THECB commissioner addresses the State of Higher Education in Texas and outlines game-changing strategies to address challenges

November 22, 2013 - Austin, Texas - Today, the Texas Higher Education Coordinating Board (THECB) Commissioner Raymund Paredes provided an in-depth observation on the current state of higher education in Texas, including challenges related to recent legislative changes to high school curriculum. The commissioner also outlined a series of game-changing strategies that will help position Texas as a leader in higher education. His address was part of the THECB’s annual Governing Board Conference that provides newly elected community college trustees and newly appointed university regents with an orientation of higher education issues.

Since the October 2000 launch of its Closing the Gaps by 2015 initiative, Texas has made significant progress in achieving postsecondary milestones. With just two years before the Closing the Gaps endpoint, Texas is on track to reach its enrollment goals and has already surpassed its goal to award 210,000 annual undergraduate credentials by 2015. Last year the state awarded 236,682 certificates and associate- and baccalaureate-level degrees.

Despite its many successes with the Closing the Gaps initiative, the THECB commissioner acknowledged that Texas continues to lag the nation in technology-related fields of study, awarding only 18,000 science, technology, engineering, and mathematics (STEM) undergraduate degrees and credentials in 2012. In addition, while overall enrollments are on track statewide to meet 2015 goals, fall 2013 preliminary data show that enrollments trends have slowed compared to recent years. Specifically, enrollments among African American and Hispanic males are not increasing as planned.

Marked improvement in college readiness among Texas high school students over the last decade is one reason why the state is poised for even greater success in closing the achievement gap. Paredes cautioned that higher education will have to work closely with public education and the Texas Workforce Commission to ensure that recent legislative changes to the high school curriculum do not slow or reverse gains already made. According to Paredes, Texas higher education is improving but not nearly fast enough to remain nationally and globally competitive.

“Texas has much to celebrate in the overall progress we have made since 2000 to close the achievement gaps, but we must look beyond 2015 and our standing internationally,” Paredes said. “Today we must begin the work to establish the higher education framework for the next 15 years, which will require very close collaboration with our institutions of higher education, public education partners, business and industry and other stakeholders.”
Paredes outlined a series of strategies designed to dramatically increase college completion rates to include outcomes-based funding for higher education, guided pathways to success, and “15 to finish” policies that help students balance their schedules and successfully reach their higher education goals. He applauded the Texas State Technical System, the Texas Association of Community Colleges, Texas State University, Texas A&M Commerce and South Texas College as true “game-changers” in Texas higher education for designing and implementing new models of higher education delivery aimed at reducing time to degree, increasing affordability, and improving student outcomes.

“Texas higher education continues to have challenges to overcome,” Paredes said. “Collaboration between various Texas agencies, higher education institutions and the business community is imperative as we work to support a robust Texas economy. To achieve continued economic growth and prosperity, we must advocate for a STEM-literate population. We need game-changing policies that dramatically improve student outcomes and help push Texas higher education to the next levels of success.”

Paredes closed his remarks by stating that access to high quality education will enable Texas to establish a leadership role in the evolving global economy.

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**Mission Statement**
The Texas Higher Education Coordinating Board’s mission is to work with the legislature, governor, governing boards, higher education institutions, and other entities to help Texas meet the goals of the state’s higher education plan, *Closing the Gaps by 2015*, and thereby provide the people of Texas the widest access to higher education of the highest quality in the most efficient manner.
The 2013 State of Higher Education Address: Challenges and Opportunities

Raymund A. Paredes, Ph.D
Commissioner of Higher Education

Presentation to Annual Governing Board Conference
Texas needs **34,000 additional students** to reach 2015 goal for participation

*2013 preliminary data includes only public universities, community & technical colleges, and independent institutions. Career institution data included in total from prior year due to independent reporting cycle.*
The decline in White and Hispanic enrollment represents a challenge in final years of CTG

<table>
<thead>
<tr>
<th></th>
<th>2013 Preliminary Total</th>
<th>Change From 2012</th>
<th>% Change From 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>600,752</td>
<td>(6,960)</td>
<td>(1.15%)</td>
</tr>
<tr>
<td>Hispanic</td>
<td>466,513</td>
<td>(3,562)</td>
<td>(0.76%)</td>
</tr>
<tr>
<td>African-American</td>
<td>184,382</td>
<td>1,576</td>
<td>0.86%</td>
</tr>
<tr>
<td>Other</td>
<td>214,938</td>
<td>16,894</td>
<td>8.50%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,466,585</strong></td>
<td><strong>7,948</strong></td>
<td><strong>0.54%</strong></td>
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</tbody>
</table>

**NOTE:** Totals do not include career institutions
Texas has surpassed the enrollment target for African Americans, but Hispanic enrollments trail.

- **2015 Target:** 172,700
  - African American enrollments have increased 108%

- **2015 Target:** 676,100
  - Hispanic enrollments have increased 113%

**Note:** Includes career school data and flex enrollments at 2-year and 4-year colleges.
African American and Hispanic males enroll at significantly lower rates than females

Percentages reflect portion of indicated population enrolled in Texas higher education in fall 2012

2015 Target: 5.7%
Texas participation rates have improved but remain lower than other peer states

<table>
<thead>
<tr>
<th>State</th>
<th>Participation Rate (2011)</th>
</tr>
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<tbody>
<tr>
<td>California</td>
<td>7.4%</td>
</tr>
<tr>
<td>Illinois</td>
<td>7.1%</td>
</tr>
<tr>
<td>Michigan</td>
<td>7.1%</td>
</tr>
<tr>
<td>New York</td>
<td>7.0%</td>
</tr>
<tr>
<td>Ohio</td>
<td>6.6%</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>6.4%</td>
</tr>
<tr>
<td>Florida</td>
<td>6.3%</td>
</tr>
<tr>
<td>Texas</td>
<td>6.3%</td>
</tr>
<tr>
<td>North Carolina</td>
<td>6.1%</td>
</tr>
<tr>
<td>Georgia</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

Source: U.S. Dept. of Education and Census Bureau
The state has surpassed the 2015 goal for annual undergraduate credentials awarded.

**Total Annual Undergraduate Degrees and Certificates**

*By Year*

**Goal:** 210,000

**2015**

**2012**

**2004**

**2000**

**236,682**

**NOTE:** Collection of career institution data began in 2004
Texas has also surpassed targets for undergraduate credentials among African Americans and Hispanics

**2015 Target:** 24,300
African American annual undergraduate credentials increased **163%**

**2015 Target:** 67,000
Hispanic annual undergraduate credentials increased **213%**

**NOTE:** 2000 Baseline did not include credentials from career institutions; 2012 data includes these institutions.
Unfortunately, Texas continues to lag in STEM undergraduate degrees and credentials.

Note: Data reflects credentials from public institutions.
Readiness among HS grads enrolling in universities has improved significantly

<table>
<thead>
<tr>
<th></th>
<th>Fall 2003</th>
<th>Fall 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of TSI Ready</td>
<td>80.3%</td>
<td>88.4%</td>
</tr>
</tbody>
</table>

College readiness has increased among all racial and ethnic groups:
- **African Americans**: 27 % points
- **Hispanics**: 14 % points
- **Whites**: 4 % points

**Source:** Texas Higher Education Coordinating Board
1. Percentage of TSI ready reflects % of first-time-in-college students who met college readiness standards (or were exempt) in all three areas measured.
2. TSI ready in all three areas among first-time-in-college students enrolling in university directly from HS
Two-year colleges have experienced even more pronounced gains in college readiness

Percentage of TSI Ready\(^1\)
Community and Technical College Students
Direct from HS

<table>
<thead>
<tr>
<th></th>
<th>Fall 2003</th>
<th>Fall 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>African Americans</td>
<td>37.4%</td>
<td>55.1%</td>
</tr>
<tr>
<td>Hispanics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whites</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

College readiness\(^2\) has increased among all racial and ethnic groups:

- African Americans: 16 % points
- Hispanics: 18 % points
- Whites: 18 % points

Source: Texas Higher Education Coordinating Board
1. Percentage of TSI ready reflects % of first-time-in-college students who met college readiness standards (or were exempt) in all three areas measured.
2. TSI ready in all three areas among first-time-in-college students enrolling in 2-year college directly from HS

State of Higher Education Address, 2013
Texas has improved scores on the ACT national college readiness assessment but lags compared to other states.

ACT College readiness in Texas has increased among all racial and ethnic groups since 2008:

- **African Americans**: 4% points
- **Hispanics**: 4% points
- **Whites**: 13% points

Percent of Students Meeting ACT College Readiness Benchmarks

Changes to the Texas high school curriculum could have profound impact on higher education
The Legislature in HB 5 revised the high school curriculum to provide increased flexibility for school districts and students

- Requires a student to choose one or more of the five endorsements upon entering the 9th grade
- SBOE debating which, if any, endorsements will include Algebra II
- **Distinguished level of achievement** requires an endorsement plus Algebra II and is a requirement for automatic admissions
- Reduces the number of end-of-course assessments from 15 to 5
The curriculum changes in HB 5 create challenges and opportunities for the future of Texas

✔ Collaboration among the SBOE, TEA, TWC, THECB, institutions of higher education and the business community is more important than ever to ensure the curriculum sustains a level of rigor necessary to support our future economy

✔ Higher education institutions have a direct role in helping local school districts implement local CTE course options and college preparatory courses

✔ Students considering postsecondary education should continue to be encouraged to take Algebra II or a rigorous equivalent as it remains a gateway to college preparation.
Advise TX is training advisors to help students navigate post-
HB 5 diploma options and how they impact higher education

- Advisors receive 4-6 weeks of intensive pre-service training prior to their placement in selected high-need high schools across the state.
- Advisors will receive HB 5 training including information relating to:
  - Endorsement options available to students
  - New graduation plans and what they mean for higher education enrollment and state financial aid eligibility

Advisors help students understand all the postsecondary options available (career/technical schools, community colleges, and four-year colleges) and how each differ in terms of time investment, cost, and career preparation
Texas must implement game-changing policies to dramatically improve student outcomes

www.completecollege.org
Game-Changing Strategy: Outcomes-based Funding

Public Community Colleges
10% percent of funding appropriated based on critical, mission-specific student outcomes highly aligned with state higher education and workforce goals.

- **Developmental Education**
  Completion of developmental education in math, reading and writing
  (1 point for math; 0.5 points each for reading and writing)

- **Gateway Course**
  Completion (with a C or better) of first college level math, reading or writing course.
  (1 point for math; 0.5 points each for reading and writing)

- **College Credit Attainment**
  Completion of first 15 college credits and first 30 college credits.
  (1 point each)

- **Credentials Awarded\(^1\)**
  Completion of an associate degree, certificate, or bachelor’s degree (where offered.)
  (2 points each; 2.25 for STEM\(^2\) credentials)

- **Transfer to a General Academic Institution**
  Transfer to a general academic institution after having completed 15 hours of coursework.
  (2 points)
100% of funding will be allocated based on a “Return-Value” model that rewards graduate job placement, graduate projected wages, transfers to other institutions of higher education, and students who leave before completion for quality jobs.
Texas State University is piloting innovation in remediation. The “Fundamentals of Conceptual Understanding and Success” (FOCUS) program promotes corequisite remediation where students enroll in credit-bearing math course with extra support.

The New Mathways Project, a collaboration of Charles A. Dana Center, UT-Austin, and the Texas Association of Community Colleges is focused on developing accelerated math courses matched with modern programs of student.
Game-Changing Strategy:

Full-Time is 15 credits

Cap Credits on Associates and Bachelor’s

Bachelor’s and Associates degrees are now statutorily capped at 120 and 60 credits, respectively. Exemptions to policy exist for cases where licensure or compelling academic reasons exist.

Implement 15 to Finish Policies

Define full-time for state financial aid programs as 30 credit hours per academic year instead of 12 credit hours per semester.
Game-Changing Strategy:
Structured Schedules & Guided Pathways

Fast Start Program

- Offers competency-based workforce certificate programs aligned with needs of veterans, displaced workers, and career-focused high school graduates
- Blends online and applied learning techniques
- Moves away from “seat-time” approach to learning, to self-paced skill mastery
- Credentials can be earned in less time, saving money and minimizing a student’s deferred wages.
Game-Changing Strategy:
Structured Schedules & Guided Pathways

The Texas Affordable Baccalaureate Program

- Program in Organizational Leadership is competency-based, accelerated program that will cost between $4k (for upper-division coursework only) and $15k (for full program). Costs include tuition, fees and learning materials
- Synthesizes multiple innovations in higher education to include integrating new technologies, competency-based learning approaches, electronic learning materials, and intensive, just-in-time academic coaching/advising
- Faculty-driven program development
- Highly aligned with workforce needs and skill requirements

A Member of The Texas A&M University System

South Texas College
Structured Schedules & Guided Pathways

✓ Program serves students with or without a HS credential, but with skill levels that fall within the 6-9th grade range
✓ Credentials are aligned with regional workforce needs and encouraged to be “stackable” and allow students to exit at multiple points with a marketable credential
✓ Program designed for student to be concurrently enrolled in a contextualized basic skills course and a CTE (credit or non-credit) program
KEY CHALLENGES TO ADDRESS

• Improve and measure student learning
• Teach and strengthen the whole student
• Develop new criteria for institutional excellence
• Reform the tenure and promotion system
HB 2036 creates the 2036 Commission charged with evaluating future education and workforce needs of Texas.
Beyond 2015: Framing the future of higher education

- THECB will host three symposia beginning in February 2014 to focus on the future of higher education
- Faculty, administrators, researchers, non-profits, business and elected officials will be invited in addition to state and national speakers
- Topics to be discussed
  - The purpose and value of higher education
  - Emerging modalities of instruction
  - Different ways to fund higher education
### THE CHALLENGE:
Two-thirds of all jobs in U.S. by 2020 will require some form of postsecondary training or education

These occupations are projected to have the highest growth rate between now and 2020, and require high levels of postsecondary education.

<table>
<thead>
<tr>
<th>2020 Occupations</th>
<th>% of Total 2020 Occupations</th>
<th>Postsecondary Education Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales &amp; Office Support</td>
<td>25.5%</td>
<td>66%</td>
</tr>
<tr>
<td>Blue Collar</td>
<td>18.6%</td>
<td>34%</td>
</tr>
<tr>
<td>Food &amp; Personal</td>
<td>16.6%</td>
<td>43%</td>
</tr>
<tr>
<td>Managerial &amp; Professional Services</td>
<td>15.0%</td>
<td>86%</td>
</tr>
<tr>
<td>Education</td>
<td>6.1%</td>
<td>94%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>5.1%</td>
<td>94%</td>
</tr>
<tr>
<td>STEM</td>
<td>4.6%</td>
<td>94%</td>
</tr>
<tr>
<td>Community Services</td>
<td>4.8%</td>
<td>91%</td>
</tr>
<tr>
<td>Healthcare support</td>
<td>2.8%</td>
<td>58%</td>
</tr>
<tr>
<td>Social Science</td>
<td>0.5%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>ALL OCCUPATIONS</strong></td>
<td><strong>--</strong></td>
<td><strong>65%</strong></td>
</tr>
</tbody>
</table>

**Source:** Georgetown University, Center on Education and the Workforce, *Recovery: Job Growth and Education Requirements through 2020*, July 2013; percentages may not equal 100 due to rounding.