

QUARTERLY BOARD MEETING

A G E N D A

9:00 A.M., Thursday, April 27, 2023

Live broadcast available at: highered.texas.gov

**Barbara Jordan Building (Room 2.035)
1601 N. Congress Ave
Austin, TX**

This meeting is conducted in person or via video conference, pursuant to Texas Government Code, Section 551.127. A quorum of the Board may be present in the Board Room, which is open to the public.

Chair: Fred Farias III, O.D.

Vice Chair: Donna N. Williams

Secretary: S. Javaid Anwar

Members: Richard L. Clemmer; Robert P. Gauntt; Emma W. Schwartz; R. Sam Torn;

Welcome Wilson, Jr.; Daniel O. Wong

Student Representative: Georgia A. Hejny (Ex-Officio)

*SCHEDULE OF QUARTERLY
COORDINATING BOARD MEETINGS*

July 27, 2023

October 26, 2023

January 25, 2024

April 25, 2024

July 25, 2024

October 24, 2024

TEXAS HIGHER EDUCATION COORDINATING BOARD**PREFERRED MAILING ADDRESS LIST**EMAIL: boardmember@highered.texas.gov

BOARD MEMBER	ADDRESS/PHONE/EMAIL	TERM ENDS
Fred Farias III, O.D. <i>Chair</i> MCALLEN	c/o Texas Higher Education Coordinating Board P. O. Box 12788, Austin, TX 78711 Phone: (512) 427-6101	08/31/25
Donna N. Williams <i>Vice Chair</i> ARLINGTON	c/o Texas Higher Education Coordinating Board P. O. Box 12788, Austin, TX 78711 Phone: (512) 427-6101	08/31/23
S. Javaid Anwar <i>Secretary of the Board</i> MIDLAND	c/o Texas Higher Education Coordinating Board P. O. Box 12788, Austin, TX 78711 Phone: (512) 427-6101	08/31/27
Richard L. Clemmer AUSTIN	c/o Texas Higher Education Coordinating Board P. O. Box 12788, Austin, TX 78711 Phone: (512) 427-6101	08/31/23
Robert P. Gauntt AUSTIN	c/o Texas Higher Education Coordinating Board P. O. Box 12788, Austin, TX 78711 Phone: (512) 427-6101	08/31/27
Emma W. Schwartz EL PASO	c/o Texas Higher Education Coordinating Board P. O. Box 12788, Austin, TX 78711 Phone: (512) 427-6101	08/31/25
R. Sam Torn HOUSTON	/o Texas Higher Education Coordinating Board P. O. Box 12788, Austin, TX 78711 Phone: (512) 427-6101	08/31/25
Welcome W. Wilson, Jr. HOUSTON	c/o Texas Higher Education Coordinating Board P. O. Box 12788, Austin, TX 78711 Phone: (512) 427-6101	08/31/23
Daniel O. Wong, Ph.D. HOUSTON	c/o Texas Higher Education Coordinating Board P. O. Box 12788, Austin, TX 78711 Phone: (512) 427-6101	08/31/27
Georgia A. Hejny <i>Student Representative</i> VENUS	c/o Texas Higher Education Coordinating Board P. O. Box 12788, Austin, TX 78711 Phone: (512) 427-6101	05/31/23

Dated 04.12.23

*Members continue serving on the Board until the governor appoints their replacement.

Standing Committee Membership
Effective June 13, 2022

Committee on Academic and Workforce Success

Donna N. Williams, Chair
R. Sam Torn, Vice Chair
Richard L. Clemmer
Fred Farias III
Emma W. Schwartz
Daniel O. Wong
Georgia A. Hejny (Student Representative), Ex-Officio

Committee on Innovation, Data, and Educational Analytics

S. Javaid Anwar, Chair
Welcome W. Wilson, Jr., Vice Chair
Richard L. Clemmer
Fred Farias III
Robert P. Gauntt
R. Sam Torn
Daniel O. Wong
Georgia A. Hejny (Student Representative), Ex-Officio

Agency Operations Committee

Emma W. Schwartz, Chair
Welcome W. Wilson, Jr., Vice Chair
S. Javaid Anwar
Fred Farias III
Robert P. Gauntt
Donna N. Williams
Georgia A. Hejny (Student Representative), Ex-Officio

REGULAR QUARTERLY MEETING

A G E N D A

Public Testimony: The chair shall designate whether public testimony will be taken at the beginning of the meeting, at the time the related item is taken up by the board of the Texas Higher Education Coordinating Board (Board) after staff has presented the item, or any other time as determined by the chair. For procedures on testifying, please go to higher.ed.texas.gov/public-testimony.

I. Opening remarks

- A. Resolutions of Appreciation for outgoing board members

II. Commissioner's remarks

III. Public testimony

IV. Consideration and possible action to approve minutes for the January 26, 2023, quarterly board meeting

V. Consideration and possible action to approve the consent calendar

VI. Major Policy Discussion: Changing workforce demands

VII. Matters relating to the full Board

- A. Update on *Building a Talent Strong Texas*

- B. Update on Texas Transfer Initiatives

- C. Update on Program Approval

- D. Consideration and possible action to acknowledge gifts and donations to the Board

- E. Consideration and possible action to approve amending the cloud security contract pursuant to Government Code, Chapter 2155, with Microsoft Corporation to add \$750,000 for additional cloud security services to the contract.

VIII. Matters relating to the Committee on Innovation, Data, and Educational Analytics

- A. Committee chair's overview

- B. Consideration and possible action to adopt the recommendation relating to the certification of gifts that are fundable through the Texas Research Incentive Program (TRIP) for emerging research universities

C. Consideration and possible action to approve the certification required by Texas Education Code, Section 62.146 for the National Research University Fund for Fiscal Year 2022

D. Report on Restricted Research Expenditures

E. Consideration and possible action to adopt the commissioner's recommendation relating to the annual report about the financial condition of the state's community college districts (SB 1, 87th Texas Legislature, Regular Session, Rider 12, 111-226)

F. Consideration and possible action to approve amending the technology service contract pursuant to Government Code, Chapter 2155, with Deloitte Consulting LLC from March 31, 2023, to August 31, 2023, at a cost not to exceed \$1,500,000.

G. Proposed Rules

(1) Consideration and possible action to adopt proposed amendments to Board Rules 13.101-13.104 and 13.109, concerning limitations on hours eligible to be reported for formula funding to the Coordinating Board

(2) Consideration and possible action to amend Board Rule 22.1, concerning Definitions

(3) Consideration and possible action to amend Board Rules 22.22-22.24 and 22.28-22.30, concerning the Tuition Equalization Grant Program

(4) Consideration and possible action to amend Board Rule 22.49, concerning the Hinson-Hazlewood College Student Loan Program

IX. Lunch

X. Matters relating to the Committee on Academic and Workforce Success

A. Committee chair's overview

B. Consideration and possible action to adopt the report to the Board on school closures and/or teach-outs pursuant to Board Rule 7.7(6)

C. Report on institutional requests acted on by the Commissioner or Assistant Commissioners since the last Board meeting

D. Consideration and possible action to adopt the Certification Advisory Council, and the Commissioner's, recommendation related to a request from Medisend College of Biomedical Engineering Technology for its fourth and final Certificate of Authority to grant degrees in Texas

- E. Consideration and possible action to adopt the Certification Advisory Council, and the Commissioner's, recommendation related to a request from Texas School of Health Sciences for its first Certificate of Authority to grant degrees in Texas
- F. Consideration and possible action to adopt the request to extend the current contract with The University of Texas at Austin for maintenance of the ApplyTexas System
- G. Consideration and possible action to adopt the "Report on the Fiscal Year 2023 Annual Review of Low-Producing Programs"
- H. Consideration and possible action to appoint members to the ApplyTexas Advisory Committee
- I. Consideration and possible action to approve receipt of Fiscal Year 2023 Carl D. Perkins Community and Technical Colleges Consolidated Grant of \$41.57 million, which includes a mid-year reallocation of \$8.28 million
- J. Consideration and possible action to approve receipt of Fiscal Year 2024 Carl D. Perkins Community and Technical Colleges Consolidated Grant funds not to exceed \$40 million, and receipt of Fiscal Year 2024 Carl D. Perkins State Leadership Grant funds not to exceed \$5 million
- K. Consideration and possible action to adopt the report to the Legislature regarding reporting of sexual harassment at institutions of higher education, per Texas Education Code, Chapter 51, Subchapters E-2 and E-3
- L. Consideration and possible action to approve the following requests for new degree programs:

UNIVERSITY OF HOUSTON

- (1) Doctor of Philosophy (PhD) in Computer Engineering

THE UNIVERSITY OF TEXAS AT SAN ANTONIO

- (2) Doctor of Philosophy (PhD) in Chemical Engineering

M. Proposed rules:

- (1) Consideration and possible action to adopt proposed amendments to Board Rules 1.188 and 1.190, concerning the Learning Technology Advisory Committee
- (2) Consideration and possible action to adopt proposed amendments to Board Rules 2.3 and 2.9, concerning revisions and modifications to an approved program
- (3) Consideration and possible action to adopt new Board Rules 2.200-2.207, concerning approval of distance education for public institutions

- (4) Consideration and possible action to adopt proposed amendments to Board Rule 3.19 to implement the penalty matrix for failure to meet substantial compliance under Texas Education Code, Chapter 51, Subchapters E-2 and E-3
- (5) Consideration and possible action to adopt proposed amendments to Board Rule 4.279(b), concerning formula funding for out-of-state or out-of-country programs
- (6) Consideration and possible action to adopt new Board Rules 13.400-13.408, implementing the TRUE Grant Program
- (7) Consideration and possible action to adopt new Board Rules 13.450-13.454, concerning formula funding for distance education

XI. Matters relating to the Agency Operations Committee

A. Committee chair's overview

B. Report on grants and contracts

C. Consideration and possible action to approve payment to the U.S. Treasury in August 2023 of an amount up to \$6 million from the Texas Opportunity Fund for excess earnings relating to the 2013A refunding

D. Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 1, Subchapter C, Standards of Conduct

XII. Adjournment

Executive Session: The Board may convene in Executive Session at any point in this meeting, concerning any item listed in the agenda as authorized by the Open Meetings Act, Texas Government Code, including the following:

- Section 551.071, Consultation with Attorney, and 551.129, if such attorney consultation is via conference call
- Section 551.073, Deliberation regarding Prospective Gift
- Section 551.074, Personnel Matters
- Section 551.0821, Confidential Student Information

All final votes, actions, or decisions will be taken in open meeting.

Weapons Prohibited: Pursuant to Texas Penal Code, Section 46.03(a)(14), a person commits an offense if the person intentionally, knowingly, or recklessly possesses or goes with a firearm, location-restricted knife, club, or prohibited weapon listed in Texas Penal Code, Section 46.05 in the room or rooms where a meeting of a governmental entity is held, if the meeting is an open meeting subject to Texas Government Code, Chapter 551, and if the entity provided notice as required by that chapter.

AGENDA ITEM I

Opening remarks

RECOMMENDATION: No action required

Dr. Fred Farias will provide the opening remarks.

AGENDA ITEM I-A

Consideration of Resolutions of Appreciation for outgoing board members

RECOMMENDATION: Approval

Background Information:

The Board will consider resolutions of appreciation for outgoing board members.

AGENDA ITEM II

Commissioner's remarks

RECOMMENDATION: No action required

Background Information:

The Board will invite Dr. Harrison Keller, Commissioner of Higher Education, to comment on some of the important agenda items.

AGENDA ITEM III

Public testimony

RECOMMENDATION: No action required

Background Information:

The presiding chair shall designate whether public testimony will be taken at the beginning of the meeting, at the time the related item is taken up by the Board after staff has presented the item, or any other time as determined by the presiding chair.

AGENDA ITEM IV

Consideration and possible action to approve minutes for the January 26, 2023, quarterly board meeting

RECOMMENDATION: Approval

TEXAS HIGHER EDUCATION COORDINATING BOARD

DRAFT MINUTES

January 26, 2023

Regular Quarterly Meeting

The Texas Higher Education Coordinating Board convened at 9 a.m. on January 26, 2023, with the following members present: Fred Farias, presiding; Donna Williams; Javaid Anwar; Richard Clemmer; Robert Gauntt; Emma Schwartz; Sam Torn; Daniel Wong; and Georgia Hejny.

Welcome Wilson attended via Zoom.

AGENDA ITEM	ACTION
I. Call to Order: Opening Remarks	<p>Dr. Farias called the meeting of the Coordinating Board to order and called roll. All members were present except for Mr. Wilson, who joined via Zoom at 9:15 a.m. A quorum was met for this board meeting.</p> <p>Dr. Farias announced that agenda item 10-D had been withdrawn from today's agenda.</p>
II. Commissioner's Comments	<p>No action required. Commissioner Keller provided remarks on some of the agenda items.</p>
III. Public Testimony	<p>Dr. Farias announced that one person had registered to give written testimony and announced that testimony would be heard later in the meeting.</p>
IV. Approval of Minutes	
A. October 27, 2022, Quarterly Board Meeting	<p>On a motion by Ms. Williams, seconded by Dr. Wong, the Board approved the minutes for the October Quarterly Board Meeting. The vote was unanimous.</p>
B. December 12, 2022, Special Called Board Meeting	<p>On a motion by Mr. Clemmer, seconded by Mr. Anwar, the Board approved the minutes for the December Special Called Board Meeting. The vote was unanimous.</p>

AGENDA ITEM	ACTION
V. Approval of the Consent Calendar	<p>On a motion by Ms. Williams, seconded by Mr. Anwar, the Board approved the consent calendar as amended. The vote was unanimous.</p> <p>Items approved on the consent calendar were 7-E, 8-B, 8-C, 10-B, 10-C, 10-E, 10-F (1-3), and 11-B.</p>
VI. Major Policy Discussion Texas Higher Education Affordability	<p>No action required. Dr. David Troutman, Deputy Commissioner for Academic Affairs, presented this item and was available for questions.</p>
VII. Matters Relating to the Full Board	
A. Update on <i>Building a Talent Strong Texas</i>	<p>No action required. Melissa Henderson, Chief of Staff and Executive Director for the Texas Higher Education Foundation, presented this item and was available for questions.</p>
B. Update on Texas Transfer Initiatives	<p>No action required. Ms. Elizabeth Mayer, Assistant Commissioner for Academic and Health Affairs, presented this item and was available for questions.</p>
C. Update on Program Review	<p>No action required. Ms. Elizabeth Mayer, Assistant Commissioner for Academic and Health Affairs, presented this item and was available for questions.</p>
D. Consideration and possible action to adopt the recommendation to contract with a vendor to provide software for supporting and servicing the agency's student loan programs	<p>On a motion by Ms. Schwartz, seconded by Mr. Gauntt, the Board approved the recommendation to contract with Nelnet not to exceed \$10 million for a four-year contract and four one-year optional renewals to provide software for supporting and servicing the agency's student loan programs.</p> <p>Dr. Charles Contero-Puls, Assistant Commissioner for Student Financial Aid Programs, presented this item and was available for questions.</p>

AGENDA ITEM	ACTION
E. Acceptance of Gifts and Donations to the Board	This item was approved on the consent calendar.
	Ms. Williams announced that the board would take a short break. The meeting adjourned at 11:10 AM and re-convened at 11:20 AM.
VIII. Matters Relating to the Committee on Innovation, Data, and Educational Analytics	
A. Committee chair's overview	No action required.
B. Consideration and possible action to delegate to the commissioner authority to approve the data report required by Texas Education Code, Section 51.4033 and Section 51.4034, related to nontransferable credit and transfer courses	This item was approved on the consent calendar.
C. Report on Financial Aid Advisory Committee activities	This item was approved on the consent calendar.
IX. Lunch	The board did not break for lunch.
X. Matters Relating to the Committee on Academic and Workforce Success	
A. Committee chair's overview	No action required.
B. Consideration and possible action to adopt the report to the Board on school closures and/or teach-outs pursuant to Board Rule 7.7(6)	This item was approved on the consent calendar.
C. Report on institutional requests related to new degree and certificate programs acted on by the commissioner or assistant commissioners since the last Board meeting	This item was approved on the consent calendar.
D. Consideration and possible action to adopt the Certification Advisory Council's recommendation related to a request from Nettleman Institute of Surveying Technology for its first Certificate of Authority to grant degrees in Texas	This item was withdrawn.

H. Proposed rules:

(1) Consideration and possible action to adopt proposed amendments to Chapter 2, Subchapter D, Sections 2.50-2.58 and 2.70-2.74 of Board rules, concerning Approval Process for New Associate Degrees

On a motion by Ms. Schwartz, seconded by Dr. Wong, the Board adopted the proposed amendments to Chapter 2, Subchapter D, Sections 2.50-2.58 and 2.70-2.74 of Board rules, concerning Approval Process for New Associate Degrees. A copy of the Board rules as adopted may be found in the agenda materials. The vote was unanimous.

Ms. Elizabeth Mayer, Assistant Commissioner for Academic and Health Affairs, presented this item and was available for questions.

(2) Consideration and possible action to adopt proposed amendments to Chapter 4, subchapter A, Section 4.10 (a)(2), (c)(1)-(2), and (g) of Board rules, concerning the Common Admission Application Forms

On a motion by Ms. Schwartz, seconded by Mr. Clemmer, the Board voted to adopt proposed amendments to Chapter 4, subchapter A, Section 4.10 (a)(2), (c)(1)-(2), and (g) of Board rules, concerning the Common Admission Application Forms. A copy of the Board rules as adopted may be found in the agenda materials. The vote was unanimous.

Ms. Molly Gully, Senior Director of Advising Strategy, presented this item and was available to answer questions.

(3) Consideration and possible action to adopt proposed amendments to Chapter 4, Subchapter B, Section 4.32 of Board rules, concerning Fields of Study Curriculum

On a motion by Mr. Clemmer, seconded by Ms. Schwartz, the Board voted to adopt amendments to Chapter 4, Subchapter B, Section 4.32 of Board rules, concerning Fields of Study Curriculum. The vote was unanimous. A copy of the Board rules as adopted may be found in the agenda materials.

Ms. Elizabeth Mayer, Assistant Commissioner for Academic and Health Affairs, presented this item and was available to answer questions.

(4) Consideration and possible action to adopt proposed amendments to Chapter 4, Subchapter C, Section 4.54(a)(1)(A) of Board rules, concerning the Texas Success Initiative Exemptions, Exceptions, and Waivers

On a motion by Ms. Schwartz, seconded by Dr. Wong, the Board voted to adopt amendments to Chapter 4, Subchapter C, Section 4.54(a)(1)(A) of Board rules, concerning the Texas Success Initiative Exemptions,

	<p>Exceptions, and Waivers. The vote was unanimous. A copy of the Board rules as adopted may be found in the agenda materials.</p> <p>Mr. Jerel Booker, Assistant Deputy Commissioner for Academic Affairs, presented this item and was available to answer questions.</p> <p>Written testimony was provided for this agenda item. A copy of the testimony can be found in attachment A. Mr. Clemmer requested that staff report back to the board following consultation with ACT.</p>
XI. Matters Relating to the Agency Operations Committee	
A. Committee chair's overview	No action required.
B. Report on grants and contracts	This item was approved on the consent calendar.
C. Consideration and possible action to approve the updated Internal Audit Charter	<p>On a motion by Mr. Gauntt, seconded by Ms. Williams, the Board voted to approve the updated Internal Audit Charter.</p> <p>Mr. Mark Poehl, Assistant Commissioner, Internal Audit and Compliance, presented this item and was available to answer questions.</p>
XII. Adjournment	

With no further business, on a motion by Mr. Gauntt, seconded by Ms. Schwartz, the meeting adjourned at approximately 12:10 p.m.

Respectfully Submitted,

Javaid Anwar
Secretary of the Board

ATTACHMENT A

Written Public Testimony



January 26, 2023

Re: Agenda Item X-H (4)

The Texas Higher Education Coordinating Board
1801 Congress Ave. Suite 12.200
Austin, TX 78701

Dear Members of the Board,

ACT recommends against adopting the amendments to the Texas Administrative Code concerning the ACT assessment as referenced on agenda item X-H (4). The proposal under consideration is to adopt updated college readiness benchmarks for the ACT assessments to be used to qualify for TSI exemption. The proposed ACT Benchmarks are a combined score of 40 on the English and Reading (E+R) tests and a score of 22 on the mathematics test. We believe that adopting these benchmarks will establish an unfair standard for students who seek the exemption with the ACT assessment. Based on our research, we propose benchmarks of 34 on the English and Reading tests (E+R) and 21 on the mathematics test.

The fundamental issue we see here is that the Board's current recommendation would separately establish exemption benchmarks for the ACT and the SAT assessments that are based on two different definitions of "college readiness." The current proposal is to adopt ACT's existing College and Career Readiness Benchmarks (22 Mathematics and 40 for English + Reading); the policy has already adopted the College Board's SAT College and Career Readiness Benchmarks (480 for Evidence Based Reading and Writing; 530 for Math). However, the criteria each organization used in its empirical research to establish their respective benchmarks are different, resulting in ACT benchmarks that are at a higher level of proficiency. The College Board defined college readiness as SAT scores in each subject that "represent a 75% likelihood of a student achieving at least a C grade in a first-semester, credit-bearing college course in a related subject."¹ ACT defined college readiness as ACT scores in each subject at which students "have at least a 50% chance of earning a B or higher grade and approximately a 75-80% chance of earning a C or higher grade in the corresponding college course or courses."² Although the definitions are similar, ACT's additional criterion of earning a B or higher results in benchmarks that are more difficult to achieve.

This difference is illustrated empirically by comparing the ACT and SAT benchmarks using the [2018 ACT/SAT concordance tables](#). The concordance was jointly produced by ACT and the College Board as a tool for finding comparable scores on the two tests. It is intended to inform this type of policy decision, and it does so in states throughout the country. If the College Board definition of college ready and associated benchmarks are used, the concordant ACT scores are a 34 on the English + Reading tests (6 points lower than the proposed E+R benchmark of 40), and 21 on the mathematics test (1 point lower than the proposed mathematics benchmark of 22). The concordance objectively illustrates that ACT's College and Career Readiness Benchmarks are set at a higher level of proficiency than the SAT

¹ The College Board, "K-12 Educator Brief The College and Career Readiness Benchmarks for the SAT® Suite of Assessments." Accessed online: <https://satsuite.collegeboard.org/media/pdf/educator-benchmark-brief.pdf>

² Jeff Allen and Justine Radunzel, "What are the ACT College Readiness Benchmarks." Accessed online: <https://www.act.org/content/dam/act/unsecured/documents/pdfs/R1670-college-readiness-benchmarks-2017-11.pdf>

benchmarks. As a result, if the Board adopts these benchmarks, students who take the ACT would have to meet a higher level of proficiency to obtain the same exemption. Because these scores also factor into the CCMR indicators for school accountability, the current recommendations would create an imbalanced comparison among Texas schools and negatively impact those that choose to provide the ACT to their students.

To quantify the impact of adopting the benchmarks currently under consideration by the Board rather than our recommended scores based on the empirical concordance, we are able to extract information directly from ACT's 2022 graduating class data from the state of Texas. As an example, were Texas to establish the higher ACT benchmarks (22 Math, 40 English+Reading), we estimate such a change would result in thousands fewer students who attain the exemption:

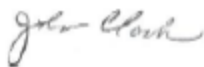
- over 2,800 fewer Texas students would be determined college ready in math and would not earn the TSIA exemption
- over 12,000 fewer Texas students would be determined college ready in reading and writing and would not earn the TSIA exemption

Furthermore, we estimate this change would impact over 8,696 underserved students who took the ACT (7,429 reading/writing and 1,267 math). These figures illustrate our concern about the potential impact of the policy decision.

ACT strongly believes that the exemption benchmarks should indicate an equivalent definition of college and career readiness, as determined by the empirical concordance research. Adopting ACT's recommended benchmarks using the concordance table would provide students the opportunity to earn an exemption based on the same definition of readiness no matter which assessment they choose and ensure students and schools are not negatively impacted. Since this impacts the state's accountability system, it would seem that an even bar for establishing the exemption would be vital, and we have this ability with the jointly developed ACT-SAT concordance tables. To do otherwise incentivizes districts to select the easiest path to higher accountability points and more state dollars, rather than what may be in the best interest of their students.

ACT was founded as a nonprofit organization more than 60 years ago with a mission to ensure that all individuals had equitable access and opportunity in education and the workplace. Like the Texas Higher Education Coordinating Board, our mission is to ensure greater access, fairness, and improved education outcomes so that the dream of higher education is within reach for all who seek it. Thank you for all that you do, and we look forward to being a partner to this end.

Respectfully,



John Clark
Senior Director, State Government Relations

500 ACT Dr. | Iowa City, Iowa 52243-0168

AGENDA ITEM V

Consideration and possible action to approve the consent calendar

RECOMMENDATION: Approval

Background Information:

To ensure that meetings are efficient, the Board has a calendar for items that are noncontroversial. Any item can be removed from the calendar by a Board member.

**TEXAS HIGHER EDUCATION COORDINATING BOARD
REGULAR QUARTERLY MEETING
DRAFT
CONSENT CALENDAR
April 2023**

VII. Matters relating to the full Board

- D. Consideration and possible action to acknowledge gifts and donations to the Board

VIII. Matters relating to the Committee on Innovation, Data, and Educational Analytics

- B. Consideration and possible action to adopt the recommendation relating to the certification of gifts that are fundable through the Texas Research Incentive Program (TRIP) for emerging research universities
- C. Consideration and possible to action to approve the certification required by Texas Education Code, Section 62.146, for the National Research University Fund for Fiscal Year 2022
- D. Report on Restricted Research Expenditures
- E. Consideration and possible action to adopt the commissioner's recommendation relating to the annual report about the financial condition of the state's community college districts (SB 1, 87th Texas Legislature, Regular Session, Rider 12, 111-226)
- F. Consideration and possible action to approve amending the technology service contract pursuant to Government Code, Chapter 2155, with Deloitte Consulting LLC from March 31, 2023, to August 31, 2023, at a cost not to exceed \$1,500,000.
- G. Proposed Rules
 - (1) Consideration and possible action to adopt proposed amendments to Board Rules 13.101-13.104 and 13.109, concerning limitations on hours eligible to be reported for formula funding to the Coordinating Board
 - (2) Consideration and possible action to amend Board Rule 22.1, concerning Definitions
 - (3) Consideration and possible action to amend Board Rules 22.22-22.24 and 22.28-22.30, concerning the Tuition Equalization Grant Program

X. Matters relating to the Committee on Academic and Workforce Success

- B. Consideration and possible action to adopt the report to the Board on school closures and/or teach-outs pursuant to Board Rule 7.7(6)
- C. Report on institutional requests acted on by the commissioner or assistant commissioners since the last Board meeting

- G. Consideration and possible action to adopt the “Report on the Fiscal Year 2023 Annual Review of Low-Producing Programs”
- H. Consideration and possible action to appoint members to the Apply Texas Advisory Committee
- I. Consideration and possible action to approve receipt of Fiscal Year 2023 Carl D. Perkins Community and Technical Colleges Consolidated Grant of \$41.57 million, which includes a mid-year reallocation of \$8.28 million
- J. Consideration and possible action to approve receipt of Fiscal Year 2024 Carl D. Perkins Community and Technical Colleges Consolidated Grant funds not to exceed \$40 million, and receipt of Fiscal Year 2024 Carl D. Perkins State Leadership Grant funds not to exceed \$5 million
- M. Proposed rules:
 - (1) Consideration and possible action to adopt proposed amendments to Board Rules 1.188 and 1.190, concerning the Learning Technology Advisory Committee
 - (2) Consideration and possible action to adopt proposed amendments to Board Rules 2.3 and 2.9, concerning revisions and modifications to an approved program
 - (7) Consideration and possible action to adopt new Board Rules 13.450-13.454, concerning formula funding for distance education

XI. Matters relating to the Agency Operations Committee

- B. Report on grants and contracts
- D. Consideration and possible action to adopt proposed amendments Board Rules, Chapter 1, Subchapter C, Standards of Conduct

AGENDA ITEM VI

Major Policy Discussion: Changing workforce demands

RECOMMENDATION: No action required

Background Information:

Major Policy Discussions are topics of interest where staff, policy experts, and/or stakeholders provide Coordinating Board members with information on higher education policy matters or initiatives that have the potential to impact Texas statewide. The Major Policy Discussion will focus on the importance of aligning higher education to changing workforce demands.

Texas Higher Education Coordination Board (THECB) staff will provide a presentation on the supply and demand of college graduates by degree program and discuss the potential for a new labor market information tool designed to improve alignment between higher education institutions and labor markets. The agency's goal is to work closely with industry partners to better inform curriculum and programs offered by institutions of higher education.

Dr. David Troutman, Deputy Commissioner for Academic Affairs, and Dr. Michael Villarreal, Assistant Commissioner for Texas Insights Accelerator, will provide this overview and be available for questions.

AGENDA ITEM VII-A

Update on *Building a Talent Strong Texas*

RECOMMENDATION: No action required

Background Information:

Staff will give an update on the *Building a Talent Strong Texas* plan.

Higher education institutions and, most importantly, their graduates play critical roles in driving equitable economic opportunities for Texans, their communities, and the state. The Texas Higher Education Coordinating Board, in close partnership with institutions, other state agencies, and communities across the state, launched a refreshed strategic plan to effectively meet the needs of the state's workforce, its economy, and individual Texans. *Building a Talent Strong Texas* was adopted earlier this year, and staff continue to work closely with partners to develop tools and resources to support institutions in understanding and meeting the new goals.

Melissa Henderson, Chief of Staff and Executive Director for the Texas Higher Education Foundation, will provide this update and be available for questions.

AGENDA ITEM VII-B

Update on Texas Transfer Initiatives

RECOMMENDATION: No action required

Background Information:

Substantially improving transfer, particularly for students who are attending community colleges and plan to transfer to public four-year universities, remains a priority for the Texas Higher Education Coordinating Board.

Ms. Elizabeth Mayer, Assistant Commissioner for Academic and Health Affairs, will provide an update on the activities of the Texas Transfer Advisory Committee and other transfer initiatives of the agency.

AGENDA ITEM VII-C

Update on Program Approval

RECOMMENDATION: No action required

Background Information:

The obligation and opportunity to approve new educational programs (certificates and degrees) is one of the most significant duties undertaken by the Coordinating Board. The boundaries and processes for program approval are currently governed by statute, rule, policies, and forms. At the October 2022 Quarterly Board Meeting, the Coordinating Board approved revisions to the Board's rules, adding to Texas Administrative Code, Chapter 2.

Agency staff are beginning the process of implementing the rules, with the full implementation occurring on September 1, 2023. Over the next several Board meetings, staff will provide an update on the progress of this important effort.

Ms. Elizabeth Mayer, Assistant Commissioner for Academic and Health Affairs, will present this item and be available for questions.

AGENDA ITEM VII-D

Consideration and possible action to acknowledge gifts and donations to the Board

RECOMMENDATION: Approval

Background Information:

The Board will consider the acceptance of gifts and donations to the Board.

Nichole Bunker-Henderson, General Counsel, will be available to answer questions.

The following gifts and donations have been provided to the agency since the January 2023 Quarterly Board Meeting. This Board must vote to accept these gifts or donations.

Date Received	Gift or Donation	Funding Source	Donor	Estimated Value
01.05.23	Expenses for Staff to Attend the Southern Regional Education Board's State Data Exchange Coordinators' Meeting and State Leaders' Forum	Southern Regional Education Board	Southern Regional Education Board	\$839.92
02.07.23	Huron Consulting Services LLC	Greater Texas Foundation	Texas Higher Education Foundation	\$200,000
02.22.23	Reviewer Stipend	ECMC Fellows Project	ECMC Fellows Project	\$500
03.06.23	Dr. Brianna Moore-Trieu	Strada	Texas Higher Education Foundation	\$10,000
03.07.23	Trademark Media Corporation d/b/a Mighty Citizen	Houston Endowment	Texas Higher Education Foundation	\$226,723
03.27.23	TIP Strategies	EDA Grant	Texas Higher Education Foundation	\$465,000
04.02.23	Expenses for Staff to Attend the Culturati Summit	Entrepreneurs Foundation	Entrepreneurs Foundation	\$2,500
04.03.23	Gary Barnes	Bill and Melinda Gates Foundation	Texas Higher Education Foundation	\$30,000

AGENDA ITEM VII-E

Consideration and possible action to approve amending the cloud security contract pursuant to Government Code, Chapter 2155, with Microsoft Corporation to add \$750,000 for additional cloud security services to the contract

RECOMMENDATION: Approval

Background Information:

Supplemental materials will be forthcoming.

AGENDA ITEM VIII-A

Committee chair's overview

Mr. S. Javaid Anwar, chair of the Committee on Innovation, Data, and Educational Analytics, will provide the Board an overview of the items on the agenda.

AGENDA ITEM VIII-B

Consideration and possible action to adopt the recommendation relating to the certification of gifts that are fundable through the Texas Research Incentive Program (TRIP) for emerging research universities

RECOMMENDATION: Approval

Background Information:

The 81st Texas Legislature created the Texas Research Incentive Program (TRIP). TRIP provides matching funds for emerging research universities to assist the institutions in leveraging private gifts for the enhancement of research productivity and faculty recruitment.

The emerging research universities that are currently eligible to receive funding are: Texas Tech University, The University of Texas at Arlington, The University of Texas at Dallas, The University of Texas at El Paso, The University of Texas at San Antonio, University of Houston, University of North Texas, and Texas State University.

Texas Education Code, Chapter 62, Subchapter F, requires the Board to certify that the gifts or endowments received by each emerging research university were donated for research enhancing purposes, such as endowed chairs, professorships, research facilities, research equipment, program costs, graduate research stipends or fellowships, or undergraduate research.

A certified eligible gift or endowment may receive state funding as a match. Statute provides a mandated match rate based on the amount of the gift or endowment. The timing of when an institution receives matching funds is dependent upon appropriations from the Texas Legislature. Per statute, matching funds are provided in the order of their certification date.

There are 64 submissions of gifts or endowments recommended for certification, for a total gift amount of \$49,847,847.53 and a match amount of \$42,340,329.72.

Ms. Emily Cormier, Assistant Commissioner for Funding, will present this item and be available to answer questions.

Texas Research Incentive Program Summary

The table below displays the gifts recommended for certification, as well as previously certified TRIP gifts available to receive state funding. State matches are subject to the availability of funds appropriated for this purpose by the Texas Legislature.

Institution	Gifts Recommended for Certification - Cycle 22-1	Gifts Available for State Funding and Previously Certified	Total Gifts Available for State Funding ¹
Certified Gifts			
The University of Texas at Arlington	\$1,240,889.00	\$13,280,028.59	\$14,520,917.59
The University of Texas at Dallas	5,950,000.00	83,049,698.50	88,999,698.50
The University of Texas at El Paso	4,121,047.50	6,501,805.50	10,622,853.00
The University of Texas at San Antonio	6,113,666.00	43,350,298.43	49,463,964.43
University of Houston	22,279,502.63	112,258,662.14	134,538,164.77
University of North Texas	6,883,751.40	40,764,004.04	47,647,755.44
Texas Tech University	2,480,650.00	57,151,992.06	59,632,642.06
Texas State University	778,341.00	18,293,021.69	19,071,362.69
Total Certified Gifts	\$49,847,847.53	\$374,649,510.95	\$424,497,358.48
State Match			
The University of Texas at Arlington	\$620,444.50	\$10,226,095.92	\$10,846,540.42
The University of Texas at Dallas	4,975,000.00	56,354,834.72	61,329,834.72
The University of Texas at El Paso	3,601,912.50	3,500,902.75	7,102,815.25
The University of Texas at San Antonio	5,556,833.00	33,847,486.72	39,404,319.72
University of Houston	20,164,751.32	90,837,167.78	111,001,919.10
University of North Texas	5,791,892.90	33,991,975.81	39,783,868.71
Texas Tech University	1,240,325.00	40,397,317.05	41,637,642.05
Texas State University	389,170.50	12,751,510.86	13,140,681.36
Totals	\$42,340,329.72	\$281,907,291.61	\$324,247,621.33

Footnotes

1. Total Gifts Available for State Funding does not include gifts that have been submitted by the eligible institutions since the end of Cycle 22-1. As of 3/14/2023, the total amount of gifts received but not yet reviewed since that time is \$23.0 million with a potential state match of \$17.6 million. Assuming all gifts that have been submitted since are certified, the total state match eligible for funding would be \$341.8 million.

AGENDA ITEM VIII-C

Consideration and possible action to approve of the certification required by Texas Education Code, Section 62.146 for the National Research University Fund for Fiscal Year 2022

RECOMMENDATION: Approval

Background Information:

Texas Education Code, Section 62.146(b), requires the Texas Higher Education Coordinating Board (THECB) to certify to the Texas Legislature that information relating to the criteria used to determine eligibility for distributions of money from the National Research University Fund (NRUF) has been verified. The statute requires the certification report be submitted to the Comptroller of Public Accounts and Texas Legislature “as soon as practicable in each state fiscal year.”

The Texas Legislature established NRUF in 2009 “to provide a dedicated, independent, and equitable source of funding to enable emerging research universities in this state to achieve national prominence as major research universities.” An emerging research university must meet legislatively specified benchmarks to be eligible for funds and must have expended more than \$45 million on restricted research for two consecutive years.

The NRUF is funded from an endowment managed by the Texas Treasury Safekeeping Trust Company, a subsidiary of the Comptroller of Public Accounts. Up to 4.5% of the NRUF investment, calculated at the average market value of the fund for the last 12 fiscal quarters, may be appropriated from the fund for distribution to the eligible NRUF institutions.

Eight universities are currently designated as emerging research universities in the THECB Accountability System. Institutions currently eligible to receive distributions from the NRUF are shown below, along with the year in which they were found eligible:

- Texas Tech University (2012)
- University of Houston (2012)
- The University of Texas at Dallas (2018)
- The University of Texas at Arlington (2021)

The institutions that have met NRUF eligibility received annual funding that has ranged from \$6.3 to \$9.5 million per year. The four other emerging research institutions that are potentially eligible to receive NRUF funding in the future include Texas State University, The University of Texas at El Paso, The University of Texas at San Antonio (UTSA), and the University of North Texas.

During the last review, UTSA was found to be eligible for NRUF, pending the outcome of a statutorily required audit conducted by the State Auditor's Office (SAO) in Fiscal Year (FY) 2022. However, the SAO determined that UTSA did not meet the eligibility requirements because it did not expend at least \$45 million in restricted research funds in FY 2020.

During the current review, UTSA has been determined as eligible for NRUF again, pending the outcome of a similar SAO audit in FY 2023.

Ms. Melitta Berger, Senior Director, Funding and Resource Planning, will present this item and be available to answer questions.

AGENDA ITEM VIII-D

Report on Restricted Research Expenditures

RECOMMENDATION: No action required

Background Information:

This is an informational item. Restricted research expenditures are reported to the Texas Higher Education Coordinating Board according to the requirements of Texas Administrative Code, Chapter 13, Subchapter G, Section. 13.126. An expenditure is defined as restricted if an external entity, such as an agency, a business entity, individual, or organization has placed limitations on the uses for which the funds may be spent. Restricted research expenditures are currently used by the Legislature in allocating funding through the Texas Comprehensive Research Fund and Core Research Support Fund and are used as part of the eligibility requirements for the National Research University Fund.

Ms. Melitta Berger, Senior Director, Funding and Resource Planning, is available to answer questions.

Restricted Research Expenditures

University	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2022 \$ change	FY 2022 % change
The University of Texas Rio Grande Valley	\$9,734,584	\$7,833,911	\$8,617,328	\$8,831,907	\$11,364,763	\$2,532,856	29%
The University of Texas Permian Basin	\$659,770	\$878,973	\$1,479,959	\$2,331,165	\$2,547,420	\$216,255	9%
The University of Texas at Tyler	\$1,356,370	\$1,337,569	\$1,263,754	\$1,342,215	\$2,392,326	\$1,050,111	78%
Texas A&M University at Galveston	\$5,913,666	\$5,122,970	\$4,127,524	\$3,967,565	\$5,997,020	\$2,029,455	51%
Prairie View A&M University	\$7,698,973	\$8,357,313	\$8,446,028	\$8,790,103	\$11,008,515	\$2,218,412	25%
Tarleton State University	\$5,624,211	\$5,263,566	\$5,102,233	\$6,441,713	\$7,354,658	\$912,945	14%
Texas A&M University-Central Texas	\$0	\$0	\$0	\$674,692	\$570,902	-\$103,790	-15%
Texas A&M University-Corpus Christi	\$18,395,676	\$17,812,099	\$17,615,912	\$17,309,982	\$20,989,656	\$3,679,674	21%
Texas A&M University-Kingsville	\$12,855,614	\$14,017,317	\$15,128,090	\$16,291,192	\$16,035,522	-\$255,670	-2%
Texas A&M University-San Antonio	\$117,546	\$59,966	\$98,913	\$186,333	\$430,005	\$243,672	131%
Texas A&M International University	\$3,171,886	\$3,239,897	\$1,283,114	\$1,879,170	\$2,252,405	\$373,235	20%
West Texas A&M University	\$1,629,613	\$2,257,814	\$2,440,827	\$2,932,424	\$2,961,398	\$28,974	1%
Texas A&M University-Commerce	\$1,414,362	\$1,184,036	\$1,511,205	\$1,293,896	\$2,013,862	\$719,966	56%
Texas A&M University-Texarkana	\$0	\$0	\$0	\$28,497	\$25,491	-\$3,006	-11%
University of Houston-Clear Lake	\$1,131,269	\$1,066,242	\$917,725	\$1,347,739	\$1,579,331	\$231,592	17%
University of Houston-Downtown	\$1,954,616	\$1,556,858	\$1,857,248	\$1,332,202	\$1,088,341	-\$243,861	-18%
University of Houston-Victoria	\$163,560	\$42,523	\$29,433	\$77,675	\$181,280	\$103,605	133%
Midwestern State University	\$451,956	\$990,552	\$542,823	\$581,719	\$596,337	\$14,618	3%
University of North Texas at Dallas	\$26,186	\$49,535	\$37,358	\$166,462	\$377,564	\$211,102	127%
Stephen F. Austin State University	\$1,690,890	\$1,739,260	\$1,841,134	\$1,758,382	\$1,848,219	\$89,837	5%
Texas Southern University	\$3,234,795	\$5,127,632	\$3,808,055	\$4,677,662	\$5,952,433	\$1,274,771	27%
Angelo State University	\$266,741	\$281,854	\$267,003	\$352,431	\$194,620	-\$157,811	-45%
Texas Woman's University	\$2,244,224	\$3,554,493	\$3,062,906	\$2,943,320	\$3,203,401	\$260,081	9%

University	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2022 \$ change	FY 2022 % change
Lamar University	\$1,711,827	\$2,287,130	\$2,149,772	\$2,421,450	\$1,514,826	-\$906,624	-37%
Sam Houston State University	\$2,746,401	\$3,843,589	\$4,546,841	\$5,432,170	\$5,176,585	-\$255,585	-5%
Sul Ross State University	\$1,417,711	\$1,366,257	\$1,530,353	\$1,248,949	\$1,800,235	\$551,286	44%
Emerging Research Universities							
The University of Texas at Arlington	\$45,381,710	\$46,008,457	\$52,086,621	\$45,865,947	\$54,421,892	\$8,555,945	19%
The University of Texas at Dallas	\$53,822,907	\$64,142,138	\$68,413,866	\$66,627,406	\$66,036,906	-\$590,500	-1%
The University of Texas at El Paso	\$50,568,017	\$51,439,709	\$49,420,984	\$50,630,010	\$62,702,393	\$12,072,383	24%
The University of Texas at San Antonio*	\$36,820,014	\$44,128,961	\$43,351,063	\$48,545,003	\$50,278,572	\$1,733,569	4%
University of Houston	\$85,796,355	\$91,334,021	\$91,551,332	\$90,089,154	\$121,675,892	\$31,586,738	35%
University of North Texas	\$17,683,569	\$18,182,377	\$16,346,249	\$20,407,729	\$24,671,082	\$4,263,353	21%
Texas Tech University	\$57,600,944	\$59,275,406	\$56,116,447	\$55,443,464	\$66,849,475	\$11,406,011	21%
Texas State University	\$35,593,930	\$34,914,947	\$30,913,314	\$33,945,434	\$41,811,801	\$7,866,367	23%
Totals	\$468,879,893	\$498,697,372	\$495,905,414	\$506,195,162	\$597,905,128	\$91,709,966	18%

Source: Restricted research expenditures are reported in Research Expenditure Surveys in accordance with the Standards and Accounting Methods required by Texas Administrative Code, Chapter 13, Subchapter G, Restricted Research Expenditures, Section 13.126.

*The University of Texas at San Antonio includes updated figures from those reported in the Research Expenditure Survey in Fiscal Years 2020 and 2021.

AGENDA ITEM VIII-E

Consideration and possible action to adopt the commissioner's recommendation relating to the annual report about the financial condition of the state's community college districts (SB 1, 87th Texas Legislature, Regular Session, Section 12, III-226)

RECOMMENDATION: Approval

Background Information:

An annual report from the Texas Higher Education Coordinating Board (THECB) about the financial condition of the state's community colleges is required by the General Appropriations Act, Senate Bill 1, 87th Texas Legislature, Regular Session, Rider 12 (page III-226). The rider states:

"Each community college shall provide to the Texas Higher Education Coordinating Board financial data related to the operation of each community college using the specific content and format prescribed by the Coordinating Board. Each community college shall provide the report no later than January 1st of each year. The Coordinating Board shall provide an annual report due on May 1 to the Legislative Budget Board and Governor's Office about the financial condition of the state's community college districts."

The objective of this report is to provide an assessment of the overall financial health of the state's 50 public community colleges and to identify institutions under financial stress using common financial ratios. This analysis is intended to be a broad financial evaluation. Other key performance indicators must be considered to gain a complete understanding of an institution's financial strength. This analysis is not intended for peer group comparisons or for benchmarking purposes.

The THECB provided a draft report to the state's community colleges and any comments are included in the final report.

Ms. Emily Cormier, Assistant Commissioner for Funding, will be available to answer questions.

AGENDA ITEM VIII-F

Consideration and possible action to approve amending the technology service contract pursuant to Government Code, Chapter 2155, with Deloitte Consulting LLC from March 31, 2023, to August 31, 2023, at a cost not to exceed \$1,500,000

RECOMMENDATION: Approval

Total Project Cost: Up to \$4,000,000

Source of Funds: Federal funds allocated through the Governor's Emergency Education Relief (GEER) Funds

Background Information:

In October 2022, the Texas Higher Education Coordinating Board entered into a contract with Deloitte Consulting LLC to complete development of and launch two key components of the agency's data modernization initiative (DMI): the secure data portal with privileged reports and the secure data enclave. This work has continued to progress and the secure portal and privileged reports will launch for a group of pilot higher education institutional users in May 2023, including first-ever detailed reports on transfer students, persistence and graduation, and labor market outcomes. Detailed development work is underway on the secure data enclave and requires additional resources to complete.

The original contract for up to \$2,500,000 was approved by the Commissioner with Board notification pursuant to Rule 1.16. The requested extension of up to \$1,500,000, with an extension until August 31, 2023, will allow additional work to be completed to launch the secure data enclave and continue supporting the secure portal, including expanded security requirements, integration of additional data, extended post-launch support, and user experience enhancements. The extension requires Board consideration and action pursuant to Rule 1.16(e).

Staff recommends approving the extension of the contract to an end date of August 31, 2023, and the addition of \$1,500,000, to complete and launch these important DMI components.

Lori Fey, Deputy Commissioner for Data Analytics and Innovation, will present this item and be available for questions.

AGENDA ITEM VIII-G (1)

Consideration and possible action to adopt proposed amendments to Board Rules 13.101-13.104 and 13.109, concerning limitations on hours eligible to be reported for formula funding to the Coordinating Board

RECOMMENDATION: Approval

Background Information:

The Texas Higher Education Coordinating Board (THECB) proposes amendments to Texas Administrative Code, Title 19, Part 1, Chapter 13, Subchapter F, Sections 13.101-13.104, and 13.109, concerning limitations on hours eligible to be reported for formula funding to the THECB. Specifically, this amendment will implement Senate Bill 1531 from the 87th Regular Session of the Texas Legislature that establishes a specific limit on hours that can be reported for formula funding that are in excess of those required for an associate degree. The amendment would also revise a provision regarding notification of students on their progress toward the hours limit to make the responsibilities of institutions specific and actionable.

Emily Cormier, Assistant Commissioner for Funding, will be available to answer questions.

Date Published in the *Texas Register*: February 3, 2023.

The 30-day comment period with the *Texas Register* ended on: March 4, 2023.

No comments were received regarding this rule.

CHAPTER 13 FINANCIAL PLANNING

SUBCHAPTER F FORMULA FUNDING AND TUITION CHARGES FOR REPEATED AND EXCESS HOURS OF UNDERGRADUATE STUDENTS

§13.101. Authority

Texas Education Code, §54.014, provides that each institution[s] may charge a higher rate of tuition to students with repeated or excess hours. Texas Education Code, §61.0595, limits formula funding for excess hours. The General Appropriations Act, SB 1, Article III, §13, 87th Legislature, Regular Session, limits formula funding for a course for which a student would generate formula funding for the third time. Texas Education Code, §61.059(b), grants the Coordinating Board the authority to devise, establish, and periodically review and revise formula recommendations for institutions of higher education. ~~[The General Appropriations Act, SB 1, Article III, §40, 85th Legislature, Regular Session, limits formula funding for a course for which a student would generate formula funding for the third time.]~~ Texas Education Code, §51.340[~~(a)~~] limits the number of remedial or developmental education semester credit hours for which formula funding may be received.

§13.102. Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

- (1) Degree Plan--Academic program of courses and their related hours culminating in a degree or certificate, including minors, double majors, and completion of any other special program in which the student is also enrolled, such as a program with a study abroad component.
- (2) Excess Hours-- Hours attempted by a student that are in excess of the limits and therefore ineligible for formula funding as described in §13.103.~~[Effective with students initially enrolling in the fall 1999 semester and subsequent terms, hours attempted by a resident undergraduate student that exceed more than 45 hours of the number of hours required for completion of the degree plan in which the student is enrolled. Effective with students initially enrolling in the fall 2006 semester and subsequent terms, hours attempted by a resident undergraduate student that exceed more than 30 hours of the number of hours required for completion of the degree program in which the student is enrolled. Effective fall 2009, hours earned by a student before graduating from high school and used to satisfy high school graduation requirements are not included in the calculation of excess hours. For purposes of excess hours, resident undergraduate student includes a nonresident student who is permitted to pay resident tuition.]~~
- (3) Hours--Semester credit hours.

(4) International Study Abroad Student--A student who is a citizen or permanent resident of a nation other than the United States who resides in the nation of which he or she is a citizen or permanent resident and who is in the United States and enrolled at a Texas public institution of higher education for a limited time as part of an exchange program or other study abroad program and who is not seeking a certificate or degree from a Texas Public institution of higher education.

(5) Non-Course-Based Developmental Education Interventions (also known as Non-Semester-Length Interventions and also referred to as interventions)-- Interventions that use learning approaches designed to address a student's identified weaknesses and effectively and efficiently prepare the student for college-level work. These interventions must be overseen by an instructor of record, must not fit traditional course frameworks, and cannot include advising or learning support activities already connected to a traditional course; interventions may include, but are not limited to, tutoring, supplemental instruction, or labs.

(6) Remedial and Developmental Courses--Courses designed to correct academic deficiencies and bring students' skills to an appropriate level for entry into college. The term includes English for speakers of other languages (ESOL) courses in which a student is placed as a result of failing the reading or writing portion of a test required by §4.56 of this title (relating to Assessment Instruments).

(7) Repeated Hours for Attempted Course--Hours for a course that is the same or substantially similar to a course that the student previously attempted for two or more times at the same institution. Previously attempted courses from which the student withdraws before the official census date shall not count as an attempted course.

(8) Repeated Hours for Completed Course--Hours for a course in which a student enrolls for two or more times that is the same as or substantially similar to a course that the student previously completed and received a grade of A, B, C, D, F, or Pass/Fail at the same institution.

(9) Student--For the purposes of this subchapter students are defined as undergraduate students who have not yet received a baccalaureate degree or equivalent. [~~a student who has not been awarded a bachelor's degree or the equivalent.~~]

(10) Workforce Education Courses-- Courses offered by two-year institutions for the primary purpose of preparing students to enter the workforce that are included in the Workforce Education Course Manual (WECM) or a college's technical local need course inventory. [~~rather than academic transfer~~] The term includes both technical courses and continuing education courses.

§13.103. Limitation on Formula Funding for Excess Hours

- (a) An institution[s] shall not submit excess hours to the Board for the purposes of formula funding, unless those hours are exempt under the provisions of §13.104 of this title (relating to Exemptions for Excessive Hours ~~Excessive Hour Exemptions~~)).
- (b) For the purposes of determining the number of hours required for a degree plan, each institution[s] shall utilize the degree plan designated by the student as of the official census day of the term.
- (1) For a student who was initially enrolled in fall of 2023 and in an associate degree program the excess hours limit is the required semester credit hours for the degree, plus 15; [If a student at a four-year institution is not enrolled in a degree program, institutions shall consider the student to be enrolled in a degree program requiring a minimum of 120 hours.]
- (2) A student initially enrolled in fall of 2023 but not enrolled in any program is treated as enrolled in a baccalaureate degree program and the excess hours limit is 150;
- (3) For an undergraduate resident student initially enrolled in the fall of 2006 or later and in a baccalaureate degree program the excess hours limit is the hours required for their degree, plus 30;
- (4) For an undergraduate resident student initially enrolled in the fall of 1999 through summer 2006, the excess hours limit is the hours required for their degree, plus 45; and
- (5) For an undergraduate resident student initially enrolled before fall 1999 there is no excess hours limit.
- (c) [2] If a student is enrolled on a temporary basis in a university or health-related institution and is also enrolled in a private or independent institution of higher education or an out-of-state institution of higher education, a Texas institution shall consider the student to be enrolled in a degree program requiring a minimum of 120 hours.
- (d) [e] An institution shall not consider any hours for which a student has enrolled as part of a master's or professional degree program without first completing a baccalaureate ~~[bachelor's]~~ degree in the calculation of the number of hours required for a baccalaureate ~~[bachelor's]~~ degree or the equivalent until the student has completed a minimum of 120 hours required for the baccalaureate ~~[bachelor's]~~ degree or equivalent.

§13.104. Exemptions for Excess Hours

The following types of hours are exempt and are not subject to the limitation on formula funding set out in §13.103 of this title (relating to Limitation on Formula Funding for Excess Hours):

- (1) hours earned by the student before receiving a baccalaureate ~~[bachelor's]~~ degree that has been previously awarded to the student;
- (2) hours earned through examination or similar method without registering for a course;
- (3) hours from remedial and developmental courses and/or interventions, workforce education courses, or other courses that would not generate [academic] credit that could be applied to an academic degree at the institution if the course work is within limitations specified in §13.107 of this title (relating to Limitation on Formula Funding for Remedial and Developmental Courses and Interventions);
- (4) hours earned by the student at a private institution or an out-of-state institution;
- (5) hours not eligible for formula funding;
- (6) semester credit hours earned by the student before graduating from high school and used to satisfy high school graduation requirements; ~~and~~
- (7) hours abandoned through enrollment under the Academic Fresh Start Program under Tex. Educ. Code Section 51.931; and
- ~~(8)~~⁽⁷⁾ 15 semester credit hours not otherwise exempt earned toward a degree program by a student who:
 - (A) has reenrolled at the institution following a break in enrollment from the institution or another institution of higher education covering at least the 24-month period preceding the first class day of the initial semester or other academic term of the student's reenrollment; and
 - (B) successfully completed at least 50 semester credit hours of course work at an institution of higher education that are not exempt in paragraphs (1) - ~~(7)~~⁽⁶⁾ of this section before that break in enrollment.

§13.109. Additional Responsibilities of Institutions

- (a) Each institution~~s~~ shall report to the Board all information required to comply with the provisions of this subchapter. Based upon this information, the Coordinating Board shall maintain a database containing information regarding the number of hours a student has accumulated.

(b) Each institution shall publish information in the catalog about the limitations on hours set out in this subchapter and the tuition rate that will be charged to an affected student. Until this material is included in its catalog, the institution shall inform each new undergraduate student enrolling at the institution in writing of the limitations on formula funding and the tuition rate that will be charged to an affected student.

(c) Each institution[s] of higher education shall track the progress of each student in relation to the excess hours limit, notify the student of their progress toward the limit, and disclose the institution's tuition policy for a student who exceeds the limit. Notification shall occur no later than when a student seeking an associate degree has accumulated 60 hours and when a student seeking a baccalaureate degree has accumulated 120 hours. ~~[students and shall identify and assist those students who are approaching the limitations on formula funding.]~~

~~(d) Community and technical colleges and the Lamar State Colleges shall inform each student of the individual's progress toward the limitations on formula funding and shall disclose the institution's tuition policy for students who exceed the limitations when the student has accumulated 70 or more hours.~~

~~(e) Universities and health-related institutions shall inform each student of the individual's progress toward the limitations on formula funding and shall disclose the institution's tuition policy for students who exceed the limitations when the student has accumulated 120 or more hours toward the limit.]~~

AGENDA ITEM VIII-G (2)

Consideration and possible action to amend Board Rule 22.1, concerning Definitions

RECOMMENDATION: Approval

Background Information:

The proposed rules will clarify the definition of "expected family contribution" (EFC) to reflect that the phrase refers to the applicable federal methodology. The phrase "expected family contribution" is referenced in multiple chapters relating to financial aid programs in both the Texas Education Code and Texas Administrative Code. The Coordinating Board proposes amending Texas Administrative Code, Title 19, Part 1, Chapter 22, Subchapter A, Rule 22.1, so that the administration of state financial aid programs is not adversely impacted by changes in the federal government's terminology regarding the federal methodology for financial aid.

Dr. Charles W. Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, will present this item and be available to answer questions.

Date Published in the *Texas Register*: January 27, 2023.

The 30-day comment period with the *Texas Register* ended on: February 26, 2023.

There were three comments received regarding this rule:

Comment: The three comments received represented 11 institutions that all suggested the following language for the definition of EFC to better align the language with similar language in Chapter 22: "A measure utilized to calculate a student's financial need as regulated and defined by the methodology used for federal student financial aid."

Response: The Coordinating Board agrees that the suggested language achieves the same goal as the proposed language, while doing so in a manner that is more easily understood. The suggested language is incorporated into the adopted rule.

CHAPTER 22 STUDENT FINANCIAL AID PROGRAMS

SUBCHAPTER G GENERAL PROVISIONS

§22.1. Definitions.

The following words and terms, when used in Chapter 22, shall have the following meanings, unless otherwise defined in a particular subchapter:

- (1) Academic Year--The combination of semesters defined by a public or private institution of higher education to fulfill the federal "academic year" requirement as defined by 34 CFR 668.3.
- (2) Attempted Semester Credit Hours--Every course in every semester for which a student has been registered as of the official Census Date, including but not limited to, repeated courses and courses the student drops and from which the student withdraws. For transfer students, transfer hours and hours for optional internship and cooperative education courses are included if they are accepted by the receiving institution towards the student's current program of study.
- (3) Awarded--Offered to a student.
- (4) Board or Coordinating Board--The Texas Higher Education Coordinating Board.
- (5) Board Staff--The staff of the Texas Higher Education Coordinating Board.
- (6) Categorical Aid--Gift aid that the institution does not award to the student, but that the student brings to the school from a non-governmental third party.
- (7) Commissioner--The Commissioner of Higher Education, the Chief Executive Officer of the Board.
- (8) Cost of Attendance/Total Cost of Attendance--An institution's estimate of the expenses incurred by a typical financial aid recipient in attending a particular institution of higher education. It includes direct educational costs (tuition and fees) as well as indirect costs (room and board, books and supplies, transportation, personal expenses, and other allowable costs for financial aid purposes).
- (9) Degree or certificate program of four years or less--A baccalaureate degree or certificate program other than a program determined by the Board to require four years or less to complete.
- (10) Degree or certificate program of more than four years--A baccalaureate degree or certificate program determined by the Board to require more than four years to complete.
- (11) Encumber--Program funds that have been officially requested by an institution through procedures developed by the Coordinating Board.
- (12) Entering undergraduate--A student enrolled in the first 30 semester credit hours or their equivalent, excluding hours taken during dual enrollment in high school and courses for which the student received credit through examination.
- (13) Expected Family Contribution (EFC)-- A measure utilized to calculate a student's financial need as regulated and defined by the methodology used for federal student financial aid ~~of how much the student and his or her family can be expected to contribute to the cost of the student's education for the year as determined following the federal methodology~~.
- (14) Financial Need--The Cost of Attendance at a particular public or private institution of higher education less the Expected Family Contribution. The Cost of Attendance and Expected Family Contribution are to be determined in accordance with Board guidelines.
- (15) Full-Time--For undergraduate students, enrollment or expected enrollment for the equivalent of twelve or more semester credit hours per semester. For graduate students,

enrollment or expected enrollment for the normal full-time course load of the student's program of study as defined by the institution.

(16) Gift Aid--Grants, scholarships, exemptions, waivers, and other financial aid provided to a student without a requirement to repay the funding or earn the funding through work.

(17) Graduate student--A student who has been awarded a baccalaureate degree and is enrolled in coursework leading to a graduate or professional degree.

(18) Half-Time--For undergraduates, enrollment or expected enrollment for the equivalent of at least six but fewer than nine semester credit hours per regular semester. For graduate students, enrollment or expected enrollment for the equivalent of 50 percent of the normal full-time course load of the student's program of study as defined by the institution.

(19) Period of enrollment--The semester or semesters within the current state fiscal year (September 1 - August 31) for which the student was enrolled in an approved institution and met all eligibility requirements for an award through this program.

(20) Program Officer--The individual named by each participating institution's chief executive officer to serve as agent for the Board. The Program Officer has primary responsibility for all ministerial acts required by the program, including the determination of student eligibility, selection of recipients, maintenance of all records, and preparation and submission of reports reflecting program transactions. Unless otherwise indicated by the institution's chief executive officer, the director of student financial aid shall serve as Program Officer.

(21) Residency Core Questions--A set of questions developed by the Coordinating Board to be used to determine a student's eligibility for classification as a resident of Texas, available for downloading from the Coordinating Board's website, and incorporated into the ApplyTexas application for admission.

(22) Resident of Texas--A resident of the State of Texas as determined in accordance with Chapter 21, Subchapter B of this title (relating to Determination of Resident Status).

Nonresident students who are eligible to pay resident tuition rates are not residents of Texas.

(23) Semester--A payment period, as defined by 34 CFR 668.4(a) or 34 CFR 668.4(b)(1).

(24) Three-Quarter-Time--For undergraduate students, enrollment or expected enrollment for the equivalent of at least nine but fewer than 12 semester credit hours per semester. For graduate students, enrollment or expected enrollment for the equivalent of 75 percent of the normal full-time course load of the student's program of study as defined by the institution.

(25) Timely Distribution of Funds--Activities completed by institutions of higher education related to the receipt and distribution of state financial aid funding from the Board and subsequent distribution to recipients or return to the Board.

(26) Undergraduate student--An individual who has not yet received a baccalaureate degree.

AGENDA ITEM VIII-G (3)

Consideration and possible action to amend Board Rules 22.22 – 22.24 and 22.28-22.30, concerning the Tuition Equalization Grant Program

RECOMMENDATION: Approval

Background Information:

Based on feedback from the financial aid community, the Coordinating Board initiated a review of how exceptional Tuition Equalization Grant (TEG) need is defined. Since exceptional TEG need has a direct impact on the allocation methodology for the TEG program, the Coordinating Board convened negotiated rulemaking activities, as required by Texas Education Code 61.0331 in matters relating to the allocation of funds, including financial aid. The proposed amendments and new rule were reached by consensus during negotiated rulemaking activities, which occurred on November 7, 2022.

The amendments provide private and independent institutions with greater flexibility in supporting economically disadvantaged students through funds from the TEG program. The amendments also provide clarity for the allocation process and remove unnecessary language.

In Rule 22.22, two redundant definitions are repealed since the items are explained elsewhere in the subchapter. In Rule 22.23, the timing of data submissions is clarified to ensure that allocation activities can occur in a timely manner. In Rule 22.24(8), eligibility criteria are provided for exceptional TEG need. In Rule 22.28, a clarifying reference to Rule 22.4 is added. In Rule 22.29, outdated language is removed, with appropriate clarifying language. Section 22.29(c) is also removed since the language is being proposed separately as a new Rule 22.30.

Dr. Charles W. Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, will present this item and be available to answer questions.

Date Published in the *Texas Register*: January 27, 2023.

The 30-day comment period with the *Texas Register* ended on: February 26, 2023.

There were no comments received regarding these rules.

CHAPTER 22 STUDENT FINANCIAL AID PROGRAMS

SUBCHAPTER B TUITION EQUALIZATION GRANT PROGRAM

§22.22. Definitions.

In addition to the words and terms defined in Texas Administrative Code 22.1 the following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

(1) Adjusted gross need--An amount equal to a student's financial need less the amount of his or her Federal Pell Grant and any categorical aid the student might have brought to the institution.

~~[(2) Exceptional TEG need--An additional amount of TEG funds for which an undergraduate student may qualify on the basis of having an expected family contribution generated through the use of the federal methodology, less than or equal to \$1,000.]~~

(2) [(3)] First award--The first Tuition Equalization Grant ever awarded to and received by a specific student.

(3) [(4)] Forecast--The FORECAST function in Microsoft Excel.

(4) [(5)] Private or independent institution--Any college or university defined as a private or independent institution of higher education by Texas Education Code, §61.003.

(5) [(6)] Program maximum--The TEG Program award maximum determined by the Board in accordance with Texas Education Code, §61.227 (relating to Payment of Grant; Amount).

(6) [(7)] Program or TEG--The Tuition Equalization Grant Program.

(7) [(8)] Religious ministry--Roles serving as clergy, religious leaders, or similar positions within any sect or religious society, as demonstrated through ordination, licensure to preach, or other mechanisms particular to a given sect or society that are used to identify clergy, religious leaders, or such similar positions.

(8) [(9)] Subsequent award--A TEG grant received in any academic year other than the year in which an individual received his or her first TEG award.

~~[(10) TEG need--The basic amount of TEG funds that an eligible student could receive, subject to the limit in Texas Education Code §61.227(c).]~~

(9) [(44)] Tuition differential--The difference between the tuition paid at the private or independent institution attended and the tuition the student would have paid to attend a comparable public institution.

§22.23. Eligible Institutions.

(a) Eligibility.

(1) Any private or independent institution of higher education, or a branch campus of a private or independent institution of higher education located in Texas and accredited on its own or with its main campus institution by the Commission on Colleges of the Southern Association of Colleges and Schools, other than theological or religious seminaries, is eligible to participate in the TEG Program.

(2) No participating institution may, on the grounds of race, color, national origin, gender, religion, age, or disability exclude an individual from participation in, or deny the benefits of, the program described in this subchapter.

(3) Each participating institution must follow the Civil Rights Act of 1964, Title VI (Public Law 88-352) in avoiding discrimination in admissions or employment.

(4) A private or independent institution of higher education that previously qualified under paragraph (1) of this subsection but no longer holds the same accreditation as public institutions of higher education may temporarily participate in the TEG Program if it is:

- (A) accredited by an accreditor recognized by the Board;
- (B) actively working toward the same accreditation as public institutions of higher education;
- (C) participating in the federal financial aid program under 20 United States Code (U.S.C.) §1070a; and
- (D) a "part B institution" as defined by 20 U.S.C. §1061(2) and listed in 34 Code of Federal Regulations §608.2.

(5) The Board may grant temporary approval to participate in the TEG program to an institution described under paragraph (4) of this subsection for a period of two years. The Board may renew that approval for a given institution twice for a period of two years.

(6) A private or independent institution of higher education that previously qualified under paragraph (1) of this subsection but no longer holds the same accreditation as public institutions of higher education may participate in the TEG Program if it is:

- (A) accredited by an accreditor recognized by the Board in accordance with Texas Administrative Code, §7.6;
- (B) a work college, as that term is defined by 20 U.S.C. Section 1087-58; and
- (C) participating in the federal financial aid program under 20 U.S.C. §1070(a).

(b) Approval.

(1) Agreement. Each approved institution must enter into an agreement with the Board, prior to being approved to participate in the program, the terms of which shall be prescribed by the Commissioner or his/her designee.

(2) Intent to Participate. An eligible institution interested in participating in the Program must indicate this intent by June 1 of each odd-numbered year in order for qualified students enrolled in that institution to be eligible to receive grants in the following fiscal biennium. An eligible institution's data submissions, as required in Section 22.29 (relating to Allocation of Funds), must occur on or before the institution's indication of its intent to participate.

(c) Responsibilities. Participating institutions are required to abide by the General Provisions outlined in Chapter 22, Subchapter A of this title (relating to General Provisions).

§22.24. Eligible Students.

Eligible Students. To receive an award through the TEG Program, a student must:

- (1) be enrolled on at least a three-fourths of full-time enrollment;
- (2) show financial need;
- (3) maintain satisfactory academic progress in his or her program of study as determined by the institution at which the person is enrolled and as required by §22.25 of this title (relating to Satisfactory Academic Progress);
- (4) be a resident of Texas as determined based on data collected using the Residency Core Questions and in keeping with Chapter 21, Subchapter B of this title (relating to Determination of Resident Status);
- (5) be enrolled in an approved institution in an individual degree plan leading to a first associate degree, first baccalaureate degree, first master's degree, first professional degree, or first doctoral degree, but not in a degree plan that is intended to lead to religious ministry;

(6) be required to pay more tuition than is required at a comparable public college or university and be charged no less than the tuition required of all similarly situated students at the institution;

(7) not be a recipient of any form of athletic scholarship during the semester or semesters he or she receives a TEG; and [-];

(8) demonstrate eligibility for exceptional TEG need, be an undergraduate student, and have an expected family contribution less than or equal to fifty percent of the Federal Pell Grant eligibility cap for the year reported in the institution's Financial Aid Database submission.

§22.28. Award Amounts and Adjustments.

(a) Award Amount. Each academic year, no TEG award shall exceed the least of:

(1) the student's financial need;

(2) the student's tuition differential; or

(3) the maximum award allowed based on the student's EFC, which is:

(A) 150 percent of the program maximum for undergraduate students demonstrating exceptional TEG need, as outlined in §22.24 of this Subchapter (relating to Eligible Students);
or

(B) the program maximum for all other eligible students.

(b) Term or Semester Disbursement Limit. The amount of any disbursement in a single term or semester may not exceed the student's financial need or tuition differential for that term or semester or the program maximum for the academic year, whichever is the least.

(c) Award calculations and disbursements are to be completed in accordance with Chapter 22, Subchapter A of this title (relating to General Provisions).

§22.29. Allocation ~~[and Disbursement]~~ of Funds.

~~[(a) Allocations for Fiscal Year 2019 and prior. Allocations for the TEG Program are to be determined on an annual basis as follows:]~~

~~[(1) All eligible institutions will be invited to participate; those choosing not to participate will be left out of the calculations for the relevant year.]~~

~~[(2) The allocation base for each institution choosing to participate will be its three-year average share of the total statewide amount of TEG that could be awarded, subject to the limits in Texas Education Code, §61.227(c) and (e).]~~

~~[(3) The source of data used for the allocation calculations are the three most recently completed TEG Need Survey Reports submitted to the Board by the institutions. The reports include data for each student identified by the school as eligible to receive a first or subsequent TEG award as described in §22.24 or §22.25 of this title in the fall term in which the report is submitted. The data from the Need Survey used to calculate the amount of TEG an individual could receive includes:]~~

~~[(A) Each reported student's TEG need, as defined in §22.22 of this title (relating to Definitions); and]~~

~~[(B) The student's exceptional TEG need, as defined in §22.22 of this title.]~~

~~[(4) A student's TEG need may not exceed the least of his or her adjusted gross need, tuition differential, or the TEG maximum award as set in accordance with Texas Education Code, §61.227(c).]~~

~~[(5) A student's exceptional TEG need plus TEG need may not exceed the least of the student's adjusted gross need, tuition differential, or 150 percent of the current year's statutory TEG maximum award as set in accordance with Texas Education Code, §61.227(c).]~~

~~[(6) The maximum amount of need that may be recorded for any single student in the TEG Need Survey may not exceed the sum of his or her TEG need plus his or her exceptional TEG need.]~~

~~[(7) The total amount allocated for an institution may not exceed the sum of the individual maximum need for all students included in the most recent TEG Need Survey.]~~

~~[(8) Verification of Data:~~

~~(A) To provide data needed to confirm a reported need amount does not exceed one of the award limits listed in paragraphs (4) and (5) of this subsection, the Need Survey collects the following data for each student:]~~

~~[(i) Cost of attendance;]~~

~~[(ii) Expected family contribution;]~~

~~[(iii) Pell Grant amount;]~~

~~[(iv) Categorical aid amount;]~~

~~[(v) Classification (graduate or undergraduate); and]~~

~~[(vi) An indication of whether the student's need was limited by his or her tuition differential.]~~

~~[(B) The statewide TEG Need Survey summary will be provided to the institutions for review and the institutions will be given 10 working days, beginning the day of the notice's distribution and excluding State holidays, to confirm that the Survey accurately reflects the data they submitted or to advise Board staff of any inaccuracies.]~~

(a) ~~[(b)] [Allocations for Fiscal Year 2020 and later.]~~ Allocations for the TEG Program are to be determined on an annual basis as follows:

(1) All eligible institutions will be invited to participate; those choosing not to participate will be left out of the calculations for the relevant year.

(2) The allocation base for each institution choosing to participate will be its three-year average share of the total statewide amount of the total amount of TEG funds that eligible students at an approved institution could receive if the program were fully funded, subject to the limits in Texas Education Code, §61.227(c) and (e), based on the students who met the following criteria:

(A) Enrollment on at least a three-fourths or three-quarters basis;

(B) An Expected Family Contribution, calculated using federal methodology, that results in demonstrated Adjusted Gross Need greater than zero;

(C) Maintain satisfactory academic progress in his or her program of study as required by §22.24(b) of this title (relating to Eligible Students);

(D) Classified as a Resident of Texas;

(E) Be enrolled in an approved institution in an individual degree plan leading to a first associates degree, first baccalaureate degree, first master's degree, first professional degree, or first doctoral degree;

(F) Not be enrolled in a degree plan that is intended to lead to religious ministry;

(G) Be required to pay more tuition than is required at a comparable public college or university and be charged no less than the tuition required of all similarly situated students at the institution; and

(H) Not be a recipient of any form of athletic scholarship.

(3) ~~[Sources of data:]~~

~~[(A) For allocations for Fiscal Year 2020. The sources of data used for the allocations are the certified Fiscal Year 2018 Financial Aid Database (FADS) report and the fall 2015 and fall 2016 completed TEG Need Survey reports submitted to the Board by the institutions.]~~

~~[(B) For allocations for Fiscal Year 2021. The sources of data used for the allocations are the certified Fiscal Year 2018 and 2019 FADS reports and the fall 2016 completed TEG Need Survey report submitted to the Board by the institutions.]~~

~~[(C)]~~ [For allocations for Fiscal Year 2022 and Later.] The source of data used for the allocations are the three most recently certified Financial Aid Database (FADS) [FADS] reports submitted to the Board by the institutions.

(4) A student's TEG need may not exceed the least of his or her adjusted gross need, tuition differential, or the TEG maximum award as set in accordance with Texas Education Code, §61.227(c).

(5) A student's exceptional TEG need plus TEG need may not exceed the least of the student's adjusted gross need, tuition differential or 150 percent of the current year's statutory TEG maximum award as set in accordance with Texas Education Code, §61.227(c).

(6) The maximum amount of need that may be recorded for any single student in the allocation calculation may not exceed the sum of his or her TEG need plus his or her exceptional TEG need.

(7) The total amount allocated for an institution may not exceed the sum of the individual maximum amount of [TEG] need for all students calculated using the sources of data outlined in paragraph (3) of this subsection.

(8) Verification of Data. The TEG allocation spreadsheet will be provided to the institutions for review and the institutions will be given 10 working days, beginning the day of the notice's distribution and excluding State holidays, to confirm that the spreadsheet accurately reflects the data they submitted or to advise Board staff of any inaccuracies.

(9) Allocations for both years of the state appropriations' biennium will be completed at the same time. For the allocations process of the second year of the state appropriations' biennium, the sources of data outlined in paragraph (3) of this subsection will be utilized to forecast an additional year of data. This additional year of data, in combination with the two most recent years outlined in paragraph (3) of this subsection, will be utilized to calculate the three-year average share outlined in paragraph (2) of this subsection. Institutions will receive notification of their allocations for both years of the biennium at the same time.

~~[(c) Disbursement of Funds to Institutions. As requested by institutions throughout the academic year, the Board shall forward to each participating institution a portion of its allocation of funds for timely disbursement to students. Institutions will have until the close of business on August 1, or the first working day thereafter if it falls on a weekend or holiday, to encumber program funds from their allocation. After that date, institutions lose claim to any funds in the current fiscal year not yet drawn down from the Board for timely disbursement to students. Funds released in this manner in the first year of the biennium become available to the institution for use in the second year of the biennium. Funds released in this manner in the second year of the biennium become available to the Board's program for utilization in grant processing. Should these unspent funds result in additional funding available for the next biennium's program, revised allocations, calculated according to the allocation methodology specified in this rule, will be issued to participating institutions during the fall semester.]~~

(b) ~~[(d)]~~ Reductions in Funding.

(1) If annual funding for the program is reduced after the start of a fiscal year, the Board may take steps to help distribute the impact of reduced funding across all participating institutions by an across-the-board percentage decrease in all institutions' allocations.

(2) If annual funding for the program is reduced prior to the start of a fiscal year, the Board may recalculate the allocations according to the allocation methodology outlined in this rule for the affected fiscal year based on available dollars.

§22.30. Disbursement of Funds.

As requested by institutions throughout the academic year, the Board shall forward to each participating institution a portion of its allocation of funds for timely disbursement to students. Institutions will have until the close of business on August 1, or the first working day thereafter if it falls on a weekend or holiday, to encumber program funds from their allocation. After that date, institutions lose claim to any funds in the current fiscal year not yet drawn down from the Board for timely disbursement to students. Funds released in this manner in the first year of the biennium become available to the institution for use in the second year of the biennium. Funds released in this manner in the second year of the biennium become available to the Board's program for utilization in grant processing. Should these unspent funds result in additional funding available for the next biennium's program, revised allocations, calculated according to the allocation methodology specified in §22.29 of this subchapter (relating to Allocation of Funds), will be issued to participating institutions during the fall semester.

AGENDA ITEM VIII-G (4)

Consideration and possible action to amend Board Rule 22.49, concerning the Hinson-Hazlewood College Student Loan Program

RECOMMENDATION: Approval

Background Information:

The proposed amendments will implement new standards regarding the aggregate and annual loan limits for the College Access Loan program.

The amendments to Texas Administrative Code (TAC) 22.49 are proposed to provide a clearer indication of the alignment between the rule regarding the amount of a loan and the limitations on the loan amount as outlined in Texas Education Code (TEC) 52.33. The proposed language for Section 22.49(a) aligns the statutory intent regarding what a student may reasonably be expected to pay with the agency's strategic plan for higher education, *Building a Talent Strong Texas*, and the manageable debt guidelines therein. The proposed language for Section 22.49(b) captures the agency's interpretation of how federal student loan eligibility is considered when calculating the financial resources indicated in TEC 52.33.

Dr. Charles W. Contéro-Puls, Assistant Commissioner for Student Financial Aid Programs, will present this item and be available to answer questions.

Date Published in the *Texas Register*: January 27, 2023.

The 30-day comment period with the *Texas Register* ended on: February 26, 2023.

No comments were received regarding this rule.

CHAPTER 22 STUDENT FINANCIAL AID PROGRAMS

SUBCHAPTER C HINSON-HAZLEWOOD COLLEGE STUDENT LOAN PROGRAM

§22.49. Amount of Loan.

(a) Amount of Loan. For loan applications received by the agency prior to September 1, 2023, the [The] amount of loan shall not exceed the amount that the student needs in order to meet reasonable expenses as a student.

(b) Annual and Aggregate Loan Limit. For loan applications received by the agency prior to September 1, 2023, the [The] maximum annual and aggregate loan amounts for any eligible student shall be determined from time to time by the Commissioner. In no case shall the maximum annual loan amount be greater than the annual cost of attendance for the student at the eligible institution.

(c) Aggregate Loan Limit. For loan applications received by the agency on or after September 1, 2023:

(1) The maximum aggregate loan amount for an eligible undergraduate student shall be limited to an amount of debt defined as "manageable debt" under the Board's Long-Range Master Plan for Higher Education. The maximum amount of student loan debt is based on a reasonable monthly student loan payment, taking into consideration the borrower's area of study, as outlined in Figure 1. The agency may not loan a borrower an amount of College Access Loans that would cause the borrower's aggregate educational loan debt, as reported on the borrower's credit report, to exceed the maximum amount outlined in Figure 1.

(2) The maximum aggregate loan amount for an eligible graduate or professional student is the sum of the student's annual limits.

(d) Annual Loan Limit. For loan applications received by the agency on or after September 1, 2023, in no case shall the maximum annual loan amount exceed the difference between the cost of attendance and the financial resources available to the applicant, including the applicant's scholarships, gifts, grants, and other financial aid. The student's maximum eligibility for Federal Direct Loans, except for Federal PLUS loans, must be considered by the institution as other financial aid, whether or not the student actually receives such assistance.

Figure 1

Area of Study	Average Annual Earnings (five years after graduation)	Reasonable Monthly Student Loan Payment (based on a 10-year repayment at an average 5% interest)	Reasonable Student Debt-to-Income Ratio	Maximum Amount of Student Loan Debt Used in College Access Loan Calculation
Agriculture and natural resources	\$53,000	\$442	10%	\$50,350
Architecture and engineering	\$83,228	\$694	10%	\$79,067
Arts	\$45,210	\$377	10%	\$42,950
Biological and life sciences	\$48,827	\$407	10%	\$46,386
Business	\$59,123	\$493	10%	\$56,167
Communications and journalism	\$49,098	\$409	10%	\$46,643
Computers, statistics, and mathematics	\$68,246	\$569	10%	\$64,833
Education	\$49,127	\$409	10%	\$46,671
Health	\$60,398	\$503	10%	\$57,378
Humanities and liberal arts	\$47,418	\$395	10%	\$45,047
Industrial arts, consumer services, and recreation	\$49,907	\$416	10%	\$47,412
Law, public policy, and social work	\$45,476	\$379	10%	\$43,202
Physical sciences	\$59,588	\$497	10%	\$56,609
Psychology or undeclared major	\$42,960	\$358	10%	\$40,812
Social sciences	\$50,274	\$419	10%	\$47,760

AGENDA ITEM X-A

Committee Chair's overview

Ms. Donna Williams, Chair of the Committee on Academic and Workforce Success, will provide the Board an overview of the items on the agenda.

AGENDA ITEM X-B

Consideration and possible action to adopt the report to the Board on school closures and/or teach-outs pursuant to Board Rule 7.7(6)

RECOMMENDATION: Approval

Background Information:

Pursuant to Coordinating Board Rules, Chapter 7, Subchapter A, Section 7.7(6), Closure of an Institution, the Texas Higher Education Coordinating Board (Coordinating Board) must be notified in writing at least 90 days before a planned closure date or immediately if an institution closes unexpectedly. If an institution closes or intends to close before all currently enrolled students have completed all requirements for graduation, a teach-out plan is required. The teach-out plan is subject to Board approval. The Board has given the Assistant Commissioner of Workforce Education the authority to oversee this approval process.

Quest College

On December 8, 2022, Coordinating Board staff became aware of the closure of Quest College, 5430 Fredericksburg Road, Ste. 301, San Antonio, TX 78229, through a news report. Quest College administration had notified the Texas Workforce Commission (TWC) on December 6, 2022, but had failed to notify the Coordinating Board. At the time of closure, Quest College had 183 enrolled students. TWC worked with students to transfer into other programs. Quest College had been authorized to offer a degree program, but Coordinating Board staff were notified that no degree-level faculty were employed at the time of closure. Quest College's Certificate of Authorization was revoked upon notice of the closure. Coordinating Board staff worked with Quest College's student records vendor to secure all Quest College student transcripts. The transcripts have been transferred to the Coordinating Board's closed school transcript repository.

Lipscomb University-Austin Center

On December 6, 2022, Lipscomb University notified the Coordinating Board that it would teach out its students located at its Austin Center, 7640 Guadalupe St., Austin, TX 78752. Lipscomb University had planned to restructure the Austin Graduate School of Theology, formerly located at this address. Upon review of the current business operations, the Lipscomb University Board of Trustees decided to close the Austin Center at the conclusion of the 2023 spring semester, on or about July 31, 2023. Admissions ended at the Austin Center as of December 31, 2022. Students will be taught out. Lipscomb University Master of Divinity students are already in an online format, which will continue. Three Master of Marriage and Family Therapy students who are studying in person will continue in their current format until May 2023 for coursework and through July 2023 for practicum work. Teach out plans and agreements for the remainder of their coursework are underway. Lipscomb has notified both its

AGENDA ITEM X-B

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institutional accreditor, SACSCOC, and the US Department of Education regarding the Austin Center closure. Lipscomb University's Nashville campus will obtain, secure, and store all Austin Center student records.

Dr. Tina Jackson, Assistant Commissioner for Workforce Education, will present this item and be available to answer questions.

AGENDA ITEM X-C

Report on institutional requests acted on by the Commissioner or Assistant Commissioner since the last Board meeting

RECOMMENDATION: No action required

Background Information:

The Board authorized the Commissioner of Higher Education, the Assistant Commissioner of Academic and Health Affairs, or the Assistant Commissioner of Workforce Education to act on institutional requests. Coordinating Board Rule 5.50(j) directs the commissioner to provide a list to Board members of all institutional requests acted on by the commissioner and assistant commissioners.

Requests for new degree and certificate programs were reviewed by staff to ensure they met the standards established by Coordinating Board rules, Sections 5.50, 9.93(c), and 7.4, before receiving approval from the commissioner or the assistant commissioners. The standards address the institution's mission, overall program quality, student demand and job market needs, duplication with existing programs at other institutions, funding, and institutional effectiveness.

Since the last report to the Board, the Assistant Commissioners approved 41 new degree and certificate programs; approved seven institutional requests to phase out programs; issued four Certificates of Authorization (new, renewed, revised, or cancelled); and received nine planning notifications. Detailed information is provided in the tables on the following pages.

Elizabeth Mayer, Assistant Commissioner for Academic and Health Affairs, will present this item and be available to answer questions.

**REPORT ON INSTITUTIONAL REQUESTS RELATED TO DEGREE AND CERTIFICATE PROGRAMS ACTED ON
BY THE COMMISSIONER OR ASSISTANT COMMISSIONERS SINCE THE LAST BOARD MEETING**

December 1, 2022 – February 28, 2023

NEW DEGREE AND CERTIFICATE PROGRAMS

Institution	Degree	Program	Date Approved
Community & Technical Colleges			
Alamo Community College District-Northeast Lakeview College	AAS	Construction Management	2/23/23
Angelina College	AAS	Network Administration	2/28/23
College of the Mainland	AAS	Radiologic Technology	2/23/23
Galveston College	Level 1 Certificate	Robotics Certificate	1/25/23
Grayson College	AS	Agricultural Sciences	1/31/23
Grayson College	AS	Athletic Training	1/31/23
Grayson College	AS	Criminal Justice	1/31/23
Grayson College	AS	Pre-Nursing	1/31/23
Grayson College	AAS	Early Childhood Education	2/13/23
Grayson College	AAS	Surgical Technology	2/13/23
Houston Community College	AAS	Data Science	2/23/23
Houston Community College	AAS & Level 1 Certificate	Smart Building Technology	2/23/23
Houston Community College	Level 1 Certificate	Welding Automation	2/23/23
Lamar State College – Orange	AAS & Level 1 Certificate	Automotive Technology	2/13/23
Lamar State College - Orange	AAS & Level 1 Certificate	Heating, Ventilation, & Air Conditioning Technology	2/13/23
Lamar State College - Orange	AAS	Nursing	2/13/23
Laredo College	AAS & Level 1 Certificate	Construction Management	12/09/22
Laredo College	AAS & Level 1 Certificate	Engineering Technology	1/05/23
Laredo College	AAS & Level 1 Certificate	Surveying Engineering Technology	1/05/23

Lone Star College - Houston North	Level 2 Certificate	Electric Vehicle Charging Station Installation & Maintenance Technician	2/23/23
North Central Texas College	AAS & Level 1 Certificate	Construction Management	12/09/22
Paris Junior College	AAS	Diagnostic Medical Sonography	12/09/22
Tarrant County College District	Continuing Education	Alternative Teacher Certification	2/23/23
Temple College	AAS & Level 1 Certificate	Data Analytics	2/23/23
Temple College	AAS & Advanced Technical Certificate	Neurodiagnostic Technology	2/23/23
Trinity Valley Community College	Level 1 Certificate	Construction Trades - Electrician	2/13/23
Trinity Valley Community College	Level 1 Certificate	Construction Trades - Plumbing	2/13/23
Trinity Valley Community College	AAS	Cosmetology	2/23/23
Weatherford College	BAAS	Childhood Education and Teaching	2/22/23
Universities & Health-Related			
Tarleton State University	MS	Data Science	2/1/23
Tarleton State University	MS	Construction Science and Management	1/17/23
Tarleton State University	MS	Logistics and Supply Chain Management	2/22/23
University of North Texas	BBA	Financial Planning	1/10/23
University of North Texas	BS	Advertising and Branding Strategy	1/10/23
University of North Texas at Dallas	BA	History	1/17/23
The University of Texas at Arlington	MS	Applied Statistics and Data Science	1/5/23
The University of Texas at El Paso	MMS	Multidisciplinary Studies	1/11/23
The University of Texas at San Antonio	MS	Health, Community and Policy	1/4/23
The University of Texas at San Antonio	BSW	Social Work	1/9/23

The University of Texas Rio Grande Valley	BM	Music Composition	1/9/23
The University of Texas at Rio Grande Valley	BM	Music Technology	1/9/23

PHASE-OUT OF PROGRAMS

Institution	Degree	Program	Phase out Date
Community & Technical Colleges			
N/A			
Universities & Health-Related			
Angelo State University	MS	Experimental Psychology	5/21/23
Texas Tech University Health Sciences Center	MOT	Occupational Therapy	1/31/23
University of North Texas	BA	Dance	8/15/28
The University of Texas at El Paso	MS	Finance	8/15/23
The University of Texas at El Paso	MOT	Occupational Therapy	5/31/24
The University of Texas at San Antonio	BA	Multicultural Early Childhood Development	6/1/23
The University of Texas Rio Grande Valley	MMS	Medical Sciences	2/7/23

PLANNING NOTIFICATIONS

Institution	Authority Level	Program	Date Notified
Universities, Health-Related, & Community & Technical Colleges			
Alamo Community College District-Northwest Vista College	Bachelor's	Cloud Computing	1/9/23
Alamo Community College District-Palo Alto College	Bachelor's	Business Administration and Management, General	2/6/23
Brazosport College	Bachelor's	Organizational Leadership	1/9/23
Sam Houston State University	Professional	Physical Therapy/Therapist	1/9/23
Texas Southmost College	Bachelor's	Early Childhood Education and Leadership	1/24/23
Texas Southmost College	Bachelor's	Criminal Justice/Safety Studies	1/24/23
Texas Southmost College	Bachelor's	Business Administration and Management, General	1/24/23
The University of Texas at Arlington	Professional	Optometry	1/31/23
The University of Texas Medical Branch Galveston	Doctoral	Nurse Anesthetist	1/9/23

CERTIFICATES OF AUTHORIZATION

Non-Public and Out-of-State Institution	Authorization Type	Certificate of Authorization Issue Date
Smith Chason College, Los Angeles, CA	Authorization to place students in clinical, internship, and field-based educator training experiences in Texas.	12/22/22
Franklin Pierce University, Round Rock, TX	Provisional authorization to grant master's degrees, grant credits toward degrees, and to use certain protected terms in Texas.	2/1/23
Texas Health School, Houston, TX	Provisional authorization to grant associate degrees, grant credits toward degrees, and to use certain protected terms in Texas.	2/6/23
Fairfield University, Austin, TX	Authorization to grant bachelor's degrees, grant credits toward degrees, and to use certain protected terms in Texas.	2/16/23

AGENDA ITEM X-D

Consideration and possible action to adopt the Certification Advisory Council, and the Commissioner's, recommendation related to a request from Medisend College of Biomedical Engineering Technology for its fourth and final Certificate of Authority to grant degrees in Texas

RECOMMENDATION: Approval

Background Information:

Medisend College of Biomedical Engineering Technology (Medisend), Dallas, Texas, seeks approval for its fourth Certificate of Authority to award an Associate of Applied Science degree in biomedical engineering technology. Certificates of Authority are granted for two-year periods. Institutions may be granted successive Certificates of Authority for a total of eight years. After eight years, absent sufficient cause, the institution must have obtained accreditation from an accrediting agency recognized by the Texas Higher Education Coordinating Board (Coordinating Board).

Medisend has applied for its fourth Certificate of Authority as the institution works toward accreditation by the Accrediting Council for Continuing Education and Training (ACCET), an accrediting agency recognized by the Coordinating Board. The Certificate of Authority would be Medisend's fourth Certificate of Authority, valid from April 2023 to April 2025.

A site evaluation was conducted with Medisend December 5-7, 2022. The site evaluation team consisted of George A. Williams, Jr., PhD (Team Chair), Vice President for Student Affairs, Our Lady of the Lake University - San Antonio; Jessica Fisher, Assistant Vice President for Finance, Texas Tech University Health Sciences Center El Paso, and Michael Fino, PhD, Dean, Mathematics and Sciences, MiraCosta College. Paul Shuler, PhD, represented the Coordinating Board staff.

The site evaluation team report indicates that at the time of the site visit, Medisend was in compliance with all Coordinating Board required standards.

The Coordinating Board's six-member Certification Advisory Council (CAC) reviewed the evaluation team's report and Medisend's response to the evaluation report at its February 2, 2023, (virtual) meeting. One member was unable to attend. The CAC members voted 5-0 to recommend approval of Medisend College's application for its fourth Certificate of Authority.

Coordinating Board rules state the Commissioner of Higher Education shall make his recommendation regarding a Certificate of Authority application to the Board independent of

the Certification Advisory Council's recommendation. The commissioner may make recommendations for additional conditions, restrictions, or reporting requirements for the time the institution is operating under a Certificate of Authority. On March 30, 2023, Commissioner Keller approved and concurred with the CAC's recommendation as stated.

Dr. Tina Jackson, Assistant Commissioner for Workforce Education, will present this item and be available to answer questions.

AGENDA ITEM X-E

Consideration and possible action to adopt the Certification Advisory Council, and the Commissioner's, recommendation related to a request from Texas School of Health Sciences for its first Certificate of Authority to grant degrees in Texas

RECOMMENDATION: Approval

Background Information:

Texas School of Health Sciences (TSHS), Weslaco, Texas, seeks approval for its first Certificate of Authority to award an Associate of Applied Science degree in nursing. Certificates of Authority are granted for two-year periods. Institutions may be granted successive Certificates of Authority for a total of eight years. After eight years, absent sufficient cause, the institution must have obtained accreditation from an accrediting agency recognized by the Coordinating Board. The Certificate of Authority would be TSHS's first Certificate of Authority, valid from April 2023 to April 2025.

A site evaluation was conducted with TSHS November 7-9, 2022. The site evaluation team consisted of A.J. Randolph, MBA (Team Chair), Senior Vice President for Health Systems Finance and COO, University of North Texas Health Science Center, Fort Worth, TX; Nina Almasy, DNP, Dean of Health Sciences, Austin Community College, Austin, TX; and Amy Wilson, MSN, RN, Director of ADN Programs including the LVN to RN Program, Collin College, McKinney, TX; Paul Shuler, PhD, represented the Coordinating Board staff.

The site evaluation team report indicated that at the time of the site visit, TSHS was in compliance with 17 of the Coordinating Board required standards. TSHS' response to the site team report addressed the 7 standards not met.

The Coordinating Board's six-member Certification Advisory Council (CAC) reviewed the evaluation team's report and TSHS's response to the evaluation report at its February 2, 2023, (virtual) meeting. One member was unable to attend. The CAC members voted 5-0 to recommend approval of TSHS's application for its first Certificate of Authority with two conditions of providing additional information. TSHS has replied to the CAC conditions with the additional information requested.

Coordinating Board rules state the Commissioner of Higher Education shall make his recommendation regarding a Certificate of Authority application to the Board independent of the Certification Advisory Council's recommendation. The commissioner may make recommendations for additional conditions, restrictions, or reporting requirements for the time the institution is operating under a Certificate of Authority. On March 30, 2023, Commissioner Keller approved and concurred with the CAC's recommendation as stated.

Dr. Tina Jackson, Assistant Commissioner for Workforce Education, will present this item and be available to answer questions.

AGENDA ITEM X-F

Consideration and possible action to approve the request to extend the current contract with The University of Texas at Austin for maintenance of the ApplyTexas System

RECOMMENDATION: Approval

Background Information:

ApplyTexas is a centralized web portal for prospective students from Texas and other states to apply for admission to Texas higher education institutions. ApplyTexas was codified for university applicants in 1997 by the 75th Texas Legislature (Texas Education Code, Sections 51.762 and 51.763). The purpose of the program is to allow students to complete one application and submit it to multiple institutions of higher education. In 2005, the 79th Texas Legislature amended the statutes to include junior college districts, public state colleges, and public technical institutes. The Texas Higher Education Coordinating Board (Coordinating Board) administers the ApplyTexas System in consultation with an advisory committee comprised of representatives of higher education institutions.

In 1997, the Coordinating Board contracted with The University of Texas at Austin (UT-Austin) to create and maintain the electronic ApplyTexas System. Under the guidance of the Coordinating Board and advisory committee, UT-Austin also developed and maintains a scholarship application and the Counselor Suite, which allows high school counselors to track admission application status and Free Application for Federal Student Aid submission status for their students. From 1997 to 2003, the Coordinating Board's contract with UT-Austin was renewed annually. Beginning in 2004, the contract was renewed and extended to a three-year contract. In 2013 it was renewed and extended to a four-year contract, to be renewed in the third year of the contract.

On July 1, 2021, ApplyTexas migrated to cloud-based environment, Amazon Web Services. Due to the transition, it was not possible to accurately project costs for the entirety of a multiyear contract, and UT-Austin ApplyTexas staff would need a full year to determine cost optimization. Therefore, staff amended and extended the ApplyTexas maintenance and operational contract with UT-Austin for an additional year, expiring August 31, 2023.

On September 26, 2022, the Coordinating Board issued a Request for Offers and selected Deloitte Consulting LLP to improve the user experience for students, counselors, and institutions, to create more efficient ways to receive and process application data, and to increase applications.

The approval of this request will allow UT-Austin to continue support maintenance and continuity of the ApplyTexas System. The cost for an additional one-year extension is up to \$1,150,000, bringing the total six-year cost of the contract to \$5,465,591. The contract is of

zero cost to the agency. The General Appropriations Act provides the Coordinating Board the authority to collect funds from participating institutions, each of which pays a portion of the cost based on its share of the previous fall term's certified enrollment. The Coordinating Board monitors the cost of the ApplyTexas System and notifies the institutions annually of their shares of the cost.

Molly Gully, Senior Director Advising Strategy, will present this item and be available to answer questions.

AGENDA ITEM X-G

Consideration and possible action to adopt the “Report on the Fiscal Year 2023 Annual Review of Low-Producing Programs”

RECOMMENDATION: Approval

Background Information:

The Texas Higher Education Coordinating Board (THECB) is authorized to make recommendations to close or consolidate low-producing degree programs (Texas Education Code, Chapter 61, Subchapter C, Section 61.0512 (f)). Recommendations to close or consolidate are made for nonexempt degree programs that have been on the annual list of low-producing degree programs for three or more consecutive reviews (Texas Administrative Code, Rule 4.290). The [list of low-producing degree programs](#) is available on the agency’s website. The recommendations are made to the governing board of a public system of higher education or, where a system does not exist, to the governing board of a public institution of higher education.

If the governing board of the system or institution does not accept the THECB recommendation, the system (or, where a system does not exist, the institution) must identify the programs recommended for consolidation or closure on its next Legislative Appropriations Request (LAR). In those situations, a system or institution should develop a plan for the degree program to achieve the minimum standard for the degree program or, if the standard is not attainable, the institution should provide a rationale describing the merits of continuing the degree program.

The THECB makes recommendations to the governing boards of systems and institutions for closure or consolidation of low-producing degree programs in odd-numbered years. This allows systems and institutions time to decide on appropriate action in the year before the submission of their LAR, which is done in even-numbered years.

The board approved a list of programs recommended for closure based on the Fiscal Year (FY) 2021 low-producing programs review at the April 2021 Board meeting and updated the list last April to reflect actions on programs and to include new programs without making additional recommendations. This year's review is based on FY 2022 data and includes new recommendations to close or consolidate programs that are low producing for three consecutive reviews. The list includes a definition of low-producing programs.

Elizabeth Mayer, Assistant Commissioner for Academic and Health Affairs, will present this item and be available to answer questions.

Report on the 2023 Annual Review of Low-Producing Programs

In 2013, the Texas Higher Education Coordinating Board (THECB) began issuing recommendations for closure or consolidation to institutions' governing boards for degree programs that have consistently produced low numbers of graduates. The THECB posts a list of these degree programs on its website (www.highered.texas.gov/LPP). The list includes degree programs identified as low producing, based on the annual Low-Producing Degree Program (LPP) review. The THECB also publishes an annual report of degree programs that have been on the list of low-producing programs for three or more consecutive years.

The rules for the annual review of graduates of degree programs from Texas public institutions of higher education are in Texas Administrative Code (TAC), Title 19, Chapter 4, Subchapter R, Rules 4.285-4.290. The rules are based on Texas Education Code, Chapter 61, Subchapter C, Section 61.0512 (f), which authorizes the THECB to make recommendations for consolidation or closure of degree programs.

The TAC defines the process THECB staff follow to determine which programs are low producing. In order for a degree program to be identified as low producing, the number of its graduates is, over a cumulative five-year period:

- fewer than 25 graduates for undergraduate degree programs;
- fewer than 15 graduates for master's degree programs; and
- fewer than 10 graduates for doctoral degree programs.

New degree programs are exempt from the low-producing review for the first five years of operation. The first review to determine whether a program is low producing is done in year eleven, as the first five years are exempt, and the LPP review requires five consecutive years of data regarding the number of program graduates.

Academic associate degree programs are exempted from LPP review because they are intended to give students a pathway from two-year institutions into baccalaureate programs.

The number of graduates of applied associate degree programs and corresponding career technical certificate programs are combined by program CIP code for LPP purposes. Certificate programs are not affected by THECB recommendations based on the LPP review of applied associate degree programs.

Master's degree programs that lead directly to a doctoral degree are exempted from LPP review. These degrees are available to students who initially pursue a doctoral degree but are unable to meet doctoral degree requirements.

The 2023 Annual Review of Low-Producing Degree Programs

The 2023 report of the low-producing degree programs review includes graduates of programs from Academic Year (AY) 2016 through AY 2022. Approximately 5,500 degree programs were reviewed, and 203 degree programs were identified as low-producing.

Of the 203 programs identified as low-producing, 123 programs have been low producing for three or more consecutive reviews. The 2022 report identified about the same number of programs, 126 programs, as low producing for three or more consecutive reviews. Of those degree programs, 6 were closed or consolidated at the request of their institution during the following year, and 19 increased the number of graduates and were no longer low producing.

LPP Action	2019 Review	2020 Review	2021 Review	2022 Review	2023 Review
Review of three 5-year periods	AY 12-18	AY 13-19	AY 14-20	AY 15-21	AY 16-22
Total LPP	182	196	194	195	203
LPP three years in a row	99	113	121	126	123
Sufficient graduates the following year to not be LPP	16	10	16	19	NA*
Closed or consolidated the following year	7	12	8	6	NA*
Recommended for close-out #	97	76	120	97	123
Percent of Programs reported on LAR	51%		78%		

* NA, not available at this time: number of programs closing or consolidating in response to the AY 2023 review, programs with increased numbers of graduates the following year, and percentage of programs reported on LAR in response to the AY 2023 review.

New recommendations are made only in odd-numbered review years. Recommendations in even-numbered review years are carried forward from the previous year.

Actions Following the Low-Producing Degree Program Review

THECB staff alerts an institution's governing board each year when a degree program has not met the minimum standard of graduates for three consecutive years, i.e., when it was low producing for three consecutive years of review. Notification to governing boards is sent following the April board meeting of the THECB.

The THECB is authorized to make recommendations to close or consolidate low-producing degree programs. Recommendations to close or consolidate are made for non-exempt degree programs that have been on the annual list of low-producing degree programs for three or more consecutive reviews. The recommendations are made to the governing board of a public system of higher education, or to the governing board of a public institution of higher education where a system does not exist.

The THECB makes recommendations to systems' and institutions' governing boards for closure or consolidation of low-producing degree programs in **odd-numbered years**. This allows systems and institutions ample time to decide on appropriate action, in the year prior to the submission of their Legislative Appropriation Request (LAR), which is done in **even-numbered years**.

In response to the THECB's recommendation, the system (or the institution, where a system does not exist), may close a low-producing program, consolidated the program with one or more other programs, or may retain the program. Staff welcomes working with institution representatives on questions regarding graduate count, related issues regarding the history of program changes, and data reporting.

Recommendations to Close or Consolidate Low-Producing Degree Programs

The list of low-producing degree programs includes programs that had been recommended for closure or consolidation in AY 2019 and AY 2021 but have not been closed or consolidated and have not sufficiently increased the number of graduates. The list of low-producing programs on the 2019 report was approved by the Board of the THECB at its April 2019 meeting, and the list on the 2021 report was approved by the Board of the THECB at its April 2021 meeting. This year's 2023 report includes additional programs with new recommendations to close and consolidate.

The low-producing programs that were recommended to be closed or consolidated in the 2019 and 2021 reports and those that are newly recommended with this 2023 report are identified on the list for this report. If LPP programs are not closed or consolidated, institutions must list their identified programs in the LAR for the 2026-27 biennium, in calendar year 2022. Institutions listed 78% of programs that qualified to be reported on the 2022 LAR for the 2024-25 biennium. This low reporting may be partially attributed to the relative newness of the reporting requirement and because some programs that had been listed on the previous LAR were not re-listed, even though the programs are still active, low producing, and remain recommended for consolidation or closure.

Low-Producing Programs Identified for Three or More Consecutive Years			Review Year			Recommendation For Action	
Academic Year 2023 Review			AY 21	AY 22	AY 23		
Institution	Program		Graduates Over Five Year Periods			First Year	2024-25 LAR¹
Non-System - Community and Technical Colleges							
Angelina College	Diagnostic Medical Sonography/Sonographer and Ultrasound Technician	AAS	21	18	21	2019	NR
Blinn College District	Surgical Technology/Technologist	AAS	12	16	19	2023	--
Central Texas College	Computer Engineering Technologies/Technicians	AAS	16	8	8	2023	--
Grayson College	Air Transportation	AAS	0	0	0	2023	--
Hill College	Heavy/Industrial Equipment Maintenance Technologies/Technicians	AAS	12	21	22	2017	NR
Kilgore College	Surgical Technology/Technologist	AAS	21	13	1	2023	--
Lee College	Criminal Justice and Corrections, General	AAS	17	12	11	2017	NR
Navarro College	Design and Applied Arts	AAS	22	14	6	2023	--
Northeast Texas Community College	Dental Support Services and Allied Professions	AAS	0	0	0	2023	--

¹ Biennium for which the low-producing program had to be identified on a system's or institution's Legislative Appropriation Request (LAR), accessed at <http://www.lbb.state.tx.us/>. "✓" means the program was reported on the LAR; "NR" means the program was not reported; "--" means that reporting was not required. If not closed, consolidated, or improved, all programs recommended for closure or consolidation must be identified on the next LAR, for the 2026-27 biennium.

Low-Producing Programs Identified for Three or More Consecutive Years			Review Year			Recommendation For Action	
Academic Year 2023 Review			AY 21	AY 22	AY 23		
Institution	Program		Graduates Over Five Year Periods			First Year	2024-25 LAR
Non-System - Community and Technical Colleges							
Paris Junior College	Electrical/Electronic Engineering Technologies/Technicians	AAS	22	10	1	2023	--
Paris Junior College	Business Administration, Management and Operations	AAS	19	19	18	2023	--
Paris Junior College	Business Operations Support and Assistant Services	AAS	19	11	10	2023	--
Tarrant County College District	Computer Engineering Technologies/Technicians	AAS	0	0	0	2023	--
Temple College	Computer and Information Sciences, General	AAS	23	16	16	2023	--
Temple College	Biology/Biotechnology Technologies/Technicians	AAS	5	3	2	2021	NR
Texarkana College	Marketing	AAS	0	0	0	2017	NR
Trinity Valley Community College	Fire Protection	AAS	24	24	20	2023	--
Alamo Community College District							
Alamo Community College District - Northwest Vista College	Health and Medical Administrative Services	AAS	16	16	23	2021	NR
Howard County Junior College District							
Howard College-Southwest Collegiate Institute for the Deaf	American Sign Language	AAS	18	13	10	2021	NR

Low-Producing Programs Identified for Three or More Consecutive Years				Review Year			Recommendation For Action	
Academic Year 2023 Review				AY 21	AY 22	AY 23		
Institution	Program		Graduates Over Five Year Periods			First Year	2024-25 LAR	
Non-System - Universities								
Stephen F. Austin State University	Forestry	PHD	6	3	5	2017	✓	
Stephen F. Austin State University	Art Education	MA	3	2	3	2023	--	
Stephen F. Austin State University	Philosophy	BA	9	9	8	2019	✓	
Stephen F. Austin State University	Public Administration	BA BS	16	16	18	2021	✓	
Stephen F. Austin State University	Economics	BA	7	7	6	2017	✓	
Texas Southern University	Spanish	BA	16	15	13	2017	NR	
Texas Southern University	Mathematics	MS	0	0	7	2021	NR	
Texas Southern University	Chemistry	MS	13	12	13	2023	--	
Texas Southern University	Nutritional Sciences and Dietetics	BS	10	4	2	2023	--	
Texas A&M University System								
Prairie View A&M University	Clinical Adolescent Psychology	PHD	5	5	9	2017	✓	
Tarleton State University	Performance	BM	13	16	17	2023	--	
Texas A&M University	Agricultural Economics	MAGR	0	0	0	2023	--	
Texas A&M University	Veterinary Public Health-Epidemiology	MS	11	13	13	2023	--	
Texas A&M University	Applied Physics	PHD	9	7	8	2023	--	
Texas A&M University-Central Texas	Political Science	MA	9	5	5	2023	--	
Texas A&M University-Commerce	Political Science	MA MS	14	12	7	2023	--	

Low-Producing Programs Identified for Three or More Consecutive Years					Review Year			Recommendation For Action	
Academic Year 2023 Review					AY 21	AY 22	AY 23		
Institution	Program				Graduates Over Five Year Periods			First Year	2024-25 LAR
Texas A&M University System									
Texas A&M University-Corpus Christi	Early Childhood Education	MS	10	10	8	2021	✓		
Texas A&M University-Kingsville	Spanish	BA	12	15	16	2021	✓		
Texas A&M University-Kingsville	Applied Arts and Sciences	BAAS	19	16	16	2023	--		
Texas A&M University-Kingsville	General Business Administration	BBA	17	15	15	2021	✓		
Texas A&M University-Texarkana	School Counseling	MS	9	5	6	2021	NR		
Texas A&M University-Texarkana	History	MS	10	10	12	2021	✓		
West Texas A&M University	Social Sciences	BA BS	10	5	6	2023	--		
West Texas A&M University	Art	BA BS	23	24	24	2017	✓		
West Texas A&M University	Studio Art	MFA	12	12	10	2017	✓		
Texas State University System									
Lamar State College-Orange	Physical Therapist Assistant	AAS	0	0	0	2023	--		
Lamar University	Environmental Studies	MS	5	4	5	2017	✓		
Lamar University	Advertising	BBA	10	11	7	2017	✓		
Lamar University	Biochemistry	BA	11	13	16	2019	✓		

Low-Producing Programs Identified for Three or More Consecutive Years				Review Year			Recommendation For Action	
Academic Year 2023 Review				AY 21	AY 22	AY 23		
Institution	Program			Graduates Over Five Year Periods			First Year	2024-25 LAR
Texas State University System								
Lamar University	Forensic Chemistry	BS	6	9	8	2019	✓	
Lamar University	Earth Science/Geology	BS	22	18	23	2023	--	
Lamar University	Music-Music Business	BA	0	0	0	2019	✓	
Lamar University	Retail Merchandising	BBA	3	2	3	2017	✓	
Lamar University	History	MA	14	13	11	2017	✓	
Sam Houston State University	Family and Consumer Sciences	MS	5	2	0	2017	NR	
Sam Houston State University	Food Service Management	BA BS	22	19	17	2023	--	
Sam Houston State University	Composite Science	BS	1	4	4	2017	✓	
Sul Ross State University	Industrial Technology	BS	7	13	14	2017	✓	
Sul Ross State University	Spanish	BA	4	5	5	2017	✓	
Sul Ross State University	English	BA	17	17	23	2021	✓	
Sul Ross State University	English	MA	10	5	5	2021	✓	
Sul Ross State University	Theatre	BFA	16	21	22	2017	✓	
Sul Ross State University	Liberal Arts	MA	11	11	8	2023	--	
Sul Ross State University	Mathematics	BS	10	9	9	2017	✓	
Sul Ross State University	Interdisciplinary Studies	BA	1	1	1	2023	--	

Low-Producing Programs Identified for Three or More Consecutive Years			Review Year			Recommendation For Action	
Academic Year 2023 Review			AY 21	AY 22	AY 23		
Institution	Program		Graduates Over Five Year Periods			First Year	2024-25 LAR
Texas State University System							
Sul Ross State University	Chemistry	BS	3	3	3	2017	✓
Sul Ross State University	Psychology	MA	0	0	0	2017	✓
Sul Ross State University	Social Science	BA	3	2	1	2017	✓
Sul Ross State University	Political Science	BA	7	6	7	2017	✓
Sul Ross State University	Political Science	MA	4	3	6	2017	✓
Sul Ross State University	Art	BFA	16	17	20	2017	✓
Sul Ross State University	Art	MA	3	2	3	2017	NR
Sul Ross State University	Music	BM	13	11	9	2017	✓
Sul Ross State University Rio Grande College	Reading	MED	7	8	8	2017	✓
Sul Ross State University Rio Grande College	Biology	BS	19	17	16	2019	✓
Sul Ross State University Rio Grande College	Mathematics	BS	14	17	20	2019	✓
Sul Ross State University Rio Grande College	Interdisciplinary Studies	BS	0	0	0	2023	--
Sul Ross State University Rio Grande College	Social Science	BA	11	13	9	2017	✓

Low-Producing Programs Identified for Three or More Consecutive Years					Review Year			Recommendation For Action	
Academic Year 2023 Review					AY 21	AY 22	AY 23		
Institution	Program		Graduates Over Five Year Periods			First Year	2024-25 LAR		
Texas Tech University System									
Angelo State University	Food Animal Science and Marketing	BS	13	12	13	2023	--		
Midwestern State University	Humanities	BA	10	8	7	2019	✓		
Midwestern State University	Global Studies	BA	20	18	19	2019	✓		
Texas Tech University	Land Use Planning, Management, and Design	PHD	5	3	4	2017	✓		
Texas Tech University	Instructional Technology	EDD	7	9	6	2023	--		
Texas Tech University	Language/Literacy Education	MED	0	0	1	2021	✓		
Texas Tech University	Multidisciplinary Science	BS	19	16	15	2021	✓		
Texas Tech University	Interdisciplinary Arts Studies	BA	5	10	14	2019	NR		
Texas Woman's University System									
Texas Woman's University	School Counseling	MED	0	0	0	2023	--		
Texas Woman's University	Political Science	MA	8	7	8	2023	--		
The University of Texas System									
The University of Texas at Arlington	Public Policy	MPP	10	9	7	2023	--		
The University of Texas at Arlington	Medical Technology	BS	24	23	24	2023	--		

Low-Producing Programs Identified for Three or More Consecutive Years					Review Year			Recommendation For Action	
Academic Year 2023 Review					AY 21	AY 22	AY 23		
Institution	Program				Graduates Over Five Year Periods			First Year	2024-25 LAR
The University of Texas System									
The University of Texas at Austin	Architectural History	MA	2	4	2	2017	✓		
The University of Texas at Austin	European Studies	BA	18	15	15	2021	✓		
The University of Texas at Austin	Italian Studies	BA	12	11	12	2017	✓		
The University of Texas at Austin	Italian Studies	PHD	8	7	5	2023	--		
The University of Texas at Austin	Portuguese	BA	8	4	2	2021	✓		
The University of Texas at Austin	Jewish Studies	BA	5	6	5	2017	✓		
The University of Texas at Austin	Dance	MFA	3	3	6	2017	✓		
The University of Texas at Austin	Composition	BM	9	11	10	2017	✓		
The University of Texas at Austin	Jazz	BM	22	22	23	2017	✓		
The University of Texas at Austin	International Business	BBA	0	0	0	2021	✓		
The University of Texas at Dallas	American Studies	BA	22	16	13	2023	--		
The University of Texas at Dallas	Latin American Studies	MA	4	3	3	2023	--		
The University of Texas at El Paso	Engineering	MS	9	10	7	2023	--		
The University of Texas at El Paso	French	BA	21	14	10	2023	--		
The University of Texas at El Paso	Interdisciplinary Studies	MAIS	13	14	12	2023	--		
The University of Texas at El Paso	Philosophy	MA	11	13	13	2023	--		
The University of Texas at El Paso	Geophysics	BS	1	0	2	2017	NR		

Low-Producing Programs Identified for Three or More Consecutive Years			Review Year			Recommendation For Action	
Academic Year 2023 Review			AY 21	AY 22	AY 23		
Institution	Program		Graduates Over Five Year Periods			First Year	2024-25 LAR
The University of Texas System							
The University of Texas at El Paso	Clinical Psychology	MA	12	11	13	2023	--
The University of Texas at San Antonio	Mathematics Education	MS	13	12	11	2023	--
The University of Texas at San Antonio	Art History	MA	9	7	5	2021	✓
The University of Texas Health Science Center at San Antonio	Dental Hygiene	MS	11	10	10	2023	--
The University of Texas Health Science Center at San Antonio	Medical Health Physics	MS	1	2	2	2019	✓
The University of Texas M.D. Anderson Cancer Center	Cytotechnology	BS	10	10	19	2021	✓
The University of Texas Medical Branch at Galveston	Clinical Science	PHD	3	3	3	2021	✓
The University of Texas Medical Branch at Galveston	Population Health Sciences	MS	1	0	0	2021	NR
The University of Texas Permian Basin	Information Systems	BS	22	23	19	2017	✓

Low-Producing Programs Identified for Three or More Consecutive Years						Review Year			Recommendation For Action	
Academic Year 2023 Review						AY 21	AY 22	AY 23		
Institution	Program					Graduates Over Five Year Periods			First Year	2024-25 LAR
The University of Texas System										
The University of Texas Permian Basin	Spanish	MA	2	6	11	2021	✓			
The University of Texas Permian Basin	Biology	MS	7	7	11	2019	✓			
The University of Texas Permian Basin	Criminal Justice Administration	MS	7	7	13	2021	✓			
The University of Texas Permian Basin	Athletic Training	BS	16	18	17	2021	NR			
The University of Texas Permian Basin	History	MA	8	10	11	2021	✓			
University of Houston System										
University of Houston	Architectural Studies	MA	6	5	5	2023	--			
University of Houston	Engineering Management	MEMGMT	0	6	14	2017	NR			
University of North Texas System										
University of North Texas	English as a Second Language	MA	6	7	7	2023	--			

AGENDA ITEM X-H

Consideration and possible action to appoint members to the ApplyTexas Advisory Committee

RECOMMENDATION: Approval

Background Information

Texas Higher Education Coordinating Board (THECB) staff request appointment of a new member to the ApplyTexas Advisory Committee (ATAC). In accordance with Texas Administrative Code, Title 19, Chapter 1, Subchapter F, Rule 1.128, the ATAC provides the board of the THECB with advice and recommendations regarding the common admission applications and the ApplyTexas System.

The ATAC is composed of individuals representing two- and four-year institutions, both public and private. The committee discusses and votes on changes that may be needed to the state common admission applications for the upcoming academic year. The committee also focuses on additional initiatives to strengthen student participation in and access to higher education. This committee may meet up to four times annually as needed to recommend appropriate changes to the common admission applications and the ApplyTexas System.

Members serve two-year staggered terms. Membership positions are selected from institutions' nominations, considering the type of institution, geographic location, as well as gender composition and college admission experience.

Nominee's current position and highest degree awarded:

Tammy Adams, Associate Vice President of Enrollment/University Registrar,
Texas A&M University-San Antonio
EdD in educational leadership, National American University

Molly Gully, Senior Director Advising Strategy, will be available to answer questions.

AGENDA ITEM X-I

Consideration and possible action to approve receipt of Fiscal Year 2023 Carl D. Perkins Community and Technical Colleges Consolidated Grant of \$41.57 million, which includes a midyear reallocation of \$8.28 million

RECOMMENDATION: Approval

Background Information:

Texas Administrative Code 1.16(b) requires that the board of the Texas Higher Education Coordinating Board (THECB) approve any agreement over \$5 million, inclusive of all amendments.

The Texas Education Agency (TEA) is the designated eligible agency for the state of Texas for receipt of the annual federal allocation of Carl D. Perkins funding under the Strengthening Career and Technical Education for the 21st Century Act of 2019 (Perkins V). TEA is responsible for state administration of Perkins V funds as set forth in Title I, Part B, Section 121(a) of the act.

Title I, Part B, Sec. 121 requires TEA, as the eligible agency, to make in-state allocations of Perkins V funds. The State Board of Education allocates 30% of the state's annual Perkins V allocation to the THECB for administration of postsecondary career and technical funds as permitted under Title I, Part B, Sec. 121(b) of the act.

For state Fiscal Year 2022-2023 under the Carl D. Perkins Community and Technical Colleges Consolidated Grant program, TEA has allocated \$41.57 million to THECB. The amount includes an initial allocation of \$33.29 million and a mid-year reallocation of \$8.28 million of unused state Fiscal Year 2021-2022 Perkins V funds. TEA makes postsecondary funds available to THECB through a grant application process for the initial allocation and mid-year reallocation.

The initial allocation of \$33.29 million is allocated to THECB under into three categories;

AGENDA ITEM X-I

Purpose	Amount
Formula (Basic) Grant for noncompetitive distribution to public, two-year colleges consistent with the formula set forth in Title I, Part C, Sec. 132(2) to support postsecondary career and technical education	\$31,401,950
Administration Grant for THECB's administration of postsecondary Perkins funds	\$1,847,173
Nontraditional Grant for activities supporting entry into fields for which individuals of one gender comprise less than 25% of the workforce consistent with Title I, Part B, Sec. 121(a)(1)	\$45,000
Total	\$33,294,123

The \$8.28 million midyear reallocation adds to the \$31.4 million made available for formula distribution to public, two-year colleges for a total Fiscal Year 2022-2023 Perkins V Consolidated allocation of \$41.57 million. Redistribution of the previous year's Perkins funds is required under Title I, Part C, Sec. 133(b)(2) of the act.

Formula funds distributed to colleges must:

1) provide career exploration and career development activities through an organized, systematic framework designed to aid students, including in the middle grades, before enrolling and while participating in a career and technical education program, in making informed plans and decisions about future education and career opportunities and programs of study;

2) provide professional development for teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals;

3) provide, within career and technical education, the skills necessary to pursue careers in high-skill, high-wage, or in-demand industry sectors or occupations;

4) support integration of academic skills into career and technical education programs and programs of study;

5) plan and carry out elements that support the implementation of career and technical education programs and programs of study and that result in increasing student achievement of the local levels of performance established under section 113 of the act; and

6) develop and implement evaluations of the activities carried out with funds awarded, including evaluations necessary to complete the comprehensive needs assessment required under section 134 of the act and the local report required under section 113 of the act.

AGENDA ITEM X-I

Additionally, Basic Grants funding must address the goals of the approved Perkins State Plan and the requirements of Public Law 115-224, Title I, Career and Technical Education Assistance to the States.

Dr. Tina Jackson, Assistant Commissioner for Workforce Education, will present this item and be available to answer questions.

The Carl D. Perkins Career and Technical Education Act of 2006, as amended by the Strengthening Career and Technical Education for the 21st Century Act of 2019 (Perkins V), requires the U.S. Secretary of Education to allocate Perkins V funds to each state's eligible agency (Title 1, Part A, Section 111.)

The Texas Education Agency (TEA) is the designated eligible agency for the state of Texas. Title 1, Part B, Sec. 121(a) of the act states that TEA is responsible for state administration of Perkins V funds, including:

1. coordination of the development, submission, and implementation of the State plan, and the evaluation of the program, services, and activities assisted under this title, including preparation for non-traditional fields;
2. consultation with the Governor and appropriate agencies, groups, and individuals including teachers, faculty, specialized instructional support personnel, paraprofessionals, school leaders, authorized public chartering agencies and charter school leaders (consistent with State law), employers, representatives of business (including small businesses), labor organizations, eligible recipients, local program administrators, State and local officials, Indian Tribes or Tribal organizations present in the State, parents, students, and community organizations;
3. convening and meeting as an eligible agency (consistent with State law and procedure for the conduct of such meetings) at such time as the eligible agency determines necessary to carry out the eligible agency's responsibilities under this title, but not less than 4 times annually; and
4. the adoption of such procedures as the eligible agency considers necessary to--
 - a. implement State level coordination with the activities undertaken by the State boards under section 101 of the Workforce Innovation and Opportunity Act; and
 - b. make available to the one-stop delivery system under section 121 of the Workforce Innovation and Opportunity Act within the State a listing of all school dropout, postsecondary education, and adult programs assisted under this title.

Title I, Part B, Sec. 121(b) provides that TEA may delegate other responsibilities that involve the administration, operation, or supervision of Title I activities to one or more appropriate state agencies. Under this provision, the State Board of Education allocates 30% of the state's annual Perkins V allocation to the Texas Higher Education Coordinating Board (THECB) for administration of postsecondary career and technical funds.

Title I, Part B, Sec. 121 requires TEA, as the eligible agency, to make in-state allocations of Perkins V funds. For state Fiscal Year 2022-2023 under the Carl D. Perkins Community and Technical Colleges Consolidated Grant program, TEA has allocated \$41.57 million to THECB. The amount includes an initial allocation of \$33.29 million and a midyear reallocation of \$8.28 million of unused state Fiscal Year 2021-2022 Perkins V funds. TEA makes postsecondary funds available to THECB through a grant application process for the initial allocation and a requested amendment for the midyear reallocation.

The initial allocation of \$33.29 million is allocated under into three categories;

Purpose	Amount
Formula (Basic) Grant for noncompetitive distribution to public, two-year colleges consistent with the formula set forth in Title I, Part C, Sec. 132(2) to support postsecondary career and technical education	\$31,401,950
Administration Grant for THECB's administration of postsecondary Perkins funds	\$1,847,173
Nontraditional Grant for activities supporting entry into fields for which individuals of one gender comprise less than 25% of the workforce consistent with Title I, Part B, Sec. 121(a)(1)	\$45,000
Total	\$33,294,123

The \$8.28 million midyear reallocation adds to the \$31.4 million made available for formula distributions for a total award of \$41.57 million. Redistribution of the previous year's Perkins funds is required under Title I, Part C, Sec. 133(b)(2) of the act.

AGENDA ITEM X-J

Consideration and possible action to approve receipt of Fiscal Year 2024 Carl D. Perkins Community and Technical Colleges Consolidated Grant funds not to exceed \$40 million and receipt of Fiscal Year 2024 Carl D. Perkins State Leadership Grant funds not to exceed \$5 million

RECOMMENDATION: Approval

Background Information:

Texas Administrative Code 1.16(b) requires that the board of the Texas Higher Education Board (THECB) to approve any agreement over \$5 million, inclusive of all amendments.

The Texas Education Agency (TEA) is the designated eligible agency for the state of Texas for receipt of the annual federal allocation of Carl D. Perkins under the Strengthening Career and Technical Education for the 21st Century Act of 2019 (Perkins V). TEA is responsible for state administration of Perkins V funds as set forth in Title I, Part B, Section 121(a) of the act.

The State Board of Education allocates 30% of the state's annual federal Perkins V allocation to the THECB for administration of postsecondary career and technical funds as permitted under Title I, Part B, Sec. 121(b) of the act. The state Perkins V allocation is administered by the Texas Education Agency (TEA).

It is anticipated the TEA will make state Fiscal Year 2023-2024 funds available to the THECB through TEA's annual Carl D. Perkins Community and Technical Colleges Consolidated Grant program and Carl D. Perkins Community and Technical Colleges Leadership Grant. Staff anticipate that TEA will make state Fiscal Year 2023-2024 Consolidated Grant funds available in an amount up to but not exceeding \$40 million and Leadership Grant funds in an amount up to but not exceeding \$5 million.

TEA allocates the Carl D. Perkins Community and Technical Colleges Consolidated Grant program for one year under three categories:

- 1) The Formula (Basic) Grant for noncompetitive distribution to public, two-year colleges consistent with the formula set forth in Title I, Part C, Sec. 132(2) to support postsecondary career and technical education
- 2) The Administration Grant for THECB's administration of postsecondary Perkins funds
- 3) The Nontraditional Grant for activities supporting entry into fields for which individuals of one gender comprise less than 25% of the workforce consistent with Title I, Part B, Sec. 121(a)(1)

AGENDA ITEM X-J

The annual Carl D. Perkins Community and Technical Colleges Leadership Grant is allocated for two years.

Title I, Part B, Sec. 112(a) sets forth allowable percentage caps for each allocation category:

Not more than	Allocation Breakout
85%	Formula (Basic) Grant for noncompetitive distribution to public, two-year colleges consistent with the formula set forth in Title I, Part C, Sec. 132(2) to support postsecondary career and technical education
5%	Administration Grant for THECB's administration of postsecondary Perkins funds
10%	Leadership Grant for state leadership activities to improve career and technical education
	Nontraditional Grant for activities supporting entry into fields for which individuals of one gender comprise less than 25% of the workforce consistent with Title I, Part B, Sec. 121(a)(1)

Dr. Tina Jackson, Assistant Commissioner for Workforce Education, will present this item and be available to answer questions.

The Carl D. Perkins Career and Technical Education Act of 2006, as amended by the Strengthening Career and Technical Education for the 21st Century Act of 2019 (Perkins V), requires the U.S. Secretary of Education to allocate Perkins V funds to each state's eligible agency (Title 1, Part A, Section 111 of the act).

The Texas Education Agency (TEA) is the designated eligible agency for the state of Texas. Title 1, Part B, Sec. 121(a) of the act states that TEA is responsible for state administration of Perkins V funds, including:

1. coordination of the development, submission, and implementation of the State plan, and the evaluation of the program, services, and activities assisted under this title, including preparation for non-traditional fields;
2. consultation with the Governor and appropriate agencies, groups, and individuals including teachers, faculty, specialized instructional support personnel, paraprofessionals, school leaders, authorized public chartering agencies and charter school leaders (consistent with State law), employers, representatives of business (including small businesses), labor organizations, eligible recipients, local program administrators, State and local officials, Indian Tribes or Tribal organizations present in the State, parents, students, and community organizations;
3. convening and meeting as an eligible agency (consistent with State law and procedure for the conduct of such meetings) at such time as the eligible agency determines necessary to carry out the eligible agency's responsibilities under this title, but not less than 4 times annually; and
4. the adoption of such procedures as the eligible agency considers necessary to--
 - a. implement State level coordination with the activities undertaken by the State boards under section 101 of the Workforce Innovation and Opportunity Act; and
 - b. make available to the one-stop delivery system under section 121 of the Workforce Innovation and Opportunity Act within the State a listing of all school dropout, postsecondary education, and adult programs assisted under this title.

Title I, Part B, Sec. 121(b) provides that TEA may delegate other responsibilities that involve the administration, operation, or supervision of Title I activities to one or more appropriate state agencies. Under this provision, the State Board of Education allocates 30% of the state's annual Perkins V allocation to the Texas Higher Education Coordinating Board (THECB) for administration of postsecondary career and technical funds.

TEA makes postsecondary funds available annually to THECB through the Carl D. Perkins Community and Technical Colleges Consolidated Grant program and the Carl D. Perkins Community and Technical Colleges Leadership Grant program. Staff anticipate that TEA will make state Fiscal Year 2023-2024 Consolidated Grant funds available in an amount up to but not exceeding \$40 million and Leadership Grant funds in an amount up to but not exceeding \$5 million.

The Consolidated Grant is allocated for one year under three categories:

- 1) The Formula (Basic) Grant for noncompetitive distribution to public, two-year colleges consistent with the formula set forth in Title I, Part C, Sec. 132(2) to support postsecondary career and technical education
- 2) The Administration Grant for THECB's administration of postsecondary Perkins funds
- 3) The Nontraditional Grant for activities supporting entry into fields for which individuals of one gender comprise less than 25% of the workforce consistent with Title I, Part B, Sec. 121(a)(1)

The annual Leadership Grant is allocated for two years.

Title I, Part B, Sec. 112(a) sets forth allowable percentage caps for each allocation category:

Not more than	Allocation Breakout
85%	Formula (Basic) Grant for noncompetitive distribution to public, two-year colleges consistent with the formula set forth in Title I, Part C, Sec. 132(2) to support postsecondary career and technical education
5%	Administration Grant for THECB's administration of postsecondary Perkins funds
10%	Leadership Grant for state leadership activities to improve career and technical education
	Nontraditional Grant for activities supporting entry into fields for which individuals of one gender comprise less than 25% of the workforce consistent with Title I, Part B, Sec. 121(a)(1)

THECB distributes postsecondary noncompetitive formula funds to colleges for the following required uses:

- 1) Provide career exploration and career development activities through an organized, systematic framework designed to aid students, including in the middle grades, before enrolling and while participating in a career and technical education program, in making informed plans and decisions about future education and career opportunities and programs of study
- 2) Provide professional development for teachers, faculty, school leaders, administrators, specialized instructional support personnel, career guidance and academic counselors, or paraprofessionals
- 3) Provide within career and technical education the skills necessary to pursue careers in high-skill, high-wage, or in-demand industry sectors or occupations
- 4) Support integration of academic skills into career and technical education programs and programs of study

- 5) Plan and carry out elements that support the implementation of career and technical education programs and programs of study and that result in increasing student achievement of the local levels of performance
- 6) Plan and carry out elements that support the implementation of career and technical education programs and programs of study and that result in increasing student achievement of the local levels of performance

THECB adds the state requirement that colleges demonstrate in their local applications how they support Goal 1 of the *Building a Talent Strong Texas* plan, supporting attainment of postsecondary credentials.

Administration funds are deployed for the following purposes as they support THECB's workforce education activities:

- 1) Salaries
- 2) Fringe benefits
- 3) Professional fees and services
- 4) Supplies
- 5) In-state and out-of-state travel
- 6) Other operating expenses

Postsecondary Leadership funds support two competitive grant programs:

- 1) General Perkins State Leadership Grant Program, supporting projects awarded under three competition categories:
 - a. Advancing Building a Talent Strong Texas through Postsecondary Credentials of Value
 - b. Field-Based Innovation, including the Nontraditional Grant
 - c. Funding for one-year continuation of existing Perkins Leadership Grants
- 2) Carl D. Perkins Equitable Access and Opportunity Program (PEAOP), addressing the Perkins V emphasis on the success of career and technical education students who belong to Perkins V's nine special populations categories:
 1. Individuals with disabilities
 2. Individuals from economically disadvantaged families, including low-income youth and adults
 3. Individuals preparing for nontraditional fields
 4. Single parents, including single pregnant women
 5. Out-of-workforce individuals
 6. English learners
 7. Homeless individuals described in Section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C 11434a)
 8. Youth who are in, or have aged out of, the foster care system
 9. Youth with a parent who:

- i. is a member of the armed forces (as such term is defined in section 101(a)(4) of title 10, United States Code); and
- ii. is on active duty (as such term is defined in section 101(d)(1) of such title)

The PEAOP competition follows the Texas Evidence-Based Grant-Making Model, developed through participation in the Results for America State and Local Workforce Fellowship, a project led by the Texas Workforce Innovation Council.

AGENDA ITEM X-K

Consideration and possible action to adopt the report to the Legislature regarding reporting of sexual harassment at institutions of higher education, per Texas Education Code, Chapter 51, Subchapters E-2 and E-3

RECOMMENDATION: Approval

Background Information:

The 86th Texas Legislature recognized the need for accurate reporting of certain incidents of sexual harassment, sexual assault, dating violence, or stalking at public and private or independent institutions of higher education through its passage of Senate Bill 212 and House Bill 1735, codified as Texas Education Code, Chapter 51, Subchapters E-2 and E-3. The two subchapters require institutions to submit reports and certify information to the Texas Higher Education Coordinating Board (THECB).

Senate Bill 212, codified as TEC, Chapter 51, Subchapter E-2, requires an employee of a public or private/independent institution of higher education who witnesses or is told about an incident involving sexual harassment, sexual assault, dating violence, or stalking alleged to have been committed by or against a person who was a student enrolled at or an employee of the institution at the time of the incident to report such incidents to the institution's Title IX coordinator. Subchapter E-2 requires the chief executive officers of postsecondary educational institutions to annually certify to the THECB that their institution is in substantial compliance with the subchapter.

House Bill 1735, codified as TEC, Chapter 51, Subchapter E-3, requires institutions to develop a policy on sexual harassment, sexual assault, dating violence, and stalking; allows for electronic reporting of sexual misconduct; provides amnesty for good faith reports; allows victims to request no investigation; provides a disciplinary process for sexual misconduct; addresses student withdrawal or graduation pending disciplinary charges and requests for information from another postsecondary educational institution; requires trauma-informed investigation training; requires at least one memorandum of understanding with local law enforcement, a sexual misconduct advocacy group, or a hospital or medical provider; provides for designation of confidential employees and student advocates; sets confidentiality protections; allows the THECB to assess an administrative penalty for institutional noncompliance; and requires equal access to persons with disabilities.

Subchapters E-2 and E-3 also require the THECB to annually submit to the governor, the lieutenant governor, the speaker of the House of Representatives, and the standing legislative committees with primary jurisdiction over legislation concerning sexual assault at postsecondary educational institutions a report regarding compliance with both subchapters,

AGENDA ITEM X-K

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including a summary of the postsecondary educational institutions found not to be in substantial compliance and any penalties assessed during the calendar year preceding the date of the report.

The report on compliance with Subchapters E-2 and E-3 includes the summary results of compliance monitoring for Academic Year 2021-2022.

Jerel Booker, Assistant Deputy Commissioner for Academic Affairs, will present this item and be available for questions. Mark Poehl, Assistant Commissioner for Internal Audit and Compliance, will also be available for questions.

AGENDA ITEM X-L (1)

Consideration and possible action to approve the request from the University of Houston for a Doctor of Philosophy (PhD) with a major in computer engineering

RECOMMENDATION: Approval, beginning fall 2023

Background Information:

The University of Houston (UH) is seeking approval to offer a Doctor of Philosophy (PhD) in computer engineering. The proposed program would be primarily face-to-face in Houston, Texas. The proposed PhD would require 72 semester credit hours (SCHs) for students entering with a bachelor's degree, and 54 SCHs for students entering with a master's degree.

The categories of computer hardware engineer and computer software engineer were used to evaluate the job outlook for the computer engineering profession. In May 2021, the Bureau of Labor Statistics ranked Texas as the state with the 4th highest employment rate of computer engineers. The Texas Workforce Commission anticipates the state demand for computer hardware engineers to grow 14% from 2020-2030, while the demand for computer software engineers is predicted to grow 36%. Currently, there are four institutions (private and public) in Texas that offer PhD programs in computer engineering with the CIP code 14.0901.00.

The proposed program is a fast-growing discipline that encompasses all areas of computer systems research, development, design, and operation, including both hardware and software components. The curriculum is designed to provide students with an opportunity to obtain rigorous training comparable to other high-quality programs by providing core courses in the computer engineering curriculum and rigorous research experiences.

UH does not anticipate any new hires in the first five years of the proposed program. There is no formal ABET accreditation for graduate engineering programs in the U.S. UH participates in the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) accreditation, and UH anticipates that the proposed program will comply with SACSCOC accreditation standards. The related/supporting Bachelor of Science in computer engineering program at UH is accredited by ABET.

University of Houston (Accountability Peer Group: *Emerging Research*)

<i>Completion Measures</i>		<i>Institution</i>	<i>State</i>
<i>Graduate</i>	Master's 5-Year Graduation Rate	89.8%	77.7%
	Doctoral 10-Year Graduation Rate	77.2%	66.1%
<i>Status of Recently Approved Doctoral Programs</i>	The institution has met its projected enrollments for all new doctoral program(s) approved in the last five years: Yes <u>No</u> N/A		
	Recently Approved Doctoral Programs: <ul style="list-style-type: none"> • Medicine (MD, 2018) • Communication Disorders and Sciences (PhD, 2018) • Nursing Practice (DNP, 2021) • Business Administration (DBA, 2023) 		
	The institution has met its resource commitments for new doctoral program(s) approved in the last five years: <u>Yes</u> No N/A		

Proposed Program:

The proposed PhD program would be primarily face-to-face in Houston, TX. The proposed program would require 72 semester credit hours (SCHs) for students entering with a bachelor's degree, and 54 SCHs for students entering with a master's degree. Full-time enrollment is the aim, although UH states they would accommodate part-time students on a case-by-case basis.

The number of required courses in the MS to PhD program can be reduced to two (selected from the core and prescribed electives) for those PhD students who meet the following criteria: 1) earned an MS in electrical engineering (MSEE) non-thesis degree, 2) earned at least two years of relevant industrial experience post master's degree, and 3) the MSEE specialization area is in the same area intended for their PhD research.

The proposed program would prepare graduates for addressing the challenges of the world's technology needs through practices that are environmentally sensitive, socially responsible, ethical, and exceed the evolving expectations of employers in computer-related industries.

The institution has sufficient faculty and support staff in place to begin the proposed program. UH does not anticipate new hires within the first five years of the program.

Existing Programs:

There are three public universities and one independent university offering the Doctor of Philosophy in computer engineering degree program in Texas. **Public Institutions:**

Texas A&M University
The University of Texas at Arlington
The University of Texas at Dallas

Independent Colleges and Universities:

Southern Methodist University

There is no existing program within a 60-minute drive of the proposed program.

<i>Start-Up Projections:</i>	<i>Yr. 1</i>	<i>Yr. 2</i>	<i>Yr. 3</i>	<i>Yr. 4</i>	<i>Yr. 5</i>
<i>Students Enrolled</i>	8	20	34	52	64
<i>Graduates</i>	0	0	0	6	6
<i>Avg. Financial Assistance</i>	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
<i>Students Assisted</i>	8	20	34	52	64
<i>Core Faculty (FTE)</i>	2.0	2.0	2.0	2.0	2.0
<i>Total Costs</i>	\$368,569	\$397,879	\$414,647	\$480,408	\$495,976
<i>Total Funding</i>	\$58,547	\$146,367	\$390,166	\$981,261	\$1,069,081
<i>% From Formula Funding</i>	0	0	36%	61%	51%

Costs and Funding:

Major costs associated with the proposed program would include faculty salaries. The faculty costs would be reallocated from existing resources.

Estimated Five-Year Costs		Estimated Five-Year Funding	
Personnel		Formula Funding (Years 3-5 Only)	\$ 1,342,760
Faculty (New)	\$ 0	Other State Funding	\$ 0
Faculty (Reallocated)	\$ 1,257,347	Reallocated Funds	\$ 0
Program Administration (New)	\$ 278,677	Federal Funding (In-hand only)	\$ 0
Program Administration (Reallocated)	\$ 0	Tuition and Fees	\$ 1,302,663
Graduate Assistants (New)	\$ 0	Other Funding	\$ 0
Graduate Assistants (Reallocated)	\$ 260,202		
Clerical/Staff (New)	\$ 0		
Clerical/Staff (Reallocated)	\$ 146,253		
Student Support (Scholarships)	\$ 0		
Supplies & Materials	\$ 50,000		
Library & IT Resources	\$ 25,000		
Equipment	\$ 40,000		
Facilities	\$ 50,000		
Other (advertising)	\$ 50,000		
Total	\$ 2,157,478	Total	\$ 2,645,422

Major Commitments:

UH does not anticipate any new hires in the first five years of the program. The institution will submit reports in Years 1, 3, and 5 confirming institutional commitments and assessing the progress of program implementation.

Elizabeth Mayer, Assistant Commissioner for Academic and Health Affairs, will present this item and be available to answer questions.

Online Resume for Legislators and Other Policymakers

UNIVERSITY OF HOUSTON

Location: Houston, Gulf Coast Region

Emerging Research Accountability Peer Group: Texas State Univ, Texas Tech Univ, UT Arlington, UT Dallas, UT El Paso, UT San Antonio, Univ of North Texas

Out-Of-State Peers: University Of Cincinnati-Main Campus, University Of Illinois At Chicago, University Of New Mexico-Main Campus, University Of Oklahoma-Norman Campus, University Of South Carolina-Columbia

Degrees Offered: Bachelor's, Master's, Doctoral, Professional

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Enrollment						
Race/Ethnicity	Fall 2016		Fall 2020		Fall 2021	
	Number	Percent	Number	Percent	Number	Percent
White	11,730	26.8%	10,827	23.0%	10,171	21.7%
Hispanic	12,760	29.1%	15,628	33.2%	15,638	33.3%
African American	4,700	10.7%	5,366	11.4%	5,590	11.9%
Asian	9,076	20.7%	10,151	21.6%	10,370	22.1%
International	3,995	9.1%	3,273	7.0%	3,619	7.7%
Other & Unknown	1,513	3.5%	1,815	3.9%	1,583	3.4%
Total	43,774	100.0%	47,060	100.0%	46,971	100.0%
TX First Time Transfers	Number	% of UG	Number	% of UG	Number	% of UG
	3,991	11.5%	3,550	9.3%	3,468	9.2%
Two-Year Institutions	808	2.3%	675	1.8%	661	1.7%
Other Institutions						

Costs				
Average Annual Total Academic Costs for Resident Undergraduate Student Taking 30 SCH				
Fiscal Year	Texas Rates			
	Institution Average	Percent Increase	Peer Group Average	Percent Increase
2017	\$11,078	.0%	\$10,201	.0%
2018	\$11,078	.0%	\$10,443	2.4%
2019	\$10,890	-1.7%	\$10,712	2.6%
2020	\$11,276	3.5%	\$11,011	2.8%
2021	\$11,569	2.6%	\$11,455	4.0%
2022	\$11,870	2.6%	\$11,762	2.7%

Financial Aid						
Fiscal Year	Institution		Peer Group		OOS Peer Group	
	Percent	Avg Amt	Percent	Avg Amt	Percent	Avg Amt
Federal Student Loans						
2019	37%	\$6,582	43%	\$6,780	0%	\$0
2020	0%	\$0	0%	\$0	0%	\$0
Federal, State, Institutional or Other Grants Known by Institutions						
2019	62%	\$7,621	61%	\$8,004	0%	\$0
2020	0%	\$0	0%	\$0	0%	\$0
Federal (Pell) Grants						
2019	41%	\$4,729	38%	\$4,638	0%	\$0
2020	0%	\$0	0%	\$0	0%	\$0

Student Success						
One-Year Persistence of First-time, Full-time, Degree Seeking Undergraduates				Graduation Rates		
		Enter Fall 2015	Enter Fall 2019	Enter Fall 2020	Cohort	Peer Group
Cohort		4,010	5,382	4,715	Fall 2012 4-year	31.4%
Total		90.6%	90.4%	90.0%	Fall 2016 4-year	40.7%
Same		84.6%	85.2%	84.4%	Fall 2017 4-year	43.2%
Other		6.0%	5.3%	5.6%	Fall 2011 5-year	52.1%
Two-Year Persistence of First-time, Full-time, Degree Seeking Undergraduates				Fall 2015 5-year	59.8%	
		Enter Fall 2014	Enter Fall 2018	Enter Fall 2019	Fall 2016 5-year	60.5%
Institution Persistence				Fall 2010 6-year	59.4%	
Cohort				Fall 2014 6-year	65.3%	
Total				Fall 2015 6-year	66.7%	
Same				National Comparison (IPEDS Definition)		
Other				Cohort	Institution Rate	OOS Peers Rate
Peer Group Persistence				Fall 2011 4-year	20.0%	34.0%
Cohort				Fall 2015 4-year	33.0%	41.0%
Total				Fall 2010 5-year	42.0%	56.8%
Same				Fall 2014 5-year	54.0%	62.4%
Other				Fall 2009 6-year	51.0%	62.0%
Peer Group Persistence				Fall 2013 6-year	61.0%	66.2%
Cohort						
Total						
Same						
Other						

Average Number of Fall & Spring Semesters and SCH Attempted for Bachelor's Degree						
Year	Institution			Peer Group Average		
	Grads	Sem	SCH	Grads	Sem	SCH
FY 2017	4,793	11.00	142.00	3,929	10.72	139.00
FY 2020	5,951	10.80	139.00	4,658	10.37	135.75
FY 2021	6,491	10.20	138.00	4,850	9.82	134.25

Six-year Graduation & Persistence Rate, Fall 2015		
Student Group	Cohort	Rate
<i>For Students Needing Dev Ed</i>		
Institution	181	64.1%
Peer Group	456	57.2%
<i>For Students NOT Needing Dev Ed</i>		
Institution	3,829	78.6%
Peer Group	3,565	76.9%

*Peer Group data is average for peer group.

Funding						
Source	FY 2016 Amount	Pct of Total	FY 2020 Amount	Pct of Total	FY 2021 Amount	Pct of Total
Appropriated Funds	\$282,553,563	29.1%	\$354,369,242	28.6%	\$303,577,526	23.6%
Federal Funds	\$126,803,264	13.1%	\$192,295,605	15.5%	\$263,368,751	20.4%
Tuition & Fees	\$337,284,686	34.7%	\$367,253,363	29.7%	\$379,222,889	29.4%
Total Revenue	\$970,855,528	100.0%	\$1,238,475,258	100.0%	\$1,288,692,425	100.0%

Online Resume for Prospective Students, Parents and the Public

UNIVERSITY OF HOUSTON

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Enrollment		
Race/Ethnicity	Fall 2021	
	Number	Percent
White	10,171	21.7%
Hispanic	15,638	33.3%
African American	5,590	11.9%
Asian	10,370	22.1%
International	3,619	7.7%
Other & Unknown	1,583	3.4%
Total	46,971	100.0%
TX First Time Transfers		
Number	% of UG	
Two-Year Institutions	3,468	9.2%
Other Institutions	661	1.7%

Baccalaureate Success			
Graduation Rate of First-time, Full-time Degree-seeking Students			
Measure	Entering		Rate
	Fall		
4-year Rate Total	2017		45.9%
Same Institution			43.9%
Other Institutions			2.0%
5-year Rate Total	2016		61.7%
Same Institution			56.7%
Other Institutions			5.0%
6-year Rate Total	2015		68.9%
Same Institution			61.8%
Other Institutions			7.1%

[Grad Rates by Ethnicity](#)

1-Year Persistence, Fall 2020	
Total	90.0%
Same	84.4%
Other	5.6%

2-Year Persistence, Fall 2019	
Total	84.4%
Same	76.1%
Other	8.3%

Avg Number SCH for Bachelor's Degree		
FY 2021 Average		
Sem	SCH	
All	10.20	138.00

Degrees Awarded	
Type	FY 2021
Bachelor's	8,840
Master's	1,796
Doctoral	430
Professional	456
Total	11,522

[Degrees by Ethnicity](#)

First-time Licensure or Certification Examination Pass Rate	
FY 2021	
Field	Rate
Law	86.5%
Pharmacy	96.3%
Nursing	%
Engineering	80.2%

*Data for FY 2020

Admissions		
Middle 50% of Test Scores, for First-Time Undergraduates, Fall 2021		
Test Section	ACT	SAT
Composite		
Math	https://nces.ed.gov/	
English		
Critical Reading		

Application for First-time Undergraduate Admission			
Fall 2021			
Race/Ethnicity	Applicants	Accepted	Enrolled
White	4,360	82.8%	24.4%
African American	5,224	58.6%	26.9%
Hispanic	10,360	69.7%	26.3%
Asian	4,879	87.9%	37.5%
International	902	78.2%	14.2%
Other	691	85.2%	27.7%
Total	26,416	73.7%	28.1%

Costs					
Average Annual Academic Costs for Resident Undergraduate Student Taking 30 SCH					Annual Costs for Resident Undergraduate Student Taking 30 SCH, FY 2022
Fiscal Year	Institution Average	Percent Increase	Peer Group Average	Percent Increase	
2017	\$11,078	.0%	\$10,076	.0%	Type of Cost
2018	\$11,078	.0%	\$10,352	2.7%	
2019	\$10,890	-1.7%	\$10,687	3.1%	Total Academic Cost
2020	\$11,276	3.4%	\$10,974	2.6%	On-campus Room & Board
2021	\$11,569	2.5%	\$11,439	4.1%	Books & Supplies
2022	\$11,870	2.5%	\$11,747	2.6%	Off-Campus Transportation & Personal Expenses
					Total Cost
					\$27,249

[Rates of Tuition per SCH](#)

[Mandatory Fees](#)

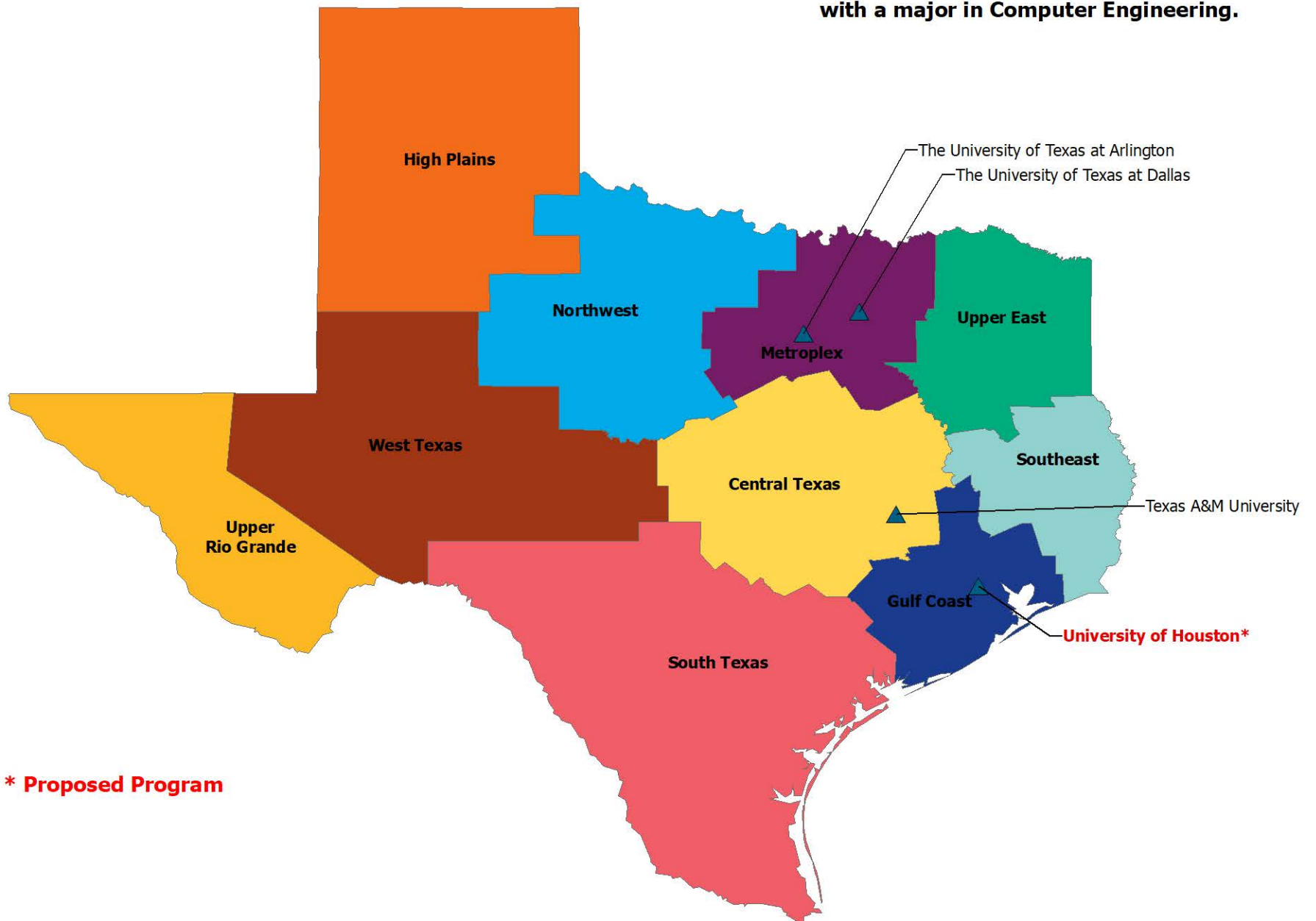
Instruction		
Measure of Excellence	Fall 2021	
Undergraduate Classes with < 20 Students	23.7%	
Undergraduate Classes with > 50 Students	23.8%	
% of Teaching Faculty Tenured/Tenure-track *	59.9%	
Student/Faculty Ratio *	24:1	

Financial Aid		
Enrolled in FY 2020		
Type of Aid	% of UGs Receiving	Average Amount
Grants or Scholarships	0%	\$0
Federal (Pell) Grants	0%	\$0
Federal Student Loans	0%	\$0

Funding		
Source	FY 2021 Amount	Pct of Total
Appropriated Funds	\$303,577,526	23.6%
Federal Funds	\$263,368,751	20.4%
Tuition & Fees	\$379,222,889	29.4%
Total Revenue	\$1,288,692,425	100.0%

* Fall 2020 Data

**Proposal for a Doctor of Philosophy (PhD) degree
with a major in Computer Engineering.**



*** Proposed Program**

AGENDA ITEM X-L (2)

Consideration and possible action to approve the request from The University of Texas at San Antonio for a Doctor of Philosophy (PhD) with a major in chemical engineering

RECOMMENDATION: Approval, beginning fall 2023

Background Information:

The University of Texas at San Antonio (UTSA) is seeking approval to offer a Doctor of Philosophy (PhD) in chemical engineering. The proposed program would be face-to-face in San Antonio, Texas. Students would be allowed to enter the program upon completion of a bachelor's degree. These students would be required to take 72 semester credits hours to graduate. The UTSA Graduate School would allow 30 credit hours to be transferred from an accredited master's program. Based on these requirements, students entering with a master's degree would be required to complete a minimum of 42 credit hours.

The Texas Workforce Commission (TWC) indicates chemical engineering positions will experience a 25.22% increase for the decade 2020-2030, creating around 504 jobs each year due to growth and replacement. In the Alamo region, where UTSA is located, there is a projected increase of 20.65% with 12 jobs. Currently, there are six institutions (private and public) in Texas that offer PhD programs in chemical engineering with the CIP code 14.0701.00.

The proposed program would allow graduates of this research-intensive program to develop skills in chemical engineering and other disciplines that would enable them to apply innovative engineering research to solve problems across traditional scientific boundaries and lead careers in industry, academia, or governmental research laboratories. The curriculum proposed is multidisciplinary with courses identified across science and engineering to support the programs. The structure enables a flexible curriculum that is consistent with current best practices in the field.

In accordance with the institution's proposed hiring schedule, UTSA would hire two additional core faculty members. One additional core faculty member would be hired in the first year, and one in the second year of the program. The proposed chemical engineering program will not seek ABET accreditation since ABET accreditation is primarily for undergraduate programs.

The University of Texas at San Antonio (Accountability Peer Group: *Emerging Research*)

<i>Completion Measures</i>		<i>Institution</i>	<i>State</i>
<i>Graduate</i>	Master's 5-Year Graduation Rate	100%	77.7%
	Doctoral 10-Year Graduation Rate	100%	66.1%
<i>Status of Recently Approved Doctoral Programs</i>	The institution has met its projected enrollments for all new doctoral program(s) approved in the last five years:	Yes	<u>No</u> N/A
	Recently Approved Doctoral Programs:		
	<ul style="list-style-type: none"> • Civil Engineering (PhD, 2018) • Molecular Biology and Immunology (PhD, 2022) • School Psychology (PhD, 2022) 		
	The institution has met its resource commitments for new doctoral program(s) approved in the last five years:	<u>Yes</u>	No N/A

Proposed Program:

The proposed program would be face-to-face in San Antonio, Texas. Students would be allowed to enter the program upon completion of a bachelor's degree. These students would be required to take 72 semester credits hours to graduate. The UTSA Graduate School would allow 30 credit hours to be transferred from an accredited master's program. Based on these requirements, students entering with a master's degree would be required to complete a minimum of 42 credit hours. The proposed face-to-face program would prepare students 1) to be leaders in chemical engineering industries and academia through strong academic preparation and 2) to solve current engineering grand challenges through performance of independent and interdisciplinary state-of-the-art research in the areas of health, energy, materials, and the environment.

The institution has sufficient faculty and support staff in place to begin the proposed program. UTSA would hire two additional core faculty for year one and two of the program.

Existing Programs:

There are five public universities and one independent university offering Doctor of Philosophy in chemical engineering degree programs in Texas.

Public Institutions:

Lamar University
 Texas A&M University
 Texas Tech University
 The University of Texas at Austin
 University of Houston

Independent Colleges and Universities:

Rice University

There is no existing program within a 60-minute drive of the proposed program.

<i>Start-Up Projections:</i>	<i>Yr. 1</i>	<i>Yr. 2</i>	<i>Yr. 3</i>	<i>Yr. 4</i>	<i>Yr. 5</i>
<i>Students Enrolled</i>	7	13	19	23	24
<i>Graduates</i>	0	0	2	5	5
<i>Avg. Financial Assistance</i>	\$480,000	\$760,000	\$1,040,000	\$1,160,000	\$1,160,000
<i>Students Assisted</i>	7	11	19	21	21
<i>Core Faculty (FTE)</i>	10	11	11	11	11
<i>Total Costs</i>	\$1,120,779	\$1,373,951	\$1,454,123	\$1,254,123	\$1,254,123
<i>Total Funding</i>	\$1,080,656	\$1,390,009	\$1,543,066	\$1,380,784	\$1,382,586
<i>% From Formula Funding</i>	0%	0%	0%	0%	0%

Costs and Funding:

Major costs associated with the proposed program would include faculty and staff salaries. The faculty costs would be reallocated from existing resources.

Estimated Five-Year Costs		Estimated Five-Year Funding	
Personnel		Formula Funding (Years 3-5 Only)	\$ 167,005
Faculty (New)	\$ 0	Other State Funding	\$ 400,000
Faculty (Reallocated)	\$ 4,470,099	Reallocated Funds	\$ 5,082,099
Program Administration (New)	\$ 0	Federal Funding (In-hand only)	\$ 0
Program Administration (Reallocated)	\$ 60,750	Tuition and Fees	\$ 617,997
Graduate Assistants (New)	\$ 950,000	Other Funding (Institutional Enhancement)	\$ 510,000
Graduate Assistants (Reallocated)	\$ 450,000		
Clerical/Staff (New)	\$ 0		
Clerical/Staff (Reallocated)	\$ 101,250		
Student Support (Scholarships)	\$ 0		
Supplies & Materials	\$ 25,000		
Library & IT Resources	\$ 0		
Equipment	\$ 0		
Facilities	\$ 0		
Other	\$ 400,000		
Total	\$ 6,457,099	Total	\$ 6,777,101

Major Commitments:

In accordance with the institution's proposed hiring schedule, UTSA would hire two additional core faculty members. One additional core faculty member would be hired in the first year, and one in the second year of the program.

The institution will submit reports in Years 1, 3, and 5 confirming institutional commitments and assessing the progress of program implementation.

Elizabeth Mayer, Assistant Commissioner for Academic and Health Affairs, will present this item and be available to answer questions.

Online Resume for Legislators and Other Policymakers

THE UNIVERSITY OF TEXAS AT SAN ANTONIO

Location: San Antonio, South Texas Region

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Degrees Offered: Bachelor's, Master's, Doctoral

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Enrollment						
Race/Ethnicity	Fall 2016		Fall 2020		Fall 2021	
	Number	Percent	Number	Percent	Number	Percent
White	7,447	25.7%	7,638	22.2%	7,381	21.6%
Hispanic	14,896	51.4%	19,635	57.1%	19,693	57.6%
African American	2,886	10.0%	3,326	9.7%	3,325	9.7%
Asian	1,573	5.4%	1,941	5.6%	1,924	5.6%
International	1,166	4.0%	926	2.7%	955	2.8%
Other & Unknown	991	3.4%	936	2.7%	899	2.6%
Total	28,959	100.0%	34,402	100.0%	34,177	100.0%
TX First Time Transfers	Number	% of UG	Number	% of UG	Number	% of UG
	1,847	7.6%	2,312	7.9%	2,147	7.4%
Two-Year Institutions	493	2.0%	561	1.9%	556	1.9%
Other Institutions						

Costs				
Average Annual Total Academic Costs for Resident Undergraduate Student Taking 30 SCH				
Fiscal Year	Texas Rates			
	Institution Average	Percent Increase	Peer Group Average	Percent Increase
2017	\$9,677	.0%	\$10,201	.0%
2018	\$10,013	3.5%	\$10,443	2.4%
2019	\$9,978	-3%	\$10,712	2.6%
2020	\$9,724	-2.5%	\$11,011	2.8%
2021	\$10,600	9.0%	\$11,455	4.0%
2022	\$10,966	3.5%	\$11,762	2.7%

Financial Aid						
Fiscal Year	Institution		Peer Group		OOS Peer Group	
	Percent	Avg Amt	Percent	Avg Amt	Percent	Avg Amt
Federal Student Loans						
2019	49%	\$6,331	43%	\$6,780	0%	\$0
2020	0%	\$0	0%	\$0	0%	\$0
Federal, State, Institutional or Other Grants Known by Institutions						
2019	78%	\$6,658	61%	\$8,004	0%	\$0
2020	0%	\$0	0%	\$0	0%	\$0
Federal (Pell) Grants						
2019	44%	\$4,428	38%	\$4,638	0%	\$0
2020	0%	\$0	0%	\$0	0%	\$0

Student Success						
One-Year Persistence of First-time, Full-time, Degree Seeking Undergraduates				Graduation Rates		
		Enter Fall 2015	Enter Fall 2019	Enter Fall 2020	Cohort	Peer Group
Cohort		4,898	4,342	4,498	Fall 2012 4-year	31.4%
Total		87.9%	89.6%	85.0%	Fall 2016 4-year	40.7%
Same		70.7%	77.4%	77.6%	Fall 2017 4-year	43.2%
Other		17.3%	12.2%	7.4%	Fall 2011 5-year	52.1%
Two-Year Persistence of First-time, Full-time, Degree Seeking Undergraduates				Fall 2015 5-year	59.8%	
		Enter Fall 2014	Enter Fall 2018	Enter Fall 2019	Fall 2016 5-year	60.5%
Institution Persistence				Fall 2010 6-year	59.4%	
Cohort				Fall 2014 6-year	65.3%	
Total				Fall 2015 6-year	66.7%	
Same				National Comparison (IPEDS Definition)		
Other				Cohort	Institution Rate	OOS Peers Rate
Peer Group Persistence				Fall 2011 4-year	11.0%	27.4%
Cohort				Fall 2015 4-year	22.0%	34.4%
Total				Fall 2010 5-year	26.0%	49.8%
Same				Fall 2014 5-year	37.0%	54.6%
Other				Fall 2009 6-year	31.0%	57.2%
				Fall 2013 6-year	42.0%	60.0%

Average Number of Fall & Spring Semesters and SCH Attempted for Bachelor's Degree						
Year	Institution			Peer Group Average		
	Grads	Sem	SCH	Grads	Sem	SCH
FY 2017	3,466	10.40	139.00	3,929	10.72	139.00
FY 2020	4,536	10.00	133.00	4,658	10.37	135.75
FY 2021	4,868	9.80	132.00	4,850	9.82	134.25

Six-year Graduation & Persistence Rate, Fall 2015		
Student Group	Cohort	Rate
<i>For Students Needing Dev Ed</i>		
Institution	413	53.5%
Peer Group	456	57.2%
<i>For Students NOT Needing Dev Ed</i>		
Institution	4,485	76.1%
Peer Group	3,565	76.9%

*Peer Group data is average for peer group.

Funding						
Source	FY 2016 Amount	Pct of Total	FY 2020 Amount	Pct of Total	FY 2021 Amount	Pct of Total
Appropriated Funds	\$143,038,740	33.6%	\$171,517,169	30.4%	\$162,176,413	22.3%
Federal Funds	\$85,787,936	20.1%	\$131,831,406	23.4%	\$200,914,830	27.7%
Tuition & Fees	\$161,739,981	37.9%	\$203,601,417	36.1%	\$228,192,154	31.4%
Total Revenue	\$426,304,861	100.0%	\$564,371,844	100.0%	\$725,771,430	100.0%

Online Resume for Prospective Students, Parents and the Public

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Enrollment		
Race/Ethnicity	Fall 2021	
	Number	Percent
White	7,381	21.6%
Hispanic	19,693	57.6%
African American	3,325	9.7%
Asian	1,924	5.6%
International	955	2.8%
Other & Unknown	899	2.6%
Total	34,177	100.0%
TX First Time Transfers		
Number	% of UG	
Two-Year Institutions	2,147	7.4%
Other Institutions	556	1.9%

Baccalaureate Success			
Graduation Rate of First-time, Full-time Degree-seeking Students			
Measure	Entering		Rate
	Fall		
4-year Rate Total	2017		39.2%
Same Institution			31.9%
Other Institutions			7.3%
5-year Rate Total	2016		60.2%
Same Institution			48.7%
Other Institutions			11.6%
6-year Rate Total	2015		66.4%
Same Institution			50.8%
Other Institutions			15.6%

[Grad Rates by Ethnicity](#)

1-Year Persistence, Fall 2020	
Total	85.0%
Same	77.6%
Other	7.4%
2-Year Persistence, Fall 2019	
Total	80.1%
Same	64.5%
Other	15.7%

Avg Number SCH for Bachelor's Degree		
FY 2021 Average		
Sem	SCH	
All	9.80	132.00

Degrees Awarded	
Type	FY 2021
Bachelor's	6,308
Master's	1,320
Doctoral	109
Professional	0
Total	7,737

[Degrees by Ethnicity](#)

First-time Licensure or Certification Examination Pass Rate	
FY 2021	
Field	Rate
Law	%
Pharmacy	%
Nursing	%
Engineering	69.3%

*Data for FY 2020

Admissions		
Middle 50% of Test Scores, for First-Time Undergraduates, Fall 2021		
Test Section	ACT	SAT
Composite		
Math		
English		
Critical Reading		

<https://nces.ed.gov/>

Application for First-time Undergraduate Admission Fall 2021			
Race/Ethnicity	Applicants	Accepted	Enrolled
White	3,661	91.5%	31.7%
African American	2,427	84.4%	26.9%
Hispanic	13,285	90.8%	27.0%
Asian	1,640	94.5%	27.6%
International	244	93.9%	26.2%
Other	542	92.1%	29.5%
Total	21,799	90.5%	27.9%

Costs					
Average Annual Academic Costs for Resident Undergraduate Student Taking 30 SCH					Annual Costs for Resident Undergraduate Student Taking 30 SCH, FY 2022
Fiscal Year	Institution Average	Percent Increase	Peer Group Average	Percent Increase	Type of Cost
2017	\$9,677	.0%	\$10,276	.0%	Total Academic Cost
2018	\$10,013	3.4%	\$10,504	2.2%	On-campus Room & Board
2019	\$9,978	-.4%	\$10,817	2.9%	Books & Supplies
2020	\$9,724	-2.6%	\$11,195	3.4%	Off-Campus Transportation & Personal Expenses
2021	\$10,600	8.3%	\$11,578	3.3%	Total Cost
2022	\$10,966	3.3%	\$11,876	2.5%	

[Rates of Tuition per SCH](#)
[Mandatory Fees](#)

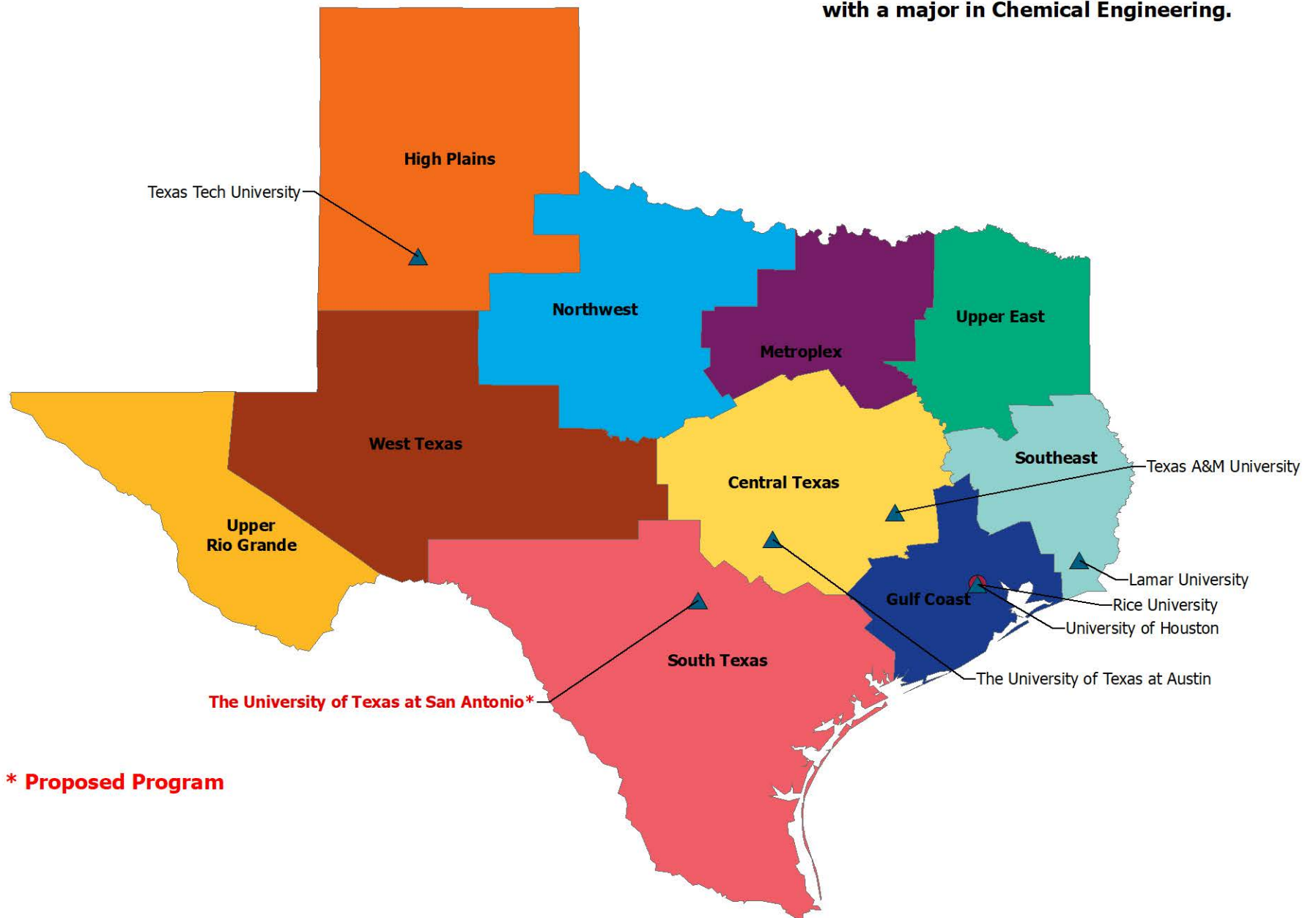
Instruction		
Measure of Excellence	Fall 2021	
Undergraduate Classes with < 20 Students	22.4%	
Undergraduate Classes with > 50 Students	29.6%	
% of Teaching Faculty Tenured/Tenure-track *	57.3%	
Student/Faculty Ratio *	26:1	

Financial Aid		
Enrolled in FY 2020		
Type of Aid	% of UGs Receiving	Average Amount
Grants or Scholarships	0%	\$0
Federal (Pell) Grants	0%	\$0
Federal Student Loans	0%	\$0

Funding		
Source	FY 2021 Amount	Pct of Total
Appropriated Funds	\$162,176,413	22.3%
Federal Funds	\$200,914,830	27.7%
Tuition & Fees	\$228,192,154	31.4%
Total Revenue	\$725,771,430	100.0%

* Fall 2020 Data

**Proposal for a Doctor of Philosophy (PhD) degree
with a major in Chemical Engineering.**



*** Proposed Program**

AGENDA ITEM X-M (1)

Consideration and possible action to adopt proposed amendments to Board Rules 1.188 and 1.190, concerning the Learning Technology Advisory Committee

RECOMMENDATION: Adoption

Background Information:

The Texas Higher Education Coordinating Board (THECB) proposes amendments to Texas Administrative Code (TAC), Title 19, Part 1, Chapter 1, Subchapter O, Rules 1.188 and 1.190, concerning the Learning Technology Advisory Committee (LTAC). Specifically, the amendments extend the abolishment date of LTAC for four more years and amend the charge of LTAC to be in line with proposed new rules in TAC, Title 19, Chapter 2, Subchapter J, Sections 2.200-2.207, concerning approval of distance education for public institutions.

Texas Education Code 61.026 authorizes THECB to appoint advisory committees as considered necessary. The amendments are proposed under the Texas Government Code, Chapter 2110, Section 2110.008, which requires THECB by rule to provide for a new abolishment date for advisory committees to continue in existence. Texas Education Code 61.0512(g) provides THECB with the authority to approve distance learning courses at institutions of higher education.

LTAC is charged with engaging in substantive policy research regarding the role that learning technology plays in Texas higher education and providing advice and recommendations to the board of the THECB. The proposed amendment to Ch. 1, Subchapter O will extend the abolishment date of the LTAC from April 27, 2023, to April 27, 2028, and bring the charge of LTAC in line with proposed new rules in Subchapter J, Sections 2.200-2.207.

Dr. Michelle Singh, Assistant Commissioner for the Division of Digital Learning, will present this item and be available to answer questions.

Date published in the *Texas Register*: January 27, 2023

The 30-day comment period with the *Texas Register* ended on February 26, 2023.

Summary of comments received: No comments were received regarding this rule.

CHAPTER 1 – AGENCY ADMINISTRATION

SUBCHAPTER O – LEARNING TECHNOLOGY ADVISORY COMMITTEE

1.185. – 1.187. No change.

1.188. Duration

The committee shall be abolished no later than April 27, 2028 ~~[October 31, 2025]~~ in accordance with Texas Government Code, Chapter 2110. It may be reestablished by the Board.

1.189. No change.

1.190. Tasks Assigned to the Committee

Tasks assigned to the committee include:

(1) Analysis of the current state of distance education in Texas higher education including the use of various distance education modalities, the cost of distance education, the availability of high need and high demand degree programs through distance education, institutional fee structures associated with distance education, the role of technology in instructional cost effectiveness ~~[-, duplication of distance education programs]~~, and public/private distance education collaborations;

(2) Development of policy recommendations to the Board on critical issues such as:

(A) The development of distance education institutional collaboratives;

(B) The development of affordable ~~[shared]~~ electronic course resources and learning materials, including open educational resources, textbooks and other digital learning objects;

(C) Best practices in the evaluation of distance education, including review and update of the Principles of Good Practice for Distance Education;

(D) The role of online and hybrid education in offering accessible and affordable degree programs;

(E) Partnerships between community colleges and universities that leverage technology to increase the number of degree completion options available to students;

(F) Ways to creatively and innovatively use technology to change the way in which higher education is offered; and

(G) Ways to creatively and innovatively use technology to increase student retention and success through programs such as just-in-time, on-demand academic support services.

(3) Review and provide recommendations on Institutional Plans for Distance Education ~~[of all distance education doctoral proposals]~~ to promote ~~[ensure]~~ the development and delivery of high-quality ~~[high-quality]~~ programs.

1.191. No change.

AGENDA ITEM X-M (2)

Consideration and possible action to adopt proposed amendments to Board Rules 2.3 and 2.9, concerning revisions and modifications to an approved program

RECOMMENDATION: Adoption

Background Information:

The Texas Higher Education Coordinating Board (Coordinating Board) proposes amendments to Texas Administrative Code (TAC), Title 19, Part 1, Chapter 2, Subchapter A, Rule 2.3, concerning definitions necessary for establishing a revised approval process for associate degrees; and rule 2.9, concerning modifications/revisions of a degree program.

This rulemaking amends the definitions necessary for establishing a revised approval process for associate degrees and clarifies how institutions report changes in a program's modality of delivery, specifically stating that institutions should notify the Texas Higher Education Coordinating Board of intent to offer a program through the distance education modality.

The Learning Technology Advisory Committee (LTAC) is charged with engaging in substantive policy research regarding the role that learning technology plays in Texas higher education and providing advice and recommendations to the Board. LTAC recommends the proposed amendments.

Ms. Elizabeth Mayer, Assistant Commissioner for Academic and Health Affairs, and Dr. Michelle Singh, Assistant Commissioner for Digital Learning, will present this item and are available to answer questions.

Rule 2.3 published in the Texas Register: December 16th, 2022

The 30-day comment period with the Texas Register ended on February 15th, 2023.

Rule 2.9 published in the Texas Register: January 27th, 2023

The 30-day comment period with the Texas Register ended on February 26th, 2023.

No comments were received regarding these rules.

CHAPTER 2. ACADEMIC AND WORKFORCE EDUCATION

SUBCHAPTER A. GENERAL PROVISIONS

- 2.3. Definitions
- 2.9. Revisions and Modifications to an Approved Program

2.3. Definitions

The following words and terms, when used in this subchapter, shall have the following meanings:

(1) Academic Associate Degree--A type of degree program generally intended to transfer to an upper-level baccalaureate program that will satisfy the lower-division requirements for a baccalaureate degree in a specific discipline. The Academic Associate Degree includes, but is not limited to, the Associate of Arts (A.A.), Associate of Science (A.S.), or Associate of Arts in Teaching (A.A.T.) degrees. ~~[Administrative Unit--A department, college, school, or other unit at an institution of higher education, which has administrative authority over degree or certificate programs.]~~

(2) Academic Course Guide Manual (ACGM)--The manual that provides the official list of approved courses for general academic transfer to public universities offered for funding by public community, state, and technical colleges in Texas.

(3) Academic Program or Programs--A type of credential primarily consisting of course content intended to prepare students for study at the bachelor's degree or higher.

(4) Administrative Unit--A department, college, school, or other unit at an institution of higher education, which has administrative authority over degree or certificate programs.

(5) Applied Associate Degree--A type of degree program designed to lead the individual directly to employment in a specific career. The Applied Associate Degree Program includes, but is not limited to, the Associate of Applied Arts (A.A.A.) or Associate of Applied Science (A.A.S.).

(6)~~(4)~~ Applied Baccalaureate Degree Program--Builds on an Associate of Applied Science (A.A.S.) degree, combined with enough additional core curriculum courses and upper-level college courses to meet the minimum semester credit hour requirements for a bachelor's degree. The degree program is designed to grow professional management skills of the learner and meet the demand for leadership of highly technical professionals in the workplace. May be called a Bachelor of Applied Arts and Science (B.A.A.S.), Bachelor of Applied Technology (B.A.T.) or Bachelor of Applied Science (B.A.S.).

(7)~~(5)~~ Board--The governing body of the agency known as the Texas Higher Education Coordinating Board.

(8)~~(6)~~ Board Staff--Staff of the Texas Higher Education Coordinating Board who perform the Texas Higher Education Coordinating Board's administrative functions and services.

(9)~~(7)~~ Career Technical/Workforce Program--An applied associate degree program or a certificate program for which semester credit hours, quarter credit hours, or continuing education units are awarded, and which is intended to prepare students for immediate employment or a job upgrade in a specific occupation.

(10)~~(8)~~ Certificate program--Unless otherwise specified in these rules for the purpose of this chapter, certificate means a grouping of subject-matter courses which, when satisfactorily completed by a student, will entitle the student to a certificate or documentary evidence, other than a degree, of completion of a course of study at the postsecondary level. Under this chapter, certificate includes a post-baccalaureate certificate, and excludes an associate degree unless otherwise provided.

(11)~~(9)~~ CIP Codes--See "Texas Classification of Instructional Programs (CIP) Coding System."

(12)~~(10)~~ Commissioner--The Commissioner of Higher Education.

(13)~~(11)~~ Contact hour--A time unit of instruction used by community, technical, and state colleges consisting of 60 minutes, of which 50 minutes must be direct instruction.

(14)~~(12)~~ Continuing Education Unit (CEU)--Basic unit for continuing education courses. One continuing education unit (CEU) is 10 contact hours of participation in an organized continuing education experience under responsible sponsorship, capable direction, and qualified instruction.

(15)~~(13)~~ Credential--A grouping of subject matter courses or demonstrated mastery of specified content which entitle a student to documentary evidence of completion. This term encompasses certificate programs, degree programs, and other kinds of formal recognitions such as short-term workforce credentials or a combination thereof.

(16)~~(14)~~ Degree Program--Any grouping of subject matter courses which, when satisfactorily completed by a student, will entitle that student to an associate's, bachelor's, master's, doctoral, or professional degree.

(17)~~(15)~~ Degree Title--Name of the degree and discipline under which one or more degree programs may be offered. A degree title usually consists of the degree designation (e.g., Bachelor of Science, Master of Arts) and the discipline specialty (e.g., History, Psychology).

(18)~~(16)~~ Doctoral Degree--An academic degree beyond the level of a master's degree that typically represents the highest level of formal study or research in a given field.

(19)~~(17)~~ Embedded Credential--A course of study enabling a student to earn a credential that is wholly embedded within a degree program.

(20)~~(18)~~ Field of Study Curriculum--A set of courses that will satisfy lower-division requirements for an academic major at a general academic teaching institution, as defined in chapter 4, subchapter B, §4.23(7) of this title (relating to Definitions).

(21)~~(19)~~ Master's Degree Program--The first graduate level degree, intermediate between a Baccalaureate degree program and Doctoral degree program.

(22)~~(20)~~ New Content--As determined by the institution, content that the institution does not currently offer at the same instructional level as the proposed program. A program with sufficient new content to constitute a 'significant departure' from existing offerings under 34 CFR §602.22(a)(1)(ii)(C) meets the 50% new content threshold.

(23)~~(21)~~ Pilot Institution--Public junior colleges initially authorized to offer baccalaureate degrees through the pilot initiative established by SB 286 (78R - 2003). Specifically, the four pilot institutions are Midland College, South Texas College, Brazosport College, and Tyler Junior College.

(24)~~(22)~~ Planning Notification--Formal notification that an institution intends to develop a plan and submit a degree program proposal or otherwise notify the Board of intent to offer a new degree program.

(25)~~(23)~~ Professional Degree--Certain degree programs that prepare students for a career as a practitioner in a particular profession, including certain credential types that are required for professional licensure. For the purpose of this chapter, the term refers specifically to the following degrees: Doctor of Medicine (M.D.), Doctor of Osteopathy (D.O.), Doctor of Dental Surgery (D.D.S.), Doctor of Podiatric Medicine (D.P.M.), Doctor of Veterinary Medicine (D.V.M.) and Juris Doctor (J.D.).

(26)~~(24)~~ Program Inventory--The official list of all degree and certificate programs offered by a public community college, university, or health-related institution, as maintained by Board Staff.

(27)~~(25)~~ Public Health-Related Institution--Public health-related institutions that are supported by state funds.

(28)~~(26)~~ Public Junior College--A public institution of higher education as defined in Tex. Educ. Code §61.003(2).

(29)~~(27)~~ Public Two-year College--Any public junior college, public community college, public technical institute, or public state college as defined in Tex. Educ. Code §61.003(16).

(30)~~(28)~~ Public University--A general academic teaching institution as defined by Tex. Educ. Code §61.003(3).

(31)~~[(29)]~~ Semester Credit Hour, or Credit Hour--A unit of measure of instruction consisting of 60 minutes, of which 50 minutes must be direct instruction, over a 15-week period in a semester system or a 10-week period in a quarter system.

(32)~~[(30)]~~ Texas Classification of Instructional Programs (CIP) Coding System--The Texas adaptation of the federal Classification of Instructional Programs taxonomy developed by the National Center for Education Statistics and used nationally to classify instructional programs and report educational data. The 8-digit CIP codes define the authorized teaching field of the specified program, based upon the occupation(s) for which the program is designed to prepare its graduates.

(33)~~[(31)]~~ Texas Core Curriculum--Curriculum required at each institution of higher education students are required to complete as required by 19 TAC §4.23(3).

(34)~~[(32)]~~ Texas Success Initiative (TSI)--A comprehensive program of assessment, advising, developmental education, and other strategies to ensure college readiness. The TSI Assessment that shall be the sole assessment instrument as specified in 19 TAC §4.56. The passing standards for the authorized TSI Assessment are established in 19 TAC §4.57.

(35)~~[(33)]~~ Tracks of Study--Specialized areas of study within a single degree program.

(36)~~[(34)]~~ Transcriptable Minor--A transcriptable minor is a group of courses around a specific subject matter marked on the student's transcript. The student must declare a minor for the minor to be included on the student's transcript. The student cannot declare a minor without also being enrolled in a major course of study as part of a baccalaureate degree program.

(37)~~[(35)]~~ Workforce Education Course Guide Manual (WECM)--An online database composed of the Board's official statewide inventory of career technical/workforce education courses available for two-year public colleges to use in certificate and associate degree programs.

<Rule>

2.1.-2.8. No change.

2.9. Revisions and Modifications to an Approved Program.

(a) Substantive revisions and modifications that materially alter the nature of the program, physical location, or modality of delivery, as determined by the Assistant Commissioner, include, but are not limited to:

(1) Closing the program in one location and moving it to a second location~~Changing the location of the program~~; and

(2) Changing the funding from self-supported to formula-funded or vice versa.

(b) For a program that initially required Board Approval beginning as of September 1, 2023, and doctoral and professional programs approved by the Board on or before September 1, 2023, any substantive revision or modification to that program will require Board Approval under §2.4 of this subchapter. For all other programs, including programs that initially required Board Approval prior to September 1, 2023, any substantive revision or modification will require Assistant Commissioner Approval under §2.4(a)(2) of this subchapter.

(c) Non-substantive revisions and modifications that do not materially alter the nature of the program, location, or modality of delivery, as determined by the Assistant Commissioner, include, but are not limited to:

(1) Increasing the number of semester credit hours of a program for reasons other than a change in programmatic accreditation requirements;

(2) Consolidating a program with one or more existing programs;

(3) Offering a program in an off-campus face-to-face format~~[Changing the modality of the program]~~;

(4) Altering any condition listed in the program approval notification;

(5) Changing the CIP Code of the program;

(6) Increasing the number of semester credit hours if the increase is due to a change in programmatic accreditation requirements;

(7) Reducing the number of semester credit hours, so long as the reduction does not reduce the number of required hours below the minimum requirements of the institutional accreditor, program accreditors, and licensing bodies, if applicable;

(8) Changing the Degree Title or Designation; and

(9) Other non-substantive revisions that do not materially alter the nature of the program, location, or modality of delivery, as determined by the Assistant Commissioner.

(d) The non-substantive revisions and modifications in subsection (c)(1) - (5) of this section are subject to Assistant Commissioner Approval Regular Review under §2.4 of this subchapter. All other non-substantive revisions and modifications are subject to Assistant Commissioner Approval Expedited Review under §2.4(a)(2)(B) of this subchapter.

(e) The following program revisions or modifications require Notification Only under §2.4(1) of this subchapter:

(1)~~(e)~~ Public universities and public health-related institutions must notify the Coordinating Board of changes to administrative units, including creation, consolidation, or closure of an administrative unit. Coordinating Board Staff will update the institution's Program Inventory pursuant to this notification.

(2) All institutions must notify the Coordinating Board of the intent to offer an approved program through distance education following the procedures in §2.206 of this chapter (relating to Distant Education Degree or Certificate Program Notification).

2.10.-2.11. No change.

AGENDA ITEM X-M (3)

Consideration and possible action to adopt new Board Rules 2.200-2.207, concerning approval of distance education for public institutions

RECOMMENDATION: Adoption

Background Information:

The Learning Technology Advisory Committee (LTAC) is charged with engaging in substantive policy research regarding the role that learning technology plays in Texas higher education and providing advice and recommendations to the board of the Texas Higher Education Coordinating Board (THECB). LTAC recommends the adoption of Texas Administrative Code (TAC), Title 19, Part 1, Chapter 2, Subchapter J, Sections 2.200-2.207, which applies to the approval of distance education for public institutions. Adoption of this new section will amend definitions of distance education courses and programs and revise the approval process for public institutions seeking to offer distance education.

Texas Education Code, Section 61.0512(g), provides the THECB with the authority to approve distance learning courses at institutions of higher education.

Dr. Michelle Singh, Assistant Commissioner for the Division of Digital Learning, will present this item and be available to answer questions.

Date published in the *Texas Register*: January 27, 2023

The 30-day comment period with the *Texas Register* ended on February 26, 2023.

Summary of comments received: No comments were received regarding this rule.

CHAPTER 2 – ACADEMIC AND WORKFORCE EDUCATION

SUBCHAPTER J – APPROVAL OF DISTANCE EDUCATION FOR PUBLIC INSTITUTIONS

2.200. Purpose.

This subchapter establishes rules for all public institutions of higher education in Texas regarding the delivery of distance education. The rules are designed to provide Texas residents with access to courses and programs that meet their needs and to promote course and program quality.

2.201. Authority.

Authority for this subchapter is provided by Texas Education Code §61.0512(g), which provides the Board with the authority to approve distance education offered for credit.

2.202. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise. The definitions in 19 TAC, Chapter 2, Subchapter A, §2.3, apply for this subchapter unless a more specific definition for the same term is indicated in this rule.

(1) Credit course--A college-level course that, if successfully completed, can be applied toward the number of courses required for achieving an academic or workforce degree, diploma, certificate, or other formal award.

(2) Distance Education--The formal educational process that occurs when students and instructors are in separate physical locations for the majority (more than 50 percent) of instruction.

(3) Distance Education Course--A course in which a majority (more than 50 percent) of the instruction occurs when the student(s) and instructor(s) are in separate physical locations. The definition of distance education course does not include courses with 50 percent or less instruction when the student(s) and instructor(s) are in separate physical locations. Two categories of distance education courses are defined:

(A) 100-Percent Online Course--A distance education course in which 100 percent of instructional activity takes place when the student(s) and instructor(s) are in separate physical locations. Requirements for on-campus or in-person orientation, testing, academic support services, internships/fieldwork, or other non-instructional activities do not exclude a course from this category.

(B) Hybrid Course--A distance education course in which more than 50 percent but less than 100 percent of instructional activity takes place when the student(s) and instructor(s) are in separate physical locations.

(4) Distance Education Degree or Certificate Program--A program in which a student may complete a majority (more than 50 percent) of the credit hours required for the program through distance education courses. The definition of a Distance Education Degree or Certificate Program does not include programs in which 50 percent or less of the required credit hours are offered through distance education. Two categories of distance education programs are defined:

(A) 100-Percent Online Program--A degree program in which students complete 100 percent of the credit hours required for the program through 100-Percent Online Courses. Requirements for on-campus or in-person orientation, testing, academic support services, internships/fieldwork, or other non-instructional activities do not exclude a program from this category.

(B) Hybrid Program--A degree program in which students complete 50 percent or more and less than 100 percent of the credit hours required for the program through Distance Education Courses.

(5) Institutional Accreditor--A federally recognized institutional accreditor approved by the Department of Education under 20 U.S.C. §1099b.

(6) Institutional Plan for Distance Education ("Plan" or "IPDE")--A plan that an institution must submit for Coordinating Board approval prior to offering a distance education program for the first time. Each institution shall periodically update its plan on a schedule as specified in §2.205 of this subchapter.

(7) Principles of Good Practice for Distance Education--Standards and criteria for distance education delivered by Texas public institutions. This document is reviewed and adopted by the Board every three years in accordance with §2.204 of this subchapter. This document is also known as "Principles of Good Practice for Academic Degree and Certificate Programs and Credit Courses Offered at a Distance."

2.203. Applicability of Subchapter

(a) This subchapter applies to an institution that seeks to offer one or more Credit Courses as defined in §2.202(1) of this subchapter via distance education.

(b) This subchapter does not apply to an institution that seeks to offer non-credit courses, including non-credit continuing education, via distance education. An institution offering only non-credit course(s) via distance education is not required to obtain approval under this subchapter regardless whether the course is otherwise eligible for funding.

(c) This subchapter applies only to determination of whether an institution is authorized to offer course(s) via distance education and does not govern the course eligibility for

funding. The agency shall determine whether a course is eligible for funding based on the applicable statutes and rules in the Texas Administrative Code.

2.204. Distance Education Standards and Criteria; the Principles of Good Practice for Distance Education.

The following provisions apply to all institutions covered under this subchapter, unless otherwise specified:

(1) Principles of Good Practice for Distance Education. The Coordinating Board will adopt standards and criteria for Distance Education in the Principles of Good Practice for Distance Education. An institution's Institutional Plan for Distance Education ("Plan" or "IPDE") shall conform to the Principles of Good Practice for Distance Education in effect at the time the institution submits the Plan, as described in §2.205 of this subchapter.

(A) Content of the Principles of Good Practice for Distance Education. The Principles of Good Practice for Education will contain a list of criteria necessary for the institution to demonstrate provision of high-quality distance education. These criteria may include provisions relating to:

(i) Institutional Context and Commitment;

(ii) Curriculum and Instruction;

(iii) Faculty;

(iv) Evaluation and Assessment;

(v) Facilities and Finances; and

(vi) Adherence to Federal Requirements.

(B) Process to Adopt the Principles of Good Practice for Distance Education. Board Staff will present the Principles of Good Practice for Distance Education to the Board for adoption no less than every three years. In revising the Principles of Good Practice, Board Staff may consider input from the Learning Technology Advisory Committee and best practice standards developed by external bodies, including institutional accreditors.

(2) Institutions offering or seeking to offer distance education programs shall comply with:

(A) Principles and policies of their institutional accreditor.

(B) Procedures governing the approval of distance education programs.

(C) Standards outlined in Principles of Good Practice for Distance Education.

(D) Data reporting associated with distance education offerings as required by the Commissioner.

2.205. Institutional Plan for Distance Education.

(a) Each institution shall submit an Institutional Plan for Distance Education ("IPDE") containing evidence of the institution's compliance with the mandatory Principles of Good Practice for Distance Education to the Coordinating Board prior to delivering any distance education programs for the first time. Board Staff will develop the IPDE form based on the standards and criteria contained in the Principles of Good Practice.

(b) The Coordinating Board authorizes an institution to offer distance education courses under Texas Education Code §61.0512(g) upon approving an institution's IPDE in good standing or if the institution is on provisional status pending final approval of their IPDE. An institution may receive formula funding for distance education courses under Chapter 13, Subchapter O, of this title. An institution shall notify the Coordinating Board of intent to offer new Distance Education Degree or Certificate Programs under §2.206 of this subchapter.

(c) Institutional academic and administrative policies shall reflect a commitment to maintain the quality of distance education courses and programs in accordance with the provisions of this subchapter. An IPDE shall conform to the Principles of Good Practice for Distance Education in effect at the time the institution submits the Plan.

(d) Process to Review and Approve IPDEs.

(1) IPDE Due Dates.

(A) Initial Approval. Each institution of higher education shall assess its distance education in accordance with the Principles of Good Practice for Distance Education. Institutions must report results of that assessment in an IPDE to Board Staff prior to seeking approval to offer distance education programs or certificates.

(B) Renewal. Each public institution of higher education shall assess its distance education on an ongoing basis in accordance with the Principles of Good Practice for Distance Education. Institutions must report results of that assessment in an updated IPDE to Board Staff by the earlier of the following deadlines:

(i) no later than one year after receiving final disposition of the institution's comprehensive renewal of accreditation report from their institutional accreditor as required by 34 CFR §602.19, or

(ii) no later than ten years after the approval of their last IPDE to the Coordinating Board.

(C) An institution may submit a request to the Commissioner for an extension of this due date of no more than two years. The Commissioner may approve this request only if the institution demonstrates good cause, e.g., the institutional accreditor has postponed the institution's renewal of accreditation cycle beyond the ten-year period.

(2) Initial Board Staff Review. Board Staff must review IPDEs for completeness and may request additional information from the institution upon determining the submitted IPDE is incomplete. Upon receipt of a completed IPDE, Board Staff must review the submission and make the following determination:

(A) Institutions Accredited by the Southern Association of Colleges and Schools Commission on Colleges ("SACSCOC"). Board Staff must determine whether the institution's IPDE has met SACSCOC policy and procedure standards related to the delivery of distance education during the prior renewal of accreditation cycle. Board Staff must forward the IPDE for Learning Technology Advisory Committee ("LTAC") review of the IPDE's adherence to the Principles of Good Practice for Distance Education under subsection (d)(3) of this section.

(B) Institutions Accredited by an Institutional Accreditor Other Than SACSCOC. Board Staff must forward the IPDE for LTAC review of the IPDE's adherence to the Principles of Good Standards for Distance Education under subsection (d)(3) of this section.

(C) Resubmitted IPDEs. If the IPDE is a resubmission that was previously denied by the Commissioner under subsection (d)(4)(B) of this section or by the Board under subsection (d)(4)(B)(ii)(II) of this section Board Staff must forward the resubmitted IPDE to LTAC review of the IPDE's adherence to the Principles of Good Standards for Distance Education under subsection (d)(3) of this section.

(3) Learning Technology Advisory Committee Review. LTAC must review and issue a recommendation as to the adherence of an IPDE to the Principles of Good Practice for Distance Education for the Board. LTAC may conduct this review using the following process:

(A) LTAC may assign each IPDE to a subcommittee chaired by LTAC members and comprised of other LTAC members and/or distance education experts who volunteer to serve in this capacity.

(B) The LTAC subcommittee assigned to review updated Institutional Plans shall review those Plans for alignment with the Principles of Good Practice. The LTAC subcommittee may ask questions and consult with the submitting institution to make this determination.

(i) If the LTAC subcommittee reviews and finds an IPDE in alignment with the PGP, the subcommittee shall issue a recommendation to LTAC that the institution be approved to offer distance education.

(ii) If the LTAC subcommittee finds an Institutional Plan is not aligned with the PGP, the subcommittee will identify areas of misalignment, provide feedback for improvement, make suggestions for the content of a remediation letter, and submit these recommendations to LTAC.

(C) LTAC may review and approve the recommendations of the LTAC subcommittee and submit these recommendations to Board Staff. Board Staff will submit these recommendations to the Commissioner for Commissioner Review under subsection (d)(4) of this section.

(4) Commissioner Review and Approval. The Commissioner has discretion to approve or deny an IPDE.

(A) Approval. If the Commissioner approves the IPDE, the institution's IPDE will be filed in good standing with the Coordinating Board. The Commissioner will send a notification to the institution of this decision.

(B) Denial. If the Commissioner denies the IPDE, the Commissioner will send an institution a remediation letter containing a notification of this decision. The remediation letter may contain the recommendations for improvement compiled by the LTAC subcommittee under subsection (d)(3)(B)(ii) of this section. The institution may then take one of two actions:

(i) Resubmission. The institution must resubmit the revised IPDE to Board Staff under subsection (d)(2) of this section no earlier than one year after the date of the letter containing Commissioner's notification of denial. The institution will remain on provisional status until final approval of the IPDE.

(ii) Appeal. The institution may appeal the Commissioner's decision to the Board. The Commissioner may issue a recommendation for approval or denial to the Board. The Board has final authority to appeal or deny the institution's IPDE.

(I) Approval. If the Board approves the IPDE, the institution's IPDE will be filed in good standing with the Coordinating Board.

(II) Denial and Resubmission. If the Board denies the institution's IPDE, the institution must resubmit the revised IPDE to Board Staff under subsection (d)(2) of this section no earlier than one year after the Board's decision. The institution will remain on provisional status until final approval of the IPDE.

2.206. Distance Education Degree or Certificate Program Notification.

The following provisions apply to all programs covered under this subchapter, unless otherwise specified:

(1) Board Staff must maintain an accurate inventory of Distance Education Degree or Certificate Programs in the Distance Education Program Inventory.

(2) To offer an existing certificate or degree through the Distance Education modality, an institution must notify Board Staff of intent to offer an approved degree or certificate program through the Distance Education modality. To submit this notification, the institution must certify that it has an Institutional Plan for Distance Education in good standing and compliance with §2.204(b) of this subchapter. Board Staff will update the institution's Distance Education Program Inventory.

(3) To offer a new certificate or degree, an institution should follow the program approval request rules laid out in the appropriate subchapter of this chapter and indicate its intent to deliver the new program through Distance Education on the program request form. To offer a new certificate or degree through Distance Education, the institution must certify that it has an Institutional Plan for Distance Education in good standing and compliance with §2.204(b) of this subchapter. Board Staff will update the institution's Distance Education Program Inventory upon the program's final approval.

(4) If an institution intends to cease offering an approved program via Distance Education modality, the institution must notify Board Staff. If an institution intends to phase out an approved degree or certificate program completely, the institution must follow the process in Chapter 2, Subchapter H of this title (relating to Phasing Out Degree and Certificate Programs). Board Staff will update the institutions Distance Education Program Inventory.

2.207. Effective Date of Rules.

The effective date of this subchapter is December 1, 2023. Each institution must submit an Institutional Plan for Distance Education ("IPDE") in accordance with this subchapter on or after that date by the due dates set out in §2.205(d)(1) of this subchapter. IPDEs currently on file as of December 1, 2023, will remain filed in good standing until the first due date under §2.205(d)(1). Learning Technology Advisory Committee shall cease conducting reviews and make recommendations regarding distance education doctoral program proposals under 19 TAC §1.190(3) upon final adoption of this subchapter. An institution is not required to submit a request for review under 19 TAC §1.190(3) upon final adoption of this subchapter.

AGENDA ITEM X-M (4)

Consideration and possible action to adopt proposed amendments to Board Rule 3.19 to implement the penalty matrix for failure to meet substantial compliance under Texas Education Code, Chapter 51, Subchapters E-2 and E-3

RECOMMENDATION: Adoption

Background Information:

The Texas Higher Education Coordinating Board (Coordinating Board) proposes amendments to the Texas Administrative Code, Title 19, Part 1, Chapter 3, Subchapter A, Rule 3.19, concerning compliance with requirements for certain incidents of sexual harassment, sexual assault, dating violence, or stalking reporting. Specifically, this amendment will add a matrix to determine the amount of the administrative penalty, with mitigating and aggravating facts; set the due date for compliance certification; set a schedule for risk-based compliance monitoring; and provide for appeal of assessed penalties.

The current rule only specifies the statutory maximum for an administrative penalty. Adding a matrix provides clarity and guidance to Coordinating Board staff and affected institutions. Texas Education Code (TEC), Chapter 51, Sections 51.259 and 51.295, allow the Coordinating Board to adopt rules as necessary to implement and enforce TEC Chapter 51, Subchapters E-2 and E-3. The Coordinating Board used negotiated rulemaking procedures in developing the revisions. Rule 3.19(a), Compliance, adds the specific due date for each postsecondary educational institution to annually certify in writing to the Coordinating Board that it is in substantial compliance with TEC, Chapter 51, Subchapter E-2. This revision adds clarity to the reporting requirement. The statutory requirement only specified annual certification. The rules initially specified a month. To ensure all postsecondary educational institutions have the same understanding of the due date, a specific date was added. This date was chosen for the Coordinating Board to fulfill its obligation to report on substantial compliance of postsecondary educational institutions during the preceding calendar year.

Jerel Booker, Assistant Deputy Commissioner for Academic Affairs, will present this item and be available to answer questions.

Date published in the *Texas Register*: February 3, 2023

The 30-day comment period with the *Texas Register* ended on: March 5, 2023.

No comments were received regarding this rule.

CHAPTER 3:
RULES APPLYING TO ALL PUBLIC AND PRIVATE OR INDEPENDENT INSTITUTIONS OF
HIGHER EDUCATION IN TEXAS REGARDING ELECTRONIC REPORTING OPTION FOR CERTAIN
OFFENSES; AMNESTY

SUBCHAPTER A:
REQUIREMENTS FOR CERTAIN INCIDENTS OF SEXUAL HARASSMENT, SEXUAL ASSAULT,
DATING VIOLENCE, OR STALKING AT CERTAIN PUBLIC AND PRIVATE INSTITUTIONS OF
HIGHER EDUCATION; AUTHORIZING ADMINISTRATIVE PENALTIES

Section 3.19 Compliance.

(a) The chief executive officer of each postsecondary educational institution shall annually certify in writing to the Coordinating Board, not later than [in] October 31 of each year, that the institution is in substantial compliance with Texas Education Code, Chapter 51, Subchapter E-2. The Coordinating Board shall make available to institutions a required template for the certification which satisfies the requirements of this section.

(b) In addition to annually reviewing the reporting under Texas Education Code §51.258 and §3.19, the Coordinating Board shall conduct risk-based compliance monitoring of Texas Education Code, Chapter 51, Subchapters E-2 and E-3. The Coordinating Board will determine the basis for reviews based on risk factors such as time since last review, stakeholder feedback, prior findings or complaints, and other factors. The Coordinating Board shall make available to the institutions a report template which satisfies the requirements of this section.

(c) [(b)] If the Coordinating Board determines that a postsecondary educational institution is not in substantial compliance with Texas Education Code, Chapter 51, Subchapters E-2 effective [on or after] January 1, 2020, [and] or Subchapter E-3 effective [on or after] August 1, 2020, the Coordinating Board may assess an administrative penalty against the institution in an amount not to exceed \$2 million annually. Compliance errors committed by an institution or system that are in substantial compliance with Subchapters E-2 and E-3 will not result in a penalty. The Coordinating Board will not find an institution is out of substantial compliance with the provisions in Subchapter E-2 and Subchapter E-3 based on a determination that the Coordinating Board would have taken different action after an independent evaluation of evidence.

(d) In evaluating whether an institution or system is in substantial compliance in accordance with §3.3 of this title (relating to Definitions), the Coordinating Board will determine the institution's or system's good faith effort by evaluating the following factors:

- (1) The nature and seriousness of the compliance error;
- (2) The extent to which the institution complied with the statutory requirements and to what extent it did not;

- (3) The number of any institutional compliance errors;
- (4) Whether the institution had actual notice of the error;
- (5) Whether the institution made any effort to rectify any compliance errors or agrees to rectify any violations going forward;
- (6) The extent to which the institution has relevant policies and/or practices;
- (7) The institution's intent;
- (8) Severity of the error's effect;
- (9) Any previous compliance errors of a similar kind and the time lapse since those error(s);
- (10) Institutional efforts to prevent compliance errors, including the extent to which the institution provided training to employees and/or acted after learning about the error;
- (11) The explanation for the cause of the compliance error, including a good-faith mistake; a differing, reasonable interpretation of the law; a conflict between two provisions, or a conflict with another legal or governmental requirement (such as Title IX regulations or a mandatory report to the National Institutes of Health);
- (12) Any prevention and/or response efforts of the institution, made in good faith, to address a possible compliance error;
- (13) The degree of cooperation of the institution with the Coordinating Board in remedying a potential compliance error; and
- (14) Any other fact or circumstance as justice may require.

(e) [(c)] A postsecondary educational Institution's failure to timely and accurately file the certification of substantial compliance with Texas Education Code §51.258 and Subsection (a) not later than October 31 of each year shall result in a penalty of \$2,000 per day of violation. [If the Coordinating Board assesses an administrative penalty against a postsecondary educational institution under Subsection (b), the Coordinating Board shall provide to the institution written notice of the Coordinating Board's reasons for assessing the penalty.]

(1) A postsecondary educational institution may cure a violation under this subsection by filing its report not later than November 30 of the year the report was due.

(2) If the postsecondary educational institution cures the violation as provided in this subsection, the Coordinating Board shall not assess a penalty.

(3) If the postsecondary educational Institution fails to cure the violation as provided in this subsection, the Coordinating Board shall assess the full penalty owed under this subsection beginning in November of the year the report was due.

(4) If a postsecondary educational institution files good faith correction to a previously filed certification of substantial compliance within a reasonable time of discovering an unintentional error, not later than February 1 following the due date of the report, the Coordinating Board shall not assess a penalty.

(f) The Coordinating Board may assess an administrative penalty, up to a total of \$2 million annually, if a postsecondary educational Institution has failed to maintain substantial compliance with Texas Education Code, Chapter 51, Subchapter E-2 or E-3.

(1) In determining the total penalty to assess, the Coordinating Board shall consider the number of students at the institution, the penalty matrix in this section, apply mitigating and aggravating factors, and any other factor justice may require. Mitigating factors may result in a reduction of the administrative penalty. Aggravating factors may result in an increased administrative penalty, up to \$2 million annually.

(2) Penalty Matrix. Potential annual penalty amounts are shown in Figure 1

(Attached Graphic)

Figure 19 TAC §3.19(f)(2)

Potential Annual Penalties under TEC Chapter 51, Subchapter E-2		
<u>Statute and Rule Violations</u>	<u>Institutional Failure to Maintain Substantial Compliance Related to</u>	<u>Potential Annual Penalty</u>
<u>Tex. Educ. Code §51.252; §3.5</u>	<u>Reporting Required for Certain Incidents</u>	<u>\$60,000</u>
<u>Tex. Educ. Code §51.253; §3.6</u>	<u>Administrative Reporting Requirements</u>	<u>\$2,000 per day</u>
<u>Tex. Educ. Code §51.255(c); §3.8</u>	<u>Failure to Report or False Report (Termination)</u>	<u>\$30,000</u>
<u>Tex. Educ. Code §51.256; §3.17</u>	<u>Confidentiality</u>	<u>\$60,000</u>
<u>Tex. Educ. Code §51.257(a); §3.18</u>	<u>Retaliation Prohibited</u>	<u>\$30,000</u>

Potential Annual Penalties under TEC Chapter 51, Subchapter E-3		
<u>Statute and Rule Violations</u>	<u>Institutional Failure to Maintain Substantial Compliance Related to</u>	<u>Potential Annual Penalty</u>
<u>Tex. Educ. Code §51.282; §3.4</u>	<u>Policy Requirements</u>	<u>\$5,000</u>
<u>Tex. Educ. Code §51.282; §3.4</u>	<u>Policy Accessibility</u>	<u>\$5,000</u>

<u>Tex. Educ. Code §51.282; §3.4</u>	<u>Policy Orientation for Students</u>	<u>\$5,000</u>
<u>Tex. Educ. Code §51.282; §3.4</u>	<u>Outreach Program for Students and Employees</u>	<u>\$5,000</u>
<u>Tex. Educ. Code §51.282; §3.4</u>	<u>Policy Review</u>	<u>\$5,000</u>
<u>Tex. Educ. Code §51.283; §3.7</u>	<u>Electronic Reporting Option</u>	<u>\$5,000</u>
<u>Tex. Educ. Code §51.284; §3.5(e)</u>	<u>Amnesty for Students Reporting Certain Incidents</u>	<u>\$30,000</u>
<u>Tex. Educ. Code §51.285; §3.19</u>	<u>Victim Request Not to Investigate</u>	<u>\$5,000</u>
<u>Tex. Educ. Code §51.286; §3.10</u>	<u>Disciplinary Process for Certain Violations</u>	<u>\$30,000</u>
<u>Tex. Educ. Code §51.287; §§3.11, 3.30</u>	<u>Student Withdrawal or Graduation Pending Disciplinary Charges</u>	<u>\$30,000</u>
<u>Tex. Educ. Code §51.288; §3.12</u>	<u>Trauma Informed Investigation Training</u>	<u>\$5,000</u>
<u>Tex. Educ. Code §51.289; §3.13</u>	<u>Memoranda of Understanding Required</u>	<u>\$5,000</u>
<u>Tex. Educ. Code §51.290; §§3.14, 3.15</u>	<u>Responsible and Confidential Employee; Student Advocate</u>	<u>\$30,000</u>
<u>Tex. Educ. Code §51.291; §3.17</u>	<u>Confidentiality</u>	<u>\$60,000</u>
<u>Tex. Educ. Code §51.293; §3.16</u>	<u>Equal Access</u>	<u>\$5,000</u>

(3) Mitigating factors may include:

(A) The inability of the postsecondary educational institution to meet the requirement of law due to:

(i) a disaster declared under Texas Government Code chapter 418;

(ii) a technology failure rendering compliance impossible; or

(iii) a severe medical impairment of a person responsible for compliance with a requirement under Texas Education Code Chapter 51, Subchapters E-2 or E-3; or

(B) Evidence that the postsecondary educational institution properly reported an incident to another state or federal agency with law enforcement or regulatory authority.

(C) Any actual notice to the institution of the compliance error;

(D) Institutional efforts to prevent compliance errors, including the extent to which the institution provided training to employees and/or acted after learning about the error;

(E) The explanation for the cause of the compliance error, including a good-faith mistake; a differing, reasonable interpretation of the law; a conflict between two provisions, or a conflict with another legal or governmental requirement (such as Title IX regulations or a mandatory report to the National Institutes of Health);

(F) The lack of harm to any individual; and

(G) The extent to which the institution or system complied with Subchapters E-2 and E-3.

(4) Aggravating factors shall include:

(A) Harm to an individual caused by, or directly related to, the postsecondary educational institution's violation of law;

(B) Any evidence of a postsecondary educational institution's failure to act on a prior substantially similar complaint;

(C) Any evidence of multiple incidents of similar failures or length of time of failure by the postsecondary institution;

(D) Any evidence that the postsecondary educational institution or its chief executive officer knowingly provided a false certification under Texas Education Code § 51.258(a);

(E) That the postsecondary educational institution attempted to conceal or cause others to conceal information relevant to a determination of violation under Chapter 51, Subchapters E-2 and E-3; and

(F) The extent to which the institution or system failed to comply with Subchapters E-2 and E-3.

[(d) A postsecondary educational institution assessed an administrative penalty under Subsection (b) may appeal the penalty in the manner provided by Chapter 2001, Government Code.]

[(g) [(e)] If the Coordinating Board assesses an administrative penalty against a postsecondary educational institution under Subsection (f) of this section, the Coordinating Board shall provide to the institution written notice of the Coordinating Board's reason for assessing the penalty. [A

postsecondary educational institution may not pay an administrative penalty assessed under Subsection (b) using state or federal money.]

(h) [(f)] A postsecondary educational institution assessed an administrative penalty under Subsection (f) may appeal the penalty in the manner provided by Chapter 2001, Texas Government Code. The Coordinating Board shall enter a final decision and order as to any penalty assessed after a contested case proceeding. [The Coordinating Board shall deposit an administrative penalty collected under this section to the credit of the sexual assault program fund established under Section 420.008, Texas Government Code.]

(i) [(g)] A postsecondary educational institution may not pay an administrative penalty assessed under Subsection (f) using state-appropriated or federal money. [The Coordinating Board shall annually submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing legislative committees with primary jurisdiction over legislation concerning sexual assault at postsecondary educational institutions a report regarding compliance with this subchapter, including a summary of the postsecondary educational institutions found not to be in substantial compliance as provided by this section and any penalties assessed under this section during the calendar year preceding the date of the report.]

(j) The Coordinating Board shall deposit an administrative penalty collected under this section to the credit of the sexual assault program fund established under Section 420.008, Texas Government Code.

(k) The Coordinating Board shall annually submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing legislature committees with primary jurisdiction over legislation concerning sexual assault at postsecondary educational institutions a report regarding compliance with this subchapter, including a summary of the postsecondary education institutions found not to be in substantial compliance as provided by this section and any penalties assessed under the section during the calendar year preceding the date of the report.

AGENDA ITEM X-M (5)

Consideration and possible action to adopt proposed amendments to Board Rule 4.279(b), concerning formula funding for out-of-state or out-of-country programs

RECOMMENDATION: Adoption

Background Information:

The Texas Higher Education Coordinating Board (Coordinating Board) proposes amendments to Texas Administrative Code, Title 19, Part 1, Chapter 4, Subchapter Q, Rule 4.279(b), concerning formula funding for out-of-state or out-of-country programs. Specifically, this amendment will create an exception to allow formula funding for courses that are part of a Texas public community college program located in the same metropolitan area as the college but across a state line dividing the metropolitan area, and at a regional airport that serves Texas residents.

Current Board Rule 4.279(b) prescribes formula funding for courses taught in out-of-state or out-of-country programs. Such programs are presumed to provide no service or benefit to the state or its residents and are generally located in a municipality that is wholly separate from that of the college offering the program. This amendment will provide an exception for courses taught as part of a Texas public community college program offered at a regional airport located no more than five miles across a state line, provided the regional airport is located in the same metropolitan area as the Texas college offering the program, serves Texas residents, and supports the Texas region's economy.

Dr. Tina Jackson, Assistant Commissioner for Workforce Education, will present this item and be available to answer questions.

Date published in the *Texas Register*: January 27, 2023

The 30-day comment period with the *Texas Register* ended on: February 26, 2023.

The following comment was received regarding the adoption of the amendment.

Comment: An institution requested that the requirement for institutions to charge fees that are “equal to or greater than Texas resident tuition and fees” be stricken from Section §4.279(f) to allow an institution that is able to cover the total cost of instruction and fees for less than the applicable resident tuition and fee rates may do so in order to compete in the national online marketplace.

Response: This comment pertains to charges for certain courses not submitted for formula funding, such as self-supporting programs. The rules pertaining to self-supporting programs will be addressed in a future revision of the program approval rules.

CHAPTER 4. RULES APPLYING TO ALL PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN
TEXAS
SUBCHAPTER Q. APPROVAL OF OFF-CAMPUS AND SELF-SUPPORTING COURSES AND
PROGRAMS FOR PUBLIC INSTITUTIONS
19 TAC §4.279

§4.279. Formula Funding General Provisions.

- (a) Institutions shall report off-campus courses submitted for formula funding in accordance with the Board's uniform reporting system and the provisions of this subchapter.
- (b) Institutions shall not submit for formula funding courses in out-of-state or out-of-country programs[-], except that a Texas public community college may submit for formula funding courses taught in an approved program offered at a regional airport located no more than five miles across a state line, provided the regional airport:
 - (1) is located in the same Metropolitan Area or Nonmetropolitan Area as promulgated by the United States Office of Management and Budget as the Texas college offering the program;
 - (2) serves Texas residents; and
 - (3) supports the Texas region's economy.
- (c) Institutions shall not submit self-supporting courses for formula funding.
- (d) Institutions shall not submit non-state funded lower-division credit courses to Regional Councils.
- (e) Institutions shall not jeopardize or diminish the status of formula-funded on-campus courses and programs in order to offer self-supporting courses. Self-supporting courses shall not be a substitute for offering a sufficient number of formula-funded on-campus courses.
- (f) For courses not submitted for formula funding, institutions shall charge fees that are equal to or greater than Texas resident tuition and applicable fees, and that are sufficient to cover the total cost of instruction and overhead, including administrative costs, benefits, computers and equipment, and other related costs. Institutions shall report fees received for self-supporting and out-of-state/country courses in accordance with general institutional accounting practices.

AGENDA ITEM X-M (6)

Consideration and possible action to adopt new Board Rules 13.400-13.408, concerning the TRUE Grant Program

RECOMMENDATION: Approval

Background Information:

The Texas Higher Education Coordinating Board (THECB) proposes adoption of a new subchapter with new rules in Texas Administrative Code, Title 19, Part 1, Chapter 13, Subchapter N, Rules 13.400-13.408, concerning the Texas Reskilling and Upskilling Through Education (TRUE) Grant Program. The new rules implement Senate Bill 1102 (87th Texas Legislature) requirements for the operation of the TRUE Grant Program.

Rule 13.400, Authority, identifies the section of the Texas Education Code that grants the THECB authority over the TRUE Grant Program.

Rule 13.401, Purpose, sets out the purpose of the chapter as a whole, to establish processes for the TRUE Grant Program's organization and implementation.

Rule 13.402, Definitions, lists definitions broadly applicable to all sections of Subchapter N. The definitions establish a common understanding of the meaning of key terms used in the rules.

Rule 13.403, Eligibility, identifies eligible entities that may apply for the TRUE grant as specified by statute. The TRUE Grant Program has three categories of eligible entities: (1) a lower-division institution of higher education; (2) consortium of lower-division institutions of higher education; or (3) local chamber of commerce, trade association, or economic development corporation that partners with a lower-division institution of higher education or a consortium of lower-division institutions of higher education.

Rule 13.404, Application Procedures, identifies TRUE grant application procedures so grant applicants understand high-level requirements and refer to the TRUE Grant Program RFA for specifics. Grant application procedures described include the number of applications eligible entities may submit, the process of submitting applications to the THECB, the importance of adhering to grant program requirements, and the requirement for proper authorization and timely submission of applications.

Rule 13.405, Awards, identifies the size and provision of TRUE grant awards. TRUE Grant Program available funding is dependent on the legislative appropriation for the program for each biennial state budget. Consequently, award levels and estimated number of awards will

be specified in the program's RFA. This section also provides reference on the establishment of processes for application approval and award sizes.

Rule 13.406, Review Criteria, provides TRUE grant application review procedures. This section describes how the THECB will utilize specific requirements and award criteria described in a TRUE Grant Program RFA to review applications. Award criteria will include, but may not be limited to, consideration of key factors and preferred application attributes described in the RFA.

Rule 13.407, Reporting Criteria, describes TRUE grant reporting requirements. THECB will request data on TRUE Grant Program funded credential programs as well as data on students enrolled in those programs. Student-level data will enable THECB to track student enrollment, credential completion, and employment data through state education and workforce databases.

Rule 13.408, General Information, indicates general information concerning the cancellation or suspension of TRUE grant solicitations and the use of the Notice of Grant Award (NOGA).

Dr. Tina Jackson, Assistant Commissioner for Workforce Education, will present this item and be available to answer questions.

Date published in the *Texas Register*: January 27, 2023

The 30-day comment period with the *Texas Register* ended on: February 27, 2023.

Summary of comments received:

Comment: One comment received from an institution asked for clarification of Review Criteria (a)(4) concerning representation of institutions from multiple regions of the state.

Response: The Coordinating Board provides criteria (a)(4) as one of the considerations that the Coordinating Board will take into account in reviewing and making grant awards. The rule states that the board will take into consideration projects from eligible entities located in each region of the state to the extent practicable. This means that THECB will take into account the geographic spread of projects across the state when determining grant awards. It does not mean that THECB is requiring applicants to take geography into consideration or that THECB will select an applicant in each region.

Comment: One set of comments received from an institution asked for clarifications and details regarding student aid eligibility, the end date of the funding cycle, actions institutions might take if students receiving funding do not spend down those funds and deadlines for return of funds to THECB.

Response: This level of specificity regarding program guidelines is incorporated in Requests for Proposals (RFAs). Most of these topics are standard content in an RFA. The Coordinating Board will take into account these specific details in the composition of future RFAs, based on the timing and size of future rounds of the TRUE Grant Program.

CHAPTER 13. FINANCIAL PLANNING
SUBCHAPTER N. TEXAS RESKILLING AND UPSKILLING THROUGH EDUCATION (TRUE)
GRANT PROGRAM
19 TAC §§13.400 - 13.408

§13.400.Purpose.

The purpose of this subchapter is to establish the Texas Reskilling and Upskilling through Education (TRUE) Program to strengthen the Texas workforce and build a stronger Texas economy. Awards will be made to eligible entities for creating, redesigning, or expanding workforce training programs and delivering education and workforce training.

§13.401.Authority.

The authority for this subchapter is found in Texas Education Code, Chapter 61, Subchapter T-2, §§61.882(b)1-886, which provides the board with the authority to administer the TRUE Program in accordance with the subchapter and rules adopted under the subchapter.

§13.402.Definitions.

The following words and terms when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Board or THECB--The Texas Higher Education Coordinating Board.

(2) Commissioner--The Commissioner of Higher Education.

(3) Eligible entity--A lower-division institution of higher education; a consortium of lower-division institutions or higher education; or a local chamber of commerce, trade association, or economic development corporation that partners with a lower-division institution of higher education or a consortium of lower-division institutions of higher education per Texas Education Code §61.881(1).

(4) Lower-Division Institution of Higher Education--A public junior college, public state college, or public technical institute per Texas Education Code §61.881(1).

(5) Necessary information--Data and reporting on student enrollment, credential completion, and employment outcomes for students in TRUE funded programs per Texas Education Code §61.883(a)(6).

(6) Program--The TRUE Grant Program.

(7) Request for Applications (RFA)--A type of solicitation notice in which the THECB announces available grant funding, sets forth the guidelines governing the program, provides evaluation criteria for submitted applications, and provides instructions for eligible entities to submit applications for such funding. The guidelines governing the program may include a Letter of Intent, eligibility requirements, performance expectations, budget guidelines, reporting requirements, and other standards of accountability for this program.

§13.403.Eligibility.

Eligible entities may apply for a grant under the TRUE Grant Program.

§13.404.Grant Application Procedures.

(a) Unless otherwise specified in the RFA, eligible entities may submit a maximum of two applications: one as a single recipient and the other as a member of a consortium.

(b) To qualify for funding consideration, an eligible entity must submit an application to the THECB and each application must:

(1) Be submitted electronically in a format and location specified in the RFA;

(2) Adhere to the grant program requirements contained in the RFA; and

(3) Be submitted with proper authorization on or before the day and time specified by the RFA.

§13.405.Awards.

(a) The amount of funding available to the program is dependent on the legislative appropriation for the program for each biennial state budget. Award levels and estimated number of awards will be specified in the RFA.

(b) TRUE Grant Program awards shall be subject to approval pursuant to 19 Texas Administrative Code §1.16.

(c) The size of award may be adjusted by the Commissioner to best fulfill the purpose of the RFA.

§13.406.Review Criteria.

(a) Applicants shall be selected for funding based on requirements and award criteria provided in the RFA. Award criteria shall at a minimum include consideration of the following key factors:

(1) Projects that lead to postsecondary industry certifications or other workforce credentials required for high-demand occupations;

(2) Projects that are developed and provided in consultation with employers who are hiring in high-demand occupations;

(3) Projects that create pathways to employment for students and learners;

(4) Projects with at least one eligible entity located in each region of the state to the extent practicable;

(5) Projects that ensure that each training program matches regional workforce needs, are supported by a labor market analysis of job postings and employers hiring roles with the skills developed by the program; and do not duplicate existing program offerings except as necessary to accommodate regional demand; and

(6) The evaluation of the application by three or more selected reviewers as determined by THECB staff.

(b) Projects may be given preference that:

(1) Represent a consortium of lower-division institutions of higher education;

(2) Prioritize training to displaced workers;

(3) Offer affordable training programs to students; or

(4) Partner with local chambers of commerce, trade associations, economic development corporations, and local workforce boards to analyze job postings and identify employers hiring roles with the skills developed by the training programs.

§13.407.Reporting Criteria.

(a) Interim and Final Reporting for the TRUE Grant Program. Grantees must file program and expenditure reports and student reports if applicable with THECB during the grant period and at its conclusion as required by the RFA. Grantees shall provide information that includes, but is not limited to, the following:

(1) Characteristics of the credential programs that are being worked on by the project;

(2) Status of the grant project activities;

(3) Budget expenditures by budget category;

(4) Student level data for students receiving financial aid funded by the grant as applicable;

(5) Student enrollment data as applicable; and

(6) Any other information required by the RFA.

(b) Ongoing Data Collection and Reporting for the TRUE Grant Program. Grantees shall submit necessary information concerning student enrollment, credential completion, and employment outcomes for students in TRUE funded programs per Texas Education Code §61.883(a)(6).

(c) THECB will request an updated list of TRUE developed and funded credential programs with required data points from grant holders annually at the end of June of each year following the end of the grant period.

(d) THECB will request a roster with required data points for all students enrolled in the listed credential program or programs funded through TRUE from grant holders annually at the end of June of each year following the end of the grant period.

§13.408.General Information.

(a) Cancellation or Suspension of Grant Solicitations. The Board and Commissioner retain the right to reject all applications and cancel a grant solicitation at any point.

(b) Notice of Grant Award (NOGA). Before release of funds, the successful applicants must sign a NOGA issued by the Board.

AGENDA ITEM X-M (7)

Consideration and possible action to adopt new Board Rules 13.450-13.454, concerning formula funding for distance education

RECOMMENDATION: Adoption

Background Information:

The proposed new rules will move existing distance education rules regarding distance education formula funding from Texas Administrative Code (TAC) , Title 19, Part 1, Chapter 4, Subchapter P to Chapter 13, Subchapter O. The rules are reorganized and recodified without substantive revisions modifying any existing funding policy. The agency is working on moving all funding rules into Chapter 13, Financial Planning, as this chapter of the TAC contains the agency's rules related to formula funding. This change will improve the agency's rule readability and help institutions navigate Title 19, Part 1, of the TAC.

Staff proposes one change to the proposed version of this rule published in the *Texas Register*: striking a duplicative provision in Rule 13.453(7), as it contains wording already included in Rule 13.453(6).

Dr. Michelle Singh, Assistant Commissioner for the Division of Digital Learning, will present this item and be available to answer questions.

Date published in the *Texas Register*: January 27, 2023

The 30-day comment period with the *Texas Register* ended on February 26, 2023.

Summary of comments received: No comments were received regarding this rule.

CHAPTER 13 – FINANCIAL PLANNING

SUBCHAPTER O – FORMULA FUNDING FOR DISTANCE EDUCATION

13.450.Purpose and Scope.

The purpose of this subchapter is to establish the methods for issuing formula funding for instruction delivered via distance education.

13.451.Authority.

Authority for this subchapter is provided by Texas Education Code §61.0512(g), which provides the authority for the Coordinating Board to approve courses for credit and distance education programs, as well as Texas Education Code §61.059, which provides the Coordinating Board the authority to devise formulas to submit as recommendations to the Legislature and the Governor for all institutions of higher education.

13.452.Definitions.

The definitions in this subchapter are contained in Chapter 2, Subchapter J, §2.202 of this title (relating to Definitions).

13.453.Formula Funding for Distance Education - General Provisions.

The following provisions apply to distance education courses and programs offered with authorization under Chapter 2, Subchapter J, of this title (relating to Approval of Distance Education for Public Institutions).

(1) Institutions shall report distance education courses submitted for formula funding in accordance with the Board's uniform reporting system and the provisions of this subchapter.

(2) Institutions may submit for formula funding academic credit courses delivered by distance education to any student located in Texas or to Texas residents located out-of-state or out-of-country.

(3) Institutions, with the exception of those outlined in paragraph (5) of this section, shall not submit for formula funding 100-percent online courses taken by non-resident students who are located out-of-state or out-of-country, courses in out-of-state or out-of-country programs taken by any student, or self-supporting courses.

(4) For courses not submitted for formula funding, institutions shall charge fees that are equal to or greater than Texas resident tuition and applicable fees and that are sufficient to cover the total cost of instruction and overhead, including administrative costs, benefits, computers and equipment, and other related costs. Institutions shall report fees received for self-supporting and out-of-state/country courses in accordance with general institutional accounting practices.

(5) Pursuant to Texas Education Code §54.231(a) and (f) and §61.059(n), Texas A&M University-Texarkana may submit distance education courses for formula funding that are taken by students enrolled in the university that reside in a county contiguous to the county in which Texas A&M University-Texarkana is located and who, under Texas Education Code §54.060(a), are eligible to pay resident tuition.

(6) If a non-Texas resident student enrolls in regular, on-campus courses for at least one-half of the normal full-time course load as determined by the institution, the institution may report that student's fully distance education or hybrid/blended courses for formula funding enrollments.

~~[(7) If a non-Texas resident student enrolls in regular, on-campus courses for at least one-half of the normal full-time course load as determined by the institution, the institution may report that student's fully distance education or hybrid/blended courses for formula funding enrollments.]~~

13.454.Effective Date.

Each rule under this subchapter applies to distance education delivered on or after December 1, 2023.

AGENDA ITEM XI-A

Committee chair's overview

Ms. Emma Schwartz, Chair of the Agency Operations Committee, will provide the Board an overview of the items on the agenda.

AGENDA ITEM XI-B

Report on grants and contracts

RECOMMENDATION: No action required

Background Information:

Texas Administrative Code, Title 19, Rule 1.16(j), establishes that any contract for the purchase of goods or services that exceeds \$1 million may be entered into only if the contract is approved and signed by the Commissioner of Higher Education, to whom the board of the Texas Higher Education Coordinating Board (Board), by virtue of this rule, delegates such approval and signature authority. In addition to the Board receiving a quarterly report on “Contracts Executed by the Agency in Accordance with Board Rule 1.16,” agency staff also provides the Board a quarterly report highlighting and listing all grants and contracts exceeding \$1 million.

Nichole Bunker-Henderson, General Counsel, is available to answer questions.



Contracts Executed by the Agency in Accordance with Board Rule 1.16

December 8, 2022 – February 28, 2023

Contracts Executed by the Agency in Accordance with Board Rule 1.16

Division Unit	Contract #	Performing Agent	Description	Active Date	Total \$
029 Open Education Resource Admin	28587	Adam Weiss	No-Cost Extension Amendment	1/6/2023	0.00
029 Open Education Resource Admin	28746	Institute for the Study of Knowledge Management in Education	State Repository Portal	1/26/2023	28,000.00
0387 Bonds	28556	Moody S Investors Service	THECB Bond Payment	1/27/2023	46,000.00
0387 Bonds	28554	Standard & Poors Financial Services LLC	THECB Bond Payment	1/27/2023	45,000.00
070 Academic and Health Affairs	27766	Scott & White Memorial Hospital	Emergency and Trauma Care Education Partnership Program Grant	12/21/2022	371,000.00
070 Academic and Health Affairs	27768	The University of Texas at Austin	Emergency and Trauma Care Education Partnership Program Grant	1/9/2023	371,000.00
070 Academic and Health Affairs	27770	The University of Texas Health Science Center at San Antonio	Emergency and Trauma Care Education Partnership Program Grant	12/21/2022	371,000.00
070 Academic and Health Affairs	27771	The University of Texas Southwestern Medical Center	Emergency and Trauma Care Education Partnership Program Grant	12/22/2022	371,000.00
070 Academic and Health Affairs	27763	Baylor College of Medicine	Emergency and Trauma Care Education Partnership Program Grant	12/22/2022	318,000.00
070 Academic and Health Affairs	27765	John Peter Smith Hospital	Emergency and Trauma Care Education Partnership Program Grant	1/11/2023	318,000.00
070 Academic and Health Affairs	27767	Texas Tech University HSC at El Paso Paul L Foster School of Medicine (774)	Emergency and Trauma Care Education Partnership Program Grant	12/21/2022	318,000.00
070 Academic and Health Affairs	27769	The University of Texas Health Science Center at Houston	Emergency and Trauma Care Education Partnership Program Grant	1/9/2023	212,000.00
070 Academic and Health Affairs	27774	The University of Texas Southwestern Medical Center	Emergency and Trauma Care Education Partnership Program Grant	1/9/2023	145,392.00
070 Academic and Health Affairs	27775	The University of Texas at Austin	Emergency and Trauma Care Education Partnership Program Grant	1/9/2023	145,392.00
070 Academic and Health Affairs	27773	The University of Texas Health Science Center at Houston	Emergency and Trauma Care Education Partnership Program Grant	1/9/2023	96,928.00
070 Academic and Health Affairs	27772	Columbia Medical Center of Arlington	Emergency and Trauma Care Education Partnership Program Grant	12/21/2022	53,000.00
070 Academic and Health Affairs	27776	Texas Tech University HSC at El Paso Paul L Foster School of Medicine (774)	Emergency and Trauma Care Education Partnership Program Grant	12/21/2022	24,232.00
070 Academic and Health Affairs	27777	The University of Texas Health Science Center at San Antonio	Emergency and Trauma Care Education Partnership Program Grant	1/3/2023	24,232.00
070 Academic and Health Affairs	27778	Baylor University Medical Center (Dallas)	Emergency and Trauma Care Education Partnership Program Grant	1/11/2023	24,232.00
070 Academic and Health Affairs	27779	The University of Texas Southwestern Medical Center	Emergency and Trauma Care Education Partnership Program Grant	1/3/2023	24,232.00
070 Academic and Health Affairs	28533	Texas Tech Univ Health Science Center	Family Medicine Residency Program Grant	2/13/2023	615,735.00
070 Academic and Health Affairs	28531	Texas Institute for Graduate Medical Education and Research	Family Medicine Residency Program Grant	1/26/2023	222,612.00
070 Academic and Health Affairs	28511	Christus Spohn Hospital-Corpus	Family Medicine Residency Program Grant	2/9/2023	189,457.00
070 Academic and Health Affairs	28539	The University of Texas Health Science Center at Houston	Family Medicine Residency Program Grant	2/7/2023	170,511.00
070 Academic and Health Affairs	28547	McLennan County FPRP	Family Medicine Residency Program Grant	1/25/2023	170,511.00
070 Academic and Health Affairs	28518	Conroe Medical Educ Foundation	Family Medicine Residency Program Grant	1/26/2023	151,566.00
070 Academic and Health Affairs	28546	The University of Texas Medical Branch at Galveston	Family Medicine Residency Program Grant	1/25/2023	151,566.00
070 Academic and Health Affairs	28530	Texas A&M University System Health Science Center	Family Medicine Residency Program Grant	2/7/2023	142,093.00
070 Academic and Health Affairs	28536	The University of Texas Health Science Center at Tyler	Family Medicine Residency Program Grant	1/25/2023	142,093.00
070 Academic and Health Affairs	28510	Christus Santa Rosa	Family Medicine Residency Program Grant	1/26/2023	132,620.00
070 Academic and Health Affairs	28454	Baylor College of Medicine	Family Medicine Residency Program Grant	1/29/2023	113,674.00
070 Academic and Health Affairs	28519	Detar Hospital	Family Medicine Residency Program Grant	1/25/2023	113,674.00
070 Academic and Health Affairs	28532	Texas Tech University HSC at El Paso Paul L Foster School of Medicine (774)	Family Medicine Residency Program Grant	2/15/2023	113,674.00
070 Academic and Health Affairs	28537	University of North Texas Health Science Center at Fort Worth	Family Medicine Residency Program Grant	1/26/2023	100,000.00
070 Academic and Health Affairs	28527	Scott & White Memorial Hospital	Family Medicine Residency Program Grant	1/27/2023	89,992.00
070 Academic and Health Affairs	28526	Scott & White Hospital- Round Rock	Family Medicine Residency Program Grant	1/26/2023	85,256.00
070 Academic and Health Affairs	28544	University of North Texas Health Science Center at Fort Worth	Family Medicine Residency Program Grant	1/25/2023	85,256.00
070 Academic and Health Affairs	28528	Christus St Michael's Hospital DBA Christus Health ARK-LA-TEX	Family Medicine Residency Program Grant	2/2/2023	61,574.00
070 Academic and Health Affairs	28507	Baylor University Medical Center (Dallas)	Family Medicine Residency Program Grant	2/8/2023	56,852.25
070 Academic and Health Affairs	26494	Columbia Plaza Medical Center of Fort Worth	Graduate Medical Education Expansion Program Grant	2/27/2023	900,000.00
070 Academic and Health Affairs	26511	Baptist Hospitals of Southeast Texas	Graduate Medical Education Expansion Program Grant	1/11/2023	900,000.00
070 Academic and Health Affairs	26503	Texas Health Resources	Graduate Medical Education Expansion Program Grant	2/15/2023	450,000.00
070 Academic and Health Affairs	28117	The University of Texas Medical Branch at Galveston	Graduate Medical Education Expansion Program Grant	1/26/2023	450,000.00
070 Academic and Health Affairs	28449	The University of Texas Health Science Center at Houston	No-Cost Amendment	2/6/2023	0.00
070 Academic and Health Affairs	28735	University of Houston -Clear Lake	No-Cost Extension Amendment	2/12/2023	0.00
070 Academic and Health Affairs	28316	Houston Methodist Hospital	Rural and Public Health Rotation Allocations - Independent Programs	1/6/2023	10,000.00
070 Academic and Health Affairs	28322	Texas Institute for Graduate Medical Education and Research	Rural and Public Health Rotation Allocations - Independent Programs	1/6/2023	6,000.00
070 Academic and Health Affairs	28321	Texas Tech University Health Sciences Center	Rural and Public Health Rotation Allocations - Independent Programs	1/6/2023	40,000.00
070 Academic and Health Affairs	28316	John Peter Smith Hospital	Rural and Public Health Rotation Allocations - Independent Programs	1/6/2023	15,000.00
070 Academic and Health Affairs	28321	Texas A&M Health Science Center	Rural and Public Health Rotation Allocations - Public Programs	1/6/2023	22,500.00
094 Credential Repository	27909	Workquest Temps	Temporary Personnel	2/3/2023	211,200.00
104 GradTX 2.0 Expansion	28112	University of North Texas	No-Cost Amendment	12/29/2022	0.00
131 Nursing Innovation	28716	Blinn College	Nursing Innovation Grant Program	2/15/2023	425,000.00
131 Nursing Innovation	28737	University of Houston	Nursing Innovation Grant Program	2/23/2023	425,000.00
131 Nursing Innovation	28741	The University of Texas Health Science Center at San Antonio	Nursing Innovation Grant Program	2/23/2023	425,000.00
131 Nursing Innovation	28744	West Texas A&M University	Nursing Innovation Grant Program	2/12/2023	425,000.00
131 Nursing Innovation	28738	The University of Texas at Arlington	Nursing Innovation Grant Program	2/12/2023	424,928.00
131 Nursing Innovation	28733	Texas Tech University Health Sciences Center	Nursing Innovation Grant Program	2/12/2023	409,929.00
131 Nursing Innovation	28731	Texas State University	Nursing Innovation Grant Program	2/23/2023	365,000.00
131 Nursing Innovation	28721	Laredo Community College	Nursing Innovation Grant Program	2/16/2023	359,820.00
131 Nursing Innovation	28739	The University of Texas at Austin	Nursing Innovation Grant Program	2/27/2023	353,909.00
131 Nursing Innovation	28725	San Jacinto College District	Nursing Innovation Grant Program	2/12/2023	345,766.00
131 Nursing Innovation	28743	The University of Texas at Tyler	Nursing Innovation Grant Program	2/15/2023	298,670.00
131 Nursing Innovation	28717	Dallas College	Nursing Innovation Grant Program	2/8/2023	271,500.00
131 Nursing Innovation	28732	Texas Tech Univ Health SC - El Paso (774)	Nursing Innovation Grant Program	2/12/2023	262,644.00
131 Nursing Innovation	28723	Sam Houston State University	Nursing Innovation Grant Program	2/27/2023	240,389.00
131 Nursing Innovation	28718	Galveston College	Nursing Innovation Grant Program	2/27/2023	212,437.60

Contracts Executed by the Agency in Accordance with Board Rule 1.16

Division Unit	Contract #	Performing Agent	Description	Active Date	Total \$
131 Nursing Innovation	28722	Northeast Texas Community College	Nursing Innovation Grant Program	2/27/2023	197,065.00
131 Nursing Innovation	28714	Amarillo College	Nursing Innovation Grant Program	2/23/2023	188,871.00
131 Nursing Innovation	28713	Alvin Community College	Nursing Innovation Grant Program	2/27/2023	184,505.50
131 Nursing Innovation	28720	Lamar University	Nursing Innovation Grant Program	2/16/2023	123,787.00
131 Nursing Innovation	28742	The University of Texas at Permian Basin	Nursing Innovation Grant Program	2/23/2023	79,766.00
136 SSI CCA	28014	MDRC	Implementation Grant Evaluator	1/20/2023	1,700,000.00
136 SSI CCA	28412	Temple College	Student Success Acceleration Program Implementation Grants	1/26/2023	250,000.00
136 SSI CCA	28417	Texas A&M University - Central Texas	Student Success Acceleration Program Implementation Grants	1/26/2023	250,000.00
136 SSI CCA	28419	Texas A&M University-Kingsville	Student Success Acceleration Program Implementation Grants	1/23/2023	250,000.00
136 SSI CCA	28420	Texas A&M University-San Antonio	Student Success Acceleration Program Implementation Grants	2/12/2023	250,000.00
136 SSI CCA	28423	Texas A&M University System	Student Success Acceleration Program Implementation Grants	1/23/2023	250,000.00
136 SSI CCA	28426	Texas Southern University	Student Success Acceleration Program Implementation Grants	2/12/2023	250,000.00
136 SSI CCA	28436	University of North Texas	Student Success Acceleration Program Implementation Grants	1/23/2023	250,000.00
136 SSI CCA	28438	The University of Texas at Arlington	Student Success Acceleration Program Implementation Grants	2/14/2023	250,000.00
136 SSI CCA	28446	West Texas A&M University	Student Success Acceleration Program Implementation Grants	1/24/2023	250,000.00
136 SSI CCA	28559	Alamo Colleges District	Student Success Acceleration Program Implementation Grants	2/8/2023	250,000.00
136 SSI CCA	28562	Baylor University	Student Success Acceleration Program Implementation Grants	1/24/2023	250,000.00
136 SSI CCA	28570	El Paso County Community College District	Student Success Acceleration Program Implementation Grants	1/25/2023	250,000.00
136 SSI CCA	28574	Laredo Community College	Student Success Acceleration Program Implementation Grants	1/24/2023	250,000.00
136 SSI CCA	28575	McLennan Community College	Student Success Acceleration Program Implementation Grants	1/29/2023	250,000.00
136 SSI CCA	28576	McMurry University	Student Success Acceleration Program Implementation Grants	2/8/2023	250,000.00
136 SSI CCA	28605	Texas Southern University	Student Success Acceleration Program Implementation Grants	2/12/2023	250,000.00
136 SSI CCA	28435	University of Houston-Downtown	Student Success Acceleration Program Implementation Grants	1/23/2023	249,994.00
136 SSI CCA	28433	University of Houston	Student Success Acceleration Program Implementation Grants	2/12/2023	249,919.00
136 SSI CCA	28566	College of the Mainland	Student Success Acceleration Program Implementation Grants	1/29/2023	249,852.00
136 SSI CCA	28561	Baylor College of Medicine	Student Success Acceleration Program Implementation Grants	1/24/2023	249,730.00
136 SSI CCA	28427	Texas Southmost College	Student Success Acceleration Program Implementation Grants	1/27/2023	249,707.00
136 SSI CCA	28564	Central Texas College	Student Success Acceleration Program Implementation Grants	1/24/2023	249,703.00
136 SSI CCA	28443	University of Texas Rio Grande Valley	Student Success Acceleration Program Implementation Grants	1/29/2023	249,590.00
136 SSI CCA	28569	Dallas College	Student Success Acceleration Program Implementation Grants	1/24/2023	247,000.00
136 SSI CCA	28568	Collin County Community College	Student Success Acceleration Program Implementation Grants	1/29/2023	245,978.00
136 SSI CCA	28580	Sam Houston State University	Student Success Acceleration Program Implementation Grants	1/24/2023	243,487.77
136 SSI CCA	28440	The University of Texas at San Antonio	Student Success Acceleration Program Implementation Grants	2/8/2023	242,859.00
136 SSI CCA	28414	Texas A&M University-Texarkana	Student Success Acceleration Program Implementation Grants	1/23/2023	240,502.45
136 SSI CCA	28418	Texas A&M University-Corpus Christi	Student Success Acceleration Program Implementation Grants	1/26/2023	180,000.00
136 SSI CCA	28424	Texas Lutheran University	Student Success Acceleration Program Implementation Grants	1/23/2023	180,000.00
136 SSI CCA	28428	Texas State Technical College-Harlingen	Student Success Acceleration Program Implementation Grants	2/12/2023	180,000.00
136 SSI CCA	28439	The University of Texas at Austin	Student Success Acceleration Program Implementation Grants	1/29/2023	180,000.00
136 SSI CCA	28441	The University of Texas at Tyler	Student Success Acceleration Program Implementation Grants	1/24/2023	180,000.00
136 SSI CCA	28442	The University of Texas Health Science Center at San Antonio	Student Success Acceleration Program Implementation Grants	1/27/2023	180,000.00
136 SSI CCA	28444	University of the Incarnate Word	Student Success Acceleration Program Implementation Grants	1/27/2023	180,000.00
136 SSI CCA	28563	Blinn College	Student Success Acceleration Program Implementation Grants	1/24/2023	180,000.00
136 SSI CCA	28565	College of Biblical Studies Houston	Student Success Acceleration Program Implementation Grants	2/8/2023	180,000.00
136 SSI CCA	28577	The University of Texas M.D. Anderson Cancer Center	Student Success Acceleration Program Implementation Grants	1/29/2023	180,000.00
136 SSI CCA	28583	South Texas College	Student Success Acceleration Program Implementation Grants	1/25/2023	180,000.00
136 SSI CCA	28585	Stephen F. Austin State University	Student Success Acceleration Program Implementation Grants	2/8/2023	180,000.00
136 SSI CCA	28437	University of St Thomas	Student Success Acceleration Program Implementation Grants	1/24/2023	179,997.50
136 SSI CCA	28430	Texas State University	Student Success Acceleration Program Implementation Grants	2/8/2023	179,920.00
136 SSI CCA	28413	Texarkana College	Student Success Acceleration Program Implementation Grants	1/23/2023	179,595.00
136 SSI CCA	28584	St. Mary's University of San Antonio	Student Success Acceleration Program Implementation Grants	1/29/2023	179,553.00
136 SSI CCA	28582	Schreiner University	Student Success Acceleration Program Implementation Grants	1/24/2023	179,527.20
136 SSI CCA	28445	Victoria College	Student Success Acceleration Program Implementation Grants	2/12/2023	179,030.00
136 SSI CCA	28571	Lamar State College-Orange	Student Success Acceleration Program Implementation Grants	1/24/2023	175,021.00
136 SSI CCA	28579	Our Lady of The Lake University of San Antonio	Student Success Acceleration Program Implementation Grants	1/24/2023	174,546.00
136 SSI CCA	28395	Tarleton State University	Student Success Acceleration Program Implementation Grants	1/23/2023	172,139.00
136 SSI CCA	28431	Texas Woman's University	Student Success Acceleration Program Implementation Grants	1/27/2023	171,029.00
136 SSI CCA	28432	Trinity Valley Community College	Student Success Acceleration Program Implementation Grants	1/23/2023	170,670.00
136 SSI CCA	28416	Texas A&M International University	Student Success Acceleration Program Implementation Grants	2/12/2023	163,661.49
136 SSI CCA	28572	Lamar State College-Port Arthur	Student Success Acceleration Program Implementation Grants	1/24/2023	155,000.00
136 SSI CCA	28567	Collin County Community College	Student Success Acceleration Program Implementation Grants	1/25/2023	152,914.00
136 SSI CCA	28434	University of Houston -Clear Lake	Student Success Acceleration Program Implementation Grants	1/23/2023	132,695.00
136 SSI CCA	28560	Angelo State University	Student Success Acceleration Program Implementation Grants	2/8/2023	119,435.00
136 SSI CCA	28573	Lamar University	Student Success Acceleration Program Implementation Grants	1/24/2023	119,193.00
136 SSI CCA	28581	San Jacinto College District	Student Success Acceleration Program Implementation Grants	1/25/2023	65,000.00
136 SSI CCA	28017	Ithaca Harbors Inc	Student Success Programs Inventory Microsite	2/13/2023	776,000.00
136 SSI CCA	28016	Temple University (Service)	Technical Assistance	1/20/2023	993,460.00
136 SSI CCA	28019	National Center for Civic Innovation	Technical Assistance	1/18/2023	800,000.00

Contracts Executed by the Agency in Accordance with Board Rule 1.16

Division Unit	Contract #	Performing Agent	Description	Active Date	Total \$
136 SSI CCA	28632	The University of Texas At Austin (Serv)	Technical Assistance	1/23/2023	200,000.00
138 GEERII Admin/Staffing	28868	Workquest Temps	Temporary Personnel	2/16/2023	120,000.22
140 GEER II Advise TX	28040	The University of Texas at El Paso (Service)	Advise TX College Advising Corps	2/23/2023	450,000.00
140 GEER II Advise TX	28041	University of Texas Rio Grande Valley (Service)	Advise TX College Advising Corps	2/23/2023	450,000.00
140 GEER II Advise TX	28042	Texas A&M University - San Antonio (Service)	Advise TX College Advising Corps	2/23/2023	450,000.00
140 GEER II Advise TX	28043	University of North Texas at Dallas (Service)	Advise TX College Advising Corps	2/23/2023	450,000.00
140 GEER II Advise TX	28620	National College Advising Corps	Advise TX College Advising Corps	1/27/2023	71,183.53
141 GEER II Apply TX	28586	Deloitte Consulting LLP	Maintain ApplyTexas	1/5/2023	3,158,390.87
143 Transfer Grants	28469	Midwestern State University (Service)	Student Aid Award	12/22/2022	90,000.00
143 Transfer Grants	28473	Tarleton State University (Service)	Student Aid Award	12/22/2022	90,000.00
143 Transfer Grants	28474	Texas A&M International University (Service)	Student Aid Award	1/11/2023	90,000.00
143 Transfer Grants	28477	Texas A&M University Central Texas (Service)	Student Aid Award	12/22/2022	90,000.00
143 Transfer Grants	28479	Texas A&M University-Corpus Christi (Service)	Student Aid Award	1/11/2023	90,000.00
143 Transfer Grants	28480	Texas A&M University Kingsville (Service)	Student Aid Award	12/28/2022	90,000.00
143 Transfer Grants	28481	Texas A&M University - San Antonio (Service)	Student Aid Award	12/28/2022	90,000.00
143 Transfer Grants	28486	Texas Woman's University (Service)	Student Aid Award	12/28/2022	90,000.00
143 Transfer Grants	28490	The University of Texas at El Paso (Service)	Student Aid Award	1/18/2023	90,000.00
143 Transfer Grants	28492	The University of Texas at Tyler (Service)	Student Aid Award	12/29/2022	90,000.00
143 Transfer Grants	28493	The University of Texas at Permian Basin (Service)	Student Aid Award	1/19/2023	90,000.00
143 Transfer Grants	28494	University of Texas Rio Grande Valley (Service)	Student Aid Award	1/6/2023	90,000.00
143 Transfer Grants	28496	University of Houston-Clear Lake (Service)	Student Aid Award	12/29/2022	90,000.00
143 Transfer Grants	28497	University of Houston- Downtown (Service)	Student Aid Award	1/11/2023	90,000.00
143 Transfer Grants	28502	University of North Texas at Dallas (Service)	Student Aid Award	1/17/2023	90,000.00
143 Transfer Grants	28505	West Texas A&M University (Service)	Student Aid Award	12/29/2022	90,000.00
143 Transfer Grants	28467	Lamar University (Service)	Student Aid Award	12/22/2022	85,000.00
143 Transfer Grants	28470	Prairie View A&M University (Service)	Student Aid Award	1/18/2023	85,000.00
143 Transfer Grants	28478	Texas A&M University Commerce (Service)	Student Aid Award	1/18/2023	85,000.00
143 Transfer Grants	28482	Texas A&M University Texarkana Service	Student Aid Award	1/6/2023	85,000.00
143 Transfer Grants	28484	Texas State University (Service)	Student Aid Award	1/11/2023	85,000.00
143 Transfer Grants	28487	The University of Texas at Arlington (Service)	Student Aid Award	1/11/2023	85,000.00
143 Transfer Grants	28489	The University of Texas at Dallas (Service)	Student Aid Award	1/18/2023	85,000.00
143 Transfer Grants	28471	Sam Houston State University (Service)	Student Aid Award	12/22/2022	70,000.00
143 Transfer Grants	28472	Stephen F. Austin State University (Service)	Student Aid Award	1/11/2023	70,000.00
143 Transfer Grants	28475	Texas A&M University (Service)	Student Aid Award	1/17/2023	70,000.00
143 Transfer Grants	28485	Texas Tech University (Service)	Student Aid Award	12/28/2022	70,000.00
143 Transfer Grants	28488	The University of Texas At Austin (Serv)	Student Aid Award	1/10/2023	70,000.00
143 Transfer Grants	28491	The University of Texas at San Antonio (Service)	Student Aid Award	12/29/2022	70,000.00
143 Transfer Grants	28495	University of Houston (Service)	Student Aid Award	1/13/2023	70,000.00
143 Transfer Grants	28498	University of Houston-Victoria (Service)	Student Aid Award	12/29/2022	70,000.00
143 Transfer Grants	28501	University of North Texas (Service)	Student Aid Award	12/29/2022	70,000.00
143 Transfer Grants	28461	Texas Tech University Health Sciences Center (Service)	Student Aid Award	12/22/2022	50,000.00
143 Transfer Grants	28483	Texas Southern University (Service)	Student Aid Award	1/11/2023	50,000.00
143 Transfer Grants	28506	Sul Ross State University (Service)	Student Aid Award	12/29/2022	50,000.00
143 Transfer Grants	28463	The University of Texas Health Science Center - San Antonio (Service)	Student Aid Award	1/13/2023	40,000.00
143 Transfer Grants	28465	Texas Tech University HSC at El Paso Paul L Foster School of Medicine (774) Service	Student Aid Award	1/6/2023	40,000.00
143 Transfer Grants	28464	The University of Texas Medical Branch at Galveston (Service)	Student Aid Award	12/22/2022	35,000.00
143 Transfer Grants	28466	Angelo State University (Service)	Student Aid Award	12/22/2022	30,000.00
143 Transfer Grants	28453	Texas A&M University System Health Science (Service)	Student Aid Award	1/13/2023	20,000.00
143 Transfer Grants	28476	Texas A&M University at Galveston (Service)	Student Aid Award	1/13/2023	20,000.00
143 Transfer Grants	28654	Workquest Temps	Temporary Personnel	12/28/2022	78,873.20
145 GEER II DMI Edu & Wkfr	28724	The University of Texas at Austin	Educational Career Pathways	1/27/2023	132,000.00
145 GEER II DMI Edu & Wkfr	28122	Loblolly Consulting LLC	Temporary Personnel	12/28/2022	4,500,000.00
156 GEERII Shared Services	28398	Burning Glass Institute	Innovative Supplementary Data Models	12/14/2022	515,000.00
201 Academic Health and Affairs	28354	Houston Community College System	Nursing Shortage Reduction Program Grant	1/10/2023	301,740.81
201 Academic Health and Affairs	28339	South Texas College	Nursing Shortage Reduction Program Grant	1/6/2023	297,872.34
201 Academic Health and Affairs	28348	Texas A&M International University	Nursing Shortage Reduction Program Grant	12/20/2022	267,182.96
201 Academic Health and Affairs	28371	The University of Texas Health Science Center at San Antonio	Nursing Shortage Reduction Program Grant	12/22/2022	247,821.88
201 Academic Health and Affairs	28345	Tyler Junior College	Nursing Shortage Reduction Program Grant	12/22/2022	228,239.85
201 Academic Health and Affairs	28344	Tarrant County College District	Nursing Shortage Reduction Program Grant	12/20/2022	185,686.65
201 Academic Health and Affairs	28363	University of Houston	Nursing Shortage Reduction Program Grant	12/21/2022	183,930.30
201 Academic Health and Affairs	28365	San Jacinto College District	Nursing Shortage Reduction Program Grant	12/20/2022	177,949.71
201 Academic Health and Affairs	28373	Texas Woman's University	Nursing Shortage Reduction Program Grant	12/21/2022	174,249.76
201 Academic Health and Affairs	28378	Texas A&M University System Health Science Center	Nursing Shortage Reduction Program Grant	12/22/2022	151,016.46
201 Academic Health and Affairs	28341	Ranger College	Nursing Shortage Reduction Program Grant	12/20/2022	147,001.93
201 Academic Health and Affairs	28374	Stephen F. Austin State University	Nursing Shortage Reduction Program Grant	12/20/2022	104,549.85
201 Academic Health and Affairs	28358	West Texas A&M University	Nursing Shortage Reduction Program Grant	12/22/2022	96,805.42
201 Academic Health and Affairs	28357	San Antonio College	Nursing Shortage Reduction Program Grant	12/20/2022	96,711.80

Contracts Executed by the Agency in Accordance with Board Rule 1.16

Division Unit	Contract #	Performing Agent	Description	Active Date	Total \$
201 Academic Health and Affairs	28380	Concordia University	Nursing Shortage Reduction Program Grant	12/22/2022	85,188.77
201 Academic Health and Affairs	28377	Sam Houston State University	Nursing Shortage Reduction Program Grant	12/21/2022	81,316.55
201 Academic Health and Affairs	28379	Temple College	Nursing Shortage Reduction Program Grant	12/21/2022	77,369.44
201 Academic Health and Affairs	28343	Prairie View A&M University	Nursing Shortage Reduction Program Grant	12/22/2022	73,572.12
201 Academic Health and Affairs	28361	Texas Christian University	Nursing Shortage Reduction Program Grant	12/28/2022	69,699.90
201 Academic Health and Affairs	28347	Lamar University	Nursing Shortage Reduction Program Grant	12/20/2022	63,891.58
201 Academic Health and Affairs	28359	South Plains College	Nursing Shortage Reduction Program Grant	12/20/2022	54,158.61
201 Academic Health and Affairs	28372	Southwestern Adventist University	Nursing Shortage Reduction Program Grant	2/8/2023	46,466.60
201 Academic Health and Affairs	28383	University of St Thomas	Nursing Shortage Reduction Program Grant	12/20/2022	46,466.60
201 Academic Health and Affairs	28376	St. Philip's College	Nursing Shortage Reduction Program Grant	12/20/2022	46,421.66
201 Academic Health and Affairs	28368	Hill College	Nursing Shortage Reduction Program Grant	1/4/2023	42,553.19
201 Academic Health and Affairs	28362	Texas Lutheran University	Nursing Shortage Reduction Program Grant	12/20/2022	38,722.17
201 Academic Health and Affairs	28366	Trinity Valley Community College	Nursing Shortage Reduction Program Grant	1/26/2023	38,684.72
201 Academic Health and Affairs	28369	Lone Star College-North Harris	Nursing Shortage Reduction Program Grant	12/20/2022	38,684.72
201 Academic Health and Affairs	28370	Texas Southmost College	Nursing Shortage Reduction Program Grant	1/4/2023	38,684.72
201 Academic Health and Affairs	28353	Texas Tech Univ Health SC - El Paso (774)	Nursing Shortage Reduction Program Grant	12/28/2022	30,977.73
201 Academic Health and Affairs	28375	Texas A&M University-Commerce	Nursing Shortage Reduction Program Grant	12/20/2022	30,977.73
201 Academic Health and Affairs	28381	University of the Incarnate Word	Nursing Shortage Reduction Program Grant	12/20/2022	30,977.73
201 Academic Health and Affairs	28364	Kilgore College	Nursing Shortage Reduction Program Grant	12/20/2022	30,947.78
201 Academic Health and Affairs	28337	The University of Texas Medical Branch at Galveston	Nursing Shortage Reduction Program Grant	12/28/2022	27,105.52
201 Academic Health and Affairs	28346	Angelina College	Nursing Shortage Reduction Program Grant	1/4/2023	27,079.30
201 Academic Health and Affairs	28382	Blinn College	Nursing Shortage Reduction Program Grant	12/20/2022	23,210.83
201 Academic Health and Affairs	28367	Tarleton State University	Nursing Shortage Reduction Program Grant	12/20/2022	21,297.19
201 Academic Health and Affairs	28355	Laredo Community College	Nursing Shortage Reduction Program Grant	12/22/2022	11,605.42
201 Academic Health and Affairs	28342	McMurry University	Nursing Shortage Reduction Program Grant	12/22/2022	3,872.22
201 Commissioner	28623	The University of Texas System	Amendment	12/28/2022	100,000.00
201 Finance	28207	Comptroller of Public Accounts SWCAP	Annual Statewide Cost Allocation Plan Payment	1/27/2023	25,000.00
201 Information Solutions and Services	25216	Dpt of Info Resources-TexAn	Data Center Circuit	12/8/2022	202,000.00
201 Information Solutions and Services	28279	Tx Dept of Info Resources-DCS	Data Center Services	12/14/2022	7,509,443.00
201 Information Solutions and Services	28745	Freeit Data Solutions Inc	Malware Bytes	2/13/2023	13,235.00
201 Information Solutions and Services	28612	Shi Government Solutions Inc	Micro Focus	12/20/2022	42,240.48
201 Information Solutions and Services	28203	Microsoft Corporation	Microsoft Security Consulting Services	2/14/2023	1,140,480.00
201 Information Solutions and Services	28615	Freeit Data Solutions Inc	Security Operations Center	2/10/2023	148,000.00
201 Information Solutions and Services	28880	Optimum Consultancy Service LLC	SmartSheets License Renewal	2/3/2023	85,300.00
201 Information Solutions and Services	28075	Loblolly Consulting LLC	Temporary Personnel	12/9/2022	163,020.00
201 Information Solutions and Services	28709	Daman Consulting Incorporated	Temporary Personnel	2/21/2023	149,606.00
201 Information Solutions and Services	28538	Esolvit Inc	Temporary Personnel	12/29/2022	63,650.00
201 Information Solutions and Services	28601	Carahsoft Technology Corp	Zoom Video Communications	12/9/2022	10,800.00
201 Workforce Education	28028	Daman Consulting Incorporated	Temporary Personnel	12/27/2022	157,680.00
201 Workforce Education	28031	Daman Consulting Incorporated	Temporary Personnel	12/8/2022	121,472.00
201 Workforce Education	27701	Sky 5 Solutions	TXWORKS Grant	12/13/2022	61,600.00
201 Workforce Education	28897	Expanding Frontiers	TXWORKS Grant	2/27/2023	16,000.00
317 Perkins-AQ&W Admin	28411	Odessa College	Negative Amendment	1/9/2023	-200,000.00
510 SFAP - Student Loan Admin	28872	Texas Correctional Industries	Guest Chairs	2/21/2023	28,975.00
515G FAS	28131	Texas State Technical College-Waco	Texas Educational Opportunity Grant	12/9/2022	504,872.00
515G FAS	28131	Lamar Institute of Technology	Texas Educational Opportunity Grant	12/9/2022	64,001.00
515G FAS	28131	Lamar State College-Orange	Texas Educational Opportunity Grant	12/9/2022	52,806.00
515G FAS	28131	Lamar State College-Port Arthur	Texas Educational Opportunity Grant	12/9/2022	40,865.00
515G FAS	27875	Baylor University	Tuition Equalization Grant	12/19/2022	2,019,516.00
515G FAS	27875	University of the Incarnate Word	Tuition Equalization Grant	12/19/2022	759,100.00
515G FAS	27875	Wayland Baptist University	Tuition Equalization Grant	12/19/2022	667,437.00
515G FAS	27875	Rice University	Tuition Equalization Grant	12/19/2022	629,234.00
515G FAS	27875	St. Mary's University of San Antonio	Tuition Equalization Grant	12/19/2022	494,231.00
515G FAS	27875	University of Mary Hardin-Baylor	Tuition Equalization Grant	12/19/2022	482,667.00
515G FAS	27875	Hardin-Simmons University	Tuition Equalization Grant	12/19/2022	432,367.00
515G FAS	27875	Houston Baptist University	Tuition Equalization Grant	12/19/2022	426,584.00
515G FAS	27875	Parker University	Tuition Equalization Grant	12/19/2022	413,145.00
515G FAS	27875	Texas Christian University	Tuition Equalization Grant	12/19/2022	406,775.00
515G FAS	27875	University of St Thomas	Tuition Equalization Grant	12/19/2022	348,915.00
515G FAS	27875	Southern Methodist University	Tuition Equalization Grant	12/19/2022	346,111.00
515G FAS	27875	St. Edward's University	Tuition Equalization Grant	12/19/2022	324,667.00
515G FAS	27875	Our Lady of The Lake University of San Antonio	Tuition Equalization Grant	12/19/2022	292,241.00
515G FAS	27875	Texas College	Tuition Equalization Grant	12/19/2022	291,712.00
515G FAS	27875	Ablene Christian University	Tuition Equalization Grant	12/19/2022	268,548.00
515G FAS	27875	University of Dallas	Tuition Equalization Grant	12/19/2022	268,203.00
515G FAS	27875	Texas Wesleyan University	Tuition Equalization Grant	12/19/2022	247,307.00
515G FAS	27875	South Texas College of Law	Tuition Equalization Grant	12/19/2022	219,261.00

Contracts Executed by the Agency in Accordance with Board Rule 1.16

Division Unit	Contract #	Performing Agent	Description	Active Date	Total \$
515G FAS	27875	Dallas Baptist University	Tuition Equalization Grant	12/19/2022	216,171.00
515G FAS	27875	Howard Payne University	Tuition Equalization Grant	12/19/2022	213,135.00
515G FAS	27875	Concordia University	Tuition Equalization Grant	12/19/2022	201,902.00
515G FAS	27875	Jarvis Christian College	Tuition Equalization Grant	12/19/2022	185,958.00
515G FAS	27875	Huston-Tillotson University	Tuition Equalization Grant	12/19/2022	164,400.00
515G FAS	27875	East Texas Baptist University	Tuition Equalization Grant	12/19/2022	164,014.00
515G FAS	27875	The Art Institute of Houston LLC	Tuition Equalization Grant	12/19/2022	163,138.00
515G FAS	27875	Texas Lutheran University	Tuition Equalization Grant	12/19/2022	156,202.00
515G FAS	27875	McMurry University	Tuition Equalization Grant	12/19/2022	152,167.00
515G FAS	27875	Letourneau University	Tuition Equalization Grant	12/19/2022	151,778.00
515G FAS	27875	Lubbock Christian University	Tuition Equalization Grant	12/19/2022	147,144.00
515G FAS	27875	Austin College	Tuition Equalization Grant	12/19/2022	139,325.00
515G FAS	27875	Wiley College	Tuition Equalization Grant	12/19/2022	131,755.00
515G FAS	27875	Trinity University	Tuition Equalization Grant	12/19/2022	126,384.00
515G FAS	27875	Southwestern University	Tuition Equalization Grant	12/19/2022	119,143.00
515G FAS	27875	Paul Quinn College	Tuition Equalization Grant	12/19/2022	98,493.00
515G FAS	27875	Schreiner University	Tuition Equalization Grant	12/19/2022	83,952.00
515G FAS	27875	Southwestern Assemblies of God University	Tuition Equalization Grant	12/19/2022	82,646.00
515G FAS	27875	Southwestern Adventist University	Tuition Equalization Grant	12/19/2022	81,425.00
515G FAS	27875	Jacksonville College	Tuition Equalization Grant	12/19/2022	75,434.00
515G FAS	27875	Texas Chiropractic College	Tuition Equalization Grant	12/19/2022	35,680.00
515G FAS	27875	Southwestern Christian College	Tuition Equalization Grant	12/19/2022	10,714.00
515G FAS	27875	Criswell College	Tuition Equalization Grant	12/19/2022	10,192.00
					\$ 71,552,110.58
Memorandum of Understanding (\$0 Contract Amount)					
201 Student Financial Aid Programs	27604	U S Department of Health and Human Services	Verification of Physician Compliance	12/16/2022	0.00
201 Texas Insights Accelerator	28747	Texas 2036	Transfer Internet Based Interactive Data Tool	1/31/2023	0.00



Contracts Executed by the Agency Over \$1 Million

December 8, 2022 –February 28, 2023

Division Unit	Contract #	Performing Agent	Description	Active Date	Total \$
136 SSI CCA	28014	MDRC	Implementation Grant Evaluator	1/20/2023	1,700,000.00
141 GEER II Apply TX	28586	Deloitte Consulting LLP	Maintain ApplyTexas	1/5/2023	3,158,390.87
145 GEER II DMI Edu & Wkfr	28122	Loblolly Consulting LLC	Temporary Personnel	12/28/2022	4,500,000.00
201 Information Solutions and Services	28279	Tx Dept of Info Resources-DCS	Data Center Services	12/14/2022	7,509,443.00
201 Information Solutions and Services	28203	Microsoft Corporation	Microsoft Security Consulting Services	2/14/2023	1,140,480.00
515G FAS	27875	Baylor University	Tuition Equalization Grant	12/19/2022	2,019,516.00
					\$ 20,027,829.87

AGENDA ITEM XI-C

Consideration and possible action to approve payment to the U.S. Treasury in August 2023 of an amount up to \$6 million from the Texas Opportunity Fund for excess earnings relating to the 2013A refunding

RECOMMENDATION: Approval

Background Information:

Bonds issued after 1986 are subject to arbitrage rebate requirements imposed by Section 148 (f) of the Internal Revenue Code of 1986. In effect, any excess amounts, i.e., earnings that represent a yield higher than the yield on the bonds, are required to be repaid to the United States government.

On January 23, 2013, the Texas Higher Education Coordinating Board (THECB) Agency Operations Committee approved a resolution to authorize refunding of outstanding balances of Fixed Rate Bond Series 1999 and Variable Rate Demand Bonds Series 2003, 2004, and 2006.

Benefits included eliminating the renewal risk and cost increases associated with variable rate bonds, locking in low fixed rates, reducing the required size of the Reserve Fund, and allowing the Interest & Sinking Fund to be invested in the Texas Comptroller's Treasury Pool.

As no Private Activity Bond Allocation was available for Series 2013A refunding bonds, the maturity date of these bonds needed to be reduced from 2038 to a final maturity of August 2023. Refunding analyses were run for each bond series and projected a potential cumulative net present value savings of \$12,890,600.

Since the student loan rates associated with these bonds were now significantly more than the interest being paid on the bonds, it was determined some portion of that \$12.9 million would end up being non-retainable excess spread that would have to be paid to the U.S. Treasury at maturity in 2023.

THECB accrues an arbitrage liability each fiscal year reflecting the estimated payments due to the federal government for these excess earnings.

As of August 31, 2022, the last annual yield calculation date for all outstanding THECB bond issues, the excess earnings liability of Series 2013A was \$5,574,284. This amount was accrued as a current liability on our 2022 financial statement in anticipation of the payment to be made in fiscal year 2023.

The actual amounts owed to the Treasury will be finalized before payment is due in August.

Mr. Anthony Infantini, Chief Financial Officer, will present this item and be available for questions.

AGENDA ITEM XI-D

Consideration and possible action to adopt proposed amendments to Board Rules, Chapter 1, Subchapter C, Standards of Conduct

RECOMMENDATION: Adopt

Background Information:

The Texas Higher Education Coordinating Board (Coordinating Board) proposes the repeal of Texas Administrative Code, Title 19, Part 1, Chapter 1, Subchapter C, and new rules in Chapter 1, Subchapter C, Acceptance of Gifts and Donations By Board And Employees, Sections 1.80-1.87. Specifically, the repeal and new rules provides the opportunity to review and update the Board's ethics policies to reflect current agency practice, demonstrate compliance with current state law, and implement state governance best practices.

This review is conducted as required by law, which states that state agencies must assess whether the initial reasons for adopting a rule continue to exist every four years.

Nichole Bunker-Henderson, General Counsel, will present this item and be available for questions.

Date Published in the *Texas Register*: January 27, 2023.

The 30-day comment period with the *Texas Register* ended on: February 26, 2023.

Summary of comments received: No comments were received regarding this rule.

CHAPTER 1:
AGENCY ADMINISTRATION

SUBCHAPTER C:
STANDARDS OF CONDUCT

~~§1.80. Scope and Purpose.~~

~~§1.81. Definitions.~~

~~§1.82. Donations by Private Donors to the Board.~~

~~§1.83. Donations by a Private Donor to a Private Organization That Exists To Further the Purposes and Duties of the Board.~~

~~§1.84. Organizing a Private Organization That Exists To Further the Duties and Purposes of the Board.~~

~~§1.85. Relationship between a Private Organization and the Board.~~

~~§1.86. Standards of Conduct Between Board Employees and Private Donors.~~

~~§1.87. Miscellaneous.~~

§1.80. Scope and Purpose.

(a) This subchapter establishes the criteria, procedures, and standards of conduct governing the relationship between the Texas Higher Education Coordinating Board (Board) and its officers and employees and private donors and private organizations that exist to further the duties and purposes of the Board. This subchapter sets out the Board's process for acceptance of gifts and donations.

(b) The purpose of this subchapter is to comply with the provisions of Texas Government Code chapters 575 and 2255.001 and implement the provisions of chapter 61 of the Texas Education Code authorizing the Board to accept gifts and donations.

§1.81. Definitions.

The following words and terms, when used in these sections, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Board--The Texas Higher Education Coordinating Board.

(2) Commissioner--The Commissioner of the Texas Higher Education Coordinating Board.

(3) Donation--A contribution of anything of value (including a gift or in-kind gift such as goods or services) given to the Board for public higher education purposes or to the Texas Higher Education Foundation for the benefit of the Board. The Board may not accept donations of real property (real estate) without the express permission and authorization of the legislature.

(4) Employee--A regular, acting, exempt, full-time or part-time employee of the agency.

(5) Gift--A donation of money or property.

(6) Private donor--People or private organizations that make a donation to the Board for

higher education purposes, or that make a donation to the Higher Education Foundation to assist in accomplishing the duties of the Board.

(7) The Texas Higher Education Foundation--A 501(c)(3) organized for the purpose of supporting the mission, objectives, and public purpose of the Texas Higher Education Coordinating Board by providing resources obtained primarily from private, non-governmental sources, or its successor organization designated as the official non-profit partner of the Board.

§1.82. The Texas Higher Education Foundation.

(a) The Texas Higher Education Foundation is designated as the official nonprofit partner of the Board.

(b) The Chair of the Board and the Board of Trustees of the Texas Higher Education Foundation may cooperatively appoint a board of trustees for the organization, subject to the following requirements:

(1) The Commissioner shall serve as an ex officio trustee with no vote;

(2) Board employees may serve as an ex officio, non-voting trustee, provided there is no conflict of interest in accordance with all federal and state laws and Board policies. This provision applies to the employee's spouse and children; and

(3) Members of the Board may serve on the Board of Trustees of the Texas Higher Education Foundation, but such members will not comprise a majority of the Board of Trustees.

(c) The Board shall review its relationship with the Texas Higher Education Foundation on a schedule to be established by the Board, but not less than once every 10 years.

(d) The Texas Higher Education Foundation may not expend funds for the purpose of influencing legislative action, either directly or indirectly.

§1.83. Gifts and Donations to the Board.

(a) A private donor may make a donation to the Board to be used or spent for specified or unspecified public higher education purposes. If the donor specifies the purpose, the Board must use or expend the donation only for that purpose.

(b) The Board shall use or spend all donations in accordance with the provisions of the State Appropriations Act. The Board shall deposit all gifts in the state treasury unless exempted by specific statutory authority.

(c) The Board may not transfer a private donation to a foundation or private/public development fund without specific written permission from the donor and the written approval of the Commissioner.

(d) The Board authorizes the Commissioner to accept donations on its behalf.

(e) The Board will acknowledge the acceptance of a gift or donation at the next Board meeting immediately after the date the Commissioner accepts a gift on the Board's behalf.

(f) The Board will log gifts in its minutes as required by chapter 575 of the Government Code.

§1.84. Donations by a Private Donor to the Texas Higher Education Foundation.

(a) A private donor may make a donation to the Texas Higher Education Foundation to assist in accomplishing the duties of the Board.

(b) The Texas Higher Education Foundation shall administer and use the donation in accordance with the provisions in the memorandum of understanding between the Texas Higher Education Foundation and the Board, as described in §1.85(c) of this title (relating to Relationship between the Texas Higher Education Foundation and the Board).

§1.85. Relationship between the Texas Higher Education Foundation and the Board.

(a) The Board may provide to the Texas Higher Education Foundation:

(1) fundraising and solicitation assistance;

(2) staff services to coordinate activities;

(3) administrative and clerical services;

(4) office and meeting space;

(5) training;

(6) any service or agreement authorized by the legislature; and

(7) other miscellaneous services as needed to further the duties and purposes of the Board.

(b) In addition to gifts and donations authorized by law, the Texas Higher Education Foundation may provide:

(1) postage;

(2) printing, including letterhead and newsletters;

(3) special event insurance;

(4) recognition of donors;

(5) bond and liability insurance for organization officers; and

(6) other miscellaneous services as needed to further the duties and purposes of the Board.

(c) The Texas Higher Education Foundation and the Board shall enter into a memorandum of understanding (MOU) which contains specific provisions regarding:

(1) the relationship between the Board and the Texas Higher Education Foundation and a mechanism for solving any conflicts or disputes;

(2) fundraising and solicitation;

(3) the use of all donations from fundraising or solicitation, less legitimate expenses as described in the MOU, for the benefit of the Board;

(4) the maintenance by the Foundation of receipts and documentation of all funds and other donations received, including furnishing such records to the Board;

(5) the furnishing to the Board of any audit of the Texas Higher Education Foundation by the Internal Revenue Service or a private firm; and

(6) the reasonable use of Board employees, equipment, or property in order to further or support the purposes or programs of the Board, provided such usage is commensurate with the benefit received or to be received by the Board.

§1.86. Standards of Conduct Between Board Employees and Private Donors.

(a) A Board officer or employee shall not accept or solicit any gift, favor, or service from a private donor that might reasonably tend to influence his/her official conduct.

(b) A Board officer or employee shall not accept employment or engage in any business or professional activity with a private donor which the officer or employee might reasonably expect would require or induce him/her to disclose confidential information acquired by reason of his/her official position.

(c) A Board officer or employee shall not accept other employment or compensation from a private donor that would reasonably be expected to impair the officer or employee's independence of judgment in the performance of his/her official position.

(d) A Board officer or employee shall not make personal investments in association with a private donor that could reasonably be expected to create a substantial conflict between the officer or employee's private interest and the interest of the Board.

(e) A Board officer or employee shall not solicit, accept, or agree to accept any benefits for having exercised his/her official powers on behalf of a private donor or performed his official duties in favor of private donor.

(f) A Board officer or employee who has policy direction over the Board and who serves as an officer or director on a board of a private donor shall not vote on any measure, proposal, or decision pending before the private donor if the Board might reasonably be expected to have an interest in such measure, proposal, or decision.

(g) A Board officer or employee shall not authorize a private donor to use property of the Board unless the property is used in accordance with a contract or memorandum of understanding between the Board and the private donor, or the Board is otherwise compensated for the use of the property.

(h) A Board officer affiliated with a private donor or organization shall at all times be mindful of his/her obligations under Texas Government Code chapter 572.

§1.87. Miscellaneous.

The relationship between a private donor, Texas Higher Education Foundation, and the Board, including fundraising and solicitation activities, is subject to all applicable federal and state laws, rules and regulations, and local ordinances governing each entity and its employees.