

Overview of Higher Education Funding for Institutions of Higher Education



Texas Higher Education
Coordinating Board

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Recap of introduced bills

Neither bill included the following:

- Full funding for enrollment growth and inflation
- Graduation Bonus
- Fund Student Success Points at a higher rate
- Revised space projection models
- Rolling TSTC's E&G Space Support formula into the Return-value formula



Both introduced bills reduce special item funding

- **Special items for all sectors**
 - House reduced by \$100 million
 - Senate reduced by \$800 million

Senate overhauls special item funding

- **Eliminated all but one special item**
- **Moved \$744.7 million of the savings to formula funding and hold harmless funding**

Health related institutions receive the largest share of special item savings in CSSB 1

- **Funded \$375 million with 50% going to the Instruction and Operations Formula and 50% to the Research Enhancement formula**
- **Special item phase out limits loss to 2.6%**

General academic institutions, Lamar two-year colleges, and the Texas State Technical Colleges receive the second largest share of special item savings

- **Funded \$325 million with 75% going to the Instruction and Operations Formula and 25% to the Small Institution Supplement**
- **Special item phase out limits loss to 10%**
- **Allocation through the Small Institution Supplement protects the small universities**

Senate uses special item savings to increase funding for Success Points

- **Community colleges**
 - **\$5.3 million for the Southwest Collegiate Institute for the Deaf at Howard College**
 - **\$44.7 million going to the Success Points formula, which increases the rate to \$211.20**

Total formula funding in CSSB 1 is close to the Board's recommended amounts, but there are substantial differences by sector

In Millions	2016-17 Appropriated	2018-19 Board's Rec.	Board's Rec. Change from 2016-17	2018-19 HAC S/C Art. III	HAC S/C Art. III Change from 2016-17	2018-19 CSSB 1	CSSB 1 Change from 2016-17
Health-Related Institutions	\$ 1,904.1	\$ 2,077.8	9.1%	\$ 1,975.4	3.7%	\$ 2,186.4	14.8%
General Academic Institutions	\$ 4,676.3	\$ 5,028.4	7.5%	\$ 4,772.6	2.1%	\$ 5,050.3	8.0%
Technical Colleges	\$ 140.7	\$ 175.7	24.8%	\$ 141.7	0.7%	\$ 149.1	5.9%
State Colleges	\$ 42.9	\$ 45.9	7.1%	\$ 42.9	-0.1%	\$ 54.1	26.2%
Community Colleges	\$ 1,743.8	\$ 1,907.0	9.4%	\$ 1,737.6	-0.4%	\$ 1,782.2	2.2%
Total	\$ 8,507.8	\$ 9,234.7	8.5%	\$ 8,670.2	1.9%	\$ 9,222.1	8.4%

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