FY 2010 and FY 2011 Legislative Appropriations Request Hearing

Presented by
Dr. Elsa A. Murano, President

September 29, 2008
As the state’s land-grant university, Texas A&M continues to fulfill its mission to improve the lives of Texans through teaching, research and service - developing leaders of character dedicated to serving the greater good.

Texas A&M is making great progress toward our goal of becoming one of the top 10 public institutions of higher education in the country by the year 2020.
What’s Next – Tackling the Issues Facing Higher Education in the State of Texas and the Nation:

• Accessibility and Affordability
• Graduate Education
• Accelerating Research
• Facilities Renewal
Accessibility: Enrollment Update

Committed to “Closing the Gaps”:

- More than 24,000 students applied for admission for Fall 2008.
- The Class of 2012 includes more than 8,200 students, the largest freshman class in the University’s 132 year history.
- Fall 2008 unofficial enrollment is 48,126.
  - First time in college enrollment is 8,104 (17% of total enrollment).
  - Top 10% enrollment is 3,833 (8% of total enrollment).

FALL HEADCOUNT 1970-2008
(Student Headcount)
## Accessibility: Significant Changes in Minority Enrollment

<table>
<thead>
<tr>
<th>Fall First Time in College (FTIC)</th>
<th>African American</th>
<th>Hispanic</th>
<th>Asian</th>
<th>Native American</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>158</td>
<td>692</td>
<td>234</td>
<td>27</td>
</tr>
<tr>
<td>2006</td>
<td>280</td>
<td>1,102</td>
<td>399</td>
<td>53</td>
</tr>
<tr>
<td>2007</td>
<td>262</td>
<td>1,131</td>
<td>415</td>
<td>47</td>
</tr>
<tr>
<td>2008</td>
<td>304</td>
<td>1,314</td>
<td>413</td>
<td>45</td>
</tr>
<tr>
<td><strong>Headcount Change 2003 to 2008</strong></td>
<td>+146</td>
<td>+622</td>
<td>+179</td>
<td>+18</td>
</tr>
<tr>
<td><strong>% Change 2003 to 2008</strong></td>
<td>92%</td>
<td>90%</td>
<td>77%</td>
<td>67%</td>
</tr>
</tbody>
</table>

- Minority applications up:
  - 24% increase for Hispanics over Fall 07
  - 20% increase for African Americans over Fall 07

First Generation: 23.7% of FTIC Fall 2008 class
Accessibility: Underrepresented Minority Yield

- 2008 TAMU enrollment data
  - Percent of underrepresented minority students has increased.
  - However, number of minority students remains too low.
  - Percent that are admitted and choose to enroll (yield) remains low.

<table>
<thead>
<tr>
<th></th>
<th>African American</th>
<th>Hispanic</th>
<th>White</th>
</tr>
</thead>
<tbody>
<tr>
<td>Students Enrolled</td>
<td>304</td>
<td>1,314</td>
<td>5,917</td>
</tr>
<tr>
<td>Students Admitted</td>
<td>665</td>
<td>2,659</td>
<td>9,543</td>
</tr>
</tbody>
</table>

Yield

- 46%
- 49%
- 62%
Of the African American Texas high school students who graduated in 2006:
- 26% went on to any higher education
- 12% went on to a 4 year public institution

Of the Hispanic Texas high school students who graduated in 2006:
- 12% went on to any higher education
- 8% went on to a 4 year public institution

<table>
<thead>
<tr>
<th></th>
<th>African Americans</th>
<th>Hispanics</th>
<th>Whites</th>
</tr>
</thead>
<tbody>
<tr>
<td>HS Graduates Tested</td>
<td>1,417</td>
<td>4,450</td>
<td>27,485</td>
</tr>
<tr>
<td>Scored Above Criterion</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Affordability: Student Burden Increasing
Tuition & Fees and General Revenue as a percentage of total current fund operating expenditures

<table>
<thead>
<tr>
<th>Year</th>
<th>General Revenue</th>
<th>Tuition &amp; Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY93</td>
<td>44%</td>
<td>22%</td>
</tr>
<tr>
<td>FY94</td>
<td>44%</td>
<td>22%</td>
</tr>
<tr>
<td>FY95</td>
<td>42%</td>
<td>23%</td>
</tr>
<tr>
<td>FY96</td>
<td>40%</td>
<td>25%</td>
</tr>
<tr>
<td>FY97</td>
<td>39%</td>
<td>26%</td>
</tr>
<tr>
<td>FY98</td>
<td>40%</td>
<td>26%</td>
</tr>
<tr>
<td>FY99</td>
<td>37%</td>
<td>26%</td>
</tr>
<tr>
<td>FY00</td>
<td>34%</td>
<td>27%</td>
</tr>
<tr>
<td>FY01</td>
<td>32%</td>
<td>28%</td>
</tr>
<tr>
<td>FY02</td>
<td>34%</td>
<td>30%</td>
</tr>
<tr>
<td>FY03</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td>FY04</td>
<td>31%</td>
<td>28%</td>
</tr>
<tr>
<td>FY05</td>
<td>31%</td>
<td>27%</td>
</tr>
<tr>
<td>FY06</td>
<td>32%</td>
<td>26%</td>
</tr>
<tr>
<td>FY07</td>
<td>32%</td>
<td>26%</td>
</tr>
</tbody>
</table>
Affordability: Tuition & Required Fees At Texas Peer Institutions – Per Semester

Based On 2008-2009 Academic Year, 15 Hours, Tuition + Required Fees Reported On University Websites. TAMU Includes Additional Course Fees. FY09 is the first year of differential tuition for TAMU’s College of Business
Affordability: Tuition & Required Fees At Texas Peer Institutions – Per Semester

Based On 2008-2009 Academic Year, 15 Hours, Tuition + Required Fees Reported On University Websites. FY09 is the first year of differential tuition for TAMU’s College of Business
## Accountability:
First Year Retention and Graduation

<table>
<thead>
<tr>
<th></th>
<th>First Year Retention</th>
<th>Graduation and Persistence</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fall 06 – 07</td>
<td>2000-2006</td>
</tr>
<tr>
<td><strong>TAMU</strong></td>
<td><strong>State Avg</strong></td>
<td><strong>TAMU</strong></td>
</tr>
<tr>
<td>All Students</td>
<td>91.4%</td>
<td>74.2%</td>
</tr>
<tr>
<td>African American</td>
<td>89.2%</td>
<td>66.9%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>87.5%</td>
<td>69.8%</td>
</tr>
<tr>
<td>White</td>
<td>92.4%</td>
<td>76.8%</td>
</tr>
</tbody>
</table>

Percentage of students who graduated in six years or are still enrolled at the same institution per THECB.
Accountability: Graduation Rate Performance

First Time in College Full-Time Students FY 2006

- **TAMU**
  - 4 Year Graduation: 41.3%
  - 5 Year Graduation: 71.4%
  - 6 Year Graduation: 76.5%

- **Statewide**
  - 4 Year Graduation: 23.2%
  - 5 Year Graduation: 42.3%
  - 6 Year Graduation: 50.0%
Teaching and Research

• Teaching and research are integrated, both in activity and in funding.

• Research-active faculty provide our students with innovative and integrative learning experiences.

• Research brings the future into our classrooms and laboratories.
Faculty and Research

- Faculty reinvestment completion - hired an additional 435 faculty over the past five years.
- Research activities at TAMU have an economic impact for the State of over $2 billion per year.
- TAMU ranks 3rd behind MIT and Berkeley on total R&D for institutions without medical schools.
- With annual expenditures of over $544 million, Texas A&M ranks 22nd nationally among Universities and Colleges in the amount of Science and Engineering research expenditures in 2007.

Texas’ Share of Federal R&D Obligations Relative to Other Top Performing States

<table>
<thead>
<tr>
<th>State</th>
<th>1998 %</th>
<th>2005 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>14.9%</td>
<td></td>
</tr>
<tr>
<td>New York</td>
<td></td>
<td>8.3%</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>6.4%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Maryland</td>
<td>5.9%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Texas</td>
<td>5.6%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>5.5%</td>
<td></td>
</tr>
</tbody>
</table>

In 1998 constant dollars
• TAMU relies upon the current formula and base funding to fulfill our core missions of teaching, research and public service.

• Current levels of funding do not fully address the costs of base operations to remain a nationally competitive research university.

• TAMU requests that the legislature maintain the formula allocation and intensify its funding for the state’s higher education institutions.
LAR Exceptional Item Request #1: University Bound!

• Benefits
  – Addresses goals of Participation and Success in “Closing the Gaps” by:
    • Increasing total participation in higher education by African Americans and Hispanics.
    • Increasing the number of underrepresented minorities completing degrees, especially in engineering and health sciences.

• Background
  – Students currently enrolled in “Early College High Schools” across the state do better in school and are better prepared for college.
  – Partnerships established with community colleges and with some regional four-yr institutions (TAMIU), but no flagships.

• Requesting $8 million for the biennium
  – To establish partnership with “Early College High Schools”.
  – Implement programs to support students continuing to a four year University.
  – Match scholarships from TAMU donors.
LAR Exceptional Item Request #2: Keeping Texas Scholars in Texas

• Benefits
  – Addresses goals of Success in “Closing the Gaps” by:
    • Increasing the number of students completing doctoral degrees.
  – Stop the “brain drain” so our best and brightest contribute to the economic growth of the state by working in Texas.
  – Expand the pipeline for the next generation of scientists and university researchers/faculty for the state.

• Background
  – Graduate students are the key to building, maintaining, and growing successful research programs for the state.
  – Attracting high-tech companies to Texas hinges on the availability of a well-trained workforce with advanced degrees.
  – Texas has been experiencing a “brain-drain” in terms of Texas students pursuing graduate training outside the state.

• Requesting $5.4 million for the biennium
  – To create an incentive fellowship program that entices students graduating from a Texas university to pursue a graduate education at Texas A&M.
• Our Proposal
  – Significantly increase the allocation to this incentive based fund and increase the distribution to the participating universities.
    • Add an additional $100 million to the fund and distribute on a $10 million to $2 million match.
  – Texas A&M will use additional revenue to:
    • Hire and retain nationally recognized faculty/researchers in landmark research areas based on strategic research roadmap.
    • Accelerate research innovation for continued economic and intellectual benefit to the State.
    • Further enrich student learning experiences through research opportunities.
TRB Request: Facilities Renewal

• Benefits
  – Will significantly enhance our ability to address goals of “Closing the Gaps” with regards to Excellence.
  – Enhance our ability to provide a quality education to our students.
  – Enhance our ability to recruit and retain quality faculty.

• Background
  – In spite of new construction on campus, adequate space for teaching and research is in high demand.

• Our Request
  – $95 million to cover cost of renewing:
    • Buildings heavily used for teaching and research such as:
      – Animal Industries (44,856 gsf)
      – Academic Building (82,555 gsf)
LAR Request Summary

• **Existing Special Items**

<table>
<thead>
<tr>
<th>Special Item</th>
<th>FY 2009 Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional Enhancement</td>
<td>$4,417,488</td>
</tr>
<tr>
<td>Cyclotron Institute</td>
<td>$548,154</td>
</tr>
<tr>
<td>Sea Grant Program</td>
<td>$359,678</td>
</tr>
<tr>
<td>Energy Resources Program</td>
<td>$551,765</td>
</tr>
<tr>
<td>Public Policy Resource Laboratory</td>
<td>$41,244</td>
</tr>
<tr>
<td>School of Architecture</td>
<td>$750,274</td>
</tr>
<tr>
<td>Real Estate Research Center</td>
<td>$2,721,100</td>
</tr>
</tbody>
</table>

• **New Exceptional Items**
  - University Bound!                      | $8,000,000            |
  - Keep Texas Scholars                    | $5,400,000            |

• **TRB**
  - Facilities Renewal                    | $95,000,000           |

• **Competitive Knowledge Fund Formula Proposal**
Hurricane Ike
Hurricane Ike Response and Impact – TAMU

- Closure of campus on Friday, Sept. 12.
- Postponement of Academic Convocation, Investiture and related activities.
- Location of special needs evacuation facility at Reed Arena.
- Evacuation assistance provided to TAMU Corpus Christi and TAMU Kingsville.
- Assistance with animal evacuations.
- Relocation of Galveston campus to College Station.
- Unprecedented effort in higher education.
Hurricane Ike Response and Impact - TAMUG

- Texas A&M University at Galveston
  - Saturday, 9/13 – Hurricane Ike hits Galveston.
  - Sunday, 9/14- Friday, 9/18 – Contingency plans activated.
    - Began implementing plan to relocate TAMUG students, faculty and staff to College Station.
    - TAMU student services began planning for Galveston students arrival, including housing, food and financial aid.
    - Assessment of available classroom space conducted.
    - Determination made not to place any additional financial burden on students.
    - Implemented financial processes to track expenses associated with Ike.
  - Monday and Tuesday, 9/22-9/23 – Orientation sessions held for students, faculty and staff.
  - Wednesday, 9/24 – TAMUG students began classes in College Station.
- Estimated Cost of Hurricane Ike as reported to the Board of Regents:
  - TAMUG $29 - $34 million
  - TAMU $3 - $4 million