

# AGENCY OPERATIONS COMMITTEE

## A G E N D A

**11:00 A.M., Wednesday, April 24, 2024**

*(or upon adjournment of the Committee on Academic and Workforce Success  
meeting, whichever occurs later)*

Live broadcast available at: [highered.texas.gov](https://highered.texas.gov)

**George H. W. Bush Building (Board Room)  
1801 N. Congress Avenue  
Austin, Texas**

*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: Emma W. Schwartz*

*Vice Chair: Welcome W. Wilson, Jr.*

*Members: S. Javaid Anwar; Fred Farias III, O.D.; Stacy A. Hock; Donna N. Williams*

*Student Representative: Cage M. Sawyers (Ex-Officio)*

# **AGENCY OPERATIONS COMMITTEE**

## **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 [higherred.texas.gov/public-testimony](https://higherred.texas.gov/public-testimony).*

- I. Welcome and committee chair's opening remarks
- II. Consideration and possible action to approve the minutes for the January 24, 2024, committee meeting
- III. Public testimony on agenda items relating to the Agency Operations Committee
- IV. Agency operations
  - A. Report on grants and contracts
- V. Finance
  - A. Review of the "Fiscal Year 2024 Financial Report" to the Board
- VI. Internal and external audit
  - A. Discussion of Statements on Auditing Standards No. 114, "The Auditor's Communication with Those Charged with Governance"
  - B. Auditor's update on Internal Audit reports and activities
    - (1) Reporting phase for internal audit of the Texas Research Incentive Program
    - (2) Starting internal audit of Community College Finance key processes
    - (3) Continuing advisory project related to Community College Finance
- VII. Compliance monitoring
  - A. Auditor's update on state and federal compliance monitoring reports and activities
    - (1) A Compliance Monitoring Desk Review of Formula Funding at University of Houston -Victoria" (no findings)
    - (2) "A Compliance Monitoring Onsite Review of Formula Funding at The University of Texas Health Science Center at Houston" (no findings)

- (3) “A Compliance Monitoring Onsite Review of Formula Funding at the University of North Texas” (no findings)
- (4) “A Compliance Monitoring Desk Review of Formula Funding at The University of Texas Permian Basin” (no findings)
- (5) “A Compliance Monitoring Follow-Up Review of Formula Funding at Austin Community College” (no findings)
- (6) “A Compliance Monitoring Desk Review of the Tuition Equalization Grant at Southwestern Adventist University” (two findings)
- (7) “Compliance Monitoring Corrective Action Status Report – April 2024
- (8) “A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Victoria College; Compliance Requirements – Texas Education Code, Chapter 51, Subchapter E-3” (no observations)
- (9) “A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Brazosport College; Compliance Requirements – Texas Education Code, Chapter 51, Subchapter E-3” (no observations)
- (10) “A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Houston Christian University” (two observations)
- (11) “Summary Results – Compliance Requirements – Texas Education Code, Chapter 51, Subchapters E-2 and E-3” No penalties were assessed in this review period.

#### VIII. Adjournment

**Executive Session:** *The Texas Higher Education Coordinating Board Agency Operations Committee may convene in Executive Session at any point in this meeting, concerning any item listed in the agenda or to seek or to receive its attorney’s advice on legal matters related thereto, pursuant to Texas Government Code § 551.071.*

**Note:** *Because the Board members who attend the committee meeting may create a quorum of the full Board, the meeting of the Agency Operations Committee is also being posted as a meeting of the full Board. Only assigned committee members act upon any item before the Agency Operations Committee at this meeting.*

**Weapons Prohibited:** Pursuant to Texas Penal Code § 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 Penal Code § 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 the Open Meetings Act (Tex. Gov’t Code ch 551), and if the entity provided notice as required by that chapter.

*Note: Highlighted items in gray are on the consent calendar*

04/24

# **Agency Operations Committee**

## **AGENDA ITEM I**

### **Welcome and committee chair's opening remarks**

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

## **Agency Operations Committee**

### **AGENDA ITEM II**

Consideration and possible action to approve the minutes for the January 24, 2024, committee meeting

RECOMMENDATION: Approval

**DRAFT**  
**TEXAS HIGHER EDUCATION COORDINATING BOARD**  
**Agency Operations Committee**

**Wednesday, January 24, 2024; 11:00 a.m.**  
**George H. W. Bush Building Board Room (4.300)**  
**1801 N. Congress Ave**  
**Austin, TX**

The Agency Operations Committee convened at 11:30 a.m. on January 24, 2024, with the following members present: Emma Schwartz, presiding; Welcome Wilson, Vice Chair; Fred Farias; Stacy Hock; and Donna Williams.

Other Board members present: Richard Clemmer, Ashlie Thomas, and Daniel Wong

Members absent: Javaid Anwar and Cage Sawyers, Student Representative (Ex-Officio)

| AGENDA ITEM  | ACTION  |
|--|---|
| <b>I. Welcome and committee chair’s opening remarks</b>                                      | Chair, Ms. Emma Schwartz, called the meeting of the Agency Operations Committee to order and called the role.<br><br>A quorum was met.          |
| <b>II. Consideration of approval of the minutes from October 25, 2023, committee meeting</b> | On a motion by Mr. Wilson, seconded by Ms. Hock, the committee approved this item with all members voting in favor.                             |
| <b>III. Public testimony</b>   | Ms. Schwartz stated there was no public testimony.  |
| <b>IV. Agency operations</b>   |   |
| <b>A. Report on grants and contracts</b>   | Mr. Anthony Infantini, Chief Financial Officer, was available for questions.<br><br>This item was for information only.                         |
| <b>V. Finance</b>  |   |
| <b>A. Review of the “Fiscal Year 2024 Financial Report” to the Board</b>                     | Mr. Anthony Infantini, Chief Financial Officer, presented this item and was available for questions.<br><br>This item was for information only. |

| <b>VI. Internal and external audit</b>  |  |
|---|--|
| <p>A. Consideration and possible action to approve the updated Internal Audit Charter</p>   | <p>Mr. Arby Gonzales, Assistant Commissioner for Internal Audit and Compliance, presented this item to the committee and was available for questions.</p> <p>On a motion by Ms. Williams, seconded by Ms. Hock, the committee approved this item with all members voting in favor.</p> |
| <p>B. Auditor's update on Internal Audit reports and activities.</p> <p>(1) Started internal audit on the Texas Research Incentive Program</p> <p>(2) Started advisory project related to Community College Finance</p> <p>(3) Internal Audit Corrective Action Status Report – January 2024</p>  | <p>Mr. Arby Gonzales, Assistant Commissioner for Internal Audit and Compliance, presented this item and was available for questions.</p> <p>This item was for information only.</p>  |
| <b>VII. Compliance monitoring</b>   |  |
| <p>A. Auditor's update on state and federal compliance monitoring reports and activities</p> <p>(1) "Compliance Monitoring Audit of College Access Loan at St. Edward's University" (no findings)</p> <p>(2) "Compliance Monitoring Audit of Tuition Equalization Grant at Jarvis Christian University" (one finding)</p> <p>(3) "Compliance Monitoring Desk Review of the Texas Educational Opportunity Grant at Weatherford College" (no findings)</p> <p>(4) "Compliance Monitoring Desk Review of Formula Funding at the University of Houston" (no findings)</p> <p>(5) "Compliance Monitoring Corrective Action Status Report" – January 2024</p> | <p>Mr. Arby Gonzales, Assistant Commissioner for Internal Audit and Compliance, and Mr. Paul Maeyaert, Assistant Director of Internal Audit and Compliance, presented this item and were available for questions.</p> <p>This item was for information only.</p>                       |
| <b>IX. Adjournment</b>  | <p>On a motion by Mr. Wilson, seconded by Ms. Williams, the meeting adjourned at approximately 11:50 a.m.</p>  |

## **Agency Operations Committee**

### **AGENDA ITEM III**

Public testimony on agenda items relating to the Agency Operations Committee

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.



## **Agency Operations Committee**

### **AGENDA ITEM IV-A**

#### **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.

Anthony Infantini, Chief Financial Officer, is available to answer questions.



**Contracts Executed by the Agency Over \$1 Million**

**January 4, 2024 - March 7, 2024**

Contracts Executed by the Agency Over \$1 Million

| Dept | Department                    | THECB No. | Supplier Name              | Description                   | PO Approval Date | PO Total Amt     |
|------|-------------------------------|-----------|----------------------------|-------------------------------|------------------|------------------|
| 4020 | Funding and Resource Planning | 00027     | BAYLOR COLLEGE OF MEDICINE | SVC_BCM Undergrad Medical Edu | 1/12/2024        | \$ 24,270,605.51 |



**Contracts Executed by the Agency in Accordance with Board Rule 1.1**  
**January 4, 2024 - March 7, 2024**

## Contracts Executed by the Agency in Accordance with Board Rule 1.16

| Dept | Department                     | THECB No. | Supplier Name                            | Description                        | PO Approval Date | PO Total Amt  |
|------|--------------------------------|-----------|--|------------------------------------|------------------|---------------|
| 1001 | Commissioners Office           | 00107     | UNIVERSITY OF TEXAS AT AUSTIN            | PRQ_2160_UT_CopyServices_folde     | 2/5/2024         | \$ 1,176.43   |
| 1001 | Commissioners Office           | 00447     | DOCUMENT SOLUTIONS UT AUSTIN             | PRQ_2481_UT_LAW_CLE_Higher_Edu     | 2/22/2024        | \$ 625.00     |
| 1010 | Internal Audit and Compliance  | 00339     | STATE AUDITOR'S OFFICE                   | PRQ_2411_SAO_training Lorraine     | 1/11/2024        | \$ 119.00     |
| 1010 | Internal Audit and Compliance  | 00396     | TEXAS ASSN OF COLLEGE & UNIV AUDITORS    | PRQ_2460_TACUA_2024_Annual         | 1/24/2024        | \$ 4,000.00   |
| 1010 | Internal Audit and Compliance  | 00408     | LEGISLATIVE BUDGET BOARD                 | PRQ_2464_TFOA_Arby_Gonzales        | 1/26/2024        | \$ 300.00     |
| 1010 | Internal Audit and Compliance  | 00453     | BRODART CO                               | PRQ_2515_BrodArt_Beyond Agile      | 2/21/2024        | \$ 114.40     |
| 1010 | Internal Audit and Compliance  | 00472     | STATE AUDITOR'S OFFICE                   | PRQ_2541_SAO_Jamyeen_Robinson_H    | 3/4/2024         | \$ 339.00     |
| 1020 | General Counsel                | 00258     | LONGHORN OFFICE PRODUCTS INC             | PRQ_2164 Longhorn Office           | 1/12/2024        | \$ 94.66      |
| 2010 | External Relations             | 00395     | QUORUM REPORT                            | PRQ_2441_Quorum_Report_AY24        | 1/24/2024        | \$ 360.00     |
| 2010 | External Relations             | 00397     | FISH FISH & LONG                         | PRQ_2440_Telicon_AY24              | 1/24/2024        | \$ 3,607.50   |
| 2020 | Human Resources                | 00361     | MSC INDUSTRIAL SUPPLY COMPANY            | PRQ_2418_MSC Indus Supply          | 1/9/2024         | \$ 2,204.46   |
| 2020 | Human Resources                | 00270     | WORKQUEST                                | PRQ_2383_WorkQuest                 | 1/16/2024        | \$ 103.88     |
| 2020 | Human Resources                | 00423     | ARTHUR J. GALLAGHER RISK MANAGEMENT SERV | PRQ_2477_SORM_AY24                 | 2/1/2024         | \$ 366.46     |
| 2030 | Info Solutions and Services    | 00256     | Coastal Commerce Group LLC               | PRQ_2094_Coastal Comm Group LL     | 1/11/2024        | \$ 5,284.46   |
| 2030 | Info Solutions and Services    | 00323     | CDW GOVERNMENT INC                       | PRQ_2396_CDW Government Inc        | 1/11/2024        | \$ 340.16     |
| 2030 | Info Solutions and Services    | 00333     | DLT SOLUTIONS LLC                        | PRQ_2382_DLT Solutions             | 1/11/2024        | \$ 2,609.60   |
| 2030 | Info Solutions and Services    | 00391     | GARTNER INC                              | PRQ_2432_Gartner_2024_LYoung       | 1/26/2024        | \$ 3,950.00   |
| 2030 | Info Solutions and Services    | 00381     | SHI GOVERNMENT SOLUTIONS INC             | PRQ_2408_SHI_Gov_Solutions_INC     | 1/29/2024        | \$ 49,243.65  |
| 2030 | Info Solutions and Services    | 00394     | Coastal Commerce Group LLC               | PRQ_2449_Coast Commerce Grp LL     | 1/29/2024        | \$ 9,401.57   |
| 2030 | Info Solutions and Services    | 00414     | Staples Contract & Commercial            | PRQ_2446_Staples Contract & C      | 1/31/2024        | \$ 1,188.48   |
| 2030 | Info Solutions and Services    | 00197     | LOBLOLLY CONSULTING LLC                  | PRQ_2264 Loblolly Randy Bush       | 2/1/2024         | \$ 44,634.00  |
| 2030 | Info Solutions and Services    | 00404     | SHI GOVERNMENT SOLUTIONS INC             | PRQ_2390_SHI_Gov_Solutions         | 2/1/2024         | \$ 4,694.18   |
| 2030 | Info Solutions and Services    | 00420     | LOBLOLLY CONSULTING LLC                  | PRQ_2438_Loblolly_R.Bush           | 2/5/2024         | \$ 190,396.80 |
| 2030 | Info Solutions and Services    | 00421     | SISTEMA TECHNOLOGIES INC                 | PRQ_2445_SISTEMA                   | 2/5/2024         | \$ 190,396.80 |
| 2030 | Info Solutions and Services    | 00199     | DAMAN CONSULTING INCORPORATED            | PRQ_2262 Daman Ajay Reddy          | 2/12/2024        | \$ 46,400.00  |
| 2030 | Info Solutions and Services    | 00448     | TECHSMITH CORP                           | PRQ_2495_TechSmith Corp            | 2/26/2024        | \$ 885.75     |
| 2030 | Info Solutions and Services    | 00468     | STATACORP LP                             | PRQ_2542_StataCorp LLC             | 3/5/2024         | \$ 4,375.00   |
| 2030 | Info Solutions and Services    | 00471     | INSIGHT PUBLIC SECTOR INC                | PRQ_2501_INSIGHT PUBLIC SECTOR     | 3/5/2024         | \$ 1,067.40   |
| 2030 | Info Solutions and Services    | 00076     | DAMAN CONSULTING INCORPORATED            | PRQ_2190_Daman_Angelique Ward      | 3/7/2024         | \$ 150,240.00 |
| 2040 | Financial Services             | 00355     | MSC INDUSTRIAL SUPPLY COMPANY            | PRQ_2370_MSC Industrial Supply     | 1/9/2024         | \$ 1,271.14   |
| 2040 | Financial Services             | 00356     | WORKQUEST                                | PRQ_2373_WorkQuest Supplies        | 1/9/2024         | \$ 416.56     |
| 2040 | Financial Services             | 00372     | FASTENAL COMPANY                         | PRQ_2367_Fastenal Company          | 1/11/2024        | \$ 910.35     |
| 2040 | Financial Services             | 00374     | CFS PRODUCTS INC                         | PRQ_2372_CFS Products Inc.         | 1/18/2024        | \$ 345.85     |
| 2040 | Financial Services             | 00409     | TEXAS STATE AGENCY BUSINESS ADMINISTRATO | PRQ_2468_TSABAA_membership_AY24    | 1/29/2024        | \$ 100.00     |
| 2040 | Financial Services             | 00192     | WORKQUEST                                | PRQ_2301_Marita Washington         | 1/31/2024        | \$ 30,736.00  |
| 2040 | Financial Services             | 00413     | DOCUMENT SOLUTIONS UT AUSTIN             | PRQ_2447_DOCUMENT SOLUTIONS UT     | 1/31/2024        | \$ 458.55     |
| 2040 | Financial Services             | 00424     | TEXAS COMPTROLLER OF PUBLIC ACCOUNTS     | PRQ_2469_CPA_training_MHernand     | 2/1/2024         | \$ 100.00     |
| 2040 | Financial Services             | 00407     | STATE HIGHER EDUCATION EXECUTIVE OFFICER | PRQ_2467_SHEEO_membership_AY24     | 2/5/2024         | \$ 24,535.00  |
| 2050 | Student Financial Aid Programs | 00231     | TEXAS STATE DISBURSEMENT UNIT/ATTORNEY G | IAC_Litigation (Abstract/Warrant)  | 1/18/2024        | \$ 25,000.00  |
| 2050 | Student Financial Aid Programs | 00425     | HOV SERVICES INC                         | PRQ_2485_HOV SERVICES INC          | 2/7/2024         | \$ 1,574.09   |
| 2060 | Communications                 | 00466     | WEB-HED TECHNOLOGIES, INC.               | PRQ_2459_WEB-HED TECHNOLOGIES,     | 2/28/2024        | \$ 1,736.98   |
| 3000 | Academic Affairs Wkfr Edu      | 00392     | TEXAS ASSOCIATION FOR INSTITUTIONAL RESE | PRQ_2448_TAIR_2024_MHumphries      | 1/26/2024        | \$ 350.00     |
| 3000 | Academic Affairs Wkfr Edu      | 00393     | TEXAS ASSOCIATION FOR INSTITUTIONAL RESE | PRQ_2451_TAIR_2024_Liu             | 1/26/2024        | \$ 350.00     |
| 3010 | Digital Learning               | 00359     | Bay View Analytics, LLC                  | SVC_Digital Learning Landscape Res | 1/19/2024        | \$ 10,000.00  |
| 3010 | Digital Learning               | 00454     | TXDLA INC                                | PRQ_2490_TxDLA_conference_AY24     | 2/26/2024        | \$ 315.00     |
| 3010 | Digital Learning               | 00465     | TXDLA INC                                | PRQ_2492_TXDLA_conference_AY24     | 2/28/2024        | \$ 3,510.00   |
| 3010 | Digital Learning               | 00412     | INSTITUTE FOR THE STUDY OF KNOWLEDGE MAN | SVC_1826_OERTX Repository          | 3/1/2024         | \$ 149,000.00 |

Contracts executed January 4, 2024 - March 7, 2024 and those not included in previous reports

## Contracts Executed by the Agency in Accordance with Board Rule 1.16

| Dept | Department                  | THECB No. | Supplier Name                            | Description                        | PO Approval Date | PO Total Amt  |
|------|-----------------------------|-----------|--|------------------------------------|------------------|---------------|
| 3020 | Workforce Education         | 00296     | LAMAR INSTITUTE OF TECHNOLOGY            | GRT_2392_TRUE Grant_2024           | 1/3/2024         | \$ 233,757.00 |
| 3020 | Workforce Education         | 00281     | COLLIN COUNTY COMMUNITY COLLEGE DISTRICT | GRT_2392_TRUE Grant_2024           | 1/4/2024         | \$ 154,154.00 |
| 3020 | Workforce Education         | 00280     | COLLEGE OF THE MAINLAND                  | GRT_2392_Coll.of the Mainland      | 1/5/2024         | \$ 250,000.00 |
| 3020 | Workforce Education         | 00288     | GALVESTON COLLEGE                        | GRT_2392_Galveston College         | 1/5/2024         | \$ 250,000.00 |
| 3020 | Workforce Education         | 00302     | MCLENNAN COMMUNITY COLLEGE               | GRT_2392_McLennan Community Co     | 1/5/2024         | \$ 138,699.00 |
| 3020 | Workforce Education         | 00304     | NORTH CENTRAL TEXAS COLLEGE              | GRT_2392_N Central TX CommColl     | 1/5/2024         | \$ 250,000.00 |
| 3020 | Workforce Education         | 00305     | NORTHEAST TEXAS COMMUNITY COLLEGE        | GRT_2392_Northeast TX Comm Col     | 1/5/2024         | \$ 250,000.00 |
| 3020 | Workforce Education         | 00313     | TEXAS STATE TECHNICAL COLLEGE            | GRT_2392_TSTC                      | 1/5/2024         | \$ 249,949.00 |
| 3020 | Workforce Education         | 00318     | WHARTON COUNTY JUNIOR COLLEGE            | GRT_2392_Wharton County Junior     | 1/5/2024         | \$ 250,000.00 |
| 3020 | Workforce Education         | 00275     | BRAZOSPORT COLLEGE                       | GRT 2392 Brazosport College        | 1/10/2024        | \$ 190,625.00 |
| 3020 | Workforce Education         | 00277     | COASTAL BEND COLLEGE                     | GRT 2392 Coastal Bend College      | 1/10/2024        | \$ 250,000.00 |
| 3020 | Workforce Education         | 00298     | LAMAR STATE COLLEGE-ORANGE               | GRT 2392 LSC-Orange_Single         | 1/10/2024        | \$ 250,000.00 |
| 3020 | Workforce Education         | 00303     | NAVARRO COLLEGE                          | GRT 2392 Navarro College           | 1/10/2024        | \$ 250,000.00 |
| 3020 | Workforce Education         | 00315     | VICTORIA COLLEGE                         | GRT 2392 Victoria College          | 1/10/2024        | \$ 250,000.00 |
| 3020 | Workforce Education         | 00343     | ALAMO COMMUNITY COLLEGE DISTRICT         | GRT 2392 Alamo College Consor      | 1/10/2024        | \$ 500,000.00 |
| 3020 | Workforce Education         | 00286     | FRANK PHILLIPS COLLEGE                   | GRT_2392_Frank Phillips Colleg     | 1/12/2024        | \$ 211,000.00 |
| 3020 | Workforce Education         | 00295     | KILGORE COLLEGE                          | GRT 2392 Kilgore College           | 1/12/2024        | \$ 177,120.35 |
| 3020 | Workforce Education         | 00297     | LAMAR STATE COLLEGE-ORANGE               | GRT_2392_LSC-Orange Consortium     | 1/12/2024        | \$ 500,000.00 |
| 3020 | Workforce Education         | 00300     | LAREDO JUNIOR COLLEGE                    | GRT_2392_Laredo Community Coll     | 1/12/2024        | \$ 248,427.00 |
| 3020 | Workforce Education         | 00308     | SOUTH TEXAS COLLEGE - STC                | GRT 2392 South Texas College       | 1/12/2024        | \$ 250,000.00 |
| 3020 | Workforce Education         | 00309     | SOUTHWEST TEXAS JUNIOR COLLEGE           | GRT_2392_Southwest TX JR Colle     | 1/12/2024        | \$ 250,000.00 |
| 3020 | Workforce Education         | 00310     | TARRANT COUNTY COLLEGE DISTRICT          | GRT 2392 Tarrant County Colleg     | 1/12/2024        | \$ 237,454.00 |
| 3020 | Workforce Education         | 00311     | TEMPLE COLLEGE                           | GRT_2392_Temple College            | 1/12/2024        | \$ 218,200.00 |
| 3020 | Workforce Education         | 00312     | TEXAS SOUTHMOST COLLEGE                  | GRT 2392 TX Southmost College      | 1/12/2024        | \$ 249,570.00 |
| 3020 | Workforce Education         | 00314     | TYLER JUNIOR COLLEGE                     | GRT_2392_Tyler Junior College      | 1/12/2024        | \$ 249,982.60 |
| 3020 | Workforce Education         | 00316     | WEATHERFORD JUNIOR COLLEGE               | GRT_2392_Weatherford College       | 1/12/2024        | \$ 250,000.00 |
| 3020 | Workforce Education         | 00344     | AUSTIN COMMUNITY COLLEGE                 | GRT_2392_AUSTIN COMMUNITY COLL     | 1/12/2024        | \$ 138,341.82 |
| 3020 | Workforce Education         | 00345     | COLLIN COUNTY COMMUNITY COLLEGE DISTRICT | GRT_2392_COLLIN CCCD_Consortiu     | 1/12/2024        | \$ 408,473.00 |
| 3020 | Workforce Education         | 00285     | EL PASO COUNTY COMMUNITY COLLEGE DISTRIC | GRT_2392_El Paso County CCCD       | 1/19/2024        | \$ 147,204.68 |
| 3020 | Workforce Education         | 00363     | TEXAS WORKFORCE COMMISSION               | IAC_2430_TWC Amendment No. 2       | 1/19/2024        | \$ -          |
| 3020 | Workforce Education         | 00301     | LONE STAR COLLEGE SYSTEM DISTRICT        | GRT 2392 Lone Star College Sys     | 1/23/2024        | \$ 250,000.00 |
| 3020 | Workforce Education         | 00370     | PRECISION AIR                            | GRT 2404 Precision Air             | 1/24/2024        | \$ 76,800.00  |
| 3020 | Workforce Education         | 00291     | HOUSTON COMMUNITY COLLEGE                | GRT 2392 Houston Community Col     | 1/25/2024        | \$ 483,910.00 |
| 3020 | Workforce Education         | 00292     | HOUSTON COMMUNITY COLLEGE                | GRT 2392 Houston Community Col     | 1/25/2024        | \$ 245,767.80 |
| 3020 | Workforce Education         | 00436     | Jason's Deli                             | PRQ_2500_Jasons_Deli_WE            | 2/7/2024         | \$ 266.21     |
| 3020 | Workforce Education         | 00462     | TEXAS ASSOCIATION OF COLLEGE TECHNICAL E | PRQ_2499_TACTE_AY24                | 2/27/2024        | \$ 3,000.00   |
| 3020 | Workforce Education         | 00267     | Department of Licensing and Regulation   | GRT_2304 TDLR                      | 2/28/2024        | \$ 38,400.00  |
| 3020 | Workforce Education         | 00437     | NOBLE TEXAS BUILDERS, LLC                | GRT_2457 Noble Texas Builders      | 2/28/2024        | \$ 72,000.00  |
| 3030 | College and Career Advising | 00120     | UNIVERSITY OF TEXAS AT AUSTIN            | SVC_Amendment 3_BMS 19664          | 1/18/2024        | \$ -          |
| 3030 | College and Career Advising | 00124     | DELOITTE CONSULTING LLP C/O BANK OF AMER | SVC_Deloitte MTF 28989 No-Cost Ame | 1/18/2024        | \$ -          |
| 3030 | College and Career Advising | 00357     | DELOITTE CONSULTING LLP C/O BANK OF AMER | SVC_Deloitte MTF2.0_Amend2_No Cost | 1/19/2024        | \$ -          |
| 3040 | Academic and Health Affairs | 00327     | KAZUHIRO SAITOU                          | SVC_DR_TXST_Saitou                 | 1/18/2024        | \$ 500.00     |
| 3040 | Academic and Health Affairs | 00336     | MATTHIEU R BLOCH                         | SVC_DR_TXST_Bloch                  | 1/19/2024        | \$ 500.00     |
| 3040 | Academic and Health Affairs | 00366     | DANIEL MITTEER                           | SVC_2385_AGP Application Revie     | 1/19/2024        | \$ 1,000.00   |
| 3040 | Academic and Health Affairs | 00127     | TARRANT COUNTY HOSPITAL DISTRICT         | GRT 2105 JPS Hospital FY24         | 1/24/2024        | \$ 585,299.00 |
| 3040 | Academic and Health Affairs | 00384     | TARRANT COUNTY HOSPITAL DISTRICT         | GRT_2105 FPRP JPS Rural Rotati     | 1/24/2024        | \$ 7,500.00   |
| 3040 | Academic and Health Affairs | 00387     | UT HEALTH CENTER AT TYLER                | GRT_2105 FPRP UTHSC Tyler RR 2     | 1/24/2024        | \$ 10,000.00  |

Contracts executed January 4, 2024 - March 7, 2024 and those not included in previous reports

## Contracts Executed by the Agency in Accordance with Board Rule 1.16

| Dept | Department                    | THECB No. | Supplier Name                            | Description                    | PO Approval Date | PO Total Amt            |
|------|-------------------------------|-----------|--|--------------------------------|------------------|-------------------------|
| 3040 | Academic and Health Affairs   | 00388     | TEXAS INSTITUTE FOR GRADUATE MEDICAL EDU | GRT_2105 FP TIGMER Public Heal | 1/24/2024        | \$ 4,000.00             |
| 3040 | Academic and Health Affairs   | 00125     | COLUMBIA MEDICAL CENTER OF ARLINGTON     | GRT 2105 HCA MC Arlington      | 1/29/2024        | \$ 382,070.00           |
| 3040 | Academic and Health Affairs   | 00385     | TAMUS HEALTH SCIENCE CENTER              | GRT_2105 FPRP TAMUHSC RR 2024  | 1/29/2024        | \$ 20,000.00            |
| 3040 | Academic and Health Affairs   | 00386     | TEXAS TECH UNIVERSITY HEALTH SCIENCES CE | GRT_2105 FPRP TTUHSC RR 2024   | 1/29/2024        | \$ 50,000.00            |
| 3040 | Academic and Health Affairs   | 00047     | UNIVERSITY OF TEXAS AT AUSTIN            | SVC_TMHCC_UTAustin             | 2/1/2024         | \$ 462,270.00           |
| 3040 | Academic and Health Affairs   | 00367     | MIKLE SOUTH                              | SVC_2387_AGP Application Revie | 2/1/2024         | \$ 1,000.00             |
| 3040 | Academic and Health Affairs   | 00368     | LATHA VALLURIPALLI SOORYA                | SVC_2405_AGP Application Revie | 2/1/2024         | \$ 1,000.00             |
| 3040 | Academic and Health Affairs   | 00369     | JILL JACQUELINE LOCKE                    | SVC_2397_AGP Application Revie | 2/1/2024         | \$ 1,000.00             |
| 3040 | Academic and Health Affairs   | 00371     | JASON C PAPPAS                           | SVC_DR_Pappas_TXST             | 2/1/2024         | \$ 500.00               |
| 3040 | Academic and Health Affairs   | 00378     | TODD KEMP                                | SVC_DR_TXST_Kemp               | 2/1/2024         | \$ 500.00               |
| 3040 | Academic and Health Affairs   | 00398     | HON YUEN                                 | SVC_SV-TaSU_Yuen               | 2/1/2024         | \$ 1,000.00             |
| 3040 | Academic and Health Affairs   | 00261     | TEXAS ACADEMY OF FAMILY PHYSICIANS       | GRT_2407 Texas Academy of Fam  | 2/8/2024         | \$ 808,333.00           |
| 3040 | Academic and Health Affairs   | 00262     | TEXAS CHAPTER OF THE AMERICAN COLLEGE    | GRT_2407 TX Chap Ameri College | 2/12/2024        | \$ 808,333.00           |
| 3040 | Academic and Health Affairs   | 00444     | LONGHORN OFFICE PRODUCTS INC             | PRQ_2248_Longhorn Office Prod  | 2/14/2024        | \$ 19.00                |
| 3040 | Academic and Health Affairs   | 00263     | TEXAS PEDIATRIC SOCIETY                  | GRT 2407 TPS SPP AY2024        | 2/15/2024        | \$ 808,333.00           |
| 3040 | Academic and Health Affairs   | 00416     | PALLAVI CHITTURI                         | SVC_2443 Pallavi Chitturi      | 3/7/2024         | \$ 500.00               |
| 4010 | Data Management and Research  | 00439     | TEXAS ASSOCIATION FOR INSTITUTIONAL RESE | PRQ_2482_TAIR_2024_Brian C     | 2/9/2024         | \$ 350.00               |
| 4010 | Data Management and Research  | 00440     | TEXAS ASSOCIATION FOR INSTITUTIONAL RESE | PRQ_2483_TAIR_2024_Torca B     | 2/9/2024         | \$ 350.00               |
| 4010 | Data Management and Research  | 00441     | TEXAS ASSOCIATION FOR INSTITUTIONAL RESE | PRQ_2484_TAIR_2024_Joy Dailey  | 2/9/2024         | \$ 350.00               |
| 4010 | Data Management and Research  | 00443     | TEXAS ASSOCIATION FOR INSTITUTIONAL RESE | PRQ_2488_TAIR_24_TCox          | 2/14/2024        | \$ 350.00               |
| 4010 | Data Management and Research  | 00456     | TEXAS ASSOCIATION FOR INSTITUTIONAL RESE | PRQ_2518_TAIR24_Christina_Zava | 2/26/2024        | \$ 400.00               |
| 4010 | Data Management and Research  | 00457     | TEXAS ASSOCIATION FOR INSTITUTIONAL RESE | PRQ_2519_TAIR24_Kimberly_Cruz  | 2/26/2024        | \$ 400.00               |
| 4010 | Data Management and Research  | 00458     | TEXAS ASSOCIATION FOR INSTITUTIONAL RESE | PRQ_2520_TAIR24_Chrys_Doughert | 2/26/2024        | \$ 400.00               |
| 4020 | Funding and Resource Planning | 00375     | TASSCUBO C/O ANGIE WRIGHT                | PRQ_2422_TASSCUBO_AY24         | 1/9/2024         | \$ 1,485.00             |
| 4020 | Funding and Resource Planning | 00027     | BAYLOR COLLEGE OF MEDICINE               | SVC_BCM Undergrad Medical Edu  | 1/12/2024        | \$ 24,270,605.51        |
| 4020 | Funding and Resource Planning | 00438     | TEXAS ASSOCIATION FOR INSTITUTIONAL RESE | PRQ_2487_TAIR_2024_Conference  | 2/9/2024         | \$ 700.00               |
|      |                               |           |  |                                |                  | <b>\$ 37,621,377.13</b> |

# Agency Operations Committee

## AGENDA ITEM V-A

### Review of the “Fiscal Year 2024 Financial Report” to the Board

RECOMMENDATION: No action required

#### Background Information:

During each quarterly committee meeting, the Finance Department provides a financial report summarizing the agency’s fiscal-year-to-date budgetary and financial activities. This is a financial management report that is developed for use by both the agency and the board of the Texas Higher Education Coordinating Board. Staff may revise this report periodically to present the most relevant information.

#### Key points:

- This report reflects data through the second quarter of Fiscal Year 2024.
  - September 1, 2023, through February 29, 2024
- The report is distributed to the agency executive management monthly.
- Report overview:
  - Budget adjustments are primarily related to cross-biennium budget authority, federal fiscal year adjustments, and adjustments for collected budgets.
  - College Access Loan borrower level volume is trending down for Fiscal Year 2024 as the manageable debt loan limits effective September 1, 2023 begin to materialize.
  - One bond sale is planned for summer 2024 for new money bonds to fund student loans during the 2024-25 academic year. The level of bond funds needed is currently expected to be lower than our prior year proceeds due to the decrease in borrower volume.
  - This report reflects the strategy structure as outlined in the General Appropriations Act from the 88th Legislature.

Anthony Infantini, Chief Financial Officer, will present this item and be available to answer any questions.



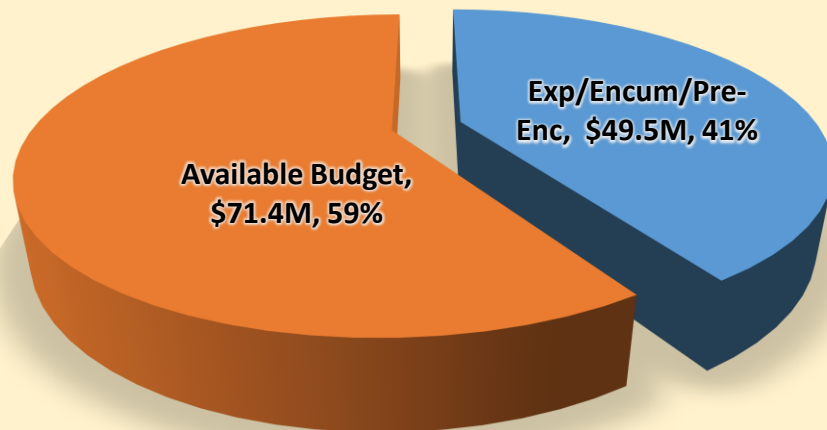


## Monthly Financial Report for period ending 2/29/2024

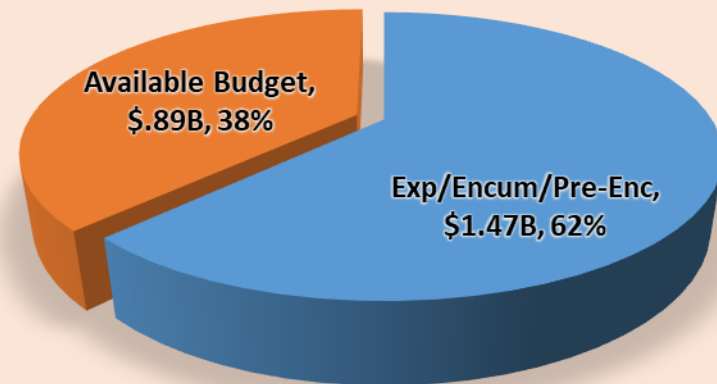
|                                 |    |
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| 1. Operating/Programs .....     | 1  |
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| 3. Budget Adjustments .....     | 7  |
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## Operating and Programs Summary Period Ending: 2/29/2024

### Operating Strategy (A) Budget



### Programs Strategy (B through Z) Budget



# Operating and Programs Budget

## Period Ending: 2/29/2024

|   |  | Original<br>Budget    | Budget<br>Adjusts. or<br>Reclass | Adjusted<br>Budget    | FYTD<br>Expense       | FYTD<br>Encumb       | FYTD<br>Pre-Encumb | Available<br>Budget   |
|---|--|-----------------------|----------------------------------|-----------------------|-----------------------|----------------------|--------------------|-----------------------|
| <b>A. Higher Education Support</b>            |  |                       |                                  |                       |                       |                      |                    |                       |
| A.1.1   | Agency Operations                      | 65,962,790.00         | 3,123,342.00                     | 69,086,132.00         | 22,302,417.49         | 15,879,154.60        | 18,031.69          | 30,886,528.22         |
| A.1.2   | Student Loan Programs                  | 8,238,970.00          | -                                | 8,238,970.00          | 3,785,170.71          | 2,467,104.19         | -                  | 1,986,695.10          |
| A.1.3   | College Readiness and Success          | 14,887,640.00         | (1,675,160.00)                   | 13,212,480.00         | 1,903,381.56          | 673,122.01           | 150,000.00         | 10,485,976.43         |
| A.1.4   | Texas Oncourse Program                 | 3,211,385.00          | 2,131,813.52                     | 5,343,198.52          | 1,439,077.32          | 83,055.33            | 654.94             | 3,820,410.93          |
| A.1.5   | Innovation and Collaboration           | 20,000,000.00         | 73,476.00                        | 20,073,476.00         | 794,945.17            | 13,510.00            | 750.00             | 19,264,270.83         |
| A.1.6   | Computer Science Pipeline              | 5,000,000.00          | -                                | 5,000,000.00          | -                     | -                    | -                  | 5,000,000.00          |
| <b>Total A</b>                                |  | <b>117,300,785.00</b> | <b>3,653,471.52</b>              | <b>120,954,256.52</b> | <b>30,224,992.25</b>  | <b>19,115,946.13</b> | <b>169,436.63</b>  | <b>71,443,881.51</b>  |
| <b>B. Affordability and Debt</b>              |  |                       |                                  |                       |                       |                      |                    |                       |
| B.1. 1  | Texas Grant Program                    | 475,138,160.00        | -                                | 475,138,160.00        | 293,808,861.26        | -                    | -                  | 181,329,298.74        |
| B.1. 2  | Tuition Equalization Grants            | 97,913,339.00         | -                                | 97,913,339.00         | 64,160,379.00         | -                    | -                  | 33,752,960.00         |
| B.1. 3  | TEOG Public Community Colleges         | 111,000,445.00        | -                                | 111,000,445.00        | 50,763,232.19         | -                    | -                  | 60,237,212.81         |
| B.1. 4  | TEOG Pub State/Techincal Colle         | 11,122,093.00         | -                                | 11,122,093.00         | 9,479,960.00          | -                    | -                  | 1,642,133.00          |
| B.1. 5  | College Work Study Program             | 9,169,523.00          | -                                | 9,169,523.00          | 540,353.19            | 226,800.00           | -                  | 8,402,369.81          |
| B.1. 6  | License Plate Scholarships             | 247,400.00            | 17,980.50                        | 265,380.50            | -                     | -                    | -                  | 265,380.50            |
| B.1. 7  | Educational Aide Program               | 481,616.00            | -                                | 481,616.00            | 95,293.00             | -                    | -                  | 386,323.00            |
| B.1. 8  | TX Armed Services Scholarships         | 7,335,000.00          | -                                | 7,335,000.00          | 3,538,486.00          | -                    | -                  | 3,796,514.00          |
| B.1. 9  | Open Educational Resources             | 231,025.00            | -                                | 231,025.00            | 6,156.75              | -                    | 149,325.00         | 75,543.25             |
| B.1.10  | Student Financial Aid                  | 74,669,983.00         | -                                | 74,669,983.00         | 54,389,712.00         | -                    | -                  | 20,280,271.00         |
| B.1.12  | Senfronia Thompson Scholarship Program | 500,000.00            | -                                | 500,000.00            | -                     | -                    | -                  | 500,000.00            |
| B.1.13  | HB 8 Swift Transfer                    | 32,300,000.00         | 18,734,390.00                    | 51,034,390.00         | 8,705,675.00          | -                    | -                  | 42,328,715.00         |
| <b>Total B</b>                                |  | <b>820,108,584.00</b> | <b>18,752,370.50</b>             | <b>838,860,954.50</b> | <b>485,488,108.39</b> | <b>226,800.00</b>    | <b>149,325.00</b>  | <b>352,996,721.11</b> |
| <b>C. Industry Workforce</b>                  |  |                       |                                  |                       |                       |                      |                    |                       |
| C.1.1   | Career/Technical EDU PGMS              | 42,681,391.00         | 1,425,558.14                     | 44,106,949.14         | 7,538,482.54          | 29,279,017.37        | 329.46             | 7,289,119.77          |
| C.1.2   | Bilingual Education Program            | 1,099,482.00          | -                                | 1,099,482.00          | (68,484.00)           | -                    | -                  | 1,167,966.00          |
| C.1.3   | Educational Loan Repayment             | 39,890,625.00         | -                                | 39,890,625.00         | -                     | -                    | -                  | 39,890,625.00         |
| <b>Total C</b>                                |  | <b>83,671,498.00</b>  | <b>1,425,558.14</b>              | <b>85,097,056.14</b>  | <b>7,469,998.54</b>   | <b>29,279,017.37</b> | <b>329.46</b>      | <b>48,347,710.77</b>  |
| <b>D. Industry Workforce - Health Related</b> |  |                       |                                  |                       |                       |                      |                    |                       |
| D.1. 1  | Family Practice Residency              | 8,250,000.00          | -                                | 8,250,000.00          | 8,179,858.33          | 66,500.00            | -                  | 3,641.67              |
| D.1. 2  | Preceptorship Program                  | 2,425,000.00          | -                                | 2,425,000.00          | 2,424,999.00          | -                    | -                  | 1.00                  |
| D.1. 3  | GME Expansion                          | 116,550,000.00        | -                                | 116,550,000.00        | -                     | -                    | -                  | 116,550,000.00        |
| D.1. 4  | Trauma Care Program                    | 2,957,203.00          | -                                | 2,957,203.00          | -                     | -                    | -                  | 2,957,203.00          |
| D.1. 5  | Joint Admission Medical Progra         | 11,696,794.00         | -                                | 11,696,794.00         | 11,696,794.00         | -                    | -                  | -                     |
| D.1. 6  | ProfNurseShortageReductionPgm          | 22,700,000.00         | -                                | 22,700,000.00         | (36,571.73)           | -                    | -                  | 22,736,571.73         |
| D.1. 7  | Child Mental Health Care Conso         | 15,377,324.00         | 929,649.66                       | 16,306,973.66         | -                     | -                    | -                  | 16,306,973.66         |
| D.1. 8  | Forensic Psychiatry Fellowship Pgm     | 2,500,000.00          | -                                | 2,500,000.00          | -                     | -                    | -                  | 2,500,000.00          |
| D.1. 9  | Nursing Scholarships                   | 12,500,000.00         | -                                | 12,500,000.00         | -                     | -                    | -                  | 12,500,000.00         |
| D.1.10  | Rural Resident Physician Program       | 1,500,000.00          | -                                | 1,500,000.00          | -                     | -                    | -                  | 1,500,000.00          |
| D.1.11  | Nursing Innovation Grant Program       | 6,000,000.00          | -                                | 6,000,000.00          | -                     | -                    | -                  | 6,000,000.00          |
| <b>Total D</b>                                |  | <b>202,456,321.00</b> | <b>929,649.66</b>                | <b>203,385,970.66</b> | <b>22,265,079.60</b>  | <b>66,500.00</b>     | <b>-</b>           | <b>181,054,391.06</b> |

04/24

# Operating and Programs Budget (cont.)

## Period Ending: 2/29/2024

|                                      |                                | Original<br>Budget      | Budget<br>Adjusts. or<br>Reclass | Adjusted<br>Budget      | FYTD<br>Expense         | FYTD<br>Encumb       | FYTD<br>Pre-Encumb | Available<br>Budget   |
|--------------------------------------|--------------------------------|-------------------------|----------------------------------|-------------------------|-------------------------|----------------------|--------------------|-----------------------|
| <b>E. Baylor College of Medicine</b> |                                |                         |                                  |                         |                         |                      |                    |                       |
| E.1.1                                | Baylor Coll of Medicine - UGME | 38,446,836.00           | -                                | 38,446,836.00           | 20,129,918.05           | 7,088,115.24         | -                  | 11,228,802.71         |
| E.1.2                                | Baylor Coll of Medicine - GME  | 9,002,575.00            | -                                | 9,002,575.00            | 9,002,575.00            | -                    | -                  | -                     |
| E.1.3                                | BaylorCollMedPermEndowFund     | 1,425,000.00            | -                                | 1,425,000.00            | 437,077.63              | 987,922.37           | -                  | -                     |
| E.1.4                                | BaylorCollMedPermHealthFund    | 1,914,193.00            | -                                | 1,914,193.00            | 497,977.52              | 1,416,215.48         | -                  | -                     |
| E.1.5                                | Baylor Coll Med Hold Harmless  | 1,753,079.00            | -                                | 1,753,079.00            | 1,753,079.00            | -                    | -                  | -                     |
| <b>Total E</b>                       |                                | <b>52,541,683.00</b>    | <b>-</b>                         | <b>52,541,683.00</b>    | <b>31,820,627.20</b>    | <b>9,492,253.09</b>  | <b>-</b>           | <b>11,228,802.71</b>  |
| <b>F. Tobacco Funds</b>              |                                |                         |                                  |                         |                         |                      |                    |                       |
| F.1.1                                | EARNINGS - Minority Health     | 1,066,551.00            | 5,479,811.92                     | 6,546,362.92            | -                       | -                    | -                  | 6,546,362.92          |
| F.1.2                                | EARNINGS - Nursing/Allied Heal | 1,883,810.00            | -                                | 1,883,810.00            | -                       | -                    | -                  | 1,883,810.00          |
| <b>Total F</b>                       |                                | <b>2,950,361.00</b>     | <b>5,479,811.92</b>              | <b>8,430,172.92</b>     | <b>-</b>                | <b>-</b>             | <b>-</b>           | <b>8,430,172.92</b>   |
| <b>G. Research and Innovation</b>    |                                |                         |                                  |                         |                         |                      |                    |                       |
| G.1.1                                | Texas Research Incentive Progr | 16,625,000.00           | -                                | 16,625,000.00           | 16,625,000.00           | -                    | -                  | -                     |
| G.1.2                                | AUTISM Program                 | 3,705,000.00            | -                                | 3,705,000.00            | (89,495.93)             | -                    | -                  | 3,794,495.93          |
| <b>Total G</b>                       |                                | <b>20,330,000.00</b>    | <b>-</b>                         | <b>20,330,000.00</b>    | <b>16,535,504.07</b>    | <b>-</b>             | <b>-</b>           | <b>3,794,495.93</b>   |
| <b>H. Salary Adjustments</b>         |                                |                         |                                  |                         |                         |                      |                    |                       |
| H.1.1                                | Salary Increases               | 1,391,298.00            | (1,391,298.00)                   | -                       | -                       | -                    | -                  | -                     |
| <b>Total H</b>                       |                                | <b>1,391,298.00</b>     | <b>(1,391,298.00)</b>            | <b>-</b>                | <b>-</b>                | <b>-</b>             | <b>-</b>           | <b>-</b>              |
| <b>Other Programs</b>                |                                |                         |                                  |                         |                         |                      |                    |                       |
| Z.1.1                                | Community Colleges             | 1,157,420,866.00        | -                                | 1,157,420,866.00        | 870,755,546.75          | -                    | -                  | 286,665,319.25        |
| <b>Total Z</b>                       |                                | <b>1,157,420,866.00</b> | <b>-</b>                         | <b>1,157,420,866.00</b> | <b>870,755,546.75</b>   | <b>-</b>             | <b>-</b>           | <b>286,665,319.25</b> |
| <b>Total Uses Of Revenue</b>         |                                | <b>2,458,171,396.00</b> | <b>28,849,563.74</b>             | <b>2,487,020,959.74</b> | <b>1,464,559,856.80</b> | <b>58,180,516.59</b> | <b>319,091.09</b>  | <b>963,961,495.26</b> |

Federal programs are reported separately on the next page.

## Federal Programs Report 1

### Period Ending: 2/29/2024

| Project Group      | Project Description / ALN / Fed Year | Award Start Date | Award End Date | Award Amount   | Expenditures   | Obligated | Unobligated Balance | Revenue/ Drawdown | Cash Balance |
|--------------------|--------------------------------------|------------------|----------------|----------------|----------------|-----------|---------------------|-------------------|--------------|
| ARPA               | ARPA CMHC CONSORTIUM-21.027-FFY22    | 11/8/2021        | 12/31/2024     | 113,082,887.00 | 113,082,885.00 | -         | 2.00                | 113,195,223.00    | 112,338.00   |
| ARPA               | ARPA INTEREST REVENUE 21.027-FFY22   | 1/1/2022         | 12/31/2024     | -              | -              | -         | -                   | 53,820.01         | 53,820.01    |
| ARPA               | ARPA RURAL VET GRANT PG-21.027-FFY22 | 11/8/2021        | 12/31/2024     | 1,000,000.00   | 205,760.00     | -         | 794,240.00          | 205,760.00        | -            |
| ARPA               | ARPA TX TRUE PROGRAM-21.027-FFY22    | 11/8/2021        | 11/7/2023      | 15,000,000.00  | 13,351,993.97  | -         | 1,648,006.03        | 16,658,074.89     | 3,306,080.92 |
|                    |                                      |                  |                |                |                |           |                     |                   |              |
| GEER I - 2nd Round | GEER DCS 84.425C-FFY20               | 1/1/2022         | 9/30/2022      | 6,199,566.00   | 6,199,566.00   | -         | -                   | 6,199,566.00      | -            |
| GEER I - 2nd Round | GEER DATA INFR 84.425C-FFY20         | 1/1/2022         | 9/30/2022      | 10,290,422.57  | 9,418,146.50   | 89,628.33 | 782,647.74          | 9,418,146.50      | -            |
| GEER I - 2nd Round | GEER ONLINE LRN 84.425C-FFY20        | 1/1/2022         | 9/30/2022      | 10,865,065.30  | 10,663,958.99  | -         | 201,106.31          | 10,660,958.10     | (3,000.89)   |
| GEER I - 2nd Round | GEER UPSKILL RSK 84.425C-FFY20       | 1/1/2022         | 9/30/2022      | 44,144,946.13  | 43,008,698.23  | -         | 1,136,247.90        | 44,659,431.71     | 1,650,733.48 |
|                    |                                      |                  |                |                |                |           |                     |                   |              |
| GEER I - 3rd Round | GEER ACCEL CRED 84.425C-FFY20        | 1/1/2022         | 9/30/2022      | 14,571,112.92  | 11,798,104.59  | -         | 2,773,008.33        | 15,349,363.41     | 3,551,258.82 |
| GEER I - 3rd Round | GEER ADV RESRCS 84.425C-FFY20        | 1/1/2022         | 9/30/2022      | 948,725.00     | 232,012.68     | -         | 716,712.32          | 232,012.68        | -            |
| GEER I - 3rd Round | GEER COMCOLL CST 84.425C-FFY20       | 1/1/2022         | 9/30/2022      | 661,628.16     | 661,638.02     | -         | (9.86)              | 661,638.02        | -            |
| GEER I - 3rd Round | GEER COMPL GRNTS 84.425C-FFY20       | 1/1/2022         | 9/30/2022      | 5,832,129.76   | 4,460,519.65   | -         | 1,371,610.11        | 4,723,156.42      | 262,636.77   |
| GEER I - 3rd Round | GEER CRED REPOST 84.425C-FFY20       | 1/1/2022         | 9/30/2022      | 2,195,581.51   | 1,670,613.85   | -         | 524,967.66          | 2,616,604.68      | 945,990.83   |
| GEER I - 3rd Round | GEER GRADTX 2.0 84.425C-FFY20        | 1/1/2022         | 9/30/2022      | 4,715,071.04   | 3,989,475.90   | -         | 725,595.14          | 4,497,515.00      | 508,039.10   |
| GEER I - 3rd Round | GEER LEGACY DCS 84.425C-FFY20        | 1/1/2022         | 9/30/2022      | 2,126,659.23   | 1,163,840.08   | -         | 962,819.15          | 1,163,840.08      | -            |
| GEER I - 3rd Round | GEER LEGCY MOD 84.425C-FFY20         | 1/1/2022         | 9/30/2022      | 1,507,929.02   | 1,420,585.68   | -         | 87,343.34           | 1,420,585.68      | -            |
| GEER I - 3rd Round | GEER LRNANALYTIC 84.425C-FFY20       | 1/1/2022         | 9/30/2022      | 1,017,746.22   | 944,013.00     | -         | 73,733.22           | 944,013.00        | -            |
| GEER I - 3rd Round | GEER STU ENGMT 84.425C-FFY20         | 1/1/2022         | 9/30/2022      | 3,291,852.00   | 3,017,057.83   | -         | 274,794.17          | 3,017,057.83      | -            |
| GEER I - 3rd Round | GEER STU SUCCESS 84.425C-FFY20       | 1/1/2022         | 9/30/2022      | 1,876,574.94   | 1,701,692.88   | -         | 174,882.06          | 1,701,692.88      | -            |
| GEER I - 3rd Round | GEER TOP TEN 84.425C-FFY20           | 1/1/2022         | 9/30/2022      | 65,000.00      | 65,000.00      | -         | -                   | 65,000.00         | -            |
| GEER I - 3rd Round | GEER TRNSFR GRNT 84.425C-FFY20       | 1/1/2022         | 9/30/2022      | 9,900,000.00   | 9,618,286.84   | 50,000.00 | 231,713.16          | 9,978,286.84      | 360,000.00   |
| GEER I - 3rd Round | GEER TRUE INSTIT 84.425C-FFY20       | 1/1/2022         | 9/30/2022      | 29,500,105.81  | 25,400,202.49  | -         | 4,099,903.32        | 25,686,234.95     | 286,032.46   |
| GEER I - 3rd Round | GEER TX LEAD SCH 84.425C-FFY20       | 1/1/2022         | 9/30/2022      | 11,146,917.76  | 11,146,917.76  | -         | -                   | 11,146,917.76     | -            |
| GEER I - 3rd Round | GEER WORK BASED 84.425C-FFY20        | 1/1/2022         | 9/30/2022      | 5,333,974.63   | 4,408,775.52   | -         | 925,199.11          | 4,618,117.75      | 209,342.23   |
|                    |                                      |                  |                |                |                |           |                     |                   |              |

## Federal Programs Report 2 (continued)

### Period Ending: 2/29/2024

| Project Group | Project Description / ALN / Fed Year | Award Start Date | Award End Date | Award Amount  | Expenditures  | Obligated  | Unobligated Balance | Revenue/ Drawdown | Cash Balance |
|---------------|--------------------------------------|------------------|----------------|---------------|---------------|------------|---------------------|-------------------|--------------|
| GEER II       | GEERII ADMIN/STAFFING-84.425C-FFY22  | 1/1/2022         | 9/30/2023      | 1,994,274.83  | 2,100,518.53  | 85,337.50  | (191,581.20)        | 2,224,969.26      | 124,450.73   |
| GEER II       | GEERII ADVISE TX-84.425C-FFY22       | 1/1/2022         | 9/30/2023      | 3,145,356.05  | 2,375,871.50  | -          | 769,484.55          | 3,582,308.93      | 1,206,437.43 |
| GEER II       | GEERII APPLY TX-84.425C-FFY22        | 1/1/2022         | 9/30/2023      | 3,706,851.47  | 3,701,359.58  | 5,491.89   | (0.00)              | 3,702,629.07      | 1,269.49     |
| GEER II       | GEERII CCFINIMPL 84.425C-FFY22       | 1/1/2022         | 9/30/2023      | 150,000.00    | 44,088.77     | 38,114.84  | 67,796.39           | 66,919.03         | 22,830.26    |
| GEER II       | GEERII COMM DL TRAIN&R-84.425C-FFY22 | 1/1/2022         | 9/30/2023      | -             | -             | -          | -                   | 222,011.40        | 222,011.40   |
| GEER II       | GEERII COLL RDN 84.425C-FFY22        | 1/1/2022         | 9/30/2023      | 2,700,000.00  | 2,695,000.00  | -          | 5,000.00            | 3,970,000.00      | 1,275,000.00 |
| GEER II       | GEERII DCS-84.425C-FFY22             | 1/1/2022         | 9/30/2023      | 7,410,167.76  | 7,358,715.00  | -          | 51,452.76           | 7,511,764.44      | 153,049.44   |
| GEER II       | GEERII DCS DMI 84.425C-FFY22         | 1/1/2022         | 9/30/2023      | 3,000,000.00  | 2,911,832.24  | 23,188.97  | 64,978.79           | 3,721,122.40      | 809,290.16   |
| GEER II       | GEERII DCS GAAP 84.425C-FFY22        | 1/1/2022         | 9/30/2023      | 4,145,210.32  | 3,127,762.51  | 770,867.22 | 246,580.59          | 4,906,917.38      | 1,779,154.87 |
| GEER II       | GEERII DATA CYBR 84.425C-FFY22       | 1/1/2022         | 9/30/2023      | 2,517,247.90  | 2,135,018.87  | 62,231.53  | 319,997.50          | 3,828,092.48      | 1,693,073.61 |
| GEER II       | GEERII DMI EDU & WKFRC-84.425C-FFY22 | 1/1/2022         | 9/30/2023      | 14,732,165.04 | 13,998,155.70 | 958,376.58 | (224,367.24)        | 14,282,661.88     | 284,506.18   |
| GEER II       | GEERII EDU PREP 84.425C-FFY22        | 1/1/2022         | 9/30/2023      | 1,500,000.00  | 1,295,722.47  | -          | 204,277.53          | 3,727,256.02      | 2,431,533.55 |
| GEER II       | GEERII-INTRST REV84.425C-FFY20       | 1/1/2022         | 9/30/2023      | -             | -             | -          | -                   | 1,520,279.12      | 1,520,279.12 |
| GEER II       | GEERII LEADERSHIP PROG-84.425C-FFY22 | 1/1/2022         | 9/30/2023      | 1,647,994.94  | 1,620,088.94  | -          | 27,906.00           | 1,647,994.94      | 27,906.00    |
| GEER II       | GEERII MAP MY PATH-84.425C-FFY22     | 1/1/2022         | 9/30/2023      | 3,267,948.01  | 3,267,948.01  | -          | (0.00)              | 3,267,948.01      | -            |
| GEER II       | GEERII MY TX FUTURE-84.425C-FFY22    | 1/1/2022         | 9/30/2023      | 3,508,021.00  | 3,498,442.64  | 10,497.63  | (919.27)            | 3,722,266.92      | 223,824.28   |
| GEER II       | GEERII NURSING INNOVAT-84.425C-FFY22 | 1/1/2022         | 9/30/2023      | 7,059,263.74  | 6,913,793.56  | -          | 145,470.18          | 8,064,504.32      | 1,150,710.76 |
| GEER II       | GEERII NURSING OER-84.425C-FFY22     | 1/1/2022         | 9/30/2023      | 2,700,000.00  | 2,700,000.00  | -          | -                   | 3,740,000.00      | 1,040,000.00 |
| GEER II       | GEERII NURSING LRP-84.425C-FFY22     | 1/1/2022         | 9/30/2023      | 2,700,000.00  | 2,055,700.20  | -          | 644,299.80          | 2,761,408.14      | 705,707.94   |
| GEER II       | GEERII NURS SHORTG GRT-84.425C-FFY22 | 1/1/2022         | 9/30/2023      | 3,321,199.27  | 3,313,986.16  | -          | 7,213.11            | 4,274,900.52      | 960,914.36   |
| GEER II       | GEERII SHARED SERV CTR 84.425C-FFY22 | 1/1/2022         | 9/30/2023      | 2,989,488.00  | 2,925,150.40  | -          | 64,337.60           | 3,175,150.40      | 250,000.00   |
| GEER II       | GEERII SSI ACCEL&SCALE-84.425C-FFY22 | 1/1/2022         | 9/30/2023      | 16,210,218.39 | 15,726,263.89 | 0.02       | 483,954.48          | 20,026,483.56     | 4,300,219.67 |
| GEER II       | GEERII TRANSFER GRANTS-84.425C-FFY22 | 1/1/2022         | 9/30/2023      | 3,931,540.06  | 3,693,786.73  | 64,370.33  | 173,383.00          | 3,761,922.41      | 68,135.68    |
|               |                                      |                  |                |               |               |            |                     |                   |              |

## Federal Programs Report 3 (continued)

### Period Ending: 2/29/2024

| Project Group  | Project Description / ALN / Fed Year  | Award Start Date | Award End Date | Award Amount          | Expenditures          | Obligated            | Unobligated Balance  | Revenue/ Drawdown     | Cash Balance         |
|----------------|---------------------------------------|------------------|----------------|-----------------------|-----------------------|----------------------|----------------------|-----------------------|----------------------|
| Perkins        | PERKINS-LEADER-84.048-FFY23 (2 YEARS) | 9/29/2022        | 9/30/2024      | 3,649,347.00          | 1,319,190.77          | 1,934,896.94         | 395,259.29           | 1,260,072.06          | (59,118.71)          |
| Perkins        | PERKINS-LEADER-84.048-FFY24 (2 YEARS) | 12/20/2023       | 9/30/2025      | 3,785,439.00          | 18,153.04             | 3,598,666.96         | 168,619.00           | 16,665.04             | (1,488.00)           |
| Perkins        | PERKINS-ADMIN-84.048-FFY24            | 10/17/2023       | 9/30/2024      | 1,915,219.00          | 520,588.11            | 4,340.67             | 1,390,290.22         | 273,558.44            | (247,029.67)         |
| Perkins        | PERKINS-FORMULA-84.048-FFY24          | 10/17/2023       | 9/30/2024      | 32,558,733.00         | 6,997,998.00          | 25,560,734.00        | 1.00                 | 897,308.00            | (6,100,690.00)       |
| Perkins        | PERKINS-NON-TRAD-84.048-FFY24         | 10/17/2023       | 9/30/2024      | 45,000.00             | -                     | -                    | 45,000.00            | -                     | -                    |
|                |                                       |                  |                |                       |                       |                      |                      |                       |                      |
| Other Programs | COREQ DE MODELS-84.305A-FFY22         | 8/1/2021         | 7/31/2025      | 112,067.00            | 11,236.15             | -                    | 100,830.85           | 11,234.82             | (1.33)               |
| Other Programs | HRSA STATE LOAN REPAYM-93.165-FFY23   | 9/1/2022         | 8/31/2025      | 2,501,552.27          | 255,807.01            | -                    | 2,245,745.26         | 309,837.81            | 54,030.80            |
| Other Programs | SLDS ERC UPGRADES-84.372A-FFY21       | 3/1/2021         | 2/28/2024      | 375,000.00            | 114,332.49            | 195,717.45           | 64,950.06            | 96,896.93             | (17,435.56)          |
|                |                                       |                  |                |                       |                       |                      |                      |                       |                      |
| <b>Total</b>   |                                       |                  |                | <b>433,547,449.27</b> | <b>375,044,720.94</b> | <b>33,728,246.87</b> | <b>24,774,481.46</b> | <b>400,579,064.33</b> | <b>25,534,343.39</b> |

# Agency Budget Year-to-Date Budget Adjustments 1 As of 2/29/2024

| Strategy                             | Budget Adjustments By Strategy | PCA Code | Transaction Description                                      | Increase            | Decrease              |
|--------------------------------------|--------------------------------|----------|--|---------------------|-----------------------|
| <b>Agency Operations</b>             |                                |          |  |                     |                       |
| A.1.1                                | Agency Operations              | 38003    | Salary Allocation, College Work Study, DCS                   | 1,158,342.00        | -                     |
|                                      | Agency Operations              | 38003    | BU03 INCRS COLL BDGT TASFA; TRNSFR BDGT AGY OPS to EDA Match | -                   | (64,815.42)           |
|                                      | Data Center Services (DCS)     | 13960    | Salary Allocation, College Work Study, DCS                   | 1,950,000.00        | -                     |
|                                      | EDA Salary Match               | 38013    | BU03 INCRS COLL BDGT TASFA; TRNSFR BDGT AGY OPS to EDA Match | 64,815.42           | -                     |
|                                      | SHEEO FA Learning              | 46004    | BU10 INCRS & ESTABLISH BDGTs PER CASH UB                     | 15,000.00           | -                     |
|                                      |                                |          |  | <b>3,123,342.00</b> |                       |
| <b>College Readiness and Success</b> |                                |          |  |                     |                       |
| A.1.3                                | My Texas Future                | 30019    | Salary Allocation, College Work Study, DCS                   | -                   | (1,950,000.00)        |
|                                      | Student Success                | 30006    | Salary Allocation, College Work Study, DCS                   | 24,840.00           | -                     |
|                                      | TASFA Development              | 40106    | BU03 INCRS COLL BDGT TASFA; TRNSFR BDGT AGY OPS to EDA Match | 250,000.00          | -                     |
|                                      |                                |          |  |                     | <b>(1,675,160.00)</b> |
| <b>Texas Oncourse Program</b>        |                                |          |  |                     |                       |
| A.1.4                                | OnCourse Initiative            | 40105    | BU10 Budget Adjustments based on UB AY23 to AY24 Adj.        | 1,997,173.52        | -                     |
|                                      | OnCourse Initiative            | 40105    | Salary Allocation, College Work Study, DCS                   | 134,640.00          | -                     |
|                                      |                                |          |  | <b>2,131,813.52</b> |                       |
| <b>Innovation and Collaboration</b>  |                                |          |  |                     |                       |
| A.1.5                                | Open Education&Course Sharing  | 30021    | Salary Allocation, College Work Study, DCS                   | 36,336.00           | -                     |
|                                      | Student Success Programs       | 30020    | Salary Allocation, College Work Study, DCS                   | 37,140.00           | -                     |
|                                      |                                |          |  | <b>73,476.00</b>    |                       |
| <b>College Work Study Program</b>    |                                |          |  |                     |                       |
| B.1.5                                | College Work Study Program     | 22339    | Salary Allocation, College Work Study, DCS                   | 2,750,000.00        | -                     |
|                                      | Work Study Mentorship Program  | 22349    | Salary Allocation, College Work Study, DCS                   | -                   | (2,750,000.00)        |
|                                      |                                |          |  | -                   |                       |



# Agency Budget

## Year-to-Date Budget Adjustments 2 (continued)

### As of 2/29/2024

| Strategy                          | Budget Adjustments By Strategy | PCA Code | Transaction Description                               | Increase             | Decrease |
|-----------------------------------|--------------------------------|----------|---|----------------------|----------|
| <b>License Plate Scholarships</b> |                                |          |   |                      |          |
| B.1. 6                            | Abilene Christian Univ LP      | 66027    | BU10 INCRS & ESTABLISH BDGTs PER CASH UB              | 1,489.81             | -        |
|                                   | Austin College PLT             | 66016    | UB BUDGET TO VARIOUS PROGRAMS                         | 155.54               | -        |
|                                   | Baylor Bear Crossover LP       | 66026    | UB BUDGET TO VARIOUS PROGRAMS                         | 1,305.03             | -        |
|                                   | Baylor University PLT          | 66014    | UB BUDGET TO VARIOUS PROGRAMS                         | 934.88               | -        |
|                                   | Boy Scout License Plates       | 66008    | UB BUDGET TO VARIOUS PROGRAMS                         | 316.43               | -        |
|                                   | College for Texans L Plates    | 66002    | UB BUDGET TO VARIOUS PROGRAMS                         | 89.32                | -        |
|                                   | Collegiate Crossover Lic Plate | 66004    | BU10 Budget Adjustments based on UB AY23 to AY24 Adj. | 2,076.72             | -        |
|                                   | Cotton Boll License Plates     | 66006    | UB BUDGET TO VARIOUS PROGRAMS                         | 1,446.51             | -        |
|                                   | Girl Scout License Plates      | 66007    | UB BUDGET TO VARIOUS PROGRAMS                         | 170.19               | -        |
|                                   | Houston CC License Plate       | 66025    | UB BUDGET TO VARIOUS PROGRAMS                         | 45.10                | -        |
|                                   | Houston Rodeo License Plates   | 66005    | UB BUDGET TO VARIOUS PROGRAMS                         | 298.92               | -        |
|                                   | Lubbock Christian Univ PLT     | 66020    | UB BUDGET TO VARIOUS PROGRAMS                         | 152.23               | -        |
|                                   | MADD License Plate             | 66011    | UB BUDGET TO VARIOUS PROGRAMS                         | 132.41               | -        |
|                                   | Omega Psi Phi License Plates   | 66013    | UB BUDGET TO VARIOUS PROGRAMS                         | 823.28               | -        |
|                                   | Rice University PLT            | 66017    | UB BUDGET TO VARIOUS PROGRAMS                         | 618.57               | -        |
|                                   | Schreiner University LP        | 66028    | BU10 INCRS & ESTABLISH BDGTs PER CASH UB              | 448.97               | -        |
|                                   | SMU Royalty License Plate      | 66012    | UB BUDGET TO VARIOUS PROGRAMS                         | 3,058.55             | -        |
|                                   | Southern Methodist Univ PLT    | 66018    | UB BUDGET TO VARIOUS PROGRAMS                         | 374.21               | -        |
|                                   | Southwestern University PLT    | 66022    | UB BUDGET TO VARIOUS PROGRAMS                         | 66.60                | -        |
|                                   | St. Mary's University PLT      | 66021    | UB BUDGET TO VARIOUS PROGRAMS                         | 180.11               | -        |
|                                   | Texas Christian Univ PLT       | 66019    | UB BUDGET TO VARIOUS PROGRAMS                         | 424.12               | -        |
|                                   | TX Water Works License Plate   | 66001    | UB BUDGET TO VARIOUS PROGRAMS                         | 246.53               | -        |
|                                   | Univ of Florida Crossover LP   | 66029    | BU10 INCRS & ESTABLISH BDGTs PER CASH UB              | 3,036.40             | -        |
|                                   | Univ of Mary Hardin Baylor PLT | 66015    | UB BUDGET TO VARIOUS PROGRAMS                         | 67.03                | -        |
|                                   | University of St. Thomas PLT   | 66023    | BU10 Budget Adjustments based on UB AY23 to AY24 Adj. | 23.04                | -        |
|                                   |                                |          |   | <b>17,980.50</b>     |          |
| <b>Educational Loan Repayment</b> |                                |          |   |                      |          |
| B.1.13                            | HB8 Swift Transfer             | 46801    | SWIFT Transfer Budget Adjustment AY24                 | 18,734,390.00        | -        |
|                                   |                                |          |   | <b>18,734,390.00</b> |          |

# Agency Budget

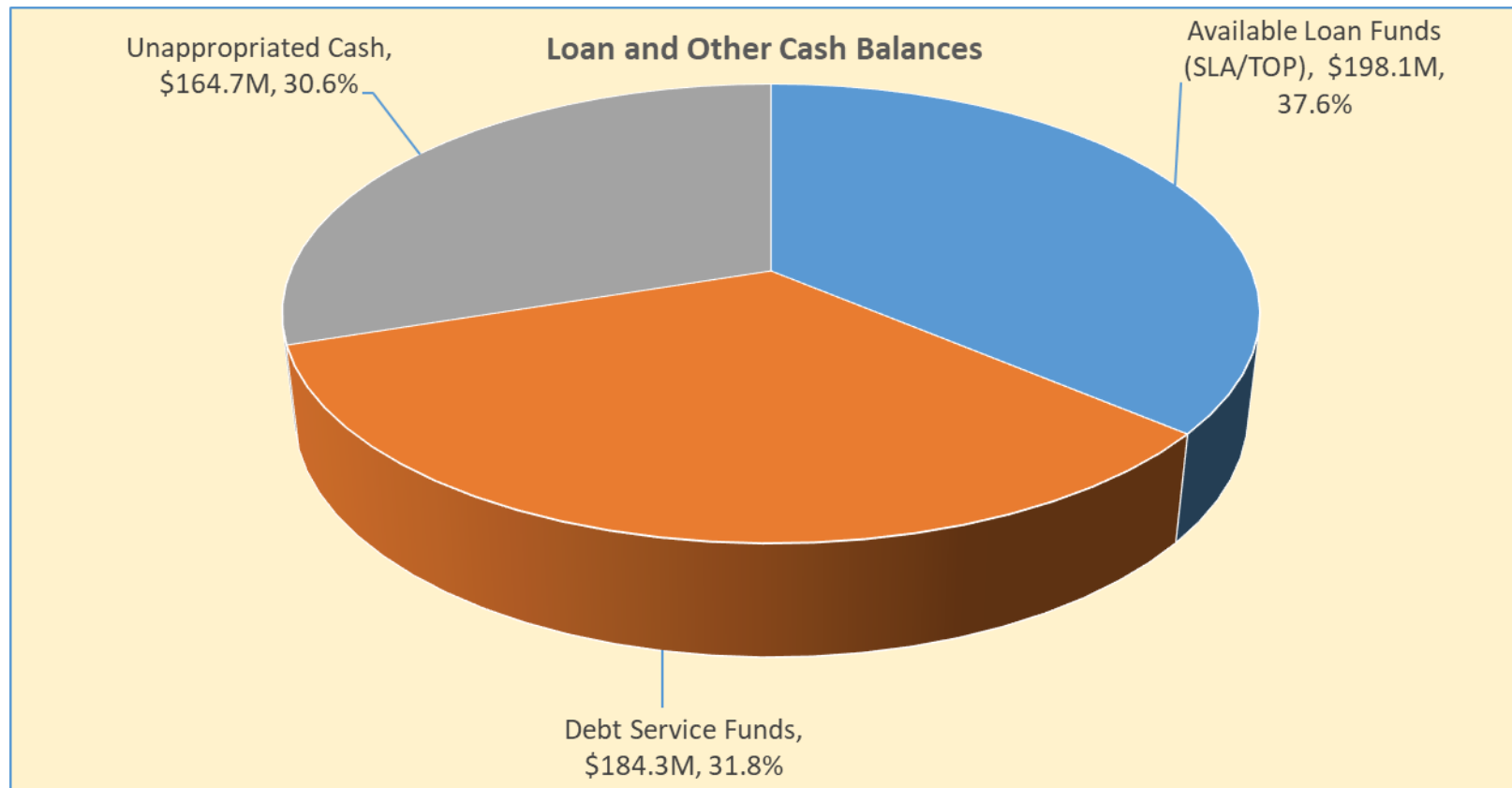
## Year-to-Date Budget Adjustments 3 (continued)

### As of 2/29/2024

| Strategy                                   | Budget Adjustments By Strategy | PCA Code | Transaction Description                               | Increase             | Decrease              |
|--|--------------------------------|----------|---|----------------------|-----------------------|
| <b>Career/Technical EDU PGMS</b>           |                                |          |   |                      |                       |
| C.1.1                                      | GEER Work Based Learn 84.425C  | 32513    | Move Budget from AY23 to AY24 PCA 32513               | 10,929.82            | -                     |
|  | GEERII CC Finance Impl 84.425C | 32564    | AY24 GEER II BUDGETS_EXP                              | 38,114.84            | -                     |
|  | GEERII College Rdns 84.425C    | 32561    | AY24 GEER II BUDGETS_EXP                              | 148,000.00           | -                     |
|  | GEERII Data M Cybersec 84.425C | 32563    | AY24 GEER II BUDGETS_EXP                              | 436,653.75           | -                     |
|  | GEERII DMI Edu & Wkfr 84.425C  | 32545    | AY24 GEER II BUDGETS_EXP                              | 1,456,793.52         | -                     |
|  | GEERII DMI Edu & Wkfr 84.425C  | 32545    | GEER II DCS BDGT ADJ AM24026600                       | 25,512.00            | -                     |
|  | GEERII Leadership Prog 84.425C | 32544    | GEER II BDGT ADJ AY23 to AY24                         | 1,710,953.70         | -                     |
|  | GEERII Leadership Prog 84.425C | 32544    | GEER II DCS BDGT ADJ AM24026600                       | -                    | (152,005.06)          |
|  | GEERII Shared Serv Ctr 84.425C | 32556    | AY24 GEER II BUDGETS_EXP                              | 28,317.40            | -                     |
|  | GEERII Transfer Grants 84.425C | 32543    | AY24 GEER II BUDGETS_EXP                              | 68,135.68            | -                     |
|  | HRSA State Loan Repaym 93.165  | 56005    | HRSA_EXP_BDGT_AY24                                    | 797,258.00           | -                     |
|  | Perkins Admin 84.048           | 52001    | Perkins Admin and Leadership Alignment                | 500,000.00           | -                     |
|  | Perkins Leadership 2-Yr 84.048 | 52005    | Perkins Admin and Leadership Alignment                | -                    | (45,000.00)           |
|  | SLDS ERC Upgrades 84.372A      | 54005    | Transfer Budget from AY23 to AY24 SLDS.               | 173,300.14           | -                     |
|  |                                |          |   | <b>5,196,963.79</b>  |                       |
| <b>Educational Loan Repayment</b>          |                                |          |   |                      |                       |
| C.1.3                                      | ARPA Rural Vet Grant Pg 21.027 | 32553    | Rural Vet, Preceptorship, Minority Health Recon.      | 1,000,000.00         | -                     |
|  | Physician Ed Loan Repay Pgm    | 21949    | CORRECT CAPPs FUNDS #S                                | 17,767,492.00        | (17,767,492.00)       |
|  |                                |          |   | <b>1,000,000.00</b>  |                       |
| <b>Preceptorship Program</b>               |                                |          |   |                      |                       |
| D.1. 2                                     | FP Statewide Preceptorship     | 23030    | Rural Vet, Preceptorship, Minority Health Recon.      | -                    | (1.00)                |
|  | Peds Statewide Preceptorship   | 23230    | Rural Vet, Preceptorship, Minority Health Recon.      | 1.00                 | -                     |
|  |                                |          |   | -                    |                       |
| <b>Child Mental Health Care Consortium</b> |                                |          |   |                      |                       |
| D.1. 7                                     | ARPA CMHC Consortium 21.027    | 32554    | ADJ ARPA TCMHCC BDGT                                  | 419,002.00           | -                     |
|  | CMHC Consortium                | 32023    | UB BUDGET TO VARIOUS PROGRAMS                         | 929,649.66           | -                     |
|  |                                |          |   | <b>1,348,651.66</b>  |                       |
| <b>EARNINGS - Minority Health</b>          |                                |          |   |                      |                       |
| F.1.1                                      | Minority Health Research/Edu   | 13067    | BU10 Budget Adjustments based on UB AY23 to AY24 Adj. | 355,660.20           | -                     |
|  | Minority Health Research/Edu   | 13067    | Rural Vet, Preceptorship, Minority Health Recon.      | 1,113,706.83         | -                     |
|  | Minority Health Research/Edu   | 13067    | CORRECT Neg Balance Minority Health FY22,24           | -                    | (355,660.20)          |
|  | Minority Health Research/Edu   | 13067    | UB BUDGET TO VARIOUS PROGRAMS                         | 4,366,105.09         | -                     |
|  |                                |          |   | <b>5,479,811.92</b>  |                       |
| <b>Salary Increases</b>                    |                                |          |   |                      |                       |
| H.1.1                                      | Salary Increases               | 31001    | Salary Allocation, College Work Study, DCS            | -                    | (1,391,298.00)        |
|  |                                |          |   |                      | <b>(1,391,298.00)</b> |
| <b>Total Budget Adjustments</b>            |                                |          |   | <b>34,039,971.39</b> |                       |

04/24

## Cash Balance Summary Period Ending: 2/29/2024



Cash balances not related to grant programs

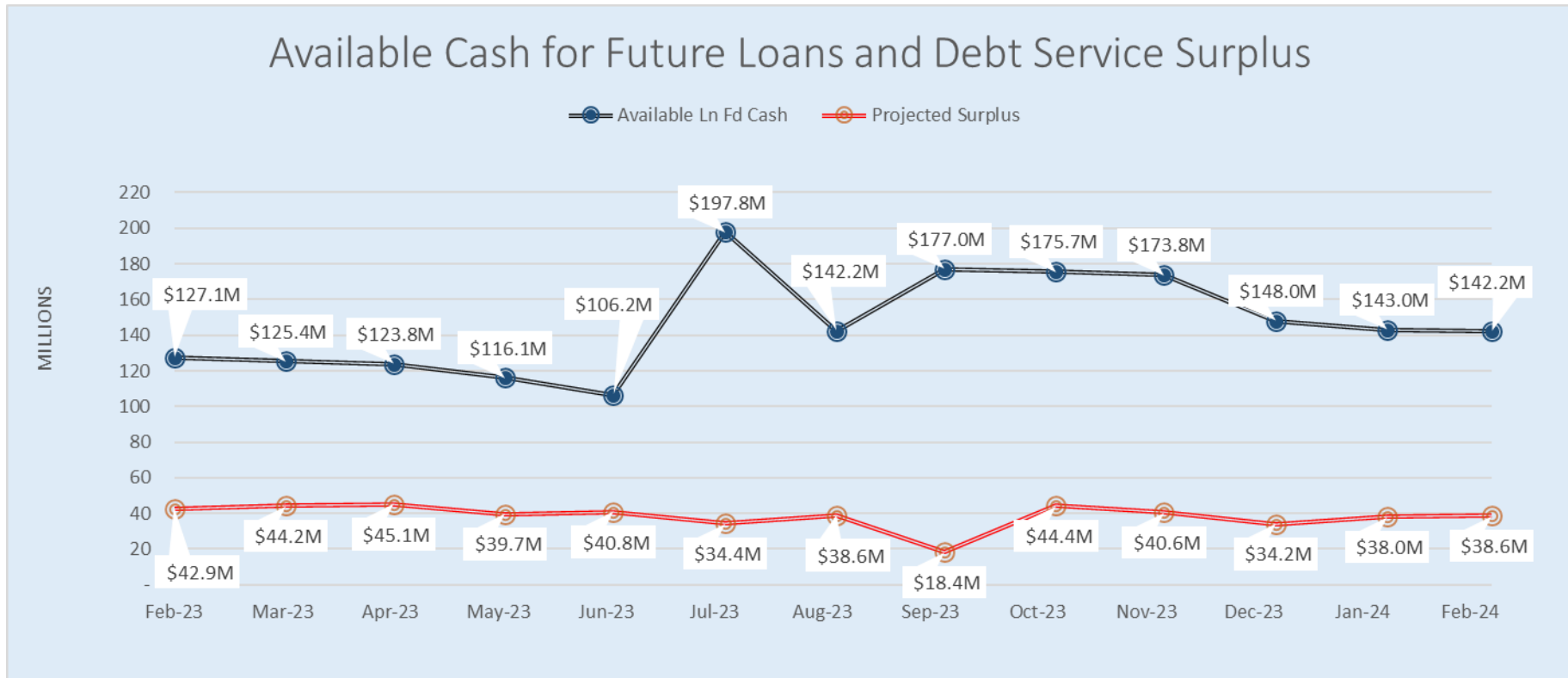
## Loan Receivables Review

### Period Ending: 2/29/2024

| Monthly Loan Activity                | Principal               | Interest              | Fees                 | TOTAL                   |
|--------------------------------------|-------------------------|-----------------------|----------------------|-------------------------|
| <b>Beginning Balances - 2/1/2024</b> | <b>\$ 1,668,828,575</b> | <b>\$ 234,845,445</b> | <b>\$ 27,326,973</b> | <b>\$ 1,931,000,993</b> |
| Loan Disbursements                   | 3,607,437               | -                     | -                    | 3,607,437               |
| Loan Repayments                      | (7,759,267)             | (5,219,682)           | (118,726)            | (13,097,675)            |
| Loans Forgiven                       | 3,566                   | (3,566)               | -                    | -                       |
| Write off - Uncollectible            | 298                     | -                     | (298)                | -                       |
| Judgments Assessed                   | 361,330                 | (359,704)             | (1,129)              | 497                     |
| Interest And Fee Accruals            | -                       | 6,325,784             | 163,849              | 6,489,633               |
| Federal Interest Subsidy             | -                       | (985)                 | -                    | (985)                   |
| Other Loan Adjustments               | (168,093)               | (12,364)              | (786)                | (181,243)               |
| Total Changes - 2/29/2024            | (3,954,729)             | 729,482               | 42,911               | (3,182,336)             |
| <b>Ending Balances</b>               | <b>\$ 1,664,873,846</b> | <b>\$ 235,574,927</b> | <b>\$ 27,369,883</b> | <b>\$ 1,927,818,657</b> |

Note: Loan balances are made up of predominantly Hinson-Hazlewood Loans. Other loan types include the B-On-Time, Texas Armed Services Scholarship, Teach for Texas programs and FORWARD loan.

## Loan Cash and Debt Review Period Ending: 2/29/2024

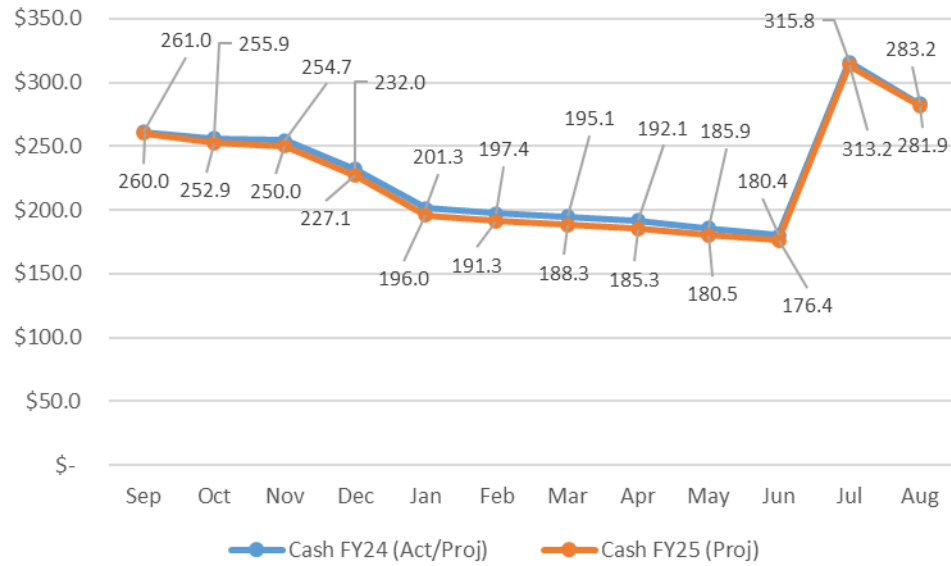


| Loan Fund/Cash Flow                             |                       |
|---|-----------------------|
| Loan Fund Cash Balance (SLA/TOP)                | \$ 198,062,163        |
| Less: Indirect Admin Draws Remaining            | \$ (15,521,826)       |
| Less: Loan Fund Reserve                         | \$ (30,000,000)       |
| Less: * Scheduled Loan Disbursements            | \$ (10,382,237)       |
| <b>Available Cash for Future Loans</b>          | <b>\$ 142,158,100</b> |
| *Net unposted disbursements and certified Loans |                       |

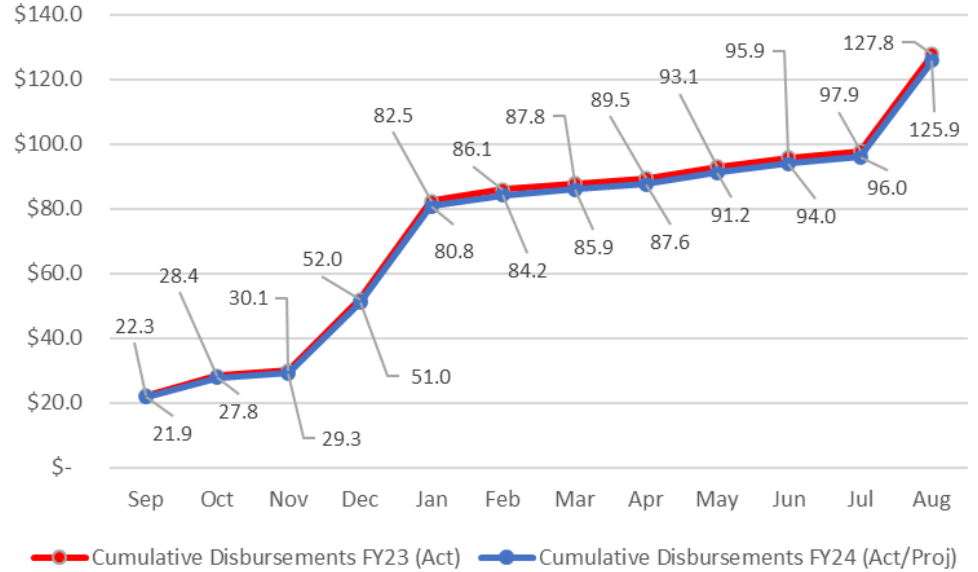
| Debt Service Cash Flow               |                       |
|--------------------------------------|-----------------------|
| Debt Service Fund Balance            | \$ 184,262,658        |
| Add: FY24 Proj Loan Repayments       | \$ 89,147,635         |
| Less: FY24 Pending Debt Payments     | \$ (98,950,778)       |
| <b>Fund Excess/(Deficit)</b>         | <b>\$ 174,459,515</b> |
| Less: FY25 Debt Service Payments     | \$ (135,861,881)      |
| <b>Over/(Under) Reserve Y/E 2024</b> | <b>\$ 38,597,634</b>  |

## Loan Forecasting and Trending Period Ending: 2/29/2024

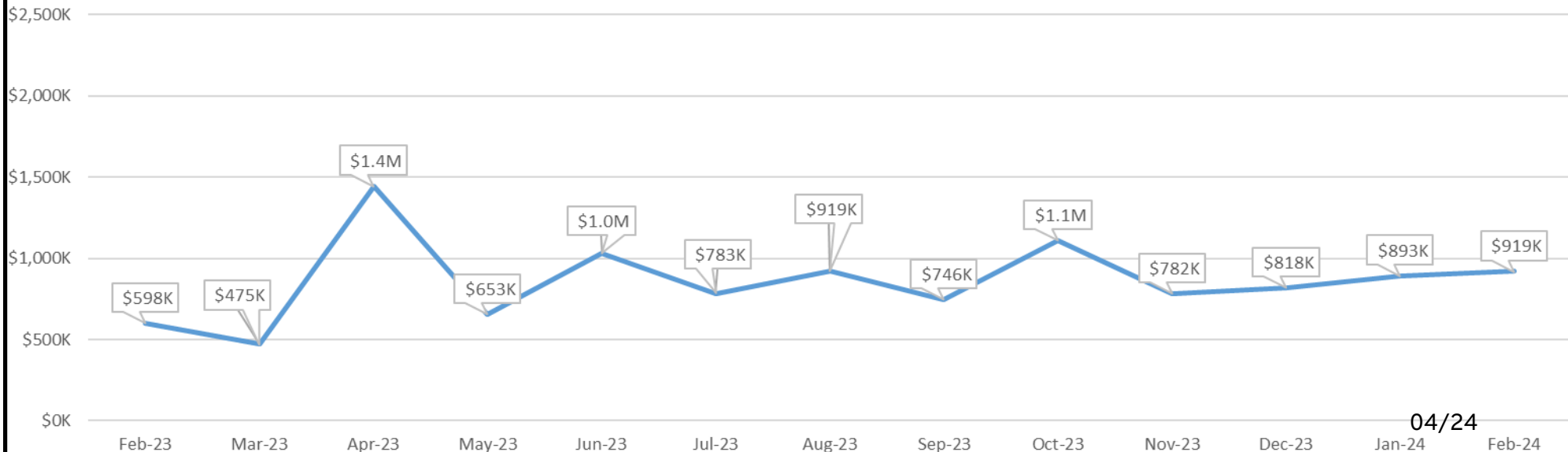
Loan Fund Cash Balance Forecast (\$M)



Cumulative Loan Disbursement Trending (\$M)



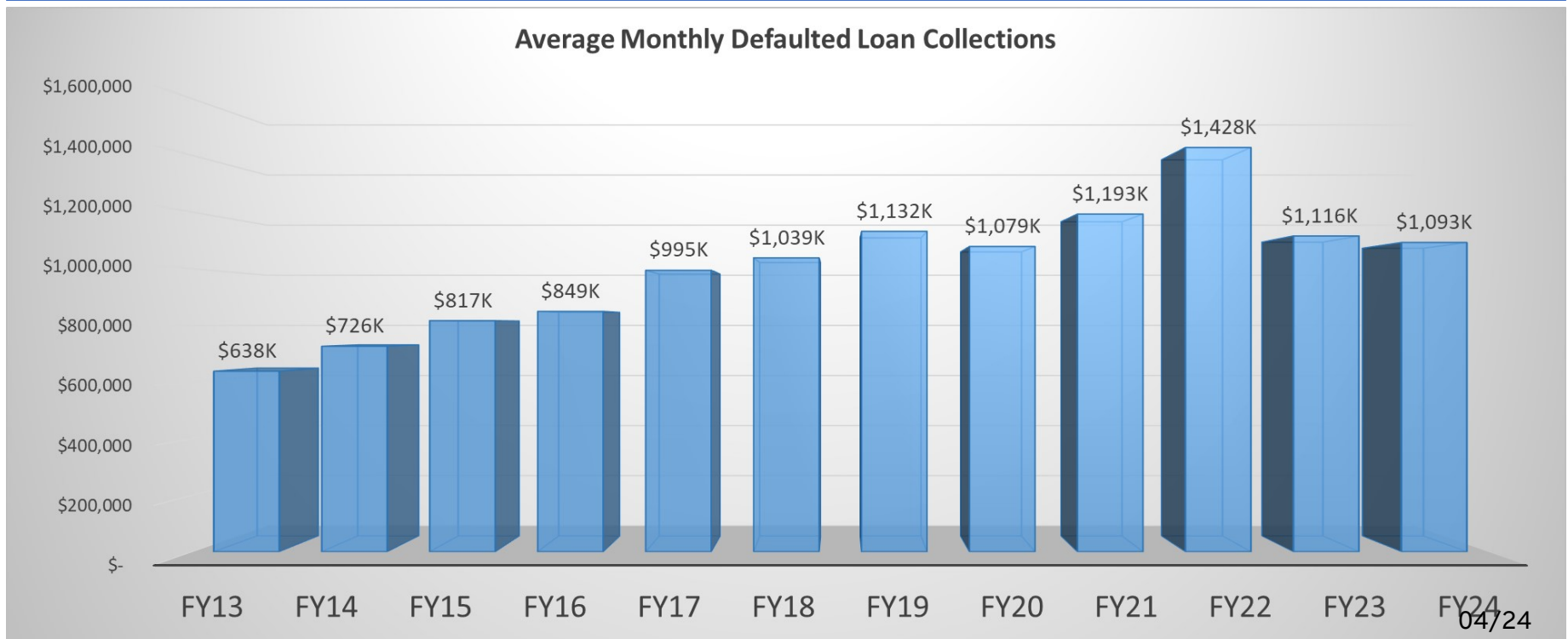
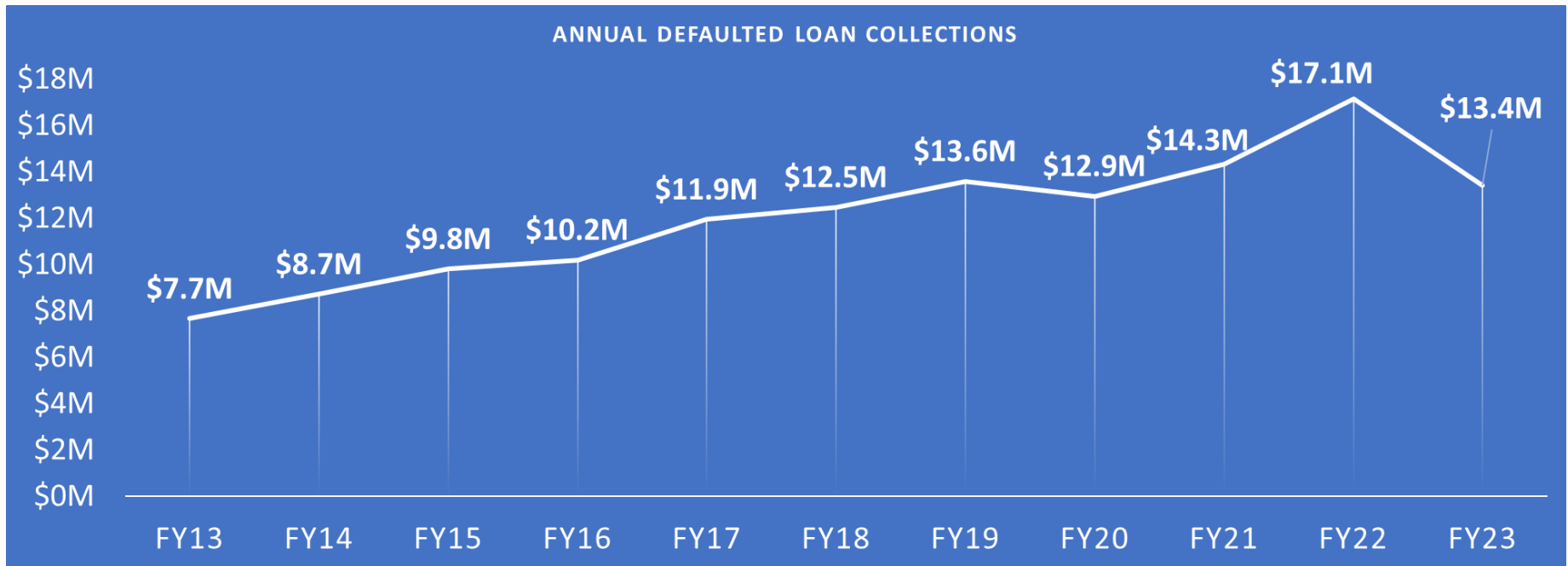
Student Loan Payment Clearing Account (\$K)



04/24

## Defaulted Loan Collections Report

Period Ending: 2/29/2024



## **Agency Operations Committee**

### **AGENDA ITEM VI-A**

Discussion of Statements on Auditing Standards No. 114, “The Auditor’s Communication with Those Charged with Governance”

RECOMMENDATION: No action required

#### Background Information:

In accordance with the requirements of the Statements on Auditing Standards No. 114, the Board’s external auditor, KPMG LLP, will be discussing their responsibility under generally accepted auditing standards. The discussion will include the auditor’s responsibility for forming and expressing an opinion on whether the financial statements that have been prepared by management, with the oversight of those charged with governance, are presented fairly in all material respects and in conformity with generally accepted accounting principles. The auditor will also communicate an overview of the planned scope and timing of the audit, as well as financial risk areas.

Susan Warren, Audit Partner, and Shannon Canals, Senior Manager, with KPMG LLP, will present this item to the committee and be available for questions.



# Agency Operations Committee

## AGENDA ITEM VI-B

### Auditor's update on Internal Audit reports and activities

RECOMMENDATION: No action required

### Background Information:

Working on three internal audit projects.

### Projects

1. Reporting phase for internal audit of the Texas Research Incentive Program.
2. Starting internal audit of Community College Finance key processes.
3. Continuing advisory project related to Community College Finance.

| <b>Fiscal Year 2024 Project Status as of April 2023</b>   | <b>Stage of Project</b> |
|---|-------------------------|
| Audit of Grant Research Funding - Texas Research Incentive Program  | Reporting               |
| Audit of Community College Finance key processes  | Planning                |
| Grant funds administration – Review and advisory services   | Not started             |
| Information Security – Review and advisory services   | Not started             |
| Audit of Contact Administration   | Not started             |
| Advisory services related to Community College Finance  | Ongoing                 |
| Review of State's <i>Building a Talent Strong Texas</i> Strategic Plan (Carry-over from Fiscal Year 2023) | Canceled                |

### Other Internal Audit Activities

- Starting risk assessment for internal audit plan for Fiscal Year 2025
- External auditor coordination
  - Financial statement audit (KPMG) Fiscal Year 2023
- Recruiting a vacant Senior Internal Auditor position.

Arby Gonzales, Assistant Commissioner for Internal Audit and Compliance, will present this item and be available to answer questions.

# **Agency Operations Committee**

## **AGENDA ITEM VII-A**

### **Auditor's update on state and federal compliance monitoring reports and activities**

RECOMMENDATION: No action required

Background Information:

#### **State Compliance Monitoring**

The state Compliance Monitoring team completed 10 projects and a corrective action status report during the reporting period since the January 2024 Agency Operations Committee meeting. The final reports are attached.

#### **Formula funding projects and other reports**

1. "A Compliance Monitoring Desk Review of Formula Funding at University of Houston - Victoria" (no findings)
2. "A Compliance Monitoring Onsite Review of Formula Funding at The University of Texas Health Science Center at Houston" (no findings)
3. "A Compliance Monitoring Onsite Review of Formula Funding at the University of North Texas" (no findings)
4. "A Compliance Monitoring Desk Review of Formula Funding at The University of Texas Permian Basin" (no findings)
5. "A Compliance Monitoring Follow-Up Review of Formula Funding at Austin Community College" (no findings)

#### **Financial aid projects and other reports**

6. "A Compliance Monitoring Desk Review of the Tuition Equalization Grant at Southwestern Adventist University" (two findings)
7. "Compliance Monitoring Corrective Action Status Report – April 2024"

**Sexual misconduct reporting projects - reports submitted in CAWS agenda, included here for cross-reference purposes only**

8. “A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Victoria College; Compliance Requirements – Texas Education Code, Chapter 51, Subchapter E-3” (no observations)
9. “A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Brazosport College; Compliance Requirements – Texas Education Code, Chapter 51, Subchapter E-3” (no observations)
10. “A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Houston Christian University” (two observations)
11. “Summary Results – Compliance Requirements – Texas Education Code, Chapter 51, Subchapters E-2 and E-3” No penalties were assessed in this review period

| <b>Fiscal Year 2024 Project Status as of April 2024</b> | <b>Stage</b> |
|---|--------------|
| San Jacinto College (FF)                                | Planning     |
| Stephen F. Austin (TEXAS)                               | Planning     |
| Midwestern State University (TEXAS)                     | Planning     |
| Lamar State College - Orange (TEOG)                     | Planning     |
| Dallas College (TEOG)                                   | Planning     |
| Texas Lutheran University (TEG)                         | Planning     |
| Grayson College (TEOG)                                  | Planning     |
| Odessa College (TEOG)                                   | Planning     |
| University of Dallas (TEG)                              | Planning     |
| Ranger College (FF)                                     | Planning     |
| Collin County Community College (Collin College) (FF)   | Planning     |
| McMurry University (TEG)                                | Planning     |
| Midland College (TEOG)                                  | Planning     |
| West Texas A&M University (TEXAS)                       | Planning     |
| Jacksonville College (TEG)                              | Planning     |

#### Other state compliance monitoring activities

- Fiscal Year (FY) 2025 risk assessment and FY 25 plan
- Complaint-resolution assistance
- Hiring and training new compliance specialist

#### **Federal Compliance Monitoring**

##### Federal compliance monitoring activities

- CLA Single Audit assistance for ARPA grant review
- Single audit reviews planning FY 2023
- Perkins reviews planning/fieldwork FY 2022
- GEER FY 2022 subrecipient monitoring reviews – planning/fieldwork

Arby Gonzales, Assistant Commissioner for Internal Audit and Compliance, and Paul Maeyaert, Director of Compliance for Internal Audit and Compliance, will present this item and be available to answer questions.

Fred Farias III, OD, MS, FAAO  
CHAIR

Donna N. Williams  
VICE CHAIR

S. Javaid Anwar  
SECRETARY OF THE BOARD

Cage M. Sawyers  
STUDENT REPRESENTATIVE

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Stacy A. Hock  
Emma W. Schwartz  
Ashlie A. Thomas  
Welcome Wilson, Jr.  
Daniel O. Wong

Harrison Keller, Ph.D.  
COMMISSIONER OF HIGHER  
EDUCATION

March 11, 2024

Dr. Bob Glenn  
President  
University of Houston - Victoria  
3007 N. Ben Wilson Street  
Victoria, Texas 77901

Re: *A Compliance Monitoring Desk Review of Formula Funding at University of  
Houston - Victoria*, Report No. THECB-CM-FF-24-003.

Dear Dr. Glenn,

I am attaching the final report on *A Compliance Monitoring Desk Review of  
Formula Funding at University of Houston - Victoria*, Report No. THECB-CM-FF-  
24-003. There were no observations resulting from this engagement.

### Summary

University of Houston - Victoria complied with relevant Coordinating Board (THECB) rules and regulations for the Formula Funding (FF) program and with Texas Administrative Code (TAC), Title 19, Part 1, Chapter 13, Subchapter F, Sections 13.100.

Our review included tests of relevant CBMOCS and CBM008 enrollment data reported and certified by the University of Houston - Victoria.

Our work included procedures to verify:

- Student tuition payment was received in accordance with requirements;
- Reported course enrollment was eligible for formula funding;
- Evidence of academic credentials were maintained to support instructor qualifications; and
- Information Security Controls related to student information were sufficient for the limited purpose of our review.

This Compliance Monitoring report will be presented to the Texas Higher Education Coordinating Board (THECB) Committee on Agency Operations, a standing committee of the THECB Board, in April 2024.

The cooperation of your staff during this review is greatly appreciated. If you have any questions or comments on the conduct of this review, please let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read "Arby James Gonzales", written in a cursive style.

Arby James Gonzales, CPA, CFE  
Assistant Commissioner, Internal Audit and Compliance

**PERFORMED BY:**

Ms. Shebah Washington, Compliance Specialist  
CC:

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education  
Ms. Sarah Keyton, Deputy Commissioner, Administration  
Ms. Melissa Henderson, Chief of Staff  
Ms. Nichole Bunker-Henderson, General Counsel

**Funding and Resource Planning**

Ms. Emily Cormier, Assistant Commissioner

**The University of Houston - Victoria**

Ms. Denise Hernandez, Registrar  
Mr. Randy Faulk, IT Director  
Ms. Jamie Summerlin, Interim Director of Institutional Research and Effectiveness  
Ms. Claire Fletcher, Sr. Institutional Research Analyst

**The University of Houston System Office**

Dr. Renu Khator, Chancellor, UH System  
Mr. Tilman J. Fertitta, Chairman, UH System Board of Regents  
Mr. Philp Hurd, Chief Audit and Compliance Executive, UH System

**State Auditor's Office**

Audit Coordinator

**Sunset Advisory Commission**

Mr. Eric Beverly, Executive Director

**Office of the Governor-Budget and Policy Division**

Ms. Sarah Hicks, Budget and Policy Director

**Legislative Budget Board**

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Daniel O. Wong

Harrison Keller, Ph.D.  
COMMISSIONER OF HIGHER  
EDUCATION

March 11, 2024

Dr. Giuseppe N. Colasurdo  
President  
The University of Texas Health Science Center at Houston  
7000 Fannin St.  
Houston, Texas 77030

Re: *A Compliance Monitoring Onsite Review of Formula Funding at The University of Texas Health Science Center at Houston, Report No. THECB-CM-FF-24-007*

Dear Dr. Colasurdo,

Attached is the final report on *A Compliance Monitoring Onsite Review of Formula Funding at The University of Texas Health Science Center at Houston*, Report No. THECB-CM-FF-24-007. There were no observations resulting from this engagement.

This Compliance Monitoring onsite review report will be presented to the THECB Committee on Agency Operations, a standing committee of the THECB Board, in April, 2024.

If you have any questions or comments, please let me know.

Sincerely,



Arby James Gonzales, CPA, CFE  
Assistant Commissioner, Internal Audit and Compliance

## EXECUTIVE SUMMARY

The University of Texas Health Science Center at Houston complied with relevant Coordinating Board (THECB) rules and regulations for enrollment data used for formula funding and with Texas Education Code, Title 3, Subtitle B, Chapter 61, Section 61.035.

Our consideration of internal control was for the compliance purposes described in the objective/scope section and was not designed to identify all deficiencies in internal control.

We reviewed the following areas:

### **Reported Semester Credit Hours were Eligible for Formula Funding**

No reportable findings were noted.

### **Student Tuition Payments were Received in Accordance with Requirements**

No reportable findings were noted.

### **Reported Enrollment were Eligible for Formula Funding**

No reportable findings were noted.

## **Onsite Review Scope, Objective, and Methodology**

Our onsite review included tests of enrollment data reported and certified by The University of Texas Health Science Center at Houston, and focused on the following enrollment data and time periods:

- CBM001 (Student Report) – Summer semester 2022, and Fall semester 2022, and Spring semester 2023.

Our work included procedures to verify:

- Reported semester credit hours were eligible for formula funding;
- Student tuition payment was received in accordance with requirements;
- Reported enrollment and contact hours reported were eligible for formula funding; and
- Information Security Controls related to student information were sufficient for the limited purpose of our review.

The methodology included objectively reviewing and analyzing various forms of documentation, conducting interviews and observations, and performing other tests of controls necessary to achieve the objectives of the onsite review. THECB used random sampling to determine the extent to which The University of Texas Health Science Center at Houston accurately reported semester credit hour data.



**Background**

The Texas Education Code §61.059(b) – directs the Board to “devise, establish, and periodically review and revise formulas for the use of the governor and the Legislative Budget Board in making appropriations recommendations to the legislature for all institutions of higher education, including the funding of postsecondary vocational-technical programs. As a specific element of the periodic review, the board shall study and recommend changes in the funding formulas based on the role and mission statements of institutions of higher education.”

The funding formulas are allocations; institutions of higher education have the authority to spend funds appropriated through the formulas in the manner deemed most appropriate; the formula models include enrollment as a major driver; and not all appropriations are made through the formulas.

Texas Administrative Code §1.13(b)(2) states, “The purpose of the Board's risk assessment process and compliance methodologies is to maximize the effectiveness of monitoring funds allocated by the Board and data reported to the Board. The agency-wide, risk-based compliance monitoring function is established for... (B) data reported by institutions of higher education to the Board and used by the Board for funding or policymaking decisions, including data used for formula funding allocations, to ensure the data are accurately and consistently reported.”

**PERFORMED BY:**

Ms. Jamyen Robinson-Hall, Senior Compliance Specialist

cc:

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education  
Ms. Sarah Keyton, Deputy Commissioner, Administration  
Ms. Melissa Henderson, Chief of Staff  
Ms. Nichole Bunker-Henderson, General Counsel

**Funding and Resource Planning**

Ms. Emily Cormier, Assistant Commissioner

**The University of Texas Health Science Center at Houston**

Mr. Robert Jenkins, University Registrar  
Ms. Stephanie Snedden, Associate Registrar  
Ms. Sue Thomey, University Bursar  
Ms. Emily Wells, Assistant Director, Campus Enterprise Applications and Academic Technology  
Mr. Daniel Sherman, Vice President and Chief Audit Officer

**The University of Texas System**

Mr. Kevin P. Eltife, Chairman, Board of Regents  
Mr. James B. Milliken, Chancellor  
Mr. J. Michael Peppers, Chief Audit Executive, System Audit Office

**State Auditor's Office**

Audit Coordinator

**Sunset Advisory Commission**

Mr. Eric Beverly, Executive Director

**Office of the Governor-Budget and Policy Division**

Ms. Sarah Hicks, Budget and Policy Director

**Legislative Budget Board**

Mr. Christopher Mattsson, Assistant Director



1801 N. Congress Ave., Suite 12.200, Austin, TX 78701  
 Mail: PO Box 12788, Austin, TX 78711-2788  
 Phone: 512-427-6101  
 Fax: 512-427-6127

Fred Farias III, O.D.  
 CHAIR

March 11, 2024

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 VICE CHAIR

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 President

S. Javaid Anwar  
 SECRETARY OF THE BOARD

University of North Texas  
 1155 Union Circle #311277  
 Denton, TX 76203

Cage M. Sawyers  
 STUDENT REPRESENTATIVE

Richard L. Clemmer  
 Stacy A. Hock  
 Emma W. Schwartz  
 Ashlie A. Thomas  
 Welcome Wilson, Jr.  
 Daniel O. Wong

Re: *A Compliance Monitoring Onsite Review of Formula Funding at the University of North Texas; Report No. THECB-CM-FF-24-001*

Dear Dr. Smatresk,

Harrison Keller, Ph.D.  
 COMMISSIONER OF HIGHER  
 EDUCATION

Attached is the final report on *A Compliance Monitoring Onsite Review of Formula Funding at the University of North Texas*, Report No. THECB-CM-FF-24-001. There were no observations resulting from this engagement.

This Compliance Monitoring report will be presented to the THECB Committee on Agency Operations, a standing committee of the THECB Board, in April, 2024.

If you have any questions or comments, please let me know.

Sincerely,

Arby James Gonzales, CPA, CFE  
 Assistant Commissioner, Internal Audit and Compliance

## EXECUTIVE SUMMARY

University of North Texas complied with relevant Coordinating Board (THECB) rules and regulations for enrollment data used for formula funding and with Texas Education Code, Title 3, Subtitle B, Chapter 61, Section 61.035.

Our consideration of internal control was for the compliance purposes described in the objective/scope section and was not designed to identify all deficiencies in internal control.

We reviewed the following areas:

### **Reported Semester Credit Hours were Eligible for Formula Funding**

No reportable findings were noted.

### **Student Tuition Payments were Received in Accordance with Requirements**

No reportable findings were noted.

### **Reported Enrollment were Eligible for Formula Funding**

No reportable findings were noted.

### **Instructors of Record met Applicable Requirements**

No reportable findings were noted.

## **Onsite Review Scope, Objective, and Methodology**

Our onsite review included tests of enrollment data reported and certified by the University of North Texas, and focused on the following enrollment data and time periods:

- CBM0CS (Census Student Schedule Report) – Summer 2022, Fall 2022, and Spring 2023 semesters; and
- CBM008 (Faculty Report) – Summer 2022, Fall 2022, and Spring 2023 semesters.

Our work included procedures to verify:

- Reported semester credit hours were eligible for formula funding;
- Student tuition payment was received in accordance with requirements;
- Reported enrollment were eligible for formula funding;
- Evidence of academic credentials were maintained to support required instructor qualifications; and
- Information Security Controls related to student information were sufficient for the limited purpose of our review.

The methodology included objectively reviewing and analyzing various forms of documentation, conducting interviews and observations, and performing other tests of controls necessary to achieve the objectives of the onsite review. THECB used random sampling to determine the extent to which the University of North Texas accurately reported semester credit hour data.

**Background**

The Texas Education Code §61.059(b) – directs the Board to “devise, establish, and periodically review and revise formulas for the use of the governor and the Legislative Budget Board in making appropriations recommendations to the legislature for all institutions of higher education, including the funding of postsecondary vocational-technical programs. As a specific element of the periodic review, the board shall study and recommend changes in the funding formulas based on the role and mission statements of institutions of higher education.”

The funding formulas are allocations; institutions of higher education have the authority to spend funds appropriated through the formulas in the manner deemed most appropriate; the formula models include enrollment as a major driver; and not all appropriations are made through the formulas.

Texas Administrative Code §1.13(b)(2) states, “The purpose of the Board's risk assessment process and compliance methodologies is to maximize the effectiveness of monitoring funds allocated by the Board and data reported to the Board. The agency-wide, risk-based compliance monitoring function is established for... (B) data reported by institutions of higher education to the Board and used by the Board for funding or policymaking decisions, including data used for formula funding allocations, to ensure the data are accurately and consistently reported.”

**PERFORMED BY:**

Ms. Jamyen Robinson-Hall, Senior Compliance Specialist  
Mr. Scott Langenbeck, Compliance Specialist

cc:

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education  
Ms. Sarah Keyton, Deputy Commissioner, Administration  
Ms. Melissa Henderson, Chief of Staff  
Ms. Nichole Bunker-Henderson, General Counsel

**Funding and Resource Planning**

Ms. Emily Cormier, Assistant Commissioner

**University of North Texas**

Mr. Shannon Goodman, Vice President for Enrollment  
Mr. Clayton Gibson, Vice President for Finance & Administration/CFO Ms.  
Shari Schwartz, Sr. Associate Vice President for Enrollment, Registrar Mr.  
Chris Foster, Associate Vice President for Student Accounting

**University of North Texas System**

Ms. Laura Wright, Chair, Board of Regents  
Dr. Michael R. Williams, Chancellor  
Ms. Ninette Caruso, Chief Audit Executive and Chief Enterprise Risk  
Officer

**State Auditor's Office**

Audit Coordinator

**Sunset Advisory Commission**

Mr. Eric Beverly, Executive Director

**Office of the Governor-Budget and Policy Division**

Ms. Sarah Hicks, Budget and Policy Director

**Legislative Budget Board**

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Ashlie A. Thomas  
Welcome Wilson, Jr.  
Daniel O. Wong

Harrison Keller, Ph.D.  
COMMISSIONER OF HIGHER  
EDUCATION

March 11, 2024

Dr. Sandra Woodley  
President  
The University of Texas Permian Basin  
4901 East University  
Odessa, Texas 79762

Re: *A Compliance Monitoring Desk Review of Formula Funding at The University of Texas Permian Basin*, Report No. THECB-CM-FF-24-002.

Dear Dr. Woodley,

I am attaching the final report on *A Compliance Monitoring Desk Review of Formula Funding at The University of Texas Permian Basin*, Report No. THECB-CM-FF-24-002. There were no observations resulting from this engagement.

### Summary

The University of Texas Permian Basin complied with relevant Coordinating Board (THECB) rules and regulations for the Formula Funding (FF) program and with Texas Administrative Code (TAC), Title 19, Part 1, Chapter 13, Subchapter F, Sections 13.100.

Our review included tests of relevant CBMOCS and CBM008 enrollment data reported and certified by The University of Texas Permian Basin.

Our work included procedures to verify:

- Student tuition payment was received in accordance with requirements;
- Reported course enrollment was eligible for formula funding;
- Evidence of academic credentials were maintained to support instructor qualifications; and
- Information Security Controls related to student information were sufficient for the limited purpose of our review.

This Compliance Monitoring report will be presented to the Texas Higher Education Coordinating Board (THECB) Committee on Agency Operations, a standing committee of the THECB Board, in April 2024.

The cooperation of your staff during this review is greatly appreciated. If you have any questions or comments on the conduct of this review, please let me know.

Sincerely,

A handwritten signature in blue ink, reading "Arby James Gonzales". The signature is fluid and cursive, with the first name "Arby" being the most prominent.

Arby James Gonzales, CPA, CFE  
Assistant Commissioner, Internal Audit and Compliance



**PERFORMED BY:**

Mr. Jitendra Singh, Compliance Specialist

CC:

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education

Ms. Sarah Keyton, Deputy Commissioner, Administration

Ms. Melissa Henderson, Chief of Staff

Ms. Nichole Bunker-Henderson, General Counsel

**Funding and Resource Planning**

Ms. Emily Cormier, Assistant Commissioner

**The University of Texas Permian Basin**

Dr. Raj Dakshinamurthy, Provost, Senior VP for Academic Affairs

Dr. Joe Sanders, Assistant Vice President for Enrollment Mgmt. and Registrar

Dr. Becky Spurlock, Senior VP of Student Affairs and Enrollment Mgmt.

Ms. Stephanie Sherman, Associate Registrar

Ms. Dyan Hudson, Chief Audit Executive ad Interim

Mr. Bradley Shook, Vice President of Information Technology

**The University of Texas System Office**

Mr. James B. Milliken, Chancellor, UT System Board of Regents

Mr. Kevin P. Eltife, Chairman, UT System Board of Regents

Ms. Stacey Napier, Chairman, UT System Board of Regents

**State Auditor's Office**

Audit Coordinator

**Sunset Advisory Commission**

Mr. Eric Beverly, Executive Director

**Office of the Governor-Budget and Policy Division**

Ms. Sarah Hicks, Budget and Policy Director

**Legislative Budget Board**

Mr. Christopher Mattsson, Assistant Director

**Texas Higher  
Education**  
COORDINATING BOARD

1801 N. Congress Ave., Suite 12.200, Austin,  
TX 78701

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Phone: 512-427-6101

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Ashlie A. Thomas  
Welcome Wilson, Jr.  
Daniel O. Wong

Harrison Keller, Ph.D.  
COMMISSIONER OF HIGHER  
EDUCATION

January 26, 2024

Dr. Russell Lowery-Hart  
Chancellor  
Austin Community College  
5930 Middle Fiskville Rd.  
Austin, Texas 78752

Re: *A Compliance Monitoring Follow-Up Review of Formula Funding at Austin Community College*, Report No. THECB-CM-FF-23-005F

Dear Dr. Lowery-Hart,

Attached is the final report on *A Compliance Monitoring Follow-Up Review of Formula Funding at Austin Community College*, Report No. THECB-CM-FF-23-005F. There were no observations resulting from this engagement.

Austin Community College implemented the recommendation in our prior report *A Compliance Monitoring Audit of Formula Funding at Austin Community College*, Report No. THECB-CM-FF-23-005, issued May 1, 2023.

Management has implemented the audit recommendation by:

- Capturing and retaining student information system audit logs or change history, for critical data used for formula funding.

This Compliance Monitoring report will be presented to the Texas Higher Education Coordinating Board (THECB) Committee on Agency Operations, a standing committee of the THECB Board, in April, 2024.

If you have any questions or comments, please let me know.

Sincerely,



Arby James Gonzales, CPA, CFE  
Assistant Commissioner, Internal Audit and Compliance

**PERFORMED BY:**

Ms. Jamyen Robinson-Hall, Senior Compliance Specialist  
c:

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education  
Ms. Melissa Henderson, Chief of Staff  
Ms. Sarah Keyton, Associate Commissioner for Administration  
Ms. Nichole Bunker-Henderson, General Counsel

**Funding and Resource Planning**

Ms. Emily Cormier, Assistant Commissioner

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Harrison Keller, Ph.D.  
COMMISSIONER OF HIGHER  
EDUCATION

February 15, 2024

Ms. Ana Maria Patterson  
President  
Southwestern Adventist University  
100 W. Hillcrest Street  
Keene, Texas 76059

Re: *A Compliance Monitoring Desk Review of the Tuition Equalization  
Grant at Southwestern Adventist University*, Report No. THECB-CM-  
FA-23-025

Dear Ms. Patterson,

Attached is the final report on *A Compliance Monitoring Desk Review of the Tuition Equalization Grant at Southwestern Adventist University*, Report No. THECB-CM-FA-23-025. We made two observations from this engagement, one related to information technology controls, and one related to separation of duties. Your responses have been incorporated into the report.

### Summary

We were unable to address our review objective to determine the accuracy of the Tuition Equalization Grant awards reported by Southwestern Adventist University (SWAU) because key financial aid data was unreliable due to access control issues. Improving its information security controls over student information and developing a risk assessment can help SWAU ensure the reliability and integrity of data used for financial aid decision making purposes. We adjusted this project from an audit to a desk review because of the IT controls issues we identified.

We will perform a follow-up review to evaluate SWAU's corrective action to address the recommendations.

The evidence we obtained during the project provides a reasonable basis for the reportable observations and recommendations based on the review objectives.

We will present this Compliance Monitoring desk review report to the THECB Committee on Agency Operations, a standing committee of the THECB Board, in April 2024.

Please let me know if you have any questions or comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Arby James Gonzales". The signature is fluid and cursive, with the first name "Arby" being more prominent.

Arby James Gonzales, CPA, CFE  
Assistant Commissioner, Internal Audit and Compliance

## Detailed Observations, Recommendations and Management's Responses

### 1. Strengthening information security controls over key data can help Southwestern Adventist University (SWAU) improve reliability and integrity of data used for financial aid purposes.

Developing internal controls and risk management policies can help SWAU better safeguard personally identifiable and confidential information.

The institution did not provide sufficient documentation regarding information technology control policies and procedures indicating that internal control and risk management standards have been fully implemented.

An institution should identify reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of student information that could result in the unauthorized disclosure, misuse, alteration, destruction, or other compromise of such information and assess the sufficiency of any safeguards in place to control these risks. At a minimum, an institution's risk assessment should include consideration of risks in each relevant area of their operations and periodically perform additional risk assessments and the sufficiency of safeguards.

The Federal Trade Commission (FTC) has ruled that colleges are subject to the provisions of the Financial Services Act's Security Provisions. Under federal financial aid agreements and the Gramm-Leach-Bliley Act (GLBA), (See FTC 16 CFR 314.1-5), schools must protect student financial aid information. The GLBA requires institutions to, among other requirements:

- a) Develop, implement, and maintain a written information security program;
- b) Designate the employee(s) responsible for coordinating the information security program;
- c) Identify and assess risks to customer information;
- d) Design and implement an information safeguards program;
- e) Select appropriate service providers that are capable of maintaining appropriate safeguards; and
- f) Periodically evaluate and update their security program.

Other state and federal requirements support the need for sufficient internal controls:

- 1. Federal grant rules strongly suggest the implementation of internal controls as described in "Standards for Internal Control in the Federal Government," commonly referred to as the "Green Book", per 2 CFR (Code of Federal Regulations) Section 200.303.
- 2. Family Educational Rights and Privacy Act (FERPA) Title 34, Code of Federal Regulations, Subtitle A, Part 99, Subpart D, Section 99.31 [34 CFR 99.31(a)(1)(ii)] requires that "An educational agency or institution must use reasonable methods to ensure that school officials obtain access to only those education records in which they have legitimate educational interests."
- 3. The Program Participation Agreement relating to financial aid between Southwestern Adventist University and the THECB requires that Southwestern Adventist University administer all THECB Program funds in accordance with state and federal laws.

**Recommendation #1:**

Develop policies and procedures, including a risk assessment, to meet the requirements of the Federal Trade Commission, the Gramm-Leach-Bliley Act, and other referenced guidance that pertain to internal controls and institutional information security systems.

**Management Response:**

*Southwestern Adventist University was only aware of the requirements as noted in FTC 16. C.F.R. 314.4 under the provisions of the Financial Services Act's Provisions and the Gramm Leach-Bliley Act (GLBA) and published as 88FR 77508 when the auditor brought this to our attention. While we do not currently have a formal written security program in place, we want to assure you that we are committed to ensuring the safety and security of our organization, our employees, and our data. We recognize the importance of a robust security framework in today's digital landscape, and we are actively working towards establishing a comprehensive written security program to adhere to federal grant rules as described in "Standards for Internal Control in the Federal Government referred to as the "Green Book", per 2 CFR Section 200.303.*

*To date, we have been following industry best practices to secure our systems and sensitive information. Our team has been diligent in implementing security measures and protocols wherever possible to mitigate risks and protect our assets. However, we acknowledge the need for a more structured and documented approach as noted in the Family Educational Rights and Privacy Act (FERPA) Title 34, Code of Federal Regulations, Subtitle A, Part 99 Subpart D, Section 99.31 [34 CFR 99.31 (a)(1)(ii)].*

*We are pleased to inform you that we have initiated the process of building a formal security program document that aligns with industry standards and regulatory requirements. This document will encompass all aspects of security, including data protection, network security, physical security, incident response, and employee training. Our dedicated team is collaborating closely to ensure that this program is thorough, effective, and tailored to our specific needs. We anticipate that this security program document will be completed within the next two months. During this time, we will be rigorously reviewing and refining our security policies and procedures to ensure they meet the highest standards of security excellence. We are committed to transparency in our efforts and will keep you updated on our progress.*

*We understand that security is a critical concern for our stakeholders, and we take this responsibility seriously. Rest assured; we are actively working towards establishing a formal security program that will provide a clear roadmap for safeguarding our organization's assets. Administration made an executive decision on January 23, 2024 to designate Mr. Keith Beucler who is currently our Associate ITS Director as our Chief Information and Security Officer as per 16 C.F.R.314.4(a) since he holds a master's degree in cybersecurity and currently completing his doctoral work in cybersecurity. He will have the responsibilities to implement and enforce the information security program, and will have the necessary authority, resources, and access to carry out his work. He will ultimately report to the VP for Institutional Research and Effectiveness who is tasked with overall compliance for all regulations and policies for Southwestern Adventist University, by way of the Director ITS, Mr. Charles Lewis.*

*Southwestern Adventist University is committed to meeting the requirement of 16 C.F.R.*

*314.4 thus we have decided to do the following:*

*1. Add a half time position in the ITS department to relieve Mr. Beucler of other responsibilities so he can have more dedicated time to fulfill said requirements as soon as possible.*

*2. Add an additional \$40,000 in ITS annual budget to invest in state-of-the-art security equipment and software, hiring external security consultants for comprehensive assessments and training and awareness programs for staff and students.*

***Administrator Responsible for the Corrective Action: Dr. Marcel Sargeant, VP for Institutional Research and Effectiveness***

## **2. Improving security access to the student information system can help ensure separation of duties among SWAU staff and compliance with federal requirements.**

For the fiscal year 2023, SWAU used the OpenCUAS system to maintain student financial aid data. One Security Profile in the OpenCUAS system, Student Financial Services Staff, has create/modify/delete access to both student accounts and financial aid data which creates a lack of separation of duties among employees that create student accounts and those that disburse financial aid. Currently, SWAU uses Ellucian Colleague to maintain student financial aid data. Employees in the new system continue to have access to both student accounts and financial aid data.

Five of 12 employees tested had been assigned the Student Financial Services Staff security profile.

FERPA (34 CFR 99.31(a)(1)(ii)) requires that "An educational agency or institution must use reasonable methods to ensure that school officials obtain access to only those education records in which they have legitimate educational interests." In addition, the Gramm-Leach-Bliley Act (GLBA), (See FTC 16 CFR 314.1-5) requires institutions to, among other requirements:

- a) Develop, implement, and maintain a written information security program;
- b) Designate the employee(s) responsible for coordinating the information security program;
- c) Identify and assess risks to customer information;
- d) Design and implement an information safeguards program;
- e) Select appropriate service providers that are capable of maintaining appropriate safeguards; and
- f) Periodically evaluate and update their security program.



**Recommendation #2:**

Improving controls over security access to all systems that maintain student data by implementing appropriate separation of duties among staff can help SWAU better protect financial aid and other student data from unauthorized use and comply with 34 CFR 99.31 (FERPA) and the Gramm-Leach-Bliley Act (GLBA), (See FTC 16 CFR 314.1-5).

**Management Response:**

*Southwestern as of 2022 Fall moved away from OpenCUAS and is currently using Ellucian Colleague. This system allows for the control of employee's access as noted in the Family Educational Rights and Privacy Act (FERPA) Title 34, Code of Federal Regulations, Subtitle A, Part 99 Subpart D, Section 99.31 [34 CFR 99.31 (a)(1)(ii)]. This means that employees working in the Federal Financial Aid office will only have the access based on their security clearance called persona that will allow to the administrative rights to view, edit or modify students' records. Student Accounts employees will only have access to carry out the task as required of them. The business office has access to approve and post the disbursement of funds to students' accounts; however, they do not have access to the financial aid staff persona for students' accounts.*

*As was noted in our response to recommendation 1 in our corrective plan as outlined in our response to recommendation 1, the same plan, personnel and budget will be implemented so we can adhere to [34 CFR 99.31 (a)(1)(ii)]. The personas as created for these employees will be according to the Federal grant rules and FERPA since Texas Higher Education and Coordinating Board requires that Southwestern Adventist University administers all THECB Program funds in accordance with state and federal laws, so they will be no opportunity for misuse and/or abuse as noted the findings of the auditor.*

**Administrator Responsible for the Corrective Action:** Dr. Marcel Sargeant, VP for Institutional Research and Effectiveness

**PERFORMED BY:**

Ms. Grace Wicke, Compliance Specialist  
Ms. Jamyen Robinson-Hall, Senior Compliance Specialist  
c:

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education  
Ms. Sarah Keyton, Deputy Commissioner, Administration  
Ms. Melissa Henderson, Chief of Staff  
Ms. Nichole Bunker-Henderson, General Counsel

**Student Financial Aid Programs**

Dr. Charles W. Contéro-Puls, Assistant Commissioner  
Ms. DeChà Reid, Senior Director, Financial Aid Services

**Southwestern Adventist University**

Mr. Elder Carlos Craig, Chairman, Board of Trustees  
Dr. Carlos Charnichart, Vice President for Financial Administration  
Mr. Duane A. Valencia, Financial Aid Director – Student Financial Services  
Dr. Marcel Sargeant, Vice President for Institutional Research & Effectiveness

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Ms. Elizabeth Puthoff, President

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Ms. Sarah Hicks, Budget and Policy Director

**Legislative Budget Board**

Mr. Christopher Mattsson, Assistant Director

### Compliance Monitoring Corrective Action Status Report - April 2024

| <u>Project</u>                       | <u>Issue date</u> | <u>Recommendation</u>                         | <u>Expected</u> | <u>Status</u>           |
|--------------------------------------|-------------------|---|-----------------|-------------------------|
| Coastal Bend College (Perkins)       | 5/12/2022         | Update Inventory Control Policy               | Oct-23          | Not Verified            |
| Coastal Bend College (Perkins)       | 5/12/2022         | Establish Centralized Inventory Control       | Oct-23          | Not Verified            |
| South Plains College (TEOG)          | 9/19/2022         | Update existing degree eligibility review     | May-23          | Completed, Not Verified |
| South Plains College (TEOG)          | 9/19/2022         | Return \$3310 to THECB                        | May-23          | Completed, Not Verified |
| Howard County Junior College (TEOG)  | 12/16/2022        | Update TEOG Tuition Matching procedures       | Dec-22          | Not Verified            |
| Howard County Junior College (TEOG)  | 12/16/2022        | Corrective Plan to reimburse students         | Sep-23          | Not Verified            |
| Wayland Baptist University (TEG)     | 12/16/2022        | Update Selective Service review procedures    | Dec-22          | Not Verified            |
| Wayland Baptist University (TEG)     | 12/16/2022        | Return \$5130 to THECB                        | Dec-22          | Completed, Not Verified |
| Austin Community College (FF)        | 5/1/2023          | Update Information Security controls          | Jun-23          | Verified                |
| Paul Quinn College (TEG)             | 9/15/2023         | Update financial aid reporting procedures     | Jul-24          | Not Verified            |
| Southwestern Christian College (TEG) | 9/15/2023         | Strengthen Information Security controls      | Jun-24          | Not Verified            |
| Southwestern Christian College (TEG) | 9/15/2023         | Update financial aid reporting procedures     | Feb-24          | Not Verified            |
| Southwestern Christian College (TEG) | 9/15/2023         | Update existing degree eligibility procedures | Oct-23          | Not Verified            |
| Southwestern Christian College (TEG) | 9/15/2023         | Return \$7800 to THECB                        | Oct-23          | Not Verified            |
| Jarvis Christian University          | 11/1/2023         | Update TEG policies for disb/ cash mgmt       | May-24          | Not Verified            |
| Houston Christian University         | 2/14/2024         | Update Sexual Misconduct policies             | Feb-24          | New                     |
| Southwestern Adventist University    | 2/15/2024         | Strengthen IT controls                        | Jul-24          | New                     |
| Southwestern Adventist University    | 2/15/2024         | Improve separation of duties                  | Jul-24          | New                     |

| LEGEND                      |  |
|-----------------------------|--|
| New                         | Recommendation is newly reported.  |
| Verified                    | Verified - Recommendation has been verified as implemented.  |
| Completed, Not Verified     | Completed, Not Verified - Recommendation has been completed but has not been tested and verified as implemented.   |
| Not Verified                | Not verified - Recommendation is in progress or pending verification.  |
| Verified as not Implemented | Verified as not implemented - Verification determined that either no corrective action was taken, or the corrective action taken did not mitigate the identified risk. |

**Texas Higher  
Education  
COORDINATING BOARD**

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COMMISSIONER OF HIGHER  
EDUCATION

February 14, 2024

Dr. Jennifer Kent  
President  
Victoria College  
2200 E. Red River Street  
Victoria, TX 77901

Re: *A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Victoria College; Compliance Requirements – Texas Education Code, Chapter 51, Subchapter E-3*

Dr. Kent,

Attached is the final report on a compliance monitoring review of requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Victoria College. There were no observations to the requirements contained in Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, Subchapter E-3.

**Summary**

Victoria College substantially complied with requirements contained in Texas Education Code, Title 3, Subtitle A, Chapter 51, Subchapter E-3.

This Compliance Monitoring report will be presented to the Texas Higher Education Coordinating Board (THECB) Committee on Workforce Success, a standing committee of the THECB Board, on April 24, 2024.

The cooperation of your staff during this review is greatly appreciated. If you have any questions or comments, please let me know.

If you have any questions or comments, please let me know.

Sincerely,



Arby James Gonzales CPA, CFE  
Assistant Commissioner, Internal Audit and Compliance

**Review Objective, Scope and Methodologies**

Our review objective was limited to reviewing compliance with specific HB-1735 compliance and reporting requirements as codified in TEC, Title 3, Subtitle A, Chapter 51, Subchapter E-3 for the institutions of higher education (IHE). We collaborated with AAWE and agreed that for the initial reporting cycle, our audit scope would be limited to certain criteria as noted in the Summary of Results section in this report.

We further agreed that our role would be to remain neutral in policy matters while providing an objective review regarding the nature and extent of the IHE's compliance with the requirements of HB-1735 for IHEs.

We reviewed the information submitted to the THECB, requested follow up information as needed, and performed limited testing to address the review objective.

**Background**

This review was included in the 2023 Compliance Monitoring Plan. Policy guidance and direction is centralized in the Academic Affairs and Workforce Education (AAWE) office under the Director, Private Postsecondary Institutions who also acts as the agency's Title IX Coordinator for Institutions.

The 86<sup>th</sup> Legislature enacted HB-1735, amending Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, by adding Subchapter E-3 requiring each postsecondary education institution to adopt a policy on sexual harassment, sexual assault, dating violence, and stalking applicable to each student enrolled at and each employee of the institution. Further, Section 51.292(a) authorizes the coordinating board to assess an administrative penalty for failure of the IHE to show substantial compliance with the act.

Additionally, Section 51.292(f) requires the THECB to annually submit its report 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. The report will include 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. The initial report is to be filed not later than September 1, 2021. No penalties were assessed in this review period.

**Table 1: Subchapter E-3 Compliance Requirements and Summary Results**

| <b>Bill Reference by Section</b> | <b>Policy Compliance Requirements</b>   | <b>Compliance Assessment</b> |
|----------------------------------|---|------------------------------|
| 51.282 (a)(1)(A)                 | A "Definitions" page and details prohibited behavior.   | Complied                     |
| 51.282 (a)(2)                    | Board-approved policy.  | Complied                     |
| 51.282 (b)(1)                    | Included in student handbook and personnel handbook.  | Complied                     |
| 51.282 (b)(2)                    | Dedicated webpage and clearly linked to the institution homepage.   | Complied                     |
| 51.282 (c)                       | Requires each entering freshman or undergraduate transfer students to attend an orientation on the institution's policy.  | Complied                     |
| 51.282 (d)                       | Prevention and outreach program that addresses required elements.   | Complied                     |
| 51.282 (e)(1) and (2)            | Protocol addresses counseling resources and must allow course drop.   | Complied                     |
| 51.282 (f)                       | Biennial review and governing board approval of policy revisions.   | Complied                     |
| 51.283                           | Electronic reporting option for an enrolled student or an institution employee.   | Complied                     |
| 51.284                           | Provides "Amnesty for Students Reporting Certain Incidents".  | Complied                     |
| 51.285 (a) and (c)               | Procedures for documenting a victim request not to investigate and to notify the victim of the institution's decision whether it will investigate the alleged incident. | Complied                     |
| 51.286                           | A disciplinary process for certain violations.  | Complied                     |
| 51.287                           | Protocol for when a student withdraws or graduates with pending disciplinary charges.   | Complied                     |
| 51.288                           | Trauma-informed investigation training to each peace officer employed by an institution.  | Complied                     |
| 51.289 (1), (2), and (3)         | Institution has an MOU with one or more of the following:<br>(1) local law enforcement agencies;  | Complied                     |

**Table 1: Subchapter E-3 Compliance Requirements and Summary Results**

| Bill Reference by Section | Policy Compliance Requirements  | Compliance Assessment |
|---------------------------|---|-----------------------|
|                           | (2) sexual harassment, sexual assault, dating violence, or stalking advocacy groups; or<br>(3) hospitals or other medical resource providers.   |                       |
| 51.290 (1) and (2)        | Provides for at least one or more responsible employee, confidential employee, and student advocate. Responsible employee for the purposes of Title IX;<br>(1) Confidential employee to whom enrolled students may speak confidentially; and<br>(2) Student advocate is an enrolled student to whom an enrolled student may speak confidentially. | Complied              |
| 51.291                    | Addresses confidentiality adheres to these requirements stipulated in this sub-section.   | Complied              |
| 51.293                    | Protocols address equal access for students enrolled at or employees of an institution who are persons with disabilities.   | Complied              |

**Table 2: Potential Penalties for Substantial Noncompliance**

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



**PERFORMED BY:**

Ms. Shebah Washington, Compliance Specialist

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education

Dr. David Troutman, Deputy Commissioner, Academic Affairs

Ms. Sarah Keyton, Deputy Commissioner, Administration

Ms. Melissa Henderson, Chief of Staff

Ms. Nichole Bunker-Henderson, General Counsel

**Academic & Health Affairs**

Ms. Elizabeth Mayer, Assistant Commissioner

Ms. Cathie Maeyaert, Director, Private Postsecondary Institutions/Title IX Coordinator for Higher Education Institutions

**Victoria College**

Mr. V. Bland Proctor, Chairman, Board of Trustees

Ms. Terri Kurtz, Executive Director of Human Resources and XI Coordinator

**State Auditor's Office**

Internal Audit Coordinator

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Mr. Eric Beverly, Executive Director

**Office of the Governor-Budget and Policy Division**

Ms. Sarah Hicks, Budget and Policy Director

**Legislative Budget Board**

Mr. Christopher Mattson, Assistant Director

**Texas Higher  
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Fred Farias III, O.D.  
CHAIR

February 9, 2024

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STUDENT REPRESENTATIVE

Brazosport College

500 College Drive

Lake Jackson, TX 77566

Richard L. Clemmer  
Stacy A. Hock  
Emma W. Schwartz  
Ashlie A. Thomas  
Welcome Wilson, Jr.  
Daniel O. Wong

Re: *A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Brazosport College; Compliance Requirements – Texas Education Code, Chapter 51, Subchapter E-3*

Harrison Keller, Ph.D.  
COMMISSIONER OF HIGHER  
EDUCATION

Dr. Solis,

Attached is the final report on a compliance monitoring review of requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Brazosport College. There were no observations to the requirements contained in Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, Subchapter E-3.

**Summary**

Brazosport College substantially complied with requirements contained in Texas Education Code, Title 3, Subtitle A, Chapter 51, Subchapter E-3.

This Compliance Monitoring report will be presented to the Texas Higher Education Coordinating Board (THECB) Committee on Workforce Success, a standing committee of the THECB Board, on April 24, 2024.

The cooperation of your staff during this review is greatly appreciated. If you have any questions or comments, please let me know.

If you have any questions or comments, please let me know.

Sincerely,



Arby James Gonzales CPA, CFE  
Assistant Commissioner, Internal Audit and Compliance

**Review Objective, Scope and Methodologies**

Our review objective was limited to reviewing compliance with specific HB-1735 compliance and reporting requirements as codified in TEC, Title 3, Subtitle A, Chapter 51, Subchapter E-3 for the institutions of higher education (IHE). We collaborated with Academic & Health Affairs (AHA) and agreed that for the initial reporting cycle, our audit scope would be limited to certain criteria as noted in the Summary of Results section in this report.

We further agreed that our role would be to remain neutral in policy matters while providing an objective review regarding the nature and extent of the IHE's compliance with the requirements of HB-1735 for IHEs.

We reviewed the information submitted to the THECB, requested follow up information as needed, and performed limited testing to address the review objective.

**Background**

This review was included in the 2023 Compliance Monitoring Plan. Policy guidance and direction is centralized in the AHA office under the Director, Private Postsecondary Institutions who also acts as the agency's Title IX Coordinator for Institutions.

The 86<sup>th</sup> Legislature enacted HB-1735, amending Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, by adding Subchapter E-3 requiring each postsecondary education institution to adopt a policy on sexual harassment, sexual assault, dating violence, and stalking applicable to each student enrolled at and each employee of the institution. Further, Section 51.292(a) authorizes the coordinating board to assess an administrative penalty for failure of the IHE to show substantial compliance with the act.

Additionally, Section 51.292(f) requires the THECB to annually submit its report 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. The report will include 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. The initial report is to be filed not later than September 1, 2021. No penalties were assessed in this review period.

**Table 1: Subchapter E-3 Compliance Requirements and Summary Results**

| <b>Bill Reference<br/>by Section</b> | <b>Policy Compliance Requirements</b>   | <b>Compliance Assessment</b> |
|--------------------------------------|---|------------------------------|
| 51.282 (a)(1)(A)                     | A "Definitions" page and details prohibited behavior.   | Complied                     |
| 51.282 (a)(2)                        | Board-approved policy.  | Complied                     |
| 51.282 (b)(1)                        | Included in student handbook and personnel handbook.  | Complied                     |
| 51.282 (b)(2)                        | Dedicated webpage and clearly linked to the institution homepage.   | Complied                     |
| 51.282 (c)                           | Requires each entering freshman or undergraduate transfer students to attend an orientation on the institution's policy.  | Complied                     |
| 51.282 (d)                           | Prevention and outreach program that addresses required elements.   | Complied                     |
| 51.282 (e)(1) and (2)                | Protocol addresses counseling resources and must allow course drop.   | Complied                     |
| 51.282 (f)                           | Biennial review and governing board approval of policy revisions.   | Complied                     |
| 51.283                               | Electronic reporting option for an enrolled student or an institution employee.   | Complied                     |
| 51.284                               | Provides "Amnesty for Students Reporting Certain Incidents".  | Complied                     |
| 51.285 (a) and (c)                   | Procedures for documenting a victim request not to investigate and to notify the victim of the institution's decision whether it will investigate the alleged incident.                     | Complied                     |
| 51.286                               | A disciplinary process for certain violations.  | Complied                     |
| 51.287                               | Protocol for when a student withdraws or graduates with pending disciplinary charges.   | Complied                     |
| 51.288                               | Trauma-informed investigation training to each peace officer employed by an institution.  | Complied                     |
| 51.289 (1), (2), and (3)             | Institution has an MOU with one or more of the following:<br>(1) local law enforcement agencies;<br>(2) sexual harassment, sexual assault, dating violence, or stalking advocacy groups; or | Complied                     |

**Table 1: Subchapter E-3 Compliance Requirements and Summary Results**

| Bill Reference<br>by Section | Policy Compliance Requirements  | Compliance Assessment |
|------------------------------|---|-----------------------|
|                              | (3) hospitals or other medical resource providers.  |                       |
| 51.290 (1)<br>and (2)        | Provides for at least one or more responsible employee, confidential employee, and student advocate. Responsible employee for the purposes of Title IX;<br>(1) Confidential employee to whom enrolled students may speak confidentially; and<br>(2) Student advocate is an enrolled student to whom an enrolled student may speak confidentially. | Complied              |
| 51.291                       | Addresses confidentiality adheres to these requirements stipulated in this sub-section.   | Complied              |
| 51.293                       | Protocols address equal access for students enrolled at or employees of an institution who are persons with disabilities.   | Complied              |

**Table 2: Potential Penalties for Substantial Noncompliance**

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

**PERFORMED BY:**

Mr. Scott Langenbeck, Compliance Specialist

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education

Ms. Melissa Henderson, Chief of Staff

Ms. Sarah Keyton, Associate Commissioner for Administration

Ms. Nichole Bunker-Henderson, General Counsel

Dr. David Troutman, Deputy Commissioner, Academic Affairs

**Academic & Health Affairs**

Ms. Elizabeth Mayer, Assistant Commissioner, Academic & Health Affairs

Ms. Cathie Maeyaert, Director, Private Postsecondary Institutions/Title IX Coordinator for Higher Education Institutions

**Brazosport College**

Mr. Robert Perryman, Chair, Board of Regents

Dr. Brad McGonagle, Vice President of Human Resources & Title IX Coordinator

**State Auditor's Office**

Internal Audit Coordinator

**Sunset Advisory Commission**

Mr. Eric Beverly, Executive Director

**Office of the Governor-Budget and Policy Division**

Ms. Sarah Hicks, Budget and Policy Director

**Legislative Budget Board**

Mr. Christopher Mattson, Assistant Director



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 Welcome Wilson, Jr.  
 Daniel O. Wong

Harrison Keller, Ph.D.  
 COMMISSIONER OF HIGHER  
 EDUCATION

February 14, 2024

Dr. Robert B. Sloan  
 President  
 Houston Christian University  
 7502 Fondren Rd  
 Houston, TX 77074

Re: *A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Houston Christian University; Summary Results – Compliance Requirements – Texas Education Code, Chapter 51, Subchapter E-3*

Dr. Sloan,

Attached is the draft report on *A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Houston Christian University*. Below is a summary of our results.

### Summary

Houston Christian University (HCU) substantially complied with requirements in Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, Subchapter E-3. However, there were two requirements where HCU did not completely comply. Specifically, HCU had policies related to TEC, Title 3, Subtitle A, Chapter 51, Subchapter E-3; however, it could not provide documentation to support that:

1. The Board of Trustees approved its policy, as required by Section 51.282 (a)(2)), and
2. It reviewed policies at least biennially, as required by Section 51.282 (f).

Documenting the Board of Trustees' approval of the policy and establishing at least a biennial review of the policy could help HCU better ensure it complies with all requirements. HCU staff agreed with the observations during the project and committed to remedying them moving forward.

### Contents of the report include:

- Table 1: Subchapter E-3 Compliance Requirements and Summary Results
- DETAILED REPORT
- Table 2: Potential Penalties for Substantial Noncompliance



This Compliance Monitoring report will be presented to the Texas Higher Education Coordinating Board (THECB) Committee on Workforce Success, a standing committee of the THECB Board, on April 24, 2024.

We greatly appreciated HCU staffs' assistance, collaboration, and cooperation during this review. Please let me know if you have any questions or comments.

Sincerely,



Arby James Gonzales CPA, CFE  
Assistant Commissioner, Internal Audit and Compliance

**Table 1: Subchapter E-3 Compliance Requirements and Summary Results**

| <b>Bill Reference by Section</b> | <b>Policy Compliance Requirements</b>   | <b>Compliance Assessment</b>   |
|----------------------------------|---|--|
| 51.282 (a)(1)(A)                 | A "Definitions" page and details prohibited behavior.   | Complied   |
| 51.282 (a)(2)                    | Board-approved policy.  | Could not provide documentation to support that the Board of Trustees approved the policy. |
| 51.282 (b)(1)                    | Included in student handbook and personnel handbook.  | Complied   |
| 51.282 (b)(2)                    | Dedicated webpage and clearly linked to the institution homepage.   | Complied   |
| 51.282 (c)                       | Requires each entering freshman or undergraduate transfer students to attend an orientation on the institution's policy.  | Complied   |
| 51.282 (d)                       | Prevention and outreach program that addresses required elements.   | Complied   |
| 51.282 (e)(1) and (2)            | Protocol addresses counseling resources and must allow course drop.   | Complied   |
| 51.282 (f)                       | Biennial review and governing board approval of policy revisions.   | Could not provide documentation to support that it reviewed policies at least biennially.  |
| 51.283                           | Electronic reporting option for an enrolled student or an institution employee.   | Complied   |
| 51.284                           | Provides "Amnesty for Students Reporting Certain Incidents."  | Complied   |
| 51.285 (a) and (c)               | Procedures for documenting a victim request not to investigate and to notify the victim of the institution's decision whether it will investigate the alleged incident. | Complied   |
| 51.286                           | A disciplinary process for certain violations.  | Complied   |
| 51.287                           | Protocol for when a student withdraws or graduates with pending disciplinary charges.   | Complied   |
| 51.288                           | Trauma-informed investigation training to each peace officer employed by an institution.  | Complied   |

**Table 1: Subchapter E-3 Compliance Requirements and Summary Results**

| <b>Bill Reference by Section</b> | <b>Policy Compliance Requirements</b>   | <b>Compliance Assessment</b> |
|----------------------------------|---|------------------------------|
| 51.289 (1), (2), and (3)         | Institution has an MOU with one or more of the following:<br>(1) local law enforcement agencies;<br>(2) sexual harassment, sexual assault, dating violence, or stalking advocacy groups; or<br>(3) hospitals or other medical resource providers.   | Complied                     |
| 51.290 (1) and (2)               | Provides at least one or more responsible employee, confidential employee, and student advocate. Responsible employee for the purposes of Title IX;<br>(1) Confidential employee to whom enrolled students may speak confidentially; and<br>(2) Student advocate is an enrolled student to whom an enrolled student may speak confidentially. | Complied                     |
| 51.291                           | Addresses confidentiality adheres to these requirements stipulated in this sub-section.   | Complied                     |
| 51.293                           | Protocols address equal access for students enrolled at or employees of an institution who are persons with disabilities.   | Complied                     |

## DETAILED REPORT

Houston Christian University substantially complied with the requirements codified in Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, Subchapter E-3. However, it can improve its compliance with two of eighteen requirements, specifically:

- Section 51.282 (a)(2), related to board approved policy; and
- Section 51.282 (f), related to biennial review and governing board approval of any policy revisions.

The Compliance Monitoring team greatly appreciates the cooperation and assistance provided by Houston Christian University and Academic and Health Affairs (AHA) staff members during this review. We look forward to our ongoing collaborative efforts to ensure HCU's compliance.

### **Detailed Observations, Recommendations, and Management Responses:**

**Incorporating the Board of Trustees to approve E-3 policy requirements and establishing biennial review of policy revisions could help HCU better comply with requirements.**

#### **Observation 1.**

HCU could not provide documentation to support that the Board of Trustees approved a policy that covers the required elements for its sexual assault and reporting (Title IX) policy. (51.282(a)(2))

#### **Recommendation:**

HCU should include a provision in its sexual assault and reporting (Title IX) policy that ensures Board of Trustees approval.

#### **Management Response:**

*HCU has added a provision in its sexual assault and reporting (Title IX) policy to ensure Board of Trustees approval. The policy will be approved by the Board of Trustees at the next board meeting on February 20, 2024.*

#### **Observation 2.**

HCU could not provide documentation to support that it has a process in place to conduct a biennial review of its Title IX policy that is approved by the Board of Trustees. (51.282(f))

#### **Recommendation:**

HCU should include a provision in its Title IX policy that ensures it conducts a biennial review and revisions are approved by the Board of Trustees.

#### **Management Response:**

*HCU has added a provision in its sexual assault and reporting (Title IX) policy to ensure there is a biennial review of the Title IX policy and revisions are approved by the Board of Trustees.*

### **Review Objective, Scope and Methodologies**

Our review objective was limited to reviewing and reporting requirements as codified in TEC, Title 3, Subtitle A, Chapter 51, Subchapter E-3 for the institution. We collaborated with AHA and agreed that for the initial reporting cycle, our audit scope would be limited to certain criteria as noted in the Summary of Results section in this report.

We further agreed that our role would be to remain neutral in policy matters while providing an objective review regarding the nature and extent of the institution's compliance with the requirements for institutions.

We reviewed the information submitted to the THECB, requested follow up information as needed, and performed limited testing to address the review objective.

### **Background**

This review was included in the 2023 Compliance Monitoring Plan. Policy guidance and direction is centralized in the Academic and Health Affairs office under the Director, Private Postsecondary Institutions who also acts as the agency's Title IX Coordinator for Institutions.

The 86<sup>th</sup> Legislature enacted HB-1735, amending Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, by adding Subchapter E-3 requiring each postsecondary education institution to adopt a policy on sexual harassment, sexual assault, dating violence, and stalking applicable to each student enrolled at and each employee of the institution. Further, Section 51.292(a) authorizes the coordinating board to assess an administrative penalty for failure of the institution to show substantial compliance with the act.

Additionally, Section 51.292(f) requires the THECB to annually submit its report 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. The report will include 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. The initial report is to be filed not later than September 1, 2021. No penalties were assessed in this review period.

**Table 2: Potential Penalties for Substantial Noncompliance**

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

**PERFORMED BY:**

Ms. Jamyen Robinson-Hall, Senior Compliance Specialist

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education

Dr. David Troutman, Deputy Commissioner, Academic Affairs

Ms. Sarah Keyton, Deputy Commissioner, Administration

Ms. Melissa Henderson, Chief of Staff

Ms. Nichole Bunker-Henderson, General Counsel

**Academic and Health Affairs**

Ms. Elizabeth Mayer, Assistant Commissioner

Ms. Cathie Maeyaert, Director, Private Postsecondary Institutions/Title IX Coordinator for Higher Education Institutions

**Houston Christian University**

Rev. Garry Blackmon, Chair, Board of Trustees

Ms. Sandra Mooney, Chief Financial Officer/Chief Operating Officer

**State Auditor's Office**

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Daniel O. Wong

Harrison Keller, Ph.D.  
COMMISSIONER OF HIGHER  
EDUCATION

February 14, 2024

Dr. Harrison Keller  
Commissioner of Higher Education  
1801 N. Congress Avenue  
Suite 12.200  
Austin, TX 78701

Re: *Summary Results – Compliance Requirements – Texas Education Code, Chapter 51, Subchapters E-2 and E-3*

Dr. Keller,

Attached is the final report of our *Summary Results – Compliance Requirements – Texas Education Code, Chapter 51, Subchapters E-2 and E-3*. This information will be presented at the April 2024 Committee on Academic and Workforce Success.

All institutions we reviewed were in substantial compliance with Subchapters E-2 and E-3. However, some postsecondary educational institutions (PEIs) did not comply with specific requirements. Specifically:

- 11 of 218 PEIs we tested under Subchapter E-2 did not timely file the annual Chief Executive Officer (CEO) Certification by the October 31, 2023 due date established by the coordinating board.
- One of three PEIs we tested under Subchapter E-3 could not provide documentation to support that:
  - The Board of Trustees approved its policy, as required by Section 51.282 (a)(2)), and
  - It reviewed policies at least biennially, as required by Section 51.282 (f).

**Contents of the report include:**

- Subchapter E-2 results in Table 1;
- E-3 compliance requirements in Table 2;
- Potential Penalties for Substantial Noncompliance in Table 3; and
- Individual reports of E-3 compliance are included as Attachments 1, 2, and 3.

The E-2 and E-3 requirements became effective on September 1, 2019.



If you have any questions or comments, please let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read "Arby James Gonzales".

Arby James Gonzales CPA, CFE  
Assistant Commissioner, Internal Audit and Compliance

**Table 1: E-2 CEO Certifications Not Timely Filed<sup>1</sup>**

| Institution Type/Number  | Institution                           | Date Received by Coordinating Board |
|--|---------------------------------------|-------------------------------------|
| <b>Public Universities</b>   |                                       |                                     |
| 1  | The University of Texas Permian Basin | 11/01/2023                          |
|  |                                       |                                     |
| <b>Private Universities</b>  |                                       |                                     |
| 2  | Huston-Tillotson University           | 11/01/2023                          |
| 3  | LeTourneau University                 | 11/02/2023                          |
| 4  | Parker University                     | 11/2/2023                           |
| 5  | Texas Lutheran University             | 11/02/2023                          |
| 6  | Houston Christian University*         | 11/30/2023                          |
| 7  | Southwestern Christian College        | 11/30/2023                          |
| <b>Community Colleges</b>  |                                       |                                     |
| 8  | Amarillo College                      | 11/08/2023                          |
| 9  | Brazosport College*                   | 11/16/2023                          |
| 10   | Temple College                        | 11/3/2023                           |
| 11   | Victoria College*                     | 11/15/2023                          |
|  |                                       |                                     |
|  |                                       |                                     |
| <i>*See the final reports for these PEIs as Attachments 1, 2, and 3.</i> |                                       |                                     |

<sup>1</sup> Texas Education Code Chapter 51 Subchapter E-2, Sec. 51.258 (a) The chief executive officer of each postsecondary educational institution shall annually certify in writing to the coordinating board that the institution is in substantial compliance with this subchapter. THECB requires the CEO Certification to be filed no later than October 31<sup>st</sup> each year based on Rule 3.19(a).

**Table 2: Subchapter E-3 Compliance Requirements**

| Item Number | Bill Reference by Section | Policy Compliance Requirements   |
|-------------|---------------------------|--|
| 1           | 51.282 (a)(1)(A)          | A "Definitions" page and details prohibited behavior.  |
| 2           | 51.282 (a)(2)             | Board-approved policy.   |
| 3           | 51.282 (b)(1)             | Included in student handbook and personnel handbook.   |
| 4           | 51.282 (b)(2)             | Dedicated webpage and clearly linked to the IHE homepage.  |
| 5           | 51.282 (c)                | Requires each entering freshman or undergraduate transfer students to attend an orientation on the institution's policy.   |
| 6           | 51.282 (d)                | Prevention and outreach program that addresses required elements.  |
| 7           | 51.282 (e)(1) and (2)     | Protocol addresses counseling resources and must allow course drop.  |
| 8           | 51.282 (f)                | Biennial review and governing board approval of policy revisions.  |
| 9           | 51.283                    | Electronic reporting option for an enrolled student or an IHE employee.  |
| 10          | 51.284                    | Provides "Amnesty for Students Reporting Certain Incidents".   |
| 11          | 51.285 (a) and (c)        | Procedures for documenting a victim request not to investigate and to notify the victim of the IHE's decision whether it will investigate the alleged incident.  |
| 12          | 51.286                    | A disciplinary process for certain violations.   |
| 13          | 51.287                    | Protocol for when a student withdraws or graduates with pending disciplinary charges.  |
| 14          | 51.288                    | Trauma-informed investigation training to each peace officer employed by an IHE.   |
| 15          | 51.289 (1), (2), and (3)  | IHE has an MOU with one or more of the following:<br>(1) local law enforcement agencies;<br>(2) sexual harassment, sexual assault, dating violence, or stalking advocacy groups; or<br>(3) hospitals or other medical resource providers.  |
| 16          | 51.290 (1) and (2)        | Provides for at least one or more responsible employee, confidential employee, and student advocate.<br>Responsible employee for the purposes of Title IX;<br>(1) Confidential employee to whom enrolled students may speak confidentially; and<br>(2) Student advocate is an enrolled student to whom an enrolled student may speak confidentially. |
| 17          | 51.291                    | Addresses confidentiality adheres to these requirements stipulated in this sub-section.  |
| 18          | 51.293                    | Protocols address equal access for students enrolled at or employees of an IHE who are persons with disabilities.  |

**Table 3: Potential Penalties for Substantial Noncompliance**

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

**Attachment 1:** *A Compliance Monitoring review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Brazosport College*

Fred Farias III, O.D.  
CHAIR

February 9, 2024

Donna N. Williams  
VICE CHAIR

Dr. Vincent R. Solis

S. Javaid Anwar  
SECRETARY OF THE BOARD

President

Cage M. Sawyers  
STUDENT REPRESENTATIVE

Brazosport College

500 College Drive

Lake Jackson, TX 77566

Richard L. Clemmer

Stacy A. Hock

Emma W. Schwartz

Ashlie A. Thomas

Welcome Wilson, Jr.

Daniel O. Wong

Re: *A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Brazosport College; Compliance Requirements – Texas Education Code, Chapter 51, Subchapter E-3*

Harrison Keller, Ph.D.  
COMMISSIONER OF HIGHER  
EDUCATION

Dr. Solis,

Attached is the final report on a compliance monitoring review of requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Brazosport College. There were no observations to the requirements contained in Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, Subchapter E-3.

#### Summary

Brazosport College substantially complied with requirements contained in Texas Education Code, Title 3, Subtitle A, Chapter 51, Subchapter E-3.

This Compliance Monitoring report will be presented to the Texas Higher Education Coordinating Board (THECB) Committee on Workforce Success, a standing committee of the THECB Board, on April 24, 2024.

The cooperation of your staff during this review is greatly appreciated. If you have any questions or comments, please let me know.

If you have any questions or comments, please let me know.

Sincerely,



Arby James Gonzales CPA, CFE  
Assistant Commissioner, Internal Audit and Compliance

**Review Objective, Scope and Methodologies**

Our review objective was limited to reviewing compliance with specific HB-1735 compliance and reporting requirements as codified in TEC, Title 3, Subtitle A, Chapter 51, Subchapter E-3 for the institutions of higher education (IHE). We collaborated with Academic & Health Affairs (AHA) and agreed that for the initial reporting cycle, our audit scope would be limited to certain criteria as noted in the Summary of Results section in this report.

We further agreed that our role would be to remain neutral in policy matters while providing an objective review regarding the nature and extent of the IHE's compliance with the requirements of HB-1735 for IHEs.

We reviewed the information submitted to the THECB, requested follow up information as needed, and performed limited testing to address the review objective.

**Background**

This review was included in the 2023 Compliance Monitoring Plan. Policy guidance and direction is centralized in the AHA office under the Director, Private Postsecondary Institutions who also acts as the agency's Title IX Coordinator for Institutions.

The 86<sup>th</sup> Legislature enacted HB-1735, amending Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, by adding Subchapter E-3 requiring each postsecondary education institution to adopt a policy on sexual harassment, sexual assault, dating violence, and stalking applicable to each student enrolled at and each employee of the institution. Further, Section 51.292(a) authorizes the coordinating board to assess an administrative penalty for failure of the IHE to show substantial compliance with the act.

Additionally, Section 51.292(f) requires the THECB to annually submit its report 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. The report will include 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. The initial report is to be filed not later than September 1, 2021. No penalties were assessed in this review period.

**Table 1: Subchapter E-3 Compliance Requirements and Summary Results**

| <b>Bill Reference by Section</b> | <b>Policy Compliance Requirements</b>   | <b>Compliance Assessment</b> |
|----------------------------------|---|------------------------------|
| 51.282 (a)(1)(A)                 | A "Definitions" page and details prohibited behavior.   | Complied                     |
| 51.282 (a)(2)                    | Board-approved policy.  | Complied                     |
| 51.282 (b)(1)                    | Included in student handbook and personnel handbook.  | Complied                     |
| 51.282 (b)(2)                    | Dedicated webpage and clearly linked to the institution homepage.   | Complied                     |
| 51.282 (c)                       | Requires each entering freshman or undergraduate transfer students to attend an orientation on the institution's policy.  | Complied                     |
| 51.282 (d)                       | Prevention and outreach program that addresses required elements.   | Complied                     |
| 51.282 (e)(1) and (2)            | Protocol addresses counseling resources and must allow course drop.   | Complied                     |
| 51.282 (f)                       | Biennial review and governing board approval of policy revisions.   | Complied                     |
| 51.283                           | Electronic reporting option for an enrolled student or an institution employee.   | Complied                     |
| 51.284                           | Provides "Amnesty for Students Reporting Certain Incidents".  | Complied                     |
| 51.285 (a) and (c)               | Procedures for documenting a victim request not to investigate and to notify the victim of the institution's decision whether it will investigate the alleged incident.                     | Complied                     |
| 51.286                           | A disciplinary process for certain violations.  | Complied                     |
| 51.287                           | Protocol for when a student withdraws or graduates with pending disciplinary charges.   | Complied                     |
| 51.288                           | Trauma-informed investigation training to each peace officer employed by an institution.  | Complied                     |
| 51.289 (1), (2), and (3)         | Institution has an MOU with one or more of the following:<br>(1) local law enforcement agencies;<br>(2) sexual harassment, sexual assault, dating violence, or stalking advocacy groups; or | Complied                     |



**Table 1: Subchapter E-3 Compliance Requirements and Summary Results**

| Bill Reference<br>by Section | Policy Compliance Requirements  | Compliance Assessment |
|------------------------------|---|-----------------------|
|                              | (3) hospitals or other medical resource providers.  |                       |
| 51.290 (1)<br>and (2)        | Provides for at least one or more responsible employee, confidential employee, and student advocate. Responsible employee for the purposes of Title IX;<br>(1) Confidential employee to whom enrolled students may speak confidentially; and<br>(2) Student advocate is an enrolled student to whom an enrolled student may speak confidentially. | Complied              |
| 51.291                       | Addresses confidentiality adheres to these requirements stipulated in this sub-section.   | Complied              |
| 51.293                       | Protocols address equal access for students enrolled at or employees of an institution who are persons with disabilities.   | Complied              |

**Table 2: Potential Penalties for Substantial Noncompliance**

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

**PERFORMED BY:**

Mr. Scott Langenbeck, Compliance Specialist

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education

Dr. David Troutman, Deputy Commissioner, Academic Affairs

Ms. Sarah Keyton, Deputy Commissioner, Administration

Ms. Melissa Henderson, Chief of Staff

Ms. Nichole Bunker-Henderson, General Counsel

**Academic & Health Affairs**

Ms. Elizabeth Mayer, Assistant Commissioner

Ms. Cathie Maeyaert, Director, Private Postsecondary Institutions/Title IX Coordinator for Higher Education Institutions

**Brazosport College**

Mr. Robert Perryman, Chair, Board of Regents

Dr. Brad McGonagle, Vice President of Human Resources & Title IX Coordinator

**State Auditor's Office**

Internal Audit Coordinator

**Sunset Advisory Commission**

Mr. Eric Beverly, Executive Director

**Office of the Governor-Budget and Policy Division**

Ms. Sarah Hicks, Budget and Policy Director

**Legislative Budget Board**

Mr. Christopher Mattson, Assistant Director

**Attachment 2:** *Compliance Monitoring review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Victoria College*

Fred Farias III, O.D.  
CHAIR

February 14, 2024

Donna N. Williams  
VICE CHAIR

Dr. Jennifer Kent

S. Javaid Anwar  
SECRETARY OF THE BOARD

President

Cage M. Sawyers  
STUDENT REPRESENTATIVE

Victoria College

2200 E. Red River Street

Victoria, TX 77901

Richard L. Clemmer  
Robert P. Gauntt  
Emma W. Schwartz  
Ashlie A. Thomas  
Welcome Wilson, Jr.  
Daniel O. Wong

Re: *A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Victoria College; Compliance Requirements – Texas Education Code, Chapter 51, Subchapter E-3*

Harrison Keller, Ph.D.  
COMMISSIONER OF HIGHER  
EDUCATION

Dr. Kent,

Attached is the final report on a compliance monitoring review of requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Victoria College. There were no observations to the requirements contained in Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, Subchapter E-3.

### Summary

Victoria College substantially complied with requirements contained in Texas Education Code, Title 3, Subtitle A, Chapter 51, Subchapter E-3.

This Compliance Monitoring report will be presented to the Texas Higher Education Coordinating Board (THECB) Committee on Workforce Success, a standing committee of the THECB Board, on April 24, 2024.

The cooperation of your staff during this review is greatly appreciated. If you have any questions or comments, please let me know.

If you have any questions or comments, please let me know.

Sincerely,



Arby James Gonzales CPA, CFE  
Assistant Commissioner, Internal Audit and Compliance

**Review Objective, Scope and Methodologies**

Our review objective was limited to reviewing compliance with specific HB-1735 compliance and reporting requirements as codified in TEC, Title 3, Subtitle A, Chapter 51, Subchapter E-3 for the institutions of higher education (IHE). We collaborated with AAWE and agreed that for the initial reporting cycle, our audit scope would be limited to certain criteria as noted in the Summary of Results section in this report.

We further agreed that our role would be to remain neutral in policy matters while providing an objective review regarding the nature and extent of the IHE's compliance with the requirements of HB-1735 for IHEs.

We reviewed the information submitted to the THECB, requested follow up information as needed, and performed limited testing to address the review objective.

**Background**

This review was included in the 2023 Compliance Monitoring Plan. Policy guidance and direction is centralized in the Academic Affairs and Workforce Education (AAWE) office under the Director, Private Postsecondary Institutions who also acts as the agency's Title IX Coordinator for Institutions.

The 86<sup>th</sup> Legislature enacted HB-1735, amending Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, by adding Subchapter E-3 requiring each postsecondary education institution to adopt a policy on sexual harassment, sexual assault, dating violence, and stalking applicable to each student enrolled at and each employee of the institution. Further, Section 51.292(a) authorizes the coordinating board to assess an administrative penalty for failure of the IHE to show substantial compliance with the act.

Additionally, Section 51.292(f) requires the THECB to annually submit its report 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. The report will include 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. The initial report is to be filed not later than September 1, 2021. No penalties were assessed in this review period.

**Table 1: Subchapter E-3 Compliance Requirements and Summary Results**

| <b>Bill Reference by Section</b> | <b>Policy Compliance Requirements</b>   | <b>Compliance Assessment</b> |
|----------------------------------|---|------------------------------|
| 51.282 (a)(1)(A)                 | A "Definitions" page and details prohibited behavior.   | Complied                     |
| 51.282 (a)(2)                    | Board-approved policy.  | Complied                     |
| 51.282 (b)(1)                    | Included in student handbook and personnel handbook.  | Complied                     |
| 51.282 (b)(2)                    | Dedicated webpage and clearly linked to the institution homepage.   | Complied                     |
| 51.282 (c)                       | Requires each entering freshman or undergraduate transfer students to attend an orientation on the institution's policy.  | Complied                     |
| 51.282 (d)                       | Prevention and outreach program that addresses required elements.   | Complied                     |
| 51.282 (e)(1) and (2)            | Protocol addresses counseling resources and must allow course drop.   | Complied                     |
| 51.282 (f)                       | Biennial review and governing board approval of policy revisions.   | Complied                     |
| 51.283                           | Electronic reporting option for an enrolled student or an institution employee.   | Complied                     |
| 51.284                           | Provides "Amnesty for Students Reporting Certain Incidents".  | Complied                     |
| 51.285 (a) and (c)               | Procedures for documenting a victim request not to investigate and to notify the victim of the institution's decision whether it will investigate the alleged incident. | Complied                     |
| 51.286                           | A disciplinary process for certain violations.  | Complied                     |
| 51.287                           | Protocol for when a student withdraws or graduates with pending disciplinary charges.   | Complied                     |
| 51.288                           | Trauma-informed investigation training to each peace officer employed by an institution.  | Complied                     |
| 51.289 (1), (2), and (3)         | Institution has an MOU with one or more of the following:<br>(1) local law enforcement agencies;  | Complied                     |

**Table 1: Subchapter E-3 Compliance Requirements and Summary Results**

| Bill Reference by Section | Policy Compliance Requirements  | Compliance Assessment |
|---------------------------|---|-----------------------|
|                           | (2) sexual harassment, sexual assault, dating violence, or stalking advocacy groups; or<br>(3) hospitals or other medical resource providers.   |                       |
| 51.290 (1) and (2)        | Provides for at least one or more responsible employee, confidential employee, and student advocate. Responsible employee for the purposes of Title IX;<br>(1) Confidential employee to whom enrolled students may speak confidentially; and<br>(2) Student advocate is an enrolled student to whom an enrolled student may speak confidentially. | Complied              |
| 51.291                    | Addresses confidentiality adheres to these requirements stipulated in this sub-section.   | Complied              |
| 51.293                    | Protocols address equal access for students enrolled at or employees of an institution who are persons with disabilities.   | Complied              |



**Table 2: Potential Penalties for Substantial Noncompliance**

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

**PERFORMED BY:**

Ms. Shebah Washington, Compliance Specialist

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education

Dr. David Troutman, Deputy Commissioner, Academic Affairs

Ms. Sarah Keyton, Deputy Commissioner, Administration

Ms. Melissa Henderson, Chief of Staff

Ms. Nichole Bunker-Henderson, General Counsel

**Academic & Health Affairs**

Ms. Elizabeth Mayer, Assistant Commissioner

Ms. Cathie Maeyaert, Director, Private Postsecondary Institutions/Title IX Coordinator for Higher Education Institutions

**Victoria College**

Mr. V. Bland Proctor, Chairman, Board of Trustees

Ms. Terri Kurtz, Executive Director of Human Resources and XI Coordinator

**State Auditor's Office**

Internal Audit Coordinator

**Sunset Advisory Commission**

Mr. Eric Beverly, Executive Director

**Office of the Governor-Budget and Policy Division**

Ms. Sarah Hicks, Budget and Policy Director

**Legislative Budget Board**

Mr. Christopher Mattson, Assistant Director

**Attachment 3:** *Compliance Monitoring review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Houston Christian University*



1801 N. Congress Avenue, Suite 12.200, Austin, TX 78701  
 Mail: PO Box 12788, Austin, TX 78711-2788  
 Phone: 512-427-6101  
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Fred Farias III, O.D.  
 CHAIR

Donna N. Williams  
 VICE CHAIR

S. Javaid Anwar  
 SECRETARY OF THE BOARD

Cage M. Sawyers  
 STUDENT REPRESENTATIVE

Richard L. Clemmer  
 Stacy A. Hock  
 Emma W. Schwartz  
 Ashlie A. Thomas  
 Welcome Wilson, Jr.  
 Daniel O. Wong

Harrison Keller, Ph.D.  
 COMMISSIONER OF HIGHER  
 EDUCATION

February 14, 2024

Dr. Robert B. Sloan  
 President  
 Houston Christian University  
 7502 Fondren Rd  
 Houston, TX 77074

Re: *A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Houston Christian University; Summary Results – Compliance Requirements – Texas Education Code, Chapter 51, Subchapter E-3*

Dr. Sloan,

Attached is the draft report on *A Compliance Monitoring Review of Requirements related to Sexual Harassment, Sexual Assault, Dating Violence, and Stalking at Houston Christian University*. Below is a summary of our results.

### Summary

Houston Christian University (HCU) substantially complied with requirements in Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, Subchapter E-3. However, there were two requirements where HCU did not completely comply. Specifically, HCU had policies related to TEC, Title 3, Subtitle A, Chapter 51, Subchapter E-3; however, it could not provide documentation to support that:

1. The Board of Trustees approved its policy, as required by Section 51.282 (a)(2)), and
2. It reviewed policies at least biennially, as required by Section 51.282 (f).

Documenting the Board of Trustees' approval of the policy and establishing at least a biennial review of the policy could help HCU better ensure it complies with all requirements. HCU staff agreed with the observations during the project and committed to remedying them moving forward.

### Contents of the report include:

- Table 1: Subchapter E-3 Compliance Requirements and Summary Results
- DETAILED REPORT
- Table 2: Potential Penalties for Substantial Noncompliance

This Compliance Monitoring report will be presented to the Texas Higher Education Coordinating Board (THECB) Committee on Workforce Success, a standing committee of the THECB Board, on April 24, 2024.

We greatly appreciated HCU staffs' assistance, collaboration, and cooperation during this review. Please let me know if you have any questions or comments.

Sincerely,



Arby James Gonzales CPA, CFE  
Assistant Commissioner, Internal Audit and Compliance

**Table 1: Subchapter E-3 Compliance Requirements and Summary Results**

| <b>Bill Reference by Section</b> | <b>Policy Compliance Requirements</b>   | <b>Compliance Assessment</b>   |
|----------------------------------|---|--|
| 51.282 (a)(1)(A)                 | A "Definitions" page and details prohibited behavior.   | Complied   |
| 51.282 (a)(2)                    | Board-approved policy.  | Could not provide documentation to support that the Board of Trustees approved the policy. |
| 51.282 (b)(1)                    | Included in student handbook and personnel handbook.  | Complied   |
| 51.282 (b)(2)                    | Dedicated webpage and clearly linked to the institution homepage.   | Complied   |
| 51.282 (c)                       | Requires each entering freshman or undergraduate transfer students to attend an orientation on the institution's policy.  | Complied   |
| 51.282 (d)                       | Prevention and outreach program that addresses required elements.   | Complied   |
| 51.282 (e)(1) and (2)            | Protocol addresses counseling resources and must allow course drop.   | Complied   |
| 51.282 (f)                       | Biennial review and governing board approval of policy revisions.   | Could not provide documentation to support that it reviewed policies at least biennially.  |
| 51.283                           | Electronic reporting option for an enrolled student or an institution employee.   | Complied   |
| 51.284                           | Provides "Amnesty for Students Reporting Certain Incidents."  | Complied   |
| 51.285 (a) and (c)               | Procedures for documenting a victim request not to investigate and to notify the victim of the institution's decision whether it will investigate the alleged incident. | Complied   |
| 51.286                           | A disciplinary process for certain violations.  | Complied   |
| 51.287                           | Protocol for when a student withdraws or graduates with pending disciplinary charges.   | Complied   |
| 51.288                           | Trauma-informed investigation training to each peace officer employed by an institution.  | Complied   |

**Table 1: Subchapter E-3 Compliance Requirements and Summary Results**

| <b>Bill Reference by Section</b> | <b>Policy Compliance Requirements</b>   | <b>Compliance Assessment</b> |
|----------------------------------|---|------------------------------|
| 51.289 (1), (2), and (3)         | Institution has an MOU with one or more of the following:<br>(1) local law enforcement agencies;<br>(2) sexual harassment, sexual assault, dating violence, or stalking advocacy groups; or<br>(3) hospitals or other medical resource providers.   | Complied                     |
| 51.290 (1) and (2)               | Provides at least one or more responsible employee, confidential employee, and student advocate. Responsible employee for the purposes of Title IX;<br>(1) Confidential employee to whom enrolled students may speak confidentially; and<br>(2) Student advocate is an enrolled student to whom an enrolled student may speak confidentially. | Complied                     |
| 51.291                           | Addresses confidentiality adheres to these requirements stipulated in this sub-section.   | Complied                     |
| 51.293                           | Protocols address equal access for students enrolled at or employees of an institution who are persons with disabilities.   | Complied                     |

## DETAILED REPORT

Houston Christian University substantially complied with the requirements codified in Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, Subchapter E-3. However, it can improve its compliance with two of eighteen requirements, specifically:

- Section 51.282 (a)(2), related to board approved policy; and
- Section 51.282 (f), related to biennial review and governing board approval of any policy revisions.

The Compliance Monitoring team greatly appreciates the cooperation and assistance provided by Houston Christian University and Academic and Health Affairs (AHA) staff members during this review. We look forward to our ongoing collaborative efforts to ensure HCU's compliance.

### **Detailed Observations, Recommendations, and Management Responses:**

**Incorporating the Board of Trustees to approve E-3 policy requirements and establishing biennial review of policy revisions could help HCU better comply with requirements.**

#### **Observation 1.**

HCU could not provide documentation to support that the Board of Trustees approved a policy that covers the required elements for its sexual assault and reporting (Title IX) policy. (51.282(a)(2))

#### **Recommendation:**

HCU should include a provision in its sexual assault and reporting (Title IX) policy that ensures Board of Trustees approval.

#### **Management Response:**

*HCU has added a provision in its sexual assault and reporting (Title IX) policy to ensure Board of Trustees approval. The policy will be approved by the Board of Trustees at the next board meeting on February 20, 2024.*

#### **Observation 2.**

HCU could not provide documentation to support that it has a process in place to conduct a biennial review of its Title IX policy that is approved by the Board of Trustees. (51.282(f))

#### **Recommendation:**

HCU should include a provision in its Title IX policy that ensures it conducts a biennial review and revisions are approved by the Board of Trustees.

#### **Management Response:**

*HCU has added a provision in its sexual assault and reporting (Title IX) policy to ensure there is a biennial review of the Title IX policy and revisions are approved by the Board of Trustees.*

### **Review Objective, Scope and Methodologies**

Our review objective was limited to reviewing and reporting requirements as codified in TEC, Title 3, Subtitle A, Chapter 51, Subchapter E-3 for the institution. We collaborated with AHA and agreed that for the initial reporting cycle, our audit scope would be limited to certain criteria as noted in the Summary of Results section in this report.



We further agreed that our role would be to remain neutral in policy matters while providing an objective review regarding the nature and extent of the institution's compliance with the requirements for institutions.

We reviewed the information submitted to the THECB, requested follow up information as needed, and performed limited testing to address the review objective.

### **Background**

This review was included in the 2023 Compliance Monitoring Plan. Policy guidance and direction is centralized in the Academic and Health Affairs office under the Director, Private Postsecondary Institutions who also acts as the agency's Title IX Coordinator for Institutions.

The 86<sup>th</sup> Legislature enacted HB-1735, amending Texas Education Code (TEC), Title 3, Subtitle A, Chapter 51, by adding Subchapter E-3 requiring each postsecondary education institution to adopt a policy on sexual harassment, sexual assault, dating violence, and stalking applicable to each student enrolled at and each employee of the institution. Further, Section 51.292(a) authorizes the coordinating board to assess an administrative penalty for failure of the institution to show substantial compliance with the act.

Additionally, Section 51.292(f) requires the THECB to annually submit its report 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. The report will include 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. The initial report is to be filed not later than September 1, 2021. No penalties were assessed in this review period.

**Table 2: Potential Penalties for Substantial Noncompliance**

| <b>Statute and Rule Violations</b>    | <b>Institutional Failure to Maintain Substantial Compliance Related to</b> | <b>Potential Annual Penalty</b> |
|---------------------------------------|--|---------------------------------|
| Tex. Educ. Code §51.282; §3.4         | Policy Requirements  | \$5,000                         |
| Tex. Educ. Code §51.282; §3.4         | Policy Accessibility   | \$5,000                         |
| Tex. Educ. Code §51.282; §3.4         | Policy Orientation for Students  | \$5,000                         |
| Tex. Educ. Code §51.282; §3.4         | Outreach Program for Students and Employees                                | \$5,000                         |
| Tex. Educ. Code §51.282; §3.4         | Policy Review  | \$5,000                         |
| Tex. Educ. Code §51.283; §3.7         | Electronic Reporting Option  | \$5,000                         |
| Tex. Educ. Code §51.284; §3.5(e)      | Amnesty for Students Reporting Certain Incidents                           | \$30,000                        |
| Tex. Educ. Code §51.285; §3.19        | Victim Request Not to Investigate  | \$5,000                         |
| Tex. Educ. Code §51.286; §3.10        | Disciplinary Process for Certain Violations                                | \$30,000                        |
| Tex. Educ. Code §51.287; §§3.11, 3.30 | Student Withdrawal or Graduation Pending Disciplinary Charges              | \$30,000                        |
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| Tex. Educ. Code §51.291; §3.17        | Confidentiality  | \$60,000                        |
| Tex. Educ. Code §51.293; §3.16        | Equal Access   | \$5,000                         |

**PERFORMED BY:**

Ms. Jamyen Robinson-Hall, Senior Compliance Specialist

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education

Dr. David Troutman, Deputy Commissioner, Academic Affairs

Ms. Sarah Keyton, Deputy Commissioner, Administration

Ms. Melissa Henderson, Chief of Staff

Ms. Nichole Bunker-Henderson, General Counsel

**Academic and Health Affairs**

Ms. Elizabeth Mayer, Assistant Commissioner

Ms. Cathie Maeyaert, Director, Private Postsecondary Institutions/Title IX Coordinator for Higher Education Institutions

**Houston Christian University**

Rev. Garry Blackmon, Chair, Board of Trustees

Ms. Sandra Mooney, Chief Financial Officer/Chief Operating Officer

**State Auditor's Office**

Internal Audit Coordinator

**Sunset Advisory Commission**

Mr. Eric Beverly, Executive Director

**Office of the Governor-Budget and Policy Division**

Ms. Sarah Hicks, Budget and Policy Director

**Legislative Budget Board**

Mr. Christopher Mattson, Assistant Director

***End of Attachments***

**PERFORMED BY:**

Ms. Jamyen Robinson-Hall, Senior Compliance Specialist  
Ms. Shebah Washington, Compliance Specialist  
Mr. Scott Langenbeck, Compliance Specialist

**THECB****Board Members****Commissioner's Office**

Dr. Harrison Keller, Commissioner of Higher Education  
Dr. David Troutman, Deputy Commissioner, Academic Affairs  
Ms. Sarah Keyton, Deputy Commissioner, Administration  
Ms. Melissa Henderson, Chief of Staff  
Ms. Nichole Bunker-Henderson, General Counsel

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Ms. Elizabeth Mayer, Assistant Commissioner  
Ms. Cathie Maeyaert, Director, Private Postsecondary Institutions/Title IX Coordinator for  
Higher Education Institutions

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**Legislative Budget Board**

Mr. Christopher Mattson, Assistant Director