

# Texas Higher Education Coordinating Board



Texas Higher Education  
Coordinating Board

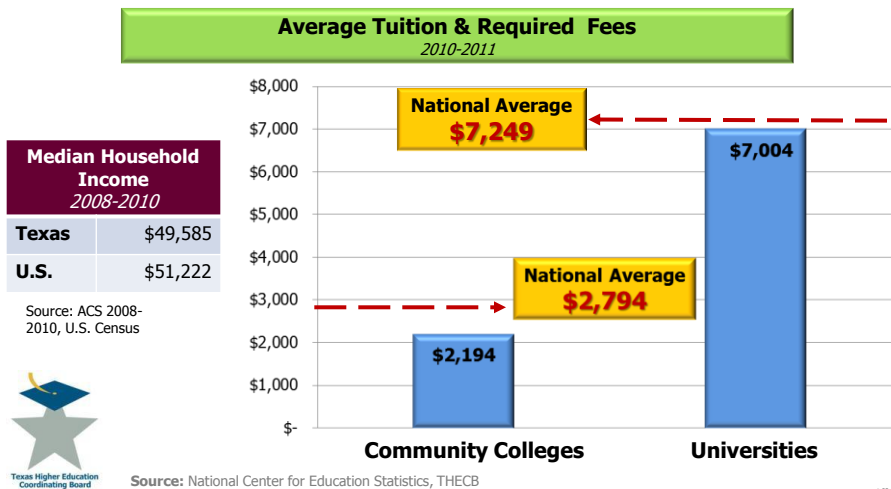
## Expanding Access and Improving Success in Texas Higher Education

Raymund A. Paredes, Ph.D.  
*Commissioner*

Presentation to the  
Senate Committee on Higher Education  
September 12, 2012

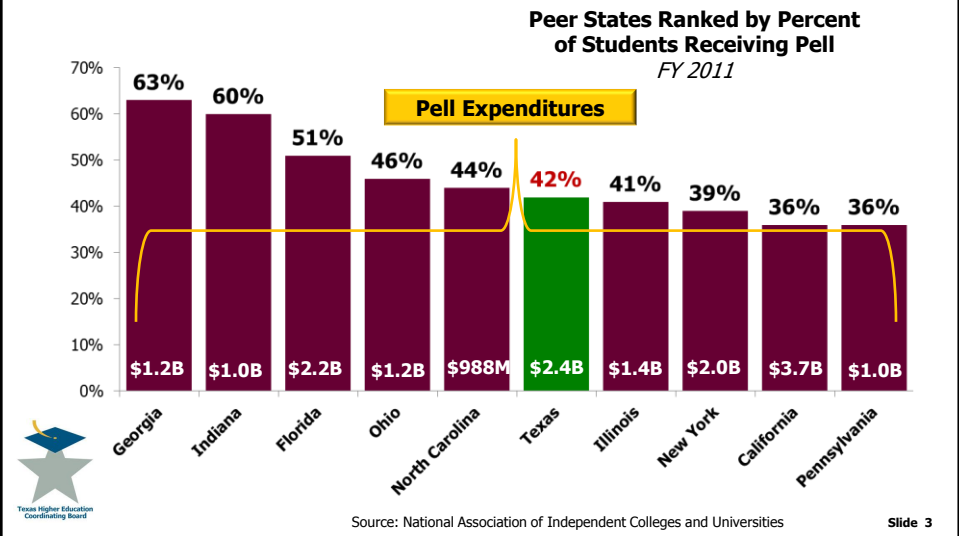
# Texas Higher Education Coordinating Board

Tuition and fees at Texas community colleges are below  
the national average while universities are at about  
national average



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### Comparison of Pell Grant students served and expenditures in ten largest states



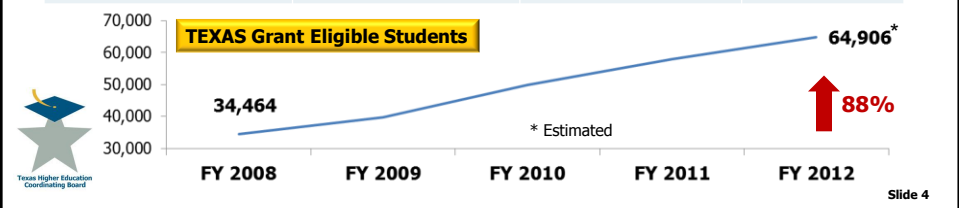
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### Critical financial aid programs experienced a decrease in funding for the current biennium

**Major Financial Aid Programs**

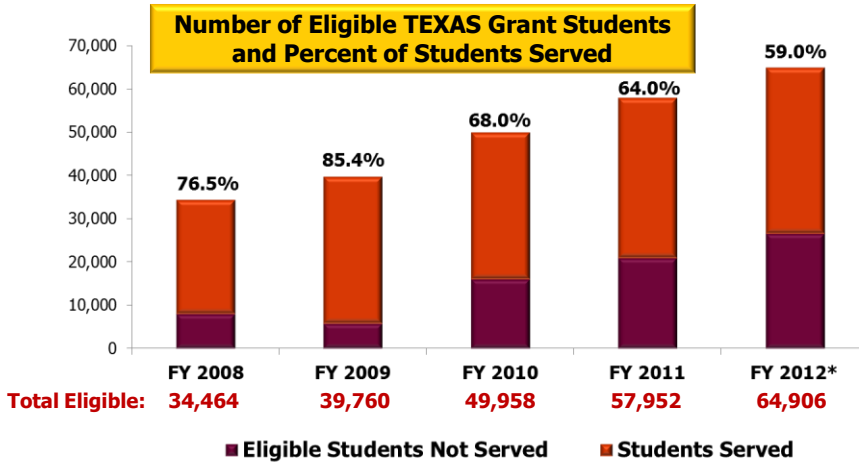
Program	2010-2011 Biennial Spending Level	2012-2013 Appropriated Level	% Difference
TEXAS Grant	\$622.0M	\$559.7M	-10.0%
Top 10% Scholarship	\$51.5M	\$39.6M	-23.1%
B-On-Time Loan Program (GR/GR-D)	\$157.1M	\$112.0 M	-28.7%
Texas College Work-Study	\$15.0M	\$15.0M	0.0%
Texas Educational Opportunity Grant	\$24.0M	\$24.0M	0.0%
Texas Equalization Grant	\$211.8M	\$168.8M	-20.3%



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The state must find ways to serve the increasing population of needy students



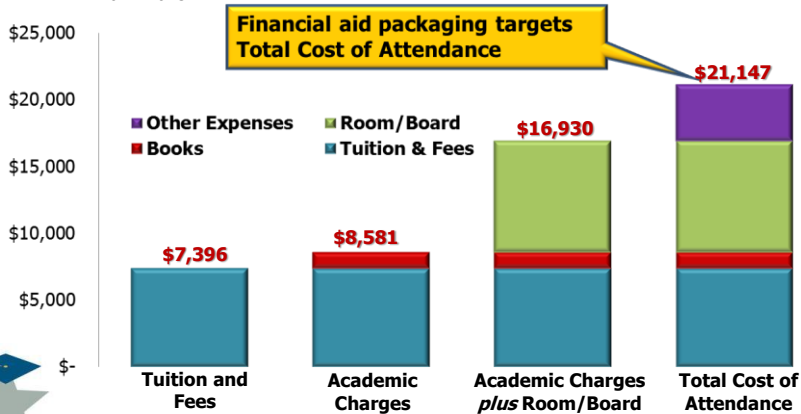
\*FY2012 data are estimates. Slide 5

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Financial aid is traditionally packaged up to the average total cost of attendance

Public University Costs

2012-2013



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## Recommendations for restructuring financial aid

- **Provide TEXAS Grants to more needy students**
  - ✓ Give awards that cover tuition, fees and books **for many needy students**, rather than target awards to cover full cost of attendance for fewer needy students
  - ✓ Cap TEXAS Grant eligibility to **8 semesters** (Semesters do not have to be consecutive. Semester eligibility extended for programs longer than four years.)
  - ✓ Require **full time enrollment** (12 SCH) per federal guidelines
  - ✓ Create TEXAS Grant eligibility pathway for all transfer students.
  - ✓ Eliminate requirement for institutions to make up difference between TEXAS Grant and cost of attendance via grant aid



- **Expand access and improve effectiveness of B-On-Time Loan Program funds**

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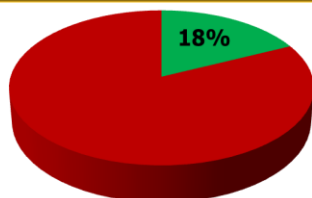
## Adopting a new distribution model for TEXAS Grants will guarantee aid to more needy students

Projected students served with THECB's Legislative Appropriations Request for 2014-2015: **\$580.8M**

■ = % Eligible Students served with TEXAS Grant

### Current Statutory Model

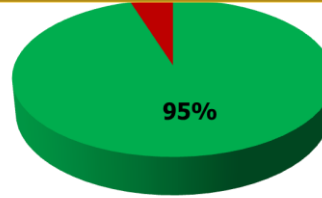
Provide MAX awards to target full Cost of Attendance



Estimated # Students Served in the Biennium: **72,300**

### Proposed Model

Provide smaller awards targeted at tuition, fees & books



Estimated # Students Served in the Biennium: **133,500**

**Note:** The current statutory model includes both university and community and technical college students. The proposed model only includes university students. The THECB proposal makes TEXAS Grant a university only program but it is critical to note that the funding community colleges receive in TEXAS Grant has been requested through the TEOG strategy in the THECB LAR. Over \$40M was added to TEOG in the baseline request for FY 14/15. Of that, \$36 million is to "make whole" the community college students who would no longer be eligible for TEXAS Grant under our recommendations, and the remainder is for the community college students that would be excluded from B-On-Time per Sunset's recommendation.

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Adopting THECB's Exceptional Item Request and proposed model will expand TEXAS Grants to even more students

**2014-2015 TEXAS Grant Exceptional Item Request:  
\$106.5M**

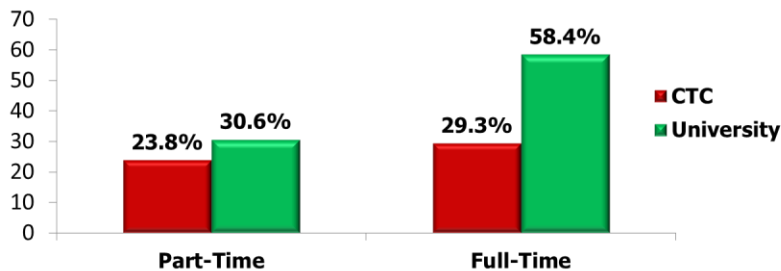
- ✓ Additional funding expands awards to approximately **158,000** university students with an Estimated Family Contribution **up to \$8,000**
- ✓ Funds 100% of eligible initially entering university students, as well as an estimated **41,000 transfer students**



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**Statewide University and Community College and Technical College Six-Year Completion Rates**  
*Full-Time vs. Part-Time*  
*Fall 2005 Cohort*



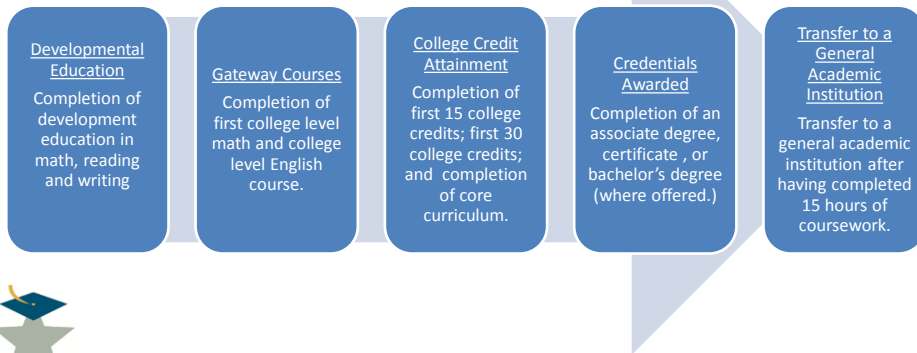
	Time to Bachelor's	Credits to Bachelor's (120 Hr. Degree)
<b>Universities</b>	5.3 years	147
	Time to Associate's	Credits to Associate's (60 Hr. Degree)
<b>Community and Technical Colleges</b>	4.7 years	98



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# Momentum Points

Measuring student attainment based on unique role of community and technical colleges



# Outcomes-Based Funding for Universities

Metrics for Measuring Student Success

**Critical Workforce Needs (Double Weight)**

Degrees awarded in fields identified as critical workforce needs.

**Total Undergraduate Degrees**

Total Bachelor's Degrees awarded at the institution

**Institutional Mission**

Bachelor's Degrees awarded per 100 full time student equivalents (FTSE)

**Persistence**

Points awarded for students who complete their 30th, 60th, or 90th hour at the institution

**At-Risk Student**

Degrees awarded to students who meet federal criteria for being at high risk of dropping out.

**Time-to-Degree**

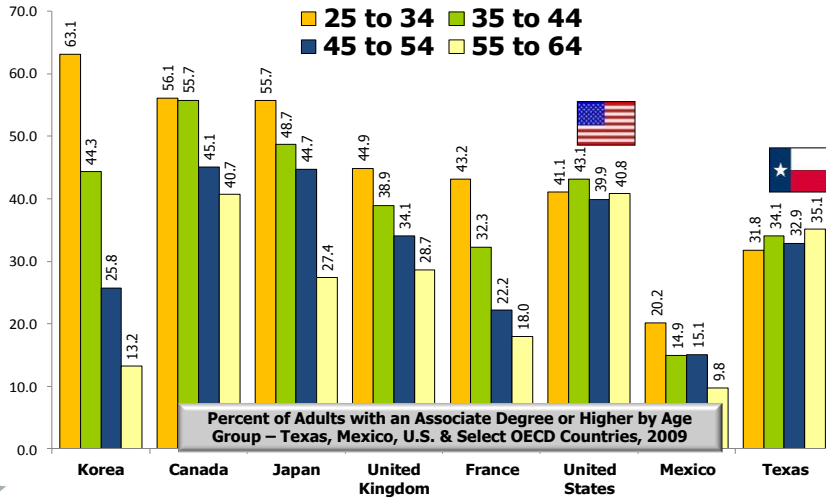
Bachelor's Degrees awarded times the institution's six-year graduation rate

**Cost-to-Degree**

Bachelor's Degrees awarded adjusted for instructional costs

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Texas must begin to focus on closing the education gap not only with other states, but with the other nations.



Source: OECD, Education at a Glance 2011

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