# Higher Education in the Texas Borderlands - Learning & Earning

The Texas Borderlands has the lowest levels of educational attainment in the state of Texas. Borderland universities lag behind the rest of the state in college graduation rates, providing grants to students, and in establishing Ph.D. and professional programs. The lack of attention to higher education along the Border still exists despite the South Texas/Border Initiative, which was approved in 1989. The initiative arose from a legal challenge by the Mexican American Legal Defense and Educational Fund against the state in 1987, which alleged that Border universities were not receiving their fair share of state funding. Thus, the Texas Legislature created the Initiative to help Border universities achieve parity with other Texas institutions. The initiative included increased funding, tuition revenue bonds, additional courses and degree programs to each institution's academic offerings, and the alignment of five Border universities with the major university systems, primarily the University of Texas System (UT System) and the Texas A&M System (A&M System).

Despite this effort by then Governor Bob Bullock, the State continues to fail in providing adequate programs and funding, which negatively affects universities' ability to retain their best and brightest students. With the fastest growing young population in the U.S., once again the Borderlands must call for higher education investment or face a less prosperous future. As the following chapter demonstrates, more resources must be invested in higher education in the Texas Borderlands, as education serves as a critical engine for economic development in this region.

# **Changing Populations in the Border Region**

### Texas Borderlands: The Fastest Growing Young Population in the State

The Texas Borderlands is quickly growing, thereby increasing the demand for higher education. In the 2000 Census, data showed that El Paso is home to 13.5 percent more young people than the Texas average and almost 25 percent more than the national average. As of 2000, 43 percent of El Paso's population was under the age of 25, compared to 35 percent for the nation. In Hidalgo and Webb counties, the percentage of the population under the age of 18 is even greater.<sup>2</sup>

While the Texas Borderlands population has grown rapidly, even greater increases are expected for the 18-24 age group. The projected state population increases from 2000 to 2015 are shown below in the table, *Projected Population Growth of the 18-24 Age Group in Texas*. By 2015, the population of the age group from 18-24 is expected to grow to 2.5 million, and by the year 2025 to 3.0 million, an increase of nearly 500,000 more people. High growth rates will create serious issues around access to higher education due to the lack of funding and enrollment capacity in the Borderlands.

### Projected Population Growth of the 18 to 24 Age Group in Texas

POPULATION	<b>JULY 1, 2005</b>	<b>JULY 1, 2015</b>	JULY 1, 2025
Ages: 18-24	2,425,782	2,535,506	3,055,333

SOURCE: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005. Internet Release Date: April 21, 2005. Available online: http://www.census.gov/population/projections/SummaryTabB1.pdf

# Borderland Universities: Keeping Up With Demand

Three universities in the Borderlands region, the University of Texas-Brownsville, University of Texas-El Paso, and University of Texas-Pan American, have experienced enrollment increases, reflecting the population growth and the increased demand for higher education. As the table *UT System Projected Enrollment* shows, 52 percent of the UT System's increased enrollment between 2003-2015 will come from just these three Border universities. While enrollment has increased over the last few years, more resources and a greater capacity is needed to keep pace with the demand for higher education in Texas. In September 2004, the UT System established the Capital Planning Task Force to assess the need for capital funding at the System's academic institutions due to enrollment growth. Just to physically accommodate new students expected to enroll by 2030 - and not accounting for additional costs such as faculty salaries, research expenditures, utilities, and other general operating expenses - the Task Force conservatively estimated a total capital need for the academic institutions of \$7.0 billion. <sup>3</sup>

UT System Projected Enrollment

	BASE ENROLLMENT	Pl	ROJECTI	ED ENROLLM	ENT INC	REASE
	2003	2005	2010	2005-2010 Percentage Increase	2015	2010-2015 Percentage Increase
UT-Arlington	24,979	25,563	27,688	8.3%	29,489	6.5%
UT-Austin	51,426	50,004	48,135	-3.7%	47,990	-0.3%
UT-Brownsville	3,703	4,171	4,869	16.7%	5,465	12.2%
UT-Dallas	13,718	14,426	15,813	9.6%	17,627	11.5%
UT-El Paso	18,542	19,549	22,488	15.0%	24,480	10.5%
UT-San Antonio	24,665	27,185	30,812	13.3%	32,879	6.7%
UT-Tyler	4,769	5,391	5,602	3.9%	5,605	0.1%
UT-Pan American	15,915	18,095	22,234	22.9%	26,450	19.0%
UT-Permian Basin	3,028	3,428	3,634	6.0%	3,765	3.6%
<b>UT System Total</b>	160,745	167,812	181,275	7.4%	193,750	6.4%

SOURCE: Texas Higher Education Coordinating Board, Participation Forecast, 2005-2015, January 2005.

The state must find a way to make higher education accessible to the Borderlands community. While the 18-24 age group continues to gow in the Borderlands, it also remains one of the most underserved populations in Texas higher education.

#### **Economic Benefits of Education**

The benefits of obtaining a college education are both economic and social, and have been found to greatly benefit society as a whole. Higher education is one of the most powerful tools for ensuring a healthy economy and the social well-being of Texas. Individuals with college degrees yield increased earnings, contribute greater amounts to the tax base, rely less on public assistance, and contribute more to local, state, and national economies than those without a college degree.<sup>4</sup> According to the Texas Comptroller, for every dollar invested in higher education, more than \$5 is pumped into the state economy. Additionally, the social benefits of higher education lead to increased civic/voting participation, decreased crime rates, and overall improved health conditions, which benefit both individuals and the community as a whole.<sup>5</sup> Texas faces many challenges, however, in providing access and equity in higher education, especially along the Texas Border region.

The table, *Educational Attainment Levels in the Borderlands for 2000*, on the following page was created by the Texas Comptroller based on data from the 2000 Census. The three different definitions of the Border that are used in the table include: (1) the 14 Texas counties with boundaries touching the U.S.-Mexico Border; (2) the 32 counties based on the federal definition of the Border from the La Paz Agreement with Mexico; and (3) the 43 counties that are commonly referred to as the Border region in state public policy. These three definitions of the Border are compared with the state average and the average of the 211 non-Border counties.

In the 43-County Texas Border Region, 33.6 percent of adults do not have a high school diploma, compared to 43.2 percent in the 14-County Actual Border Region. Comparatively, 24.3 percent of the state has a bachelor's degree while only 22.2 percent of the people in the 211-County mon-Border region have a bachelor's degree. Only 9.3 percent of the 14-County Border population have a bachelor's degree and only 5 percent have a postgraduate degree, while the state average for adults with a bachelor's degree is 15.6 percent and postgraduate degree is 7.6 percent.

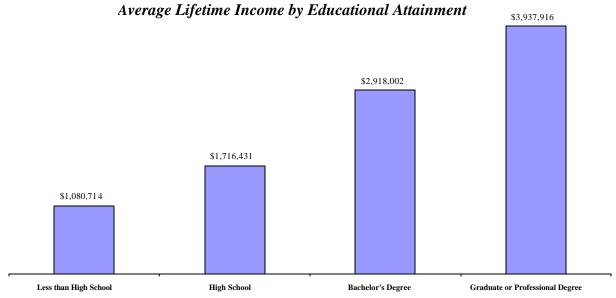
### Educational Attainment Levels in the Borderlands for 2000

POPULATION (25 YRS. AND OLDER)	14-COUNTY IMMEDIATE BORDER REGION	32-COUNTY SUB- BORDER (LA PAZ) REGION	43- COUNTY TEXAS BORDER REGION	TEXAS	211- COUNTY NON- BORDER REGION
WITHOUT A HIGH SCHOOL DIPLOMA	43.2%	43.2%	33.6%	24.3%	22.2%
WITH SOME COLLEGE BUT NO DEGREE	17.6%	17.5%	20.7%	22.4%	22.7%

WITH AN	4.1%	4.0%	4.9%	5.2%	5.3%
ASSOCIATE'S					
DEGREE					
WITH A BACHELOR'S DEGREE	9.3%	9.1%	11.2%	15.6%	16.6%
WITH A POST GRADUATE DEGREE	5.0%	4.9%	6.3%	7.6%	7.9%

SOURCE: Texas Comptroller of Public Accounts, The Border: Snapshot, November 2003, using data from the 2000 U.S. Census.

The table *Average Lifetime Income by Educational Attainment* shows the great variation in income due to education level. For individuals with less than a high school diploma, the average lifetime income is \$1,080,714, while the average lifetime earnings are \$1,716,431 for high school graduates. On the other hand, a person with a bachelor's degree, on average, earns \$2,918,002 over the course of their lifetime, compared to \$3,937,916 for an individual with a graduate or professional degree. Clearly, the economic benefits of education greatly aid in the development of both the overall economy of Texas and the specific Borderland economies.



SOURCE: Steve Murdock, The Population of Texas: Historical Patterns and Future Trends Affecting Education, June 19, 2002, from U.S. Census Bureau population figures.

A result of low levels of educational attainment is that per capita income along the Borderlands is among the lowest in the nation, ranging from 34.3 percent of the U.S. per capita income in Starr County to 66 percent in El Paso in 2003. The U.S. Department of Commerce announced in April 2006 that McAllen-Edinburg-Mission, the seat of the fourth fastest growing Metropolitan Statistical Area (MSA) in the country, continued to be America's poorest MSA, with an average per capita income of \$15,460 a year in 2004. The El Paso MSA has a per capita income of \$21,829. The per capita income for the state of Texas was \$30,732 and the national average was \$33,050. This has only gotten worse as time has passed. In 1969, El Paso's per capita income was 73 percent of the national level. By 2000, however, it had dropped to only 62 percent of the national level.

When compared with other industrialized nations, people in the United States who fail to complete a secondary education are considerably worse off. For example, 43 percent of 25-to-64-year-olds in the United States who fail to complete a secondary education make less than one-half of the country's median income. In Switzerland, however, only 31 percent fall in that category; in Germany, 28 percent.<sup>11</sup>

# Closing the Gaps by 2015

The Texas state plan for higher education, *Closing the Gaps by 2015*, aims to close disparities in participation, success, excellence, and research. Of particular concern to the state is the declining proportion of Texans enrolled in higher education. When the Texas Higher Education Coordinating Board (THECB) first adopted its plan in October 2000, it set a goal of increasing higher education enrollment by 500,000 students by 2015 to maintain national parity. Due to an increase in population projection, this target was increased to 630,000 students in 2005. Of these students, approximately 70 percent are projected to be Hispanic. <sup>12</sup>

Most public institutions of higher education have been confronted with several challenges, including enrollment increases and reductions in state appropriations. It is important to note that the majority of the state's Hispanics come from the 43 Border counties, which has serious implications in achieving THECB goals for ensuring student readiness, interest in, and successful completion of college. In the Texas Border area, 84 percent of the population is Hispanic. <sup>13</sup>

THECB's first goal in *Closing the Gaps* is to increase participation in higher education Based on its original goal to increase participation by 500,000 more students, THECB set short-term targets to reach its objective of increasing enrollment in institutions of higher education by 150,000 students by 2005. This number was later reduced to 149,121 students to reflect independent institutions' enrollments. These targets included 23,537 additional black students, 102,606 Hispanic students, and 20,958 white students. Participation targets for all groups, except Hispanics, were net and exceeded before the 2005 deadline. This represented 126.6 percent of the black target, 70.1 percent of the Hispanic target, and 289.9 percent of the white target. <sup>15</sup>

Hispanic enrollment is of particular concern to the THECB. Achieving only 70.1 percent of its participation target as of Spring 2005 meant the Hispanic population needed to enroll 30,661 more students within one year. Since the Hispanic population is averaging 18,000 students per year, achieving this target is unlikely. In addition, targets established by institutions for Hispanic enrollment for Fall 2005 total only 297,307, which is 14.4 percent below the 2005 target. Not only are institutions allowed to set their own goals, which are typically low, but there is no accountability by the universities or by THECB when they are not achieved. The higher education system must work harder to meet the needs of Hispanic Texans.

The second goal of *Closing the Gaps* is to increase the number of degrees and certificates from high quality programs by 50 percent. In order to accomplish this goal, the THECB cited the importance of increasing the number of bachelor's degrees received by the Hispanic community relative to their representation in the state population. The 2005 Closing the Gaps

*Progress Report* found that Texas had met its 2005 target by 105.6 percent. The report cautioned, however, that state's 52 percent six-year graduation rate remains "relatively low," and that the state will need to reduce the time that it takes students to earn degrees. As will be discussed later in this chapter, increasing graduation rates and decreasing remediation rates at Border universities will play a significant role in achieving this statewide goal.

The third goal, Closing the Gaps in Excellence, aims to substantially increase the number of nationally recognized programs or services at public colleges and universities in Texas. All of Texas' public institutions of higher education have identified programs to develop for national recognition; however, in 2003 both research universities and public liberal arts universities have received "red-lights" for the lack of progress made towards this goal. Two years later, THECB found this goal difficult to measure. THECB hopes to increase the number of nationally ranked universities and the number of nationally recognized programs in the top 30 of *U.S. News & World Report's* national ranking of public universities. This may prove very difficult for the University of Texas and Texas A&M systems to achieve, since there was not a single public Texas university in the top 50 in 2006.

The University of California System currently has six schools ranked in the top 50. In 2006, *U.S. World & News Report* ranked the University of Texas-Arlington, University of Texas-El Paso, Texas A&M-Commerce, and Texas A&M-Kingsville in Tier 4, which is the lowest ranking classification for a university. <sup>21</sup> Though not specifically ranked, Tier 4 begins at 191 for universities nationwide. The University of Texas-Pan American and Texas A&M-International did not even make the list of rankings. The table below, *U.S. World & News Report Rankings for Texas Public Schools and the University of California System*, shows eight institutions in the University of California System that are ranked in the top 85 for 2006. The University of Texas-Austin and Texas A&M University-College Station are the only public Texas institutions of higher education on this list, and neither of them is ranked in the top 50.

U.S. World News & World Report Rankings for Texas Public Schools and the University of California System

RANKING	COLLEGE/UNIVERSITY
20	University of California - Berkeley
25	University of California - Los Angeles
32	University of California -San Diego
40	University of California -Irvine
45	University of California -Santa Barbara
48	University of California -Davis
52	University of Texas-Austin
60	Texas A&M University-College Station
68	University of California -Santa Cruz
85	University of California - Riverside

SOURCE: U.S. News & World Report (2006)

# **Financing Higher Education in the Borderlands**

Higher Education 2005-2006 appropriations in Texas account for 12.9 percent of the state's total all funds appropriations, which include federal funds, and 15.9 percent of the state's general revenue appropriations. This is the third biennium in a row that funding has remained at this level. In the 2004-05 biennium, nine Texas Borderland universities accounted for \$903 million, or 16.6 percent, of all funds appropriations, while all the remaining twenty-four universities account for nearly \$4.5 billion, or 83.4 percent. Thus, for every \$100 a Borderland university receives, a non-Borderland university receives \$87 more.

The University of Texas-El Paso experienced an 1.9 percent increase in funding from the 2004-2005 biennium, while the University of Texas-Pan American experienced a 1.7 percent increase, and the University of Texas-Brownsville experienced a 1.8 percent increase. The University of Texas-San Antonio showed an increase of 3.7 percent, compared to Texas A&M-Kingsville, which had a decrease of 3.7 percent, and Texas A&M-International, whose budget was increased by 1.8 percent. Finally, Sul Ross State University only showed an increase of 1.9 percent, and Sul Ross University-Rio Grande College had no change in their funding.

All Funds Appropriations for General Academics

UNIVERSITY	2004-2005 BIENNIUM (MILLIONS)	2006-2007 BIENNIUM (MILLIONS)	PERCENTAGE INCREASE
UT-AUSTIN	\$758	\$711	2.1
UT-EL PASO	\$168	\$174	1.9
UT-PAN AMERICAN	\$136	\$152	1.7
UT-BROWNSVILLE	\$45	\$48	1.8
UT-SAN ANTONIO	\$193	\$103	(3.7)
Texas A&M-COLLEGE STATION	\$592	\$602	1.9
Texas A&M-CORPUS CHRISTI	\$101	\$109	1.8
Texas A&M-KINGSVILLE	\$171	\$92	3.7
Texas A&M-INTERNATIONAL	\$72	\$77	1.8
SUL ROSS STATE UNIVERSITY	\$33	\$34	1.9
SUL ROSS STATE -RIO GRANDE	\$12	\$12	0

SOURCE: Legislative Budget Board, Text of Conference Committee Report on House Bill 1 (October, 2003) and Text of Conference Committee Report, Senate Bill 1 (November, 2005).

The Accountability and Performance Report, 2005 issued by the University of Texas Board of Regents uses adjusted revenue per full-time equivalent student and adjusted revenue per full-time equivalent faculty as indicators of the resources available for students and faculty. As illustrated by the following chart, Adjusted Revenue per Full-Time Equivalent Student at University of Texas Campuses, revenue per full-time equivalent student has remained the same or decreased in all but one of the University of Texas Borderland universities over the past five years. In addition, the chart Adjusted Revenue per Full-Time Equivalent Faculty at the University of Texas Academics Institutions, also shows a decrease in revenue per full time equivalent faculty member for two of the four Borderland universities in the UT System.

Adjusted Revenue per Full-Time Equivalent Student at University of Texas Campuses

	FY 99	FY 00	FY 01	FY 02	FY 03
UT-Arlington	\$11,000	\$11,000	\$12,000	\$12,000	\$10,000
UT-Austin	\$11,000	\$12,000	\$13,000	\$12,000	\$12,000
UT-Brownsville	\$4,000	\$5,000	\$4,000	\$4,000	\$5,000
UT-Dallas	\$13,000	\$14,000	\$15,000	\$13,000	\$13,000
UT-El Paso	\$10,000	\$11,000	\$11,000	\$9,000	\$9,000
UT-Pan American	\$ 9,000	\$9,000	\$10,000	\$8,000	\$9,000
UT-Permian Basin	\$11,000	\$14,000	\$14,000	\$13,000	\$11,000
UT-San Antonio	\$9,000	\$10,000	\$10,000	\$9,000	\$9,000
UT-Tyler	\$10,000	\$14,000	\$13,000	\$13,000	\$12,000

<sup>\*</sup>Adjusted total revenue includes tuition, fees, and state appropriations.

SOURCE: University of Texas Office of Business Affairs, Full-Time Equivalent data from the Texas Higher Education Coordinating Board.

Adjusted Revenue per Full-Time Equivalent Faculty at University of Texas Campuses

Tujustea Revenue per 1 un 1 une Equivalent 1 ueung al Cinversity of 1 etas Campuses					
	FY 99	FY 00	FY 01	FY 02	FY 03
UT-Arlington	\$201,000	\$215,000	\$232,000	\$235,000	\$227,000
UT-Austin	\$224,000	\$248,000	\$265,000	\$251,000	\$252,000
UT-Brownsville	\$140,000	\$178,000	\$156,000	\$158,000	\$183,000
UT-Dallas	\$240,000	\$269,000	\$287,000	\$293,000	\$285,000
UT-El Paso	\$175,000	\$195,000	\$195,000	\$168,000	\$165,000
UT-Pan American	\$167,000	\$188,000	\$187,000	\$174,000	\$177,000
UT-Permian Basin	\$177,000	\$228,000	\$231,000	\$210,000	\$196,000
UT-San Antonio	\$210,000	\$240,000	\$250,000	\$222,000	\$215,000
UT-Tyler	\$116,000	\$154,000	\$152,000	\$156,000	\$156,000

SOURCE: University of Texas Office of Business Affairs; Full-Time Equivalent data from the Texas Higher Education Coordinating Board

In their report, *Research Capability Expansion for the University of Texas System*, the Washington Advisory Group states that in order to become more competitive Tier I research institutions, the Borderland universities in the University of Texas system must be able to recruit and retain prestigious faculty and this can only be achieved with increased funding. For example, the Washington Advisory Group recommends that the University of Texas at El Paso triple its current \$33 million research budget and add 300 new researchers in order to reach a more competitive Tier 1 status. According to the indicators above, the University of Texas at El Paso and the other Border universities in the University of Texas system are stagnating or becoming less competitive institutions in these areas.<sup>25</sup>

### TEXAS Grant and State Aid for the Borderlands

The Toward Excellence, Access, & Success (TEXAS) Grant Program was created in 1999 by the Texas Legislature to provide aid to financially needy students, and is the largest state funded, need-based grant program in Texas, followed by the Tuition Equalization Grant for independent colleges and universities. In the 2004-2005 biennium, \$324 million in general revenue was appropriated to the TEXAS Grant Program, while \$331.7 million was appropriated for the 2005-2006 biennium. <sup>26</sup> The number of students served was 64,039 in 2004 and 60,156 in 2005.

While TEXAS Grant funding continues to increase, the number of students who receive aid is insufficient. Because priority is given to students who already receive the grant, new students unable to receive the award due to lack of funding must rely on Federal Pell Grants and federal loan programs such as the Stafford and Perkins loans. The Pell Grant Program had a maximum award of \$4,050 in 2005, depending on expected family contribution and cost of attendance, which does not meet most Border families' needs.<sup>27</sup>

In 2003-04, the average Pell Grant was \$2,473 and the average TEXAS Grant was \$2,446.<sup>28</sup> Pell Grants cannot replace entirely a TEXAS Grant because general assistance is usually during initial years of enrollment for the Pell Grant, whereas the TEXAS Grant can be maintained for up to six years.<sup>29</sup> Moreover, grants tend to have a stronger influence on college enrollment than loans or work-study, particularly for low income, African-American, and Hispanic students.<sup>30</sup> Failure to fund TEXAS Grants at higher levels adversely affects low-income and minority enrollments, which is necessary to meet THECB's plan for *Closing the Gaps by 2015*.

The TEXAS Grant is of particular importance to the Texas Borderland universities, as these institutions educate some of Texas' neediest students on the Texas-Mexico Border. In 2006, an estimated 34,606 students who qualify for the TEXAS Grant will not receive an award due to lack of state funding. State lawmakers expect that an estimated 36,712 students who qualify will not receive awards in the upcoming year. According to Texas Higher Education Coordinating Board, the \$324 million for TEXAS Grants in the 2004-2005 biennium, only funds 62 percent of the cost to fund all eligible students. Thus, 82,153 students who were eligible did not receive an award. 32

In 2004 and 2005, approximately 479 students who qualified for a TEXAS Grant at the University of Texas-El Paso did not receive one since state funding was depleted.<sup>33</sup> Fewer grants and a tuition increase of 28 percent have placed an enormous strain on students attending the University of Texas at El Paso. As the chart, *Undergraduate Financial Aid Awards and Recipients at the University of Texas-El Paso 2003-2004* shows, only 15 percent of the 14,384 undergraduates attending the University of Texas-El Paso received any form of state financial aid. Most of the financial aid awarded in the 2003-2004 school year was federal scholarships and loans, and even these did not fully cover the cost of tuition.

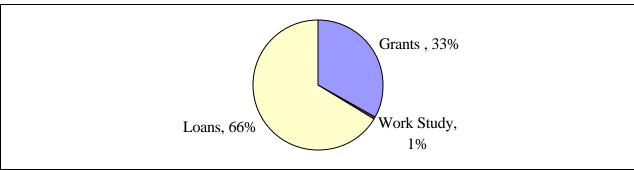
# Undergraduate Financial Aid Awards and Recipients at the University of Texas-El Paso 2003-2004

Source of Funding	Number of Recipients	Amount Awarded	Percent of Total Amount of Funding
Federal Scholarships	9,249	\$23,473,818	34.3%
State Scholarships	2,940	\$6,799,841	10%
Institutional Scholarships	7,717	\$8,751,736	13%
Private Scholarships	550	\$838,130	1.1%
Work-Study	582	\$1,202,845	1.7%
Loans	8,814	\$27,219,026	40%
Total	29,852	\$68,285,396	100%

SOURCE: University of Texas System, Office of Academic Affairs

Students in Texas already receive a smaller percentage of grant aid than students in the nation as a whole. For example, the *Texas Grants and Loans*, 2003-2004 graph on the following page shows that 33 percent of aid in Texas came from grants while 66 percent came from loans. Comparatively, the nationwide average is 42 percent grants and 57 percent loans. In 2002-2003, Texas appropriated \$248 per full-time equivalent (FTE) student, placing Texas last among the six largest states for state grants. <sup>34</sup> The state of California spends twice as much as Texas and New York offers 1.3 times more state grant aid than Texas. <sup>35</sup>

Texas Grants and Loans, 2003-2004



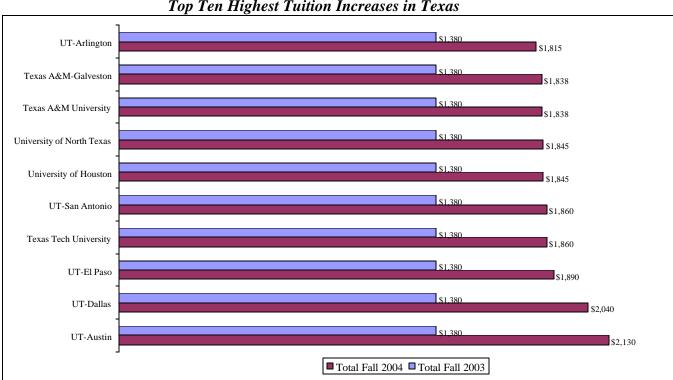
SOURCE: Texas Guarantee. School Facts Sheets, Status of Texas Higher Education. Award Year 2003-04. p.ix.

# The Effects of Tuition Deregulation on the Borderlands

In 2003, the 78th Texas State Legislature deregulated tuition at public universities. Prior to this, the Legislature determined tuition rates for public universities in the state. In response to decreasing state financial support, tuition deregulation allowed higher education institutions to increase the amount charged as designated tuition for resident and non-resident students with

little public oversight. Typically, public colleges and universities respond to declining state support by increasing tuition, when not restricted by the state legislature. The rising cost of higher education, however, places a larger burden on parents and students.

As detailed in the chart on the following page, Top Ten Highest Tuition Increases in Texas, the University of Texas-El Paso (UTEP) had the third highest tuition increase from 2003-2004 in the state. UTEP increased tuition \$510 for a total increase of 37 percent. In the fall of 2005, students saw even higher tuition bills when UTEP increased tuition another \$110 for a total increase of 45 percent since the Legislature passed tuition deregulation in 2003. The increase of tuition and fees disproportionately impacts middle and lower income students. Increased tuition also has a significant impact on enrollment of minority students, as they tend to be more affected by price increases. Tuition increases have been shown to have little financial effect on affluent families. 36

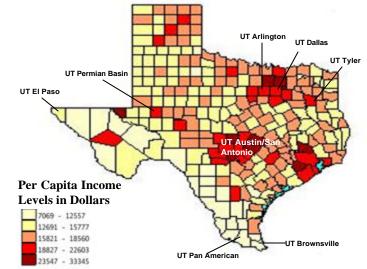


Top Ten Highest Tuition Increases in Texas

SOURCE: Texas Higher Education Coordinating Board

Tuition increases disproportionately affect the Borderland universities in El Paso, Edinberg, and Brownsville due to the fact that these schools are heavily composed of lower income and Hispanic students, particularly when compared to universities such as the University of Texas-Austin and Texas A&M University-College Station. As shown below in the chart Texas Per Capita Income and UT System Universities, 1999, the Texas Borderlands has some of the lowest levels of per capita income in the state. Clearly, families with extremely low incomes will have much more difficulty in accessing higher education.

Texas Per Capita Income and UT System Universities, 1999



SOURCE: U.S. Census Bureau, 1999

The fiscal implication of tuition deregulation for TEXAS Grants also remains unclear since increases in tuition and fees would produce a greater need for this already under-funded program. While some institutions are planning to offset the difference between increased tuition and fees due to deregulation and the amount of a TEXAS Grant, if state funding for TEXAS Grants does not increase, higher education will remain inaccessible to an even greater number of students.

The other possible consequence of tuition deregulation is the economic choice by students to attend a university out-of-state. Between 1994 and 1999, the University of Texas-El Paso experienced a significant decline in enrollment from 17,188 students to 14,695. A portion of this decline can be attributed to New Mexico State University's (NMSU) decision in 1996 to offer instate tuition to El Paso residents. NMSU is located only 20 miles from El Paso. While student enrollment at the University of Texas-El Paso has slowly rebounded, tuition increases made under tuition deregulation may negatively affect enrollment again, forcing El Paso's collegebound students to make the economic decision to attend NMSU. Even UTEP's own Center for Institutional Evaluation, Research and Planning has cited NMSU as a source of declining enrollment for the university. The chart *University of Texas-El Paso vs. New Mexico State University* shows that for the same amount of money, generally, NMSU offers smaller class sizes and a better chance of graduation.

University of Texas	University of Texas-El Paso vs. New Mexico State University					
	University of Texas -El Paso	New Mexico State University				
Tuition - Spring 2004	\$1,699	\$1,698				
Number of bachelor degrees offered	81	74				
Number of doctoral degrees offered	14	24				
6-year Graduation rate	25%	43%				
Percent of Classes under 20 students	29%	38%				

SOURCE: The University of Texas at El Paso, Center for Institutional Evaluation, Research, and Planning

## **Graduation and Remediation Rates**

The Texas Borderland universities have had limited success in increasing student graduation rates. The table *Graduation and Remediation Rates*, 2003 on the following page shows six-year graduation rates for Texas Borderland universities. In 2003, Texas A&M-International had a graduation rate of 38.6 percent, while Texas A&M-Corpus Christi had a graduation rate of 33.9 percent. The University of Texas-El Paso had a graduation rate of 24.7 percent while the University of Texas-Pan American's graduation rate was 24.5 percent. In the UT System, only the University of Texas-Austin, with a graduation rate of 71.8 percent, and the University of Texas-Dallas, with a rate of 51.9 percent, are above the national average six-year graduation rate of 50.7 percent. Increased tuition and fees will most likely lead to a further decline in graduation rates, due to the price sensitivity of low income students at Borderland universities.

The table also shows the percentage of freshman that needed remediation at Borderland universities in 2003. Students whose college-entrance test scores indicate a need for remediation must enroll and participate in remediation in the indicated area. Remedial classes in English, writing, and mathematics are required to ensure students enrolled in all Texas public colleges and universities possess the academic skills necessary to perform effectively in college courses. In 2003, 54.5 percent of Texas A&M-International students needed remediation, while Texas A&M-Corpus Christi had a 32.5 percent remediation rate. The University of Texas-El Paso had a remediation rate of 61.5 percent, compared to the University of Texas-Pan American, which had a 74 percent remediation rate. High remediation rates cause concern because they increase the length of time in college. Of additional concern is the fact that there is no way to determine whether students who participate in these courses actually benefit from remediation, due to a lack of appropriate data collection. In order to meet the second goal of the state's *Closing the Gaps* plan - to increase the number of degrees and certificates - graduation rates at Borderland universities must increase and administrators must focus on decreasing remediation rates.

#### Graduation and Remediation Rates, 2003

UNIVERSITY	PERCENT REQUIRING	6-YEAR
	REMEDIATION	GRADUATION RATE
TEXAS A&M-INTERNATIONAL	54.5%	38.6%
TEXAS A&M-CORPUS CHRISTI	32.5%	33.9%
UT-BROWNSVILLE	37.4%	N/A
UT-EL PASO	61.5%	24.7%
UT-PAN AMERICAN	74.0%	24.5%

SOURCE: Texas Higher Education Coordinating Board

# **Graduate Professional Degrees**

The state of Texas is in particular need of professional degrees to meet the demand for health and legal services. The Texas Borderland population is the least served by physicians, pharmacists, veterinary medicine, and legal professionals. According to the Texas Higher Education Coordinating Board, a growing population increases the demand for services requiring

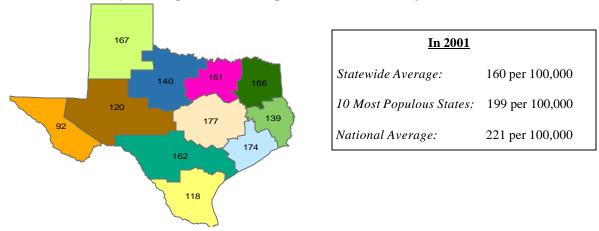
professional degrees, and the growth in the aging population is one of the contributing factors in the increased demand for pharmacists.

#### Medical Education in Texas

There is a strong need for physicians in the state of Texas as a whole. As shown in the chart *Physicians per 100,000 Population in Texas Regions in 2001* on the following page, Texas has fewer physicians at 160 per 100,000 people than the national average of 221. Further, Texas has fewer physicians than the ten most populous states, which average 199 physicians per 100,000 people. The recommended number of physicians by the U.S. Department of Health & Human Services ranges from 145 to 185 physicians.

Physicians are not evenly distributed among the regions of Texas. Several regions of the state are well below the recommended range for the number of physicians per 100,000 population. Far West Texas had only 92 per 100,000 in 2001, and the Rio Grande Valley had 118 per 100,000. According to the THECB, over 77 percent of Texas counties have fewer than 100 physicians per 100,000 population, while 19 counties have one physician and 24 counties have no physician.

### Physicians per 100,000 Population in Texas Regions, 2001



SOURCE: Texas State Data Center, Texas Department of Health, & Texas State Board of Medical Examiners; Bureau of Health Professions, Website: www.//bhpr.hrsa.gov; 2001 data

The Texas population has grown from 14.7 million in 1981 to over 20.9 million in the year 2000. It is expected that the population in Texas will be over 26 million by 2015. While the population has continued to increase, the number of Texas medical school graduates has remained relatively flat. In 2000, 44 percent of physicians in Texas graduated from a Texas medical school, with 35 percent coming from other states, and 21 percent coming from other countries. Texas has eight medical schools, one of which is private. None of these are located in the Texas Borderlands.

In addition to the absence of a medical school on the Border, there is also a great need for graduate and professional degrees in priority health fields. As indicated by the chart, *Graduate* 

and Professional Degrees Conferred in Health Fields, the overall trend for the Borderland universities in the University of Texas System is either no change or a decline in the number of academic degrees awarded in high priority health fields like Nursing and Rehabilitation/Therapeutic Services. The growing shortage of health professionals available to serve the growing Borderland population exacerbates the access to health care crisis.

Graduate and Professional Degrees Conferred in Health Fields

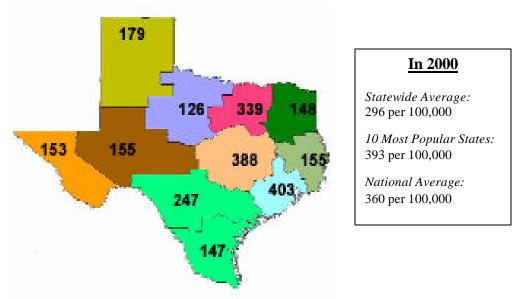
		1999	2000	2001	2002	2003
Communication Disorders	El Paso	14	14	8	14	14
Science and Services	Pan American	24	24	14	15	14
Nursing	Brownsville	0	0	0	0	12
	El Paso	30	30	27	28	21
	Pan American	8	8	5	7	15
Rehabilitation/Therapeutic	El Paso	24	24	24	22	15
Services	Pan American	3	3	8	10	19

Source: Texas Higher Education Coordinating Board

### Legal Education in Texas

Not only is Texas in need of physicians, but it is also in need of lawyers. According to the Texas Higher Education Coordinating Board, Texas averages 296 lawyers per 100,000 population, while the national average is 360 per 100,000, and the average number of lawyers in the 10 most populous states is 393 per 100,000 people, with only Ohio and Georgia having fewer lawyers. The ratio of lawyers is much lower along the Texas-Mexico Border than the state average in Texas. Of the nine law schools in Texas, four public and five independent, none are located in the Texas Borderlands. As shown on the following page in the chart *Lawyers Per 100,000 Population*, 2000, the Borderlands has some of the lowest numbers of lawyers per 100,000 population in the state of Texas, particularly in the West Texas region surrounding El Paso and the southern portions of the Rio Grande Valley and Gulf Coast.

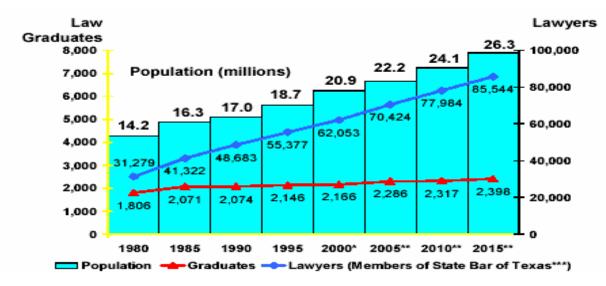
### Lawyers Per 100,000 Population, 2000



SOURCES: State Bar of Texas; American Bar Association

As shown below in the chart *Population, Graduates, and Lawyers*, 2000, from 1980 to 2000 the Texas population grew from 14.2 million to 20.9 million, but similar to the trend of physicians, the number of Texas law graduates has remained relatively flat and has not kept pace with the growing population. The number of Texas law school graduates has grown slowly from 1,806 graduates in 1990 to only 2,165 in 2000. The fact that most Texas lawyers come from out of state shows that Texas needs more law schools and students, particularly along the Border.

Population, Graduates & Lawyers, 2000



\*Beginning in 2000, data include Texas Wesleyan University School of Law.

\*\*Projected. \*\*\*Generally, 95 percent of State Bar members are in active practice.

SOURCES: U.S. Census Bureau; Texas Higher Education Coordinating Board; State Bar of Texas

### Doctoral and Professional Programs

Texas Borderland universities combined have nearly half as many Ph.D. programs than the University of Texas-Austin alone. This negatively impacts the Border region because it can only retain their best and brightest students if its institutions offer a wide array of competitive academic programs in higher education. The table *Doctoral and Professional Programs*, 2005 illustrates the stark contrast between the number of Ph.D. programs offered at different universities in Texas. The Borderland Universities offer fewer Ph.D. programs than peer institutions of higher education, and also have no law or medical schools.

Doctoral and Professional Programs, 2005

PROGRAM	UT- BROWNS -VILLE	UT-PAN AMERICAN	UT-SAN ANTONIO	UT-EL PASO	TEXAS A&M- INTERNA- TIONAL	UT- AUSTIN
BUSINESS	0	1	4	1	1	5
EDUCATION	1	1	4	1	2	11
ENGINEERING	0	0	3	5	0	18
LIBERAL ARTS	0	0	1	3	1	22
HEALTH	0	0	0	2	0	2
SCIENCES						
SCIENCE	0	0	4	2	0	15
ARCHITECTURE	0	0	0	0	0	3
MEDICAL	0	0	0	0	0	0
LAW	0	0	0	0	0	1
TOTAL	1	2	16	14	4	77

SOURCE: Texas Higher Education Coordinating Board.

#### Conclusion

The Texas Borderlands faces the difficult task of providing access and resources for higher education for the fastest growing young population in Texas. The first challenge for universities that serve this region is to find new ways to keep education affordable for students while providing an array of quality undergraduate and graduate programs, particularly in light of tuition deregulation. The state must appropriate more money to the development of Borderland universities, since this is the state's most underserved region. Need based grants such as the TEXAS Grant Program must fully meet the financial challenge of funding all students who qualify for these programs. Additionally, Borderland universities must find ways to increase graduation rates and ensure that more graduates invest their time and skills back into their communities.

In trying to provide quality education for all Texans, state lawmakers must finds ways to develop existing graduate and professional education while adding new programs to meet the needs of the Borderlands population. Allied health and nursing, medical, and legal education are areas severely lacking in the Borderlands region. If current trends continue and the Borderland

population continues to grow, professional education will undoubtedly lag even further behind state and national averages.

The third challenge arises from increased enrollment in higher education in Texas. According to Woody Hunt, University of Texas Regent, Texas universities risk breaking into a "two-tiered system of inner cities and suburbs if the funding gap continues. If we don't have the resources, we lose quality, we lose competitiveness and then we lose the students who have the ability to pay."<sup>39</sup>

<sup>&</sup>lt;sup>1</sup> Texas Comptroller of Public Accounts, John Sharp, *Bordering the Future-Challenge and Opportunity in the Texas Border Region*, p. 1, 97-200 (Austin, Texas, July 1998). Online. Available: http://www.window.state.tx.us. Accessed: February 27, 2004.

<sup>&</sup>lt;sup>2</sup> Institute for Policy and Economic Development, The University of Texas at El Paso, *Educational Trends and Income in El Paso: A Longitudinal Perspective* (El Paso, Texas, August 2001), p. 15.

<sup>&</sup>lt;sup>3</sup> The University of Texas System Office of Public Affairs, *Assessing the Need for Capital Required to Close the Gaps at UT System Academic Institutions (Power Point)*. Online. Available: http://www.utsystem.edu/news/2004/BOR-CapitalPlanningReport03-11-04.htm. Accessed: June 13, 2006.

<sup>&</sup>lt;sup>4</sup> Mortenson, Thomas. "*Private Correlates of Educational Attainment*." Post-Secondary Education Opportunities. July, 1996.

<sup>&</sup>lt;sup>5</sup> Institute for Higher Education Policy, *Reaping the Benefits: Defining the Public and Private Value of Going to College*, March 1998.

<sup>&</sup>lt;sup>6</sup> Regional Economic Information Systems (REIS), U.S. Bureau of Economic Analysis (BEA); Consumer Price Index, Federal Reserve Bank of Dallas.

<sup>&</sup>lt;sup>7</sup> U.S. Department of Commerce, Bureau of Economic Analysis, *State and Local Personal Income: Local Area Annual Estimates*. Online. Available: http://www.bea.gov/bea/newsrelarchive/2006/mpi0406.xls. Accessed: June 21, 2006.

<sup>&</sup>lt;sup>8</sup> Ibid.

<sup>&</sup>lt;sup>9</sup> U.S. Department of Commerce, Bureau of Economic Analysis, *State and Local Personal Income: State Annual Estimates*. Available: http://www.bea.gov/bea/newsrelarchive/2006/spi0306.xls . Accessed: June 21, 2006.

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<sup>&</sup>lt;sup>11</sup> Organisation for Economic Co-operation and Development, *Education at a Glance: OECD Indicators* 2005, p. 121. Available online: http://www.oecd.org/edu/eag 2005.

<sup>&</sup>lt;sup>12</sup> Texas Higher Education Coordinating Board, Assistant Director State Government Relations, "Legislative Inquiry: Hispanic Participation Goal," email sent to Office of Senator Shapleigh staff, June 26, 2006.

<sup>&</sup>lt;sup>13</sup> United States-Mexico Border Health Commission, Healthy Border 2010, October 2003.

<sup>14</sup> Texas Higher Education Coordinating Board, *Closing the Gaps by 2015: 2005 Progress Report*, p.5 (July 2005). Online. Available: http://www.thecb.state.tx.us/reports/PDF/0870.PDF. Accessed: June 22, 2006.

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<sup>16</sup> Ibid.

<sup>&</sup>lt;sup>20</sup> Ibid at p. 10.

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<sup>&</sup>lt;sup>33</sup> University of Texas-El Paso, *TX Grant Information*, e-mail from Richard Adauto, Assistant to the President, August 30, 2006.

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