Agenda Materials
Community and Technical Colleges
Formula Advisory Committee (CTCFAC)
for the 2016-2017 Biennial Appropriations

October 2013
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Agenda

Meeting of the Community/Technical Colleges Formula Advisory Committee
Texas Higher Education Coordinating Board
Lone Star Room, Second Floor
1200 East Anderson Lane, Austin
Tuesday, October 15, 2013
11:00 a.m.

I. Call to Order

II. Consideration to approve the minutes of September 17, 2013 meeting.

III. Discussion, review, and consideration of the Commissioner’s 2016-2017 Biennium charges.
   a. Charge #4 Draft Recommendation
   b. Charge #6 Draft Recommendation

IV. Planning for subsequent meetings

V. Adjournment
Minutes

Attendees: Ms. Erma Johnson Hadley, Chair, Ms. Diane Snyder, Vice-chair, Ms. Kelli Shomaker, Mr. Brad Johnson, Ms. Wendy Gunderson, Dr. Greg Powell, Dr. Paul Illich, Dr. Mark Escamilla, Mr. Eleazar Gonzalez, and Dr. Richard Rhodes. Members attending by teleconference: Dr. Gregory Williams and Dr. Dusty Johnston. Absent: Dr. Paul J. Szuch

THECB Staff: Mr. Gary Johnstone, Mr. Thomas Keaton, Ms. Susan Brown, Ms. Linda Battles, Mr. Paul Turcotte

Also in attendance: Teri Walker, Emily Deardorff, Leslie Cannon, Remmele Young, Richard Moore, Sarah Keyton, and Don Hudson.

Attending by teleconference: Ms. Rosemond Ann Moore

1. The meeting was called to order at 11:00 a.m. The chair expressed her appreciation for everyone’s attendance and their confidence in selecting her to chair this committee.

2. The chair asked if there were any corrections to the minutes of the August 14, 2013 meeting. Corrections were noted to spelling of names. Dr. Rhodes moved that the minutes be approved with the noted correction. The motion was seconded by Dr. Escamilla and unanimously approved.

3. Charge 5 – Study and make recommendations on the treatment of competency-based courses in formula allocations. Mr. Johnstone provided a brief overview of the competency pilot program being planned for South Texas College describing how modules related to courses before being reported to the coordinating board. Students may attend six seven-week terms in a year for $750 per term and attempt as many modules as they like. Each module attempted must be completed with a mastery of 80 percent within the following term after its start. Only once all the modules of a course are successfully mastered is the course reported. Students will have varying demand on available resources. Students may require limited interaction with the offered content or require intense instructor assistance to complete the course. Students showing mastery by testing out will enroll in Excelsior College and transfer credit in. The current funding structure does not fund transfer credits. Ms. Rosemond Ann Moore from South Texas College was available to answer questions. She noted the program is set to begin January 2014 pending S.A.C.S. issues with an estimated enrollment of 80 students at the end of the calendar year. The courses being offered in the pilot program are currently offered in traditional format at the two institutions in other programs. Pearson developed the lower division and elective course content for the pilot program. It was the intent this content would be available to other startup programs.

4. The chair asked the members leading the review of charges to report on the progress made by the groups.
   - Charge 1 – Study and make recommendation for the appropriate funding levels for the contact hour, core, and the student success funding. Ms. Shomaker reported that the group had met by conference call. They have several questions about the expected
result from the group. Discussion followed related to allocation versus total funding levels.

- **Charge 2** – Study and make recommendations for an allocation system for student success points for the 2016-17 biennium. The allocation system should allocate funds to college districts for improvement in student achievement. The allocation system shall be developed in a manner that compares the performance of the college district to itself using the allocation for student success points in the 2014-15 biennium as the baseline for comparison. Mr. Illich reported that the group had met prior to this meeting to hear the results of the Metric Taskforce appointed by TACC. The group will be ready to make a recommendation by the next meeting of the Committee.

- **Charge 3** – Study and make recommendations on changes to the funding model of developmental education that will increase the effectiveness of the programs delivered including the development of a funding formula recommendations on a weighted contact hour basis, under Sec. 61.059, Education Code, for semester length and non-semester length developmental education interventions (including course-based, non-course based, alternative-entry/exit, modules, paired courses, and competency based courses, and other intensive developmental education activities) based on existing developmental education cost studies, ongoing research studies, and survey data. Mr. Johnson reported that the group had not met. He requested that other members send him information related to successful remediation programs. Following a discussion of non-course remediation and reporting of the interventions, the chair and Mr. Johnson asked for a list of colleges that were reporting NCB remediation.

- **Charge 4** – Study and make recommendations on a funding methodology that excludes semester credit hours related to physical education courses for students who are registered to receive both high school and college credit. Dr. Powell reported that the group had a recommendation that the statute provide for an exception for early college high school students taking physical education courses.

- **Charge 6** – Study and make recommendations on changes to the funding model that will improve success of colleges to meet the goals of *Closing the Gaps* in areas of critical need to the state. Ms. Shomaker reported for the group. The recommendation is to continue the 10 percent bonus rate for identified critical fields and to have the degrees and certificates reported for success points weighted at 2.25 for the critical fields. The chair asked that the recommendation be sent to all members of the committee. Following a discussion of the identification of regional critical fields, the chair asked that the THECB look at the possibility of including that option in the overall workforce studies being conducted by TWC and THECB.

5. There being no further business to conduct, the meeting was adjourned at 12:30 p.m. until October 15, 2013 at 11:00 a.m.

Prepared by Gary Johnstone
Commissioner’s Charges

The Community and Technical Collection Formula Advisory Committee (CTCFAC), conducted in an open and public forum, is charged with proposing a set of formulas that provide the appropriate funding levels and financial incentives necessary to best achieve the four major goals of *Closing the Gaps*. A preliminary written report of its activities and recommendations is due to the Commissioner by December 3, 2013, and a final written report by February 3, 2014. The CTCFAC’s specific charges are to:

1. Study and make recommendation for the appropriate funding levels for the contact hour, core, and the student success funding.

2. Study and make recommendations for an allocation system for student success points for the 2016-17 biennium. The allocation system should allocate funds to college districts for improvement in student achievement. The allocation system shall be developed in a manner that compares the performance of the college district to itself using the allocation for student success points in the 2014-15 biennium as the baseline for comparison.

3. Study and make recommendations on changes to the funding model of developmental education that will increase the effectiveness of the programs delivered including the development of a funding formula recommendations on a weighted contact hour basis, under Sec. 61.059, Education Code, for semester length and non-semester length developmental education interventions (including course-based, non-course based, alternative-entry/exit, modules, paired courses, and competency based courses, and other intensive developmental education activities) based on existing developmental education cost studies, ongoing research studies, and survey data.

4. Study and make recommendations on a funding methodology that excludes semester credit hours related to physical education courses for students who are registered to receive both high school and college credit.

5. Study and make recommendations on the treatment of competency-based courses in formula allocations.

6. Study and make recommendations on changes to the funding model that will improve success of colleges to meet the goals of *Closing the Gaps* in areas of critical need to the state.
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<tr>
<th>Full Name</th>
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<tr>
<td>Erma Johnson Hadley</td>
<td>Chancellor</td>
<td>Tarrant County College District</td>
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<td>Snyder, Diane</td>
<td>Vice Chancellor for Finance and Administration</td>
<td>Alamo Colleges</td>
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<tr>
<td>Richard M. Rhodes, Ph.D.</td>
<td>President/CEO</td>
<td>Austin Community College District</td>
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<tr>
<td>Richard Rhodes (Assistant)</td>
<td>Executive Assistant</td>
<td>Austin Community College District</td>
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<tr>
<td>Kelli D. Shomaker, CPA</td>
<td>CFO/Sr. VP for Finance and Administrative Services</td>
<td>Blinn College</td>
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<tr>
<td>Wendy Gunderson</td>
<td>Professor of History - Preston Ridge Campus</td>
<td>Collin College</td>
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<td>Dr. Mark Escamilla</td>
<td>President</td>
<td>Del Mar College</td>
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<tr>
<td>Dr. Paul Szuch</td>
<td>President</td>
<td>Lamar Institute of Technology</td>
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<tr>
<td>Eleazar Gonzalez</td>
<td>Chief Administrative and Financial Officer</td>
<td>Laredo Community College</td>
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<td>Dr. Paul Illich</td>
<td>Director, Institute Effectiveness</td>
<td>McLennan Community College</td>
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<td>Dr. Bradley W. Johnson</td>
<td>President</td>
<td>Northeast Texas Community College</td>
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<td>Gregory Williams</td>
<td>President</td>
<td>Odessa College</td>
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<td>Dr. Gregory Powell</td>
<td>President</td>
<td>Panola College</td>
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<td>Dusty Johnston</td>
<td>President</td>
<td>Vernon College</td>
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Commissioner’s Charge:
Study and make recommendations on a funding methodology that excludes semester credit hours related to physical education courses for students who are registered to receive both high school and college credit.

Draft Response:
Recommend that contact hour funding not be allowed for physical education activity courses for students who are registered to receive both high school and college credit. An exception to this recommendation shall be students enrolled in Early College High School Programs. Regardless of the program of study (recommended program or advanced/distinguished program), Early College High School students must earn one credit (two courses) of physical education in order to receive a high school diploma. We recommend that colleges be allowed to submit the required physical education courses for Early College High School students for contact hour funding.
CTCFAC – Charge #6 DRAFT Recommendations

Commissioner’s Charge:
Study and make recommendations on changes to the funding model that will improve success of colleges to meet the goals of Closing the Gaps in areas of critical need to the state.

Draft Response:
Upon review of this charge and initial discussion, the subcommittee members of the CTCFAC tasked with Charge #6 recommend that the THECB continue to request that the “Legislature fund identified critical fields contact hours with a premium of 10% over and above the full formula funding rate determined by the RFOE cost study. The critical fields shall include computer science, engineering, mathematics, physical science, nursing, allied health and life sciences.”¹ This will account for the proposed 90% of formula funding derived from attempted contact hours and aligns with the CTG goals in areas of critical need to the state.

Given the movement towards Outcome Based Funding, the Charge #6 subcommittee members also recommend that the Charge #2 subcommittee members² evaluate the inclusion of a 2.25 weight for credentials awarded in STEM fields as part of the CTC Milestones. This mirrors the Committee on Affordability, Accountability and Planning (CAAP) vote to modify the previously adopted outcomes-based formula funding proposal to reflect the recommendation from TACC. Moreover, this will account for the proposed 10% of formula funding derived from outcomes based milestones and aligns with the CTG goals in areas of critical need to the state.³

¹ THECB Formula Funding Recommendations 2012 – Recommendation 5: Critical Fields
² Commissioner’s Charge #2: Study and make recommendations for an allocation system for student success points for the 2016-17 biennium. The allocation system should allocate funds to college districts for improvement in student achievement. The allocation system shall be developed in a manner that compares the performance of the college district to itself using the allocation for student success points in the 2014-15 biennium as the baseline for comparison.
³ Legislative Proposal 83rd Texas Legislature, 2013: Rider Formula Funding Methodology for Public Community/Junior Colleges - Student receives from the institution an associate’s degree, a Bachelor’s degree, or a certificate recognized for this purpose by the Coordinating Board in the fields of Science, Technology, Engineering or Mathematics (STEM).