Meeting of the General Academic Formula Advisory Committee
Texas Higher Education Coordinating Board
Lone Star Room, Second Floor
1200 East Anderson Lane, Austin
Tuesday, October 11, 2011
9:30 a.m.

Agenda

I. Call to Order

II. Consideration to approve the minutes of September 13, 2011 meeting.

III. Discussion, review, and consideration of the Commissioner's 2014-2015 Biennium charges.

IV. Planning for subsequent meetings.

V. Adjournment

General Academic Formula Advisory Committee for 2014-2015 Biennium

Name	Institution	Contacts
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Tuesday, September 13, 2011
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Minutes

Attendees: Mr. Scott Kelley, Ms. Cynthia Villa, Ms. B.J. Crain, Dr. F. Dominic Dottavio, Dr. Marc Nigliazzo, Dr. John Antel, Dr. John Price, Dr. Baker Pattillo, Dr. Robert Neely, Dr. John Opperman, Mr. Michael Reid, Dr. Perry Moore, Mr. Paul Woodfin and Dr. Alba Ortiz

Absent: Dr. John Rudley and Ms. Jean Bush

Staff: Susan Brown, Gary Johnstone, Thomas Keaton, and Paul Turcotte

I. The meeting was called to order at 9:35 a.m.

II. The minutes from the meeting on August 3, 2011 were reviewed and unanimously approved by nomination from Dr. John Price and second from Dr. Alba Ortiz.

III. The committed discussed, reviewed, and considered the Commissioner's 2014-2015 Biennium charges.

a. The chair corresponded to the institutions' officials calling for volunteers for the committee workgroups. The nearly 100 nominations were reviewed and the workgroup appointments were included in the agenda materials. The committees were limited in size to ensure workable groups, while guaranteeing adequate coverage of all systems and accountability groups.

b. Dr. Opperman, chair of the Outcomes-Based Funding workgroup, shared the first meeting was to be held on September 29, 2011 from 9:00 a.m. to 1:00 p.m. at the Coordinating Board's in the Lonestar Room. Agenda materials were sent to the workgroup members last week. The second meeting is scheduled for October 11 immediately following the committee meeting. The chair requested workgroup members send any thoughts they have for group action items to paul.turcotte@THECB.state.tx.us by September 15, 2011. The list is not expected to be all-inclusive, but a starting point to frame the group's work.

c. Thomas Keaton provided an update on the Space Model workgroup's progress in Ms. Bush's absence. The first meeting is scheduled for September 22, 2011 at 9:00 a.m. Mr. Keaton reviewed the charge and background data to the committee.

d. Dr. Antel, chair of the Expenditures Study workgroup, shared the first meeting was to be held immediately following this meeting. The workgroup plans to review the charges and make a plan of action. Dr. Antel provided a brief history of the issues leading to the charges.

e. The committee chair stated workgroups should plan to provide their final updates at the December meeting.

f. Charge 2 – the chair reminded members that Utility Cost Surveys were due back on September 15.

g. Charge 4 – Paul Turcotte provided a presentation of the mechanics of the Student Enrollment Classification adjustment in the Expenditure Study and Formula Funding models.

   i. The committee questioned why special professional levels were treated differently from the other levels. While the history is not known on this exception, special professional programs share a number of courses with Master's and Doctoral program courses. The exceptions may be the most equitable way to fund the courses.

   ii. The committee questioned if institutions with high numbers of dual credit earners are adversely affected by this adjustment. It was generally agreed any impact was not material.

   iii. It was suspected that the adjustment was an interlock to prevent institutions from artificially escalating courses to higher course levels in an attempt to gain a larger share of the funding. While the committee agreed this is not a behavior seen today by the institutions, maintaining the protective measure is not materially affecting the allocation as seen in the tables provided for this charge for the August 3, 2011 meeting.

   iv. Dr. Price motioned to keep the adjustment, seconded by Ms. Villa, and unanimously approved.

h. Charge 4 – Paul Turcotte provided a presentation on the developmental education hours included in the 2012-2013 Biennium formula funding model grouped by subject. Overall, less than 1 percent of the hours funded are developmental education. These numbers do not include community college or technical colleges.

   i. These courses are funded at different rates for the community colleges.

   ii. Institutions currently report non-semester length courses on their class reports. The hours included in the report are proportional to full semester length courses.

   iii. The committee considered not funding developmental education at general academics to incentivize institutions to defer this course work to community colleges, but felt the decision is better made at the institution level.

   iv. The committee determined the cost and reporting effort to create a separate discipline was not efficient in consideration of the minimal number of hours generated by general academics.

   v. Dr. Antel motioned to continue funding developmental education as-is, seconded by Dr. Price, the committee unanimously approved.

i. Charge 4 – Paul Turcotte provided a presentation on the effects to the 2012-2013 Biennium funding of altering the way Math courses are funded. Of the three views provided (funded as a Liberal Arts discipline, funded as a Science discipline, or funded as a Liberal Arts discipline for all, except Science for juniors and seniors), none varied materially. Mr. Reid motioned to maintain the current methodology and fund juniors and seniors as a Science discipline and all others as a Liberal Arts discipline. Dr. Dottavio seconded the motion and the committee unanimously approved.

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IV. The meeting was adjourned at 10:25 a.m. to reconvene on October 11, 2011 at 9:30 a.m.

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Institution		Total Utility Cost	Non-Utility E&G Cost	Percent Utility
003656	UT-Arlington	$14,129,453	$19,764,657	42%
003658	UT-Austin	59,480,901	44,316,684	57%
009741	UT-Dallas	12,003,338	5,986,519	67%
003661	UT-El Paso	8,816,313	15,897,771	36%
003599	UT-Pan American	6,915,847	7,026,244	50%
030646	UT-Brownsville	1,506,832	4,296,492	26%
009930	UT-Permian Basin	3,308,235	4,950,486	40%
010115	UT-San Antonio	11,897,431	18,184,073	40%
011163	UT-Tyler	2,079,481	2,020,461	51%
003632	TAMU	49,110,761	25,134,950	66%
010298	TAMU-Galveston	2,220,418	2,781,582	44%
003630	Prairie View	4,734,398	9,170,139	34%
003631	Tarleton	3,133,574	6,965,415	31%
103631	TAMU-Central	134,004	205,024	40%
011161	TAMU-CC	3,663,737	3,430,588	52%
003639	TAMU-Kingsville	3,500,809	5,000,679	41%
103639	TAMU-San Antonio	146,576	360,842	29%
009651	TAMI	2,563,414	2,197,708	54%
003665	WTAMU	2,258,828	3,501,606	39%
003565	TAMU-Commerce	3,457,944	4,265,373	45%
029269	TAMU-Texarkana	711,306	1,639,555	30%
003652	UH	19,933,238	16,357,132	55%
011711	UH-Clear Lake	2,741,356	2,994,159	48%
012826	UH-Downtown	1,886,513	2,931,205	39%
013231	UH-Victoria	501,015	770,032	39%
003592	Midwestern	2,733,421	3,123,366	47%
003594	UNT	13,010,933	10,864,211	54%
113594	UNT-Dallas	484,380	530,740	48%
003624	SFA	5,905,212	5,895,180	50%
003642	TSU	6,421,667	2,354,227	73%
003644	TTU	18,211,325	11,900,001	60%
003541	Angelo	2,495,140	2,688,418	48%
003646	TWU	5,245,607	14,197,016	27%
003581	Lamar	3,534,981	4,087,073	46%
003606	Sam Houston	4,787,017	7,787,992	38%
003615	TxStU-SM	15,853,765	15,208,799	51%
003625	Sul Ross	1,600,113	2,130,586	43%
	Total Universities	196,150,859	290,916,986	40%
009225	TSTC-Harlingen	1,859,059	2,404,778	44%
009932	TSTC-West Texas	786,014	1,696,063	32%
033965	TSTC-Marshall	179,105	675,597	21%
003634	TSTC-Waco	2,696,315	3,180,358	46%
036273	Lamar-IOT	403,908	1,093,152	27%
023582	Lamar-Orange	416,402	473,665	47%
023485	Lamar-Port Arthur	661,867	1,623,341	29%
	Total TSTC and Lamar	7,002,670	11,146,954	39%
	Total	$308,121,953	$302,063,940	50.50%

Source: Institution Survey