




TEXAS TECH UNIVERSITY




Progress Report on Imperatives Outlined in the
Presentation on the Legislative Session
Texas Tech University


Dr. Guy Bailey
President

December, 2009


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 Problems and Opportunities - Spring and Summer 2009

- Last year's presentation on the legislative session identified four opportunities for TTU: TRIP, formula funding, NRUF, RDUF
 1. TRIP provides a state match for private gifts for research
 2. Formula funding provides the largest portion of our state appropriations
 3. NRUF provides a significant endowment for qualifying universities
 4. RDUF is a state fund that matches total research funding at a rate of \$1 million for every \$10 million over \$50 million
- Two imperatives for improved formula funding, for NRUF membership, & for additional RDUF funding:
 1. increasing our **weighted** student credit hour production
 2. increasing our research expenditures -- especially our **restricted** research expenditures
- A very short timeline for both
 1. the next counting year for formula funding begins June 2010
 2. counting for NRUF criteria and for RDUF begins immediately

Success with TRIP - September 2009 

- Texas Tech raised \$23,553,397 in private funds for TRIP.
- These private funds leveraged \$21,161,252 in state matching money.
- Texas Tech University raised 50% more than our closest competitor (UT-Dallas) and almost six times more than the University of Houston.
- Texas Tech received gifts from 22 different individuals, foundations, and corporations and for five different colleges.
- We are raising money in anticipation of the next round of TRIP funding.
- A big thank you to the Chancellor and Development for their hard work.

THE PLAN FOR INCREASING OUR WSCHS 

- Rapidly increase our graduate enrollment, especially at the doctoral level and especially in business, science, and engineering.
- Rapidly increase the number of transfer students, focusing on Phi Theta Kappa (national honor society) members.
- Redouble our efforts to recruit high quality freshman.
- Make appropriate changes in recruiting to recognize the changing demographics of Texas.
- Redouble our efforts to retain and graduate current students.
- Create a new incentive-based budget model with allocations based on revenue generation.

Progress Toward Implementing the Plan - Fall 2009



- Graduate and professional enrollment increased by 9% (471 students).
- Transfer enrollment grew by 11% (239 students).
- Freshmen enrollment increased by 4% (172 students).
- Most of the freshman growth (75%) was among Latino and African American students – they accounted for 128 of the 172 headcount increase in new freshmen.
- Freshman to sophomore retention rates increased from 80.4% to 80.8%.
- Overall enrollment grew by 5% (1675 students) to 30,097, the largest enrollment in the history of Texas Tech University.
- Most important, weighted student credit hour growth was up 6% (49,163 weighted student credit hours), with doctoral students accounting for 91% of the growth (45,400 weighted student credit hours).
- The first phase of a new budget model that incentivizes weighted student credit hour growth will be implemented Spring 2010.

Plan for Increasing Total and Restricted Research Expenditures



- Make sure all research expenditures (especially those from private gift accounts) are properly accounted for.
- Rapidly expand the number of graduate students, especially at the doctoral level since graduate students are crucial for research.
- Recruit strategic hires who bring research money with them (an effort coordinated by the Provost and VPR).
- Recruit faculty for endowed chairs who bring both substantial amounts of money and their research teams with them (coordinated by the Provost and VPR).
- Implement the new incentive-based budget model, which will also support an expansion of research activity.

Progress Toward Implementing the Plan - Fall 2009



- Doctoral enrollment for F09 was up 11.19% (177 students) and now stands at 1759 students.
- Restricted research expenditures grew by 29% (\$7.9 million) during FY09.
- As a result, in FY09 restricted research expenditures stood at \$35,030,672 (NRUF membership requires \$45 million for two consecutive years).
- Total research expenditures grew by 57.3% (\$34,484,000 million) during FY09.
- As a result, in FY09 total research expenditures stood at \$94,649,000.
- The significant increase in both restricted and total research expenditures is due in part to better accounting and in part to increased research activity.
- Strategic hiring of new faculty who bring grant money with them is currently underway.

Current Status for NRUF



- To get into NRUF, TTU needs (1) to have restricted research expenditures of \$45 million for two consecutive years (we are currently at \$35 million) and (2) to meet four of the six benchmarks listed below.
 - Endowment of at least \$400 million – TTU's endowment stood at more than \$388 million the end of FY09 and is probably at \$400 million now
 - Phi Beta Kappa/ARL membership -- TTU has both
 - At least 200 Ph.D.'s awarded – TTU awarded 169 in 2008-09
 - High Quality Faculty – To be determined
 - High Quality Freshman Class – To be determined
 - High Quality Graduate Programs – To be determined
- Although the last three criteria are yet to be determined, Texas Tech University should do well on them in comparison to other Emerging Research Universities.

Progress Toward the New Budget Model Spring 2010



- In September 2009, a Council that includes representatives from the Regents, Deans, faculty, staff, administration, and students was formed to develop a plan to implement a Responsibility Center Management (RCM) budget. Dr. Jon Strauss and Dr. Ron Mitchell co-chair the Council.
- Dr. Jon Strauss is a leading expert in RCM and co-authored the book, *Responsibility Center Management: Lessons from 25 Years of Decentralized Management*. Dr. Mitchell has extensive training and experience in reorganizations and strategy implementation.
- Implementation of the RCM budget model begins Spring 2010; the complete model will be phased in over several years.
- Drs. Strauss and Mitchell and the RCM Council will host a series of informational forums during 2010.
- An RCM Town Hall web site includes more information: <http://www.ttu.edu/administration/president/rcm/townhall.php>

Goals of the RCM Budget Model



- Transparency of financial data and budget procedures
- Incentive-based decision-making and decentralized management of revenues and costs
- Decisions made by those who are closest to the relevant information
- Linking of authority and responsibility, with decision-makers responsible for the consequences of their decisions.
- Net revenue above expenses accumulating within the generating unit
- Budget and budget process geared toward the mission and strategic goals of the university
- Support for the university's efforts at achieving national research university status, at continuing excellence in academic programs, and at attracting the best faculty, staff, and students possible

Analysis of Enrollment Growth at Texas Tech, 2009-2010

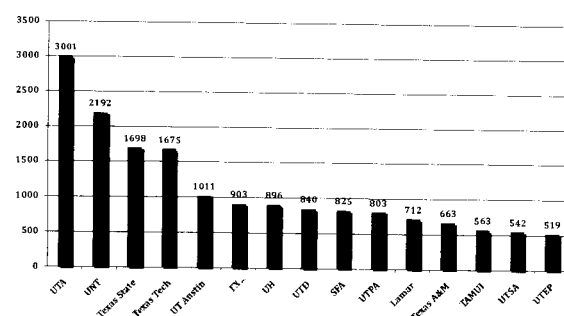


- Texas Tech was 4th among all state universities in headcount enrollment growth in Fall 2009 (see Figure 1)
- However, Texas Tech was 3rd in weighted student credit hour (WSCH) growth (see Figure 2)
- **But**, Texas Tech's WSCH per student was only 8th (see Figure 3)
- Texas Tech added more doctoral students than any other school in the state in Fall 2009 (see Figure 4)
- As a result, Texas Tech is now 3rd in the state in total number of doctoral students (see Figure 5)
- Texas Tech also led the state in raw student credit hour growth at the doctoral level (see Figure 6)
- Texas Tech's Spring 2010 enrollment growth was significantly better than the fall growth -- 190 fewer students but with a WSCH increase that was 26,735 greater and an excellent WSCH per student ratio (see Table 1)

A Comparison of Our F08-F09 Growth With Other Institutions in Texas



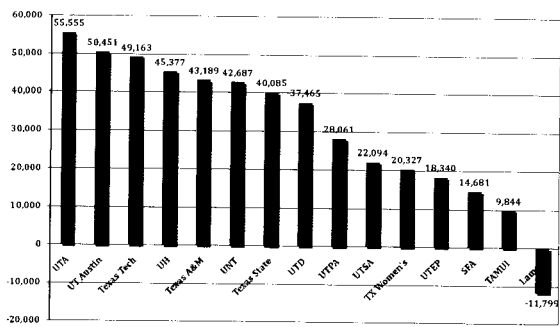
Figure 1. Headcount Enrollment Growth at Texas Public Universities with a Headcount Increase of at Least 500 Students, Fall 2008 -- Fall 2009 (Source: THECB)



More Growth Comparisons



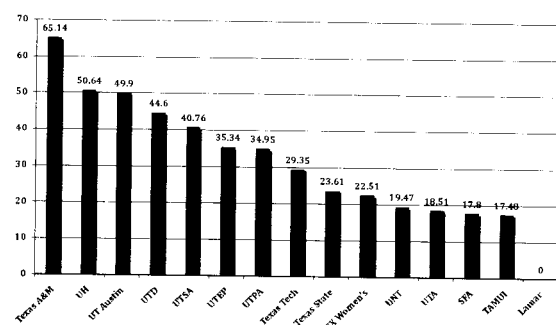
Figure 2. Weighted Student Credit Hour Growth at Texas Public Universities with a Headcount Increase of at Least 500 Students, Fall 2008 – Fall 2009 (Source: THECB)



More Growth Comparisons



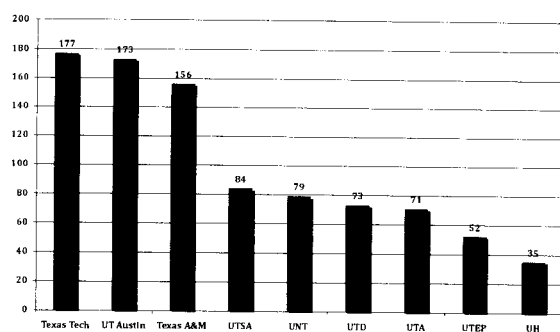
Figure 3. Weighted Student Credit Hour Growth Per Student at Texas Public Universities with a Headcount Increase of at Least 500 Students, Fall 2008 – Fall 2009 (Source: THECB)



More Growth Comparisons



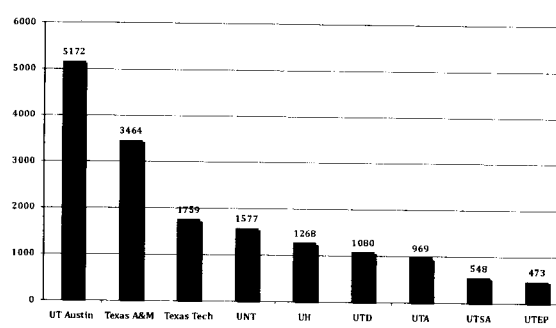
Figure 4. Headcount Increase in Doctoral Students at Emerging Research Universities, University of Texas at Austin, and Texas A&M University, Fall 2008-Fall 2009



More Enrollment Growth Comparisons



Figure 5. Total Number of Doctoral Students at Emerging Research Universities, University of Texas at Austin, and Texas A&M University, Fall 2009



More Enrollment Growth Comparisons



Figure 6. Raw Doctoral Student Credit Hour Increase at Emerging Research Universities, University of Texas at Austin, and Texas A&M University, Fall 2008-Fall 2009

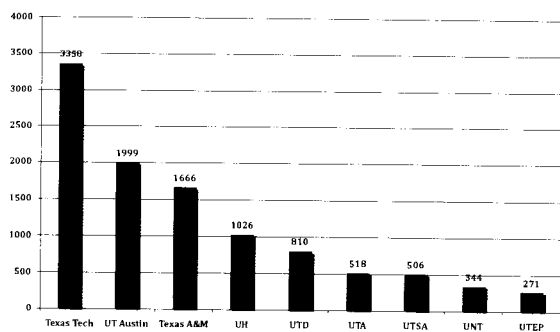


TABLE 1
Comparison of Fall 2009 and Spring 2010 Enrollment Growth at Texas Tech University



Headcount Increase	1675	1485
WSCH Increase	49,163	75,898
WSCH per Student	29.35	51.11



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