THECB Legislative Recommendations

Tier 1: Major Priorities

Tier 2: Programmatic Changes

Tier 3: Statutory Updates and Efficiencies
Tier 1 - #1: Outcomes-based Funding (OBF) for Universities

- $235 million in outcomes-based funding pool
- OBF pool is equal to 10% of undergraduate formula funding, but:
  - Is outside of and in addition to the Instruction & Operations (I&O) formula
  - Fund I&O and Infrastructure at requested amounts first

Total Undergraduate Degrees
- Total number of Bachelor’s Degrees awarded by an institution in a given year.

Total Undergraduate Degrees by Graduation Rate
- Total Bachelor’s Degrees multiplied by the school’s six-year graduation rate, to encourage timely completion.

Total Undergraduate Degrees per 100 FTSE
- Degrees divided by Full Time Student Equivalents (FTSEs) and multiplied by 100. This aggregate measure adjusts for part-time and transfer students, providing a common framework for comparing degree productivity.

At-Risk Undergraduate Degrees
- Degrees awarded to students who meet federal criteria for being at high risk for non-completion.

Retention Metrics
- Points awarded for students who complete their 30th, 60th, or 90th hour at the institution, to encourage the use of effective persistence policies.
Tier 1 - #2: Authorization of Certain Baccalaureate Degrees at Community Colleges based on Certain Conditions

• Provide multiple pathways for post-secondary credential for a diverse population;
• Ensure that current programs are being fully utilized, and partnerships with universities, articulation agreements and distance learning options have been fully explored
• Expand the Board’s evaluation of workforce need for community colleges offering baccalaureate degrees; and
• Address the shortage of faculty in certain fields

Tier 1 - #3: Support the Authorization of Tuition Revenue Bonds

• TRBs are used to fund capital projects at public universities, health-related institutions, technical colleges and Lamar state colleges
• The last wide-spread TRB authorizations occurred in the 2006 special session for a total of 63 projects
• CB staff recently strengthened its evaluation process of TRBs based on feedback from stakeholders
Tier 2 Recommendations: Programmatic Changes

- Develop Programs of Study and revise Fields of Study
- Revise statutory provisions of Top 10% Scholarship Program
- Include Basic Academic Skills Education (BASE) definition in Texas Success Initiative (TSI) statute
- Provide flexibility to two-year colleges in packaging Texas Educational Opportunity Grant (TEOG)
- Allow two-year colleges to continue eligibility in T-STEM Challenge Scholarship Program

Tier 3 Recommendations: Statutory Updates and Efficiencies

- Fix eligibility requirements of the Math and Science Scholars Loan Repayment Program
- Remove the THECB’s approval authority of energy savings performance contracts
- Allow the THECB to collect fees for processing Certificates of Authorization and recognition of accreditors
- Serve as the portal for the State Authorization Reciprocity Agreement (SARA)
NEXT STEPS AND QUESTIONS