

FORMULA FUNDING

HISTORY

Formula funding is how state higher-education institutions equitably distribute available state funds. They allocate base level of funding primarily based on enrollment. The formula is calculated by the Higher Education Coordinating Board and its recommendations are presented to the Legislative Budget Board in June of even years.

In 2011, higher education suffered substantial cuts to base funding levels.

2017 GOAL

We ask the legislature to restore formula funding to their 2009 levels to best support the university's academic functions. If funding is not restored to those levels, current funding amounts should be maintained.

COMMON MISCONCEPTIONS

UT has plenty of money and doesn't need additional state resources.

- Since 1984, UT-Austin has seen a more than 40% decrease in state funding, yet it maintains the lowest per-student, per-year cost when compared with twelve other major research universities.
- The money coming from the Available University Fund to UT-Austin is only 9% of the budget, and can only be used for academic program enrichment purposes. Some examples include library enhancement, specialized STEM equipment, and scholarships.

The legislature has recently boosted higher education funding, so why add to that among all of the other needs out there?

- For every tax dollar spent on education a student at UT-Austin, Texans gain a 15-to-1 return on that investment through a more skilled and knowledgeable workforce.

UT just received a money for capital renovations.

- Special items and capital funding for campus facilities fall outside of formula funding.
- Tuition-Revenue Bonds (TRBs) do not involve tuition money, and has nothing to do with alleviating the academic financial needs of the university.

WHAT YOU NEED TO KNOW

- UT-Austin enrollment continues to grow; total enrollment in the fall of 2015 was 50,950 students.
- Adjusted for inflation, base funding has fallen by more than 40 percent since the mid-1980s.
- General revenue accounts for a mere 12% of UT-Austin's budget.