



TEXAS TECH UNIVERSITY™



Fall 2011 Faculty Meeting

Dr. Guy Bailey
President

September 21, 2011

Topics for Discussion



- Budget Update
- NRUF Update
- Athletic Conference Issues

Budget Update: Background Information



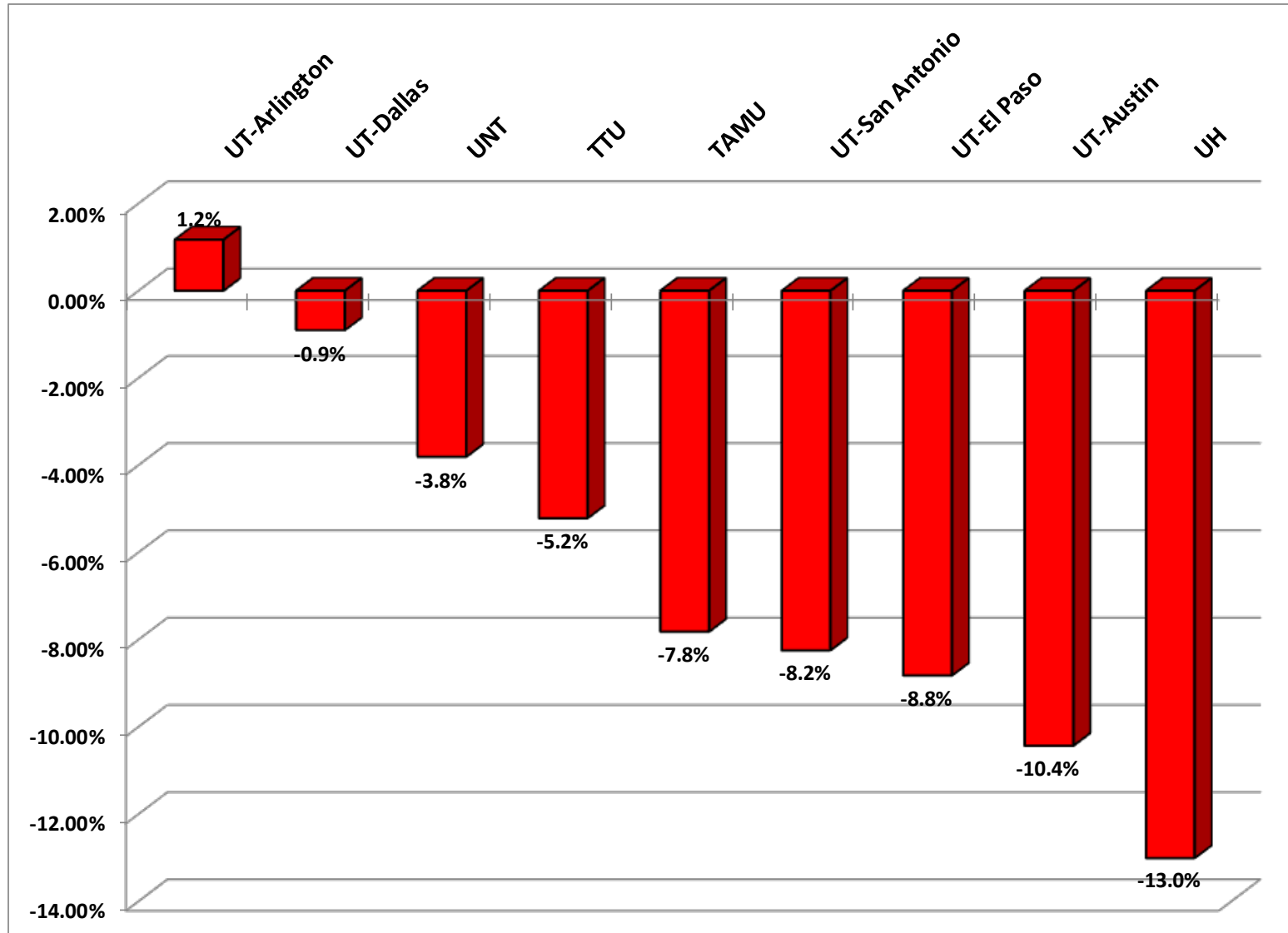
- In the 2009 legislative session, TTU had an increase of only \$3,739,211 (1.92%) in **new** funding through the formula
- Further, in the 2009 session, TTU had a \$1,222,154 decline in its RDF appropriation and a \$3,510,568 per year decline in its HEAF allocation
- TTU's poor showing in formula funding and in RDF and HEAF allocations was the result of a decline in weighted student credit hour production and in funded research over the prior biennium
- Two reductions during the second year of the biennium compounded our poor legislative showing
 - *In February 2010, the State of Texas asked agencies to take a 5% reduction in FY 2010-2011 appropriations – this resulted in a reduction of \$12,824,211 for TTU*
 - *In December 2010, the State of Texas asked agencies to take an additional 2.5% reduction in FY 2010-2011 appropriations – this resulted in a reduction of \$3,270,117*

Budget Update Continued



- This past legislative session (2011) higher education received additional reductions in state appropriations
 - 5% reduction in formula funding
 - 25% reduction in special item funding
- Our reductions in state appropriations totaled \$29 million dollars – a 5.2% reduction in state funding
- While these reductions are quite significant, they are actually less severe than those received by most of our competitors
 - Because of our strong enrollment growth, especially at the graduate and upper division level, we did quite well in our formula funding
 - Because of our strong growth in research funding, we actually saw an increase in our payout from the Competitive Knowledge Fund
- Those universities that received less severe reductions than we did typically had fewer special items

Biennial Change in State Appropriations at Seven Emerging Research Universities, Texas A&M, and the University of Texas



Budget Update Continued



- We were able to handle budget reductions without massive layoffs
 - We significantly reduced administrative costs
 - We outsourced some non-core activities
 - We used attrition rather than layoffs to help meet reductions
 - We carefully scrutinized all new position requests and approved only those that were mission-critical
 - We focused our budget cuts on things outside of our core mission of instruction and research
- Although we believe we have already done most of what is needed to handle our budget reductions, we will continue to exercise prudence in light of the current economic situation in the United States

NRUF Update



- HB 51 offered two remarkable opportunities designed to help Emerging Research Universities (ERUs) move to national research university status
 1. Texas Research Incentive Fund (TRIP) -- provided state matching dollars for private gifts that supported research. Thanks to the efforts of our Chancellor and University Advancement, we led all ERUs in TRIP funding
 2. National Research University Fund (NRUF) -- a permanent, dedicated endowment (currently \$500 million) designed to help “enable emerging research universities... achieve prominence as major research universities”
- Like TRIP, NRUF is competitive. ERUs compete against one another to reach certain benchmarks. Once an ERU meets the benchmark, it has access to a portion of the payout on the NRUF endowment
- Participation in NRUF is not Texas Tech University’s final goal, however. It is just one step on the way to achieving Association of American Universities status

NRUF Update: Some Caveats



- Institutions must meet NRUF criteria for two consecutive fiscal years. For Texas Tech, this means FY10 (which ended August 31, 2010) and FY11 (which ended August 31, 2111).
- The data presented below is for FY10 and is what we have reported to THECB and has not yet been certified
- Data for FY11 will not be available until mid October, but we believe we will see improvement on most of the criteria

NRUF Update: FY10



Progress on NRUF in FY10

**To be finalized by the Texas Coordinating Board*

Criteria	Progress
<p>1) Must be designated an emerging research university by the THECB</p> <p>2) Must have \$45 million in restricted research</p> <p>3) Must meet 4 of 6 additional criteria:</p> <ul style="list-style-type: none">A. Endowment of \$400 millionB. Membership in Phi Beta Kappa, Phi Kappa Phi, or ARL.C. Grant 200 Ph.D.'sD. High quality faculty*<ul style="list-style-type: none">• 5 National Academy Members <i>or</i> 7 Faculty awards• Comprehensive review of 5 doctoral programs	<p>✓ THECB has designated us as an emerging research university</p> <p>✓ We reported \$50,762,150</p> <p>✓ Endowment stood at \$434 million</p> <p>✓ We are members of all three</p> <p>✓ We granted 215</p> <p>--- We currently have 1 National Academy Member, 1 Nobel Prize winner and 6 Faculty Awards</p> <p>--- <i>Awaiting final criteria</i></p>

Continued...

NRUF Update: FY10



Progress on NRUF in FY10

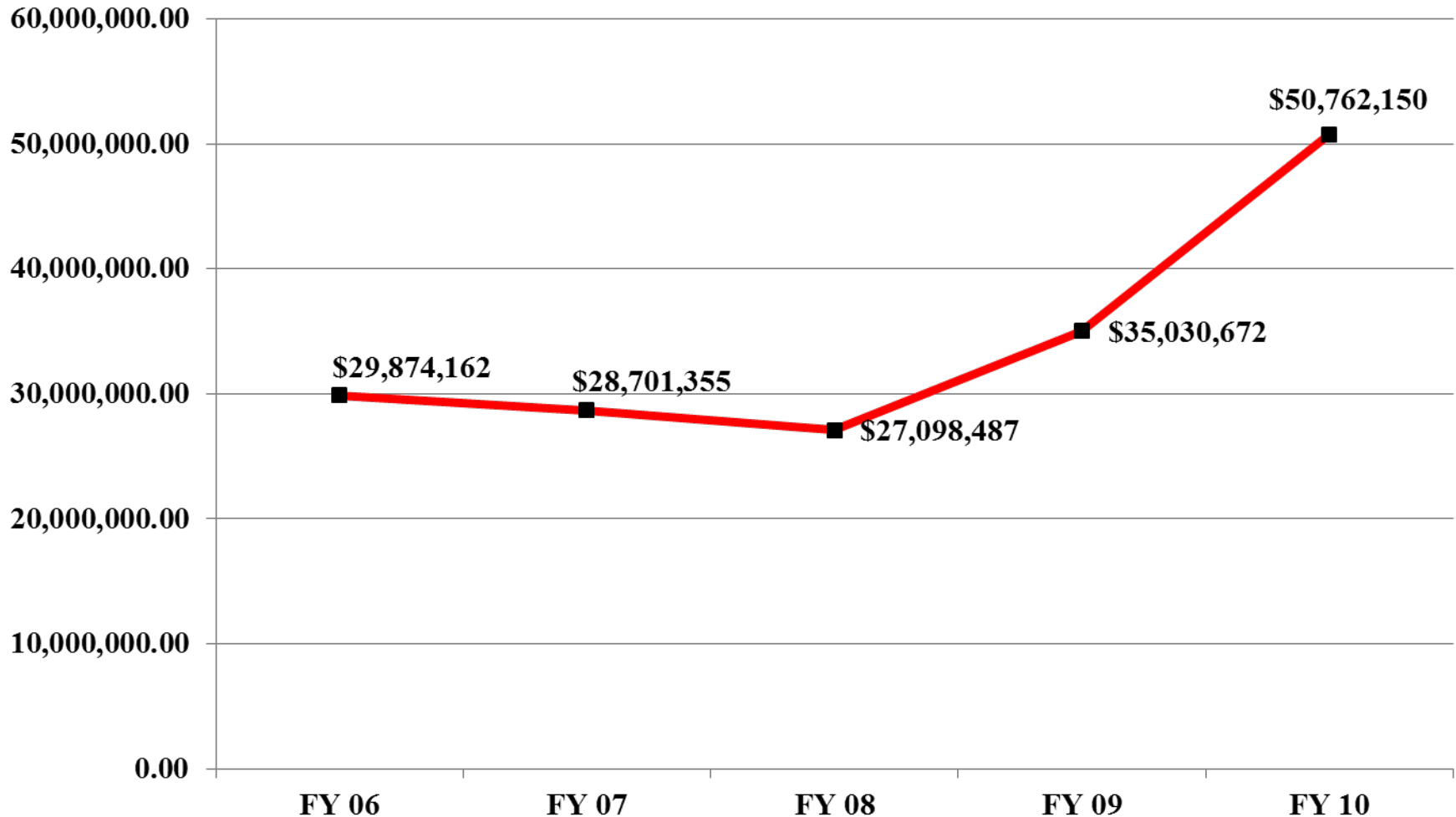
**To be finalized by the Texas Coordinating Board*

Criteria	Progress
<p>E. High quality of freshman class*</p> <ul style="list-style-type: none">• 75th percentile of SAT at 1210 <i>or</i> 75th percentile of ACT at 26• 50% of entering freshmen in top 25%• Freshman class must show progress towards closing the gaps (e.g., Federal TRiO Program) <p>F. High quality of graduate programs* – Number of graduate programs greater than 50 and three of the following:</p> <ul style="list-style-type: none">• Comprehensive review of graduate financial support• GRE scores for 5 Ph.D. programs \geq national mean• Masters graduation rate \geq 56%; doctoral rate \geq 58%• Median time to doctorate is 8 years or less	<ul style="list-style-type: none">✓ We were at 26 for ACT (1190 for SAT)✓ We were at 52.2%--- We have Upward Bound✓ We have 160 graduate programs--- Must be equal to AAU institutions✓ We have this✓ We were at 67.60% & 67.50%✓ Our median time was 7.7 years

NRUF Update: FY10



Figure 1. Change in Restricted Research Expenditures at Texas Tech University, FY06-FY10
(Source: Texas Higher Education Coordinating Board)

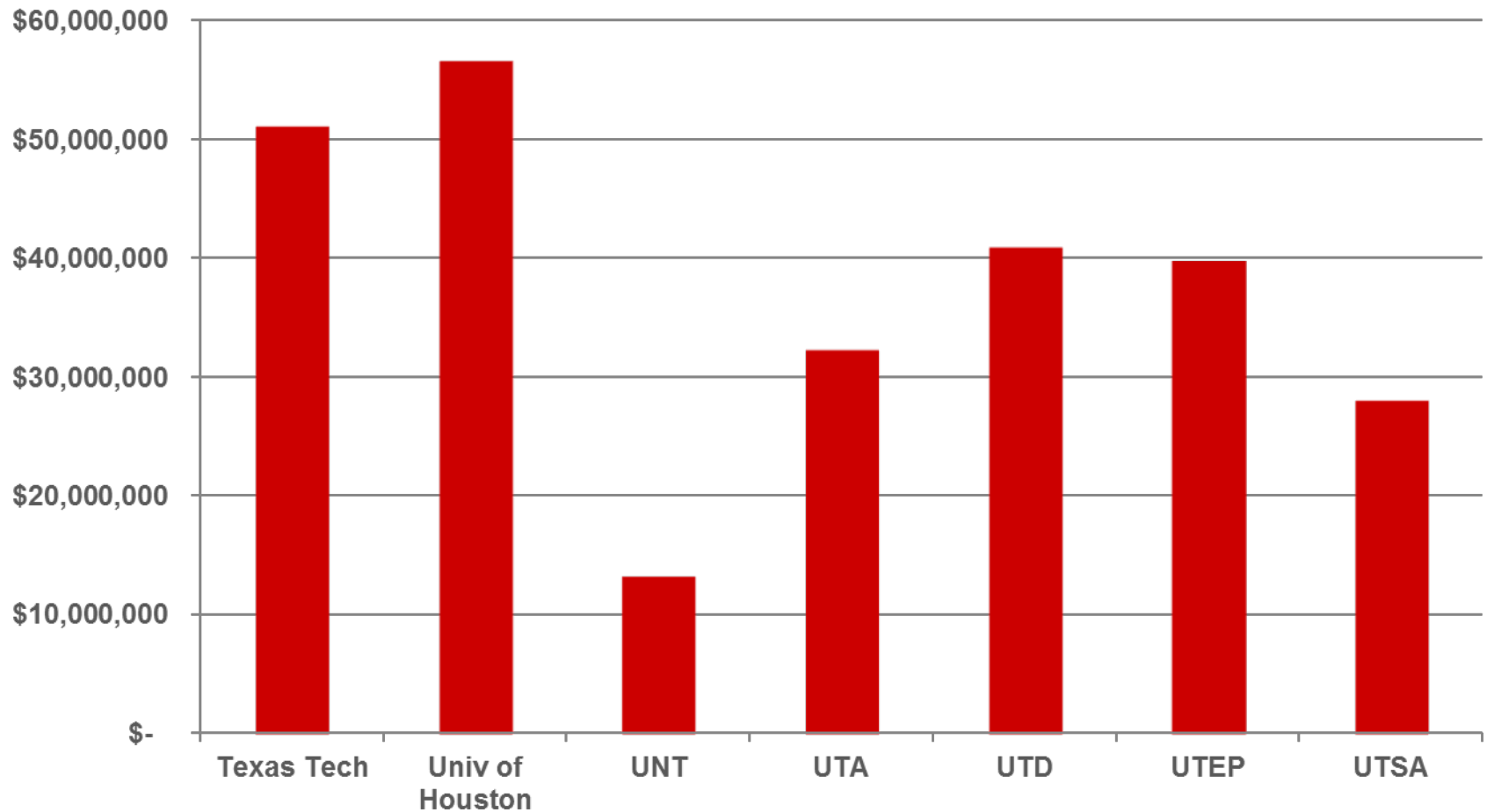


NRUF Update: FY10



Figure 2. Restricted Research Expenditures at Emerging Research Universities, FY10

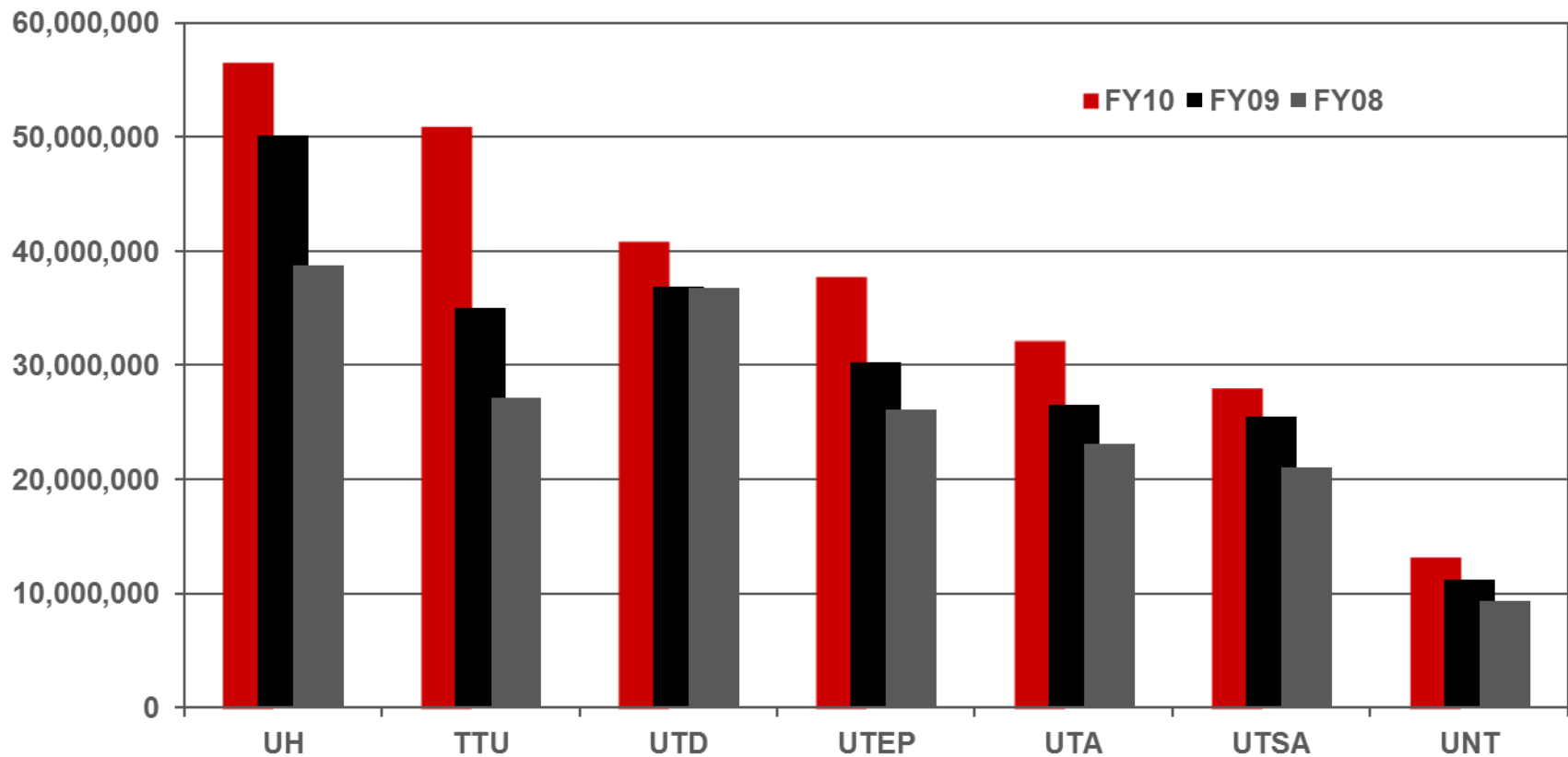
(Source: Texas Higher Education Coordinating Board, 11/18/2010)



NRUF Update: FY10



Figure 3. Three-Year Comparison of Restricted Research Expenditures at Seven Emerging Research Universities (Source: Texas Higher Education Coordinating Board)

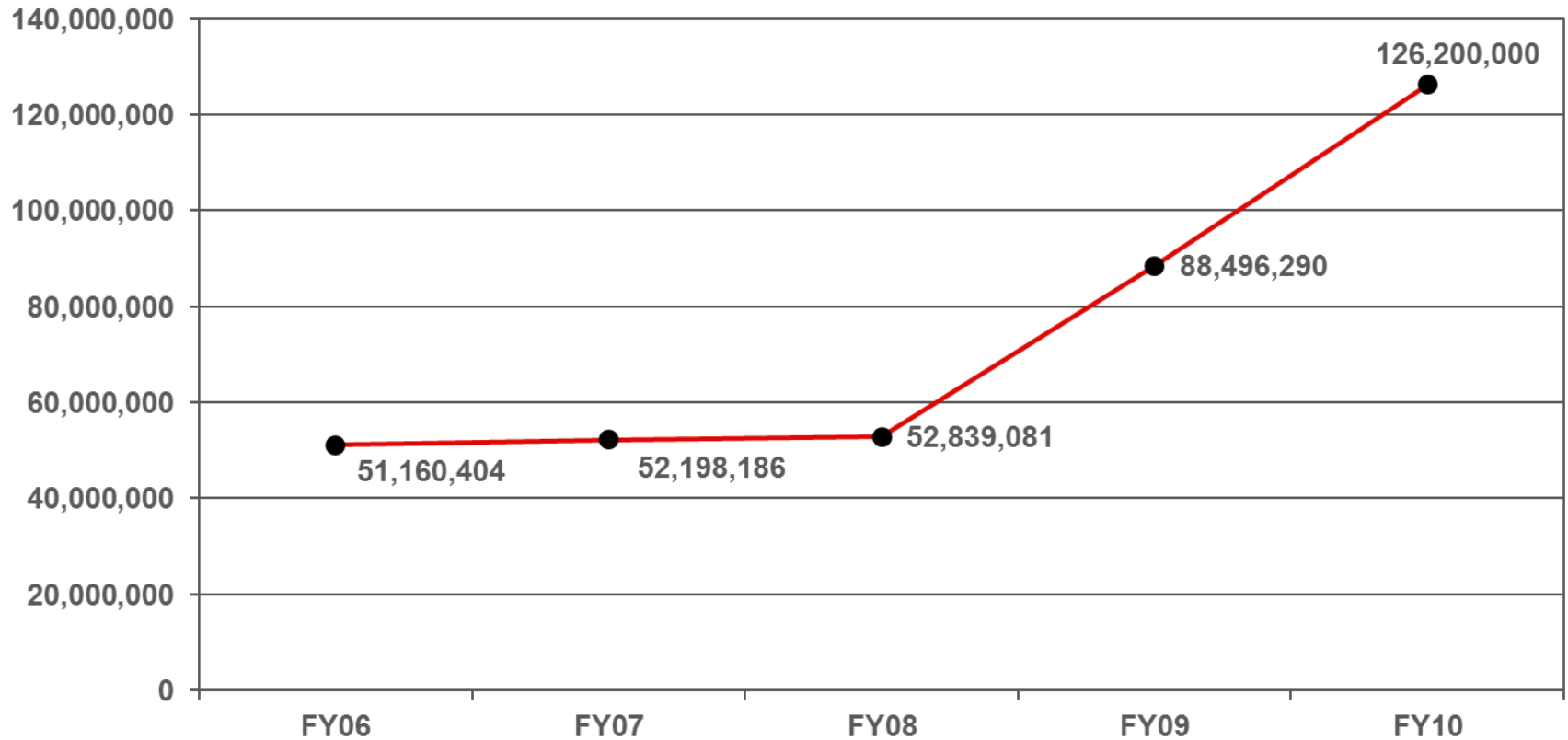


NRUF Update: FY10



Figure 4. Change in Total Research Expenditures at Texas Tech University, FY06-FY10

(Source: THECB and TTU Office of Sponsored Research)



NRUF Update: FY10



Figure 5. Three-Year Comparison of Total Research Expenditures at Emerging Research Universities in Texas (Source: Texas Higher Education Coordinating Board)

