 students or 52.0% of the admitted Texas High school graduates This is 47.8% of total admits	**Summer/Fall 2002**, we enrolled 6,949 students 6,614 were from Texas high schools 3,369 were automatically admitted HB 588 students or 50.9% of the enrolled Texas high school graduates This is 48.5% of total enrollees
Summer/Fall 2003, we admitted 11,639 students 10,749 were from Texas high schools 5,714 were automatically admitted HB 588 students or 53.2% of the admitted Texas High school graduates This is 49.1% of total admits	**Summer/Fall 2003**, we enrolled 6,726 students 6,396 were from Texas high schools 3,324 were automatically admitted HB 588 students or 52% of the admitted Texas High school graduates This is 49.4% of total enrollees
Summer/Fall 2004, we admitted 12,426 students 11,575 were from Texas high schools 5,682 were automatically admitted HB 588 students or 49.09% of the admitted Texas High school graduates This is 45.73% of total admits	**Summer/Fall 2004**, we enrolled 7,068 students 6,780 were from Texas high schools 3,301 were automatically admitted HB 588 students or 48.69% of the enrolled Texas high school graduates This is 46.70% of total enrollees
Summer/Fall 2005, we admitted 12,503 students 11,344 were from Texas high schools 5,932 were automatically admitted HB 588 students or 52.29% of the admitted Texas High school graduates This is 47.44% of total admits	**Summer/Fall 2005**, we enrolled 7,104 students 6,770 were from Texas high schools 3,672 were automatically admitted HB 588 students or 54.24% of the enrolled Texas high school graduates This is 51.69% of total enrollees

Source: Office of Institutional Studies & Planning
Certified CBM00B (Admissions File) & Enrollment Profile

Texas A&M University
First-Time in College Student Enrollment by Top 10% Entry Status
Fall Semester

	2002		2003		2004		2005	
	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%	Top 10%	Non-Top 10%
White	2778	2980	2754	2784	2617	3023	2593	2850
Native American	12	15	12	15	14	24	11	17
African American	87	95	71	87	104	109	129	127
Asian American	125	105	109	125	140	127	121	200
Hispanic	346	318	365	327	418	447	568	433
International	8	48	13	54	5	35	9	42
Unknown/Other	12	20	0	10	3	2	1	3
All Students	3368	3581	3324	3402	3301	3767	3432	3672

Breakdown of TAMU **Admitted Freshmen**
Students Graduating From Senate District Schools
By Texas Senate District
2005 only

	Top 10 %		Non-Top 10%			
	Count	Percent of District Total	Count	Percent of District Total	District Total	District Percent of Grand Total
Senate District	167	65.23%	89	34.77%	256	2.26%
1	181	63.07%	106	36.93%	287	2.53%
2	221	70.61%	92	29.39%	313	2.76%
3	232	43.69%	299	56.31%	531	4.69%
4	337	51.22%	321	48.78%	658	5.81%
5	78	67.24%	38	32.76%	116	1.02%
6	417	41.33%	592	58.67%	1009	8.90%
7	161	33.40%	321	66.60%	482	4.25%
8	168	52.01%	155	47.99%	323	2.85%
9	205	47.79%	224	52.21%	429	3.79%
10	224	56.85%	170	43.15%	394	3.48%
11	232	58.29%	166	41.71%	398	3.51%
12	99	40.24%	147	59.76%	246	2.17%
13	129	27.33%	343	72.67%	472	4.16%
14	140	64.81%	76	35.19%	216	1.91%
15	159	40.25%	236	59.75%	395	3.49%
16	260	34.71%	489	65.29%	749	6.61%
17	288	54.75%	238	45.25%	526	4.64%
18	126	69.61%	55	30.39%	181	1.60%
19	239	71.99%	93	28.01%	332	2.93%
20	172	65.15%	92	34.85%	264	2.33%
21	177	60.00%	118	40.00%	295	2.60%
22	121	70.76%	50	29.24%	171	1.51%
23	200	56.98%	151	43.02%	351	3.10%
24	267	45.33%	322	54.67%	589	5.20%
25	180	58.44%	128	41.56%	308	2.72%
26	212	74.91%	71	25.09%	283	2.50%
27	96	64.86%	52	35.14%	148	1.31%
28	60	67.42%	29	32.58%	89	0.79%
29	204	66.45%	103	33.55%	307	2.71%
30	144	66.67%	72	33.33%	216	1.91%
31	5896	52.02%	5438	47.98%	11334	100.00%
Grand Total						

Breakdown of TAMU **Admitted Freshmen**
Student Graduating From House District Schools
By Texas House District
2005 only

	Top 10 %		Non-Top 10 %			
House District	Count	Percent of District Total	Count	Percent of District Total	District Total	District Percent of Grand Total
1	19	73.08%	7	26.92%	26	0.23%
2	36	78.26%	10	21.74%	46	0.41%
3	29	67.44%	14	32.56%	43	0.38%
4	17	50.00%	17	50.00%	34	0.30%
5	28	75.68%	9	24.32%	37	0.33%
6	45	49.45%	46	50.55%	91	0.80%
7	39	66.10%	20	33.90%	59	0.52%
8	40	71.43%	16	28.57%	56	0.49%
9	44	67.69%	21	32.31%	65	0.57%
10	49	71.01%	20	28.99%	69	0.61%
11	41	77.36%	12	22.64%	53	0.47%
12	38	70.37%	16	29.63%	54	0.48%
13	82	67.77%	39	32.23%	121	1.07%
14	85	38.46%	136	61.54%	221	1.95%
15	82	37.10%	139	62.90%	221	1.95%
16	50	62.50%	30	37.50%	80	0.71%
17	74	57.81%	54	42.19%	128	1.13%
18	49	80.33%	12	19.67%	61	0.54%
19	41	85.42%	7	14.58%	48	0.42%
20	55	57.89%	40	42.11%	95	0.84%
21	39	41.94%	54	58.06%	93	0.82%
22	22	62.86%	13	37.14%	35	0.31%
23	32	74.42%	11	25.58%	43	0.38%
24	79	57.66%	58	42.34%	137	1.21%
25	53	61.63%	33	38.37%	86	0.76%
26	71	26.49%	197	73.51%	268	2.36%
27	63	48.84%	66	51.16%	129	1.14%
28	39	70.91%	16	29.09%	55	0.49%
29	54	60.67%	35	39.33%	89	0.79%
30	56	55.45%	45	44.55%	101	0.89%
31	46	76.67%	14	23.33%	60	0.53%
32	44	61.97%	27	38.03%	71	0.63%
33	55	76.39%	17	23.61%	72	0.64%
34	50	68.49%	23	31.51%	73	0.64%
35	52	68.42%	24	31.58%	76	0.67%
36	41	65.08%	22	34.92%	63	0.56%
37	82	74.55%	28	25.45%	110	0.97%
38	7	87.50%	1	12.50%	8	0.07%
39	51	82.26%	11	17.74%	62	0.55%
40	58	81.69%	13	18.31%	71	0.63%

41	40	67.80%	19	32.20%	59	0.52%
42	7	41.18%	10	58.82%	17	0.15%
43	46	67.65%	22	32.35%	68	0.60%
44	48	69.57%	21	30.43%	69	0.61%
45	62	52.99%	55	47.01%	117	1.03%
46	21	36.84%	36	63.16%	57	0.50%
47	24	21.43%	88	78.57%	112	0.99%
48	30	19.87%	121	80.13%	151	1.33%
49	13	43.33%	17	56.67%	30	0.26%
50	48	29.09%	117	70.91%	165	1.46%
51	10	83.33%	2	16.67%	12	0.11%
52	89	52.05%	82	47.95%	171	1.51%
53	34	61.82%	21	38.18%	55	0.49%
54	46	71.88%	18	28.13%	64	0.56%
55	61	51.69%	57	48.31%	118	1.04%
56	44	48.35%	47	51.65%	91	0.80%
57	39	63.93%	22	36.07%	61	0.54%
58	30	61.22%	19	38.78%	49	0.43%
59	30	53.57%	26	46.43%	56	0.49%
60	43	72.88%	16	27.12%	59	0.52%
61	52	72.22%	20	27.78%	72	0.64%
62	31	73.81%	11	26.19%	42	0.37%
63	89	51.15%	85	48.85%	174	1.54%
64	44	50.57%	43	49.43%	87	0.77%
65	44	56.41%	34	43.59%	78	0.69%
66	34	18.68%	148	81.32%	182	1.61%
68	32	65.31%	17	34.69%	49	0.43%
69	23	69.70%	10	30.30%	33	0.29%
70	55	55.00%	45	45.00%	100	0.88%
71	26	54.17%	22	45.83%	48	0.42%
72	36	80.00%	9	20.00%	45	0.40%
73	80	50.96%	77	49.04%	157	1.39%
74	28	68.29%	13	31.71%	41	0.36%
75	9	90.00%	1	10.00%	10	0.09%
76	17	73.91%	6	26.09%	23	0.20%
77	5	41.67%	7	58.33%	12	0.11%
78	13	54.17%	11	45.83%	24	0.21%
79	17	80.95%	4	19.05%	21	0.19%
80	34	66.67%	17	33.33%	51	0.45%
81	12	70.59%	5	29.41%	17	0.15%
82	57	64.04%	32	35.96%	89	0.79%
83	12	38.71%	19	61.29%	31	0.27%
84	12	57.14%	9	42.86%	21	0.19%
85	15	53.57%	13	46.43%	28	0.25%
86	46	74.19%	16	25.81%	62	0.55%
87	20	76.92%	6	23.08%	26	0.23%
88	21	63.64%	12	36.36%	33	0.29%
89	56	47.86%	61	52.14%	117	1.03%
90	17	56.67%	13	43.33%	30	0.26%
91	23	71.88%	9	28.13%	32	0.28%

92	27	67.50%	13	32.50%	40	0.35%
93	22	75.86%	7	24.14%	29	0.26%
94	60	49.18%	62	50.82%	122	1.08%
95	22	38.60%	35	61.40%	57	0.50%
96	45	53.57%	39	46.43%	84	0.74%
97	37	50.00%	37	50.00%	74	0.65%
98	123	49.20%	127	50.80%	250	2.21%
99	27	60.00%	18	40.00%	45	0.40%
100	44	77.19%	13	22.81%	57	0.50%
101	44	57.89%	32	42.11%	76	0.67%
102	8	19.05%	34	80.95%	42	0.37%
103	11	73.33%	4	26.67%	15	0.13%
104	1	50.00%	1	50.00%	2	0.02%
105	15	38.46%	24	61.54%	39	0.34%
106	18	64.29%	10	35.71%	28	0.25%
107	60	56.07%	47	43.93%	107	0.94%
108	26	27.37%	69	72.63%	95	0.84%
109	23	65.71%	12	34.29%	35	0.31%
110	6	85.71%	1	14.29%	7	0.06%
111	36	64.29%	20	35.71%	56	0.49%
112	60	45.45%	72	54.55%	132	1.16%
113	49	69.01%	22	30.99%	71	0.63%
114	25	46.30%	29	53.70%	54	0.48%
115	69	39.66%	105	60.34%	174	1.54%
116	11	42.31%	15	57.69%	26	0.23%
117	51	69.86%	22	30.14%	73	0.64%
118	30	75.00%	10	25.00%	40	0.35%
119	47	72.31%	18	27.69%	65	0.57%
120	11	50.00%	11	50.00%	22	0.19%
121	44	40.37%	65	59.63%	109	0.96%
122	79	46.20%	92	53.80%	171	1.51%
123	59	47.58%	65	52.42%	124	1.09%
124	16	66.67%	8	33.33%	24	0.21%
125	45	53.57%	39	46.43%	84	0.74%
126	22	73.33%	8	26.67%	30	0.26%
127	41	32.03%	87	67.97%	128	1.13%
128	50	78.13%	14	21.88%	64	0.56%
129	39	37.86%	64	62.14%	103	0.91%
130	117	46.06%	137	53.94%	254	2.24%
132	128	36.16%	226	63.84%	354	3.12%
133	19	26.03%	54	73.97%	73	0.64%
134	22	17.46%	104	82.54%	126	1.11%
135	72	44.17%	91	55.83%	163	1.44%
136	54	27.84%	140	72.16%	194	1.71%
137	14	20.59%	54	79.41%	68	0.60%
138	30	47.62%	33	52.38%	63	0.56%
139	25	50.00%	25	50.00%	50	0.44%
140	14	82.35%	3	17.65%	17	0.15%
141	19	76.00%	6	24.00%	25	0.22%

142	14	73.68%	5	26.32%	19	0.17%
143	29	82.86%	6	17.14%	35	0.31%
144	32	71.11%	13	28.89%	45	0.40%
145	19	90.48%	2	9.52%	21	0.19%
146	29	61.70%	18	38.30%	47	0.41%
147	7	53.85%	6	46.15%	13	0.11%
148	22	46.81%	25	53.19%	47	0.41%
149	51	55.43%	41	44.57%	92	0.81%
150	114	45.97%	134	54.03%	248	2.19%
Grand Total	5896	52.02%	5438	47.98%	11334	100.00%

Breakdown of TAMU **Enrolling Freshmen**
Students Graduating From Senate District Schools
By Texas Senate District
2005 only

	Top 10%		Non-Top 10%			
Senate District	Count	Percent of District Total	Count	Percent of District Total	District Total	District Percent of Grant Total
1	104	65.41%	55	34.59%	159	2.39%
2	118	62.11%	72	37.89%	190	2.86%
3	159	73.27%	58	26.73%	217	3.27%
4	139	43.99%	177	56.01%	316	4.76%
5	223	49.56%	227	50.44%	450	6.78%
6	50	68.49%	23	31.51%	73	1.10%
7	240	40.00%	360	60.00%	600	9.03%
8	73	31.20%	161	68.80%	234	3.52%
9	83	47.70%	91	52.30%	174	2.62%
10	122	48.22%	131	51.78%	253	3.81%
11	115	56.10%	90	43.90%	205	3.09%
12	147	60.49%	96	39.51%	243	3.66%
13	45	45.92%	53	54.08%	98	1.48%
14	55	25.23%	163	74.77%	218	3.28%
15	87	60.84%	56	39.16%	143	2.15%
16	76	37.62%	126	62.38%	202	3.04%
17	123	29.50%	294	70.50%	417	6.28%
18	187	54.05%	159	45.95%	346	5.21%
19	84	73.04%	31	26.96%	115	1.73%
20	129	67.19%	63	32.81%	192	2.89%
21	103	60.95%	66	39.05%	169	2.54%
22	123	59.71%	83	40.29%	206	3.10%
23	61	64.89%	33	35.11%	94	1.42%
24	140	55.34%	113	44.66%	253	3.81%
25	146	41.13%	209	58.87%	355	5.35%
26	99	58.93%	69	41.07%	168	2.53%
27	89	70.63%	37	29.37%	126	1.90%
28	47	58.75%	33	41.25%	80	1.20%
29	22	61.11%	14	38.89%	36	0.54%
30	124	66.31%	63	33.69%	187	2.82%
31	85	69.67%	37	30.33%	122	1.84%
Grand Total	3398	51.17%	3243	48.83%	6641	100.00%

Breakdown of TAMU **Enrolling Freshmen**
Students Graduating From Senate District
Schools
By Texas Senate
District
1998 - 2005

	Top 10%		Non-Top 10%			
Senate District	Count	Percent of District Total	Count	Percent of District Total	District Total	District Percent of Grand Total
1	882	59.39%	603	40.61%	1,485	2.88%
2	945	59.43%	645	40.57%	1,590	3.08%
3	1,136	64.66%	621	35.34%	1,757	3.40%
4	1,251	46.57%	1,435	53.43%	2,686	5.20%
5	1,670	47.20%	1,868	52.80%	3,538	6.85%
6	365	65.53%	192	34.47%	557	1.08%
7	1,602	38.18%	2,594	61.82%	4,196	8.12%
8	595	31.78%	1,277	68.22%	1,872	3.62%
9	600	49.06%	623	50.94%	1,223	2.37%
10	845	45.80%	1,000	54.20%	1,845	3.57%
11	941	51.36%	891	48.64%	1,832	3.55%
12	971	53.23%	853	46.77%	1,824	3.53%
13	390	39.92%	587	60.08%	977	1.89%
14	378	27.55%	994	72.45%	1,372	2.66%
15	728	59.62%	493	40.38%	1,221	2.36%
16	451	32.24%	948	67.76%	1,399	2.71%
17	1,020	37.46%	1,703	62.54%	2,723	5.27%
18	1,634	54.98%	1,338	45.02%	2,972	5.75%
19	648	64.16%	362	35.84%	1,010	1.96%
20	853	56.72%	651	43.28%	1,504	2.91%
21	840	62.22%	510	37.78%	1,350	2.61%
22	968	59.35%	663	40.65%	1,631	3.16%
23	334	57.89%	243	42.11%	577	1.12%
24	1,097	56.14%	857	43.86%	1,954	3.78%
25	1,075	43.56%	1,393	56.44%	2,468	4.78%
26	581	50.17%	577	49.83%	1,158	2.24%
27	575	64.97%	310	35.03%	885	1.71%
28	594	59.58%	403	40.42%	997	1.93%
29	230	62.50%	138	37.50%	368	0.71%
30	859	55.49%	689	44.51%	1,548	3.00%
31	711	62.86%	420	37.14%	1,131	2.19%
Grand Total	25,769	49.89%	25,881	50.11%	51,650	100.00%

Breakdown of TAMU **Enrolling Freshmen**
Students Graduating From House District Schools
By Texas House
District
1998 - 2005

	Top 10%		Non-Top 10%			
House District	Count	Percent of District Total	Count	Percent of District Total	District Total	District Percent of Grand Total
1	121	72.02%	47	27.98%	168	0.33%
2	135	68.88%	61	31.12%	196	0.38%
3	149	68.98%	67	31.02%	216	0.42%
4	199	67.23%	97	32.77%	296	0.57%
5	173	72.08%	67	27.92%	240	0.46%
6	198	47.60%	218	52.40%	416	0.81%
7	219	52.39%	199	47.61%	418	0.81%
8	249	68.98%	112	31.02%	361	0.70%
9	208	62.09%	127	37.91%	335	0.65%
10	259	65.57%	136	34.43%	395	0.76%
11	192	62.75%	114	37.25%	306	0.59%
12	195	66.55%	98	33.45%	293	0.57%
13	432	59.92%	289	40.08%	721	1.40%
14	495	34.91%	923	65.09%	1418	2.75%
15	355	38.71%	562	61.29%	917	1.78%
16	252	56.38%	195	43.62%	447	0.87%
17	387	55.92%	305	44.08%	692	1.34%
18	248	75.84%	79	24.16%	327	0.63%
19	293	71.81%	115	28.19%	408	0.79%
20	249	58.59%	176	41.41%	425	0.82%
21	220	45.45%	264	54.55%	484	0.94%
22	99	67.35%	48	32.65%	147	0.28%
23	176	66.42%	89	33.58%	265	0.51%
24	350	51.40%	331	48.60%	681	1.32%
25	277	55.73%	220	44.27%	497	0.96%
26	243	26.76%	665	73.24%	908	1.76%
27	363	54.83%	299	45.17%	662	1.28%
28	300	68.49%	138	31.51%	438	0.85%
29	283	60.08%	188	39.92%	471	0.91%
30	361	55.80%	286	44.20%	647	1.25%
31	178	66.67%	89	33.33%	267	0.52%
32	245	59.61%	166	40.39%	411	0.80%
33	184	52.57%	166	47.43%	350	0.68%
34	236	53.51%	205	46.49%	441	0.85%
35	285	66.74%	142	33.26%	427	0.83%
36	129	55.60%	103	44.40%	232	0.45%
37	201	69.31%	89	30.69%	290	0.56%
38	29	82.86%	6	17.14%	35	0.07%
39	116	69.05%	52	30.95%	168	0.33%
40	98	64.90%	53	35.10%	151	0.29%
41	105	51.98%	97	48.02%	202	0.39%

42	21	37.50%	35	62.50%	56	0.11%
43	204	60.71%	132	39.29%	336	0.65%
44	270	62.94%	159	37.06%	429	0.83%
45	271	55.42%	218	44.58%	489	0.95%
46	43	37.07%	73	62.93%	116	0.22%
47	84	23.86%	268	76.14%	352	0.68%
48	114	24.05%	360	75.95%	474	0.92%
49	40	32.52%	83	67.48%	123	0.24%
50	130	26.97%	352	73.03%	482	0.93%
51	24	75.00%	8	25.00%	32	0.06%
52	326	43.88%	417	56.12%	743	1.44%
53	278	59.66%	188	40.34%	466	0.90%
54	205	65.08%	110	34.92%	315	0.61%
55	287	49.23%	296	50.77%	583	1.13%
56	198	47.26%	221	52.74%	419	0.81%
57	237	63.03%	139	36.97%	376	0.73%
58	210	63.06%	123	36.94%	333	0.64%
59	167	57.79%	122	42.21%	289	0.56%
60	187	62.75%	111	37.25%	298	0.58%
61	247	61.75%	153	38.25%	400	0.77%
62	108	58.70%	76	41.30%	184	0.36%
63	305	45.73%	362	54.27%	667	1.29%
64	186	44.29%	234	55.71%	420	0.81%
65	92	46.94%	104	53.06%	196	0.38%
66	120	20.10%	477	79.90%	597	1.16%
68	181	55.18%	147	44.82%	328	0.64%
69	117	60.31%	77	39.69%	194	0.38%
70	173	45.17%	210	54.83%	383	0.74%
71	169	58.48%	120	41.52%	289	0.56%
72	142	63.96%	80	36.04%	222	0.43%
73	370	45.57%	442	54.43%	812	1.57%
74	169	65.25%	90	34.75%	259	0.50%
75	50	94.34%	3	5.66%	53	0.10%
76	55	68.75%	25	31.25%	80	0.15%
77	20	39.22%	31	60.78%	51	0.10%
78	62	48.06%	67	51.94%	129	0.25%
79	45	78.95%	12	21.05%	57	0.11%
80	219	62.75%	130	37.25%	349	0.68%
81	121	79.61%	31	20.39%	152	0.29%
82	244	57.96%	177	42.04%	421	0.82%
83	110	63.22%	64	36.78%	174	0.34%
84	73	54.48%	61	45.52%	134	0.26%
85	135	57.94%	98	42.06%	233	0.45%
86	176	62.19%	107	37.81%	283	0.55%
87	93	69.40%	41	30.60%	134	0.26%
88	148	59.92%	99	40.08%	247	0.48%
89	239	42.60%	322	57.40%	561	1.09%
90	84	52.83%	75	47.17%	159	0.31%
91	108	57.75%	79	42.25%	187	0.36%
92	177	52.99%	157	47.01%	334	0.65%

93	121	61.11%	77	38.89%	198	0.38%
94	281	43.57%	364	56.43%	645	1.25%
95	89	41.59%	125	58.41%	214	0.41%
96	112	58.64%	79	41.36%	191	0.37%
97	181	55.35%	146	44.65%	327	0.63%
98	397	43.06%	525	56.94%	922	1.79%
99	123	56.42%	95	43.58%	218	0.42%
100	66	56.90%	50	43.10%	116	0.22%
101	200	55.71%	159	44.29%	359	0.70%
102	35	28.46%	88	71.54%	123	0.24%
103	18	75.00%	6	25.00%	24	0.05%
104	5	62.50%	3	37.50%	8	0.02%
105	90	49.45%	92	50.55%	182	0.35%
106	105	65.22%	56	34.78%	161	0.31%
107	174	39.73%	264	60.27%	438	0.85%
108	39	17.26%	187	82.74%	226	0.44%
109	127	65.46%	67	34.54%	194	0.38%
110	17	73.91%	6	26.09%	23	0.04%
111	141	58.75%	99	41.25%	240	0.46%
112	194	34.40%	370	65.60%	564	1.09%
113	286	56.63%	219	43.37%	505	0.98%
114	78	35.14%	144	64.86%	222	0.43%
115	222	35.24%	408	64.76%	630	1.22%
116	42	40.38%	62	59.62%	104	0.20%
117	188	64.38%	104	35.62%	292	0.57%
118	123	67.58%	59	32.42%	182	0.35%
119	151	60.64%	98	39.36%	249	0.48%
120	63	62.38%	38	37.62%	101	0.20%
121	221	45.19%	268	54.81%	489	0.95%
122	248	44.05%	315	55.95%	563	1.09%
123	183	38.77%	289	61.23%	472	0.91%
124	37	68.52%	17	31.48%	54	0.10%
125	187	46.40%	216	53.60%	403	0.78%
126	87	50.58%	85	49.42%	172	0.33%
127	242	35.54%	439	64.46%	681	1.32%
128	235	63.69%	134	36.31%	369	0.71%
129	111	28.91%	273	71.09%	384	0.74%
130	481	41.47%	679	58.53%	1160	2.25%
132	439	35.15%	810	64.85%	1249	2.42%
133	50	20.24%	197	79.76%	247	0.48%
134	82	20.00%	328	80.00%	410	0.79%
135	288	40.11%	430	59.89%	718	1.39%
136	169	30.18%	391	69.82%	560	1.08%
137	33	13.15%	218	86.85%	251	0.49%
138	133	49.26%	137	50.74%	270	0.52%
139	160	53.87%	137	46.13%	297	0.58%
140	57	71.25%	23	28.75%	80	0.15%
141	75	72.12%	29	27.88%	104	0.20%
142	68	73.91%	24	26.09%	92	0.18%

143	167	79.52%	43	20.48%	210	0.41%
144	131	61.79%	81	38.21%	212	0.41%
145	73	80.22%	18	19.78%	91	0.18%
146	87	50.58%	85	49.42%	172	0.33%
147	33	60.00%	22	40.00%	55	0.11%
148	77	42.78%	103	57.22%	180	0.35%
149	112	45.71%	133	54.29%	245	0.47%
150	515	41.77%	718	58.23%	1233	2.39%
Grand Total	25769	49.89%	25881	50.11%	51650	100.00%

Appendix C-3 El Paso Independent School District

EPISD Graduates Attending The University of Texas at Austin 1996-2005
Including Non-Top Ten Percent vs. Top Ten Percent

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	TOTAL
ANDRESS	7	4	7	3	7	1	3	3	4	2	41
Non-Top 10%	2	3	4	1	0	0	0	0	0	0	10
Top 10 %	5	1	3	2	7	1	3	3	4	2	31
AUSTIN	7	4	4	4	2	3	2	2	2	2	32
Non-Top 10%	3	1	2	0	0	1	0	0	0	0	7
Top 10 %	4	3	2	4	2	2	2	2	2	2	25
BOWIE		2	1	1	2		2	3			11
Non-Top 10%		1	0	0	0		0	0			1
Top 10 %		1	1	1	2		2	3			10
BURGES	6	6	2	16	5	2	8	4	2	5	53
Non-Top 10%	2	4	0	2	1	0	1	1	0	0	11
Top 10 %	4	2	2	14	4	2	4	3	2	5	42
CHAPIN									1	5	6
Non-Top 10%									0	0	0
Top 10 %									1	5	6
CORONADO	44	8	12	17	18	17	14	20	12	21	183
Non-Top 10%	24	4	7	9	10	9	6	6	4	7	86
Top 10 %	20	4	5	8	8	8	8	14	8	14	98
EL PASO		5	1	3	3	4	5	2	4	5	32
Non-Top 10%		1	0	0	1	1	1	0	1	1	6
Top 10 %		4	1	3	2	3	4	2	3	4	26
FRANKLIN	31	38	24	28	17	20	13	18	13	262	
Non-Top 10%	24	25	11	15	8	9	3	3	3	101	
Top 10 %	7	13	13	13	9	11	10	15	10	101	
IRVIN	3	11	2	5	4	4	7	3	1	3	43
Non-Top 10%	2	5	2	1	1	2	1	1	0	0	15
Top 10 %	1	6	0	4	3	2	6	2	1	3	28

Research and Accountability--Bone

EPISD Graduates Attending The University of Texas at Austin 1996-2005
Including Non-Top Ten Percent vs. Top Ten Percent

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	TOTAL
JEFFERSON	1	1	1			2		3	2	1	11
Non-Top 10%	0	1	0			0		0	0	0	1
Top 10 %	1	0	1			2		3	2	1	10
SILVA		4	1	4	4	4	4	1	3	2	27
Non-Top 10%		3	1	3	3	2	2	1	0	1	16
Top 10 %		1	0	1	1	2	2	0	3	1	11
EL PASO ISD	68	76	69	77	73	54	62	54	49	59	641
Non-Top 10%	33	47	41	27	31	22	20	12	8	12	253
Top 10 %	35	29	28	50	45	32	42	42	41	47	388

Source: Office of Admissions, University of Texas at Austin

Research and Accountability--Bone

EPISD Graduates Attending Texas A M University, 1996-2005
Including Non-Top Ten Percent vs. Top Ten Percent

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
ANDRESS	4	3	3	1	1	2	2	3	3	3
Non-Top 10%	4	1		0	0	1	1	2	2	0
Top 10 %	0	2		1	1	0	1	1	1	3
AUSTIN	2	1	2	1	3		1			2
Non-Top 10%	1	1		0	3		0			1
Top 10 %	1	0		1	0		1			1
BOWIE	1				1				2	1
Non-Top 10%	1				0				0	1
Top 10 %	0				1				2	0
BURGES	1	4	2	1	2	1	2	2	2	2
Non-Top 10%	1	3		0	1	1	0	1	2	0
Top 10 %	0	1		1	1	0	2	1	0	2
CHAPIN									1	1
Non-Top 10%									0	1
Top 10 %									1	0
CORONADO	23	10	6	4	9	12	19	9	10	6
Non-Top 10%	18	8		3	7	9	12	6	8	5
Top 10 %	5	2		1	2	3	7	3	2	1
EL PASO	4	1	1	1	2	2	1	2		
Non-Top 10%	3			0	2	2	0	0		
Top 10 %	1			1	0	0	1	2		
FRANKLIN	12		21	17	12	12	10	1	4	8
Non-Top 10%	8			12	9	8	6	0	2	6
Top 10 %	4			6	3	4	4	1	2	2
IRVIN	2	4	3		3			3		
Non-Top 10%	1	4			1			0		
Top 10 %	1	0			2			3		

Research and Accountability -- Rose

EPISD Graduates Attending Texas A M University, 1996-2005
Including Non-Top Ten Percent vs. Top Ten Percent

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
JEFFERSON			1				1			
Non-Top 10%							0			
Top 10 %							1			
SILVA		1	2	2	1	5	1		2	1
Non-Top 10%		1		1	0	4	1		2	1
Top 10 %		0		1	1	1	0		0	0
DISTRICT TOTAL	66	78	41	55	68	67	74	40	48	48

Source: National Student Clearinghouse

Research and Accountability -- Bone

Appendix C-4 Stockdale Independent School District

September 8, 2006

Senate Subcommittee on Higher Education,

Please accept the following information as written testimony on the top ten percent rule. I will also have additional oral testimony to present on September 14

I have been asked to comment specifically on the impact of the percentage change. In small schools like Stockdale a one or two percent change in the top ten percent rule would likely reduce the number of students that are automatically admitted to state universities, and tremendously lower the ability for a student to get into a flagship university like The University of Texas or Texas A&M University.

In the 2004-05 school year we had a graduating class of 41 which allowed us 4 in the top 10%. The fourth student that year was Vanessa, who ended up attending the University of Texas. Neither of Vanessa's parents had ever attended college and as a matter of fact, neither spoke English. Because of the top ten percent rule Vanessa was admitted and is doing very well at UT. This past school year we had 63 in the graduating class and the last student in the top ten percent, Dusty, chose to attend Texas A&M University. Dusty is also a first generation college attendee from her family and was raised by a single mom. In both of these cases neither of these young ladies would have been admitted had the top 10 percent rule been the top 7, 8 or 9 percent.

Schools with similar demographics to Stockdale will tell you that the top 10 percent rule is working and working well. We are able to send students to flagship universities and have them succeed. These students often time return to our community and become an inspiration for other students and provide a positive influence for our whole community. Graduates like this command high wages which filters to our community and provides positive economic growth. On top of this, students of this caliber typically give back to the community through volunteer work and other charitable donations. These college graduates become very important to a small and growing community like Stockdale.

From my experience at Stockdale and my research on my doctoral degree at the University of Texas, I will tell you that the top ten percent rule is working. This rule allows for a diverse population of students to be admitted into the flagship universities in Texas. This diversity is not only diversity in race, but also a geographic diversity that allows students from all over the state the opportunity to attend a premier university. I believe that this specific geographic diversification could assist in the redistribution of knowledge, talents, resources, and power as students return to their home communities and will eventually help Texas grow across the state and not just in the concentrated areas along the I-35 corridor.

Stockdale Data:

2001-2002 – 57 in class, 5 in top ten %. #1 to St. Mary's, #2 to Howard Payne, #3 ?, #4 to UTSA, #5 to Texas State. None out of top 10% to UT or A&M.

2002-2003 – 58 in class, 5 in top 10%. #1 to A&M, #2 to Texas Tech, #3 to A&M, #4 to Texas State, #5 to A&M. None out of top 10% to UT or A&M.

2003-2004 – 66 in class, 6 in top 10%. #1 to Texas Lutheran, #2 to Texas Lutheran, #3 to Texas State, #4 to Abilene Christian, #5 to Texas Lutheran, #6 to A&M . None out of top 10% to UT or A&M.

2004-2005 – 41 in class, 4 in top 10%. #1 to Texas State, #2 to A&M, #3 to Texas Lutheran, #4 to UT. None out of top 10% to UT or A&M.

2005-2006 – 63 in class, 6 in top 10%. #1, #2, and #3 to Texas State. #4 to Texas Tech, #5 and #6 to A&M. None out of top 10% to UT or A&M.

After visiting with our Principal, counselor and others most believe that the students that are staying closer to home and attending private schools are doing so because of the savings of living at home while attending schools in close proximity and of the large scholarships offered to the students. Because of the average wealth of our community most of our students attend where they are receiving the most financial assistance.

We have a lot of "Aggies" in Stockdale, so those that can afford it usually choose to go to school there. Only one UT student in the past 5 years and 2 students to Texas Tech.

Appendix C-5 Highland Park Independent School District

College Stats for HPHS 1996-2006

University of Texas					
				Attended	
Year	Class Size	Number Applied	Number Accepted	Top Ten Percent	Non-Top Ten Percent
2006	448	137	78	16	33
2005	471	126	68	9	28
2004	454	103	70	9	30
2003	415	143	107	5	28
2002	420	134	96	4	37
2001	412	122	98	7	22
2000	383	107	n/a	4	46
1999	356	140	n/a	3	42
1998	347	102	n/a	7	30
1997	313	n/a	n/a	Total = 45	
1996	346	n/a	n/a	Total = 45	

Texas A&M					
				Attended	
Year	Class Size	Number Applied	Number Accepted	Top Ten Percent	Non-Top Ten Percent
2006	448	106	60	1	21
2005	471	92	63	4	25
2004	454	80	41	2	17
2003	415	73	41	2	18
2002	420	85	39	3	16
2001	412	67	28	1	8
2000	383	34	n/a	2	18
1999	356	54	n/a	0	13
1998	347	47	n/a	1	23
1997	313	n/a	n/a	Total = 15	
1996	346	n/a	n/a	Total = 11	

Appendix C-6 Texas Education Agency

Student Records Exchange
Senate Subcommittee on Higher Education
September 2006

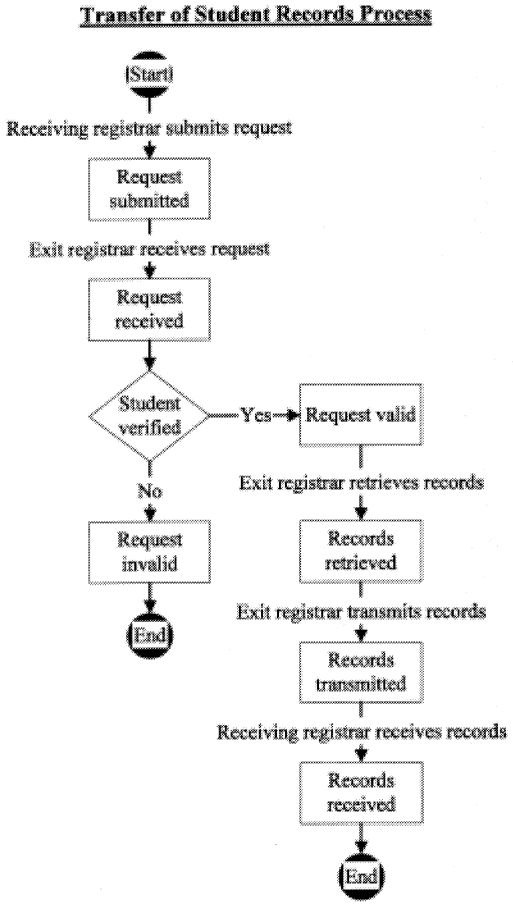
Objective

- Development and deployment of a web-based application for the exchange of electronic student records between Texas public school districts and for the submission of electronic transcripts to Texas public colleges and universities.

Benefits

An automated solution for the exchange of student records would benefit Texas public school students. Benefits include:

- savings of time and money for school districts and institutions of higher education;
- more efficient use of school district resources;
- continuity of services provided;
- correct academic placements;
- increased security of student records transmissions;
- increased security of student transcript transmissions; and
- shorter times to provide records to other school districts and transcripts to colleges and universities.


Transfer of Student Records Process
Start
Receiving registrar submits request
Request submitted
Exit registrar receives request
Request received
Student verified
Yes
Request valid
No
Request invalid
End
Exit registrar retrieves records
Records retrieved
Exit registrar transmits records
Records transmitted
Receiving registrar receives records
Records received
End

Page 2

Implementation

The definition of transcript elements is established in Texas Administrative Code §74.14, in accordance with Texas Education Code §28.025. In addition, Texas law establishes requirements for records exchanges between Texas public school districts. In accordance with House Bill 1, development activities for an electronic student records exchange include:

- define content standards for records of students in grades K through 12;
    - define and incorporate "teachers of record;"
    - define and include indicators for special education services and individualized education programs; and
    - define and incorporate an indicator(s) for personal graduation plans.
- define electronic standards for records of students in grades K through 12;
- define electronic standards for high school transcripts;
- post a Request for Offer (RFO) for an electronic system to transmit student records securely and efficiently, and negotiate a contract;
- establish procedures for participation by subscription of private and independent institutions of higher education; and
- provide standards, technical assistance, and training to school districts.

System completion is required no later than the 2007-08 school year.

Budget

- One full-time equivalent (FTE) for development and maintenance of content standards for records of students in grades K through 12
- $2,025,000 in professional fees, RFO costs, and information technology costs in BY07
- $300,000 enhancements and maintenance in BY08 and in BY09

Texas Student Records Exchange Calendar

Date	Activity	Responsible
September 2006	Develop high-level task plan	TEA
September 2006	Approve electronic standards for high school transcripts for institutions of higher education	Commissioner TEA Commissioner THECB
September 2006	Draft RFO	TEA
+30 days	DIR, LBB, and Office of the Governor review	DIR
+40 days	Post RFO	TEA
+20 days	Evaluation and best offers	RFO panel
+5 days	Executive review	TEA
+10 days	Negotiate and finalize contract	TEA Contractor
+10 days	Begin contract	Contractor
April 2007	Notify school districts of records content, definitions, and standards	TEA School districts
August 2007	Begin implementation	Contractor
August 2007 to December 2007	Phase in school district-to-school district record transmissions • Training • Pilot or phased-in adoption	TEA Contractor School districts
January 2008 to May 2008	Phase in school district-to-college transcript transmissions • Training • Pilot or phased-in adoption	TEA THECB Contractor School districts IHEs

Texas Education Agency (TEA); Texas Higher Education Coordinating Board (THECB); Request for Offer (RFO); Legislative Budget Board (LBB); Institutions of higher education (IHEs)

Uniform GPA

- TEA has requested information from other states regarding similar proposals. We have received information from three other states that have uniform methods to some degree or other: Florida, South Carolina, and Tennessee.
- TEA staff has discussed this issue with the Urban Curriculum Council and Alliance schools and received their input.
- ESC XIII has issued a survey of districts explaining what they do to calculate GPA. We hope to have an analysis of this information within the next week or so. A sample survey is attached.
- As soon as we have had the chance to work with the survey data, we will convene at ESC 13 a statewide meeting of stakeholders to discuss the idea and the implementation of a uniform GPA. We have many interested volunteers already.

Attachments:

- NCES definition of Grade Point Average
- Cy Fair High School Grading Scale
- Information from Florida
- Information from South Carolina
- Information from Tennessee
- Sample of survey done by ESC XIII

How is Grade Point Average Calculated?

A common measure of the nation's high school students' academic achievement is the grade point average (GPA). Calculating GPA requires both grade information and course credit information.

Since credit and grade information reported on transcripts vary considerably among schools, districts and states, it is necessary to standardize this information so that valid student– and school–level comparisons can be made. In HSTS studies, standardized credit information is based on the Carnegie Unit, which is defined as the number of credits a student received for a course taken every day, one period per day, for a full school year. The factor for converting credits reported on a transcript to the standard Carnegie Unit is verified by the curriculum specialist and then entered for each school by data entry personnel.

Grade information on transcripts varies even more widely than credit information. Grades are reported as letters, numbers, or other symbols on a variety of scales. Trained HSTS Coders provide standardized information for each school, which is then entered for each school by data entry personnel. Numeric grades are converted to standardized grades as shown in following table unless the school documents specify other letter grade equivalents for numeric grades.

Number Grade Conversion		
Numeric Grade	Standard Grade	Grade Point Average
90–100	A	4.0
80–89	B	3.0
70–79	C	2.0
60–69	D	1.0
Less than 60	F	0.0

SOURCE: U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics, The 2000 High School Transcript Study.

The most common GPA scale is the four-point grade scale. In this scale, the letter grade 'A' equals four points, the letter grade 'B' equals three points, the letter grade 'C' equals two points, the letter grade 'D' equals one point, and the letter grade 'F' equals zero points. The High School Transcript Study (HSTS) uses this four-point grade scale to standardize each student's GPA.

The GPA represents the average number of grade points a student earns for each graded high school course. Grade points are points per course credit assigned to a passing grade, indicating the numerical value of the grade. Dividing a student's total grade points earned by the total course credits attempted determines a student's GPA. Courses in which a student does not receive a grade, such as pass/fail and audited courses, do not factor into the GPA calculation.

Last updated 7 April 2003 (JM)

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Cy Fair HS Grading Scale

Grading Scale

Grade points are allocated for a course of study based on the designation of the course as follows:

GRADE	LEVEL OR COURSE			
	K, AP, and Horizons Levels	L-Level (on level)	Below Level Adaptive Behavior,Co-teach, ESL, and Resource	Life Skills
A (90-100)	7 grade points	6 grade points	5 grade points	4 grade points
B (80-89)	6 grade points	5 grade points	4 grade points	3 grade points
C (75-79)	5 grade points	4 grade points	3 grade points	2 grade points
D (70-74)	4 grade points	3 grade points	2 grade points	1 grade points
F (below 70)	0 grade points	0 grade points	0 grade points	0 grade points

Florida Grading Information

SB 636: State High School Grading Scale
Effective Date: July 1, 2001
Key Contact: Kate Kemker (850) 245-5053
Summary:
Changes the high school grading system to make it more consistent with postsecondary institutions and grading scales used by many high schools outside of Florida.
Summary by Bill Section (where applicable):
Section 1 – Amends Section 232.2464, Florida Statutes, to change the high school grading scale as follows:
A = 90 -100 percent
B = 80 - 89 percent
C = 70 - 79 percent
D = 60 - 69 percent
F = 0 - 59 percent

Section 2 – Provides an effective date of July 1, 2001.
F L O R I D A H O U S E O F R E P R E S E N T A T I V E S
students 1577 in public high schools in grades 6-12 shall be as
1578 follows:
1579 (1) Grade "A" equals 90 percent through 100 percent, has a
1580 grade point average value of 4, and is defined as "outstanding
1581 progress."
1582 (2) Grade "B" equals 80 percent through 89 percent, has a
1583 grade point average value of 3, and is defined as "above average
1584 progress."
1585 (3) Grade "C" equals 70 percent through 79 percent, has a
1586 grade point average value of 2, and is defined as "average
1587 progress."
1588 (4) Grade "D" equals 60 percent through 69 percent, has a
1589 grade point average value of 1, and is defined as "lowest
1590 acceptable progress."
1591 (5) Grade "F" equals zero percent through 59 percent, has
1592 a grade point average value of zero, and is defined as
1593 "failure."
1594 (6) Grade "I" equals zero percent, has a grade point
1595 average value of zero, and is defined as "incomplete."

Grading Scale Policy

Legislative Mandate

The Code of Laws of South Carolina, 1976, was amended by adding Section 59-5-68 so as to establish a procedure whereby the State Board of Education shall adopt and the school districts shall use a uniform grading system no later than school year 2000-2001.

Section 59-5-68 reads as follows:

> The General Assembly finds that given the fact the State provides substantial financial academic assistance to students of the State based on cumulative grade point averages and districts currently use a variety of grading scales, it is in the best interest of the students of South Carolina for a uniform grading scale to be developed and adopted by the State Board of Education to be implemented in all public schools of the State. Therefore, the State Board of Education is directed to establish a task force comprised of superintendents, principals, teachers, and representatives of school boards and higher education no later than June 30, 1999. The task force shall make recommendations to the board including, but not limited to, the following: consistent numerical breaks for letter grades; consideration of standards to define an honors course; appropriate weighting of courses; and determination of courses and weightings to be used in the calculation of class rank. The task force shall report its findings to the State Board of Education no later than December 1, 1999. The State Board of Education shall then adopt and school districts of the State shall begin using the adopted grading scale no later than the 2000-2001 school year.

The Uniform Grading Scale Policy, as adopted by the State Board of Education in December 1999 and clarified in March 2000, applies to all students who first enroll in the 9th grade class for the 2000-2001 school year. The policy, as adopted, would also apply to schools and school districts that elect to apply the policy to all students in all applicable grades. However, a school or school district may phase-in the new Uniform Grading Scale beginning with the 10th grade class of 2000-2001. Decisions regarding the implementation of the new policy for all students or a phase-in of the new policy are left to the individual school districts.

If school districts elect to implement this new policy for all high school students beginning with the 2000-2001 school year, the following apply to all ninth grade students and upperclassmen:

The uniform grading scale and accompanying procedures detailed below are effective for all students receiving Carnegie units beginning in the 2000-2001 school year. Through the 2002-2003 academic year, students may qualify for a Life Scholarship or a 3.0 Grade Point Ratio (GPR) (or higher) for any purpose by using the provisions of the new uniform grading policy or by computing GPR under the policy of the school used prior to the 2000-2001 school year. The only conversions to a previous scale allowed are those earned under that scale (i.e. grades earned in 2000-2001 school year and thereafter have to be computed using the new uniform grading scale).
Current grades in courses carrying Carnegie units will be converted to the new scale according to the conversion table below. If letter grades are the only existing record, conversions will be accomplished by using the conversion system under Item 2. Those numerical grades can then be converted and given the appropriate weight by using the table below.

1. Numerical breaks for letter grades, weightings for specified courses, and a conversion chart for computing grade point ratio are shown in the chart below.

Grade Point Conversion Table

Average	Grade	College Prep/ Tech Prep	Honors	Advanced Placement/ International Baccalaureate
100	A	4.87	5.37	5.87
99	A	4.75	5.25	5.75
98	A	4.62	5.12	5.62
97	A	4.50	5.00	5.50
96	A	4.37	4.87	5.37
95	A	4.25	4.75	5.25
94	A	4.12	4.62	5.12
93	A	4.00	4.50	5.00
92	B	3.87	4.37	4.87
91	B	3.75	4.25	4.75
90	B	3.62	4.12	4.62
89	B	3.50	4.00	4.50
88	B	3.37	3.87	4.37

87	B	3.25	3.75	4.25
86	B	3.12	3.62	4.12
85	B	3.00	3.50	4.00
84	C	2.87	3.37	3.87
83	C	2.75	3.25	3.75
82	C	2.62	3.12	3.62
81	C	2.50	3.00	3.50
80	C	2.37	2.87	3.37
79	C	2.25	2.75	3.25
78	C	2.12	2.62	3.12
77	C	2.00	2.50	3.00
76	D	1.86	2.36	2.86
75	D	1.72	2.22	2.72
74	D	1.57	2.07	2.57
73	D	1.43	1.93	2.43
72	D	1.29	1.79	2.29
71	D	1.14	1.64	2.14
70	D	1.00	1.50	2.00
69	F	.87	1.37	1.87
68	F	.75	1.25	1.75
67	F	.62	1.12	1.62
66	F	.50	1.00	1.50
65	F	.37	0.87	1.37
64	F	.25	0.75	1.25
63	F	.12	0.62	1.12
0-62	F	0.00	0.00	0.00

2. All report cards and transcripts will use numerical grades for courses carrying Carnegie units. Transcripts and report cards will show course title and level/type of course taken (i.e. English I College Prep, Algebra II Honors, Math for the Technologies Tech Prep). The conversion scale should be printed on the report card. When transcripts are received from out-of-state (or in-state from other than public schools) and letter grades are recorded, the following process will be used to transfer the grades into the student's record: (This conversion process will also be used for pre 2000-2001 letter grades for which no specific numerical value can be determined.)

Unless numerical averages are provided by the sending institution, the following conversion system will apply:

A=96; B=88; C=80; D=73; F=65

Grades lower than 70 received from another school, but which are indicated as a passing grade from the sending institution, will be converted to a 73 numerical grade on the new scale.

A grade of P (passing) received from another school would be converted to a numerical designation based on information secured from the sending institution as to the approximate numerical value of the "P." The receiving school will make the final determination regarding the conversion of a grade P into the uniform grading scale.

3. Two categories of weights are allowed: an additional .5 for Honors, Pre-IB and dual credit courses; and 1.0 for Advanced Placement and International Baccalaureate courses. Those weightings are built into the conversion chart under item 1.

Honors/Pre-IB/Dual Credit Courses

Honors courses are intended for students exhibiting superior abilities in the course content area. The honors curriculum will place emphasis on critical and analytical thinking, rational decision-making, and inductive and deductive reasoning. Honors courses should not encourage a student to graduate early, but should extend course opportunities at the high school level.

School districts may designate honors courses and give the assigned weighting under the following conditions.

- An honors course must have a published syllabus that verifies rigor that is sufficiently beyond the college prep or tech prep requirements.
- Textbooks and/or other course materials must be differentiated and more rigorous than those used in college prep or tech prep courses.
- Honors courses may be offered in English, Math, Science and Social Studies. Additionally honors courses may be designated in other content areas for courses where students are earning their 3rd or 4th Carnegie unit in the content area, provided the standards listed above are met.
- Transcripts will reflect honors designation for any honors course taken.

Dual credit courses, whether the course is taken at the school site or off campus, are defined as those courses for which the student has received permission from his/her home school to receive both Carnegie units and credit at another institution. No correspondence or internet-based courses can be given the .5 additional weighting.

4. The uniform grading scale and system for figuring GPR and class rank will apply to all courses carrying Carnegie units, including units earned at the middle/junior high school.

5. Grade point ratios will be figured uniformly in all schools using the following formula. The formula will yield each student's GPR which can then be ranked from highest to lowest rank in class. Computations will not be rounded to a higher number. All diploma candidates are included in the ranking.

$$\text{GPR} = \frac{\text{sum (quality points x units)}}{\text{sum of units attempted}}$$

EXAMPLE:

Student A	Grade	Weighted GPR	Unit
English I CP	91	3.75	1
Algebra I CP	87	3.25	1
Physical Science CP	94	4.12	1

World Geography Honors	83	3.25	1
Physical Education CP	92	3.87	½
French I CP	84	2.87	1

COMPUTATION:
3.75 X 1 = 3.75
3.25 X 1 = 3.25
4.12 X 1 = 4.12
3.25 X 1 = 3.25
3.87 X ½ = 1.935
2.87 X 1 = 2.87
Sum of quality points x units = 19.175
Sum of quality points x units divided by sum of units attempted 19.175 ÷ 5.5 = 3.486363

The criteria for determining honor graduates, to include valedictorian or salutatorian, is a local decision. Life Scholarships are determined at the conclusion of the senior year, however, local boards may establish earlier cut-offs (i.e. 7th semester or 3rd nine weeks of the senior year) for determining a rank for any local purpose.

6. With the first day of enrollment as the baseline, students who withdraw from a course within 3 days in a 45-day course, 5 days in a 90-day course, or 10 days in a 180-day course will do so without penalty.

7. Students who withdraw from a course after the specified time of 3 days in a 45-day course, 5 days in a 90-day course, or 10 days in a 180-day course shall be assigned a WF and the F will be calculated in the student's overall grade point average/ratio.

The 3-, 5-, and 10-day limitations for withdrawing from a course without penalty, do not apply to course or course level changes initiated by the administration of a school.

8. Students may retake the same course at the same difficulty level under the following conditions:

- Only courses in which a grade of a D or F was earned may be retaken.
- The course in which a D or F was earned may only be retaken during the current academic year or no later than the next academic school year.
- The student's record will reflect all courses taken and the grade earned, with the following exception:

Students taking courses for a Carnegie unit prior to their 9th grade year may retake any such course during their 9th grade year. In this case, only the 9th grade retake grade will be used in figuring the student's GPR and only the 9th grade attempt will show on the transcript. This rule will apply whether the grade earned is higher or lower than the pre-ninth grade attempt.

TENNESSEE STATE BOARD OF EDUCATION	
UNIFORM GRADING POLICY	3.301

Uniform System of Grading

Introduction

The Task Force on the High School is committed to establishing a level playing field for recipients of the lottery scholarship. Public Chapter 679 directs the Task Force to make recommendations on consistent breaks for letter grades; the consideration of standards to define an honors course; the appropriate weighting of courses; and the determination of courses and weightings to be used in the calculation of class rank.

To fulfill this charge, the Task Force recommends that a uniform system of grading include the adoption of a common grading scale, and additional standards to define and appropriately weight courses of increased academic rigor. Local education agencies have the flexibility to differentiate among regular, honors, and Advanced Placement (AP) courses, with additional standards applied to International Baccalaureate (IB), National Industry Certification (NIC), and college-level courses. Specifically, AP, IB, and NIC courses include the administration of an independent, third party exam. For the purposes of the lottery scholarship, each of these course types are factored into the calculation of a grade point average.

Although a statewide survey of Tennessee's local education agencies reveals that 95 percent of the districts differentiate among standard, honors, and AP courses, the Task Force strongly recommends that all courses be taught at a high level of academic rigor. Tennessee's curriculum content standards, learning expectations, and performance indicators establish a framework for achieving such rigor.

Differences in grading scales also contribute to variations in calculating grade point averages throughout the state. A survey of districts, conducted by the Tennessee School Boards Association, reveals there are currently 5 different percentage grading scale ranges used in the determination of an 'A' letter grade and 16 different percentage grading scale ranges used in the determination of a 'B' letter grade. Such variation complicates the prospect of providing an equal opportunity for students.

A follow-up survey performed by the State Board of Education reveals that approximately 30 percent of districts use a weighted 5.0 scale, while the remaining 70 percent use a traditional 4.0 scale. These differences become significant in the calculation of the General Assembly Merit Scholarship, which allows for the evaluation and comparison of grade point averages using a weighted scale.

After extensive deliberation regarding each of the identified factors, including the classification of dual enrollment courses, weighting for class rank, and grading policies throughout the Southeast, the Task Force formed a consensus regarding recommendations.

TENNESSEE STATE BOARD OF EDUCATION	
UNIFORM GRADING POLICY	3.301

Task Force Recommendations

The Task Force on the High School developed recommendations regarding the implementation of a uniform system of grading, including the weightings of honors, National Industry Certification, Advanced Placement, and International Baccalaureate courses. The Task Force recognized the current need to identify honors courses and to assign weight to those courses to encourage students to become engaged in a more rigorous curriculum. However, the Task Force also stated the belief that all courses should be of such rigor, and that delineating the honors courses should not be needed. The Task Force recommends that the issue of rigor be revisited in five years to determine if the weighting of honors courses is still needed.

Recommendation 1: For the purposes of the HOPE scholarship, Tennessee Code Annotated 49-4-902 should be updated to allow for internal percentage point weighting in the calculation of grade point averages, using a 4.0 scale.

The rationale for an unweighted grade point average is defined in the statute's section on definitions, as "the average on a 4.0 scale calculated without additional points awarded for advanced placement, honors, or other similar courses." The statute specifies that HOPE scholarship eligibility shall consist of a final overall unweighted high school grade point average of at least 3.0.

As the charge of the Task Force includes the recommendation of a common statewide grading scale, it is essential to emphasize that the isolated adoption of a statewide scale under the current statute would have an unintended effect on students pursuing courses of increased academic rigor.

Absent a change in the statute, the percentage score used to determine a letter grade could not consider the additional rigor of Advanced Placement (AP), International Baccalaureate (IB), National Industry Certification (NIC), honors, or college level courses.

A common grading scale, adopted in isolation of a change in statutory definitions, would prohibit the local recognition of grade percentage incentives for students taking AP, IB, NIC, honors, or college-level courses.

TENNESSEE STATE BOARD OF EDUCATION	
UNIFORM GRADING POLICY	3.301

Recommendation 2: For the purposes of determining eligibility for the lottery scholarships, Tennessee's Uniform Grading System should consist of the following, effective July 1, 2006:

Uniform Grading System				
Grade	**Percentage Range**		**Weighting for Honors Courses and National Industry Certification**	**Weighting for Advanced Placement and International Baccalaureate Courses**
A	93	100	May include the addition of 3 points to the grades used to calculate the semester average.	May include the addition of 5 points to the grades used to calculate the semester average.
B	85	92		
C	75	84		
D	70	74		
F	0	69		

As originally adopted by the General Assembly, the statute governing HOPE scholars did not allow the assignment of additional quality points above 4.0 for honors, AP, IB, and NIC courses.

All course types, as defined below, shall be used for reporting student grades for the determination of eligibility for HOPE scholarships.

State Approved Courses

State approved courses shall meet all appropriate content standards, learning expectations, and performance indicators as approved by the State Board of Education and are eligible for the points listed above.

Honors Courses and National Industry Certification courses

Local education agencies may elect to offer honors courses and National Industry Certification (NIC) courses. Local education agencies electing to offer honors courses will ensure that the approved honors courses substantially exceed the content standards, learning expectations, and performance indicators as approved by the State Board of Education. Further, each local education agency offering honors courses will ensure that additional rigor is being provided by implementing the framework of standards for honors courses listed below:

Framework of Standards for Honors Courses

Honors courses will substantially exceed the content standards, learning expectations, and performance indicators approved by the State Board of Education. Teachers of honors courses will model instructional approaches that facilitate maximum interchange of ideas among students:

independent study, self-directed research and learning, and appropriate use of technology. All honors courses must include multiple assessments exemplifying coursework (such as short answer, constructed-response prompts, performance-based tasks, open-ended questions, essays, original or creative interpretations, authentic products, portfolios, and analytical writing). Additionally, an honors course shall include a minimum of five of the following components:

1. Extended reading assignments that connect with the specified curriculum.
2. Research-based writing assignments that address and extend the course curriculum.
3. Projects that apply course curriculum to relevant or real-world situations. These may include oral presentations, power point presentations, or other modes of sharing findings. Connection of the project to the community is encouraged.
4. Open-ended investigations in which the student selects the questions and designs the research.
5. Writing assignments that demonstrate a variety of modes, purposes, and styles.
   - Examples of mode include narrative, descriptive, persuasive, expository, and expressive.
   - Examples of purpose include to inform, entertain, and persuade.
   - Examples of style include formal, informal, literary, analytical, and technical.
6. Integration of appropriate technology into the course of study.
7. Deeper exploration of the culture, values, and history of the discipline.
8. Extensive opportunities for problem solving experiences through imagination, critical analysis, and application.

9. Job shadowing experiences with presentations which connect class study to the world of work.

All course types which meet the above framework will be classified as honors, eligible for additional percentage point weighting.

Technical courses that offer a National Industry Certification through a nationally recognized examination may be weighted by adding 3 points to all grades used to calculate the semester average.

If honors courses and courses that offer National Industry Certification are offered, the local education agency shall annually approve the list of such courses. This list of National Industry Certification courses and of approved honors courses with a complete syllabus for each course shall be approved by the local education agency and made readily available to the public.

Each local education agency shall adopt policies for honors courses and technical courses that offer national industry certification that may allow for the addition of 3 points to all grades used to calculate the semester average.

Advanced Placement Courses and International Baccalaureate Courses

Local education agencies may elect to offer Advanced Placement and International Baccalaureate courses. If Advanced Placement and International Baccalaureate courses are offered, the local education agency shall annually approve a list of such courses. This list of approved courses shall be made readily available to the public. Local education agencies will ensure that approved courses substantially incorporate the learning objectives and course descriptions as defined by the College Board or International Baccalaureate Agency.

Each local education agency that elects to offer Advanced Placement courses and International Baccalaureate courses shall adopt policies for the approved courses that may allow for the addition of 5 points to all grades used to calculate semester averages. Only Advanced Placement and International Baccalaureate courses that have end-of-course national examinations qualify for the addition of 5 points.

Recommendation 3: The Task Force recommends that no action be taken on how a local education agency determines class rank. The issue of class rank is not related to the calculations for the lottery scholarships and should be left to local discretion.

1. How many tiers does your GPA system contain? 4

Identify each tier:	Value of Tier:
Modified Courses	2.0
Regular Courses	3.0
Advanced Courses	4.0
AP Courses	5.0

2. What is the maximum number of points a student can earn in a class? 5

3. What courses are included in calculating GPA? (select one option)

- (●) All courses taken for high school credit
- ( ) Courses required for graduation
- ( ) Only core area courses - ELA, Math, Science, Social Studies
- ( ) Only core area courses - plus foreign language
- ( ) All courses except band, choir, athletics, drill team, cheerleading, etc.
- ( ) Other...

Please specify other:

4. Of the courses identified in number 3 which, if any, are excluded in calculating GPA? (check all that apply)

- [ ] Classes taken in junior high
- [ ] Correspondence classes
- [ ] Dual credit classes
- [ ] Classes taken in summer school
- [x] Credits earned by examination
- [ ] Other...

Please specify other:

5. Is your GPA calculation limited to a specific number of courses in each of the four core areas? If YES, explain.

( ) Yes (●) No

6. To what decimal point do you calculate GPA?

( ) Tenth (0.1) (●) Hundredth (0.01) ( ) Thousandth (0.001)

7. If Dual Credit classes count for GPA, is the weight the same as AP? ( ) Yes (●) No

How do you translate letter grades into number grades equitably?

A=95, B=85, C=75, D=70

8. How long has your current GPA system been in place? Beginning with 2004/2005 school year

Click to Continue

Class Rank Questions

10. When is class rank calculated? End of 5th Six Week Grading Period

11. What is the minimum criteria for calculating the top 10%?

Students with less than four core classes in each area will not be ranked in the top 10%.

12. What is used to determine the tie breaker for calculating top 10%

Extending the calculation to six decimal places. The average of weighted courses only. The number of weighted courses completed. The best SAT or ACT score. Sum of TAKS test scores.

13, What is used to determine the tiebreaker for calculating valedictorian/salutatorian?

Same as calculating top 10%.

Dual Credit Questions

14. Do you allow students to earn dual credit? Yes

15. Which colleges/universities do you have dual credit agreements?

Temple College, ACC

4by4 Questions

16. Do you currently require four years of:

English Langage Arts	Yes
Mathematics	Yes
Science	No
Social Studies	No

17. Are those courses required at the high school level? Yes

18. Are middle school scores for high school credit used for GPA? No

Click to Continue

4by4 Questions

As final determinations are made regarding increased math and science course requirements (to four years), your perspective is important. Beyond the traditional course sequence of Algebra I, Geometry, Algebra II, PreCalculus, and Calculus - what courses would you expect to see as 'approved credit' for the fourth year requirements? Keeping mind that the rigor must be at least at the current third year course of Algebra II in math, please add any course requirements to the following list you feel should be included in the discussion.

As high school campuses develop coherent sequences of study, many courses offered with the articulated programs have imbedded math and science components OR could be expanded to add depth of math and/or science scope. If you district currently offers such coursework, please consider these in your thinking.

Math (Example)
Principles of Engineering
Statistics
Computer Programming
Advanced Business Accounting

Science (Example)
Veterinary Medicine
Environmental Science
Sports Medicine

Submit answers

APPENDIX D

Interim Charge Four --Closing the Gaps

Texas Higher Education Coordinating Board

Closing the Gaps by 2015

*5th Annual Progress Report**

For the Senate Subcommittee

on Higher Education

June 29, 2006

* As of July 2005

Higher Education Plan

- Concise and focused
- Two to five goals
- Measurable targets
- Broad strategies
- Responsive to statewide needs
- Responsive to regional needs
- Stimulates creativity and adaptability

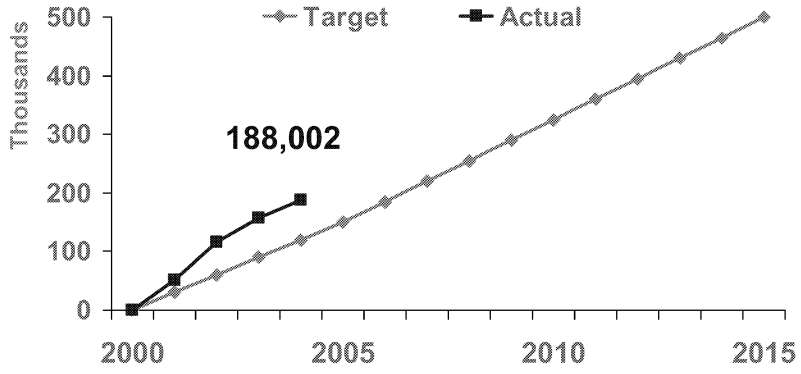
Close the Gaps in Participation

By 2015, close the gaps in enrollment rates across Texas to add 630,000 more students.

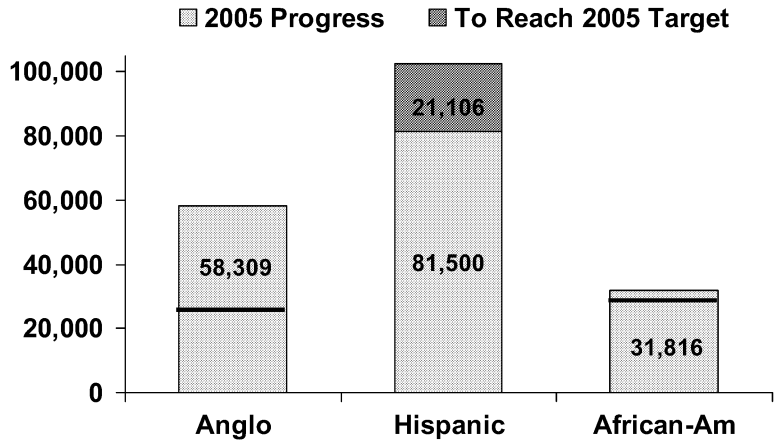
THECB 6/2006

THECB 06/2006

Four-Year 188,002 Student Increase: Largest in Texas History



The 2005 Hispanic participation target was not reached

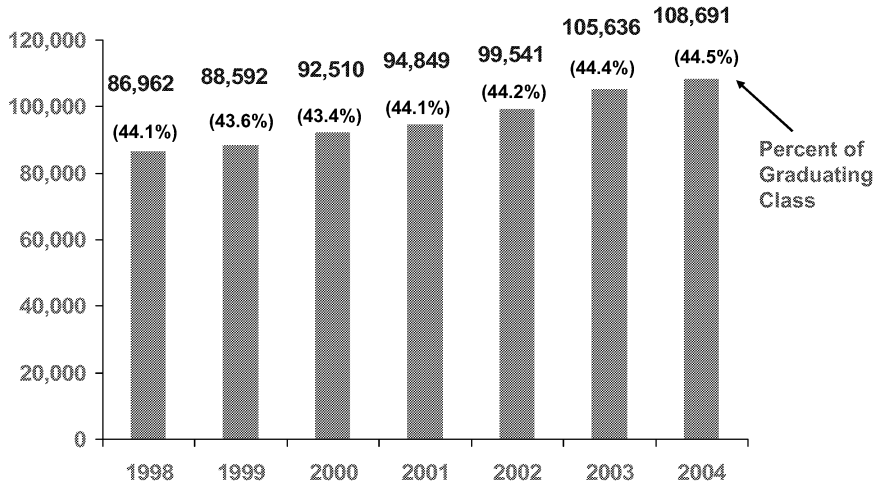


Source: Texas Higher Education Coordinating Board

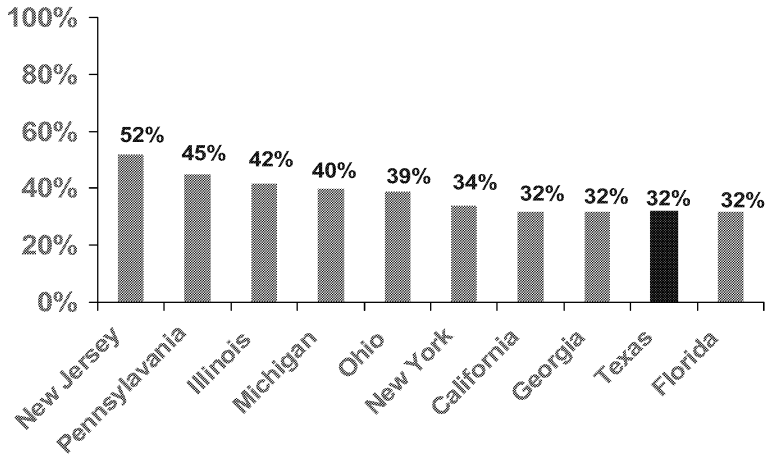
THECB 6/2006

THECB 06/2006

The percent of students enrolling directly from high school needs to increase

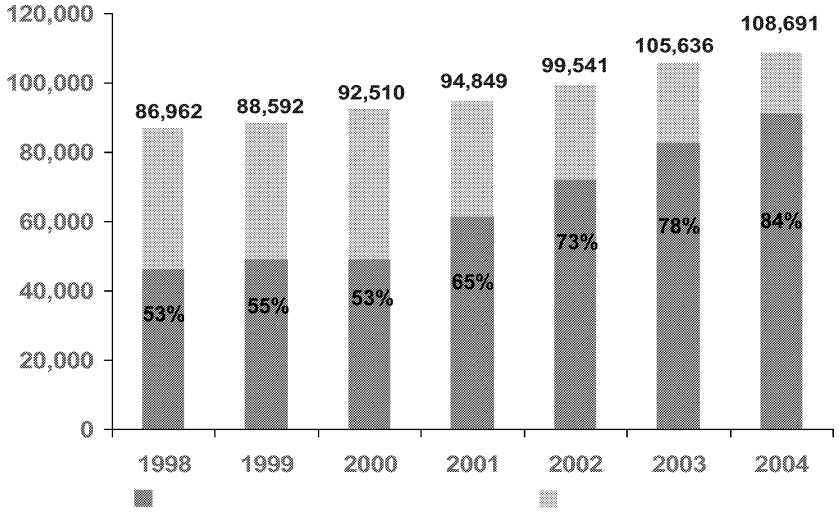


Texas sends fewer students to higher education compared to other states.

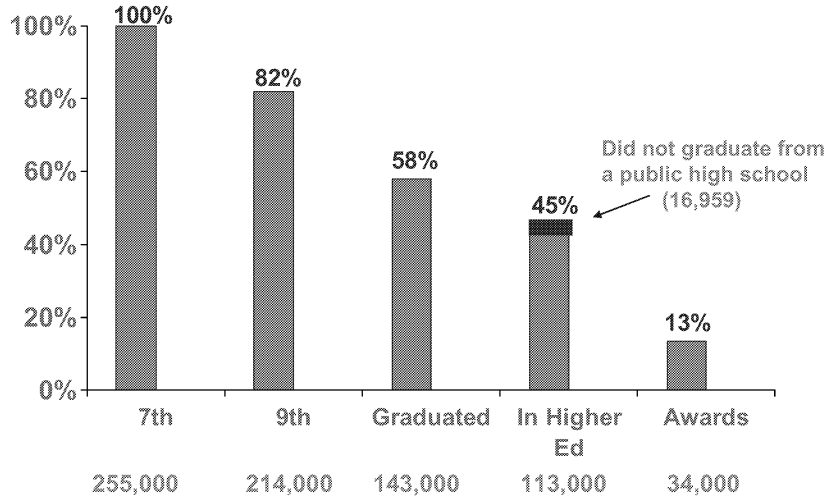


Source: Measuring Up 2002 – 9th graders in higher ed after 4 years.

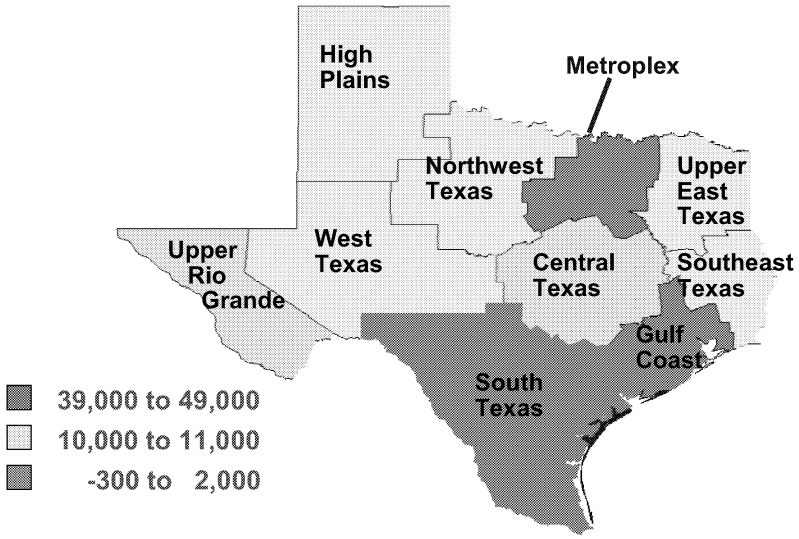
Large increases in the percent of entering students with the Recommended or above curriculum



Few 7th graders from 1992 received awards at public institutions by 2003



85% of Projected Enrollment Increase Will Be in 3 Regions



Closing the Gaps
Participation Strategies

- Recommended High School Program standard for high school graduation
- A statewide public awareness campaign
- Establish coordinated informational, motivational, and academic programs
- Establish affordability policy that ensures students are able to participate in higher education
- Make RHP the minimum requirement for admission to public universities by 2008

Participation Notes

- Texas has had large enrollment growth, *but*
- Hispanic enrollment growth continues to lag
- Percentage of students coming from high school remains steady, *but*
- Texas lags some other large states in the percentage of 9th grade students entering higher education after 4 years

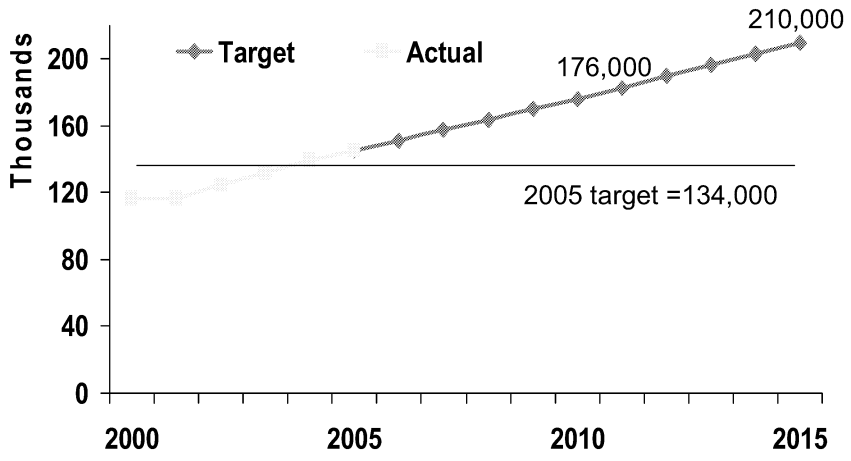
Close the Gaps in Success

By 2015, award 210,000 degrees, certificates, and other identifiable student successes from high quality programs.

THECB 6/2006

THECB 06/2006

The 2005 goal of 134,000 Bachelors, Associates, and Certificates was achieved

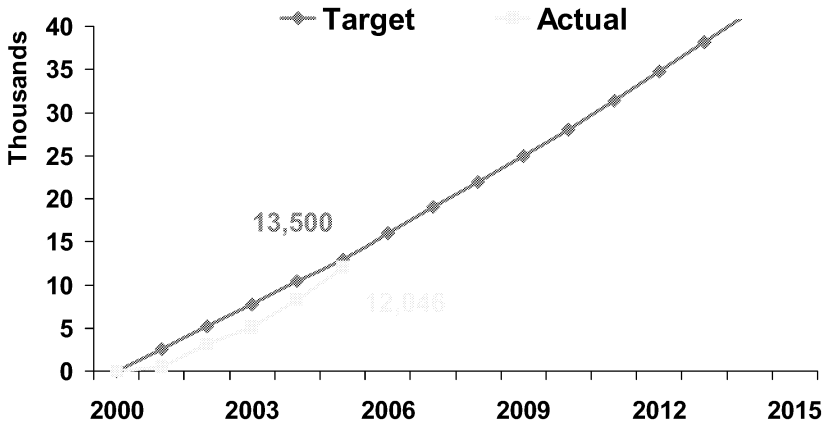


THECB 6/2006

Source: Texas Higher Education Coordinating Board

THECB 06/2006

The target for bachelor's degrees awarded was missed for 2005

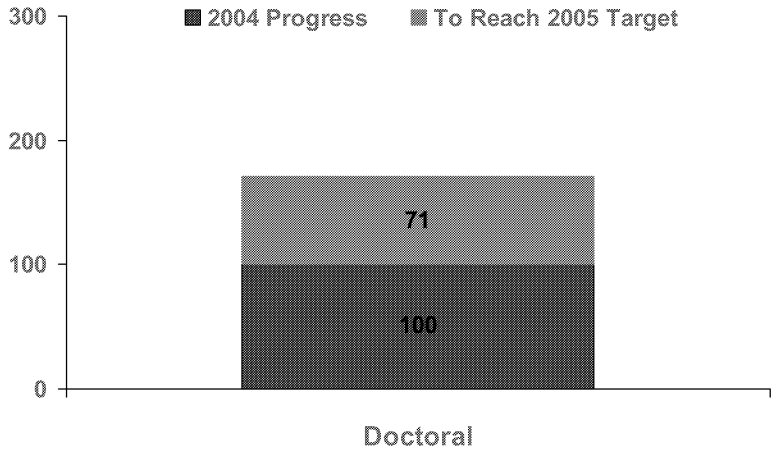


THECB 6/2006

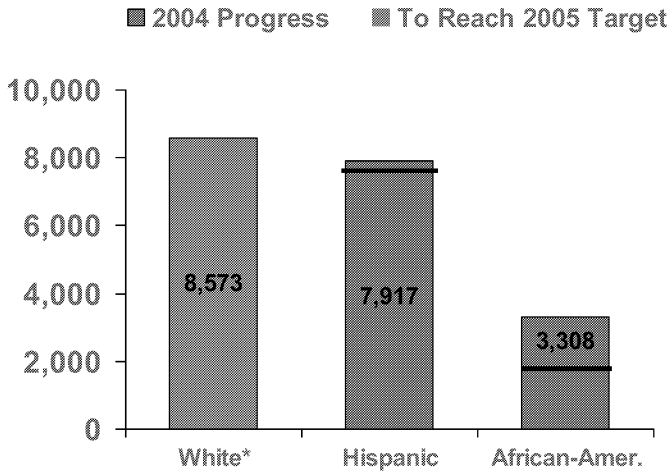
Source: Texas Higher Education Coordinating Board

THECB 06/2006

Doctoral Degrees not meeting target

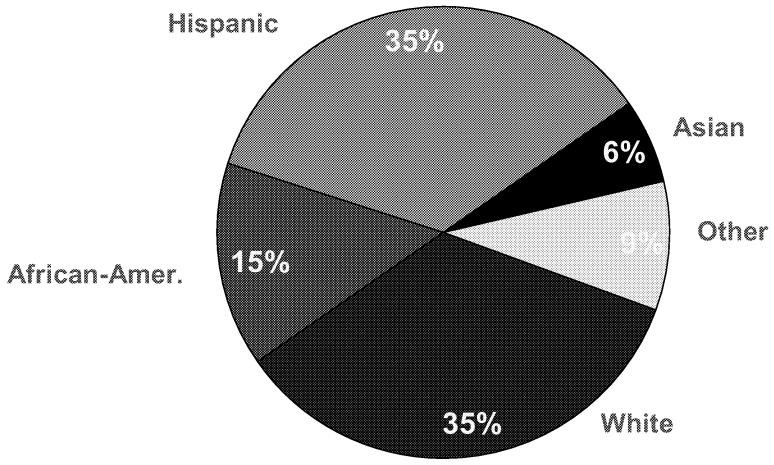


Hispanic Bachelor's, Associate's, and Certificates have surpassed 2005 target

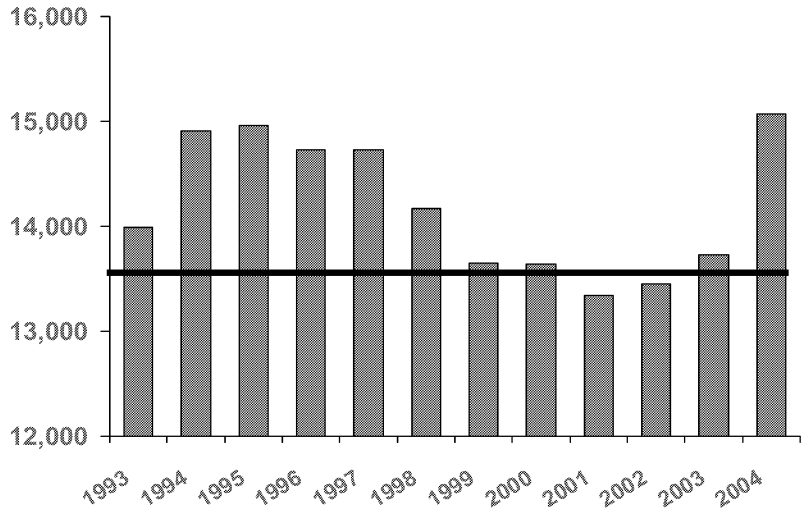


* Not targeted in the Plan.

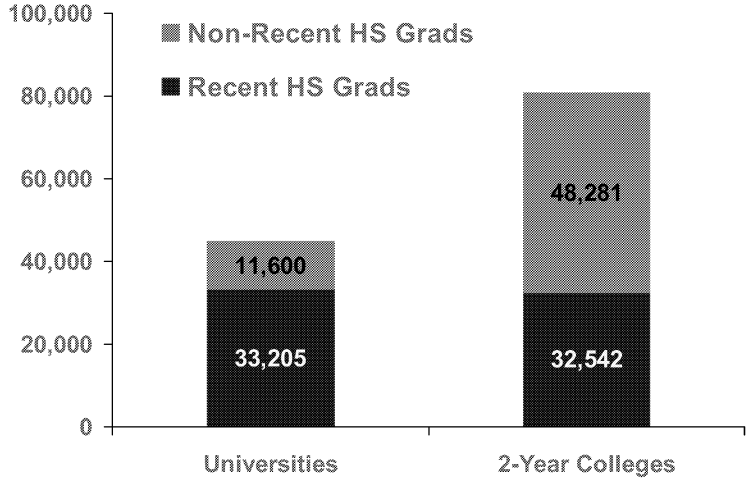
Hispanic and White students accounted for the largest increase in UG awards



UG awards in Allied Health and Nursing may reflect legislative initiatives



Colleges and universities enrolled about the same number of students directly from high school



Closing the Gaps Success Strategies

- Focus college and university efforts on increasing graduates in education, engineering, computer science, nursing…
- Fund colleges and universities to reward increases in persistence and graduation

Close the Gaps in Excellence

By 2015, substantially increase the number of nationally recognized programs or services at colleges and universities in Texas.

UC-Berkeley has more National Academy members than all Texas institutions

	Science	Engineering	Medicine	Total
UT at Austin	13	41	0	54
Texas A&M U	5	17	0	22
Rice U	4	10	1	15
UT Med Cntr-Dallas	15	0	16	31
U of Houston	3	8	0	11
Baylor CO Medicine	3	0	13	16
Southern Methodist U	2	0	0	2
UTHSC Houston	1	0	5	6
UT at Dallas	2	1	0	3
State of Texas Total	47	85	42	174
UC-Berkeley	126	71	8	205

Closing the Gaps Excellence Strategies

- Establish ladders of excellence for different types of institutions
- Each college and university identify one or more programs/services to improve to recognized excellence
- Identify peer institutions for each institution

Undergraduate Excellence

- 81% of all public university students are undergraduates
- 91% of all public college and university students are undergraduates
- Access to excellent undergraduate education is critical

Close the Gaps in Research

By 2015, increase the level of federal science and engineering research funding to Texas institutions to 6.5% of obligations to higher education.

Only preliminary 2003 federal R&D obligations have been released.

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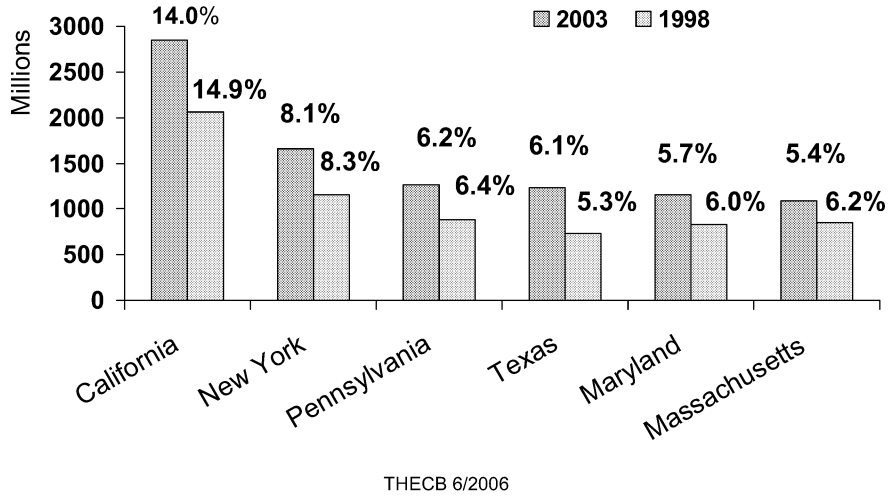
Texas has improved its share of Federal R&D relative to other top states



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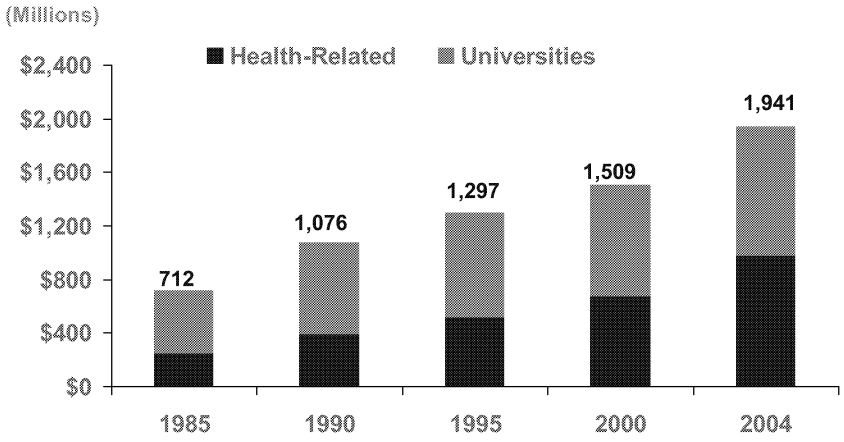
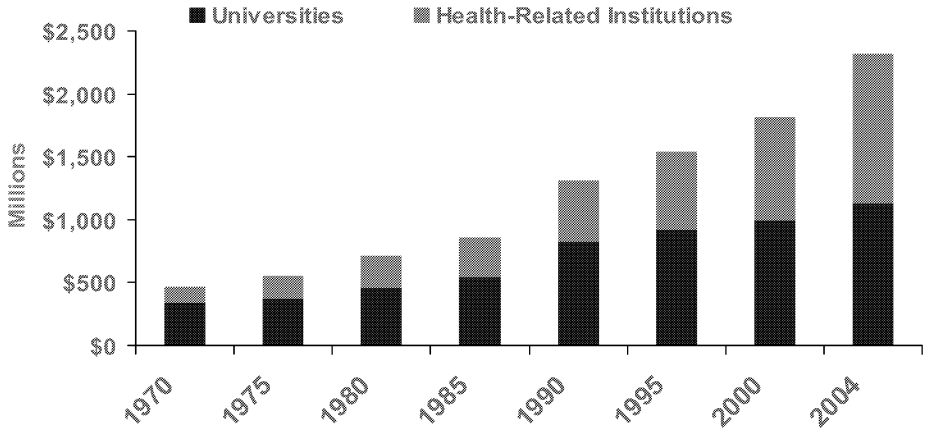
(Constant 1998 Dollars)

Public institution research expenditures have increased by 29% since 2000 in constant dollars



R&D at Texas Public Higher Education Institutions (in 2004 constant dollars)



Closing the Gaps Research Strategies

- Permit universities to retain overhead income
- Establish a competitive grant program to expand research and research capacity at developing research universities
- Increase funding for the Advanced Research/ Advanced Technology Programs

Research

- Rapid growth in recent years due to increased NIH funding
- Prospects for continued NIH increases are uncertain

Closing the Gaps by 2015

	2002	2003	2004
Participation	○	○	○
Success	○	○	●
Excellence	○	○	○
Research	●	●	●

APPENDIX E

Interim Charge Five -- Colleges of Education

Appendix E-1 Texas Education Agency

Texas Education Agency Presentation
Senate Subcommittee on Higher Education
August 24, 2006

I. Background and Overview

* Reorganization & Integration of SBEC into Texas Education Agency (Organizational Chart)

II. Preparation of Teachers in Texas

III. New Educator Preparation Program Approval Process

a. Types of Programs

b. Total number of Programs

IV. Educator Preparation Program Maintenance

a. Accountability System for Educator Preparation Programs (ASEP)

b. Enforcement/ Monitoring/Oversight

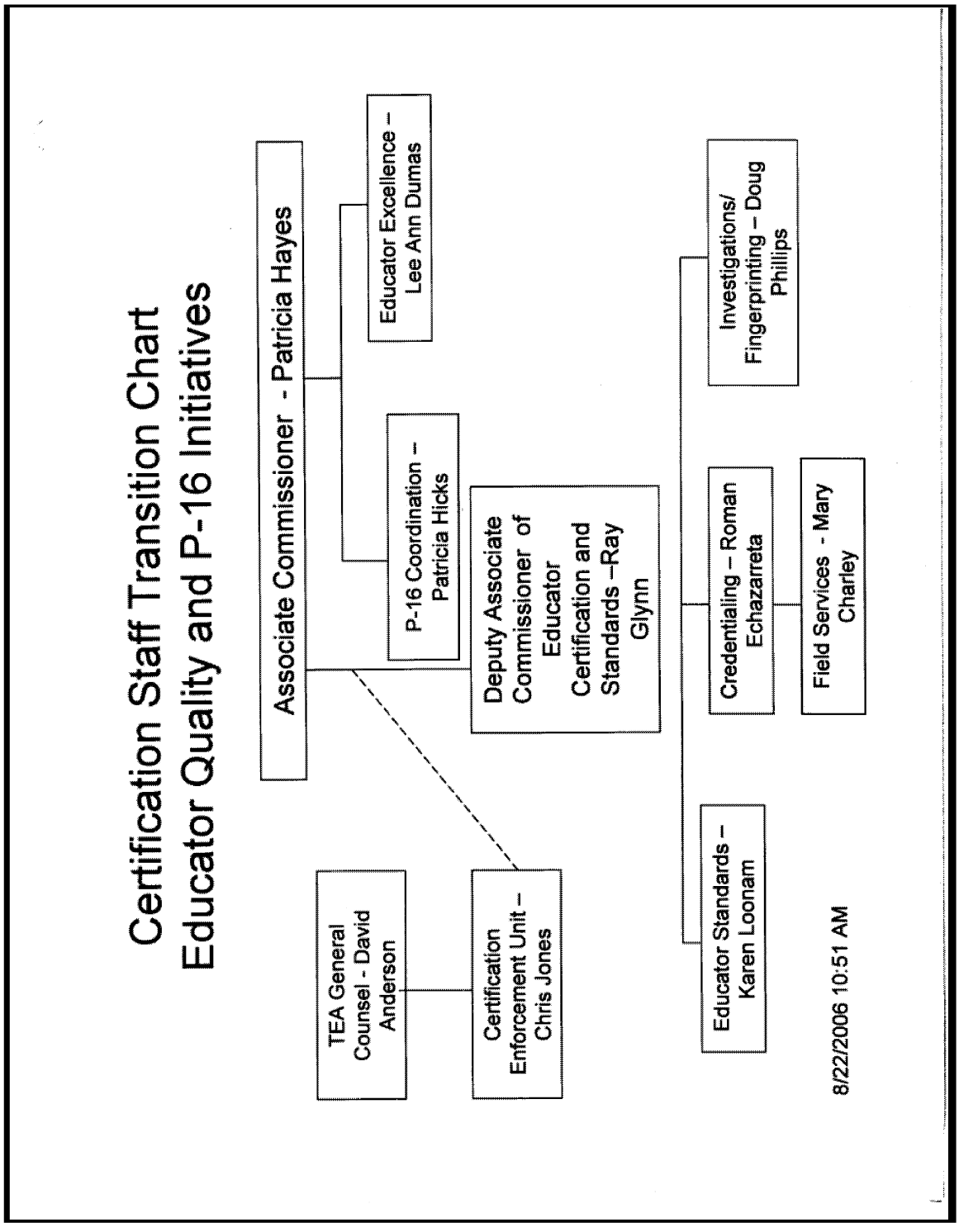
V. Issues and Recommendations

A. Issues

1. Enforcement authority for educator preparation program
2. Educator preparation program non-compliance for matters other than poor test scores
3. Test Re-Takers
4. Disconnect between federal and state educator preparation accountability systems
5. Educator preparation program quality

B. Recommendations

- Clarify and strengthen enforcement authority in statute
- Create penalties and sanctions for educator program non -compliance
- Revise current statutory requirements


Certification Staff Transition Chart
Educator Quality and P-16 Initiatives
Associate Commissioner - Patricia Hayes
Educator Excellence – Lee Ann Dumas
P-16 Coordination – Patricia Hicks
Deputy Associate Commissioner of Educator Certification and Standards –Ray Glynn
TEA General Counsel - David Anderson
Certification Enforcement Unit – Chris Jones
Investigations/ Fingerprinting – Doug Phillips
Credentialing – Roman Echazarreta
Field Services - Mary Charley
Educator Standards – Karen Loonam
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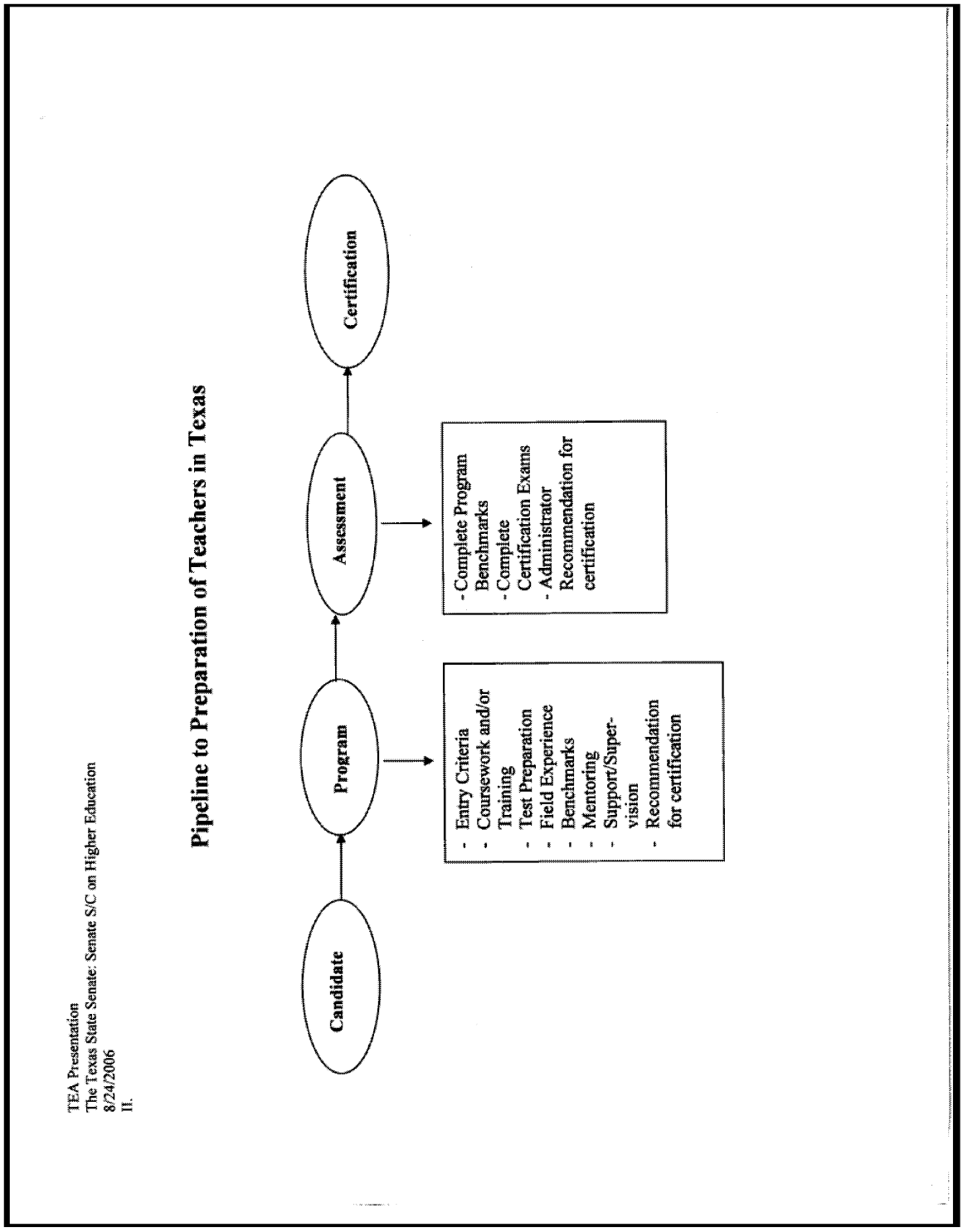
TEA Presentation
The Texas State Senate: Senate S/C on Higher Education
8/24/2006
11.
Pipeline to Preparation of Teachers in Texas
Candidate
Program
Assessment
Certification
- Entry Criteria
- Coursework and/or Training
- Test Preparation
- Field Experience
- Benchmarks
- Mentoring
- Support/Super-vision
- Recommendation for certification
- Complete Program Benchmarks
- Complete Certification Exams
- Administrator Recommendation for certification

TEA Presentation
The Texas State Senate: Senate S/C on Higher Education
8/24/2006
III.

TEA Division of Educator Standards
Teacher Data

143 Educator Preparation Programs (as of 8/18/2006):

- 74 University-based programs
  - ✓ 18 also offer an Alternative Program
  - ✓ Not all programs offer both a Master and Undergraduate Program
- 69 Alternative Certification programs

87 Alternative Preparation Programs Total (university and ACP combined):

- 18 Universities
- 22 Community Colleges
- 16 Education Service Centers
- 5 School Districts
- 24 Private Entities
- 2 County Programs

Texas Teachers 2004-2005 (Source: SBEC Web Site: Performance Measures)

- 294,258 Teachers employed
- 23,429 Newly hired teachers
- 23,310* Temporary credentials issued
- 255,463* or 89.67% Fully-certified teachers
- 25,671 Initial standard certificates issued

*Numbers may vary due to dates certificates are issued and posted on the web site.

Routes to certification:

- 9,969 Alternative
  - ✓ 1,296 University
  - ✓ 1,025 District
  - ✓ 3,495 Education Service Centers
  - ✓ 1,210 Community Colleges
  - ✓ 2,859 Private Entities
  - ✓ 84 County Dept. of Ed.
- 3,477 Post-Baccalaureate
- 8,863 Undergraduate (traditional)
- 3,062 Out-of-state

Percent of public school teachers by ethnicity in 2004-2005:

Ethnicity	Total Teachers in Texas	Alternative Certification Programs
African-American	8.8%	14.85%
Hispanic	19.4%	29.22%
Asian	1.0%	2.07%
American Native or Alaskan	.3%	.39%
White	70.5%	51.46%
Other	-	1.31%

TEA Presentation
The Texas State Senate: Senate S/C on Higher Education
8/24/2006
IV.

What are the Characteristics of Quality Programs?

- Emphasis on Quality
- Strong Acceptance Criteria
- Training and/or Coursework provided that is scientifically-based and aligned with the state standards, TEKS, and test domains and competencies; should be classroom-focused, intense, and sustained
- Strong Support System - Campus Mentors and Program Field Supervisors
- Test Preparation Provided
- Strong Communication and Collaboration with School and District Personnel (Advisory Council)

TEA Presentation
The Texas State Senate: Senate S/C on Higher Education
8/24/2006
IV. A.

State Accountability System:
Accountability System for Educator Preparation (ASEP) Programs

The purpose of the Accountability System for Educator Preparation (ASEP) Programs is ensures that entities are held accountable for the readiness for certification of individuals completing the programs. At a minimum, accreditation is based on the performance of candidates for certification on examinations and beginning educators' performance on the appraisal system for beginning teachers adopted by the Board. In addition, there are annual reporting requirements regarding data elements that do not affect the accreditation status of a program

ASEP uses cohorts of completers from an academic year. Completers are students who, during that academic year, completed all program requirements excluding the certification exams. An individual's test performance is not used in ASEP unless, and until, the person completes the program. ASEP uses *initial* pass rates and *final* pass rates. The performance of completers used in the initial pass rate for an ASEP rating is updated to become data used for the final pass rate for the subsequent ASEP rating. Data are disaggregated according to ethnicity and gender, as required by law. Each group (all students, and ethnic and gender groups) must perform at either the minimum initial (70%) or final (80%) pass rate.

- 2004-2005 Ratings:
  - 17 Programs – Accredited Preliminary
  - 3 Programs – Accredited Under Review
  - 121 Programs – Accredited

Federal Accountability System: Title II

All states participate in the federal Title II accountability system. Title II uses cohorts of completers from an academic year. Completers are students who, during that academic year, completed all requirements excluding the tests. Pass rates are reported by individual tests, test categories (e.g., academic content areas, pedagogy tests), and summary pass rates (percent of students who passed the tests required for at least one certificate), using the student's most recent attempt on the test. Data are aggregated for all completers, regardless of ethnicity or gender. Programs that are rated as "Low Performing" or "At-Risk of Being Identified as Low Performing" are considered no longer accredited and may not receive federal funds to provide professional development activities for students. Programs are ranked in quartiles according to pass rates in test categories and summary pass rates. Title II data are published officially in the Fall. (SBEC publishes preliminary data in the Spring).Updated pass rates for that year's cohort must be published 3 years later, based on the most recent tests (e.g., pass rates for 2001-2002 completers are initially reported in October 2003, then must be updated and reported in October 2006).

TEA Presentation
The Texas State Senate: Senate S/C on Higher Education
8/24/2006
IV. A.

Educator Certification Exam Information

- For 2006-2007, a total of 77 exams will be offered:
  - Texas Examinations of Educator Standards (TExES)
  - Examination for the Certification of Educators in Texas (ExCET)
  - Texas Oral Proficiency Test
  - Texas Assessment of Sign Communication/ Texas Assessment of Sign Communication –American Sign Language
  - Master Teacher Exams

- New educators take a minimum of two exams to earn their initial standard certificate (content and pedagogy).

- There is no limit on the number of times an individual can take a certification exam (no rules to limit). Most programs require additional training/coursework when the standards and test change prior to giving approval to test. A survey of six other states shows no restrictions on the number of times someone can retake a certification exam.

- Programs have been approving individuals to take content certification exams with no test prep due to *No Child Left Behind.* There is nothing in the SBEC rules to prohibit this practice. Most districts have begun the practice of not interviewing applicants until they have passed their content certification exam.

- Programs may not deny someone permission to test if he/she has successfully completed a program except for the exams (this is in the SBEC rules).

- Some programs, especially universities, do allow individuals to take the exam as a diagnostic tool.

TEA Presentation
The Texas State Senate: Senate S/C on Higher Education
8/24/2006
IV.B.

Educator Preparation Program Monitoring

- Program Pre-Approval Visits – Does the proposed program have the capacity to implement the program components successfully?
- Program Post-Approval Visits – A follow-up visit 6-12 months after approval to ensure that the program is implementing the program as it was approved by the SBEC Board.
- Additional Program Visits – As needed based on complaints, other data received about a program or to review programs on a five-year cycle as indicated in the SBEC rules.
- Oversight Visits – A staff team provides technical assistance to an entity that has been rated "Accredited Under Review" under the Accountability System for Educator Preparation Programs as mandated in SBEC rule.

Appendix E-2 St. Edward's University

SCHOOL OF EDUCATION

Karen Embry Jenlink, Ed.D.
Dean, School of Education

Testimony before the Texas Senate Subcommittee on Higher Education
August 24, 2006

INTERIM CHARGE 5: Study the relationship of College of Education coursework on teacher effectiveness and student performance.

Background and Historical Context

Texas has long-served as a leading state in teacher preparation reform.

Examples of reforms in the 1980's and 1990's to improve teacher preparedness and enhance student achievement include:

- Establishment of a monitoring body to assist with oversight of accountability (State Board for Educator Certification)
- Development of state standards and test frameworks (ExCET, now TExES)
- Shift from traditional to field-based programs (Centers for Professional Development for Technology)
- Design of a statewide system for supporting teacher induction and retention spanning P-16 (The Texas Beginning Educator Support System)
- Legislated support for collaboration in teacher preparation among community colleges and four year institutions of higher education
- Funding for the design of research centers and collaborative partnerships to promote statewide research on the effectiveness of teacher preparation programs.

These measures have significantly increased rigor and strengthened accountability in the design, delivery, and evaluation of all teacher education programs.

While the numbers of university-based programs have been reduced from 87 to 56 during this time frame, those that remain are committed to excellence, are aligned with best practices for instruction based upon valid and empirical research in teacher education, and visibly demonstrate their accountability on ASEP and Title II rankings.

Educational reform in Texas has and continues to be characterized and supported by collaboration with educators in P-16 public and private education sectors and with input from business and industry.

A. Examine the State's role in the accountability of these teacher preparation programs in delivering the most effective instruction strategies.

Teacher education in a 21st Century economy requires that we self-assess and utilize internal and external assessments to determine the quality and value of our programs.

Schools, Colleges, and Departments of Education (SCDE"s) must be able to speak with key stakeholders on local impacts on student performance within their respective school-university partnerships.

St. Edward's University, a Catholic four-year master's granting institution

- Hispanic-serving institution; 37% Hispanic in teacher education
- Cumulative pass rate on TExES is 98.8% (2001-2005)
- Ranked in 1st Quartile in Title II
- Extensive faculty-led field-based instruction, prior to student teaching
- Curriculum is aligned with TEKS, TExES, and NBTS (Master of Arts in Teaching)
- Model and coach research-based practices in reading, science, and early childhood education

It's Not Enough!

In an effort to address the pressing needs and initiatives of the educational community we serve, we are involved in a collaborative, transformative redesign of our teacher preparation program.

Our Goals:

1) Establish a 2+2+2 teacher pipeline by creating career pathways in AISD high schools to recruit minority and underrepresented populations into teaching – *Closing the Gaps by 2015 and Early College Readiness* (funded by the Sid Richardson Foundation).
2) Build a dedicated presence in vertically aligned partner schools and support new teacher induction and retention, especially with minority teacher candidates, working in high need schools in AISD – *Texas Beginning Educator Support System*
3) Strategically align teacher educator preparation with critical teaching shortages and local and future workforce needs – *The Governor's T-STEM Initiative*
4) Collaborate with AISD to design and implement a longitudinal study that will assess our impacts on enhancing teacher quality, teacher retention, and student achievement in high need partner schools.

Working in collaboration with AISD, we look to the design of existing large-scale studies of teacher education effectiveness in Texas, including the University of Texas at Austin and National Center for Educator Accountability and the Center for Research, Evaluation, and the Advancement of Education, to inform the design of our internal program evaluation.

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B. Examine past and current studies linking teacher preparedness with student performance and identify any barriers to conducting such research.

In the concluding chapter of the recently published Studying Teacher Education: The Report of the American Educational Research Association Panel on Research and Teacher Education, Marilyn Cochran-Smith and Kenneth Zeichner (2005) highlight ways to strengthen research design and methodology specific to research on teacher education.[1]

Their recommendations include:

- Research that connects teacher education to student learning
- Development of better measures of teacher knowledge and teacher performance
- Research that examines teacher preparation in different subjects in addition to mathematics and science
- More systematic analysis of clearly identifiable alternatives in teacher education using matching controls or random trials as separate studies or in conjunction with in-depth case studies
- More in depth multi-institutional case studies of teacher education programs and their components (p. 740)

Barriers to conducting valid and reliable studies on teacher preparation and student achievement include:

1) FERPA, the largest barrier in accessing and linking student achievement and teacher performance records in research methodologies; and
2) Difficulty in performing randomized clinical trials in school settings.

C. Recommendations for legislative changes to improve programs.

Heighten support for carefully designed research in conjunction with the Texas Education Agency in order to utilize database information in a secure and confidential manner.

Sustain and increase funding for establishing large-scale research centers and collaboratives whose findings are more likely to be generalizable to a wide scope of teacher education programs.

[1] See also, Shavelson and Townes (2002) the National Research Council Report reported in Cochran-Smith and Zeichner (2005) *Studying Teacher Education, The Report of the American Educational Research Association Panel on Research and Teacher Education*, Lawrence Erlbaum Associates, p. 740.

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Support research initiatives that will examine the social contexts and cultural factors specific to enhancing success in preparing a highly qualified, diverse teacher workforce, particularly among teacher education programs in historically black, Hispanic-serving, and culturally diverse institutions of higher learning.

Support the dissemination and implementation of findings related to College of Education coursework and teacher effectiveness in relation to student performance.

Fund additional research in the replication of scientifically based research on effective teacher education in diverse educational settings, including two and four year institutions and alternative programs.

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Appendix E-3 Southern Methodist University

School of Education and Human Development

U. Narayan Bhat, Ph.D.
Dean, *ad interim*

Kathy Hargrove, Ph.D.
Associate Dean

Testimony before the Texas Senate Subcommittee on Higher Education
August 24, 2006

SMU'S MISSION IN TEACHER PREPARATION....

Our mission is four fold:

1. To prepare undergraduates and post-baccalaureate students to be teachers strong in content and in teaching skills who are ready to step into classrooms with diverse needs.
2. To prepare teachers ready to focus on student learning.
3. To improve the skills of inservice teachers by offering workshops and courses to enhance and improve their content and pedagogical skills.
4. To cooperate with schools to encourage the long-term retention of high quality teachers.

SMU RESPONDS TO THE CHARGE OF THE SUBCOMMITTEE....

We emphasize the significance of the teacher in improving student performance.

Our focus is on enhanced student performance through content preparation and teacher expertise *from the beginning of our preparation programs!*

1. All SMU teacher preparation **students have a major in a content field** such as English, history, mathematics, Spanish, etc. **Our teacher education courses are offered over and beyond the content major.** This has been the practice at the University for more than 20 years.
2. All teacher candidates—elementary, middle school, and high school—have opportunities to gain experience in a variety of public school classrooms **during their preparation program.**

Southern Methodist University
School of Education and Human Development

- In pre-requisite courses, students self-select fieldwork settings.
- In the first semester of full admission, students begin formal fieldwork courses in urban schools with diverse populations. The three courses include orientation to the urban school, special populations (second-language learners; special education, gifted), and focused work with individuals, small groups, and large groups of students.
- Reading courses include additional focused field experiences preparing students to teach reading by actually teaching reading.
- Students spend at least three semesters **working in schools** supervised by clinical faculty. These supervised experiences occur prior to their student teaching. Student teaching is a requirement for program completion and availability for employment in schools.

3. Student assessment in all its forms is integrated into all courses and the focus of one course in our preparation program. Students "practice" a variety of assessment techniques in order to achieving ongoing monitoring of student learning. **"Teaching" the content is not enough! The emphasis must be on student learning gains achieved by strong content preparation and high levels of pedagogical skill!** SMU requires an entire course focusing on the design of quality student assessment.

4. We have established close relationships with the campuses where our students work. We carefully select those campuses and monitor our students carefully in consultation with the campus faculty and staff as well as University faculty. We seek and obtain input from a variety of sources on our students' strengths and needs from their field experience coaches, the teachers and other staff with whom they work in early field experiences, their cooperating teachers in the student teaching experience, and the University student teacher supervisors. **Our goal is to recommend candidates for certification who have had the opportunity to have as many opportunities as possible to practice implementing research-based teaching practices.**

5. Whenever possible, **we collect data on our graduates' effectiveness** by working directly with districts where they are employed. FERPA regulations have made it impossible to collect "hard" data; we rely on anecdotal information from the graduates and their principals. We have had some success with organizing "Critical Friends" groups of our graduates who return to campus on a voluntary basis to reflect on their experiences.

We are committed to teaching research-based practices in our program.

Southern Methodist University
School of Education and Human Development

1. Preparation in all content areas is linked to the Texas Essential Knowledge and Skills (TEKS). **Students work with the TEKS in every course in the preparation program.** Students in SMU's program are accustomed to using TEKS in planning instruction and assessment.

2. **The Institute for Reading Research, headed by Dr. Patricia Mathes provides outstanding leadership in guiding our undergraduate reading program as well as our graduate programs in reading.** Dr. Mathes was appointed to the Advisory Board of the National Institute for Literacy by President George Bush. NIFL provides leadership on literacy issues, particularly on the improvement of reading instruction for children.

   Dr. Mathes' scientifically based research with beginning readers, particularly those at-risk, has demonstrated that

   - High-quality classroom instruction is a necessity;
   - Even high-quality instruction may not be enough for "high-risk" readers;
   - There is not one "best" approach to reading instruction but neither is it true that "anything goes" in teaching reading; and
   - Reading instruction must be systematic.

   We have incorporated these tenets into courses in beginning reading instruction and as complements to reading for students at all grade levels.

SMU'S PROGRAMS REACH OUT TO INSERVICE TEACHERS AS WELL AS PRESERVICE TEACHERS...

We believe high quality preparation goes hand in hand with support for retention.

1. We provide "Master Teacher" programs in reading and mathematics. We have focused on mathematics through a Teacher Quality Grant, which enhances the mathematics content skills of intermediate teachers **in order to prevent a drop in TAKS math scores at the middle school.**

2. We have **incorporated research-based practices from the Texas Beginning Educator Support System (TxBESS)** into our courses and field experiences.

3. Our Master's of Bilingual Education programs, in particular the MBE with gifted emphasis, are addressing two critical needs:

Southern Methodist University
School of Education and Human Development

- **The shortage of bilingual teachers; and**
- **The under-representation of minorities, particularly second language learners, in gifted programs.**

SMU'S RECOMMENDATIONS FOR LEGISLATIVE ACTION TO ENHANCE THE STATE'S TEACHER PREPARATION PROGRAMS...

Provide funding for research to provide answers to the following:

1. What are the "best practices" we must implement in our programs?

2. How can we recruit teachers for high-need areas, particularly mathematics and science? New proposals to increase the required numbers of credits for graduation make this an especially pressing issue.

Provide funding for programs to attract more students to careers in education, such as tuition benefits and loan forgiveness as well as continued support of increases in teacher salaries.

Provide state funding for retention programs such as TxBESS.

Appendix E-4 University of Houston

University of Houston
College of Education

COLLABORATION
FOR LEARNING & LEADING

Robert K. Wimpelberg, Ph.D.
Dean / Elizabeth Rockwell Chair

Testimony before the Texas Senate Subcommittee on Higher Education
August 24, 2006

OUR GOALS IN PREPARING TEACHERS

In our teacher preparation program at the University of Houston we have two goals –

to prepare teachers who are effective in producing student learning
because they know their subject content and they know how to teach it, and

to prepare teachers who, when they are hired in well-run and supportive schools,
are ready to make education their career.

THE UNIVERSITY OF HOUSTON AND THE SUBCOMMITTEE'S CHARGE

We connect teacher preparation to student performance.

We don't wait until our candidates are certified to assess their effectiveness in student performance.
Elementary and middle school candidates at the University of Houston
train in urban public school classrooms
for three semesters before they can be hired full-time by school districts.

During these three semesters, we require them to gather data
to know how well their students are learning what it is our candidates are teaching.

In addition, we find out about their abilities to affect student performance
from their coaches – the "cooperating teachers" and supervisors who help prepare them.

After our graduates are hired,
we gather data on their teaching effectiveness
from the graduates themselves and from the ***principals and human resource directors***
in the schools and districts where they are employed.

All of our teacher preparation programs – including reading – are research-based.

No matter what subject they will teach, our students learn the content and processes of effective teaching
based on the Texas Essential Knowledge and Skills (TEKS)
and research-anchored standards that are created by
the national professional specialty associations associated with each of the teaching fields.

Reading instruction at the University of Houston
is based on the "five pillars of reading" produced by the research of the National Reading Panel;
the five pillars are ***phonological awareness, phonics, fluency, vocabulary, and comprehension.***

We add to our teacher preparation in reading
the five supplementary pillars identified by the International Reading Association, which are
classroom organization; matching pupils and texts; access to interesting texts, choice, and collaboration; writing and reading; and expert tutoring.

University of Houston
College of Education
COLLABORATION
FOR LEARNING & LEADING

WHAT ELSE MATTERS?

We focus on retention as well as quality preparation.

We are doing classroom interventions and research supported by the US Department of Education that will help ***retain certified math and science teachers*** in the Houston Independent School District.

We are studying persistence among certified teachers in two collaboratives:
the Regional Faculty of the Houston A+ Challenge and
CREATE – the Center for Research, Evaluation, and Advancement of Teacher Education.

We pay attention to the critical shortage areas – math, science, special education, bilingual education

The Board of Regents of the University of Houston System made this a special mission for UH.
We have more than $5 million of grant activity dedicated to math and science –
Including a new replication of *UTeach* which we call *Teach Houston*

Teacher preparation is a part of the entire P-16 system. We must always keep the whole continuum in mind, from early childhood through post-secondary education and training.

I am chairing the Greater Houston P-16+ Council
a group of fifty business, non-profit, parent, and education leaders in Houston
interested in connecting all segments of "the learning system"

HOW CAN LEGISLATIVE POLICY AND ACTION HELP?

Encourage and fund research on effective teacher preparation in Texas,

such as that undertaken by CREATE
the Center for Research, Evaluation, and Advancement of Teacher Education,
a consortium of five systems in Texas, including the University of Houston System.

Provide incentives for future teachers

to complete "real world," "field-based" teacher preparation (especially in critical shortage fields), and

to stay in public school teaching for an ample amount of time

by offering tuition assistance and

by creating a loan-forgiveness program.

Appendix E-5 CREATE

Exploring Elements of Practice in Teacher Education and Preparation Programs: A Comparison of Texas Approaches

Summary and Overview of Research Design

A study being undertaken by
The Center for Research, Evaluation, and Advancement of Teacher Education (CREATE) and
cooperating institutions: the Texas A & M University, Texas State University, and University of Texas Systems
With generous funding by Houston Endowment

CREATE is under the leadership of Dr. William Reaves, Executive Director of CREATE,

Principal Investigator: Angela Bies, CREATE FELLOW and Assistant Professor,
Bush School of Government & Public Service, Texas A & M University

Background

Reform processes designed to enhance performance in public education are pervasive. Although a strong body of literature related to school reform and change is emerging, there is limited empirical research on the relationship between teacher preparation and classroom practices, particularly in the context of school improvement and reform initiatives. This is occurring as teacher supply problems intensify, with educational policy makers and higher education institutions considering alternative human resource development approaches to meet teacher training and personnel pressures.

CREATE Research Agenda

The Center for Research, Evaluation, and Advancement of Teacher Education situates its work at this nexus of teacher preparation and classroom practices, and is pursuing a related research agenda. Two constraints, however, mitigate an examination of the relationship between teacher preparation and student achievement. First, at present, access to individual student performance information in Texas classrooms is limited due to legal and logistical constraints. Secondly, researchers are challenged by a relative lack of adequate conceptual and programmatic frameworks related to the essential dimensions of teacher preparation models.

At the same time, the effects of teacher preparation take on a dramatically new significance in Texas as population growth and changing demographic patterns are coupled with increased student achievement standards. In this instructional improvement and student achievement milieu, research situated at the nexus of teacher preparation and student achievement is imperative. Thus, overtime the Center for Research, Evaluation, and Advancement of Teacher Education will engage in a systematic research agenda to assess the aspects of teacher preparation models that yield the greatest benefit to improved classroom practices and student outcomes. Although CREATE's multi-stage research agenda will take account of other related aspects of teacher preparation and student achievement such as student, school, faculty background, and labor market characteristics, a necessary first stage is to document and detail the elements of practice in teacher education and preparation programs (TEP).

Statement of Study Purpose, Stage One: ***Exploring Elements of Practice of Teacher Education and Preparation Programs: A Comparison of Texas Approaches***

During 2004- 2005, CREATE carry out the first-phase of this research agenda: a study that explores the elements of practice of teacher education and preparation programs in the 27 public Texas institutions of higher education that are associated with CREATE. Specifically, this first stage study seeks to:

1) document and detail the elements of practice in traditional and alternative teacher preparation programs, and understand variation and similarities among such models, and

2) understand how such elements of practice contribute to the development of a model for teacher education and preparation

Although a deep understanding of teacher preparation models is valuable in and of itself, this research provides a necessary and logical first step in this multi-stage research agenda. This research will contribute a comprehensive, empirical understanding of the elements of practice associated with teacher preparation programs by establishing methodologically sound and useful measures for studying teacher preparation practices. Such measures and related data will further future testing of models of teacher preparation in light of anticipated teacher practices and student outcomes. Such measures and related data will further future testing of models of teacher preparation in light of anticipated teacher practices. Thus, this research promises to provide empirical insight into the future development of testable hypotheses regarding the relationships among teacher preparation, teacher practices, and student achievement.

This research also will yield practical knowledge for teacher educators and leaders of teacher education programs. This research will provide detailed information about the activities espoused and actually performed in various teacher education models. A better understanding of variation among teacher education models may lead to improved skills training and development programs for faculty members, and provide insight for higher education policy makers and leaders of teacher education programs. The results of this study will be useful to schools of education, state policymakers, school systems, teacher organizations, researchers and others.

RESEARCH QUESTIONS

The study's primary goal is to document and detail a framework of elements of practice utilized in traditional and alternative teacher preparation programs, and understand variation and similarities among such frameworks. From this focus, the following primary research question and related sub-questions emerge:

What are the predominant practice frameworks for teacher education and preparation employed in Texas higher education institutions?

What differences and similarities exist across teacher preparation programs? What might account for this variation?

What are the program inputs?
What are the program practices and decision-making processes?
What are the instructional practices and processes?
What are the post program practices and processes?
What are the program outputs and outcomes?
What are the internal evaluation and improvement processes?

RESEARCH METHODOLOGY

Sampling frame. We will draw data for this study the 27 teacher preparation programs that exist in the Texas A & M, Texas State, and University of Texas systems. Participating teacher preparation programs will vary on multiple institutional dimensions including size, age of program, scope of program, and geographic location and reach.

Method. We will employ a multi-method data collection strategy. The first component involves a thorough review of the literature, establishment of scholarly advisory board, review of similar studies underway in other U.S. settings, the development of the "framework of Elements of Practice in Teacher Education and Preparation Programs", and development and field testing of a related survey instrument. Please see Appendix One for the "Framework" and Appendix Two for the proposed variables for inclusion in the survey instrument.

The second component entails collecting artifacts and documents from the 27 participating teacher preparation programs. Archives are rich with descriptive information that provides evidence regarding course requirements, field based requirements, institutional planning, faculty rewards, and insights about content specific knowledge requirements and assessment approaches. To that end, each of the 27 participating programs will be asked to supply copies of written or web-based documents such as graduate catalogues, published program requirements, course syllabi, descriptions of assessment procedures, and any available internal or external program evaluation materials. Please see Appendix Three for a list of required documents and artifacts.

Timeline. A timeline for the study is provided in Attachment Four.

Analysis plan. The analysis plan takes two phases in this project. The first phase consists of the content analysis of the archival data and the document analysis. The analysis will utilize *N*Vivo* software to identify patterns within and across teacher preparation models. The survey data will be analyzed using traditional descriptive quantitative techniques.

Human subjects. Survey respondents a will be adults, of both sexes, holding either a professional faculty position in a Texas institution of higher education. Voluntary consent to participate will be sought from all participants in each part of the study. For document analysis and survey recipients, letters of introduction and instruction will state that receipt of material (returned survey or institutional materials) constitutes voluntary consent to participate in the study. Risks to subjects are negligible, as this study seeks information of a professional and institutional nature. The Texas A & M Institutional Review Board approval for this project will be sought under the expedited, exempt review process.

DISSEMINATION PLAN

A primary dissemination activity will center on a focus group session in July, 2005 with Deans of the 27 participating campuses. This focus group will center on discussing the elements of practice in light of models of teacher education and preparation. We will also distribute the findings of this research throughout the p-16, teacher preparation, and scholarly communities.

PRINCIPAL INVESTIGATOR

Dr. Angela L. Bies is an Assistant Professor of Government and Public Service at the Bush School, Texas A & M University, where she provides leadership on the School's nonprofit studies curriculum, capstone research projects, and the public service initiative. She earned her Ph.D. in educational policy and administration from the University of Minnesota, with emphases on international development and evaluation studies; her Master's degree is in Management from the School of Business at the University of Wisconsin-Madison. Her research focuses on nongovernmental and educational reform educational reform strategies designed to strengthen accountability. Dr. Bies is recipient of the Association for Research on Nonprofit Organizations and Voluntary Action Gabriel G. Rudney Award for Outstanding Dissertation in Nonprofit and Voluntary Action Research.

Prior to her post with Texas A & M University, Dr. Bies served as the primary qualitative analyst for the University of Minnesota's Center for Applied Research and Educational Improvement/Carlson School of Management, "State-mandated Accountability in U.S. High Schools" project, a multi-state, longitudinal study funded by the National Science Foundation, under the leadership of Principal Investigators, Drs. Karen Seashore Louis and Roger Schroeder. Dr. Bies also brings nearly fifteen years of nonprofit evaluation and executive experience to this study from posts as Executive Director of the Charities Review Council of Minnesota, Regional Director with the American Field Service, and student affairs leadership development and community partnership direction through the University of Minnesota and University of Wisconsin-Madison. Dr. Bies served as a U.S. Peace Corps volunteer, during which time she was Deputy Director and Instructor of the Kobujoi Social Development Institute, a national social work training institute of the Government of Kenya. In this capacity, she helped to develop the national social development curriculum, which included field-based learning and evaluation activities.

Dr. Bies currently serves as Principal Investigator for *An analysis of the Pittsburgh Region's Nonprofit Capacity Building "Industry"*, with $27,412 in support from the Forbes Funds. She has also recently led the following research projects: a comprehensive community/economic impact study of nonprofits in the Brazos Valley, Texas; a review of governance for a South African public-private housing development project; a review of evaluation, accountability, and governance approaches in U.S. graduate nonprofit management education training programs; and a national study of nonprofit management development practices in Poland. She recently led teams of graduate students on a research project for the Division of Humanitarian Affairs, U.S. Department of Defense and an evaluation study for Catholic Charities of Ft. Worth and the Migration and Refugee Network of Dallas and Fort Worth, Texas.

CONTACT

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Appendix E-6 National Center for Education Accountability

DATA QUALITY CAMPAIGN

Using Data to Improve Student Achievement

www.DataQualityCampaign.org

10 ESSENTIAL ELEMENTS of a Longitudinal Data System

A complete state longitudinal data system includes the following 10 essential elements:

1. **A unique statewide student identifier.** As students move from grade to grade and from district to district, this ID number will allow states to track the progress of every student over time, from kindergarten through grade 12.
2. **Student-level enrollment, demographic and program participation information.** This information will help measure which programs are helping students succeed. It also will help account for students who transfer from school to school and ensure that test data are disaggregated correctly.
3. **The ability to match individual students' test records from year to year to measure academic growth.** Being able to match test records for individual students from last year to this year will provide valuable diagnostic information to teachers and principals and will help educators monitor each student's academic growth.
4. **Information on untested students.** With this information, states can ensure that students from all groups are participating in state tests and account for students who were exempted from the tests.
5. **A teacher identifier system with the ability to match teachers to students.** Many states collect data on teacher education and certification, but matching teachers to students by classroom and subject is critical to understanding the connection between teacher training and qualifications and student academic growth.
6. **Student-level transcript information,** including information on courses completed and grades earned. States will be able to track course-taking patterns and analyze their relationship to success on state assessments and readiness for college and work.
7. **Student-level college readiness test scores.** Student performance on the SAT, SAT II, ACT, Advanced Placement, International Baccalaureate and other college readiness exams is a good indicator of whether students are prepared to succeed in postsecondary education and work. Some states are going a step further by building college readiness tests into their statewide assessment systems.
8. **Student-level graduation and dropout data.** A majority of states currently collect annual records on individual graduates and dropouts, but to calculate the graduation rates defined in the new National Governors Association compact, states need to be able to track individual students over time.
9. **The ability to match student records between the Pre K–12 and higher education systems.** Opening lines of communication between Pre K–12 and higher education is critical to ensuring that students succeed at the postsecondary level. Connecting student performance in college to what happens in high school will give high schools the information they need to align curriculum and instruction to ensure that graduates are better prepared for college and work.
10. **A state data audit system** assessing data quality, validity and reliability. The decisions made in education are only as good as the information on which they are based.

Element 5

A teacher identifier system with the ability to match teachers to students

(14 states have this element – but not Texas)

Many states collect data on teacher education and certification, but matching teachers to students by classroom and subject is critical to understanding the connection between teacher training and qualifications and student academic growth. Collecting this data makes it possible to identify which students and which courses are being taught by teachers with different levels and types of preparation or certification, and which forms of teacher training and certification have the greatest impact on students' academic growth in the classroom.

With a teacher identifier and the ability to connect teacher and student data, policymakers and educators will know:

- The teacher preparation programs that produce graduates whose students have the strongest academic growth.
- How the experience levels of the teachers in the district's high-poverty schools compare with those of teachers in the schools serving affluent students, and how these experience levels are related to the academic growth of the students in their classrooms.
- The relationship between the performance of the district's low-income students on the state algebra exam and teacher preparation in that subject.

States with this element: Arkansas, Delaware, Florida, Georgia, Hawaii, Idaho, Louisiana, Mississippi, New Mexico, Ohio, South Carolina, Tennessee, Utah, West Virginia

APPENDIX F

Joint Charge--Cost-Based Formula Matrix

Appendix F-1 Legislative Budget Board

Senate Finance Committee and Subcommittee on Higher Education

September 14th, 2006

LBB Materials Prepared for Interim joint Charge #1
(Relating to Higher Education Formula Funding)

Legislative Budget Board

September 14, 2006

Formula Funding in Higher Education

- General Academic Institutions
  - Instruction and Operations
    - Based on Weight Semester Credit Hours
  - Infrastructure
    - Based on Predicted Square Feet

Formula Funding in Higher Education

- Health Related Institutions
  - Instruction and Operations
    - Based on Full Time Student Equivalent and Instructional Program
  - Infrastructure
    - Based on Predicted Square Feet
  - Research Enhancement
    - Allocated based on Amount of Research Generated
  - Graduate Medical Education
    - Allocated Per Student

Formula Funding in Higher Education

- Community Colleges
  - Instruction and Operations
    - Based on Contact Hours

General Academic Institutions

General Revenue Fund	247,949,106
Special Mineral Account	99,822
Estimated Board Authorized Tuition Increases, Account No. 704	12,900,340
Estimated Statutory Tuition Increases, Account No. 708	2,815,238
Estimated Other Educational and General Income, , Account No. 770	76,256,602
Total, Method of Finance	**340,020,108**

9/14/2006 Prepared by LBB 5

Instruction and Operations Formula

An Institution's I&O Funding =

Weighted Semester Credit Hours (WSCH)

X

I&O Rate ($)

9/14/2006 Prepared by LBB 6

Instruction and Operations Formula

What are Weighted Semester Credit Hours?

Weighted Semester Credit Hours = Semester Credit Hours (SCH) x Matrix Weights

Semester Credit Hours (SCH) = classes taken x number of hours

SCH Example:
One student takes five classes of three hours each
1 x 5 x 3 = 15 semester credit hours

Matrix Weights are the costs per level and discipline relative to the cost of a lower-division liberal arts class.

The Teaching Experience Supplement is 0.1 additional weight added to each undergraduate semester credit hour taught by tenured or tenure-track faculty.

WSCH Example: In one semester of the *base period*, one student takes five classes of three weighted hours each:

Lower division Liberal Arts 3 hours x 1.00 = 3.00 wsch
Lower division Science 3 hours x 1.66 = 4.98 wsch
Upper division Engineering 3 hours x 3.28 = 9.84 wsch
Upper division business Administration 3 x 1.61 = 4.83 wsch
Lower division Fine Arts 3 x 1.63 = 4.89 wsch
Total = 27.54 wsch

*The I&O formula uses the weighted semester credit hours taken in the Summer and Fall of the even-numbered year and the Spring of the odd-numbered year. For the 2006-07 General Appropriations Act the base period was Summer 2004, Fall 2004, Spring 2005. Total weighted semester credit hours = 26,877,494 wsch

8/14/2006 Prepared by LBB 7

Instruction and Operations Formula

2006-07 Matrix		1	2	3	4	5
		Lower Division	Upper Division	Masters	Doctoral	Professional
1	Liberal Arts	1.00	1.86	4.07	10.89	
2	Science	1.66	3.00	7.63	19.72	
3	Fine Arts	1.63	2.74	5.91	12.31	
4	Teacher Ed	1.34	1.91	2.89	8.41	
5	Agriculture	2.06	3.62	7.14	13.43	
6	Engineering	2.43	3.28	7.21	18.35	
7	Home Economics	1.32	1.97	3.70	8.47	
8	Law					3.39
9	Social Services	2.01	2.30	4.59	12.10	
10	Library Science	1.28	1.33	3.59	8.85	
11	Vet Med					15.44
12	Vocational Training	2.14	2.52			
13	Physical Training	1.35	1.30			
14	Health Services	2.10	2.80	6.10	12.75	
15	Pharmacy	2.45	3.98	13.75	22.72	6.37
16	Business Admin	1.24	1.61	3.95	16.59	
17	Optometry			5.46	19.12	7.00
18	Teacher Ed Practice	1.75	2.19			
19	Technology	1.93	2.46	5.59		
20	Nursing	3.58	4.96	5.89	13.49	
21	Development Ed	1.00				

Instruction and Operations Formula

The Legislature Determines Total Available Funding

The Legislature decides how much General Revenue to appropriate to the formula. General Revenue Dedicated is determined by a per-school tuition estimate.

I&O Rate=
Total Available Funding
divided by
Total Weighted Semester Credit Hours

2006-07 Biennial I&O Rate =
$3,218,382,920 / 28,877,494 WSCH
or $111.45

In the General Appropriations Act the rate is set annually, at half of $111.45: $55.72.

Instruction and Operations Formula

An Institution's I&O Funding =

Its Weighted Semester Credit Hours (WSCH)

X

I&O Rate ($)

Once an All Funds amount has been calculated per school by the formula I&O = WSCH x Rate, the amount is funded with General Revenue Dedicated and General Revenue.

Example:
I&O = WSCH x Rate
$205,470,903 = 1,843,623 x 111.449226

8/14/2006

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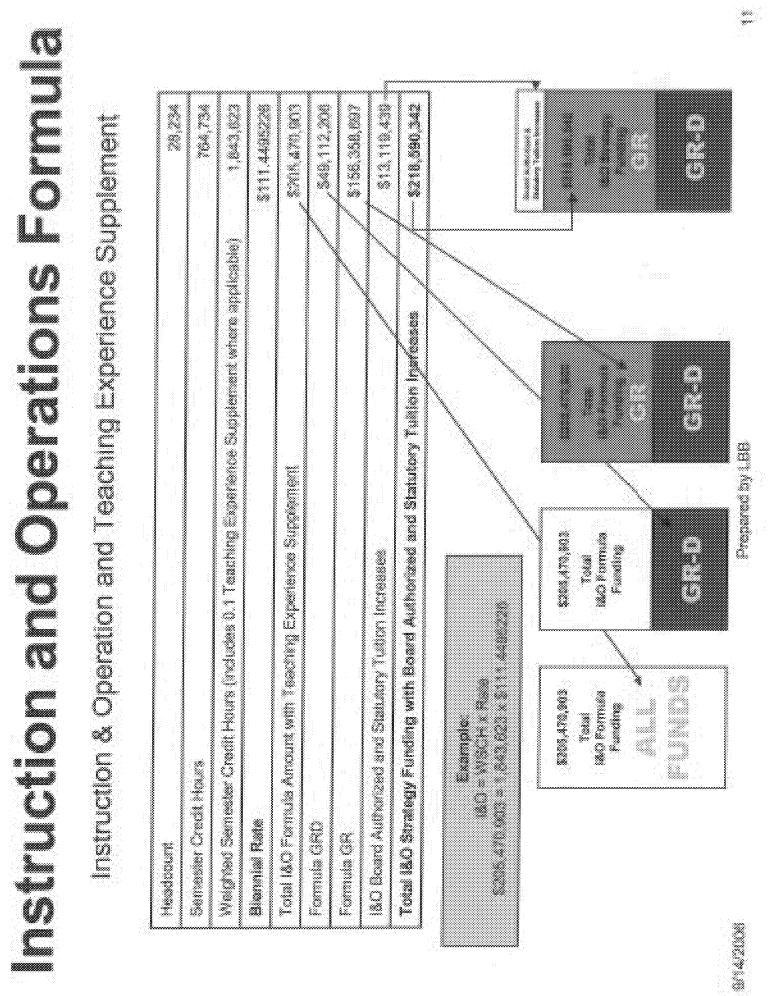
Instruction and Operations Formula
Instruction & Operation and Teaching Experience Supplement
Headcount 28,224
Semester Credit Hours 764,734
Weighted Semester Credit Hours (includes 0.1 Teaching Experience Supplement where applicable) 1,843,623
Biennial Rate $111,449,226
Total I&O Formula Amount with Teaching Experience Supplement $205,470,903
Formula GRD $49,112,206
Formula GR $156,358,697
I&O Board Authorized and Statutory Tuition Increases $13,119,439
Total I&O Strategy Funding with Board Authorized and Statutory Tuition Increases $218,590,342
Example:
I&O = WSCH x Rate
$205,470,903 = 1,843,623 x $111,449,226
$205,470,903 Total I&O Formula Funding
ALL FUNDS
GR-D
$205,470,903 Total I&O Formula Funding
GR
GR-D
GR
GR-D
9/14/2006
Prepared by LBB
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Infrastructure Formula

Infrastructure Formula Funding =
Predicted Square Feet
X
INF Rate ($)

Predicted Square Feet is the amount of space an institution should need, as predicted by the Higher Education Coordinating Board's space model.

The space model projection is based on:
- number, program and level of semester credit hours
- number of faculty, non-faculty, students, programs, and library holdings
- research and current E&G expenditures

The Infrastructure Rate is the combination of the Adjusted Utility Rate and the All Other Rate. (The All Other Rate is also referred to as the Operations and Maintenance infrastructure rate.)

Infrastructure Formula

The Legislature Determines Total Available Funding

The Legislature decides how much General Revenue to appropriate to Infrastructure. From this, a certain amount is set aside for the Small School Supplement. The rest is used for the Infrastructure Formula.
General Revenue Dedicated is determined by a per-school tuition estimate.

INF Rate=
Total Available Funding
divided by
Total Predicted Square Feet

2006-07 Biennial Infrastructure Rate =
$636,591,085 / 49,947,424
Or $12.74

In the General Appropriations Act the rate is set annually, at half of $12.74: $6.37.

In 2006-07, the Statewide Utility Rate was 66.15 percent
of the Total Infrastructure Rate

Infrastructure Formula

Total Infrastructure Funding =
Predicted Square Feet x (Utility Rate + All Other Rate)

$636,591,085 = 49,947,424 x ($8.431 + $4.314)

The formula uses a statewide average rate for universities' utilities; however, each school's Utility Rate is adjusted above or below the statewide rate based on its utility costs relative to the other schools. The Adjusted Utility Rate is different for every school. The All Other Rate accounts for costs of physical plant, grounds, maintenance, and custodial services. The All Other Rate is the same for all institutions.

An Institution's Infrastructure Funding =
Its Predicted Square Feet
X
Its Adjusted Utility Rate + All Other Rate ($)

Infrastructure Formula
Total INF Funding = PSF x Rate
$636,591,085 = 49,947,424 x ($8,431 + $4,314)
Adjusted INF Funding = PSF x (Adjusted Utility Rate + All Other Rate)
$651,986,424 = 49,947,424 x (Adjusted per school rate + $4,314)
For 2006-07, 97.6 percent of needed adjusted rate funding was available.
9/14/2006
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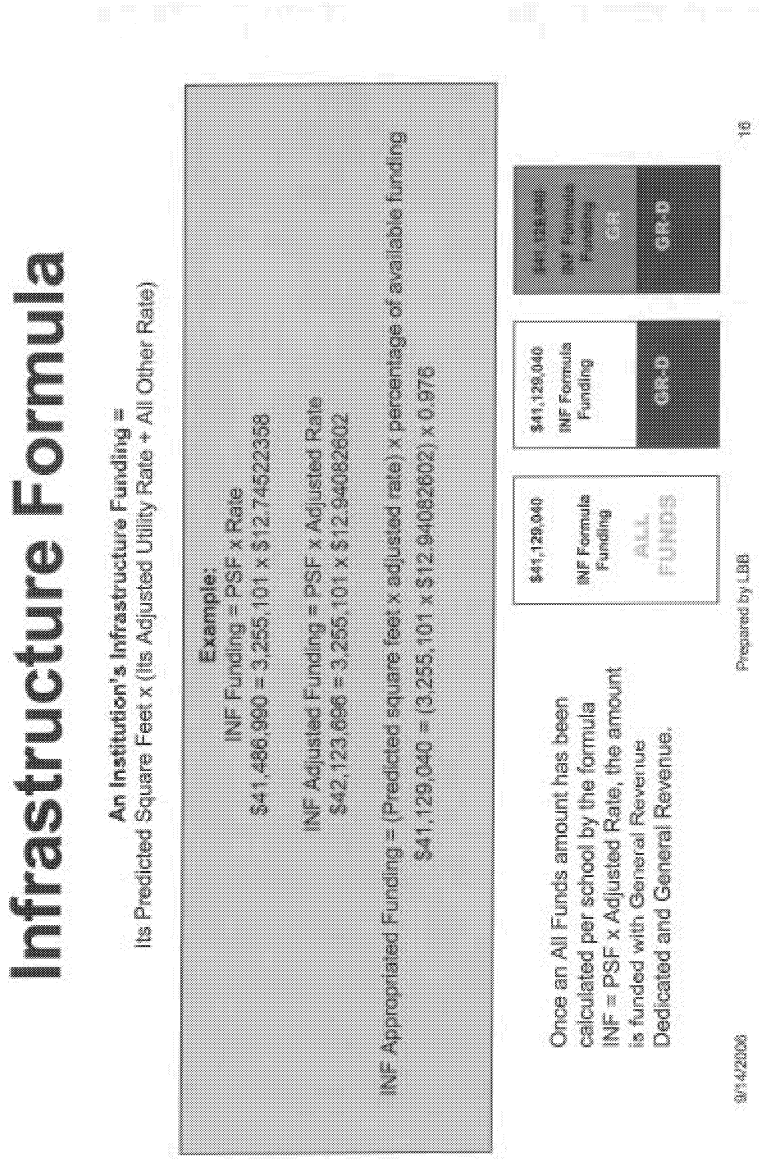
Infrastructure Formula
An Institution's Infrastructure Funding =
Its Predicted Square Feet x (Its Adjusted Utility Rate + All Other Rate)
Example:
INF Funding = PSF x Rate
$41,486,990 = 3,255,101 x $ 12.74522358
INF Adjusted Funding = PSF x Adjusted Rate
$42,123,696 = 3,255,101 x $12.94082602
INF Appropriated Funding = (Predicted square feet x adjusted rate) x percentage of available funding
$41,129,040 = (3,255,101 x $12.94082602) x 0.976
Once an All Funds amount has been calculated per school by the formula INF = PSF x Adjusted Rate, the amount is funded with General Revenue Dedicated and General Revenue.
$41,129,040
INF Formula Funding
ALL FUNDS
$41,129,040
INF Formula Funding
GR-D
GR-D
Prepared by LBB
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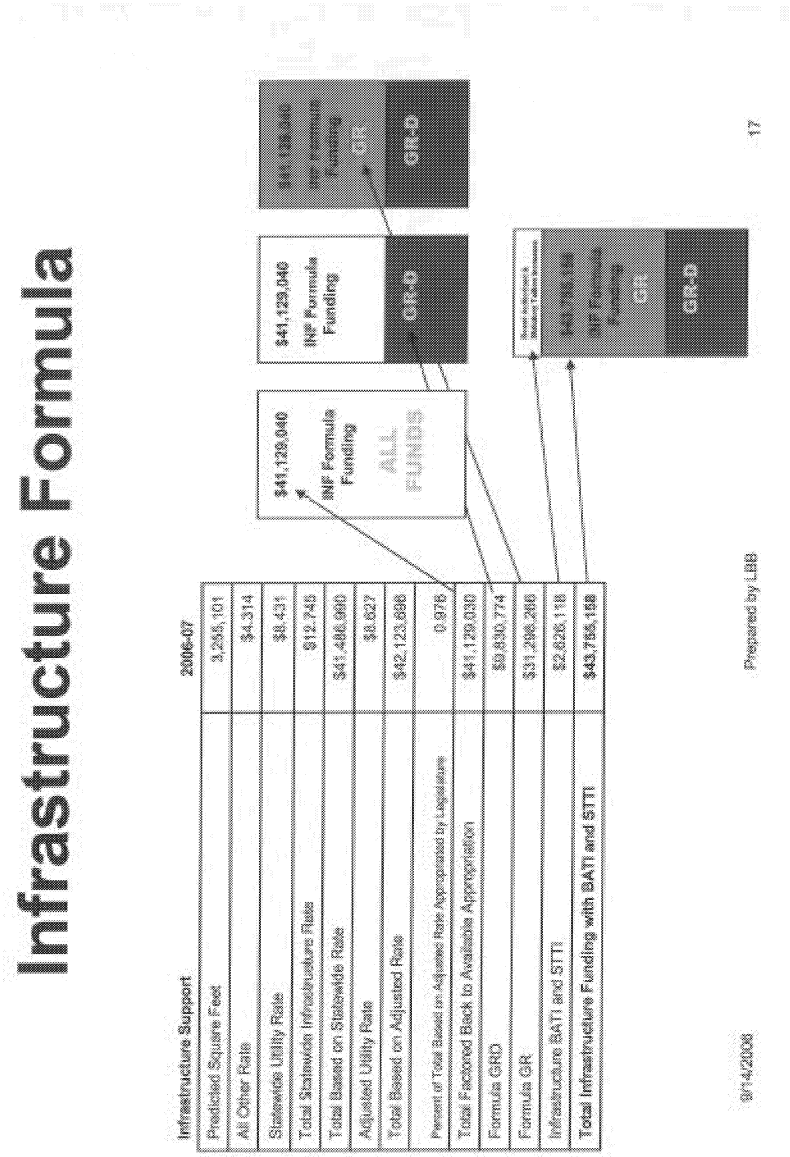
Infrastructure Formula
Infrastructure Support
2006-07
Predicted Square Feet
3,255,101
All Other Rate
$4.314
Statewide Utility Rate
$8.431
Total Statewide Infrastructure Rate
$12.745
Total Based on Statewide Rate
$41,486,990
Adjusted Utility Rate
$8.827
Total Based on Adjusted Rate
$42,123,696
Percent of Total Based on Adjusted Rate Appropriated by Legislature
0.976
Total Factored Back to Available Appropriation
$41,129,030
Formula GRD
$9,830,774
Formula GR
$31,298,256
Infrastructure BATI and STTI
$2,626,118
Total Infrastructure Funding with BATI and STTI
$43,755,158
$41,129,040
INF Formula Funding
ALL FUNDS
$41,129,040
INF Formula Funding
GR-D
GR-D
GR-D
9/14/2006
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Non-formula Funding

Non-formula GR	2006-07
Workers' Compensation Insurance	$1,272,882
Capital Equity and Excellence	$6,139,939
Tuition Revenue Bond Retirement	$11,470,428
Library Archival Support	$1,184,797
Agricultural Research	$3,907,917
Energy Research	$1,528,844
Emerging Technologies Research	$991,193
Junction Annex Operation	$572,797
Small Business Development Center	$2,154,586
Museums and Historical, Cultural and Educational Centers	$3,060,938
Center for Financial Responsibility	$379,135
Will Country Educational Network	$1,279,000
Institutional Enhancement (includes Mineral Fund)	$15,885,101
Research Development Fund	$5,587,838
Faculty Enhancement	$6,000,000
Total Non-formula GR	$60,392,164

Non-formula GR/D	2006-07
Staff Group Insurance Premiums	$5,729,946
Texas Public Education Grants	$10,885,329
Organized Activities	$439,630
Skiles Act Revenue Bond Retirement	$243,720
Institutional Enhancement (includes Mineral Fund)	$99,822
Total Non-formula GR/D	$17,392,446

Prepared by LBB

9/14/2006

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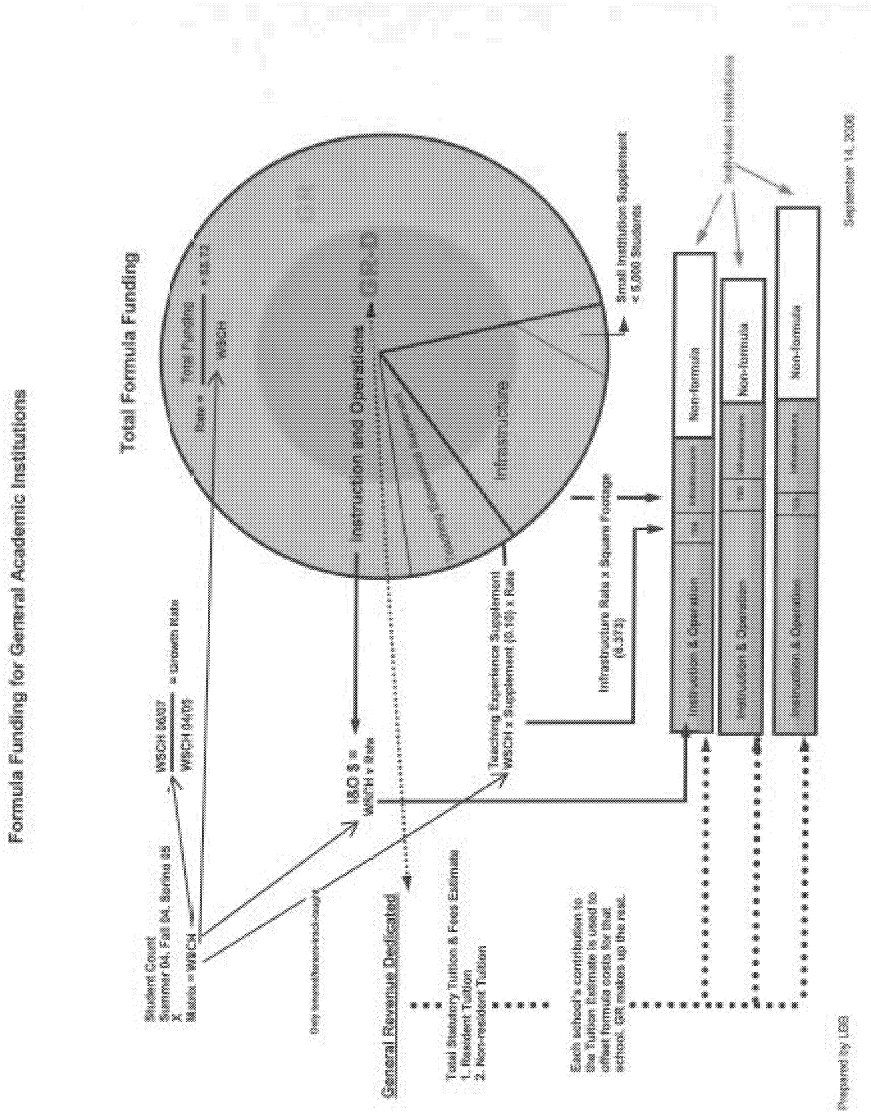

Formula Funding for General Academic Institutions
Total Formula Funding
Instruction and Operations
Infrastructure
Student Count
Summer 04, Fall 04, Spring 05
X
Matrix = WSCH
WSCH 86/87
WSCH 04/05
= Growth Rate
I&O $ =
WSCH x Rate
Teaching Experience Supplement
WSCH x Supplement ($.10) x Rate
Infrastructure Rate x Square Footage
($.373)
Small Institution Supplement
< 5,000 Students
General Revenue Dedicated
Total Statutory Tuition & Fee Estimate
1. Resident Tuition
2. Non-resident Tuition
Each school's contribution to
the Tuition Estimate is used to
offset formula costs for that
school. GR makes up the rest.
Non-formula
Small Institutions
September 14, 2006
Prepared by LBB

	2006-07 Matrix	1 Lower Division	2 Upper Division	3 Masters	4 Doctoral	5 Professional
1	Liberal Arts	1.00	1.86	4.07	10.89	
2	Science	1.66	3.00	7.63	19.72	
3	Fine Arts	1.63	2.74	5.91	12.31	
4	Teacher Ed	1.34	1.91	2.89	8.41	
5	Agriculture	2.06	2.62	7.14	13.43	
6	Engineering	2.43	3.28	7.21	18.35	
7	Home Economics	1.32	1.97	3.70	8.47	
8	Law					3.39
9	Social Services	2.01	2.30	4.59	12.10	
10	Library Science	1.28	1.33	3.59	8.85	
11	Vet Med					15.44
12	Vocational Training	2.14	2.52			
13	Physical Training	1.35	1.30			
14	Health Services	2.10	2.80	6.10	12.75	
15	Pharmacy	2.45	3.98	13.75	22.72	6.37
16	Business Admin	1.24	1.61	3.95	16.59	
17	Optometry			5.46	19.12	7.00
18	Teacher Ed Practice	1.75	2.19			
19	Technology	1.93	2.46	5.59		
20	Nursing	3.58	4.96	5.89	13.49	
21	Development Ed	1.00				

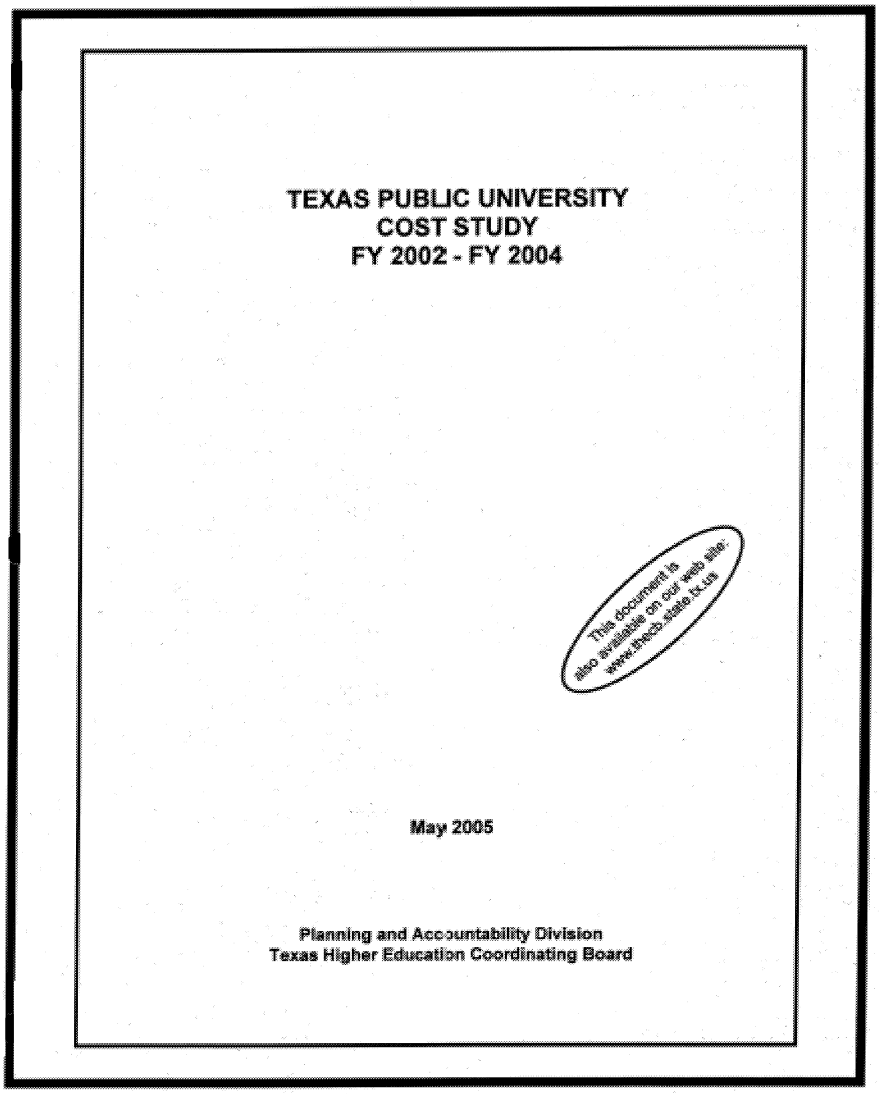
Appendix F-2 Texas Higher Education Coordinating Board

TEXAS HIGHER EDUCATION COORDINATING BOARD

Joint Hearing of the Senate Finance Committee and the Senate Subcommittee on Higher Education

Thursday, September 14, 2006

The following report provides historical background on the development of the cost study and the matrix in the current appropriations bill (SB 1, 79th Texas Legislature, Regular Session).


TEXAS PUBLIC UNIVERSITY
COST STUDY
FY 2002 - FY 2004
This document is also available on our web site: www.thecb.state.tx.us
May 2005
Planning and Accountability Division
Texas Higher Education Coordinating Board

Texas Higher Education Coordinating Board

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Coordinating Board Mission

The Texas Higher Education Coordinating Board's mission is to work with the Legislature, Governor, governing boards, higher education institutions and other entities to provide the people of Texas the widest access to higher education of the highest quality in the most efficient manner.

THECB Strategic Plan

Coordinating Board Philosophy

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.

THECB Strategic Plan

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Executive Summary

For many years, the Texas Higher Education Coordinating Board tried to determine how much public universities spend to provide instruction by discipline and by level of instruction. Previous attempts at developing such a cost study were unsuccessful. In the latter part of the 1990s, then State Senator Bill Ratliff developed and implemented an Instruction and Operations matrix that was intended to represent the statewide average cost of instruction for the various disciplines and levels offered at Texas public universities. However, no documentation has been available to validate the matrix elements.

In 2002, the Coordinating Board directed its University Formula Advisory Committee to renew efforts to conduct a cost study to validate the relative weights contained in the matrix. This report provides a summary of the results of the study. The methodology was developed and presented to the Coordinating Board at its April 2004 quarterly meeting, where it was unanimously adopted. The methodology was then presented to the Governor's Office, the Legislative Budget Board, and various legislative committees in June 2004. Since then, the Coordinating Board staff has collected and analyzed data to provide an "all funds" analysis of Texas public university costs. All costs are based on data in each institution's Annual Financial Report. Naturally this analysis revalues the relative weights, which in turn reallocates the Instruction and Operations formula funding among the universities.

A majority of the University Formula Advisory Committee and the Coordinating Board members believe that it is imperative that the relative weights contained in the Instruction and Operations matrix reflect an objective analysis of universities' actual costs. This is not intended to mean that the cost-based methodology should be the final word on how funds are distributed. For example, workforce shortage issues in nursing and other fields may require special funding decisions. However, to maintain the objective nature of the cost-based analysis, any special treatment should be separate and apart from this determination. This approach will significantly improve accountability and transparency related to expenditures at universities.

The following report is divided into two sections. The first section provides an overview of the cost study process, formula funding for Instruction and Operations (I&O), the calculation methodology used to determine the relative weights, the results of those calculations, and the phase-in methodology. The second section explains how this methodology is used to develop a comparative analysis, by institution, of the various disciplines.

Texas Public Universities
Formula Funding Cost Study
FY 2002 through FY 2004

Background

In the summer of 2002, a workgroup[1] was appointed by the University Formula Advisory Committee to develop a methodology to verify the relative weights in the university Instruction and Operations (I&O) matrix. This workgroup operated under the auspices of the University Formula Advisory Committee (UFAC), which was responding to requests by the Coordinating Board and the Legislature to develop a cost-based methodology for determining the relative weights. The cost-based methodology would not only provide an objective starting point for distributing I&O formula funds, but it also would be a mechanism capable of informing the Legislature about how the universities spend their funding.

Instruction and Operations Formula Funding

The relative weights are used to distribute approximately 60 percent of total state funding to the universities through the I&O formula, and all institutions receive the same amount of funding per semester credit hour for any given level and discipline. The current weights were developed in 1997 by then State Senator Bill Ratliff, Chairman of the Senate Finance Committee, as a means to simplify the complex system of 12 formulas that had been used to distribute funding to the institutions for Instruction, Operations, and Physical Plant Operations and Maintenance.[2] Unfortunately, neither the relative weights developed by Senator Ratliff, nor the previous 12 formulas, were based on actual costs. One goal of this study was to develop relative weights that truly reflect the universities' cost of operation.

Mathematically, the weights in the matrix are intended to represent the ratio of total educational costs to total semester credit hours, by level (lower-division and upper-division undergraduate, master's, doctoral, and special professional) and discipline (liberal arts, science, etc.). In addition to the five levels, the I&O matrix contains relative weights for 20 disciplines (excluding Developmental Education). The I&O formula distributes funding by multiplying a rate ($51.25 for the 2004-2005 biennium) by the number of semester credit hours for a given level and discipline (e.g. lower-division liberal arts) by the relative weight assigned to that level and discipline. Usually, the relative weight for science or engineering at a given level should be greater than the relative weight for liberal arts because faculty salaries and research expenses are higher in science and engineering than in liberal arts. The remaining elements of cost are distributed to the various levels and disciplines on a relatively even basis.

The workgroup agreed that the most appropriate methodology for calculating the weights

[1] The workgroup consisted of Mr. Phillip C. Diebel, Vice Chancellor for Finance, University of North Texas; Mr. Mike Ferguson, Vice President for Finance & Operation, Lamar University; Ms. Marsha Kelman, Assistant Vice President & Director, Institutional Studies, The University of Texas at Austin; Mr. James Langabeer, Vice President Business Affairs, The University of Texas-Pan American; Mr. Bill Nance, Vice President for Finance & Support Services, Texas State University-San Marcos; Mr. Thomas H. Taylor, Assistant Vice President of Finance, Texas A&M University; Dr. Sandra Harper, Chief Academic Officer, Texas A&M University-Corpus Christi; and Mr. Jeff Phelps, Finance Director, Division of Finance, Campus Planning, and Research, Texas Higher Education Coordinating Board.

[2] Physical Plant O&M is now funded through a separate Infrastructure formula.

is an "all funds" approach in which the costs used to calculate the weights must equal those provided in each institution's Annual Financial Report (AFR). An earlier workgroup had taken on a similar task to calculate the weights, but limited its analysis only to faculty costs. That study proved to be methodologically flawed as a result of this limitation.

In addition to faculty costs, the workgroup agreed that five additional elements of cost should be included because the I&O formula funds these activities as well:

- Academic Support
- Institutional Support
- Student Services
- Other Instruction (Department Operating Expense), and
- Research

Academic Support, Institutional Support, and Student Services are specific entries in each institution's AFR. The sum of Faculty Salaries, Other Instruction (i.e. teaching assistants who actually teach a class) and Departmental Operating Costs is equal to the sum of Instruction and Research. Instruction and Research are functional elements of costs that are specific entries in the AFRs. Together, these five cost centers, plus capital outlay, comprise all of the funding sources dedicated to higher education for I&O, as it is defined in the General Appropriations Act.

The workgroup then determined the most appropriate way to allocate these cost centers to the various levels and disciplines. The group agreed on the following allocation methodologies:

- The salaries of faculty who were teaching courses during the years under investigation would be provided to each institution, and each institution would provide a faculty-specific teaching load credit (TLC). The data provided to the institution would already be linked to a level of instruction and academic discipline, and the TLC would allow for the portion of faculty salary dedicated to teaching to be distributed. Because teaching loads vary among the institutions, this value varies among institutions. This calculation also recognized that faculty do not spend all of their time teaching, but often devote part of their time to other activities such as research. Added to faculty salaries are teaching assistant salaries, which each institution also allocates to specific levels and disciplines.
- Academic Support is allocated by level and discipline according to the faculty salary distribution because academic support costs are closely aligned with faculty salary expenditures.
- Institutional Support and Student Services are initially allocated to one of the five levels using the distribution of institution-specific student headcounts, and then to the disciplines according to the distribution of semester credit hours.
- Department Operating Expense (DOE) was deliberated far more than the other issues. Several DOE calculations were examined to determine the most appropriate allocation methodology. The group finally decided that each institution would charge DOE to the appropriate academic discipline, based on the institution's internal budget designations. For example, the DOE for the English department was charged to "Liberal Arts." After an institution allocated its costs to the appropriate academic discipline, the institution's DOE was then allocated by the level of instruction (undergraduate, master's, etc.) using semester credit hours, the faculty salary distribution, or some combination of the two, whichever the institution believed best represented the proper distribution of costs to the level of instruction.

Data on the five elements of cost have been collected and allocated for FY 2002, FY 2003, and FY 2004. The recommendation by the Coordinating Board also included a phase-in over three biennia, with full implementation occurring in the 2010-2011 biennium. To satisfy the phase-in requirement, only one-half of the change in weights would be applied for use in the 2006-2007 biennium. The Coordinating Board further recommended that no institution suffer more than a 3 percent loss in I&O formula funding in the 2006-2007 biennium. This constraint was accomplished by adjustments to two relative weights, which is discussed in greater detail below.

The current and cost-based Instruction & Operations matrices are given below:

Table 1: Current Instruction & Operations Matrix

	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional
LIBERAL ARTS*	1.00	1.93	3.94	12.04	
SCIENCE	1.53	3.03	7.17	19.29	
FINE ARTS	1.85	3.11	6.51	17.47	
TEACHER ED	1.28	1.96	3.23	9.95	
AGRICULTURE	2.05	2.54	6.64	16.37	
ENGINEERING	3.01	3.46	8.20	21.40	
HOME ECONOMICS	1.58	2.12	4.34	10.79	
LAW					3.22
SOCIAL SERVICE	1.64	1.84	5.80	11.92	
LIBRARY SCIENCE	1.45	1.52	4.22	12.26	
VOCATIONAL TRAIN	1.45	2.59			
PHYSICAL TRAINING	1.36	1.36			
HEALTH SERVICES	2.87	3.46	6.47	15.98	
PHARMACY	4.00	4.64	9.00	19.11	9.00
BUSINESS ADMIN	1.41	1.59	4.59	13.91	
OPTOMETRY			5.46	19.12	7.00
TEACHER ED-PRACT	2.43	2.57			
TECHNOLOGY	1.99	2.56	6.61		
NURSING	4.91	5.32	6.49	16.32	
VET MED					16.72

*Lower division undergraduate Liberal Arts is the rate applied to Developmental Education semester credit hour.

Table 2: Cost-Based Instruction & Operations Matrix, No Phase-In

	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional
LIBERAL ARTS	1.00	1.77	4.20	9.74	
SCIENCE	1.79	3.01	6.08	20.15	
FINE ARTS	1.41	2.37	5.30	7.16	
TEACHER ED	1.40	1.86	2.55	6.88	
AGRICULTURE	2.06	2.78	7.63	10.49	
ENGINEERING	1.85	3.19	6.21	15.30	
HOME ECONOMICS	1.06	1.82	3.05	6.15	
LAW					3.56
SOCIAL SERVICE	2.39	2.76	3.37	12.28	
LIBRARY SCIENCE	1.12	1.14	2.97	5.44	
VOCATIONAL TRAIN	2.83	2.45			
PHYSICAL TRAINING	1.34	1.25			
HEALTH SERVICES	1.32	2.14	3.70	9.52	
PHARMACY	0.91	3.32	18.51	26.34	3.74
BUSINESS ADMIN	1.07	1.63	3.30	19.26	
OPTOMETRY			5.46	19.12	7.00
TEACHER ED-PRACT	1.08	1.82			
TECHNOLOGY	1.87	2.37	4.57		
NURSING	2.24	2.66	5.28	10.66	
VET MED					14.16

Table 3: Cost-Based Instruction & Operations Matrix, with Phase-In and Losses Limited to 3 Percent

	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional
LIBERAL ARTS	1.00	1.86	4.07	10.89	
SCIENCE	1.66	3.00	7.63	19.72	
FINE ARTS	1.63	2.74	5.91	12.31	
TEACHER ED	1.34	1.91	2.88	8.41	
AGRICULTURE	2.06	2.62	7.14	13.43	
ENGINEERING	2.43	3.28	7.21	18.35	
HOME ECONOMICS	1.32	1.97	3.70	8.47	
LAW					3.39
SOCIAL SERVICE	2.01	2.30	4.59	12.10	
LIBRARY SCIENCE	1.28	1.33	3.59	8.85	
VOCATIONAL TRAIN	2.14	2.52			
PHYSICAL TRAINING	1.35	1.30			
HEALTH SERVICES	2.10	2.80	6.10	12.75	
PHARMACY	2.45	3.98	13.75	22.72	6.37
BUSINESS ADMIN	1.24	1.81	3.95	16.59	
OPTOMETRY			5.46	19.12	7.00
TEACHER ED-PRACT	1.75	2.19			
TECHNOLOGY	1.93	2.46	5.59		
NURSING	3.58	4.96	5.89	13.49	
VET MED					15.44

Results of the Cost-Based Methodology

Not surprisingly, the cost study indicated that all of the relative weights in the current matrix needed to be adjusted to reflect the costs of each level and discipline. In the No Phase-In calculation (Table 2), the cost differential between undergraduate and graduate education is significantly less in many academic disciplines than reflected in the current "estimated" matrix. Total costs and total semester credit hours for the cost-based matrix are provided in Appendix A.

Following is a description of the changes between the current matrix and the cost-based, No Phase-In matrix. Because of the phase-in, the changes described below will be moderated, partially due to the limited change in the relative weights, but also because the rate will increase to satisfy the budget neutrality constraint.

- The Liberal Arts relative weights declined for upper-division and doctoral-level, but increased for master's level. The relative weight for lower-division remained at a value of 1.00 and is the weight that all others are measured against.
- The Science relative weights increased for all levels, although the increase at the upper-division level was very small (.01).
- The Fine Arts relative weights declined for all levels, especially at the doctoral level (17.47 to 7.16).
- The Teacher Education relative weights increased for the lower-division level, declined at the upper-division level, and declined more substantially for the master's and doctoral levels.
- The Agriculture relative weight for the lower-division level increased by a very small amount (.01), increased at the upper-division and master's level and declined at the doctoral level.
- The Engineering relative weights declined for all levels.
- The Home Economic relative weights declined for all levels.
- The Law relative weight increased for the special professional level.
- The Social Services relative weights increased for the lower- and upper-division levels declined for master's level, and increased for doctoral level.
- The Library Science relative weights declined at all levels, especially at the doctoral level (12.26 to 5.44).
- The Vocational Training relative weights almost doubled at the lower-division level (1.45 to 2.83) and declined at the upper-division level.
- The Physical Training relative weight declined at the lower- and upper-division levels.
- The Health Services relative weights declined for all levels.
- The Pharmacy relative weights declined at the lower- and upper-division levels, increased at the master's and doctoral level. The decline in Special Professional, where the majority of the semester credit hours are generated, was significant (9.00 to 3.74).
- The Business Administration relative weights declined for two of the four levels, but the slight increase at the upper-division undergraduate level is where most of the semester credit hours (SCHs) are generated.
- The Optometry relative weights remained unchanged pending further study.
- The Teacher Education Practice relative weights declined for lower- and upper-division levels.
- The Technology relative weights declined at all levels.
- The Nursing relative weights declined at all levels.
- The Veterinary Medicine relative weight declined for the Special Professional level.

Because the analysis is budget neutral, an overall decline in the relative weights means

that the rate in the formula must be increased. Using FY 2002 through FY 2004 data to calculate the relative weights, the rate increased from $51.25 to $54.33, a 6.0 percent increase. Therefore, any reduction in a relative weight of 6.0 percent or less will be offset by the increase in the rate, so that formula funding for that particular level and discipline will increase. The percentage changes are shown in Appendix B and the method for producing the relative weights is provided in Appendix C.

Applying a higher relative weight for each successively higher level of instruction is intuitively appealing because higher-cost faculty could be expected at higher levels of instruction, and the current matrix is based on this premise. The exceptions to this in the current matrix are the weights for special professional for pharmacy and optometry disciplines, both of which are less than the doctoral level weights for each discipline. The cost-based matrix shows a similar relationship. However, the actual weights in the cost-based matrix are significantly different in many cases from the current "estimated" matrix. In the no phase-in, cost-based matrix, there are two instances where the weights for lower-level instruction are higher than for upper-level instruction:

- Vocational Training, where lower-division undergraduate (2.83) exceeds upper-division undergraduate (2.45)
- Physical Training, where lower-division undergraduate (1.34) exceeds upper-division undergraduate (1.25)

For Vocational Training, the SCHs for lower- and upper-division for the three-year period are 5,531 and 4,503, respectively. However, the total cost for these two levels varies to a much greater degree: $2,669,189 for lower-division and $1,886,526 for upper-division, meaning the relative cost of lower-division is higher, which is reflected in the cost-based weights. For Physical Training, both cost ($61,629,288 versus $2,243,825) and SCH (269,055 versus 10,518) are primarily contained at the lower-division level. When the absolute[3] and relative weights are calculated, the lower-division weight is higher than upper-division.

Phase-In Methodology

The phase-in entailed adopting one-half of the rate of change between the current matrix weights and the no phase-in, cost-based weights. After this calculation was made, there was one school, Texas Woman's University, which lost more than 3 percent in I&O formula funding. To satisfy the 3 percent loss funding constraint, two relative weights were adjusted, both of which affected the nursing discipline:

- Master's-level Health Services
- Upper-division undergraduate Nursing

Because the adjustments were made to the relative weights, formula funding increased for all institutions with semester credit hours at those levels and disciplines. The current matrix distribution is shown in Appendix D and the phase-in distribution is shown in Appendix E. Assuming that no additional I&O formula funding is available, alternative relative weights will further redistribute I&O formula funding among the institutions. With the calculated redistribution, of the approximate $1.5 billion in total I&O formula funding, the annual cost of hold harmless (i.e. ensuring that no institution loses funding) is $8.2 million, or .55 percent of total I&O formula funding.

[3] 61,629,288 / 269,055 = 229, and 2,243,825 / 10,518 = 213

Analysis by Discipline

In addition to developing a methodology to calculate the relative weights from costs that are based on the institutions' Annual Financial Reports, this approach also provides a way to compare the institutions on a discipline and level basis. The Legislature continues to be interested in knowing how much it costs institutions to produce nurses or engineers, for example, and this methodology provides considerable insight. Because the sum of all of an institution's costs and semester credit hours has been allocated to the various levels and disciplines to calculate the relative weights, it is a fairly simple matter to recast these costs to show how the institutions compare to each other. This can be done on a total, per full-time student equivalent basis; on a discipline basis; on a level basis; or a combination of the three.

Total, Full-Time Student Equivalent Comparison

As expected, the research-oriented institutions tend to be relatively costly institutions on a total, full-time student equivalent (FTSE) basis. However, institutions with fairly small student populations also tend to be relatively costly on a total FTSE basis because of the minimum requirements needed to provide higher education services. A fairly substantial investment must be made prior to serving a single student, and cost per FTSE decline as the student body population increases.

Table 4 provides a comparison of Total FTSEs, Total Costs, and the Average Cost per FTSE. The University of Texas at Austin is the costliest public university in the state, largely due to the amount of research conducted there. It has the largest student body in the state (47,676 FTSEs), the highest total cost ($933,266,280), the highest average cost per FTSE ($19,575, which is 85 percent higher than the state average of $10,552). The second costliest university, however, is The University of Texas at Brownsville, which has 5 percent of the University of Texas at-Austin's FTSEs (2,274), 3 percent of its total cost ($30,334,286), but has an average cost per FTSE of $13,341.

Table 4: FY 2004 Average Total Cost Per Full-Time Student Equivalent (FTSE)

Institution	Total FTSE	Total Cost	Avg Cost per FTSE
The University of Texas at Austin	47,376	$ 933,266,280	$ 19,575
The University of Texas at Brownsville	2,274	$ 30,334,286	$ 13,341
Texas A&M University*	40,803	$ 527,357,388	$ 12,925
University of Houston	29,726	$ 363,143,637	$ 12,216
Texas A&M University at Galveston	1,029	$ 17,916,740	$ 11,721
The University of Texas at Dallas	11,165	$ 129,328,032	$ 11,583
University of Houston-Victoria	1,635	$ 18,475,721	$ 11,300
Texas A&M University-Texarkana	1,659	$ 11,545,230	$ 10,898
Texas A&M International University	3,246	$ 34,132,611	$ 10,514
Texas Tech University	26,871	$ 281,723,142	$ 10,484
Sul Ross State University**	2,464	$ 25,792,237	$ 10,384
Prairie View A&M University	7,343	$ 76,047,206	$ 10,356
Texas A&M University-Kingsville	6,003	$ 61,382,085	$ 10,226
Texas Southern University	9,993	$ 94,759,568	$ 9,482
University of Houston-Clear Lake	5,472	$ 50,585,296	$ 9,244
The University of Texas at Tyler	3,749	$ 34,356,317	$ 9,164
Texas Woman's University	8,326	$ 75,314,764	$ 9,048
The University of Texas at El Paso	14,632	$ 132,244,581	$ 9,038
Texas A&M University-Corpus Christi	6,925	$ 61,366,368	$ 8,864
University of North Texas	26,379	$ 230,684,562	$ 8,745
The University of Texas of the Permian Basin	2,390	$ 19,682,595	$ 8,235
The University of Texas at Arlington	20,844	$ 170,908,691	$ 8,199
Texas State University-San Marcos	23,058	$ 188,652,735	$ 8,182
Angelo State University	5,373	$ 42,167,025	$ 7,849
The University of Texas at San Antonio	20,166	$ 153,013,473	$ 7,588
Lamar University	8,662	$ 64,068,749	$ 7,397
West Texas A&M University	5,964	$ 42,890,029	$ 7,191
Texas A&M University-Commerce	7,071	$ 50,502,930	$ 7,142
Stephen F. Austin State University	10,543	$ 74,408,733	$ 7,057
Tarleton State University	7,711	$ 54,297,344	$ 7,042
The University of Texas- Pan American	13,903	$ 97,247,357	$ 6,995
Sam Houston State University	12,242	$ 81,387,117	$ 6,648
Midwestern State University	5,393	$ 34,681,604	$ 6,431
University of Houston-Downtown	8,091	$ 49,119,534	$ 6,071
Totals	**408,721**	**$ 4,312,803,188**	
Average Statewide Cost			**$ 10,552**

*Texas A&M University includes 504 headcount as FTSE and $28,364,585 for Texas A&M College of Veterinary Medicine

**Includes both Sul Ross and Sul Ross-Rio Grande College

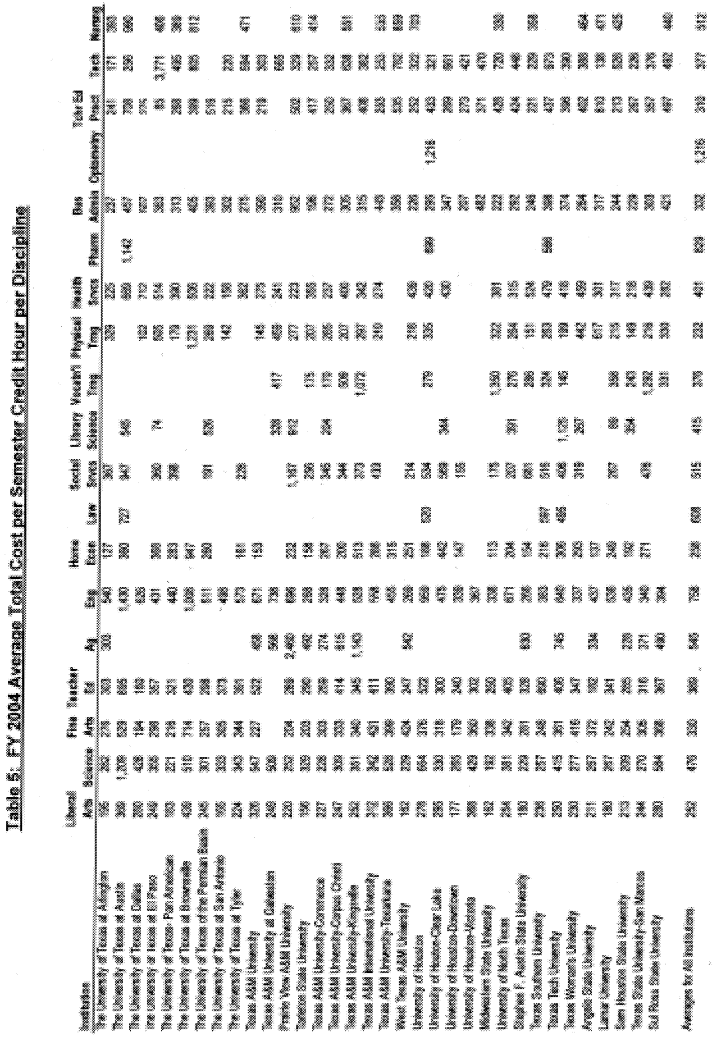
Discipline Analysis, on an Average Cost per Semester Credit Hour Basis, by Institution

Both the Coordinating Board and the Legislature continue to be interested in how universities compare in costs per academic discipline. Table 5 on the following page provides this comparison. The numbers in the table show the results of dividing total costs by total semester credit hours (SCHs), on a per discipline basis. SCHs for all levels are included. The result is an average cost per SCH per discipline.

This comparison allows policy makers tc see how the institutions spend their formula funds. While the Instruction and Operations formula provides funds on a level and discipline basis, the formula was never intended to be a budgeting mechanism. Institutions have long had the latitude to spend these formula funds in a manner that satisfies their individual missions. Funds received because of engineering or nursing enrollment may be shifted to teacher education if a university desires. Unfortunately, this exacerbates attempts to address workforce shortage issues through the I&O formula because there is no guarantee that the institutions will spend funding in the way the Legislature prefers.

It is important to keep in mind when looking at the results in this table that particularly high average cost per SCH does not necessarily imply that a university has a particularly expensive program. A university may have very few students in a particular discipline, which would spread costs among very few SCH, resulting in a high average cost per SCH. This is the case for Prairie View A&M University in agriculture, which has 76 FTSEs in this discipline and total costs of $5.3 million. Similarly, UT-Brownsville's engineering discipline has an average cost of $1,008 per SCH; on closer inspection, this is a result of $258,105 being spread over 9 FTSEs.

Table 5: FY 2004 Average Total Cost per Semester Credit Hour per Discipline



Conclusion

Preliminary results, based on 2002-2003 biennium data, were submitted to the Legislature in November 2004. This subsequent analysis that includes FY 2004 data was forwarded to the Legislature in March 2005 as part of the Coordinating Board's formula funding request.[4] Because formula funding will be redistributed, a number of institutions that will lose formula funding have opposed its implementation.[5] However, the cost-based methodology represents the only objective starting point for discussing the distribution of I&O formula funding. The current method and the multi-formula method that previously existed were based on negotiated amounts and best guesses. The Coordinating Board recommends basing the matrix on costs and tying those costs to Annual Financial Reports. Special item funding or another type of incentive funding – such as a separate payment for each nursing degree awarded – should be used to provide funding for state needs, such as workforce shortage areas. By taking this approach, the Legislature may then require that non-formula funding be spent on the discipline for which it was intended.

[4] Some additional cost information was provided by a few of the institutions after the March 2005 submission, which would have resulted in an adjustment to the total formula recommendation by an additional $640,000. The largest institutional total change would have been an increase of approximately $81,000, and there would have been a very minor redistribution of funds with only two institutions experiencing losses. These losses would have totaled less than $2,000. These data will be included in the next version of the cost study for the FY 2004 data.

[5] The University Formula Advisory Committee voted 10-8 to adopt the methodology. For the most part, institutions voted according to how they fared in the redistribution of funds. The one exception was an institution that was not in favor of the phase-in, but wanted the cost-based matrix implemented in its entirety.

Appendix A

FY 2002-FY 2003-FY 2004
Sum of All Costs at Public Universities*

	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional	Totals**
LIBERAL ARTS	1,656,518,880	972,313,175	465,970,812	323,951,680	-	3,418,754,548
SCIENCE	933,671,439	656,158,117	288,417,205	458,142,010	416	2,336,389,187
FINE ARTS	319,908,418	225,341,058	81,528,878	39,134,542	-	665,912,893
TEACHER ED	61,678,456	279,557,111	394,792,650	161,093,738	-	897,121,955
AGRICULTURE	63,947,434	102,812,104	59,149,055	32,796,353	-	258,704,946
ENGINEERING	293,585,348	566,858,096	559,211,509	439,336,583	-	1,858,991,539
HOME ECONOMICS	55,595,095	66,893,529	21,144,333	11,446,271	-	155,079,227
LAW	-	-	-	-	201,946,796	201,946,796
SOCIAL SERVICE	12,633,911	39,325,125	56,743,245	13,002,162	-	121,704,443
LIBRARY SCIENCE	1,386,388	3,092,557	32,799,937	4,000,821	-	41,279,703
VOCATIONAL TRAIN	2,999,189	1,686,526	-	-	-	4,685,715
PHYSICAL TRAINING	61,629,288	2,243,825	32	-	-	63,873,145
HEALTH SERVICES	52,420,893	101,593,861	100,968,084	15,034,659	-	270,017,497
PHARMACY	373,362	3,897,434	14,264,302	21,802,185	86,327,571	126,664,855
BUSINESS ADMIN	196,858,025	757,604,684	413,077,134	98,828,659	-	1,466,368,505
OPTOMETRY	-	-	6,306,813	11,843,296	32,179,359	50,329,468
TEACHER ED-PRACT	2,130,758	113,962,938	21	-	-	116,093,717
TECHNOLOGY	45,384,364	71,476,333	13,915,729	-	-	130,776,426
NURSING	18,562,336	124,480,409	52,009,305	11,368,047	-	206,420,097
TOTALS	3,780,953,584	4,088,496,898	2,560,269,042	1,641,811,006	320,454,142	12,391,984,662

FY 2002-FY 2003-FY 2004
Sum of All SCHs at Public Universities*

	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional	Totals
LIBERAL ARTS	9,701,513	3,223,529	649,604	194,795	-	13,769,537
SCIENCE	3,052,661	1,275,660	209,041	133,185	-	4,670,767
FINE ARTS	1,324,240	557,188	90,054	32,031	-	2,003,513
TEACHER ED	258,870	879,412	908,100	137,230	-	2,183,612
AGRICULTURE	181,764	223,077	45,384	18,313	-	468,538
ENGINEERING	929,650	1,070,305	527,049	168,190	-	2,695,394
HOME ECONOMICS	307,641	215,209	40,543	10,893	-	574,277
LAW	-	-	-	-	332,558	332,558
SOCIAL SERVICE	30,966	83,366	96,804	8,199	-	219,135
LIBRARY SCIENCE	7,261	15,936	64,627	4,343	-	92,167
VOCATIONAL TRAIN	5,531	4,503	-	-	-	10,034
PHYSICAL TRAINING	269,055	10,518	-	-	-	279,573
HEALTH SERVICES	232,491	277,907	159,895	9,249	-	679,542
PHARMACY	2,416	6,995	4,514	4,648	135,222	153,995
BUSINESS ADMIN	1,093,397	2,714,820	733,035	30,049	-	4,571,301
OPTOMETRY	-	-	696	1,061	44,315	46,072
TEACHER ED-PRACT	11,589	367,379	-	-	-	378,968
TECHNOLOGY	142,492	176,745	17,823	-	-	337,060
NURSING	48,528	274,442	57,658	6,248	-	386,876
TOTALS	17,600,565	11,376,868	3,606,627	756,634	512,095	33,852,789

*Excludes costs and SCH for Texas A&M University College of Veterinary Medicine-weights calculated separately
**Rows may not add due to rounding.

Appendix B

Percentage Change Between the Current Matrix and the Phase-In Matrix

	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional
LIBERAL ARTS		-4.9%	3.3%	-9.6%	
SCIENCE	8.5%	0.1%	6.3%	2.2%	
FINE ARTS	-11.8%	-11.9%	-9.3%	-29.5%	
TEACHER ED	4.5%	-2.5%	-10.6%	-15.5%	
AGRICULTURE	0.3%	3.1%	7.5%	-18.0%	
ENGINEERING	-19.3%	-9.2%	-12.1%	-14.3%	
HOME ECONOMICS	-16.5%	-7.1%	-14.8%	-21.5%	
LAW					5.2%
SOCIAL SERVICE	22.8%	25.1%	-20.9%	1.5%	
LIBRARY SCIENCE	-11.4%	-12.6%	-14.8%	-27.8%	
VOCATIONAL TRAIN	47.5%	-2.6%			
PHYSICAL TRAINING	-0.7%	-4.1%			
HEALTH SERVICES	-27.0%	-19.1%	-5.7%	-20.2%	
PHARMACY	-38.7%	-14.2%	52.8%	18.9%	-29.2%
BUSINESS ADMIN	-12.2%	1.4%	-14.0%	19.2%	
OPTOMETRY					
TEACHER ED-PRACT	-27.8%	-14.7%			
TECHNOLOGY	-3.1%	-3.7%	-15.4%		
NURSING	-27.2%	-8.7%	-9.3%	-17.4%	
VET MED					-7.7%

Appendix C

Calculated Weights and Calculated Relative Weights

To calculate the relative weight, divide the sum of total costs by the sum of semester credit hours, per level and discipline. This is shown below. The relative weight of Veterinary Medicine was calculated separately because all data collected on this discipline are based on headcounts and not semester credit hours.

Calculated Weights

	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional
LIBERAL ARTS	171	302	717	1663	
SCIENCE	306	514	1380	3440	
FINE ARTS	242	404	905	1222	
TEACHER ED	238	318	435	1174	
AGRICULTURE	352	461	1303	1791	
ENGINEERING	316	530	1061	2612	
HOME ECONOMICS	181	311	522	1051	
LAW					607
SOCIAL SERVICE	408	472	575	2097	
LIBRARY SCIENCE	191	194	507	928	
VOCATIONAL TRAIN	483	419			
PHYSICAL TRAINING	229	213			
HEALTH SERVICES	225	366	631	1626	
PHARMACY	155	568	3160	4497	638
BUSINESS ADMIN	182	279	564	3289	
OPTOMETRY*					726
TEACHER ED-PRACT	184	310			
TECHNOLOGY	319	404	781		
NURSING	383	454	902	1819	

To create relative weights, divide each weight by the value of lower-division undergraduate liberal arts, so that the weights are portrayed in a 'relative' fashion.

Calculated Relative Weights

	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional
LIBERAL ARTS	1.00	1.77	4.20	9.74	
SCIENCE	1.79	3.01	8.08	20.15	
FINE ARTS	1.41	2.37	5.30	7.16	
TEACHER ED	1.40	1.86	2.55	6.88	
AGRICULTURE	2.06	2.70	7.63	10.49	
ENGINEERING	1.85	3.10	6.21	15.30	
HOME ECONOMICS	1.06	1.82	3.06	6.16	
LAW					3.56
SOCIAL SERVICE	2.39	2.76	3.37	12.28	
LIBRARY SCIENCE	1.12	1.14	2.97	5.44	
VOCATIONAL TRAIN	2.83	2.45			
PHYSICAL TRAINING	1.34	1.25			
HEALTH SERVICES	1.32	2.14	3.70	9.52	
PHARMACY	0.91	3.32	18.51	26.34	3.74
BUSINESS ADMIN	1.07	1.63	3.30	19.26	
OPTOMETRY*					7.00
TEACHER ED-PRACT	1.08	1.82			
TECHNOLOGY	1.87	2.37	4.57		
NURSING	2.24	2.66	5.28	10.66	

*Optometry weights are not calculated. Current Optometry matrix weights are used.
Texas A&M University College of Veterinary Medicine weights are calculated separately.

Appendix D

FY 2002-FY 2C03-FY 2004[1]
No Phase-In Distribution of Formula Funding

Institution	Annual I&O Matrix Rate @ $51.25	Annual $58.50 Budget Neutral Rate	Annual Difference	Average Annual %age Chng	
The University of Texas at Arlington	87,174,231	84,013,919	-3,160,912	-3.6%	
The University of Texas at Austin	219,208,983	213,991,842	-5,216,142	-2.4%	
The University of Texas at Dallas	55,576,613	53,996,141	-1,580,473	-2.8%	
The University of Texas at El Paso	47,275,423	47,386,827	111,404	0.2%	
The University of Texas- Pan American	40,256,474	40,832,612	576,138	1.4%	
The University of Texas at Brownsville	7,655,895	7,829,428	173,533	2.3%	
The University of Texas of the Permian Basin	6,913,851	7,458,167	544,316	7.9%	
The University of Texas at San Antonio	60,120,634	63,331,213	3,210,579	5.3%	
The University of Texas at Tyler	13,217,418	12,482,890	-734,528	-5.6%	
Texas A&M University	174,529,939	176,958,644	2,428,705	1.4%	-8,378,084 University of Texas System Impact
Texas A&M University at Galveston	4,058,418	4,536,794	467,376	11.5%	4,657,371 Texas A&M University System Impact
Prairie View A&M University	23,456,717	23,368,061	-87,655	-0.3%	
Tarleton State University	23,006,481	24,118,330	1,112,879	4.8%	
Texas A&M University-Commerce	25,802,380	25,320,599	-481,800	-1.9%	
Texas A&M University-Corpus Christi	21,867,722	22,533,464	665,742	3.0%	
Texas A&M University-Kingsville	20,847,640	21,077,214	229,574	1.1%	
Texas A&M International University	8,717,704	8,820,416	102,712	1.1%	
Texas A&M University-Texarkana	3,920,231	3,942,759	22,528	0.6%	
West Texas A&M University	18,592,311	18,769,323	177,312	1.0%	
University of Houston	116,689,480	116,134,387	-555,093	-0.5%	1,208,627 University of Houston System Impact
University of Houston-Clear Lake	24,426,880	24,751,384	324,504	1.3%	
University of Houston-Downtown	19,372,354	20,919,620	1,547,266	8.0%	
University of Houston-Victoria	6,643,229	6,535,179	-107,550	-1.6%	
Midwestern State University	15,220,782	15,378,901	158,119	1.0%	
University of North Texas	89,138,249	90,074,469	936,221	1.1%	936,221 North Texas System Impact
Stephen F. Austin State University	30,388,198	31,192,725	804,527	2.6%	
Texas Southern University	30,961,512	30,068,053	-892,459	-2.9%	
Texas Tech University	96,604,011	99,400,915	2,796,904	2.9%	2,796,904 Texas Tech System Impact
Texas Woman's University	41,878,791	34,507,274	-7,371,517	-17.6%	
Angelo State University	14,532,238	15,150,020	617,781	4.3%	3,608,390 Texas State System Impact
Lamar University	27,118,077	26,587,982	-530,095	-2.0%	
Sam Houston State University	34,781,148	36,461,023	1,679,875	4.8%	
Texas State University-San Marcos	67,847,039	69,490,856	1,643,817	2.4%	
Sul Ross State University	7,416,011	7,833,913	417,902	5.6%	
Totals	1,486,256,842	1,486,256,842	0		-18,764,692 Sum of All Reductions
					-38,569,385 Biennial Cost of Hold Harmless

Notes:
[1] Semester Credit Hours and All Funds are averaged for FY 2002, FY 2003, and FY 2004 to calculate the relative weights. The formula funding estimates above are calculated by multiplying the relative weights by the FY 2004 Semester Credit Hours, which are the latest data currently available.

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Appendix E

FY 2002-FY 2003-FY 2004[1]
Phase-In Distribution of Formula Funding
One-Half the Difference with Losses Limited to 3 Percent

Institution	Annual I&O Matrix Rate @ $51.25	Annual $54.33 Budget Neutral Rate	Annual Difference	Average Annual %age Chng	
The University of Texas at Arlington	87,174,231	86,131,781	-1,042,450	-1.2%	
The University of Texas at Austin	219,209,983	216,036,576	-3,173,406	-1.4%	
The University of Texas at Dallas	55,576,613	54,842,363	-734,250	-1.3%	
The University of Texas at El Paso	47,275,423	47,711,999	436,576	0.9%	
The University of Texas-Pan American	40,255,474	40,733,223	477,749	1.2%	
The University of Texas at Brownsville	7,655,695	7,726,732	70,637	0.9%	
The University of Texas of the Permian Basin	6,913,851	7,127,900	214,049	3.1%	
The University of Texas at San Antonio	60,120,634	61,305,570	1,184,936	2.0%	
The University of Texas at Tyler	13,217,418	13,221,991	4,573	0.0%	
Texas A&M University	174,529,939	174,702,213	172,274	0.1%	-2,501,395 UT System Impact
Texas A&M University at Galveston	4,068,418	4,262,668	194,250	4.8%	1,369,222 TAMU System Impact
Prairie View A&M University	23,456,717	23,648,167	191,450	0.8%	
Tarleton State University	23,006,451	23,459,695	453,244	2.0%	
Texas A&M University-Commerce	25,802,300	25,434,250	-368,050	-1.4%	
Texas A&M University-Corpus Christi	21,867,722	22,310,366	442,645	2.0%	
Texas A&M University-Kingsville	28,847,640	28,871,250	23,610	0.1%	
Texas A&M International University	9,717,704	9,831,933	114,229	1.2%	
Texas A&M University-Texarkana	3,920,231	3,925,039	4,808	0.1%	
West Texas A&M University	18,592,311	18,724,074	131,763	0.7%	
University of Houston	115,889,460	115,116,549	-772,911	-0.7%	-152,632 U of Houston System Impact
University of Houston-Clear Lake	24,426,898	24,524,369	97,471	0.4%	
University of Houston-Downtown	19,372,354	19,982,287	609,933	3.1%	
University of Houston-Victoria	6,643,229	6,596,105	-47,124	-1.3%	
Midwestern State University	15,220,782	15,494,609	273,828	1.8%	
University of North Texas	88,138,249	88,239,692	101,443	0.1%	101,443 North Texas System Impact
Stephen F. Austin State University	30,358,195	30,854,534	496,339	1.5%	
Texas Southern University	38,861,512	38,284,297	-577,215	-1.5%	
Texas Tech University	96,634,011	97,410,219	776,208	0.8%	776,208 Texas Tech System Impact
Texas Woman's University	41,878,791	40,641,806	-1,236,985	-3.0%	
Angelo State University	14,532,238	14,840,888	308,650	2.1%	1,580,192 Texas State System Impact
Lamar University	27,118,077	26,909,210	-208,867	-0.8%	
Sam Houston State University	34,781,148	35,370,975	589,827	1.7%	
Texas State University-San Marcos	67,847,539	68,585,582	738,043	1.0%	
Sul Ross State University	7,416,011	7,568,550	152,539	2.1%	
Totals	1,486,258,942	1,486,258,942	0		-8,201,271 Sum of All Reductions
					-16,402,542 Biennial Cost of Hold Harmless
					0.55% Percentage of Annual I&O Funding

Notes:

[1] Semester Credit Hours and All Funds are averaged for FY 2002, FY 2003, and FY 2004 to calculate the relative weights. The formula funding estimates above are calculated by multiplying the relative weights by the FY 2004 Semester Credit Hours, which are the latest data currently available.

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This document is available on the Texas Higher Education Coordinating Board web site: http://www.thecb.state.tx.us

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TEXAS HIGHER EDUCATION COORDINATING BOARD

Joint Hearing of the Senate Finance Committee and the Senate Subcommittee on Higher Education

Thursday, September 14, 2006

The following information is taken from the Coordinating Board's general academics institutions formula funding recommendations for the 2008-09 biennium and provides information on the Board's proposals regarding the cost matrix for the next biennium.

Texas Public General Academic Institutions
Funding Formula Recommendations
for the
2008-09 Biennium

April 2006

Texas Higher Education Coordinating Board
P. O. Box 12788
Austin, TX 78711

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Table of Contents

Executive Summary
General Academic Institutions

Most of the All-Funds appropriations for general academic institutions in the 2006-07 biennium are distributed through funding formulas designed to allocate funds equitably. The Texas Education Code and the General Appropriations Act give the Texas Higher Education Coordinating Board authority to review and recommend changes to these formulas (Appendix A). This document contains the results of that review.

The Commissioner of Higher Education appointed a University Formula Advisory Committee (UFAC) and two associated study committees to assist in this process. Dr. Jesse Rogers, President of Midwestern University, chaired the UFAC; Dr. William (Bill) Perry, Vice Provost at Texas A&M University, chaired the Instruction and Operations Study Committee; and Mr. Jim Brunjes, Senior Vice Chancellor of the Texas Tech University System, chaired the Infrastructure Study Committee. Members of the UFAC and two study committees are shown in Appendix B. They met in September through December 2005, and the meeting minutes are available online at http://www.thecb.state.tx.us.

This report presents the recommendations of the Coordinating Board. These recommendations were approved by the Coordinating Board at its April 2006 meeting and were forwarded to the Governor, the Legislature, and the Legislative Budget Board on June 1, 2006.

The Coordinating Board and the UFAC recommend continuation of the implementation plan for the cost-based Instruction and Operations Matrix. Accordingly, the second phase of the three-phase plan is to be adopted for the 2008-09 biennium. The three-phase plan, adopted in 2004, calls for movement from the original multiplier matrix used in the 2004-05 biennium to full implementation of the matrix based on the results of the cost study process over three biennia.

First Phase – 2006-07 Biennium. Use a matrix that represents the original 2004-05 matrix plus 50 percent of the difference between the original matrix multipliers and the fully implemented cost-based matrix.

Second Phase – 2008-09 Biennium (Reflected in this recommendation). Use a matrix that represents the original matrix plus 75 percent of the difference between the original matrix multipliers and the fully implemented cost-based matrix.

Third Phase – 2010-2011 Biennium. Full implementation of cost-based matrix.

Note: The fully implemented cost-based matrix is defined as the calculated multipliers based on a three-year rolling average of data from the three most recent fiscal years available.

This methodology and the resulting matrix will redistribute Instruction and Operations (I&O) formula funding because the relative weights that comprise the I&O funding matrix will change. These changes will result from the movement to 75 percent of full implementation and the changing base data as the most recent years included in the three-year rolling average are updated.

To achieve the goals of *Closing the Gaps by 2015*, the Texas higher education plan, a significant financial investment will need to be made by the State of Texas. The recommendations are summarized below under the *Closing the Gaps* objectives. They are further explained in subsequent sections of the report.

Participation and Success

- Adjust to current costs and provide inflation adjustment to the various rates contained in the formulas. Estimated biennial cost is $569.8 million.
- Fully fund known enrollment growth that occurred between the 2004-05 and 2006-07 base periods. Estimated biennial cost is $65.3 million.
- Provide a results-based payment for projected growth through the 2008-09 biennium. Estimated biennial cost is $34.2 million.
- Provide for reimbursement of costs incurred by Texas public universities which provided educational instruction to students displaced by Hurricane Katrina. Estimated cost is $4.6 million.

The funding formulas allocated **$3,919,513,149** of the appropriation for general academic institutions for the 2006-07 biennium. If the formula recommendations contained in this report are adopted and fully funded by the Legislature for the 2008-09 biennium, the estimated formula appropriation would be **$4,489,322,121**, an increase of **$569,808,972**, or 14.5 percent. Known enrollment increases between the 2004-05 and 2006-07 base periods of 4.3 percent, over the biennium, would add **$65,294,942**. Projected future enrollment increases would add **$34,194,136**. Finally, reimbursement for Hurricane Katrina related costs would add **$4,580,260**. The result is a total recommended increase of **$673,878,310** in formula and non-formula items, which is an 17.2 percent increase overall.

1. Background

Over 74 percent of the funds appropriated directly to Texas public universities each biennium is allocated by means of funding formulas. These formulas are intended to provide for an equitable allocation of funds among institutions and to establish the level of funding required to adequately support higher education.

The funding formulas are included in the "Special Provisions Related to Institutions of Higher Education" section of the General Appropriations Act. Another provision of the Act directs the Coordinating Board to review the funding formulas, using an advisory committee constituted for that purpose, and to make recommendations to the 80th Legislature.

In response to that mandate, the Commissioner of Higher Education appointed an advisory committee and two study committees to assist in conducting this review. The UFAC is made up of university administrators, faculty members, and citizens. Reporting to UFAC are two study committees, each assigned to a major portion of the formula. Rosters for the three committees are provided in Appendix A.

The Instruction and Operations Study Committee reviewed that formula and related supplements. The Infrastructure Study Committee reviewed that formula. Most members of the UFAC also served on a study committee. Study committee membership was then augmented by other specialists – primarily academic officers in the case of the Instruction and Operations Study Committee; primarily business officers and physical plant administrators in the case of the Infrastructure Study Committee.

2. General Academic Institutions Formula Funding Used for the 2006-07 Biennium

The funding formulas adopted by the Legislature for the 2006-07 biennium and found in the General Appropriations Act, Article III, page III-250-251, are reproduced on the following pages.

Section 30. General Academic Funding. Funding for general academic institutions will consist of four formulas and supplemental items.

1. **Instruction and Operations Formula**. The Instruction and Operations Formula shall provide funding for faculty salaries including nursing, departmental operating expense, library, instructional administration, research enhancement, student services, and institutional support. These funds are distributed on a weighted semester credit hour basis. The rate per weighted semester credit hour for the 2006-07 biennium is $55.72.

   Weighting is determined by the following matrix:

	Lower Division	Upper Division	Masters	Doctoral	Special Professional
Liberal Arts	1.00	1.86	4.07	10.89	
Science	1.66	3.00	7.63	19.72	
Fine Arts	1.63	2.74	5.91	12.31	
Teacher Education	1.34	1.91	2.89	8.41	
Agriculture	2.06	2.62	7.14	13.43	
Engineering	2.43	3.28	7.21	18.35	
Home Economics	1.32	1.97	3.70	8.47	
Law					3.39
Social Services	2.01	2.30	4.59	12.10	
Library Science	1.28	1.33	3.59	8.85	
Vocational Training	2.14	2.52			
Physical Training	1.35	1.30			
Health Services	2.10	2.80	6.10	12.75	
Pharmacy	2.46	3.39	13.75	22.72	6.37
Business Admin.	1.24	1.61	3.95	16.59	
Optometry			5.46	19.12	7.00
Teacher Ed. Practice	1.75	2.19			
Technology	1.93	2.46	5.59		
Nursing	3.58	4.96	5.89	13.49	
Developmental Ed	1.00				
Veterinary Medicine					15.44

2. **Teaching Experience Supplement**. For the 2006-07 biennium, an additional weight of 10 percent is added to lower-division and upper-division semester credit hours taught by tenured and tenure-track faculty. Furthermore, it is the intent of the Legislature that the weight shall increase by 10 percent per biennium, up to 50 percent.

3. **Infrastructure Support Formula.** Funding associated with plant-related formulas and utilities shall be distributed by the Infrastructure Support formula, which is driven by the predicted square feet for universities' educational and general activities produced by the Space Projection Model developed by the Coordinating Board. The portion of the formula related to utilities is adjusted to reflect differences in unit costs for purchased utilities, including electricity, natural gas, water and wastewater and thermal energy. The average rate per square foot is $6.37.

4. **Supplemental Non-formula Items.** Institutions should receive a direct reimbursement as applicable for staff group insurance (other educational and general income portion), workers' compensation insurance, unemployment compensation insurance, public education grants, indirect research costs recovered on grants, organized activities, scholarships, tuition revenue bond payments, Skiles Act bond payments, and facility lease charges. Institutions may receive an appropriation for special items. Revenue derived from board-authorized tuition would still be appropriated to the institutions levying the additional charges.

   These formulas and supplemental items shall be reviewed and updated by study committees appointed by the Higher Education Coordinating Board and the recommended changes forwarded to the Legislature, Legislature Budget Board, and Governor's Office of Budget and Planning by June 1, 2006.

3. Recommended Changes to the Current Funding Formulas

The Coordinating Board recommends two significant changes to the current funding formulas

1. *A change in matrix relative weight values based on updated cost information.* As part of the phase-in of the cost-based weighting methodology over three biennia, the Board recommends using a matrix that represents the original matrix plus 75 percent of the difference between the original matrix multipliers and the fully implemented cost-based matrix. The matrix is based on a three-year moving average of the most recent costs from institution annual financial reports. Although this will not affect the total amount of Instruction and Operation (I&O) formula funding, there will almost certainly be some redistribution of funds among institutions. The specific amounts will not be known until the latest data is available in January 2007, but as in the current biennium, no institution will suffer greater than a 3 percent loss in I&O formula funding. This methodology was adopted originally for the 2006-07 biennium and is re-affirmed for the 2008-09 biennium. Budget neutral.

2. *The re-centering of the Infrastructure formula to fund 100% of infrastructure costs, excluding those for Auxiliary Enterprises.* The costs used are for FY2005 (the most recent available), and were obtained in a survey done by the formula committee.

   The original formula was introduced for the 1998-99 biennium. Since that time, occasional state budgetary shortfalls and greater than projected inflation have combined to produce a substantial shortfall in formula funding amounts.

   The original formulas were accompanied by a recommendation that an intensive review of their adequacy to cover costs be conducted at five year intervals. The original five-year

review fell due during a statewide budget shortfall in 2003 and was not performed. The additional cost to re-center the Infrastructure formula of $244.2 million reflects both the 10 year period involved and the recent precipitous rise in energy prices.

Additional recommended changes to the current funding formulas fall into several categories, as indicated below. Many of these recommendations are made with reference to *Closing the Gaps*.

Several adjustments are necessary to update the formulas for inflation, and these are presented first. The change in general prices is estimated using projections of the Higher Education Cost Adjustment (HECA) Index published by the Finance Division of the State Higher Education Executive Officers, a non-profit nationwide association of the chief executive officers serving statewide coordinating and governing boards of postsecondary education. Following that are the recommended changes to the formulas and supplements.

Inflation Adjustments

- Increase the per-SCH rate in the Instruction and Operations Formula from $55.72 to $61.55 to reflect changes in the HECA index (7.55 percent, estimated biennial cost is $243 million). (UFAC recommended restoring appropriations per full-time student equivalent (FTSE) to FY 1998 levels as of FY 2005 and then projecting inflation using CPI-U through the 2008-09 biennium. Total UFAC recommended increase is $652.4 million over the current biennium, or 20.3 percent.)

- Increase the statewide average rate per predicted square foot in the Infrastructure Formula from $6.37 to $9.26 to reflect re-centering to actual FY 2005 cost (latest available) and changes in the HECA index. The estimated biennial cost for universities alone is $295.7 million, of which $244.2 million represents re-centering the cost with the remainder of $41.5 million attributed to inflation adjustments. (UFAC recommends a rate of $9.79 per predicted square foot. This is the median of costs per actual square foot reported in the FY 2005 survey. (Estimated additional cost of this recommendation is $352.2 million.)

- Continue the Small Institution Supplement at the current rate of $750,000 annually pending completion of a study in the next biennium. (UFAC recommends adjustment of the Small Institution Supplement from $750,000 to $998,632 to reflect changes in inflation since the supplement was originally established in 1998. Institutions exceeding the 5,000 headcount limit for award of the supplement for the first time should have their awards reduced by 33 percent each following biennium. (Estimated additional biennial cost is $4.6 million.)

- Certain other institutions of higher education such as the Lamar State Colleges, Texas State Technical College, Texas A&M Service Agencies, and the Texas A&M College of Veterinary Medicine share the same infrastructure formula with universities. (Estimated additional costs are $41.1 million.)

Changes to the Formula

- Determine the Instruction and Operations (I&O) matrix based upon a cost analysis of FY 2004, FY 2005, and FY 2006 (budget neutral).

- Phase in the cost-based I&O matrix, which represents 75 percent of the difference between the original matrix and the pure cost-based matrix, so that no institution will lose more than 3 percent of funding as derived from the I&O matrix (budget neutral).

- Reallocate the portion of the infrastructure formula weighted for utility costs so that it reflects the actual ratio of purchased utilities to total infrastructure costs (56.26 percent), on a statewide basis (budget neutral).

Changes / Additions to Formula Supplements

- Fully fund the known growth that occurred between the 2004-05 and 2006-07 base periods, and provide an additional supplement for projected growth estimated at 1 percent for the biennium (estimated biennial cost is $65.3 million and $34.2 million, respectively).

Other Funding Related Issues

- **Reimbursement of Instructional Costs for Students Displaced by Hurricane Katrina:** Substantial un-reimbursed costs have been incurred as a result of providing education to students displaced by Hurricane Katrina. Additional funds in the appropriate amount are recommended to be trusteed to the Coordinating Board for distribution to qualifying institutions. (Estimated additional biennium cost of $4.6 million.)

- **Trusteed Fund to Compensate Additional Pharmacy Preceptors Needed for Pending Increase in In-Service Training Required by New Accreditation Requirements:** Further study is needed to determine a method to objectively quantify such costs. No appropriations are recommended pending completion of a study. (The UFAC recommended that a trusteed func be established under the Coordinating Board to be distributed based on the number of preceptors required. The initial biennial amount should be based on a rate equivalent to that currently provided for graduate medical education, or approximately $6.8 million for the biennium.)

- **Incentive Funding to Increase Facilities Utilization:** It is recommended that any appropriations for this purpose should be deferred, pending the recommendations of a committee to evaluate the current space utilization standards. (The UFAC recommended the establishment of an incentive pool to reward institutions exceeding the Coordinating Board space utilization standards or showing substantial improvement from one year to the next. Estimated biennial cost is $9.8 million at 1 percent of total committee recommended infrastructure funding.)

Additional Studies

- The current UFAC, or an appropriately constituted ad hoc committee, should construct a new graduated award methodology for the Small Institution Supplement, based on a combination of fixed and variable costs, which provides the minimum adequate funding necessary to operate a university.

- At the same time, a pilot study should be conducted with community colleges to evaluate whether a supplement of this nature can be successfully coupled with institutions' Uniform Recruitment and Retention plans. A change to the university supplement may be considered for the 2010-11 biennium after the findings of the ad hoc committee and the results of the community college pilot study are evaluated.

- A study should be conducted by an ad hoc committee to research the viability of a methodology to determine objective, quantifiable costs of "in-kind" contributions, such as donated time by volunteer preceptors for pharmacy students and other similar contributions.

- The current UFAC, or an appropriately constituted ad hoc committee, should continue to review the cost-based I&O matrix as new data becomes available.

4. Cost Summary

Below are cost estimates of implementing these recommendations for the 2008-09 biennium. The estimated costs of the recommended changes to the formulas, the recommended changes to the supplemental payments, and the recommendations for non-formula items are calculated from 2006-07 biennium amounts.

Funding Recommendation Increases for General Academic Institutions for the 2008-09 Biennium

Objective / Goal	Formula Items	Estimated Biennial Cost
New Methodology	Develop relative weights for the I&O matrix based on costs with a phase-in	Budget Neutral
Incremental Adjustment	Adjust I&O formula rate for inflation	$243.0 million
Incremental Adjustment	Adjust Infrastructure formula to current cost plus inflation	$326.8 million
	Estimated Increase in Spending – Formula Items	**$569.8 million**
	Non-Formula Items	
Participation and Success	Fully fund known growth	$65.3 million
Participation and Success	Fund projected growth (@ 1% for 2008-09 biennium)	$34.2 million
Success	Reimbursement of Instructional Costs for Hurricane Katrina Displaced Students	$ 4.6 million
	Estimated Increase in Spending – Non-Formula Items	**$104.1 million**
	Total Estimated Increase, Formula & Non-Formula Items plus Growth in Base Year Funding	**$673.9 million**

Appendix A

Authority for Funding Formula Development

Texas Education Code, Section 61.002(b)

> In the exercise of its leadership role, the Texas Higher Education Coordinating Board shall be an advocate for the provision of adequate resources ... to institutions of higher education ... to the end that the State of Texas may achieve excellence for college education of its youth ...

Texas Education Code, Section 61.059(b)

> The board shall devise, establish, and periodically review and revise formulas for the use of the governor and the Legislative Budget Board in making appropriations recommendations to the Legislature for all institutions of higher education, including the funding of postsecondary vocational-technical programs. As a specific element of the periodic review, the board shall study and recommend changes in the funding formulas based on the role and mission statements of institutions of higher education. In carrying out its duties under this section, the board shall employ an ongoing process of committee review and expert testimony and analysis.

General Appropriations Act, 79th Legislature, page III-251

> These formulas and supplemental items shall be reviewed and updated by study committees appointed by the Texas Higher Education Coordinating Board and recommended changes forwarded to the Legislature, Legislative Budget Board, and Governor's Office by June 1, 2006.

APPENDIX B
FORMULA ADVISORY AND FORMULA STUDY COMMITTEES FOR THE 2008-09 BIENNIUM

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APPENDIX C

Commissioner's Charge to the
University Formula Advisory Committee (UFAC)
for the 2008-09 Biennial Appropriations
Texas Higher Education Coordinating Board

The UFAC has two general formulas and two supplemental formulas to address. The regular formulas are: Instruction and Operations (I&O) Formula and Infrastructure Formula. The two supplemental formulas are: Small Institutions Supplement for institutions with less than 5,000 headcount enrollment and Teaching Experience Supplement for providing an incentive to increase tenured and tenure-track faculty teaching undergraduate classes.

While formulas for the universities have been in place since the mid-1960s, the current group of formulas has only been in place since the 1998-1999 biennium. Beginning with the 2006-07 biennium, the I&O Formula matrix of relative weights is calculated from a university cost-study covering three years of cost data. The formula is based on semester credit hours earned applied to a cost matrix of discipline area and level of instruction. The Legislature approved a rate per weighted semester credit hour of $55.72 for the 2006-07 biennium. Weighting is determined by the following matrix:

	Lower-Division	Upper-Division	Master's	Doctoral	Special Professional
LIBERAL ARTS	1.00	1.86	4.07	10.89	
SCIENCE	1.66	3.00	7.63	19.72	
FINE ARTS	1.63	2.74	5.91	12.31	
TEACHER ED	1.34	1.91	2.89	8.41	
AGRICULTURE	2.06	2.62	7.14	13.43	
ENGINEERING	2.43	3.28	7.21	16.35	
HOME ECONOMICS	1.32	1.97	3.70	8.47	
LAW					3.39
SOCIAL SERVICE	2.01	2.30	4.59	12.10	
LIBRARY SCIENCE	1.28	1.33	3.59	8.85	
VOCATIONAL TRAIN	2.14	2.52			
PHYSICAL TRAINING	1.35	1.30			
HEALTH SERVICES	2.10	2.80	6.10	12.75	
PHARMACY	2.45	3.98	13.75	22.72	6.37
BUSINESS ADMIN	1.24	1.61	3.95	16.59	
OPTOMETRY			5.46	19.12	7.00
TEACHER ED-PRACT	1.75	2.19			
TECHNOLOGY	1.93	2.46	5.59		
NURSING	3.58	4.96	5.89	13.49	
DEVELOPMENTAL ED	1.00				
VET MED					15.44

These weights are currently cost-based and were the subject of intense discussion in both the regular legislative session and the UFAC. The cost data will be updated in November 2006 and March 2007 for transmittal to the Legislature, pending the Coordinating Board's formula

recommendations in April 2006. The I&O Formula, including the Teaching Experience Supplement described below, represents about 84 percent of formula funds to the universities (and the College of Veterinary Medicine at Texas A&M University).

The Infrastructure Formula provides physical plant and utilities support and is based on both the Coordinating Board's Space Projection Model for each institution and its cost of utilities, adjusted for differences in unit costs for purchases utilities, natural gas, water and wastewater, and thermal energy. The average rate per square foot is $6.37. The Infrastructure Formula, including the Small Institution Supplement described below, represents about 16 percent of the formula funds to the universities (and the College of Veterinary Medicine at Texas A&M University).

The Teaching Experience Supplement is intended to provide an incentive to encourage more tenured and tenure-track faculty to teach undergraduates. Although the rider's stated intent anticipates an increase in the weight of 10 percent for each following biennium, up to a maximum of 50 percent of matrix weights, the Supplement is currently calculated at 10 percent of the discipline area weight multiplied by the number of undergraduate semester credit hours taught by tenured and tenure-track faculty. Originally established at 5 percent for FY 1998, the Supplement was increased to its current level of 10 percent beginning in FY 2002.

The Small Institution Supplement (SIS) recognizes the fixed infrastructure costs of institutions with smaller student bodies and provides additional resources to address physical plant requirements for all the institutions, as well as minimum instruction and operation needs for universities. Eight of 35 universities will receive an additional $750,000 per year and all seven technical and state colleges will receive an additional $375,000 per year. The SIS for the technical and state colleges was increased from 10 percent to 50 percent of the university amount beginning in FY 2006.

Current UFAC members offered suggestions for the next UFAC to address. Because the UFAC has a very heavy workload this fall, it is not recommended that the UFAC be charged to address the one item below.

- Begin development of a formula element to address additional funding for excellence. (Note: Accountability System activities will include discussing and developing methods for defining and measuring excellence.)

However, other items suggested by the UFAC members are included in priority order in the draft charge to the next UFAC.

Similar to the other formula advisory committees, the UFAC is asked to:

1. Conduct an open, public process, providing opportunities for all interested persons, institutions, or organizations that desire to provide input to do so.

2. Propose a set formulas with appropriate levels of funding and financial incentives necessary to best achieve the four major goals included in the *Closing the Gaps*.

3. Provide the Commissioner with a preliminary written report of the Committee's activities and recommendations by December 15, 2005 and a final written report February 1, 2006.

The UFAC is also specifically charged, in priority order, to:

1. Continue to refine the cost-based matrix for the Instruction and Operations Formula (I&O), with special emphasis on Student Services and Departmental Operating Expense cost centers. (Some members of the current UFAC suggested we address these cost centers in particular.) Make recommendations as appropriate.*(Instruction and Operations Study Committee)*

2. While maintaining the integrity of the cost-based matrix, consider whether a "premium" applied to the matrix should be made to address the state's identified critical fields. These fields currently include computer science, engineering, mathematics, physical science, nursing, and allied health. This mechanism is similar to the "high tech bonus" mechanism used in the current Community and Technical College I&O Formula. Make recommendations as appropriate.*(Instruction and Operations Study Committee)*

3. Examine the balance of the utilities and the maintenance and operations (M&O) components of the Infrastructure Formula. (Staff and some members of the current UFAC believe the current proportions of 67 percent and 33 percent, respectively, should be more balanced. This would be the first time a base for M&O was established.) Make recommendations as appropriate.*(Infrastructure Study Committee)*

4. Examine whether the current Infrastructure Formula elements for the universities should be continued or whether the HRI Infrastructure Formula elements should be adopted. (Staff are concerned that there is a lack of consistency between the two infrastructure formulas, and we haven't been able to identify a compelling reason for the difference.) Make recommendations as appropriate.*(Infrastructure Study Committee)*

5. Examine whether the current Teaching Supplement is achieving its intended goal of having more tenured and tenure-track faculty teaching undergraduate students, and if so, whether the amount of funding or 10 percent increase in SCH funding for the Supplement is sufficient to produce the desired effect. Make recommendations as appropriate. *(Instruction and Operations Study Committee)*

6. Examine whether the current Small Institution Supplement is achieving its intended goal of providing sufficient funds to universities with small enrollments, and if so, whether the amount of funding for the Supplement ($750,000 per year) is an adequate augmentation to support the physical plants of universities with small enrollments. Examine whether the current threshold of a 5,000 student headcount is an appropriate threshold. Make recommendations as appropriate.*(University Formula Advisory Committee)*

7. Explore the advantages and disadvantages of establishing a mission-specific differential and a region-specific differential for distributing formula funds to universities. Explore options for funding mechanisms to distribute formula funds that would implement these two types of differentials. Make recommendations as appropriate.*(University Formula Advisory Committee)*

8. Explore ways to increase the efficient use of facilities in the context of responding to *Closing the Gaps by 2015*. Explore ways to assure institutions are using their space as efficiently as possibly, especially for regional institutions that do not have traditional students. Recommend incentives to maximize the use of facilities. *(Infrastructure Study Committee)*

Appendix F-3 The University of Texas System

The University of Texas System Administration

Senate Finance Committee and
Senate Subcommittee on Higher Education
Joint Hearing
September 14, 2006

Formula Funding and the Cost-based Matrix

The concept of allocating state funding through formulas has historically been a good approach to allocating state resources to the universities. The issues being discussed in this hearing today concern refinements to this system that has generally worked well for over forty years.

- Shift to cost-based matrix is generally positive
  - Designed to be based on objective criteria
  - Systematic
  - Provides hold harmless to allow phase-in of new methodology
- However, cost-based matrix does not address:
  - Mechanism to offer incentives for institutions to expand high priority programs in areas such as education, engineering, and nursing; or
  - Accuracy and consistency of data.
- Overall adequacy of funding for higher education
  - State should be investing more overall in higher education; the individual weights for education, engineering, nursing, etc., will be driven by the cost study.
  - Additional funding should be provided for enrollment growth, inflation, utilities, and infrastructure, as emphasized in Legislative Appropriations Requests;
  - Additional funding should be provided for all of the formulas:
    - Instruction & Operations, Teaching Experience, Small Institution Supplement, and Infrastructure.
- Ways to focus on high priority areas:
  - Provide incentive funding for the institutions to produce graduates in critical fields
  - Could be set-aside funding, similar to the Teaching Experience Supplement
  - Initially based on enrollment in critical fields, then shift toward graduates
  - Enrollment-based funding will allow for the two-year lag in current funding formula

OGR\Formula\Sep 14 Joint Hearing.doc\091106

THE UNIVERSITY
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AT ARLINGTON
Office of the President

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September 7, 2006

The Honorable Steve Ogden
The Honorable Judith Zaffirini
The Honorable Royce West
Senate Finance Committee Members
Senate Sub-Committee on Higher Education Members

The University of Texas at Arlington has been severely affected by the adoption of the new cost matrix in 2005. We appreciate the opportunity to provide feedback about the impact to our programs. The newly implemented state funding matrix adjusts funding such that nursing, engineering and teacher education—areas of critical shortage across the state—suffer significant funding cuts. UT Arlington is uniquely affected as these are among our most populated programs.

The state already has a nursing shortage projected through at least 2010, according to the Texas Nurses Association. Three-fourths of all unfilled jobs in hospitals are for nurses.

The state is so desperate to put teachers in classrooms that more than 53,000 teachers aren't properly certified, according to Texas State Teachers Association estimates. The need for teachers is so great, Texas colleges and universities can graduate only half the requirement each year.

The General Accounting Office found that nearly one in four NASA engineers will be eligible for retirement by 2007 and that the agency faces a lack of skilled prospects to replace them.

The University of Texas at Arlington has the state's largest graduate nursing program and is Texas' second-largest producer of nurses. Texas hospitals and clinics are so dependent on UT Arlington nursing graduates, with their well-rounded clinical expertise and experience in leading-edge techniques and technologies, that entire classes have job offers by the time they graduate.

UT Arlington is also the third-largest producer of engineers, contributing to the state's aerospace and defense industry, to keep it viable and healthy. Texas needs more highly educated engineers to compete nationally and internationally, not less.

UT Arlington is a national leader in producing K-12 teachers, with collaborative approaches that have put more capable math and science teachers into Texas classrooms. Plus, UT Arlington has the largest superintendent preparation program in the state.

Because the new cost matrix reduces funding for educating more nurses, engineers, and teachers, UT Arlington has lost significant funding in FY 2006 and FY 2007. When fully implemented, the impact will be much more severe.

Adopting the formula funding matrix has not saved the state money. To the contrary, it has redistributed funds away from nursing, engineering, and teacher education to other disciplines less critical and economically valuable to the state. Investing in higher education pays off. But it makes the most sense to invest in areas of critical importance to increasing the quality of life all Texans deserve.

Sincerely,

James D. Spaniolo
President

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

Comment on Proposed Formula Funding Matrices

The University of Texas of the Permian Basin would lose 8 to 10 faculty positions with the "old" formula, a seven percent reduction in our faculty. Rejection of the cost based formula would hurt UTPB's ability to deliver quality education to its students. The lost revenue is estimated to be $493,662. Regaining that revenue through a tuition increase would require a 5.5 percent increase or $6.50 per credit hour experience a significant positive impact from a movement to the new formula funding matrix. Having the new funding formula matrix has enhanced the University's ability to provide high quality higher educational opportunity at an affordable price to Texas students.

Appendix F-4 Texas A&M University System

Texas A&M University System
Impact of Cost-Based Matrix Changes

September 14, 2006

Institution	Change in Funding by Using 50% Cost Matrix	% Change
Texas A&M University	(5655,734)	- 0.16%
Texas A&M @ Galveston	458,776	4.87%
Prairie View A&M	351,842	0.64%
Tarleton State	902,290	1.76%
A&M – Corpus Christi	856,113	1.68%
A&M – Kingsville	(61,489)	-0.13%
A&M International	321,967	1.44%
West Texas	343,718	0.82%
A&M – Commerce	(802,546)	-1.45%
A&M – Texarkana	11,770	0.14%

Summary

- Using updated actual expenditure data to validate the weights used to determine the allocation of formula dollars is good policy.
- Phasing in the cost matrix over three biennia (50 percent for 2006-07, 75 percent for 2008-09, and 100 percent for 2010-11) allows institutions to make any necessary internal adjustments.
- Providing hold harmless funding for a biennium or two for institutions that would otherwise experience a significant loss in formula funds as a result of the transition to a cost-based matrix is consistent with previous legislative policy when institutions have been negatively impacted by a legislative change in formula methodology. However, in order not to pull formula funding away from other institutions, hold harmless funds for those institutions should be made outside the formula.
    - The current matrix implemented 50 percent of the change to a cost-based matrix with no institution absorbing more than a 3 percent loss in the Instruction and Operation formula funding due to the change.
    - However, the 3 percent hold harmless was implemented by increasing two weights in the matrix, which reallocated approximately $18 million. This resulted in pulling funds away from other institutions.
    - Addressing hold harmless funding outside the formula allows those institutions that are negatively affected by this transition to a cost based matrix to still be helped without reducing the formula funding received by the other institutions.

Impact on A&M System Institutions

- 7 out of the 10 A&M System academic institutions benefited from the change to the cost-based matrix. Institutions that lost funding as a result of the change were Texas A&M University, Texas A&M – Kingsville, and Texas A&M – Commerce.
- Texas A&M – Commerce experienced the third largest loss in market share of all universities and had a 1.45 percent reduction in funding as a result of the 50 percent shift to the cost-based matrix. The two program areas most significantly affected at A&M Commerce were Teacher Education and Business Administration.

Appendix F-5 University of Houston System

University of Houston System

Impact of Formula Changes

The changes to the formula used to determine appropriations for the FY06-07 biennium had the following effect on the UH System universities:

	OLD MATRIX 2006-07 Formula GR	NEW MATRIX 2006-07 Formula GR
University of Houston	$220,598,688	$219,310,996
UH-Clear Lake	43,576,646	43,867,386
UH-Downtown	33,808,809	35,238,161
UH-Victoria	15,782,958	15,619,528
Total UH System	$313,767,081	$314,036,071

In total, the UH System received $268,990 more under the new formula matrix than they would have under the previous matrix. Nevertheless, the UH System continues to hold – and expressed during the last legislative session – the following concerns about the new matrix:

1. The new matrix was based on a study of university expenditures, not on actual costs. How much an institution chooses to spend on a program and how much a program actually costs can be very different.

2. The rates for disciplines critical to the future of Texas were lowered. These include teacher education, engineering, health services and nursing.

Funding for Pharmacy and Optometry

Currently, the disciplines of pharmacy and optometry are funded for the most part through the formula for general academic institutions. The UH System believes these disciplines would be more appropriately funded through the health sciences formula. To a large extent, pharmacy and optometry programs utilize a clinical instructional delivery model similar to that of health science programs. The formula for general academic institutions, which is based on the traditional classroom model of instruction, is not well equipped to adequately reflect the costs of clinical based programs.

Furthermore, three of the state's pharmacy programs (Texas Tech-Lubbock, Texas Tech-Abilene, Texas A&M-Kingsville) are now funded through the health sciences formula, while three are not (UT-Austin, TSU, UH). Funding for pharmacy programs in the health sciences formula is 50% higher than for programs in the general academic formula – a disparity that should be addressed.

The University of Houston will continue to work with the Coordinating Board to address the funding issues related to pharmacy and optometry, as we have done for the past few years.

Appendix F-6 University of North Texas System

University of North Texas

Information provided to:

Senate Finance Committee
Subcommittee on Higher Education

September 14, 2006

- According to the Legislative Budget Board's calculation, the University of North Texas (UNT) share of the Instruction and Operations (I&O) formula funding declined by .009% for the 2006-2007 biennium due to the implementation of the cost based matrix.
- The financial impact of the change to the cost based matrix is to reduce UNT's I&O appropriation by approximately $140,000 per year.
- When put into the context of UNT's $348 million E&G budget for the 2007 fiscal year, which includes all sources of funding, the impact is even more negligible - a reduction of .0004%.
- A funding reduction of this size has no significant impact on the operations of the University.
- The University's position is that a cost based matrix, based on the objective measures incorporated in the current cost study, provides a fair and equitable means of distributing I&O funding to the general academic institutions.
- An allocation methodology for formula funding should be closely aligned with actual costs, to the degree they are measurable rather than estimates that are opinion based or negotiated in order to support specific outcomes. A cost based system will, in our opinion, provide a more objective, predictable, and fair distribution mechanism for formula funding, reflecting the actual activities and operations of an institution while better identifying defined needs to be addressed in order to encourage and achieve targeted behaviors.

Appendix F-7 Texas Tech University System

Texas Tech University

Cost-Based Matrix

Background

The formula funding system has been used by the State of Texas for over 45 years. The current matrix for instruction and operations by weighted Semester Credit Hours (SCHs) per program area was established in 1997. After its adoption, the question arose of evaluating the matrix-generated values versus the actual costs by program and level. The Coordinating Board was given the task of developing a cost based matrix and has now presented a matrix of the relative actual expenditures based upon reported financial data of all the general academic institutions averaged over the most recent three years. This study and work was performed by the institutions with no bias as to the expected outcomes. Finally, the matrix by program and level is based on current empirical data, not conjecture, anecdote, artificial biases or outdated numbers.

Texas Tech University

Texas Tech University supports the continued phased-in implementation of a more cost reflective matrix.

By program, a shift is observed from Engineering and Fine Arts to Science and Liberal Arts. By program level, relative weighted semester credit hours were transferred from the graduate level to undergraduate support. All of these changes reflect positive shifts to the basic core of higher education. TTU believes such a matrix will be more reflective of what each institution expends in relative terms to support each programmatic level. It corrects many artificial biases and arbitrary manipulations that were embedded in the formulas over the years, many of which did not reflect actual costs or expenses. The changes to the matrix do not change what each program level receives to support its actual costs, but reallocates funding through the matrix in a fair, unbiased, and equitable method for all general academic institutions.

The impact of phasing in the new matrix to Texas Tech University for the 2006-2007 biennium was $1.5 million, an increase of less than 1%.

Overview

The new matrix based on actual expenditures shows that some areas and levels have been traditionally under funded and corrects these errors in relative value. Higher education by and large, should support these changes, TTU believes, because they reflect positive changes to the basic core academic programs.

The new matrix based on actual expenditures recognizes the importance of undergraduate lower division in Science and Liberal Arts with the largest gains. This reflects that these areas have been relatively under funded compared to others in the past.

Appendix F-8 Texas State University System

Texas State University System
Estimated General Revenue Effect for 2006 - 2007 Biennium
Implementation of Cost-Based Matrix

Funding Estimates

Institution	General Revenue Estimates		Increase or (Decrease)
	Cost-Based Matrix	Previous Matrix	
Angelo State University	$28,439,448	$27,938,664	$500,784
Lamar University	$52,349,197	$52,816,125	($466,928)
Sam Houston State University	$63,955,473	$62,544,758	$1,410,715
Texas State University - San Marcos	$128,322,674	$126,852,456	$1,470,218
Sul Ross State University	$13,802,846	$13,498,050	$304,796
Sul Ross State University Rio Grande College	$4,701,022	$4,666,858	$34,164
Total	$291,570,660	$288,316,911	$3,253,749

Source: Legislative Budget Board

Appendix F-9 Midwestern State University

Midwestern State University
Senate Subcommittee on Higher Education and
Senate Finance Joint Hearing
Cost-Based Formula Matrix
September 14, 2006

The use of formulas to allocate general revenue funding to the state of Texas' 35 public senior institutions was devised 40-50 years ago. Even though the formulas were based only upon historical precedence, they do provide the same amount of funding per credit hour for like courses at all institutions. This non-mission specific equitable funding has ensured quality higher education across all state institutions.

The question was frequently asked by the Legislature as to what extent the formulas were related to the cost of operating individual departments and programs. In 2002, a work group was established to develop a distribution system based upon cost-based methodology that would provide an objective starting point for distribution of instruction and operation formula funds. The work of this committee was based upon institutional reports of the cost of each discipline. The resulting distribution matrix contains relative weights for 20 disciplines. Even though the cost-based matrix was adjusted, the Study Committee was pleased to note that the cost-based matrix did not result in a massive redistribution of funds between the state's 35 institutions. A comparison between fund redistribution showed a relatively narrow redistribution by institutions. At the extremes, Texas A&M at Galveston gained 11.5% in a no phase-in model based upon the new cost-based matrix, while Texas Woman's University lost 17.6%. Between these extremes a very narrow range existed in the redistribution study. Consequently a phase-in system was recommended in which a hold harmless clause of 3% was instituted and it was recommended that the cost-based be phased-in at 50% for one biennium, 75% the next, and finally complete phase-in during the 2010-2011 biennium.

On behalf of Midwestern State University I consider it to be overwhelmingly important for future general revenue distribution that the distribution formula be based upon a relative cost of courses by level and discipline. It is a major step forward to use formulas that are related to an average cost of a specific discipline. It is extremely important that the Legislature not digress by changing the new cost ratios. It has been the Formula Study Committee's recommendation for two biennia that incentive funds, for any purpose, be trusteed to THECB to be distributed by methodology determined by the Commissioner. In regard to Midwestern State University specifically, the new methodology has little effect on the percentage of funding from the general revenue appropriation. In the 2004-2005 model, Midwestern State University's share of the general revenue appropriation would increase by only 1%. In the larger picture it is important that the state use a matrix ratio that is related to cost as opposed to historical precedent.

Appendix F-10 Stephen F. Austin State University

Stephen F. Austin State University
Response to the Joint Charge on Formula Funding
Joint Hearing with Senate Finance and Senate Subcommittee on Higher Education
September 14, 2006

Stephen F. Austin State University is a regional comprehensive university that has quality undergraduate education as its first institutional priority. The University is highly recognized for its teacher education, forestry and nursing programs. Consequently, formula generated general revenue funding that targets undergraduate education is essential to the continued success of our primary mission.

Stephen F. Austin State University supports the cost-based formula matrix general revenue funding process because this mechanism recognizes the costs associated with undergraduate education. We believe that the faculty, departmental operating and research dollars expended in the educational delivery process follow the University's mission and role. Consequently, the administration supports a funding allocation process that emphasizes this mission.

In association with the linkage of formula funding and the University's mission, the administration also believes that the teacher education and nursing critical needs programs should be supported at a level to continue the commitment to and enhancement of those disciplines. Stephen F. Austin State University recommends that incentive funding for critical needs areas be addressed outside of the formula.

Appendix F-11 Texas Southern University

TEXAS SOUTHERN UNIVERSITY

COMMITTEE: Subcommittee on Higher Education/ Senate Finance Joint Charge **SUBJECT**: Describe impact of cost-based matrix for general academics affected our respective institution	INSTITUTIONAL CONTACT: Kimberly Williams, VP of Strategic Development Office of the President, Texas Southern University 3100 Cleburne Avenue Houston, Texas 77021 O: 713-313-6898/F: 713-313-1002/williamsk@tsu.edu
WITNESS: Dr. Bobby L. Wilson, Interim President, Texas Southern University	September 14, 2006

Texas Southern University (TSU) is committed to helping the state of Texas develop a fair and equitable funding formula. However, TSU has some concern about the impact of implementation of the cost-based matrix for general academics. It should be noted that as a new formula we are still evaluating the full scope and impact of its implementation. A few issues that we are continuing to assess are described below:

Disproportionate financial impact on overall program funding:
In the Texas Higher Education Coordinating Board's 2004-05 cost study, Texas Southern University, along with 3 other institutions, will experience the most significant loss in formula funding. According to the numbers received from the Legislative Budget Board, TSU will lose approximately $900,000 in funding based on implementation of the cost-based funding matrix. We are also concerned that the methodologies of the cost study used to develop the weights in the matrix favor programs with low credit hour production, which in effect penalizes programs that may be more cost effective. For example, the proposed formula weights would result in similar funding between Masters level Education credit hours and Law credits; while undergraduate agriculture courses are weighted higher than undergraduate business courses. Generally, average salaries for both law and business faculty members are significantly higher than the faculty in agriculture and education; likewise, these areas are more likely to generate higher credit hour production to make them more cost effective with regard to cost per credit hour produced.

Impact on the College of Pharmacy & Health Sciences
A major concern for Texas Southern University is the disparity in funding between university-based Doctor of Pharmacy programs and those either located in or designated as being part of a health science center. All colleges of pharmacy are required to compete for new faculty and adhere to accreditation guidelines that call for expansion of the quality and quantity of the experiential programs. This year alone, TSU will be required to pay almost $400,000 to support practice site and clinical pharmacy services agreements. The cost-based matrix does not take into account the costs (both direct and in-kind) of educational and training services provided by pharmacy preceptors. To address this inequity, Doctor of Pharmacy programs located on general university campuses should be funded using the same model used for Doctor of Pharmacy programs either located in or designated as part of a health science center.

Possible options to improve formula funding
If the cost-based formula matrix is maintained, Texas Southern University encourages a continuation of the phased-in process and a continuing limit on the amount of loss for affected institutions to 3% or less. Also, we believe that special item funding should be made available to assist the institutions disproportionately affected by the formula change. Additional special item categories can be made available to provide "bonus" funding for hitting targets set by the state.

Texas Southern University

Appendix F-12 Texas Women's University

TWU
TEXAS WOMAN'S UNIVERSITY
DENTON DALLAS HOUSTON

Office of the Chancellor and President
P.O. Box 425587 Denton, TX 76204-5587
940-898-3201 Fax 940-898-3216

Texas Woman's University:
Implications of Cost-Based Formula Matrix
Committee Hearing: 9:00 a.m., Thursday, September 14, 2006
Location: E1.036 – Finance Committee Room

Senate Subcommittee on Higher Education and Senate Finance Joint Charge:
"Monitor changes made during the 79th Legislature, Regular Session, to adjust higher education funding formulas by adopting a cost-based formula matrix. Make recommendations for continuing improvements."

FACTS:

Formula funding has been in place since the 1998-1999 biennium. Beginning with the 2006-2007 biennium, the Instruction & Operation Formula is calculated using a cost-study method averaging three years of costs for each funding category. This new formula will be phased in over three biennia up through 2010-2011.

TWU COMMENTS:

TWU supports the cost-based formula matrix. The formula is fair in that it is based on actual costs and applies equally to all universities.

In response to your question of how the shift to a cost-based matrix has affected our institution, TWU received the second largest percent increase in general revenue appropriations for the current biennium based on a 22% growth in enrollment. However, under the old formula matrix, TWU would have received an additional $1,950,244 over the biennium.

TWU RECOMMENDATIONS:

TWU is in agreement with the Council of Public University Presidents and Chancellors that additional money applied to the formula is the highest priority. Specifically, TWU supports:

1. Additional formula funding to address declining state support per student,
2. Additional general revenue funds to accommodate rising utility rates,
3. Funding of enrollment growth,
4. Funding to adjust for inflation.

Think SUCCESS ★ Think TWU

APPENDIX G

Responses from Subcommittee Members

STATE OF TEXAS
THE SENATE OF TEXAS

KYLE JANEK
MEMBER

November 30, 2006

The Honorable Judith Zaffirini
Chairman
Senate Subcommittee on Higher Education
Capitol, Room 1E.14

Dear Chairman Zaffirini:

Thank you for your leadership during the 79th Interim as chair of the Senate Subcommittee on Higher Education. I am signing the Report to the Legislature as an endorsement of this committee's hard work and the many strong recommendations upon which we agree. I would like to outline some of my concerns and disagreements.

> *Charge 3, Recommendation 1: Consider modifying the top 10% law to ensure uniformity in high school class rank policies and to support the flexibility that colleges need in order to enroll a highly qualified and diverse class ensuring that military families who are Texas residents have full participation in the benefits of the law.*

As you and I have discussed, I am opposed to the Top 10% law and would favor its repeal. I believe that unless we repeal the Top 10% law, there is no way to provide the flexibility our institutions need in order to attract a highly qualified and diverse student body.

> *Charge 4, Recommendation 2: Identify and expand early-childhood (0-4 years) education programs in the state. Develop a statewide early childhood education strategy that includes parental training and information outreach, school-based programs, faith-based activities and other institutions such as children's museums.*

While I believe early childhood education can be beneficial for some children, it is important to make a distinction between those programs that are truly beneficial to a child's education and those that are not. I am also a strong proponent of personal responsibility and free markets and believe our current, market-driven system of early childhood education is serving us well. More government intervention in early childhood education is not likely to improve the system.

SENATE DISTRICT 17
POST OFFICE BOX 12068 AUSTIN, TEXAS 78711 • (512) 463-0117 • KYLE.JANEK@SENATE.STATE.TX.US

Please include this letter as a record of my comments on the report. Again, I appreciate the dedication and leadership you have shown as Chairman of this subcommittee. I look forward to working with you on higher education issues in the 80th Legislature.

Sincerely,

Kyle Janek

KJ/ch

The Senate of The State of Texas

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SUBCOMMITTEE ON HIGHER EDUCATION
SUBCOMMITTEE ON BASE REALIGNMENT AND CLOSURE

TODD STAPLES

November 21, 2006

The Honorable Judith Zaffirini
State Senator
P.O. Box 12068
State Capitol, Room 1E.12
Austin, Texas 78701-2068

Dear Senator Zaffirini:

Thank you for your hard work as the Chair of the Senate Subcommittee on Higher Education. I appreciate your dedication in serving in this role.

Due to other professional commitments and personal medical issues in my family, I regret I was unable to participate in the interim hearings and discussions pertaining to the subcommittee's interim charges. While I am unable to sign the committee's report to the 80th Legislature, please know I support your leadership and efforts to further educational opportunities for Texas children.

Thank you for your leadership. Please do not hesitate to contact me with any questions.

Sincerely yours,

Todd Staples

TS/JM/jm

The Senate of The State of Texas

SENATE COMMITTEES:

CHAIRMAN
Intergovernmental Relations

VICE CHAIRMAN
Education

MEMBER
Finance
Health and Human Services
Higher Education
Jurisprudence

Senator Royce West
District 23

President Pro Tempore
2006

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November 30, 2006

The Honorable Judith Zaffirini
Chairwoman, Senate Subcommittee on Higher Education
P.O. Box 12068
Austin, Texas 78711-2068

Dear Chairwoman Zaffirini:

Thank you for your leadership as chair of the Senate Subcommittee on Higher Education and your commitment to ensuring access to an affordable higher education in Texas.

Because it offers many positive recommendations and viable solutions to the issues impacting higher education in Texas, I affix my signature to the report. However, I find it necessary to submit this letter documenting my continued support of the Top 10% Rule and my concerns with the recommendation regarding it.

While well-informed policy discussions require us to re-examine and re-evaluate existing policy, I continue to support the Top 10% Rule because I believe that it continues to serve a legislative purpose, as proven by the performance of students who have taken advantage of opportunities afforded them through the program. The Top 10% Rule has opened doors of opportunity to students from every corner of the state who out-perform their peers and are retained and graduate at higher numbers.

Again, thank you for your tireless leadership and hard work on higher education issues. I look forward to continuing our work on higher education in the upcoming session.

Sincerely,

Royce West
State Senator, District 23

RW:lb

TOMMY WILLIAMS
TEXAS STATE SENATOR
DISTRICT 4

COMMITTEES:
FINANCE
EDUCATION
SUBCOMMITTEE ON HIGHER EDUCATION
TRANSPORTATION AND HOMELAND SECURITY
STATE AFFAIRS, VICE CHAIR

December 1, 2006

The Honorable Judith Zaffirini
Chairwoman
Senate Subcommittee on Higher Education
Capitol, Room 1E.14

Dear Chairwoman Zaffirini:

Thank you for your leadership during the 79th Interim as chair of the Senate Subcommittee on Higher Education. I am signing the Report to the 80th Legislature as an endorsement of this committee's diligent efforts and the many strong recommendations upon which we agree. However, I would like to express some concerns about two of the report's specific recommendations and one omission.

> *Charge 3, Recommendation 1: Consider modifying the top 10% law to ensure uniformity in high school class rank policies and to support the flexibility that colleges need in order to enroll a highly qualified and diverse class ensuring that military families who are Texas residents have full participation in the benefits of the law.*

As you may know, I am opposed to the Top 10% law and would favor its repeal. I believe that unless we repeal the Top 10% law, there is no way to provide the flexibility our institutions need in order to attract a highly qualified and diverse student body.

> *Charge 4, Recommendation 2: Identify and expand early-childhood (0-4 years) education programs in the state. Develop a statewide early childhood education strategy that includes parental training and information outreach, school-base programs, faith-based activities and other institutions such as children's museums.*

While I believe early childhood education can be beneficial for some children, it is important to make a distinction between those programs that are truly beneficial to a child's education and those that are not. I am a strong proponent of personal responsibility and free markets and believe our current, market-driven system of early childhood education is serving us well. More government intervention in early childhood education is not likely to improve the system.

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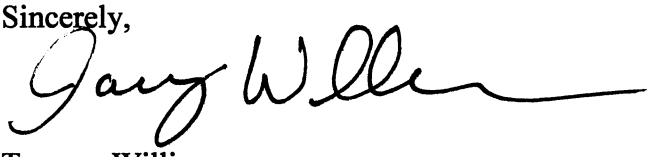
> *Charge 2: Study the cost of education at public institutions of higher education, specifically, tuition de-regulation and student fees. The committee should also review current tuition and fee exemptions and make recommendations for improving student access to education.*

While I appreciate the committee's recommendations to hold institutions of higher education more accountable, I believe that the legislature should be given the opportunity to take another look at tuition de-regulation. I support a moratorium on tuition increases at Texas public universities.

Please include this letter as a record of my comments on the report. Again, I appreciate your hard work and dedication as Chairwoman and look forward to working with you in the upcoming session.

Sincerely,



Tommy Williams