



WHAT YOU SHOULD KNOW ABOUT LEGISLATIVE FORMULA FUNDING

- ★ Legislative formula funding is the system used by the Legislative Budget Board (LBB) to allocate general revenue funds to Texas public colleges and universities. Texas State received \$92,867,406 or about 30% of the total university budget in instruction & operations funding and teaching experience supplement for FY 2008. We will receive about the same amount in FY 2009.
- ★ Legislative funding occurs every biennium and is based on the number of semester credit hours (SCH) taught in base years. The base years consist of summer and fall semesters of even-number years and spring semesters of odd-numbered years (i.e., the next base year is summer 2008, fall 2008, and spring 2009). Funding we receive in fiscal years 2010 and 2011 will be based on courses taught in the upcoming base year.
- ★ General Appropriations for instruction & operations and the teaching experience supplement are allocated to the university as a whole. Formula funding dollars your department generates are not return directly to your department, but the bigger the pool of money the more there is for everyone.
- ★ Texas State receives legislative funding based on the funding discipline (subject matter) of a course, the level of a course, the levels of the students enrolled, the number of students enrolled, and the tenure status of the instructor of record. (See matrix on back for details of the formula funding calculation)
 - ★ The funding rate is tied to the content of a course (funding discipline), and frequently does not correspond with the name of the academic department or college (e.g., Courses taught in the College of Liberal Arts are not all funded at the liberal arts rate).
 - ★ The funding level is determined by the course level or student level, whichever is lower (e.g., doctoral students enrolled in master's classes receive master's funding), with two exceptions:
 - ★ Seniors within 12 hours of completing their bachelor's degree and post-baccalaureate students are funded at the master's level when enrolled in master's level courses.
 - ★ Master's students who have been admitted to a doctoral program and have completed 30 or more SCH toward the proposed degree are funded at the doctoral level when enrolled in doctoral level courses.
 - ★ Funding is earned for students who are enrolled on the census date, typically the 4th class day in the summer and the 12th class day in the fall and spring. No funding is earned for students added to classes after the census date or students who withdraw before the census date. When an 'administrative change' occurs and an add or drop is backdated, we do not receive funding for the students involved.
 - ★ The tenure supplement is intended to encourage undergraduate teaching by experienced faculty members and results in a 10% supplement for undergraduate courses taught by tenured or tenure-track faculty.
 - ★ Certain SCH are ineligible for formula funding:
 - ★ SCH by a student attempting a course three or more times
 - ★ SCH in excess of 30 hours over a student's degree requirement (45 hours for students starting college prior to Fall 2006)
 - ★ Development education in excess of 18 SCH per student
 - ★ Electronic courses delivered to non-Texas residents located out-of state
 - ★ Non-degree SCH (e.g., Military Sci, Aerospace, Religion, Remedial Ed, etc.)
- ★ Formula funding is only part of the total funding Texas State receives. Other funding comes from sources such as designated tuition and course fees, but statutory tuition is already included in the formula funding. Institutional Support, Instructional Administration, and Student Services are also supported by formula funding, so only about 70% of instruction & operations funding goes back to academic departments.

Details of how formula funding is calculated.....

Formula Funding = Funding Rate x Students Enrolled x Credit Hour Value x Base Rate*

*The funding rate is determined by the **funding level** and **funding discipline** (as shown below), and the base rate is set by the Texas Legislature and published in the General Appropriations Bill (currently \$55.72).*

Funding Level is based on whichever is lower; the student level or the course level.

Course Level	Student Level			
	Lower (Fresh-Soph)	Upper (Junior-Senior)	Post-bacc & Master's**	Doctoral**
Lower-level courses (1000-2999)	Lower	Lower	Lower	Lower
Upper-level courses (3000-4999)	Lower	Upper	Upper	Upper
Post-bacc/Master's courses (5000-6999)	Lower	Upper	Master's	Master's
Doctoral courses (7000+)	Lower	Upper	Master's	Doctoral

Funding Disciplines and **Funding Rates** are published in the General Appropriations Bill. **Funding disciplines** for courses are determined by course content (not by academic department) and are assigned when a course is created. **Funding rates** are set by the legislature and broken out by funding level (as determined above).

Funding Discipline	Funding Area	Funding Rate for each Funding Level (from table above)				
		Lower	Upper	Master's **	Doctoral**	Special Professional
Liberal Arts	1	1.00	1.86	4.07	10.89	
Science	2	1.66	3.00	7.63	19.72	
Fine Arts	3	1.63	2.74	5.91	12.31	
Teacher Education	4	1.34	1.91	2.89	8.41	
Agriculture	5	2.06	2.62	7.14	13.43	
Engineering	6	2.43	3.28	7.21	18.35	
Home Economics	7	1.32	1.97	3.70	8.47	
Law	8					3.39
Social Services	9	2.01	2.30	4.59	12.10	
Library Science	10	1.28	1.33	3.59	8.85	
Vocational Training	12	2.14	2.52			
Physical Training	13	1.35	1.30			
Health Services	14	2.10	2.80	6.10	12.75	
Pharmacy	15	2.45	3.98	13.75	22.72	6.37
Business Administration	16	1.24	1.61	3.95	16.59	
Optometry	17			5.46	19.12	7.00
Teacher Education Practice	18	1.75	2.19			
Technology	19	1.93	2.46	5.59		
Nursing	20	3.58	4.96	5.89	13.49	
Developmental Education	21	1.00				
Veterinary Medicine						15.44

Example 1: 5 upper-level students and 10 master's level students enroll in BIO 5410, which is funded in the Science discipline. The upper-level students result in \$3,343.20 in funding [(5 students) x (3.00 funding rate) x (4 credit hours) x (55.72 base rate)]. The master's level students result in \$17,005.74 [(10 students) x (7.63 funding rate) x (4 credit hours) x (55.72 base rate)].

Example 2: 5 master's level students and 5 doctoral level students enroll in GEO 7319, which is funded in the Liberal Arts discipline. The master's level students result in \$3,401.71 [(5 students) x (4.07 funding rate) x (3 credit hours) x (55.72 base rate)]. The doctoral students result in \$9,101.86 [(5 students) x (10.89 funding rate) x (3 credit hours) x (55.72 base rate)].

Footnotes:

*The formula funding is supplemented by 10% for undergraduate courses taught by tenured or tenure-track faculty, excluding faculty who have given up tenure to go on modified retirement.

**Seniors within 12 SCH of earning their bachelor's degree & post-baccalaureate students are funded at the master's level when enrolled in master's level courses. Graduate students who have been admitted to a doctoral program and who have completed a master's degree or 30 or more hours of work toward the proposed degree are funded at the doctoral level when enrolled in doctoral level courses.