

UNIVERSITY OF HOUSTON-CLEAR LAKE

Senate Finance Committee

Presentation by Dr. William A. Staples, President University of Houston-Clear Lake

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Operations Support for Downward Expansion

Following the granting of authority for downward expansion in the 82nd Legislature in 2011, the University of Houston-Clear Lake transitioned from an upper-level to a four-year university in fall 2014. In the 84th session of the Texas Legislature in 2015, UH-Clear Lake received special item funding of \$3.25 million per year for operations support for downward expansion. This level of support is critical to the continued development of UHCL as a four-year university. To date, the transition to a four-year university has been very successful. In fall 2014, UHCL enrolled 234 freshmen from over 70 high schools. In fall 2015 UHCL enrolled 250 freshmen and then 266 in fall 2016. Also, in 2016 UHCL enrolled over 450 freshman and sophomore transfer students. Over the three years, the average SAT of the entering freshman class ranged from 1029 to 1062 and the students' high school grade point average ranged from 3.36 to 3.47 on a 4.0 scale. Most importantly, the fall to fall retention rate for our fall 2014 class was 70.8% and for our fall 2015 class was 75.9%. It should be noted that the national average is 70%. Without this continued funding of operations support for downward expansion, UHCL would have to significantly reduce course offerings for freshman and sophomore students and place caps on the admission of new undergraduates.

Center for Autism and Developmental Disabilities

In the 84th session in 2015, UH-Clear Lake received special item funding of \$200,000 per year for our Center for Autism and Developmental Disabilities (CADD). This new funding had a significant impact on the expansion of existing programs and the launch of a new program by the CADD. Existing programs that were expanded in scope of operation due to this special item funding included (1) Parent Training Via Telehealth Services (Parents of children with autism and other developmental disabilities who engage in problem behavior receive individualized assessment and intervention services through the internet), (2) Verbal Behavior Clinic (The clinic serves clients between the ages of 2 years to early adulthood with services to improve the language, social skills, and quality of life for individuals with developmental disabilities) and (3) Vocational Assessment and Training Program (The program serves individuals diagnosed with an autism spectrum disorder ages 16 years and older who have difficulty obtaining or maintaining employment by focusing on job-related social skills that are critical to success). The new program is Connecting to College which CADD launched this year which supports UHCL

students with autism and related needs and includes individualized intervention as well as consultations with faculty and staff. Without the continued funding of this special item for CADD, these services would either be reduced or eliminated. At the present time, CADD has more than 150 families waiting for services. Currently, the average wait time is 1.5 years.

Houston Partnership for Environmental Studies

The University of Houston-Clear Lake established the Environmental Institute of Houston (EIH) in 1991 to address regional issues of environmental concern. EIH's current research activities are focused on water resources, wetlands, fisheries, and wildlife conservation and management. In the past few years, EIH has provided essential research and analytical support to various state agencies including the Texas Commission on Environmental Quality (TCEQ), Texas Parks and Wildlife Department (TPWD), Texas Water Development Board, Trinity River Authority and the Texas Water Resources Institute. For every state dollar provided to EIH, the institute has brought in over three dollars in external grants, contracts, and donations. Over the past decade, EIH has secured an additional \$9 million through a total of 76 grants. EIH seeks to provide cost-effective analytical laboratory support for state agencies who are charged with the monitoring and assessment of environmental and human health in the greater Houston-Galveston area and state-wide which includes water, soil, fish/wildlife, and air issues. The EIH Advisory Board includes representatives from TCEQ, TPWD, Texas General Land Office, Houston-Galveston Area Council, Harris County Flood Control District, Gulf Coast Waste Disposal Authority, and the Galveston Bay Foundation among others. Funding would enable EIH to secure NELAC accreditation which requires extensive quality assurance of laboratory operations.

Formula Funding

The ability of the state's universities to fund their operations (particularly instruction), maintain affordability, increase student success (including graduation), and provide the highly skilled workforce Texas needs to succeed depends on the Legislature's commitment to fund higher education through formula funding. UH-Clear Lake requests an increase in the current level of funding in order to improve formula funding for core instructional and academic support operations. These funds would assist the university in increasing the college-going and college-graduation rates for the region served by UHCL. The funds are especially critical given the rapidly increasing number of economically disadvantaged students in our area high schools. Of the 38 public universities in Texas, UH-Clear Lake's tuition ranks 25th in terms of tuition and fees for Texas resident undergraduate students.

Hazlewood Exemptions

The University of Houston-Clear Lake is dedicated to supporting veterans and their families by expanding opportunities for them to earn a college degree. In 2013, UHCL established the Office of Veteran Services which is staffed by veterans. For UHCL, Hazlewood exemptions increased from \$992,533 in fiscal year 2014 to \$1,508,278 in fiscal year 2016. The university

must fund these exemptions through other institutional resources, including tuition paid by other students. Our request is that the state appropriate resources to cover the Hazlewood exemptions.

NOTE: Method of Financing Correction to the Senate Bill

The University of Houston-Clear Lake has experienced a 14.3% decline in graduate semester credit hours since the last base period. This decline has a substantial impact on both General Revenue formula and our estimated Other E&G income.

Our August 2016 Legislative Appropriations Request (LAR) was submitted with a Fiscal Year 2018 estimated Other E&G income of \$15,969,152. We recognized there would be a further decline and modified Other E&G income to \$14,801,035 in our October submission. We now estimate FY2018 Other E&G Income to be \$11,414,647.

The introduced bill does not reflect this decline. The Other E&G Income of \$15,871,660 is overstated by \$1,070,625 as compared to the October LAR and \$4,457,013 as compared to our new estimate due to further graduate enrollment decline.

We are requesting a correction to the UH-Clear Lake Method of Finance.