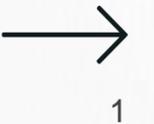




October 18, 2022

TEXAS COMMISSION ON COMMUNITY COLLEGE FINANCE

Presentation of Draft Recommendations





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OVERVIEW OF DRAFT RECOMMENDATIONS

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- 1.1 Develop modern finance model that distributes state funding based on **measurable outcomes**
- 1.2 Ensure community colleges can access foundational levels of funding through state-funded **guaranteed yield**

2 AFFORDABILITY FOR STUDENTS

- 2.1 Increase funding for **Texas Educational Opportunity Grants** and link state performance measures between TEOG and TEXAS Grants
- 2.2 Provide **financial aid for dual credit** for economically disadvantaged students
- 2.3 Expand partnerships among colleges and private employers for **paid work-based learning** opportunities

3 INVESTMENTS IN COLLEGE CAPACITY

- 3.1 Provide one-time **seed grants for programs in high-demand fields** that meet regional and state workforce needs
- 3.2 Support and facilitate **shared services** and stronger inter-institutional partnerships
- 3.3 Update state policies to help colleges provide high-quality **non-credit credential programs** that are convertible and stackable with credit-bearing programs





STATE FUNDING FOR OUTCOMES





1.1 OUTCOMES FUNDING

Develop a modern community college finance model that distributes the majority of state funding based on **measurable outcomes**, aligned with regional and state workforce needs and state goals for *Building a Talent Strong Texas*

Funding levels should be based on individual colleges' **current outcomes** and **specified fixed dollar amounts** for:

- 1 Credentials of value:** degrees, certificates, and other credentials from credit and non-credit programs that equip students for continued learning and greater earnings
- 2 High-demand fields:** credentials of value awarded in fields and sectors that are critical to the Texas economy
- 3 Transfer success:** students who transfer to 4-year universities
- 4 Dual credit:** students who complete a sequence of dual credit courses that apply towards an academic or workforce program requirements at the collegiate level





1.2 GUARANTEED YIELD

Ensure community colleges across Texas can access foundational levels of funding for instruction and operations through a **state-funded guaranteed yield** for colleges with low taxable valuations

Calculation should include adjustments for:

- 1** Higher costs of educating students who need **additional support services** (low-income, academically underprepared, adults who want to reskill/upskill)
- 2** **Higher operating costs for smaller colleges**
 - Colleges receiving additional state funds would participate in shared services or inter-institutional partnerships





AFFORDABILITY FOR STUDENTS





2.1 TEXAS EDUCATIONAL OPPORTUNITY GRANTS

Increase funding for **Texas Educational Opportunity Grants (TEOG)** and link state performance measures for eligible students served through TEOG at two-year institutions and TEXAS Grants at universities



Establish state goal of supporting at least **70% of qualified low-income college students** in pursuing credentials of value at public institutions of higher education



Provide colleges greater flexibility to meet needs of **non-traditional students** pursuing credentials of value, including non-credit and short-term programs





2.2 DUAL CREDIT FINANCIAL AID

Provide **financial aid for dual credit** for economically-disadvantaged high school students awarded based on eligibility for free and reduced with **no application process** for students

Considerations for targeted financial aid for dual credit:

- 1 Administration by THECB**, with support from TEA, for dual credit courses that apply towards academic or workforce program requirements
- 2 Incorporation of a maximum tuition rate** for dual credit courses set annually by THECB to ensure equitable access for high school students across the state





2.3 WORK-BASED LEARNING

Expand partnerships among colleges and private employers for **paid work-based learning opportunities** (e.g., work-study, apprenticeships, and internships related to students' programs of study), utilizing strategic framework developed by the Tri-agency Workforce Initiative



Work-based learning is a proven strategy to provide **financial support** while giving students opportunities to develop skills through **real work experiences**



State should **leverage existing federal funding** and provide **targeted state support** for programs through colleges developed in partnership with employers





INVESTMENTS IN COLLEGE CAPACITY





3.1 START-UP FUNDS

Provide one-time **seed grants for programs in high-demand fields** to support community colleges in rapidly standing up or expanding programs to meet regional and state workforce needs



Grants would be administered through **THECB**, in consultation with TWC



Priority should be given to short-term workforce programs developed in **partnership with employers**



Insights from the **Texas Reskilling and Upskilling through Education (TRUE)** program can inform how seed grants are designed and distributed





3.2 SHARED SERVICES

Support and facilitate **shared services** and stronger **inter-institutional partnerships** to improve operational efficiency and expand the range of academic and workforce programs offered

Shared services might include:

- Support for inter-institutional partnerships, including those with TSTCs and four-year institutions
- Master service agreements
- State technology infrastructure



EXAMPLE

Institutions leverage other institutions' online courses so students can stack courses, credits, and credentials that smaller colleges would be unable to offer on their own





3.3 NON-CREDIT CREDENTIAL PROGRAMS

Update state policies, and build upon the recent work by individual colleges, to help community colleges across the state provide **high quality non-credit credential programs** that are **convertible and stackable** with credit-bearing programs

Conducting a **state crosswalk of non-credit to credit courses and programs** will:

- 1** Improve **transferability of workforce education courses** across institutions and throughout students' pathways
- 2** Facilitate and improve the **mobility of credit** awarded for students' prior work experience
- 3** Advance Tri-Agency Workforce Initiative efforts to clarify and streamline **educational and career pathways**





THANK YOU