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LEGISLATIVE JOINT COMMITTEE ON HIGHER EDUCATION IN SOUTH TEXAS



REPORT TO THE
71st LEGISLATURE

LEGISLATIVE
JOINT COMMITTEE ON HIGHER EDUCATION
IN SOUTH TEXAS

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Gonzalo Barrientos
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Pete Patterson
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Gary Watkins

December 19, 1988

LETTER OF TRANSMITTAL

To: The Honorable William P. Hobby, Lieutenant Governor
The Honorable Gib Lewis, Speaker of the House
Members of the 71st Legislature

Since its creation in April 1988, the Joint Committee on Higher Education in South Texas has conducted a thorough study of the higher education needs of South Texas. The committee held hearings in Austin and in South Texas, receiving excellent testimony from the institutions of higher education, the business community, statewide and local interest groups, and the general public. The importance of higher education issues to the citizens of South Texas was always evident, and the Committee consistently received calls for equity in the distribution of the state higher education resources.

The Committee found that the demands for equity from South Texas have great merit, and, therefore, we have formulated recommendations aimed at achieving for the region its fair share of academic programs and state funding.

This report contains an extensive review of the Committee's findings, which support the need for dramatic state actions to alleviate the disparity that exists. We respectfully submit to you this report for your serious consideration and urge you to support the recommendations that were developed from the Committee's findings.

Carlos F. Truan
Sen. Carlos F. Truan
Co-Chair

Eddie Cavazos
Rep. Eddie Cavazos
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REPORT OF THE

LEGISLATIVE JOINT COMMITTEE ON HIGHER EDUCATION IN SOUTH TEXAS

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PART A

RECOMMENDATIONS

(As approved by the Committee on December 19, 1988)

I. STATE COMMITMENT TO IMMEDIATE AND LONG-TERM ALLOCATION OF HIGHER EDUCATION SERVICES TO SOUTH TEXAS

1. The state should recognize that building a strong system of higher education in South Texas will take time and serious commitment--the problem cannot be solved during the coming session or even the next two or three. To provide South Texas with the higher education services that the region needs will take a judicious planning and investment period of not more than 10 years from the adoption of this report.

2. Building a strong system of higher education in South Texas will take commitment and substantial resources--the problem took many years to develop and, as such, can only be solved with immediate and long-term decisive action. To provide South Texas with the higher education service that the region needs and is entitled to will take leadership from the major institutions responsible for higher education--the Legislature, the Coordinating Board, The University of Texas System, The Texas A&M University System, and the University of Houston System.

3. Since building a stronger system of higher education in South Texas will be a long-term process, the Texas Legislature should create an ongoing oversight committee composed of an equal number of members of the Senate and House of Representatives, appointed by the presiding officers. The chairs of the Senate Education Committee and the House Higher Education Committee should be members.

The oversight committee should be charged with addressing all issues relevant to the development of higher education in South Texas, with particular reference to monitoring the state's compliance with any settlement or judicial rulings regarding LULAC v. Clements.

> NOTE: The above recommendation was adopted by an 8-3 vote.
>
> Members voting for adoption: Co-Chairman Truan, Co-Chairman Cavazos, Vice Chairman Uribe, Vice Chairman Moreno, Senator Barrientos, Senator Zaffirini, Representative Rangel, Representative Watkins.
>
> Members voting against adoption: Representative Delco, Representative Patterson, Representative Smith.

4. The Committee finds that it is in the best interest of the state to pursue an immediate resolution of LULAC v. Clements so that the matters involved in the suit will not be adjudicated but will be handled by the policymakers of Texas. In this regard, this Committee recommends that possibilities for settlement be explored and that the Legislature, the Coordinating Board, The University of Texas System, The Texas A&M University System, and the University of Houston System participate in formulating a remedy for the problem of disparities between higher education resources allocated to South Texas and those allocated to other regions of the state.

5. The Committee recognizes that South Texas has historically received fewer higher education resources than have other regions of the state. The Committee recommends that the Coordinating Board and the Legislature consider the factor of regional population when allocating state resources for higher education to ensure that regional disparities are not perpetuated but, in fact, are narrowed.

6. The Committee recognizes the November 30, 1988, resolution of the Texas House of Representatives Mexican-American Legislative Caucus (included as Appendix II of this report).

II. CHANGES IN THE GOVERNANCE OF SOUTH TEXAS UNIVERSITY SYSTEMS

1. The Legislature should amend the Education Code to abolish the University System of South Texas and make Corpus Christi State University, Laredo State University, and Texas A&I University component institutions of The Texas A&M University System. The new component institutions should be equal partners with other members of The Texas A&M University System, sharing the same resources and responsibilities as the other universities in the system. The new component institutions should be subject to the rules and regulations of The Texas A&M University System Board of Regents.

2. The Legislature should amend the Education Code to make Pan American University and Pan American University at Brownsville component institutions of The University of Texas System. The new component institutions should be equal partners with the other members of The University of Texas System, sharing the same resources and responsibilities as the other universities in the system. The new component institutions should be subject to the rules and regulations of The University of Texas System Board of Regents.

3. The Committee recommends that Corpus Christi State University, Laredo State University, Texas A&I University, and Pan American University including Pan American University at Brownsville continue to receive dedicated funding for capital improvements under Article VII, Section 17, of the Texas Constitution (HEAF funding), until such time as the inclusion of these universities in the provisions of Article VII, Section 18, would provide them with greater revenues than would be provided by remaining under the provisions of Section 17.

4. The Committee recognizes and applauds the effort of The University of Texas System and The Texas A&M University System in working with the universities in South Texas to develop joint academic and research program budget requests.

NOTE: The above recommendation was adopted by a 7-3 vote.

Members voting for adoption: Co-Chairman Truan, Senator Barrientos, Senator Zaffirini, Representative Patterson, Representative Rangel, Representative Smith, Representative Watkins.

Members voting against adoption: Co-Chairman Cavazos, Vice Chairman Uribe, Vice Chairman Moreno.*

Members abstaining: Representative Delco.

5. The University of Texas System, The Texas A&M University System, and the University of Houston System have strongly influenced the development of Texas higher education policy during the past 50 years. These university systems must provide needed leadership in helping provide higher education resources to South Texas. Regardless of any changes in the governance of the institutions in South Texas, these university systems must commit to providing substantial immediate and long-term resources to South Texas. The Committee calls on these university systems to cooperate and exert leadership in legislation that would provide an infusion of immediate and long-term resources to South Texas.

However, legislation alone cannot solve the problem. The Committee calls on these university systems and the Coordinating Board to coordinate and develop concrete plans for the allocation of their own resources to South Texas.

6. The Committee recommends that The Texas A&M University System and The University of Texas System continue to work with the universities in South Texas on the development of new and existing cooperative degree programs. The Committee recommends that these cooperative degree programs be designed, wherever feasible and advantageous to the South Texas universities, so that they develop into strong and independent degree programs based entirely at the universities in South Texas. However, the Committee recognizes that there are cases in which it will be advantageous to universities in South Texas to maintain ongoing cooperative degree programs with institutions of higher education outside the region.

7. The universities in South Texas should work together in developing existing and new cooperative degree programs.

* The members voting against this recommendation had previously voted to support an alternative recommendation calling for full funding of all joint academic and research program budget requests made by The University of Texas System and The Texas A&M University System in cooperation with the universities in South Texas.

III. CHANGES OF STATUS FOR SOUTH TEXAS UNIVERSITIES

1. The Legislature shall amend the Education Code so that Corpus Christi State University will become a four-year university beginning with the 1994-95 school year.

2. The Legislature shall amend the Education Code to permit Laredo State University to become a four-year university by the year 1998.

3. The Legislature shall amend the Education Code to make Pan American University at Brownsville a free-standing upper-level institution that has the authority to design its own curriculum, submit degree programs to the Coordinating Board for approval, and award its own degrees.

4. The Legislature shall repeal the provision of the Education Code that allows the Coordinating Board to dissolve Pan American University at Brownsville. This provision may be superseded by Article VII, Section 17, of the Texas Constitution, which includes Pan American University at Brownsville among universities that are eligible to receive funds for capital improvements.

5. The Legislature shall amend the Education Code to permit Pan American University at Brownsville to become a four-year university by the year 2000.

6. The Committee finds that all state institutions of higher education in South Texas are necessary to the educational future of the region. While the Committee recommends that each of the senior universities in South Texas expand its degree program offerings significantly, and that Corpus Christi State University begin to offer lower-division courses in 1994-95, care must be taken so that the expansion of one institution does not take place at the expense of others in the region. For that reason, the Committee recommends the following safeguards on the downward expansion of Corpus Christi State University:

(a) At Corpus Christi State University (CCSU), for the first year in which freshman students are admitted, the entering class should be limited to 400 full-time students. For the second year, the entering class is limited to 500 full-time students. However, if the enrollment of Texas A&I University increases by more than 300 full-time students in the first year of CCSU's four-year status, there should be no enrollment limits for the second year.

(b) Texas A&I University and Del Mar College should be "held harmless" from reduced appropriations that would normally result from declines in enrollment that may occur because of the downward expansion of Corpus Christi State University. This policy should be in effect for a period of five years beginning with the admission of the first freshman class at Corpus Christi State University.

(c) Texas A&I University should remain the only university in the Coastal Bend region that offers courses in engineering. Cooperative degree programs with other universities would not be construed as violating the intent of this recommendation.

(d) Del Mar College and Corpus Christi State University should further develop "2 + 2" degree programs. In general, both institutions should look for ways to increase transfer rates. In addition, Del Mar College should seek to expand cooperative degree programs and increase articulation with Texas A&I University.

(e) Corpus Christi State University should implement admissions standards comparable to those of universities in the Southwest Conference.

(f) All South Texas universities should continue to make every effort to recruit and retain minority students.

7. The Sul Ross State University Uvalde Area Study Center is an upper-level center. Unlike the state's other upper-level centers, the study center has been funded under the formula rate for undergraduate instruction. The Uvalde Area Study Center should be funded as an upper-level center under the formula system.

IV. PROGRAM DEVELOPMENT

1. The Committee recognizes that universities in the South Texas region will have to expand the number of degree program offerings during the next decade at the undergraduate, graduate (master's and doctoral), and professional levels.

The Committee recommends that the Legislature provide South Texas universities with significant start-up funds for unrestricted use in program development. The Legislature has previously used this funding procedure with Prairie View A&M University and Texas Southern University as a response to a federal mandate to improve higher education at the state's traditionally black universities.

The program development funds should be used for the following purposes:

* Addition of faculty
* Library enhancement
* Departmental operating expense
* Graduate financial assistance
* Feasibility studies

Part A, Chapter VI, of this report includes lists of programs recommended by South Texas universities for implementation during the next five years. Cost estimates are also provided.

The Committee requested a program development plan for the next five years (through school year 1994-95) from each of the five universities in South Texas. The universities were asked to supply budgets for each requested program, detailing the following costs for the first and second biennia of funding: faculty salary, library, equipment/maintenance, graduate student support (if applicable), operating cost, construction (if applicable), other start-up costs, and other general costs. No attempt was made to account for inflation.

In addition, for each program the universities requested, they were asked to supply any data they had developed on student demand and on future labor market demand for graduates and to supply a description of the course of study. The university responses are

in the Committee files and are available on request. In addition, Part A, Chapter VI, "Academic Program Development," lists the programs requested by the universities. Finally, Part C, Appendix VIII, consists of tables of the costs of all the programs requested by the universities, broken down by annual cost.

The following table represents the totals for all programs requested by the South Texas universities:

YEAR	CORPUS CHRISTI STATE UNIVERSITY	LAREDO STATE UNIVERSITY	TEXAS A&I UNIVERSITY
1989-90			$ 4,350,000.00
1990-91	$ 356,038.00	$ 627,690.00	4,858,750.00
1991-92	2,079,774.00	788,150.00	4,608,750.00
1992-93	3,160,342.00	1,132,916.00	5,190,652.50
1993-94	3,679,437.00	1,074,706.00	5,190,652.50
1994-95	4,257,631.50	1,045,393.50	11,767,527.50
TOTAL	$13,553,222.50	$4,668,855.50	$35,966,332.50

The administration of Laredo State University has noted that it will need an additional $8 to $10 million for construction during the five-year period. All other construction costs are included in the total figures.

YEAR	PAN AMERICAN UNIVERSITY	PAN AMERICAN UNIVERSITY AT BROWNSVILLE	TOTAL
1989-90	$ 373,336.00		$ 4,723,336.00
1990-91	656,555.00	$ 491,000.00	6,990,033.00
1991-92	4,477,022.50	516,500.00	12,470,196.50
1992-93	5,263,192.00	724,500.00	15,471,602.50
1993-94	3,463,411.00	801,500.00	14,229,706.50
1994-95	6,146,839.50	801,500.00	24,018,698.00
TOTAL	$20,380,356.00	$3,335,000.00	$77,903,766.50

Including the construction funds for Laredo State University, the total would amount to about $90 million over five years. This figure makes no estimate as to how much of these programs would be financed by formula funds.

The Coordinating Board has recommended that the Legislature fund $1.8 million in special items for program development to be distributed to the South Texas universities in the following amounts:

Corpus Christi State University	$400,000
Laredo State University	100,000
Pan American University	400,000
Pan American University at Brownsville	100,000
Texas A&I University	400,000
The University of Texas at San Antonio	400,000

It is clear that these funds will be insufficient to finance the development plans of South Texas universities for the coming biennium even if they are used to satisfy the Coordinating Board requirement that universities fund half of the costs of new programs for five years.

2. The Committee finds that a law school should be established at

Texas A&I University. A feasibility study conducted by Texas A&I University found a significant need for a law school in South Texas.

The ratio of Texans to lawyers statewide is approximately 300 to 1. However, in South Texas that ratio is approximately 1,000 to 1. Despite the growth of the Mexican-American population in Texas and nationwide, their percentage of law school enrollments has actually declined since the 1981-82 school year. Between that school year and 1987-88, Mexican-American enrollment declined by 17.2 percent. In addition, the cost of both establishing and maintaining a law school is small compared with other professional schools, such as medical, dental, or veterinary medicine.

The best site for the law school is Texas A&I University at Kingsville. This site is reasonably accessible to residents of all of South Texas and San Antonio (which has only a private law school) and would therefore be able to draw on a substantial service area, most of which now has no access to legal education. Texas A&I University also has the current physical plant to accommodate a law school, and its administration is committed to establishing a high quality, accreditable professional school.

The joint feasibility study conducted by the offices of The Texas A&M University System and the University System of South Texas concluded the following:

> [T]he consideration of the establishment of a professional school, specifically a law school in South Texas, should continue. If the joint legislative committee [on Higher Education in South Texas] determines that a law school should be established to serve the South Texas region, TAMUS and USST would support the establishment of a law school of the highest quality subject to adequate funding, support, and approval by the Texas Legislature.
>
> NOTE: The above recommendation was adopted by an 8-1 vote.
>
> Members voting for adoption: Co-Chairman Truan, Co-Chairman Cavazos, Vice Chairman Uribe, Vice Chairman Moreno, Senator Barrientos, Senator Zaffirini, Representative Patterson, Representative Rangel.
>
> Members voting against adoption: Senator Caperton.

Members abstaining: Representative Delco, Representative Smith, Representative Watkins.

V. STUDENT SERVICES

1. Texas has historically relied on the federal government and the private sector to provide the bulk of the state's scholarship funds. In the face of declining federal support for students the state should:

(a) Increase appropriations for the special line-item funds distributed to each university on the basis of a formula based on need of the students attending the institution. According to information supplied by the Coordinating Board, the number of students who receive grants from these funds has declined. According to the formula used by the Legislative Budget Board, 19.68 percent of this fund would be distributed to universities in South Texas.

(b) Community/junior colleges should be eligible for funds from the scholarship/work-study line-item funding. Alternately, the state could increase the Texas Public Education Grant set-aside from the current rate of 25 cents per credit hour. In addition, scholarship/work-study funding for the Texas State Technical Institute should be increased.

(c) Current biennial funding for the state's Scholarship Program for the Educationally Disadvantaged Students is $469,980. During the current biennium, the program has awarded 644 students scholarships of $385 each. Since the institutions are required to match these funds, the scholarships actually total $770. Still, the Coordinating Board estimates that only five percent of eligible students currently receive grants. The Committee recommends an increase in funding for this program.

(d) The Scholarship Program for the Educationally Disadvantaged is limited to ethnic groups that comprise less than 40 percent of an institution's enrollment. While the effort to encourage ethnic diversity at all the state's institutions of higher education is a laudable one, this requirement prevents those funds from being used for needed scholarships for blacks at Prairie View A&M University and Texas Southern University and for Hispanics at every institution in South Texas except Corpus Christi State University. The state should either loosen the requirements for this program or create a new need-based scholarship program.

(e) The state should provide funding earmarked for work-study programs.

2. A commitment to funding minority graduate fellowships and teaching assistantships is critical to the development of strong graduate programs in South Texas. The Legislature should provide funding for minority fellowships on a statewide basis.

3. South Texas universities should develop stronger recruiting programs and expand them to nontraditional students, such as migrant workers, college dropouts, and retrainees.

4. Universities and community junior colleges in South Texas should work to increase access to the senior institutions for graduates of junior colleges. The universities and community junior colleges should work together to ease transfer and to develop more "2 + 2" programs.

5. The Committee recommends that the universities, community junior colleges, and technical institutes work together with the public school system and the private sector to reduce the dropout rate in South Texas, which substantially reduces the pool of prospective applicants to higher education in the region. The Committee finds that the effort to reduce the dropout rate will require a coordinated response, pooling the resources of public and higher education, in order to develop the necessary research and to implement it rapidly.

6. The Legislature should encourage cooperative efforts between area school superintendents, and the presidents of community junior colleges, senior universities, and technical institutes to establish a plan for the year 2000 regarding the educational priorities and needs for South Texas.

7. House Bill 102 of the 70th Legislature, Regular Session, 1987, established the engineering and science recruitment fund. The fund was established to allow the state to match private donations to specific nonprofit organizations that work with minority and female students to interest them in college careers in science and engineering and in developing the necessary skills for those programs. No appropriations were made for the 1988-89 biennium. The Legislature should make an appropriation for the engineering and science recruitment fund for the next biennium.

8. The Committee recommends the continuation of the Hinson-Hazlewood Student Loan Program under the direction of the Texas Higher Education Coordinating Board as long as the program ensures access to high risk students attending high risk institutions.

9. The state should fund more retention programs, including counseling, tutoring, advising, and computer-assisted instruction and study centers at universities, community junior colleges, and technical institutes.

10. The Committee recommends that the state fund the Equal Opportunity Services formula. However, the Committee recommends a change in the formula to ensure that the funds generated by the formula are directed toward universities that have a student body in which the percentage of minorities approaches or surpasses the statewide average. In addition, the state should revise the formula to provide more incentive funding to universities for minority students retained and graduated.

11. The Committee recommends increased funding for remediation related to the Texas Academic Skills Program (TASP) test above the amount recommended by the Coordinating Board. The Committee recommends that the TASP remediation funds be targeted to smaller institutions, particularly those with a large percentage of minority students.

12. The Committee is concerned that the implementation of the TASP may reduce the number of students, particularly minorities, who can continue past the 60 credit-hour limit to complete their degree. The Committee recommends that the administration of TASP take into account the following concerns:

(a) The test scores should be used as one of multiple criteria in determining which students may continue beyond the 60-hour limit. This is consistent with the growing recognition in the field of education that standardized test scores do not accurately reflect academic or intellectual achievement, especially for minority students.

(b) In light of the observation made in (a), above, research should be done to establish the correlation between test scores and the academic or professional ability of the students who have taken the test.

(c) Every possible bias reduction technique should be employed in order to reduce ethnic or racial disparities of performance.

(d) The individuals responsible for setting cutoff scores should do so to accurately reflect student performance.

(e) Testing costs should not be a burden on students and fee

waivers should be available for those demonstrating financial need.

VI. FACULTY SUPPORT

1. The state should increase funding for the faculty salaries formula above the amount requested by the Texas Higher Education Coordinating Board.

2. The state should increase the current funds for the recruitment of minority faculty.

3. The state should increase funding for the library formula.

4. The Texas A&M University System and The University of Texas System should work with the universities in South Texas in extending access to data bases, electronic information linkages, and interlibrary loan agreements.

5. The Texas A&M University System and The University of Texas System should establish a formal working relationship with the universities in South Texas to cooperate on research in areas of mutual interest. Texas A&M University has already established such a relationship with Texas A&I University.

6. The state should provide the universities in South Texas with a pool of research start-up funds. This pool would be used to provide faculty with the release time needed to develop grant proposals for federal and private research dollars.

7. The state should fund the Faculty Development Leave formula.

VII. THE TEXAS HIGHER EDUCATION COORDINATING BOARD

1. The Coordinating Board should develop a cooperative relationship with the South Texas institutions. The board has, by its action of approving a budget request to the Legislative Budget Board for special item program development funds, recognized that the universities in South Texas do not receive adequate funding or offer an appropriate range of degree programs. The Coordinating Board should take further steps to help strengthen higher education in South Texas.

2. The Coordinating Board should officially recognize that South Texas is a disadvantaged area both economically and in terms of higher education funding.

3. The Coordinating Board should instruct its staff to develop a plan to encourage South Texas universities to develop degree programs and to offer technical assistance to them in the development of those programs.

4. The Coordinating Board should form a subcommittee on South Texas to encourage and monitor the coordinated development of new degree programs at institutions of higher education in the region.

5. The Legislature should create a study committee to thoroughly evaluate the formulas for funding higher education. The formulas should be examined to address the following concerns:

* Do the formulas reflect actual costs?
* Do the formulas adequately fund undergraduate degree programs?
* Does the formula system permit a university without graduate programs to develop excellent undergraduate instruction?
* Do the formulas encourage institutions to recruit and graduate minority students at the undergraduate and graduate levels?
* Do the formulas make adequate provision for remedial programs, which are faculty/staff-intensive?
* Should the formulas for community junior colleges take need into account?

The study committee should be able to hire the necessary temporary staff, including accountants, economists, or auditors, and should work with or under the direction of the State Auditor's office.

VIII. COMMUNITY JUNIOR COLLEGES AND TECHNICAL INSTITUTES

1. Community junior colleges and senior universities should work together closely to facilitate student transfer. In particular, they should develop more "2 + 2" programs wherever appropriate.

2. The Legislature should consider legislation that facilitates the expansion of community junior college districts if necessary.

3. The Legislature should fully fund the community junior college formulas, as well as the McAllen campus and the Harlingen extension of the Texas State Technical Institute.

4. The Legislature should amend the Education Code to allow junior colleges and technical institutes located in border counties and Texas A&I University's Citrus Center in Hidalgo County to charge Mexican residents in-state tuition on the basis of financial need.

> NOTE: The above recommendation was adopted by a 7-1 vote.
>
> Members voting in favor of adoption: Chairman Truan, Chairman Cavazos, Vice Chairman Uribe, Senator Zaffirini, Representative Delco, Representative Rangel, Representative Smith.
>
> Members voting against adoption: Representative Patterson.
>
> Members abstaining: Vice Chairman Moreno.

5. The Committee recommends that the Legislature consider the need for construction of new facilities at the Texas State Technical Institute, Harlingen campus. The estimated cost of construction is $5.5 million. The current facilities on the campus are overutilized. These funds are needed to build facilities for general academics and graphics.

6. The Legislature should require the Texas State Technical Institute, McAllen Extension, to be contact-hour funded.

IX. HEALTH CARE

1. The Committee finds that the public health problems in South Texas are severe, especially in the border area. These health problems are exacerbated by the lack of public health resources and medical personnel in the region. The state and its health science centers should work together to provide the appropriate services and medical personnel to the region.

2. The Committee applauds the establishment of a task force composed of The University of Texas Health Science Centers and the Medical Branch dedicated toward developing medical service and training programs in the South Texas region. The Committee urges The University of Texas to continue its work in developing new proposals to meet the health care needs in South Texas.

3. The Committee recommends that the special item budget request for extended health care services in South Texas submitted jointly by The University of Texas System and Pan American University be funded by the state.

4. The Committee recommends that the state establish more medical residency programs for family practice physicians in South Texas. There is an acute shortage of doctors in the border area and studies have shown that physicians often establish their practice in the area where they complete their residencies.

5. The Committee supports an increase in the Physician Student Loan Repayment Program, which repays up to $9,000 annually on student loans for physicians who locate in rural or underserved areas. In addition, the Committee finds that the program should be extended to selected nursing and allied health professions.

6. The Committee supports the establishment of an Area Health Education Center (AHEC) to supply health education and services in the Rio Grande Valley.

7. The Committee supports the efforts by Baylor College of Medicine to establish a Nurse-Midwife Program in South Texas.

X. ECONOMIC DEVELOPMENT

1. The state should fund The University of Texas' initiative to establish a consortium of Texas Centers for Border and Enterprise Economic Development at South Texas universities to provide:

* Economic data base development and management services
* Economic development planning and research services
* Technical assistance to industrial/government entities to work directly with maquiladora programs

2. The Legislature should direct that a study be conducted to investigate border economies to see what kind of incentives would encourage businesses to move to South Texas and the kinds of training and education public and higher education should provide in the region.

3. The state should expand technical assistance to South Texas businesses through such agencies as Pan American University's Center for Entrepreneurship and Economic Development. The mesquite program at Texas A&I University's Caesar Kleberg Wildlife Research Institute has shown how research spin-offs can promote economic diversification and development.

4. The Legislature should increase to $100,000 the line-item appropriation to the Texas State Technical Institute's Harlingen campus for technical assistance to companies considering plant expansion and new plant start-up in the Rio Grande Valley.

PART B

ISSUES AND FINDINGS

CHAPTER I

INTRODUCTION

The importance of higher education to the State of Texas is indisputable. The state's system of higher education fuels economic and social progress, promotes cultural development, and provides the individual with a means to achieve his or her fullest potential as a successful and productive citizen.

Higher education is equally important to the quality of life of the state's various identifiable regions. However, like the state's abundant natural and economic wealth, its higher education resources are not uniformly distributed to all its regions, which can pose a serious problem in a state as large and culturally diverse as Texas.

The meager resources that South Texas colleges and universities have at their disposal present a significant impediment to the advancement and diversification of the region's economy. This is particularly distressing for a region that is the state's poorest and one that despite its many social problems is making a valiant effort to become an equal partner in the future development and prosperity of Texas.

A Call for a Fair Share of the Resources

In 1986, South Texans took advantage of opportunities to inform state leaders of their plight. At a hearing in Corpus Christi of the Select Committee on Higher Education, South Texans charged that their region was seriously deficient in higher education resources and that this longstanding condition was being perpetuated by state funding levels and policies of the Texas Higher Education Coordinating Board and, in fact, was deteriorating in relation to other regions of the state. They expressed great pride in their public institutions of higher education and believed that the achievements of those institutions and their committed educators were truly remarkable considering the low state investment and support.

It was pointed out that the five senior colleges in South Texas combined do not have an academic program profile equal to that of a comprehensive regional state university like Texas Tech University. They eloquently asserted that the rapidly growing population of South Texas requires a richer mix of academic degree programs and that statewide standards of duplication and need must

be adjusted to accommodate the realities of regional deprivation.

The Select Committee on Higher Education did not address directly the problems of South Texas in its final report. The committee did submit as a basic principle that "Higher education should be accessible to all citizens who seek and qualify for admission." South Texans agree and submit that the application of this principle in their region is severely wanting.

Another interim committee, the Task Force on Border Economic Development, in its 1986 report to the Legislature did address directly education issues in South Texas. It confirmed that a lack of educational opportunity was a major obstacle to progress in South Texas and the border region and recommended that the area's higher education institutions be authorized to expand substantially their mix of degree programs, particularly at the professional, graduate, and doctoral levels.

The 70th Legislature

The 70th Legislature in 1987 considered a number of bills relating to higher education in South Texas. These included measures to create a five-institution South Texas University System, to enhance the scope and mission of Corpus Christi State University and Pan American University, to establish a law school in the Valley, and to elevate the status of the upper-level centers, Laredo State University and Pan American University at Brownsville. Except for the legislation relating to the status of Laredo State University and the authority of the Coordinating Board to abolish it, the measures died with the end of the regular session, unable to compete for attention with the monumental task of balancing the state budget.

Several members of the Legislature saw the need for a study of higher education in South Texas that could result in the formulation of a coordinated response to the region's obvious unprivileged status. In the 2nd Called Session, Senator Carlos F. Truan authored Senate Resolution 124 to create a special senate committee that would review the status of South Texas universities and the issue of their becoming components of The University of Texas System or The Texas A&M University System. The resolution, which was co-sponsored by Senators Carl Parker, Hector Uribe, and Judith Zaffirini, was adopted on July 20, 1987.

Similar legislation was introduced in the House of Representatives by Representative Eddie Cavazos, with 10 other house members as co-sponsors.

LULAC v. Clements

On December 2, 1987, the Mexican American Legal Defense and Education Fund (MALDEF) filed suit in the 107th District Court in Brownsville charging that the Texas system of higher education discriminates against Hispanic college students. Co-plaintiffs in the suit include the League of United Latin American Citizens (LULAC) and the American GI Forum.

The suit alleges that the state has failed to recruit and admit Hispanic students to traditionally white senior colleges and has failed to provide counsel, financial aid, and other retention programs to improve the graduation rates of Hispanic students. It also asserts that the allocation of higher education funding and programs to South Texas institutions, which have a high proportion of Hispanic students, has been discriminatory. In commenting on the suit, Jose Garcia De Lara, state director of LULAC, stated that "We do not ask for the whole loaf of bread, but neither the crumbs. We want parity within our educational system, and we seek compliance from the State of Texas."

Defendants in the suit include the governor, the Texas Higher Education Coordinating Board, and the presidents and chancellors of 15 state colleges and universities.

Creation of the Legislative Joint Committee on Higher Education in South Texas

In response to the need for a study broader in representation and in scope than the one authorized by Senate Resolution 124, Lieutenant Governor Bill Hobby and Speaker of the House Gib Lewis in April 1988 appointed the Legislative Joint Committee on Higher Education in South Texas. They designated Senator Carlos F. Truan (Democrat from Corpus Christi) and Representative Eddie Cavazos (Democrat from Corpus Christi) as Co-Chairmen of the Committee. House members named to the study panel were Representatives Wilhelmina Delco (Democrat from Austin), Alex Moreno (Democrat from Edinburg), Pete Patterson (Democrat from Brookston), Irma Rangel (Democrat from Kingsville), Richard Smith (Democrat from Bryan), and Gary Watkins (Democrat from Odessa). Members of the Senate appointed were Senators Gonzalo Barrientos (Democrat from Austin), Kent Caperton (Democrat from Bryan), Carl Parker (Democrat from Port Arthur), Frank Tejeda (Democrat from San Antonio), Hector Uribe (Democrat from Brownsville), and Judith Zaffirini (Democrat from Laredo). The Co-Chairmen subsequently designated Senator Hector Uribe and Representative Alex Moreno as Vice Co-Chairmen.

Speaker Lewis, on making appointments to the Committee, stated, "If our efforts to expand the state's economy are to

succeed, we must ensure that all Texans have access to the educational opportunities that will allow them to effectively compete for jobs and become productive citizens. It is the responsibility of this task force to identify the higher education needs of South Texas and determine to what degree those demands are being met."

The First Meeting of the Legislative Joint Committee

The Committee held its initial meeting on May 26, 1988, in the State Capitol. Lieutenant Governor Hobby made the first presentation to the Committee. He stated that the Committee's task was to map a course of higher education in South Texas, with excellence as the goal. After citing the single doctorate program in the region (Bilingual Education at Texas A&I University) as an indication of its lack of resources, he commented that, given the state's financial limitations, the Committee must work within realistic parameters. To address the need for additional graduate and professional degree programs, he suggested exploring an integration of South Texas institutions with The University of Texas System and The Texas A&M University System, and he noted the potential benefits of such arrangements.

The Committee then received presentations from four distinguished academic scholars: Dr. Frederick von Ende of Pan American University, Dr. Stephen H. Murdock of Texas A&M University, and Dr. David Warner and Dr. Sidney Weintraub of the Lyndon B. Johnson School of Public Affairs of The University of Texas at Austin. Dr. von Ende discussed his recent comparative study of Texas higher education. He stated that his findings revealed that South Texas was impoverished educationally as well as economically and that one type of poverty fuels the other. He pointed out that the median years of education completed in South Texas is only 9.7 years and that no other region in Texas is below 12.1 years. South Texans are predominately Hispanic, and the region's per capita income is far below the state average. Because of various cultural and economic reasons, a significant number of South Texans do not leave their region to pursue higher education goals. His study concluded that the limited number of advanced degree programs locally available has the effect of depressing the level of educational attainment when South Texas is compared to other regions.

Dr. Murdock provided demographic information about South Texas and the state as a whole. He noted that the number of college-age South Texans will increase at a rate faster than the rest of the state and that college enrollment statewide would actually decline in the future if not for the projected population

growth in South Texas.

Dr. Warner gave a presentation on health problems in South Texas, and Dr. Weintraub discussed economic development in the region. Dr. Weintraub stated that poverty, high unemployment, scarce medical care, a high dropout rate, and meager higher education resources are factors that contribute to a low quality of life in the region. He added that these factors are definite obstacles to economic development in the region.

To receive information about state policies relating to funding and academic program development, the Committee asked Dr. Kenneth Ashworth, Commissioner of Higher Education, to testify at the first meeting. He acknowledged the region's deficiency in higher education by stating that he would recommend to the Texas Higher Education Coordinating Board that it propose to the Legislature special appropriations to South Texas institutions for new program development. He also endorsed cooperative degree program arrangements between the South Texas institutions and The University of Texas System and The Texas A&M University System. In addition, he advocated that South Texans be encouraged to take advantage of strong programs in other areas of the state and noted in his prepared remarks that "It is not brain drain when South Texans get a Texas education elsewhere in Texas."

Some members of the Committee, however, challenged Dr. Ashworth and his positions. They charged that he and the Coordinating Board staff are responsible in part for the lack of higher education resources in South Texas and, therefore, responsible for the need for the region's residents to endure the burdens on finances and family that result from pursuing educational goals in other areas of the state. They cited evidence that Cooordinating Board staff has discouraged program development in the region and, therefore, has perpetuated a historical disparity among regions of the state. Senator Truan called on the Commissioner to take a dynamic leadership role in providing support and assistance in alleviating the obvious higher education needs of South Texas.

At this first meeting, the Committee also benefited from brief presentations from the presidents of the South Texas universities: Dr. B. Alan Sugg, Chancellor of the University System of South Texas and President of Corpus Christi State University; Dr. Steven Altman, President of Texas A&I University; Dr. Leo Sayavedra, President of Laredo State University; Dr. Miguel Nevarez, President of Pan American University; and Dr. Homer Pena, President of Pan American University at Brownsville. Dr. Altman noted that there are four components to a comprehensive approach addressing the problem of higher education in South

Texas: (1) new program development, particularly at the graduate and professional levels; (2) research capacity enhancement; (3) student retention and performance; and (4) institutional and faculty development.

Distinguished representatives from the state's two major university systems also appeared before the Committee. The University of Texas System was represented by Jack S. Blanton, Chairman of the Board of Regents; Dr. Hans Mark, Chancellor of The University of Texas System; and Dr. William H. Cunningham, President of The University of Texas at Austin. The Texas A&M University System was represented by David G. Eller, Chairman of the Board of Regents, and Dr. Perry L. Adkisson, Chancellor of The Texas A&M University System.

Their presentations focused on recruitment and retention programs for minority students at System components and cooperative degree and research programs between System components and South Texas institutions. In addition, they expressed support for feasibility studies and negotiations regarding South Texas institutions becoming components of their Systems.

Scope of Study

Because of its enormous size and great diversity, Texas is continually being divided into regions by politicians, scholars, the media, and others. However, there is no consensus within or among these groups as to how many regions compose Texas or precisely what is East, North, West, or South Texas. The Committee discussed the issue of defining South Texas at its first meeting and adopted the definition developed by the Mexican American Task Force on Higher Education and used in its 1986 report to the Select Committee on Higher Education.

The task force based its regional analysis of higher education opportunities and funding in Texas on the areas of the eight regional councils created by the Texas Higher Education Coordinating Board to coordinate academic offerings. The task force, however, used nine regions. It divided the Coordinating Board's South Texas region into a South Central region and a South Region, each almost equal in population and number of counties. The task force definition of South Texas was also used by Dr. Frederick von Ende in his 1987 study Higher Education in South Texas: A Comparative Examination with Emphasis on the Availability of Advanced Degree Programs. (See following regional map of Texas on page 32.)

Using the task force definition, South Texas comprises 24

counties. The counties on the northern border of this region are Maverick, Zavala, Frio, Atascosa, Live Oak, Bee, San Patricio, and Aransas. (See the map on the following page.) The task force and Dr. von Ende provided strong justification in their reports for this definition of South Texas being the most accurate and meaningful. (See following map of South Texas on page 33.)

The South Texas region has a population of over 1.4 million and includes the metropolitan statistical areas (MSAs) of Corpus Christi, McAllen-Edinburg-Mission, Brownsville-Harlingen, and Laredo. The first three MSAs are among the state's 10 most populous. The region's population is primarily urban: over 75 percent reside in the four MSAs. An analysis of the region's demographic characteristics is provided in Chapter II, Comparative Demographic Analyses of Texas and South Texas, of this report.

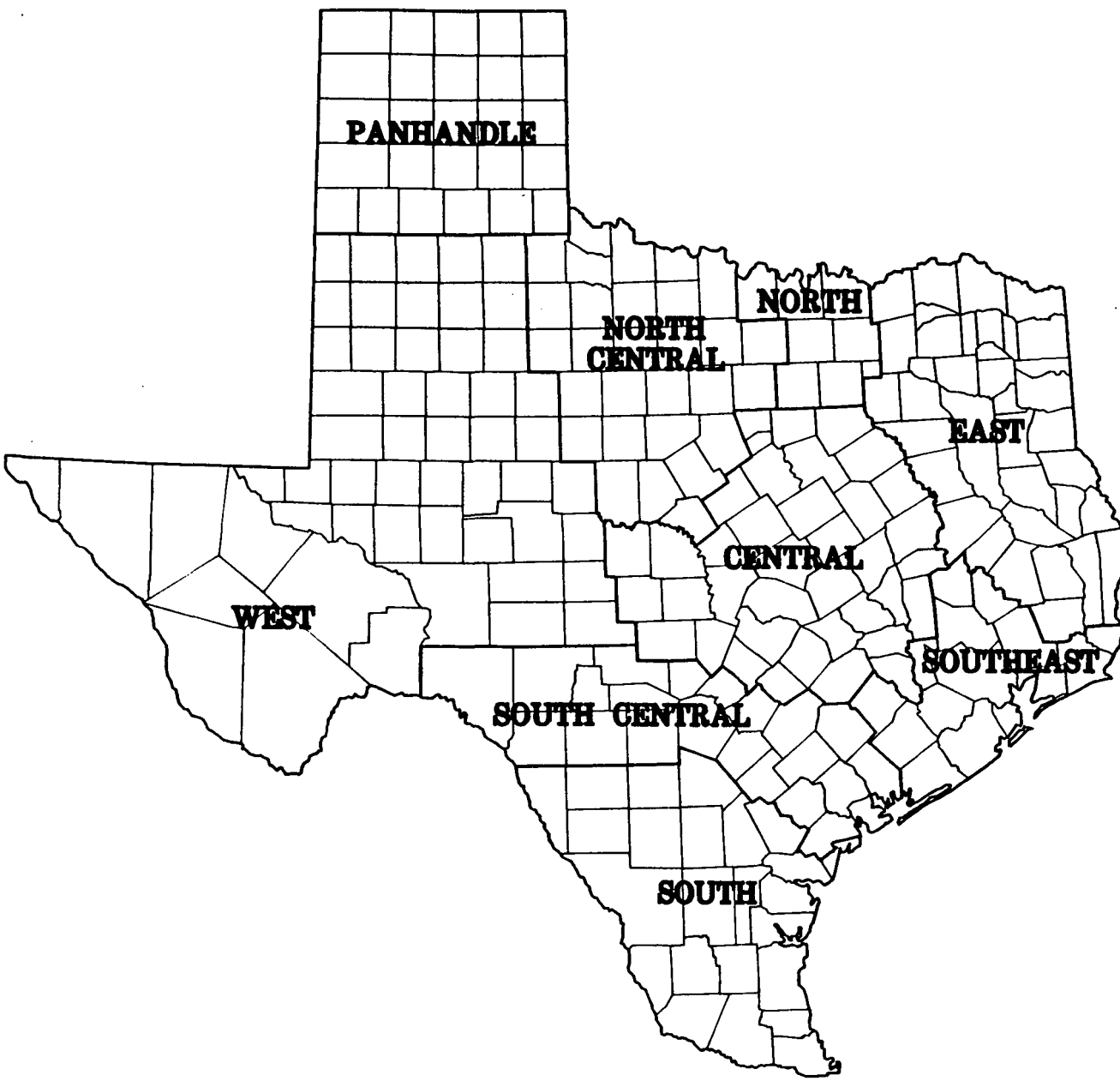
There are five senior public universities in the region. However, only two--Texas A&I University in Kingsville and Pan American University in Edinburg--offer full four-year undergraduate programs and graduate degree programs. Corpus Christi State University, Laredo State University, and Pan American University at Brownsville are upper-level institutions offering junior and senior undergraduate courses and graduate degree programs. There are no private senior colleges or universities in the region.

Four public community junior colleges are located in the region: Bee County College in Beeville, Del Mar College in Corpus Christi, Laredo Junior College in Laredo, and Texas Southmost College in Brownsville. The Texas State Technical Institute has a branch in Harlingen and an extension program in McAllen.

Special professional degree programs are defined as those in the areas of medicine, dentistry, law, optometry, pharmacy, and veterinary medicine. The region's only special professional degree program is offered by the Reynaldo G. Garza School of Law, a private and unaccredited institution, which has operated in Edinburg since 1985.

The Committee after its first meeting expanded the scope of its study to include Southwest Texas Junior College in Uvalde and the Uvalde Area Study Center of Sul Ross State University. This was a logical extension because the junior college is funded by a three-county district that includes Zavala County, and the college operates an extension center in Eagle Pass (Maverick County). The Uvalde Area Study Center is headquartered on the campus of Southwest Texas Junior College and offers classes in Del Rio and Eagle Pass.

REGIONAL MAP OF TEXAS



MAP OF SOUTH TEXAS



A more detailed review of the institutions in South Texas is provided in Chapter IV, Higher Education Opportunities in South Texas, of this report.

Public Hearings in South Texas

In June and August 1988, the Committee conducted public hearings at five locations in South Texas. At each location, the Committee received testimony from representatives of South Texas institutions of higher education, students and faculty, local community and business leaders, and the general public. Representatives of The University of Texas System and The Texas A&M University System made presentations at each hearing regarding initiatives by the systems in South Texas and the possible merger or integration of South Texas institutions into the systems.

The series of public hearings convened on June 28, 1988, on the campus of Texas A&I University in Kingsville. That hearing focused on the resources and needs of Texas A&I University. The following day, June 29, 1988, the Committee conducted a public hearing on the campus of Corpus Christi State University. That hearing focused on four-year status for Corpus Christi State University and the needs and concerns of Del Mar College and Bee County College.

On the morning of August 16, 1988, the Committee held a public hearing on the campus of Texas Southmost College and Pan American University at Brownsville. The Committee received testimony about the relationship of the two institutions and about their problems and goals.

On the afternoon of August 16, 1988, the Committee reconvened on the campus of Pan American University in Edinburg. At that public hearing, the Committee heard testimony relating to the resources and needs of Pan American University and the Texas State Technical Institute in Harlingen. Representatives of the private Reynaldo G. Garza School of Law also made presentations to the Committee regarding the school's status and request for state support.

On August 17, 1988, the Committee met on the campus of Laredo Junior College and Laredo State University. The Committee heard testimony about the relationship of the two institutions and about their needs and goals. Presentations to the Committee also included information about problems confronting Southwest Texas Junior College and the Uvalde Area Study Center of Sul Ross State University.

This series of public hearings was highly successful. A quorum of the Committee was present at each location, and the information and suggestions that the Committee received during the course of the hearings have proven to be invaluable to its study. The Committee's recommendations presented later in this report are derived largely from the oral and written testimony presented at those hearings.

CHAPTER II

COMPARATIVE DEMOGRAPHIC ANALYSES OF TEXAS AND SOUTH TEXAS

Population growth patterns, changes in the ethnic composition of the state over the last three decades, and the various projections for the next three decades present serious implications for the state of higher education in Texas and especially in South Texas.

Investment in higher education for South Texas and the region's minorities must be considered as an investment in much needed human capital. Demographic shifts alone make it imperative for the health of the state that all of the state's minorities succeed in securing broader opportunities in higher education. The emphasis on ethnic populations in this chapter is due to their proportional representation in South Texas as well as to the differences among ethnic populations with regard to their participation in higher education. (Chapter IV, Higher Education Opportunities in South Texas, makes clear the conclusion that the level of participation in higher education of a population group is directly proportional to the level of opportunity it is afforded.)

Data for the population after 1980 are estimated figures, except where otherwise noted (e.g., 1988 unemployment figures from the Texas Employment Commission and 1988 college and university enrollment figures from the Texas Higher Education Coordinating Board).

ABSTRACT

The demographic data presented in this chapter reveals the following picture of Texas and South Texas:

- The population of Texas, after a period of rapid growth during the 1970's and extremely rapid growth in the early 1980's, continues to grow but at much slower rates.

- The population of South Texas has exhibited the same patterns of growth as the state but at higher rates in each instance than the statewide rates.

- The higher rates in South Texas are attributable to the higher representation of Hispanics in the region than in the state as a whole. While Hispanics account for 22 percent of the state's population, they account for nearly 72 percent of the

population in the region.

- The Hispanic population in the state also has exhibited the same patterns of growth as the state and the region but at rates nearly double that of the general population. This growth rate will continue to be greater than that of the general population because of the relative youth of the Hispanic population.

- These differences in growth rates between the region and the state and between Hispanics and non-Hispanics will result in both the region and the Hispanic population increasing their proportions of the overall totals. By the middle of the next century, Hispanics are expected to have attained majority status in the state.

- South Texas and the Hispanic population are burdened by the lack of both economic and educational opportunities relative to the opportunities available to other regions and to the overall population.

- By every economic indicator, South Texas and its Hispanic population are severely disadvantaged in comparison to other regions and to the general population. Poverty is widespread and on the rise in South Texas.

- Because economic prosperity and access to educational resources go hand in hand, the region will continue to be disadvantaged economically without improvements in access to higher education for its residents.

- Regional and statewide enrollment in institutions of higher education and the college-age brackets of the population also exhibited the same growth patterns of rapid growth, very rapid growth, and a slowdown in growth as did other populations. However, these growth rates lagged significantly behind the rates of the general population.

- The Hispanic population is growing faster in the younger age groups than the Anglo population and accounts for most of the increase in the college-age bracket. However, Hispanic participation in higher education is much lower than the Anglo population's participation.

- Hispanics are underrepresented in institutions of higher education both as students and as faculty members. When they do participate in higher education, it is generally in the junior colleges rather than the senior institutions, in the lower undergraduate classes rather than in upper level classes

and graduate programs, and in the lower faculty ranks rather than as fully tenured professors.

- If there is no improvement in the access to higher education of South Texas, and particularly of the region's Hispanics, then long-term projections for college enrollments indicate a potential decline in the state's college and university population. (From 1983 to 1988, Anglo enrollment at Texas public universities declined from 272,986 to 265,298, a decrease of 7,688 or 2.8 percent. During the same period, black enrollment dropped from 29,703 to 28,622, a decline of 1,081 or 3.6 percent.)

POPULATION PATTERNS AND PROJECTIONS FOR TEXAS

Statewide Patterns, Distribution, and Trends--1960 to 1987. Although popularly viewed as a rural state, Texas is an increasingly urban state, with 80 percent of its 16,789,000 residents living in the state's 28 metropolitan statistical areas (MSAs). Of the 10 most populous MSAs, three are located in South Texas: Corpus Christi (ranked 8th in size), McAllen/Edinburg/Mission (9th), and Brownsville/Harlingen (10th). The region itself currently ranks sixth among the nine regions with a population of 1.44 million, and its regional demographics will be examined and compared to the state as a whole and to other regions in the state.

Statewide Population Growth Rates--1960 to 1987. Between 1960 and 1970 the population grew by 16.9 percent, from 9.58 million to 11.2 million. Between 1970 and 1980 the population grew by more than three million residents, an increase of 27.1 percent. Texas experienced the second greatest numeric increase, behind California, and a growth rate roughly twice that of the nation as a whole. This phenomenal growth continued into the 1980's. Between 1980 and 1987, Texas grew by an additional 2.6 million residents, an increase of 18 percent. Again, Texas experienced the second greatest numeric increase and the fifth highest percentage increase. However, the pattern of growth showed considerable variation during this period.

Slowdown in Statewide Growth--1980 to 1987. Between 1980 and 1982 the population grew by more than one million at annual growth rates around four percent. However, the phenomenal growth rate of the early 1980's slowed considerably around the middle of the decade. The growth rate during 1982-84 was only 60 percent of the 1980-82 growth rate and 67 percent of the growth rate in the 1970's. Finally, during 1986-87, the population increased by only .6 percent, a rate of increase below that of 28 other states.

Thus, the pattern over the last two decades is one of rapid growth in the 1970's, very rapid growth in the early 1980's, and, finally, a slowdown between 1985 and 1987. (Table II-1 illustrates growth by regions for 1970, 1980, and 1986.)

Ethnic Composition. Of particular interest, beyond the size and growth of the total population, is the size and growth of the various ethnic populations and the changing composition of the overall population. As recent trends and various projections reveal, Texas is becoming an increasingly racially and ethnically diverse state. Hispanics comprise the second largest ethnic group, and demographic shifts in this population have a correspondingly major impact on the state's future.

Texas has the second largest Hispanic population in the United States. Only California has a greater Hispanic population numerically (4.5 million compared to Texas' 3.5 million), and only in New Mexico do Hispanics comprise a larger percentage of the total population (36.6 percent compared to 22 percent). The importance of Hispanics in the state becomes evident when one compares those numbers to the national figures on the Hispanic population. While Hispanics comprise only 6.5 percent of the population of the United States, they account for 22 percent of the population in Texas.

Distribution of Hispanic Population Statewide. This major ethnic group is concentrated in South and Far West Texas and in the counties with the six largest Texas cities (i.e., Dallas, Fort Worth, Houston, San Antonio, El Paso, and Austin). Another 27.4 percent reside in the 24-county South Texas region. However, an analysis of the higher education needs of South Texas cannot ignore the fact that Hispanics constitute nearly 72 percent of the region's population.

Growth Patterns of Hispanic Population--1970 to 1980. Again, the significance of the Hispanic population lies not only in its size but also in its growth rate and distribution within the state. As sizable as the Hispanic population is at present, if Hispanics maintain current growth rates they will have attained status as the majority population in Texas by the middle of the next century. The high growth rate is illustrated by the following: between 1970 and 1980, the population of Texas grew by more than 27 percent, from approximately 11.2 million to 14.2 million. During the same 10-year period, the Hispanic population grew by 45 percent, from 2 million to 2.9 million, a rate more than double that of other groups and almost double that of the state as a whole. Anglos, who in 1970 comprised 68.7 percent of the population, increased by only 21.6 percent between 1970 and 1980 and in 1980 made up 65.7 percent

TABLE II-1. POPULATION GROWTH BY REGION--1970 to 1986

Region	1970	1980	1986
Southeast Texas	2,615,549	3,392,398	4,139,726
North Texas	2,314,903	2,854,435	3,581,848
Central Texas	1,174,639	1,645,061	1,976,827
West Texas	1,171,017	1,391,529	1,550,290
South Central	1,168,914	1,384,903	1,521,945
South Texas	921,282	1,215,766	1,426,481
East Texas	953,847	1,172,299	1,315,710
North Central	513,794	565,509	614,304
Panhandle	336,000	410,695	442,312
TOTAL	11,169,945	14,032,595	16,569,443

Sources: Texas County Population Changes in the 1970's and Texas Population Estimates, County and Place Totals, July 1, 1986; College Station, Texas: Department of Rural Sociology, Texas Agricultural Experiment Station, Texas A&M University.

of the total population. In comparison, Hispanics, who constituted 18.4 percent of the total population in 1970, grew by more than 45 percent during the following decade to form 21 percent of the population by 1980. At those rates of increase, the Hispanic population would double in size every 22 years and continue growing at a more rapid rate than other groups or than the state as a whole.

Population Projections for Texas--1990 to 2025

Projected Population Growth Statewide--1990 to 2000. Given the variability in the growth rates over the last three decades, it is correspondingly difficult to make accurate predictions regarding population growth over the next three decades. However, periodically revised predictions are still useful to legislators faced with the task of planning for future state needs and demands for state services. Between 1980 and 1985, 10 state agencies made projections for the years 1990 and 2000. The highest projection for 1990 (made in 1981) put Texas' population at 18.1 million, while the lowest projection predicted a population of 16.9 million. (Note: As of July 1, 1987, the estimated population had already reached 16.8 million.) The mean of all 10 projections was 17.6 million. For the year 2000, the high projection (made by the Coordinating Board) was 22.2 million, the low was 18.8 million, and the mean was 20.5 million. The Coordinating Board's projection of 22.2 million represents a 38 percent increase between 1984 and the year 2000.

Projections for Minority Growth--1985 to 2025. The changes in ethnic composition that occurred between 1970 and 1980 are expected to continue through the first part of the next century, with the minority population increasing rapidly in the coming years. The Hispanic population, which made up 22 percent of the population in 1985, is expected to make up 25 to 29 percent of the total by the year 2000 and number around 4.8 million. By 2025, Hispanics in Texas will number around 7.2 million and constitute about one-third of the total population. This population will continue to be concentrated in the South and Far West Texas regions but will continue to spread northward and eastward from its South Texas base.

In contrast, the Anglo population is expected to decline slightly, from 11.1 million in the year 2000 to 10.8 million in 2025. As a percentage of the total population, Anglo population will also experience a decline. In 1985, this group accounted for 64.5 percent of the total population; by 1990, this portion will have shrunk to 63.2 percent, and again in the year 2000 to 60.6 percent. Finally, by 2025, Anglos will constitute only 53.1

percent of the total. Other projections show this trend much more accelerated, so that by 2025 Anglos are only 46.3 percent of the population and have been surpassed by the combined non-Anglo minorities. Under this last scenario, Hispanics are expected to constitute as much as 28 percent of the total by the year 2000 and 36.8 percent in 2025. In every scenario, Hispanic population increases nearly twice as rapidly as the Anglo population from 1985 to 2025, increasing by at least 100 percent and in the most rapid growth scenario by more than 268 percent.

Economic-Demographic Interactions. The patterns of change in population growth can be correlated to shifts in the basic structure of the economy. During the 1960's, Texas economic growth began to accelerate relative to the nation's overall economic growth. Two factors contributed to this relative acceleration of the state's economy: (1) the general movement of business and people to the South and West--the growth of the Sunbelt; and (2) the two dramatic increases in world oil prices in 1973-74 and 1979-80. Texas was one of the principal magnets, along with California and Florida, in the growth of the Sunbelt. The oil price increases spurred the growth of energy-producing regions of the country, primarily Texas, Louisiana, Oklahoma, and the Rocky Mountain states, while simultaneously depressing growth in energy-consuming regions of the Northeast and Midwest. While in-migration had accounted for only 6.1 percent of the state's total population growth during the 1950's, the proportion of population growth due to in-migration had increased to 13.3 percent during the 1960's. The rate of in-migration then accelerated dramatically during the 1970's. Between 1970 and 1980, over half (58.4 percent) of Texas' population growth was the result of in-migration.

The slowdown in the rate of population growth during the mid-1980's was also partly attributable to economic factors: (1) the Texas economy, being strongly linked to the U.S. economy, was affected by trends in U.S. growth; (2) an oversupply of oil in world markets beginning in 1983 severely depressed the oil and gas sector of the Texas economy; and (3) manufacturing growth in the state slowed as increasing labor costs, land costs, pollution, congestion, and other environmental problems began to inhibit manufacturing expansion. As the consequence of economic downturns in the mid-1980's began to be felt in the state, Texas experienced a net out-migration of 90,000 between 1986 and 1987.

In the 1970's and early 1980's, a large portion of Texas' economic output was produced by two resource-based sectors, agriculture and mining (i.e., oil and gas extraction). By 1981, the oil and gas business and related industries accounted for 27 percent of Texas' total economic output. Thus, wide-ranging

fluctuations in world oil prices, both the unexpected and unprecedented rise in the 1970's and the subsequent steep fall in the 1980's, inevitably exerted a major influence on the Texas economy. (The degree to which separate sectors of the economy are interrelated, and especially the importance of oil and gas industries up to 1983-84, can be seen when the growth trends of these sectors are plotted and overlaid on the same chart. For example, when declining demand and worldwide overproduction caused oil prices to fall by two-thirds in less than one year, the immediate impact on Texas was the cessation of drilling activity in many areas. In 1986 alone, 100,000 workers lost their jobs, and unemployment jumped from 5.2 percent in 1980 to a high of 8.9 percent in 1986. The ripple effect of the oil bust also led to the first recorded decline in retail sales. A major restructuring of the state's banking industry followed in the wake of oil and real estate collapses. However, the proportion of the state's gross product represented by resource-based sectors has declined steadily since the early 1980's, and the economic structure has matured and diversified from its oil and agriculture base.

In South Texas, global economic forces also helped shape the pattern of population growth, although to a lesser degree. The regional economy remains principally an agricultural economy. The failure to attract major industry to the Border region (exemplified by its rank at the bottom among the six economic regions as defined by the office of the comptroller when regions are compared with respect to manufacturing employment, below the next lowest ranked region, East Texas)* resulted in a net out-migration of 2,900 persons for the region from 1984 to 1986, and the region's rapid growth rate is due primarily to higher birth rates and the lower median age of the Hispanic component of the population in South Texas. The area's relatively high rate of natural increase (a regional rate of natural increase of 1.7 percent from 1984 to 1986 compared to a statewide rate of natural increase of 1.1 percent during the same period) was sufficient to offset the effects of net out-migration and result in overall population growth.

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*The comptroller of public accounts divides the state into six regions different from those used by this Committee in this report. The Border region, as defined by the comptroller, includes the predominantly Hispanic El Paso metropolitan area while excluding the Coastal Bend Corpus Christi metropolitan area.

Migration occurs within the region as well as into or out of the region, and in South Texas that migration has been from the already sparsely populated rural areas into the four MSAs: Corpus Christi, McAllen/Edinburg/Mission, Brownsville/Harlingen, and Laredo. Yet, the lack of a sufficiently developed economic base results in the high rates of unemployment in those metropolitan areas.

That major shifts in the economic structure of the state are a significant factor in demographic trends is made evident, and indeed is an underlying assumption, in instruments such as the Texas Economic-Demographic Forecasting Model (TEDFM), which is a large-scale forecasting and policy analysis model for the state. In order to provide its forecasts, the model summarizes, in equations, the historical relations between Texas' economic and population growth.** The basic idea behind TEDFM is that the relative attractiveness of Texas to business and to people determines its long-term growth. Generally, this relative attractiveness, measured by growth in markets and the costs of doing business in the state in comparison with those costs in the U.S., determines the level of business investment in the state, which, summed over time, produces Texas' capital stock (i.e., the stock of plant and equipment available to produce output). The relative attractiveness to people, measured by wages, job availability, and environmental conditions in the state compared to conditions in the U.S. generally, determines population migration into the state. Migration is added to natural growth (derived from birth and death rates) to produce the overall population of Texas. This population growth becomes the major determinant in the growth of the labor force, which combines with growth in Texas' capital stock to determine long-term economic-demographic growth.

**TEDFM comprises 133 stochastic equations, 217 deterministic equations and identities, 350 endogenous variables (determined by the model), and 100 exogenous variables (determined outside the model).

The importance of the level of wages and job opportunity in determining that portion of growth that is due to migration is borne out by two facts:

- Real per capita income increased statewide from 88 percent of the national average in 1972 to 95 percent in 1980, resulting from the relatively rapid economic growth in the state in that decade. This corresponded to the population growth of the period.

- After steady long-term growth, nonagricultural employment growth in the state declined slightly in 1985, a trend led by declines in manufacturing, mining (oil and gas extraction and related activity), and construction employment. Not coincidentally, the state's population growth rate showed a marked slowdown at the same time.

While the rate of increase in the state's population that is due to natural increase remains relatively unchanged since 1981, the net migration rates show a variability that corresponds to the overall growth patterns, underlining the importance of migration to overall population growth and, indirectly, of the impact of economic factors on population.

POPULATION PATTERNS AND PROJECTIONS FOR SOUTH TEXAS

Patterns, Distribution, and Trends in South Texas--1960 to 1987. As does the rest of the state, South Texas has a predominantly urban population; 76.5 percent of the region's population of 1.44 million resides in the four MSAs, namely Corpus Christi, McAllen/Edinburg/Mission, Brownsville/Harlingen, and Laredo.

Regional Population Growth Rates--1960 to 1987. While South Texas exhibited patterns of growth similar to Texas as a whole, the region has been one of the fastest growing in the state. Between 1960 and 1980 the population increased by almost 300,000, an increase of 32.5 percent compared to the state's 27.1 percent. Over 80 percent of this growth occurred in the four MSAs. As in the state overall, this rapid growth continued into the 1980's. Between 1980 and 1986, the population grew by 223,612, an increase of 18.4 percent compared to the statewide growth rate of 17.3 percent.

Slowdown in South Texas Growth--1980 to 1987. The statewide slowdown in growth in the mid-1980's was also evident in South Texas. By 1986, South Texas was growing at an annual rate of only 1.6 percent but still greater than the state's average of .6

percent. The statewide pattern of rapid growth in the 1970's, very rapid growth in the early 1980's and a slowdown in growth between 1984 and 1986 was mirrored, although at higher rates, in South Texas.

Ethnic Composition of South Texas. The demographic data show the predominance of Hispanics in the South Texas area and reflect the statewide pattern of an increasing proportion of Hispanics in the total population. While Hispanics form a significant minority in the state, at 22 percent of the population, they constitute an overwhelming majority in South Texas, numbering over one million and comprising nearly 72 percent of the region's population. Hispanics also constitute a majority in 18 of the region's 24 counties. Only two counties (Aransas and Live Oak) are less than 40 percent Hispanic, while four counties (Jim Hogg, Maverick, Starr, and Webb) are over 90 percent Hispanic.

Distribution of Hispanics in South Texas. The Hispanics in South Texas are concentrated in the four MSAs where 76 percent of the region's Hispanics are located. Three of the four South Texas MSAs are over 75 percent Hispanic and the fourth (Corpus Christi) is nearly half (48.5 percent) Hispanic.

Growth Patterns of South Texas Hispanic Population--1960 to 1980. Hispanics in South Texas have shown significantly higher growth rates than other groups in South Texas. Between 1970 and 1980 the Hispanic population grew by 40.7 percent, while the Anglo population increased by 16.3 percent. During the period between 1980 and 1986, these growth rates were 21.5 percent and 7.6 percent, respectively. This difference in growth rates between the two groups has greatly altered the ethnic composition of the region. In 1970, Hispanics accounted for 65.6 percent of the population. By 1980, that percentage had grown to 69.3, and by 1986 to 71.8.

Projections for South Texas--1990 to 2025

Projected Population Growth in South Texas. Several state agencies, including the Texas Department of Health, the Texas Water Development Board, and the Texas Higher Education Coordinating Board, have made projections for 1990 and the year 2000. The highest projection for the South Texas population in 1990 is 1.64 million; the lowest projected population figure for 1990 is 1.53 million. (Note: By 1985, the region's population stood at 1.43 million.) Under the highest projection for the year 2000 (the Coordinating Board's own projection), the population is expected to reach 2.13 million. The low projection for the year 2000 is only 1.83 million residents. Even under the slowest growth scenario, the population can be expected to increase by at least one million persons during the next 40 years, an overall growth rate of 76 percent for 1985 to 2025. Coordinating Board projections for the year 2000 indicate that:

- Between 1984 and the year 2000, South Texas will have the second highest growth rate (52.3 percent for the region, 38 percent for the state as a whole);

- South Texas will be the fourth most populous region (with 2.13 million residents); and

- Over 82 percent of the region's inhabitants (about 1.25 million inhabitants by the year 2000) will be living in the area's MSAs, and South Texas will continue to have three of the 10 most populous MSAs in Texas.

Projections for Minority Growth and Changes in Ethnic Composition in South Texas. South Texas has a substantially higher proportion of Hispanics than the state as a whole (71.8 percent compared to 22 percent), and the differences in growth rates among the various ethnic groups in the region will accelerate the increasing importance of Hispanics in the region's demographic picture. By the year 2000 the proportion of the South Texas population that is Hispanic will have increased to 74.1 percent.

Summary of South Texas Growth. South Texas is growing more rapidly than the state as a whole, largely because of the higher growth rate of its Hispanic population. Ninety percent of overall growth in South Texas is due to Hispanic growth, which will dominate patterns of population growth. However, the Hispanic population in South Texas is growing at rates nearly identical to the Hispanic population in Texas as a whole, and little, if any, change in the proportion of Hispanics living in South Texas is expected.

GROWTH PATTERNS AND PROJECTIONS FOR COLLEGE-AGE GROUPS

In order to plan for the higher education needs of the state, and in particular of South Texas, it is necessary to examine the growth, enrollment trends, and growth projections for age groups that are most affected by higher education opportunities. It is education that provides opportunities for long-term and permanent solutions to the economic and educational poverty of South Texas. Higher education in Texas will be affected not only by changes in the total size of the college-age population, but also by the level of involvement in higher education on the part of minority groups.

Statewide Higher Education Enrollment Trends--1960 to 1980. Between 1960 and 1980 the number of Texas residents enrolled in colleges and universities (including out-of-state institutions) increased from 151,000 to 732,000, a numeric increase of 581,000 and an increase of 383 percent. Between 1980 and 1985, enrollment increased by 65,000 or 9.5 percent. However, this 9.5 percent increase in enrollment lagged behind the overall statewide population growth of 17 percent and reflects the maturation and passing out of the college-age bracket of the "baby boom" generation that had previously accounted for the peaks in college enrollment.

By 1986, the total enrollment in Texas public and private colleges and universities (including students from out of state) had reached 767,558. Before 1986 enrollment in higher education had exhibited the same patterns as did the population in general, that is, dramatic increases in the period from 1960 to 1980 and continued growth through the 1980's but at reduced rates.

However, enrollment figures for the Fall 1988 semester, released by the Texas Higher Education Coordinating Board in October 1988, show that total enrollment at Texas' 136 public and private institutions, medical schools, and vocational institutes had jumped to 834,444, a one-year increase of almost 45,916 students, and a total increase of almost 70,000 since 1986. This increase represents a 5.8 percent increase between 1987 and 1988 and an overall 8.7 percent increase since 1986. The 834,444 total for 1988 surpasses the Coordinating Board's projected enrollment of 811,659 for 1995. Total enrollment at the state's 67 public universities (385,343) and 49 community junior colleges (346,439) rose to 731,782 in 1988, surpassing the Coordinating Board's projection of 720,000 for 1995. That this sharp increase is an anomaly in the long-term trends is evident when one considers that the Coordinating Board projections for 1995, which were surpassed in September 1988, were issued in January 1988. It is interesting to note that the largest increases statewide were at the community junior colleges; enrollment at the community colleges rose almost

eight percent from 321,025 to 346,439. Pan American University-Edinburg grew 16.5 percent from 9,632 to 11,218.

South Texas Higher Education Enrollment Trends. Enrollment at South Texas public colleges and universities (there are no private institutions in the region other than an unaccredited law school) in 1980 totaled 34,235. By Fall 1988, that number had jumped to 51,939 students. (This total includes enrollment figures for the two Texas State Technical Institutes in the region, as well as the Uvalde Area Study Center.) Since 1980 enrollment in South Texas colleges and universities has grown by 17,704, a phenomenal 52 percent increase. During the same period, enrollment at colleges and universities statewide has grown by 14 percent, from 732,217 to 834,444. The higher percentage growth in South Texas enrollments reflects the higher proportion of college-age persons in the region's population.

Enrollment data for Fall 1987 reveals that South Texas residents enrolled in institutions of higher education are more likely to attend nearby institutions. The number of South Texas residents enrolled in public senior colleges and universities in Texas during the Fall 1987 semester stood at 27,816. Of this number 68.7 percent (19,096) were in attendance at the five South Texas institutions (Pan American University at Brownsville, Pan American University at Edinburg, Texas A&I University in Kingsville, Laredo State University, and Corpus Christi State University). The remaining 31.3 percent (8,720) were attending the other 28 senior institutions across the state. When only enrollment at public senior institutions is considered, over two-thirds of South Texas college students were found in the five institutions situated in the region; less than a third chose or were able to attend the 28 institutions outside the region. When enrollment in community junior colleges is included in the totals, the percentage of South Texans choosing to attend local institutions increases.

Overall enrollment in higher education in South Texas has exhibited patterns roughly similar to those shown by the general population of the state and the region, namely, rapid increase through 1980 and a slowdown in growth in the 1980's.

Statewide Growth of College-Age Groups. Recent demographic trends indicate the Texas population will be an older population in the future and show a diminishing college-age (18 to 24) population. This segment comprised 12.3 percent of the total population in 1985 but is projected to comprise only 9.5 percent in the year 2000 and less than 9 percent in 2025. The population overall will shift toward a concentration in the middle and older age groups. The fastest growing segment during the 1980's has been

the population 25 to 44 years of age. This age group grew by 30 percent between 1980 and 1986 after experiencing 50 percent growth between 1970 and 1980. The median age of Texas residents in 1980 was 28 years. By 1985 the median age had risen to 29.3. By the year 2000 it will have risen to at least 33, and by 2025 to 36.

Growth of College-Age Group in South Texas. In South Texas, the population is growing more rapidly in the younger age groups than the state as a whole. This difference is attributable to the high representation in the region of Hispanics, whose median age of 22.7 is significantly lower than that of the Anglo population at 30.5. This age difference is most marked in the two age groups at either end, those under 24 years of age and those over 65. Over half (52 percent) of the Hispanic population is under 24, while 36 percent of the Anglo population falls in that category. At the other end, 12 percent of the Anglo population is over 65, while only five percent of Hispanics fall in that category. The relative youth of the Hispanic population is demonstrated in other age brackets. Forty-six percent is under 20 and only 24 percent is over 40. For Anglos, these proportions are roughly reverse; 29 percent is under 20 and 40 percent is over 40. The high birth rate among Hispanics and the low birth rate among Anglos ensure that this age differential will continue to exist.

The projected decline of the Anglo population in the college-age brackets will result in a decline in overall college enrollments in the future unless there is a corresponding increase in the level of enrollment among the Hispanics who will constitute a greater proportion of the population in these age groups. Any increase in enrollments may be due to increased enrollment on the part of Hispanics who currently face the obstacle of limited access to higher education in South Texas.

Implications of Age Differential Among Population Groups in Higher Education and the State's Economy. The significance of the age differential was cogently expressed in the Findings and Recommendations of the Mexican American Task Force on Higher Education to the Select Committee on Higher Education:

> These age differences have a number of implications. The Anglo population will begin leaving the labor force in increasing numbers as more of them become older. Since Anglos tend to be better educated and earn more income, their tax contributions are greater. In contrast, more and more Mexican Americans will be entering the labor force because they are a young population. Mexican Americans tend to be poorly educated and thus earn less income. Thus the skills which the labor force will demand will be in

> increasingly short supply, and the contribution which Mexican Americans make to the State Treasury will not make up for the loss brought about by the Anglo population entering retirement. Further, as the Anglo population continues to age, the proportion of school-aged persons will decline, the demand for educational services at every level of education will diminish, and the demand for health and related services associated with an aging population will increase. Mexican Americans, in contrast, will continue to increase in number at the younger ages, and their demand and need for educational services will continue to grow. Thus there is the potential for conflict between Anglos and Mexican Americans over the allocation of government services.

Although that task force examined the role of Hispanics in higher education, because of the considerable overlap between the state's Hispanic population and the South Texas population, the argument remains a valid one for South Texas.

ECONOMIC PROFILES (COMPARISONS BY REGION AND BY ETHNICITY)

The quality of life in South Texas, by whatever standard it is measured, is very poor. If present conditions persist, South Texas will remain one of the poorest regions, not only in the state but in the nation.

Regional Comparisons. The relative economic prosperity of a region or group may be measured in several closely related ways: (1) per capita income or mean family income; (2) unemployment rates; and (3) percentage of population living in poverty. A fourth index, educational attainment, is equally closely related and will be discussed separately.

Per Capita Income. The per capita income of $7,905.48 in South Texas is the lowest of any region in the state and is only 65 percent of the state average of $11,650.60. The disparity in economic prosperity between South Texas and the rest of the state is made more apparent by the fact that per capita income in South Texas is a full 40 percent less than the per capita income of the next poorest region, East Texas. The disparity becomes worse when per capita incomes in the state's MSAs are compared. For example, the per capita income for McAllen/Edinburg/Mission ($6,012) is less than half of the average per capita income of Texas' 28 MSAs ($12,162). Three of South Texas' MSAs--McAllen/Edinburg/Mission ($6,012), Laredo ($6,017), and Brownsville/Harlingen ($6,654)--rank as the three poorest MSAs in the nation. Those three will remain

the poorest MSAs in the year 2000, and all four South Texas MSAs will be below the state average in per capita income in the year 2000.

Unemployment Rates. The extremely low per capita income is a direct result of the region's high unemployment rates. South Texas' unemployment rate of 13 percent is the highest in the state and is almost twice the state average of 7.1 percent. Again, the picture worsens when one looks at the urban population centers where unemployment is even higher. Figures released by the Texas Employment Commission for September 1988 show that in McAllen/Edinburg/Mission the unemployment rate is 18 percent, in Brownsville/Harlingen it is 12.4 percent, and in Laredo it is 12.1 percent.

When unemployment rates are compared by county, a broad pattern emerges. Those counties nearest the border between Texas and Mexico generally have the higher rates of unemployment. Two counties (Maverick and Starr) have unemployment rates above 25 percent. Webb, Hidalgo, and Cameron counties, among the most populous counties in the region, have unemployment rates of 12.2, 18, and 12.4 percent, respectively. The two counties with the lowest rates, Kenedy with 2 and McMullen with 2.3, are also the least populated, with populations of 661 and 944 residents, respectively.

The low per capita income and the high unemployment rates are indicators of South Texas' primarily agricultural economy. However, the economic stasis and the relative failure of the region to produce a diverse and growing economy can be traced to the lack of the educational resources in the region that are necessary to produce or to lure new business to the region.

Socioeconomic Characteristics of Ethnic Populations Generally. The poor economic portrait of South Texas is due largely to the ethnic composition of the region and the preponderance of Hispanics in the population, a group that historically has been and continues to be economically and educationally disadvantaged. Minorities such as blacks and Hispanics have unemployment rates twice as high as those for whites (6.9, 6.4, and 3.4, respectively). The mean family incomes for blacks and Hispanics ($15,573 and $15,670) are 60 percent of the average family income for whites ($24,787). Furthermore, the percentage of minority group members living below the poverty level (generally defined as an income of $11,650 a year for a family of four) is more than twice as high as that of whites. About 27.6 percent of blacks and 28 percent of Hispanics live in poverty compared to about 11.5 percent of whites.

In South Texas the statistics are even more grim. Per capita income is lowest in those areas that have the highest proportion of Hispanics in their populations. In those 26 counties that have a Hispanic majority, the per capita income is $7,065--even lower than for the region as a whole. The proportion of Hispanics living in poverty is even higher in the MSAs where they comprise the majority population. In the McAllen/Edinburg/Mission MSA, 36 percent of the Hispanic population lives below the poverty level; in Brownsville, it is 33.7 percent; in Laredo, 31.6 percent; in Corpus Christi, 23.7 percent.

As disturbing as these statistics are, figures from the Texas Department of Human Services indicate that poverty is on the rise statewide and even more so in the region. In 1980, about 2.04 million Texans were living in poverty; by the end of 1987, this number had jumped to 3.07 million. The percentage of residents across the state living in poverty rose from 14.66 percent to 18.04 percent. The rise in poverty in South Texas was a major factor in the rise in poverty in the state. In two South Texas counties the percentage of residents living in poverty exceeds 30 percent. Frio County's poverty level rose from 32.29 percent in 1980 to 35.07 percent in 1987, while in Webb County the number of residents living in poverty rose from 33.11 to 37.17. In three other counties that level rose to over 40 percent, growing from 36.75 to 41.30 in Dimmitt County, from 39.50 to 45.79 in Maverick County, and from 38.61 to 46.28 in Zavala County. In one South Texas county, La Salle County, over half of the residents live below the poverty level. In 1980, 40.5 percent of the residents of La Salle County lived in poverty. By 1987, that figure had jumped to 52.25 percent. In contrast, Tarrant and Dallas counties in North Texas were considerably below the state average with 11.46 percent and 13.90 percent of their populations, respectively, living in poverty. Harris (16.56 percent) and Travis (18.05 percent) were also below the state average. Not coincidentally, these metropolitan areas are also the site of many of the state's institutions of higher education. Another telling statistic is the poverty level in Bexar County, the only major county in Texas where Hispanics form the majority. The Bexar County figures (22.01 percent, or 245,190 persons with family incomes below the federally-defined poverty level) represented the highest poverty level from among the state's major metropolitan areas. Areas with significant Hispanic populations will continue to suffer economically.

Summary. The quality of life in South Texas (as measured by such economic indicators as per capita income, unemployment, people living below the poverty line) has been and continues to be dramatically worse than in other areas of the state. Given the demographic profile of the region, with its rapidly expanding and

increasingly Mexican American population, the situation is destined to get even worse without ameliorating actions on a large scale. As stated in the Findings and Recommendations of the Mexican American Task Force on Higher Education to the Select Committee on Higher Education:

> In a society where education is the principal upward mobility track for the working and poorer classes, the educational circumstances of Mexican Americans are truly sobering, research shows that education is positively correlated with occupation, income, housing, health, longevity, leadership, low occurrence of social problems and the "passing on" of promising opportunities and privileges to offspring. The more educated a community, the better its social and economic standing, and the greater the perpetuation of that standing over time.

Given the distressing economic circumstances of the region, it should not come as a surprise to find the educational situation in South Texas as critical as it is.

EDUCATIONAL ATTAINMENT

When levels of educational attainment among geographic or ethnic population groups are compared, a consistent pattern shows up--the higher the level of education a group has attained, the higher that group's per capita income level and the lower its unemployment rate. Conversely, a lower level of educational attainment is invariably accompanied by a lower per capita income and a higher unemployment rate. The majority of South Texas residents, primarily Hispanic, are subjected to levels of educational, occupational, and economic attainment that are far below those of other regions and of the state as a whole. In Hispanic population centers, the MSAs, this inequity in higher education is most evident.

Comparisons by Region. Using the following three measures of educational attainment, (1) median years of school completed, (2) percentage of high school graduates, and (3) percentage of population with four or more years of college, in every category South Texas and Hispanics rank at the bottom. When MSAs are compared, the three MSAs at the bottom are in South Texas. (One fact that stands out is that five of the top six MSAs in every category have one or more colleges or universities offering multiple doctoral or professional degree programs.)

Median Years of School Completed. The median years of school

completed among adults statewide in 1980 was 12.3 years. In eight of the nine regions, the average was over 12 years; in South Texas the average was 9.7 years. This figure reflects the high percentage of Hispanics in the region. The average educational level of Hispanics in Texas is 7.9 years, an elementary level of education. In contrast, the average educational level for Anglos is 11.8 years, a difference of nearly four years.

Percentage of High School Graduates. Using a different index of educational achievement, the percentage of high school graduates, we see that, again, South Texas and Hispanics fare poorly. In nine MSAs in Texas, less than 60 percent of the population has attained a high school diploma. Five of those nine are in South Texas, and four of those five rank at the very bottom in terms of the percentage of high school graduates: McAllen/Edinburg/Mission with 41.1 percent; Laredo with 41.5; Brownsville/Harlingen with 43.3; and Corpus Christi with 57.7. This statistic reflects the high dropout rate among Hispanics (only 35 percent of all Hispanics 25 years old and older have completed a high school education as opposed to 70 percent of the Anglo population) and is both a cause and a result of the region's poor economic conditions.

Percent of Population with Four or More Years of College. Almost one out of five adults (18.8 percent) in Texas has completed at least four years of college education. However, in South Texas that ratio drops to about half the state average. The three MSAs with the lowest percentage of residents in that category are again in South Texas: Laredo with 9.8 percent, Brownsville/Harlingen with 10.5, and McAllen/Edinburg/Mission with 10.8.

Hispanic Participation in Postsecondary Education. The low percentages of college-educated residents in the South Texas MSAs correspond with the low levels of participation in higher education among Hispanics. While 35 percent of the adult Anglo population (25 years old and older) have completed some postsecondary education and 18 percent have completed at least four years of college, the figures for Hispanics are 17 percent and 6.3 percent, respectively. Enrollment rates for Hispanics are 80 percent of those for Anglos, and in several of the key college-age groups such as 18 and 19, Hispanic rates are less than 50 percent of the Anglo rates. What the statistics tell us is that Hispanics are woefully underrepresented in higher education in both the student and faculty populations.

Underrepresentation of Hispanics in Higher Education. Enrollment of Hispanics in postsecondary educational institutions is substantially below their proportional representation in the

state. At the same time that Hispanics make up 22 percent of the total population, they account for less than 13 percent of the total college population and a mere four percent of all doctoral candidates. Not only are Hispanics underrepresented in higher education, but when they do participate their enrollment is concentrated at the lower class ranks, with participation declining at successively higher levels and especially at postgraduate levels. (National data from the American Council on Education show that Hispanic participation has declined in recent years.) In 1988 Hispanics comprise 11.6 percent (44,697 students) of the enrollment at Texas public senior institutions (385,343), compared to 68.8 percent (265,298) for Anglos, but they comprise 17.8 percent (61,808) of the enrollment at public junior colleges (346,439). These statistics reveal a tendency to enroll at two-year community junior colleges rather than at senior institutions. Hispanics comprise even smaller percentages of enrollment at private senior institutions and junior colleges. The relative distribution of Hispanic students at Texas public senior institutions also reveals a concentration at the lower class levels. Of the total Hispanic enrollment at public senior institutions, over half (53 percent) are found in the freshman class. The second largest group of Hispanics, only 17 percent of the total Hispanic enrollment at public universities, is found at the sophomore level; the remaining 30 percent of Hispanics enrolled at senior institutions are distributed among the junior, senior, and graduate levels. The result of this concentration of Hispanic students at the lower class levels is that, relative to the Anglo student population, Hispanics comprise gradually smaller proportions of the total class at each higher class level. Even the relatively large numbers of Hispanics at the freshman level constitute only 14 percent of the total freshman class. Hispanics constitute 10 percent of the sophomore, junior, and senior classes, eight percent of students at the master's level, and a miniscule four percent of all doctoral candidates.

Underrepresentation of Hispanics in Faculty Ranks. The underrepresentation of Hispanics in higher education extends from the student population into the faculty ranks. At the community junior college level, Hispanics represent seven percent of the total faculty; at the senior college level, Hispanics are only three percent of the total; and only two percent of all tenured faculty are Hispanic. This relatively small Hispanic faculty also is distributed disproportionately at the lower ranks of the faculty hierarchy. Of the Hispanic faculty at public senior institutions, 25 percent is found at the teaching assistant level and another 22 percent at the assistant professor level. Among the Anglo faculty, only 18 percent are teaching assistants and 17 percent are assistant professors. At the other end of the ladder, only 16 percent of the Hispanic faculty are associate professors and a mere

nine percent are full professors. A greater proportion of the Anglo faculty has reached this level; 18 percent are associate professors, and 21 percent have reached the status of full professor.

Even at the level of tenured faculty, where Hispanics are only two percent of the total, Hispanic professors are distributed primarily at the lower ranks of assistant (21 percent) and associate professor (46 percent). Only 10 percent of the tenured Anglo faculty are assistant professors, 39 percent are associate professors. Only 28 percent of the tenured Hispanic faculty are full professors. Of the tenured Anglo faculty, a full half have attained the top rank of full professor.

Summary. Hispanic students and faculty are underrepresented at Texas institutions of higher education. To the extent that Hispanics do participate, they are found in larger numbers in community junior colleges and senior institutions in predominantly Hispanic areas of the state. Fewer Hispanic students graduate even when they do attend higher education institutions. Hispanic faculty are found in the lower ranks.

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CHAPTER III

HEALTH CARE RESOURCES IN SOUTH TEXAS

Poverty, inadequate health care, and ignorance of proper health maintenance are closely related. Many of the areas in South Texas are among the poorest in the nation, and the health care situation in the area reflects that fact. While much of this report is dedicated to the relationship between the poverty of the region and the lack of access to higher education, the health care deficiencies in the region cannot be neglected. To the degree that the state's institutions of higher education can ameliorate this problem, they should do so.

The future growth of the region will occur precisely among those groups which are in greatest need of health care services. South Texas has a very young population relative to the rest of the state, reflected in a higher proportion of infants and of women of child-bearing age. In addition, the elderly population of the region shares the rapid growth characteristic of these age groups. The growth in the number of the elderly in South Texas mirrors national trends, especially when the large number of winter visitors is taken into account.

Frequent health problems in the area include a number of diseases which are declining in other parts of the country. Many of the health problems in South Texas are caused by high rates of communicable diseases: infectious hepatitis, measles, tuberculosis, typhoid fever, and enteric diseases. Infants in the area are particularly subject to malignant neoplasms. Children suffer from acute intestinal and respiratory infections and dental problems at high rates.

South Texans also suffer in disproportionate numbers from a number of health care problems which have a high incidence among Hispanics, such as respiratory diseases, diabetes, joint problems, and high blood pressure. Finally, violence is also a frequent cause of health problems.

The number of doctors and nurses available to serve the health care needs of South Texas is dramatically low. The Texas Department of Health (TDH) has designated 16 of South Texas' 24 counties as Primary Health Manpower Shortage Areas (HMSAs), meaning that they lack enough physicians to satisfy the needs of the local population. The counties designated as HMSAs in whole or in part are Atascosa, Bee, Cameron, Dimmit, Duval, Frio, Hidalgo, La Salle, Live Oak, McMullen, Maverick, Starr, Webb, Willacy, Zapata, and

Zavala. Fourteen of these counties are designated as HMSAs in their entirety; Cameron and Hidalgo counties are HMSAs only for their low-income population groups.

Studies show that medical residency programs are cost-effective ways to simultaneously train physicians and offer medical services at low rates. In addition, physicians tend to establish their medical practices close to where they conducted their medical residencies.

Currently, Texas has about 1,140 residency programs, but only one of them is located in South Texas. The family practice residency established in McAllen by The University of Texas Health Science Center in San Antonio has proven remarkably successful in convincing physicians who trained there to remain in South Texas to practice. The program provides services for approximately 25,000 patient visits annually. Seventy-five percent of the family practice residents trained by the program have elected to stay in the region to begin their practices. Overall, 54 percent of the graduates of the family practice residencies have chosen to become physicians within 60 miles of the county in which the program is located. Texas has a great need for new primary care residencies, particularly in underserved areas.

The Physician Student Loan Repayment Program, created by the 68th Legislature, is another significant tool in locating medical personnel in underserved areas. The program repays up to $9,000 per year of a physician's education loans if he or she locates in a rural area. The Special Committee on Post-Secondary Medical, Dental, and Allied Health Education recommended expansion of the program.

The number of applications to medical schools is declining. If this trend continues, Texas can expect a worsening of the medical distribution problem and perhaps a physician shortage as well. Blacks and Hispanics are underrepresented in the physician work force (two and seven percent, respectively). The Special Committee on Post-Secondary Medical, Dental, and Allied Health Education recommended the expansion of incentives to encourage qualified minority students to enter medical school. The Coordinating Board has recommended that programs to encourage minority students to attend medical school be eligible for the state's new incentive funding program. The Special Committee on Post-Secondary Medical, Dental, and Allied Health Education recommended that the state initiate "special scholarship and grant programs specifically for academically qualified minority and disadvantaged students."

There is no question that the shortage of nurses poses a

great challenge to the future of the American health care system. This problem is particularly acute in the rural areas of Texas. According to TDH, the statewide ratio of nurses to the general population was one active nurse for every 241 Texans in 1986. In South Texas, the ratio is one active nurse for every 453 Texans. Most counties in South Texas have ratios much higher. Brooks, Duval, Jim Hogg, Jim Wells, Starr, Zapata, and Zavala counties have ratios higher than 1,000 Texans per nurse. Live Oak County has only four nurses for its population of over 10,000; its ratio of 2,588 Texans per nurse is the second highest in the state.

Clearly, the supply of nurses in South Texas has to be increased. Pan American University is proposing the expansion of its nursing program. The current baccalaureate nursing program at Pan American University is now open only to students already possessing an associate degree from a community junior college or a diploma from a hospital. Expansion of the Pan American University program to students who do not already possess a degree or diploma would be of great use in helping increase the supply of nurses in South Texas. Implementation of Pan American University's proposal for a master's degree in nursing would also help by providing continuing education opportunities.

However, increasing access to nursing programs is only part of the answer. Increased financial assistance for student nurses is also needed. The Special Committee on Post-Secondary Medical, Dental, and Allied Health Education recommended extension of the Physician Student Loan Repayment Program to nurses.

The nursing programs requested by Pan American University are part of a larger effort to provide increased access to professional health care training and additional health care services to the residents of South Texas. Six South Texas institutions of higher education (Pan American University, Pan American University at Brownsville, Laredo State University, Laredo Junior College, Texas Southmost College, and Texas State Technical Institute at Harlingen) have formed STARHELP, a consortium designed to promote and coordinate the response of higher education to the health education and service needs of South Texas.

One initiative of STARHELP has been the promotion of a Center for Allied Health and Nursing Education for South Texas. The programs administered by the center would include the health program requests made by Pan American University, including the expanded bachelor's degree nursing program and the master's degree program in nursing. Another program would include health records administration.

Because of the diversity of the allied health professions and

the lack of reliable data regarding the distribution of workers, it is very difficult to track the supply of and demand for allied health personnel. However, the Special Committee on Post-Secondary Medical, Dental, and Allied Health Education found that "Texas may face a shortage of allied health personnel even more critical than the better known shortage of nursing personnel." A 1988 survey by the Texas Hospital Association found that vacancies in allied health fields are currently at an average of about seven percent, with "critical shortages" in several fields. According to Dr. Julian Castillo of Pan American University, South Texas hospitals face the same problem. As with the shortages in other health professional fields, if nothing is done, the shortage can only worsen.

Initiatives by The University of Texas System

In 1988, Dr. Hans Mark, Chancellor of The University of Texas System, established the Valley Health Services Task Force, composed of representatives of all the system's health-related components, to coordinate health-care initiatives in the South Texas area. The task force has representation from The University of Texas Health Science Centers in Houston and San Antonio, The University of Texas Medical Branch in Galveston, and the Southwestern Medical Center in Dallas.

The University of Texas Health Science Center at Houston

The University of Texas Health Science Center in Houston has been working hard to develop a series of health programs in the South Texas area. Part of the further development of these programs would come from the special line item request by The University of Texas System for Valley/Border Health Services if the Legislature funds it. However, the System has also identified sources of federal and private money which can be used to fund these programs.

The Houston Health Science Center is continuing to expand its inventory of health programs in South Texas. The following is a partial list of those programs:

* Programas A Su Salud provides educational services in preventive medicine regarding cigarette smoking and alcohol and drug abuse in Brownsville, Harlingen, Rio Grande City, and Laredo. The program may be expanded to include Corpus Christi.

* Cancer Awareness for South Texas assists in promoting cancer awareness in Cameron, Hidalgo, Jim Hogg, Starr, Webb, Willacy, and Zapata counties.

* Dental services are provided in Brownsville and plans are underway to provide a dental van in the area. Dental services are also provided in Laredo. These clinics serve indigent patients while providing dental students with valuable experience.

* The Health Science Center is providing continuing education and graduate student experience for the school of nursing at Pan American University. Plans are underway to provide a master's outreach program with the school of nursing.

* During the current fiscal year, the Health Science Center expects to have a van staffed by an experienced nurse operational as a mobile van providing health services to the colonias in Hidalgo County.

* The Health Science Center expects to be providing continuing education for laboratory personnel by the end of the current fiscal year. Plans are underway to provide continuing education for phlebotomy in the future.

* The Health Science Center's school of biomedical science operates a Health Studies Field Station in Rio Grande City. The field station staff is currently conducting several research projects which have health education components. The staff also provides clinical services in the areas under study. These programs include the development of a cardiovascular risk profile among Hispanics, the determination of risk factors involved in the incidence of retinopathy and other diabetic complications among Hispanics, and an analysis of data regarding gall bladder disease among Hispanics.

* Another research project in Corpus Christi involves the analysis of the relationship between treatment and survival after acute myocardial infarction.

The University of Texas Health Science Center at San Antonio

The University of Texas Health Science Center at San Antonio has been active with health care projects in South Texas since the mid-1970's. The University of Texas Health Science Center at San Antonio has, since 1977, operated South Texas' only medical residency program. It also operates a teleconference network to provide continuing education to health professionals in rural areas of South Texas and has ongoing dental, oral biopsy, and community education projects in the border area.

The San Antonio Health Science Center is continuing to move forward with the expansion of existing services and the development of new ones. The teleconference network will be expanded, and the medical residency program has been extended to Harlingen.

Principal among them is an Area Health Education Center (AHEC). AHECs, which are funded by the federal government, are designed to provide continuing and community education, residency training, and health services across a region. The Texas Tech Health Science Center has, since 1984, operated an AHEC with a service area covering 108 West Texas counties, with centers in El Paso, Lubbock, and Odessa. These centers include community hospitals and community, migrant, and public health clinics, education programs, and medical practices.

The San Antonio Health Science Center is also proposing the development of a Center for Hispanic Health to help support the AHEC and provide the necessary research and education on diseases from which Hispanics suffer disproportionately. These diseases include diabetes, communicable diseases, malnutrition, drug addiction, mental health problems, and selected cardiovascular/gastrointestinal diseases.

Another recent initiative of the Health Science Center activities include two AIDS education services. The South Texas Outreach Program on AIDS, concentrating on the Border, provides education, health professional training, and behavior-change research. The AIDS Educational and Training Program trains health professionals across a large area, including the Coastal Bend.

Baylor College of Medicine

As a result of the large poor population in South Texas, maternal and infant health care is inadequate, especially among Hispanics who comprise a majority of those living in poverty. A

full third of lower-income pregnant women in the area simply delay pre-natal care past the first trimester, and 10 percent receive such care late or not at all. Twenty-two percent of lower-income pregnant women receive inadequate pre-natal care; 12 percent (30 percent in some parts of South Texas) use lay midwives to help them give birth, as opposed to two percent of mothers statewide. The result is that Hispanic children die at a rate about 30 percent higher than whites from the same area. This figure is about six percent statewide.

Baylor College of Medicine reports that, being aware of the enormous effect nurse-midwives could have on the care of indigent women and infants in the Rio Grande Valley, many health care institutions in the area have historically sought to fulfill indigent mother health care needs with nurse midwives working with physicians. Indeed, Baylor's Nurse-Midwifery Education Program was originally conceived to address, at least in part, the desperate need for nurse-midwifery services in these rural underserved areas of Texas. However, local registered nurses have been unable to travel outside the Rio Grande Valley to pursue nurse-midwifery education, being frequently the sole financial support for their families.

Baylor College of Medicine is seeking federal funds to establish an off-campus nurse-midwife program. This program would admit four qualified students for training each year. Except for orientation and graduation, all training would occur in the Rio Grande Valley under the supervision of a Baylor College of Medicine faculty member.

Summary

It is beyond the scope of the present study to address the severe health care access problems experienced by the residents of South Texas. Nevertheless, it is clear that health-related institutions have the capability to provide some elemental services and necessary research in underserved areas. Those which are making the effort to provide those services and that research should be commended and urged to do more; the state can ill afford to underutilize its resources, particularly when so many areas are in great need.

CHAPTER IV

HIGHER EDUCATION OPPORTUNITIES IN SOUTH TEXAS

This chapter examines the opportunities for higher education in South Texas. South Texas is served by six senior institutions and five community junior colleges in the region. Also, Texas State Technical Institute has a campus in Harlingen and an extension center in McAllen. There are no private senior or junior colleges or health-related institutions in the region.

The appendix of this report includes detailed profiles of the institutions of higher education in South Texas including lists of the degrees offered by each school, admission standards, and general statistics regarding the students, funding, and enrollment.

Senior Institutions

Corpus Christi State University (CCSU) is located on its own 240-acre island, approximately 10 miles from downtown Corpus Christi. There are eight buildings on the campus. CCSU is an upper-level institution that serves junior, senior, graduate, and continuing education students. The state-supported university was authorized in 1971 by action of the 62nd Legislature and is part of the University System of South Texas.

Laredo State University is an upper-level university offering courses at the junior, senior, and graduate levels. The university provides professional preparatory courses as well as traditional liberal studies. Laredo State University was first established as Texas A&I University at Laredo in 1970. The name was officially changed to Laredo State University in 1977. At its inception, the university leased physical facilities from Laredo Junior College. The two institutions still share a campus composed of 196 acres, and the university leases space in two of the junior college's buildings. In 1979, Laredo State University acquired its first building, which is located on 4.16 acres that were donated by Laredo Junior College. It is a multi-purpose building that houses specialized classrooms and faculty and administrative offices.

Pan American University at Edinburg (PAU-Edinburg) is located in Edinburg, close to the Mexican border and the Gulf of Mexico. The campus consists of 33 buildings located on approximately 200 acres. The university is a four-year, state-supported institution that provides undergraduate and graduate degree programs. PAU-Edinburg was founded in 1927 as a two-year community junior

college, became a four-year institution in 1951, joined the state system in 1965, and attained university status in 1971.

Pan American University at Brownsville (PAU-B) operates under the Board of Regents of Pan American University. It is located on the campus of Texas Southmost College in Brownsville where it leases facilities from the community junior college. PAU-B does not own any of the buildings on the campus. The two institutions operate as separate, cooperative institutions. The university opened as an extension center of the Edinburg campus in 1973. Today, PAU-B is an upper-level institution offering junior, senior, and graduate-level programs. The university was established as such by legislative action in 1977. The institution is composed of the departments of arts and sciences, business administration, and education.

Texas A&I University is a four-year institution located in Kingsville. The main campus is located on 250 acres of land in the northwest quadrant of the city of Kingsville, and it consists of over 80 buildings. Texas A&I University has a farm located on 545 acres of land about one-half mile north of the main campus. The university also operates a Citrus Research Center in Weslaco. Twenty-six miles southeast of the main campus, on the border of Baffin Bay, Texas A&I University owns two buildings where academic training and research in biology and marine science are conducted. The university offers courses at the undergraduate and graduate levels including a doctoral program in bilingual education, the only doctoral program currently offered in the South Texas region. The university is the center of the University System of South Texas. In 1925, the institution was established as South Texas Teachers College and, after expanding its curriculum to include a wider array of academic programs, it became Texas College of Arts and Industries in 1928 and Texas A&I University in 1967.

The Uvalde Area Study Center of Sul Ross State University is headquartered on the campus of Southwest Texas Junior College in Uvalde and offers classes there and in Del Rio and Eagle Pass. The center leases building space on the 79 acres owned by the junior college. The Uvalde Area Study Center provides upper-level and graduate courses in teacher education, business administration, and liberal arts.

Community Junior Colleges

Del Mar College, located in Corpus Christi, is a two-year comprehensive community junior college. The college was founded in 1935 under the control of the board of trustees of the Corpus Christi Independent School District. In 1951, the governance of

Del Mar College was transferred to the Corpus Christi Junior College District. The college district is an independent political subdivision with boundaries coterminous with the city of Corpus Christi. Local taxes provide support of the college in addition to appropriations by the Texas Legislature. Del Mar College provides the first two years of fully accredited freshman and sophomore level academic and pre-professional courses.

Laredo Junior College, a comprehensive community junior college, is located in Laredo. The college was created in 1946 by the voting citizens of the Independent School District of Laredo. The college district boundaries are coterminous with the city of Laredo. The campus of Laredo Junior College consists of 196 acres and has approximately 10 buildings. The college offers freshman and sophomore undergraduate courses in arts, sciences, and business administration.

Southwest Texas Junior College, located in Uvalde, was established in 1946. The college receives tax support from a tri-county junior college district composed of Real, Uvalde, and Zavala counties. It is located on 79 acres of land and has 20 permanent buildings. The college provides technical and vocational programs and freshman and sophomore courses in arts and sciences.

Texas Southmost College (TSC) is located in Brownsville. There are 36 buildings on the 55-acre campus. The college was established in 1926 as the Brownsville Junior College, a part of Brownsville's public school system. TSC is a comprehensive community junior college offering occupational/technical programs and freshman and sophomore academic courses. It receives tax support from the Texas Southmost College District, which includes part of Cameron County.

Bee County College, located in Beeville, is a two-year postsecondary institution that offers both technical and vocational programs as well as freshman and sophomore courses in arts and sciences. The college was established by the Bee County Junior College District in 1967 and is supported by the taxpayers in Bee County in addition to legislative appropriations. There are approximately 20 buildings on the campus.

Many students who attend community junior colleges ultimately move to senior colleges or universities in order to obtain bachelor's or higher degrees. To facilitate such moves, junior colleges like Bee County College, Texas Southmost College, and Del Mar College along with Corpus Christi State University, Pan American University at Brownsville, and Texas A&I University, respectively, have developed "2 + 2" programs. "2 + 2" represents two years at a junior college plus two years at a senior college.

The programs are the result of the administrations from both institutions jointly developing a degree plan that allows students to take courses at the junior college that will transfer to the senior college as credit toward the student's degree. An example of a "2 + 2" program is the electrical engineering degree program at Del Mar College and Texas A&I University. Texas Southmost College and Pan American University at Brownsville jointly publish the TSC-PAU-PAU-B Matchbook that lists the degrees available on the "2 + 2" programs and the degree requirements. PAU-B and TSC also publish a joint schedule of classes for students wishing to enroll in both institutions simultaneously.

Texas State Technical Institute

Texas State Technical Institute (TSTI) has a campus in Harlingen and an extension center in McAllen. The Harlingen campus has 14 instructional buildings on its campus, and the campus in McAllen has four buildings. TSTI offers technical and vocational education programs designed to develop occupational skills and provides students with extensive "hands on" experience. The institute at Harlingen has 34 programs of study, and McAllen has seven.

Advanced Degree Programs

The six senior level institutions in South Texas offer approximately 100 master's programs. However, programs offered at one school may also be offered at another; therefore, the number of different master's degree programs is actually 80. As noted earlier, the only special professional degree program in South Texas is offered by the Reynaldo G. Garza School of Law, an independent and unaccredited institution, which has operated in Edinburg since 1985 in rented space. One doctoral program, offered by Texas A&I University in Kingsville in bilingual education, is the only program beyond the master's level available in the region at this time, although a proposal from Texas A&I University and CCSU for a doctoral program in educational leadership is currently pending before the Coordinating Board.

Comparative Analysis of Other Regions

Higher Education in South Texas: A Comparative Examination with Emphasis on the Availability of Advanced Degree Programs, by Dr. Frederick von Ende, contains valuable information regarding higher education in South Texas as it compares to the other regions of the state. Dr. von Ende found that the distribution of advanced

degree programs, especially doctoral programs and special professional degree programs, is not evenly disbursed throughout the state. He noted that the geographic distribution of higher education opportunities is a significant factor in an area as large as Texas because access is a major concern. The smallest region in the state, the North Texas region, has the highest concentration of advanced degree programs while South Texas, covering an area almost 4-1/2 times the area of the North Texas region, has the second fewest advanced degree programs available and has the worst ratio of advanced degree programs to population. As of 1984, the statewide average of advanced degree programs per person was one advanced degree per 5,106 persons. In comparison, South Texas, with one advanced degree for every 13,689 citizens, stands 37 percent below the state average. Central Texas, with one advanced degree program for every 3,129 people, had the most impressive ratio.

Dr. von Ende found a correlation between the availability of advanced degrees in an area and the quality of life in that area. He noted that North Texas, with the most advanced degree programs in the smallest region, also has the highest per capita income, the lowest unemployment rate, and the highest level of education attainment. In comparison, South Texas, with the worst ratio of advanced degree programs to population, has the lowest per capita income, the highest unemployment rate, and the lowest level of education attainment in the state.

Research

Research is the key to growth and development in a society. A recent article in the September/October 1988 issue of Fiscal Notes, a publication of the Comptroller of Public Accounts, stated that, "Research dramatically affects the nation's economic health. Half of the growth in U.S. per capita income is said to come from increases in knowledge and productivity arising from investments in research and development." During fiscal 1987, $610 million was invested in research at Texas public universities. This investment resulted in the creation of 28,670 new jobs and the addition of approximately $1.4 billion into the economy. During the 1988-1989 biennium, the state allocated $20 million for an Advanced Research Program and $40 million for an Advanced Technology Program. Institutions competed for the grants that were awarded by the Coordinating Board on April 22, 1988.

According to the 1988 Fact Book on Texas Higher Education, public senior institutions received $83,702,455 from the state for the fiscal year ending August 31, 1987. The University of Texas at Austin and Texas A&M University received 76 percent of the funds.

Table IV-1 shows the amount of money received from the state by the public senior institutions in South Texas.

TABLE IV-1. STATE APPROPRIATIONS FOR RESEARCH

Institution	Organized Research	Other Appropriated Research
Texas A&I	$ 64,377	$659,526
PAU (Edinburg only)	46,352	-----
CCSU	4,290	-----
TOTAL	$115,019	$659,526

(Source: 1988 Fact Book on Texas Higher Education published by the Texas Higher Education Coordinating Board)

The total amount received by the institutions in South Texas is equal to .93 percent of the state-appropriated funds designated for research. Texas A&I University operates three outstanding research centers funded by non-state sources. One, the Caesar Kleberg Wildlife Research Institute, has conducted important research in such areas as wildlife conservation and management and the economic uses of mesquite wood. A doctoral program in range and wildlife science has been proposed that would be based at the institute. A second research center of Texas A&I University is the Citrus Center, which has been an important resource for the development of stronger varieties of citrus in South Texas. The university also operates the Energy Research and Development Center. Dr. Steven Altman, President of Texas A&I University, stated in his testimony at the hearing in Kingsville that "The research programs at Texas A&I have achieved extraordinary outside support and have honed in on crucial issues of importance to science, the humanities, the professions, and the region." Corpus Christi State University's Bluecher Institute, Laredo State University's Institute for International Trade, and Pan American University's Center for Economic and Entrepreneurship Development are also valuable institutes of research in South Texas. It should be noted that none of the institutes of higher education in South Texas received any of the state's nearly $60 million competitive grants funds under the Advanced Research and Advanced Technology Programs.

Enrollment and Ethnic Composition

Table IV-2 shows the ethnic breakdown of the enrollment in the institutions in South Texas. The table shows that 65 percent of the students enrolled in the public senior colleges and universities in South Texas are Hispanic. At the same time, 71.8 percent of the regional population of South Texas is Hispanic. According to information obtained from the Coordinating Board, 69 percent of the South Texans attending public senior colleges and universities in Fall 1987 were attending one of the five South Texas institutions, and 76 percent of the Hispanic residents of South Texas currently enrolled in public senior institutions of higher education are enrolled in those institutions in South Texas. In Chapter II, Comparative Demographic Analyses of Texas and South Texas, a section entitled "Statewide Higher Education Enrollment Trends--1960 to 1980" discusses enrollment trends in more detail.

In South Texas, the majority of students enrolled in the colleges and universities may be described as nontraditional students: students who are employed full-time, are supporting families, and are older than traditional students who enter college immediately after graduating from high school. The average age of the students enrolled in the institutions of higher education in South Texas is 27 years. At Pan American University at Brownsville (PAU-B), 58 percent of the full-time students (students enrolled in at least 15 semester hours) and 84 percent of the part-time students have jobs. In addition, 50 percent of the students at PAU-B provide full support to their families, and another 10 percent of these students provide partial support. These facts support the contention that it is difficult or virtually impossible for most South Texans to take advantage of higher educational opportunities located outside the region.

Financial Aid

An important factor to examine regarding students is the number who receive financial aid. Table IV-3 shows the number of students enrolled in the 1986-87 academic school year and the number of students receiving financial assistance. It also shows the total amount of money appropriated for financial aid to each of the institutions. An average of $1,769.49 was spent per recipient. This figure represents the amount spent for the entire 1986-87 academic school year. When it is broken down into the amount per semester, it is $76.78 per student per semester.

TABLE IV-2. 1987 ENROLLMENT AND ETHNIC COMPOSITION OF SOUTH TEXAS UNIVERSITIES

Institution	Hispanic	White	Black	Asian	Indian	Alien	TOTAL
Texas A&I	2,880	2,017	200	108	7	181	5,393
PAU-Edinburg	7,806	1,656	75	44	20	31	9,632
CCSU	1,058	2,463	73	41	19	16	3,670
Laredo State	714	122	13	3	1	62	915
PAU-Brownsville	874	347	11	2	2	4	1,240
Bee County	1,098	1,015	56	20	12	0	2,201
Del Mar	4,313	4,660	285	76	37	23	9,394
Laredo Junior College	3,974	299	9	10	1	170	4,463
Texas Southmost	4,434	622	5	17	6	140	5,224
Uvalde Area Study Center	220	171	7	1	2	2	403
Southwest Texas Junior College	1,313	917	42	13	1	11	2,297
TSTI (Harlingen and McAllen)	2,175	411	6	6	1	0	2,599
TOTAL	30,859	14,700	782	341	109	640	47,431

(Source: 1987 Student Report submitted to the Texas Higher Education Coordinating Board)

Summary

There are six public senior institutions (including the Uvalde Area Study Center of Sul Ross State University) in the region which the Legislative Joint Committee on Higher Education in South Texas has included in its study. In addition, there are five community junior colleges in the region. Texas State Technical Institute has two campuses in South Texas, one main location in Harlingen, and an extension center in McAllen.

Approximately 100 master's degree programs are offered in South Texas. One doctoral program in bilingual education is available in the region at Texas A&I University. The Reynaldo G. Garza School of Law offers the only special professional degree program in South Texas. Texas A&I University and CCSU have presented a proposal before the Texas Higher Education Coordinating Board for a doctoral program in educational leadership.

TABLE IV-3. FINANCIAL AID STATISTICS

Institution	Enrollment (1986)	Financial Aid Recipients	Percentage	Amount Spent On Financial Aid
Texas A&I	5,009	3,023	60	$ 8,626,226
PAU-Edinburg and Brownsville	10,111	5,973	60	12,099,762
CCSU	3,884	2,124	55	2,062,911
Laredo State	935	277	30	704,287
Bee County	2,086	1,320	63	1,396,041
Del Mar	8,922	2,318	26	3,308,494
Laredo Junior	4,106	2,363	58	3,614,435
Texas Southmost	4,829	3,120	65	3,563,856
Sul Ross University and Uvalde Area Study Center	2,211	1,373	62	3,261,128
Southwest Texas Junior College	2,378	1,470	62	1,549,847
TSTI (Harlingen only)	2,577	1,948	76	3,657,399

(Source: Office of Civil Rights Report, 1986)

Dr. Frederick von Ende's report provides extensive information regarding the state of higher education in South Texas. Dr. von Ende noted that the ratio of advanced degree programs per person statewide was 1 to 5,106; the ratio of advanced degree programs per person in South Texas was 1 to 13,689. He concluded from his research that the quality of life in a region is proportional to the availability of advanced degrees in the area.

An article in the September/October 1988 issue of Fiscal Notes portrayed research as a vital component of society. During

the 1988-89 biennium, the state allocated a $60 million competitive grants program. South Texas, however, did not receive any of the funds. The institutions of higher education in South Texas, particularly Texas A&I University with its Caesar Kleberg Wildlife Research Institute and its Citrus Center, realize the importance of research and have conducted noteworthy research. However, their research programs are funded almost entirely by private sources and are somewhat limited.

Most of the students enrolled in the universities in South Texas may be classified as nontraditional students. The average age of these students is 27 years, and many of them work to support their families in addition to continuing their education. Consequently, the majority of the students must attend an institution within close proximity to their homes, families, and jobs. The financial aid statistics also show that over 50 percent of the students receive financial assistance.

Dr. von Ende stated that educational poverty, a characteristic he attributes to the region of South Texas, fuels economic poverty, which he also attributes to South Texas, the region with the lowest per capita income in the state. He goes further to say that by enhancing the higher education opportunities in the region, the region itself will make strides toward becoming a more economically prosperous region, which will ultimately be of significant value to the State of Texas.

CHAPTER V

ACCESS TO HIGHER EDUCATION IN SOUTH TEXAS

Access to higher education, in the simplest sense, refers to the relative ability of an individual or group of individuals to attend institutions of higher education. This chapter makes reference to several groups of individuals with similar concerns of access and is not limited to an examination of black and Mexican American opportunities in higher education. While it is paramount to consider access by ethnic group, South Texas is a geographic region within which access is denied to students of all ethnic groups, and educational opportunities are equally as limited for white students of low or modest means. According to Dr. Frederick von Ende of Pan American University, the median years of schooling for the adult population of South Texas is 9.7; for every other region of the state the median is 12.1 or greater. This would indicate a geographic issue of access--the relative isolation and underdevelopment of institutions of higher education in South Texas--as well as a minority issue of access, which is a statewide and national problem. The geographic dimension of access, which refers to the factors unique to the region, affects white students of low or moderate means and exacerbates the problem for minority students. A regional approach to the issue is crucial.

This chapter will offer a revised definition of access in light of historical developments and the considerations that they have raised. The unique problems of South Texas will be examined as well as those of the concentration of minority students living there. This chapter will also offer methods of improving access that may be adopted or enhanced with specific reference to the various levels of failure in the current educational system.

1. Access: A Revised Approach

While the days of conscious and malicious exclusion of minorities from the state's colleges have ended, the rate of black and Hispanic participation in Texas higher education lags far behind that of white students. The enrollment rates of minority students in higher education do not approach their proportion of the state's population, and their success in attaining degrees is lower than that of their white counterparts. Improvement in these areas has been slow and demands legislative attention. Further, the state must recognize geographic disparities of choice and quality in higher education which force students (largely Hispanic)

into limited, underfunded, and underdeveloped programs. Therefore, access must be understood to consist in the ability for qualified students who desire to do so to complete their chosen educational pursuits at institutions of quality.

Historical Developments Affecting the Issue of Access

Title VI of the landmark Civil Rights Act of 1964 includes language that has now become familiar to all Americans: neither the state nor its institutions shall segregate or otherwise discriminate against persons on account of race, color, or national origin. In 1969, the State of Texas repealed language in Article VII, Section 7, of the Texas Constitution stating, "Separate schools shall be provided for the white and colored children, and impartial provisions shall be made for both." Explicit racial restrictions regarding higher education were struck from the statutes by the Legislature in 1971.

In compliance with a court order issued in Adams v. Bell, a suit filed in 1970 by the NAACP in Federal District Court in Washington, D.C., the United States Department of Education in 1980 conducted an investigation of the Texas higher education system and concluded that the state had failed to eliminate the lingering effects of state-sanctioned segregation. In a letter to then Attorney General Mark White, the department of education also cited "severe under-representation" of Mexican Americans, especially in admissions.

Settlement negotiations proceeded from 1981 to 1982 between the Texas Attorney General and the U.S. Department of Education. In December 1982, the Mexican-American Legal Defense and Education Fund (MALDEF) petitioned the court to admonish the parties to conclude their negotiations. Pursuant to a court order a settlement was reached, known as the Texas State Plan for Equal Opportunity in Higher Education. The five-year plan, adopted by the state in 1983, was to have increased minority participation in higher education so that admissions reflected their proportion of the population, with a fifth-year goal of eliminating 50 percent of the disparities. The plan also included measures aimed at increasing retention rates of minority students.

The state failed to reach those goals: in 1983, upon adoption of the plan (informally known as Texas Plan I), blacks and Hispanics made up only 18.6 percent of the enrollment of Texas colleges and universities; in 1987, that figure had increased to only 20 percent. The percentage of black students actually declined. (See Table V-4.)

Although the federal government will no longer monitor Texas' desegregation efforts, Governor William P. Clements ordered the Texas Higher Education Coordinating Board to formulate a new plan. This plan, known as the Higher Education Opportunity Plan for a Multicultural Texas (Texas Plan II), was finalized in October 1988. It reaffirms the state's commitment to equal opportunity in higher education but eliminates numerical goals by which to judge success in increasing minority participation. The Coordinating Board and members of the Advisory Committee on Educational Opportunity Planning, which participated in the development of the plan, observed that substantial improvement in primary and secondary education was essential to successfully integrating the Texas higher education system. The plan also includes recommendations that the state fund additional degree programs in South Texas and increase appropriations for recruitment and retention purposes. (For additional comment on Texas Plan II, please see Section 2, following.)

Issues Raised: A Justification for Improvement of Access

Federal and state law have embraced a theory of justice that recognizes the equality of all citizens and demands that access to societal resources such as education be made available to all individuals regardless of sex or ethnic origin. It was through this dictum that segregation was abolished and minorities allowed admission into white institutions of education. Federal law, however, has recognized the existence and repugnance of de facto segregation despite the fact that de jure, or legal, segregation has ended. This was the basis of the federal case as a result of which the Texas State Plan for Equal Opportunity in Higher Education was adopted. Though minorities are no longer excluded from higher education, the lingering effects of state-supported discrimination prevent them from taking full advantage of these new opportunities; they are unable to avail themselves of these opportunities at a level commensurate to that of white students. By effect, the system remains unjust. Many commentators have compared this situation to a race: though all are allowed to compete, the race is unfair if minorities start from farther back. This is not to argue that it is impossible for blacks and Hispanics to succeed in Texas higher education, or even that many individual students cannot excel on an equal footing with whites; but their numbers are fewer and as a group they must work harder. A great proportion will fail where their white counterparts succeed.

As stated previously, the problem of denied or reduced access in South Texas may be understood as an ethnic concern and as a geographic concern: the two are inextricably linked in that South Texas is a region of substantial Hispanic population. Without

state action, whether judicial or legislative, the lingering effects of discrimination and historical neglect will guarantee the preservation of a social state inimical to our values as Americans.

2. Methods to Improve Access to Higher Education in South Texas

Witnesses offering testimony before the Committee repeatedly referred to a metaphoric "leaky pipeline" drawing on a pool of potential students. They observed that of 1,000 Mexican American first graders in Texas, 10 percent, or 100, will drop out before even reaching high school, and that altogether, 45 percent, or 450, will have dropped out before graduation, leaving a total of 550 Mexican American high school graduates. A low number of these will enroll in institutions of higher education, mostly junior colleges, and many will drop out at this level as well. According to Dr. Steven Altman of Texas A&I University, only nine of the original 1,000 will complete a bachelor's degree. For blacks, that figure is 11 out of 1,000. Obviously, the educational system is losing students at all levels; while some might question the wisdom of addressing the problem from the end of the "pipeline," this is, in fact, a necessary and pragmatic strategy.

The pipeline analogy points out two possible inclusive strategies. To increase the number of students emerging from the end of the pipeline, the state may increase success rates at the lower levels of the educational system to raise the number of minority high school graduates. The state may also improve admission and retention of these students who do graduate and wish to go to college. (A third strategy would be to improve access to quality institutions by eliminating geographic discrimination, which forces low-mobility groups into less prestigious, less well-funded institutions. This would be accomplished by enhancing existing educational offerings in South Texas, addressed elsewhere in this report.)

It should be noted that the lower levels of the educational pipeline cannot be improved without commensurate improvement of the higher education system as greater numbers of students place greater demands for access at the college level. Enhancement of access at the college level is necessary to better serve the students who will demand its services in the immediate future. Furthermore, improvement at the level of higher education will enhance success at the lower levels both directly and indirectly; indirectly, for example, by increasing the number and expertise of college graduates who will constitute the pool of available teachers and positive role models. Institutions of higher education, when enabled by the state, can directly affect the

success of primary and secondary education by providing advising, counseling, and tutoring services to students in primary and secondary schools. Therefore, while it is not the province of this Committee to address the pressing needs of primary and secondary education in South Texas, higher education is necessarily related to the lower levels, and an inclusive, farsighted approach is most appropriate. For this reason, the Committee recognizes and recommends strategies to be employed by institutions of higher education and by the state to positively affect minority success and representation at all levels of the educational system in South Texas, especially at the undergraduate, graduate, and post-graduate levels.

The following parts of this chapter will address those conditions that contribute to a reduction in participation in higher education in South Texas. Since the population of South Texas is in largest part Hispanic, many of these concerns are minority concerns that reflect statewide and nationwide problems of minority access. Others address problems common to all South Texans, regardless of ethnicity.

Standardized Testing. The Mexican-American Task Force on Higher Education observed that standardized testing is often considered a "panacea," an indispensable, infallible educational tool. Many states, under pressure to improve academic standards, have come to rely on standardized tests as a mainstay of reform efforts. In truth, standardized tests have been recognized to discriminate against members of minority groups. This discrimination reflects a cultural or ethnic bias in the creation of the test and therefore does not accurately reflect academic differences among students. Furthermore, educators have come to view testing as an imperfect tool that does not reflect true achievement or potential even among members of the same ethnic group. For these reasons test performance is no longer relied upon as the sole criterion for admission to most universities. Institutions as prestigious as Johns Hopkins and Harvard no longer even consider test scores as criteria for admission. Admissions policies that consider grades, class standing, interviews, work and personal experience, and other relevant factors have been adopted nationwide. This trend has resulted in favorable consequences for minority access in Texas. As Dr. Kenneth Ashworth, Commissioner of Higher Education, wrote, "One of the reasons for The University of Texas at Austin's success [in increasing minority enrollment] is the institution's decreased reliance on standardized test scores [for admissions], which are known to discriminate against minorities." (Quoted in Findings and Recommendations of MATFHE)

Admissions. The bias against minority students inherent in standardized testing has been well-documented. Despite Scholastic

Aptitude Test (SAT) scores that lag behind those of white students, blacks and Hispanics have on individual levels proven themselves capable college students. It is obvious that the SAT is not reliable as the sole criterion to evaluate college potential, and its role in the admissions process should be reduced, as suggested by Sylvia Ramos, of the Mexican-American Task Force on Higher Education, and by Dr. Tatcho Mendiola and Dr. Lorenzo Cano. While low socioeconomic status is not exclusive to minority students, having to work during high school may adversely affect the grades of those students of modest financial means. Family background, such as parental education, has also been found to affect academic performance. For those reasons, a broader range of criteria should be considered in the admissions process. Ms. Ramos offered the following criteria in her testimony to the Select Committee on Higher Education on January 30, 1986:

(1) SAT score

(2) High school class rank

(3) High school GPA

(4) Date of high school graduation

(5) Parents' income

(6) Financial support

(7) Type of financial support received

(8) Source of information on college enrollment

(9) Professional aspiration

(10) Parental occupation

(11) Family collegiate history

(12) High school activities

(13) Community junior college enrollment

(14) Date enrolled

(15) Major/minor

(16) Degree earned

(17) Transfer date to four-year college

(18) Necessity of interrupting collegiate education

These revised admissions criteria are not aimed at solely increasing minority admissions: disadvantaged whites will benefit as well. This revision is designed to improve upon current procedures that unfairly reject potentially qualified students.

Texas Academic Skills Program (TASP). The TASP test, also known as the "rising junior" test, is to be administered to students entering or enrolled at public institutions of higher education in Texas. In Spring 1987, the Texas Legislature passed House Bill 2182 mandating the development of the TASP test and required that it be administered to all students entering institutions of higher education in Fall 1989 or later. Beginning in Spring 1989, the test will be administered to students in teacher education programs. The putative purpose of the test is to improve the quality of higher education in Texas as a component of the TASP, which includes diagnostic testing, advisement, placement, remediation, and program evaluation. The TASP was designed in response to claims that significant numbers of college students and graduates lack basic academic skills.

Students must pass all three sections of the TASP test; reading, writing, and mathematics. Those who do not pass will not be allowed to enroll in upper-division courses which would contribute to a total of 60 hours or more of college credit (hence the name "rising junior") and cannot be graduated from an associate degree program, a baccalaureate program, or a certificate program of nine or more hours. Students failing the TASP test must enroll in a remediation program in the subject areas failed and may retake the exam as many times as necessary. The test fee is $24. Considerations concerning the TASP are based on the recognition that standardized testing has traditionally discriminated against minority students (addressed elsewhere in this chapter) and the potential consequence of restricting large numbers of minority students from completing their educational plans. These recommendations include:

1. There should be no administration of the TASP test without a guarantee of adequate funding for remedial programs. The Coordinating Board has requested funds for this purpose.

2. The test scores should be used as one of multiple criteria. This is consistent with the growing recognition in the field of education that standardized test scores do not accurately reflect academic or intellectual achievement, especially for minority students.

3. In light of the observation made in recommendation 2, research should be done to establish the correlation between test scores and academic or professional ability of the students who have taken the test.

4. Every possible bias reduction technique should be employed in order to reduce ethnic or racial disparities of performance. Test items with the greatest differences in scores between ethnic groups should be replaced with neutral items.

5. The passing score should be set at such a level that no more than 10 to 15 percent of any ethnic group fails and then should be very gradually raised.

6. The individuals responsible for setting cut-off scores should do so to accurately reflect student performance in a pressured environment.

7. Testing costs should not be a burden on students and fee waivers should be available for those demonstrating financial need.

These considerations are intended to determine the impact of the TASP, which has the potential for drastically reducing minority participation in higher education in Texas and to guarantee that such a reduction does not occur as a result of discriminatory criteria. These concerns have been expressed by a number of observers, including Al Kauffman of MALDEF.

Financial Aid in Texas. The Texas system of financial aid is composed of a multitude of programs, most of which are quite small and specialized. A 1987 Coordinating Board survey found that to serve the students in Texas in need of financial aid would require an additional annual investment of approximately $300 million.

The state has expanded its inventory of financial aid programs in recent years in both number and size. Between the school years 1982-83 and 1987-88, state funds available to financial aid programs increased from $100 million to $165 million. The bulk of the increase was in funds used at public senior universities, which increased from $35 million to $75 million during that period.

However, a closer examination reveals that the increase was in large part allocated to tuition set-asides waivers and exemptions, rather than to need-based scholarship funds administered by the state.

The state's few outright scholarship programs did not fare as well. The line item appropriations for scholarships and work-study has declined since the 1982-83 school year. During the same period, the number of students receiving scholarships under the program declined from 7,215 to 5,655. The State Student Incentive Grant, which is used to match federal funds, has increased only minimally. However, this program does leverage all available federal dollars under the program.

The State Scholarship Fund for Educationally Disadvantaged Students replaced the Legislative Academic Scholarship Program in 1983. These funds are earmarked for ethnic minority students enrolling for the first time, either as freshmen or transfer students. In 1982-83, the Legislative Academic Program made grants to 386 students, for a total of $262,739. In 1987-88, the State Scholarship Fund for Educationally Disadvantaged Students made grants to 578 students for a total of $466,925. It is worth noting that these funds, which are funded from the lender's allowance earnings of the Hinson-Hazlewood loan program, are restricted for use by universities to students from ethnic groups which comprise less than 40 percent of the student body. That means that the only South Texas school which can use these funds for Hispanic students is Corpus Christi State University.

The Hinson-Hazlewood lender's allowance also funds the Minority Faculty/Staff Recruitment Program, which assists universities with expenses incurred in the recruitment of minority faculty and staff. Current funding for all universities is $47,008 annually. This amount is so small that some universities do not solicit the funds. The following table shows the average grant for major scholarship funds for the 1987-88 school year, according to the Coordinating Board.

TABLE V-1. AVERAGE SCHOLARSHIP GRANTS

	Universities	Community Jr. Colleges	Technical Institutes
Texas Public Education Grants (TPEG)	$657.15	$297.21	$261.41
Line Item Appropriations Used For Scholarships	499.89	not eligible	230.20
Line Item Appropriations Used for Work/Study	122.24	not eligible	not eligible
State Scholarships For Ethnic Recruitment	807.83	not eligible	not eligible
Texas Public Ed-Incentive Grant	371.07	225.02	not eligible

Texas has relied on the federal government and the private sector to supply much of the funds for financial aid. The financial aid programs operated by the state are generally in the form of loans, recycled student funds (the TPEG program), or tuition waivers or exemptions. The state operates few scholarship programs based on need, and those which exist offer small grants for universities and minimal ones for community junior colleges and technical institutes.

Of the scholarship programs which the state provides, one nursing scholarship fund is used only at Prairie View A&M University and the other provides scholarships for white students at Texas' two traditionally black institutions. The bulk of the private scholarships are merit-based rather than need-based. This philosophy of relying on grants and private merit-based scholarships has statewide consequences for students who are qualified but lack the resources to attend college. There is a concentration of such students in South Texas. In addition, the region lacks the robust private sector to fund local scholarship programs. The result is that the region in greatest need of providing financial help is least able to do so.

A Coordinating Board-appointed advisory committee has drafted legislation to establish a Texas College Work-Study Program and a need-based Texas Educational Opportunity Grant Program.

Geographic Discrimination. In that South Texas is a region of predominantly Hispanic population, the historical neglect of the institutions of higher education in this area of the state has resulted in unintentional discrimination against this minority group and a perpetuation of social inequities. The failure to provide adequately funded institutions offering the programs needed by South Texas students at the proper academic levels has resulted in a denial of access even to those students who are admitted to higher education.

Dr. Frederick von Ende writes that South Texas contains the three poorest metropolitan regions in the United States; each is poorer than the well-publicized Appalachian region of the southeastern United States. Residents of South Texas as a group are substantially poorer than residents of any other part of the state. Since financial considerations constitute the single most important factor affecting individuals' plans for higher education and the realization of those plans, South Texas is especially sensitive to denial of access resulting from inequities of wealth. This explains, in part, the findings of Cross and Bezdek, cited below, who observe that 79.4 percent of the student population of Southwest Texas attend institutions of higher education within the region.

Higher Education Opportunity Plan for a Multicultural Texas (Texas Plan II). "[R]ealistic numbers should not be abandoned. It is hard to measure good intentions," wrote an editor of the Austin American-Statesman (October 16, 1988). The lack of specific goals in the Texas Plan II, many others have observed, makes it impossible to judge the relative success of the new plan, a necessity in light of the widely acknowledged failures of the previous plan. This shortcoming is exacerbated by the latitude given individual institutions in implementing recommendations and the absence of any sanctions against institutions that do not.

While the plan offers a variety of noteworthy suggestions to improve minority participation in higher education and emphasizes the necessity of going back to the "sixth, seventh, and eighth grades" (Gerald Wright, Assistant Commissioner for Educational Opportunity Planning, quoted in the Fort Worth Star-Telegram, July 3, 1988), it is unclear why the enforcement of objective numerical goals is inimical to the process of increasing the numbers of minorities in Texas public colleges and universities. Detractors of the federally supervised Texas Plan I claim that the goals set were "unrealistic"; if this is the case, perhaps a more realistic set of goals should be adopted and enforced. This would certainly increase the credibility of the state's commitment to the values affirmed in the plan, an independent commitment unsupervised by the federal government. Dr. Tatcho Mendiola and Dr. Lorenzo Cano, both

of the University of Houston, wrote, "Although there are some exceptions, for the most part colleges and universities in Texas undertake only token efforts to increase their minority populations. These token efforts are usually in response to legal or political pressures and once the pressure has eased so do the token efforts."

A positive approach to the question of measuring success may consist in the distinction between goals and quotas. The merit of implementing quotas is arguable, but this is not a debate applicable to the establishment of goals. If the intent of the plan is to increase the enrollment of qualified minority students, then the goal provides a criterion for evaluating success. Goals do not mandate immediate enrollment of unqualified students. Furthermore, goals may be reached without penalizing majority students. Goals are a requisite for credible, effective public policy.

Casey Gonzales, Affirmative Action Director at The University of Texas at Arlington, commented on the Texas Plan II after an October 13, 1988, hearing, "The main point was addressed when it came to funding. The funding is going to affect the extent of our abilities and how hard we delve into the substantive issues." (Fort Worth Star-Telegram, October 14, 1988.) Educators have urged a higher funding level for the plan, which now stands at $25 million. Frank Newton, Dean of the law school at Texas Tech University, suggested that the amount be doubled. (Valley Morning Star, October 14, 1988.)

Junior Colleges. Robert R. Bezdek and Ray Cross, in Hispanics in South/West Texas: Demographic and School Enrollment Trends, note that 79.4 percent of the students of an area they define as Southwest Texas (including South Texas and the Border counties) attend institutions of higher learning within the region. This "stay-at-home" tendency, they observe, is especially pronounced within those counties with higher Hispanic student populations. Ernesto Ballesteros and Rafael Magallan of the Tomas Rivera Center explain: "Hispanic students, especially those attending two-year colleges, enroll in schools close to home because of the severe financial restraints that limit their ability to go farther away." United States Department of Education figures for 1986-1987 illustrate that 54 percent of Hispanic college students attend community junior colleges, compared to 43 percent for blacks and 36 percent for Anglos. Community junior college students in general tend to be nontraditional students of low mobility. Interestingly, South Texas community junior colleges enroll a substantially higher number of female students than male.

South Texas, as described elsewhere in this report, is served

by a number of institutions of higher education, of which Texas A&I University in Kingsville and Pan American University in Edinburg are the only four-year schools. Geographic, academic, and financial considerations require that many students begin their pursuit of an undergraduate degree at a community junior college. The existence of upper-level institutions in Corpus Christi (CCSU), Laredo (LSU), and Brownsville (PAU-B) demands that students in these cities bifurcate their higher education into a "2 + 2" degree plan.

Despite the efforts of capable, hardworking students and dedicated administration and faculty, it is widely recognized that students who bifurcate their higher education are generally not as successful in completing their degrees as those who remain at a single senior institution. Cheryl Fields, in Change, May/June 1988, cites Coordinating Board statistics showing only 19.3 percent of those enrolling in community colleges in 1981 had transferred by 1985. Dr. Leo Sayavedra, President of Laredo State University, testified before the Legislative Joint Committee on Higher Education in South Texas that only eight percent of the students enrolled at Laredo Junior College eventually transfer, and only three percent transfer to LSU.

Those students who do successfully transfer from junior to senior institutions cite increased difficulties. April Rosas, a CCSU student, testified: "[M]any of us have had to race back and forth between Del Mar and CCSU, because of a freshman or sophomore level class that was missed in the transfer to this university. We have had to conform our degree plan schedules to comply with when classes are offered, and not when we need them. And if you don't plan just right, graduation may have to be postponed, because of a class not being offered for another year."

These considerations suggest two possible options: expansion of upper-level institutions where appropriate and improvement at the community junior college level. Either or both may be adopted according to the needs of each area.

Specific problems with the community junior college transfer system listed below have been gathered from testimony before the Committee and from a MALDEF lawsuit in California filed to increase minority transfers. Reasons for poor transfer rates include:

(1) Inadequate transfer counseling

(2) Disputes between institutions over transferable coursework

(3) Nonexistent or inadequate publications to apprise

students of necessary coursework for transfer

(4) Inadequate financial aid

(5) Substandard preparation by community junior colleges

(6) Discriminatory admissions procedures

MALDEF and others suggest the following measures:

(1) Funding community junior colleges at full formula funding levels to address existing needs

(2) Increased appropriations to find new programs and procedures

(3) Requiring transfer counseling and financial aid planning upon first enrollment at the community junior college

(4) Disclosure of transfer information in college catalogue

(5) Establishment of transfer centers staffed with adequately trained, full-time personnel or augmentation of existing services

(6) Periodic evaluations of students' transfer credits

(7) Establishment of mandatory transfer systems between community colleges and four-year institutions upon completion of which students are automatically admitted

(8) Improvement of existing "2 + 2" degree programs and implementation of new ones

(9) Establishment of "transfer scholarships" to motivate and facilitate transfers to upper-level schools

Undergraduate Level. It is at this level that most of the attention regarding access has been directed. For a variety of reasons addressed throughout this chapter, minority participation in higher education lags behind that of white students in the State of Texas. Efforts to facilitate access through increased recruitment and retention have failed, due in part to the recent budgetary crisis. Minority participation remains low and no trend

toward parity exists, as seen in Tables V-2 and V-5.

TABLE V-2. RETENTION RATES BETWEEN 1986 AND 1987 BY ETHNICITY: SELECTED TEXAS SENIOR COLLEGES AND UNIVERSITIES

Institution	Black	Hispanic	White
CCSU	65.6%	74.7%	82.8%
LSU	N/A	62.8%	54.6%
Pan Am	50.8%	60.9%	54.5%
TX A&I	54.8%	64.3%	55.9%
TX A&M	86.4%	87.4%	90.3%
UT-Aus	81.9%	81.1%	85.0%

Source: Texas Higher Education Coordinating Board

Note: Asians, Indians, aliens, and those not reporting ethnicity are not included.

A variety of recruitment and retention measures have been suggested. One of the most comprehensive plans is included in the Higher Education Opportunity Plan for a Multicultural Texas, which was advised by a committee including Dr. Leo Sayavedra, President of Laredo State University, and Dr. B. Alan Sugg, Chancellor of the University System of South Texas and President of Corpus Christi State University. The Texas Plan II recommendations, while by no means exhaustive, address and explain existing and potential programs. Except where noted, the following recommendations are those of the Texas Plan II:

A. Programs requiring appropriations

1. Continuation of and increased funding for the Scholarship Program for Educationally Disadvantaged Students, a minority scholarship program.

2. Increased funding for recruitment of minority faculty and staff. Current funding amounts to only $1,850 per school.

3. Adoption of Educational Opportunity Services formula to fund minority support services at state institutions.

4. Start-up funding for program development at South Texas institutions.

5. Remedial education funding for TASP-related deficiencies.

6. Funding of Incentive and Special Initiative Funding created by 70th Legislature.

7. Creation of and funding for an Educational Equity Outreach Program which would provide role models and counseling for primary and secondary minority students. Such a program in California has been credited with boosting one school district's minority admissions qualifications rate at UC-Berkeley from three percent to 27 percent. A second component of the program would similarly target minority community junior college students.

8. Expansion and development of Project College Bound, an informational program encouraging 8th-12th graders to remain in school and attend college.

9. Establishment of "Bridge Programs." Mendiola and Cano suggest creating programs in which minority high school students could earn college credit and demonstrate academic potential for admission. This would also serve to encourage and motivate these students to perform.

10. Creation and funding for a state work-study program. Dr. Jaime Chahin is among those who advocate creation of a state program modeled after the federal program to provide financial support in the form of employment to qualified students demonstrating need.

B. Federally funded programs

Increased state funding and participation is recommended.

1. Higher Education Mathematics/Science Program: a federal grant program to increase minority postsecondary involvement in math, science, and teaching.

2. Youth Opportunities Unlimited: a JTPA-related program aimed at providing work and study experience for economically disadvantaged youths at risk of dropping out.

C. Recommended programs for which additional funding is not required

1. Coordinating Board information programs.

2. Recruitment of minorities into teaching professions.

3. Recruitment of minorities into health professions.

Graduate Studies and Professional Studies. Increased participation of South Texans in graduate-level education is a worthy end in itself. Limited graduate offerings in South Texas discourage access at this level of higher education and deny individuals the opportunity to pursue master's, graduate, and professional degrees. But increasing participation at the graduate level, and especially minority participation, will yield beneficial results for other levels of the educational system as well by providing more teachers better qualified in a greater variety of fields and by providing greater numbers of minority college instructors and role models.

An examination of participation in graduate and professional programs reveals an enormous disparity between minority and Anglo rates of participation.

TABLE V-3.
THE RELATIVE NUMBER OF STUDENTS ENROLLED
IN GRADUATE PROGRAMS AND PROFESSIONAL SCHOOLS IN TEXAS
BY ETHNICITY, FALL 1986

	% Anglo	% Hispanic	% Black	% Other	Total
Master	74.1	8.1	5	12.8	100% (49,249)
Doctoral	68	3.4	3	25.6	100% (12,545)
Special-Professional	77.9	10.1	8.5	3.5	100% (4,089)

Source: 1987 Annual Report of the Texas Higher Education Coordinating Board

Of course, this is not solely a minority concern. The specific need for graduate programs in South Texas was addressed by many witnesses before the Committee, including Thomas R. Mitchell, Chair of English and Communications at Laredo Junior College, who testified: "If we wish to take doctoral courses in our disciplines, we must wait until the summer, set up a second residence, and go into debt." Scott Elliff, Elementary Curriculum Development Consultant for the Corpus Christi Independent School District, echoed this complaint: "[T]he critical issue is not that I should sacrifice my family's stability, my home, and my career in order to move to opportunity . . . but that potential doctoral candidates in other parts of the state are not forced to make these sacrifices." Dr. von Ende explains that of the regions of the state, South Texas has the worst ratio of advanced degree programs to populations: 1 to 13,689. The state average is 1 to 5,106. Central Texas has a ratio of 1 to 3,129.

Suggestions to improve access at the graduate level include:

1. Implementation and funding of more master's, doctoral, and professional degree programs.

2. Increased state funding of fellowships, scholarships, and loans.

3. Increased numbers of paid teaching assistant positions.

4. State subsidization or forgiveness of loans for graduate students who accept teaching positions in South Texas.

TABLE V-4. PERCENTAGES OF HEADCOUNT ENROLLMENT BY ETHNICITY: TEXAS PUBLIC SENIOR COLLEGES AND UNIVERSITIES (BY FALL SEMESTER) 1978-1987

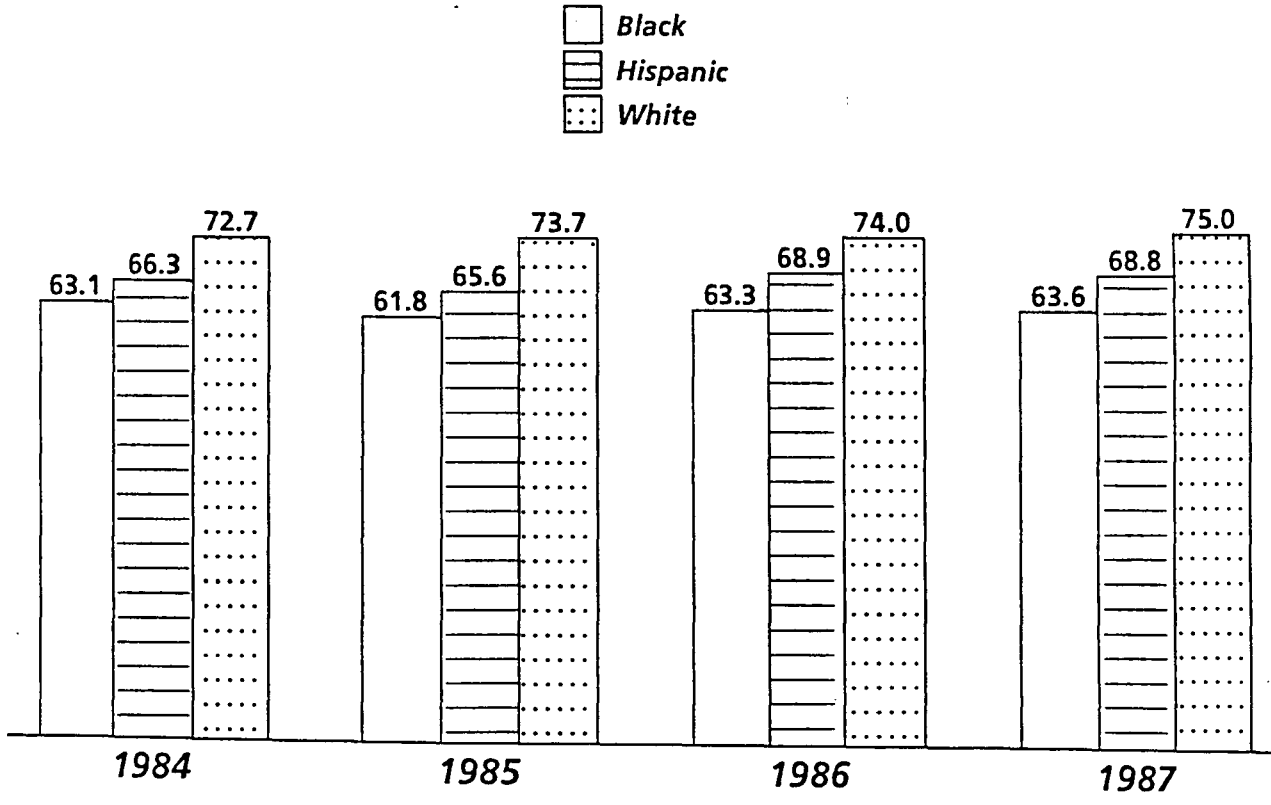
	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
White	75.2%	74.5%	74.2%	74.1%	73.8%	73.8%	72.9%	74.2%	72.9%	72.5%
Black	8.4%	8.2%	7.9%	7.9%	7.9%	8.0%	8.0%	7.9%	7.8%	7.8%
Hispanic	10.3%	10.4%	10.5%	10.4%	10.3%	10.6%	10.9%	11.1%	11.6%	12.2%

Source: Texas Higher Education Coordinating Board Statistics

Note: Asians, Indians, aliens, and those not reporting ethnicity are not included.

TABLE V-5.

RETENTION OF UNDERGRADUATE STUDENTS
Comparison of 1984, 1985, 1986 and 1987 Statewide Aggregate



CHAPTER VI

ACADEMIC PROGRAM DEVELOPMENT

The Committee often heard in the context of public testimony that the primary component of a comprehensive plan to improve higher education in South Texas should be academic program development, particularly at the graduate and professional degree levels. Testimony consistently underscored the contention that South Texas universities currently lack the appropriate mix of degree programs to meet the needs of an expanding and diversifying economy. In addition, the quality of public education in the region is adversely affected by the inability of many educators and administrators to obtain advanced degrees locally.

Dr. Frederick von Ende of Pan American University contends that the limited number of advanced degree programs available in South Texas (1) depresses the level of educational attainment for South Texans, which is only 9.7 years, when the region is compared to other areas, and (2) is responsible for the low statewide percentage of Hispanic participation at postgraduate levels. He points out that in 1984, with Hispanics constituting 21 percent of the state's population, the group's participation rate at undergraduate levels in state colleges and universities was 12 percent. The rate dropped to 8.1 percent at the master's level and 8.6 percent at the professional degree level and fell to a very low 3.7 percent at the doctoral degree level. Dr. von Ende explains that graduate students are more place-bound than undergraduate students, because most are older students with job and family obligations. South Texas with its concentration of Hispanic Texans and only one doctoral program is one important reason that Hispanic participation at the doctoral level is abysmal in Texas.

Survey of Program Needs

The staff of the Committee in October 1988 surveyed the five universities of South Texas requesting a list of programs that the universities believed should be implemented during the next five years. They were asked also to provide the start dates and estimated budget for development and implementation of each program covering the first and subsequent biennium. Information on the first biennial budget for each program was to include a breakdown by cost categories for additional faculty, library enhancement, equipment/maintenance, graduate student support, operating cost, construction, and other start-up costs. The costs categories for subsequent biennial budgets were faculty salary, library

enhancement, equipment/maintenance, operating costs, and other costs. The universities were also urged to supply information regarding student demand, community need, and program content. A summary of the survey results follows.

See Appendix VIII for tables indicating estimated program development costs.

--Texas A&I University--

Dr. Steven Altman, President of Texas A&I University, provided a list of 18 degrees that compose the university's new program initiatives beginning in fiscal year 1990. The proposed degrees are the result of a strategic planning process that included an assessment of regional needs and the existing strengths of the university.

TABLE VI-1. PROPOSED PROGRAMS

DEGREE	PROGRAM	START DATE
Ph.D.	Range & Wildlife Management	Fall 89
Ed.D.	Educational Leadership (joint with CCSU)	June 90
Ph.D.	Biology	Fall 91
M.S.	Environmental Engineering	Fall 89
M.S.	Industrial Engineering	Fall 89
M.S./M.A.	Mass Communications	1990-94
M.S.	Communication Disorders	1990-94
M.S.	English as Second Language	1989
M.A.	Marriage & Family Counseling	Fall 90
M.S./B.S.	Horticulture	Fall 89
M.S./B.S.	Agribusiness	Fall 89
M.A./B.A.	Alcoholism & Substance Abuse Counseling	Fall 90
B.S.	Criminology	1989-90
B.S.W.	Social Work	Fall 89
B.S.	Industrial Engineering	Fall 91

The estimated total cost for the above programs during the six-year period beginning with school year 1989-90 is $36 million. The only program that calls for a major construction expenditure is the Ph.D. in Biology ($500,000). See Appendix VIII for a detailed cost analysis.

Three of the proposed programs are at the doctoral level.

The degree in educational leadership would be a cooperative doctoral program administered by Texas A&I University and Corpus Christi State University. A formal proposal for the program was submitted to the Coordinating Board in Spring 1988, and it is currently under review by the board staff. The program is directed toward teachers and administrators in schools, colleges, and universities who have the potential to attain high levels of leadership. The need for highly trained leaders of educational institutions is readily apparent in South Texas. Education at all levels in the region is facing a myriad of complex problems, including high dropout rates, curricula that meet the needs of a diversifying economy, and student population growth. Surveys of educators in the region indicate considerable interest in the degree program.

The two other proposed doctoral programs, biology and range and wildlife science, draw strength from the university's Caesar Kleberg Wildlife Research Institute and Kleberg Hall of Natural History. The institute is world-renowned for its work relating to native plants, wildlife, and range management, and attracts scientists and students from throughout the world to exchange knowledge and ideas. The university also has strong undergraduate and master's level programs in biology. In addition, minorities are underrepresented in doctoral degrees in all fields, with the lowest being in life sciences. Research indicates that there is a need and demand for these degrees in South Texas, and the university with its large proportion of minority students can help alleviate the low participation by minorities in these important scientific fields.

The proposed programs in industrial engineering and environmental engineering are logical expansions for the university's college of engineering. Industrial engineering ranks fourth among the 10 major engineering groups, and the need for industrial engineers in South Texas is rapidly growing. The region's developing industrial base is the result of the Navy Homeport in Ingleside, the Corpus Christi Army Depot, and the growth of ship channel industries and of twin plant operations in the Valley area. Preliminary surveys indicate that at least 100 of the region's industrial engineers desire advanced degrees.

The proposed degrees in horticulture and agribusiness reflect needs that arise from the region's traditional and still significant agriculture industry. Degrees in criminology, social work, counseling, and mass communications reflect the needs of an urban society that is experiencing problems relating to growth and high mobility.

Law School. On November 3, 1988, the Board of Directors of

the University System of South Texas approved a motion calling for the drafting of legislation establishing a law school at Texas A&I University. The decision was based on the results of a feasibility study prepared by Dr. Altman.

The study concludes that there was a definite need for a law school in South Texas. It notes that in South Texas the ratio of lawyers to population is significantly below the state and national averages. In addition, Hispanics are grossly underrepresented in the legal profession, accounting for only two percent nationally. A law school in South Texas would afford many more Hispanic students the opportunity to pursue a legal education.

A law school is the least expensive professional school to operate, with most of the costs associated with faculty salaries and the law library. The study concludes that establishing a law school at Texas A&I University would be highly cost efficient. Because the university has surplus space currently available for classrooms, administration, and the law library, no new construction would be necessary initially. Current facilities would require only minor remodeling and renovation. The following is a summary of the cost estimates for establishing a law school at the university:

1.	Annual Operating Costs	
	Pre-enrollment Start-up	$400,000
	Initial Years	$1.2 million/year
	Max. Enrollment Level (400 students)	$2.4 million/year
2.	Physical Facilities	
	Renovation	$1.6 million ($750,000 for 1st year)
3.	Law Library	
	Initial Collection Purchase	$2.4 million
	Annual Expenditures	$600,000/year

The study points out that tuition will defer from 20 to 25 percent of the annual operating budget and that gifts and grants may also supplement the costs.

The study considers the issue of affiliation with the private Reynaldo G. Garza School of Law. It presents both advantages and disadvantages regarding the issue but makes no recommendation.

In addition, the study details the advantages to Texas A&I University's other academic offerings that would result from the establishment of a law school. The relationship to recruitment,

engineering, and agriculture will diversify the curriculum and strengthen the educational experience for students. The university's commitment to establish a high quality, accredited law school is a consistent theme.

--Corpus Christi State University--

Dr. B. Alan Sugg, President of Corpus Christi State University, submitted a list of 24 degrees: four at the doctoral level, 16 at the master's level, and four bachelor's level programs. These programs reflect what the university can and should implement over a five-year period beginning in 1990.

TABLE VI-2. PROPOSED PROGRAMS

DEGREE	PROGRAM	START DATE
Ed.D.	Educational Leadership (joint with Texas A&I Univ.)	1990
Ph.D.	Counseling/Psychology	1991
Ph.D.	Computer Science	1991
D.B.A.	Business Administration	1994
M.S.	Mariculture	1990
M.S.	Marine Science	1991
M.S.	Environmental Science	1991
M.P.A.	Public Administration	1992
M.S.	Gerontology	1992
M.M.	Music	1992-93
M.F.A.	Fine Arts	1992-93
M.A.	Criminal Justice	1992-93
M.A.	Communication Arts	1992-93
M.S.	Chemistry	1993
M.B.A.	International Business	1993
M.A.	Spanish	1993-94
M.A.	History	1993-94
M.A.	English	1993-94
M.S.	Health Care Administration	1994
M.A.	Economics	1994
B.S.	Health Sciences	1990
B.S.	Physics	1991
B.S.	Microbiology	1994
B.A.	Economics	1994

The estimated total cost for the above programs during the five-year period beginning with school year 1990-91 is 13.6 million. See Appendix VIII for a detailed cost analysis.

The university's plans include implementing four doctoral programs during the next five years. The Ed.D. in Educational Leadership would be administered jointly by CCSU and Texas A&I University. The program, currently under review by the staff of the Coordinating Board, was discussed earlier in this chapter. The proposed Ph.D. in Counseling/Psychology has a large pool of prospective students. There are about 60 students in the cooperative doctoral program in the field involving CCSU and the University of North Texas. Many of these students have completed more than the minimum 24 semester hours that may be taken at CCSU, and they now encounter the difficulty of relocating to North Texas to complete the degree. Most would be serious candidates for the program if it were available at CCSU. Research also indicates that employment opportunities abound in the Coastal Bend area for persons with advanced degrees in mental health fields.

There is currently a great shortage of qualified candidates for computer and information science faculty positions at the college level. The proposed Ph.D. in Computer Science includes a track that is intended to produce qualified candidates for small colleges and universities, where the demand is greatest. The program also would have a second track for persons involved in applied research for industry, business, and government.

A petition has been circulated in the Corpus Christi area calling for a doctoral program in business administration. The petition has 80 signatures of individuals who hold master's degrees and are interested in pursuing a doctoral degree in the field at CCSU. Corpus Christi has long been known for its community-wide commitment to economic growth, and the area's commercial and industrial base will expand dramatically with the opening of the Navy Homeport. The base is expected to generate over $150 million annually and create over 8,500 permanent new jobs. The demand for highly trained business leaders will also expand with the anticipated growth and diversification of the area's economy.

The proposed master's programs in marine science and mariculture take advantage of CCSU's coastal location. The South Texas coast is unique among the nation's coastlines, containing Padre Island, the longest barrier island in the world, and Laguna Madre, one of the largest hypersaline lagoons in the world.

Many of the other proposed master's programs may be considered standard components of the curriculum of a regional university that must serve the needs of local educators for advanced degrees and the needs of the public and private sectors for highly trained professional employees.

--Laredo State University--

Dr. Leo Sayavedra, President of Laredo State University, responded to the survey by submitting a list of 24 proposed programs, 15 at the bachelor's level and nine at the master's level. Dr. Sayavedra pointed out that the university currently has a very limited degree inventory (10 bachelor's degrees and only three master's degrees). The inventory will be reduced further to only seven bachelor's degrees and three master's degrees with the elimination of education degrees mandated by Senate Bill 994 (70th Legislature, Regular Session, 1987).

TABLE VI-3. PROPOSED PROGRAMS

DEGREE	PROGRAM	START DATE
M.A.	Mathematics	FY 1990
M.A.	History	FY 1990
M.A.	Sociology	FY 1990
M.A.	Spanish	FY 1990
M.A.	English	FY 1990
M.A.	Psychology	FY 1990
M.A.	Criminal Justice	FY 1991
M.P.A.	Public Accounting	FY 1992
M.A.	Public Administration	FY 1992
B.B.A.	Finance	FY 1990
B.A.	Mathematics	FY 1990
B.A.	Social Studies	FY 1990
B.S.S.	Social Services	FY 1990
B.S.	Computer Information Services	FY 1990
B.A.	International Studies	FY 1990
B.A.	Legal Studies	FY 1990
B.S.	Chemistry	FY 1990
B.S.	Biology	FY 1990
B.S.	Nursing	FY 1991
B.A.	Fine Arts	FY 1992
B.A.	Communications	FY 1992
B.B.A.	Marketing	FY 1992
B.B.A.	Economics	FY 1992
B.S.	Physics	FY 1992

The estimated total cost for the above programs for the five-year period beginning with school year 1990-91 is $4.7 million. Dr. Sayavedra also commented in the survey response that during the next five years the university will need to construct a

classroom and office building to house the fine arts program, the science laboratories, and other general academic programs proposed in the above list. He estimates that the cost of the building, with furnishings, is between $8 and $10 million. See Appendix VIII for a detailed cost analysis.

In testimony to the Committee, Dr. Alan Sugg, Chancellor of the University System of South Texas, noted that the degree inventory of Laredo State University was severely lacking in the fields of the physical sciences and fine arts. Degrees in such disciplines as chemistry, biology, physics, mathematics, art, music, and theater are common components of the degree inventories of most other universities in the state. Expanded degree offerings are necessary at Laredo State University to respond to the needs of the area's growing population and to ensure that the area can take advantage of the great economic potential of its inland port status, particularly as it relates to the maquiladora or twin-plant industrial program.

--Pan American University, Edinburg--

Dr. Ronald Applbaum, Vice-President for Academic Affairs at Pan American University, Edinburg, provided a list of 31 degree programs that the university is committed to implementing during the next five years. The proposal includes two doctoral programs and 15 master's level programs, which would significantly expand the university's inventory of postgraduate degrees.

TABLE VI-4. PROPOSED PROGRAMS

DEGREE LEVEL	PROGRAM	START DATE
Doctoral	International Business	Fall 1991
Doctoral	Educational Leadership	FY 1993
Master's	Speech Communication	Fall 1989
Master's	Political Science	Fall 1989
Master's	Theater	Fall 1989
Master's	Spanish	Spring 1990
Master's	Gifted and Talented Education	Spring 1990
Master's	School Psychology	Fall 1990
Master's	Early Childhood Education	Spring 1991
Master's	Fine Arts	Fall 1991
Master's	Sociology	Fall 1991
Master's	Social Work	Fall 1991
Master's	Mathematical Science	Fall 1991
Master's	Psychology	Fall 1991
Master's	Nursing	1993
Master's	Anthropology	Fall 1993
Master's	Accounting	Fall 1994
Bachelor's	French	Spring 1990
Bachelor's	International Business	Fall 1990
Bachelor's	Nursing	1991
Bachelor's	Health Care Administration	Fall 1991
Bachelor's	Mexican-American Studies	Fall 1991
Bachelor's	Anthropology	Fall 1991
Bachelor's	Medical Record Administration	Fall 1992
Bachelor's	Occupational Therapy	Fall 1992
Bachelor's	Physical Therapy	Fall 1992
Bachelor's	Aquaculture	Spring 1992
Bachelor's	Deaf Education	Fall 1992
Bachelor's	Industrial Engineering	Fall 1994
Bachelor's	Electrical Engineering	Fall 1994
Bachelor's	Mechanical Engineering	Fall 1994

The estimated total cost for the above programs for the six-year period beginning with school year 1989-90 is $20.4 million. These costs include $5.6 million for construction associated with the proposed nursing, psychology, international business, and engineering programs. See Appendix VIII for a detailed cost analysis.

The university's proposal includes two doctoral programs, international business and educational leadership. One exemplifies

the concern for economic development that is prominent in the university's plans for program development. In testimony before the Committee, President Miguel Nevarez stressed the need for additional courses and degree programs in technical areas that support and spur job growth, such as the proposed engineering programs.

The February 1988 issue of Fiscal Notes, published by the Comptroller of Public Accounts, confirmed that the industrial base of the Texas border was expanding. The Border area was expected to enjoy the largest gain in manufacturing jobs in the state, 3.7 percent. The report noted that General Dynamics was opening a rocket plant in Harlingen and that maquiladora industries should continue to expand. It concluded that "Any idea that the Valley could support only low-wage, low-tech industry is rapidly being dispelled."

President Nevarez believes that higher education is the key to continued economic development in the area and that Pan American University should be provided the resources to fulfill that important role in the region.

--Pan American University at Brownsville--

Dr. Homer Pena, President of Pan American University at Brownsville, submitted a list of 10 degree programs for implementation during the next five years. The university is currently offering elementary teaching certification and secondary certification in most of these disciplines. The elimination of education degrees necessitates adding the proposed programs to the university's inventory of degree programs.

TABLE VI-5. PROPOSED PROGRAMS

DEGREE	PROGRAM	START DATE
M.S.	Kinesiology	Fall 1992
B.S.	Biology	Fall 1990
B.S.	Computer Science	Fall 1990
B.S.C.J.	Corrections	Fall 1990
B.S.	Liberal Arts	Fall 1990
B.S.	Kinesiology	Fall 1990
B.A.	Art	Fall 1991
B.S.	Mathematics	Fall 1991
B.S.	Chemistry	Fall 1992
B.S.	Physics	Fall 1993

The estimated total cost for the above programs for the five-year period beginning with school year 1990-91 is $3.3 million. See Appendix VIII for a detailed cost analysis.

In testimony to the Committee, Nat Lopez, Chairman of the Pan American University Board of Regents, noted that public school education is limited by the availability of opportunities for its teachers. He stated that PAU-B not only must continue to serve but also must increase its services through an increased program variety that includes science programs needed by public school teachers, such as mathematics, physics, and chemistry.

New Degree Program Approval

All new degree programs must be approved by the Coordinating Board. Approval is based on meeting four criteria: need, quality, compatibility with the institution's role and mission, and funding. In October 1987, the Board adopted the following policy regarding the funding criterion: "A request for a new program will not be recommended by the staff or approved by the Board unless adequate start-up support for the program can be provided by the institution without jeopardizing the quality of ongoing programs."

To satisfy the funding criterion, an institution must now show that it has available, in nonformula funds, an amount equal to at least 50 percent of the estimated cost of operating the program for the first five years. Examples of nonformula funds are private donations, federal funds, endowment income, funds available as a result of discontinuing other programs, auxiliary income, and

appropriations to an institution to fund the start-up of new programs (such as enrichment funds provided to Texas Southern University and Prairie View A&M University).

The rationale for this policy is that with constant or declining state funding for higher education, adding new programs through anticipated formula financing will in effect dilute the funding and quality of existing programs. However, the policy is not a burden that has equal impact on all institutions. The established large institutions with strong traditions of private support or new institutions in metropolitan areas with significant economic wealth will find the policy much less onerous than the institutions located in South Texas, which has a relatively young and growing population and also has a much poorer economic base compared to other regions.

The policy may have the effect of perpetuating or even further deteriorating the regional disparities that exist in the distribution of higher education resources. Despite satisfying the criteria of need, quality, and role and scope, the universities of South Texas will be able to implement only very few of their proposed degree programs unless they have a waiver regarding the funding policy or unless they are provided special enrichment funds to support the start-up of the needed new degree programs.

CHAPTER VII

THE UNIVERSITY OF TEXAS AND TEXAS A&M UNIVERSITY SYSTEMS AND SOUTH TEXAS

BACKGROUND

64th Legislature. There was an earlier attempt to merge Pan American University with The University of Texas System made in 1975. Former Senator Raul Longoria of Edinburg filed a bill that would have authorized the merger, and former Representative Felix McDonald introduced a companion bill in the House. The merger had influential supporters, including former Texas Governor Allan Shivers, then Chairman of The University of Texas Board of Regents, and Mary Alice Shivers, then Chair of the Pan American University Board of Regents. On March 12, 1975, the Pan American University Board of Regents voted 6 to 2 to seek the merger. The April 30, 1975, edition of The University of Texas' Daily Texan reported that The University of Texas regents had voted to accept the merger if the Legislature authorized it. However, political opposition to the merger arose from parts of South Texas, based partly upon fears about the potential loss of local control and Mexican American representation on the Pan American University Board of Regents, and the bill failed to get to a vote by the full Senate.

70th Legislature. In 1987, during the 2nd Called Session of the 70th Legislature, three resolutions were introduced calling for a joint select committee to study the problems of higher education in South Texas. Senator Carlos F. Truan sponsored Senate Concurrent Resolution 39 and, with Senators Hector Uribe, Judith Zaffirini, and Carl Parker, cosponsored Senate Resolution 124. Representative Eddie Cavazos also introduced House Concurrent Resolution 74.

Each of these resolutions noted the failure of the Select Committee on Higher Education to resolve the question of a comprehensive university in South Texas. The resolutions further mentioned the rapid population growth of the region and the lack of access for students of higher education to a broad array of degree programs. Finally, the resolutions called for a select committee to:

> . . . study the establishment of a component or components of The University of Texas System and The Texas A&M University System in South Texas . . . (including) the issue of where a component or components of The University of Texas System and The

Texas A&M University System should be established in South Texas.

RESPONSE OF THE UNIVERSITY OF TEXAS AND TEXAS A&M UNIVERSITY SYSTEMS

UT/A&M Testimony at Committee Meeting--May 26. The appointed Legislative Joint Committee on Higher Education in South Texas scheduled a series of public hearings to be held across South Texas. The University of Texas System and The Texas A&M University System were invited to testify at the initial hearing in Austin on May 26, 1988. Jack S. Blanton, Chairman of The University of Texas System Board of Regents, and David G. Eller, Chairman of The Texas A&M University System Board of Regents, addressed the Committee on behalf of their respective systems.

Mr. Blanton testified that The University of Texas regents recognized the "absolute and paramount importance" of improving higher education in South Texas and the necessity of having the largest system of higher education in the state assume a leadership role in addressing the issue. Mr. Blanton informed the Committee that, even before the end of the 70th Legislative session, the regents had assigned System Chancellor, Dr. Hans Mark, the task of: (1) evaluating the various South Texas institutions with regard to their progress, direction, and potential; (2) determining how The University of Texas System could aid those institutions in the development of cooperative programs; and (3) investigating the possibilities of adding one of the predominantly Hispanic South Texas institutions to the system.

Dr. Mark, in testimony before the Committee, reviewed the actions undertaken by The University of Texas System in response to Senate Resolution 124. These actions had included a series of visits from May to December 1987 by the chancellor, the university president, and other system personnel to all of the universities in South Texas to review the situation and to develop recommendations. As part of this process, University of Texas System personnel had conducted a comprehensive inventory of existing collaborative academic and research programs and initiated discussions on expanding those programs and developing new ones with System resources. The near- and long-term advantages of administrative mergers were also discussed. The results of these visits had been delivered to the System regents and incorporated in a draft policy statement. The draft policy statement, adopted by the Board of Regents in January 1988, pledged "to work with the governing boards of South Texas institutions and the Legislature to consider merger or other reorganizational proposals involving South Texas institutions and the UT System" and encouraged the "UT System

institutions to develop additional cooperative academic programs."

Dr. Mark noted the general conclusion of the regents that the prime candidate for affiliation into the System appeared to be Pan American University (PAU), based in part upon the previous attempt at a merger and in part on the number of cooperative academic and research programs in existence or in development with that institution. While focusing on PAU in exploring possible mergers would not preclude collaborative relationships with other South Texas institutions, Dr. Mark did note the affinities or "fit" that existed between such institutions as Texas A&M University and Texas A&I University in their respective program offerings, strengths, and resources, most notably in the fields of agriculture and engineering. By the same measure, the international business program at Laredo State University (LSU) would complement The University of Texas' interest in the Border region and consequently would be an attractive element in discussions about a potential merger between The University of Texas System and LSU.

The Chairman of The Texas A&M University System Board of Regents, David G. Eller, testified on that System's commitment in responding to the mandate of Senate Resolution 124. Mr. Eller noted the appointment of a Board of Regents subcommittee to meet with regents, administrators, and community leaders from the South Texas institutions. Mr. Eller expressed the readiness of the System to: (1) expand its collaboration with those schools in academic program development; (2) expand agency activities in South Texas; and (3) discuss the possibility of affiliation with South Texas institutions. In the written statement submitted to the Committee, Mr. Eller noted that:

> The Board of Regents of The Texas A&M University System has expressed its interest in exploring proposals from the Regents of the University System of South Texas, Pan American University, the Coordinating Board and/or Legislature. A subcommittee of the Texas A&M Board of Regents has been established to explore such proposals. We are not seeking to merge with any institution or System that does not desire such a merger.

The Chancellor of The Texas A&M University System, Dr. Perry Adkisson, pointed out various cooperative programs in which Texas A&M University is currently collaborating with South Texas institutions. Dr. Adkisson also summarized the activities the System had undertaken in response to the Committee's request for assistance in the South Texas study. Those activities included visits to all of the South Texas institutions; conversations with South Texas legislators, community leaders, and university presidents; and meetings between the Board of Regents committee and

regents from both the University System of South Texas (USST) and The University of Texas System. While observing that the Board of Regents committee had had discussions with representatives of all the South Texas institutions, Dr. Adkisson remarked that the regents had had more communication with Texas A&I University than with PAU. However, Dr. Adkisson indicated the regents' willingness to continue discussions with PAU on potential cooperative relationships between the two institutions. Further, in expressing The Texas A&M University System's willingness to expand collaborations between the System and South Texas institutions, Dr. Adkisson pointed out areas where opportunities for collaboration existed.

UT/A&M Testimony at Committee Hearings--June 27, 28. The first and second public hearings held by the Committee in South Texas convened on the campuses of Texas A&I University in Kingsville and Corpus Christi State University. Again, the two major university systems were invited to testify. The Deputy Chancellor for Finance and Administration of The Texas A&M University System, Dr. Ed J. Davis, reemphasized the points made by Dr. Adkisson at the previous hearing regarding the System's readiness to expand its collaborative efforts, both in program development and in administrative services, and its willingness to explore any merger proposals that might be submitted to it by the USST Board of Directors, PAU regents, the Coordinating Board, or the Legislature. The University of Texas System was represented at this hearing by its Vice-Chancellor for Governmental Relations, Gerald Hill.

In July, The Texas A&M University System Board of Directors authorized a task force to meet with a similar USST task force.

UT/A&M Testimony at Committee Hearings--August 16, 17. The Committee held three more hearings in mid-August to continue gathering public testimony on the issue of improving higher education in South Texas. The hearings were held on the campuses of Pan American University in Edinburg, Pan American University at Brownsville, and Laredo State University. Chancellor Hans Mark again testified at each of these hearings, presenting The University of Texas System's views on its role in the issue. Executive Secretary of the Board of Regents and Vice-Chancellor for State Affairs, Bill Presnal, represented The Texas A&M University System.

At the Committee hearings in Brownsville and Edinburg, Dr. Mark discussed the development of existing and potential collaborative programs at each institution, especially in the areas of business, education, nursing and health care, and engineering. He also cited the System's experience in collaborative programs and

in management of The University of Texas at El Paso, experience that could be transferred easily to other institutions in the Border region. Dr. Mark also submitted a list of proposed programs, entitled the South Texas Initiative. Dr. Mark advised the Committee that these programs would be included in appropriations requests for The University of Texas System and the participating South Texas institutions for the 1990-91 biennium. See Appendix V.

Dr. Mark then addressed the merger issue, expressing the System's decision to pay "particular attention . . . to developing closer relationships with Pan American University" and noting that such merger would be beneficial to both institutions. Dr. Mark listed some of the services, advantages, and resources that becoming a member of The University of Texas System would bring to PAU. Dr. Mark testified that the Board of Regents supported a merger but that The University of Texas System would not initiate formal negotiations, saying, however, that they would "strongly encourage and . . . look with great favor" on a proposal from PAU to initiate merger discussions.

At the hearing in Laredo, Dr. Mark agreed to include LSU in a feasibility study of the proposed UT/PAU merger, observing that such a relationship would be a natural outgrowth of The University of Texas' interests in economic development along the Texas-Mexico border and an extension of work being done at The University of Texas at El Paso. This agreement, in response to a request from Senator Judith Zaffirini, had the effect of adding to LSU's merger options since it was also included in a feasibility study of USST/A&M merger options.

However, several issues were raised for consideration as potential obstacles in merger negotiations, namely, LSU's status as an upper-level institution and the independence of Laredo Junior College (LJC). The issue of LSU's status revolved around the question of upgrading the university to full four-year status. Laredo Junior College's independence became an issue when it was proposed that a four-year university for Laredo could be achieved by a merger between LJC and LSU. Laredo State University President Leo Sayavedra favored a LSU/LJC merger but agreed that the best compromise would be to upgrade LSU to four-year status while maintaining the status quo for LJC. Senator Zaffirini asked Dr. Sayavedra and Laredo Junior College President Dr. Roger Worsely to complete a feasibility study.

Mr. Presnal, speaking on behalf of The Texas A&M University System, provided an update of the System's activities in South Texas. He noted that the Board of Regents had established a subcommittee to "explore any and all collaborative proposals from

any of the South Texas schools." As a result of ongoing discussions with these institutions, the Board had passed a resolution, in response to a similar USST resolution, calling for a joint task force to continue these explorations. This task force, comprising members from both systems, would provide "a detailed analysis of the advantages, disadvantages, academic and economic desirability and feasibility of alternative forms of collaboration and/or affiliation." The resolution further called for this analysis to be presented to the Board of Regents by October 31, 1988. This task force, in fact, had already held its first meeting the previous week, on August 11, and had prepared a preliminary outline for its feasibility study. This outline was submitted to the Committee along with written statements. Mr. Presnal stated that The Texas A&M University System was further along in discussions with USST than with PAU and expected to have a number of USST/A&M collaborative proposals included in a supplemental appropriations request to be submitted on October 1.

At these hearings and throughout the following months, Dr. Mark, representing The University of Texas System's position, urged that merger issues be addressed before tackling more controversial issues such as changing the status of upper-level institutions like LSU and PAU-B.

POSTHEARINGS DEVELOPMENTS

PAU/UT Merger Negotiations. Although a general consensus existed among the various parties that a merger would be a major component of the effort to enhance higher education in South Texas and that such a merger would benefit all of the institutions involved, obstacles to the accomplishment of a merger nevertheless remained. South Texans expressed some apprehensions and concerns, which would be allayed by assurances of greater specifics in writing regarding the commitment on the part of The University of Texas System. Meanwhile, representatives of the System repeatedly voiced the position that a simple merger proposal, unencumbered by "ancillary issues" such as the change of status for upper-level institutions like PAU-B and affiliation of the private, unaccredited Reynaldo G. Garza School of Law, stood a better chance of passage through the 71st Texas Legislature. This position was stated several times by System officials such as General Counsel Ray Farabee, who said that, because of regional interests and rivalries, "The more complicated this becomes, the less likelihood there will be of adoption by the Legislature." It was stated more emphatically by System regent Bill Roden, who declared that if the law school "is a prerequisite" for a merger, "then I think we should stop" negotiating. Nevertheless, Dr. Mark continued to insist that "UT would accept a proposal."

In late August, following up on the agreement to discuss a merger between LSU and The University of Texas System, System officials appointed three members to a committee that would conduct the study effort. Laredo State University officials established a similar committee. Vice-Chancellor for Governmental Relations, Gerald Hill, stated that the study would be mainly a "fact-finding mission" to compile data and answer questions each entity had about the other. That committee's report, when completed, would address cooperative programs that could be implemented in Laredo for the short term and then would address the long-term possibilities of a merger.

On September 11, observing the complications raised by his institution in the UT/PAU merger negotiations, the dean of the Reynaldo G. Garza School of Law, expressed doubt that PAU would affiliate with the law school. Texas A&I University indicated that it would be interested in the law school if PAU announced that it had no interest in the affiliation with the law school.

On September 15, regents from The University of Texas System and PAU met formally for the first time to discuss the possible merger. At this two-hour meeting, PAU regents expressed their desire to have "more details" about the level of support and commitment to South Texas they could expect from the university System in a merger. PAU regents pressed the UT System regents for a commitment to establish or affiliate a law school and to upgrade the status of PAU-B. UT regents held to their position that the merger proposal should be as simple as possible to increase its chances of legislative approval and that "ancillary issues" be left for postmerger resolutions, noting that any merger proposal will be difficult even without issues such as PAU-B and law school affiliations. PAU regents expressed concern about the loss of local control, although they acknowledged System success with the Coordinating Board in securing approval for new programs. The perceived reluctance of system officials to specify a commitment, especially to expanding the Brownsville campus, resulted in some Pan American University officials expressing their dissatisfaction with the pace of negotiations.

The following week, on September 21, PAU regents voted unanimously to begin negotiations with The University of Texas System Board of Regents on a merger and named a four-regent committee to conduct the negotiations. At the same meeting, the regents voted 5 to 4 against affiliating with the Reynaldo G. Garza School of Law in a move to simplify efforts to facilitate the UT/PAU merger in the Legislature. Dr. Mark replied that UT was still committed to merger if PAU would initiate the move. The next step was seen as outlining the needs for both PAU institutions. Again, PAU regents were "interested in getting timetables," said

Representative Alex Moreno, seeking specifics about programs and degrees, a time frame for development, and a written memorandum of agreement.

On October 7, The University of Texas System regents, making their first formal decision on the issue, voted unanimously to negotiate a merger with PAU. The regents formed a four-member committee to conduct negotiations with PAU along two fronts, addressing a merger plan and addressing academic program development.

With the question of PAU-B's status continuing to concern South Texas community leaders, Dr. Mark, addressing almost 200 members of the Rio Grande Valley Association for Counseling and Development on October 20, assured South Texans that PAU-B would not be dissolved but noted that problems could arise in submitting a legislative proposal to merge The University of Texas System and Pan American University and upgrade PAU-B. UT proposed submitting legislation to merge PAU as it stands with PAU-B maintaining its status in relation to PAU. Dr. Mark announced that UT was looking at program development options and a six-year plan, with all new programs included in a merger agreement.

On October 25, the Pan American University and The University of Texas System merger committees met to discuss their concerns. PAU members favored upgrading PAU-B to free-standing, degree-granting university status. Also on the agenda was discussion of a new Table of Programs for PAU. This revised Table of Programs, which relates to PAU's role and scope, included new degree programs to be offered by PAU. The UT System regents expressed their support for the new table, which was later submitted to the Coordinating Board for approval.

On October 27, the Coordinating Board approved 15 new programs for PAU, including three bachelor's degrees, 10 master's degrees, and the first two doctoral degrees to be offered by the university, to be implemented over the next four to six years. This approval allows PAU to proceed with planning for the new programs, each of which will require further Coordinating Board approval before they can be implemented. Several of these programs are outgrowths of collaborative programs. Proposed degrees in engineering were not approved at this time. The Coordinating Board staff added it would be premature to consider the addition of an engineering program to the long-range plan until the demand and need could be demonstrated.

The University of Texas System and Pan American University merger committees continued negotiations and by late November had arrived at a mutually satisfactory agreement. At their second

meeting on November 22, the two committees approved a merger agreement and the proposed legislation, which they will present to their respective boards of regents. The Pan American University Board of Regents is scheduled to meet December 6, and The University of Texas Board of Regents will meet two days later. In order to ensure success in achieving the goal of affiliation, Pan American University regents on the Committee agreed to keep the proposed merger legislation as simple as possible, thus enhancing its chances of passage in the 71st Legislature. Thus, the proposed bill that was presented to the two boards did not address the issue of elevating PAU-B to free-standing, degree-granting, upper-level university status, as system officials elected to defer consideration of the issue until after the merger is accomplished and to deal with it outside of the merger legislation. In return for this concession, the merger agreement spelled out the system's commitment to upgrade and expand programs at both Pan American University campuses. Included in the agreement was a timetable for implementation of 29 courses leading to degrees at the Edinburg campus and development of 10 new degree programs at PAU-B.

The basic agreement arrived at by both merger committees also recommended that Pan American University continue to receive funding for capital expenditures under the Higher Education Assistance Fund rather than from the Permanent University Fund, which now benefits the components of The University of Texas System and The Texas A&M University System.

At their December 6 meeting, the Pan American University Board of Regents voted to support the plan for a merger with The University of Texas System. The plan was submitted two days later to The University of Texas System Board of Regents, who gave their approval to the merger. In a resolution adopted by both boards, the regents concluded that the merger was "eminently feasible" and would "enhance the state, national, and international roles played by the system and further benefit the quality of higher education throughout the state." However, the regents on both sides agreed to leave out of the plan a commitment to support any specific merger legislation. According to University of Texas System Chancellor Hans Mark, it was decided to leave the drafting of the merger legislation to members of the Legislature. In mid-November, anticipating approval of the merger plan by the two boards, two state legislators from the area of South Texas served by the Pan American University campuses had prefiled legislation that would effect the proposed merger. The two bills, prefiled by Senator Hector Uribe and Representative Alejandro Moreno, differed in their details, but the South Texas community acknowledged the importance of presenting a united front in forging a common bill that would achieve the principal goal of merging the two institutions and enhancing higher education in South Texas. The merger plan

received further support when the Legislative Joint Committee on Higher Education in South Texas, in its final meeting on December 19, approved a recommendation that the merger take place. The Committee voted to include this recommendation in the draft of the report that it would submit to the 71st Legislature when it convened in January.

USST/A&M Merger Negotiations. At the same time that The University of Texas System and Pan American University were conducting discussions regarding the feasibility of a merger between the two institutions, a joint task force representing The Texas A&M University System Board of Regents and the Board of Directors of the University System of South Texas was conducting a feasibility study into a merger or affiliation between those two systems. The joint task force had been established in July pursuant to separate resolutions adopted by the two boards.

On September 30, the agenda for the next meeting of Texas A&I University's governing board was revised to include an "authorization to conduct a feasibility study for creation of a law school at Texas A&I." The purpose of this study was to determine the advantages/disadvantages and costs related to affiliation with the Reynaldo G. Garza School of Law, with the acknowledgement that the university would not publicly announce its interest until PAU formally adopted a stand. That same day the Committee met in Austin in a working session to consider the list of recommendations that had been compiled by the Committee's staff. Committee Co-Chairman Carlos F. Truan indicated that the Committee would wait until the feasibility studies were complete before taking any final vote on mergers or other related issues.

On October 4, the USST Board of Directors met in a special session during which the Board received an interim report on the feasibility of two mergers--a USST/A&M merger and an LSU/UT merger. The LSU/UT merger was seen as "less palatable" than a merger with A&M because of LSU's status as a two-year upper-level institution. The board also voted to study affiliation with and relocating the Reynaldo G. Garza School of Law to Kingsville. The board also voted to join The Texas A&M University System in asking for $12 million for joint programs.

On November 3, the USST Board of Directors voted unanimously to merge with The Texas A&M University System, clearing the way for a vote by the A&M System regents to accept the proposal. The USST directors also approved a feasibility study calling for a law school at Kingsville.

On November 21, The Texas A&M University System Board of Regents, after reviewing the feasibility study submitted by the

joint task force, voted unanimously in favor of the proposed merger. Under the merger plan proposed by the feasibility study, and approved by both Systems, the newly affiliated institutions will continue to receive funding from the Higher Education Assistance Fund rather than participating in the Permanent University Fund, which now benefits all of the institutions currently in the A&M and UT Systems. The proposed plan recommends the downward expansion of Corpus Christi State University to four-year status by 1994 and the addition of provisions for the expansion of Laredo State University when such expansion is deemed appropriate. Apart from the formal affiliation of institutions, the feasibility study approved by both The Texas A&M University System regents and the University System of South Texas directors also addresses joint development of collaborative academic and research programs among the several universities with Texas A&M University System resources, facilities, and expertise.

With the two Systems in agreement on the affiliation of the South Texas institutions with the Texas A&M University System, as shown by a unanimous vote of both boards, the next step to accomplishing the merger lies in obtaining the necessary approval by the 71st Legislature that convenes in January 1989.

FEASIBILITY STUDIES

A&M/USST Feasibility Study. A draft of the Joint Feasibility Study on Collaboration and/or Affiliation Between The Texas A&M University System and the University System of South Texas was presented to the boards of both Systems on October 27, 1988. The Introduction to the report noted the consensus among the representatives of the three university Systems and Pan American University that "natural relationships and affinities" exist between The University of Texas System and Pan American University and between The Texas A&M University System and the institutions of the University System of South Texas. Accordingly, The Texas A&M University System Board of Regents and the Board of Directors of the University System of South Texas adopted separate resolutions calling for the establishment of a joint task force to study the "desirability and feasibility of alternative forms of collaboration and/or affiliation between the two systems." The joint task force, established by the two Systems in July 1988, had adopted a two-part approach to accomplishing its mission: (1) it would review opportunities for joint and collaborative academic and research programs, and (2) it would review the administrative and governance issues involved in an affiliation of the USST member schools and The Texas A&M University System. The conclusions of the joint task force were presented in the report of the feasibility study.

Joint and Collaborative Academic and Research Programs. Having established a set of guidelines for identifying joint collaborative programs that would be both desirable and feasible, the task force recommended several potential cooperative programs for implementation at each of the institutions in the University System of South Texas in conjunction with components of The Texas A&M University System, using System resources and expertise. For Corpus Christi State University, the task force recommended cooperative academic programs in allied health, marine science, aquaculture and mariculture, business administration, coastal environment issues, and teacher preparation and education. For Laredo State University, the task force recommended expansion of existing cooperative programs in bilingual education and in international business, trade, and economics. In particular, the task force recommended expansion of Laredo State University's Institute of International Trade to "national status." For Texas A&I University, the task force recommended development of cooperative programs in bilingual education, environmental biology, agribusiness and business, agriculture specialties in citrus and wildlife management, and engineering specialties in natural gas fuels and manufacturing systems.

The feasibility study also provided an expanded description of several cooperative research programs, with their anticipated costs, in an attachment entitled "South Texas Program Initiatives." That attachment is provided as an appendix to this report in Part C, Appendix V, Texas A&M University Budget Initiatives for South Texas.

In addition to containing recommendations for specific academic and research program development, the feasibility study and the South Texas Program Initiatives budget request included programs designed to: (1) increase opportunities for minorities and women to attend professional schools; (2) improve the academic and research infrastructure in South Texas institutions; and (3) implement a telecommunications network to link various University System of South Texas institutions with The Texas A&M University System components to facilitate the sharing of resources and information in academic and research programs.

Administrative and Governance Issues. The second aim of the task force was to examine administrative and governance issues related to affiliation and to evaluate the advantages and disadvantages of affiliation to both Systems. Among the principal advantages to the University System of South Texas institutions was access to administrative and support services provided by The Texas A&M University System through its various administrative and general offices and affiliated organizations. The feasibility study identified nearly two dozen services that would be available

to all of the South Texas institutions as examples of the advantages to be gained by affiliation with the A&M System. Those services fell into several broad categories covering research, legal, financial management and fund-raising, and computer network services, and employee benefits and governmental affairs.

Research programs at the South Texas institutions would benefit from the research expertise and resources available through the Texas Agricultural Experiment Station, the Texas Engineering Experiment Station, and The Texas A&M Research Foundation. South Texas institutions would also receive assistance in research proposal development, research funding targeting, and outside contract and grant administration.

Legal services would be provided by the offices of the deputy chancellor for legal and external affairs and the system general counsel. In addition to providing interpretation of law, evaluation of legal documents, and representation in litigation where appropriate, the staff of the deputy chancellor for legal and external affairs manages a patent/copyright program that would provide assistance in securing patents, marketing patent rights, and obtaining royalties and licensing agreements.

Financial management and fund-raising expertise would be available to South Texas institutions through a number of System offices and staffs. The system comptroller would provide expertise in the management of bonded indebtedness, including the Permanent University Fund bond programs or Higher Education Assistance Fund bond programs, as appropriate, and other revenue bonds. The comptroller would also conduct internal auditing to ensure compliance with federal standards regulating government grants and contracts. The System treasurer would provide assistance in the investment of endowments, capital, and other assets. The Texas A&M University Development Foundation would be instrumental in providing assistance in fund-raising activities among the South Texas institutions.

Access to the System's telecommunications network would provide a range of advantages to participants. The most obvious advantage would be the access to the extensive library resources of the A&M System. Resource and information sharing would serve to enhance teaching and research at the South Texas institutions. Beyond the academic and research benefits, the South Texas institutions would also enjoy numerous administrative benefits from tapping into the network, including greater administrative efficiency made possible through the use of the A&M System's computerized services for budget preparation and payroll processing and reporting.

Governmental relations with the state and federal governments are handled through the offices of the deputy chancellor for legal and external affairs and the vice-chancellor for state affairs.

A wide range of benefits would be available to personnel joining the System, including employee and dependent medical and dental plans, life and accident insurance, and retirement programs. These employee and retiree benefits are administered by the office of the vice-chancellor for budgets and human resources, which also manages the System's unemployment compensation insurance program. A self-funded workers' compensation insurance program is managed by the office of the deputy chancellor for legal and external affairs, which also handles a number of other liability insurance programs and occupational health and safety programs to ensure compliance with state and federal regulations.

The feasibility study also addressed the administrative relationships that would result from a proposed affiliation and included an organizational chart illustrating the system's current administrative and reporting structure. The current organizational structure would serve as a model for the proposed affiliation of the South Texas institutions. Under the affiliation agreement the University System of South Texas, with its Board of Directors, would be dissolved and the presidents of the former USST institutions would report to The Texas A&M University System chancellor and to the board of regents. The chancellor in turn "would actively support the institutional presidents in . . . development of role and mission statements, strategic planning, long-range program and financial planning, establishment of annual program goals and objectives, preparation and support of the legislative appropriations requests, development of annual operating budgets and the establishment of minority recruiting and retention objectives."

The feasibility study emphasized that under the proposed affiliation each institution would be a fully participating component of the System. The affiliated institutions would maintain institutional integrity with traditional protections for faculty, staff, administrators, and student rights remaining in force. Faculty members would retain their rank and tenure. Future decisions regarding faculty personnel, promotions, tenure, academic program development, role and scope statements, and general policies and procedures regarding admissions, operating budgets and other institutional governance issues would be initiated by the individual component universities, subject to appropriate policy review by System administrators and the board of regents.

Funding. Affiliation of the three South Texas institutions with Texas A&M University would require an examination of the

source of funding required to support and enhance established and new degree programs at both undergraduate and graduate levels. (Affiliation also would entail additional staff, travel, and operating costs to the system. However, the feasibility study indicated that these System costs should be covered by general revenue appropriations by the Legislature.) The feasibility study discussed four funding issues for strengthening higher education programs in South Texas.

1. Institutional Strengthening Funds

The first step towards improving higher education in South Texas, the study reported, is strengthening existing undergraduate and graduate programs at each institution. To strengthen these programs requires increasing the available funding for course and program development and improving faculty salaries, academic infrastructure (e.g., equipment, laboratory materials, library), and remediation services to meet the needs of students at South Texas institutions. To initiate this program and institutional strengthening, the University System of South Texas had submitted a legislative appropriations request for $12 million in special item funding. The Texas A&M University System endorsed the requests and declared its readiness to work with the University System of South Texas institutions to secure those appropriations.

2. A&M Value-Added Funds

The study reported that much of the financial gain for the South Texas institutions in affiliation would come from value-added benefits resulting from access to administrative and support services of The Texas A&M University System. The value-added benefits would increase substantially from an estimated initial $11.5 million.

3. Joint Program Funds

Joint program funding is addressed in the budget requests found in Part C, Appendix V, Texas A&M University Budget Initiatives for South Texas.

4. Higher Education Assistance Fund vs. Permanent University Fund

A politically complex issue is the question of whether those institutions that would become affiliated with either of the two major university Systems in the state (i.e., The University of

Texas System and The Texas A&M University System) would have access to the Permanent University Fund for capital improvements, land acquisition, major repair and rehabilitation, capital equipment, and library books and materials or whether such institutions would continue being funded under the Higher Education Assistance Fund. Since both funds are constitutionally dedicated for the same classes of expenditures and the participants in both funds are named in the Texas Constitution, adding to the number of institutions currently participating in the Permanent University Fund would require a constitutional amendment. (See Part C, Appendix IV, Memorandum: Framework for Including Additional Institutions in Existing University Systems, for a discussion of the constitutional aspects of funding in an affiliation proposal.)

The feasibility study reported the conclusion of the task force that it would be "in the best interest of the institutions in USST and TAMUS to continue the current constitutional programs at this time. Access to the HEAF (would) provide the institutions in USST with a dedicated source of support which would exceed allocations of the PUFBP."

Other Issues. The joint task force's report noted several other issues being considered by the Legislative Joint Committee on Higher Education in South Texas that would affect the institutions participating in the feasibility study. Acknowledging that those issues would be considered by the Committee, the feasibility study nevertheless made the following recommendations:

1. Corpus Christi State University should become a four-year university at a date to be determined by the Legislature upon recommendation by the Committee.

2. The feasibility study recommended that LSU remain an upper-level institution for the time being, although strengthened, and that its role and scope be revised to authorize four-year status when appropriate.

3. With regard to the establishment of a professional school in South Texas, the feasibility study noted and supported the continuation of the concurrent Texas A&I University study considering the feasibility of affiliation with and relocation to Kingsville of the Reynaldo G. Garza School of Law.

4. The feasibility study further noted that The Texas A&M University System would encourage and support other studies for developing additional graduate level and professional programs for South Texas institutions and would support the necessary appropriations requests

for such programs where such programs would be deemed necessary and appropriate.

In summary, the feasibility study indicated The Texas A&M University System's concurrence with the goal of strengthening the overall higher education system serving South Texas, and the State of Texas, and the acknowledgement that such a goal could be met by strengthening the institutions of the University System of South Texas with The Texas A&M University System resources.

CHAPTER VIII

THE SYSTEM OF HIGHER EDUCATION FUNDING IN TEXAS

Public colleges and universities in Texas are funded from a variety of sources, both public and private. The majority of state funding is generated by carefully defined elements of cost. Most of these appropriations are driven by formulas devised and approved by the staff of the Texas Higher Education Coordinating Board. The Legislature considers the recommendations submitted by the Coordinating Board and then decides which formulas to fund and the percentage at which they should be funded.

There are also nonformula elements of cost. The nonformula elements of cost represent types of expenditures which vary greatly from campus to campus, such as utilities or health education. Health-related schools are not funded by formula. The Coordinating Board has developed a formula to govern faculty salaries in allied health programs, but 1990-91 is the first biennium for which it has been recommended.

The Legislature also funds particular programs through special items. The sum of the elements of cost and the special items is the amount appropriated out of general revenue for the biennium to support a particular institution. Prior to the 1988-89 biennium, locally generated educational and general revenue, such as tuition and fees, was subtracted from the appropriations to arrive at each institution's net biennial funding. Beginning with the current biennium, only general revenue funds, and not local education and general funds, appear in the appropriations bill. This change has implications for higher education funding in Texas which are not yet clear and will bear further observation.

Universities also receive dedicated capital improvement funds from three sources detailed in the Texas Constitution. The University of Texas at Austin, Texas A&M University, and Prairie View A&M University are each eligible to receive funds from the profit on the investments of the Permanent University Fund (PUF). Component universities of The University of Texas System and The Texas A&M University System are eligible to receive proceeds from bonds backed by the PUF. Universities which do not have access to PUF bond proceeds or profits on its investments are entitled to a share, derived by formula, of the Higher Education Assistance Fund (HEAF).

Another significant funding resource for Texas higher education is research grants and contracts. While the 70th

Legislature funded almost $84 million in research at public universities in Texas during fiscal 1987, state funding accounted for only 14 percent of the $610 million worth of research performed in Texas that year. The federal government and the private sector funded the rest of the research.

Other sources of funding include tuition and fees and private donations.

The Formula System

The Texas Legislature has used various kinds of formula systems to allocate funding to institutions of higher education since 1937. The Texas Commission on Higher Education, created in 1955, was directed by statute to devise formulas for the funding of public higher education in the state. When the Coordinating Board succeeded the Commission in 1965, it was directed to recommend formulas to the Legislature and update them as necessary.

The state appropriations from the general revenue fund to each university are detailed in the general appropriations bill. The actual amount which each university receives is calculated by adding together all the elements of cost. Most of the elements of cost are calculated by using the higher education funding formulas.

The formulas are reviewed each biennium by formula study committees appointed by the Commissioner of Higher Education and are given technical support by Board staff. The study committees are charged with recommending any revisions of the formulas which may be necessary. The recommended formulas are then forwarded to the formula advisory committee.

The commissioner reviews the formulas recommended by the committees before presenting them to the Board; he may present both the committee version and his own recommendation to the Board if he thinks it necessary to do so. The Board also has the authority to change the formulas before presenting them to the Legislative Budget Board.

The Legislature is the final authority in deciding which formulas will be funded at what level. The 70th Legislature funded 12 of the 14 recommended formulas. The Legislature has generally chosen to fund higher education at a percentage of the amount requested by the Coordinating Board. However, that percentage has usually been higher than it was during the 1986-87 and 1988-89 biennia, during which the Legislature was under great budgetary pressure as a result of the general decline in the state economy.

For the 1990-91 biennium, the Coordinating Board has approved 15 formulas, including the two which were recommended to the 70th Legislature but not funded. The Coordinating Board formula recommendations for the 1990-91 biennium call for funding of senior universities at $2,425,086,306 for the coming biennium. Full funding would mean an increase of funding of 23.9 percent in 1990 and a further increase of 7.5 percent the following year. The formula recommendations for community junior colleges call for funding of $1,148,792,281. Full funding would mean a 36.6 percent increase in funding for 1990, with an additional 4.2 percent increase in 1991.

The Board recommendations include seven formulas which provide for costs related to instruction. The seven instructional formulas are:

* Faculty Salaries
* Library
* Research Enhancement
* Department Operating Expense
* Faculty Development Leave
* Instructional Administration
* Allied Health

The Legislature did not fund the Faculty Development Leave formula for the 1988-89 biennium.

The formulas for Faculty Salaries, Department Operating Expense, Instructional Administration, and Faculty Development Leave are based on a rate set by the Coordinating Board times the number of semester credit hours for which students register. Each discipline is assigned a rate, based on estimated cost of the program and faculty-student ratios. In addition, each level of instruction within a discipline has a different rate. Doctoral level courses are reimbursed at a higher rate than master's level courses; master's level courses earn more funds than undergraduate courses. This difference in rates reflects the greater cost in faculty contact hours and operating expense of graduate and professional programs.

In addition, for Faculty Salaries (and Instructional Administration and the unfunded Faculty Development Leave, both of which are derived as percentages of Faculty Salaries), upper-level

centers are funded at a higher rate than other universities for undergraduate courses. The practice of funding upper-level universities and centers at a higher rate reflects the smaller faculty-to-student ratio of upper-division studies. The exception to the higher rate of funding is the Sul Ross State University Uvalde Area Study Center, which earns formula dollars at rates for undergraduate courses.

The Library formula, unlike the other instructional formulas which are based on semester credit hours, is calculated on rates assigned for different levels of study: undergraduate, master's, law, and doctoral. The Research Enhancement formula is calculated as a flat rate times the number of full-time equivalent faculty teaching at an institution.

Many have argued that the formulas have stimulated institutional demand for graduate programs because of its funding bias toward them. As the firm of Coopers & Lybrand wrote in its report to the Select Committee on Higher Education, "the generosity of the formula toward doctoral programs provides an incentive for Ph.D. programs to proliferate."

A related question raised by some experts is the degree to which the funding formulas inhibit undergraduate excellence. As the Coopers & Lybrand study stated:

> The funding formula also encourages only one model of academic accomplishment, with the result that multiple models of academic excellence are not being developed. Incentives for every school in the state to develop along UT-Austin and Texas A&M lines have led to duplication, inefficiency, and the discouragement of institutional innovation.

The other seven formulas for senior universities relate to instructional support. The Institutional Support formulas are as follows:

* General Administration and Student Services
* General Institutional Expense
* Plant Support
* Security
* Building Maintenance
* Custodial

* Grounds Maintenance

* Educational Opportunity Service

The formula for Educational Opportunity Service is intended to fund remedial programs for minority students but was not funded during the 1988-89 biennium. It is calculated by multiplying the number of minority students above 200 attending an institution. Some have objected to the structure of this formula because it channels more funds to the large universities, such as The University of Texas at Austin and Texas A&M University, than to the predominantly minority institutions.

The definitions and methods of calculating each of the formulas recommended by the Board for the 1990-91 biennium are included in Appendix VII.

According to the Coordinating Board, the elements of cost accounted for the following percentages of the 1988-89 appropriations to senior colleges and universities:

ELEMENT OF COST	PERCENTAGE OF TOTAL
Faculty Salaries	44.90
Department Operating Expense	10.07
Institutional Administration	1.49
Library	3.49
Organized Research	.42
Plant Support Services	1.12
Campus Security	.84
Building Maintenance	3.71
Custodial Services	2.00
Grounds Maintenance	.74
Utilities	14.26
Special Items	7.01
General Administration and Student Services	3.91
General Institutional Expense	.94
Staff Benefits	5.10

The three funded formulas which are based on semester credit hours weighted for discipline and level of study (Faculty Salaries, Department Operating Expense, and Instructional Administration), as well as the Library formula which is based on semester credit hours weighted for level of study, accounted for 59.95 percent of appropriations. Those three formulas with special items account for 66.96 percent of appropriations.

In the 70th Legislature, the Legislative Budget Board changed

the procedure for funding higher education. In previous sessions, the amount of educational and general funds which an institution generated locally were subtracted from the general revenue appropriations of the institutions. Beginning with the 70th Legislature, the Legislative Budget Board has chosen not to take variations in the amount of local educational and general funds into account in the appropriations process. For the next biennium, the Legislative Budget Board staff will devise statewide ratios for general revenue for use in funding the formula recommendations. During the 70th legislative session, small amounts of special item funding for Appropriations Format Equalization were given to universities which lost funding under the new system.

The Goals of the Formula System

The general goals of the formula system appear to be the following:

(1) To distribute funds in an equitable manner by the use of objective academic criteria which attempt to replicate the costs (Section 61.059(a) of the Education Code makes this goal specific by defining the purpose of the formula system as "to secure an equitable distribution of state funds deemed to be available for higher education . . . .");

(2) To depoliticize the funding system by using current enrollment and resources activities as the criteria for financing;

(3) To act as a de facto brake on the growth of higher education funding because the criteria for funding are current activities.

There are several checks on the conservative force of the formula system. First, the Legislature has traditionally reserved the right to create both universities and professional schools, especially law schools and health science centers. In addition, the Legislature defines the governance system of higher education.

Second, the special item system allows the Legislature an additional avenue for funding needs.

Finally, the higher education funding system has grown more flexible in recent years, in part responding to the criticisms made in reports submitted to the Select Committee on Higher Education. The current general rider for higher education appropriations specifies that the amount appropriated for Faculty Salaries are

nontransferable.

Nonformula Elements of Cost

The nonformula elements of cost are considered to vary so widely from university to university that formulas are not used to derive the funds given to each institution. The nonformula elements of cost are:

* Staff benefits
* Organized activities
* Extension and public service
* Utilities

Staff benefits include staff group insurance, longevity pay, the Social Security tax, workers' compensation premiums, and the unemployment compensation tax. The definition of organized activities includes activities designed to give students professional training related to their course of study (although teacher training is not included). Extension and public service includes activities directed toward educating the general public, such as correspondence and continuing education courses and radio and television stations.

Special Items

The final element of cost is composed of the special items. Each institution of higher education funds programs outside the elements of cost through the nonformula, generic category of special items. Decisions are made on special items on an individual basis, and they can represent a variety of types of cost. Typical special items include:

* Research institutes and museums
* Professional degree programs
* Minority recruitment
* Counseling and other student services
* Tuition revenue bond retirement
* Administrative efficiency

The Legislature uses the category of special items to fund programs which it finds to have particular merit. One such special item is the scholarship and work-study funds which are distributed according to a formula developed by the Coordinating Board to reflect the need of the student body. These funds amounted to $1,411,245 for the 1987-88 school year. In addition, the category of special items was used in the 1988-89 biennium to compensate for reduced appropriations which occurred because of the change in the manner of funding.

Special items are a mechanism which allows the Legislature to fund specific programs which it feels are appropriate to each institution. For the 1988-89 biennium, just over seven percent of the appropriations from the general revenue fund were made for special items.

The universities in South Texas are funded at below the statewide average in special items for the 1988-89 biennium. The following table shows selected institutions of higher education, the number of special items for which appropriations were made during the 1988-89 biennium, and the funding of special items as a percentage of the institution's budget.

TABLE VIII-1

INSTITUTION	NUMBER OF SPECIAL ITEMS	PERCENTAGE OF UNIVERSITY BUDGET
Corpus Christi State University	2	.7
Laredo State University	2	3.2
Pan American University	3	7.4
Pan American University at Brownsville	1	.1
Texas A&I University	4	6.1

During the 1988-89 biennium, special items accounted for approximately five percent of the appropriations to universities in South Texas. Along with the formula allocation for scholarships

(the only special item which Pan American University at Brownsville received during the current biennium) and tuition revenue bond retirement, special items funded a tutorial program at Pan American University, the Hector P. Garcia Papers at Corpus Christi State University, the Institute for International Trade at Laredo State University, and the Citrus Center and John E. Connor Museum at Texas A&I University.

The Legislature occasionally exercises its power to create professional schools and to fund them through special items. There is, however, resistance to the idea that the Legislature use its powers to fund or, especially, create, degree programs. While special items are used to provide funding for museums, professional schools, or research programs, they have not in fact been used generally for specific degree programs.

However, special item funding has been used to provide seed money for enhancing the program inventory of Prairie View A&M University and Texas Southern University in response to the Adams desegregation suit and in conjunction with the Texas State Plan for Equal Opportunity in Higher Education. The following table indicates the funds that have been appropriated to those two universities for the enhancement of their degree program inventories.

TABLE VIII-2

BIENNIUM	PRAIRIE VIEW A&M	TEXAS SOUTHERN
1984-85	$1,000,000	$1,200,000
1986-87	500,000	950,000
1988-89	-0-	950,000
TOTAL	1,500,000	3,100,000

In addition, special item funding was added for such items as faculty salaries, support services, and accreditation continuation.

Per Capita Funding

While there are other significant sources of funding which are discussed later in this chapter, it is appropriate at this point to comment on the effect of higher education appropriations on the delivery of higher education services in South Texas. The

following table illustrates the approximate per capita funding of senior universities and health-related institutions for each region as defined in this study.

TABLE VIII-3

REGION	PERCENTAGE OF STATE POPULATION	PER CAPITA FUNDING
Central	11.9	$364.97
East	7.9	$133.60
North	15.7	$129.91
North Central	3.7	$57.74
Panhandle	2.7	$56.29
South	8.6	$63.04
Southeast	24.9	$229.55
South Central	9.2	$129.84
West	9.4	$203.25
State Average		$178.45

These figures are calculated by dividing the direct appropriations for the 1990-91 biennium to senior institutions located in a given region by the population of that region as measured by the 1986 census estimates. Senior institutions are defined as senior universities (including upper-level centers and Lamar University's facilities at Orange and Port Arthur) and health-related institutions; no attempt has been made to calculate the effect of such other revenues as constitutionally dedicated funds, the state's new research programs, or extension services and centers. Population growth during the last two years has been very small, so these figures should be reasonably accurate.

South Texas ranks seventh among the state's nine regions in per capita spending for higher education. However, it is closest to the per capita spending rates of the North Central and Panhandle regions. Moreover, if no action is taken to increase funding to South Texas, its population growth will soon make it rank last

among the nine regions.

South Texas ranks fourth in population among the nine regions and is the second in terms of population growth. The North Central region ranks eighth in population, and the Panhandle region ranks ninth. The South Texas region has five public universities; the North Central region has two (Midwestern State University and Tarleton State University), and the Panhandle region has only one (West Texas State University).

Constitutional Sources of Funding

In addition to funds appropriated each biennium, private donations solicited by system offices and universities, and independent research funding, the Texas Constitution provides three sources of funding for universities: the Available University Fund (AUF), bonds backed by the PUF, and the HEAF.

The Permanent and Available University Funds

The PUF was established constitutionally for the purpose of supporting "a University of the first class," which became The University of Texas at Austin. Amendments to the Texas Constitution have permitted Texas A&M University and Prairie View A&M University to share revenue from the fund.

The PUF currently holds assets of 2.1 million acres of public land and investments in securities issued by both the United States government and private corporations. Revenue from the land's mineral resources are added to the corpus of the fund; revenue from investments and surface leases on PUF land becomes the AUF after administrative expenses have been deducted.

Each biennium, the Legislature appropriates the AUF to The University of Texas System and The Texas A&M University System. The Texas A&M University System receives one-third of the AUF; The University of Texas System retains the rest. Each system must first pay the principal and interest on bonds issued to provide funds for their respective component institutions. For a period of 10 years, beginning in 1985, The University of Texas is also responsible for providing $6 million annually to Prairie View A&M University.

The Texas A&M University System is charged by the Texas Constitution with distributing "an equitable portion" of its share of the AUF "for the support and maintenance of The Texas A&M University System administration, Texas A&M University, and Prairie

View University." The portion of the AUF allotted to The University of Texas System is constitutionally restricted to use by The University of Texas at Austin and The University of Texas System administration (Article VII, Section 18(e)). Each biennium the Legislature appropriates the AUF to the university systems with the proviso, contained in a rider, that "[i]t is the intent of the Legislature that appropriations made from the Available University Fund be used solely for the purposes of establishing and maintaining academic excellence."

The PUF reported a book value of its assets at $2,919,540,498.17 as of August 1, 1987. At the same time, market value for the same assets was reported as $3,395,360.82. The AUF for 1986-87 was $214,771,440.91.

Permanent University Fund Bonding

Since 1947, the governing boards of both systems have been permitted to issue bonds secured by the AUF. The Texas Constitution has been amended several times since to permit additional institutions to benefit from the bonding program and to permit a greater portion of the PUF to be bonded. The last relevant constitutional amendment passed in 1984, when all component institutions of the two systems were named as beneficiaries of bonds and notes issued by their respective boards of regents. At the same time, the PUF bonding authority of The Texas A&M University System was increased to "10 percent of the cost value of the investments and other assets of the permanent university fund (exclusive of real estate)." The bonding authority of The University of Texas System Board of Regents was increased to 20 percent of the PUF, excluding real estate (Article VII, Section 18(a)). The systems are constitutionally obligated to repay these funds from their shares of the AUF; in fact, the debt service on the bonds must be paid before any part of the AUF can be used at the constitutionally designated universities.

The same provisions of the Texas Constitution restrict the proceeds of the bonds to "acquiring land either with or without permanent improvements, construction and equipping buildings or other permanent improvements, major repair and rehabilitation of buildings and other permanent improvements, acquiring capital equipment and library books and library materials, and refunding bonds or notes issued under this section or prior law . . . ." (Article VII, Sections 18(a), (b).)

The Higher Education Assistance Fund

The HEAF is a constitutionally dedicated fund created in 1984. Like the 1984 AUF provisions relating to Prairie View A&M, the creation of HEAF was in part inspired by the Adams desegregation suit. In addition, HEAF was created to provide capital improvement funds for state universities which do not share in the PUF. These universities had been recipients of the state ad valorem property tax. In 1979, as part of the property tax reforms, the Legislature reduced the state property tax to .001 per $100 valuation, which left the non-PUF universities without capital improvement funds.

The HEAF was approved by voters in 1984 to fill the gap left by the reduction and later abolition of the state property tax. Article VII, Section 17, of the Texas Constitution dedicates $100 million annually "out of the first money coming into the state treasury not otherwise appropriated by the constitution" for the use of the non-PUF institutions. The restrictions on the use of HEAF money are the same as those which apply to the proceeds of PUF bonds. In addition, the Texas Constitution provides that the Legislature may appropriate funds to "the higher education fund" for use at the non-PUF universities (Article VII, Section 17(i)). The Legislature has not appropriated any funds for this purpose, at least in part because the state has been tightly constrained by reduced growth of tax revenues in every legislative session since the approval of this amendment.

The Texas Constitution charges "the legislature or an agency designated by the legislature" to "allocate by equitable formula" the annual appropriations of $100 million (Article VII, Section 17(d)). The Legislature has designated the Coordinating Board as the agency responsible for the allocations.

In 1985, a committee composed of members of the Council of Presidents of the Public Senior Colleges and Universities of Texas devised a formula for the allocation of HEAF appropriations. The formula was designed to take the following factors into account:

* Space needs, based on Fall 1984 enrollment

* Facilities conditions, as reported by the architectural firm Page-Sutherland-Page in 1982 and adjusted according to funds allocated for space needs

* Institutional complexity, based on the percentage of formula funds allocated to each university

Provision was also made for a special allocation, in addition

to the HEAF money generated by the formula, of $2.7 million annually for Texas Southern University. A further $6.5 million was reserved for the two medical units, two-thirds of which is allocated to Texas Tech University Health Sciences Center and one-third to the Texas College of Osteopathic Medicine. (This is the only HEAF money these two institutions receive.)

The results of these factors were incorporated into Section 62.021, Education Code. The amounts which the formula produced for each institution are reproduced in the table below.

TABLE VIII-4

UNIVERSITY	STATUTORY HEAF FUNDING
East Texas State University	$ 2,965,536
East Texas State University at Texarkana	287,551
Lamar University	5,520,101
Lamar University at Orange	713,688
Lamar University at Port Arthur	938,728
Midwestern State University	1,693,414
University of North Texas	10,949,820
Pan American University	2,880,754
Pan American University at Brownsville	225,672
Stephen F. Austin State University	5,146,404
Texas College of Osteopathic Medicine	2,166,667
Angelo State University	2,791,507
Sam Houston State University	3,720,808
Southwest Texas State University	12,091,444
Sul Ross State University	857,825
Sul Ross State University-Uvalde Area Study Center	0

Texas Southern University (formula and special allocation)	6,849,730
Texas Tech University	10,696,291
Texas Tech University Health Science Center	4,333,333
Texas Woman's University	3,586,150
University of Houston-University Park	11,740,154
University of Houston-Victoria	200,648
University of Houston-Clear Lake	1,282,702
University of Houston-Downtown	2,494,084
Corpus Christi State University	1,007,710
Laredo State University	261,616
Texas A&I University	2,333,733
West Texas State University	2,263,930

The total dedicated funds allocated under the formula to universities in South Texas amount to $6,709,485 annually.

The Texas Constitution states that "[d]uring the regular session of the legislature that is nearest, but preceding, the beginning of each fifth fiscal year dating from September 1, 1985, the legislature may by two-thirds vote of the membership of each house adjust the amount of the constitutional appropriation for the ensuing five years but may not adjust the appropriation in such a way as to impair any obligation created by the issuance of bonds or notes in accordance with this section." (Article VII, Section 17(a)). Accordingly, a committee of the Council of Presidents of the Public Senior Colleges and Universities of Texas reviewed the formula for HEAF allocation and suggested that the institutional complexity data be updated, using current Coordinating Board figures. The Coordinating Board endorsed those modifications at its July 22, 1988, meeting.

The new formula, if approved by the Legislature, would result in changes in the allocation as indicated in the following table.

TABLE VIII-5

UNIVERSITY	PROPOSED CHANGES IN HEAF FUNDING
East Texas State University	(307,893)
East Texas State University at Texarkana	26,491
Lamar University	(219,604)
Lamar University at Orange	60,791
Lamar University at Port Arthur	111,976
Midwestern State University	(47,529)
University of North Texas	494,247
Pan American University	38,920
Pan American University at Brownsville	50,941
Stephen F. Austin State University	5,720
Sul Ross State University	(55,607)
Sul Ross State University-Uvalde Area Study Center	0
Texas Southern University	(253,294)
Texas Tech University	(157,995)
Texas Woman's University	(2,281)
University of Houston-University Park	71,511
University of Houston-Victoria	44,643
University of Houston-Clear Lake	(23,818)
University of Houston-Downtown	(9,928)
Corpus Christi State University	37,515
Laredo State University	14,782

Texas A&I University	(19,040)
West Texas State University	(178,982)

The allocations for the Texas Tech University Health Science Center and Texas College for Osteopathic Medicine would remain the same, as would the $2.7 million in special assistance for Texas Southern University under the Texas Desegregation Plan.

The South Texas institutions would realize a total increase of $89,918, if the changes were implemented. Individually, all of the South Texas universities except Texas A&I University would realize an increase.

Because of the current discussion concerning the affiliation of universities in South Texas with The Texas A&M University System or The University of Texas System, it is critical to examine the implications of the constitutional funding systems.

Article VII, Section 18, allows the boards of regents of The Texas A&M University System and The University of Texas System to issue bonds for use at constitutionally designated universities. Section 18 also restricts the AUF, after payment of interest and principal on those bonds, to The University of Texas at Austin, Texas A&M University, and Prairie View A&M University. To make any other universities recipients of funds directly from the AUF would require a constitutional amendment.

If a university which is entitled to HEAF funds under the Texas Constitution becomes a component institution of The University of Texas System or The Texas A&M University System, it would not automatically become entitled to the proceeds of PUF bond sales. A constitutional amendment is required to make a university eligible for revenue from PUF bond sales. In addition, the university would have to be removed from Article VII, Section 17, by constitutional amendment. Both Sections 17 and 18 of Article VII prohibit universities from receiving both PUF bond and HEAF funds. The clear intent of the Legislature and the voters in 1984, when Sections 17 and 18 were adopted, was that PUF bond revenues would serve the capital improvement needs of the component institutions of The University of Texas System and The Texas A&M University System, while HEAF would fund the capital improvement needs of the universities which were not affiliated with either system.

It is clear that the Legislature did not at that time envision or provide for the possibility of existing universities becoming component institutions. Article VII, Section 18(c), of

the Texas Constitution states that:

> Pursuant to a two-thirds vote of the membership of each house of the legislature, institutions of higher education may be created at a later date as a part of The University of Texas System or The Texas A&M University System by general law, and, when created, such an institution shall be entitled to participate in the funding provided by this section for the system in which it was created.

According to a staff attorney of the Texas Legislative Council, "it would appear difficult to argue that an existing institution, with a name and management change, could be considered to be an institution 'created at a later date.'" (See Appendix IV.)

While the Legislature can shift an existing university from one system of higher education to another by amending a statute, to entitle existing universities to constitutionally dedicated sources of capital funding which they do not currently receive would require a constitutional amendment. The Legislature can also leave the structure of the constitutional sources of higher education funding as it currently stands, regardless of whether changes in the system of governance are enacted.

The Advantages of Each Constitutionally Dedicated Fund

Certainly the most advantageous source of funding for state universities is the AUF. Barring access to the AUF, it is not clear whether South Texas universities would fare better with access to the funds dedicated under Section 17 (HEAF) or Section 18 (PUF bonding).

Both representatives of The University of Texas System and The Texas A&M University System have articulated the view that the South Texas universities would be better served by remaining under the provisions of Section 17. This perspective is developed most extensively in the document A Joint Feasibility Study on Collaboration and/or Affiliation Between The Texas A&M University System and The University System of South Texas. This study was conducted by the staff of The Texas A&M University System and Texas A&M University. It forms the basis of the agreement between The Texas A&M University System Board of Regents and the University System of South Texas Board of Directors that the component institutions of the latter should become component institutions of the former.

The relevant excerpt from the study follows:

> The question of whether or not new institutions should be added to the Permanent University Fund should turn on what is best for both the new institutions and TAMUS [Texas A&M University System]. From analyses conducted during this joint feasibility study, it has been concluded that it is in the best interest of the institutions in USST [the University System of South Texas] and TAMUS to continue the current constitutional programs at this time. Access to the HEAF, especially utilizing the authority to bond against the HEAF allocations, provide the institutions in USST with a dedicated source of support which would exceed allocations of the PUFBP [Permanent University Fund Bonding Program], based on historical TAMUS allocations. Any future decision to consider additional institutions for inclusion under the Permanent University Fund should be examined in the context of a total restructuring of the financial support system of higher education in the State of Texas.

Dr. Hans Mark, Chancellor of The University of Texas System, has also voiced support for maintaining the current structure of constitutionally dedicated higher education funds, at least for the immediate future. His testimony at the August 16 hearing of the Legislative Joint Committee on Higher Education in South Texas included the following comments:

> We have spent a fair amount of time discussing the question of whether it would be more advantageous for Pan American University to come under the Permanent University Fund right now or whether it would be more advantageous to stay with the Higher Education Assistance Fund. My view of that, Mr. Chairman, and I believe that this view is shared by the administration of Pan American University is that . . . for the next few years, it probably would be more advantageous to stay with the Higher Education Assistance Fund . . . . The problem with the Higher Education Assistance Fund is that unlike the Permanent University Fund it has to be appropriated every year, it doesn't grow with inflation and so in the long run I think it would be more advantageous to bring the university into the Permanent University Fund. Just when you do that is a matter of judgment . . . . In the immediate future the Higher Education Assistance Fund that you appropriate I believe adequately takes care of the problem, and it gives some time to see how best to solve that particular resource issue.

In summary, the arguments that the South Texas universities should remain under the provisions of Section 17 generally cite the following reasons:

* The South Texas universities receive more funds under Section 17 than they would under Section 18, based on the past experience of universities which are currently component institutions of The University of Texas System and The Texas A&M University System.

* Dedicated funds from Section 17 are distributed according to a formula each fiscal year. In contrast, if the South Texas universities became eligible for Section 18, they would have to seek funds from the appropriate Board of regents.

* Article VII, Section 17(e), of the Texas Constitution provides that the governing Boards of universities named in the section may issue bonds backed by the dedicated higher education funds distributed to them. Up to 50 percent of these funds may be used to back those bonds. The funds available under Section 18, which are the proceeds of bonds, cannot be leveraged in the same manner.

The actual experience of universities included in the provisions of Section 18 shows wide variation in the distribution of funds by the boards of regents from year to year. However, as Dr. Mark's testimony indicates, the great problem of the funds dedicated by Section 17 is that they are constitutionally set at $100 million per fiscal year. In contrast, the Permanent University Fund has a track record of almost uninterrupted growth. In fact, the AUF, which provides the revenues for the payment of principal and interest on the bonds backed by the Permanent University Fund, has grown in every succeeding year except for Fiscal Year 1968 and Fiscal Year 1969. Since that time, the AUF has grown tenfold.

Research

The 70th Legislature created two state-funded research programs under the supervision of the Coordinating Board. The Advanced Research Program is designed to foster basic research in the fields of "astronomy, atmospheric science, biological and behavioral sciences, chemistry, computer sciences, earth sciences, engineering, information science, mathematics, material sciences, oceanography, physics, and social sciences" (Section 142.002, Education Code). These grants are intended to fund research

conducted at Texas public institutions of higher education.

The Advanced Technology Program supports applied research at public and private universities in Texas. Its purpose, as defined in the Education Code, is explicitly related to economic development:

> Providing appropriated funds to faculty members of public and private institutions of higher education to conduct applied research is important to the state's welfare and, consequently, is an important public purpose for the expenditure of public funds because the applied research will enhance the state's economic growth by:
>
> (1) educating the state's scientists and engineers;
>
> (2) creating new products and production processes; and
>
> (3) contributing to the application of science and technology to state businesses. (Section 143.002, Education Code.)

The relationship of research funding to economic development is now well known. A study by the University of Texas Bureau of Business Research estimated that "[r]esearch seed money generates an average of four dollars for each seed dollar."

Grants for both programs are awarded by peer review committees composed of scientists who, in order to avoid a conflict of interest, may not be employed by a Texas university. For the current biennium, the Advanced Research Program is funded at $19,925,000, and the Advanced Technology Program is funded at $39,925,000. During the current year, the Advanced Research Program funded projects at 16 universities and Texas A&M University's experiment stations; the Advanced Technology Program funded research projects at 22 universities and Texas A&M University's experiment stations. Approximately 10 percent of the grant proposals were funded.

The guidelines of the programs state that no more than 70 percent of the funds may be awarded to professors affiliated with the component institutions of The University of Texas System and The Texas A&M University System. However, no funds were awarded to universities south of San Antonio. In fact, it is difficult for universities in South Texas to dedicate the faculty hours necessary to develop research programs. Because of the underfunding at South

Texas universities, many faculty members must teach four class preparations. The South Texas universities lack both the institutional funds and the private research funds required to fund replacements for faculty teaching time so that faculty resources can be diverted to the development of the necessary research proposals.

The Coordinating Board's recommendations for research funding for the coming biennium are indicated in Table VIII-6.

TABLE VIII-6

PROGRAM	LEVEL	FUNDING	PROJECTS FUNDED	NUMBER OF UNIVERSITIES
ADVANCED RESEARCH	CURRENT APPROPRIATIONS	$19,925,000	115	18
ADVANCED RESEARCH	1990-91 LEVEL I	10,000,000	50	6
ADVANCED RESEARCH	1990-91 LEVEL II	20,000,000	100	18
ADVANCED RESEARCH	1990-91 LEVEL III	21,300,000	110	21
ADVANCED RESEARCH	1990-91 LEVEL IV	25,000,000	125	24
ADVANCED TECHNOLOGY	CURRENT APPROPRIATIONS	39,925,000	230	24
ADVANCED TECHNOLOGY	1990-91 LEVEL I	20,000,000	100	10
ADVANCED TECHNOLOGY	1990-91 LEVEL II	40,000,000	200	24
ADVANCED TECHNOLOGY	1990-91 LEVEL III	42,800,000	220	26
ADVANCED TECHNOLOGY	1990-91 LEVEL IV	50,000,000	250	30

The Board is also charged with administering other research proposals, such as the $15 million in energy research funds from the oil overcharge settlement.

In recent years, the state has come to understand the necessary role of funding research in diversifying the economy. A solid research base is very helpful in both strengthening the existing economic base of an area and attracting firms from outside it. In fact, research is the most important factor in funding Texas' medical schools. The interrelationship of economic development and research is illustrated by a few examples:

* The University of Texas System was instrumental in bringing the Microelectronics and Computer Technology Research Consortium, known as MCC, to Austin with pledges of $23.5 million in private funding pledged to the system. The University of Texas also contributed land and $5 million toward the cost of the MCC building and $15 million in endowed professorships in the fields of electrical engineering and computer science.

* The University of Texas System contributed $50 million to the state's successful bid to bring Sematech to Austin.

* The University of Houston's research on superconductivity and biomedical research at The University of Texas Health Science Center in San Antonio are further examples of the power of research spending to generate economic activity.

It should be noted that South Texas universities have enjoyed success with the limited research efforts which their budgets have permitted them to develop:

* Corpus Christi State University's Bluecher Institute, which was established with private funds;

* Laredo State University's Institute for International Trade, which is funded as a special item;

* Pan American University's Center for Economic and Entrepreneurship Development, which is funded as a special item and has provided valuable technical assistance to local industry;

* Texas A&I University's Caesar Kleberg Wildlife Research Institute, which is funded entirely by private sources, has stimulated South Texas' mesquite

production and land-use policies, and will serve as the base for a proposed doctoral program in range wildlife;

* Texas A&I University's Citrus Center, which has been innovative in developing stronger varieties of citrus in South Texas;

* Texas A&I University's Energy Research and Development Center, which is funded entirely by federal funds.

The universities of South Texas have proven their ability to develop strong research programs and use them to the benefit of the community.

Incentive Funding

The 70th Legislature, acting in response to a recommendation of the Select Committee on Higher Education, created incentive funding. Section 61.0591 of the Education Code provides that the Legislature appropriate "not less than 10 percent of the total appropriations for base funding of general academic teaching institutions for the purpose of providing incentive and special initiative funding . . . ."

Special incentive funding projects would include, according to statute, the following types of programs of interest to South Texas universities:

* minority recruitment, retention, and academic standards maintenance;

* graduation rates and maintenance of academic standards;

* commitment to liberal arts core curriculum;

* commitment to continuing education;

* development of articulation arrangements;

* provide development grants to institutions seeking to develop undergraduate and graduate programs in areas of high quality.

The Coordinating Board has recognized the difficulty of setting up a program to handle 10 percent of the funds appropriated to academic institutions. For that reason, it has requested a

total of $13 million to fund the incentive and special initiative programs for the 1990-91 biennium. If the Legislature funds the special incentive and initiative programs, the Board expects to begin a competitive grant process in June 1989. Among the examples of programs which the board has cited as possible recipients of grants are the following:

1. Development of peer counseling and student retention programs in an effort to reduce student dropouts;

2. Increases in the number of minority students receiving graduate degrees (To encourage institutions to provide support services to minority students, awards will be made to each institution for Texas resident minority graduates accepted into and successfully completing a graduate degree or degree in medicine, dentistry, law, optometry, or veterinary science.).

Conclusion

The higher education funding system is largely driven by the formulas. The centerpiece of the formula system is the one which funds faculty salaries and is calculated using funding levels for semester credit hours weighted by academic discipline and degree level. In the 1988-89 biennium, the Faculty Salaries formula and other formulas related to it governed a full three-fifths of appropriations to universities. This fact has far-reaching effects on the system of higher education.

First, the emphasis on this mode of funding produces a bias toward those universities which have developed comprehensive graduate programs, especially in the technical fields.

Second, as the Coopers & Lybrand report noted, this funding bias has become an incentive for universities to seek graduate degree programs. It is difficult for a university to concentrate on undergraduate instruction or retention because there are not yet funding incentives which reward excellence or even competence in those areas. The full development of the incentive funding program created by the 70th Legislature may change this bias.

Third, the fact that the formulas reward universities for the current degree programs inhibits the growth of appropriate degree programs. The failure of the formula system to provide for the growth of degree programs is exacerbated by the Coordinating

Board's requirement that a university be able to fund half the cost of a degree program for the first five years.

There are no nonformula sources of funding which can provide the critical start-up funds. The Legislature rarely funds degree programs (as distinguished from professional schools) by special item.

Nonappropriated sources of revenue are also inadequate. The resources of South Texas universities are stretched so thin that the faculty generally teaches four class preparations per semester, so that they lack the time to develop and carry out research proposals. Finally, the region of South Texas is so poor that the area lacks the private resources which other universities can draw upon; at the same time, those local resources which are donated to higher education are frequently given to universities in other parts of the state. The result is that universities in South Texas do not have the resources to finance the degree program expansion which the future growth of the region warrants.

The University of Texas at Austin recently revealed that, despite a 12.6 percent drop in support from tax revenues, its budget has actually increased 24 percent during the last four years. The increase was made possible by increases in tuition, the Available University Fund, research, private donations, and self-supporting enterprises.

The greater resources manipulated by the larger universities, and to some degree, the major university systems, give them much greater flexibility in budgeting. The Texas Research League study of the formula system during the 1984-85 biennium found that The University of Texas at Austin and Texas A&M University supplemented the Faculty Salaries, Departmental Operating Expense, and Instructional Administration formula funding for the years studied.

This indicates that the growing flexibility of the higher education section of the general appropriations bill is of great benefit only to larger universities. In fact, at least some universities, especially those with older, better-paid faculty, have had to shift funds from such areas as libraries to fund their salary obligations.

Certainly, the greater funding and flexibility of the larger universities and university systems makes it easier for them to propose needed degree programs. In the past few years, Texas A&M University has added a defense institute and a doctoral degree in political science; The University of Texas at San Antonio and The University of Texas at Dallas have added engineering programs, the latter in a location not far from the engineering program of The

University of Texas at Arlington.

Universities in South Texas simply do not have access to the quantity of private funds and research grants which fund such institutions. Laredo State University and Pan American University at Brownsville in fact own only one building each. Texas A&I University's share of state revenue was cut by 20 percent during the 1988-89 biennium.

The funding problems experienced by universities in South Texas are in many cases true of other small universities in Texas. Nevertheless, it is clear from a variety of reasons outlined in other chapters of this report, including the expected increase in both general and college-age population, the distance from the state's major universities, and the high poverty rates in the region, universities in South Texas suffer unique funding problems.

CHAPTER IX

THE TEXAS HIGHER EDUCATION COORDINATING BOARD

The Legislature first created a central agency for the coordination of higher education, then called the Texas Commission of Higher Education, in 1955. In 1963, the Legislature passed House Bill 1, creating the Governor's Committee on Education Beyond the High School. When the committee issued its recommendations the following year, it found that the Texas Commission of Higher Education lacked statutory authority over the duplication of degree programs or the expansion of degree programs. The committee also found that recommendations to the Legislature regarding funding formulas and new institutions were frequently ignored. In addition, the committee found little coordination between the Texas Commission of Higher Education and the Texas Education Agency, which supervised the state's junior colleges.

One of the committee's principal recommendations was the creation of a Coordinating Board of Education Beyond the High School with greater responsibilities and oversight of both junior colleges and universities. The committee further recommended a stronger staff and greater statutory authority to carry out its duties.

In response to the committee's recommendations, the 59th Legislature passed the Higher Education Coordinating Act of 1965, which created the Coordinating Board, Texas College and University System. The original statute gave the intent of the Legislature as:

> . . . establish(ing) in the field of public higher education in the State of Texas an agency to provide leadership and coordination for the Texas higher education system, institutions and governing boards, to the end that the State of Texas may achieve excellence for college education of its youth through the efficient and effective utilization and concentration of all available resources and the elimination of costly duplication in program offerings, faculties and physical plants.

The 1965 Act also charged the Coordinating Board with the following duties:

* Defining the various kinds of institutions of higher education

* Developing and publishing criteria to be used in evaluating the need for new institutions or changing the classification of existing ones

* Classifying and prescribing the role and scope of each institution and modifying them as necessary

* Approving new departments, schools, and degree and certificate programs before implementation, reviewing all degree and certificate programs and "order(ing) the initiation, consolidation or elimination of degree or certificate programs where such action is in the best interests of the institutions themselves or the general requirements of the State of Texas, or where such action offers hope of achieving excellence by a concentration of available resources."

The structure of the Coordinating Board has remained unchanged since the passage of the 1965 statute. The Board consists of 18 members appointed by the Governor with the advice and consent of the Senate. The Governor also designates the chairman and vice-chairman of the Board. Section 61.022 of the Education Code requires the Governor to appoint members "from all areas of the state." Members are prohibited from being "employed professionally" in the field of education during their tenure on the Board (Section 61.022). The 70th Legislature added Section 61.0221, Education Code, which requires the Governor and the Senate to "ensure that the appointee has the background and experience suitable for performing the statutory responsibility of a member of the coordinating board."

One of the board's key responsibilities is the appointment of the Commissioner of Higher Education,

> . . . who shall select and supervise the board's staff and perform other duties delegated to him by the board. The commissioner shall serve at the pleasure of the board. The commissioner shall be a person of high professional qualifications having a thorough background by training and experience in the fields of higher education and administration and shall possess such other qualifications as the board may prescribe. (Section 61.028, Education Code)

The current Commissioner of Higher Education, Dr. Kenneth H. Ashworth, has served as Commissioner since 1974. The fact that the board meets only on a quarterly basis and the volume of detail which it manages ensures that it must depend to a great degree on staff for recommendations on many of its decisions. It also

operates a strong committee system. Nevertheless, on some controversial policy matters, such as construction approval, the Board itself has undertaken strong initiatives.

What is clear from the 1964 Governor's Committee report and the original legislation is that the creation of the Coordinating Board was a response to concerns about proliferation of degree programs and institutions of higher education. However, the growth of the student population at institutions of higher education during the 1960's and 1970's kept those concerns in the background. Recently, the decline in state revenue and the end of rapid growth in the college-age population has reemphasized the role of the Coordinating Board as a brake on institutional growth. In the past few years, the Board has taken a number of actions designed to inhibit growth of new programs and physical plants:

* It has implemented its statutory authority to draft role and scope statements.

* It has adopted higher standards for the approval of construction projects.

* It has drafted stringent financial standards for the approval of new degree programs.

Coupled with the difficulties which the state has experienced in funding services, the strengthening of the Coordinating Board's role as a manager of existing resources and a brake on growth has inhibited the development of higher education in those areas which have been traditionally underserved. With the exception of Texas A&I University, most of the institutions in South Texas are relatively new and were not yet in a position to grow substantially until recently.

The 70th Legislature modified the role of the Coordinating Board as an inhibitor of growth by amending the Education Code (Section 61.002) to include the following language: "In the exercise of its leadership role, the Texas Higher Education Coordinating Board . . . shall be an advocate for the provision of adequate resources and sufficient authority to institutions of higher education so that such institutions may realize, within their prescribed role and scope, their full potential to the benefit of the students who attend such institutions and to the benefit of the citizens of the state in terms of the realization of the benefits of an educated populace" (emphasis added).

Role and Scope Classifications

The Coordinating Board is charged by Section 61.051(d), Education Code, with "classify(ing) and prescribe(ing) the role and scope for each public institution of higher education in Texas . . . ." The Board is required to hear applications from institutions for role and scope changes but retains sole authority for the final product. In practice, staff has worked with the institutions of higher education. The Board rules state that "the role and scope of each institution . . . (is) flexible and subject to modification upon demonstration of good cause" (Chapter 5.21).

The term "role and scope" is contained in the original 1965 statute. However, the Board did not begin to implement this clause until 1985. Role and scope classifications are in practice composed of the following elements, of which only the first two are accepted by the Board:

* the "mission statement," a narrative of the goals and potential of each university;

* the "table of programs," which lists the degree programs the Board has authorized for each university;

* a historical statement; and

* other pertinent information, including the institution's aspirations.

The mission statements are in practice negotiated with each university by Board staff and subsequently accepted by the Board. Mission statements for community junior colleges and the Texas State Technical Institute were inserted into the Education Code by the 70th Legislature.

The Table of Programs in effect sets out the parameters within which each university can develop its programs. The Table of Programs also serves as an additional de facto step in the degree approval process. On some occasions, the Board has approved changes in the Table of Programs at the same time it approves the degree program, but such instances are infrequent.

Most universities in Texas have tables of programs accepted by the Board. A smaller but growing number have mission statements negotiated with the Board. The only South Texas university with both a mission statement and a Table of Programs accepted by the Board is Pan American University (approved by the Board on December 4, 1987, and January 24, 1986, respectively). Laredo State University has a Table of Programs which the Board approved on

April 22, 1984.

Pan American University applied in 1988 to modify its mission statement and Table of Programs. The Board staff recommended a modified Table of Programs to the Board at its October 28, 1988, meeting. The revised Table of Programs includes two new doctoral programs, 10 new master's programs, and three new undergraduate programs, not including engineering. The undergraduate level of engineering is marked by an asterisk which states that some engineering programs would be appropriate at Pan American University, but that full Board acceptance of any engineering program would require a change in the Table of Programs. The Board accepted the staff recommendation, adding an endorsement of The University of Texas-Pan American University cooperative degree program.

The expansion of the Table of Programs for Pan American University between the Board meetings of December 1987 and October 1988 is probably attributable to a number of factors: the filing of the LULAC v. Clements lawsuit on behalf of the students of South Texas; the creation of the Legislative Joint Committee on Higher Education in South Texas and the Committee's hearings regarding access to higher education services; greater ambition in planning on the part of the administration of Pan American University; and greater cooperation between the universities of South Texas and the Coordinating Board staff, exemplified by Commissioner Ashworth's announcement at the May 26, 1988, hearing of the Committee and the July 21, 1988, meeting of the Board that he would work with the universities in South Texas to develop new degree programs for their campuses.

The Commissioner and the Coordinating Board have by this and other actions shown a new willingness to cooperate with universities in South Texas on the development of needed programs. It is important that a positive and cooperative relationship between the Board and the universities continue.

Degree Program Approval

The Coordinating Board has broad powers regarding the degree programs offered by individual institutions. Section 61.051(e) of the Education Code provides that "[n]o new department, school, degree program, or certificate program may be added at any public institution of higher education except with specific prior approval of the Board." In addition, the Board is charged with approving degree programs at community junior colleges, technical institutes, off-campus and out-of-district instruction, extension, and less-than-baccalaureate instruction at senior universities. The

Board has adopted and published rules describing the procedures for requesting degree program approval and the criteria on which the staff, and eventually the Board, should base their decision. Despite the language in the statute, the Legislature has continued to exercise its authority in the creation of universities, health-related institutions, and professional schools.

A university seeking to add a degree program to its inventory must seek Board approval at three stages. The first stage is to add the degree program to the Table of Programs contained in the university's role and scope statement. The second step is to submit a degree program to the Board staff, which consults the approval requirements detailed in the Board rules. Even if the staff recommends that the request to add a degree program be denied, the university can request that the commissioner submit the request to the full Board. The Board has in the recent past approved a number of requests, including several schools of engineering, which the Commissioner had not recommended for approval; however, institutions in South Texas have not in the past taken this step.

Once the Board has approved a program, the university must show that it has the revenue available to fund half the program's cost for five years from nonformula funds, such as donations, special item funding, federal funds, or other sources. Until the July 21, 1988, meeting of the Board, the certification of funding was based on a university's ability to financially support all the costs of a degree program for two years. The Board has now changed the certification of funding standard to the one it uses for degree program approval: the ability to support half the cost of a degree program for five years.

Board criteria for the approval of degree programs generally fall into four categories which the staff of the Board uses to describe them in public: need, quality, adequacy of funding, and consonance with the role and scope statement of the institution. Sometimes a fifth criterion, avoidance of duplication, is also mentioned.

Board rules detail the requirements for degree program approval with varying specificity for each level of study. The Board rules require that a bachelor's degree program meet the following criteria before approval:

> * Funding: "[t]here should be suitable financing available to initiate the program, and the program should have growth potential to generate adequate funding within three years. Suitable financing for initiating the program should be made available without

reducing funds for existing programs or weakening them in any way . . . . If the state funding formulas are not meeting these costs (of the new degree program) after three years, the institution and the Coordinating Board should review the program with a view to discontinuance."

* The degree program should fall within the role and scope of the institution. Additionally, the degree program should complement existing ones at the university.

* The degree program should not be "unnecessarily duplicative of those at other institutions."

* The institution should have adequately trained faculty in appropriate numbers.

* Library collections of books, periodicals, microform books, and monographs should be both large and varied enough to support the degree program.

* Adequate physical facilities, including classrooms, laboratories, equipment, and office space should be available.

* Additional administrative overhead should be at a minimum.

* There should be adequate demand for future graduates of the degree program, either in the future national labor market or in advanced degree programs.

The criteria for approval of a new master's degree program include the requirements that the new degree program be within the role and scope of the institution and be consistent with existing programs. They also include the following:

* The institution must in most cases demonstrate strength at the bachelor's level of the same program in such areas as faculty, libraries, research facilities, and funds.

* The institution should have access to the "critical mass" of graduate students who, upon registering, will enable the degree program to earn formula money in future biennia.

* The institution should have "appropriate faculty and

administrative procedures to assure an effective program," including an "appropriate administrative unit and a graduate council" with the authority to set admissions and other standards and requirements.

* The institution should accumulate the specific library resources, set at standards provided by the Resources in Texas Libraries. Those standards are 100,000 volumes for institutions which offer a minimal number of master's programs. For those with a more extensive array of master's programs, the standard suggests "a minimum library collection of 250,000 volumes, with 20,000 new additions per year, and 2,000 periodical subscriptions." While the board rules provide that the quality of the collections is of critical importance, the greatest concern in evaluating whether the holdings are sufficient to support an individual degree program is their strength in that discipline.

The criteria for approving new doctoral programs include strong programs at the bachelor's and master's levels and a critical mass of "superior students." Other criteria include:

* Proposed doctoral degree programs should have at least four or five faculty members with Ph.D.'s who are engaged in or have published significant research, have teaching loads not to exceed three courses per semester (including advanced courses and seminars), have access to funds for research, travel, and other forms of professional development. The faculty members "should come from a variety of academic backgrounds and have complementary areas of specialization." The guidelines explicitly state that the faculty should already be on staff and that "[p]roposed recruitment of such faculty will not meet this requirement."

* The programs should meet the standards of the relevant accrediting associations and a "carefully planned and systematic" program of study which includes a dissertation and provides for both general education in the field of study and specialization.

* Facilities should be adequate, including office space, computer access, library carrels, seminar rooms, and laboratories, if appropriate.

* Financial assistance for qualified students. The board guidelines point out that "[i]nitially, funds for

financial assistance to the doctoral students usually must come from institutional sources."

* Library resources should include at least one-half million volumes and annual book expenditures of at least $200,000. The quality of the holdings is also important.

* There should be demand for the graduates of these degree programs.

These guidelines are intended to be rigorous in order to ensure the quality of programs approved. In practice, they are frequently a matter of judgment. The estimation of future program costs is especially difficult and approximate.

Underfunded universities have particular difficulty in meeting these requirements. For example, they do not have the financial resources to meet the start-up costs of half the non-formula funding for five years. They simply do not possess the institutional and private resources of better-funded universities. For the same reason, they are not in a position to hire the outstanding faculty required for a doctoral degree program. In addition, faculty in underfunded institutions are frequently needed to teach four classes each semester, which deprives them of the needed release time for writing the necessary research proposals and carrying them out.

As well, in recent years, South Texas universities have suffered budget cuts along with the rest of the institutions of higher education. The lack of flexibility in the budgets of smaller institutions has caused underfunding of entry-level faculty positions, particularly at institutions with an older, better-paid tenured faculty. Another area which has suffered in recent years because of the need to finance increasing services with a smaller budget is the library system at South Texas institutions. Universities have had to trim their acquisition budgets and subscriptions to essential scholarly journals.

Commissioner Ashworth has argued publicly that the board has not been unduly harsh with degree program proposals from South Texas universities and has pointed out that the board has in fact approved a number of recent degree program requests. In practice, as Commissioner Ashworth testified on May 26, 1988, before the Committee, the staff gives informal advice on the prospect of degree program approval. Typically, South Texas institutions, unlike some universities in other regions, have not exercised their option to take proposals to the Board regardless of the staff recommendation.

Commissioner Ashworth announced in testimony before the Committee that he intended to work with the universities in the region to foster appropriate degree program initiatives. In addition, he said that he would propose special line item degree program development funds for South Texas universities to the Coordinating Board at its next regular meeting on July 21-22, 1988.

At the July meeting of the Board, Commissioner Ashworth read a statement entitled "Progress Report on South Texas Mission Statements." In part, that statement reads as follows:

> We acknowledge that certain conditions exist in South Texas which justify some expansion in educational offerings. These conditions are not due to any discrimination based on the region or the ethnicity of citizens in that area. We could take other areas of the state and demonstrate that the Coordinating Board has been equally or even more parsimonious in approving degree programs and offerings than we have been in the South Texas area. However, there is no denying that the growth shown in South Texas in recent years and the further growth projected into the future will justify increased educational offerings in that area . . . . . It is a given that we as a Board should not and can not dictate a plan for all of South Texas and each institution. Consequently, the only option available is to work to get an appropriate plan developed from the area.

Commissioner Ashworth went on to offer technical assistance to South Texas institutions in the development of "approvable and strong" degree programs; he noted that graduate programs "must be based on strong undergraduate programs" and that problems of duplication would be greater at graduate levels. He argued that South Texas institutions should cooperate in allocating degree program requests and suggested that, in the absence of an agreement, the schools should develop cooperative or federated degree program requests, and he said that the Board would not adjudicate disputes between the institutions.

The Board took no action on Commissioner Ashworth's statement, but included it in the minutes of the meeting. Later in the meeting, the Board considered Commissioner Ashworth's proposal to amend the Coordinating Board's legislative budget request to include $1.8 million in special line item program development funds for the five universities in South Texas and The University of Texas at San Antonio. State Senator Carlos F. Truan wrote a letter to the members of the Board requesting that the Board increase the amount in its legislative budget request and noted that the program

development funding for Prairie View A&M University and Texas Southern University in response to a federal mandate to improve education at those universities had been significantly higher. After some discussion of increasing the request, the Board approved including $1.8 million in special item program development funds for the six universities in its 1990-91 budget request.

If funded by the Legislature, the Coordinating Board's request would provide for the 1990-91 biennium $400,000 each to Corpus Christi State University, Pan American University, Texas A&I University, and The University of Texas at San Antonio. It would also provide $100,000 each to Laredo State University and Pan American University at Brownsville. These funds would be appropriated for use at the universities' discretion for program development, feasibility studies, or funding the non-formula portion of proposed degree programs. Commissioner Ashworth's reason for choosing the $400,000 level of funding was his estimate that that figure would fund a university's portion of one to three degree programs from the biennium. Part of the rationale for this figure is that a university would find it difficult to develop more than one to three degree programs within the constraints of the 1990-91 biennium. Dr. Lauro Guerra, a member of the Board, testified before the Committee, at its hearing in Edinburg on August 16, 1988, that there was some sentiment on the Board to increase the amount of program development funds in future biennia.

Construction Funding

The Board is also charged with approving construction and repair projects with a cost higher than $300,000 and purchases of real property by institutions of higher education. Community junior colleges are exempt from seeking Board approval for construction or repair projects which the state does not fund. According to the Texas Constitution, Article VII, Section 18(h), The University of Texas at Austin, Texas A&M University, and Prairie View University are exempt from the requirement for Board approval of construction funds.

The Board's authority does not extend to repair and construction projects which are funded by legislative act. According to the Texas Constitution, Article VII, Section 18(i)(2), the Legislature may use general revenue to fund the acquisition of land, construction, or repair upon a two-thirds vote of each House.

In 1987, the Board amended its policies on the approval of construction funding to demonstrate that the need for the requested construction "is at least equal to the need to acquire additional or more modern instructional and research equipment." This

requirement reflects a Board concern that Texas' university system may be overbuilt and that maintenance costs are increasing rapidly.

Research

The Board is also responsible for the administration of the advanced research programs, which are discussed in Chapter VIII, The System of Higher Education Funding in Texas, of this report.

Lobbying

Allegations have been made that Commissioner Ashworth has contacted legislators to express his opinion about pending legislation, particularly with regard to the proposed affiliation of the Reynaldo G. Garza School of Law with Pan American University during the 70th Legislature. Statutory restrictions against lobbying by state employees are vague and difficult to enforce. In addition, state employees and agencies are required by law to provide assistance when requested by the Legislature (Section 301.028, Government Code). However, actively contacting legislators to oppose proposed legislation without being requested to do so is a violation of the generally accepted interpretation of the restrictions on lobbying by state employees, and such contacting of legislators should be discontinued, if occurring.

The Texas Academic Skills Program

The 70th Legislature required colleges and universities in Texas to administer a basic skills test to undergraduate students who enter public institutions of higher education in Texas. The implications of this test for universities in South Texas are examined in Chapter V, Access to Higher Education in South Texas, of this report.

Scholarships

Funding of scholarships is a legislative decision, but the Coordinating Board is charged with administering the various federal and state programs. In addition, it develops the budget requests for the state scholarship programs.

Financial aid in Texas is covered in greater detail in Chapter V, Access to Higher Education in South Texas.

Conclusion

One function of The Texas Higher Education Coordinating Board has been, from its inception, to manage the growth of higher education in the state. This part of the Board's role has assumed greater importance at a time of little growth in enrollment and declines in revenue.

The Board's function as a brake on institutional growth has been demonstrated by its conservatism in the acceptance of degree programs and the development of role and scope statements. The Board has not exercised several statutory powers which would allow it a more active role in governing the growth of higher education in Texas, such as imposing enrollment caps on institutions or "order(ing) the initiation, consolidation, or elimination of degree or certificate programs" (Section 61.051(e), Education Code).

The 70th Legislature indicated by passage of House Bill 2181, that it expected the Board to assist universities. Thus, Section 61.002(b), Education Code, charges the Board with becoming an "advocate" for institutions of higher education, and Section 61.051(l) charges the Board with providing technical assistance to institutions.

PART C

APPENDIXES

APPENDIX I

PROFILES OF THE SOUTH TEXAS INSTITUTIONS OF HIGHER EDUCATION

Senior Colleges and Universities

University System of South Texas

- Texas A&I University
- Corpus Christi State University
- Laredo State University

Pan American University (Edinburg)

- Pan American University at Brownsville

Uvalde Area Study Center--Sul Ross State University

Junior/Community Colleges

Bee County College

Del Mar College

Laredo Junior College

Southwest Texas Junior College

Texas Southmost College

Technical/Vocational Colleges

Texas State Technical Institute (Harlingen Campus)

Texas State Technical Institute (McAllen Extension)

TEXAS A&I UNIVERSITY

Texas A&I University is located in Kingsville, Texas, and is a senior university offering courses at the undergraduate and graduate levels. To be eligible for admission to the university, an entering freshman must have a high school diploma or the equivalent, and have taken either the American College Test (ACT) or the Scholastic Aptitude Test (SAT).

Bachelor's degrees are offered at Texas A&I University in the following areas of study: Agricultural Economics, Agricultural Mechanization, Animal Science, Plant and Soil Science, Range and Wildlife Management, Home Economics, Biology, Chemistry, Communication Disorders, Geology, Mathematics, Physics, Pre-Medicine, Pre-Dentistry, Pre-Pharmacy, Pre-Nursing, Art, Applied Music, Music Education, Communication, Theater Arts, English, French, Spanish, Geography, History, Psychology, Sociology, Accounting, Economics, Data Processing, Business Administration, Finance, General Business, Management, Marketing, Public Administration, Real Estate, Chemical Engineering, Civil Engineering, Computer Science, Electrical Engineering, Mechanical Engineering, Natural Gas Engineering, Industrial Technology, Elementary Education, and Secondary Education.

The university offers master's degrees in the following fields: Agricultural Economics, Agricultural Education, Agricultural Mechanization, Animal Science, Plant and Soil Science, Range and Wildlife Management, Art, Biology, Chemistry, English, Geology, History and Politics, Mathematics, Spanish, Music Education, Psychology, Sociology, Business Administration, Accounting, Elementary Education, Secondary Education, Adult Education, Special Education, Early Childhood Education, Counselling and Guidance, Supervision, Bilingual Education, Reading Specialization, Physical Education, School Administration, Chemical Engineering, Natural Gas Engineering, Engineering, Civil Engineering, Mechanical Engineering, Computer Science, and Electrical Engineering.

Texas A&I University offers the only doctoral program in all of South Texas, which is in Bilingual Education.

Texas A&I University has three research facilities: the Texas A&I University Citrus Center, the Caesar Kleberg Wildlife Research Institute, and the Energy Research and Development Center.

The citrus center consists of farmland and orchards that are used for citrus production, research, and demonstration. Work done at the center has attained national and international recognition. The Caesar Kleberg Wildlife Research Institute is located on the Texas A&I University Farm. Commercial mesquite production in South Texas has increased as a result of research conducted at the Wildlife Research Institute, which has also received international recognition. In addition, a doctoral program has been proposed that would be based at the Wildlife Research Institute.

General Statistics

Fall Enrollment: 5,395 (1987); 5,614 (1988); Difference: +4%

Average age of students: 23

Marital status of students: 25% married

Student/Faculty ratio: 19:1

Volumes in library: 450,000

Legislative Appropriations: $12,343,980 (Fiscal, 1988); $13,122,872 (Fiscal, 1989)

Percentage of students receiving financial aid: 60%

Average faculty salary: $31,494 per year

CORPUS CHRISTI STATE UNIVERSITY

Corpus Christi State University (CCSU) is an upper-level institution offering courses at the junior, senior, and graduate levels only. To be admitted to the university a student must have completed 60 hours of academic course work at a regionally accredited junior college, senior college, or university other than CCSU, and have an overall grade point average of 2.0.

CCSU offers bachelor's degrees in the following areas: Art, Communications, English, History, Political Science, Psychology, Sociology, Spanish, Criminal Justice, Elementary Education, Occupational Education, Physical Education, Secondary Education, Special Education, Biology, Chemistry, Computer Science, Geology, Mathematics, Medical Technology, Music, Accounting, Applied Business, Computer Information Systems, Finance, General Business, Management, Marketing, and Nursing.

Master's degrees are offered at CCSU in the following fields: Nursing, Interdisciplinary Study, Psychology, Accounting, Management, Counselling and Guidance, Curriculum and Instruction, Education, Administration, Elementary Education, Occupational Education, Secondary Education, Biology, and Computer Science.

CCSU opened the Bluecher Institute, a research center, in 1987.

General Statistics

Fall Enrollment: 3,740 (1987); 4,038 (1988); Difference: +8%

Average age of students: 34 years

Marital status of students: 45% married

Student/Faculty ratio: 18:1

Volumes in library: 275,500

Legislative Appropriations: $8,029,779 (Fiscal, 1988); $8,707,252 (Fiscal, 1989)

Percentage of students
receiving financial aid: 55%

Average faculty salary: $32,399 per year

LAREDO STATE UNIVERSITY

Laredo State University (LSU) is an upper-level institution offering courses at the junior, senior, and graduate levels only. To be admitted to LSU a student must have completed 60 hours of transferable credit applicable to the desired degree and have a grade point average of at least 1.6.

LSU offers bachelor's degrees in the following areas: Biology, Chemistry, English, History, Law Enforcement, Mathematics, Physics, Political Science, Sociology, Spanish, Theology, Psychology, Criminal Justice, Elementary Education, Secondary Education, General Business, Accounting, and Computer Information Systems.

Master's degrees are available in the following fields: Interdisciplinary Studies, History, Mathematics, Political Science, Sociology, Spanish, International Trade, Elementary Education, Secondary Education, Administration, Bilingual Education, Early Childhood Education, and Reading.

LSU has a research center, the Institute for International Trade. The International Trade Journal is a quarterly journal published by the institute that provides information on research findings in the following areas: International Trade Theory, International Trade Relations, Commercial Policy, Trade and Development, International Trade Organizations and Agreements, National Studies, and Regional Studies.

General Statistics

Fall enrollment: 913 (1987); 1,076 (1988); Difference: +18%

Average age of students: 30 years

Marital status of students: 46% married

Percentage of students living at home: 75% (approximately)

Student/Faculty ratio: 20:1

Volumes in library: 159,734

Legislative
Appropriations: $2,848,130 (Fiscal, 1988); $3,024,794 (Fiscal, 1989)

Percentage of students
receiving financial aid: 30%

Average faculty salary: $31,661 per year

PAN AMERICAN UNIVERSITY

Pan American University in Edinburg (PAU-Edinburg) is an institution of higher education offering courses at the undergraduate and graduate levels. The university has an open enrollment policy. To be eligible for admission to the university an entering freshman must have a high school diploma or the equivalent.

PAU-Edinburg offers bachelor's degrees in the following areas: Accounting, Computer Information Systems, Economics, Finance, General Business, Management, Marketing, Office Administration, Elementary Education, Health Education, Physical Education, Recreational Administration, Secondary Education, Medical Technology, Dietetics, Nursing, Art, Communication, English, Government, History, Mexican-American Heritage, Music, Psychology, Sociology, Spanish, Speech and Hearing, Biology, Chemistry, Computer Science, Math, Physics, Criminal Justice, and Social Work.

Master's degrees are offered in the following fields of study: Communication Disorders, English, English as a Second Language, History, Interdisciplinary Studies, Bilingual/Bicultural, Counselling and Guidance, Diagnostics, Elementary Education Administration, Physical Education, Reading, Secondary Education, Supervision, and Biology.

The Center for Entrepreneurship and Economic Development (CEED) was established by the School of Business Administration at PAU-Edinburg. Its purpose is to develop human resources in South Texas by promoting business development, international business and trade, and management improvement in city and county government. Since its inception the CEED has provided assistance to over 600 businesses, secured financing for more than 20 businesses, conducted business development workshops, developed business plans, and has completed market studies and economic profiles. Over 600 businessmen and businesswomen, public officials, and economic development leaders have attended one of the three regional economic development conferences sponsored by the CEED.

General Statistics

Fall enrollment: 9,638 (1987); 11,228 (1988); Difference: +16%

Percentage of students living at home: 64.2%

Marital status of students: 14.7% married

Graduation rate: 20% (Information based on a study conducted from 1977-1986)

Student/Faculty ratio: 22.7:1

Volumes in library: 227,210

Legislative Appropriations: $16,857,258 (Fiscal, 1988); $18,520,936 (Fiscal, 1989)

Percentage of Students receiving financial aid: 60% (Figure represents the number at Edinburg and the Brownsville campus)

Average faculty salary: $32,392 per year

PAN AMERICAN UNIVERSITY AT BROWNSVILLE

Pan American University at Brownsville (PAU-B) is an upper-level institution offering courses at the junior, senior, and graduate levels. A student must have completed at least 60 hours of transferable college work in order to be admitted to the university.

PAU-B offers bachelor's degrees in the following areas: English, History, Political Science, Spanish, Sociology, Criminal Justice, Elementary Education, Liberal Arts, Accounting, Finance, General Business, Management, Marketing, and Administration. Master's degrees are offered in the following fields: Elementary Education, Counselling and Guidance, Supervision, Reading, Bilingual Education, and Educational Administration.

General Statistics

Fall Enrollment: 1,248 (1987); 1,528 (1988); Difference: +22%

Average age of students: 31 years

Marital status of students: approximately 40% married

Percentage of students living at home: over 92%

Percentage of students who work: 58% of full-time students
84% of part-time students
50% of the students provide full support to their families, and
10% of the students provide partial support

Graduation rate: approximately 80%

Student/Faculty ratio: 19:1

Volumes in library: 122,678

Legislative Appropriations: $2,806,818 (Fiscal, 1988); $3,002,497 (Fiscal, 1989)

Percentage of students receiving financial aid:	60% (figure represents PAU-B and PAU-Edinburg)
Average faculty salary:	$31,825 per year

UVALDE AREA STUDY CENTER--SUL ROSS STATE UNIVERSITY

The Uvalde Area Study Center is an upper-level institution providing courses at the junior, senior, and graduate levels. To be admitted to the university a student must be able to provide an official transcript from a previous college and must be in good academic standing.

The center provides bachelor's degrees in the following areas: Elementary Education, English, History, Social Science, Spanish, Business Administration, and Business Education. In addition, the center offers master's degrees in these fields: Business Administration, Elementary Education, Secondary Education, Education Diagnostics, Counselling, School Administration, Supervision, and Reading.

General Statistics

Fall enrollment: 402 (1987); 450 (1988); Difference: +12%

Average age of students: 34 years

Marital status of students: approximately 75% married

Percentage of students living at home: 98%

Percentage of students who work: 78-85%

Graduation rate: approximately 18-25%

Student/Faculty ratio: 17:1

Legislative
Appropriations: $276,000 (Fiscal, 1988); $276,000 (Fiscal, 1989)

Percentage of students
receiving financial aid: 62% (figure represents all of Sul Ross State University)

Average faculty salary: $27,371 per year

BEE COUNTY COLLEGE

Bee County College is a public community college located in Beeville. The school offers courses at the freshman and sophomore levels only. To be eligible for admission to the institution an entering freshman must have a high school diploma or the equivalent or individual approval. Bee County College offers technical and vocational programs in addition to the academic programs that lead to associate degrees or certificates.

Bee County College was established by the Bee County Junior College District in 1967 and is supported by the taxpayers in Bee County in addition to legislative appropriations.

General Statistics

Fall enrollment: 2,205 (1987); 2,552 (1988); Difference: +16%

Average age of students: 25 years

Student/Faculty ratio: 20:1

Legislative
Appropriations: $5,091,380 (Fiscal, 1988); $5,091,380 (Fiscal, 1989)

Average faculty salary: $25,477 per year

DEL MAR COLLEGE

Del Mar College in Corpus Christi is a public community/junior college offering courses at the freshman and sophomore levels. To be admitted to the college, a person must be a graduate of an accredited high school with a minimum of 15 units including three units of English, two units of mathematics, two units of social studies, and eight elective units. Also, the college requires that a person take one of the following standardized tests: American College Test (ACT), Scholastic Aptitude Test (SAT), or the Test of Academic Skills (TASK). Del Mar has a conditional admittance available for applicants over 17 years of age. These students must be individually approved, and may remove conditions by completing a prescribed 30 semester hours of accredited work, with at least a grade average of "C."

Del Mar College was founded in 1935 under the control of the board of trustees of the Corpus Christi Independent School District. In 1951 the government of the college was transferred to the Corpus Christi Junior College District. The college district is an independent political subdivision with boundaries coterminous with the city of Corpus Christi. Local taxes provide support of the college in addition to appropriations by the Texas Legislature.

General Statistics

Fall enrollment: 9,394 (1987); 9,956 (1988); Difference: +6%

Legislative
Appropriations: $12,675,931 (Fiscal, 1988); $12,675,931 (Fiscal, 198

Percentage of students
receiving financial aid: 26%

Average faculty salary: $31,565 per year

LAREDO JUNIOR COLLEGE

Laredo Junior College is a public community college offering courses at the freshman and sophomore levels only. The school maintains an open door policy of admissions. To be admitted, an entering freshman must present a high school diploma or the equivalent, an individual approval form, or be a Job Corps enrollee.

The college was created in 1946 by the voting citizens of the Independent School District of Laredo. The college district boundaries are coterminous with the city of Laredo.

General Statistics

Fall enrollment: 4,463 (1987); 4,905 (1988); Difference: +10%

Average age of students: 25 years

Student/Faculty ratio: 27:1

Volumes in library: 155,000

Legislative
Appropriations: $7,275,630 (Fiscal, 1988); $7,275,630 (Fiscal, 1989)

Percentage of students
receiving financial aid: 58%

Average faculty salary: $27,383 per year

SOUTHWEST TEXAS JUNIOR COLLEGE

Southwest Texas Junior College is a public community/junior college offering courses at the freshman and sophomore levels only. To be admitted to the college a student must have graduated from high school with three units of English, two units of mathematics, two units of social studies, one unit of science, and seven units of electives. Students who are not high school graduates may apply for permission to take the G.E.D. high school diploma equivalency test.

The college is part of a tri-county junior college district composed of Real, Uvalde, and Zavala counties.

General Statistics

Fall enrollment: 2,297 (1987); 2,450 (1988); Difference: +7%

Average age of students: 24 years

Student/Faculty ratio: 23.2:1

Volumes in library: 26,000

Percentage of students living at home: 73%

Percentage of students who work: 32% currently employed
42% seeking employment

Marital status of students: 27% married

Legislative Appropriations: $3,405,096 (Fiscal, 1988); $3,405,096 (Fiscal, 1989)

Percentage of students receiving financial aid: 62%

Average faculty salary: $31,320 per year

TEXAS SOUTHMOST COLLEGE

Texas Southmost College (TSC) is a public community/junior college that offers courses at the freshman and sophomore levels only. The school maintains an open door admissions policy. An entering freshman must have a high school diploma or the equivalent. A person over 18 years of age who does not meet the requirements may apply for individual approval.

TSC is part of the Texas Southmost College District whose boundaries lie within Cameron County.

General Statistics

Fall enrollment: 5,267 (1987); 5,519 (1988); Difference: +5%

Legislative
Appropriations: $6,910,128 (Fiscal, 1988); $6,910,128 (Fiscal, 1989)

Percentage of students
receiving financial aid: 65%

Average faculty salary: $27,780 per year

TEXAS STATE TECHNICAL INSTITUTE
The Harlingen Campus and The McAllen Extension

Texas State Technical Institute (TSTI) offers technical and vocational education programs designed to develop occupational skills. To be admitted to TSTI an entering student must take the Differential Aptitude Test and present a high school diploma or the equivalent, a college transcript, or an individual approval form.

TSTI-Harlingen offers programs of study at the associate degree and certificate levels in the following areas: Air Conditioning and Refrigeration Technology, Biomedical Equipment Technology, Building Construction Technology, Chemical Technology, Computer Maintenance Technology, Dental Laboratory Technology, Drafting and Design Technology, Electromechanical Technology, Electronic Technology, Farm and Ranch Management, Food Service Technology, Industrial Data Processing Technology, Computer Programming, Information Processing Technology, Instrumentation Technology, Medical Record Technology, Technical Office Training, Welding Technology, Auto Body Repair, Automotive Mechanics, Business Skills, Diesel Mechanics, Electronic Servicing, Industrial Maintenance Mechanics, Industrial Offset Operations, Machine Shop Operations, Medical Records Clerk/Transcriptionist, Nurse Assistant, and Surgical Technician.

The McAllen Extension offers the following certificate programs: Air Conditioning and Refrigeration Technology, Information Processing Technology, Technical Office Training, Automotive Mechanics, Business Skills, Electronic Servicing, Industrial Maintenance Mechanics, Medical Records Clerk/Transcriptionist, and Nurse Assistant.

General Statistics

THE HARLINGEN CAMPUS

Fall enrollment: 2,152 (1987); 2,193 (1988); Difference: +2%

Percentage of students living at home: 85%

Average age of students: 24.7 years

Graduation rate: approximately 60%

Student/Faculty ratio: 15.5:1

Volumes in library: 16,384

Percentage of students receiving financial aid: 76%

Average faculty salary: $30,799 per year

THE MCALLEN EXTENSION

Fall enrollment: 408 (1987); 430 (1988); Difference: +5%

Average age of students: 24 years

Marital status of students: 27% married

Percentage of students who work: approximately 30%

Graduation rate: approximately 60%

Student/Faculty ratio: 15:1

Volumes in library: 2,683

Average faculty salary: $26,000 per year

APPENDIX II

THE TEXAS HOUSE OF REPRESENTATIVES

MEXICAN AMERICAN LEGISLATIVE CAUCUS RESOLUTION

The Mexican American Legislative Caucus adopted this resolution and the Honorable Juan Hinojosa, Caucus Chairman, forwarded it to the cochairmen of the Legislative Joint Committee on Higher Education in South Texas for consideration by the committee.

RESOLUTION

BE IT RESOLVED THAT THE MEXICAN AMERICAN LEGISLATIVE CAUCUS URGES THE LEGISLATIVE JOINT COMMITTEE ON HIGHER EDUCATION IN SOUTH TEXAS TO ADOPT THE FOLLOWING AS PART OF ITS RECOMMENDATIONS TO THE LEGISLATURE FOR ADDRESSING THE HIGHER EDUCATION PROBLEMS OF SOUTH TEXAS:

1. Building a strong system of higher education in South Texas will take commitment and substantial resources--the problem took many years to develop and as such, can only be solved with immediate and long-term decisive action. To provide South Texas with the higher education service which the region needs and is entitled to will take leadership on behalf of the major institutions responsible for higher education--the legislature, the Coordinating Board, The University of Texas System, The Texas A&M University System and the University of Houston System.

2. It is in the best interest of the State to pursue an immediate resolution of the pending litigation brought by Mexican American plaintiffs so that the matters involved in the suit will not be adjudicated, but will be handled by the policy-makers for Texas. In this regard, this Committee recommends that possibilities for settlement be explored, and that the Texas Legislature, the Coordinating Board, The University of Texas System, The Texas A&M University System and the University of Houston System participate in

formulating a remedy for the problem of disparities in resources allocated to South Texas.

3. Coordinating Board policy has been ineffective in solving the problems of lack of access to higher education in South Texas. Funding has not reflected the geographic and social/cultural realities of South Texas. The Coordinating Board must take immediate and long-term decisive action. It should provide the needed leadership and coordinate the actions of the Legislature, The University of Texas, Texas A&M University and University of Houston systems to provide the needed resources to South Texas.

4. The University of Texas, Texas A&M University and University of Houston systems have strongly influenced the development of Texas higher education policy in the past 50 years. The University of Texas, Texas A&M University, and the University of Houston must provide needed leadership in helping provide higher education resources to South Texas. Regardless of mergers, these systems must commit to providing substantial immediate and long-term resources in South Texas.

5. To provide the needed resources to South Texas the approaches should be twofold: First, provide an immediate infusion of funds to set up the infrastructure for creating numerous masters, Ph.D. and professional schools--every South Texas institution already has five to ten year plans that should be used as a guide for developing the programs; Second, the per capita spending on higher education in South Texas should be equal to the statewide average.

6. The State will raise the per capita spending for higher education (including Health Science Centers) on higher education in South Texas to reflect the Statewide average by 1998. An additional investment of $185 million per biennium will be required.

7. By 1991, the ratio of population to number of Master Degree Programs offered in South Texas must equal the ratio of population to Master Degree Programs offered per capita for

Texas as a whole.

8. By 1993, the ratio of population to number of Ph.D. programs for South Texas must equal the ratio of population to number of Ph.D. programs for Texas as a whole.

9. By 1995, the ratio of population to number of persons receiving Masters degrees in South Texas must equal the ratio of population to number of persons receiving Masters degrees in Texas as a whole.

10. By 1997, the ratio of population to number of persons receiving Ph.D. degrees in South Texas must equal the ratio of population to persons receiving Ph.D. degrees in Texas as a whole.

11. By 1998, the per capita expenditure for all higher education programs (including Health Science Centers) for South Texas must equal the per capita expenditure for all higher education programs (including Health Science Centers) for Texas as a whole.

12. The State will strengthen the undergraduate programs in South Texas and will develop strong, new programs based in South Texas.

13. By 1989 there shall be additional professional schools such as law, engineering, pharmacy, veterinary, medicine, architecture or others in South Texas.

14. To address the health needs of South Texas by 1994, there shall be one state-supported health science center in South Texas by 1994, the location of that center to be determined by June 1991.

15. South Texas universities shall receive adequate state support to develop stronger student recruiting and retention programs. The recruitment of students should have as its goal the creation of a diverse student body, including all ethnic and racial groups, as well as nontraditional students such as

migrant, former drop-outs and retrainees.

16. The Coordinating Board will include the evaluation of requests for new programs:

    Negative weights to requests from institutions (1) that can afford to fund the new programs totally from their own resources, (2) which have a history of underserving minority and low-income populations in Texas, or (3) with high dropout rates among minority students.

    Positive weights to requests from institutions (1) in geographic areas such as South Texas that have historically received less higher education funding per capita than the state as a whole (2) with significant minority population or (3) serving areas with high percentage of low-income families.

17. The Texas Academic Skills Program (TASP) must be modified to insure that any examination scores be used as only one indicator of a student's ability to perform upper level college work, that any cut-off scores be used in a way that will exclude only a minimum percentage of students and that every method be used to remove potentially biased contents and items from the examination.

    The TASP examination should be used only if sufficient additional monies are legislated for South Texas institutions to provide sufficient remedial advisement and counseling programs.

18. The Legislature will urge university presidents to assume a significant role in cooperating with public school superintendents to plan to improve retention rates by the year 2000 and to implement the educational priorities which will reduce the drop-out rates.

19. The Committee recommends that the mission of each campus in Texas should be clarified to emphasize that higher education institutions play a significant role in reducing the public

school drop-out rates in Texas.

20. As community college districts expand their boundaries, they must be permitted to change from at-large election schemes for selecting their governing boards to representation from single-member districts.

21. To accomplish the above goals, the caucus suggests the following development plan for South Texas:

SOUTH TEXAS HIGHER EDUCATION
DEVELOPMENT PLAN-ENHANCEMENT OF
EXISTING PROGRAMS AND NEW PROGRAM
10 YR PROGRAM

University	Enhancement of Existing Programs (A)	New Programs (B)	TOTAL
Corpus Christi State	40 Million	77.4 Million	117.4 Million
Laredo State	15 Million	40.5 Million	55.5 Million
Pan Am - Brownsville	15 Million	40.2 Million	55.2 Million
Pan Am - Edinburg	110 Million	88.5 Million	198.5 Million
Texas A&I - Kingsville	83 Million	70.2 Million	153.2 Million
Sub-Total	263 Million	316.8 Million	579.8 Million
University of Texas at San Antonio	60 Million	62.6 Million	122.6 Million
University of Texas at El Paso	60 Million	116.5 Million	176.5 Million
Sub-Total	120 Million	179.1 Million	299.1 Million
Statewide Intervention Program	126 Million	-0-	126 Million
TOTAL	509 MILLION	495.9 MILLION	1,004.9 MILLION

A - monies for scholarships, salary increases, retention, recruitment, counseling, advising, library, etc.

B - monies to develop new bachelor, master, Ph.D. and other degree programs and required facilities for new programs (does not include formula funding).

22. These programs and policies must be implemented to allow South Texas to have access to higher education equal to that of other areas of the state.

On the other hand, it is recognized that achievement of all of

these goals within the suggested time limitation might be difficult to finance. Therefore, proposals guaranteeing at least significant progress toward these goals should be supported.

APPENDIX III

LIST OF PERSONS WHO TESTIFIED AT HEARINGS IN AUSTIN AND SOUTH TEXAS

The following is a roster of persons who made presentations to the committee at the six public hearings held in Austin and South Texas:

Old Supreme Court Room, State Capitol
Austin, Texas

May 26, 1988

The Honorable William P. Hobby, Lieutenant Governor

* Dr. Frederick von Ende, Professor of English, Pan American University, Edinburg

* Dr. Stephen H. Murdock, Texas A&M University Agricultural Experiment Station

Dr. David Warner, Lyndon B. Johnson School of Public Affairs

* Dr. Sidney Weintraub, Lyndon B. Johnson School of Public Affairs

* Dr. Kenneth Ashworth, Commissioner of Higher Education

* Dr. Homer Pena, President of Pan American University at Brownsville

* Dr. B. Alan Sugg, Chancellor of the University System of South Texas and President of Corpus Christi State University

* Dr. Steve Altman, President of Texas A&I University

* Dr. Leo Sayavedra, President of Laredo State University

* Dr. Miguel Nevarez, President of Pan American University at Edinburg

* Jack S. Blanton, Chairman of the Board of Regents of The University of Texas System

David G. Eller, Chairman of the Board of Regents of The Texas A&M University System

* Dr. Hans Mark, Chancellor of The University of Texas System

* Dr. William H. Cunningham, President of The University of Texas at Austin

Dr. Perry L. Adkisson, Chancellor of The Texas A&M University System

* * *

Texas A&I University

June 28, 1988

The Honorable Mariam Lemmons, Mayor, City of Kingsville

* Dr. Steve Altman, President, Texas A&I University

* Mr. Gilbert Acuna, Member, Board of Regents, The University System of South Texas

* Dr. Jim Phaup, Chair, Political Science Department, Texas A&I University, Faculty Ad Hoc Higher Education Committee

* Dr. Gustavo Gonzales, Director, Bilingual Education Department, Texas A&I University

* Dr. Doris A. Clatanoff, Chair, Department of English, Texas A&I University, President, Texas Faculty Association, Texas A&I University Chapter

* Mr. Frank Quinones, Director, Secondary Youth Programs, Texas A&I University

* Mr. Mark Ureste, student, Texas A&I University

* Mr. Rito Silva, student, Texas A&I University

* Dr. Ed J. Davis, Deputy Chancellor for Finance and Administration, The Texas A&M University System

Mr. Gerald Hill, Vice-Chancellor for Governmental Relations, The University of Texas System

* Mr. Filiberto Garcia, Chief Executive Officer and President,

GARCO, Inc., Kingsville

* Ms. Minnie R. Henderson, Community Leader and Former School Board President, Kingsville Independent School District

* Mr. Bob Regan, President, Texas A&I Alumni Association

* Mr. Dick Messbarger, Executive Director, Kingsville Chamber of Commerce

* Mr. Kenneth Margerison, President, Texas Faculty Association

* The Reverend Rayford Simon, NAACP

* Mr. Jose Blanco, doctoral student, Texas A&I University

Ms. Sheri Hayes, student, Texas A&I University

* Mr. Peter Felker, Texas A&I University

* Dr. Joe S. Graham, Texas A&I University, Faculty Ad Hoc Committee on Higher Education

* * *

Corpus Christi State University

June 29, 1988

The Honorable Betty Turner, Mayor, City of Corpus Christi

The Honorable Robert Barnes, Nueces County Judge

* Dr. B. Alan Sugg, President, Corpus Christi State University; Chancellor, The University System of South Texas

* Ms. Mary Alice Gonzales, Principal, Crockett Elementary School

* Mr. Raul Prezas, Principal, Crossley Special Emphasis School

* Mr. Scott Elliff, Elementary Consultant, Corpus Christi Independent School District

* Dr. Rogelio Torres, Corpus Christi Principals Association; Corpus Christi State University Alumni Association; Principal,

Martin Special Emphasis Middle School

* Dr. Leo Carrillo, President of TACT, CCSU Chapter; President, Ethnic Studies, Corpus Christi State University

The Honorable Hugo Berlanga, State Representative

* Dr. Howard Barth, President, Del Mar College Board of Regents

* Mr. B. R. Venters, President, Del Mar College

Ms. Vickie Maynard, Director, Planning and Research, Del Mar College

* Dr. Nancy Bowen, Chair, Department of Social Sciences, Professor of History, Del Mar College

* Dr. Mina Williams, Professor of English, Del Mar College

* Mr. Jacob G. Munoz, Vice-President, Board of Regents, Del Mar College

The Honorable Robert Earley, State Representative

* Dr. Leonardo de la Garza, Executive Vice-President, Bee County College

* Mr. Walter Schwartz, President, Blinn College

* Dr. Ed J. Davis, Deputy Chancellor for Finance and Administration, The Texas A&M University System

Mr. Gerald Hill, Vice-Chancellor for Governmental Relations, The University of Texas System

Mr. Todd Hunter, Candidate for State Representative District 36

* Mr. Ronald Payne, Chairman, Corpus Christi Chamber of Commerce

Rear Admiral James H. Scott (USN Ret.), Project Director, Homeport Steering Committee

* The Honorable Luther Jones, President, 4U Corpus Christi; Mayor Emeritus, City of Corpus Christi

* Mr. Fred Heldenfels IV, Corpus Christi A&M Alumni Association

* Mrs. T. Theresa Rasco, President, Board of Trustees, Corpus Christi Independent School District

Dr. Arturo Medina, Corpus Christi Independent School District

* Mr. Guy Watts, Del Mar College Board of Regents

Ms. Mary Helen Dunnam, Del Mar College Board of Regents

* Ms. April Rosas, student, Corpus Christi State University

Mr. Alex Harris

Mr. Tom Tagliabre

Mr. Chuck Brundrett, High School Counselor

* Dr. Miriam Wagenschein, Professor of Sociology, Corpus Christi State University

* Mr. James F. Moloney, Director, Executive Committee of 4U-Corpus Christi Foundation

Mr. Russell Leaming, student, Corpus Christi State University

Ms. Judith Gayle McMillan

Ms. Margareta Fratila

* Dr. Joe Frantz, Professor of History, Corpus Christi State University

* * *

Texas Southmost College

Pan American University at Brownsville

August 16, 1988

The Honorable Ygnacio Garza, Mayor, City of Brownsville

* Mr. Robert M. Duffey, Jr., Chairman of the Board, Texas Commerce

Bank of Brownsville and McAllen

* The Honorable Reynaldo G. Garza, United States Senior Circuit Court Judge

Mr. Stephen Bosio, Executive Vice-President, Brownsville Chamber of Commerce

* Mr. Natividad Lopez, Chair, Board of Regents, Pan American University at Brownsville

* Dr. Homer Pena, President, Pan American University at Brownsville

Mr. Denny Frank, Vice-Chair, Board of Trustees, Texas Southmost College

* Dr. Juliet Garcia, President, Texas Southmost College

* Dr. Norman Binder, President, Faculty Senate, Pan American University at Brownsville

* Mr. Samuel Lucio, student, Pan American University at Brownsville

* Dr. Gene Paull, President, Faculty Association, Texas Southmost College

* Mr. Joseph Graham, President, Student Congress, Texas Southmost College

* Dr. Hans Mark, Chancellor, The University of Texas System

* Mr. Bill Presnal, Executive Secretary of the Board of Regents, and Vice-Chancellor for State Affairs, The Texas A&M University System

Dr. G. K. Green, Coordinator of Hispanic Letters and Translation at Pan American University at Brownsville, and Founder of Rio Grande Research Group for Language and Linguistics

Mr. Malcolm Brown, Consultant

Dr. A. J. Alamia, Jr., Professor and Member of Faculty Senate, School of Communications Arts and Sciences, Pan American University, Edinburg

Ms. Marilyn Dyer, Chair for Nursing Education, Texas Southmost College

* * *

Pan American University, Edinburg

August 16, 1988

The Honorable J. Edgar Ruiz, Hidalgo County Judge

Dr. Lauro Guerra, M.D., Member, Texas Higher Education Coordinating Board

* Mr. Paul Rodriguez, Chair and Director, Education Committee, Valley Chamber of Commerce

Mr. Ruben Cardenas

* Mr. Natividad Lopez, Chair, Board of Regents, Pan American University, Edinburg

* Dr. Miguel Nevarez, President, Pan American University, Edinburg

Mr. William Owen, Dean, Reynaldo G. Garza School of Law

The Honorable Hector Villareal, District Judge, and Chair of Board of Directors, Reynaldo G. Garza School of Law

Dr. B. Bujanda, M.D.

* Dr. J. Gilbert Leal, President, Texas State Technical Institute

* The Honorable Leonardo Camarillo, Hidalgo County Commissioner, and Chair of McAllen Extension Advisory Committee, Texas State Technical Institute

* Mr. David Allex, Chair, State Education Council, Texas Chamber of Commerce, and President of Harlingen Area Chamber of Commerce

* Dr. Kevin Morse, President, Faculty Senate, Pan American University, Edinburg

* Dr. J. Michael Patrick, Director, Center for Entrepreneurship and Economic Development, Pan American University, Edinburg

Mr. Robert Alvarez, President, Student Government Association, Pan American University, Edinburg

* Mr. Edward Workmon, Chair, Faculty Council, Texas State Technical Institute

* Mr. Rudolpho Mares, Jr., President, Student Congress, Texas State Technical Institute

* Dr. Hans Mark, Chancellor, The University of Texas System

* Mr. Bill Presnal, Executive Secretary of the Board of Regents, and Vice-Chancellor for State Affairs, The Texas A&M University System

* Mr. Julian Castillo, Director, Division of Health Related Professions, Pan American University, Edinburg

* Dr. Jose R. Hinojosa, President, Pan American United Faculty, and Associate Professor, Pan American University, Edinburg

* Mr. James W. Aldridge, Secretary/Treasurer, Texas Faculty Association, and Associate Professor, Pan American University, Edinburg

* Dr. Ralph Carlsen, Associate Professor, and Chair of Department of School Services and Counseling, Pan American University, Edinburg

* Dr. Samuel Freeman

* Dr. Frederick Von Ende, Professor, Pan American University, Edinburg

Dr. Bruce Wilson

Written presentation submitted by individuals not appearing before committee:

Ms. Angelita Reyna, student, Texas State Technical Institute

Mr. Robert E. de la Garza, President, Pan American University Alumni Association, Pan American University, Edinburg

* * *

Laredo Junior College/Laredo State University

August 17, 1988

The Honorable Aldo Tatengelo, Mayor, City of Laredo

* The Honorable Andres Ramos, Jr., Webb County Judge

The Honorable Henry Cuellar, State Representative

The Honorable Eddie Lucio, State Representative

* Dr. Joaquin Cigarroa, Former Member, Texas Higher Education Coordinating Board and Member of Laredo Independent School District Board of Trustees

* Mr. Luis G. Guerra, President, Laredo Chamber of Commerce

Mr. Ronald LaDuque, President, Laredo Development Foundation

Mr. Charles Martens, Land Manager, Laredo Chamber of Commerce

* Mr. Blas M. Martinez, Acting Chair of the Board of Directors, The University System of South Texas and Executive Vice-President of the Union National Bank of Texas

* Dr. B. Alan Sugg, Chancellor, The University System of South Texas

* Dr. Leo Sayavedra, President, Laredo State University

* Dr. Hans Mark, Chancellor, The University of Texas System

* Mr. Bill Presnal, Executive Secretary of the Board of Regents, and Vice-Chancellor for State Affairs, The Texas A&M University System

Mr. Mercurio Martinez, Member of Board of Trustees, Laredo Junior College

* Dr. Roger Worsley, President, Laredo Junior College

* Dr. Jimmy L. Goodson, President, Southwest Texas Junior College

* Dr. Jack Humphries, President, Sul Ross State University/Sul Ross

Study Center at Uvalde

* Dr. Charles Zucker, Director, Texas Faculty Association

Mr. Juan Sanchez, Teacher, Sul Ross Study Center at Uvalde

Mr. Raul Zamora, Vice-President, NBC Bank, Uvalde

* Dr. Sandra Richard, Chair, Division of Business Administration, Laredo State University

* Mr. Thomas Mitchell, Chair, Division of English and Communications, Laredo Junior College

* Mr. Jose Valdez

Mr. Pat Kelley

Ms. Norma Cantu, Associate Professor, Laredo State University and President of Literacy Volunteers of America

Written presentation submitted by individuals not appearing before committee:

Mr. Ruben Garcia, President, Board of Trustees, Laredo Junior College

Ms. Mary Haas, Member of Board of Directors, The University System of South Texas

* indicates written remarks presented to committee

APPENDIX IV

TEXAS LEGISLATIVE COUNCIL

P.O. Box 12128, Capitol Station
Austin, Texas 78711-2128
Telephone: 512/463-1151

WILLIAM P. HOBBY
Lieutenant Governor
Chairman

ROBERT I. KELLY
Executive Director

GIBSON D. "GIB" LEWIS
Speaker of the House
Vice-Chairman

September 14, 1988

M E M O R A N D U M

TO: The Honorable Carlos Truan
The Honorable Eddie Cavazos

Co-chairs, Legislative Joint Committee on Higher Education in Texas

FROM: Magdalena de la Teja
Legislative Counsel

SUBJECT: Framework for Including Additional Institutions into Existing University Systems

INTRODUCTION

This memorandum considers what is required to make one or more institutions of higher education a part of a university system.

SUMMARY

Legislative action is required to make an institution of higher education a part of a university system. Although inclusion in a system is accomplished by transferring management and control of an institution from the present governing board to the governing board of the university system, a variety of ancillary issues concerning the affected institutions of higher education may be addressed in legislation. Among those issues are appointment of a president, role and scope changes, courses and degree programs offered, and the composition of the board of the university system. Absent legislative changes, governing boards have no power to accept or to transfer control and management of an institution to a system.

An amendment to the Texas Constitution is probably required to include an existing institution outside The University of Texas System or The Texas A&M University System in the funding for

construction and related purposes under Article VII, Section 18, of the Texas Constitution, although a newly created institution may be included by a two-thirds vote of the membership of each house of the legislature. Similarly, a two-thirds vote of each house of the legislature is required to appropriate general revenue funds additional to the dedicated funds provided under Article VII, Sections 17 and 18, for construction and related purposes to institutions of higher education.

DISCUSSION

Legislative Issues

Legislative action is required to make one or more institutions of higher education a part of a university system because each institution is established by statute in Title 3 of the Education Code, and that statute prescribes the governance of the institution. Existing governing boards, acting singly or jointly, do not have the power to accept the governance of an institution or the power to transfer the governance of an institution to another existing governing board. As statutory entities, governing boards have only the powers and duties prescribed by statute or necessarily implied in the statute. Bullock v. Calvert, 480 S.W.2d 367 (Tex. 1972). The statutes involved do not provide to governing boards the express power to make one or more institutions a part of a university system, nor can that power be necessarily implied from those statutes.

Legislation must, at a minimum, amend the appropriate sections of the Education Code to transfer management and control of the subject institution from its present governing board to the governing board of the university system to which the institution is to be assigned. If the present board governs only that institution, the legislation should also abolish that governing board. The legislation should include an effective date that provides adequate time for an orderly transition.

Legislation may address ancillary issues concerning the affected institutions, including:

(1) the appointment of a president and other administrators;

(2) role and scope changes, if any;

(3) courses and degree programs offered;

(4) changes, if any, in the composition of the governing board of the university system to include representation from the geographical areas of the affected institutions;

(5) the need, if any, for temporary student enrollment limits or temporary changes in student admissions policy;

(6) the status of the personnel employed by the affected institutions; and

(7) the status of student credit hours earned at the affected institution before the effective date of the legislation.

Constitutional Issues

Although the Texas Constitution lists several institutions of higher education under Article VII, Sections 17 and 18, as "component institutions" of one of the existing university systems, the constitution does not create university systems nor is it intended to divest the legislature of authority to reorganize the systems. Each of the institutions is individually enumerated, as are the system administrations. It is probable that the systems were mentioned primarily to allow the dedicated money under Sections 17 and 18 to be expended for system administration.

The issue of funding, however, raises serious constitutional questions. Amendment of the Texas Constitution is probably required if sources of funding for construction and related purposes are to be changed for an existing institution that is made a part of The Texas A&M University System or The University of Texas System.

Article VII, Section 17, of the Texas Constitution provides dedicated funds for construction and related purposes to existing institutions that are not a part of The Texas A&M University System

or The University of Texas System. Article VII, Section 18, provides dedicated funds to existing institutions that are a part of those systems. Issues critical to funding are presented by Subsection (c) of each of those sections, which read:

> [Sec. 17]
> (c) Pursuant to a two-thirds vote of the membership of each house of the legislature, institutions of higher education may be created at a later date by general law, and, when created, such an institution shall be entitled to participate in the funding provided by this section if it is not created as a part of The University of Texas System or The Texas A&M University System. An institution that is entitled to participate in dedicated funding provided by Article VII, Section 18, of this constitution may not be entitled to participate in the funding provided by this section.
>
> [Sec. 18]
> (c) Pursuant to a two-thirds vote of the membership of each house of the legislature, institutions of higher education may be created at a later date as a part of The University of Texas System or The Texas A&M University System by general law, and, when created, such an institution shall be entitled to participate in the funding provided by this section for the system in which it is created. An institution that is entitled to participate in dedicated funding provided by Article VII, Section 17, of this constitution may not be entitled to participate in the funding provided by this section.

Reading these provisions together results in three principles:

(1) While the legislature by law may make an existing institution a part of The Texas A&M University System or The University of Texas System, that act alone does not entitle the institution to funding under Article VII, Section 18.

(2) An institution entitled to participate in dedicated funding under one section may not by statute be made eligible to participate in the funding under the other section. (The second sentence of both subsections seems a plain statement of this principle.)

(3) An institution that is created by legislative act at a later date (i.e., after the amendment was adopted in 1984) and is made part of The Texas A&M University System or The University of Texas System may be entitled to funding under Article VII, Section 18, only on a two-thirds vote of the membership of each house of the legislature.

The issue of what constitutes "created at a later date" for purposes of the third principle is a case of first impression, for there are no reported opinions interpreting this requirement. However, given the express prohibition of including Section 17 institutions under Section 18 funding, it would appear difficult to argue that an existing institution, with a name and management change, could be considered to be an institution "created at a later date."

The apparent intent of Section 18(c) is to exclude institutions and agencies of higher education that are entitled to funding under Section 17, i.e., to place a limitation concerning the institutions of higher education entitled to funding under Section 18. Entitling Section 17 institutions to funding under Section 18 undermines the intent of Section 18 and allows the legislature to do indirectly what the constitution prohibits the legislature from doing directly.

If Section 18(c) prohibits the inclusion for funding under that section of an institution entitled to funding under Section 17, even if that institution is by statute made a part of The Texas A&M University System or The University of Texas System, a constitutional amendment is needed to entitle the institution to funding under Section 18. It may be argued, of course, that an existing institution could be changed to such an extent that it should be considered a new institution created at a later date. However, without any precedent (much less clear precedent), it would be inadvisable for the legislature to attempt to accomplish

that goal solely through legislation.

A related issue is the constitutional limitation on providing additional general revenue funds to Section 17 and 18 institutions for construction and related purposes. Subsection (j) of Section 17 and Subsection (i) of Section 18 require a two-thirds vote of each house of the legislature to appropriate additional general revenue to those institutions for those purposes. As a result, an extraordinary vote may be required to provide sufficient facility funding for expansion of an institution whose role and scope changes significantly as part of legislation addressing those issues.

APPENDIX V

TEXAS A&M UNIVERSITY BUDGET INITIATIVES FOR SOUTH TEXAS

SOUTH TEXAS PROGRAM INITIATIVES
THE TEXAS A&M UNIVERSITY SYSTEM

Program Item	--------TAMUS REQUEST-------- AGENCY	1990	1991	-----SOUTH TEXAS REQUEST------ AGENCY	1990	1991
An Economic Analysis of the Maquilas of Nuevo Laredo	TAMU	84,500	90,750	LAREDO	49,000	60,000
Research concerning the effectiveness, efficiency, and profitability of the maquiladora industrial facilities in relation to plant size and composition, ownership and capital development, management practices, and related issues.						
Nursing Research for Central and South Texas	TAMU	92,000	92,000	CCSU	80,000	75,000
Research leading to the improvement of nursing care, drawing from the experience of nurses and physicians in the South Texas area, conducted in collaboration with TAMU Medical School and Scott and White Hospital.						
Engineering Research Initiatives to Enhance Existing and Emerging Industries in the South Texas Region	TAMU	900,000	900,000	TEX A&I	500,000	450,000
Joint research programs are proposed, building upon Texas A&I University's strengths in the areas of fuels and natural gas; also programs in innovative manufacturing and automated processes, soils and soil dynamics, and robotics.						

Program Item	TAMUS REQUEST AGENCY	TAMUS REQUEST 1990	TAMUS REQUEST 1991	SOUTH TEXAS REQUEST AGENCY	SOUTH TEXAS REQUEST 1990	SOUTH TEXAS REQUEST 1991
Bilingual Language Connections: Research on Writing and Reading Across the Science Curriculum	TAMU	75,000	75,000	TEX A&I	75,000	75,000
Research to identify appropriate ways to teach non English speaking students in science and technology areas.						
South Texas Cooperative Program in Marine Science: Living Resources in the Western Gulf of Mexico	TAMU	209,500	209,500	TEX A&I CCSU	110,500 110,500	103,000 103,000
Coordination of ongoing efforts at the participating universities, leading to cooperative field work and laboratory studies relating to marine ecosystems in the western Gulf of Mexico.						
Expanding Minority Educational Opportunities in Medicine and Veterinary Medicine	TAMU	87,000	87,000	TEX A&I CCSU	25,000 20,500	25,000 20,500
Develop, in conjunction with CCSU and Texas A&I, programs designed to increase opportunities for Hispanics to study Medicine and Veterinary Medicine, including identification, preparation, and recruitment of students into these programs.						

Program Item	TAMUS REQUEST AGENCY	TAMUS REQUEST 1990	TAMUS REQUEST 1991	SOUTH TEXAS REQUEST AGENCY	SOUTH TEXAS REQUEST 1990	SOUTH TEXAS REQUEST 1991
TAMUS--USST Telecommunications Network	TAMU	1,071,600	597,000	TEX A&I CCSU LAREDO	300,000 300,000 114,400	150,000 150,000 98,000
Construction and implementation of the South Texas Telecommunications Network to link the South Texas System components with the Texas A&M University System components, to provide for a sharing of resources and information on a daily basis.						
Joint Business and Economics Research Initiative	TAMU	170,000	165,000	TEX A&I CCSU LAREDO	90,000 90,000 45,000	75,000 75,000 35,000
A joint research effort between TAMU Economics Department and Texas A&I College of Business in matters impacting the economy of the region.						
Ornamental Citrus Initiative for South Texas	TAES TAEX	75,000 7,500	75,000 7,500	TEX A&I	75,000	75,000
Joint research programs in the development of ornamental citrus, including an evaluation of existing plants, development of new plants, production methods, economic analysis, marketing, and related concerns.						

Program Item	TAMUS REQUEST AGENCY	1990	1991	SOUTH TEXAS REQUEST AGENCY	1990	1991
Integrated Range/Wildlife Management in South Texas	TAES	30,000	30,000	TEX A&I	225,000	225,000
	TAEX	12,500	12,500			
	TAMU	82,500	82,500			
Research and education on the management of wildlife at the ranch-firm level, with emphasis on the ranching practices and wildlife resources of the region.						
Aquaculture and Mariculture Initiative for South Texas	TAES	44,000	44,000	CCSU	142,000	142,000
	TAEX	6,000	6,000			
	TAMU	8,000	8,000			
Establishment of joint graduate level programs in mariculture management and mariculture research; continuing education programs in acquaculture and mariculture; as well as joint research efforts.						
Agribusiness Development in South Texas	TAES	17,500	17,500	TEX A&I	55,000	55,000
	TAEX	8,500	8,500			
	TAMU	20,250	20,250			
Development of educational opportunities and research base needed to encourage and establish new agribusiness development in the region, involving academic programs, research and extension initiatives.						

Program Item	TAMUS REQUEST AGENCY	1990	1991	SOUTH TEXAS REQUEST AGENCY	1990	1991
Environmental Biology of the South Texas Coast	TAES	17,500	17,500	CCSU	62,500	62,500
	TAMU	7,500	7,500	TEX A&I	62,500	62,500
A coordinated focus that will consider environmental biology natural resource management, and related economic issues along the lower Texas coast; designed to strengthen and enhance research-based graduate education programs in environmental bioloty at the USST institutions.						
Minorities and Women	TAEX	10,850	10,850	TEX A&I	39,150	39,150
A comprehensive and multi-disciplinary effort to correct under-representation of [primarily Hispanic] minorities and women in scientific and technical employment.						
Community Education and Outreach in Agriculture and Human Nutrition	TAEX	110,000	110,000	CCSU	80,000	80,000
				TEX A&I	80,000	80,000
Continuing education programs in agriculture and human nutrition, designed to promote technology transfer for agriculture, enhance youth development by improving student retention in high school, and expand educational opportunities in family sciences.						

Program Item	TAMUS REQUEST AGENCY	TAMUS REQUEST 1990	TAMUS REQUEST 1991	SOUTH TEXAS REQUEST AGENCY	SOUTH TEXAS REQUEST 1990	SOUTH TEXAS REQUEST 1991
Strengthening the USST Through Infrastructure Development	---			CCSU	125,000	125,000
				TEX A&I	125,000	125,000
A program designed to strengthen the research capability and enhance the graduate education programs of CCSU and Texas A&I.						
Texas Engineering Experiment Station New Initiatives in South Texas	TEES	500,000	502,100			
This program is requested as an integral part of the TEES outreach program; and not within the TAMUS special items. It proposes to establish a TEES Outreach Division at Texas A&I to cooperate in engineering research, especially related to existing and emerging industries of the region.						
TOTALS, ALL PROGRAMS		3,647,200	3,175,950		2,981,050	2,565,650
BIENNIUM AMOUNTS, TAMUS / USST		6,823,150			5,546,700	
COMBINED BIENNIUM AMOUNTS				12,369,850		

Institution codes:

TAMU - Texas A&M University
TAES - Texas Agricultural Experiment Station
TAEX - Texas Agricultural Extension Service
CCSU - Corpus Christi State University
TEX A&I - Texas A&I University
LAREDO - Laredo State University

APPENDIX VI

THE UNIVERSITY OF TEXAS BUDGET INITIATIVES FOR SOUTH TEXAS

August 3, 1988

SOUTH TEXAS INITIATIVES

UT System/South Texas Initiatives		Legislative Budget Request 1990 - 1991	
UT-Arlington			
1.	Lower Rio Grande Cooperative MSSW Programs	$ 98,500	$ 97,300
UT-El Paso			
2.	Texas Centers for Border and Enterprise Economic Development* Consortium with UTEP, Pan American University and Laredo State University.	2,097,048	1,888,388
UT-San Antonio			
3.	South Texas Initiative Cooperative undergraduate engineering programs with Pan American University.	256,000	373,700
4.	Texas Pre-Engineering Program	150,000	156,600
Subtotal, UTSA		$ 406,000	$ 530,300
UTHSC-Houston			
5.	Service Delivery in the Valley/Border Region	1,187,712	1,222,186
	Subtotal, UTS/South Texas Initiatives	$3,789,260	$3,738,174
Pan American University/UT System Initiatives (submitted through the legislative budget request for Pan American University)			
1.	UT-Austin and Pan American University Cooperative Program - International Business Doctoral Program Development.	$ 69,500	$ 198,000
2.	Engineering Program	528,000	668,000
3.	Nursing Program Enhancement	393,500	374,500
	Subtotal, Pan American/UTS	991,000	1,240,500
	TOTAL, SOUTH TEXAS INITIATIVES	$4,780,260	$4,978,674
	Total, Biennial Request		$9,758,934

*A portion of the funds will be transferred to Pan American and Laredo State Universities.

APPENDIX VII

DEFINITIONS OF THE ELEMENTS OF INSTITUTIONAL COSTS

The definitions of educational and general functions set out below form a part of a uniform system of reporting for institutions of higher education in Texas as required by Section 22, Chapter 12, Acts of the 59th Legislature, Regular Session, 1965. The listings of "examples" are not to be interpreted as necessarily meaning that each institution will have expenditures in all categories but are intended only as illustrations of the named functions. Excluded from these elements and definitions are student services for which the legislature has authorized fees under Section 54.503, Education Code (S.B. 6, Chapter 12, Acts of the 56th Legislature, 2nd Called Session, 1959, p. 99), and all auxiliary enterprise operations and costs related thereto.

A. GENERAL ADMINISTRATION AND STUDENT SERVICES

1. General Administration

Definition. Salaries, wages, and all other costs for the following functions and activities.

NOTE: Because funds to support the functions performed by governing boards and central administrative offices for certain public senior college and university systems having responsibility for more than one academic institution have historically been separately requested and appropriated, the costs for these boards and offices are excluded from the defined elements.

a. Government of the institution
The costs incurred on behalf of the governing body in discharging its responsibilities. Example: Governing Board.

b. Executive direction and control
The costs incurred in the executive direction, control and implementation of policies of the governing board and the chief executive officer. Examples: Chief Executive's Office (President), Chief Academic Officer's Office,

Chief Business Officer's Office, Assistant(s) to the President. Excluded are costs of academic administrative functions defined in "Instructional Administration Expense."

c. Business and fiscal management
The costs incurred in the attainment of financial goals through proper effective accounting records and procedures and budgetary and cost controls. Examples: Business Office, Fiscal Office, Comptroller's Office, Personnel Services, Purchasing Office, Property and Inventory Control, Internal Audit, Systems and Procedures.

2. Student Services

a. Admissions and registration
The costs of administering undergraduate and graduate admission activities, processing and maintenance of student records and reports and the registration of students. Examples: Registrar's Office, Dean of Admissions.

b. Other student services
The costs of administering and coordinating the development and maintenance of the student life program including counselling with students on disciplinary and other nonacademic problems, the guidance of foreign students, student and graduate placement, and student financial aids. Examples: Chief Student Affair's Office, Dean of Men, Dean of Women, Testing and Guidance, Student Life, International Office, Placement, and Student Financial Aids.

B. GENERAL INSTITUTIONAL EXPENSE

Definition. Expenses of a general nature which benefit the entire institution and are not related solely to any specific department or division. The definition of functions within this element should not be interpreted as implying that each institution should engage in all the activities defined. Included are salaries, wages,

and all other costs for the following functions, services, or activities:

1. Public informational activities including bulletins, catalogues, publications, exhibits, and news service.

2. Institutional memberships.

3. Commencement exercises for the graduating classes. Included only are costs of speakers, arrangements, and caps and gowns for guests.

4. Convocations and public lectures.

5. Official functions.

6. Mail services, excluding the cost of postage.

7. Legal fees and expense required to protect the interests of the institution and the State.

8. Development activities.

9. The costs of maintaining and securing records pertaining to alumni of the institution for evaluation of the educational programs of the institution. 1/

10. Telephone central office. Does not include long distance call charges nor cost of telephone instruments. These costs are to be charged to the using departments.

11. The cost of conducting studies for the improvement of the institution.

1/ For the 1987-89 biennium, the expenditure of educational and general funds by Public Senior Colleges and Universities to support alumni organizations or activities is prohibited under Sec. 17, Article III, S.B. 1, Acts of the 70th Legislature, 2nd Called Session, 1987.

12. Insurance (other than property and those covered under staff benefits).

13. Other general institutional expense items, except as follows:

    a. Service department charges (except for mail service and telephone central office) should be allocated to the users, e.g.: stenographic bureaus, central stores, central computer operation costs, printing shops, copy centers, supply centers, microfilm services, etc.

    b. Any item of cost specifically identified within the definition of an Element of Institutional Cost should be included in the cost element and not in "General Institutional Expense."

C. STAFF BENEFITS

Definition. Premiums or costs toward staff benefits programs for employees. Examples of staff benefits authorized by the legislature are:

1. Staff Group Insurance Premiums

2. Faculty Development Leaves

3. Old Age and Survivors Insurance

4. Workers' Compensation Insurance

D. RESIDENT INSTRUCTION

Definition. Resident Instruction includes all functions directly related to teaching, classified as follows:

1. Faculty Salaries

Definition. Salaries or wages of those engaged in the teaching function, including heads of teaching departments. Included also are laboratory assistants, teaching assistants, teaching fellows and lecturers who are responsible for, or in charge of, a class or class section, or a quiz, drill, or

laboratory section. Not included are the salaries or wages of guest lecturers or of student assistants, laboratory assistants, and graders whose duties involve grading, clerical functions, store keeping, and preparations of class or laboratory material or other subordinate functions.

2. Departmental Operating Expense

Definition. Salaries, wages, supplies, travel, office furniture, equipment, and other operating expense for the operation of instructional departments, other than faculty salaries. Included here are the salaries and wages of guest lecturers and of student assistants, laboratory assistants, and graders whose duties involve grading, clerical functions, store keeping, and preparation of class or laboratory material or experiments or other subordinate functions. Includes teaching equipment customarily assigned to teaching departments and provides for replacement and updating of teaching equipment as well as acquisition of new items. Also includes costs of practice teaching other than faculty salaries, and all direct or prorated computer costs related to resident instructional programs.

3. Instructional Administration Expense

Definition. Salaries, wages, supplies, travel, equipment, and other operating expense of the offices of academic deans or directors of major teaching department groupings into colleges, schools, or divisions, and the office of the dean or director of graduate studies. Examples of activities include, but are not limited to, the following: instructional budget planning; faculty recruitment, development, assignment, and utilization; curricular expansion and revision; student academic advisement; maintenance of scholastic and admission standards. Not included are the offices of the heads of teaching departments.

4. Organized Activities Related to Instructional Departments

Definition. All costs of activities or enterprises

separately organized and operated in connection with instructional departments primarily for the purpose of giving professional training to students as a necessary part of the educational work of the related departments. Examples of such organized activities are college farms, creameries, poultry processing plants, veterinary hospitals, nursery schools, and home management houses. Does not include cost of practice teaching. Where these activities are not conducted primarily for educational purposes, they should be excluded from the definition of this element of cost.

E. VOCATIONAL TEACHER TRAINING SUPPLEMENT

Definition. The matching part of salaries, wages, and such other costs as are required to finance the Vocational Teacher Training Program according to provisions of the Texas State Acceptance Act and the Plan of the State Board of Vocational Education for Vocational Teacher Training under the Smith-Hughes and George Barden Acts.

F. LIBRARY

Definition. Salaries, wages, library materials (examples include books, journals, microforms, audiovisual media, computer-based information, manuscripts, maps, documents, and other information sources), binding costs, equipment, and other operating costs of separately organized libraries (including archives).

G. RESEARCH ENHANCEMENT

Definition. Salaries, wages, and other costs associated with the support of research conducted by faculty members, as provided by the Research Enhancement Program defined in H.B. 2181, 70th Legislature, Regular Session, 1987.

H. EXTENSION AND PUBLIC SERVICE

Definition. All costs of activities designed primarily to serve the general public, including correspondence courses, adult study courses, public lectures, radio and

television stations, institutes, workshops, demonstrations, package libraries, and similar activities.

I. PHYSICAL PLANT OPERATION AND MAINTENANCE

1. Plant Support Services

Definition. Salaries, wages, supplies, travel, equipment and other operating expenses to provide physical plant general services, and to carry out the duties of physical plant administration and planning. Examples of the activities included are:

a. Acquisition and repair of general classroom and laboratory furniture. Does not include office furniture.

b. Central receiving and store of supplies and equipment.

c. Safety, including fire, occupational, radiation, health and sanitation safety.

d. Garbage and trash disposal.

e. Hauling, moving, and storing.

f. Property insurance.

g. Truck and automobile expense in general service of the institution.

h. Administration of the organizational units of physical plant.

i. Preparation of architectural and engineering plans and specifications for expansion, renovation and rehabilitation of physical plant facilities, excluding fees for new construction.

2. Campus Security

Definition. Salaries, wages, supplies, travel, equipment, and other operating expenses to carry out

the traffic, police, and security services of the institution.

3. Building Maintenance

Definition. Costs including salaries, wages, supplies, materials, equipment, services, and other expenses, necessary to keep each building in good appearance and usable condition and prevent the building from deteriorating once it has been placed in first class condition for that type and age of building. Does not include auxiliary enterprise buildings. Building Maintenance includes minor repairs and alterations, costs of materials, hire of personnel, and other necessary expenses for the repair and/or painting of the following: roofs, exterior walls, foundations, flooring, ceilings, partitions, doors, windows, plaster, structural ironworks, screens, window shades, venetian blinds, plumbing, heating, and air-conditioning equipment within or a part of the building, electric wiring, light fixtures (including the replacement of lamps), washing of all outside window surfaces, built-in shelving, and other related items.

4. Custodial Services

Definition. Costs including salaries, wages, supplies, materials, equipment, services, and other expenses necessary to keep the buildings in a clean and sanitary condition. Does not include auxiliary enterprise buildings. These services include care of the floors, stairways and landings, and restrooms; cleaning chalkboards, inside of windows, walls, and room furniture and fixtures; assigned dusting, removal of waste paper and refuse, and other related duties.

Common operations include: mopping, sweeping, waxing, renovating of floors (sanding and refinishing of floors are excluded); dusting, polishing of furniture and fixtures such as venetian blinds, partitions, pictures, maps, radiators, etc.; cleaning of chalkboards, chalk trays, erasers, and replacement of chalk; washing and dusting of walls, cleaning and

disinfecting commodes and urinals, cleaning and washing other fixtures, walls and partitions, and replenishing supplies for restrooms; the emptying and cleaning of waste receptacles, and dusting and cleaning of windows, and other glass surfaces; sweeping and cleaning of entrances, and opening and/or closing buildings, doors, and windows.

5. Grounds Maintenance

Definition. Costs including salaries, wages, supplies, materials, equipment, services, and other expenses relating to the upkeep of all lands designated as campus proper (improved and unimproved) not occupied by actual buildings, including any court, patio, and/or inner garden or court enclosed by buildings. Grounds Maintenance begins after the site improvements are complete.

Phases of Grounds Maintenance are:

a. Land Improvements

(1) Permanent
Lawns, trees, shrubs, etc.

(2) Seasonal
Flowers, bulbs, etc.

b. Circulation Systems

(1) Vehicular
Streets and roads--improved and unimproved; parking areas--improved and unimproved; traffic controls--signal lights, signs, and barriers

(2) Pedestrian
Walks and paths--improved and unimproved

c. Other Activities

(1) Irrigation systems

(2) Nonstructural improvements

Walls, fences, fountains, campus furniture, others

(3) Ancillary enterprises
Nursery, greenhouse--areas for special academic study

6. Utilities

Definition. All costs of purchase, manufacture and delivery of utility services, including: electricity, steam heat, water (hot, cold or chilled), storm sewers, sanitary sewers, compressed air, gas, clocks and bells, campus lighting, energy management systems, institutionally owned telephone systems (does not include switchboard operators and commercial telephone service), preventative maintenance, and repairs and minor alterations to production and distribution facilities. Does not include costs of utilities for auxiliary enterprises.

J. SPECIAL ITEMS

Definition. The costs of those items which are not included in any of the other elements, or, the costs of those items which are peculiar to the particular institution.

K. MAJOR REPAIRS AND REHABILITATION OF BUILDINGS AND FACILITIES

Definition. This item includes major repairs, rehabilitation, and renovation of existing buildings and facilities (including repairs and alterations to production and distribution facilities for utilities where such facilities do not primarily serve auxiliary enterprises) including salaries, wages, and costs of materials for such items; but does not include routine, ordinary, annual or periodic maintenance.

SOURCE: Fact Book on Texas Higher Education. Texas Higher Education Coordinating Board, 1988.

APPENDIX VIII

ESTIMATED PROGRAM DEVELOPMENT COSTS

TEXAS A&I UNIVERSITY

PROGRAM	IMPLEMENTATION DATE	SCHOOL YEAR 1989-90	SCHOOL YEAR 1990-91	SCHOOL YEAR 1991-2	SCHOOL YEAR 1992-3	SCHOOL YEAR 1993-4	SCHOOL YEAR 1994-95	TOTAL
J.D. LAW	1989	4,350,000	3,250,000	3,000,000	3,000,000	3,000,000	3,000,000	19,600,000
M.S. ESL	1990		59,000	59,000	51,800	51,800	51,800	273,400
PH. D. RANGE AND WILDLIFE SCIENCE	1990		500,000	500,000	397,325	397,325	397,325	2,191,975
B.S., M.S. AGRIBUSINESS	1990		200,000	200,000	200,000	200,000	200,000	1,000,000
M.S. INDUSTRIAL ENGINEERING	1990		400,000	400,000	245,000	245,000	245,000	1,535,000
M.S. ENVIRONMENTAL ENGINEERING	1990		350,000	350,000	202,997.5	202,997.5	202,997.5	1,308,992.5
ED. D. EDUCATIONAL LEADERSHIP	1990		99,750	99,750	142,030	142,030	142,030	625,590
B.S. CRIMINOLOGY	1992				101,500	101,500	91,750	294,750
B.S. INDUSTRIAL ENGINEERING	1992				450,000	450,000	320,000	1,220,000
M.S. COMMUNICATION DISORDERS	1992				150,000	150,000	140,000	440,000
M.S. MASS COMMUNICATIONS	1992				250,000	250,000	218,000	718,000
M.A. MARRIAGE AND FAMILY COUNSELLING	1994						100,000	100,000
M.A.,B.A. ALCOHOLISM AND SUBSTANCE ABUSE COUNSELLING	1994						68,625	68,625
PH.D. BIOLOGY	1994						1,025,000	1,025,000
B.S.W. SOCIAL WORK	1994						300,000	300,000
M.S. HOME ECONOMICS	1994							
B.S., M.S. HORTICULTURE	1994						250,000	250,000
PH.D./D.B.A. BUSINESS ADMINISTRATION	1994						1,215,000	1,215,000
PHARMACY	1994						3,800,000	3,800,000
TOTAL		4,350,000	4,858,750	4,608,750	5,190,652.5	5,190,652.5	11,767,527.5	35,966,332.5

THESE ESTIMATES INCLUDE THE FOLLOWING CONSTRUCTION COSTS:

PROGRAM	IMPLEMENTATION DATE	
J.D. LAW	1989	1,600,000
M.S. ENVIRONMENTAL ENGINEERING	1990	35,000
M.S. INDUSTRIAL ENGINEERING	1990	150,000
M.S. MASS COMMUNICATIONS	1992	10,000
B.S. INDUSTRIAL ENGINEERING	1992	200,000
B.S., M.S. HORTICULTURE	1994	100,000
M.A.,B.A. ALCOHOLISM AND SUBSTANCE ABUSE COUNSELLING	1994	15,000
M.A. MARRIAGE AND FAMILY COUNSELLING	1994	25,000
PH.D. BIOLOGY	1994	550,000
PHARMACY	1994	1,500,000
TOTAL		2,585,000

		CORPUS CHRISTI STATE UNIVERSITY					
PROGRAM	IMPLEMENTATION DATE	SCHOOL YEAR 1990-1	SCHOOL YEAR 1991-2	SCHOOL YEAR 1992-3	SCHOOL YEAR 1993-4	SCHOOL YEAR 1994-5	FIVE YEAR TOTAL
ED.D. EDUCATIONAL LEADERSHIP	1990	106,531	106,531	144,688	144,688	144,688	647,126
M.S. MARICULTURE	1990	163,652	163,652	92,602	92,602	92,602	605,110
B.S. HEALTH SCIENCES	1990	85,855	85,855	56,405	56,405	56,405	340,925
PH.D. COUNSELING/ PSYCHOLOGY	1991		107,131	107,131	94,831	94,831	403,924
PH.D. COMPUTER SCIENCE	1991		667,352	667,352	350,502	350,502	2,035,708
M.S. MARINE SCIENCE	1991		272,281	272,281	136,731	136,731	818,024
M.S. ENVIRONMENTAL SCIENCE	1991		324,562	324,562	253,872	253,872	1,156,868
B.S. PHYSICS	1991		352,410	352,410	165,710	165,710	1,036,240
M.P.A. PUBLIC ADMINISTRATION	1992			90,816	90,816	146,117.5	327,749.5
M.S. GERONTOLOGY	1992			154,711	154,711	87,961	397,383
M.M. MUSIC	1992			93,000	93,000	108,000	294,000
M.F.A. ART	1992			242,972	242,972	162,622	648,566
M.A. CRIMINAL JUSTICE	1992			174,031	174,031	145,731	493,793
M.A. COMMUNICATION ARTS	1992			387,381	387,381	162,931	937,693
M.S. CHEMISTRY	1993				352,981	352,981	705,962
M.B.A. INTERNATIONAL BUSINESS	1993				181,971	181,971	363,942
M.A. SPANISH	1993				250,531	250,531	501,062
M.A. HISTORY	1993				171,531	171,531	343,062
M.A. ENGLISH	1993				209,031	209,031	418,062
D.B.A. BUSINESS ADMINISTRATION	1994				95,140	422,462	517,602
M.S. HEALTH CARE ADMINISTRATION	1994					130,641	130,641
M.A. ECONOMICS	1994					61,280	61,280
B.A. ECONOMICS	1994					153,180	153,180
B.S. MICROBIOLOGY	1994					215,320	215,320
		356,038	2,079,774	3,160,342	3,699,437	4,257,631.5	13,553,222.5

CORPUS CHRISTI STATE UNIVERSITY'S PROGRAM REQUESTS INCLUDE CONSTRUCTION AS FOLLOWS

PROGRAM	IMPLEMENTATION DATE	COST
PH.D. COMPUTER SCIENCE	1991	250,000
B.S. PHYSICS	1991	300,000
M.F.A. ART	1992	93,000
M.A. COMMUNICATION ARTS	1992	20,000
B.S. MICROBIOLOGY	1994	150,000

CONSTRUCTION NEEDS HAVE BEEN DETAILED FOR THE FOLLOWING PROGRAMS BUT NO SPECIFIC DOLLAR AMOUNTS HAVE BEEN PROVIDED:

M.S. MARINE SCIENCE	1991
M.S. ENVIRONMENTAL SCIENCE	1991
M.S. CHEMISTRY	1993

LAREDO STATE UNIVERSITY

PROGRAM	IMPLEMENTATION DATE	SCHOOL YEAR 1990-1	SCHOOL YEAR 1991-2	SCHOOL YEAR 1992-3	SCHOOL YEAR 1993-4	SCHOOL YEAR 1994-5	TOTAL
B.B.A. FINANCE	1990	50,000	50,000	50,000	50,000	50,000	250,000
B.A. MATHEMATICS	1990	0	0	0	0	0	0
B.A. SOCIAL STUDIES	1990	0	0	0	0	0	0
M.A. PSYCHOLOGY	1990	45,750	45,750	44,494	44,494	44,494	224,982
B.A. SOCIAL SERVICES	1990	90,000	90,000	85,750	85,750	85,750	437,250
B.S. COMPUTER							0
INFORMATION SERVICES	1990	43,750	43,750	41,662	41,662	41,662	212,486
B.A. INTERAMERICAN							0
STUDIES	1990	38,000	38,000	32,500	32,500	32,500	173,500
B.A. LEGAL STUDIES	1990	18,250	18,250	15,500	15,500	15,500	83,000
M.A. MATHEMATICS	1990	34,625	34,625	32,812.5	32,812.5	32,812.5	167,687.5
B.S. CHEMISTRY	1990	99,957.5	99,957.5	78,225	78,225	78,225	434,590
B.S. BIOLOGY	1990	90,457.5	90,457.5	68,250	68,250	68,250	385,665
M.A. HISTORY	1990	8,600	8,600	7,350	7,350	7,350	39,250
M.A. SOCIOLOGY	1990	45,100	45,100	43,837.5	43,837.5	43,837.5	221,712.5
M.A. SPANISH	1990	31,600	31,600	29,662.5	29,662.5	29,662.5	152,187.5
M.A. ENGLISH	1990	31,600	31,600	29,662.5	29,662.5	29,662.5	152,187.5
B.S. NURSING	1991		120,460	120,460	99,750	99,750	440,420
M.A. CRIMINAL JUSTICE	1991		40,000	40,000	2,500	2,500	85,000
M.P.A. PUBLIC ACCOUNTING	1992			81,750	81,750	85,837.5	249,337.5
M.A. PUBLIC							
ADMINISTRATION	1992			52,000	52,000	54,600	158,600
BS PHYSICS	1992			64,500	64,500	65,000	194,000
B.A. FINE ARTS	1992			67,500	67,500	38,500	173,500
B.A. COMMUNICATIONS	1992			43,000	43,000	40,500	126,500
B.B.A. MARKETING	1992			50,500	50,500	49,000	150,000
B.B.A. ECONOMICS	1992			53,500	53,500	50,000	157,000
TOTAL		627,690	788,150	1,132,916	1,074,706	1,045,393.5	4,668,855.5

NOTE: LAREDO STATE UNIVERSITY CONSIDERS AN ADDITIONAL $8-$10 MILLION IN CONSTRUCTION NECESSARY

PAN AMERICAN UNIVERSITY

PROGRAM	IMPLEMENTATION DATE	SCHOOL YEAR 1989-90	SCHOOL YEAR 1990-91	SCHOOL YEAR 1991-2	SCHOOL YEAR 1992-3	SCHOOL YEAR 1993-4	SCHOOL YEAR 1994-5	TOTAL
M.A. SPEECH COMMUNICATION	1989	86,286	86,286	106,500	106,500	106,500	106,500	598,572
M.P.A. PUBLIC ADMINISTRATION	1989	119,250	119,250	102,000	102,000	102,000	102,000	646,500
M.A. THEATER	1989	167,800	167,800	110,400	110,400	110,400	110,400	777,200
B.B.A. INTERNATIONAL BUSINESS	1990		52,254	52,254	101,258	101,258	101,258	408,282
M.ED. SCHOOL PSYCHOLOGY	1990		87,730	87,730	82,010	82,010	82,010	421,490
M.A. SPANISH	SPRING 1990		68,000	136,000	135,250	134,500	134,500	608,250
B.A. FRENCH	SPRING 1990		37,625	75,250	81,375	87,500	87,500	369,250
M.ED. GIFTED AND TALENTED ED.	SPRING 1990		37,610	75,220	65,855	56,490	56,490	291,665
B.S.N. NURSING	1991			266,100	266,100	256,650	256,650	1,045,500
B.A. HEALTH CARE ADMINISTRATION	1991			151,000	151,000	134,000	134,000	570,000
B.A. MEXICAN-AMERICAN STUDIES	1991			85,000	85,000	71,000	71,000	312,000
B.A. ANTHROPOLOGY	1991			73,876	73,876	75,500	75,500	298,752
M.F.A. FINE ARTS	1991			59,770	59,770	132,500	132,500	384,540
M.S. SOCIOLOGY	1991			146,806.5	146,806.5	118,500	118,500	530,613
M.S. MATHEMATICAL SCIENCES	1991			258,314	258,314	202,000	202,000	920,628
M.S. PSYCHOLOGY	1991			344,000	334,000	97,000	97,000	872,000
M.S.W. SOCIAL WORK	1991			133,250	133,250	108,500	108,500	483,500
M.ED. EARLY CHILDHOOD/ KINDERGARTEN	SPRING 1991			21,052	42,104	55,206	68,308	186,670
D.B.A. INTERNATIONA BUSINESS	1991			2,192,500	2,192,500	450,000	450,000	5,285,000
B.S. MEDICAL RECORD ADMINISTRATION	1992				172,500	172,500	149,000	494,000
B.S. OCCUPATIONAL THERAPY	1992				131,000	131,000	116,250	378,250
B.S. PHYSICAL THERAPY	1992				245,500	245,500	196,925	687,925
B.A. AQUACULTURE	SPRING 1992				17,073.5	34,147	51,048.5	102,269
B.A. DEAF EDUCATION	1992				90,000	90,000	96,500	276,500
D.ED. EDUCATIONAL LEADERSHIP	1992				79,750	79,750	257,000	416,500
M.S.N. NURSING	1993					180,500	180,500	361,000
M.A. ANTHROPOLOGY	1993					48,500	48,500	97,000
B.S. INDUSTRIAL ENGINEERING	1994						450,000	450,000
B.S. ELECTRICAL ENGINEERING	1994						672,500	672,500
B.S. MECHANCIAL ENGINEERING	1994						1,235,000	1,235,000
M.S. ACCOUNTING	1994						199,000	199,000
TOTAL		373,336	656,555	4,477,022.5	5,263,192	3,463,411	6,146,839.5	20,380,356

THE ABOVE ESTIMATES INCLUDE CONSTRUCTION COSTS AS FOLLOWS:

PROGRAM	DATE	
MA THEATER	1989	100,000
BSN NURSING	1991	50,000
MS PSYCHOLOGY	1991	280,000
DBA INTERNATIONAL BUSINESS	1991	3,200,000
BS INDUSTRIAL ENGINEERING	1994	500,000
BS ELECTRIAL ENGINEERING	1994	500,000
BS MECHANICAL ENGINEERING	1994	1,000,000
TOTAL		5,630,000

	PAN AMERICAN UNIVERSITY AT BROWNSVILLE						
PROGRAM	IMPLEMENTATION DATE	SCHOOL YEAR 1990-91	SCHOOL YEAR 1991-92	SCHOOL YEAR 1992-93	SCHOOL YEAR 1993-94	SCHOOL YEAR 1994-95	TOTAL
B.A. LIBERAL ARTS	1990	84,000	70,000	70,000	70,000	70,000	364,000
B.S. KINESIOLOGY	1990	85,000	67,500	67,500	67,500	67,500	355,000
B.S.C.J. CORRECTIONS	1990	72,000	59,000	59,000	59,000	59,000	308,000
B.S. COMPUTER SCIENCE/ COMPUTER INFORMATION SYSTEMS	1990	135,000	74,500	74,500	74,500	74,500	433,000
B.S. BIOLOGY	1990	115,000	81,000	81,000	81,000	81,000	439,000
B.S. MATHEMATICS	1991		73,000	73,000	95,000	95,000	336,000
B.A. ART	1991		91,500	91,500	109,500	109,500	402,000
B.S. CHEMISTRY	1992			115,000	68,500	68,500	252,000
M.S. KINESIOLOGY	1992			93,000	75,500	75,500	244,000
B.S. PHYSICS	1993				101,000	101,000	202,000
		491,000	516,500	724,500	801,500	801,500	3,335,000

PAN AMERICAN UNIVERSITY AT BROWNSVILLE DOES NOT CONSIDER CONSTRUCTION COSTS NECESSARY TO IMPLEMENT THESE DEGREE PROGRAMS