

LEGISLATIVE APPROPRIATIONS REQUEST

FISCAL YEARS 2024 AND 2025
TSTC SYSTEM ADMINISTRATION



LEGISLATIVE APPROPRIATIONS REQUEST FOR FISCAL YEARS 2024 & 2025

Submitted to the Governor's Office of Budget, Planning and
Policy and the Legislative Budget Board
by Texas State Technical College System Administration.
Original submission as of August 5, 2022.
Amended submission as of October 19, 2022.

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In accordance with the instructions, Texas State Technical College (TSTC) submits the following Legislative Appropriations Request (LAR) for fiscal years 2024 and 2025 to the Governor's Office of Budget, Policy, and Planning and the Legislative Budget Board. TSTC's LAR is submitted in a manner consistent with the description of TSTC in Section 135.02 of the Texas Education Code, including a LAR for the System Administration unit and the College's six campus bill patterns.

OVERVIEW

The drivers of Texas' strong economy--strong business climate and competitive workforce--are threatened by both general labor and specific skill shortages. These skills are needed to continue robust recovery of the Texas economy following the pandemic. At the height of the pandemic, there were more than 2.5 unemployed persons for each available job. As illustrated in Figure 1, this ratio flipped to 2.2 jobs for every unemployed person in the summer of 2022. Despite Texas adding more population than any other state during the past decade, the growth in labor force has not kept pace with job growth. Texas State Technical College (TSTC) exists to respond directly to many of the specific skill shortages that compromise Texas' growth potential.

TSTC is Texas' workforce engine whose value and funding is determined based on employment, income growth, and the economic return to the state. With 10 campuses across the Texas landscape, TSTC exists to meet the high-tech challenges of Texas business and industry. In 2013, TSTC transitioned to become the state's leading institution in pay-for-performance funding. During that session, the legislature overhauled TSTC's funding formula so that the state only funds TSTC's operations when it delivers high quality workforce to Texas industry. Restructuring this funding mechanism aligned the interests of taxpayers (both individuals and employers seeking prosperity) and the institution funded with their taxes. As a result, students are attaining higher employability after their time at TSTC and industry's need is being met at higher rates than ever before.

In the decade under pay-for-performance funding, the state's general revenue derived from TSTC's former students grew 41% (Figure 2) when comparing the cohort revenue production between the 87th and 83rd sessions. Based on the continued production of talent in high demand fields, TSTC expects student prosperity (and the growth in returned value to Texas) to continue. Meaningful expansion of this growth capacity is constrained by capital limitations required to construct and maintain technical training facilities. Fortunately, the 87th Legislature began to address this. Unfortunately, industry's need is much greater than this expanded capacity can meaningfully address.

During the third special session of the 87th legislative session, the Texas Legislature increased its commitment to workforce training capacity when it authorized \$208 million in bond authority (capital construction assistance projects or CCAP) for construction for technical education facilities. In the two years that followed that capital request, construction prices increased at unprecedented rates. The institution faced two options: (1) be safe and under-deliver on its commitment or (2) be bold and press ahead to meet the commitments made when the legislature authorized the capital assistance. TSTC chose to be bold and deliver on its promise. Specifically, TSTC will nearly match the CCAP authorization by injecting up to \$187 million of institutional (non-CCAP) proceeds to deliver on its promise to increase training capacity.

TSTC's bold plans are based on the following conditions: (1) focused investment into dense and growing markets (specifically responding to industrial workforce needs and demand), (2) sales growth (increased enrollments) in the new and expanded industrial training capacities, and (3) reliance on a consistent "commission rate" contained in the returned value funding formula. This combination of conditions will fuel growth in the production of workforce necessary to maintain Texas' economic strength.

Despite TSTC's bold commitment to ensure the increased levels of industrial training capacity, the state's workforce needs are substantial. More investment is required to meaningfully supply the workforce demands of Texas industry. Consequently, TSTC's appropriation requests focus on capital construction and facilities infrastructure needs.

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PURPOSE OF FUNDING REQUESTS and EXCEPTIONAL ITEMS

Exceptional Item No 1: Technical Institution Equipment and Facilities Supplement (TIEFS)

Rockets, aircraft, heavy machinery, manufacturing facilities, robotics, pipelines, refineries, and roadways are resources critical to the economic production of the state. Preparing a workforce to build and maintain these resources requires an environment where students and instructors assemble around, and work on, large industrial objects. In recent years, TSTC has embraced emerging technologies to simulate this expensive equipment and enhance the learning environment by creating in-field scenarios to prepare students for the work environment. Similar to large industrial teaching facilities and equipment, augmented reality technologies require substantial investment and ongoing refresh commitments. The level of investment required to train these workers is not sufficiently supported under existing funding mechanisms. Therefore, the result is a physical environment that betrays the real value of technical training for Texas.

TSTC's legislative appropriation request includes a \$15.5 million Exceptional Item to correct TSTC's severe funding shortfall in the education and general space support (E&G Space Support) infrastructure funding formula and to create a dedicated funding source for specialized instructional equipment that is unique to technical institutions. TSTC receives infrastructure funding for E&G Space Support through a formula based on an assessment of space needs and a funding allocation applied across Texas' public universities, technical colleges, the Lamar State Colleges, and public health-related institutions.

Rider 55 of the General Appropriations Act, under the 84th Legislature, commissioned a study of the space projection models contained in the E&G Space Support funding allocation. One recommendation from the independent consultant was to correct a significant underestimate of teaching space for TSTC to accommodate the unique vocational programs at these colleges. During the Texas Higher Education Coordinating Board (THECB) Formula Advisory Committee process, THECB staff indicated the disparity for TSTC was over 50% of its allocation (approximately \$3.7 million annually). During the Rider 55 study process, in response to the funding disparity, the rulemaking committee noted that changes to the predicted square feet for certain institutions within the space model impact the distribution of funds amongst all institutions in the infrastructure formula. Since the E&G Space Support allocation is a zero-sum process, if a minority member of the allocation group requires additional funding to correct a disparity, others lose funding. The recommendation was therefore rejected by the majority. The correction calls for additional funding for all members or unique funding for the minority members to resolve the disparity.

On an annual basis TSTC typically spends around \$1.8 million to refresh instructional equipment to maintain lab environments that resemble the workplace. These expenditures are often characterized by heavy equipment purchases (e.g., aircraft, diesel truck and tractors, CNC machines, mechatronics, robotics, centrifugal pumps, mechanical drives, conveyor belts, generators, etc) not common across higher education sectors. Capital constraints and competing priorities (education affordability and other operational expenses) have caused many labs to fall short of a cutting edge, even relevant, workplace environment. Approximately \$6.7 million in CARES grant proceeds created opportunities to address this issue while removing pandemic-related lab constraints with new augmented/virtual reality technologies. Further deployment and maintenance of this equipment will require over \$2.2 million annually for the foreseeable future.

Exceptional Item No 2: Commercial Driver's License Training Capacity

Texas industry and supply chain are constrained by the shortage in commercial driver's license (CDL) holders. This shortage spans across a broad range of industries in Texas. The American Trucking Association (ATA) reports that nearly 72% of all freight tonnage moved in the U.S. travels by commercial truck. In order to meet America's freight needs, the industry requires nearly three million heavy-duty Class 8 trucks and over three million truck drivers. ATA reports the current shortage of truck drivers nationwide is around 80,000 and will reach 160,000 by 2030 if current trends continue. According to the Texas Trucking Association (TXTA), the shortage of CDL drivers continues to negatively impact the supply chain, as 82% of Texas communities depend exclusively on trucks for needed products. TXTA also advises that 15 of every

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1,000 jobs in Texas belong to truckers, and projects approximately 62,000 new job openings due to growth over the next 10 years.

With its statewide scope and strategic placement across the Texas landscape, TSTC is uniquely positioned to address the CDL shortage in a meaningful way. To execute rapidly, TSTC requests an Exceptional Item of \$103 million to (1) establish or expand six CDL training and testing sites, (2) create licensing capacity to license approximately 2,400 drivers per year, and (3) establish a platform for an advanced transportation ecosystem around the state meeting both the immediate and future training needs of Texas.

Funding Request: Maintain Consistency in Performance Funding:

TSTC's primary source of funding its operations is the returned value funding appropriation, which returns a "commission" to TSTC based on the economic value generated by the placement and wages of former students. In most sessions, the legislature maintained the link between performance and funding by maintaining a consistent commission rate (36%) each session. TSTC's narrow mission and reliable economic model has contributed to a sustainable transformation of TSTC from a struggling education agency to a market-based workforce pipeline capable of returning tangible economic value to taxpayers as well as upward mobility for Texans often overlooked by traditional educational sectors.

Funding Update: Dual Credit

Since the last legislative session, TSTC has worked closely with the Legislative Budget Board and the Texas Higher Education Coordinating Board to update bill patterns for dual credit funding at TSTC from non-formula support to formula funding based on contact hours. Dual credit funding in this request tentatively remains a non-formula support item, with the expectation that as a part of the LAR process, the bill pattern will be converted to contact hour formula funding.

SIGNIFICANT CHANGES IN POLICY

Performance-Based Impact on Enrollment Policy

Unlike traditional educational policy, TSTC prioritizes placement over total enrollment and contact hours. For TSTC, the measures of enrollment and contact hours are incomplete measures for assessing TSTC's performance. Performance evaluation of TSTC requires assessment of what is defined in its mission: placement of workforce in high paying jobs. Accordingly, TSTC measures outputs such as placements, earnings, and attainment for every workforce program. A natural consequence of focus on production quantities and qualities is a focus on high quality production lines and elimination of low production lines. Since adopting the returned value funding formula, capital prioritization towards highest yielding programs (those with the best outcomes for students and employers) is central to the institutional effectiveness process. Making the tough but necessary decisions, TSTC closed 20 underperforming programs during this time, shifting the resources to programs that produce better results for Texas. Overall enrollment trends mask this shrewd shift of resources as well as the significant growth in the highest value markets. Figure 3 illustrates how TSTC is growing its production lines, and impact, to create workforce supply where it is needed most and where students will realize the highest employment potential.

In a production environment, measures such as enrollment and contact hours are input and efficiency measures, similar to raw materials and work-in-progress in a manufacturing setting. For TSTC, enrollment is a static measure of work-in-progress at a point in time. The College is incentivized to keep its inventory on hand (enrollment) at optimal levels to achieve the highest level of production (qualified workforce), while traditional schools are incentivized to maximize enrollment.

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SIGNIFICANT CHANGES IN PROVISION OF SERVICE AND SIGNIFICANT EXTERNALITIES

Performance-based Education

TSTC's culture of performance is permeating the student experience. The College is in the midst of retooling the learning process across its program areas with a shift to performance-based education. Performance-based education replaces an emphasis on credit hours and grades with demonstrated mastery of essential knowledge and skills. The new modality emphasizes value, flexibility, convenience and applied learning that involves frequent, substantive interaction between an apprentice and an expert. TSTC's performance-based education is designed to serve untapped markets that traditional education struggles to reach and serve. This format is relevant to nontraditional student markets such as working adults, family caregivers, military veterans, and college dropouts who seek relevance in their time-on-task and value the shift from transactional education to performance-based education.

As TSTC transitions learning to a performance-based approach, it manages challenges of accreditation, legal, and policy obstacles. Oversight of educational institutions focus on traditional/transactional education inputs rather than more relevant student outcomes, such as employability of former students. Performance-based learning environments work within policy challenges of federal financial aid policies focused on controlling risk by regulating inputs.

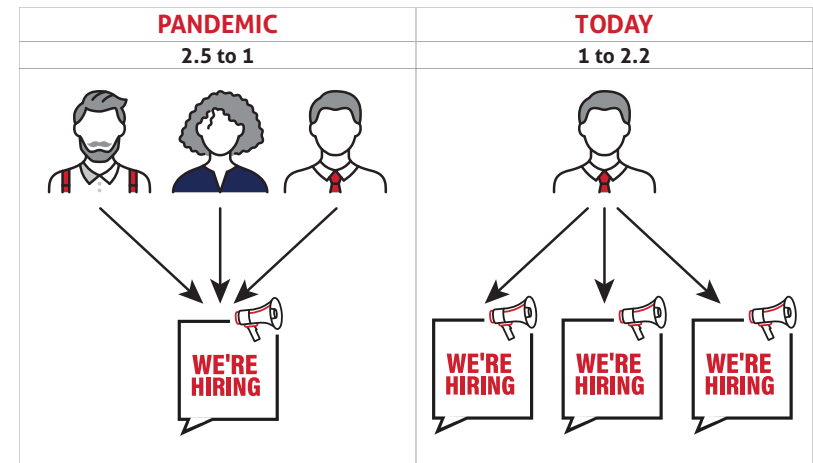
Post-Pandemic Educational Relevance

TSTC's COVID-19 response and acceleration into the future of higher education.

TSTC's transition to a performance-based institution was met with an intensified set of challenges as COVID-19 arrived in 2020. The pandemic rattled the world, including higher education. With the rapid onset of pandemic-induced unemployment in Texas, TSTC teams accelerated their new teaching modalities and modified facilities to deliver hands-on instruction in a new and socially-distant format ensuring teammates and students were safe and productive. TSTC made this transition in weeks, resuming instruction of essential workforce programs to mitigate pandemic disruptions. After the initial adaptations and return to campus, TSTC built on the lessons learned from its pandemic response, recognizing features of pandemic operations that shaped a new normal for higher education, creating new capabilities and adopting new technologies into its operation.

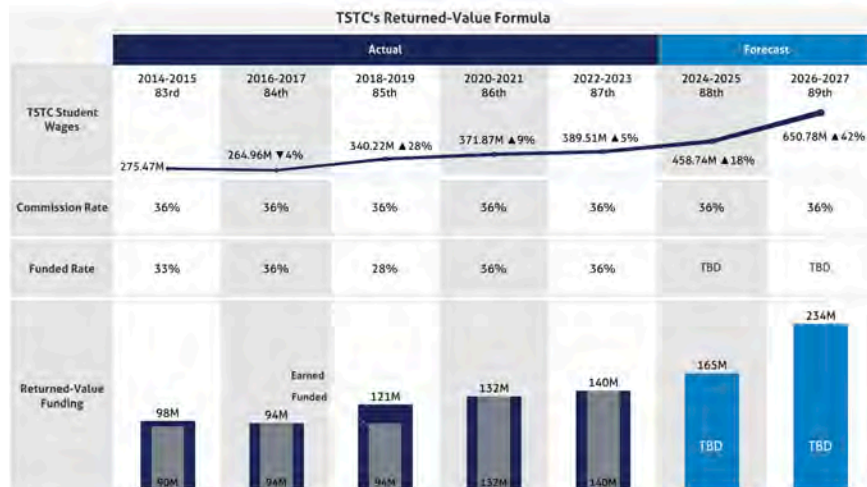
Placing More Texans in Great-Paying Jobs

1.



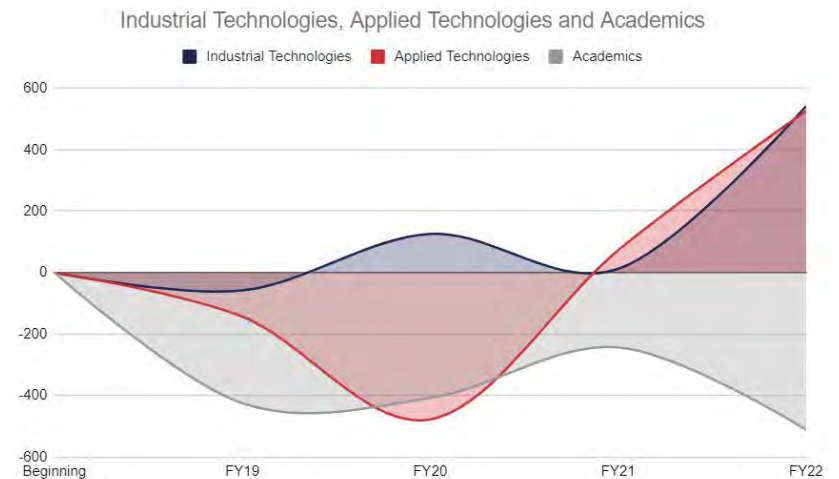
At the height of the pandemic, there were more than 2.5 unemployed individuals for each available job. In the summer of 2022, this ratio flipped to 2.2 jobs for each unemployed individual.

2.



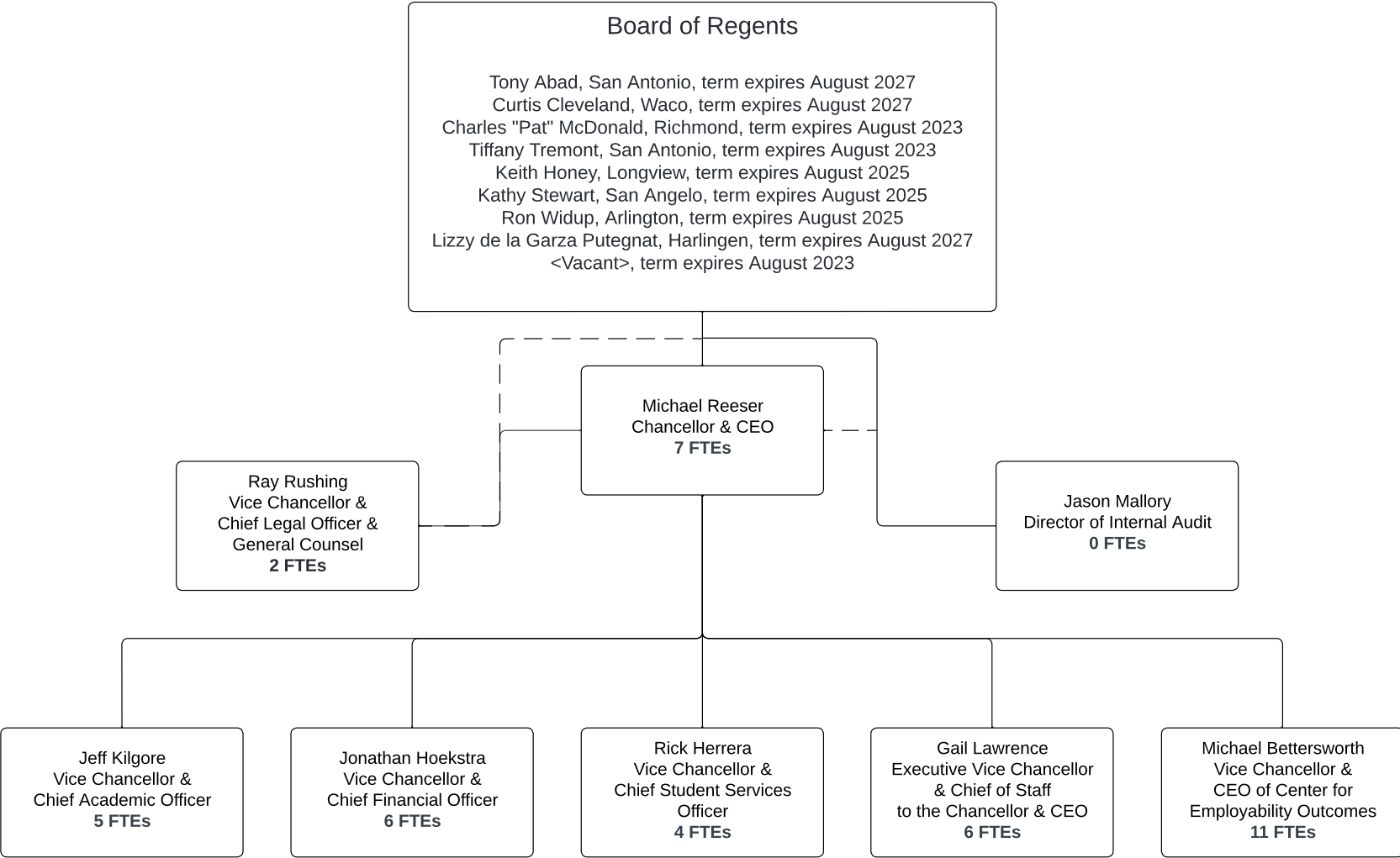
In the decade under pay-for-performance funding, the state's general revenue derived from TSTC's former students grew 41% when comparing the cohort revenue production between the 83rd and 87th sessions.

3.



TSTC is growing its production lines to create workforce supply where it is needed most (Industrial & Applied Technologies) and where students will realize the highest employment potential.

LAR - ORGANIZATION CHART - TSTC SYSTEM ADMINISTRATION





CERTIFICATE

Agency Name Texas State Technical College

This is to certify that the information contained in the agency Legislative Appropriations Request filed with the Legislative Budget Board (LBB) and the Governor's Office Budget Division (Governor's Office) is accurate to the best of my knowledge and that the electronic submission to the LBB via the Automated Budget and Evaluation System of Texas (ABEST) and the PDF file submitted via the LBB Document Submission application are identical.

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Governor's Office will be notified in writing in accordance with Article IX, Section 7.01 (2022–23 GAA).

Chief Executive Officer or Presiding Judge

Board or Commission Chair

Signature

Signature

Printed Name

Printed Name


Title

Title

Date

Date

Chief Financial Officer


Jonathan Hoekstra (Aug 4, 2022 10:04 CDT)

Signature

Jonathan Hoekstra

Printed Name

Chief Financial Officer

Title

Aug 4, 2022

Date

Budget Overview - Biennial Amounts
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Appropriation Years: 2024-25											
	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2024-25
Goal: 1. Provide Instructional and Operations Support											
1.1.2. Center For Employability Outcomes	356,350	356,350	162,774						519,124	356,350	
1.1.3. Staff Group Insurance Premiums	66,648		21,159	89,423					87,807	89,423	
1.1.4. Workers' Compensation Insurance	31,350	31,350							31,350	31,350	
1.1.5. System Office Operations	9,498,572	5,106,036	11,454						9,510,026	5,106,036	
1.1.6. Technical Training Partnership	592,266	592,266							592,266	592,266	
Total, Goal	10,545,186	6,086,002	195,387	89,423					10,740,573	6,175,425	
Goal: 2. Provide Infrastructure Support											
2.1.2. Ccap Revenue Bonds	3,235,328	5,664,203							3,235,328	5,664,203	
Total, Goal	3,235,328	5,664,203							3,235,328	5,664,203	
Goal: 3. Provide Non-formula Support											
3.5.1. Exceptional Item Request											15,456,952
Total, Goal											15,456,952
Total, Agency	13,780,514	11,750,205	195,387	89,423					13,975,901	11,839,628	15,456,952
Total FTEs									28.0	28.0	0.0

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
1 Provide Instructional and Operations Support					
1 Provide Instructional and Operations Support					
2 CENTER FOR EMPLOYABILITY OUTCOMES	272,165	259,562	259,562	178,175	178,175
3 STAFF GROUP INSURANCE PREMIUMS	40,677	43,715	44,092	44,496	44,927
4 WORKERS' COMPENSATION INSURANCE	4,843	15,675	15,675	15,675	15,675
5 SYSTEM OFFICE OPERATIONS	3,795,584	5,351,315	4,158,711	2,553,018	2,553,018
6 TECHNICAL TRAINING PARTNERSHIP	218,441	296,133	296,133	296,133	296,133
TOTAL, GOAL 1	\$4,331,710	\$5,966,400	\$4,774,173	\$3,087,497	\$3,087,928
2 Provide Infrastructure Support					
1 Provide Operation And Maintenance of E & G Space					
2 CCAP REVENUE BONDS	0	0	3,235,328	2,830,653	2,833,550
TOTAL, GOAL 2	\$0	\$0	\$3,235,328	\$2,830,653	\$2,833,550

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
3 Provide Non-formula Support					
1 INSTRUCTIONAL SUPPORT					
3 FACILITY ABATEMENT AND DEMOLITION	23,213,664	0	0	0	0
5 Exceptional Item Request					
1 EXCEPTIONAL ITEM REQUEST	0	0	0	0	0
TOTAL, GOAL 3	\$23,213,664	\$0	\$0	\$0	\$0
TOTAL, AGENCY STRATEGY REQUEST	\$27,545,374	\$5,966,400	\$8,009,501	\$5,918,150	\$5,921,478
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$27,545,374	\$5,966,400	\$8,009,501	\$5,918,150	\$5,921,478

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	27,540,933	5,902,185	7,878,329	5,873,654	5,876,551
SUBTOTAL	\$27,540,933	\$5,902,185	\$7,878,329	\$5,873,654	\$5,876,551
General Revenue Dedicated Funds:					
770 Est. Other Educational & General	4,441	64,215	131,172	44,496	44,927
SUBTOTAL	\$4,441	\$64,215	\$131,172	\$44,496	\$44,927
TOTAL, METHOD OF FINANCING	\$27,545,374	\$5,966,400	\$8,009,501	\$5,918,150	\$5,921,478

*Rider appropriations for the historical years are included in the strategy amounts.

2.B. Summary of Base Request by Method of Finance

10/17/2022 3:32:16PM

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Agency code: **719**Agency name: **Texas State Technical College System Administration**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>GENERAL REVENUE</u>					
<u>1</u> General Revenue Fund					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2020-21 GAA)	\$3,042,093	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2022-23 GAA)	\$0	\$3,043,001	\$3,043,001	\$0	\$0
Regular Appropriations from MOF Table (2024-25 GAA)	\$0	\$0	\$0	\$5,873,654	\$5,876,551
<i>TRANSFERS</i>					
Partnership - From System Administration to Waco (EWC) - Technical Training Partnership	\$(296,133)	\$0	\$0	\$0	\$0
EWCHEC - From System Administration to EWCHEC (Waco)	\$(599,862)	\$0	\$0	\$0	\$0
Administrative - From Waco to System Administration					

2.B. Summary of Base Request by Method of Finance

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Agency code:	719	Agency name:	Texas State Technical College System Administration			
METHOD OF FINANCING		Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>GENERAL REVENUE</u>		\$994,340	\$0	\$0	\$0	\$0
Administrative - From West Texas to System Administration		\$305,000	\$944,000	\$0	\$0	\$0
Administrative - From Marshall to System Administration		\$55,000	\$0	\$0	\$0	\$0
Administrative - From Marshall to System Administration		\$826,831	\$2,211,317	\$0	\$0	\$0
Partnership - From System Administration to Waco (EWC) - Technical Training Partnership		\$0	\$(296,133)	\$0	\$0	\$0
Administrative - From Harlingen to System Administration		\$0	\$0	\$1,600,000	\$0	\$0
SB 8, 87th Leg, 3rd Called Session, CCAP - General Revenue Advance from THECB		\$0	\$0	\$20,257,233	\$0	\$0

2.B. Summary of Base Request by Method of Finance

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Agency code:	719	Agency name:	Texas State Technical College System Administration			
METHOD OF FINANCING		Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>GENERAL REVENUE</u>						
CCAP Advance - From System Administration to Ft. Bend County		\$0	\$0	\$(4,061,162)	\$0	\$0
CCAP Advance - From System Administration to Harlingen		\$0	\$0	\$(3,672,534)	\$0	\$0
CCAP Advance - From System Administration to Marshall		\$0	\$0	\$(1,457,355)	\$0	\$0
CCAP Advance - From System Administration to North Texas		\$0	\$0	\$(1,311,619)	\$0	\$0
CCAP Advance - From System Administration to West Texas		\$0	\$0	\$(1,311,619)	\$0	\$0
CCAP Advance - From System Administration to Waco		\$0	\$0	\$(5,207,616)	\$0	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>						

2.B. Summary of Base Request by Method of Finance

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Agency code: 719		Agency name: Texas State Technical College System Administration				
METHOD OF FINANCING		Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>GENERAL REVENUE</u>						
(2020-21 GAA) Chapter 465, S.B. No. 500, Sec.45, P. 22 TSTC System Administration: Facility Abatement and Demolition. Capital carryforward to FY2021.						
		\$23,213,664	\$0	\$0	\$0	\$0
TOTAL,	General Revenue Fund	\$27,540,933	\$5,902,185	\$7,878,329	\$5,873,654	\$5,876,551
TOTAL, ALL	GENERAL REVENUE	\$27,540,933	\$5,902,185	\$7,878,329	\$5,873,654	\$5,876,551

GENERAL REVENUE FUND - DEDICATED**770** GR Dedicated - Estimated Other Educational and General Income Account No. 770*REGULAR APPROPRIATIONS*

Regular Appropriations from MOF Table (2020-21 GAA)

\$376,435	\$0	\$0	\$0	\$0
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Regular Appropriations from MOF Table (2022-23 GAA)

\$0	\$17,372	\$17,372	\$0	\$0
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Regular Appropriations from MOF Table (2024-25 GAA)

\$0	\$0	\$0	\$44,496	\$44,927
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BASE ADJUSTMENT

2.B. Summary of Base Request by Method of Finance

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	719	Agency name:	Texas State Technical College System Administration			
METHOD OF FINANCING		Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>GENERAL REVENUE FUND - DEDICATED</u>						
Revised Receipts		\$(337,919)	\$46,843	\$113,800	\$0	\$0
Adjustments to Expended		\$(34,075)	\$0	\$0	\$0	\$0
TOTAL,	GR Dedicated - Estimated Other Educational and General Income Account No. 770	\$4,441	\$64,215	\$131,172	\$44,496	\$44,927
TOTAL GENERAL REVENUE FUND - DEDICATED - 704, 708 & 770						
		\$4,441	\$64,215	\$131,172	\$44,496	\$44,927
TOTAL, ALL	GENERAL REVENUE FUND - DEDICATED	\$4,441	\$64,215	\$131,172	\$44,496	\$44,927
TOTAL,	GR & GR-DEDICATED FUNDS	\$27,545,374	\$5,966,400	\$8,009,501	\$5,918,150	\$5,921,478
GRAND TOTAL		\$27,545,374	\$5,966,400	\$8,009,501	\$5,918,150	\$5,921,478

2.B. Summary of Base Request by Method of Finance

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **719**Agency name: **Texas State Technical College System Administration**

METHOD OF FINANCING	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2020-21 GAA)	39.6	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2022-23 GAA)	0.0	28.3	28.3	28.0	28.0
RIDER APPROPRIATION					
Art IX, Sec 6.10(a)(2), Board or Administrator FTE Adjustment (2020-21 GAA)	(4.0)	0.0	0.0	0.0	0.0
Art IX, Sec 6.10(a)(1), Board or Administrator FTE Adjustment (2022-23 GAA)	0.0	(0.3)	(0.3)	0.0	0.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Over (Below) Cap:	(5.6)	0.0	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	30.0	28.0	28.0	28.0	28.0

**NUMBER OF 100% FEDERALLY FUNDED
FTEs**

2.C. Summary of Base Request by Object of Expense

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

OBJECT OF EXPENSE	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1001 SALARIES AND WAGES	\$4,697,378	\$4,021,390	\$4,021,390	\$2,108,346	\$2,108,346
1002 OTHER PERSONNEL COSTS	\$95,152	\$88,164	\$88,541	\$49,649	\$50,080
1005 FACULTY SALARIES	\$3,500	\$295,457	\$295,457	\$147,839	\$147,839
2001 PROFESSIONAL FEES AND SERVICES	\$0	\$0	\$0	\$0	\$0
2004 UTILITIES	\$36,570	\$0	\$0	\$0	\$0
2005 TRAVEL	\$866	\$0	\$0	\$0	\$0
2007 RENT - MACHINE AND OTHER	\$655	\$0	\$0	\$0	\$0
2008 DEBT SERVICE	\$0	\$0	\$3,235,328	\$2,830,653	\$2,833,550
2009 OTHER OPERATING EXPENSE	\$15,160,579	\$1,561,389	\$368,785	\$781,663	\$781,663
5000 CAPITAL EXPENDITURES	\$7,550,674	\$0	\$0	\$0	\$0
OOE Total (Excluding Riders)	\$27,545,374	\$5,966,400	\$8,009,501	\$5,918,150	\$5,921,478
OOE Total (Riders)					
Grand Total	\$27,545,374	\$5,966,400	\$8,009,501	\$5,918,150	\$5,921,478

2.E. Summary of Exceptional Items Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 719

Agency name: Texas State Technical College System Administration

		2024			2025			Biennium	
Priority	Item	GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	TIEFS	\$7,728,476	\$7,728,476	0.0	\$7,728,476	\$7,728,476	0.0	\$15,456,952	\$15,456,952
Total, Exceptional Items Request		\$7,728,476	\$7,728,476	0.0	\$7,728,476	\$7,728,476	0.0	\$15,456,952	\$15,456,952
Method of Financing									
	General Revenue	\$7,728,476	\$7,728,476		\$7,728,476	\$7,728,476		\$15,456,952	\$15,456,952
	General Revenue - Dedicated								
	Federal Funds								
	Other Funds								
		\$7,728,476	\$7,728,476		\$7,728,476	\$7,728,476		\$15,456,952	\$15,456,952
Full Time Equivalent Positions				0.0				0.0	
Number of 100% Federally Funded FTEs									

2.F. Summary of Total Request by Strategy
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 719	Agency name: Texas State Technical College System Administration					
Goal/Objective/STRATEGY	Base 2024	Base 2025	Exceptional 2024	Exceptional 2025	Total Request 2024	Total Request 2025
1 Provide Instructional and Operations Support						
1 <i>Provide Instructional and Operations Support</i>						
2 CENTER FOR EMPLOYABILITY OUTCOMES	\$178,175	\$178,175	\$0	\$0	\$178,175	\$178,175
3 STAFF GROUP INSURANCE PREMIUMS	44,496	44,927	0	0	44,496	44,927
4 WORKERS' COMPENSATION INSURANCE	15,675	15,675	0	0	15,675	15,675
5 SYSTEM OFFICE OPERATIONS	2,553,018	2,553,018	0	0	2,553,018	2,553,018
6 TECHNICAL TRAINING PARTNERSHIP	296,133	296,133	0	0	296,133	296,133
TOTAL, GOAL 1	\$3,087,497	\$3,087,928	\$0	\$0	\$3,087,497	\$3,087,928
2 Provide Infrastructure Support						
1 <i>Provide Operation And Maintenance of E & G Space</i>						
2 CCAP REVENUE BONDS	2,830,653	2,833,550	0	0	2,830,653	2,833,550
TOTAL, GOAL 2	\$2,830,653	\$2,833,550	\$0	\$0	\$2,830,653	\$2,833,550

2.F. Summary of Total Request by Strategy
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 719	Agency name: Texas State Technical College System Administration					
Goal/Objective/STRATEGY	Base 2024	Base 2025	Exceptional 2024	Exceptional 2025	Total Request 2024	Total Request 2025
3 Provide Non-formula Support						
1 <i>INSTRUCTIONAL SUPPORT</i>						
3 FACILITY ABATEMENT AND DEMOLITION	\$0	\$0	\$0	\$0	\$0	\$0
5 <i>Exceptional Item Request</i>						
1 EXCEPTIONAL ITEM REQUEST	0	0	7,728,476	7,728,476	7,728,476	7,728,476
TOTAL, GOAL 3	\$0	\$0	\$7,728,476	\$7,728,476	\$7,728,476	\$7,728,476
TOTAL, AGENCY STRATEGY REQUEST	\$5,918,150	\$5,921,478	\$7,728,476	\$7,728,476	\$13,646,626	\$13,649,954
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$5,918,150	\$5,921,478	\$7,728,476	\$7,728,476	\$13,646,626	\$13,649,954

2.F. Summary of Total Request by Strategy
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 719		Agency name: Texas State Technical College System Administration					
Goal/Objective/STRATEGY		Base 2024	Base 2025	Exceptional 2024	Exceptional 2025	Total Request 2024	Total Request 2025
General Revenue Funds:							
1	General Revenue Fund	\$5,873,654	\$5,876,551	\$7,728,476	\$7,728,476	\$13,602,130	\$13,605,027
		\$5,873,654	\$5,876,551	\$7,728,476	\$7,728,476	\$13,602,130	\$13,605,027
General Revenue Dedicated Funds:							
770	Est. Other Educational & General	44,496	44,927	0	0	44,496	44,927
		\$44,496	\$44,927	\$0	\$0	\$44,496	\$44,927
TOTAL, METHOD OF FINANCING		\$5,918,150	\$5,921,478	\$7,728,476	\$7,728,476	\$13,646,626	\$13,649,954
FULL TIME EQUIVALENT POSITIONS		28.0	28.0	0.0	0.0	28.0	28.0

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 2 The Center for Employability Outcomes

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Objects of Expense:						
1001	SALARIES AND WAGES	\$269,285	\$256,482	\$256,482	\$176,061	\$176,061
1002	OTHER PERSONNEL COSTS	\$2,400	\$2,600	\$2,600	\$1,785	\$1,785
2009	OTHER OPERATING EXPENSE	\$480	\$480	\$480	\$329	\$329
TOTAL, OBJECT OF EXPENSE		\$272,165	\$259,562	\$259,562	\$178,175	\$178,175
Method of Financing:						
1	General Revenue Fund	\$178,175	\$178,175	\$178,175	\$178,175	\$178,175
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$178,175	\$178,175	\$178,175	\$178,175	\$178,175
Method of Financing:						
770	Est. Other Educational & General	\$93,990	\$81,387	\$81,387	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$93,990	\$81,387	\$81,387	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$178,175	\$178,175
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$272,165	\$259,562	\$259,562	\$178,175	\$178,175
FULL TIME EQUIVALENT POSITIONS:		1.0	1.3	1.3	1.3	1.3

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL:	1	Provide Instructional and Operations Support	
OBJECTIVE:	1	Provide Instructional and Operations Support	Service Categories:
STRATEGY:	2	The Center for Employability Outcomes	Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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STRATEGY DESCRIPTION AND JUSTIFICATION:

TSTC's work in the Center for Employability Outcomes is directly tied to a statutory mandate for TSTC to forecast technical training and education needed to maintain and improve the state's economic and technological competitiveness. In support of this mandate, TSTC created the Center for Employability Outcomes (C4EO) to improve the employability of students by aligning curriculum with industry needs. As a result, more students will graduate with necessary skills and more employers will be able to find and hire the right talent to remain competitive. The Center provides students, colleges and businesses with job-driven tools to scientifically optimize alignment of curricula to labor market needs.

The Center's work is closely coordinated with the Texas Workforce Commission, Texas Higher Education Coordinating Board, and Texas Education Agency through complementary strategies. The Center is now implementing the use of detailed work activities to align curriculum within three areas: technical competencies (hard skills), workplace competencies (soft skills), and labor market needs. By increasing student placement and earnings outcomes, the Center's work leads to improved economic returns for students, industry, Texas and its taxpayers. The Center continues to expand outreach to additional colleges with support from the THECB.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The demand for skilled labor is growing due to rising incumbent worker retirements (baby boomers), global competition in the labor market, and technology advances across industry sectors. Aligning technical education curriculum with the needs of the labor market will increase student employability and result in higher economic returns to the private and public sector, and bridge the competency needs of industry.

3.A. Strategy Request
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Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 2 The Center for Employability Outcomes

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$519,124	\$356,350	\$(162,774)	\$(162,774)	GR amount request only for FY2024 and FY2025. FY2024 and FY2025 are impacted by GR limits. MOF-Other E&G. FTEs-0.
			\$(162,774)	Total of Explanation of Biennial Change

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 3 Staff Group Insurance Premiums

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Objects of Expense:						
1002	OTHER PERSONNEL COSTS	\$4,329	\$5,385	\$5,762	\$6,166	\$6,597
2009	OTHER OPERATING EXPENSE	\$36,348	\$38,330	\$38,330	\$38,330	\$38,330
TOTAL, OBJECT OF EXPENSE		\$40,677	\$43,715	\$44,092	\$44,496	\$44,927
Method of Financing:						
1	General Revenue Fund	\$36,348	\$38,330	\$38,330	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$36,348	\$38,330	\$38,330	\$0	\$0
Method of Financing:						
770	Est. Other Educational & General	\$4,329	\$5,385	\$5,762	\$44,496	\$44,927
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$4,329	\$5,385	\$5,762	\$44,496	\$44,927
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$44,496	\$44,927
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$40,677	\$43,715	\$44,092	\$44,496	\$44,927
FULL TIME EQUIVALENT POSITIONS:						

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 3 Staff Group Insurance Premiums

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy is to provide proportional share of staff group insurance premiums paid from Other Educational and General funds.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Strategy is impacted by the number of employees working 30 hours or more and the premium rates. Strategy based upon percentage of estimated other E & G income to total appropriation. There is a general revenue shortfall for group insurance; therefore, other strategies must supplement group insurance expenditures.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$87,807	\$89,423	\$1,616	\$1,616	Increase in group insurance premiums. MOF-Other E&G. FTEs-0.
			<u>\$1,616</u>	Total of Explanation of Biennial Change

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 4 Workers' Compensation Insurance

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$4,843	\$15,675	\$15,675	\$15,675	\$15,675
TOTAL, OBJECT OF EXPENSE		\$4,843	\$15,675	\$15,675	\$15,675	\$15,675
Method of Financing:						
1	General Revenue Fund	\$15,675	\$15,675	\$15,675	\$15,675	\$15,675
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$15,675	\$15,675	\$15,675	\$15,675	\$15,675
Method of Financing:						
770	Est. Other Educational & General	\$(10,832)	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$(10,832)	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$15,675	\$15,675
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,843	\$15,675	\$15,675	\$15,675	\$15,675
FULL TIME EQUIVALENT POSITIONS:						

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 4 Workers' Compensation Insurance

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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STRATEGY DESCRIPTION AND JUSTIFICATION:

The strategy funds the Worker's Compensation payments related to Educational and General funds.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Changes in worker's compensation are related to payroll costs, number of employees, and workers' compensation claims.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL CHANGE	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$31,350	\$31,350	\$0		
			\$0	Total of Explanation of Biennial Change

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 5 System Office Operations

Service Categories:

Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Objects of Expense:						
1001	SALARIES AND WAGES	\$3,704,544	\$3,485,366	\$3,485,366	\$1,663,043	\$1,663,043
1002	OTHER PERSONNEL COSTS	\$78,450	\$74,453	\$74,453	\$35,525	\$35,525
1005	FACULTY SALARIES	\$0	\$289,457	\$289,457	\$138,114	\$138,114
2001	PROFESSIONAL FEES AND SERVICES	\$0	\$0	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$0	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$12,590	\$1,502,039	\$309,435	\$716,336	\$716,336
TOTAL, OBJECT OF EXPENSE		\$3,795,584	\$5,351,315	\$4,158,711	\$2,553,018	\$2,553,018
Method of Financing:						
1	General Revenue Fund	\$3,800,938	\$5,373,872	\$4,114,688	\$2,553,018	\$2,553,018
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$3,800,938	\$5,373,872	\$4,114,688	\$2,553,018	\$2,553,018
Method of Financing:						
770	Est. Other Educational & General	\$(5,354)	\$(22,557)	\$44,023	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$(5,354)	\$(22,557)	\$44,023	\$0	\$0

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 5 System Office Operations

Service Categories:

Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,553,018	\$2,553,018
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$3,795,584	\$5,351,315	\$4,158,711	\$2,553,018	\$2,553,018
FULL TIME EQUIVALENT POSITIONS:		26.0	23.7	23.7	23.7	23.7

STRATEGY DESCRIPTION AND JUSTIFICATION:

Section 135.27 of the Education Codes state that the System Central Administration Office shall provide oversight and coordination of the activities of each component of the system. The administrative functions across the ten TSTC campus locations operate under a single, statewide administrative structure, which enhances efficiency and standardization, and also reduces redundancy of administrative functions.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Measures are continuously taken to consolidate statewide activities and create efficiencies in administrative functions where possible.

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
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719 Texas State Technical College System Administration

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 5 System Office Operations

Service Categories:

Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$9,510,026	\$5,106,036	\$(4,403,990)	\$(4,403,990)	Transfers from other campuses to System are not reflected in FY2024 and FY2025 because the actual amount is unknown. MOF-Other E&G. FTEs-0.
			\$(4,403,990)	Total of Explanation of Biennial Change

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
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719 Texas State Technical College System Administration

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 6 Technical Training Partnerships with Community Colleges

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Output Measures:						
1	Fall Term Partnership Headcount Enrollment	394.00	274.00	279.48	285.07	290.77
Objects of Expense:						
1001	SALARIES AND WAGES	\$179,305	\$279,542	\$279,542	\$269,242	\$269,242
1002	OTHER PERSONNEL COSTS	\$5,291	\$720	\$720	\$1,167	\$1,167
1005	FACULTY SALARIES	\$3,500	\$6,000	\$6,000	\$9,725	\$9,725
2009	OTHER OPERATING EXPENSE	\$480	\$9,871	\$9,871	\$15,999	\$15,999
5000	CAPITAL EXPENDITURES	\$29,865	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$218,441	\$296,133	\$296,133	\$296,133	\$296,133
Method of Financing:						
1	General Revenue Fund	\$296,133	\$296,133	\$296,133	\$296,133	\$296,133
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$296,133	\$296,133	\$296,133	\$296,133	\$296,133
Method of Financing:						
770	Est. Other Educational & General	\$(77,692)	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$(77,692)	\$0	\$0	\$0	\$0

3.A. Strategy Request
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719 Texas State Technical College System Administration

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 6 Technical Training Partnerships with Community Colleges

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$296,133	\$296,133
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$218,441	\$296,133	\$296,133	\$296,133	\$296,133
FULL TIME EQUIVALENT POSITIONS:		3.0	3.0	3.0	3.0	3.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

To fund partnerships between TSTC and community colleges to increase access to technical education programs along the Border and in other high demand areas of the state. Partnerships provide efficient, effective, and expedient means of providing high demand technical education across Texas while avoiding unnecessary duplication of expensive infrastructure requirements.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Demand for technical training provided by TSTC for the community college partnerships.
Level of available funding.

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
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719 Texas State Technical College System Administration

GOAL: 1 Provide Instructional and Operations Support

OBJECTIVE: 1 Provide Instructional and Operations Support Service Categories:

STRATEGY: 6 Technical Training Partnerships with Community Colleges Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$592,266	\$592,266	\$0		
			\$0	Total of Explanation of Biennial Change

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 2 Provide Infrastructure Support

OBJECTIVE: 1 Provide Operation And Maintenance of E & G Space Service Categories:

STRATEGY: 2 Capital Construction Assistance Projects Revenue Bonds Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Objects of Expense:						
2008	DEBT SERVICE	\$0	\$0	\$3,235,328	\$2,830,653	\$2,833,550
TOTAL, OBJECT OF EXPENSE		\$0	\$0	\$3,235,328	\$2,830,653	\$2,833,550
Method of Financing:						
1	General Revenue Fund	\$0	\$0	\$3,235,328	\$2,830,653	\$2,833,550
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$0	\$3,235,328	\$2,830,653	\$2,833,550
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,830,653	\$2,833,550
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$0	\$3,235,328	\$2,830,653	\$2,833,550

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy is essential for the College to meet the annual debt service requirement for the Capital Construction Assistance Project Revenue Bonds that will be issued during FY 2023, as authorized by the 87th Texas Legislature, S. B. No. 52, Sec. 55.17991, for the East Williamson County Higher Education Center expansion.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

CCAP funds used for remodeling and new construction have enabled the college to better serve the needs of our students in technical education.

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 2 Provide Infrastructure Support

OBJECTIVE: 1 Provide Operation And Maintenance of E & G Space

STRATEGY: 2 Capital Construction Assistance Projects Revenue Bonds

Service Categories:
Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$3,235,328	\$5,664,203	\$2,428,875	\$2,428,875	New debt service appropriated in S. B. No. 52, Sec. 55.17991. MOF-GR. FTEs-0.
			\$2,428,875	Total of Explanation of Biennial Change

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 3 Provide Non-formula Support
OBJECTIVE: 1 INSTRUCTIONAL SUPPORT
STRATEGY: 3 Facility Abatement and Demolition

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Objects of Expense:						
1001	SALARIES AND WAGES	\$544,244	\$0	\$0	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$4,682	\$0	\$0	\$0	\$0
2004	UTILITIES	\$36,570	\$0	\$0	\$0	\$0
2005	TRAVEL	\$866	\$0	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$655	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$15,105,838	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$7,520,809	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$23,213,664	\$0	\$0	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$23,213,664	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$23,213,664	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$23,213,664	\$0	\$0	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:						

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 3 Provide Non-formula Support
OBJECTIVE: 1 INSTRUCTIONAL SUPPORT
STRATEGY: 3 Facility Abatement and Demolition

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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STRATEGY DESCRIPTION AND JUSTIFICATION:

2020-21 GAA Chapter 465, S.B. No. 500, Section 45, P. 22 TSTC System Administration: Facility Abatement and Demolition, \$29,644,640 was appropriated to TSTC System Administration for the two-year beginning FY2020.

TSTC in Waco is TSTC's oldest campus whose origins trace to the conversion of the former James Connally Air Force Base in Waco into the James Connally Technical Institute. Many of the facilities that existed in the beginning still exist today. These facilities were aged then but the College has extended their useful life to support its campus operations over the last 55 years. This strategy is losing viability and more and more of these facilities are becoming surplus.

The US Federal government constructed these facilities using mid century methods and materials. This included materials such as lead-based paint and asbestos, later determined to be environmentally hazardous. Consequently, maintenance or removal of these facilities includes significant abatement costs that far exceed the cost of demolition.

The campus currently has identified over 450 structures that have surpassed the end of their useful life. Demolition of these facilities is estimated at \$5.7 million with related abatement estimated at an additional \$10.9 million. In addition, these structures reside on top of a water infrastructure that requires similar demolition and abatement. The water infrastructure project is estimated to cost nearly \$12.9 million.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 3 Provide Non-formula Support
OBJECTIVE: 1 INSTRUCTIONAL SUPPORT
STRATEGY: 3 Facility Abatement and Demolition

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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Major accomplishments to date and expected over the next two years: Repurposed air force facilities into academic facilities 50-60 years past their original life.

Year established and funding source prior to receiving special item funding: 1965

Formula funding: There is no formula funding that supports this item.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$0	\$0	\$0	\$0	(2020-21 GAA) Chapter 465, S.B. No. 500, Section 45, P. 22 TSTC Waco: Facility Abatement and Demolition. MOF-GR. FTEs-0.
			\$0	Total of Explanation of Biennial Change

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 3 Provide Non-formula Support
OBJECTIVE: 5 Exceptional Item Request
STRATEGY: 1 Exceptional Item Request

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$0	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$0	\$0	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$0	\$0	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:						
STRATEGY DESCRIPTION AND JUSTIFICATION:						

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 3 Provide Non-formula Support

OBJECTIVE: 5 Exceptional Item Request

Service Categories:

STRATEGY: 1 Exceptional Item Request

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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Rockets, aircraft, heavy machinery, manufacturing facilities, robotics, pipelines, refineries, and roadways are resources critical to the economic production of the state. Preparing a workforce to build and maintain these resources requires an environment where students and instructors assemble around, and work on, large industrial objects. In recent years, TSTC has embraced emerging technologies to simulate this expensive equipment and enhance the learning environment by creating in-field scenarios to prepare students for the work environment. Similar to large industrial teaching facilities and equipment, augmented reality technologies require substantial investment and ongoing refresh commitments. The level of investment required to train these workers is not sufficiently supported under existing funding mechanisms. Therefore, the result is a physical environment that betrays the real value of technical training for Texas.

TSTC's legislative appropriation request is to correct this severe funding shortfall in the education and general space support (E&G Space Support) infrastructure funding formula and to create a dedicated funding source for specialized instructional equipment that is unique to technical institutions.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

On an annual basis TSTC typically spends around \$1.8 million to refresh instructional equipment to maintain lab environments that resemble the workplace. These expenditures are often characterized by heavy equipment purchases (e.g., aircraft, diesel truck and tractors, CNC machines, mechatronics, robotics, centrifugal pumps, mechanical drives, conveyor belts, generators, etc) not common across higher education sectors. Capital constraints and competing priorities (education affordability and other operational expenses) have caused many labs to fall short of a cutting edge, even relevant, workplace environment.

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

GOAL: 3 Provide Non-formula Support

OBJECTIVE: 5 Exceptional Item Request

Service Categories:

STRATEGY: 1 Exceptional Item Request

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$0	\$0	\$0		
			<u>\$0</u>	Total of Explanation of Biennial Change

3.A. Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$27,545,374	\$5,966,400	\$8,009,501	\$5,918,150	\$5,921,478
METHODS OF FINANCE (INCLUDING RIDERS):				\$5,918,150	\$5,921,478
METHODS OF FINANCE (EXCLUDING RIDERS):	\$27,545,374	\$5,966,400	\$8,009,501	\$5,918,150	\$5,921,478
FULL TIME EQUIVALENT POSITIONS:	30.0	28.0	28.0	28.0	28.0

4.A. Exceptional Item Request Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **719** Agency name: **Texas State Technical College System Administration**

CODE	DESCRIPTION	Excp 2024	Excp 2025
	Item Name: Technical Institution Equipment & Facilities Supplement (TIEFS) Item Priority: 1 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 03-05-01 Exceptional Item Request		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	3,738,671	3,738,671
5000	CAPITAL EXPENDITURES	3,989,805	3,989,805
	TOTAL, OBJECT OF EXPENSE	\$7,728,476	\$7,728,476
METHOD OF FINANCING:			
1	General Revenue Fund	7,728,476	7,728,476
	TOTAL, METHOD OF FINANCING	\$7,728,476	\$7,728,476

DESCRIPTION / JUSTIFICATION:

Rockets, aircraft, heavy machinery, manufacturing facilities, robotics, pipelines, refineries, and roadways are resources critical to the economic production of the state. Preparing a workforce to build and maintain these resources requires an environment where students and instructors assemble around, and work on, large industrial objects. In recent years, TSTC has embraced emerging technologies to simulate this expensive equipment and enhance the learning environment by creating in-field scenarios to prepare students for the work environment. Similar to large industrial teaching facilities and equipment, augmented reality technologies require substantial investment and ongoing refresh commitments. The level of investment required to train these workers is not sufficiently supported under existing funding mechanisms. Therefore, the result is a physical environment that betrays the real value of technical training for Texas.

TSTC's legislative appropriation request is to correct this severe funding shortfall in the education and general space support (E&G Space Support) infrastructure funding formula and to create a dedicated funding source for specialized instructional equipment that is unique to technical institutions.

EXTERNAL/INTERNAL FACTORS:

On an annual basis TSTC typically spends around \$1.8 million to refresh instructional equipment to maintain lab environments that resemble the workplace. These expenditures are often characterized by heavy equipment purchases (e.g., aircraft, diesel truck and tractors, CNC machines, mechatronics, robotics, centrifugal pumps, mechanical drives, conveyor belts, generators, etc) not common across higher education sectors. Capital constraints and competing priorities (education affordability and other operational expenses) have caused many labs to fall short of a cutting edge, even relevant, workplace environment.

PCLS TRACKING KEY:

Agency code: **719** Agency name: **Texas State Technical College System Administration**

4.B. Exceptional Items Strategy Allocation Schedule

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **719** Agency name: **Texas State Technical College System Administration**

Code	Description	Excp 2024	Excp 2025
Item Name:		Technical Institution Equipment & Facilities Supplement (TIEFS)	
Allocation to Strategy:		3-5-1	Exceptional Item Request
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	3,738,671	3,738,671
5000	CAPITAL EXPENDITURES	3,989,805	3,989,805
TOTAL, OBJECT OF EXPENSE		\$7,728,476	\$7,728,476
METHOD OF FINANCING:			
1	General Revenue Fund	7,728,476	7,728,476
TOTAL, METHOD OF FINANCING		\$7,728,476	\$7,728,476
FULL-TIME EQUIVALENT POSITIONS (FTE):		0.0	0.0

4.C. Exceptional Items Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	719	Agency name:	Texas State Technical College System Administration
GOAL:	3 Provide Non-formula Support		
OBJECTIVE:	5 Exceptional Item Request	Service Categories:	
STRATEGY:	1 Exceptional Item Request	Service: 19	Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2024	Excp 2025
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	3,738,671	3,738,671
5000	CAPITAL EXPENDITURES	3,989,805	3,989,805
Total, Objects of Expense		\$7,728,476	\$7,728,476

METHOD OF FINANCING:			
1	General Revenue Fund	7,728,476	7,728,476
Total, Method of Finance		\$7,728,476	\$7,728,476

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Technical Institution Equipment & Facilities Supplement (TIEFS)

General Revenue (GR) & General Revenue Dedicated (GR-D) Baseline

88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 719

Agency name: Texas State Technical College System Administration

GR Baseline Request Limit = \$6,086,002

GR-D Baseline Request Limit = \$0

Strategy/Strategy Option/Rider										Page #
2024 Funds				2025 Funds				Biennial Cumulative GR	Biennial Cumulative Ded	
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded			
Strategy: 1 - 1 - 2	The Center for Employability Outcomes									
1.3	178,175	178,175	0	1.3	178,175	178,175	0	356,350	0	
1.3				1.3				*****GR-D Baseline Request Limit=\$0*****		
Strategy: 1 - 1 - 3	Staff Group Insurance Premiums									
0.0	44,496	0	44,496	0.0	44,927	0	44,927	356,350	89,423	
Strategy: 1 - 1 - 4	Workers' Compensation Insurance									
0.0	15,675	15,675	0	0.0	15,675	15,675	0	387,700	89,423	
Strategy: 1 - 1 - 5	System Office Operations									
23.7	2,553,018	2,553,018	0	23.7	2,553,018	2,553,018	0	5,493,736	89,423	
Strategy: 1 - 1 - 6	Technical Training Partnerships with Community Colleges									
3.0	296,133	296,133	0	3.0	296,133	296,133	0	6,086,002	89,423	
28.0				28.0				*****GR Baseline Request Limit=\$6,086,002*****		
Strategy: 2 - 1 - 2	Capital Construction Assistance Projects Revenue Bonds									
0.0	2,830,653	2,830,653	0	0.0	2,833,550	2,833,550	0	11,750,205	89,423	
Excp Item: 1	Technical Institution Equipment & Facilities Supplement (TIEFS)									
0.0	7,728,476	7,728,476	0	0.0	7,728,476	7,728,476	0	27,207,157	89,423	
Strategy Detail for Excp Item: 1										
Strategy: 3 - 5 - 1	Exceptional Item Request									
0.0	7,728,476	7,728,476	0	0.0	7,728,476	7,728,476	0			
28.0	\$13,646,626	\$13,602,130	\$44,496	28.0	\$13,649,954	\$13,605,027	44,927			

6.A. Historically Underutilized Business Supporting Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: 719 Agency: Texas State Technical College System Administration

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year - HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2020			Total Expenditures FY 2020		HUB Expenditures FY 2021			Total Expenditures FY 2021	
			% Actual	Diff	Actual \$		% Goal	% Actual	Diff	Actual \$		
11.2%	Heavy Construction	11.2 %	2.3%	-8.9%	\$16,215	\$691,533	11.2 %	2.1%	-9.1%	\$3,579	\$173,836	
21.1%	Building Construction	21.1 %	0.0%	-21.1%	\$0	\$5,354,627	21.1 %	3.7%	-17.4%	\$262,714	\$7,195,694	
32.9%	Special Trade	32.9 %	14.9%	-18.0%	\$1,061,706	\$7,113,163	32.9 %	9.2%	-23.7%	\$358,050	\$3,886,206	
23.7%	Professional Services	23.7 %	0.4%	-23.3%	\$12,760	\$3,187,408	23.7 %	0.0%	-23.7%	\$0	\$181,781	
26.0%	Other Services	26.0 %	20.0%	-6.0%	\$2,137,903	\$10,672,547	26.0 %	28.2%	2.2%	\$5,205,557	\$18,437,891	
21.1%	Commodities	21.1 %	4.3%	-16.8%	\$743,463	\$17,388,800	21.1 %	5.6%	-15.5%	\$1,140,419	\$20,504,554	
	Total Expenditures		8.9%		\$3,972,047	\$44,408,078		13.8%		\$6,970,319	\$50,379,962	

B. Assessment of Attainment of HUB Procurement Goals

Attainment:

TSTC exceeded its HUB goal for Other Services in FY 2021 and increased HUB expenditures from FY 2020 to FY 2021.

Applicability:

TSTC had expenditures in all categories in both fiscal years.

Factors Affecting Attainment:

TSTC makes purchases throughout the fiscal year for various equipment, supplies, and/or services. HUB vendors sometimes do not respond to solicitations, including requests for proposal, invitations to bid, and requests for qualifications.

Professional services often require specialized knowledge, skills, and experience. Due to these requirements, there are very few, if any, HUB vendors in these fields to complete the projects.

C. Good-Faith Efforts to Increase HUB Participation

Outreach Efforts and Mentor-Protégé Programs:

TSTC participated in five HUB forums sponsored by businesses and governmental entities. TSTC did not have an active mentor-protégé partnership in the 2020-21 biennium.

HUB Program Staffing:

6.A. Historically Underutilized Business Supporting Schedule

88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **719** Agency: **Texas State Technical College System Administration**

In FY 2021, TSTC established a Supplier Diversity Committee and hired one Supplier Diversity Specialist to oversee the Supplier Diversity program. The Supplier Diversity Specialist was responsible for increasing HUB participation by:

- Actively seeking certified HUB suppliers through HUB events and outreach initiatives.
- Ensuring the inclusion of HUB suppliers as a part of our strategic sourcing and procurement process.
- Communicating the value of supplier diversity both internally and externally to all stakeholders.

Current and Future Good-Faith Efforts:

The agency made the following good faith efforts to comply with statewide HUB procurement goals per 34 TAC Section 20.13(c):

- Increase awareness of the supplier diversity program through internal and external education initiatives
- Participate in HUB events to implement best practices and enhance HUB outreach
- Educate and motivate potential HUB suppliers to apply for HUB certification and participation
- Gather and respond to HUB supplier feedback concerning challenges to solicitation participation
- Increase participation in the Mentor-Protégé program

6.H Estimated Funds Outside the Institution's Bill Pattern
88th Regular Session, Agency Submission, Version 1
Automated Budget and Administration System of Texas (ABEST)

TSTC System Administration (719)
Estimated Funds Outside the Institution's Bill Pattern
2022-23 and 2024-25 Biennia

	2022-23 Biennium				2024-25 Biennium			
	<u>FY 2022</u>	<u>FY 2023</u>	<u>Biennium</u>	<u>Percent</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Biennium</u>	<u>Percent</u>
	<u>Revenue</u>	<u>Revenue</u>	<u>Total</u>	<u>of Total</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Total</u>	<u>of Total</u>
APPROPRIATED SOURCES INSIDE THE BILL PATTERN								
State Appropriations (excluding HEGI & State Paid Fringes)	\$ 5,254,318	\$ 5,908,185	\$ 11,162,503		\$ 5,908,185	\$ 5,908,185	\$ 11,816,370	
Tuition and Fees (net of Discounts and Allowances)	-	-	-		-	-	-	
Endowment and Interest Income	-	-	-		-	-	-	
Sales and Services of Educational Activities (net)	-	-	-		-	-	-	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Other Income	-	-	-		-	-	-	
Total	<u>5,254,318</u>	<u>5,908,185</u>	<u>11,162,503</u>	<u>72.4%</u>	<u>5,908,185</u>	<u>5,908,185</u>	<u>11,816,370</u>	<u>70.9%</u>
APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN								
State Appropriations (HEGI & State Paid Fringes)	\$ 1,085,279	\$ 1,369,854	\$ 2,455,133		\$ 1,415,849	\$ 1,441,475	\$ 2,857,324	
Higher Education Assistance Funds	-	-	-		-	-	-	
Available University Fund	-	-	-		-	-	-	
State Grants and Contracts	-	-	-		-	-	-	
Total	<u>1,085,279</u>	<u>1,369,854</u>	<u>2,455,133</u>	<u>15.9%</u>	<u>1,415,849</u>	<u>1,441,475</u>	<u>2,857,324</u>	<u>17.1%</u>
NON-APPROPRIATED SOURCES								
Tuition and Fees (net of Discounts and Allowances)	-	-	-		-	-	-	
Federal Grants and Contracts	-	-	-		-	-	-	
State Grants and Contracts	-	-	-		-	-	-	
Local Government Grants and Contracts	-	-	-		-	-	-	
Private Gifts and Grants	-	-	-		-	-	-	
Endowment and Interest Income	150,000	300,000	450,000		300,000	300,000	600,000	
Sales and Services of Educational Activities (net)	650,550	700,000	1,350,550		700,000	700,000	1,400,000	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Professional Fees (net)	-	-	-		-	-	-	
Auxiliary Enterprises (net)	-	-	-		-	-	-	
Other Income	-	-	-		-	-	-	
Total	<u>800,550</u>	<u>1,000,000</u>	<u>1,800,550</u>	<u>11.7%</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>2,000,000</u>	<u>12.0%</u>
TOTAL SOURCES	<u>\$ 7,140,147</u>	<u>\$ 8,278,039</u>	<u>\$ 15,418,186</u>	<u>100.0%</u>	<u>\$ 8,324,034</u>	<u>\$ 8,349,660</u>	<u>\$ 16,673,694</u>	<u>100.0%</u>

Schedule 1A: Other Educational and General Income
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration					
	Act 2021	Act 2022	Bud 2023	Est 2024	Est 2025
Gross Tuition					
Gross Resident Tuition	0	0	0	0	0
Gross Non-Resident Tuition	0	0	0	0	0
Gross Tuition	0	0	0	0	0
Less: Resident Waivers and Exemptions (excludes Hazlewood)	0	0	0	0	0
Less: Non-Resident Waivers and Exemptions	0	0	0	0	0
Less: Hazlewood Exemptions	0	0	0	0	0
Less: Board Authorized Tuition Increases (TX. Educ. Code Ann. Sec. 54.008)	0	0	0	0	0
Less: Tuition increases charged to doctoral students with hours in excess of 100 (TX. Educ. Code Ann. Sec. 54.012)	0	0	0	0	0
Less: Tuition increases charged to undergraduate students with excessive hours above degree requirements. (TX. Educ. Code Ann. Sec. 61.0595)	0	0	0	0	0
Less: Tuition rebates for certain undergraduates (TX. Educ. Code Ann. Sec. 54.0065)	0	0	0	0	0
Plus: Tuition waived for Students 55 Years or Older (TX. Educ. Code Ann. Sec. 54.013)	0	0	0	0	0
Less: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	0	0	0	0	0
Plus: Tuition waived for Texas Grant Recipients (TX. Educ. Code Ann. Sec. 56.307)	0	0	0	0	0
Subtotal	0	0	0	0	0
Less: Transfer of funds for Texas Public Education Grants Program (Tex. Educ. Code Ann. Sec. 56c) and for Emergency Loans (Tex. Educ. Code Ann. Sec. 56d)	0	0	0	0	0
Less: Transfer of Funds (2%) for Physician/Dental Loans (Medical Schools)	0	0	0	0	0
Less: Statutory Tuition (Tx. Educ. Code Ann. Sec. 54.051) Set Aside for Doctoral Incentive Loan Repayment Program (Tx. Educ. Code Ann. Sec. 56.095)	0	0	0	0	0
Less: Other Authorized Deduction					
Net Tuition	0	0	0	0	0
Student Teaching Fees	0	0	0	0	0

Schedule 1A: Other Educational and General Income
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration					
	Act 2021	Act 2022	Bud 2023	Est 2024	Est 2025
Special Course Fees	0	0	0	0	0
Laboratory Fees	0	0	0	0	0
Subtotal, Tuition and Fees (Formula Amounts for Health-Related Institutions)	0	0	0	0	0
OTHER INCOME					
Interest on General Funds:					
Local Funds in State Treasury	42,424	69,321	150,000	150,000	150,000
Funds in Local Depositories, e.g., local amounts	0	0	0	0	0
Other Income (Itemize)					
Subtotal, Other Income	42,424	69,321	150,000	150,000	150,000
Subtotal, Other Educational and General Income	42,424	69,321	150,000	150,000	150,000
Less: O.A.S.I. Applicable to Educational and General Local Funds Payrolls	(1,851)	(2,373)	(9,179)	(9,455)	(9,738)
Less: Teachers Retirement System and ORP Proportionality for Educational and General Funds	(2,057)	(2,733)	(9,649)	(9,938)	(10,237)
Less: Staff Group Insurance Premiums	(40,676)	(43,715)	(44,092)	(44,496)	(44,927)
Total, Other Educational and General Income (Formula Amounts for General Academic Institutions)	(2,160)	20,500	87,080	86,111	85,098
Reconciliation to Summary of Request for FY 2019-2021:					
Plus: Transfer of Funds for Texas Public Education Grants Program and Physician Loans	0	0	0	0	0
Plus: Transfer of Funds 2% for Physician/Dental Loans (Medical Schools)	0	0	0	0	0
Plus: Transfer of Funds for Cancellation of Student Loans of Physicians	0	0	0	0	0
Plus: Organized Activities	0	0	0	0	0
Plus: Staff Group Insurance Premiums	40,676	43,715	44,092	44,496	44,927
Plus: Board-authorized Tuition Income	0	0	0	0	0
Plus: Tuition Increases Charged to Doctoral Students with Hours in Excess of 100	0	0	0	0	0
Plus: Tuition Increases Charged to Undergraduate Students with Excessive Hours above Degree Requirements (TX. Educ. Code Ann. Sec. 61.0595)	0	0	0	0	0

Schedule 1A: Other Educational and General Income

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719 Texas State Technical College System Administration					
	Act 2021	Act 2022	Bud 2023	Est 2024	Est 2025
Plus: Tuition rebates for certain undergraduates (TX Educ.Code Ann. Sec. 54.0065)	0	0	0	0	0
Plus: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	0	0	0	0	0
Less: Tuition Waived for Students 55 Years or Older	0	0	0	0	0
Less: Tuition Waived for Texas Grant Recipients	0	0	0	0	0
Total, Other Educational and General Income Reported on Summary of Request	38,516	64,215	131,172	130,607	130,025

Schedule 2: Selected Educational, General and Other Funds

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Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration					
	Act 2021	Act 2022	Bud 2023	Est 2024	Est 2025
General Revenue Transfers					
Transfer from Coordinating Board for Texas College Work Study Program (2021, 2022, 2023)	0	0	0	0	0
Transfer from Coordinating Board for Professional Nursing Shortage Reduction Program	0	0	0	0	0
Transfer of GR Group Insurance Premium from Comptroller (UT and TAMU Components only)	0	0	0	0	0
Less: Transfer to Other Institutions	(895,955)	(296,133)	(17,021,905)	0	0
Less: Transfer to Department of Health, Disproportionate Share - State-Owned Hospitals (2021, 2022, 2023)	0	0	0	0	0
Other (Itemize)					
Senate Bill 8, Third Called Session - General Revenue Advance from THECB	0	0	20,257,233	0	0
Other: Fifth Year Accounting Scholarship	0	0	0	0	0
Texas Grants	0	0	0	0	0
B-on-Time Program	0	0	0	0	0
Texas Research Incentive Program	0	0	0	0	0
Less: Transfer to System Administration	2,181,171	3,155,317	1,600,000	1,600,000	1,600,000
GME Expansion	0	0	0	0	0
Subtotal, General Revenue Transfers	1,285,216	2,859,184	4,835,328	1,600,000	1,600,000
General Revenue HEF	0	0	0	0	0
Transfer from Available University Funds (UT, A&M and Prairie View A&M Only)	0	0	0	0	0
Other Additions (Itemize)					
Increase Capital Projects - Educational and General Funds	0	0	0	0	0
Transfer from Department of Health, Disproportionate Share - State-owned Hospitals (2021, 2022, 2023)	0	0	0	0	0
Transfers from Other Funds, e.g., Designated funds transferred for educational and general activities (Itemize)	0	0	0	0	0
Other (Itemize)					
Gross Designated Tuition (Sec. 54.0513)	0	0	0	0	0
Indirect Cost Recovery (Sec. 145.001(d))	0	0	0	0	0

Schedule 2: Selected Educational, General and Other Funds

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Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

	Act 2021	Act 2022	Bud 2023	Est 2024	Est 2025
Correctional Managed Care Contracts	0	0	0	0	0

Schedule 3A: Staff Group Insurance Data Elements (ERS)
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
GR & GR-D Percentages					
GR %	98.84%				
GR-D/Other %	1.16%				
Total Percentage	100.00%				
FULL TIME ACTIVES					
1a Employee Only	10	10	0	10	10
2a Employee and Children	7	7	0	7	2
3a Employee and Spouse	2	2	0	2	2
4a Employee and Family	5	5	0	5	5
5a Eligible, Opt Out	2	2	0	2	1
6a Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	26	26	0	26	20
PART TIME ACTIVES					
1b Employee Only	0	0	0	0	0
2b Employee and Children	0	0	0	0	0
3b Employee and Spouse	0	0	0	0	0
4b Employee and Family	0	0	0	0	0
5b Eligible, Opt Out	0	0	0	0	0
6b Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
Total Active Enrollment	26	26	0	26	20

Schedule 3A: Staff Group Insurance Data Elements (ERS)
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
FULL TIME RETIREES by ERS					
1c Employee Only	0	0	0	0	0
2c Employee and Children	0	0	0	0	0
3c Employee and Spouse	0	0	0	0	0
4c Employee and Family	0	0	0	0	0
5c Eligible, Opt Out	0	0	0	0	0
6c Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
PART TIME RETIREES by ERS					
1d Employee Only	0	0	0	0	0
2d Employee and Children	0	0	0	0	0
3d Employee and Spouse	0	0	0	0	0
4d Employee and Family	0	0	0	0	0
5d Eligible, Opt Out	0	0	0	0	0
6d Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
Total Retirees Enrollment	0	0	0	0	0
TOTAL FULL TIME ENROLLMENT					
1e Employee Only	10	10	0	10	10
2e Employee and Children	7	7	0	7	2
3e Employee and Spouse	2	2	0	2	2
4e Employee and Family	5	5	0	5	5
5e Eligible, Opt Out	2	2	0	2	1
6e Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	26	26	0	26	20

Schedule 3A: Staff Group Insurance Data Elements (ERS)
88th Regular Session, Agency Submission, Version 1
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719 Texas State Technical College System Administration

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
TOTAL ENROLLMENT					
1f Employee Only	10	10	0	10	10
2f Employee and Children	7	7	0	7	2
3f Employee and Spouse	2	2	0	2	2
4f Employee and Family	5	5	0	5	5
5f Eligible, Opt Out	2	2	0	2	1
6f Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	26	26	0	26	20

Schedule 4: Computation of OASI
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency 719 Texas State Technical College System Administration

Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2021		2022		2023		2024		2025	
	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>
General Revenue (% to Total)	99.2757	\$253,728	99.0523	\$248,037	97.7729	\$402,977	97.7729	\$415,066	97.7729	\$427,518
Other Educational and General Funds (% to Total)	0.7243	\$1,851	0.9477	\$2,373	2.2271	\$9,179	2.2271	\$9,455	2.2271	\$9,738
Health-Related Institutions Patient Income (% to Total)	0.0000	\$0	0.0000	\$0	0.0000	\$0	0.0000	\$0	0.0000	\$0
Grand Total, OASI (100%)	100.0000	\$255,579	100.0000	\$250,410	100.0000	\$412,156	100.0000	\$424,521	100.0000	\$437,256

Schedule 5: Calculation of Retirement Proportionality and ORP Differential

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719 Texas State Technical College System Administration

Description	Act 2021	Act 2022	Bud 2023	Est 2024	Est 2025
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	2,871,779	2,894,720	4,210,813	4,082,011	4,204,472
Employer Contribution to TRS Retirement Programs	195,281	217,104	336,865	346,971	357,380
Gross Educational and General Payroll - Subject To ORP Retirement	1,345,303	1,080,636	1,460,409	1,504,221	1,549,348
Employer Contribution to ORP Retirement Programs	88,790	71,322	96,387	99,279	102,257
Proportionality Percentage					
General Revenue	99.2757 %	99.0523 %	97.7729 %	97.7729 %	97.7729 %
Other Educational and General Income	0.7243 %	0.9477 %	2.2271 %	2.2271 %	2.2271 %
Health-related Institutions Patient Income	0.0000 %	0.0000 %	0.0000 %	0.0000 %	0.0000 %
Proportional Contribution					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	2,058	2,733	9,649	9,938	10,237
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	0	0	0	0	0
Differential					
Differential Percentage	1.9000 %	1.9000 %	1.9000 %	1.9000 %	1.9000 %
Gross Payroll Subject to Differential - Optional Retirement Program	157,895	160,526	160,526	160,526	160,526
Total Differential	3,000	3,050	3,050	3,050	3,050

Schedule 7: Personnel
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **719** Agency name: **TSTC System Admin**

	Actual 2021	Actual 2022	Budgeted 2023	Estimated 2024	Estimated 2025
Part A.					
FTE Postions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	0.0	0.0	0.0	0.0	0.0
Educational and General Funds Non-Faculty Employees	30.0	28.0	28.0	28.0	28.0
Subtotal, Directly Appropriated Funds	30.0	28.0	28.0	28.0	28.0
Other Appropriated Funds					
AUF	0.0	0.0	0.0	0.0	0.0
Subtotal, Other Appropriated Funds	0.0	0.0	0.0	0.0	0.0
Subtotal, All Appropriated	30.0	28.0	28.0	28.0	28.0
Non Appropriated Funds Employees	13.4	12.0	12.0	12.0	12.0
Subtotal, Other Funds & Non-Appropriated	13.4	12.0	12.0	12.0	12.0
GRAND TOTAL	43.4	40.0	40.0	40.0	40.0

Schedule 8B: Tuition Revenue Bond Issuance History

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Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

Authorization Date	Authorization Amount	Issuance Date	Issuance Amount	Authorized Amount Outstanding as of 08/31/2022	Proposed Issuance Date for Outstanding Authorization	Proposed Issuance Amount for Outstanding Authorization
2002	\$10,880,000	Nov 14 2002	\$10,880,000			
		<i>Subtotal</i>	\$10,880,000	\$0		
2005	\$3,125,000	Jul 8 2008	\$3,125,000			
		<i>Subtotal</i>	\$3,125,000	\$0		
2016	\$41,740,000	Apr 28 2016	\$41,740,000			
		<i>Subtotal</i>	\$41,740,000	\$0		
2021	\$208,500,000				Oct 3 2022	\$208,500,000

Schedule 8C: Capital Construction Assistance Projects Revenue Bonds Request by Project
88th Regular Session, Agency Submission, Version 1

Agency Code: **719**

Agency Name: **Texas State Technical College - System Administration**

Project Name	Authorization Year	Estimated Final Payment Date	Requested Amount 2024	Requested Amount 2025
Series 2022 CCAP Bond - East Williamson County Higher Education Center Expansion	2022	8/31/2043	\$ 2,830,653.00	\$ 2,833,550.00
			<u>\$ 2,830,653.00</u>	<u>\$ 2,833,550.00</u>

Schedule 9: Non-Formula Support
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

1-Technical Training Partnerships with Community College

(1) Year Non-Formula Support Item First Funded:	2000
Year Non-Formula Support Item Established:	2000
Original Appropriation:	\$250,000

(2) Mission:

To fund partnerships between TSTC and community colleges to increase access to technical education programs in high demand areas of the state.

(3) (a) Major Accomplishments to Date:

TSTC has successful partnerships with various colleges across the State. Partnerships have proven to be a very efficient, effective, and expedient means of providing high-demand technical education across Texas. Since FY16 and FY17 funds have been allocated to East Williamson County Higher Education Center (EWC) where TSTC Waco is in partnership with Temple College and Texas A&M University-Central Texas.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

For FY 2024 & FY 2025 these funds will be used at the East Williamson County Higher Education Center. These funds are used in maintaining existing partnerships and planning new partnerships with the state's community colleges.

(4) Funding Source Prior to Receiving Non-Formula Support Funding:

None

(5) Formula Funding:

None

(6) Category:

Instructional Support

(7) Transitional Funding:

N

(8) Non-General Revenue Sources of Funding:

None

(9) Impact of Not Funding:

Significant reduction in ability to provide additional access to technical education programs in high-demand areas of the state.

Schedule 9: Non-Formula Support
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

(10) Non-Formula Support Needed on Permanent Basis/Discontinuation:

This item will be needed on a permanent basis.

(11) Non-Formula Support Associated with Time Frame:

This item is not associated with a particular time frame.

(12) Benchmarks:

TSTC is an active participant in the THECB 60x30 strategic plan, which provides an excellent source of external benchmarks. TSTC is continually monitoring progress toward planned goals, and has achieved early success on several key benchmarks. TSTC is actively working on improving the number and rate of students with a certification, which are the primary goals of the THECB 60x30 strategic plan.

(13) Performance Reviews:

Student success is continually reviewed throughout the fiscal year with the use of an increasing number of analytic tools. These reporting tools provide a view of the student lifecycle, from application to working in Texas. While different departments are focused on various sections of the student lifecycle, the reporting tools enable all areas to be continually refined and improved throughout the year. Each semester program review reports are created for college stakeholders to continually monitor performance and to identify potential areas of improvement.

Schedule 9: Non-Formula Support
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

2-Forecasting and Curriculum Development

(1) Year Non-Formula Support Item First Funded: 2006

Year Non-Formula Support Item Established: 2006

Original Appropriation: \$250,000

(2) Mission:

Advance the employability of college students and the economic competitiveness of Texas by forecasting technical competencies needed by employers.

(3) (a) Major Accomplishments to Date:

Creation of statewide detailed work activity (DWA) skills library and curriculum alignment tool for use by colleges, which has resulted in alignment of hundreds of community college courses. Approval by THECB for use by colleges to validate curriculum learning outcomes. Secured matching funds through additional grants and contracts. New high-tech degree programs and courses resulting from statewide studies and reports on emerging occupations for Texas colleges.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

Operationalizes workplace competencies (soft skills) with technical competencies (hard skills) to increase retention and improve overall employability of graduates. Expand curriculum alignment platform to more Texas colleges. Integrate detailed work activity model into secondary CTE courses to promote seamless transitions into college courses. Expand national use of DWAs through licensing options.

(4) Funding Source Prior to Receiving Non-Formula Support Funding:

Perkins Leadership Grant

(5) Formula Funding:

None

(6) Category:

Research Support

(7) Transitional Funding:

N

(8) Non-General Revenue Sources of Funding:

Contract Fees paid by other colleges for the service.

Schedule 9: Non-Formula Support
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719 Texas State Technical College System Administration

(9) Impact of Not Funding:

Employers would be less able to find qualified candidates for technical positions in critical industry clusters, thus undermining the economic competitiveness of Texas.

(10) Non-Formula Support Needed on Permanent Basis/Discontinuation:

At this time this item will be needed on a permanent basis.

(11) Non-Formula Support Associated with Time Frame:

This item is not associated with a particular time frame.

(12) Benchmarks:

The number of Texas institutions utilizing the service over time would be an adequate benchmark for this item to demonstrate the far reaching effects of the state's investment.

(13) Performance Reviews:

Institutions utilizing the service could continually be asked for feedback and for ways in which the service has produced positive results for their institution.

Schedule 9: Non-Formula Support
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

719 Texas State Technical College System Administration

3-Technical Institution Equipment & Facilities Supplement (TIEFS)

(1) Year Non-Formula Support Item First Funded: 2024

Year Non-Formula Support Item Established: 2024

Original Appropriation: \$7,728,476

(2) Mission:

Rockets, aircraft, heavy machinery, manufacturing facilities, robotics, pipelines, refineries, and roadways are resources critical to the economic production of the state. Preparing a workforce to build and maintain these resources requires an environment where students and instructors assemble around, and work on, large industrial objects. In recent years, TSTC has embraced emerging technologies to simulate this expensive equipment and enhance the learning environment by creating in-field scenarios to prepare students for the work environment. Similar to large industrial teaching facilities and equipment, augmented reality technologies require substantial investment and ongoing refresh commitments. The level of investment required to train these workers is not sufficiently supported under existing funding mechanisms. Therefore, the result is a physical environment that betrays the real value of technical training for Texas.

TSTC's legislative appropriation request is to correct this severe funding shortfall in the education and general space support (E&G Space Support) infrastructure funding formula and to create a dedicated funding source for specialized instructional equipment that is unique to technical institutions.

(3) (a) Major Accomplishments to Date:

On an annual basis TSTC typically spends around \$1.8 million to refresh instructional equipment to maintain lab environments that resemble the workplace. These expenditures are often characterized by heavy equipment purchases (e.g., aircraft, diesel truck and tractors, CNC machines, mechatronics, robotics, centrifugal pumps, mechanical drives, conveyor belts, generators, etc) not common across higher education sectors. Capital constraints and competing priorities (education affordability and other operational expenses) have caused many labs to fall short of a cutting edge, even relevant, workplace environment. Approximately \$6.7 million in CARES grant proceeds created opportunities to address this issue while removing pandemic-related lab constraints with new augmented/virtual reality technologies.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

(4) Funding Source Prior to Receiving Non-Formula Support Funding:

None

(5) Formula Funding:

None

(6) Category:

Instructional Support

Schedule 9: Non-Formula Support
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719 Texas State Technical College System Administration

(7) Transitional Funding:

N

(8) Non-General Revenue Sources of Funding:

None

(9) Impact of Not Funding:

Lack of continued investment in cutting edge technology will result in less prepared workers to grow the Texas Economy.

(10) Non-Formula Support Needed on Permanent Basis/Discontinuation:

This item will be needed on a permanent basis.

(11) Non-Formula Support Associated with Time Frame:

This item is not associated with a particular time frame.

(12) Benchmarks:

N/A

(13) Performance Reviews:

N/A



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Texas State Technical College (TSTC) is accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) to award Associate Degrees and Certificates of Completion. Contact the Southern Association of Colleges and Schools Commission on Colleges at 1866 Southern Lane, Decatur, Georgia 30033-4097 or call 404-679-4500 for questions about the accreditation of Texas State Technical College.

Equal opportunity shall be afforded within TSTC to all employees and applicants for admission or employment regardless of race, color, gender, religion, national origin, age, genetic information, disability or veteran status.

TSTC will make reasonable accommodations for persons with disabilities. TSTC's policy is that, in all aspects of its operations, each person with a disability shall be considered for admission or access to, or treatment or employment in, its programs and activities in accordance with Part 84 of Title 45, the regulation implementing Section 504 of the Rehabilitation Act of 1973.