**Data Analytics and Innovation**Data Management and Research



# 60x30TX Progress Report

**Final Progress Report** 

July 27, 2022

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#### **Texas Higher Education Coordinating Board**



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#### **Agency Mission**

The mission of the Texas Higher Education Coordinating Board (THECB) is to provide leadership and coordination for Texas higher education and to promote access, affordability, quality, success, and cost efficiency through 60x30TX, resulting in a globally competitive workforce that positions Texas as an international leader.

#### **Agency Vision**

The THECB will be recognized as an international leader in developing and implementing innovative higher education policy to accomplish our mission.

#### **Agency Philosophy**

The THECB will promote access to and success in quality higher education across the state with the conviction that access and success without quality is mediocrity and that quality without access and success is unacceptable.

The THECB's core values are:

**Accountability:** We hold ourselves responsible for our actions and welcome every opportunity to educate stakeholders about our policies, decisions, and aspirations.

**Efficiency:** We accomplish our work using resources in the most effective manner.

**Collaboration:** We develop partnerships that result in student success and a highly qualified, globally competent workforce.

**Excellence:** We strive for excellence in all our endeavors.

The Texas Higher Education Coordinating Board does not discriminate on the basis of race, color, national origin, gender, religion, age or disability in employment or the provision of services.

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# **Table of Contents**

Executive Summaryi
Introduction
Progress Toward Reaching the Goals of 60x30TX2
60x30 Educated Population Goal2
Completion Goal4
Marketable Skills Goal8
Student Debt Goal9
Conclusion
Tables
Table 1. Progress Toward Goals and Targets of 60x30TXiii
Table 2. Median Student Debt as a Percentage of First-Year Wages10
Table 3. Percentage of Students Graduating with Debt, by Year and Type of Completion11
Figures
Figure 2. Certificate, Associate, Bachelor's, or Master's Completions at Texas Public, Independent, and Private Postsecondary Institutions5
Figure 3. Certificates, Associate, Bachelor's, and Master's Completions by Target Populations in Texas6
Figure 4. Students Enrolling in Higher Education Immediately After Graduating from a Texas Public High School7
Figure 5. Students Working in Texas or Enrolled in a Texas Institution of Higher Education Within One Year after Graduating from a Texas Public, Independent, or Career Institution8
Figure 6. Average Excess Semester Credit Hours Attempted by Degree Type
Appendices
Appendix A: Statutory Authority for Master Higher Education Plan13
Appendix B: Methods Used in the 60X30TX Report14

# **Executive Summary**

The state's 60x30TX higher education plan began in 2015 with four goals to achieve by 2030:

- 60x30 Educated Population: At least 60% of Texans ages 25-34 will have a certificate or degree.
- **Completion**: At least 550,000 students in 2030 will complete a certificate or an associate, bachelor's, or master's degree from an institution of higher education in Texas.
- Marketable Skills: All graduates from Texas public institutions of higher education will have completed programs with identified marketable skills.
- **Student Debt**: Undergraduate student loan debt will not exceed 60% of first-year wages for graduates of Texas public institutions.

Each year, the Texas Higher Education Coordinating Board (THECB) provides an update on how the state is progressing toward the goals and targets of the plan.

This year's report focuses primarily on the data available in the 2021 academic year. While progress has been substantial on the educated population and student debt goals, improvement in the completion measure needs to accelerate to put the state on track to reach the state's completion goals by 2030.

Texans who have lost jobs or had their educations interrupted as a result of the COVID-19 pandemic will require opportunities to reskill or upskill due to changes in the economy; Texas higher education must be ready to meet these needs. Providing advising, financial support, and a full range of flexible educational options for Texans to earn credentials that will be of value now and in the future will be critical for the state and its residents as we move toward 2030 and beyond.

The following is a summary of progress on each goal:

**Educated Population.** In 2020, the most recent year of data available, the percentage of Texas 25- to 34-year-olds with a certificate or degree increased from 45.3% to 48.6%, a change of 3.3 percentage points (<u>Table 1</u>). The average annual increase was around 1.1 percentage points across prior years of the plan. Including this year provides an average annual increase of 1.5 percentage points for the life of the plan. It is important to note that the source data for this metric may be inflated due to a reporting anomaly. <sup>1</sup>

**Completion.** In academic year 2020-2021, students at Texas public, independent, and private postsecondary institutions (also known as career institutions) completed 357,855 certificates and associate, bachelor's, and master's degrees (sometimes referred to as CABMs in this report), up from 348,394 in 2020 (<u>Table 1</u>). This amounted to an increase of 9,461 completions, or 2.7%, compared with an increase of 1.9% in 2019 and 0.2% in 2020 (<u>Table 1</u>).

Among the underrepresented groups targeted in the plan, the highest percentage increase was for Hispanic students (5.4%), followed by African American students (4.7%) and economically disadvantaged students (2.0%) (Table 1). Male students had slightly more completions in 2021 than in 2020, with an increase of 0.2%. While all these underrepresented groups experienced improvements in their average annual rate changes between 2015 and 2020, progress was not enough to reach their 2030 targets.

Marketable Skills. The percentage of Texas students who completed higher education in academic year 2019-2020 and were found working or again enrolled in higher education within one year of completion year

<sup>&</sup>lt;sup>1</sup> The one-year attainment estimate used for this metric is likely an overestimate for 2020 because of <u>sampling disruptions</u> during the COVID-19 pandemic. Low-income households, which include individuals less likely to have a degree, were undersampled due to the pandemic. See full report for more information.

experienced a decline from 79.0% to 76.7%. However, the percentage remains close to the 80% target for this goal (<u>Table 1</u>).

**Student Debt.** Texas has maintained the goal of student debt representing no more than 60% of first-year wages across the life of the plan ( $\underline{\text{Table 1}}$ ). The state also met the target that no more than half of students earning undergraduate awards — a certificate or an associate or bachelor's degree — graduate with debt. In 2021, less than half of students, 43.2%, had debt at the time of graduation, down from 44.1% in 2020 ( $\underline{\text{Table 1}}$ ).

The state also made progress toward the additional target to reduce excess semester credit hours (SCHs) attempted by students as they work toward a credential. Ensuring that students take the courses that contribute toward progress to their desired credential can help reduce student debt and the time spent in higher education. The plan's target is to reduce excess SCHs to an average of 3 SCHs by 2030. Between 2018 and 2021, the average number of excess credit hours declined from 24 to 20 SCHs for students earning associate degrees and from 13 to 9 SCHs for bachelor's degree recipients, amounting to a decline from 16 to 13 excess SCHs averaged across both types of degrees (Table 1).

This Is the final report for 60x30TX as the state transitions to the new strategic plan for higher education, <u>Building a Talent Strong Texas</u>. The conclusion of this report will mark the transition to this new plan.

<sup>2</sup> Student debt statistics represent student debt excluding debt incurred by students' parents. Before 2020, reports included parent-incurred debt in the total. Therefore, statistics on student debt in this year's report cannot be directly compared with those prior reports.

ii

Table 1. Progress Toward Goals and Targets of 60x30TX

Goal	Target	2018*	2019*	2020*	2021*	Improvement in Most Recent Year	2030 Goal/Target
60x30	60x30 (Educated Population) (2017-20)	43.5%	43.6%	45.3%	48.6%	3.3 pct pts	60%
	Overall	341,307	347,669	348,394	357,855	2.7%	550,000
	Hispanic	115,735	121,589	125,151	131,915	5.4%	285,000
Completion	African American	41,594	41,077	41,265	43,185	4.7%	76,000
	Male	143,981	147,198	143,471	143,707	0.2%	275,000
	Economically Disadvantaged	124,471	127,986	128,983	131,525	2.0%	246,000
	TX High School Grads Enrolling in TX Higher Education	51.6%	51.2%	44.9%	Data not available		65%
Marketable Skills	Institutions Implementing Marketable Skills Plans	41.0%	n/a	n/a	n/a		100% (2020 target)
	Working or Enrolled Within One Year (2017-2020)	78.5%	78.9%	79.0%	76.7%	-3.0 pct pts	80%
Student Debt	Student Loan Debt-to-First- Year-Wage Percentage** (2016-19)	55%	53%	51%	49%	-3.5 pct pts	60%
	Percentage of Undergraduates Completing with Debt**	45.9%	44.6%	44.1%	43.2%	-1.9 pct pts	50%
	Excess SCHs Attempted**	16	15	14	13	-1 pct pt	3

Source: Data from THECB, Texas Workforce Commission, and American Communities Survey

<sup>\*</sup>or most recent year of data available in that year

<sup>\*\*</sup>Declines in student debt and excess semester credit hours represent improvement. All student debt statistics in this year's report exclude debt incurred by students' parents.

#### Introduction

The state's 60x30TX higher education plan began in 2015 with four goals to achieve by 2030:

- 60x30 Educated Population: At least 60% of Texans ages 25-34 will have a certificate or degree.
- **Completion**: At least 550,000 students in 2030 will complete a certificate or an associate, bachelor's, or master's degree from an institution of higher education in Texas.
- Marketable Skills: All graduates from Texas public institutions of higher education will have completed programs with identified marketable skills.
- **Student Debt**: Undergraduate student loan debt will not exceed 60% of first-year wages for graduates of Texas public institutions.

Each year, the Texas Higher Education Coordinating Board (THECB) provides an update on how the state is progressing toward the goals and targets of the plan.

The 60x30TX goals have focused statewide attention on specific areas where improvement is needed. Improvement happens when practitioners and policymakers carefully analyze how and where problems originate, how resources can be reallocated to address issues, and what diagnostic feedback is needed to assess and guide progress toward goals.

An important role of the THECB is to analyze trendsand progress on the *60x30TX* goals and to diagnose the obstacles and supporting factors for that progress. If the numbers deviate substantially from past trends or the targeted goals, it is important to understand why.

This progress report provides breakouts and explanations of the *60x30TX* metrics and displays goals and targets through 2030. The report is supplemented by appendices. <u>Appendix A</u> provides the statutory language directing the THECB to develop a progress report on the state's long-range master plan for higher education.. <u>Appendix B</u> summarizes the methodology used to calculate progress on the goals.

This is the final report for 60x30TX as the state transitions to the new strategic plan for higher education, Building a Talent Strong Texas. The conclusion of this report will mark the transition to this new plan.

# Progress Toward Reaching the Goals of 60x30TX

### 60x30 Educated Population Goal

The focus of the 60x30 educated population goal is to increase the share of college-educated young Texans so that by 2030, 60% or more of Texas residents ages 25-34 will have attained a certificate or degree (associate through professional) from a higher education institution.

#### Progress Toward the 60x30 Educated Population Goal

It is important to note this goal counts people, not credentials. Specifically, it counts Texas residents, ages 25-34, who have one or more of the following credentials:

- A level I, II, or advanced technical certificate, as defined in the Guidelines for Instructional Programs in Workforce Education<sup>3</sup>
- Any degree associate, bachelor's, master's, professional, or doctoral

A Texas resident may have multiple certificates or degrees, earned in or out of state, but that resident is only counted once toward this goal – and only if that resident is in the targeted age group. The figure in this section is based on an

A Texas resident may have multiple certificates or degrees, earned in or out

of state, but that resident is only

counted once toward this goal.

individual's highest level of attainment. For example, a person with associate, bachelor's, and master's degrees would report the master's as the highest degree.

Education attainment data for the population of Texas is available from the American Community Survey (ACS), which is an annual survey of people living in the United States administered by the U.S. Census Bureau. While this progress report primarily uses data from 2021, the most recent data available from the ACS on the 60x30 educated population goal is from 2020.

According to the ACS, 48.6% of Texans 25-34 years old had a postsecondary degree or certificate in 2020 (Figure 1). It is worth noting the one-year attainment estimate used for this metric is likely an overestimate for this year because of sampling issues during the 2020 Census. 4 Low-income households, which include individuals less likely to have a degree, were undersampled due to the pandemic. The average annual increase was 1.1 percentage points across prior years of the plan, 2015-2019. Including the most recent measure available this year provides an average annual increase of 1.5 percentage points for the life of the plan, 2015-2020.

Bachelor's degrees have accounted for most of the recent increase in Texas' educated population. Bachelor's degrees accounted for both the largest group of degree-holders in 2015 through 2020 and the largest portion of the 2015-20 increase in the share of 25- to 34-year-olds with a postsecondary degree or certificate. For the first time in 20 years, the number of master's degree-holders (361,000) outpaced the number of associate degree-holders (358,000). Master's degrees accounted for the second-largest group of degree-holders.

<sup>&</sup>lt;sup>3</sup> See <u>Guidelines for Instructional Programs in Workforce Education</u>, 2015, by THECB.

<sup>&</sup>lt;sup>4</sup> U.S. Census Bureau estimates an undercount of more than half a million Texans in the 2020 decennial Census because of COVID-19 disruptions to data collection. The same challenges held true for the American Community Survey (ACS) 1-year data sampling nationally in 2020. Groups that tend to be underrepresented in the estimates, such as Black non-Hispanic and Hispanic populations, had lower coverage rates and were less represented in the 2020 ACS. In addition, the Census reported the 2020 ACS data collection overrepresented those who were more educated, with higher incomes, and who lived in singlefamily housing units.

80% Percentage of the Population 60% Professional 60% 54% 48% 48.6% Doctoral 45.3%% 43.6%% 43.5%% Master's 40% ■ Bachelor's Associate 20% Certificate 0% Goal 2020 Goal 2025 Goal 2030 2017 2018 2019 2020

Figure 1. Percentage of Texas Population Age 25-34 with a Postsecondary Degree or Certificate

Source: 2020 American Community Survey

It is important to continue efforts to bring K-12, higher education, and employer stakeholders together to develop plans to reach regional targets and to implement policies and initiatives to encourage students who have left college without completing to reenroll and complete a credential.

Importing talent into the state will continue to be critical for Texas to reach its 60x30 educated population goal. It is not possible, using available data, to know exactly how much the migration of individuals from out of state into the state contributed to the growth of the young adult population with degrees in 2015-20. However, the gains Texas experienced from net domestic migration<sup>5</sup> among 25- to 34-year-old degree-holders (excluding certificates) over the last six years are evident from the available estimates. Approximately 15,000 to 30,000 more degree-holders were gained than lost in the state in any given year since 2015.<sup>6</sup>

<sup>&</sup>lt;sup>5</sup> Estimates of net international migration of degree holders are not included because individuals who have left the U.S. in the current year are not included in the American Community Survey.

<sup>&</sup>lt;sup>6</sup> Estimates are derived from the 2019 American Community Survey 1-Year Public Use Microdata samples.

#### **Completion Goal**

The second goal is for students of all ages to complete at least 550,000 certificates or associate, bachelor's, or master's degrees (CABMs) in Fiscal Year (FY) 2030 from an institution of higher education in Texas, including public, independent, or private postsecondary (career) institutions (Figure 2). The completion goal complements the 60x30 educated population goal because increased certificate and degree completions in Texas will help grow the Texas college-educated resident population.

It is important to remember the completion goal complements the first goal in that It emphasizes the role of Institutions In reaching the 60x30 educated population goal.

While the two goals are related, the key differences between the completion goal and the 60x30 educated population goal are that:

- the completion goal counts degrees earned by students of any age, not just those ages 25-34;
- the completion goal counts certificates and degrees up through the master's degree, while the first goal also includes professional and doctoral degrees;<sup>7</sup>
- the completion goal counts credentials from a Texas college or university, while degrees under the first goal may be earned anywhere inside or outside of Texas; and
- the completion goal counts each certificate or degree a student earns in the year it is earned, whereas the 60x30 goal counts whether each person has earned at least one degree in any year.

In addition to the goal of 550,000 CABMs for all students, completion targets were set for four underrepresented student populations (Figure 3): African American (76,000), Hispanic (285,000), economically disadvantaged (246,000), and male students (275,000). Another target addresses enrollment in higher education by high school graduates: by 2030, at least 65% of high school graduates will enroll in higher education in the fall after they graduate from high school (Figure 4).

#### **Progress Toward the Completion Goal**

In 2021, students at Texas public, independent, and private postsecondary (career) institutions completed 357,855 CABMs, up from 348,394 in 2020 (Figure 2). This amounted to an increase of 9,461 completions, or 2.7%, compared with an increase of 1.9% in 2019 and 0.2% in 2020. Averaging across the life of the plan, 2015-2021, the average rate of increase in completions was 2.3%, well below the 3.9% change needed year over year to reach the 2030 completion goal.<sup>8</sup>

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<sup>&</sup>lt;sup>7</sup> The inclusion of persons with doctoral degrees in the educated population goal (Goal 1) should not affect the number of individuals counted toward Goal 1 because a person with a doctoral degree also would have earned at least one prior degree.

<sup>&</sup>lt;sup>8</sup> Because increases in completions through 2021 have been lower than the needed annual average rate of increase of 3.9%, average annual completion increases during the remaining years of *60x30TX* (i.e., from 2021 to 2030) will need to equal at least 4.9% to stay on track toward meeting the state's completion goal.

600,000 550,000 454,613 400,000 341,307 347,669 348,394 357,855 Master's Bachelor's Associate Certificate

Figure 2. Certificate, Associate, Bachelor's, or Master's Completions at Texas Public, Independent, and Private Postsecondary Institutions

Source: THECB CBM009

# **Progress by Underrepresented Groups**

2018

2019

2020

2021

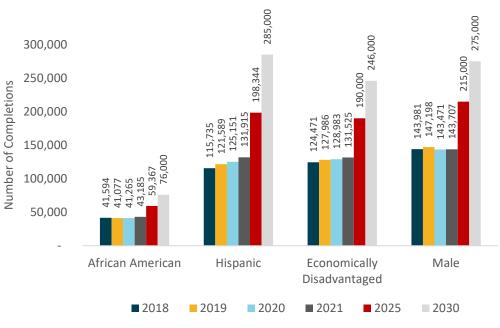
Among underrepresented groups, counts of male student completions remained lower than in previous years (2018 and 2019, Figure 3) with a modest increase of 236 more completions in 2021 than in 2020. Male students made gains in certificates and in bachelor's and master's degrees but declined by nearly 1,900 completions for associate degrees. In contrast, the rate of increase in completions was much improved in 2021 for African American, Hispanic, and economically disadvantaged students (Figure 3).

Goal 2020

Goal 2025

Goal 2030

Figure 3. Certificates, Associate, Bachelor's, and Master's Completions by Target Populations in Texas



Target Population by Year

Source: THECB CBM009

#### Progress on Direct High School-to-College Enrollment

One approach for increasing completions is to increase the percentage of Texas high school graduates who enroll in a Texas college or university immediately after high school. This is based on evidence that students who graduate from high school and do not enroll in college the following school year are less likely to enroll later, to be college ready, and to complete certificates or degrees. While higher education institutions do and should continue to support students of all ages, students who enroll in college directly after high school graduation are likely to face fewer conflicts from work and family commitments than students who delay entry.

Accordingly, the THECB set targets of 58%, 61%, and 65% for 2020, 2025, and 2030, respectively, for the share of high school graduates who enroll in a Texas higher education institution the fall semester following graduation (Figure 4). In 2015, the rate of direct enrollment was 52.7%. By 2019, the rate had fallen to 51.2% and declined sharply to 44.9% in 2020. *Note: The 2021 data was not available at the time of this report.* 

<sup>&</sup>lt;sup>9</sup> Horn, L., Cataldi, E.F., and Sikora, A. (2005). <u>Waiting to Attend College: Undergraduates Who Delay Their Postsecondary Enrollment</u> (NCES 2005–152). U.S. Department of Education, National Center for Education Statistics. Washington, DC: U.S. Government Printing Office.

2020 Target 2025 Target 2030 Target 2018 Actual 2019 Actual 2020 Actual 39% 35% 45% 45% 48% 49% 52% 51% 55% 55% 62% 65% Not Enrolled in Higher Education in Texas Enrolled in Higher Education in Texas

Enrolled in Higher Education in Texas

Not Enrolled in Higher Education in Texas

Figure 4. Students Enrolling in Higher Education Immediately After Graduating from a Texas Public High School

Sources: THECB CBM001 and TEA High School Graduates

#### Marketable Skills Goal

The marketable skills goal supports the first two goals. On average, individuals with increased degree attainment earn higher compensation in the marketplace, indicating that higher education credentials are an indicator of students' knowledge and skills. But students are not always able to articulate how their educational experiences and extracurricular activities contribute to their value in the workplace.

For this reason, the *60x30TX* plan includes the marketable skills goal to make more explicit the skills students learn in their programs. Although this goal focuses on public two- and four-year public colleges, independent institutions in the state have also participated in the process. The THECB hosted conferences in 2016 and 2018 to support institutions' efforts related to the marketable skill goal.

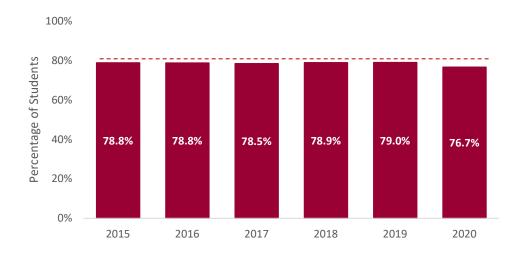
The 60x30TX plan includes the marketable skills goal to make more explicit the skills students learn in their programs.

One target connected to this goal specifies that at least 80% of students who complete a certificate or degree (associate or higher) from a Texas higher education institution will remain in the state and be working and/or enrolled in higher education within one fiscal year of completion. This is a maintenance target — the goal is to stay close to 80% throughout the life of the plan.

#### **Progress Toward the Marketable Skills Goal**

In 2020, this target fell: 76.7% of Texas students who received degrees in the 2019-20 academic year were found working or enrolled in fall 2020. This percentage was the lowest recorded during the life of the plan (Figure 5). Prior years more closely tracked the 80% target.

Figure 5. Students Working in Texas or Enrolled in a Texas Institution of Higher Education Within One Year after Graduating from a Texas Public, Independent, or Career Institution



Sources: THECB CBM009 and Texas Workforce Commission Unemployment Insurance Data

#### Student Debt Goal

The purpose of the fourth goal is for undergraduate students to complete with student loan debt that can be reasonably supported by a student's income. The 60x30TX plan focused on this by setting the goal of maintaining debt load, as measured against student earning power at graduation. The student debt goal is a maintenance goal to ensure the statewide median debt-to-first-year wage ratio will not exceed 60% for graduates who have student loan debt. This was not a goal for individual undergraduates or for institutions. At the time 60x30TX was adopted, the statewide median student loan debt-to-first-year wage ratio was about 72% at public four-year institutions and about 36% percent at two-year institutions.

This goal applies to students who earn a certificate or an associate or bachelor's degree, who graduate with debt, and who have wage earnings in the year after graduation. Students must be able to borrow sufficient

funds to be able to complete their degrees but not more than their future earnings can reasonably support. Given rising institutional costs nationally, holding student loan debt levels flat relative to first-year wages could be seen as a major accomplishment. At the same time, Texas tuition and fee costs are more affordable than many other states. Our community colleges are the fourth-lowest in tuition rates, and our universities' tuition and fees are in middle compared to other states.

This statewide 60% goal only includes undergraduate students who graduate with student loan debt.

In addition to this goal, the 60x30TX plan includes two related targets:

- Limit debt so that no more than half of all students who complete an undergraduate degree or certificate have student loan debt. This is a maintenance goal, based on the expectation that many students, especially a growing number of economically disadvantaged students (Goal 2), will continue to need to borrow to complete their degrees. Monitoring this target will ensure that attention is paid to any shifts in borrowing that may impact the debt goal.
- Decrease the excess semester credit hours (SCHs) that students attempt in completing an associate
  or bachelor's degree to no more than three excess SCHs by 2030, averaging across all students
  receiving those degrees, which would be a large reduction of current levels of excess SCHs (<u>Figure 6</u>
  and Table 3).

#### **Progress Toward the Student Debt Goal**

Graduates with debt in 2019 had a median student debt-to-first-year-wage percentage of less than 50%, well below the target of 60%. This represents a decrease from the previous years (Table 2). 12

<sup>&</sup>lt;sup>10</sup> The 60% goal and interim targets were determined using the following methodology: (1) staff divided each graduate's student loan debt by the graduate's annual wages earned the year after completion, from 2000-2012, (2) these ratios were then ordered from lowest to highest for that year's completers to identify the median or middle value.

<sup>&</sup>lt;sup>11</sup> Student debt statistics reported in the 2020 report and the 2021 (final) report represent student debt excluding debt incurred by students' parents to be consistent with national calculations of student debt load. Previous years' reports included parent-incurred debt in the total. Therefore, statistics on student debt in the two most recent reports cannot be directly compared with those in earlier reports because all debt percentages have been recalculated using the new definition.

<sup>&</sup>lt;sup>12</sup> Graduates in 2019 are tracked into the workforce through 2020 for this goal; 2021 wage data are not available in time to publish a more recent cohort.

Table 2. Median Student Debt as a Percentage of First-Year Wages

2013	2014	2015	2016	2017	2018	2019
59.5%	59.8%	58.9%	59.0%	52.7%	50.9%	49.1%

Sources: THECB CBM009, Financial Aid Database System (FADS), Texas Workforce Commission Unemployment Insurance Data

The first target under the student debt goal was to decrease the excess semester credit hours that students attempt when completing an associate or a bachelor's degree. The average number of excess semester credit hours declined from 28 to 20 SCHs for students earning associate degrees during the life of the plan and from 15 to 9 SCHs for bachelor's degree recipients (Figure 6). Averaging across both types of degrees, the average number of excess credit hours declined from 19 to 13 SCHs (Figure 6). Institutions have been placing increased emphasis on this target since the creation of the 60x30TX plan in 2015, which has likely had a greater effect on students who entered higher education more recently. Strategies to reduce excess semester credit hours include guided pathways and advising aimed to help students make strategic course-taking decisions.

Excess Semester Credit Hours (SCHs) Associate ■ Associate and Bachelor's Bachelor's

Figure 6. Average Excess Semester Credit Hours Attempted by Degree Type

Sources: THECB CBM001 and CBM009

The second target under the student debt goal was to limit debt so that no more than half of all students who earn an undergraduate degree or certificate will have debt. In 2021, 56.8% of students earning a degree or certificate graduated without debt, leaving 43.2% graduating with debt, a decline from 47.3% graduating with debt in 2017 (Table 3). This decrease may be related to institutional aid practices, changes in state aid policies, or higher family incomes for some students. Economically disadvantaged students enrolling in higher education are often the most likely to rely on aid or debt to finance their education and, therefore, are likely to be more strongly affected by changes in both policy and practice.

Table 3. Percentage of Students Graduating with Debt, by Year and Type of Completion

Type of Degree	2017	2018	2019	2020	2021	2017-21 change
Certificate	27.5%	26.5%	25.2%	24.4%	25.2%	-2.3%
Associate	34.1%	32.0%	30.1%	29.7%	28.4%	-5.7%
Bachelor's	59.9%	58.5%	57.7%	56.4%	55.4%	-4.5%
Total	47.3%	45.9%	44.6%	44.1%	43.2%	-4.0%

Sources: THECB CBM009 and Financial Aid Database System (FADS)

#### Conclusion

In the seven years the 60x30TX plan was in place, Texas made substantial progress on the student debt goals and targets, and the state has shown improvement in the educated population (attainment) and completion measures as well. Nonetheless, the rate of improvement in the completion measure needs to accelerate to put the state on track to reach that goal by 2030.

As the state emerges from the effects of the coronavirus pandemic, and as we move toward 2030 and beyond, providing advising, financial support and a full range of flexible educational options for Texans to earn credentials that will be of value now and into the future will be critical for the state and its residents. To that end, the THECB adopted a new strategic plan for higher education called <u>Building a Talent Strong Texas</u>. This new plan focuses on three measurable, data-driven goals:

- Attainment of certificates and degrees so at least 60% of Texans ages 25-64 have a postsecondary credential of value by 2030
- **Postsecondary credentials of value** aligned with workforce demands that will raise incomes for individual Texans while reducing debt
- Research, development, and innovation that drives discovery, improves lives, broadens education, and creates new jobs

Across all these goals, THECB will renew our commitment to equity. Texas is one of the youngest and most diverse states, so if we are not advancing our goals equitably, we cannot meet those goals. In the updated plan, equity will be embedded throughout our goals.

All goals will be tied to metrics that are publicly available for students and families, colleges and universities, employers, and policymakers to use in making decisions. When we help more students graduate with credentials of value and foster innovation, we ultimately increase Texans' opportunities to succeed, while also bolstering Texas' ability to flourish. That is how we keep Building a Talent Strong Texas.

# **Appendix A: Statutory Authority for Master Higher Education Plan**

<u>Texas Education Code Sec. 61.051</u>. COORDINATION OF INSTITUTIONS OF PUBLIC HIGHER EDUCATION. (a) The board represents the highest authority in the state in matters of public higher education and is charged with the duty to take an active part in promoting quality education throughout the state by:

- (1) providing a statewide perspective to ensure the efficient and effective use of higher education resources and to eliminate unnecessary duplication;
- (2) developing and evaluating progress toward a long-range master plan for higher education and providing analysis and recommendations to link state spending for higher education with the goals of the long-range master plan;
- (3) collecting and making accessible data on higher education in the state and aggregating and analyzing that data to support policy recommendations;
- (4) making recommendations to improve the efficiency and effectiveness of transitions, including between high school and postsecondary education, between institutions of higher education for transfer purposes, and between postsecondary education and the workforce; and
- (5) administering programs and trusteed funds for financial aid and other grants as necessary to achieve the state's long-range goals and as directed by the legislature.
  - (a-1) The board shall develop a long-range master plan for higher education in this state. The plan shall:
    - (1) establish long-term, measurable goals and provide strategies for implementing those goals;
    - (2) assess the higher education needs of each region of the state;
    - (3) provide for regular evaluation and revision of the plan, as the board considers necessary, to ensure the relevance of goals and strategies; and
    - (4) take into account the resources of private or independent institutions of higher education.
  - (a-2) The board shall establish methods for obtaining input from stakeholders and the general public when developing or revising the long-range master plan developed under Subsection (a-1).
  - (a-3) Not later than December 1 of each even-numbered year, the board shall prepare and deliver a report to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing committees of the senate and house of representatives with primary jurisdiction over higher education. In the report, the board shall assess the state's progress in meeting the goals established in the long-range master plan developed under Subsection (a-1) and recommend legislative action, including statutory or funding changes, to assist the state in meeting those goals. The report must include updates on implementation strategies provided for in the long-range master plan under Subsection (a-1).

# Appendix B: Methods Used in the 60X30TX Report

This section describes the methods used to calculate the statistics for the four goals and accompanying targets in the *60x30TX* plan.

#### 60x30 Educated Population Goal

At least 60% of Texans ages 25-34 will have a certificate or degree.

The 60x30 educated population goal is the only measure in the 60x30TX plan that is based on a sample survey. Staff at the THECB derived the data for this goal for 2014 through 2019 using the Census Bureau's American Community Survey estimates of the number of 25- to 34-year-old Texas residents whose highest level of self-reported education was an associate, bachelor's, master's, professional, or doctoral degree. Because the ACS does not ask about certificate attainment, THECB staff estimated the percentage of 25- to 34-year-olds with a certificate using the ratio of the number of 25- to 34-year-olds earning certificates in a given year to the number earning associate degrees in the same year from Texas public, independent, and career institutions. This ratio was multiplied by the annual ACS estimate of 25- to 34-year-old Texans with an associate degree to estimate the number of those Texans with a certificate.

#### **Completion Goal**

At least 550,000 students in 2030 will complete a certificate or an associate, bachelor's, or master's degree from an institution of higher education in Texas.

This goal counts the number of degrees, not the number of students, in all cases except for that of economically disadvantaged students. Progress toward the completion goal is calculated for a given year by adding up the total number of certificates and associate, bachelor's, and master's degrees awarded that year in Texas public, independent, and career higher education institutions. The same calculation is done to track the progress of underrepresented student populations separately by gender and for each race/ethnic group.

For economically disadvantaged students, the calculation is slightly different. "Economically disadvantaged" students are defined as those who received a Pell Grant at any time in the previous 15 years. When counting completions for those students, each student receiving a certificate or degree is counted once, so that the total count is the total number of economically disadvantaged students receiving certificates or degrees, not the total number of certificates or degrees as with the other groups. In addition, master's degrees are not included, as master's students typically are not eligible for Pell Grants.

For the target on direct enrollment by high school graduates in higher education, a student-level file of Texas public school graduates is matched to fall enrollment data in Texas public and private two-year and four-year institutions in the following fall. Students without IDs that can be matched are excluded from the calculation. The percentage of the remaining public school graduates found enrolled in Texas higher education is the statistic that is reported.

#### **Marketable Skills Goal**

All graduates from Texas public institutions of higher education will have completed programs with identified marketable skills.

This goal contains two targets. The first is for institutions to create and implement a process to identify and regularly update marketable skills for each of their programs. The second target specifies that at least 80% of students who complete a certificate or degree (associate or higher) from a Texas higher education institution will remain in the state and be working and/or enrolled in higher education within one fiscal year of completion.

Progress data on the first target are not provided in this report.

To measure success on the second target, records for students who received a degree or certificate from a Texas public, independent, or career institution in a given academic year are matched with enrollment data from the fall semester following that academic year and with employment data for the fourth quarter (October through December) following the academic year. The source of the employment data is the Texas Workforce Commission, which collects those data as part of its role overseeing the state's unemployment insurance system. Absent from these data are self-employed individuals in Texas and individuals moving out of state after graduation, along with Texas residents who are neither working nor in school.

#### **Student Debt Goal**

Undergraduate student loan debt will not exceed 60% of first-year wages for graduates of Texas public institutions.

The estimate of median debt as a percentage of wages included graduates of Texas two-year and four-year public institutions who:

- earned a certificate, associate degree, or bachelor's degree (the few bachelor's degrees earned at two-year institutions were not included);
- had state, federal, or, where data are available, private student loan debt at the time of graduation;
   and
- earned wages the first year after graduation that were reported to the Texas Workforce Commission.
   This generally includes earnings of full- and part-time employees but not of self-employed individuals.

For graduates who met these criteria, THECB staff calculated each graduate's debt as a percentage of the individual's total first-year wages and computed the statewide median of these graduates' percentages. Total wages for 2018 graduates from fall 2018 through summer 2019 were available from the Texas Workforce Commission in fall 2020, making this the most recent group of graduates for whom data on this indicator were available at the time of this report.

Debt incurred by a student's parents is not included. Earlier years' statistics where parent debt was included have been recalculated to make them comparable.

The student debt goal also has two additional targets: (1) that no more than half of all students who complete an undergraduate degree or certificate have debt, and (2) that the average number of excess semester credit hours that students attempt in completing an associate or bachelor's degree declines to no more than 3 SCHs by 2030, averaging across all students receiving those degrees.

The calculation for the first target included students who earned certificates and associate degrees at two-year institutions and those who completed associate and bachelor's degrees at four-year institutions in FY 2020. For this measure, graduates of both public and private higher education institutions in Texas were included. For these individuals, the state's financial aid database was used to sum up the total debt incurred by each student during the previous 15 years.

The measurement of excess semester credit hours for the second target included credit hours attempted over the previous 10 years by students earning an associate degree from a Texas public two-year institution or a bachelor's degree from a Texas public four-year institution in the 2018-19 academic year. Credit hours attempted in dual credit courses in high school or developmental education classes were not counted in a student's number of attempted credit hours. A student's excess credit hours was defined as the number of attempted hours minus the number of hours required for the student's degree program.

# Texas Higher Education COORDINATING BOARD

This document is available on the Texas Higher Education Coordinating Board website: <a href="http://highered.texas.gov">http://highered.texas.gov</a>.

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