Texas Higher Education Coordinating Board

TEXAS Grant
Priority Model

Presentation for the
House Committee on Appropriations
Subcommittee on Education

October 5, 2010

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To achieve the goals of *Closing the Gaps* and beyond, it is critical we **increase student success**, while **maintaining the gains in access**. To this end, the Coordinating Board is considering a comprehensive agenda that includes:

- ✓ **Reforming** higher education funding models to promote student success and better outcomes (e.g., graduates).
- ✓ **Targeting** TEXAS grants to low-income, college ready students.
- ✓ **Reinventing** developmental education.

- ✓ **Increasing** transfers from 2-year to 4-year institutions.
- ✓ **Institutionalizing** College & Career Readiness Standards and increasing teacher effectiveness.
- ✓ **Strengthening** a college and career-ready culture throughout Texas (e.g. GenTX campaign)

- ✓**Implementing** comprehensive cost-efficiency strategies in higher education

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TEXAS Grant: **The Priority Model**

Advanced Curriculum

"The **academic intensity** of the student's high school curriculum still **counts more than anything else** in pre-collegiate history in providing momentum toward completing a bachelor's degree."

--Clifford Adelman, *The toolbox revisited: Paths to degree completion from high school through college*, 2006

"…students who take higher-level mathematics courses beyond Algebra II are **two to three times less likely to need remedial coursework** in mathematics…"

--ACT, *Mind the Gaps: How College Readiness Narrows Achievement Gaps in College Success* , 2010

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TEXAS Grant: **The Priority Model**

Class Standing

"…high school GPA **remains a highly significant predictor of six-year graduation rates** after taking account of the effects of test scores."

--William G. Bowen, Matthew M. Chingos, & Michael S. McPherson, *Crossing the Finish Line: Completing College at America's Public Universities*, 2009.

"…between the 1980s and 1990s, **class rank/GPA moved markedly ahead of senior year test score** in its contribution" to predicting student success in higher education.

--Clifford Adelman, *The toolbox revisited: Paths to degree completion from high school through college*, 2006.

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TEXAS Grant: **The Priority Model**

College Readiness

"Students who are ready for college are **less likely to need remediation** in English or mathematics than students who are not ready (typically by 36 to 47 percentage points), **regardless of gender, race/ethnicity, or family income**."

--ACT, *What We Know About College Success*, 2008.

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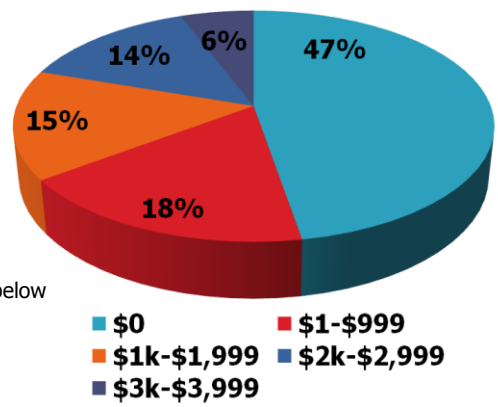
In FY 08-FY 09 alone, Texas **missed an opportunity** to invest in…

6,461*

Needy students who exceeded minimum standards

* Represents almost 20% of all students below $4,000 EFC for this period.

Non-TEXAS Grant recipients exceeding min. eligibility thresholds by EFC
(FY08-FY09)



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TEXAS Grant: **The Priority Model**
Guiding Principles

✓ All recipients will have **great financial need.**

✓ Institutional share of grant funds will **remain unchanged.**

✓ Proposed policy will have a positive impact on **student success.**

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TEXAS Grant: **The Priority Model**
Methodology

✓ TEXAS Grant will continue to **serve students with the greatest need** (EFC less than $4,000)

✓ **No institution will experience a decrease** in its **share** of TEXAS Grant allocations for initial awards (assuming level state funding):

- Initial allocations are based on the prior year enrollment of students with an EFC less than or equal to $4,000
- 100% of renewal students will be funded

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TEXAS Grant: **The Priority Model**
Criteria

To receive priority designation, a student must have an EFC of $4,000 or less **and** achieve standards **in at least 2 of these 4 categories**

Criteria Category #1
Advanced Academic Programs

- **12 hours of HB-1 College Credit Programs (e.g. dual-credit, AP Courses)**
- **DAP; or**
- **International Baccalaureate Program**

Criteria Category #2
TSI Readiness

- **Meet thresholds on TSI Assessments; or**
- **Qualify for TSI Exemption**

Criteria Category #3
Class Standing

- **Top One-Third or**
- **B Average**

Criteria Category #4
Rigorous Math

> Algebra II

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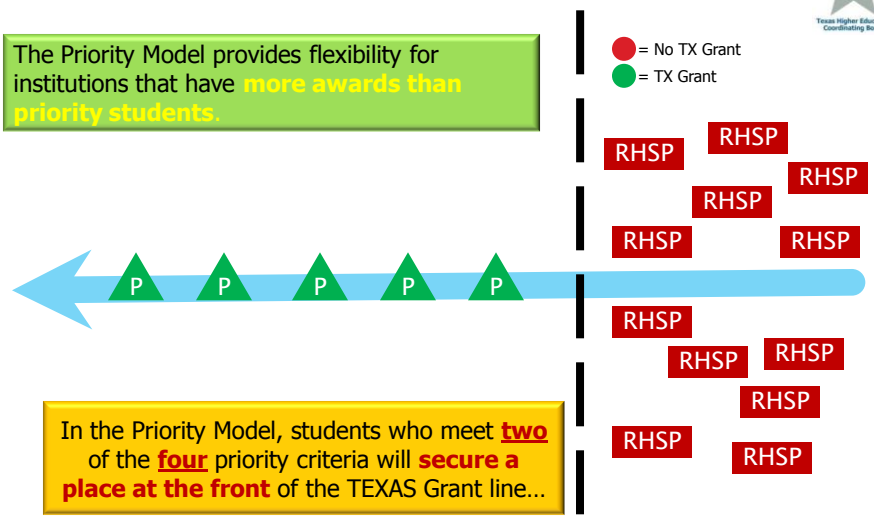
TEXAS Grant: **The Priority Model**

The Priority Model provides flexibility for institutions that have **more awards than priority students**.



In the Priority Model, students who meet **two** of the **four** priority criteria will **secure a place at the front** of the TEXAS Grant line…

P = Meet Proposed Priority Criteria
RHSP = Meet Current Eligibility Criteria

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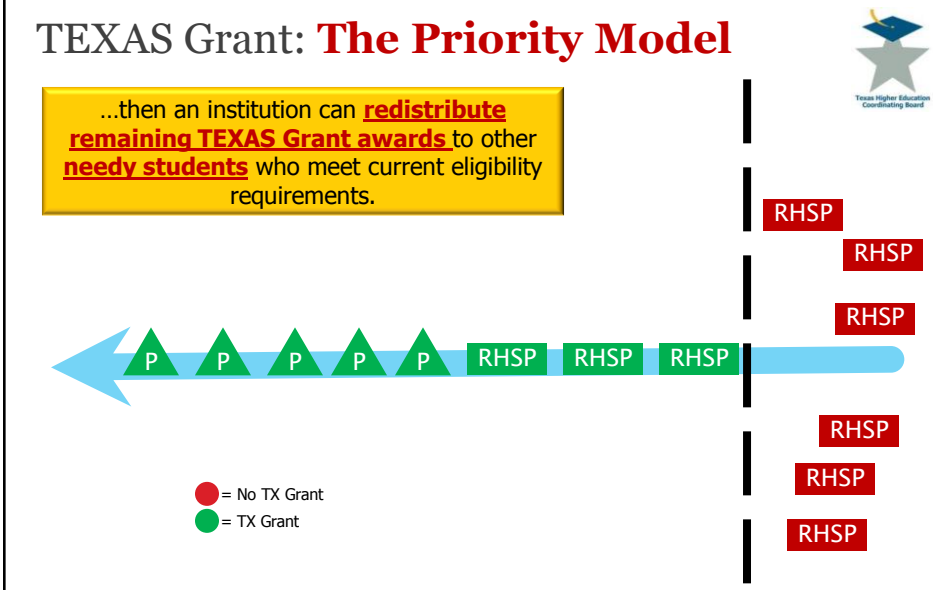
TEXAS Grant: **The Priority Model**



P = Meet Proposed Priority Criteria
RHSP = Meet Current Eligibility Criteria

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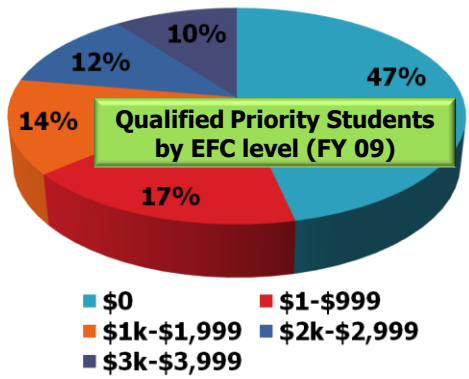
Of those students at <$4,000 EFC in FY 2009....

13,226
(or 70.5%)

Met 2 of 4 Priority Criteria



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TEXAS Grant Priority Model vs. Historical Awards

- ✓ FY 09 Priority Scenario: Fund 70% of all new students
- ✓ All distributions below are for the populations at <$4,000 EFC
- ✓ All distributions represent initial year awards for indicated periods

	White	African Am.	Hispanic	Other
% Actual Awards (FY 05-FY 09)	23.7%	20.1%	46.5%	9.7%
% Awards Priority Scenario (FY 09)	23.5%	21.6%	45.7%	9.2%

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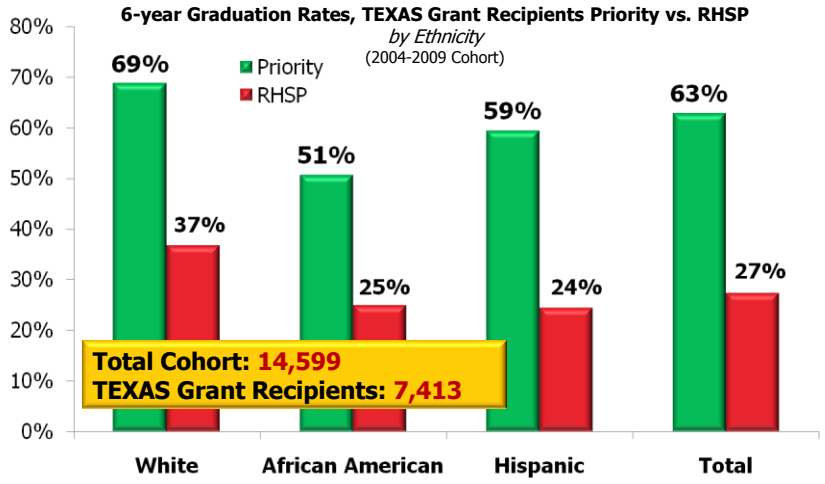
TEXAS Grant: The Priority Model

Student outcomes are better



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The **TEXAS Grant Priority Model** produces better results for the state's continued investment

The Coordinating Board continues to encourage an **exemption from proposed reductions to financial aid**, particularly TEXAS Grants, which would realize a loss of $43M under a full reduction scenario and will result in 44,000 fewer new students served next biennium.

Additionally, the Coordinating Board encourages consideration of the $172M exceptional item for TEXAS Grants.

An exemption **plus** the exceptional item request allows us to serve the same percentage of new students.