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A Summary Report on

Full-Time Equivalent State Employees for Fiscal Year 2007

November 2007

Report No. 08-702



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Overall Conclusion

During fiscal year 2007, an average of 289,515 full-time equivalent (FTE) employees were employed in state agencies or higher education institutions. This is an increase of 3,850 FTEs (or 1.3 percent) over the number employed in fiscal year 2006.

State agencies employed 144,243 FTEs, an increase of 1.1 percent over fiscal year 2006. Higher education institutions employed 145,272 FTEs, an increase of 1.6 percent over fiscal year 2006.

State agencies and higher education institutions reported average headcounts of 260,681 full-time employees and 75,897 part-time employees during fiscal year 2007.

FTE Calculations

A full-time equivalent (FTE) employee is a ratio that represents the number of hours that an employee works compared to 40 hours a week. One FTE is any combination of employees whose hours total 40 hours.

FTEs do not equate to employee headcount. For example, two half-time employees who each work 20 hours a week together equal one FTE. The number of FTEs for an agency is equal to the total hours paid divided by the total work hours in a quarter.

Key Points

FTE levels overall have increased during the past 10 years.

During the past 10 years, the average number of FTEs in the State has increased by 7.5 percent. Among higher education institutions, the average number of FTEs has increased more than 25 percent since fiscal year 1998. During that same time, state agencies experienced a decrease of almost 6 percent in the average number of FTEs.

The majority of state agencies and higher education institutions comply with their legislatively mandated FTE caps.

During fiscal year 2007, 5 state agencies and 21 higher education institutions exceeded their legislatively mandated FTE caps. Of those that exceeded their caps, state agencies on average were less than 1 percent above their caps and higher education institutions on average were 7.6 percent above their caps.

This review was conducted in accordance with Texas Government Code, Section 2052.104 (b).

For more information regarding this report, please contact Kelly Furgeson Linder, Audit Manager, or John Keel, State Auditor, at (512) 936-9500.

Statewide, average management-to-staff ratios surpass targeted ratios.

The average management-to-staff ratio, calculated using headcount, for fiscal year 2007 was 1:15 (1 manager or supervisor per 15 staff employees). The same ratio, calculated using FTEs, was 1:13 (1 manager or supervisor per 13 staff employees). These ratios have remained fairly constant since fiscal year 2004. Currently, the target management-to-staff ratio for the State is 1:11 (based on FTEs).

Summary of Objective, Scope, and Methodology

The objective of this review was to provide the Legislature and the public with information on the number of FTEs who perform services for state government.

The scope of this review included unaudited fiscal year 2007 information on FTEs submitted each quarter to the State Auditor's Office by agencies and higher education institutions.

This report compares data from fiscal year 2007 with previously submitted data from the State Auditor's Office's Full-Time Equivalent (FTE) System.

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Detailed Results

Introduction

The State Auditors' Office has compiled full-time equivalent (FTE) data from state agencies and higher education institutions since 1988. This data, which is reported quarterly, is used by the Legislature to manage workforce levels across the state and appropriate funding. In addition to information about the total number of FTEs employed in the State, the State Auditor's Office's FTE System collects data on full-time and part-time employees and management-to-staff ratios (see text box for additional details).

Additional FTE Analysis

The State Auditor's Office provides additional data analysis and reports from its FTE System through its Web site at <http://www.sao.state.tx.us>. To access that information:

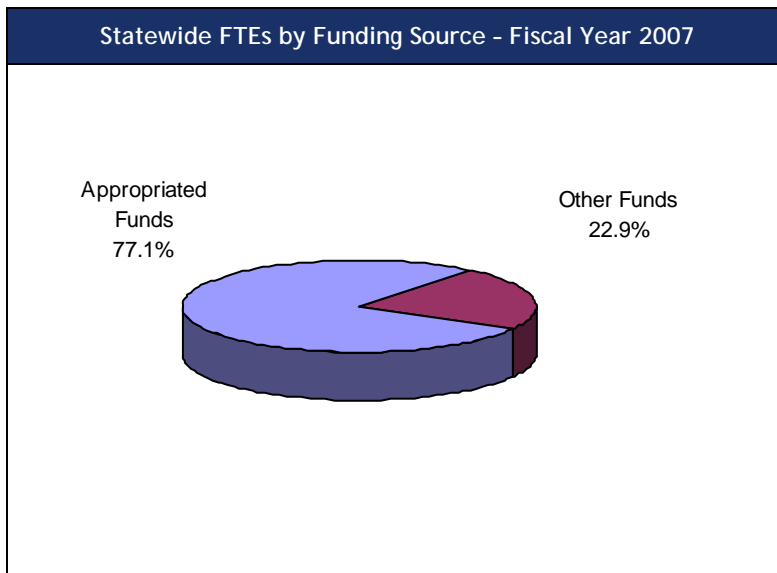
- Select "Resource & Tools."
- Under the "Tools" header, select "Full-Time Equivalent (FTE) State Employee System."

Data in the FTE System may vary from data contained in this report due to routine system maintenance and updated information submitted by state agencies and higher education institutions. However, differences should be minimal.

The majority of state FTEs are funded through appropriated funds.

The General Appropriations Act funds FTEs primarily through appropriated funds and other funding sources. On average, in fiscal year 2007, 77.1 percent of FTEs were paid through appropriated funds, which includes 100 percent federally funded programs (see Figure 1). This represents 99.7 percent of state agency FTEs and 54.7 percent of FTEs in higher education.

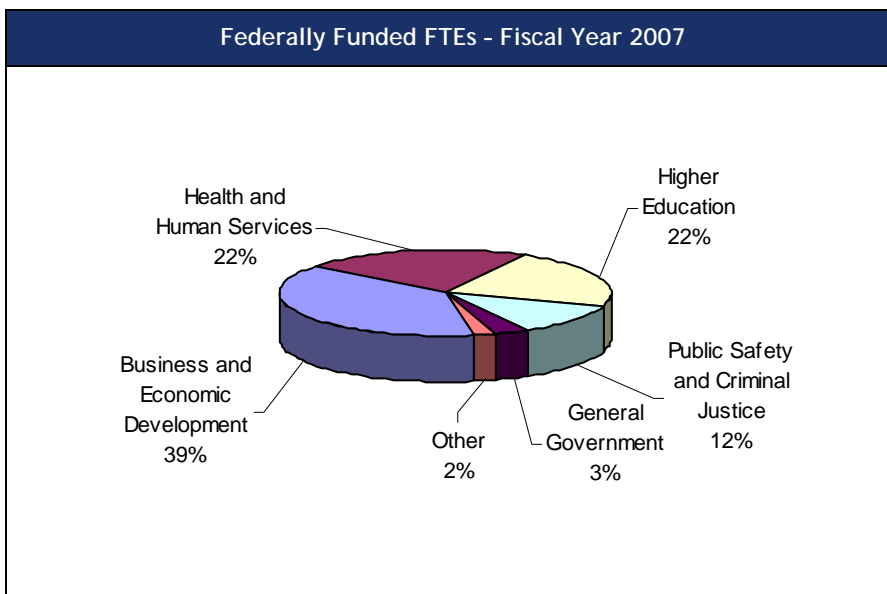
Figure 1



Source: FTE System, State Auditor's Office.

Under guidelines established in the General Appropriations Act, agencies and higher education institutions may exempt certain positions that are 100 percent federally funded from their FTE caps.¹ In fiscal year 2007, agencies and higher education institutions reported that they employed 7,027.3 FTEs in 100 percent federally funded programs that met these guidelines. This represents 2.4 percent of the state workforce. The majority of these FTEs were employed by the Texas Workforce Commission (2,708.1 FTEs) and health and human services agencies (1,566.9 FTEs). Figure 2 shows the distribution of those FTEs by General Appropriations Act article.

Figure 2



Source: FTE System, State Auditor's Office.

¹ General Appropriations Act (79th Legislature, Regular Session), Article IX, Section 6.14 (h).

FTE Levels Overall in the State Have Increased During the Past Ten Years

During the past ten years, the average number of FTEs in the State has increased by 7.5 percent. Among higher education institutions, the average number of FTEs has increased more than 25 percent since fiscal year 1998. During that same time, state agencies experienced a decrease of almost 6 percent in the average number of FTEs (see Table 1).

Table 1

Change in Annual FTE Levels by General Appropriations Act Article						
General Appropriations Act Article	One-Year Comparison (Fiscal Years 2006 and 2007)		Five-Year Comparison (Fiscal Years 2003 and 2007)		Ten-Year Comparison (Fiscal Years 1998 and 2007)	
	Change in FTEs	Percent Change	Change in FTEs	Percent Change	Change in FTEs	Percent Change
Art. I - General Government	31.6	0.3%	233.8	2.6%	624.5	7.2%
Art. II - Health and Human Services	2,264.2	5.0%	(603.9)	-1.3%	(6,315.4)	-11.7%
Art. III - Public Education	81.9	4.0%	(58.1)	-2.7%	107.5	5.3%
Art. III - Higher Education	2,228.1	1.6%	13,151.4	10.0%	29,263.2	25.2%
Art. IV - The Judiciary	0.5	0.0%	0.3	0.0%	109.0	7.2%
Art. V - Public Safety and Criminal Justice	(669.1)	-1.3%	(2,227.1)	-4.1%	(1,871.4)	-3.5%
Art. VI - Natural Resources	(4.1)	-0.1%	(281.8)	-3.4%	(14.5)	-0.2%
Art. VII - Business and Economic Development	(269.1)	-1.4%	(1,031.2)	-5.3%	(1,786.7)	-8.9%
Art. VIII - Regulatory	(49.3)	-1.5%	(172.3)	-5.0%	(233.3)	-6.6%
Art. X - Legislature	235.4	11.1%	(71.9)	-3.0%	270.4	13.0%
Statewide (Excluding Higher Education)	1,622.2	1.1%	(4,212.2)	-2.8%	(9,110.0)	-5.9%
Statewide (Including Higher Education)	3,850.3	1.3%	8,939.3	3.2%	20,153.3	7.5%

Source: FTE System, State Auditor's Office.

The majority of state FTEs work in 10 agencies and higher education institutions.

Although the State has 118 agencies and 66 higher education institutions that report FTE data, the majority of FTEs (52.1 percent) work in 10 agencies and higher education institutions (see Table 2).

Table 2

Distribution of State FTEs - Fiscal Year 2007		
Category	Average Annual FTEs	Percentage of State Workforce
The 10 agencies and higher education institutions with the most FTEs	150,801.1	52.1%
The 15 agencies and higher education institutions with the most FTEs	183,901.3	63.5%
The 20 agencies and higher education institutions with the most FTEs	205,972.0	71.1%
All agencies and higher education institutions	289,514.6	100.0%

Source: FTE System, State Auditor's Office.

Table 3 shows the 20 state agencies and higher education institutions with the highest annual average FTEs.

Table 3

Twenty State Agencies and Higher Education Institutions with the Highest Annual Average FTEs Fiscal Year 2007			
Rank	State Agency or Higher Education Institution	Average Annual FTEs	Percentage of State Workforce
1	Department of Criminal Justice	37,617.9	13.0%
2	The University of Texas M.D. Anderson Cancer Center	16,039.8	5.5%
3	The University of Texas at Austin	14,841.5	5.1%
4	Department of Transportation	14,748.2	5.1%
5	Department of Aging and Disability Services	14,199.8	4.9%
6	The University of Texas Medical Branch at Galveston	12,215.0	4.2%
7	Department of State Health Services	11,692.0	4.0%
8	Texas A&M University	10,473.7	3.6%
9	Health and Human Services Commission	9,522.6	3.3%
10	The University of Texas Southwestern Medical Center at Dallas	9,450.6	3.3%
11	Department of Family and Protective Services	9,187.9	3.2%
12	Department of Public Safety	7,899.2	2.7%
13	University of Houston	5,678.0	2.0%

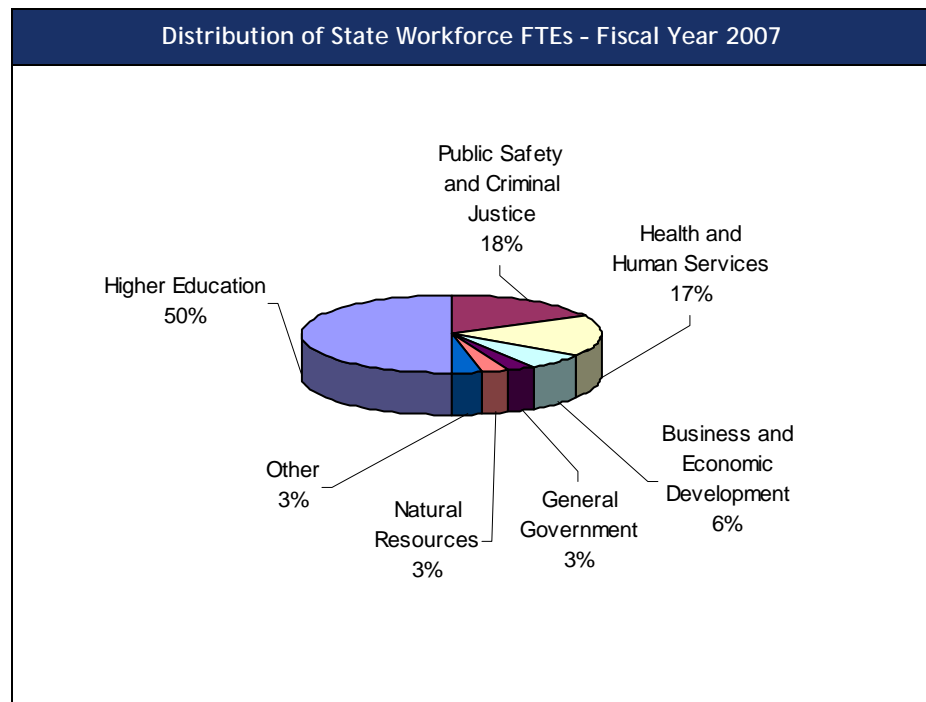
Twenty State Agencies and Higher Education Institutions with the Highest Annual Average FTEs Fiscal Year 2007			
Rank	State Agency or Higher Education Institution	Average Annual FTEs	Percentage of State Workforce
14	Texas Tech University	5,579.6	2.0%
15	Texas Tech University Health Sciences Center	4,755.6	1.6%
16	The University of Texas Health Science Center at San Antonio	4,635.6	1.6%
17	Texas Youth Commission	4,615.4	1.6%
18	University of North Texas	4,450.4	1.5%
19	The University of Texas Health Science Center at Houston	4,346.7	1.5%
20	Office of the Attorney General	4,022.6	1.4%

Source: FTE System, State Auditor's Office.

State FTEs are distributed equally across state agencies and higher education institutions.

During fiscal year 2007, state agencies employed 50 percent of FTEs and higher education employed 50 percent of FTEs. Figure 3 shows the distribution of these FTEs by General Appropriations Act article. In terms of headcount, state agencies employed 9 percent more full-time employees; however, the majority (97 percent) of the part-time employees working in the State were employed by higher education institutions.

Figure 3



Source: FTE System, State Auditor's Office.

During fiscal year 2007, state agencies employed 144,242.7 FTEs, or 49.8 percent of the FTEs in the State. The majority of state agency employees (68.8 percent) worked for public safety and criminal justice agencies or health and human services agencies (see Table 4).

Table 4

Distribution of State Agency FTEs			
General Appropriations Act Article	Average Annual FTEs	Percentage of State Agency Workforce	Percentage of State Workforce
Art. I - General Government	9,302.0	6.4 %	3.2%
Art. II - Health and Human Services	47,700.2	33.1%	16.5%
Art. III - Public Education	2,117.6	1.5%	0.7%
Art. IV - The Judiciary	1,617.1	1.1%	0.6%
Art. V - Public Safety and Criminal Justice	51,536.8	35.7%	17.8%
Art. VI - Natural Resources	8,014.2	5.6%	2.8%
Art. VII - Business and Economic Development	18,294.1	12.7%	6.3%
Art. VIII - Regulatory	3,304.1	2.3%	1.1%
Art. X - Legislature	2,356.6	1.6%	0.8%
All State Agencies	144,242.7	100.0%	49.8%

Source: FTE System, State Auditor's Office.

During fiscal year 2007, two of the seven university systems (the University of Texas System and the Texas A&M University System) employed 105,806.6 (72.9 percent) of all higher education FTEs (see Table 5).

Table 5

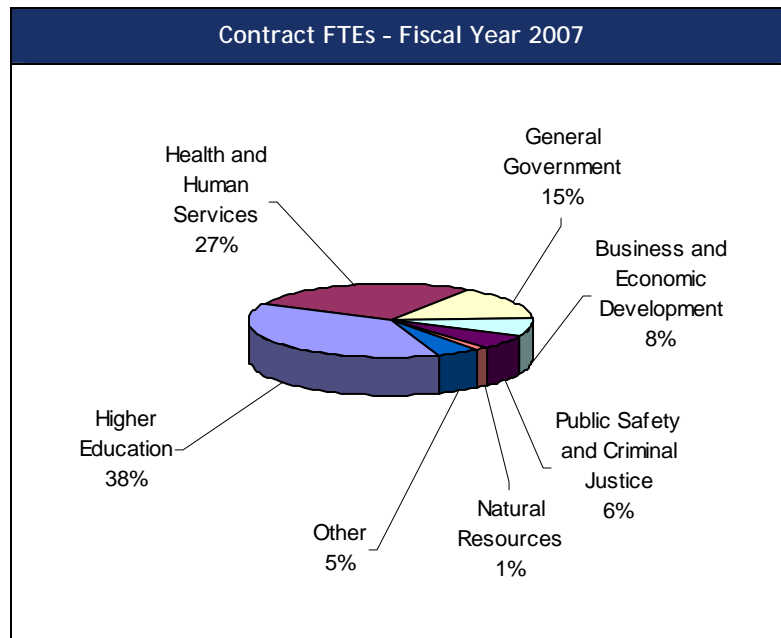
Distribution of Higher Education FTEs			
University Affiliation	Average Annual FTEs	Percentage of Higher Education Workforce	Percentage of State Workforce
The University of Texas System	79,726.7	54.9%	27.6%
Texas A&M System	26,079.9	18.0%	9.0%
Texas Tech University System	10,487.3	7.2%	3.6%
Texas State University System	8,488.7	5.8%	2.9%
University of Houston System	7,791.0	5.4%	2.7%
University of North Texas System	5,780.6	4.0%	2.0%
Independent Entities	5,253.5	3.6%	1.8%
Texas State Technical College System	1,664.3	1.1%	0.6%
All Higher Education Institutions	145,271.9	100.0%	50.2%

Source: FTE System, State Auditor's Office.

Temporary and contract employees represent less than 1 percent of the State's FTEs.

Temporary and contract employees who worked more than half of the workdays in the previous 12 months count toward an agency's FTE cap. For reporting purposes, temporary or contract workers include individuals who are under contract to fill specific positions that are customarily filled by state employees. Outsourced functions and work performed by consultants are excluded from these requirements and, therefore, are excluded from these numbers. During fiscal year 2007, 1,271.0 contract FTEs were used to supplement the workforce in 31 agencies and 17 higher education institutions. The majority of those individuals worked in higher education, health and human services, and general government agencies (see Figure 4).

Figure 4

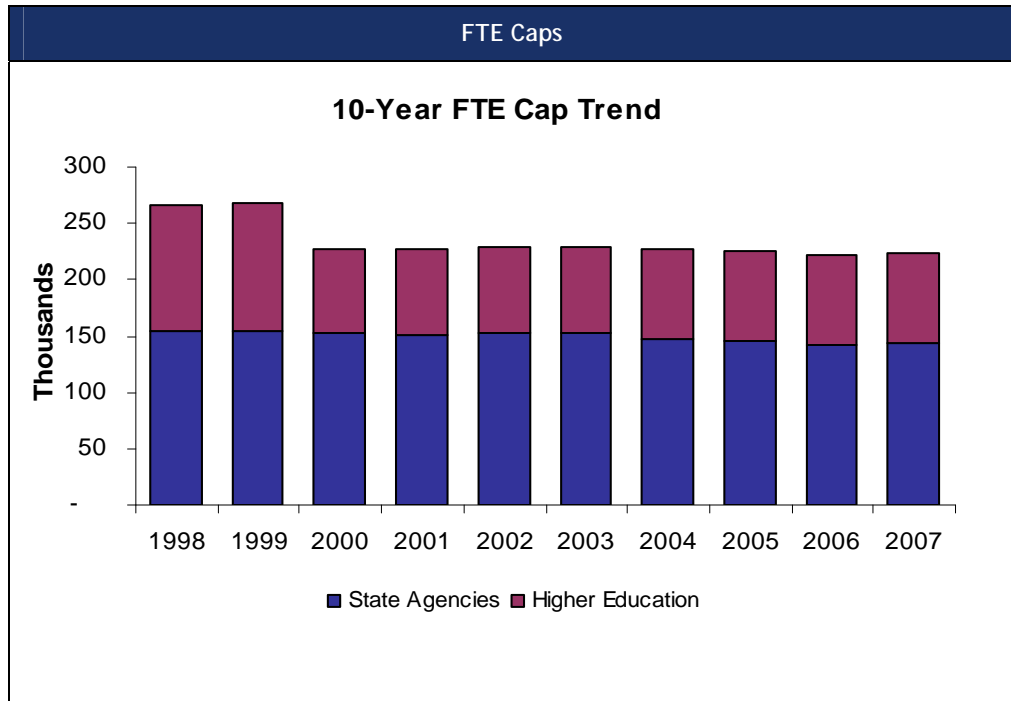


Source: FTE System, State Auditor's Office.

The Majority of State Agencies and Higher Education Institutions Comply with Legislatively Mandated FTE Caps

FTE caps are established by the Legislature and place limits on state employment levels. During the past 10 years, total FTE caps have decreased 16.5 percent (see Figure 5). Compared with fiscal year 2006, FTE caps in fiscal year 2007 increased by 1,297 FTEs (an increase of less than 1 percent).

Figure 5



Source: FTE System, State Auditor's Office.

During fiscal year 2007, 5 state agencies and 21 higher education institutions exceeded their mandated FTE caps. Of those that exceeded their caps, state agencies on average were less than 1 percent above their caps and higher education institutions on average were 7.6 percent above their caps. Detailed information and agencies' and higher education institutions' reasons for exceeding FTE caps are available in Appendices 2 and 3.

Legislative agencies, courts, and several state agencies are not subject to FTE caps, but they are still required to report their FTE numbers. For those agencies with designated FTE caps, contract FTEs and FTEs paid from appropriated funds count toward the cap. Table 6 shows the differences between the number of FTEs subject to caps at agencies and higher education

institutions and those entities' FTE caps, grouped by General Appropriations Act Article.

Table 6

Comparison of Agencies' and Higher Education Institutions' FTEs with Their FTE Caps				
General Appropriations Act Article	Average Annual FTEs	Fiscal Year 2007 Average FTE Cap	Annual Average FTEs Subject to Cap	Percent of FTEs Subject to a Cap
Art. I - General Government	9,302.0	9,699.8	8,989.1	96.6%
Art. II - Health and Human Services	47,700.2	47,801.2	46,133.3	96.7%
Art. III - Public Education	2,117.6	1,969.9	1,941.1	91.7%
Art. III - Higher Education	145,271.9	79,137.9	77,930.7	53.6%
Art. IV - The Judiciary	1,617.1	1,348.4	1,318.3	81.5%
Art. V - Public Safety and Criminal Justice	51,536.8	52,846.5	50,693.5	98.4%
Art. VI - Natural Resources	8,014.2	8,217.7	7,997.6	99.8%
Art. VII - Business and Economic Development	18,294.1	18,422.6	15,584.1	85.2%
Art. VIII - Regulatory	3,304.1	3,698.0	3,184.4	96.4%
Art. X - Legislature	2,356.6	n/a	n/a	0.0%
Statewide (Excluding Higher Education)	144,242.7	144,004.1	135,841.4	94.2%
Statewide (Including Higher Education)	289,514.6	223,142.0	213,772.1	73.8%

Source: FTE System, State Auditor's Office.

Statewide, Average Management-to-Staff Ratios Surpass Targeted Ratios

Management-to-staff ratios are used to determine an organization’s “span of control” or the number of employees who report directly to a single manager or supervisor. A correlation generally exists between the span of control and the number of levels within an organization. Texas state agencies and higher education institutions have statutory guidelines for management-to-staff ratios (see text box for additional details).

Background Information

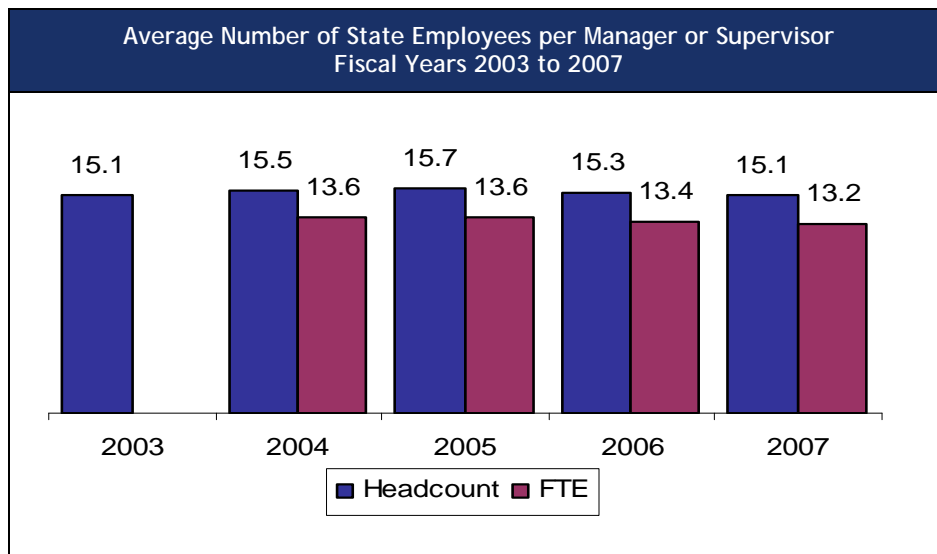
Management-to-staff ratios have been tracked since fiscal year 1998 using headcount alone. The 78th Legislature changed the reporting requirements and began requiring the additional reporting of these ratios based on FTEs. However, reporting data by this method applies only to fiscal years 2004 through 2007.

For state agencies and higher education institutions that have part-time employees, reporting ratios based on FTEs may result in a lower overall ratio when compared with reporting ratios based on headcount.

The average management-to-staff ratio, calculated using headcount, for fiscal year 2007 was 1:15 (1 manager or supervisor per 15 staff employees). The same ratio calculated using FTEs was 1:13 (1 manager or supervisor per 13 staff employees). These numbers have remained stable since fiscal year 2004. On average, the State is in compliance with mandated ratios and surpasses the current target ratio for the State, which is 1:11 (1 manager or supervisor per no fewer than 11 staff employees, based on FTEs).

Figure 6 shows the average annual management-to-staff ratios from fiscal year 2003 through fiscal year 2007. Data for fiscal years 2004 through 2007 includes the ratio based on both headcount and FTEs. (The numbers in Figure 6 represent the average number of state employees per manager or supervisor).

Figure 6



Source: FTE System, State Auditor’s Office.

More than half of state agencies and higher education institutions are in compliance with mandated management-to-staff ratios.

Currently, agencies and higher education institutions with more than 100 FTEs are required to comply with a minimum management-to-staff ratio of 1 manager or supervisor for no fewer than 11 employees. This occurred when the 78th Legislature (Regular Session) amended Texas Government Code, Section 651.004, to include mandated time lines for agencies and higher education institutions to achieve this ratio by August 31, 2007. The goal for state agencies and higher education institutions is to move toward a higher ratio of more employees per manager or supervisor. The schedule for implementation is located in Table 7.

Table 7

Implementation Schedule For Management-to-Staff Ratio	
Target Date	Minimum Ratio
March 31, 2004	1:8
August 31, 2005	1:9
August 31, 2006	1:10
August 31, 2007	1:11

A total of 111 entities in the State have more than 100 FTEs and, therefore, must comply with this ratio. As of the fourth quarter of fiscal year 2007, 69 percent of state agencies and higher education institutions were within the mandated ratio when using headcount, and 57 percent were within the mandated ratio using FTEs.

Appendices

Appendix 1

Objective, Scope, and Methodology

Objective

The objective of this review was to provide the Legislature and the public with information on the number of full-time equivalent (FTE) state employees who perform services for state government. The report was prepared in accordance with Texas Government Code, Section 2052.104 (b).

Scope

The scope of this review included unaudited fiscal year 2007 information on FTEs submitted each quarter to the State Auditor's Office by agencies and higher education institutions in accordance with Texas Government Code, Section 2052.103.

Methodology

The report compares data from fiscal year 2007 with previously submitted data from the State Auditor's Office's FTE System. This project was a review; therefore, the information in this report was not subjected to all the tests and confirmations that would be performed in an audit.

The following members of the State Auditor's staff performed the review:

- Christine M. Bailey, CCP, GRP (Project Manager)
- Michael Boehme, PHR
- Lynne Ballman, CDP, CSP, CISA (Senior Systems Analyst)
- Leslie Ashton, CPA (Quality Control Reviewer)
- Kelly Furgeson Linder, MSCRP, CGAP (Audit Manager)

State Agencies That Exceeded Their Legislatively Mandated Quarterly FTE Caps

During fiscal year 2007, five state agencies exceeded their legislatively mandated quarterly FTE caps. The numbers in Table 8 represent the quarterly total of FTEs who were paid from appropriated funds plus contractor FTEs. The agencies' explanations for exceeding their caps are listed below.

Table 8

State Agencies That Exceeded Their Legislatively Mandated Quarterly FTE Caps Fiscal Year 2007					
Agency	Quarterly FTE Cap	FTEs Reported	FTEs Over Cap	Percentage Over Cap	Reason for Exceeding Cap (Reported by Agency)
First Quarter					
Commission on Fire Protection	32.00	32.03	.03	.09%	<i>The Commission on Fire Protection exceeded its FTE Cap because a position was filled while the predecessor was still running out their leave resulting in an overlap of time.</i>
Department of Transportation	14,535.80	14,549.69	13.89	.10%	<i>The department has requested an exemption from the FTE Cap. The FTEs overage is due to the 2% reduction (GAA, Article IX, Section 6.14) of our allocation which the department has not implemented due to the pending request.</i>
Second Quarter					
Department of Transportation	14,535.80	14,600.44	64.64	.44%	<i>The department has requested an exemption from the FTE Cap. The FTEs overage is due to the 2% reduction (GAA, Article IX, Section 6.14) of our allocation which the department has not implemented due to the pending request.</i>
Texas Education Agency	781.10	783.17	2.07	.27%	<i>TEA had increased contractor FTEs to close out key projects, some of which related to multiple requirements and tight timelines from HB 1 education initiatives; increased staff workload and human resources added in operational activities (information technology, grants administration); increased program staff requirements due to labor intensive projects such as the teacher incentive programs.</i>
Third Quarter					
Department of Transportation	14,535.80	14,688.80	153.00	1.05%	<i>The department has requested an exemption from the FTE Cap. The FTEs overage is due to the 2% reduction (GAA, Article IX, Section 6.14) of our allocation which the department has not implemented due to the pending request.</i>
Texas Education Agency	781.10	795.40	14.30	1.83%	<i>TEA had increased contractor FTEs to close out key projects, some of which related to multiple requirements and tight timelines from HB 1 education initiatives; increased staff workload and human resources added in operational activities (information technology, grants administration); increased program staff requirements due to labor intensive projects such as the teacher incentive programs.</i>

State Agencies That Exceeded Their Legislatively Mandated Quarterly FTE Caps Fiscal Year 2007					
Agency	Quarterly FTE Cap	FTEs Reported	FTEs Over Cap	Percentage Over Cap	Reason for Exceeding Cap (Reported by Agency)
Fourth Quarter					
Office of Rural Community Affairs	70.00	70.50	.50	.71%	<i>The agency decided to hire a new Operations Officer early to replace the Operations Officer who retired in August to allow time for them to work together to ensure responsibilities were transitioned smoothly.</i>
Texas Education Agency	781.10	813.47	32.37	4.14%	<i>TEA had increased contractor FTEs to close out key projects, some of which related to multiple requirements and tight timelines from HB 1 education initiatives; increased staff workload and human resources added in operational activities (information technology, grants administration); increased program staff requirements due to labor intensive projects such as the teacher incentive programs.</i>
School for the Blind and Visually Impaired	322.00	326.55	4.55	1.41%	<i>An increase in enrollment during this past fiscal year required additional staffing, in the School exceeding our cap by 1.4% or 4.55 FTE.</i>

Source: FTE System, State Auditor's Office.

Higher Education Institutions That Exceeded Their Legislatively Mandated Annual FTE Caps

During fiscal year 2007, 21 higher education institutions exceeded their legislatively mandated annual FTE caps. The numbers in Table 9 represent the annual average FTEs paid from appropriated funds plus contractor FTEs for fiscal year 2007. The higher education institutions' explanations for exceeding their caps are listed below.

Table 9

Higher Education Institutions That Exceeded Their Legislatively Mandated Annual FTE Caps Fiscal Year 2007					
Higher Education Institution	Annual FTE Cap	FTEs Reported	FTEs Over Cap	Percentage Over Cap	Reason for Exceeding Cap (Reported by Institution)
University of Texas at Arlington	2,104.80	2,137.64	32.84	1.56%	<i>UT Arlington added professional faculty to achieve THECB goals. New support staff was added to assist in reaching expanded faculty research goals, support a new Student Information System, and provide additional student services (advising, financial aid, registration, counseling and career guidance). New staff was also hired due to the growth of the campus which now exceeds 25,000 students, including Security Police and Guards and maintenance staff to support new buildings.</i>
University of Texas - Pan American	1,445.70	1,680.63	234.93	16.25%	<i>UTPA had requested an additional 122.84 through the Exceed FTE Report for FY 2006 and 124.97 through the Exceed FTE report for FY 2007. The total FTEs for FY 2007 should be 1693.51. Annual average FTE for FY2007 is 1687.16.</i>
University of Texas - Brownsville	429.90	833.90	404.00	93.97%	<i>FTE count includes employees of both The University of Texas at Brownsville and Texas Southmost College as per Partnership Agreement.</i>
University of Texas of the Permian Basin	268.30	307.48	39.18	14.60%	<i>UT Permian Basin exceeded the FY2007 FTE cap due to an unusually large growth in student population; increased enrollment has led to the need for additional faculty and support staff; additional staff was also added to improve institutional research, community outreach and to broaden campus wide research efforts.</i>
University of Texas at San Antonio	1,843.40	2,012.92	169.52	9.20%	<i>Although UTSA's student enrollment growth is leveling out, we continue to build our employee base to catch up with previous years' growth. The University still maintains one of the highest student/faculty ratios in the State. Each year we continue to request authorization to exceed our FTE Cap. This fourth quarter report also includes the new faculty hired for the Fall Semester which represents our highest hiring period.</i>

**Higher Education Institutions That Exceeded Their Legislatively Mandated Annual FTE Caps
Fiscal Year 2007**

Higher Education Institution	Annual FTE Cap	FTEs Reported	FTEs Over Cap	Percentage Over Cap	Reason for Exceeding Cap (Reported by Institution)
University of Texas at Tyler	418.90	477.45	58.55	13.98%	<i>Reasons for exceeding the cap include downward expansion of UT Tyler to include freshmen and sophomores, the opening and continued growth of the Longview University Center, continued growth of the Palestine campus and the removal of enrollment caps on entering freshmen.</i>
Texas A&M University System Administration	77.00	93.43	16.43	21.34%	<i>The Board of Regents of The Texas A&M University System approved a request to increase the limitations on state employment levels to 106.5 at the July 27-28, 2006 meeting. The Board approved request was forwarded to the Governor's Office and Legislative Budget Board on August 10, 2006. This increase is necessary due to a transfer of the Office of Technology Commercialization from Texas A&M University to the System Offices. These individuals will continue to carry-out responsibilities of the A&M System commercialization program.</i>
Texas A&M University - Main	5,265.00	5,429.17	164.17	3.12%	<i>As required by Article IX, Part 6, Section 6.14, of House Bill 1, passed by the 79th Legislature, at their regularly scheduled meeting held July 27-28, 2006, the Board of Regents of the Texas A&M University System approved a request to increase the limitations on State FTE Employment levels by 309.5 FTE, to accommodate the Faculty Reinvestment initiatives approved by the 78th and the 79th Legislative Sessions.</i>
Texas A&M University - Texarkana	144.60	154.86	10.26	7.10%	<i>The number of FTEs increased due to additional programs and course offerings this semester. The FTE cap was exceeded due to the downward expansion to a four-year University which requires additional faculty and staff.</i>
University of Houston - Victoria	245.20	260.20	15.00	6.12%	<i>University of Houston (UH) at Cinco Ranch and Sugar Land are UH System employees but for efficiency these employees are on the UH-Victoria payroll.</i>
Texas Woman's University	1,018.30	1,032.78	14.48	1.42%	<i>TWU enrollment increased by 31.9% from 2002-2006, with another 3 percent increase for fall 2007. TWU has submitted to the governor a request to increase the FTE cap.</i>
Lamar State College - Orange	132.00	132.07	0.07	.05%	<i>Our Upward Mobility Nursing Program increased offerings to provide more opportunities for night time clinicals which caused a slight impact in our overall FTE. We were over the cap by .07 for the year.</i>
Sam Houston State University	942.30	1,078.88	136.58	14.49%	<i>The continued growth of the University increased the demand for faculty and support personnel.</i>
University of Texas Southwestern Medical Center at Dallas	1,773.20	1,983.08	209.88	11.84%	<i>We requested an additional 139.15 FTE for GME Formula Funding, Metroplex Medical Imaging Center, and Center for Treatment and Research on Sickle Cell Disease with the submission of our FY06 Budget.</i>
University of Texas Health Science Center at San Antonio	2,208.60	2,259.27	50.67	2.29%	<i>Annual FTE cap was exceeded slightly due to new programs in South Texas and hiring in preparation for these new programs.</i>

**Higher Education Institutions That Exceeded Their Legislatively Mandated Annual FTE Caps
Fiscal Year 2007**

Higher Education Institution	Annual FTE Cap	FTEs Reported	FTEs Over Cap	Percentage Over Cap	Reason for Exceeding Cap (Reported by Institution)
University of Texas M.D. Anderson Cancer Center	10,452.40	12,185.66	1,733.26	16.58%	<i>The increase in FTE is required to support M. D. Anderson Cancer Center's growth in its mission of patient care, research and instruction. This was requested in July 2006.</i>
Texas A&M University System Health Science Center	817.70	881.98	64.28	7.86%	<i>Due to the addition of the Rangel School of Pharmacy into the TAMHSC and the upcoming expansion of the College of Medicine FTE numbers have increased recently.</i>
University of North Texas Health Science Center	669.50	670.82	1.32	0.20%	<i>Rapid expansion of our Medical School required that we add several positions prior to our scheduled workforce expansion. UNTHSC's Medical School grew faster than any other Medical School in the State.</i>
Texas State Technical College - Harlingen	415.70	429.10	13.40	3.22%	<i>On February 3, 2006, a request to exceed the FTE cap for FY 2006 and FY 2007 was submitted to the LBB and the Office of the Governor. The additional FTE were required to address increased enrollment in several programs as well as significant growth in dual enrollment programs and partnerships with other colleges at TSTC Harlingen.</i>
Texas State Technical College - West Texas	247.80	249.68	1.88	.76%	<i>On February 3, 2006, a request to exceed the FTE cap for FY 2006 and FY 2007 was submitted to the LBB and the Office of the Governor. The additional FTE were required to address increased enrollment in several programs as well as significant growth in dual enrollment programs and partnerships with other colleges.</i>

Source: FTE System, State Auditor's Office.

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The Honorable Tom Craddick, Speaker of the House, Joint Chair
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