TEXAS HOUSE OF REPRESENTATIVES
COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEE ON ARTICLE III
CHAIRMAN TRENT ASHBY

THURSDAY, MAY 5, 2016
1:00 P.M.
TEXAS SOUTHERN UNIVERSITY
RODERICK R. PAIGE BUILDING
AUDITORIUM, ROOM #116
3100 CLEBURNE STREET
HOUSTON, TEXAS 77004

I. CALL TO ORDER

II. CHAIRMAN'S OPENING REMARKS

III. TESTIMONY

Examine the formulas used to fund institutions of higher education. Study the initial development of the formulas and the underlying assumptions used. Make recommendations for new discipline weights, if necessary, evaluating any discrepancies in formula funding for the same program offered at different types of institutions and the inclusion of new medical schools on general academic campuses.

LEGISLATIVE BUDGET BOARD

- *Jeff Pool,* Analyst, Legislative Budget Board

TEXAS HIGHER EDUCATION COORDINATING BOARD

- *Dr. Raymund A. Paredes*, Commissioner, Higher Education Coordinating Board
- *Dr. Julie Eklund*, Assistant Commissioner, Strategic Planning and Funding, Higher Education Coordinating Board

FORMULA FUNDING IMPACT ON INSTITUTIONS

- *Dr. John M. Rudley*, President, Texas Southern University
- *Dr. Edward J. Stemley*, Dean, Texas Southern University College of Pharmacy and Health Science
- *F. Lamar Pritchard, Ph.D., R.Ph.*, Dean and Professor, University of Houston, College of Pharmacy

UPDATE ON NEW MEDICAL SCHOOLS

- *Amy Shaw Thomas,* Vice Chancellor for Academic and Health Affairs, University of Texas System

IV. FINAL COMMENTS

V. ADJOURNMENT

LEGISLATIVE BUDGET BOARD

Higher Education Funding

Overview of Formula Funding for General Academic Institutions, Health Related Institutions, Lamar State Colleges, and Texas State Technical Colleges

PRESENTED TO HOUSE APPROPRIATIONS COMMITTEE

SUBCOMMITTEE ON ARTICLE III

LEGISLATIVE BUDGET BOARD STAFF **MAY 5, 2016**

Overview of Presentation

Related to House Appropriations Committee Interim Charge #15, Examine the formulas used to fund institutions of higher education. Study the initial development of the formulas and the underlying assumptions used. Make recommendations for new discipline weights, if necessary, evaluating any discrepancies in formula funding for the same program offered at different types of institutions and the inclusion of new medical schools on general academic campuses.

1. Overview of Formula Funding Mechanics and Methods of Finance
2. Overview of General Academic Institution (GAI) Formulas
3. Overview of Lamar State Colleges (Lamars) and Texas State Technical College (TSTC) Formulas
4. Overview of Formula Appropriations for GAIs, Lamars, and TSTCs
5. Overview of Health Related Institution (HRI) Formulas
6. Overview of HRI Formula Appropriations

General Formula Funding Mechanics

- Formulas are a distribution method for higher education funding. Higher education formulas do not create a statutory or constitutional entitlement.
- Formula Method of Finance.
  - General Academic Institutions, Health Related Institutions, Lamar State Colleges and Texas State Technical Colleges are funded through an All Funds methodology which means that General Revenue and GR-Dedicated–Other Educational and General Income (E&G) are used to fund these formulas.
  - "Other E&G" includes revenue generated by statutory tuition, interest on funds in the state treasury, and various fees. (Board Authorized Tuition is distributed after formula calculation, therefore does not affect the amount of General Revenue.)
- Other E&G Set Asides. Some E&G income is set aside for specific purposes. Specific amounts are unavailable for formula purposes and, consequently, as a formula method of finance. For example, institutions set aside a portion of their tuition to provide Texas Public Education Grants.

General Academic Institutions
Instruction and Operations Formula

The General Academic Institution (GAI) Instruction and Operations (I&O) Formula is based on Semester Credit Hours (SCH) during a three-semester base period. SCH is a measure of how many classes an institution delivers. The base period used for the 2016-17 biennium is Summer and Fall of 2014 and Spring of 2015.

SCH are weighted by discipline (e.g. nursing is weighted more than liberal arts) and by level (lower and upper division, masters, doctoral, and professional). The weights are based on a cost study completed by the Texas Higher Education Coordinating Board of relative costs and are listed on the following slide.

The Legislature sets the rate based on available funding, including consideration of enrollment changes and other factors.

Semester Credit Hours X Program/Level Weight X Rate ($55.39)

Hours taught by tenured or tenure-track faculty qualify for the teaching experience supplement. The weight functions as it does in the Instruction and Operations formula.

Semester Credit Hours X Program/Level Weight X Supplement (0.10) X Rate ($55.39)

General Academic Institutions
Cost Based Matrix

	LOWER DIVISION	UPPER DIVISION	MASTERS	DOCTORAL	SPECIAL PROFESSIONAL
Liberal Arts	1.00	1.76	4.00	10.77	
Science	1.78	3.02	7.53	20.61	
Fine Arts	1.47	2.52	6.03	7.95	
Teacher Ed	1.63	2.08	2.56	7.42	
Agriculture	2.07	2.75	7.80	11.77	
Engineering	2.38	3.52	7.10	17.98	
Home Economics	1.10	1.75	3.01	8.67	
Law					5.13
Social Services	1.68	2.05	2.93	18.18	
Library Science	1.49	1.57	3.60	12.06	
Vocational Training	1.45	2.64			
Physical Training	1.51	1.26			
Health Services	1.07	1.65	2.79	9.86	2.64
Pharmacy	1.86	5.02	28.29	35.14	4.32
Business Admin	1.19	1.88	3.39	23.92	
Optometry			37.52	55.92	7.58
Teacher Ed Practice	2.28	2.13			
Technology	2.26	2.41	3.89	5.20	
Nursing	1.72	2.11	3.34	8.99	
Developmental Ed	1.00				
Veterinary Medicine					22.03

GAI, Lamars, and TSTC Infrastructure Formula

- The GAI Infrastructure Formula, which also includes the Lamar State Colleges and the Texas State Technical Colleges, allocates funding for physical plant support and utilities and is based on predicted square feet for universities' educational and general activities produced by the Space Projection Model developed by the Coordinating Board.
- As with the SCH rate, the Legislature sets the rate based on available funding, including consideration of changes in space and other factors.

Predicted Square Feet X Rate ($5.62)

- Additionally, institutions with a headcount of less than 10,000 students also receive the Small Institution Supplement. The supplement totals $1.5 million for the biennium for each institution with less than a 5,000 student headcount. Institutions with headcounts that range from 5,000 to 10,000 students receive an appropriation that decreases from $1.5 million with each additional student.

Lamar State Colleges and Texas State Technical Colleges

The Instruction and Administration (I&A) Formula for the Lamar State Colleges is based on contact hours. A contact hour is a standard unit of measure that represents an hour of scheduled academic and technical instruction given to students during a semester. The base period used for the 2016-17 biennium is Summer and Fall of 2014 and Spring of 2015.

Contact Hours X Rate ($3.53)

The Legislature sets the rate based on available funding, including consideration of enrollment changes and other factors.

The Eighty-third Legislature, Regular Session, 2013, modified the calculation of the Texas State Technical College (TSTC) I&A formula to base it on the returned value to the state generated by the TSTC System rather than student contact hours. The I&A formula now compares average student wages upon completion of nine semester credit hours or more at a TSTC institution to minimum wage to determine the additional value an individual generates for the state after attending a TSTC institution. Based on available funding, the Legislature then appropriates a percentage of this returned value amount to the TSTC System for I&A funding.

Returned Value X Percentage Allocated to TSTC (35.5%)

Formula Appropriations for General Academic Institutions, Lamar State Colleges, and Texas State Technical Colleges

IN MILLIONS	2014-15 Appropriations		2016-17 Appropriations	
Formula	Formula General Revenue	Annual All Funds Rate	Formula General Revenue	Annual All Funds Rate
Instruction and Operations - GAIs	$2,664.5	$54.86	$2,917.1	$55.39
Infrastructure Support – GAIs, Lamars, and TSTCs	521.7	5.56	551.1	5.62
Instruction and Administration - Lamars	30.4	3.44	26.1	3.53
Instruction and Administration – TSTCs*	89.8	32.6%	94.0	35.5%
Total	$3,306.4		$3,588.3	

*Percentage reflects the allocation of returned value appropriated to the TSTC System for I&A funding.

Health Related Institutions Formulas

- The Health Related Institutions (HRI) Instruction and Operations Formula is based on Full-Time Student Equivalents (FTSE) during a three-semester base period. The FTSEs are weighted by program, and the Legislature sets the rate based on available funding, including consideration of enrollment changes and other factors.

FTSE X Program/Level Weight X Rate ($9,829)

- The HRI Infrastructure Support Formula allocates funding for physical plant support and utilities based on the predicted square feet at the institutions. As with the I&O rate, the Legislature sets the rate based on available funding, including consideration of changes in space and other factors.

Predicted Square Feet X Rate

(Rate is $6.65 for HRIs other than The University of Texas M.D. Anderson Cancer Center (UTMDACC) and The University of Texas Health Science Center at Tyler (UTHSCT) ; $6.26 for UTMDACC and UTHSCT)

Note: Baylor College of Medicine receives funding for its undergraduate medical students, by statute, based on the average cost per undergraduate medical student enrolled at The University of Texas Medical Branch and The University of Texas Southwestern Medical Center.

I&O Funding by Weights and Discipline

The I&O formula multiplies the number of FTSEs generated at an institution by a weight assigned to the program, regardless of level. The weights for each of these programs are shown in the table below. These weights are not based on a cost study and have not changed since the inception of the formulas in 2000-01.

Program	Weight
Allied Health	1.000
Biomedical Science	1.018
Nursing	1.138
Pharmacy	1.670
Public Health	1.721
Dental	4.601
Medical	4.753

Health Related Institutions Formulas

- The Research Enhancement Formula provides support for medical and clinical research of the institutions, and are allocated using a base amount plus a percentage of research expenditures from the most recent fiscal year.

Base ($1,412,500) + 1.23% of Research Expenditures

- The Graduate Medical Education (GME) Formula provides funding on a per medical resident basis in an accredited program.

Number of Medical Residents X Rate ($6,266)

Note: Baylor College of Medicine receives Graduate Medical Education funding through the HRI GME formula.

Health Related Institutions Mission Specific Formulas

- UTMDACC Cancer Center Operations Formula is a mission specific formula that provides support for UTMDACC based on Texas cancer patients served.

Number of Texas Cancer Patients Served X Rate ($1,877)

- UTHSCT Chest Disease Center Operations is a mission specific formula that provides support for UTHSCT based on the number of new primary chest disease diagnoses in Texas each year.

Number of New Primary Chest Disease Diagnoses X Rate ($215)

- For each of the mission specific formulas, the amount of growth in total funding from one biennium to another may not exceed the average growth in funding for Health Related Institutions in the I&O formula for the current biennium.

Formula Appropriations for Health Related Institutions

IN MILLIONS	2014-15 Appropriations		2016-17 Appropriations	
Formula	Formula General Revenue	Annual All Funds Rate	Formula General Revenue	Annual All Funds Rate
Instruction and Operations*	$1,093.1	$9,527	$1,169.2	$9,829
Infrastructure Support	236.0	6.63; 6.09	246.8	6.65; 6.26
Research Enhancement	68.7	1.22 percent	74.6	1.23 percent
Graduate Medical Education*	65.7	5,122	85.9	6,266
Cancer Center Operations	247.5	1,944	264.8	1,877
Chest Disease Center Operations	54.6	378	58.4	215
Total	$1,765.6		$1,899.6	

*Included in these totals are amounts appropriated for Baylor College of Medicine through the Higher Education Coordinating Board's bill pattern.

Contact the LBB

Legislative Budget Board
www.lbb.state.tx.us
512.463.1200

Formula Funding for General Academic and Health-Related Institutions

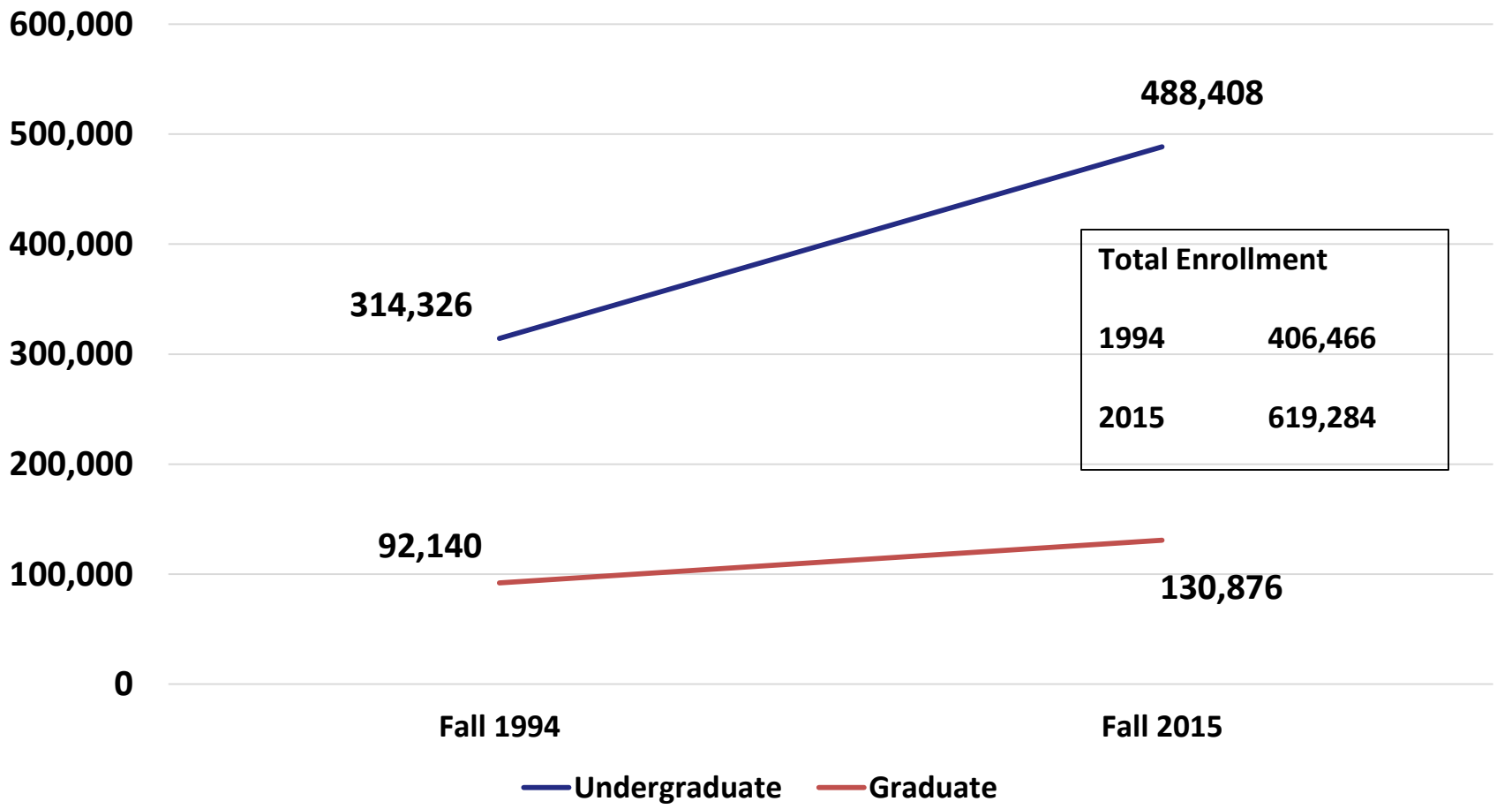
Raymund A. Paredes, Ph.D.
Texas Commissioner of Higher Education

House Appropriations Subcommittee on Article III
May 5, 2016
Texas Southern University

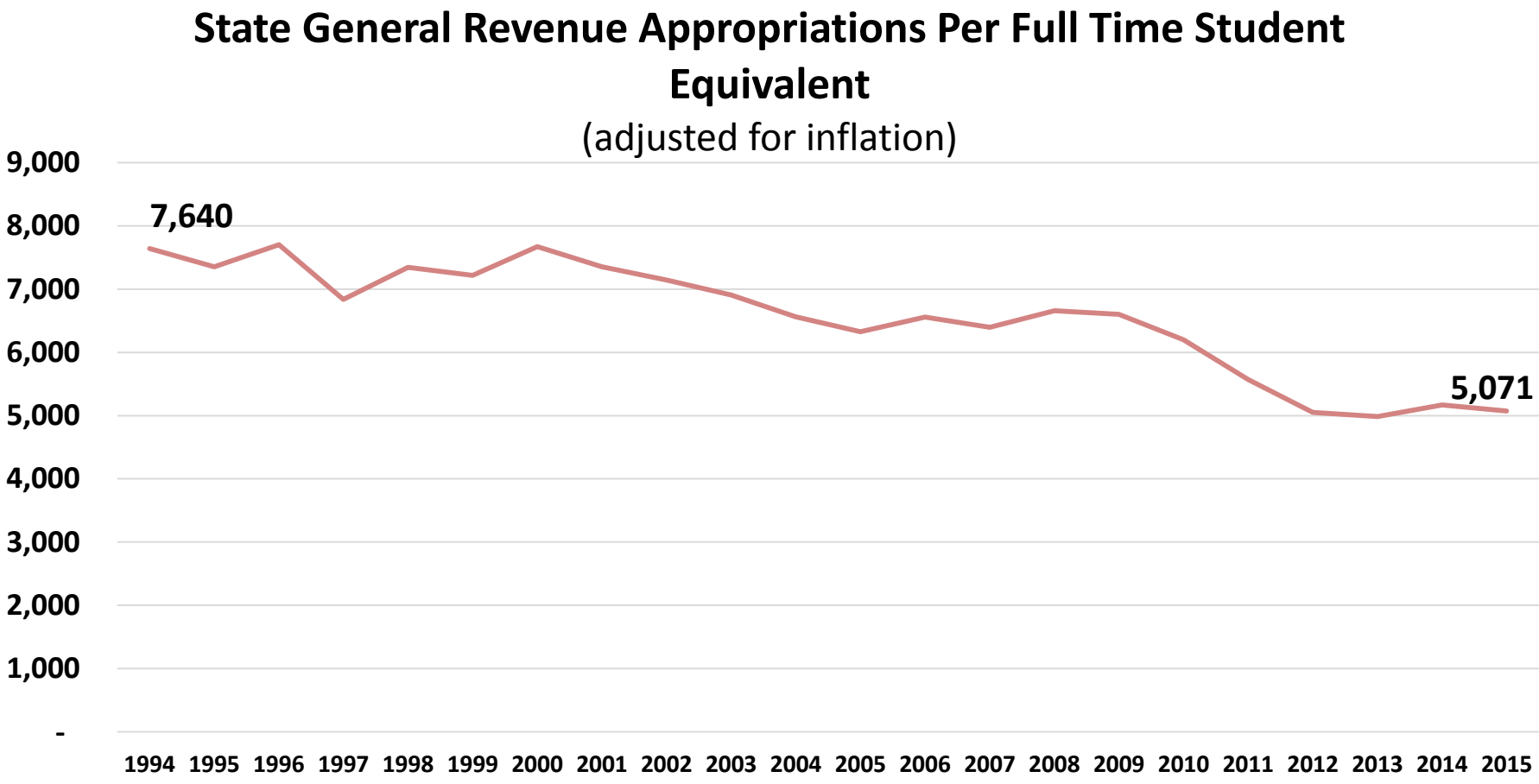
The role of formula funding in *60x30TX*

- The overarching goal of the state's 2015 – 2030 strategic plan for higher education, *60x30TX*, aims to **increase the percentage of 25- to 34-year-olds in Texas who hold a certificate or degree**.
- To meet its primary goal under *60x30TX*, **by 2030, at least 550,000 students in that year will complete a certificate, associate, bachelor's, or master's** from an institution of higher education in Texas.
- To achieve the goals of *60x30TX*, **more emphasis must be placed on the effective use of state, institutional, and student resources** not only to graduate students but to do so efficiently.

General Academic Institution enrollment continues to grow



Yet state funding for GAIs is declining

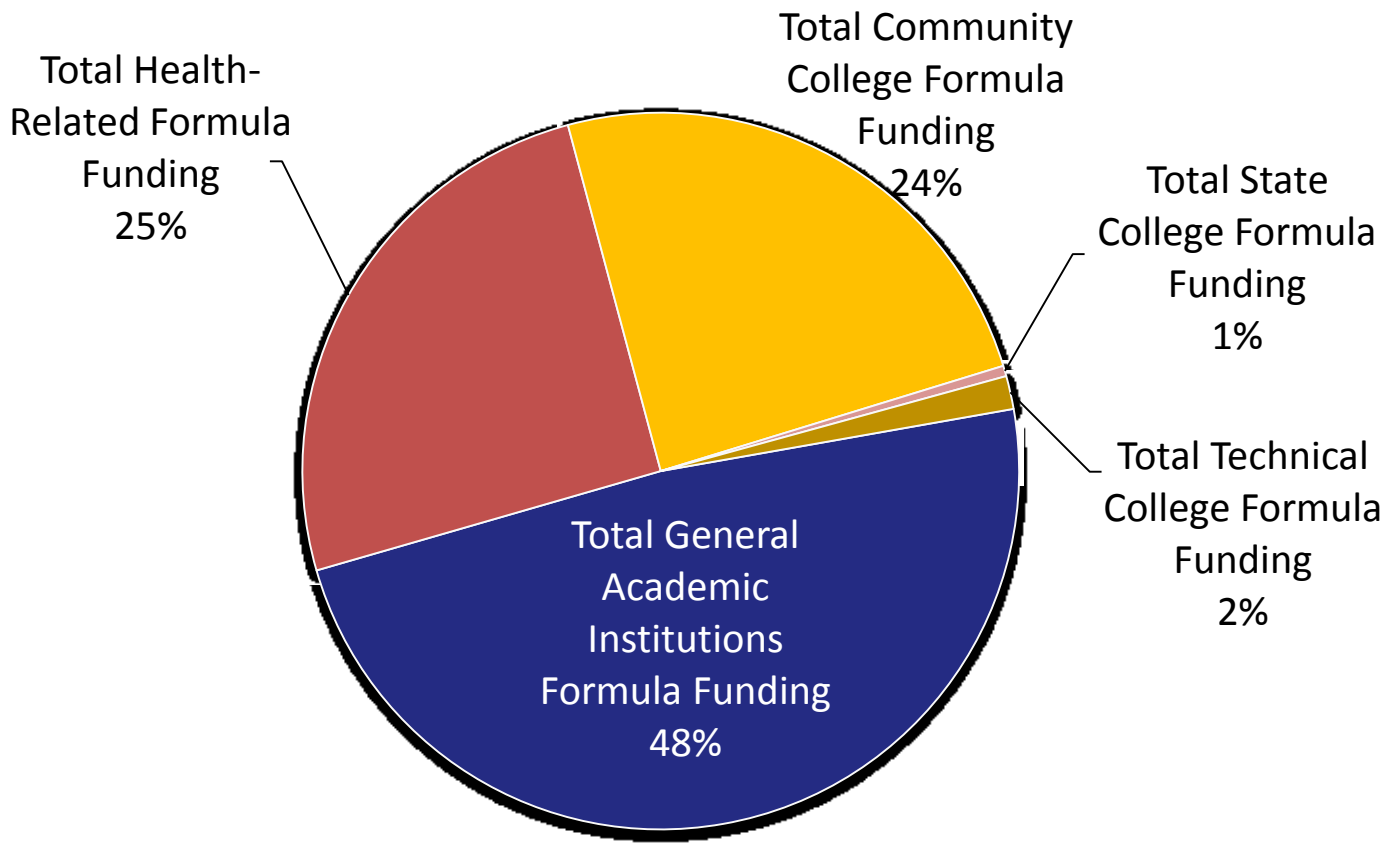


How do funding formulas work?

- Statute requires that the Board "advocate for the provision **of adequate resources to institutions of higher education**," and "**devise, establish, and periodically review and revise formulas**."
- Each interim, advisory committees representing public institutions develop formula recommendations. The Board adopts the final recommendations for the Legislature to consider.
- For general academic institutions, there are two funding formulas and two supplements:
  - **Instruction & Operations (I&O) Formula**/Teaching Experience Supplement
  - **Infrastructure Formula**/Small Institution Supplement
- Teaching generates semester credit hours (SCHs) that count in generating most formula funding. The supplements use SCH and headcount.
- Weighting reflects the difference in cost related to the level and field of courses taught. For example, graduate courses are taught in smaller class sections and are therefore weighted heavier than undergraduate courses.
- The appropriations act specifies the dollar value of each weighted SCH.

Formula Funding For All Sectors

(General Revenue – Current Biennium)

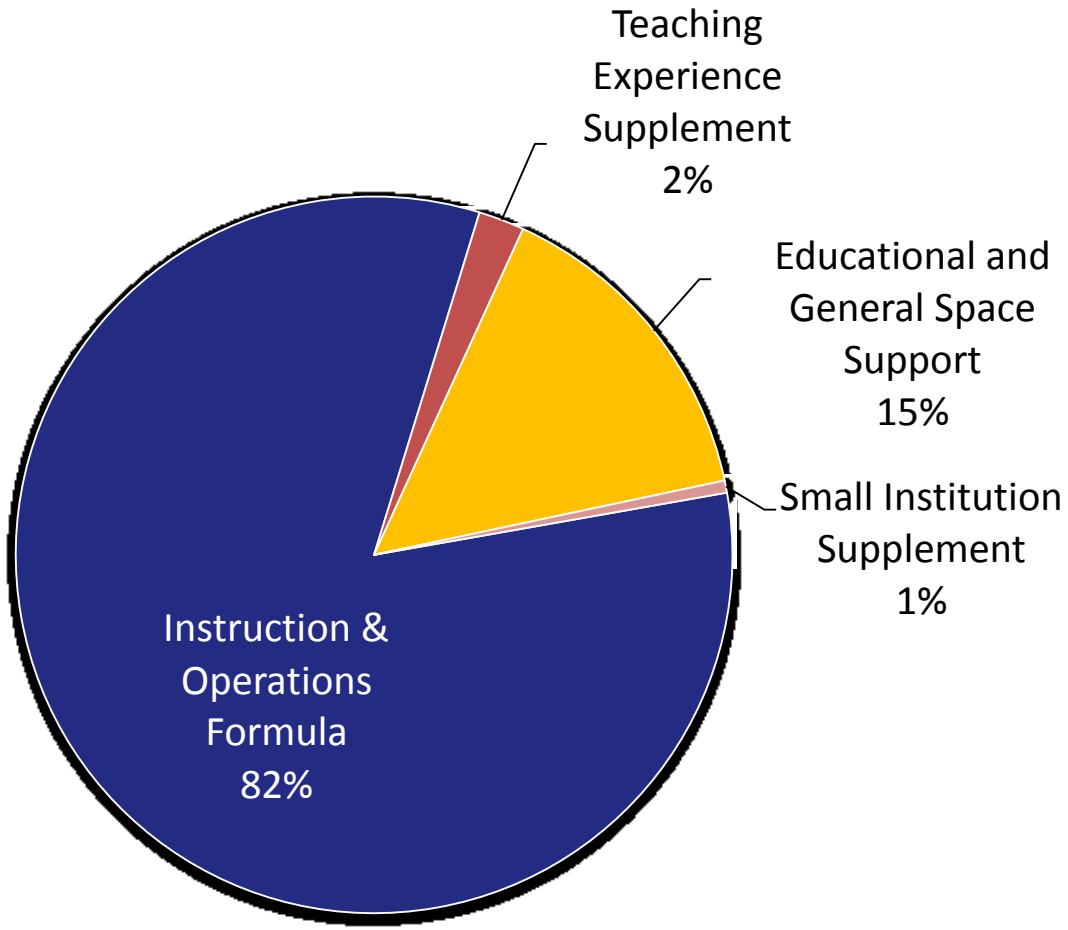


What General Academic Institution formulas support

- **Instructions & Operations Formula** - The I&O Formula provides funding for faculty salaries, administration, student services, and other support based on weighted semester-credit hours.
- **Teaching Experience Supplement** - An additional weight of 10% is added to lower-division and upper-division semester credit hours taught by tenured and tenure-track faculty.
- **Education & General Space Support** – The E&G Formula provides funding for physical plant and utilities based on the THECB determination of predicted square feet needed for educational and general activities.
- **Small Institutional Supplement** - Prior to 2009, general academic institutions with enrollments of less than 5,000 received a $750,000 annual Small Institution Supplement. However, the 81st Legislature increased the enrollment threshold to 10,000 students and implemented a phase-out (based on the number of students) of the supplement between 5,000 and 10,000 students for the 2012–13 biennium.

General Academic Formula Funding Proportions

(General Revenue)



GAI formula recommendations for FY18-19

- The Formula Advisory Committee recommended an increase in formula funding for general academic institutions of 14.3%, totaling $5.3 billion, for the FY 2018-2019 biennium.
- In determining its formula recommendations, the Board considered three priorities: inflation, growth and success.
- Accordingly, on April 28 the Board recommended a lower funding **increase of 9%, $5.1 billion** that included an increase of 3.5% for growth and 2.3% for inflation.
- The Board also voted to incentivize success at our public 4-year institutions, recommending a **3.2% increase for outcomes**.
- These recommendations reflect the Board's commitment to **rewarding student performance as the best means for achieving our 60x30 goals for completion**.

Graduation Bonus

- During the 84th Interim, the General Academic Institutions Formula Advisory Committee developed a **Graduation Bonus program** to reward General Academic Institutions for completions.
- On April 28, the Board recommended the 85th Legislature adopt a lower funding level, providing **$150 million for the biennium**, based on institutions' three-year average:
  - **$500 for each not "at risk" student** awarded a bachelor's degree
  - **$1,000 for each "at risk" student** awarded a bachelor's degree
- An "at risk" student would be defined as any student who is eligible to receive a Pell Grant or whose SAT or ACT score was below average.
- The Bonus **directly impacts the *60x30TX*** goal to produce more graduates.
- The Board recommends outcomes-based funding be institutionalized and that the Legislature determine whether it be **inside or outside the formula**.

The genesis of the outcomes funding recommendation

- In 2007, the Legislature appropriated $80 million for FY2009 to the Board to establish a Higher Education Performance Incentive Fund to improve “teaching and educational excellence.” Funding ended with the 2011 session.
- In 2010, the GAI Formula Advisory Committee and the Board adopted a recommendation for an outcomes-based funding formula for public universities that would provide 10% of the baseline funding based on degrees awarded and other factors.
- According to the National Conference of State Legislatures, 26 states employed some performance based funding for public four-year institutions as of July 2015.

Texas is moving toward outcomes funding

- **Community College Success Points -** Increasing student completions to meet *60x30TX* goals requires additional resources for advising, tutoring, and software.
  - First funded by the 83rd Legislature.
  - Funds linked to completions, transfers, etc.
  - Improvements increase when student success is valued and rewarded.
  - The Board has recommended an increase to $215 per point for the next biennium.

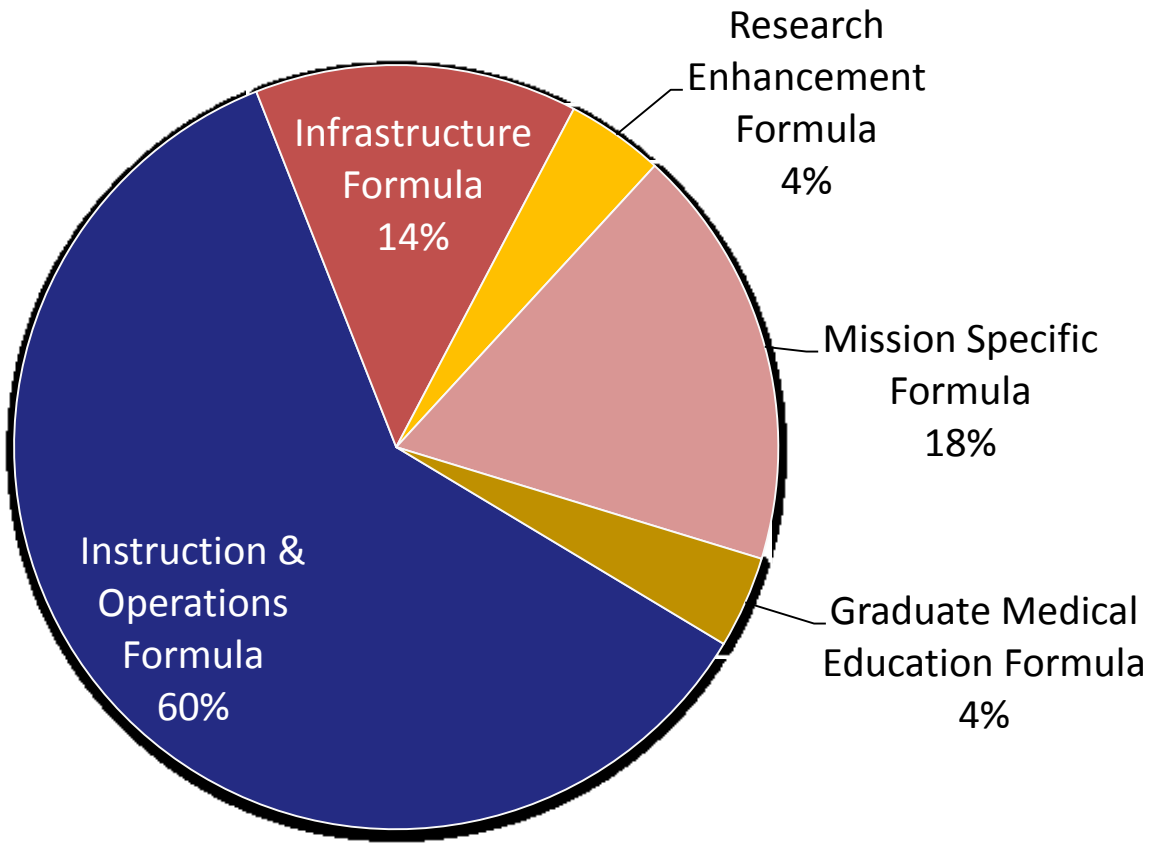
- **Returned Value Formula –** Ties funding for the Texas State Technical College System to success in job placement and earnings.
  - First funded by the 83rd Legislature.

What Health-Related Institution formulas support

- **Instructions & Operations Formula** – The largest of HRI formulas, intended for faculty salaries, operating expenses, instructional administration, and libraries.
- **Infrastructure Formula** – Supports physical plants and utilities.
- **Research Enhancement Formula** - Provides a fixed amount of $1,412,500 for each institution, plus a percentage of their research expenditures.
- **Mission Specific Formula** - Supports the patient care, research, and training programs at The University of Texas M. D. Anderson Cancer Center and The University of Texas Health Science Center-Tyler.
- **Graduate Medical Education** - Funding is based upon the number of Accreditation Council for Graduate Medical Education (ACGME), American Osteopathic Association (AOA) residents that each institution reports.

Health-Related Inst. Formula Funding Proportions

(General Revenue)



HRI formula recommendations for FY18-19

- The Formula Advisory Committee recommended increasing formula funding for health-related institutions by 15.1%, totaling $2.2 billion.
- On April 28, the Board voted to recommend different funding levels of **8.5%, or $2.1 billion** total.
- The Board's HRI formula recommendations accounted for projected growth, two new medical schools, and inflation, while **emphasizing the need for graduate medical education**:
  - 3.8% increase for growth
  - 2.3% increase for inflation
  - 1.3% increase for new schools
  - 0.9% increase for GME

General Academic Institution Expenditure (Cost) Study

Texas Higher Education Coordinating Board

Julie Eklund, Ph.D.
Texas Higher Education Coordinating Board

House Appropriations - Subcommittee on Article III
May 5, 2016
Texas Southern University

Relative Weight Matrix

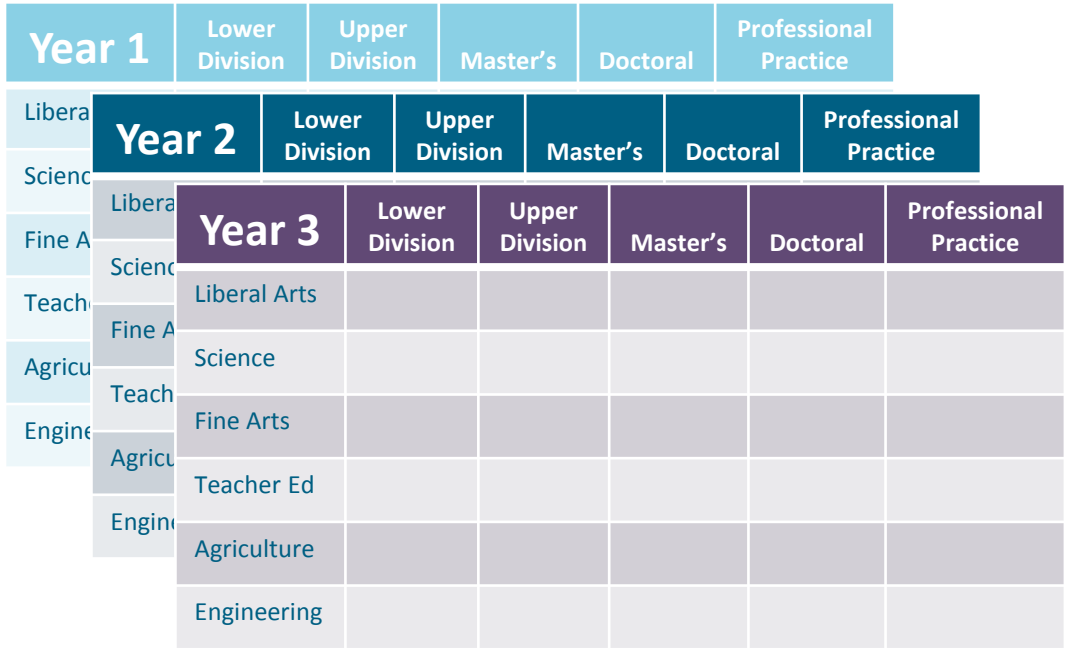
Formula funding is allocated by weighted semester credit hours.

SCH X Weight X Rate = Formula

Doctoral Pharmacy Example:
3 X 35.14 X $55.39 =$5,839.21

Discipline	Lower Division	Upper Division	Master's	Doctoral	Professional Practice
Liberal Arts	1.00	1.76	4.00	10.77	0.00
Science	1.78	3.02	7.53	20.61	0.00
Fine Arts	1.47	2.52	6.03	7.95	0.00
Teacher Ed	1.63	2.08	2.56	7.42	0.00
Agriculture	2.07	2.75	7.80	11.77	0.00
Engineering	2.38	3.52	7.10	17.98	0.00
Home Economics	1.10	1.75	3.01	8.67	0.00
Law	0.00	0.00	0.00	0.00	5.13
Social Services	1.68	2.05	2.93	18.18	0.00
Library Science	1.49	1.57	3.60	12.06	0.00
Veterinary Medicine	0.00	0.00	0.00	0.00	22.03
Vocational Training	1.45	2.64	0.00	0.00	0.00
Physical Training	1.51	1.26	0.00	0.00	0.00
Health Services	1.07	1.65	2.79	9.86	2.64
Pharmacy	1.86	5.02	28.29	**35.14**	**4.32**
Business Admin	1.19	1.88	3.39	23.92	0.00
Optometry	0.00	0.00	37.52	55.92	7.58
Teacher Ed Practice	2.28	2.13	0.00	0.00	0.00
Technology	2.26	2.41	3.89	5.20	0.00
Nursing	1.72	2.11	3.34	8.99	0.00
Developmental Ed	1.00	0.00	0.00	0.00	0.00

Overview



Year 1	Lower Division	Upper Division	Master's	Doctoral	Professional Practice
Libera					
Scienc					
Fine A					
Teach					
Agricu					
Engine					

Year 2	Lower Division	Upper Division	Master's	Doctoral	Professional Practice
Libera					
Scienc					
Fine A					
Teach					
Agricu					
Engin					

Year 3	Lower Division	Upper Division	Master's	Doctoral	Professional Practice
Liberal Arts					
Science					
Fine Arts					
Teacher Ed					
Agriculture					
Engineering					

- Three-year average expenses and semester credit hours
- Allocate annual expenses to cells
- Sum all the institutions' allocated expenses by cell for three years
- Sum all institutions' hours by cell for three years
- For each cell, divide expense by hours
- Divide each cell by the "lower division liberal arts" rate

Expenditures Included in the Matrix

- Functional Cost Categories
  - Instruction and Research
  - Academic Support
  - Student Services
  - Institutional Support
  - Excluded
    - Public Service
    - Operations and Maintenance of Plant
    - Scholarships and Fellowships
    - Auxiliary Enterprises
    - Capital Outlay from Current Fund Sources
    - Other Expenses

- Fund Groups - All Funds
  - Educational and General
  - Designated
  - Restricted Expendable
  - Unexpended Plant Funds
  - Excluded
    - Auxiliary Enterprises
    - Loan Funds
    - Annuity, Life and Endowment, and Similar
    - Retirement of Indebtedness
    - Investment in Plant

Cost Drivers used to allocate expenses to cells

Cost Drivers	Source
Headcount	Student Report (CBM001)
Semester Credit Hours (SCH)	Course Report (CBM004)
Teaching Salaries	
- Faculty Teaching Salaries	Faculty Report (CBM008)
- Teaching Assistant Salaries	Institution Survey

Allocate Direct Expenses into Matrix Cells

Allocate

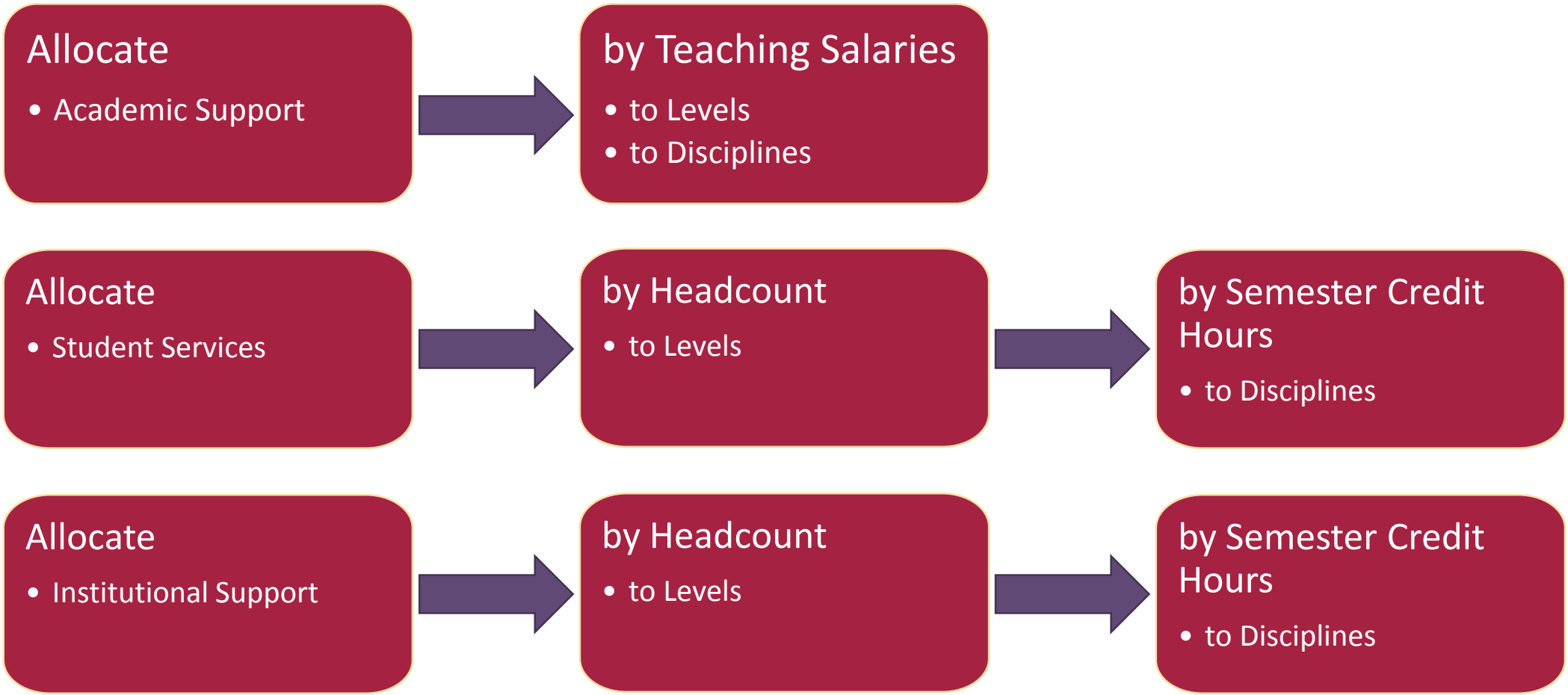
- Instruction and Research

  Instruction + Research - Teaching Salaries = Departmental Operating Expense

DOE	Lower Division	Upper Division	Master's	Doctoral	Professional Practice
Liberal Arts					
Science					
Fine Arts					
~~					
~~					
Technology					
Nursing					

- Combine "Instruction and Research"
- Subtract Teaching Salaries
- 2 options to divide remaining expense into cells
- Option 1: **Specify** the Departmental Operating Expense (DOE) for each **discipline and level** in the matrix
- Option 2: **Specify** the Departmental Operating Expense (DOE) of each discipline and **allocate** to levels

Allocate Indirect Expenses Into Matrix Cells



Pharmacy and Nursing Formula Funding

- The General Academic Institutions (GAI) and Health-Related Institutions (HRI) are funded from different pots of money.
- GAI formula funding for Pharmacy and Nursing is indexed to each discipline's statewide average expenditures and that of lower division liberal arts, whereas the HRI weights are constant.

2016-2017 Formula Funding Per Semester Credit Hour		Lower Division	Upper Division	Master's	Doctoral	Professional Practice
Pharmacy	GAI	$103	$278	$1,567	$1,946	$239
	HRI					$684
Nursing	GAI	$95	$117	$185	$498	
	HRI		$373	$466	$621	

NAPLEX® Passing Rates for 2013-2015 Graduates Per Pharmacy School

Yearly NAPLEX pass rates are available for each of the United States schools and colleges of pharmacy. The data includes all candidates who reported graduating from one of the reported schools/colleges of pharmacy and took the exam within the same year.

School Name	2013 Graduates				2014 Graduates				2015 Graduates			
	All Attempts	Pass Rate	First-time Attempts	Pass Rate	All Attempts	Pass Rate	First-time Attempts	Pass Rate	All Attempts	Pass Rate	First-time Attempts	Pass Rate
Albany College of Pharmacy	267	92.51%	258	93.80%	254	94.09%	250	94.40%	234	89.74%	221	91.40%
Auburn University	148	94.59%	142	95.07%	156	95.51%	149	95.30%	147	90.48%	137	92.70%
Belmont University	67	98.51%	66	98.48%	72	95.83%	70	97.14%	72	93.06%	69	92.75%
Butler University	104	100.00%	104	100.00%	111	100.00%	111	100.00%	129	99.22%	128	99.22%
California Northstate University	96	90.63%	89	89.89%	93	91.40%	88	90.91%	97	93.81%	95	95.79%
Campbell University	102	99.02%	102	99.02%	107	92.52%	103	93.20%	116	86.21%	105	88.57%
Chicago State University	85	88.24%	79	89.87%	92	90.22%	88	90.91%	74	74.32%	68	76.47%
Concordia University	-	-	-	-	66	98.48%	65	98.46%	81	96.30%	79	97.47%
Creighton University	180	96.67%	178	97.19%	154	98.05%	151	98.01%	171	97.66%	168	97.62%
Drake University	124	97.58%	122	98.36%	126	98.41%	126	98.41%	101	94.06%	96	94.79%
Duquesne University	162	91.36%	156	93.59%	161	93.79%	155	94.19%	179	89.39%	168	91.07%
D'Youville College	-	-	-	-	55	92.73%	53	96.23%	64	84.38%	59	88.14%
East Tennessee State University	75	97.33%	74	98.65%	77	98.70%	76	98.68%	81	92.59%	76	93.42%
Ferris State University	114	100.00%	114	100.00%	140	97.14%	137	97.81%	125	96.80%	123	97.56%
Florida A&M University	136	84.56%	123	85.37%	129	88.37%	124	88.71%	138	84.78%	129	85.27%
Hampton University	56	60.71%	46	67.39%	72	75.00%	63	74.60%	67	71.64%	61	77.05%
Harding University	52	90.38%	47	91.49%	64	92.19%	60	93.33%	43	93.02%	41	92.68%
Howard University	54	94.44%	52	94.23%	64	85.94%	56	83.93%	52	86.54%	50	90.00%
Husson University	50	92.00%	47	93.62%	53	84.91%	47	82.98%	70	68.57%	62	69.35%
Idaho State University	65	95.38%	65	95.38%	75	94.67%	72	94.44%	75	90.67%	68	91.18%
Lake Erie College of Osteopathic Medicine School of Pharmacy	243	92.18%	234	93.59%	267	89.14%	248	89.11%	275	86.55%	260	90.00%
Lebanese American University	2	100.00%	2	100.00%	2	100.00%	2	100.00%	2	100.00%	2	100.00%
Lipscomb University	74	91.89%	70	94.29%	77	94.81%	74	94.59%	81	96.30%	78	96.15%
Loma Linda University	70	94.29%	67	94.03%	78	97.44%	77	97.40%	74	93.24%	72	94.44%
Long Island University	174	94.25%	172	94.77%	190	92.11%	179	92.18%	198	88.38%	189	91.01%
Massachusetts College of Pharmacy, Boston	276	94.57%	272	95.22%	271	90.77%	258	91.86%	307	85.99%	289	88.24%
Massachusetts College of Pharmacy, Worcester	270	88.89%	252	90.08%	279	89.25%	263	90.11%	272	87.87%	258	89.15%
Mercer University	132	96.97%	129	97.67%	132	95.45%	127	95.28%	148	91.89%	139	92.81%

NAPLEX® Passing Rates for 2013-2015 Graduates Per Pharmacy School

Midwestern University, Chicago	201	98.51%	199	98.49%	209	97.13%	206	97.09%	209	88.52%	197	91.88%
Midwestern University, Glendale	144	96.53%	141	97.16%	154	96.75%	151	96.69%	139	95.68%	137	96.35%
North Dakota State University	83	96.39%	82	97.56%	88	94.32%	85	94.12%	83	95.18%	80	95.00%
Northeast Ohio Medical University	72	100.00%	72	100.00%	60	98.33%	60	98.33%	63	95.24%	61	96.72%
Northeastern University	134	98.51%	133	98.50%	144	93.06%	139	94.24%	125	93.60%	122	93.44%
Notre Dame of Maryland University	60	81.67%	52	82.69%	59	94.92%	58	94.83%	64	84.38%	59	86.44%
Nova Southeastern University	214	92.06%	202	93.07%	232	91.38%	218	91.74%	220	91.82%	213	92.49%
Ohio Northern University	155	96.13%	151	96.69%	168	97.02%	164	97.56%	150	96.00%	146	95.89%
Ohio State University	124	98.39%	123	98.37%	129	98.45%	127	98.43%	121	96.69%	118	97.46%
Oregon State University	84	97.62%	83	97.59%	97	93.81%	93	93.55%	83	97.59%	83	97.59%
Pacific University, Oregon	95	96.84%	94	96.81%	104	91.35%	100	92.00%	98	92.86%	94	93.62%
Palm Beach Atlantic University	67	95.52%	66	95.45%	74	95.95%	72	95.83%	72	84.72%	65	86.15%
Philadelphia College of Osteopathic Medicine, Georgia	-	-	-	-	72	83.33%	65	84.62%	77	88.31%	72	90.28%
Philadelphia College of Pharmacy	211	97.16%	208	97.60%	194	95.36%	190	95.26%	171	97.08%	170	97.65%
Presbyterian College	-	-	-	-	89	75.28%	76	76.32%	87	75.86%	75	78.67%
Purdue University	156	98.72%	155	98.71%	156	97.44%	153	97.39%	164	93.29%	156	93.59%
Regis University	52	92.31%	50	92.00%	74	95.95%	71	95.77%	63	85.71%	57	87.72%
Roosevelt University	-	-	-	-	61	93.44%	58	93.10%	76	80.26%	67	85.07%
Rosalind Franklin University	-	-	-	-	-	-	-	-	70	67.14%	58	72.41%
Roseman University of Health Sciences	213	97.65%	210	97.62%	252	92.06%	241	92.95%	238	93.28%	231	94.37%
Rutgers University	187	100.00%	187	100.00%	191	96.34%	187	96.26%	183	95.63%	179	96.09%
Samford University	125	96.80%	123	97.56%	122	95.90%	117	95.73%	127	93.70%	121	94.21%
Shenandoah University	64	93.75%	62	95.16%	72	91.67%	70	91.43%	83	83.13%	74	87.84%
South Carolina College	180	96.11%	176	97.16%	179	96.09%	174	95.98%	186	94.62%	179	94.97%
South College	-	-	-	-	-	-	-	-	67	85.07%	65	86.15%
South Dakota State University	69	100.00%	69	100.00%	74	98.65%	74	98.65%	82	100.00%	82	100.00%
South University School of Pharmacy	148	93.24%	146	93.15%	155	89.03%	145	90.34%	133	85.71%	125	87.20%
Southern Illinois University	81	95.06%	78	94.87%	82	92.68%	77	92.21%	74	97.30%	73	97.26%
Southwestern Oklahoma State University	41	100.00%	41	100.00%	38	100.00%	38	100.00%	42	92.86%	40	92.50%
St John Fisher College	72	97.22%	71	98.59%	77	98.70%	76	98.68%	70	97.14%	69	97.10%
St Johns University	241	90.46%	229	90.39%	219	91.32%	208	92.79%	210	88.57%	195	89.74%
St Louis College of Pharmacy	174	97.70%	170	97.65%	195	91.79%	182	92.86%	223	86.10%	203	88.18%

NAPLEX® Passing Rates for 2013-2015 Graduates Per Pharmacy School

Sullivan University	96	86.46%	92	89.13%	95	91.58%	93	93.55%	110	80.91%	103	83.50%
Temple University	141	99.29%	140	99.29%	140	96.43%	138	96.38%	140	92.86%	136	94.85%
Texas A&M University	81	92.59%	77	92.21%	91	92.31%	86	93.02%	94	87.23%	85	89.41%
Texas Southern University	82	89.02%	80	88.75%	121	82.64%	113	84.07%	113	78.76%	105	81.90%
Texas Tech University	113	97.35%	110	97.27%	156	97.44%	153	98.04%	155	90.97%	148	91.89%
Thomas Jefferson University	53	98.11%	52	98.08%	82	100.00%	82	100.00%	88	92.05%	85	94.12%
Touro University, California	100	99.00%	99	98.99%	95	95.79%	94	95.74%	100	96.00%	99	96.97%
Touro University, New York	81	69.14%	67	70.15%	87	80.46%	84	80.95%	98	74.49%	91	76.92%
Union University	46	95.65%	44	95.45%	46	100.00%	46	100.00%	53	96.23%	51	98.04%
University at Buffalo	109	97.25%	107	97.20%	109	98.17%	108	98.15%	133	93.23%	128	93.75%
University of Appalachia	80	85.00%	74	87.84%	72	95.83%	69	95.65%	75	94.67%	73	95.89%
University of Arizona	98	94.90%	94	95.74%	95	92.63%	91	95.60%	100	93.00%	96	94.79%
University of Arkansas	115	100.00%	115	100.00%	122	97.54%	120	98.33%	118	94.07%	112	94.64%
University of California, San Diego	58	100.00%	58	100.00%	54	100.00%	54	100.00%	54	98.15%	53	98.11%
University of California, San Francisco	106	98.11%	104	98.08%	116	99.14%	115	99.13%	117	99.15%	117	99.15%
University of Charleston	75	98.67%	75	98.67%	73	93.15%	70	92.86%	74	86.49%	67	88.06%
University of Cincinnati	99	100.00%	99	100.00%	90	97.78%	88	97.73%	105	95.24%	102	96.08%
University of Colorado	157	98.09%	157	98.09%	153	96.73%	150	96.67%	158	93.04%	152	94.08%
University of Connecticut	92	98.91%	91	98.90%	94	97.87%	92	97.83%	104	86.54%	95	88.42%
University of Findlay	46	95.65%	45	97.78%	50	96.00%	48	95.83%	66	96.97%	65	96.92%
University of Florida	287	94.77%	274	94.53%	282	95.74%	276	96.01%	282	93.62%	273	94.51%
University of Georgia	125	99.20%	124	99.19%	147	95.92%	142	96.48%	142	88.73%	132	88.64%
University of Hawaii	86	93.02%	83	92.77%	85	89.41%	80	91.25%	95	80.00%	87	82.76%
University of Houston	94	100.00%	94	100.00%	102	100.00%	102	100.00%	105	98.10%	105	98.10%
University of Illinois, Chicago	170	95.29%	165	95.15%	189	92.59%	181	93.37%	210	89.52%	199	90.95%
University of Iowa	115	93.91%	109	93.58%	101	97.03%	100	97.00%	110	94.55%	106	95.28%
University of Kansas	104	98.08%	103	98.06%	149	98.66%	147	98.64%	159	96.23%	154	96.75%
University of Kentucky	126	98.41%	124	98.39%	131	96.18%	127	96.85%	133	93.98%	128	94.53%
University of Louisiana at Monroe	44	93.18%	41	92.68%	79	86.08%	71	88.73%	89	88.76%	82	89.02%
University of Maryland	162	95.68%	158	96.20%	148	97.30%	146	97.26%	169	87.57%	158	88.61%
University of Maryland Eastern Shore	58	94.83%	55	94.55%	59	86.44%	54	87.04%	46	91.30%	45	93.33%
University of Michigan	79	98.73%	79	98.73%	91	96.70%	90	97.78%	78	97.44%	78	97.44%
University of Minnesota	165	96.36%	161	96.27%	157	97.45%	154	97.40%	173	94.22%	167	95.21%

NAPLEX® Passing Rates for 2013-2015 Graduates Per Pharmacy School

University of Mississippi	90	100.00%	90	100.00%	50	92.00%	48	95.83%	65	96.92%	63	96.83%
University of Missouri, Kansas City	128	95.31%	123	95.93%	127	96.06%	124	95.97%	128	94.53%	123	95.12%
University of Montana	66	95.45%	64	95.31%	61	96.72%	60	96.67%	65	90.77%	60	91.67%
University of Nebraska	65	100.00%	65	100.00%	41	97.56%	40	97.50%	54	98.15%	53	98.11%
University of New England	94	86.17%	86	86.05%	90	92.22%	86	91.86%	102	89.22%	98	90.82%
University of New Mexico	86	97.67%	84	97.62%	82	89.02%	77	89.61%	95	82.11%	84	83.33%
University of North Carolina	148	100.00%	148	100.00%	141	97.87%	137	97.81%	158	95.57%	154	96.10%
University of Oklahoma	108	95.37%	105	95.24%	112	99.11%	111	99.10%	104	98.08%	104	98.08%
University of Pittsburgh	108	97.22%	105	97.14%	101	100.00%	101	100.00%	105	100.00%	105	100.00%
University of Puerto Rico	38	94.74%	38	94.74%	45	91.11%	44	90.91%	36	88.89%	36	88.89%
University of Rhode Island	97	97.94%	96	98.96%	95	95.79%	94	95.74%	121	90.08%	113	90.27%
University of Saint Joseph	-	-	-	-	56	98.21%	55	98.18%	72	86.11%	67	88.06%
University of South Florida	-	-	-	-	-	-	-	-	50	94.00%	48	93.75%
University of Southern California	176	99.43%	175	99.43%	172	98.84%	171	98.83%	176	99.43%	176	99.43%
University of Tennessee	146	100.00%	145	100.00%	126	96.83%	124	97.58%	175	96.57%	171	97.08%
University of Texas at Austin	116	99.14%	115	99.13%	115	100.00%	115	100.00%	122	96.72%	118	96.61%
University of the Incarnate Word	100	90.00%	92	90.22%	102	89.22%	95	89.47%	102	87.25%	94	90.43%
University of the Pacific, California	213	96.24%	211	97.16%	203	98.03%	200	98.00%	201	95.02%	196	96.43%
University of Toledo	105	94.29%	102	94.12%	102	98.04%	101	98.02%	97	93.81%	93	94.62%
University of Utah	54	100.00%	54	100.00%	56	98.21%	56	98.21%	58	93.10%	57	92.98%
University of Washington	76	100.00%	76	100.00%	78	97.44%	76	97.37%	78	98.72%	77	98.70%
University of Wisconsin, Madison	125	100.00%	125	100.00%	124	97.58%	123	97.56%	137	96.35%	131	96.18%
University of Wyoming	42	95.24%	40	95.00%	42	100.00%	42	100.00%	44	95.45%	43	97.67%
Virginia Commonwealth University	121	99.17%	120	99.17%	136	94.12%	130	93.85%	128	96.88%	124	96.77%
Washington State University	92	95.65%	89	96.63%	81	96.30%	78	96.15%	82	91.46%	79	93.67%
Wayne State University	71	97.18%	69	97.10%	74	98.65%	73	98.63%	98	96.94%	95	96.84%
West Virginia University	73	97.26%	72	98.61%	84	95.24%	81	96.30%	85	96.47%	83	96.39%
Western New England University	-	-	-	-	-	-	-	-	77	80.52%	67	82.09%
Western University of Health Sciences	137	98.54%	135	98.52%	131	97.71%	130	97.69%	137	95.62%	134	96.27%
Wilkes University	69	100.00%	69	100.00%	73	97.26%	72	97.22%	73	94.52%	71	94.37%
Wingate University School of Pharmacy	68	95.59%	67	95.52%	70	95.71%	68	95.59%	92	97.83%	90	97.78%

NAPLEX® Passing Rates for 2013-2015 Graduates Per Pharmacy School

Xavier University of Louisiana	168	84.52%	157	85.99%	150	92.67%	146	92.47%	159	85.53%	146	87.67%
All Graduates from ACPE Accredited Programs*	**13048**	**95.35%**	**12702**	**95.87%**	**13818**	**94.48%**	**13369**	**94.88%**	**14448**	**91.35%**	**13786**	**92.64%**
All NAPLEX Administrations	**15031**	**90.49%**			**15909**	**90.16%**			**16661**	**87.23%**		

*Only graduates from the reported year are included

Table 4. Combined NIH, Other Federal, and Non-Federal PI Grants and Co-PI Subgrants for FY 2014 (October 1, 2013-September 30, 2014)

Rank	School Name	Total FTE	Total Funded Faculty PI	Total Grant Cost
1	University of California, San Francisco	87.95	44	48,392,669
2	The University of Kansas	67.75	30	21,369,918
3	University of North Carolina at Chapel Hill	104.76	44	20,926,094
4	University of Illinois at Chicago	176.93	33	18,446,518
5	University of Colorado	73.80	33	16,104,275
6	The University of Utah	54.83	33	15,867,008
7	The University of Mississippi	66.37	18	15,599,310
8	University of Southern California	67.80	21	13,696,262
9	University of Washington	51.31	19	13,668,437
10	University of Pittsburgh	77.04	25	13,612,995
11	University of California, San Diego	46.70	19	13,568,519
12	University of Kentucky	54.50	25	11,874,491
13	University of Minnesota	99.22	31	11,652,041
14	South Carolina College of Pharmacy	73.73	22	11,286,205
15	Northeastern University	51.90	20	11,105,047
16	University of Michigan	63.50	20	10,894,579
17	The University of Texas at Austin	76.33	29	10,840,236
18	University of Maryland	89.85	32	10,443,577
19	University of Florida	81.83	26	9,963,996
20	University of Nebraska Medical Center	32.30	17	9,379,462
21	The University of Arizona	53.45	24	8,965,996
22	Rutgers, The State University of New Jersey	85.00	19	8,923,839
23	Virginia Commonwealth University	76.50	18	8,304,976
24	The University of Rhode Island	49.85	9	8,295,619
25	University at Buffalo, The State University of New York	52.46	19	7,820,025
26	The Ohio State University	51.65	18	7,597,240
27	University of Arkansas for Medical Sciences	76.40	8	7,200,407
28	Purdue University	76.50	30	6,917,058
29	The University of Georgia	57.24	17	6,773,278
30	The University of New Mexico	56.00	11	5,938,042
31	Florida A&M University	NR	5	5,748,464
32	University of Montana	45.50	13	5,671,393
33	The University of Iowa	47.96	15	5,489,916
34	University of Connecticut	47.00	19	5,310,161
35	Washington State University	45.15	12	5,294,442
36	University of Wisconsin-Madison	64.46	17	5,225,077
37	The University of Tennessee	69.55	18	4,682,797
38	University of Houston	58.00	11	4,485,695
39	Texas Tech University Health Sciences Center	99.36	12	3,691,526
40	Wayne State University	51.40	12	3,153,436
41	University of Wyoming	31.00	3	2,762,860
42	The University of Oklahoma	65.60	12	2,747,364
43	Oregon State University	43.23	12	2,715,381
44	Western University of Health Sciences	42.80	12	1,929,784
45	Duquesne University	49.00	8	1,895,062
46	Temple University	46.00	6	1,764,412
47	University of Missouri-Kansas City	56.00	5	1,641,773
48	Xavier University of Louisiana	47.00	6	1,592,690
49	Howard University	27.85	5	1,527,000

UH FY-15 $7.64M

50	Northeast Ohio Medical University	46.50	4	1,453,327
51	University of Cincinnati	35.00	8	1,368,177
52	Chapman University	NR	3	1,273,359
53	Texas Southern University	32.89	3	1,261,182
54	Auburn University	58.50	6	1,248,527
55	West Virginia University	42.79	3	789,192
56	University of the Pacific	48.35	4	755,562
57	Hampton University*^	23.00	4	727,989
58	University of South Florida	41.20	5	699,015
59	Mercer University	45.00	8	648,913
60	The University of Toledo	44.00	6	565,502
61	Midwestern University	51.80	2	545,169
62	The University of Louisiana at Monroe	51.99	5	477,318
63	South Dakota State University	38.00	2	457,635
64	Albany College of Pharmacy and Health Sciences	72.15	7	436,283
65	North Dakota State University	36.10	1	431,850
66	Concordia University Wisconsin	37.85	3	424,093
67	St. John's University	99.50	4	409,156
68	Presbyterian College	28.25	2	390,844
69	Thomas Jefferson University*	28.65	1	361,326
70	Western New England University*	31.60	1	348,469
71	St. Louis College of Pharmacy	99.80	1	339,750
72	University of New England	32.00	2	335,128
73	Regis University	31.00	3	296,432
74	University of North Texas System*	24.60	2	292,000
75	Rosalind Franklin University of Medicine and Science	25.90	3	237,015
76	University of Hawaii at Hilo*	32.00	2	224,213
77	University of Maryland Eastern Shore	24.00	2	209,813
78	Chicago State University	36.00	3	171,666
79	Southwestern Oklahoma State University	34.30	1	133,490
80	University of the Sciences	59.80	3	115,672
81	Pacific University Oregon	29.25	2	88,942
82	Drake University	38.90	2	81,000
83	Texas A&M Health Science Center	45.20	4	63,028
84	East Tennessee State University	28.85	2	58,545
85	University of the Incarnate Word	30.00	1	50,000
86	Nova Southeastern University	63.50	1	49,801
87	Southern Illinois University Edwardsville	43.50	1	45,000
88	California Northstate University	32.75	2	33,029
89	Sullivan University	36.40	1	30,000
90	The University of Findlay	22.25	1	29,050
91	Creighton University	70.55	2	25,028
92	Lipscomb University^	32.20	2	20,000
93	Cedarville University	23.00	3	18,083
94	Idaho State University^	36.60	1	10,000
95	University of Saint Joseph	25.80	1	5,000
96	Touro University California	37.38	1	2,500
97	Belmont University^	29.00	1	1,609

Notes

*	School did not submit survey, but AACP obtained record of funding from NIH
^	School did not submit survey, but AACP has records related to New Investigator Award
NR	Not Reported

THE UNIVERSITY of TEXAS SYSTEM
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October 6, 2015

Dr. Gregory L. Fenves
President
The University of Texas at Austin
Office of the President
P.O. Box T
Austin, Texas 78713-8920

Dear Greg:

I write to you in reply to your September 28th letter requesting my support for the inclusion of The University of Texas at Austin Dell Medical School in the existing Health Related Institution (HRI) formula funding model. I agree that for the successful start-up of the medical school, it is essential to have in place a solid foundation of predictable and reliable state funding.

Currently, all existing public medical schools in Texas are funded under the HRI formulas, including the medical school at Texas A&M University. I believe the two new medical schools created under The University of Texas System should be handled in the same way. To do otherwise could place them at a competitive disadvantage. I trust that the HRI Formula Advisory Committee, established by the Texas Higher Education Coordinating Board (THECB), and subsequently, Commissioner Paredes and the THECB Governing Board, will appreciate the importance of equity as they make their recommendation to the Texas Legislature on funding models for the two new medical schools.

Essential to this position is your commitment of working to ensure that the inclusion of Dell Medical School in the HRI formula does not negatively impact funding for the other U. T. System health-related institutions. It will also be very important, as you indicate in your letter to me, that U. T. Austin strongly support HRI formula funding increases for all of our U. T. System health-related institutions, as a top priority in the 85th Legislative session, and beyond.

Furthermore, my support is contingent upon your agreement that you will not pursue inclusion of your other health-related programs, such as nursing, pharmacy, and allied health professions, in the HRI formula. This is a position I

will also take, with respect to the other U. T. System academic institutions. Finally, I will expect that for the foreseeable future you will maintain the entering medical school class size at 50 students.

Greg, on behalf of The University of Texas System, and with these understandings, you have my full support for inclusion of The University of Texas at Austin Dell Medical School in the HRI formula funding model.

Sincerely,

William H. McRaven
Chancellor

WHM:bc
cc: Dr. David Daniel
Dr. Steven Leslie

THE UNIVERSITY of TEXAS SYSTEM
FOURTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

Office of the Chancellor
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Austin, Texas 78701-2904
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October 6, 2015

Dr. Guy Bailey
President
The University of Texas Rio Grande Valley
UT Regional Academic Health Center
2102 Treasure Hills Boulevard, Suite 3.144.06
Harlingen, Texas 78550

Dear Guy:

I write to you in reply to your September 28th letter requesting my support for the inclusion of The University of Texas Rio Grande Valley School of Medicine in the existing Health Related Institution (HRI) formula funding model. I agree that for the successful start-up of the medical school, it is essential to have in place a solid foundation of predictable and reliable state funding.

Currently, all existing public medical schools in Texas are funded under the HRI formulas, including the medical school at Texas A&M University. I believe the two new medical schools created under The University of Texas System should be handled in the same way. To do otherwise could place them at a competitive disadvantage. I trust that the HRI Formula Advisory Committee, established by the Texas Higher Education Coordinating Board (THECB), and subsequently, Commissioner Paredes and the THECB Governing Board, will appreciate the importance of equity as they make their recommendation to the Texas Legislature on funding models for the two new medical schools.

Essential to this position is your commitment of working to ensure that the inclusion of The UTRGV School of Medicine in the HRI formula does not negatively impact funding for the other U. T. System health-related institutions. It will also be very important, as you indicate in your letter to me, that UTRGV strongly support HRI formula funding increases for all of our U. T. System health-related institutions, as a top priority in the 85th Legislative session, and beyond.

Furthermore, my support is contingent upon your agreement that you will not pursue inclusion of your other health-related programs, such as nursing, pharmacy, and allied health professions, in the HRI formula. This is a position I

will also take, with respect to the other U. T. System academic institutions. Finally, I will expect that for the foreseeable future you will maintain the entering medical school class size at 50 students.

Guy, on behalf of The University of Texas System, and with these understandings, you have my full support for inclusion of The University of Texas Rio Grande Valley School of Medicine in the HRI formula funding model.

Regards,

William H. McRaven
Chancellor

WHM:bc
cc: Dr. David E. Daniel
Dr. Steven Leslie