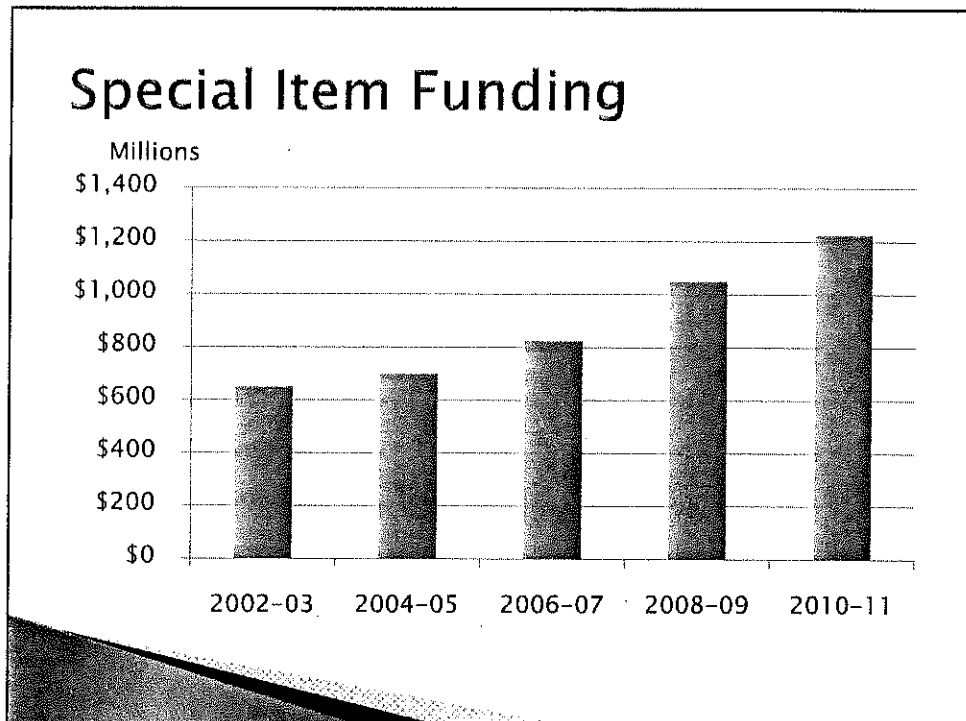


Special Item and Cost Efficiencies Studies

2010 TASSCUBO Summer Conference
June 28, 2010

Special Item Study

- ▶ Must identify:
 - ▶ “Start up Funding” items and how long they should be continued
 - ▶ Is formula funding received for the item
 - ▶ Does the item still serve its original purpose and how long should it be continued
 - ▶ The Legislative intent is that “start up funding” items only be funded for 6 years



- ### Special Item Funding
- ▶ Institutional Enhancement totals \$400 million or 33%
 - ▶ Some are contingent the Comptroller certifying that the activities supported will generate additional revenue to the state
 - ▶ 80th Legislature created the Texas Competitive Knowledge Fund for research

Special Item Funding Start-Up

- 21 Items are reported as start-up funding
- Started as early as 1986 or as late as 2010
- Range in funding from \$100,000 to \$45 million
- From a Workforce Literacy to a Health Science Center

Cost Efficiency

- Being done by Governor's Directive
- Special Cost Efficiencies Committee was appointed in Fall 2009
- Comprised of 10 higher education members and 10 business member
- Chaired by Fred Heldenfels, Chair of the Coordinating Board

Cost Efficiency

- Committee has been meeting monthly since December
- Started with a survey to all institutions on what they are currently doing to contain costs
- Have brought in experts on topics such as formulas, capital funding, distance education

Cost Efficiency

- Currently 30 categories of recommendations with over 100 recommendations
- Work continues on refining and combining the recommendations
- Draft report will go to the July Coordinating Board meeting – then distributed for comment

Cost Efficiency

- ▶ Outcomes based funding
- ▶ Capital funding
- ▶ Growth
- ▶ Continuous Improvement ideas
- ▶ Short- and long-term recommendations