

**Agenda Materials
Community and Technical Colleges
Formula Advisory Committee (CTCFAC)
for the 2020-2021 Biennial
Appropriations**

September 2017

Table of Contents

Contents

Agenda	2
Prior Meeting’s Draft Minutes	3
Commissioner’s Charges	5
Community and Technical College Formula Advisory Committee for 2020-2021 Biennium.....	6
Charge 1 – Study and make recommendation for the appropriate funding levels for the contact hour, core, and the student success funding.	7
Charge 2 – Study and make recommendations for the appropriate funding level for, and the refinement of, Texas State Technical College System’s returned value funding formula (General Appropriations Act, SB 1, 85th Texas Legislature, Rider 11 (page III-232).	15
Charge 3 – Study and make recommendations on the treatment of competency-based courses in formula allocations.....	15
Charge 4 – Study and make recommendations on the efficacy of critical need fields as they relate to contact hour and success point funding.....	32
Charge 5 – Study and make recommendations on a new formula to fund dual credit programs based upon the number of semester credit hours offered in dual credit by Texas State Technical College. (General Appropriations Act, SB 1, 85th Texas Legislature, Rider 12 (page III-232))	32
Charge 6 – Review existing Coordinating Board data on dual credit program funding, including preliminary data available from the 2017-2018 dual credit study being conducted by contracted research organizations, and share insight on current dual credit funding mechanisms.....	32

Agenda

**Meeting of the
Community and Technical Colleges Formula Advisory Committee
Texas Higher Education Coordinating Board
Board Room, First Floor, 1.170
1200 East Anderson Lane, Austin
Thursday, September 21, 2017
10:00 a.m.**

Agenda

- I. Call to Order
- II. Consideration and approval of the minutes from August 31, 2017, meeting
- III. Discussion, review, and consideration of the Commissioner's 2020-2021 Biennium charges
- IV. Planning for subsequent meetings
- V. Adjournment

Prior Meeting's Draft Minutes

**Meeting of the Community and Technical Colleges Formula Advisory Committee
Texas Higher Education Coordinating Board
Lone Star Room, Second Floor
1200 East Anderson Lane, Austin
Wednesday, August 31, 2017
1:45 p.m.**

Minutes

Attendees: Dr. Van Miller, Mr. Patrick Lee, Mr. Richard Cervantes, MR. Jim Yeonopolus, Mr. Michael Reeser, Dr. Robert Riza, Dr. Pamela Anglin, Dr. Bradley W. Johnson, Dr. Jeremy McMillen, Dr. Phil Rhodes and Mr. Dusty Johnston

Attended by phone: Dr. Cesar Maldonado

Absent: Mr. Chet Lewis and Ms. Mary Wickland

THECB Staff: Mr. Roland Gilmore

1. The meeting was called to order at 1:45 p.m.
2. Mr. Dusty Johnston, convening chair, nominated Dr. Pamela Anglin for chair and Dr. Jeremy McMillen for Vice Chair; Dr. Robert Riza motioned, Mr. Jim Yeonopolus second, approval by acclamation, and there were no member objections to Dr. Pamela Anglin as committee chair and Dr. Jeremy McMillen for Vice Chair.
3. Mr. Dusty Johnston announced the departure of Dr. Bradley W. Johnson and introduced Dr. Ron Clinton as his replacement.
4. Mr. Gilmore provided a brief overview of the funding formulas.
5. The chair reviewed the Commissioner's 2020-2021 biennium charges and asked committee members to indicate their preference for working on the charges.
 - a. Charge 1 – Study and make recommendation for the appropriate funding levels for the contact hour, core, and the student success funding.
 - b. Charge 2 – Study and make recommendations for the appropriate funding level for, and the refinement of, Texas State Technical College System's returned value funding formula.
 - c. Charge 3 – Study and make recommendations on the treatment of competency-based courses in formula allocations.
 - d. Charge 4 – Study and make recommendations on the efficacy of critical need fields as they relate to contact hour and success point funding.
 - e. Charge 5 – Study and make recommendations on a new formula to fund dual credit programs based upon the number of semester credit hours offered in dual credit by Texas State Technical College. (General Appropriations Act, SB 1, 85th Texas Legislature, Rider 12 (page III-232))

- f. Charge 6 – Review existing Coordinating Board data on dual credit program funding, including preliminary data available from the 2017-2018 dual credit study being conducted by contracted research organizations, and share insight on current dual credit funding mechanisms.

Work groups and members are as follows:

- A Charges 1 and 4 – Wickland (lead), Maldonado, Lee, Cervantes, Clinton, McMillen, Lewis.
 - B Charge 2 – Reeser (lead), Miller, Lee, Rhodes.
 - C Charge 3 – Yeonopolus (lead), Reeser, Anglin, Clinton.
 - D Charges 5 and 6 – McMillen (lead), Maldonado, Miller, Yeonopolus, Reeser, Riza, Anglin, Rhodes, Lewis.
6. The chair asked the committee if the future meeting dates and times distributed with the agenda were okay with the committee. All meeting dates and times will stay as outlined in the agenda materials.
 7. Mr. Dusty Johnston, as his final act, wanted to go on record with some comments. Mr. Reeser followed with supporting comments.
 8. The chair called for a motion to adjourn, Dr. Riza motioned for adjournment, and the meeting was adjourned at 2:19 p.m. The committee will next convene on September 21, 2017, at 10:00 a.m.

Prepared by Roland Gilmore

Commissioner's Charges

The Community and Technical College Formula Advisory Committee (CTCFAC), conducted in an open and public forum, is charged with proposing a set of formulas that provide the appropriate funding levels and financial incentives necessary to best achieve the goals of *60x30TX*. A preliminary written report of its activities and recommendations is due to the Commissioner by December 7, 2017, and a final written report by February 2, 2018. The CTCFAC's specific charges are to:

1. Study and make recommendations for the appropriate funding levels for the contact hour, core, and the student success funding. (TEC, Section 61.059 (b)).

"The board shall devise, establish, and periodically review and revise formulas for the use of the governor and the Legislative Budget Board in making appropriations recommendations to the legislature for all institutions of higher education, including the funding of postsecondary vocational-technical programs. As a specific element of the periodic review, the board shall study and recommend changes in the funding formulas based on the role and mission statements of institutions of higher education. In carrying out its duties under this section, the board shall employ an ongoing process of committee review and expert testimony and analysis."

2. Study and make recommendations for the appropriate funding level for, and the refinement of, Texas State Technical College System's returned value funding formula (General Appropriations Act, SB 1, 85th Texas Legislature, Rider 11 (page III-232)).

"The Texas State Technical College System shall continue to work with the Texas Higher Education Coordinating Board, the Legislative Budget Board and other relevant agencies to refine the new Returned Value Funding Formula for the TSTCs. It is the intent of the Legislature that recommended adjustments to the formula shall be ready for implementation in the 2020-21 biennium and shall further the goal of rewarding job placement and graduate earnings projections, not time in training or contact hours."

3. Study and make recommendations on the treatment of competency-based courses in formula allocations.
4. Study and make recommendations on the efficacy of critical need fields as they relate to contact hour and success point funding.
5. Study and make recommendations on a new formula to fund dual credit programs based upon the number of semester credit hours offered in dual credit by Texas State Technical College. (General Appropriations Act, SB 1, 85th Texas Legislature, Rider 12 (page III-232)).
6. Review existing Coordinating Board data on dual credit program funding, including preliminary data available from the 2017-2018 dual credit study being conducted by contracted research organizations, and share insight on current dual credit funding mechanisms.

Below is a link to the Rand Report on Dual Credit

[Dual Credit: Interim Report from THECB-RAND Study Posted for Public Comment](#)

Community and Technical College Formula Advisory Committee for 2020-2021 Biennium

Dr. Pamela Anglin, Chair

Name/Title	Institution/Address	Email/Phone
<u>Institution Representatives:</u>		
Mr. Chet Lewis (2022) Vice Chancellor, Fiscal Affairs	San Jacinto College District 4624 Fairmont Parkway Suite 200 Pasadena, TX 77504	Chet.lewis@sjcd.edu (281) 998-6306
Dr. Cesar Maldonado, Ph.D., P.E. (2022) Chancellor	Houston Community College 3100 main Houston, Texas 77002	cesar.maldonado@hccs.edu (713) 718-5059
Dr. Van Miller (2022) Vice President for Administrative Services and CFO	Temple College 2600 South First Street Temple, Texas 76504	van.miller@templejc.edu (254) 298-8606
Mr. Patrick Lee (2022) Department Chair and Professor of Mathematics	Alamo Colleges 1400 West Villaret Boulevard San Antonio, Texas 78224	plee18@alamo.edu (210) 486-3282
Mr. Richard Cervantes (2022) Vice President for Business and Finance	Blinn College 902 College Avenue Brenham, Texas 77833	Richard.Cervantes@blinn.edu (979) 830-4123
Ms. Mary Wickland (2020) Vice President for Finance	Lamar State College - Port Arthur PO Box 310 Port Arthur, TX 77641	wicklandma@lamarpa.edu (409) 984-6125
Mr. Jim Yeonopolus (2022) Chancellor	Central Texas College PO Box 1800 Killeen, TX 76540	JYeonopolus@ctcd.edu (254) 526-1214
Mr. Michael Reeser (2020) Chancellor	Texas State Technical College System 3801 Campus Drive Waco, Texas 76705	mike.reeser@tstc.edu (254) 867-4891
Dr. Robert K. Riza (2022) President	Clarendon College 1122 College Drive Clarendon, TX 79226	robert.riza@clarendoncollege.edu (806) 874-4808
Dr. Pamela Anglin (2020) President	Paris Junior College 2400 Clarksville Street Paris, TX 75460	panglin@parisjc.edu (903) 782-0330
Dr. Ron Clinton (2018) Interim President	Northeast Texas Community College PO Box 1307 Mount Pleasant, TX 75456	rclinton@ntcc.edu (903) 434-8101
Dr. Jeremy McMillen (2020) President	Grayson College 6101 Grayson Drive Denison, TX 75020	mcmillenj@grayson.edu (903) 463-8600
Dr. Phil Rhodes (2020) Vice President - Research, Effectiveness, and Information Technology	McLennan Community College 1400 College Drive, Admin. 410 Waco, TX 76708	prhodes@mclennan.edu (254) 299-8642

Charge 1 – Study and make recommendation for the appropriate funding levels for the contact hour, core, and the student success funding.

No recommendation at this time.

Community College Formula Funding - 2020-2021 Biennium Projections

Projections		Growth	Inflation	
Fiscal Year	Fall	Fiscal Year Contact Hours	Annual Percent Change	Annual Average CPI-U ²
2001	2000	204,837,801		177.100
2002	2001	219,631,782	7.22%	179.900
2003	2002	233,031,247	6.10%	184.000
2004	2003	239,863,797	2.93%	188.900
2005	2004	245,177,977	2.22%	195.300
2006	2005	241,737,161	-1.40%	201.600
2007	2006	245,235,491	1.45%	207.342
2008	2007	251,395,202	2.51%	215.303
2009	2008	266,639,725	6.06%	214.537
2010	2009	303,339,964	13.76%	218.056
2011	2010	315,183,141	3.90%	224.939
2012	2011	307,907,184	-2.31%	229.594
2013	2012	297,266,776	-3.46%	232.957
2014	2013	291,230,383	-2.03%	236.736
2015	2014	287,580,392	-1.25%	237.017
2016	2015	286,218,842	-0.47%	240.007
2017	2016	291,419,305	1.82%	245.208
2018	2017	296,822,023	1.85%	247.450
2019	2018	302,129,648	1.79%	250.044
2020	2019	306,240,330	1.36%	252.900
2021	2020	306,608,516	0.12%	255.908
Biennial Average				254
Biennial Percent Increase			3.68%	1.74%
Committee Rates			3.68%	1.74%

Notes:

1. Fiscal Year (FY) 2016 values and earlier are actual. Later values are projected as indicated.
2. Annual Average Consumer Price Index data from Series Id: CUUR000SA0, Non-Seasonally Adjusted U.S. City Average, All items, Base Period: 1982-84=100
<ftp://ftp.bls.gov/pub/special.requests/cpi/cpi.txt> 'Last Updated: 2017-06-17

Biennium		Average Biennial Contact Hour Funding Rate	Biennial Percent Change
2000-2001		\$ 7.47	
2002-2003		\$ 7.71	3.21%
2004-2005		\$ 6.42	-16.73%
2006-2007		\$ 6.62	3.12%
2008-2009		\$ 7.00	5.74%
2010-2011		\$ 7.03	0.43%
2012-2013		\$ 5.91	-15.93%
2014-2015	*	\$ 5.30	-10.32%
2016-2017		\$ 5.38	1.51%
2018-2019		\$ 5.40	0.34%

*Success points and core operations were first funded in the 2014-15 biennium.

Biennium		Three Year Weighted Average Biennial Success Points	Biennial Percent Change
2012-2013			
2014-2015		929,188	N/A
2016-2017		980,204	5.49%
2018-2019		1,048,949	7.01%
Biennial Percent Increase			7.01%
Committee Rates			7.01%

Base Year		Base Year BAT Semester Credit Hours	Annual Percent Change	Base Year BAT Weighted Semester Credit Hours	Annual Percent Change
2007		2,772		4,834	
2009		6,693	141.45%	13,240	173.89%
2011		7,817	16.79%	15,628	18.03%
2013		9,549	22.16%	18,938	21.19%
2015		12,784	33.88%	26,136	38.00%
2017		12,781	-0.02%	25,970	-0.64%
2019		17,403	36.16%	34,597	33.22%
2021		18,788	7.96%	37,698	8.96%
Base Year Percent Increase			7.96%	8.96%	
Committee Rates			7.96%	8.96%	

Biennium	BAT Semester Credit Hour Funding Rate	Biennial Percent Change
2008-2009	\$ 101.25	0.00%
2010-2011	\$ 34.65	-65.78%
2012-2013	\$ 29.75	-14.14%
2014-2015	\$ 39.87	34.02%
2016-2017	\$ 40.99	2.81%
2018-2019	\$ 39.78	-2.95%

Community Colleges Formula Funding Level Recommendation		
Core Funding (in millions)		
2018-2019 Appropriations General Revenue		68.0
2020-2021 Recommendation	\$	68.0
Recommended Increase	\$	-
Percent Increase		0.0%

Contact Hour (in millions)		
2018-2019 Contact Hours		280.94
Projected Growth Rate		3.68%
2020-2021 Contact Hours		291.27
2018-2019 Contact Hour Rate (Biennial)	\$	5.40
Inflation		1.7%
Recommended Increase	\$	0.09
2020-2021 Recommended Rate (Biennial)	\$	5.49
Percentage Increase		1.7%
2018-2019 Appropriations General Revenue	\$	1,516.6
2020-2021 Recommendation, Growth and Increases	\$	1,599.8
Recommended Increase	\$	83.2
Percent Increase		5.5%

Three Year Weighted Average Success Points (in millions)		
2018-2019 Weighted Success Points		1.049
Projected Growth Rate		7.0%
2020-2021 Weighted Success Points		1.123
2018-2019 Success Point Rate (Biennial)	\$	171.56
Inflation		1.7%
2020-2021 Recommended Rate (Biennial)	\$	174.55
Percentage Increase		1.7%
2018-2019 Appropriations General Revenue	\$	180.0
2018-2019 Recommendation, Growth, and Increases	\$	195.9
Recommended Increase	\$	16.0
Percent Increase		8.9%

Bachelor of Applied Technology (BAT)		
2018-2019 Weighted Semester Credit Hours		34,597
Projected Growth Rate		9.0%
Estimated SCH for Tyler's BAT		450
2020-2021 Weighted Semester Credit Hours		38,148
2018-2019 Semester Credit Hour Rate	\$	39.78
Inflation		1.7%
2020-2021 Recommended Rate	\$	40.47
Percentage Increase		1.7%
2018-2019 Appropriations General Revenue	\$	2.8
2020-2021 Recommendation, Growth and Increases	\$	3.1
Recommended Increase	\$	0.3
Percent Increase		11.5%

Total Formula Funding (in millions)		
2018-2019		
Core	\$	68.0
Contact Hour	\$	1,516.6
Success Point	\$	180.0
BAT	\$	2.8
Total	\$	1,767.4
2020-2021		
Core	\$	68.0
Contact Hour	\$	1,599.8
Success Point	\$	195.9
BAT	\$	3.1
Total 2020-2021 Recommendation	\$	1,866.9
Recommended Increase	\$	99.5
Percent Increase		5.6%

State Colleges Formula Funding - 2020-2021 Projections

Fiscal Year	Fall	Fiscal Year Contact Hours	Annual Percent Change	Fall Predicted Square Feet (PSF)	Annual Percent Change	Annual Average CPI-U ³
2001	2000	3,426,551		530,411		177.100
2002	2001	3,515,596	2.60%	552,567	4.18%	179.900
2003	2002	3,542,114	0.75%	571,452	3.42%	184.000
2004	2003	3,724,397	5.15%	558,641	-2.24%	188.900
2005	2004	3,845,553	3.25%	546,715	-2.13%	195.300
2006	2005	3,701,645	-3.74%	552,991	1.15%	201.600
2007	2006	3,799,498	2.64%	542,040	-1.98%	207.342
2008	2007	3,827,968	0.75%	571,297	5.40%	215.303
2009	2008	3,852,647	0.64%	579,510	1.44%	214.537
2010	2009	4,177,599	8.43%	626,134	8.05%	218.056
2011	2010	4,549,132	8.89%	654,470	4.53%	224.939
2012	2011	4,414,982	-2.95%	654,470	0.00%	229.594
2013	2012	4,543,773	2.92%	618,853	-5.44%	232.957
2014	2013	3,918,041	-13.77%	579,520	-6.36%	236.736
2015	2014	3,659,494	-6.60%	574,712	-0.83%	237.017
2016	2015	3,773,852	3.12%	565,777	-1.55%	240.007
2017	2016	3,789,282	0.41%	571,548	1.02%	245.208
2018	2017	3,796,307	0.19%	549,576	-3.84%	247.450
2019	2018	3,801,204	0.13%	555,616	1.10%	250.044
2020	2019	3,804,148	0.08%	552,567	-0.55%	252.900
2021	2020	3,775,302	-0.76%	550,547	-0.37%	255.908
Biennial Average						254
Biennial Percent Increase			0.31%		-2.79%	1.74%
Committee Rates			0.31%		-2.79%	1.74%

Notes:

1. Fiscal Year (FY) 2016 or fall 2015 values and earlier are actual. Later values are projected as indicated.
2. Space Projection Model. Projected on a five-year linear regression.
3. Annual Average Consumer Price Index data from Series Id: CUUR0000SA0, Non-Seasonally Adjusted U.S. City Average, All items, Base Period: 1982-84=100
<ftp://ftp.bls.gov/pub/special.requests/cpi/cpi.ai.txt> 'Last Updated: 2017-06-17

Biennium		Biennial Contact Hour Funding Rate	Biennial Percent Change
2000-2001		\$ 9.07	
2002-2003		\$ 8.27	-8.80%
2004-2005		\$ 6.95	-15.93%
2006-2007		\$ 8.13	16.99%
2008-2009		\$ 7.97	-2.00%
2010-2011		\$ 7.25	-9.00%
2012-2013		\$ 6.58	-9.29%
2014-2015		\$ 6.89	4.70%
2016-2017		\$ 7.05	2.37%
2018-2019		\$ 7.05	-0.01%

State Colleges Formula Funding Level Recommendation			
Instruction and Administration (in millions)			
2018-2019 Contact Hours			3.85
Projected Growth Rate			0.31%
2020-2021 Contact Hours			3.86
2018-2019 Contact Hour Rate	\$		7.05
Inflation			1.74%
Recommended Increase	\$		0.12
2020-2021 Recommended Rate	\$		7.17
Percentage Increase			1.7%
2018-2019 Appropriations			
General Revenue	\$		27.2
General Revenue Dedicated	\$		8.4
Total Instruction and Operations	\$		35.6
2020-2021 Appropriations			
General Revenue	\$		27.7
General Revenue Dedicated Estimate with growth and inflation	\$		8.6
2020-2021 Recommendation, Growth, Increases, and Statutory Tuition		\$	36.3
Recommended Increase	\$		0.7
Percent Increase			2.1%

Space Support (in millions)		
2018-2019 Appropriated Rate	\$	5.27
Growth		-2.8%
Inflation		1.7%
Recommended Funding Rate (before inflation)	\$	5.27
Recommended Funding Rate (with inflation)	\$	5.36
Rate Percent Increase		1.7%
2018-2019 Adjusted Predicted Square Feet		571,548
2020-2021 Projected Adjusted Predicted Square Feet		555,616
2018-2019 Appropriations	\$	6.3
2020-2021 Recommendation with Inflation, Growth, and Increases		
	\$	6.0
Recommended Increase	\$	(0.4)
Percent Increase		-6.2%

Small Institution Supplement (in millions)		
2018-2019 Small Institution Supplement	\$	2.3
2020-2021 Recommendation (2 Percent Headcount Growth)		
	\$	2.3
Recommended Increase	\$	-
Percent Increase		0.0%

Total Formula Funding (in millions)		
2018-2019		
Instruction and Administration	\$	35.6
Space Support	\$	6.3
Small Institution Supplement	\$	2.3
Total	\$	44.1
2020-2021		
Instruction and Administration	\$	36.3
Space Support	\$	6.0
Small Institution Supplement	\$	2.3
Total	\$	44.5
Recommended Increase	\$	0.3
Percent Increase		0.8%

Charge 2 – Study and make recommendations for the appropriate funding level for, and the refinement of, Texas State Technical College System’s returned value funding formula (General Appropriations Act, SB 1, 85th Texas Legislature, Rider 11 (page III-232)).

No recommendation at this time.

Charge 3 – Study and make recommendations on the treatment of competency-based courses in formula allocations.

No recommendation at this time.

Competency-based education (CBE) allows students to progress towards completion, often at their own pace, as they demonstrate mastery – measured through authentic assessment – of a defined set of knowledge and skills. Programs may be organized around traditional course-based units, but this is not required. A majority of the curriculum must include regular and substantive interaction with faculty.

Texas A&M Commerce and South Texas College began their competency-based education (CBE) pilot programs in spring 2014. The community college reports courses when students complete all the modules associated with a course.

CBE is growing in Texas. In March 2017, the THECB awarded more than \$650,000 for the following four Texas Affordable Baccalaureate (TAB) degree programs: criminal justice at Texas A&M University-Commerce, a bachelor of science in applied science at Tarleton State University, computer information technology at South Texas College (in partnership with Austin Community College), and mechanical engineering technology at Texas A&M University-Corpus Christi. These programs will be using innovative approaches to curriculum design and delivery, including competency-based education.

Consideration of funding strategies for programs incorporating competency-based education and other non-traditional delivery modes will benefit the current and future TAB programs as they serve a critical need for Texans seeking degrees.

The committee should focus on funding for course-based units, since these programs are eligible for financial aid. Non-course-based units may become eligible in the future, so the committee should also discuss these.

Funding for
Competency-Based
Education



Texas Higher Education
Coordinating Board

CTC Formula Advisory Committee

September 21, 2017

Julie Eklund, PhD

Strategic Planning and Funding Division

Funding for
Competency-Based
Education



Texas Higher Education
Coordinating Board

CTC Formula Advisory Committee

September 21, 2017

Julie Eklund, PhD

Strategic Planning and Funding Division

Traditional vs. competency-based education

Trad.

Time is fixed
and learning
variable.

Some students
demonstrate
mastery, others
may not.

CBE

Learning is
fixed and time
is variable.

All students
demonstrate
mastery to
move forward,
usually at a
level of 80% or
higher.

Competency-based education framework

CBE often (but not always) is:

Self-Paced

Online

Personalized

Accelerated

Affordable

Competency-based education framework

CBE usually involves:

Modularized curricula

Disaggregated Staffing

Alternative financial models

Flexible calendars/alternative terms

Learning assessed using multiple means and methods

Instruction is a key component to CBE – and for SACS

Accredited CBE Programs MUST ensure that:



Students have access to qualified faculty.

Regular and substantive interaction occurs between faculty and students.

Mapping back to the credit hour

CBE programs map back to the SCH for purposes of accreditation, financial aid, transcription, and transferability.

However, a national movement to break from the SCH as the basic unit of instruction is being supported by the Department of Education's Experimental Sites Initiative.

What programs are currently offered or in the works?

BAAS Program in Organizational Leadership in place since 2014 at

- A&M Commerce
- South Texas College

New Texas Affordable Baccalaureate (TAB) programs approved for:

- Tarleton State College
- Austin Community College
- Texas A&M Corpus Christi
- A&M Commerce
- South Texas College

BAAS in Organizational Leadership

- Part of the Texas Affordable Baccalaureate program, developed jointly with South Texas College and the THECB.
- First CBE bachelor's degree program at a public IHE in Texas.
- Launched in spring 2014.
- Graduated the first class of students in May 2015.



Funding for CBE in Texas

- The state formula funding for the Organizational Leadership program was tied to courses (SCH) which were reported for funding at the END of the semester, as flex, and ONLY for students who successfully mastered the content.
- This agreement was in place when the programs began.
- Substantial start-up funds were provided, in grant form, to the Texas A&M Commerce and South Texas College program.

FAC recommendations for the 2018-2019 biennium

- GAls – Fund only those CBE courses that were successfully completed. Hours are not reported until the end of semester. The Board concurred, but included a 10 percent formula adjustment to help pay for costs affiliated with non-completers.
- CTCs – Fund the same as traditional courses. The Board did not concur and recommended the same approach it recommended for the GAls.

Funding instructions for CBE for fall 2017

- With the introduction of new TAB programs, reporting instructions for CBE were sent to institutions for fall 2017 (a non-base year).
- The August 24 memo provided guidelines for reporting CBE for formula funding.
- Institutions were given a new code to use (“Q”) and instructed to report a course as regular enrollment if the student had “begun engaging with the course materials” on or before the 12th class date (census date).

CBM manuals updated for CBE reporting

Item #6 Type of Instruction (see notes). Enter the code of the primary type of instruction used in this section.

- | | |
|---------------------|---------------------------|
| 1 Lecture | 7 (Replaced by Item #20) |
| 2 Laboratory | 8 Thesis |
| 3 Practicum | 9 Dissertation |
| 4 Seminar | 0 Individualized |
| 5 Independent Study | C Clinical |
| 6 Private Lesson | Q Competency-Based |

Code "Q" also added to University Manual: CBM00S Report;
CTC manual CBM004 Report and CBM00S Report

Funding instructions for CBE for fall 2017 (cont.)

- Institutions were instructed to report a CBE course as flex if:
 - The student began engaging with the course materials after the 12 class day (census date) OR
 - The class spanned semesters (this is to ensure that courses were not “double” reported)
- THECB will monitor withdrawals and incompletes to evaluate the efficacy of this approach

FAC charge

Study and make recommendations on the treatment of competency-based courses in formula allocations.

Course-based CBE funding considerations

- Some funding-based options may require legislative approval (for example, changing formula weights)
- Some options may not require legislative approval (such as keeping weights the same but changing policies for who is reported and/or when they are reported)

Charge 4 – Study and make recommendations on the efficacy of critical need fields as they relate to contact hour and success point funding.

No recommendation at this time.

Charge 5 – Study and make recommendations on a new formula to fund dual credit programs based upon the number of semester credit hours offered in dual credit by Texas State Technical College. (General Appropriations Act, SB 1, 85th Texas Legislature, Rider 12 (page III-232))

No recommendation at this time.

Charge 6 – Review existing Coordinating Board data on dual credit program funding, including preliminary data available from the 2017-2018 dual credit study being conducted by contracted research organizations, and share insight on current dual credit funding mechanisms.

No recommendation at this time.

Below is a link to the Rand Report on Dual Credit

[Dual Credit: Interim Report from THECB-RAND Study Posted for Public Comment](#)

This document is available on the Texas Higher Education Coordinating Board
Website: <http://www.thecb.state.tx.us/formulafunding>

For more information contact:

Roland Gilmore

Program Director

Strategic Planning and Funding

Texas Higher Education Coordinating Board

P.O. Box 12788

Austin, TX 78711

(512) 427-6243

roland.gilmore@thecb.state.tx.us