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A Summary Report on

Full-time Equivalent State Employees for Fiscal Year 2010

November 2010

Report No. 11-701



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Overall Conclusion

During fiscal year 2010, an average of 310,941.4 full-time equivalent (FTE) employees were employed in state agencies or higher education institutions. This was an increase of 6,156.9 FTEs (or 2.0 percent) over the number employed in fiscal year 2009.

State agencies employed 153,214.5 FTEs, an increase of 2.0 percent over fiscal year 2009. Higher education institutions employed 157,726.9 FTEs, an increase of 2.1 percent over fiscal year 2009.

State agencies and higher education institutions reported average headcounts of 279,482.8 full-time employees and 82,118.3 part-time employees during fiscal year 2010.

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 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 39,683.0 (14.6 percent) (see Table 1 on page 2 of the Detailed Results section of this report). Among higher education institutions, the average number of FTEs has increased by 34,521.5 (28.0 percent) since fiscal year 2001. During that same time, state agencies experienced an increase of 5,161.6 (3.5 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 2010, 8 state agencies and 24 higher education institutions exceeded their legislatively mandated FTE caps (see Tables 9 and 10 on pages 16 through 25 in Appendices 2 and 3 for agencies' and higher education institutions' reasons for exceeding FTE caps). Of those that exceeded their caps, state agencies on average were 3.5 percent above their caps and higher education institutions on average were 8.6 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 Nicole Guerrero, Audit Manager, or John Keel, State Auditor, at (512) 936-9500.

Statewide, average management-to-staff ratios are in compliance with statutorily mandated ratios.

The average management-to-staff ratio, calculated using headcount, for fiscal year 2010 was 1:14.6 (1 manager or supervisor per 14.6 supervised staff employees). These ratios have remained fairly constant since fiscal year 2006. Agencies and higher education institutions with more than 100 FTEs are statutorily required to comply with a minimum management-to-staff ratio of 1 manager or supervisor for no fewer than 11 employees.

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 2010 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 2010 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 Auditor's Office has compiled full-time equivalent (FTE) data from state agencies and higher education institutions since 1988. This data, which agencies and higher education institutions report 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 Full-time Equivalent (FTE) System collects data on full-time and part-time employees and management-to-staff ratios (see text box for additional details).

The majority of state FTEs are funded through appropriated funds.

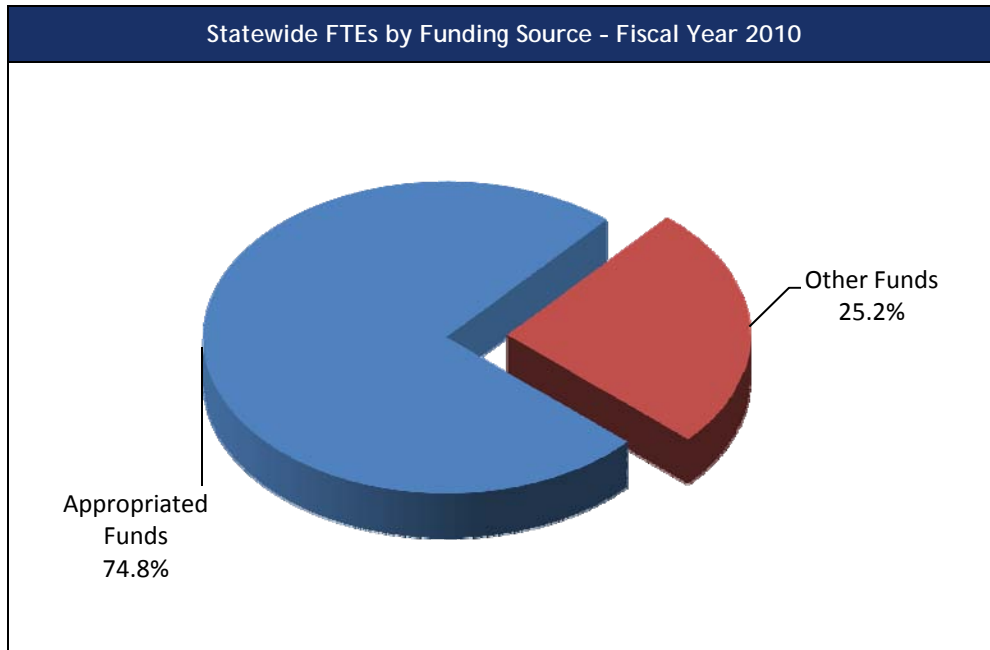
The General Appropriations Act funds FTEs primarily through appropriated funds and other funding sources. On average, in fiscal year 2010, 99.3 percent of FTEs in state agencies and 50.9 percent of FTEs in higher education institutions were paid through appropriated funds. Overall, 74.8 percent of statewide FTEs were paid through appropriated funds, which includes 100 percent federally funded programs (see Figure 1).

Additional FTE Analysis

The State Auditor's Office provides additional data analysis and reports from its FTE System, which is accessible at:
<http://www.sao.state.tx.us/apps/ftesystem/default.aspx>

Information in the FTE system is unaudited information that agencies and higher education institutions have self-reported. Data in the FTE System may differ 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.

Figure 1



Source: FTE System, State Auditor's Office.

FTE Levels Overall in the State Have Increased During the Past 10 Years

During the past 10 years, the average number of FTEs in the State has increased by 14.6 percent (see Table 1). During that same time, state agencies experienced an increase of 3.5 percent in the average number of FTEs, while FTEs at higher education institutions increased by 28.0 percent.

Table 1

| Change in Annual FTE Levels by General Appropriations Act Article | | | | | | |
|--|--|-------------------|---|-------------------|--|-------------------|
| General Appropriations Act Article | One-Year Comparison (Fiscal Years 2009 and 2010) | | Five-Year Comparison (Fiscal Years 2006 and 2010) | | Ten-Year Comparison (Fiscal Years 2001 and 2010) | |
| | Change in FTEs | Percent Change | Change in FTEs | Percent Change | Change in FTEs | Percent Change |
| Article I - General Government | 253.6 | 2.7% | 498.3 | 5.4% | 837.1 | 9.4% |
| Article II - Health and Human Services | 2,216.4 | 4.2% | 9,557.5 | 21.0% | 5,811.8 | 11.8% |
| Article III - Public Education | 63.4 | 2.7% | 370.4 | 18.2% | 284.3 | 13.4% |
| Article III - Higher Education | 3,222.2 | 2.1% | 14,683.1 | 10.3% | 34,521.5 | 28.0% |
| Article IV - The Judiciary | 18.2 | 1.1% | 77.0 | 4.8% | 118.2 | 7.5% |
| Article V - Public Safety and Criminal Justice | 1,034.4 | 2.0% | 1,632.7 | 3.1% | 1,154.1 | 2.2% |
| Article VI - Natural Resources | 162.6 | 1.9% | 627.9 | 7.8% | 476.5 | 5.8% |
| Article VII - Business and Economic Development | (564.4) | -3.4% | (2,385.9) | -12.9% | (3,284.9) | -16.9% |
| Article VIII - Regulatory | 9.8 | 0.3% | 196.2 | 5.9% | 34.1 | 1.0% |
| Article X - Legislature | (259.4) | -10.8% | 20.0 | 0.9% | (269.5) | -11.2% |
| Statewide (Excluding Higher Education) | 2,934.7 | 2.0% | 10,594.0 | 7.4% | 5,161.6 | 3.5% |
| Statewide (Including Higher Education) | 6,156.9 | 2.0% | 25,277.0 | 8.8% | 39,683.0 | 14.6% |

Note: Totals may not sum exactly due to rounding.

Source: FTE System, State Auditor's Office.

During the past 10 years, the highest FTE increases within higher education institutions occurred within two of the eight university systems (see Table 2). The University of Texas System increased its FTEs by 20,617.7 (31.7 percent), and the Texas A&M University System increased its FTEs by 3,871.0 (16.0 percent).

Table 2

| Change in Annual FTE Levels by Higher Education Affiliation | | | | | | |
|--|---|-------------------|--|-------------------|---|-------------------|
| Higher Education Affiliation | One-year Comparison (Fiscal Years 2009 and 2010) | | Five-year Comparison (Fiscal Years 2006 and 2010) | | Ten-year Comparison (Fiscal Years 2001 and 2010) | |
| | Change in FTEs | Percent Change | Change in FTEs | Percent Change | Change in FTEs | Percent Change |
| The University of Texas System | 1,168.3 | 1.4% | 7,126.6 | 9.1% | 20,617.7 | 31.7% |
| The University of Texas at Brownsville | 55.7 | 3.8% | 190.5 | 14.3% | 541.4 | 55.4% |
| The University of Texas - Pan American | 30.5 | 1.2% | 317.7 | 14.4% | 778.8 | 44.7% |
| The University of Texas at Arlington | 138.1 | 3.8% | 585.5 | 18.1% | 1,096.8 | 40.3% |
| The University of Texas at Austin | 274.8 | 1.7% | 1,501.4 | 10.3% | 2,416.5 | 17.6% |
| The University of Texas at Dallas | 208.3 | 7.9% | 534.4 | 23.1% | 1,204.3 | 73.5% |
| The University of Texas at El Paso | 103.6 | 3.4% | 321.0 | 11.5% | 657.4 | 26.7% |
| The University of Texas at San Antonio | 150.3 | 3.9% | 827.9 | 26.0% | 1,860.0 | 86.3% |
| The University of Texas at Tyler | 14.1 | 2.0% | 118.2 | 19.4% | 319.9 | 78.5% |
| The University of Texas Health Center at Tyler | (63.5) | -7.4% | (286.7) | -26.5% | (352.7) | -30.7% |
| The University of Texas Health Science Center at Houston | 336.5 | 7.1% | 743.1 | 17.1% | 536.4 | 11.8% |
| The University of Texas Health Science Center at San Antonio | 252.0 | 4.8% | 840.9 | 18.1% | 1,362.1 | 33.1% |
| The University of Texas M.D. Anderson Cancer Center | (264.2) | -1.5% | 1,678.1 | 11.0% | 6,188.2 | 57.5% |
| The University of Texas Medical Branch at Galveston | (414.4) | -3.7% | (1,839.6) | -14.5% | (1,586.4) | -12.7% |
| The University of Texas of the Permian Basin | 31.3 | 7.7% | 60.2 | 16.0% | 141.3 | 47.9% |
| The University of Texas Southwestern Medical Center at Dallas | 340.0 | 3.3% | 1,428.1 | 15.5% | 5,158.1 | 93.6% |
| The University of Texas System Administration | (24.9) | -3.2% | 106.0 | 16.6% | 295.7 | 65.8% |
| Texas A&M University System | 376.6 | 1.4% | 2,341.0 | 9.1% | 3,871.0 | 16.0% |
| Prairie View A&M University | 48.3 | 3.7% | 23.0 | 1.8% | 180.4 | 15.6% |
| Tarleton State University | (98.8) | -8.1% | (8.5) | -0.8% | 143.5 | 14.6% |
| Texas A&M International University | 72.2 | 10.1% | 140.2 | 21.7% | 311.1 | 65.4% |
| Texas A&M University - Corpus Christi | 71.1 | 5.1% | 193.2 | 15.0% | 416.0 | 39.1% |
| Texas A&M University - Galveston | 25.7 | 6.6% | 25.8 | 6.6% | 10.3 | 2.5% |
| Texas A&M University - Kingsville | 95.4 | 7.4% | 232.4 | 20.3% | 292.0 | 26.9% |
| Texas A&M University | 119.4 | 1.1% | 995.8 | 9.7% | 1,600.6 | 16.6% |

**Change in Annual FTE Levels
by Higher Education Affiliation**

| Higher Education Affiliation | One-year Comparison (Fiscal Years 2009 and 2010) | | Five-year Comparison (Fiscal Years 2006 and 2010) | | Ten-year Comparison (Fiscal Years 2001 and 2010) | |
|--|---|----------------|--|----------------|---|----------------|
| | Change in FTEs | Percent Change | Change in FTEs | Percent Change | Change in FTEs | Percent Change |
| Texas A&M University System Administrative and General Offices | 5.2 | 1.6% | (5.8) | -1.8% | 18.1 | 5.9% |
| Texas A&M University System Health Science Center | 96.4 | 6.5% | 336.8 | 27.3% | 554.5 | 54.5% |
| Texas A&M University - Commerce | 45.5 | 4.2% | 79.9 | 7.6% | 161.7 | 16.8% |
| Texas A&M University - Texarkana | 2.7 | 1.4% | 17.0 | 9.8% | 11.5 | 6.4% |
| Texas AgriLife Research | 22.8 | 1.3% | 65.8 | 3.7% | (43.4) | -2.3% |
| Texas Agrilife Extension Service | 16.2 | 1.0% | 49.9 | 3.2% | 73.8 | 4.8% |
| Texas Engineering Experiment Station | 102.2 | 9.8% | 148.1 | 14.8% | 164.3 | 16.7% |
| Texas Engineering Extension Service | (16.5) | -2.6% | 174.4 | 39.9% | 139.6 | 29.6% |
| Texas Forest Service | 6.2 | 1.6% | (11.8) | -2.9% | 33.1 | 9.1% |
| Texas Transportation Institute | 10.8 | 2.3% | 45.1 | 10.4% | 74.7 | 18.4% |
| Texas Veterinary Medical Diagnostic Laboratory | (1.6) | -1.0% | 4.7 | 3.1% | 8.5 | 5.8% |
| West Texas A&M University | 34.7 | 3.3% | 116.3 | 12.0% | 193.4 | 21.6% |
| Texas State University System | 345.4 | 4.2% | 1,311.1 | 17.8% | 2,511.4 | 40.8% |
| Lamar Institute of Technology | 13.3 | 6.3% | 44.3 | 24.3% | 95.4 | 72.9% |
| Lamar State College - Orange | 0.8 | 0.4% | 16.3 | 9.9% | 40.1 | 28.4% |
| Lamar State College - Port Arthur | 13.1 | 6.0% | (32.7) | -12.4% | 9.8 | 4.5% |
| Lamar University | 31.0 | 2.1% | 330.6 | 28.5% | 509.8 | 52.0% |
| Sam Houston State University | 101.9 | 5.2% | 316.6 | 18.0% | 724.9 | 53.8% |
| Sul Ross State University | (11.5) | -2.5% | (14.6) | -3.2% | 39.6 | 9.7% |
| Sul Ross State University Rio Grande College | 4.3 | 4.8% | 2.9 | 3.3% | 10.4 | 12.5% |
| Texas State University - San Marcos | 192.1 | 5.2% | 644.8 | 19.8% | 1,074.1 | 38.0% |
| Texas State University System Administration | 0.4 | 2.0% | 2.8 | 18.4% | 7.3 | 70.0% |
| Texas Tech University System | 481.9 | 4.1% | 1,171.1 | 10.6% | 2,071.2 | 20.3% |
| Angelo State University | 59.7 | 6.7% | 144.0 | 17.8% | 262.3 | 38.0% |
| Texas Tech University | 221.8 | 4.0% | 310.9 | 5.7% | 737.2 | 14.6% |
| Texas Tech University Health Sciences Center | 204.2 | 4.0% | 755.7 | 16.4% | 910.0 | 20.5% |
| Texas Tech University System Administration | (3.8) | -2.3% | (39.5) | -19.6% | Not Applicable | Not Applicable |
| University of North Texas System | 525.1 | 8.3% | 1,144.0 | 20.0% | 2,003.3 | 41.1% |
| University of North Texas | 276.1 | 5.6% | 738.0 | 16.7% | 1,376.5 | 36.3% |
| University of North Texas Health Science Center at Fort Worth | 214.9 | 16.6% | 296.6 | 24.4% | 435.0 | 40.4% |
| University of North Texas System Administration | 34.1 | 21.6% | 109.5 | 133.1% | Not Applicable | Not Applicable |

| Change in Annual FTE Levels by Higher Education Affiliation | | | | | | |
|--|---|-------------------|--|-------------------|---|-------------------|
| Higher Education Affiliation | One-year Comparison (Fiscal Years 2009 and 2010) | | Five-year Comparison (Fiscal Years 2006 and 2010) | | Ten-year Comparison (Fiscal Years 2001 and 2010) | |
| | Change in FTEs | Percent Change | Change in FTEs | Percent Change | Change in FTEs | Percent Change |
| University of Houston System | 262.7 | 3.2% | 923.9 | 12.1% | 1,922.6 | 28.8% |
| University of Houston | 209.8 | 3.5% | 658.4 | 11.8% | 1,395.4 | 28.8% |
| University of Houston - Clear Lake | (31.6) | -3.6% | 43.5 | 5.3% | 113.9 | 15.3% |
| University of Houston - Downtown | 71.6 | 7.6% | 146.6 | 16.9% | 298.9 | 41.9% |
| University of Houston - Victoria | 24.8 | 7.0% | 64.5 | 20.6% | 179.4 | 90.6% |
| University of Houston System Administration | (11.9) | -10.0% | 10.9 | 11.2% | (65.2) | -37.7% |
| Independent Entities | 50.5 | 0.9% | 533.7 | 10.0% | 1,304.5 | 28.7% |
| Higher Education Coordinating Board | 11.2 | 4.0% | 15.2 | 5.5% | 21.9 | 8.1% |
| Midwestern State University | (0.1) | 0.0% | 28.2 | 3.7 | 151.8 | 24.0% |
| Stephen F. Austin State University | (30.4) | -1.7% | 129.6 | 7.8% | 256.2 | 16.7% |
| Texas Southern University | 74.2 | 5.8% | 166.7 | 14.0% | 633.2 | 87.2% |
| Texas Woman's University | (4.4) | -0.3% | 194.4 | 13.5% | 244.4 | 17.6% |
| Texas State Technical College System | 11.7 | 0.7% | 131.5 | 8.1% | 219.7 | 14.2% |
| Texas State Technical College - Harlingen | 2.9 | 0.5% | 31.3 | 5.8% | 71.6 | 14.3% |
| Texas State Technical College - Marshall | 0.8 | 0.7% | 12.7 | 12.4% | 21.7 | 23.3% |
| Texas State Technical College System Administration | 0.3 | 0.6% | 2.1 | 5.0% | 11.0 | 32.5% |
| Texas State Technical College - Waco | 20.1 | 2.9% | 76.6 | 11.9% | 73.9 | 11.4% |
| Texas State Technical College - West Texas | (12.5) | -3.9% | 8.8 | 2.9% | 41.5 | 15.6% |
| Higher Education Totals | 3,222.2 | 2.1% | 14,683.1 | 10.3% | 34,521.5 | 28.0% |

Note: Totals may not sum exactly due to rounding.

Source: FTE System, State Auditor's Office.

The majority of state FTEs work in 20 agencies and higher education institutions.

Although the State has 116 agencies and 66 higher education institutions that report FTE data, 51.4 percent of FTEs work in 10 agencies and higher education institutions, and 70.8 percent of FTEs work in 20 agencies and higher education institutions.

Table 3 shows the 20 state agencies and higher education institutions with the highest annual average FTEs. Table 4 shows the 20 state agencies with the highest annual average FTEs, and Table 5 shows the 20 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 2010 | | | |
|---|---|---------------------|-------------------------------|
| Rank | State Agency or Higher Education Institution | Average Annual FTEs | Percentage of State Workforce |
| 1 | Department of Criminal Justice | 40,647.8 | 13.1% |
| 2 | The University of Texas M.D. Anderson Cancer Center | 16,952.4 | 5.5% |
| 3 | Department of Aging and Disability Services | 16,521.5 | 5.3% |
| 4 | The University of Texas at Austin | 16,108.4 | 5.2% |
| 5 | Department of Transportation | 12,260.1 | 3.9% |
| 6 | Department of State Health Services | 12,253.4 | 3.9% |
| 7 | Health and Human Services Commission | 12,168.8 | 3.9% |
| 8 | Texas A&M University | 11,257.7 | 3.6% |
| 9 | The University of Texas Medical Branch at Galveston | 10,862.9 | 3.5% |
| 10 | Department of Family and Protective Services | 10,831.7 | 3.5% |
| 11 | The University of Texas Southwestern Medical Center at Dallas | 10,668.2 | 3.4% |
| 12 | Department of Public Safety | 8,254.4 | 2.7% |
| 13 | University of Houston | 6,236.0 | 2.0% |
| 14 | Texas Tech University | 5,781.8 | 1.9% |
| 15 | The University of Texas Health Science Center at San Antonio | 5,474.6 | 1.8% |
| 16 | Texas Tech University Health Sciences Center | 5,358.9 | 1.7% |
| 17 | University of North Texas | 5,169.0 | 1.7% |
| 18 | The University of Texas Health Science Center at Houston | 5,096.2 | 1.6% |
| 19 | Office of the Attorney General | 4,149.6 | 1.3% |
| 20 | The University of Texas at San Antonio | 4,015.8 | 1.3% |
| Total for Top 20 | | 220,069.1 | 70.8% |
| Note: Totals may not sum exactly due to rounding. | | | |

Source: FTE System, State Auditor's Office.

Table 4

| Twenty State Agencies With the Highest Annual Average FTEs (Subject to the FTE Cap) Fiscal Year 2010 | | | |
|---|---|---------------------|-------------------------------|
| Rank | State Agency | Average Annual FTEs | Percentage of State Workforce |
| 1 | Department of Criminal Justice | 40,647.8 | 13.1% |
| 2 | Department of Aging and Disability Services | 16,521.5 | 5.3% |
| 3 | Department of Transportation | 12,260.1 | 3.9% |
| 4 | Department of State Health Services | 12,253.4 | 3.9% |
| 5 | Health and Human Services Commission | 12,168.8 | 3.9% |
| 6 | Department of Family and Protective Services | 10,831.7 | 3.5% |
| 7 | Department of Public Safety | 8,254.4 | 2.7% |
| 8 | Office of the Attorney General | 4,149.6 | 1.3% |
| 9 | Youth Commission | 3,490.6 | 1.1% |
| 10 | Department of Assistive and Rehabilitative Services | 3,218.2 | 1.0% |
| 11 | Parks and Wildlife Department | 3,153.6 | 1.0% |
| 12 | Office of the Comptroller of Public Accounts | 2,959.2 | 1.0% |
| 13 | Texas Commission on Environmental Quality | 2,941.2 | 0.9% |
| 14 | Texas Workforce Commission | 2,722.7 | 0.9% |
| 15 | Department of Insurance | 1,545.9 | 0.5% |
| 16 | Texas Education Agency | 1,073.3 | 0.3% |
| 17 | Railroad Commission | 686.8 | 0.2% |
| 18 | Adjutant General's Department | 649.4 | 0.2% |
| 19 | Department of Agriculture | 632.4 | 0.2% |
| 20 | Alcoholic Beverage Commission | 629.9 | 0.2% |
| Total for Top 20 | | 140,790.5 | 45.3% |
| Note: Totals may not sum exactly due to rounding. | | | |

Source: FTE System, State Auditor's Office.

Table 5

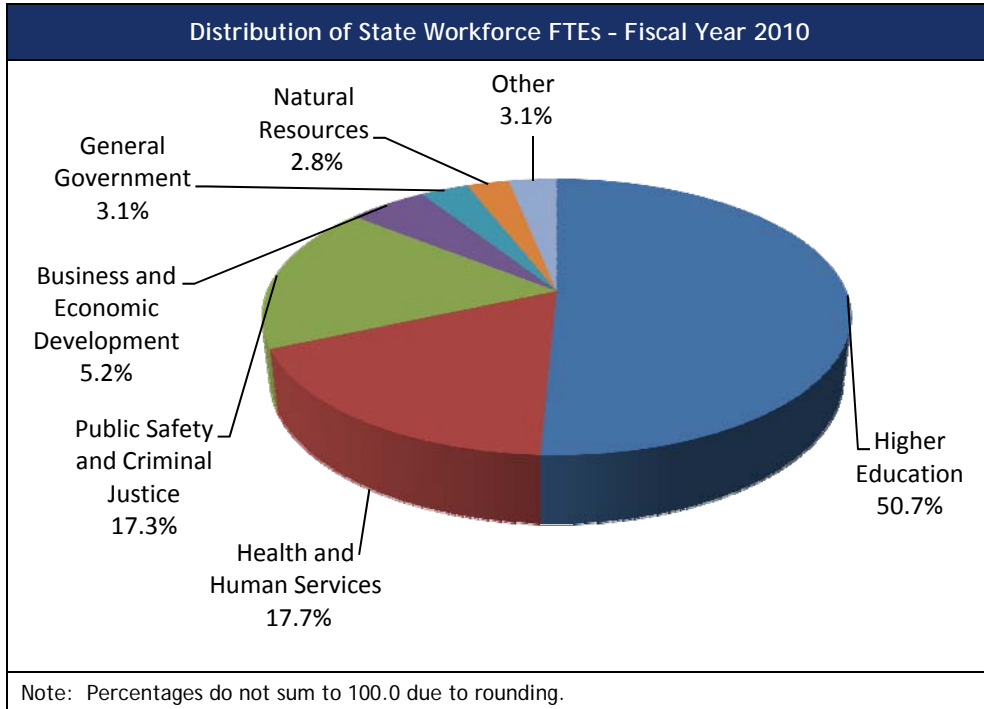
| Twenty Higher Education Institutions With the Highest Annual Average FTEs Fiscal Year 2010 | | | |
|--|---|---------------------|-------------------------------|
| Rank | Higher Education Institution | Average Annual FTEs | Percentage of State Workforce |
| 1 | The University of Texas M.D. Anderson Cancer Center | 16,952.4 | 5.5% |
| 2 | The University of Texas at Austin | 16,108.4 | 5.2% |
| 3 | Texas A&M University | 11,257.7 | 3.6% |
| 4 | The University of Texas Medical Branch at Galveston | 10,862.9 | 3.5% |
| 5 | The University of Texas Southwestern Medical Center at Dallas | 10,668.2 | 3.4% |
| 6 | University of Houston | 6,236.0 | 2.0% |
| 7 | Texas Tech University | 5,781.8 | 1.9% |
| 8 | The University of Texas Health Science Center at San Antonio | 5,474.6 | 1.8% |
| 9 | Texas Tech University Health Sciences Center | 5,358.9 | 1.7% |
| 10 | University of North Texas | 5,169.0 | 1.7% |
| 11 | The University of Texas Health Science Center at Houston | 5,096.2 | 1.6% |
| 12 | University of Texas at San Antonio | 4,015.8 | 1.3% |
| 13 | Texas State University - San Marcos | 3,902.1 | 1.3% |
| 14 | University of Texas at Arlington | 3,818.9 | 1.2% |
| 15 | University of Texas at El Paso | 3,117.8 | 1.0% |
| 16 | University of Texas at Dallas | 2,843.2 | 0.9% |
| 17 | University of Texas - Pan American | 2,519.4 | 0.8% |
| 18 | Sam Houston State University | 2,071.3 | 0.7% |
| 19 | Texas AgriLife Research | 1,838.7 | 0.6% |
| 20 | Stephen F. Austin State University | 1,787.3 | 0.6% |
| Total for Top 20 | | 124,880.7 | 40.2% |
| Note: Totals may not sum exactly due to rounding. | | | |

Source: FTE System, State Auditor's Office.

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

During fiscal year 2010, state agencies employed 49.3 percent of FTEs and higher education institutions employed 50.7 percent of FTEs. Figure 2 shows the distribution of those FTEs by General Appropriations Act article. In terms of headcount, state agencies employed 54.7 percent of full-time employees, while higher education institutions employed the majority (97.0 percent) of the part-time employees working in the State.

Figure 2



Source: FTE System, State Auditor's Office.

During fiscal year 2010, state agencies employed 153,214.5 FTEs, or 49.3 percent of the FTEs in the State. Overall, 71.0 percent of state agency employees worked for health and human services or public safety and criminal justice agencies (see Table 6).

Table 6

| Distribution of State Agency FTEs - Fiscal Year 2010 | | | |
|--|---------------------|--------------------------------------|-------------------------------|
| General Appropriations Act Article | Average Annual FTEs | Percentage of State Agency Workforce | Percentage of State Workforce |
| Article I - General Government | 9,768.8 | 6.4% | 3.1% |
| Article II - Health and Human Services | 54,993.5 | 35.9% | 17.7% |
| Article III - Public Education | 2,406.1 | 1.6% | 0.8% |
| Article IV - The Judiciary | 1,693.6 | 1.1% | 0.5% |
| Article V - Public Safety and Criminal Justice | 53,838.6 | 35.1% | 17.3% |
| Article VI - Natural Resources | 8,646.1 | 5.6% | 2.8% |
| Article VII - Business and Economic Development | 16,177.2 | 10.6% | 5.2% |
| Article VIII - Regulatory | 3,549.6 | 2.3% | 1.1% |
| Article X - Legislature | 2,141.2 | 1.4% | 0.7% |
| All State Agencies | 153,214.5 | 100.0% | 49.3% |
| Note: Totals may not sum exactly due to rounding. | | | |

Source: FTE System, State Auditor's Office.

During fiscal year 2010, 2 of the 8 university systems (the University of Texas System and the Texas A&M University System) employed 113,729.7 FTEs (72.1 percent) of all higher education FTEs (see Table 7).

Table 7

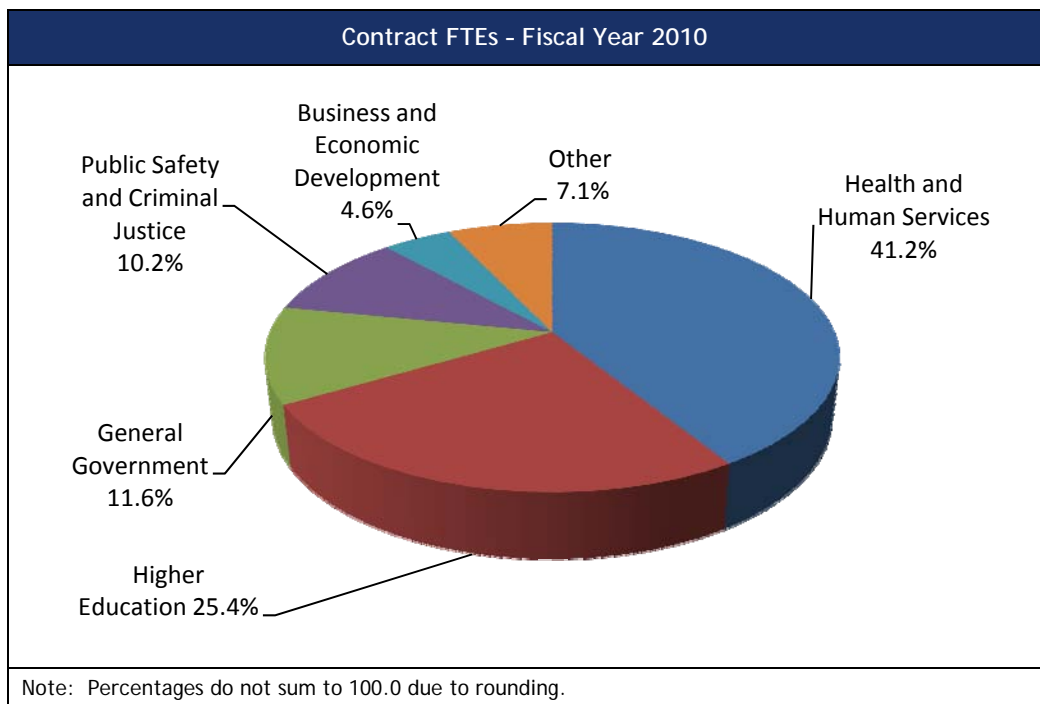
| Distribution of Higher Education FTEs - Fiscal Year 2010 | | | |
|--|---------------------|--|-------------------------------|
| University Affiliation | Average Annual FTEs | Percentage of Higher Education Workforce | Percentage of State Workforce |
| The University of Texas System | 85,701.3 | 54.3% | 27.6% |
| Texas A&M University System | 28,028.4 | 17.8% | 9.0% |
| Texas Tech University System | 12,255.3 | 7.8% | 3.9% |
| Texas State University System | 8,660.9 | 5.5% | 2.8% |
| University of Houston System | 8,589.6 | 5.4% | 2.8% |
| University of North Texas System | 6,872.4 | 4.4% | 2.2% |
| Independent Entities | 5,854.2 | 3.7% | 1.9% |
| Texas State Technical College System | 1,764.6 | 1.1% | 0.6% |
| All Higher Education Institutions | 157,726.9 | 100.0% | 50.7% |
| Note: Totals may not sum exactly due to rounding. | | | |

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. On average during fiscal year 2010, 1,262.6 contract FTEs supplemented the workforce at 32 agencies and 15 higher education institutions.¹ The majority of those individuals worked in higher education, health and human services, and general government agencies (see Figure 3).

Figure 3



Source: FTE System, State Auditor's Office.

¹ Some agencies and higher education institutions did not employ contract FTEs for all four quarters of fiscal year 2010.

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 increased 5.4 percent. Compared with fiscal year 2009, FTE caps in fiscal year 2010 increased by 3,884.0 FTEs (an increase of 1.7 percent).

During fiscal year 2010, 8 state agencies and 24 higher education institutions exceeded their FTE caps. Of those that exceeded their caps, state agencies on average were 3.5 percent above their caps and higher education institutions on average were 8.6 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, only contract FTEs and FTEs paid from appropriated funds count toward the cap. Table 8 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 8

| Comparison of Agencies' and Higher Education Institutions' FTEs with Their FTE Caps Fiscal Year 2010 | | | | |
|---|---------------------|----------------------------------|------------------------------------|----------------------------------|
| General Appropriations Act Article | Average Annual FTEs | Fiscal Year 2010 Average FTE Cap | Annual Average FTEs Subject to Cap | Percent of FTEs Subject to a Cap |
| Article I - General Government | 9,768.8 | 10,107.6 | 9,446.1 | 96.7% |
| Article II - Health and Human Services | 54,993.5 | 57,667.6 | 54,925.1 | 99.9% |
| Article III - Public Education | 2,406.1 | 2,300.1 | 2,344.5 | 97.4% |
| Article III - Higher Education | 157,726.9 | 83,162.4 | 80,207.4 | 50.9% |
| Article IV - The Judiciary | 1,693.6 | 1,403.8 | 1,382.2 | 81.6% |
| Article V - Public Safety and Criminal Justice | 53,838.6 | 53,335.6 | 53,530.6 | 99.4% |
| Article VI - Natural Resources | 8,646.1 | 8,823.9 | 8,606.7 | 99.5% |
| Article VII - Business and Economic Development | 16,177.2 | 18,245.7 | 15,148.2 | 93.6% |
| Article VIII - Regulatory | 3,549.6 | 3,494.6 | 3,108.2 | 87.6% |
| Article X - Legislature | 2,141.2 | Not Applicable | Not Applicable | Not Applicable |
| Statewide (Excluding Higher Education) | 153,214.5 | 155,378.9 | 148,491.6 | 96.9% |
| Statewide (Including Higher Education) | 310,941.4 | 238,541.3 | 228,699.0 | 73.6% |
| Note: Totals may not sum exactly due to rounding. | | | | |

Source: FTE System, State Auditor's Office.

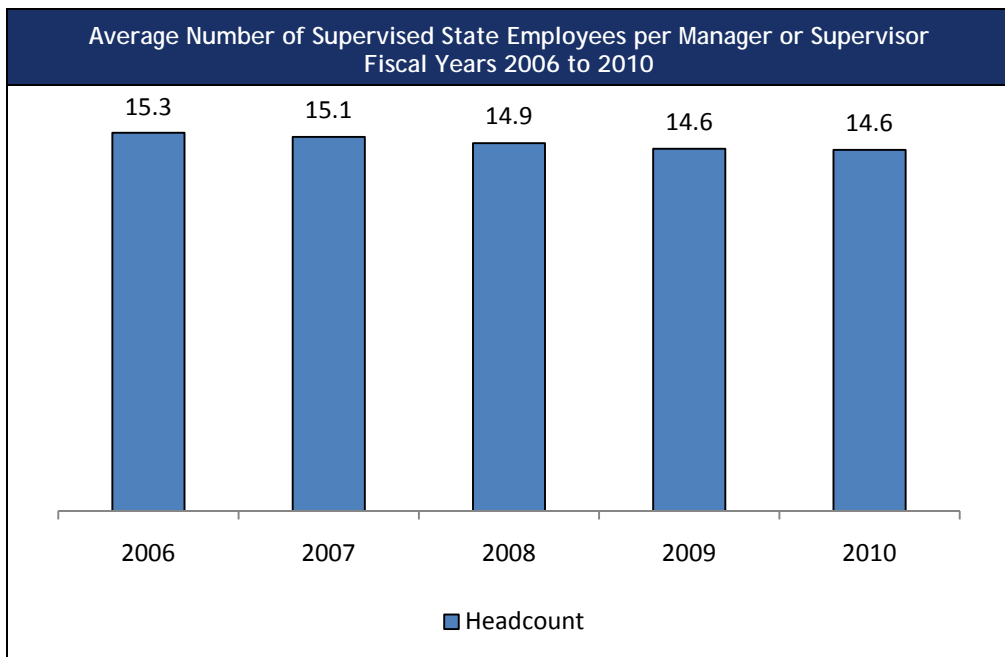
Statewide, Average Management-to-staff Ratios Comply with Statutorily Required Ratios

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. Agencies and higher education institutions with more than 100 FTEs are statutorily required to comply with a minimum management-to-staff ratio of 1 manager or supervisor for no fewer than 11 employees.²

The average management-to-staff ratio, calculated using headcount, for fiscal year 2010 was 1:14.6 (1 manager or supervisor per 14.6 supervised staff employees).

Figure 4 shows the average annual management-to-staff ratios from fiscal year 2006 through fiscal year 2010. These ratios have remained fairly constant since fiscal year 2006. (The numbers in Figure 4 represent the average number of supervised state employees per manager or supervisor).

Figure 4



Source: FTE System, State Auditor’s Office.

² Texas Government Code, Section 651.004 (c).

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) 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 2010 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 2010 with previously submitted data from the State Auditor's Office's Full-time Equivalent (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:

- Juliette Torres, CCP, PHR (Project Manager)
- Christine M. Bailey, CCP, GRP
- Lynne Ballman, CDP, CSP, CISA (Senior Systems Analyst)
- Michael C. Apperley, CPA (Assistant State Auditor/Quality Control Reviewer)
- Nicole M. Guerrero, MBA, CIA, CGAP, CICA (Audit Manager)

State Agencies That Exceeded Their Legislatively Mandated Quarterly FTE Caps and Their Self-reported Explanations

During fiscal year 2010, eight state agencies exceeded their legislatively mandated quarterly FTE caps. The numbers in Table 9 represent the quarterly total number of full-time equivalent (FTEs) employees who were paid from appropriated funds plus contractor FTEs. The agencies' explanations for exceeding their caps are listed below.

Table 9

| State Agencies That Exceeded Their Legislatively Mandated Quarterly FTE Caps Fiscal Year 2010 | | | | | |
|--|-------------------|---------------|---------------|---------------------|--|
| Agency Number and Name | Quarterly FTE Cap | FTEs Reported | FTEs Over Cap | Percentage Over Cap | Reason for Exceeding Cap (Reported by Agency) |
| 1st Quarter Fiscal Year 2010 | | | | | |
| 327 - Employees Retirement System | 312.0 | 318.4 | 6.4 | 2.1 | <i>The ERS increase in FTEs relates to a Board approved plan to increase the investment staff and infrastructure to support ERS trust fund investments. A study was performed by ERS's investments consultants that recommended a significant increase in staff to support the current and planned ERS investment portfolio. The increase in FTEs resulted primarily from hiring additional investment related staff in accordance with the plan approved by the ERS Board of Trustees. The FTE amount will vary throughout the year depending on the actual ERS vacancy rate experience.</i> |
| 357 - Texas Department of Rural Affairs | 64.0 | 68.0 | 4.0 | 6.2 | <i>In November 2008, Texas was awarded 1.3 billion in Community funds by the Department of Housing and Urban Development (HUD) to provide relief to communities affected by the hurricane disaster. The amount received for the Texas Department of Rural Affairs (TDRA) is dedicated for infrastructure. The hurricane disaster relief funds awarded to Texas by HUD are 100% federal grant funds that do not require a state match. FTE Cap = 62 per Art IX Section 6.10 G of GAA 81st Legislature RS - Out of the 50 FTE's Federally Funded authorized positions. 37.8 are listed in this quarter. These FTE's will be used to manage disaster related projects. In accordance with Section 6.10 of the current General Appropriations Act, TDRA received the approval of its board of directors to seek the approval of the LBB and the Office of the Governor to exceed its FTE Cap for the biennium by seven employees. The request is pending before both entities and is expected to be acted upon in the very near future.</i> |

| State Agencies That Exceeded Their Legislatively Mandated Quarterly FTE Caps Fiscal Year 2010 | | | | | |
|--|-------------------|---------------|---------------|---------------------|---|
| Agency Number and Name | Quarterly FTE Cap | FTEs Reported | FTEs Over Cap | Percentage Over Cap | Reason for Exceeding Cap (Reported by Agency) |
| 401 - Adjutant General's Department | 619.0 | 653.3 | 34.3 | 5.5 | <i>This agency has exceeded the FTE Cap due to the high level of 100% federal funded personnel who support multiple ongoing programs including our Military Vehicle Rebuild Program and information technology programs. These 100% federal funded programs currently provide more than four hundred and fifty jobs for this agency and Texas.</i> |
| 696 - Department of Criminal Justice | 39,304.3 | 40,385.9 | 1,081.6 | 2.8 | <i>Due to the agency's ongoing efforts focusing on the recruitment and retention of correctional officers, the number of filled correctional officer positions has increased by over 2,300 since the beginning of Fiscal Year 2009. Pursuant to Art. XI, Section 6.10 (b) of the 2008-09 General Appropriations Act, TDCJ submitted a request for approval to increase the FTE Cap to the Legislative Budget Board and the Governor's Office.</i> |
| 2nd Quarter Fiscal Year 2010 | | | | | |
| 327 - Employees Retirement System | 312.0 | 325.5 | 13.5 | 4.3 | <i>The ERS increase in FTEs relates to a Board approved plan to increase the investment staff and infrastructure to support ERS trust fund investments. A study was performed by ERS' investment consultants that recommended a significant increase in staff to support the current and planned ERS investment portfolio. The increase in FTEs resulted primarily from hiring additional investment related staff in accordance with the plan approved by the ERS Board of Trustees.</i> |
| 357 - Texas Department of Rural Affairs | 64.0 | 66.7 | 2.7 | 4.3 | <i>In November 2008, Texas was awarded 1.3 billion in Community funds by the Department of Housing and Urban Development (HUD) to provide relief to communities affected by the hurricane disaster. The amount received for the Texas Department of Rural Affairs (TDRA) is dedicated for infrastructure. The hurricane disaster relief funds awarded to Texas by HUD are 100% federal grant funds that do not require a state match. FTE Cap = 62 per Art IX Section 6.10 G of GAA 81st Legislature RS - Out of the 50 FTE's Federally Funded authorized positions. 43.8 are listed in this quarter. These FTE's will be used to manage disaster related projects. In accordance with Section 6.10 of the current General Appropriations Act, TDRA received the approval of its governing board to seek the approval of the LBB and the Office of the Governor to exceed its FTE cap for the biennium by seven employees. The request is pending before the both entities and is expected to be acted upon in the very near future.</i> |

| State Agencies That Exceeded Their Legislatively Mandated Quarterly FTE Caps Fiscal Year 2010 | | | | | |
|--|-------------------|---------------|---------------|---------------------|--|
| Agency Number and Name | Quarterly FTE Cap | FTEs Reported | FTEs Over Cap | Percentage Over Cap | Reason for Exceeding Cap (Reported by Agency) |
| 401 - Adjutant General's Department | 619.0 | 656.5 | 37.5 | 6.1 | <i>This agency has exceeded the FTE Cap due to the high level of 100% federal funded personnel who support multiple ongoing programs including our Military Vehicle Rebuild Program, Security Officer Program, and information technology program. These 100% federal funded programs currently provide four hundred and forty six jobs for this agency and the State of Texas.</i> |
| 696 - Department of Criminal Justice | 39,294.3 | 40,926.5 | 1,632.2 | 4.2 | <i>Due to the agency's ongoing efforts focusing on the recruitment and retention of correctional officers, the number of filled correctional officer positions has increased by over 2,500 since the beginning of Fiscal Year 2009. Pursuant to Art. XI, Section 6.10 (b) of the 2008-2009 General Appropriations Act, TDCJ submitted a request for approval to increase the FTE Cap to the Legislative Budget Board and the Governor's Office.</i> |
| 701 - Texas Education Agency | 1,038.8 | 1,044.4 | 5.6 | 0.5 | <i>The overage is due to contract FTE commitments related to multiple mission-critical information technology development projects including CEMS, SBEC, Foundation School Program Rewrite, e-Grants and others. Staff augmentation contractors procured through DIR are not exempted as outsourced employees in this reporting and in accordance, in the agency's understanding, with the guidelines promulgated by the SAO.</i> |
| 3rd Quarter Fiscal Year 2010 | | | | | |
| 327 - Employees Retirement System | 312.0 | 329.4 | 17.4 | 5.6 | <i>The ERS increase in FTEs relates to a Board approved plan to increase the investment staff and infrastructure to support ERS trust fund investments. A study was performed by ERS' investment consultants that recommended a significant increase in staff to support the current and planned ERS investment portfolio. The increase in FTEs resulted primarily from hiring additional investment related staff in accordance with the plan approved by the ERS Board of Trustees. The FTE amount will vary throughout each year depending on the actual ERS vacancy rate experience.</i> |

| State Agencies That Exceeded Their Legislatively Mandated Quarterly FTE Caps Fiscal Year 2010 | | | | | |
|--|-------------------|---------------|---------------|---------------------|---|
| Agency Number and Name | Quarterly FTE Cap | FTEs Reported | FTEs Over Cap | Percentage Over Cap | Reason for Exceeding Cap (Reported by Agency) |
| 357 - Texas Department of Rural Affairs | 64.0 | 65.2 | 1.2 | 1.8 | <i>In November 2008, Texas was awarded \$1.3 billion in Community Development Block Grant funds by the Department of Housing and Urban Development (HUD) to provide relief to communities affected by the hurricane disasters. The amount received for the Texas Department of Rural Affairs (TDRA) is dedicated for infrastructure. The hurricane disaster relief funds awarded to Texas by HUD are 100% federal grant funds that do not require a state match. FTE GAA Cap = 64. Art IX Section 6.10 G of GAA 81st Legislature RS = 50 FTE Federally Funded authorized positions, 46.8 are listed in this quarter. These FTE will be used to manage disaster related projects. In accordance with Section 6.10 of the current General Appropriations Act, TDRA received the approval of its governing board to seek the approval of the LBB and the Office of the Governor to exceed its FTE cap for the biennium by seven employees. On June 8, 2010 the LBB approved TDRA's request to exceed the FTE cap by 5 FTE's for fiscal year 2010. The additional two FTEs are required to be requested after September 1, 2010 for fiscal year 2011. Similar approval is expected by the Office of the Governor.</i> |
| 401- Adjutant General's Department | 619.0 | 644.4 | 25.4 | 4.1 | <i>This agency has exceeded the FTE Cap due to the high level of 100% federal funded personnel who support multiple ongoing programs including our Military Vehicle Rebuild Program (RSMS), Security Officer Program, and Information Technology Program. These 100% federal funded programs currently provide four hundred and forty jobs for this agency and the State of Texas.</i> |
| 580 - Water Development Board | 357.6 | 358.5 | 0.9 | 0.2 | <i>TWDB received approval to exceed the FTE Cap due to additional positions required for the implementation of the Clean and Drinking State Revolving Fund Programs funded from the American Recovery and Reinvestment Act. Both the LBB and Governor's Office of Budget and Planning and Policy approved our request to exceed the cap pursuant to the GAA, Article IX, Sec 6.10 (g).</i> |
| 696 - Department of Criminal Justice | 39,294.3 | 40,936.3 | 1,642.0 | 4.2 | <i>Due to the agency's ongoing efforts focusing on the recruitment and retention of correctional officers, the number of filled correctional officer positions has increased by over 2,400 since the beginning of Fiscal Year 2009. Pursuant to Art XI, Section 6.10 (b) of the 2008-09 General Appropriations Act, TDCJ submitted a request for approval to increase the FTE Cap to the Legislative Budget Board and the Governor's Office.</i> |

| State Agencies That Exceeded Their Legislatively Mandated Quarterly FTE Caps Fiscal Year 2010 | | | | | |
|--|-------------------|---------------|---------------|---------------------|---|
| Agency Number and Name | Quarterly FTE Cap | FTEs Reported | FTEs Over Cap | Percentage Over Cap | Reason for Exceeding Cap (Reported by Agency) |
| 701 - Texas Education Agency | 1,038.8 | 1,084.5 | 45.7 | 4.4 | <i>The overage is due to contract FTE commitments related to multiple mission-critical information technology development projects including CEMS, SBEC, Foundation School Program Rewrite, e-Grants and others. Staff augmentation contractors procured through DIR are not exempted as outsourced employees in this reporting and in accordance, in the agency's understanding, with the guidelines promulgated by the SAO.</i> |
| 4th Quarter Fiscal Year 2010 | | | | | |
| 327 - Employees Retirement System | 312.0 | 325.9 | 13.9 | 4.5 | <i>The ERS increase in FTEs relates to a Board approved plan to increase the investment staff and infrastructure to support ERS trust fund investments. A study was performed by ERS's investments consultants that recommended a significant increase in staff to support the current and planned ERS investment portfolio. The increase in FTEs resulted primarily from hiring additional investment related staff in accordance with the plan approved by the ERS Board of Trustees. The FTE amount will vary throughout the year depending on the actual ERS vacancy rate experience.</i> |
| 401 - Adjutant General's Department | 619.0 | 643.4 | 24.4 | 4.0 | <i>The Adjutant General's Department has exceeded the FTE Cap due to the high level of 100% federal funded personnel who support multiple on-going programs including our Military Vehicle Rebuild Program (RSMS), Security Officer Program, and Information Technology Program. These 100% federal funded programs currently provide four hundred and thirty-two jobs for this agency and the State of Texas.</i> |
| 464 - Board of Professional Land Surveying | 5.0 | 5.2 | 0.2 | 3.3 | <i>An employee with over 30 years service retired 8-31-10. Because of the size of this agency and the varied job duties, it is very important to receive adequate training and the agency used 30 days "job shadowing" in order to receive the needed training. A half-time employee changed to full-time on 8-1-10 and the half-time position remained vacant.</i> |
| 696 - Department of Criminal Justice | 39,294.3 | 40,339.5 | 1,045.2 | 2.7 | <i>Due to the agency's ongoing efforts focusing on the recruitment and retention of correctional officers, the number of filled correctional officer positions has increased by over 2,000 since the beginning of Fiscal Year 2009. Pursuant to Art. XI, Section 6.10 (b) of the 2008-09 General Appropriations Act, TDCJ submitted a request for approval to increase the FTE Cap to the Legislative Budget Board and the Governor's Office.</i> |

| State Agencies That Exceeded Their Legislatively Mandated Quarterly FTE Caps Fiscal Year 2010 | | | | | |
|---|-------------------|---------------|---------------|---------------------|--|
| Agency Number and Name | Quarterly FTE Cap | FTEs Reported | FTEs Over Cap | Percentage Over Cap | Reason for Exceeding Cap (Reported by Agency) |
| 701 – Texas Education Agency | 1,038.8 | 1,094.5 | 55.7 | 5.4 | <i>The overage is due to contract FTE commitments related to multiple mission-critical information technology development projects including CEMS, SBEC, Foundation School Program Rewrite, e-Grants and others. Staff augmentation contractors procured through DIR are not exempted as outsourced employees in this reporting and in accordance, in the agency's understanding, with the guidelines promulgated by the SAO.</i> |
| 771 – School for the Blind and Visually Impaired ^a | 343.8 | 376.2 | 32.4 | 9.4 | <i>Article IX, Section 6.10 (d) provides that the FTE limitation shall be an average of the four reports filed for the fiscal year. While the Agency (Texas School for the Blind and Visually Impaired) was significantly below the cap in the 4th quarter, the average of the four quarters exceeded the cap. The School continues to experience an increase in enrollment, requiring an increase in staff hours to provide the appropriate level of services in a safe environment.</i> |
| ^a The School for the Blind and Visually Impaired had an annual (average of the four quarters) FTE cap specified in Section 6.10(d)(2), page IX-28, of the General Appropriations Act (81st Legislature). | | | | | |

Source: FTE System, State Auditor's Office.

Higher Education Institutions That Exceeded Their Legislatively Mandated Annual FTE Caps and Their Self-reported Explanations

During fiscal year 2010, 24 higher education institutions exceeded their legislatively mandated annual FTE caps. The numbers in Table 10 represent the annual average full-time equivalent (FTEs) employees paid from appropriated funds plus contractor FTEs for fiscal year 2010. The higher education institutions' explanations for exceeding their caps are listed below.

Table 10

| Higher Education Institutions That Exceeded Their Legislatively Mandated Annual FTE Caps Fiscal Year 2010 | | | | | |
|--|----------------|---------------|---------------|---------------------|---|
| Higher Education Institution Number and Name | Annual FTE Cap | FTEs Reported | FTEs Over Cap | Percentage Over Cap | Reason for Exceeding Cap (Reported by Institution) |
| 557 - Texas Veterinary Medical Diagnostic Laboratory | 149.0 | 156.1 | 7.1 | 4.7 | <i>TVMDL exceeded its FTE cap due to the expansion of testing of regulatory diseases and new program implementation such as trichomoniasis and piroplasmosis testing. TVMDL also continued its support and focus on biosafety and quality assurance throughout fiscal year 2010.</i> |
| 709 - Texas A&M University System Health Science Center | 964.4 | 1,103.1 | 138.7 | 14.4 | <i>The State of Texas has approved and funded a major class size expansion in the Health Science Center's College of Medicine, approved the creation of a new College of Nursing and created and funded a new College of Pharmacy. Exceeding the FTE Cap is a direct result of faculty and staff hired in support of these endeavors.</i> |
| 712 - Texas Engineering Experiment Station | 740.7 | 939.8 | 199.1 | 26.9 | <i>Of the 939.82 FTEs, 606.97 FTEs were funded through sponsored contracts. The agency research expenditures for FY 2010 grew 22% over the FY 2009 levels. In order to meet the contractual requirements of the externally sponsored research it was necessary to hire additional staff to meet the expectations for the deliverables in those contracts and grants. Of the 606.97 FTEs, 433.09 were 100% federally funded the remaining 173.88 FTEs were 100% funded from external sponsors.</i> |
| 715 - Prairie View A&M University | 891.8 | 904.2 | 12.4 | 1.4 | <i>Prairie View A&M University exceeded the FTE cap due to expanded academic programs over the years coupled with the hiring of faculty and staff personnel to support the aforementioned programs.</i> |
| 717 - Texas Southern University | 855.0 | 914.5 | 59.5 | 7.0 | <i>TSU has undergone significant administrative change during the past two years which would account for the variance staffing levels. The LAR FY2008 actual is significantly less than our projected FY2010. Given the new administrative leadership and inherent staffing reorganizations we anticipate a request for an increase on the TSU FTE CAP.</i> |
| 724 - The University of Texas at El Paso | 1,730.3 | 1,829.9 | 99.6 | 5.8 | <i>The increased number of FTEs in FY 2009-2010 was the result of increased enrollment and additional strategic research hires in both the faculty and staff categories.</i> |

**Higher Education Institutions That Exceeded Their Legislatively Mandated Annual FTE Caps
Fiscal Year 2010**

| Higher Education Institution Number and Name | Annual FTE Cap | FTEs Reported | FTEs Over Cap | Percentage Over Cap | Reason for Exceeding Cap (Reported by Institution) |
|--|----------------|---------------|---------------|---------------------|---|
| 732 - Texas A&M University - Kingsville | 746.0 | 849.5 | 103.5 | 13.9 | <i>Total FTEs include both Texas A&M University - Kingsville (agency 732) and Texas A&M University - San Antonio (agency 749) which became a standalone university in September 2009. TAMUSA does not have their own FTE cap. The overage is all attributable to TAMUSA. The positions are needed for the additional faculty and staff that are required to expand the new institution.</i> |
| 734 - Lamar University | 913.4 | 984.5 | 71.1 | 7.8 | <i>Lamar University exceeded the FTE cap in FY 2010 for the following reasons: First, our enrollment is up in both headcount and semester credit hours necessitating additional FTE. Second, enrollment is up in our online educational program which has resulted in increased hiring to meet student demand. Third, the university brought back football which made it necessary to hire additional staff. Fourth, we've grown in the restricted funds area and this has also necessitated an increase in FTE.</i> |
| 738 - The University of Texas at Dallas | 1,237.0 | 1,349.8 | 112.8 | 9.1 | <i>The FTE was exceeded as a result of increasing enrollment growth at the University. The additional faculty is needed to retain UTD's quality of education and maintain a reasonable faculty/student ratio. The additional staff is needed to provide support to additional key administrative areas, services to students, and maintain security and operations for the additional buildings on campus. We do not anticipate the four quarter average to exceed the FTE cap, assuming that the Request to Exceed FTE Limitation on Appropriated Funds is approved.</i> |
| 739 - Texas Tech University Health Sciences Center | 1,766.3 | 1,951.9 | 185.6 | 10.5 | <i>After receiving approval from the Texas Tech University System Board of Regents, Texas Tech University Health Sciences Center submitted a request to exceed the Annual FTE Cap on September 28, 2009, from the Legislative Budget Board and the Governor's Office of Budget, Planning and Policy. The request to exceed was from 1,766.3 FTEs to 2,036.8 FTEs. The FY2010 actual FTEs for the institution is 1,951.86 which is below the requested level.</i> |
| 741 - Sul Ross State University Rio Grande College | 73.4 | 77.6 | 4.2 | 5.7 | <i>Our caps for FY10 and FY11 are 73.4 compared to our caps of 82.2 for FY08 and FY09. SRSU RGC serves three locations our staffing is very lean. This is a reduction of almost 11%. We have eliminated one position and frozen hiring in two other positions. Reducing FTE further would require service reduction. All vacancies must be justified to the Executive Committee before being filled. We are supplementing our E&G budget with institutional funds.</i> |

**Higher Education Institutions That Exceeded Their Legislatively Mandated Annual FTE Caps
Fiscal Year 2010**

| Higher Education Institution Number and Name | Annual FTE Cap | FTEs Reported | FTEs Over Cap | Percentage Over Cap | Reason for Exceeding Cap (Reported by Institution) |
|--|----------------|---------------|---------------|---------------------|---|
| 742 - The University of Texas of the Permian Basin | 296.4 | 364.9 | 68.5 | 23.1 | <i>University growth and development of instructional and student support programs have lead to the increased need for staffing as reflected in the FTE numbers; programs (some grant funded) have been added to enhance the university's ability to improve student retention and graduation rates; grant funded programs have also been put into place to recruit, mentor and retain those students enrolled in science, technology, engineering and math programs.</i> |
| 743 - The University of Texas at San Antonio | 2,258.9 | 2,321.8 | 62.9 | 2.8 | <i>Although UTSA's enrollment continues to stabilize, this reflects the optimal number of faculty and staff to support a more traditional student population and improve the faculty / student ratio consistent with aspirant peers. Each year we continue to request authorization to exceed our FTE cap.</i> |
| 745 - The University of Texas Health Science Center at San Antonio | 2,308.9 | 2,344.2 | 35.3 | 1.5 | <i>As previously reported, a request to exceed the 2010 FTE cap by 141.10 to 2,450 was submitted in June of 2009 to account for an increase in new exceptional item General Revenue for the Regional Academic Health Center and the San Antonio Life Sciences Institute, as well as enhanced formula General Revenue. Total FTE's increased slightly over the 3rd quarter in anticipation of the upcoming fiscal year.</i> |
| 747 - The University of Texas at Brownsville | 548.9 | 859.1 | 310.2 | 56.5 | <i>It is necessary to exceed the authorized limits for FTE's which are associated and paid with the Texas Southmost College contract in accordance with the partnership agreement between The University of Texas at Brownsville and Texas Southmost College. FTE's for this function include faculty, professional, and classified staff and departments providing lower-level instruction.</i> |
| 752 - University of North Texas | 3,109.1 | 3,247.7 | 138.6 | 4.5 | <i>The increase in FTE above the Cap is necessary to support the continuing growth of a student-centered research institution and new programs of the University. These growth initiatives increased the demand for faculty and staff to support our strategic goals.</i> |
| 760 - Texas A&M University - Corpus Christi | 748.8 | 793.9 | 45.1 | 6.0 | <i>The TAMUCC FTE cap was reduced from 815.60 in FY 2009 to 748.8 for FY 2010. As a fast growing University committed to excellence and serving the needs of South Texas, it is imperative that we employ an adequate number of faculty and staff. Student enrollment in the fall of 2009 increased by more than 5%. Efforts to increase Hispanic enrollment also resulted in a 6.25% increase in Fall 2009. Enrollment in the College of Nursing and Health Sciences increased Fall 2009 by 15%. A new B.S. mechanical engineering program kicked off in 2009 and continues to grow. These successes would not have been possible without employing adequate numbers of faculty and staff.</i> |

**Higher Education Institutions That Exceeded Their Legislatively Mandated Annual FTE Caps
Fiscal Year 2010**

| Higher Education Institution Number and Name | Annual FTE Cap | FTEs Reported | FTEs Over Cap | Percentage Over Cap | Reason for Exceeding Cap (Reported by Institution) |
|---|----------------|---------------|---------------|---------------------|---|
| 763 - University of North Texas Health Science Center at Fort Worth | 681.1 | 719.2 | 38.1 | 5.6 | <i>UNTHSC is growing faster than any other Medical School in the State. We have added a new Doctorate of Physical Therapy Program which has increased both our student and faculty population. This growth represents our commitment to elevating our performance to new heights of unsurpassed excellence in academics, research, and clinical care. This tremendous growth requires the supportive staff to also grow.</i> |
| 769 - University of North Texas System Administration | 115.5 | 171.5 | 56.0 | 48.5 | <i>An increase in total FTE's for FY10 was attributed to the University of North Texas at Dallas not yet established as an independent institution and their numbers being combined with UNT System Administration. The expansion of this start-up school resulted in the hiring of new faculty and staff.</i> |
| 783 - University of Houston System Administration | 64.0 | 99.0 | 35.0 | 54.6 | <i>Management decision to move staff from UHV to UHS. Changes were reflected on second submission of 2010-11 LAR.</i> |
| 787 - Lamar State College - Orange | 133.0 | 138.5 | 5.5 | 4.2 | <i>Due to record enrollment in the Spring and Summer sessions, additional adjuncts were hired to fill the classes.</i> |
| 789 - Lamar Institute of Technology | 174.0 | 197.0 | 23.0 | 13.2 | <i>Lamar Institute of Technology has had enrollment growth more than 25% in the last five years making the institute one of the fastest growing educational institutions in Texas. Full-time faculty and staff required to support the increase in operations has exceeded the increase in the number of Full-Time-Equivalents authorized in the Legislative Appropriations Bills. Lamar Institute of Technology is requesting additional FTE's authorized in the Legislative Appropriations Request for FY2012-2013.</i> |
| 925 - Texas State Technical College - Waco | 546.6 | 549.7 | 3.1 | 0.6 | <i>Actual FTE exceeds original FTE cap in the appropriations bill, however, it does not account for additional FTEs requested from the Legislative Budget Board or the transfer of FTEs from other TSTC units.</i> |
| 926 - Texas State Technical College - Marshall | 93.3 | 98.5 | 5.2 | 5.6 | <i>Actual FTE exceeds original FTE cap in the appropriations bill, however, it does not account for additional FTEs requested from the Legislative Budget Board or the transfer of FTEs from other TSTC units.</i> |

Source: FTE System, State Auditor's Office.

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