

# THE UNIVERSITY of TEXAS SYSTEM

#### AT A GLANCE

| Und | ergrad | luate |
|-----|--------|-------|
|     | 5.5    |       |

| Enrollment           | 150,607 |
|----------------------|---------|
| % Minority           | 59.7%   |
| 6-yr Graduation Rate | 42%     |
| Degrees              | 27,246  |

#### Graduate/Professional

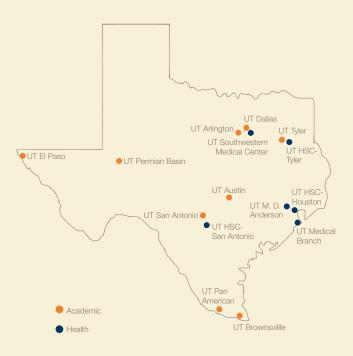
| Enrollment | 44,500 |
|------------|--------|
| % Minority | 32.9%  |
| Degrees    | 13,057 |

#### Faculty/Staff

| Tucuity/ Stuff                |        |
|-------------------------------|--------|
| Tenured/Tenure-Track          | 7,499  |
| % Minority                    | 27.4%  |
| Members of National Academies | 257    |
| Personnel Headcount           | 66,214 |

#### Other Numbers

| Research Expenditures, FY 2008  | \$2.17 billion |
|---------------------------------|----------------|
| Licenses and Options, 2008      | 194            |
| Budget, FY 2009                 | \$11.5 billion |
| PUF Market Value as of 11/30/08 | \$8.8 billion  |



#### WELCOME

For nearly 130 years, The University of Texas System has been responding to the changing needs of our state by advancing educational opportunities for Texas students, by providing world-class healthcare to Texas residents and by expanding research programs that fuel new economic growth. Today, just as we have always done, we advance our mission of excellence across the nine UT universities and six UT health institutions by investing in our state's most precious resource: our people.

Our next generation must have access to exceptional higher education opportunities, but they must also be prepared to excel once enrolled. UT Systemwide initiatives are improving K–12 education by bridging gaps in the educational pipeline to ensure students have a solid foundation for future success at the university level and beyond. Through our outstanding faculty and staff, we are positively impacting our world in all facets of life. By creating opportunities for exceptional students from many diverse backgrounds, we strengthen Texas communities and enrich our environment of higher learning.

As centers of research and teaching, the six UT health institutions offer comprehensive and compassionate care to thousands of patients each year, including care for the underinsured and uninsured, and educate more than two-thirds of the health professionals in Texas. Research opportunities at these institutions attract the best and brightest minds from around the world — helping the UT System lead the way to revolutionary new treatments for diseases such as cancer, diabetes and tuberculosis.

We are in the midst of unprecedented advances in math, science, engineering and technology. By supporting research and development across the I5 UT institutions, we will continue to attract and retain exceptional faculty to teach our students and put Texas at the epicenter of new business opportunities that will help ensure a vibrant and prosperous future for our state and nation.

With great respect,

Chancellor Francisco G. Cigarroa

#### STUDENTS, FACULTY & STAFF

| 15,634<br>705<br><b>41,579</b>                   | 1,714<br>86<br><b>8,081</b><br>n/a   | 203<br>n/a<br>11,881<br>n/a  | 46.0<br>n/a<br><b>2.8%</b><br>n/a  |
|--|--|--|--|
| 705  | 1,714<br>86  | 203<br>n/a   | n/a  |
|  | 1,714  | 203  |  |
| 15,634   |  |  | 46.0   |
|  | .,   | 5,000  |  |
| 2,828  | 1.604  | 3.060  | 8.4  |
| 3,233  | 1,388  | 3,865  | 2.4  |
| 11,243   | 1,336  | 2,338  | -3.5   |
| 7,936  | 1,953  | 2,415  | 0.8%   |
| 23,869   | 9,946  | 183,226  | 0.3%   |
| 404  | 396  | 6,117  | -0.3   |
| 3,023  | 1,271  | 28,413   | -0.4   |
| 242  | 223  | 3,496  | -1.8   |
| 2,064  | 819  | 17,534   | 0.6  |
| 1,760  | 1,121  | 20,458   | 1.5  |
| 1,902  | 807  | 14,943   | 2.7  |
| 1,364  | 709  | 17,197³  | -0.1   |
| 11,014   | 3,252  | 49,984   | -0.4   |
| 2,096  | 1,348  | 25,084   | 0.8%   |
| Personnel <sup>1</sup><br>Headcount<br>Fall 2008 | Faculty <sup>2</sup><br>(All Ranks)<br>Fall 2008                                     | Enrollment<br>Fall 2008<br>Headcount   | % Change<br>Enrollmen<br>from Prio<br>Yea  |
|  | 11,243 3,233 Headcount Fall 2008  2,096 11,014 1,364 1,902 1,760 2,064 242 3,023 404 | Call Ranks   Call Ranks   Fall 2008   Fall 2008   Rall 2008   Ra | Headcount Fall 2008         (All Ranks) Fall 2008         Fall 2008 Headcount           2,096         1,348         25,084           11,014         3,252         49,984           1,364         709         17,197°           1,902         807         14,943           1,760         1,121         20,458           2,064         819         17,534           242         223         3,496           3,023         1,271         28,413           404         396         6,117           23,869         9,946         183,226           7,936         1,953         2,415           11,243         1,336         2,338           3,233         1,388         3,865 |

Includes a wide range of positions including researchers, student services providers, managers, nurses, laboratory technicians, clinical staff, computer analysts, social workers, engineers, accountants and support staff. Does not include faculty or 20,212 student employees.

Includes all ranks of faculty but excludes student employees such as teaching assistants.

Figures for UTB represent unduplicated enrollment at UTB and Texas Southmost College.

<sup>&</sup>lt;sup>4</sup> UTHSCT does not offer degree programs or enroll students.

#### STUDENT ETHNICITY FALL 2008

|           |              |         | 2           |          | ٠     | rio . |
|-----------|--------------|---------|-------------|----------|-------|-------|
|           | Nizo<br>Nizo | Kii Kii | of inspirit | Sight of |       | diet  |
| Academic  |              |         |             |          |       |       |
| UTA       | 47.1%        | 13.9%   | 15.2%       | 10.6%    | 10.7% | 2.4%  |
| UT Austin | 54.5         | 4.4     | 16.3        | 15.6     | 8.1   | 1.1   |
| UTB       | 4.2          | 0.4     | 91.3        | 0.4      | 3.0   | 0.6   |
| UTD       | 49.9         | 6.5     | 9.2         | 18.0     | 15.3  | 1.1   |
| UTEP      | 10.1         | 2.8     | 75.1        | 1.2      | 10.2  | 0.6   |
| UTPA      | 5.7          | 0.7     | 86.3        | 1.3      | 5.3   | 0.7   |
| UTPB      | 54.1         | 5.4     | 36.5        | 1.4      | 0.7   | 1.9   |
| UTSA      | 39.0         | 7.9     | 42.6        | 6.4      | 3.3   | 0.8   |
| UTT       | 77.8         | 9.6     | 6.8         | 2.3      | 1.3   | 2.2   |
| Health    |              |         |             |          |       |       |
| UTSWMC    | 39.5%        | 3.9%    | 9.0%        | 17.0%    | 25.0% | 5.6%  |
| UTMB      | 54.8         | 9.8     | 13.6        | 12.1     | 3.9   | 5.8   |
| UTHSCH    | 49.2         | 7.6     | 13.0        | 14.5     | 13.1  | 2.6   |
| UTHSCSA   | 48.6         | 5.1     | 23.9        | 11.3     | 6.0   | 5.1   |
| UTMDA     | 34.5         | 12.8    | 18.2        | 27.6     | 5.9   | 1.0   |
| Total     | 37.8%        | 5.8%    | 38.5%       | 8.9%     | 7.7%  | 1.4%  |

- Three institutions in the top 10 (six in top 100) for baccalaureate degrees in all disciplines to Hispanics.
  - Biological/biomedical sciences: UTSA (1), UTPA (2),
     UTEP (3) and UT Austin (8)
  - Engineering: UTEP (2), UT Austin (5) and UTSA (8)
  - Math: UTPA (1), UTEP (2), UT Austin (3), UTSA (6) and UTB (8)
- Six institutions in top 100 (four in top 50, three in top 10) for master's degrees in all disciplines to Hispanics.
  - Biology: UTSA (3)
  - Engineering: UT Austin (6) and UTEP (8)
  - Math: UTEP (1), UTPA (3), and UTSA (4)
- UT Austin ranked first for law degrees to Hispanics and in the top 5 for doctorates to Hispanics in all disciplines, education and physical sciences. UTEP ranked first in engineering doctorates to Hispanics; UTPA ranked fifth for doctorates in business awarded to Hispanics
- UT health institutions also rank high for degrees awarded to underrepresented minorities. More on page 8.

#### KEEPING TEXAS COMPETITIVE

The UT System Board of Regents has invested billions of dollars to boost U.S. competitiveness in the sciences, technology, engineering and health professions. Partnering with government, business and donors, the UT System provides state-of-the-art equipment, facilities and start-up packages designed to recruit and retain the world's brightest research scientists and faculty.

Researchers at UT System institutions successfully compete for federal research funding and attract other sponsors. UT campuses increased research expenditures by nearly 12% to \$2.17 billion in 2008.

The UT System and its institutions have a strong commitment to innovation and creating new jobs, products and services. More than \$100 million from the Texas Emerging Technology Fund is boosting System and affiliated company resources to expand the pipeline of discoveries and accelerate commercialization.

The board has authorized more than \$149 million for the Science and Technology Acquisition and Retention (STARs) Program aimed at recruiting and retaining top-flight researchers at UT System institutions. STARs faculty have already generated more than \$267 million in current or future research grants and private gifts.

Over the past five years, the UT System and its institutions spent more than \$20 million to fund proof-of-concept projects to commercialize intellectual property developed at UT campuses. This includes the \$2 million Texas Ignition Fund established by the Board of Regents to bridge the gap between invention and product development, one of several initiatives designed to speed the commercialization efforts of System institutions.

Incubator facilities at System campuses have helped launch more than 250 start-up companies.

# SCIENCE, TECHNOLOGY, ENGINEERING & MATH DEGREES

# STEM Degrees as a Percent of Total Degrees Awarded by UT Academic Institutions, 2007

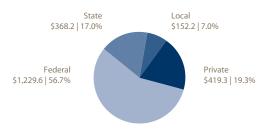
|               | UT System<br>Academic | Other Texas<br>Public Academic | National<br>Public |
|---------------|-----------------------|--------------------------------|--------------------|
| Baccalaureate | 22.0%                 | 17.9%                          | 18.3%              |
| Master's      | 21.3                  | 16.4                           | 16.4               |
| Doctoral      | 48.8                  | 37.0                           | 43.7               |
| Total         | 22.7%                 | 18.0%                          | 18.5%              |

Based on the National Science Foundation STEM classification. Includes chemistry; engineering; mathematics; physics/astronomy; the agricultural, computer, environmental, geo- and life/biological sciences and technology/technician-related fields such as electronic and computer engineering and environmental control technology.

#### FACULTY HONORS

| Nobel laureates   | 8  |
|---|----|
| Shaw laureates  | 1  |
| Pulitzer Prize recipients                               | 2  |
| Members of the Institute of Medicine                    | 39 |
| Members of the<br>National Academy of Sciences          | 36 |
| Members of the<br>National Academy of Engineering       | 50 |
| Members of the<br>American Academy of Arts and Sciences | 52 |
| Members of the American Law Institute                   | 27 |
| Members of the American Academy of Nursing              | 53 |
| Howard Hughes Medical Institute investigators           | 14 |
| Members of the  | 27 |

#### RESEARCH FUNDING FY 2008 (in millions)



Total: \$2.17 billion

UT System faculty and research staff play a critical role in generating new ideas and harnessing them to create new companies and products to increase Texas' success in the world economy. To sustain and accelerate this contribution, particularly in the critical areas of science, technology and engineering, the UT System uses its faculty STARs program which makes competitive funds for facilities and equipment available to institutions to help attract nationally distinguished faculty.

| TECHNOLOGY TRANSFER FY 2008  |        |  |  |
|--|--------|--|--|
| New Invention Disclosures  | 716    |  |  |
| U.S. Patents Issued  | 99     |  |  |
| Licenses & Options Executed  | 194    |  |  |
| Start-up Companies Formed  | 25     |  |  |
| Total Gross Revenue Received from<br>Intellectual Property (in millions) | \$37.2 |  |  |

The transfer of investments in research and development innovation into the economy is a critical contribution to the state's competitiveness. Institutions that compete successfully for research funding—particularly in science, technology, engineering, math and health research areas—are positioned to compete well in technology transfer. The number of licenses and options executed in FY2008 increased by nearly 20% over FY 2007.

RESEARCH EXPENDITURES FY 2008 (in millions)

| Total           | \$1,229.6               | \$2,169.2             | 11.5%   |
|-----------------|-------------------------|-----------------------|---|
| Subtotal        | \$774.9                 | \$1,412.8             | 9.2%  |
| UTHSCT          | 6.4                     | 13.7                  | 1.1   |
| UTMDA           | 194.9                   | 488.7                 | 9.8   |
| UTHSCSA         | 120.8                   | 188.6                 | 28.9  |
| UTHSCH          | 129.3                   | 197.3                 | 2.9   |
| UTMB            | 122.0                   | 153.5                 | -1.7  |
| UTSWMC          | \$201.5                 | \$371.1               | 8.8%  |
| Health          |                         |                       |   |
| Subtotal        | \$454.7                 | \$756.4               | 15.9%   |
| UTT             | 1.8                     | 3.4                   | 137.2   |
| UTSA            | 22.6                    | 34.6                  | 7.1   |
| UTPB            | 0.3                     | 3.0                   | 84.7  |
| UTPA            | 4.2                     | 8.5                   | 17.6  |
| UTEP            | 27.0                    | 47.9                  | 13.9  |
| UTD             | 21.4                    | 59.3                  | 27.6  |
| UTB             | 4.4                     | 5.9                   | 9.6   |
| UT Austin       | 351.5                   | 527.1                 | 10.7  |
| Academic<br>UTA | \$21.0                  | \$66.6                | 68.1%   |
|                 | Federal<br>Expenditures | Total<br>Expenditures | Total Expenditures<br>from FY 2007 <sup>1</sup> |
|                 | Federal                 | Total                 | % Change in                                     |

<sup>&</sup>lt;sup>1</sup> Percent change is based on unrounded figures.

- · Six UT institutions in top 100 of National Institutes of Health Awards in FY 07. Two in the top 50.
- · Six UT institutions in top 100 of National Science Foundation's national ranking of total R&D for FY 07. Three in the top 50. If only public institutions are considered, there are ten UT institutions in the top 150, including UTMDA and UT Austin in the top 25.
- UT institutions generate 58% of all academic R&D in Texas and 69% of R&D by public universities. UT institutions bring in almost three-quarters of all federal research funds awarded to public universities in Texas.
- In rankings of universities and colleges without medical schools, six UT academic institutions are in the top 100.

#### IMPROVING THE HEALTH OF TEXAS

The UT System is committed to enhancing the health of Texas, the nation and the world through the creation of new knowledge and its applications, the education of a diverse population of health professionals of exemplary quality, the provision of the highest-quality healthcare and preventative services to its patients and community service.

Educating more high-quality professionals is a strategic priority of the UT System. UT System health institutions awarded more than two-thirds of all health-related degrees from public health institutions in Texas.

In 2008, UT System academic and health institutions awarded:

- 2,782 health-related undergraduate certificates and degrees and
- · 2,702 health-related graduate/professional degrees.
- This includes 2,116 undergraduate and graduate nursing degrees.

The UT System enrolls 64 percent of all underrepresented minorities in health-related professional degree programs in Texas. Nationally, UT System institutions rank high for health-related degrees to minorities:

- Eight institutions in top 50 (three in top 5) of Hispanic baccalaureates in health professions/ clinical sciences.
- · Four in top 20 of Hispanic master's degrees in health professions/clinical sciences.
- Both UT dental schools are in top 10 of Hispanic professional degrees in dentistry.
- · Two institutions in top 30 of African-American professional degrees in medicine.
- All four UT medical schools are in top 10 (three in top 5) of Hispanic professional degrees in medicine.

# PATIENT CARE PROVIDED BY FACULTY UT HEALTH INSTITUTIONS FY 2007

|         | Outpatient<br>Visits | Hospital<br>Days |
|---------|----------------------|------------------|
| UTSWMC  | 1,709,034            | 479,632          |
| UTMB    | 741,206 <sup>2</sup> | 179,337          |
| UTHSCH  | 980,421              | 262,472          |
| UTHSCSA | 823,712              | 304,895          |
| UTMDA   | 939,500              | 163,007          |
| UTHSCT  | 154,397              | 12,941           |
| Total   | 5,348,270            | 1,402,284        |

- At state-owned and affiliated facilities
- <sup>2</sup> Does not include correctional managed care off-site visits

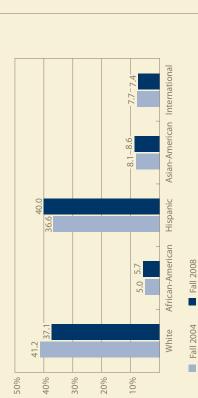
Texas' rate of uninsured is 25 percent, the highest in the nation. The UT System provides a wide array of healthcare services to Texas' uninsured. On the basis of charges, UT System institution faculty and hospitals annually provide more than a billion dollars in uncompensated charity care.

Three quarters of the medical residents at public health-related institutions in Texas are trained by UT System institution faculty. These medical residency programs are key to retaining physicians in Texas. Residents play a significant role in providing care to indigent patients.

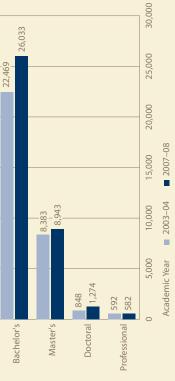
For the second straight year, UT M. D. Anderson was named the top cancer hospital in the country according to *US News & World Report*. All six UT health institutions have received national recognition in the areas of teaching, patient care and research.

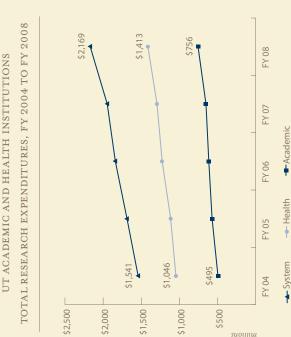
UT health institutions create new knowledge through research. In 2008, the health institutions had \$1.4 billion in research expenditures. With 441 new invention disclosures and more than 60 U.S. patents issued, the health institutions are dedicated to transforming their cutting-edge research into innovative treatments and cures.

ENROLLMENT BY ETHNICITY, FALL 2004 & FALL 2008
UT ACADEMIC INSTITUTIONS



# DEGREES BY LEVEL, 2004 & 2008 UT ACADEMIC INSTITUTIONS





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# UT HEALTH INSTITUTIONS, FY 2004 TO FY 2008 TECHNOLOGY TRANSFER ACTIVITIES AT



#### BUDGET

#### INSTITUTIONAL BUDGETS FY 2009 (in millions)

| Total        | \$11,498.8                   | \$1,947.4          | 16.9%                    |
|--------------|------------------------------|--------------------|--------------------------|
| System Admin | \$159.6                      | \$0.9              | 0.6                      |
| Subtotal     | \$7,475.1                    | \$1,033.1          | 13.8%                    |
| UTHSCT       | 118.1                        | 40.9               | 34.6                     |
| UTMDA        | 2,804.3                      | 168.1              | 6.0                      |
| UTHSCSA      | 674.4                        | 170.0              | 25.2                     |
| UTHSCH       | 780.7                        | 170.1              | 21.8                     |
| UTMB         | 1,612.0                      | 309.2              | 19.2                     |
| UTSWMC       | \$1,485.6                    | \$174.8            | 11.8%                    |
| Health       |                              |                    |                          |
| Subtotal     | \$3,864.1                    | \$913.4            | 23.6%                    |
| UTT          | 81.3                         | 36.2               | 44.5                     |
| UTSA         | 389.2                        | 115.0              | 29.5                     |
| UTPB         | 46.2                         | 31.7               | 68.7                     |
| UTPA         | 235.2                        | 80.3               | 34.1                     |
| UTEP         | 295.0                        | 91.2               | 30.9                     |
| UTD          | 309.1                        | 89.6               | 29.0                     |
| UTB          | 138.9                        | 35.3               | 25.5                     |
| UT Austin    | 1,983.6                      | 322.6              | 16.3                     |
| UTA          | \$385.6                      | \$111.5            | 28.9%                    |
| Academic     |                              |                    |                          |
|              | Total Budget<br>Expenditures | General<br>Revenue | Revenue<br>as % of Total |
|              |                              | From               | General                  |

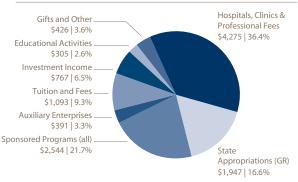
#### GENERAL REVENUE PER FTE STUDENT

|           | FY 2002<br>GR per FTE<br>Student | FY 2008<br>Inflation-<br>Adjusted*<br>GR per FTE<br>Student | % Change<br>in Total GR | % Change<br>in FTE<br>Students | % Change<br>in GR<br>per FTE<br>Student |
|-----------|----------------------------------|---|-------------------------|--------------------------------|---|
| UTA       | \$5,680                          | \$4,750   | -5.0%                   | 13.6%                          | -16.4%                                  |
| UT Austin | 6,270                            | 5,950   | -4.7                    | 0.5                            | -5.1                                    |
| UTD       | 6,150                            | 5,850   | 15.0                    | 21.0                           | -4.9                                    |
| UTEP      | 5,440                            | 4,890   | 7.3                     | 19.3                           | -10.1                                   |
| UTPA      | 4,730                            | 4,080   | 10.9                    | 28.7                           | -13.7                                   |
| UTPB      | 8,340                            | 9,810   | 70.7                    | 45.0                           | 17.6                                    |
| UTSA      | 4,940                            | 4,270   | 21.9                    | 41.2                           | -13.6                                   |
| UTT       | 8,950                            | 6,300   | 20.0                    | 70.5                           | -29.6                                   |
| Average   | \$5,850                          | \$5,260   | 5.2%                    | 16.9%                          | -10.1%                                  |

\*Adjusted for inflation using the Consumer Price Index (CPI-U) and FY 02 as the base year.

#### HOW THE BUDGET IS FUNDED

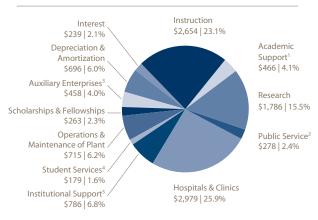
FY 2009 (in millions)



Total: \$11.7 billion

#### HOW THE BUDGET IS SPENT

FY 2009 (in millions)



Total: \$11.5 billion6

- Support services for the primary missions of instruction, research and public service. Includes salaries, wages, academic administration and all other costs related to the retention, preservation and display of educational materials.
- Noninstructional services beneficial to individuals and groups external to the institutions.
- 3 Essentially self-supporting institution enterprises such as bookstores, dormitories, or intercollegiate athletic programs.
- <sup>4</sup> Admissions and registrar offices, as well as activities with the primary purpose of contributing to the emotional and physical well-being of students outside the context of formal instruction.
- Centralized executive-level activities concerned with institutional management and long-range planning.
- <sup>6</sup> Capital purchases and debt principal repayments are uses of funds that are not part of the budgeted spending presented. When considered in combination with depreciation, a budget expense that does not actually use funds, these two items make up the difference in the totals for funding and spending above.

#### GROUNDBREAKING INITIATIVES

Institute for Public School Initiatives. Created in 2004, the Institute's goal is to improve student performance from preschool through high school using strategic partnerships with UT institutions, community colleges, school districts and state agencies. The Institute administers a variety of programs, including the recently developed Teacher Incentive Fund (TIF) and the Café con Leche program. The incentive fund rewards outstanding teachers and principals at public schools that serve the state's most impoverished regions, which ultimately enhances student achievement. The Café con Leche program aims to help parents of disadvantaged students across the state learn about college access and affordability in fun, informal coffee-and-pastry sessions. The program also provides college scholarships to needy students.

IPSI Web site: www.utsystem.edu/ipsi/

Community College Initiative. This statewide initiative, led by the UT System, includes The Texas A&M University System and the Texas Association of Community Colleges in an effort to streamline and enhance the pipeline from community colleges to universities. Recognizing that community colleges account for more than half of Texas' higher education enrollment – but that fewer than one-third of those students transfer to a four-year institution – leaders from across the state are pursuing changes to policies, procedures and processes to make it easier for prospective community college transfer students to make the transition to baccalaureate-awarding universities.

For more information, read "Texas Transfer" in the UT System online magazine: www.utsystem.edu/magazine/archive.htm

Enhancing Excellence. As part of a stepped-up effort to enhance excellence at UT System academic insitutions and to bolster the Texas economy, the UT System set aside \$15 million in 2008 to incentivize outstanding teaching and performance in the classroom and to highlight the critical role research and technology transfer play in the economic development of the state. The initiative effectively creates awards programs that recognize teaching excellence for the nine UT academic institutions. Individual awards will range from \$15,000 to \$30,000. Another program supports superior technology transfer activities at UT Austin - specifically, those that accelerate university discoveries into commercial products or enhance the development of start-up companies. The programs are the latest in a series of initiatives launched by the UT System which aim to foster innovative approaches to teaching, research and commercialization endeavors at all 15 UT academic and health institutions.

Shared Services Initiative. Since its inception in 2006, this initiative aimed at cutting costs through bulk purchases and sharing services across UT institutions has already netted tens of millions of dollars in savings and will save hundreds of millions more when it is fully implemented. The initiative is organized around three basic types of shared services: information technology (data center consolidation), business systems (software applications), and business processes (bulk equipment and supply purchases). Future plans for the initiative include the eventual consolidation of accounting and finance systems and institutional partnerships to enhance and accelerate efforts to transform research into commercial products and services.

#### AFFORDABILITY, ACCESS & QUALITY

Providing increased financial aid, hiring additional faculty, advisers and mentors, and better utilizing classroom space are among the ways tuition revenues are improving the educational experience throughout the UT System. Committees made up of students, faculty and staff at each institution thoroughly evaluate campus needs before recommending changes to tuition and fees.

In 2008, the UT System Board of Regents capped tuition and fee increases to 4.95 percent (or \$300 per year, whichever was greater) for the 2008–09 and 2009–10 academic years at all UT System academic institutions. Most importantly, the UT System and its institutions remain committed to ensuring that no qualified student is denied a UT education because of financial reasons.

Before public higher education institutions had the flexibility to set tuition, universities had virtually no means to encourage students to graduate in a timely fashion, generally within four or five years. Now, campuses are using approaches such as flat-rate tuition, guaranteed four-year tuition rates, rebates, discounts for off-peak-hour courses and guaranteed financial aid programs to encourage students to graduate on time.

These incentives allow students to save money by graduating sooner — savings that more than offset tuition increases. The cost of an additional year of college easily exceeds the total of all tuition increases over four years. Moreover, graduating on time prevents lost opportunity costs — one more year of attending college means one less year in the workforce.

The UT System and its institutions also constantly strive for ways to reduce costs and maximize efficiencies, as evidenced by recent efforts that consolidated computer space among UT System institutions. Even with recent modest increases in annual consumer costs, higher education at UT System institutions remains an excellent value — especially when compared with peer institutions nationally.

#### Costs & Financial Aid

# Average net academic cost and average percent discount for full-time undergraduate students, AY 2007-08

|                   | Avg In-State<br>Total<br>Academic<br>Cost <sup>1</sup> | % Receiving<br>Need-Based<br>Grant Aid | Avg %<br>Discount | Avg Net<br>Academic<br>Cost <sup>2</sup> | Avg %<br>Discount |
|-------------------|--|--|-------------------|--|-------------------|
| UTA               | \$7,644  | 40.2%                                  | 59.8%             | \$5,807                                  | 24.0%             |
| UT Austin         | 8,130  | 47.7                                   | 77.5              | 5,127                                    | 36.9              |
| UTB <sup>3</sup>  | 4,846  | 70.1                                   | 100.0             | 1,450                                    | 70.1              |
| UTD               | 8,710  | 35.6                                   | 51.0              | 7,126                                    | 18.2              |
| UTEP <sup>3</sup> | 5,768  | 47.8                                   | 100.0             | 3,008                                    | 47.8              |
| UTPA <sup>3</sup> | 4,924  | 71.4                                   | 100.0             | 1,409                                    | 71.4              |
| UTPB <sup>3</sup> | 4,978  | 46.3                                   | 100.0             | 2,674                                    | 46.3              |
| UTSA              | 7,242  | 45.4                                   | 65.4              | 5,090                                    | 29.7              |
| UTT               | 5,550  | 39.9                                   | 90.4              | 3,547                                    | 36.1              |
| Average           | \$7,074  | 48.8%                                  | 75.8%             | \$4,456                                  | 37.0%             |

- Total academic costs represent the sum of all statutory tuition, designated tuition and board-authorized tuition (where applicable), along with mandatory fees which now include college and course fees. Academic cost information is derived from actual fee bills for resident undergraduate students enrolled for 15 semester credit hours in the fall and spring semesters. Therefore, these figures represent costs for a total of 30 semester credit hours.
- <sup>2</sup> The average net cost for all full-time students is derived by subtracting the total need-based grant aid from the total academic costs of all students and then dividing by the total number of students.
- <sup>3</sup> In 2007–08, the average need-based grant was larger than the average academic cost at UTB, UTEP, UTPA and UTPB to help cover other student expenses such as housing, transportation, books and supplies. For this analysis, only grant funds used to cover academic costs were included for these four institutions.
- In FY 2008, \$991 million was allocated for 284,206 financial aid awards to students at UT System academic institutions (some students received more than one award). By dollar amount, loans comprised 50% of total awards; grants and scholarships comprised 49% and work-study provided 1% of all financial aid.
- 49% of full-time undergraduate students received some form of need-based aid, covering more than three-quarters of total academic costs.
- Of the scholarships and aid, federal grants funded 37%; institutional funds supported 38%; state funds were 17% and 8% came from private sources.

#### TUITION & FEES ONLINE RESOURCES

UT System Affordability Web site: www.utsystem.edu/affordability

Texas College Money: www.texascollegemoney.org

# THE PERMANENT AND AVAILABLE UNIVERSITY FUNDS (PUF AND AUF)

Market Value of PUF Investments, 11-30-08 \$8.8 billion

Distribution to AUF (FY 08) \$448.9 million

- The 1876 Texas Constitution dedicated about one million acres of land to create the PUF. Through the dedication of additional land and the investment of revenue from mineral production on PUF land, the PUF now includes 2.1 million acres, primarily in West Texas, as well as \$8.8 billion in investments. The PUF benefits The University of Texas System (except UTPA and UTB)¹ and The Texas A&M University System.
- The Constitution prescribes the management, investment and use of the PUF, including the distribution and use of income from the PUF.
- The Constitution vests management authority of the PUF in the UT System Board of Regents, which contracts with The University of Texas Investment Management Company (UTIMCO) for investment services.
- The Constitution allows distributions to the AUF from the total return on investment assets of the PUF. The target annual distribution rate is 4.75%, but may increase to 5% depending on investment performance. The Constitution requires the UT System Board of Regents to provide a stable stream of distributions while maintaining the purchasing power of PUF investments and AUF distributions. The distributions, plus surface income earned on PUF lands, are available for appropriation.
- PUF lands produce two streams of income: one from mineral interests such as oil and gas and the other from surface interests such as grazing.
- Income from the sale of PUF land and income from mineral interests such as bonuses, rentals and royalties must be added to the PUF and invested. Distributions from the PUF and income from surface interests are deposited in the AUF.
- The UT System and the Texas A&M System may issue bonds for construction projects and other capital purposes in an amount not to exceed 20% and 10%, respectively, of the book value of the PUF.
- The proceeds of PUF bonds may not be used for operational expenses.
- The Legislature appropriates the AUF, which the Constitution divides between the UT System (two-thirds) and the Texas A&M System (one-third). After debt service on PUF bonds, the remainder of the UT System's two-thirds share of the AUF is appropriated for support and maintenance of UT Austin and UT System Administration.
- · The Constitution does not permit use of the AUF for support and maintenance of other UT System institutions.

<sup>1</sup> A 1984 constitutional amendment brought all then-existing UT System institutions into the PUF. UTPA and UTB joined the UT System after that amendment and benefit from the Higher Education Assistance Fund.

#### THE UT SYSTEM ONLINE

#### UT System www.utsystem.edu

Provides an overview of the UT System and the 15 UT institutions, with quick links to news highlights, program information and key initiatives.

State of the System Online Magazine www.utsystem.edu/magazine Published quarterly, State of the System highlights innovative programs and dynamic work across the UT System. Read student success stories. Learn about research breakthroughs. And, get UT System news highlights.

#### Giving to the UT System www.utsystem.edu/giving

Without the generous support of alumni and friends, the UT System's rich heritage of academic excellence would be impossible. Gifts to the UT System educate future leaders, improve healthcare in Texas and pioneer research innovations that ensure our state remains competitive in the 2Ist century.

#### State of $Tomorrow^{\mathsf{TM}}$ www.stateoftomorrow.com

Developed to raise awareness about the profound impact public higher education has on the life of every Texan, *State of Tomorrow* explores our state's most critical challenges and highlights groundbreaking research in the areas of health, science, education, technology and the environment. The *State of Tomorrow* television series, available for viewing on the Web site, has won five National Association of Television Arts and Sciences Lone Star EMMY® awards.

#### Tuition & Fees Online Resources

UT System Affordability Web site: www.utsystem.edu/affordability Texas College Money: www.texascollegemoney.org

The UT System is working hard to ensure no qualified student is denied a UT education because of financial reasons. The Affordability Web site provides information for prospective students and their families about accessing and paying for college. The Texas College Money Web site allows students and parents to gain a realistic estimate of the financial aid they can expect to receive at any UT institutions.

#### UT ACADEMIC INSTITUTIONS

UT Arlington (UTA)

Est. 1895, joined System 1965

President James D. Spaniolo www.uta.edu

**UT** Austin

Est. 1883, joined System 1883

President William C. Powers, Jr. www.utexas.edu

UT Brownsville (UTB) Joined System 1991

President Juliet V. García www.utb.edu

UT Dallas (UTD)

Est. 1961, joined System 1969

President David E. Daniel www.utdallas.edu

UT El Paso (UTEP)

Est. 1914, joined System 1919

President Diana S. Natalicio www.utep.edu

UT Pan American (UTPA)

Est. 1927, joined System 1989

Interim President Charles A. Sorber www.utpa.edu

UT Permian Basin (UTPB)

Est. 1969, joined System 1969

President W. David Watts www.utpb.edu

UT San Antonio (UTSA)

Est. 1969, joined System 1969

President Ricardo Romo www.utsa.edu

UT Tyler (UTT)

Est. 1971, joined System 1979

President Rodney H. Mabry www.uttyler.edu

#### UT HEALTH INSTITUTIONS

UT Southwestern Medical Center - Dallas (UTSWMC)

Est. 1943, joined System 1949

President Daniel K. Podolsky www.utsouthwestern.edu

UT Medical Branch - Galveston (UTMB)

Est. 1891, joined System 1891

President David L. Callender www.utmb.edu

UT Health Science Center - Houston (UTHSCH)

Est. 1972, joined System 1972

President Larry R. Kaiser www.uthouston.edu

UT Health Science Center - San Antonio (UTHSCSA)

Est. 1959, joined System 1959

Interim President William L. Henrich www.uthscsa.edu

UT M. D. Anderson Cancer Center (UTMDA)

Est. 1941, joined System 1941

President John Mendelsohn www.mdanderson.org

UT Health Science Center - Tyler (UTHSCT)

Est. 1947, joined System 1977

President Kirk A. Calhoun www.uthct.edu

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