

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 University received \$99,295,298 in instruction & operations funding and teaching experience supplement for each year of the 2018-2019 biennium, about one-fifth of the total university budget.
- Legislative funding is based largely on the number of semester credit hours (SCH) taught in base years, which consist of the summer and fall semesters of even-numbered years and spring semesters of odd-numbered years (i.e., the next base year is summer 2018, fall 2018, and spring 2019). The formula funding we will receive in fiscal years 2020 and 2021 will be based on courses taught in the upcoming base year. Funding is earned for students enrolled on the census date, typically 12th class day in the fall and spring semesters and the 4th class day in the summer. Funding is not earned for students added to classes after the census date or students who withdraw before the census date.
- Formula funding dollars your department generates are not return directly to your department. Appropriations from instruction & operations and the teaching experience supplement are allocated to the university as a whole and distributed to academic departments to cover instructional costs in alignment with the University's Strategic Plan and greatest needs.
- Texas State receives legislative funding based on the credit hour value of a course, the academic discipline 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 the matrix on the back of this page for details of the formula funding calculation.
 - The discipline determination is tied to the content of a course, 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 instructional 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 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 as doctoral.
 - The tenure supplement results in a 10% bonus for undergraduate courses taught by tenured or tenure-track faculty to recognize the added value of instruction by tenured faculty.
 - Certain SCH are ineligible for formula funding, such as:
 - SCH that do not count toward degree requirements,
 - SCH generated by a student attempting a course three or more times.
 - SCH in great excess of degree plan requirements
 - Electronic courses taken by non-Texas residents living outside of Texas.

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 **instructional level (i.e., a combination of course level and student level)** as well as **funding discipline** as shown below, and the base rate (**\$55.82 for FY 2018 and FY 2019**) is set by the Texas Legislature and published in the General Appropriations Bill.

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

Funding Disciplines and associated **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.

Funding Discipline	Funding Code	Funding Rate				
		Lower*	Upper*	Master's **	Doctoral**	Special Professional
Liberal Arts	01	1.00	1.73	4.01	10.90	-
Science	02	1.64	2.81	7.04	20.70	-
Fine Arts	03	1.46	2.51	6.07	7.48	-
Teacher Education	04	1.53	2.07	2.39	6.91	-
Agriculture	05	2.08	2.58	6.54	11.80	-
Engineering	06	2.15	3.22	5.50	17.15	-
Home Economics	07	1.11	1.76	2.79	9.09	-
Law	08	-	-	-	-	4.77
Social Services	09	1.57	1.89	2.47	19.33	-
Library Science	10	1.44	1.54	3.35	14.64	-
Veterinary Medicine	11	-	-	-	-	23.30
Vocational Training	12	1.16	2.74	-	-	-
Physical Training	13	1.46	1.26	-	-	-
Health Services	14	1.02	1.55	2.54	10.19	2.50
Pharmacy	15	2.46	4.73	28.55	32.17	4.23
Business Administration	16	1.16	1.83	3.26	24.70	-
Optometry	17	-	-	-	-	7.65
Teacher Education Practice	18	1.91	2.18	-	-	-
Technology	19	2.08	2.32	3.42	14.79	-
Nursing	20	1.49	2.04	3.00	9.57	-
Developmental Education	21	1.00	-	-	-	-

Example 1: Five upper-level students and five master's students enroll in BIO 5410, which is funded in the Science discipline. The upper-level students result in \$3,137.08 in funding [5 students x 2.81 funding rate x 4 credit hours x \$55.82 base rate]. The master's level students result in \$7,859.46 in funding [5 students x 7.04 funding weight x 4 credit hours x \$55.82 base rate].

Example 2: Five master's students and five doctoral students enroll in GEO 7319, which is funded in the Liberal Arts discipline. The master's level students result in \$3,357.57 in funding [5 students x 4.01 funding weight x 3 credit hours x \$55.82 base rate]. The doctoral students result in \$9,126.57 in funding [5 students x 10.90 funding rate x 3 credit hours x \$55.82 base rate].

*A 10% supplement is given for undergraduate courses taught by tenured/tenure-track faculty, not including those 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 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 courses.