

TEXAS HIGHER EDUCATION COORDINATING BOARD

Agency Operations Committee

1200 EAST ANDERSON LANE, BOARD ROOM 2.140
AUSTIN, TEXAS
1:00 P.M., JULY 29, 2009

*Joe B. Hinton
CHAIRMAN
Brenda Pejovich
VICE CHAIR*

*Fred W. Heldenfels IV
A.W. 'Whit' Riter, III
Ex-Officio
Robert Shepard
Robert V. Wingo*

The Texas Higher Education Coordinating Board Committee on Agency Operations may convene in Executive Session for any of the following items:

- (1) to seek its attorney's advice about pending or contemplated litigation, including pending or contemplated administrative actions, pursuant to Texas Government Code Ann. 551.071(1)(A);
- (2) to seek its attorney's advice about a settlement offer, pursuant to Texas Government Code Ann. 551.071(1)(B); or
- (3) at any point in this meeting, concerning any agenda item listed in the agenda, to seek or to receive its attorney's advice on legal matters, pursuant to Texas Government Code Ann. 551.071(2), or
- (4) to consult with the Commissioner regarding personnel matters, pursuant to Texas Government Code Ann. 551.074 or
- (5) consultation with attorney regarding the issuance, refunding, and defeasance of the State of Texas College Student Loan Bonds and related issues pursuant to Section 551.071(2) Texas Government Code.

AGENDA

I. Welcome and Committee Chair's Opening Remarks

II. Approval of Minutes from the April 29, 2009, Committee meeting

III. Deputy Commissioner's Report

- A. Quarterly Financial Report
- B. Facilities Update
- C. Report on increase to contract with Bond Counsel, V&E
- D. Report on the license plate program

IV. Auditing

- A. Consideration of Approval of Internal Audit Reports on:
 1. Financial Aid and Enrollment Audit of Houston Community College

- B. Discussion of Updates on External Audits
- C. Consideration of adopting the Commissioner's recommendation to the Committee regarding approval of the report on Audits of Agency's Loan Program and Agency-wide Financial Statements for fiscal year ended August 31, 2008 by KPMG, LLP
- D. Consideration of approval of Annual Internal Audit Work Plan for Fiscal Year 2010

V. Agency Operations

- A. Consideration of adopting the Commissioner's recommendation to the Committee regarding the Coordinating Board's operating budget for Fiscal Year 2010
- B. Consideration of authorizing the continuation of active advisory committees which will expire on August 31, 2009, unless continued by the Board
- C. Consideration of adopting the Commissioner's recommendation for an amendment to section 1.16 of Board rules, concerning contracts and grants for materials and services
- D. Consideration of adopting the Commissioner's recommendation for a new section 1.19 of Board Rules, concerning education and training of Board administrators and employees pursuant to section 656.048 of the Texas Government Code
- E. Consideration of adopting the Commissioner's recommendation relating to an amendment to the Memorandum of Understanding between Texas Higher Education Coordinating Board and College for All Texans Foundation: *Closing the Gaps*
- F. Consideration of adopting the staff recommendation relating to the distribution of funds trusted to support medical and graduate medical education for Fiscal Year 2010 and report on trusted funds distributed in Fiscal Year 2009
- G. Consideration of adopting the staff recommendation relating to the Norman Hackerman Advanced Research Program, request for approval of Program Announcement for 2009 Competition
- H. Consideration of adopting the staff recommendation relating to the Carl D. Perkins Career and Technical Education Improvement Act funds to colleges and consortia for Basic Grant, Tech-Prep, and Leadership activities for program year 2009-2010
- I. Consideration of adopting the staff recommendation relating to the revisions to the College Access Challenge Grant, Fiscal Years 2009 and 2010
 - 1. Request for extension and amendment of Texas Counseling Association contract

2. Request to fund the addition of a Web Portal component to CollegeforAllTexans.com, Fiscal Year 2009
 3. Approval to issue Request for Applications for College Connection 2+2+2 Programs, Fiscal Year 2010
 4. Approval of second-year funding of College Connection (\$240,000), College Connection 2+2+2 (\$969,556), and Community Partnership Programs (\$849,324)
- J. Consideration of requests for the purchase of materials or services in excess of \$100,000 and less than \$750,000:
1. Request to extend a contract for HELMS Student Loan software annual usage fee for Fiscal Year 2010 based on a 12-month term with a not-to-exceed amount of \$675,000
 2. Request approval of the Fiscal Year 2010 purchase, in the estimated amount of \$120,000, of network services through an interagency contract with the Department of Information Resources
 3. Request approval of the purchase of printing services through an interagency contract with The University of Texas System for a not-to-exceed amount of \$750,000, the purchase will be through a blanket, two-year contract without obligation
 4. Request approval of a purchase of services through a contract regarding the Adult Basic Education Transitions Project, Fiscal Year 2010
 5. Request approval of a purchase of services through a contract regarding the College and Career Readiness Standards Regional Meetings, Fiscal Year 2009
 6. Request approval of a purchase of services through a contract regarding the Model Vertical Alignment Projects, Fiscal Year 2009
 7. Request approval of a purchase of services through a contract for testing fees for evaluation purposes regarding Intensive Summer Programs and Summer Bridge-Transition Programs, Fiscal Year 2009
 8. Requests approval of a purchase of services through one or more contracts regarding the Accelerated Developmental Education Course Models, Fiscal Year 2009

- K. Consideration of adopting the staff recommendation for a purchase of services through a contract regarding the Community College Developmental Education Initiative, Fiscal Year 2009
- L. Consideration of adopting the staff recommendation for a purchase of services through a contract regarding the Master College Readiness Special Advisors, Fiscal Years 2009, 2010 and 2011
- M. Consideration of adopting the staff recommendation for a purchase of services through a contract regarding the Pre-service, Practicum, Induction, and In-Service Project, Fiscal Years 2010 and 2011
- N. Consideration of adopting the staff recommendation for a grant to purchase services through a contract regarding the Centers for Teacher Education, Fiscal Years 2010 and 2011
- O. Consideration of adopting the staff recommendation for the purchase of services through contracts regarding the Math, Science, and Technology Teacher Preparation Academies, (Cycle 2) Fiscal Years 2009 and 2010, two-year contracts amended and extended through Fiscal Year 2011
- P. Consideration of adopting the staff recommendation of an amendment to the interagency contract with the Department of Information Resources (DIR) to provide services under the Data Center Services contract to add costs of \$1,658,604 for Fiscal Year 2010 and \$1,421,493 for Fiscal Year 2011
- Q. Consideration of Approval of Requests for Qualifications, Requests for Proposals, or similar requests for the purchase of services as follows:
 - 1. Requests for Applications regarding P-16 Regional Councils, Fiscal Year 2010
 - 2. Requests for Applications regarding the Work-Study Mentorship Program, Fiscal Years 2010 and 2011
 - 3. Requests for Applications regarding the Intensive Programs, Fiscal Years 2010 and 2011
 - 4. Requests for Applications regarding the Developmental Education Demonstration Projects, Fiscal Years 2010 and 2011
 - 5. Requests for Applications regarding the Math, Science, and Technology Teacher Preparation Academies, (Cycle 4) Fiscal Years 2010 and 2011
- R. The Texas Higher Education Coordinating Board Committee on Agency Operations will hold a closed, Executive Session to seek or to receive its attorney's advice, pursuant to Texas Government Code Ann. Section 551.071(2), on the following matter, including consultation with attorney regarding the

issuance, refunding, and defeasance of the State of Texas College Student Loan Bonds and related issues pursuant to Section 551.071(2), Texas Government Code Ann.:

Consideration of approval of a Request for Qualifications regarding Bond/Tax Legal Counsel to perform legal services for the agency

cc: Board Members
Executive Officers

Note: The Board will not consider or act upon any item before the Committee on Agency Operations at this meeting. This meeting is not a regular meeting of the full Board. Because the number of board members who may attend the committee meeting, and may create a quorum of the full board, the meeting of the Committee on Agency Operations is also being posted as a meeting of the full Board.

**TEXAS HIGHER EDUCATION COORDINATING BOARD
Committee on Agency Operations**

**Wednesday, April 29, 2009
Board Room, 2nd Floor
Room 2.140
2:00 p.m.**

MINUTES

Committee Members Present: Joe B. Hinton, Chair, Brenda Pejovich Vice Chair, Robert Shepard and Robert Wingo.

Other Members Present: Laurie Bricker, Dr. Lyn Phillips.

Absent: Fred Heldenfels IV, Charles "Trey" Lewis, III, Elaine Mendoza, A.W. "Whit" Riter III, (Ex-Officio)

The meeting convened at 2:00 p.m.

I. Welcome and Committee's Chair Opening Remarks

Vice Chair Pejovich called the meeting to order and welcomed everyone to the Agency Operations Committee (AOC) meeting. Chairman Hinton arrived at 2:30 to conduct the remainder of the meeting.

II. Approval of Minutes from the January 29, 2009, Agency Operations Committee meeting

On motion by Robert Shepard, seconded by Robert Wingo, the January 29, 2009, Agency Operations Committee meeting minutes were approved.

III. Deputy Commissioner's Report

A. Progress Report on Creating a Culture of Excellence

Arturo Alonzo, Deputy Commissioner for Business & Finance, spoke of how the agency has progressed by referring to the three pillars: Process & Controls, Succession Plan and the Enterprise-wide Risk Management in his "A Culture of Excellence" presentation.

B. Second Quarter Financial Report

Arturo Alonzo provided an update to the members on the second quarter financial report.

C. Facilities Update

Arturo Alonzo informed the members that staff started the process two years ago with meeting with the Texas Facilities Commission (TFC) in looking for a new location, since the current lease expires in

June 2010. Members were informed that the specifications were submitted to TFC and that future meetings have been set to continue looking for a new location.

IV. Auditing

A. Discussion of Statement on Auditing Standards No. 114, *Auditor's Communication with those charged with Governance*

Susan Warren attended the Agency's Operation Committee meeting and presented the members with a Powerpoint presentation of the "Statement on Auditing Standards No. 114, *Auditor's Communication with those charge with Governance*".

B. Consideration of Approval of Internal Audit Reports on:

- 1. B-On-Time Loan Program**
- 2. Data Security at TAMU's Educational Resource Center**
- 3. Enrollment Data at Houston Community College**
- 4. Financial Aid at Southwestern University**

On motion by Bob Shepard, seconded by Brenda Pejovich, the Committee approved the four audit reports listed above.

Agency Operations

A. Extension of a contract for a total amount not to exceed \$200,000 with Lone Star Delivery and Process

This item was a reporting item to the Committee. The extension of the contract with Lone Star Delivery and Process had been previously approved by Whit Riter, Chairman and Fred Heldenfels, Vice Chairman under the emergency provision of Rule 1.16.

B. Consideration of adopting a resolution authorizing the elimination of the Reserve Portion of the Interest and Sinking Fund for College Student Loan Bonds; prescribing the administration of the Texas Opportunity Plan Fund and authorized investments for monies therein; authorizing certain transfers of monies in the Texas Opportunity Plan Fund and the Student Loan Auxiliary Fund; and resolving other matters related to the subject

On motion by Robert Wingo, seconded by Robert Shepard, the Committee approved the resolution authorizing the elimination of the Reserve Portion of the Interest and Sinking Fund for College Student Loan Bonds; prescribing the administration of the Texas Opportunity Plan Fund and authorized investments for monies therein; authorizing certain transfers of monies in the Texas Opportunity Plan Fund and the Student Loan Auxiliary Fund; and resolving other matters related to the subject

C. Consideration of adopting a resolution relating to the issuance of State of Texas College Student Loan Bonds in one or more series, and delegating to the Commissioner authority for the filing of one or more applications to obtain a portion of the state's allocation for private activity bonds

On motion by Robert Shepard, seconded by Brenda Pejovich, the Committee approved the resolution relating to the issuance of State of Texas College Student Loan Bonds in one or more series, and delegating to the Commissioner authority for the filing of one or more applications to obtain a portion of the state's allocation for private activity bonds.

D. Consideration of adopting the staff recommendation regarding the AmeriCorps* VISTA Grant program proposal matching funds

Agenda item V-D was withdrawn from the agenda.

E. Consideration of adopting the staff recommendation relating to the allocation of unused Fiscal Year 2009 Carl D. Perkins Career and Technical Education State Leadership and Basic Grant funds for use in program year 2008-2009

On motion by Robert Wingo, seconded by Brenda Pejovich, the Committee approved the allocation of unused Fiscal Year 2009 Carl D. Perkins Career and Technical Education State Leadership and Basic Grant funds for use in program year 2008-2009.

F. Consideration of Requests for Qualifications, Requests for Proposals, or similar requests for the purchase of services as follows:

1. Requests for applications regarding the allocation of Minority Health Research and Education Grant Program funds to public and independent general academic and health-related institutions for the 2010-2011 biennium

On motion by Brenda Pejovich, seconded by Robert Wingo, the Committee approved the request for applications regarding the allocation of Minority Health Research and Education Grant Program funds to public and independent general academic and health-related institutions for the 2010-2011 biennium.

2. Requests for applications regarding the allocation of Nursing, Allied Health and Other Health-related Education Grant Program funds to hospitals, community colleges, and public and independent general academic and health-related institutions that have an initial RN licensure program for the 2010-2011 biennium

On motion by Brenda Pejovich, seconded by Robert Wingo, the Committee approved the request for applications regarding the allocation of Nursing, Allied Health and Other Health-related Education Grant Program funds to hospitals, community colleges, and public and independent general academic and health-related institutions that have an initial RN licensure program for the 2010-2011 biennium.

3. Request for Applications regarding P-16 Regional Councils

On motion by Robert Sheppard, seconded by Robert Wingo, the Committee approved to table this item.

4. Request for Applications regarding Work-Study Mentorship Program

On motion by Brenda Pejovich, seconded by Robert Wingo, the Committee approved to table this item.

5. Requests for Applications regarding Educator Quality/College Readiness Standards (CRS) Demo Site

On motion by Brenda Pejovich, seconded by Robert Shepard, the Committee approved the request for applications regarding the Educator Quality/College Readiness Standards (CRS) Demo Site with the request that the contract will have statement "not to exceed a certain dollar amount".

G. Consideration of contract(s) in excess of \$100,000 and less than \$750,000

1. Request to extend contract for security guard services for Fiscal Year 2010 for \$119,241 based on a 12-month term

On motion by Brenda Pejovich, seconded by Robert Wingo, the Committee approved the request to extend contract for security guard services for Fiscal Year 2010 for \$119,241 based on a 12-month term.

2. Amendment to contract with Integrated Human Capital (IHC) for temporary employee services for Fiscal Year 2009

On motion by Brenda Pejovich, seconded by Robert Shepard, the Committee approved the amendment to contract with Integrated Human Capital for temporary employee services for Fiscal Year 2009.

3. Request for approval to execute one or more contracts for temporary employee services for Fiscal Year 2010

On motion by Brenda Pejovich, seconded by Robert Shepard, the Committee approved to execute one or more contracts for temporary employee services for Fiscal Year 2010.

4. Amendment to contract for Consulting Services with the Texas Counseling Association

On motion by Brenda Pejovich, seconded by Robert Wingo, the Committee approved the amendment to contract for Consulting Services with the Texas Counseling Association.

5. Request for approval regarding Teacher Quality Grants for 2009 through 2011

On motion by Robert Wingo, seconded by Robert Shepard, the Committee approved the request for approval regarding Teacher Quality Grants for 2009 through 2011.

H. Consideration of adopting on an Emergency Basis the Commissioner's recommendation for a new section 1.19 of Board Rules, concerning education and training of Board administrators and employees pursuant to section 656.048 of the Texas Government Code

On motion by Robert Shepard, seconded by Brenda Pejovich, the Committee approved the adoption on an Emergency Basis the Commissioner's recommendation for a new section 1.19 of Board Rules, concerning education and training of Board administrators and employees pursuant to section 656.048 of the Texas Government Code.

The AOC meeting adjourned at 5:00 pm.

AGENDA ITEM IV-A(1)

Consideration of Approval of Internal Audit Report on Financial Aid and Enrollment Audit of Houston Community College

RECOMMENDATION: Approval

Background Information

In accordance with the Internal Audit Work Plan for Fiscal Year 2009, the Internal Audit department has conducted a financial aid and enrollment audit of the Houston Community College.

The objective of our audit was to determine extent of compliance with established rules, policies and procedures over the program, and to ensure that enrollment data is accurately collected and reported.

The results of the review was submitted under separate cover by the Director of Internal Audit, Tony Tegbe.

AGENDA ITEM IV-B

Discussion of Updates on External Audits

RECOMMENDATION: No action required

Background Information:

The Director of Internal Audit, Tony Tegbe, will provide Updates on external audits that are being conducted at the agency.

AGENDA ITEM IV-C

Consideration of adopting the Commissioner's recommendation to the Committee regarding approval of the report on Audits of Agency's Loan Program and Agency-wide Financial Statements for fiscal year ending August 31, 2008 by KPMG, LLP

RECOMMENDATION: Approval of report

Background information:

The Board authorized the Commissioner to contract with KPMG, LLP, to conduct the loan program and agency-wide financial audits for Fiscal Year 2008. The contract was executed on July 27, 2006.

The contract was amended on March 20, 2008, for Audits of Agency's Loan Program and Agency-wide Financial Statements for the Fiscal Year ending August 31, 2008, by KPMG, LLP, for a not-to-exceed amount of \$180,000.

KPMG, LLP, has conducted the loan program and agency-wide financial audits. The report will be sent under separate cover.

AGENDA ITEM IV-D

Consideration of approval of Annual Internal Audit Work Plan for Fiscal Year 2010

RECOMMENDATION: Approval

Background Information

In accordance with the requirements of the Texas Internal Auditing Act, we have conducted a Risk Assessment Process and prepared the Annual Internal Audit Work Plan for Fiscal Year 2010 for your consideration and approval.

The result of the Risk Assessment process and Annual Internal Audit Work Plan for Fiscal Year 2010 was submitted under separate cover by the Director of Internal Audit, Tony Tegbe.

AGENDA ITEM V-A

Consideration of adopting the Commissioner's recommendation to the Committee regarding the Coordinating Board's operating budget for Fiscal Year 2010

RECOMMENDATION: Adoption

Background Information:

At the July Board meeting, the Board will consider the approval of the operating budget for Fiscal Year 2010 which begins on September 1, 2009. The budget allocates funds from all sources, including general revenue, student loan funds, federal funds, and appropriated receipts. The budget is presented in two categories – the agency's operating budget, which includes all funds used for agency operations (salaries, travel, rent, utilities, etc.), and trustee funds, which are funds appropriated to the agency for distribution to external parties, such as students or institutions.

The proposed budget is provided as a separate document.

AGENDA ITEM V-B

Consideration of authorizing the continuation of active advisory committees which will expire on August 31, 2009, unless continued by the Board

RECOMMENDATION: Authorize the continuation of active advisory committees

Background Information:

- Official advisory committees of state agencies must meet various requirements concerning composition, operation and documentation as established in Government Code, Title 10, Chapter 2110, and incorporated into Board rule 1.6 concerning Advisory Committees.
- All committees must have an automatic abolishment date which is no later than four years from the committee's creation/reauthorization date.
- The automatic abolishment date previously established by the Coordinating Board for its official advisory committees is August 31, 2009.
- Staff has reviewed the purpose and necessity of the Board's currently authorized advisory committees and recommends:
 - (1) that the Board authorize the continuation of twelve active committees as indicated on the following pages; and
 - (2) that the Board allow seven inactive advisory committees to be automatically abolished as of August 31, 2009, as indicated on the following pages. No action by the Board is required for automatic abolishment.
- Reauthorized advisory committees would have an automatic abolishment date of August 31, 2013.

07/29/2009

TEXAS HIGHER EDUCATION COORDINATING BOARD
Statutory Advisory Committees

COMMITTEES RECOMMENDED FOR RE-AUTHORIZATION

1. Formula Advisory Committee, Public Universities

Authorization: Texas Education Code §61.059(b)

Division: Planning and Accountability / Finance and Resource Planning
(Staff Liaison: Paul Turcotte)

Purpose: To review formulas used to fund public universities and to make recommendations to the Board regarding the formulas.

Reporting: Committee submits recommendations to the Commissioner by March 1 of even-numbered years. The Commissioner presents the committee's recommendations to the Board at its April meeting with his endorsement or with an alternate recommendation.

2. Formula Advisory Committee, Public Community and Technical Colleges

Authorization: TEC §61.059(b)

Division: Planning and Accountability / Finance and Resource Planning
(Staff Liaison: James Pinkard)

Purpose: To review formulas used to fund public community and technical colleges and to make recommendations to the Board regarding the formulas.

Reporting: Committee submits recommendations to the Commissioner by March 1 of even-numbered years. The Commissioner presents the committee's recommendations to the Board at its April meeting with his endorsement or with an alternate recommendation.

3. Formula Advisory Committee, Public Health-Related Institutions

Authorization: TEC §61.059(b)

Division: Planning and Accountability / Finance and Resource Planning
(Staff Liaison: Ed Buchanan)

Purpose: To review formulas used to fund public health-related institutions and to make recommendations to the Board regarding the formulas.

Reporting: Committee submits recommendations to the Commissioner by March 1 of

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Statutory Advisory Committees

even-numbered years. The Commissioner presents the committee's recommendations to the Board at its April meeting with his endorsement or with an alternate recommendation.

4. Certification Advisory Council

Authorization: TEC §61.314

Division: Academic Affairs & Research / Career and Technical Programs
(Staff Liaison: Fred White)

Purpose: To advise the Board on standards and procedures used in carrying out the provisions of the Board's rules on certification of private postsecondary educational institutions.

Reporting: Recommendations are submitted to the Commissioner and the Commissioner presents them to the Board at the January and July meetings with his endorsement or with an alternate recommendation.

5. Student Financial Aid Advisory Committee

Authorization: TEC §61.0776(b)

Division: Business and Finance
(Staff Liaison: Lois Hollis)

Purpose: To assist the Board in developing information provided by the Center for Financial Aid Information and to assist the Board in proposing changes to state financial aid program rules and policies, as needed.

Reporting: Recommendations are conveyed to the Board by staff at regular Board meetings.

6. ApplyTexas Advisory Committee for Four-Year Institutions

Authorization: TEC §51.762

Division: Business and Finance
(Staff Liaison: Lois Hollis)

Purpose: To develop and revise as needed a common admission application form for use by a person seeking admission as a freshman student to a general

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academic teaching institution.

Reporting: Recommendations are conveyed to the Board by staff at the regular Board meetings.

7. ApplyTexas Advisory Committee for Two-Year Institutions

Authorization: TEC §51.762

Division: Business and Finance
(Staff Liaison: Lois Hollis)

Purpose: To develop and revise as needed a common admission application form for use by a person seeking admission as a freshman student to a two-year institution.

Reporting: Recommendations are conveyed to the Board by staff at the regular Board meetings.

8. Primary Care Residency Advisory Committee

Authorization: TEC §58.007

Division: Academic Affairs & Research / Academic Research & Grant Programs
(Staff Liaison: Stacey Silverman)

Purpose: (1) To review applications for approval and funding of primary care residency training program expansion and related support programs; (2) to make recommendations to the Board relating to the standards and criteria for approval of residency training and related support programs; and (3) to make recommendations to the Board regarding the allocation of new primary care residency positions that are to receive state support under the Primary Care Residency Program Expansion.

Reporting: Recommendations are conveyed to the Board by staff at regular Board meetings.

9. Family Practice Residency Advisory Committee

Authorization: TEC §61.505

Division: Academic Affairs & Research / Academic Research & Grant Programs

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(Staff Liaison: Stacey Silverman)

- Purpose:** (1) To review applications for approval and funding of family practice residency programs and related support programs; (2) to make recommendations to the Board relating to the standards and criteria for approval of residency training and related support programs; (3) to make recommendations to the Board relating to the effectiveness of the programs the Board administers that provide incentives to physicians to practice in underserved areas of the state; and (4) to perform other duties relating to family practice residency training as directed by the Board, including recommendations involving many aspects of family residency practice operation such as public relations, accreditation, local support, use of state funds, internal management and equipment purchase.
- Reporting:** Recommendations are conveyed to the Board by staff at regular Board meetings.

10. Advisory Committee on Research Programs

Authorization: TEC Chapters 142, 143, and 144

Division: Academic Affairs & Research / Academic Research & Grant Programs
(Staff Liaison: Stacey Silverman)

Purpose: To advise the Board regarding the Board's development of research priorities, guidelines, and procedures for the selection of specific projects to be funded under the ARP/ATP at eligible institutions and the Board's development of guidelines and procedures to evaluate research programs scheduled for review by the Legislative Budget Board.

Reporting: The Committee makes the following recommendations to the Board at regular Board meetings: (1) listing of recommended research projects for ARP/ATP awards; (2) program announcements for ARP/ATP grants competitions; (3) biennial external review report of ARP/ATP; and (4) research assessment report of selected programs funded as research special items.

11. National Geographic Awards Committee

Authorization: TEC §61.9684

Division: P-16 Initiatives / Educator Quality

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(Staff Liaison: Susan Barnes)

Purpose: To solicit grant proposals, consider those proposals, and make recommendations to the National Geographic Society.

Reporting: Staff submits a biennial report to the Board on the value of the fund, the membership of the advisory committee, a summary of each project, and other information deemed appropriate. Once approved by the Board, the report is forwarded to the Governor and Legislature by December 1 of even-numbered years.

12. Restricted Research Expenditures Advisory Committee

Authorization: TEC §62.096

Division: Academic Affairs & Research / Academic Research & Grant Programs
(Staff Liaison: Stacey Silverman)

Purpose: To recommend accounting methods for reporting restricted research expenditures that form the basis for distribution of the Research Development Fund, including an audit program and an appeals process for research classification decisions.

Reporting: Recommendations are conveyed to the Board by staff at regular Board meetings.

COMMITTEES TO BE ABOLISHED

1. Professional Nursing Student Program Financial Aid Advisory Committee

Authorization: TEC §61.657(a)

Division: Business and Support Services / Grants and Special Programs
(Staff Liaison: Jane Caldwell)

Purpose: To advise the Board regarding the operation of financial aid programs for professional nursing students.

Reporting: Recommended rule changes are conveyed to the Board by staff at regular Board meetings.

Staff Recommendation to Abolish: We have not been able to justify calling committee

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Statutory Advisory Committees

meetings for the past several years since nursing program statutes and funding have not changed. Some of the previous members have retired or have moved on to new positions. If/when issues arise to be addressed, we believe it would be best to convene a new committee to discuss them, rather than try and maintain a standing committee for this purpose.

2. Vocational Nursing Student Program Financial Aid Advisory Committee

Authorization: TEC §61.657(b)

Division: Business and Support Services / Grants and Special Programs
 (Staff Liaison: Jane Caldwell)

Purpose: To advise the Board regarding the operation of financial aid programs for vocational nursing students.

Reporting: Recommended rule changes are conveyed to the Board by staff at regular Board meetings.

Staff Recommendation to Abolish: We have not been able to justify calling committee meetings for the past several years since nursing program statutes and funding have not changed. Some of the previous members have retired or have moved on to new positions. If/when issues arise to be addressed, we believe it would be best to convene a new committee to discuss them, rather than try and maintain a standing committee for this purpose.

3. Graduate Medical Education Advisory Committee

Authorization: TEC §61.0594

Division: Academic Affairs & Research / Academic Research & Grant Programs
 (Staff Liaison: Stacey Silverman)

Purpose: (1) To review applications for funding of graduate medical education programs under this section and make recommendations for approval or disapproval of those applications; (2) to make recommendations relating to the standards and criteria used for consideration and approval of grants or for the development of formulas for distribution of funding under this section; and (3) to recommend to the Board an allocation of funds among medical schools, teaching hospitals, and other entities that may receive funds under this section.

Reporting: Recommendations are conveyed to the Board by staff at regular Board

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meetings.

Staff Recommendation to Abolish: This committee has not met since 2001 and funding for the program was transferred into the formula in 2008. Remaining funds are awarded to existing independent primary care residency programs. No change to the formula is foreseen. If additional funding were provided, the committee could be re-established.

4. Core Curriculum Advisory Committee

Authorization: TEC §61.822

Division: Academic Affairs & Research / Academic Programs
 (Staff Liaison: Catherine Parsonneault)

Purpose: To recommend to the Board a core curriculum of at least 42 semester credit hours, including a statement of the content, component areas, and objectives of the core curriculum; and review institutional reports for compliance with the statute and rules.

Reporting: Recommendations are conveyed to the Board by staff at regular Board meetings.

Staff Recommendation to Abolish: This committee met from 1998 to 2000, during the most recent legislatively mandated core curriculum implementation, completed its work in 2000, and was disbanded. The Undergraduate Education Advisory Committee, which is a standing committee created by the Commissioner and first convened in November 2006, has a broad portfolio of responsibilities, including the essential functions of the Core Curriculum Advisory Committee.

5. Field of Study Curriculum Advisory Committees

Authorization: TEC §61.823

Division: Academic Affairs & Research / Academic Programs
 (Lead Staff Liaison: Catherine Parsonneault)

Purpose: To advise the Board on the development of undergraduate field of study curricula. A field of study curriculum is a set of courses that will satisfy the lower division requirements for a bachelor’s degree in a specific academic area at a general academic teaching institution.

Reporting: Recommendations are conveyed to the Board by staff at regular Board meetings.

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Staff Recommendation to Abolish: The last field of study (FOS) committee was the Mexican-American FOS Advisory Committee, which last met in the fall of 2004. This committee, and all other previous, older FOS committees, have completed their work in making recommendations to staff for courses and programs of study that articulate from public 2-year colleges to public 4-year universities. None of these FOS committees are needed at this time.

6. Technology Workforce Development Grant Program Advisory Committee

Authorization: TEC §51.858

Division: Academic Affairs & Research / Academic Research & Grant Programs
(Staff Liaison: Reinold Cornelius)

Purpose: To provide advice and guidance related to the design, operation, and management of the Technology Workforce Development Grant Program.

Reporting: Recommendations are conveyed to the Board by staff at regular Board meetings.

Staff Recommendation to Abolish: Funding for the Technology Workforce Development Fund ended in 2004. There is no longer a need for the Advisory Committee to meet.

7. Fifth-Year Accounting Students Scholarship Program Advisory Committee

Authorization: TEC §61.757

Division: Business and Support Services / Grants and Special Programs
(Staff Liaison: Jane Caldwell)

Purpose: To advise the Board regarding the operation of the Fifth-Year Accounting Students Scholarship Program.

Reporting: Recommended rule changes are conveyed to the Board by staff at regular Board meetings.

Staff Recommendation to Abolish: HB 2440, 81st Legislature, transferred this program and advisory committee to the State Board of Public Accountancy.

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Statutory Advisory Committees

COMMITTEES RECOMMENDED FOR RE-AUTHORIZATION

1. Formula Advisory Committee, Public Universities

Authorization: Texas Education Code §61.059(b)

Division: Planning and Accountability / Finance and Resource Planning
(Staff Liaison: Paul Turcotte)

Purpose: To review formulas used to fund public universities and to make recommendations to the Board regarding the formulas.

Reporting: Committee submits recommendations to the Commissioner by March 1 of even-numbered years. The Commissioner presents the committee's recommendations to the Board at its April meeting with his endorsement or with an alternate recommendation.

2. Formula Advisory Committee, Public Community and Technical Colleges

Authorization: TEC §61.059(b)

Division: Planning and Accountability / Finance and Resource Planning
(Staff Liaison: James Pinkard)

Purpose: To review formulas used to fund public community and technical colleges and to make recommendations to the Board regarding the formulas.

Reporting: Committee submits recommendations to the Commissioner by March 1 of even-numbered years. The Commissioner presents the committee's recommendations to the Board at its April meeting with his endorsement or with an alternate recommendation.

3. Formula Advisory Committee, Public Health-Related Institutions

Authorization: TEC §61.059(b)

Division: Planning and Accountability / Finance and Resource Planning
(Staff Liaison: Ed Buchanan)

Purpose: To review formulas used to fund public health-related institutions and to make recommendations to the Board regarding the formulas.

Reporting: Committee submits recommendations to the Commissioner by March 1 of

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even-numbered years. The Commissioner presents the committee's recommendations to the Board at its April meeting with his endorsement or with an alternate recommendation.

4. Certification Advisory Council

Authorization: TEC §61.314

Division: Academic Affairs & Research / Career and Technical Programs
(Staff Liaison: Fred White)

Purpose: To advise the Board on standards and procedures used in carrying out the provisions of the Board's rules on certification of private postsecondary educational institutions.

Reporting: Recommendations are submitted to the Commissioner and the Commissioner presents them to the Board at the January and July meetings with his endorsement or with an alternate recommendation.

5. Student Financial Aid Advisory Committee

Authorization: TEC §61.0776(b)

Division: Business and Finance
(Staff Liaison: Lois Hollis)

Purpose: To assist the Board in developing information provided by the Center for Financial Aid Information and to assist the Board in proposing changes to state financial aid program rules and policies, as needed.

Reporting: Recommendations are conveyed to the Board by staff at regular Board meetings.

6. ApplyTexas Advisory Committee for Four-Year Institutions

Authorization: TEC §51.762

Division: Business and Finance
(Staff Liaison: Lois Hollis)

Purpose: To develop and revise as needed a common admission application form for use by a person seeking admission as a freshman student to a general

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academic teaching institution.

Reporting: Recommendations are conveyed to the Board by staff at the regular Board meetings.

7. ApplyTexas Advisory Committee for Two-Year Institutions

Authorization: TEC §51.762

Division: Business and Finance
(Staff Liaison: Lois Hollis)

Purpose: To develop and revise as needed a common admission application form for use by a person seeking admission as a freshman student to a two-year institution.

Reporting: Recommendations are conveyed to the Board by staff at the regular Board meetings.

8. Primary Care Residency Advisory Committee

Authorization: TEC §58.007

Division: Academic Affairs & Research / Academic Research & Grant Programs
(Staff Liaison: Stacey Silverman)

Purpose: (1) To review applications for approval and funding of primary care residency training program expansion and related support programs; (2) to make recommendations to the Board relating to the standards and criteria for approval of residency training and related support programs; and (3) to make recommendations to the Board regarding the allocation of new primary care residency positions that are to receive state support under the Primary Care Residency Program Expansion.

Reporting: Recommendations are conveyed to the Board by staff at regular Board meetings.

9. Family Practice Residency Advisory Committee

Authorization: TEC §61.505

Division: Academic Affairs & Research / Academic Research & Grant Programs

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(Staff Liaison: Stacey Silverman)

- Purpose:** (1) To review applications for approval and funding of family practice residency programs and related support programs; (2) to make recommendations to the Board relating to the standards and criteria for approval of residency training and related support programs; (3) to make recommendations to the Board relating to the effectiveness of the programs the Board administers that provide incentives to physicians to practice in underserved areas of the state; and (4) to perform other duties relating to family practice residency training as directed by the Board, including recommendations involving many aspects of family residency practice operation such as public relations, accreditation, local support, use of state funds, internal management and equipment purchase.
- Reporting:** Recommendations are conveyed to the Board by staff at regular Board meetings.

10. Advisory Committee on Research Programs

Authorization: TEC Chapters 142, 143, and 144

Division: Academic Affairs & Research / Academic Research & Grant Programs
(Staff Liaison: Stacey Silverman)

Purpose: To advise the Board regarding the Board's development of research priorities, guidelines, and procedures for the selection of specific projects to be funded under the ARP/ATP at eligible institutions and the Board's development of guidelines and procedures to evaluate research programs scheduled for review by the Legislative Budget Board.

Reporting: The Committee makes the following recommendations to the Board at regular Board meetings: (1) listing of recommended research projects for ARP/ATP awards; (2) program announcements for ARP/ATP grants competitions; (3) biennial external review report of ARP/ATP; and (4) research assessment report of selected programs funded as research special items.

11. National Geographic Awards Committee

Authorization: TEC §61.9684

Division: P-16 Initiatives / Educator Quality

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(Staff Liaison: Susan Barnes)

Purpose: To solicit grant proposals, consider those proposals, and make recommendations to the National Geographic Society.

Reporting: Staff submits a biennial report to the Board on the value of the fund, the membership of the advisory committee, a summary of each project, and other information deemed appropriate. Once approved by the Board, the report is forwarded to the Governor and Legislature by December 1 of even-numbered years.

12. Restricted Research Expenditures Advisory Committee

Authorization: TEC §62.096

Division: Academic Affairs & Research / Academic Research & Grant Programs
(Staff Liaison: Stacey Silverman)

Purpose: To recommend accounting methods for reporting restricted research expenditures that form the basis for distribution of the Research Development Fund, including an audit program and an appeals process for research classification decisions.

Reporting: Recommendations are conveyed to the Board by staff at regular Board meetings.

COMMITTEES TO BE ABOLISHED

1. Professional Nursing Student Program Financial Aid Advisory Committee

Authorization: TEC §61.657(a)

Division: Business and Support Services / Grants and Special Programs
(Staff Liaison: Jane Caldwell)

Purpose: To advise the Board regarding the operation of financial aid programs for professional nursing students.

Reporting: Recommended rule changes are conveyed to the Board by staff at regular Board meetings.

Staff Recommendation to Abolish: We have not been able to justify calling committee

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meetings for the past several years since nursing program statutes and funding have not changed. Some of the previous members have retired or have moved on to new positions. If/when issues arise to be addressed, we believe it would be best to convene a new committee to discuss them, rather than try and maintain a standing committee for this purpose.

2. Vocational Nursing Student Program Financial Aid Advisory Committee

Authorization: TEC §61.657(b)

Division: Business and Support Services / Grants and Special Programs
 (Staff Liaison: Jane Caldwell)

Purpose: To advise the Board regarding the operation of financial aid programs for vocational nursing students.

Reporting: Recommended rule changes are conveyed to the Board by staff at regular Board meetings.

Staff Recommendation to Abolish: We have not been able to justify calling committee meetings for the past several years since nursing program statutes and funding have not changed. Some of the previous members have retired or have moved on to new positions. If/when issues arise to be addressed, we believe it would be best to convene a new committee to discuss them, rather than try and maintain a standing committee for this purpose.

3. Graduate Medical Education Advisory Committee

Authorization: TEC §61.0594

Division: Academic Affairs & Research / Academic Research & Grant Programs
 (Staff Liaison: Stacey Silverman)

Purpose: (1) To review applications for funding of graduate medical education programs under this section and make recommendations for approval or disapproval of those applications; (2) to make recommendations relating to the standards and criteria used for consideration and approval of grants or for the development of formulas for distribution of funding under this section; and (3) to recommend to the Board an allocation of funds among medical schools, teaching hospitals, and other entities that may receive funds under this section.

Reporting: Recommendations are conveyed to the Board by staff at regular Board

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meetings.

Staff Recommendation to Abolish: This committee has not met since 2001 and funding for the program was transferred into the formula in 2008. Remaining funds are awarded to existing independent primary care residency programs. No change to the formula is foreseen. If additional funding were provided, the committee could be re-established.

4. Core Curriculum Advisory Committee

Authorization: TEC §61.822

Division: Academic Affairs & Research / Academic Programs
(Staff Liaison: Catherine Parsonneault)

Purpose: To recommend to the Board a core curriculum of at least 42 semester credit hours, including a statement of the content, component areas, and objectives of the core curriculum; and review institutional reports for compliance with the statute and rules.

Reporting: Recommendations are conveyed to the Board by staff at regular Board meetings.

Staff Recommendation to Abolish: This committee met from 1998 to 2000, during the most recent legislatively mandated core curriculum implementation, completed its work in 2000, and was disbanded. The Undergraduate Education Advisory Committee, which is a standing committee created by the Commissioner and first convened in November 2006, has a broad portfolio of responsibilities, including the essential functions of the Core Curriculum Advisory Committee.

5. Field of Study Curriculum Advisory Committees

Authorization: TEC §61.823

Division: Academic Affairs & Research / Academic Programs
(Lead Staff Liaison: Catherine Parsonneault)

Purpose: To advise the Board on the development of undergraduate field of study curricula. A field of study curriculum is a set of courses that will satisfy the lower division requirements for a bachelor's degree in a specific academic area at a general academic teaching institution.

Reporting: Recommendations are conveyed to the Board by staff at regular Board meetings.

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Staff Recommendation to Abolish: The last field of study (FOS) committee was the Mexican-American FOS Advisory Committee, which last met in the fall of 2004. This committee, and all other previous, older FOS committees, have completed their work in making recommendations to staff for courses and programs of study that articulate from public 2-year colleges to public 4-year universities. None of these FOS committees are needed at this time.

6. Technology Workforce Development Grant Program Advisory Committee

Authorization: TEC §51.858

Division: Academic Affairs & Research / Academic Research & Grant Programs
 (Staff Liaison: Reinold Cornelius)

Purpose: To provide advice and guidance related to the design, operation, and management of the Technology Workforce Development Grant Program.

Reporting: Recommendations are conveyed to the Board by staff at regular Board meetings.

Staff Recommendation to Abolish: Funding for the Technology Workforce Development Fund ended in 2004. There is no longer a need for the Advisory Committee to meet.

7. Fifth-Year Accounting Students Scholarship Program Advisory Committee

Authorization: TEC §61.757

Division: Business and Support Services / Grants and Special Programs
 (Staff Liaison: Jane Caldwell)

Purpose: To advise the Board regarding the operation of the Fifth-Year Accounting Students Scholarship Program.

Reporting: Recommended rule changes are conveyed to the Board by staff at regular Board meetings.

Staff Recommendation to Abolish: HB 2440, 81st Legislature, transferred this program and advisory committee to the State Board of Public Accountancy.

AGENDA ITEM V-C

Consideration of adopting the Commissioner's recommendation for an amendment to section 1.16 of Board rules, concerning contracts and grants for materials and services

RECOMMENDATION: Adopt amendment to section 1.16 of Board rules concerning contracts and grants for materials and services

Background information:

Under Board rule 1.16 in its current form if a request for the purchase of materials or services has been approved by the Board or the Agency Operations Committee that will result in multiple contracts, each of which has a value of less than \$100,000 but which together have a value in excess of \$100,000, those contracts must each be approved by the Chair and Vice Chair. For instance, should an RFP result in contracts with eight separate institutions of higher education, each of which had a value of \$15,000, all eight contracts would require the approval of the Chair and Vice Chair, although the expenditure of \$120,000 had already been authorized by the Agency Operation Committee when it approved the issuance of the request for proposals.

The proposed amendment provides that, when the Board or the Agency Operations Committee has authorized a request for the purchase of materials or services that will result in the letting of multiple contracts with an aggregate value greater than \$100,000, any individual contract with a value of more than \$100,000 must still be approved by the Chair and Vice Chair, but the final approval for the letting of contracts with individual values less than \$100,000 would be provided by the Commissioner or the Deputy Commissioner for Business and Finance. The amendment allows for clarification and streamlining of the approval process.

Commissioner Paredes proposed these rules in the Texas Register on June 15, 2009. Staff recommends that the Board adopt the proposed rules.

Date approved by the Commissioner for Publication in the Texas Register:

June 15, 2009

Date Published in the Texas Register:

June 26, 2009

Summary of comments received:

At the time the agenda materials were mailed, no comments had been received regarding the amendments. The comment period ends July 27, 2009. Any comments received will be presented at the Board meeting on July 29, 2009.

07/29/2009

AGENDA ITEM V-C
Page Two

Legal Review:

Approved by the Office of General Counsel _____ Date: _____

The amendments have been prepared in the following format:

- New language is in lowercase, underlined, and shaded.
- Deleted language is bracketed and struck through.
- When new language replaces deleted language, the new language precedes the deleted language.

CHAPTER 1. AGENCY ADMINISTRATION

SUBCHAPTER A. GENERAL PROVISIONS

Section

- 1.1. Dates for Regular Quarterly Meetings of the Board
- 1.2. Authority of the Commissioner to Interpret Rules
- 1.3. Educational Data
- 1.4. Rules of Order
- 1.5. Coordinating Board Committees
- 1.6. Advisory Committees
- 1.7. Petition for the Adoption of Rules
- 1.8. Historically Underutilized Business (HUBs) Program
- 1.9. Training for Members of Governing Boards and Board Trustees
- 1.10. Administration of the Open Records Act
- 1.11. Protest Procedures for Resolving Vendor Protests Relating to Purchasing Issues
- 1.12. Foreign Travel
- 1.13. Internal Auditor
- 1.14. Negotiated Rulemaking
- 1.15. Authority of the Commissioner to Propose Board Rules
- 1.16. Contracts for Materials and Services
- 1.17. Authority of the Commissioner to Provide Direct Supervision of the Education Research Centers
- 1.18. Operation of Education Research Centers

- 1.1. – 1.15. (No Change)

- 1.16. Contracts for Materials and Services

- (a) – (g) (No Change)

(h) In the event that the Board or the Agency Operations Committee, as applicable, has approved the issuance of a request for the purchase of materials or services that will result in the letting of contracts, including grants, to multiple vendors or providers of services, any resulting contract which by itself shall have a cost greater than \$100,000.00 must be approved by the Chair and Vice Chair of the Board. The Commissioner or the Deputy Commissioner for Business and Finance/Chief Operating Officer, in accordance with subsection (c), shall provide final approval of contracts with the selected vendors or providers of services if the contract amount is less than or equal to \$100,000.00.

- 1.17. – 1.18. (No Change)

AGENDA ITEM V-D

Consideration of adopting the Commissioner's recommendation for a new section 1.19 of Board Rules, concerning education and training of Board administrators and employees pursuant to section 656.048 of the Texas Government Code

RECOMMENDATION: Adoption

Background Information:

The State Employees Training Act, embodied in Chapter 656 of the Government Code, envisions training and education supported by state agencies. Section 656.042 states: "Programs for the training and education of state administrators and employees materially aid effective state administration, and public money spent on those programs serves an important public purpose." Section 656.044 indicates that: "A state agency may use public funds to provide training and education for its administrators and employees. The training or education must be related to the duties or prospective duties of the administrator or employee." The training in issue must, therefore, be related to the THECB employee's duties—either current or future. Indeed, "a state agency may require an administrator or employee of the agency to attend, as all or part of the administrator's or employee's duties, a training or education program if the training or education is related to the administrator's or employee's duties or prospective duties." Section 656.045. "A state agency may spend public funds as appropriate to pay the salary, tuition and other fees, travel and living expenses, training stipend, expense of training materials, and other necessary expenses of an instructor, student, or other participant in a training or education program." Section 656.047.

In order for an agency to provide training and education to its employees, it must adopt rules and policies allowing same. Sec. 656.048 provides: "(a) A state agency shall adopt rules relating to: (1) the eligibility of the agency's administrators and employees for training and education supported by the agency; and (2) the obligations assumed by the administrators and employees on receiving the training and education." Section 656.102 indicates: "Before a state agency spends any money on training for a state employee, the state agency must adopt a policy governing the training of employees, in addition to the rules required by Section 656.048."

The THECB has a policy permitting such training and education. However, when the Board's former rules on training and employee scholarships were eliminated at the October 2008 Board meeting, the language permitting support for education and training was eliminated as well as the intended portion relating to methodology of selection of scholarship recipients. This proposed rule is to restore the agency's explicit authority to offer education and training.

Commissioner Paredes proposed these rules in the Texas Register on May 29, 2009. Staff recommends that the Board adopt the proposed rules.

AGENDA ITEM V-D
Page Two

Date approved by the Commissioner for Publication in the Texas Register:

May 29, 2009

Date Published in the Texas Register:

June 12, 2009

Summary of comments received:

No comments were received regarding the new section.

Legal Review:

Approved by the Office of General Counsel _____ Date: _____

The amendments have been prepared in the following format:

- New language is in lowercase, underlined, and shaded.
- Deleted language is bracketed and struck through.
- When new language replaces deleted language, the new language precedes the deleted language.

Chapter 1. Agency Administration

Subchapter A. General Provisions

1.19. Education and Training of Board Administrators and Employees

The Texas Higher Education Coordinating Board values its administrators and employees and encourages lifelong learning and professional development through education and training pursuant to the State Employees Training Act, Texas Government Code Sections 656.041 - 656.104 and successor sections. The eligibility of the agency's administrators and employees for training and education provided by the agency, and the obligations, including restrictions and potential liability, assumed by administrators and employees on receiving such training and education, shall be as set forth in the Board's policies.

AGENDA ITEM V-E

Consideration of adopting the Commissioner's recommendation relating to an amendment to the Memorandum of Understanding between Texas Higher Education Coordinating Board and College for All Texans Foundation: *Closing the Gaps*

RECOMMENDATION: Approve Amendment to Memorandum of Understanding

Background information:

The College for All Texans Foundation: *Closing the Gaps* was established in 2001 by three Coordinating Board members (Pam Willeford, Cathy Obriotti Green, and Adair Margo) with the support of the entire Coordinating Board.

The proposed amendment recommended by the staff of both the THECB and the Foundation appears below.

**AMENDMENT NUMBER 4 TO THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE TEXAS HIGHER EDUCATION COORDINATING BOARD AND
COLLEGE FOR ALL TEXANS FOUNDATION: *CLOSING THE GAPS***

This Amendment Number 4 to the Memorandum of Understanding between the Texas Higher Education Coordinating Board (THECB) and College for All Texans Foundation: *Closing the Gaps* (Foundation) is entered into effective September 1, 2008.

WHEREAS, effective November 1, 2002, THECB and Foundation entered into a Memorandum of Understanding (MOU) for the purpose of setting forth and defining their relationship and the manner in which various aspects of such relationship will be handled; and

WHEREAS the November 1, 2002 MOU recites at Item 5(c) that "[t]he parties may amend this MOU, from time to time, to permit the use of funds for other purposes";

WHEREAS, the THECB and Foundation desire to amend the MOU to include additional terms; and

WHEREAS, the purposes of this Amendment Number 4 to the MOU are consistent with the objectives and purposes of the THECB and Foundation;

NOW THEREFORE, in consideration of the premises, the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the THECB and Foundation agree as follows:

Item 5. Use of funds and other donations from fundraising or solicitation, subsection (a), is amended to read as follows:

(a) Foundation shall use all funds:

(1) To support the Texas Higher Education Coordinating Board in

carrying out the goals and strategies of the higher education plan, *Closing the Gaps by 2015*;

(2) For the employment of an Executive Director of Foundation, along with necessary support staff;

(3) For the payment of normal business expenses associated with the Campaign and the employment of an Executive Director and necessary support staff;

(4) For the benefit of the TEXAS Grant Program, administered by THECB under Texas Education Code, Sections 56.302 through 56.310;

(5) To assist the THECB in administering scholarship programs, including but not limited to those funded under Rider 44, House Bill 1, General Appropriations Act (Section 44, page III-55), 80th Texas Legislature; and

(6) To administer grants from various entities, including, but not limited to, grants from the Bill & Melinda Gates Foundation, and the Houston Endowment Inc.

All other terms and conditions not hereby amended are to remain in full force and effect.

EXECUTED in multiple original copies by the parties pursuant to authorization of the Texas Higher Education Coordinating Board and College for All Texans Foundation: *Closing the Gaps* to be effective on the date previously noted.

Signed this _____ day of July, 2009.

COLLEGE FOR ALL TEXANS FOUNDATION: <i>CLOSING THE GAPS</i>	TEXAS HIGHER EDUCATION COORDINATING BOARD
By: _____ Cathy Obriotti Green, Chair/President	By: _____ A.W. "Whit" Riter, Chairman

AGENDA ITEM V-F

Consideration of adopting the staff recommendation relating to the distribution of funds trusted to support medical and graduate medical education for Fiscal Year 2010 and report on trusted funds distributed in Fiscal Year 2009

RECOMMENDATION: Approval

Background Information:

The following table shows the biennial funding history of the trusted programs that support medical and graduate medical education of primary care physicians in Texas.

Program	FY 2002-2003	FY 2004-2005	FY 2006-2007	FY 2008-2009	FY 2010-2011
1. Family Practice Residency Program	\$20,599,709	\$18,383,522	\$17,464,310	\$17,464,310	\$21,214,310
2. Primary Care Residency Program	\$5,886,460	\$5,253,104	\$4,990,440	\$4,990,440	\$4,990,440
3. Graduate Medical Education Program	\$15,200,000	\$3,828,222	\$3,636,804	\$600,000	\$600,000
4. Statewide Preceptorship Programs	\$1,941,436	\$997,400	\$904,289	\$904,289	\$904,289
* 5. Joint Admissions Medical Program (JAMP)	\$4,000,000	\$3,490,900	\$3,316,355	\$5,616,355	\$10,616,355
6. Resident Physician Compensation Program	\$8,070,238	\$0	\$0	\$0	\$0
7. Family Practice Residency Pilot Project	\$1,974,400	\$0	\$0	\$0	\$0
Total	\$57,672,243	\$31,953,148	\$30,312,198	\$29,575,394	\$38,325,394

*Non discretionary funds

The Coordinating Board delegated authority to the Commissioner to release funds trusted for medical and graduate medical education programs in 2003, with the understanding that an annual report will be made to the Board. Advisory committees provide the Commissioner with recommendations regarding allocation of funds, as required by statute. Two programs, the Family Practice Residency Program and the Joint Admissions Medical Program, received an increase in their appropriations amounts from the 81st Texas Legislature.

The Coordinating Board provides trusted funds to programs as directed by the Texas Legislature. Two programs - the Joint Admission Medical Program and the Texas Statewide Preceptorship Program - support the preparation and education efforts at the undergraduate and medical school level, while three programs - the Family Practice Residency, the Primary Care Residency, and the Graduate Medical Education programs - support the education and training of physicians at the graduate or post-MD/DO level. Two programs previously funded by the Texas Legislature did not receive an appropriation from the 78th, 79th, 80th, or 81st Texas Legislatures (Resident Physician Compensation Program and Family Practice Pilot Projects).

Graduate medical education, also called residency training, is the final stage of formal education that a physician must complete prior to receiving state licensure, to entering independent practice, and to obtaining board certification in his or her medical specialty area.

7/29/09

Residency training is a three- to seven-year process of focused education and training offered by nationally-accredited programs, typically located in hospital settings. Texas has 77 nationally-accredited primary care residency programs. Residency programs are accredited nationally, either by the Accreditation Council for Graduate Medical Education (ACGME) or the American Osteopathic Association (AOA), depending on whether the residency program accepts MD- or DO-trained physicians.

Since 1979, the Coordinating Board has supported graduate medical education to encourage the training of certain kinds of physicians.

An overview of each of the programs funded by the Texas Legislature follows:

1. Family Practice Residency Program – \$10,607,155 for each year of the FY 2010-2011 biennium

(a) Family Practice Residency Operational Programs – \$10,605,293 /year

The Family Practice Residency Program (FPRP) was established in 1977 by the Texas Legislature to increase the numbers of physicians selecting family practice as their medical specialty and to encourage those physicians to establish their practices in rural and underserved communities in Texas. Since its inception, the program has provided funding support for more than 7,730 family practice residents.

The FPRP provides grants to Texas' 29 nationally-accredited family practice residency programs located in every region of the state and provides strong support for Texas' health care education and delivery network. Funding recommendations are made to the Commissioner by the statutory 12-member Family Practice Residency Advisory Committee. The Advisory Committee members serve voluntarily and do not receive travel or per diem reimbursement for their participation.

Staff projects the per-resident funding level to increase to \$14,205, up from last year's \$12,680 per resident. Funding will support a projected 700 residents. Funding levels are based on the number of certified family practice residents in training on September 1, 2009. Therefore, the actual amount per resident will be determined following that review.

(b) Family Practice Faculty Development Center – \$393,000/year

The Family Practice Faculty Development Center (the Center), located in Waco, was established in 1978 with federal and state funding to provide training for current and future family practice residency and medical school faculty. The Center offers a full range of opportunities for residents and faculty to enhance their skills in research, teaching, management, and administration of academic family medicine. The Center annually selects and trains seven family practice faculty fellows in research and pedagogy; a majority of the fellows pursue leadership roles within residency programs, with many eventually serving as residency directors. In FY 2008, the Center added supervision and maintenance of the Rural and Public Health Rotations to its responsibilities.

In 1997, the Center received recognition from the Pew Charitable Trust Foundation for its activities in primary care. In FY 2006, the Center received its last year of a federal grant of approximately \$300,000 under Title VII funding provisions of the U.S. Department of Health and Human Services, Health Resources and Services Administration. In an effort to maintain the Center's activities, state funds were increased to the Center in 2007 to \$383,000. The Family Practice Residency Advisory Committee and staff recommend that state funding for the Center be maintained at \$383,000 for FY 2009.

(c) Rural and Public Health Rotations – \$240,000/year

The Texas Legislature established the Rural Rotation program in 1989 and added Public Health rotations in 1997. It is statutorily mandated that all accredited Texas family practice residency programs provide their residents with an opportunity to participate in a one-month rotation in a rural or public health setting.

Rural and public health rotations are supported by Family Practice Residency Program funds, as required by a rider in the Appropriations Act. Both the participating resident and the residency program receive funding under the program. However, the Rural and Public Health supervisors serve as volunteers and are not compensated for their services.

In 2009, approximately 70 family practice residents completed a rural or public health rotation. Participating family practice residents receive a stipend of \$1,000 upon completion of either the rural or public health rotation. Staff estimates a comparable number of rural and public health rotations to be completed in FY 2010.

2. Primary Care Residency Program – \$2,495,220 for each year of the FY 2010-2011 biennium

In 1995, the Texas Legislature created the Primary Care Residency Program to provide funds to new and not previously funded primary care residency programs, as a mechanism to increase the number of primary care physicians trained in the state. Since the establishment of this program, the Texas Legislature has increased the appropriated funds, from \$888,570 in FY 1997 to \$3,084,730 in FY 1999 and succeeding years. However, FY 2004 and FY 2005 appropriations were reduced by 15 percent to \$2,626,552 annually. These funds were reduced by an additional 5 percent to \$2,495,220 for each year of the FY 2006 and FY 2007 biennium. In FY 2009, the fund provided support to 166 residents in 26 programs. Staff estimate this funding level to be maintained in FY 2010.

Under this program, funding is limited to Texas primary care residency programs, defined as family practice (not supported by the Family Practice Residency Program), general internal medicine, general pediatrics, or obstetrics/gynecology. Funding is provided to residency programs based on residency program directors' designations of residents likely to remain in Texas to practice. The residency program receives funds for the duration of the designated residents' training, up to a maximum of four years for obstetrics/gynecology residents. Funds may be expended on educational enhancements that benefit all residents in training at the program.

3. Graduate Medical Education Program – \$300,000 for each year of the FY 2010-2011 biennium

The Graduate Medical Education (GME) Program was established by the Texas Legislature in 1997 to increase the state's support of medical residency programs. In FY 2009, the Board contracted with teaching hospitals and local foundations to support independent residency training and provided per-resident funding of \$879.76 to 341 primary care residents in training.

Participation in the program is limited to residency programs that incur the costs of faculty supervision and education or the stipend costs of resident physicians in accredited clinical residency programs in the state.

The 80th Texas Legislature transferred \$3,000,000 of this trusteed fund to support the health-related institutions through a direct appropriation to the Graduate Medical Education formula funding. The GME formula funding is provided only to health-related institutions; so funding for teaching hospitals operating unaffiliated independent primary care residency programs will continue, as directed by Rider 16 of the Appropriations Act.

4. Statewide Preceptorship Programs in Family Practice, Internal Medicine, and Pediatrics – \$452,144 for each year of the FY 2010-2011 biennium

The Preceptorship Programs provide direct funding to Texas medical students to encourage them to choose primary care careers by offering a month-long experience in one of three primary care specialties: family practice, general internal medicine, or general pediatrics. The guiding premise of the preceptorship experience is that early exposure to a primary care medical specialty may positively influence future career decisions and practice patterns.

Medical students typically participate in the preceptorship programs during the summer between their first and second year of medical school. The students work in practicing physicians' offices and experience the daily life and work of primary care physicians. Participating medical students are encouraged to select a primary care physician whose practice is located away from their medical school. The medical students may select from a volunteer faculty of more than 1,250 primary care physicians located statewide.

The preceptorship program in family practice was established in 1978 and served as a model for the development in 1995 of the preceptorship programs in internal medicine and pediatrics. Since 1981, the Coordinating Board has contracted with The University of Texas Health Science Center at Houston to operate the preceptorship program in family practice, and since 1996, the Coordinating Board has contracted with two non-profit organizations - the Texas Academy of Internal Medicine and the Texas Pediatric Society - to establish and operate the programs in internal medicine and pediatrics, respectively.

5. Joint Admission Medical Program – \$10,616,355 for the FY 2010-2011 biennium

The Coordinating Board contracts with The University of Texas System Office, Texas Medical and Dental Schools Application Service (TMDSAS) to maintain and administer the Joint Admission Medical Program (JAMP). The program was created by the 77th Texas Legislature in

2001 and provides services to support and encourage highly qualified, economically disadvantaged students pursuing a medical education. The 80th Texas Legislature increased the funding by \$2,300,000 for the biennium and expanded eligibility to students attending Texas independent institutions. The 81st Texas Legislation increased the funding by an additional \$5,000,000 for the biennium, which will allow more students to enroll in the program and continue funding for undergraduates currently enrolled in the program.

Currently, there are 360 students in the program; of these students, 192 are undergraduates and 158 are Texas medical students. An additional 150 undergraduates will be admitted to the program in spring 2010. JAMP provides both undergraduate and medical school scholarships. Participating JAMP students receive a scholarship each semester beginning in their sophomore year of college. Undergraduate students also receive a stipend to attend summer internships following their sophomore and junior years. JAMP students receive mentoring and personal assistance to prepare for medical school while attending college. Most importantly, if they fulfill all requirements, these students receive a guarantee of admission and financial support to attend a Texas medical school. The first cohort of JAMP students was selected in 2003 and will graduate from medical school in spring 2010.

AGENDA ITEM V-G

Consideration of adopting the staff recommendation relating to the Norman Hackerman Advanced Research Program, request for approval of Program Announcement for 2009 Competition

RECOMMENDATION: Approval

Background Information:

Texas Education Code, Chapter 142 directs the Coordinating Board to administer the Advanced Research Program (ARP). In 2007, the Coordinating Board officially changed the program name to the Norman Hackerman Advanced Research Program (NHARP) in honor of the long time contributions of Dr. Norman Hackerman.

NHARP awards are made to tenured and tenure-track faculty conducting basic research in specific disciplines at Texas eligible general academic and health-related institutions. Eligible faculty may submit proposals to support new and innovative basic science projects. Proposals are selected by a panel of national peer reviewers representing specific scientific disciplines.

The 81st Texas Legislature revised the program to include independent higher education institutions and requires funded projects to support undergraduate students at general academic institutions and undergraduate and/or graduate students at health-related institutions. The funding available for the NHARP 2009 competition is \$16.4 million, which is the same funding level as the 2007 competition.

The 2009 program announcement was reviewed by the Board's Advisory Committee on Research Programs (ACORP) at its meeting on April 8, 2009. The 2009 program announcement includes the recommended ACORP funding levels for the specific disciplines.

Following Board approval of the 2009 program announcement, it will be posted at www.arpatp.com. All eligible institutional representatives (public and independent institutions) and investigators will be notified of its availability. The peer review process will begin in the fall, and the Board will receive a recommendation of proposed grant recipients at its April 2010 meeting.

A draft program announcement for the 2009 competition has been provided under separate cover.

AGENDA ITEM V-H

Consideration of adopting the staff recommendation relating to the Carl D. Perkins Career and Technical Education Improvement Act funds to colleges and consortia for Basic Grant, Tech-Prep, and Leadership activities for program year 2009-2010

RECOMMENDATION: Approval

Background Information:

Carl D. Perkins Career and Technical Education Improvement Act funds support programs that help students matriculate to higher education by providing career exploration, opportunities to earn college credit in high school, and seamless educational pathways that lead to associate and baccalaureate degrees. Perkins funds are used to develop and enhance career and technical programs that lead to high-skill, high-wage, or high-demand careers.

As part of the responsibility delegated to the Coordinating Board by the State Board of Education, the Board annually allocates Carl D. Perkins Career and Technical Education Improvement Act funds to the state's public two-year colleges. Funds for Title I of the Perkins Act are allocated to the state and divided between secondary and postsecondary education according to a formula developed by the Texas Education Agency. Title II Tech-Prep funds are allocated to the Coordinating Board for administration. Funds must be expended according to the federal and state rules and regulations governing Perkins activities. In addition, and as part of the Commissioner's work with staff in aligning all activities and resources with *Closing the Gaps by 2015*, policy and funding changes have been implemented to ensure Perkins funding supports these goals and objectives. The following information describes the categories and the maximum allocated for each category of postsecondary Perkins funding for the program year 2009-2010.

Basic Grant	\$23,231,137
Basic Grant Reserve	\$ 364,544
State Leadership	\$ 2,730,962
State Administration	\$ 1,387,981
Non-traditional (Leadership)	\$ 45,000
Tech-Prep	<u>\$ 8,391,458</u>
Total FY 2009-2010	\$36,151,082

AWARD CATEGORIES

BASIC GRANTS

\$23,231,137

The Carl D. Perkins Career and Technical Education Improvement Act of 2006 authorizes funds to be allocated to postsecondary institutions to significantly improve technical education programs and enhance the academic and technical skills of postsecondary students who enroll in these programs. An emphasis is placed on increasing academic performance of special population students, which is in alignment with the goals and objectives of *Closing the Gaps by 2015*.

Each eligible institution is entitled to an allotment that is determined by the total number of students reported by the institution that are enrolled in technical programs or technical courses and are receiving Pell grants. Eligible institutions in Texas include all 50 community college districts, three Lamar State Colleges, and the Texas State Technical College System. A more detailed distribution of these funds is included in this report.

In previous program years, colleges have spent approximately 9 percent of Perkins funds for upgrading their instructional equipment, 13 percent for upgrading curriculum, 17 percent for guidance and counseling, 31 percent for serving special populations (textbooks, transportation, dependent care), and 30 percent for other education activities (professional development, travel, administration).

In aligning Perkins activities with *Closing the Gaps by 2015*, the Coordinating Board initially budgeted a \$2 million in reserve to be distributed by a grant process to colleges that will initiate projects to increase the rigor of Career and Technical Education and increase graduates in critical fields [*Closing the Gaps by 2015*]. However, with the allocation of the total Basic Grant remaining at a 70/30 split between secondary and postsecondary institutions for the 2009-2010 program year, the Commissioner has recommended immediately allocating the funds to the institutions, rather than maintaining a reserve.

Approximately 57 institutions will be awarded Perkins Basic Grant funds for the 2009-2010 program year. The deadline for submission of basic applications was June 1, 2009. The review of applications is currently underway.

BASIC RESERVE

\$364,544

The Basic Grant Reserve funds will be used in three ways: a) to provide the minimum \$50,000 grant to three institutions that did not qualify under the formula, 2) to provide additional support to keep five institutions from losing more than 20% of their funding between FY 2009 and FY 2010, and 3) to increase the amount of funds provided to all eligible institutions through the regular Basic Grant formula.

STATE LEADERSHIP

\$2,730,962

State Leadership funds are allocated in a competitive request for application process and include comprehensive professional development activities, development of innovative curriculum and/or course/modules redesign in high-skill, high-wage, or high-demand occupations, and activities that increase the academic performance of special population students including students in non-traditional fields of study. These projects are required by federal law to have

statewide impact on career technical education by increasing excellence in programs, teaching methodology, or students' outcomes. State Leadership projects and activities are aligned with *Closing the Gaps by 2015*.

In addition to the \$2,730,962 for State Leadership, \$45,000 has been specifically allocated by the Texas Education Agency this fiscal year to increase student participation in non-traditional fields. The deadline for submission of State Leadership applications was May 15, 2009. The review of applications is currently underway.

STATE ADMINISTRATION

\$1,387,981

Carl D. Perkins Career and Technical Education Improvement Act of 2006 administrative funds will be used to administer, monitor, and report on all Perkins grant activities supported by the Texas Higher Education Coordinating Board that enhance the academic and technical skills of postsecondary students who enroll in technical programs, and to achieve the goals and objectives of the state's higher education plan, *Closing the Gaps by 2015*. State administration includes, but is not limited to: a) awarding and distributing funds to eligible recipients, b) conducting ongoing evaluations and monitoring of the grant recipients' adherence to federal and state laws, c) preparing reports to the Texas Education Agency for federal reporting purposes, d) providing technical support to grant recipients, e) conducting site visits to ensure compliance with provisions and assurances, and f) other administrative processes including fiscal accounting.

TECH-PREP

\$8,391,458

Tech-Prep education programs create a secondary-to-postsecondary pathway that leads to an Associate of Applied Science degree and provide a means by which students can earn college credit while in high school. In Texas, Tech-Prep programs are developed for a six-year program of study (four years of high school and two years of college) based on the Recommended High School Graduation Plan (using the 4x4 curriculum) so that students will be technically and academically prepared for both employment and continuing education.

Grants to the regional consortia are based on a formula that was approved at the Coordinating Board meeting held January 29, 2009. The formula provides base operating funds to consortia with additional funds distributed according to the number of grades 9-12 students that are reported by the Texas Education Agency to be within their service areas.

A portion of the funds (\$419,573) is used for State Administration of the 26 Tech-Prep programs in Texas. These funds are also used to assist with improved articulation agreements for programs of study, coordination of quarterly meetings, technical assistance workshops, coordination of consortium site visits, collection and interpretation of state and regional performance data, and development of student identification systems.

Tech-Prep activities will include an emphasis on the Culture of Transfer as set forth by the Coordinating Board; so too will Tech-Prep programs of study. With the elimination of the focus on sub-baccalaureate training in Perkins IV, Tech-Prep programs are well positioned to extend seamless transitions from secondary to postsecondary and into baccalaureate programs. The deadline for submission of Tech-Prep applications was May 15, 2009. The review of applications is currently underway.

PERKINS BASIC GRANT ALLOCATIONS

<u>Institution</u>	<u>Allocation</u>
Alamo CCD	\$2,105,977
Alvin Community College	244,939
Amarillo College	559,200
Angelina College	385,560
Austin Community College	929,433
Blinn College	309,891
Brazosport College	53,946
Central Texas College	467,456
Cisco Junior College	240,233
Coastal Bend College	288,192
College of the Mainland CCD	145,955
Collin County CCD	133,934
Dallas County CCD	1,311,131
Del Mar College	598,229
El Paso County CCD	709,644
Frank Phillips College	62,538
Galveston College	82,644
Grayson County College	243,274
Hill College	147,307
Houston Community College System	1,180,985
Howard County Jr College District	266,566
Kilgore College	393,259
Lamar Institute of Technology	313,053
Lamar State College - Orange	182,835
Lamar State College - Port Arthur	173,591
Laredo Community College	579,716
Lee College	393,019
Lone Star College System District	707,062
McLennan Community College	663,567
Midland College	222,034
Navarro College	444,743
North Central Texas College	231,375
Northeast Texas Community College	141,393
Odessa College	192,080
Panola College	124,328
Paris Junior College	263,694
San Jacinto College District	509,695
South Plains College	474,745
South Texas College	1,314,124
Southwest Texas Junior College	349,041
Tarrant County College District	666,439
Temple College	201,083
Texarkana College	259,035
Texas Southmost College	490,941

<u>Institution</u>	<u>Allocation</u>
TSTC - Harlingen	693,617
TSTC - Marshall	101,495
TSTC - Waco	958,976
TSTC - West Texas	274,797
Trinity Valley Community College	442,329
Tyler Junior College	334,076
Vernon College	159,689
Victoria College, The	203,280
Weatherford College	110,716
Wharton County Junior College	194,276
Total Formula Allocations	\$23,231,137

PERKINS BASIC GRANT RESERVE ALLOCATIONS

<u>Institution</u>	<u>Allocation</u>
Brazosport College	\$ 3,864
Clarendon College	50,000
Frank Phillips College	383
Midland College	37,426
Ranger College	50,000
TSTC - West Texas	56,983
Tyler Junior College	115,888
Western Texas College	50,000
Total Reserve Allocations	\$364,544

TECH PREP

<u>Institution</u>	<u>Consortium</u>	<u>Allocation</u>
Alamo CCD	Alamo Region Tech Prep	\$436,561
Amarillo College	Top of Texas Tech Prep	248,084
Angelina College	Deep East Texas College Tech Prep	237,585
Austin Community College	Capital Area College Tech Prep	364,337
Blinn College	Brazos Valley College Tech Prep	227,632
Collin County CCD	Global EDGE Tech Prep	304,647
Dallas County CCD	North Central Texas Tech Prep	695,860
Del Mar College	Coastal Bend Tech Prep	262,077
Education Service Center Region 15	Concho Valley Tech Prep	215,975
Education Service Center Region 19	Upper Rio Grande College Tech Prep	314,156
Grayson College	Texoma Tech Prep	283,009
Lamar State College - Orange	Southeast Texas Tech Prep	242,490
Laredo Community College	South Texas Tech Prep	238,924
Lone Star System	Gulf Coast Tech Prep	884,877
Midland College	Permian Basin Tech Prep	245,552
Paris Junior College	Upper East Texas Tech Prep	235,101
South Plains College	South Plains Tech Prep	241,721
Southwest Texas Junior College	STAR Tech Prep	226,821
Temple College	Central Texas Tech Prep	257,752
TSTC - Harlingen	Lower Rio Grande Valley Tech Prep	380,278
TSTC - Waco	Heart of Texas Tech Prep	236,362
TSTC - West Texas	West Central Texas Tech Prep	233,227
The University of Texas at Tyler	East Texas Tech Prep	281,990
Vernon College	North Texas Tech Prep	221,930
Victoria College	Golden Crescent Tech Prep	221,205
Weatherford College	Weatherford College Tech Prep	233,732
Total Formula Allocations		\$7,971,885
THECB	State Administration of Tech Prep	\$204,614
Temple College	Tech Prep Data Collection Project	133,000
THECB	Available for 2009-2010 Consortia Use	<u>81,959</u>
Total State Administration		\$419,573
Total Tech Prep		\$8,391,458

STATE LEADERSHIP

<u>Project</u>	<u>Institution</u>	<u>Allocation</u>
Technical Assistance and Instructional Program Support	THECB	\$153,786
Texas Network for Teaching Excellence in Career and Technical Education	Austin Community College	400,551
Workforce Education Course Manual (WECM)	Midland College	192,009
STARLINK	Dallas County CCD	135,247
Texas Counselors' Network: Community College Counseling Connections	Weatherford College	40,000
Texas Career Clusters: Utilizing Programs of Study to Facilitate Articulation	Dallas County CCD	119,557
Marketing for Career and Technical Education	El Paso Community College	612,000
Improving CTE Postsecondary Student Retention	Collin County CCD	293,055
Engaging Students in Non-Traditional Programs	Lamar Institute of Technology	48,500
Education Open Source: CTE Alignment and Quality Improvement	TSTC - Waco	138,500
Podcasting to Increase Completion Rates of Students in Critical Fields	Texas A&M University	149,372
Developing a Green Building Assessment and Remediation Curriculum	TSTC - Waco	98,916
Integrating Hybrid Electric Vehicle Servicing into Automotive Curriculum	TSTC - Waco	94,224
Total Allocations		\$2,475,717
Available for Additional 2009-2010 Projects	THECB	\$255,245
Total State Leadership		\$2,730,962

AGENDA ITEM V-I

Consideration of adopting the staff recommendation relating to the revisions to the College Access Challenge Grant, Fiscal Years 2009 and 2010

1. Consideration of request for extension and amendment of Texas Counseling Association contract

Original Contract Amount: \$135,000 (Fiscal Year 2009 funds)
Additional Contract Amount: \$65,000 (Fiscal Year 2010 funds)
Total Contract Amount: \$200,000
Source of Funds: Federal, F.1.4 Strategy, College Access Challenge Grant
Authority: Higher Education Opportunity Act (Public Law 110-315)
Committee Approval: P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps by 2015 Goal(s): Success
The extension of this project will assist postsecondary counselors and academic advisors in promoting student completion.

Board staff request the extension and amendment of the Coordinating Board's contract with the Texas Counseling Association (TCA) for Fiscal Year 2010 for an additional \$65,000 from unallocated funds from Fiscal Year 2009 to develop a training session for postsecondary counselors and academic advisors on successful practices in promoting student completion. Since a contract currently exists with TCA, the reason this request is being brought forward is because the additional amount exceeds 10 percent as allowed by in Board Rule 1.16. The Participation and Success Committee approved the program elements on June 22, 2009. The Texas Grant Office has approved the carryover of unused 2009 funds for use in 2010.

Background information:

Project Description: Under its current contract with the THECB, set to expire August 31, 2009, the TCA will have completed the development of the training for counselors, teachers, and administrators at the secondary level on developing a college-going culture in Texas schools. This training includes information on the Comprehensive Developmental Guidance and Counseling Model, the Cross-disciplinary College and Career Readiness Standards, data analysis and strategic planning, and resources on promoting a college-going culture.

The goal of these sessions aimed at college counselors is to increase their knowledge of the College and Career Readiness Standards and the needs of first-generation college-going students. The training will include information about the College and Career Readiness Standards and their integration with the Texas Comprehensive Developmental Guidance and Counseling Model and strategies to support first-generation students in completing a certificate or degree program.

Project Evaluation: This project will accelerate *Closing the Gaps* in success by giving college counselors the knowledge of what is expected for a student to be successful in entry-level college courses and building the capacity of college counselors to support first-generation students, a population that is primarily African American, Hispanic, and low-income, toward certificate or degree completion. The evaluation targets for this effort are to have participants increase their knowledge of the College and Career Readiness Standards from pre-test to post-test by an average of at least 50 percent and to have 80 percent of the participants successfully use at least one strategy to support first-generation students complete a certificate or degree program.

AGENDA ITEM V-I

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2. Consideration of request to fund the addition of a Web Portal component to CollegeforAllTexans.com, Fiscal Year 2009

Total Project Cost: \$323,987
Individual Project Cost: \$323,987
Source of Funds: Federal, F.1.4 Strategy, College Access Challenge Grant
Authority: Higher Education Opportunity Act (Public Law 110-315)
Committee Approval: P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps by 2015 Goal(s): Participation, Excellence
CollegeforAllTexans.com and the web portal component contribute to the creation of a college-going culture in Texas public schools. These projects focus on motivating students to attend college and providing the information and support they need to access and be successful in post secondary education.

Board staff request approval to fund 1) College Exploration; 2) College Financing; and 3) College Planning and Preparation, as additional components to the College for All Texans website. This use of funds is a good match for the federal requirements attached to College Access Challenge Grant (CACG) regulations. The Federal Grant office has approved the carryover of unused 2009 funds for use in 2010.

Background information:

Project Description: The purpose of the College for All Texans web portal project is to support a college going culture through a one-stop-shop website. The addition of the web portal to the current College for All Texans website would provide services in three vital areas: 1) College Exploration; 2) College Financing; and 3) College Planning and Preparation. The following additions to CollegeforAllTexans.com will enhance each area by: 1) Creation of personalized student accounts/portfolios 2) Single-sign on user-IDs and ability to pre-populate self-reported information across CollegeforAllTexans.com, the Texas common application for admissions (ApplyTexas.org), and the Free Application for Federal Student Aid (FAFSA); and 3) Development of "OnTrack for College Readiness" which will provide College Knowledge assessments, multi-media College 101 learning modules, and 6-12th grade college and career planning curriculum with accompanying lesson plans.

Project Evaluation: Survey information and self-reported data from the student accounts would provide data for the evaluation. College Knowledge assessments would provide new variables to determine the effectiveness of this project in changing student perceptions and actions, as well as a means of evaluating the impact of other college readiness interventions. Key outcomes of this project would be increased time spent per user on the site, higher rates of participation in college preparation coursework due to planning activities on the site, increased number of applications for admissions and financial aid due to information provided through the site, and ultimately increased college enrollment.

07/29/2009

3. Consideration of approval to issue a Request for Applications for College Connection 2+2+2 Programs, Fiscal Year 2010

Total Project Cost: \$2,440,000
Individual Project Cost: Up to \$180,000
Additional Cost: \$100,000
Source of Funds: Federal, F.1.4 Strategy, College Access Challenge Grant
Authority: Higher Education Opportunity Act (Public Law 110-315)
Committee Approval: P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps by 2015 Goal(s): Participation, Success
College Connection 2+2+2 programs ensure that all students and their parents understand the benefits of higher education, the necessary steps to prepare academically and financially for college, and the importance of completing a baccalaureate degree for students who begin their studies at a two-year institution.

Board staff request approval to issue a Request for Applications for a second round of College Connection 2+2+2 programs in Fiscal Year 2010 when second-year CACG funding to the THECB is received. Austin Community College and Blinn College will be contracted to provide training to new grantees in best practices for implementation of the program. The Participation and Success Committee approved the program elements on June 22, 2009.

Background information:

Project Description: As part of federal College Access Challenge Grant Program, the number of fundable applications for College Connection 2+2+2 programs in Fiscal Year 2009 was lower than expected.

With additional federal funding of \$2,440,000 in Fiscal Year 2010, College Connection 2+2+2 contracts will be awarded through a competitive process to no more than 13 institutions of higher education for a total of \$2,300,000, or up to \$180,000 for individual projects. In addition, training of the new grant recipients in the Austin Community College – College Connection model and the Blinn College Transfer model will take place for a total training fee of \$100,000.

College Connection and College Connection 2+2+2 programs are partnerships of public school districts, community colleges, and universities. Under the College Connection program, community college advisors provide pre-college services for students of partner school districts to assist with college planning and selection,

admissions preparation, financial aid information including FAFSA completion, and college readiness assessment. College Connection 2+2+2 programs extend the pre-college services to include both community college and university advisors to ensure students understand the benefits of transferring to a university after completion of community college work.

Project Evaluation: This project started less than a year ago. At this point we only have preliminary data on the College Connection 2+2+2 program. Our baseline data indicates that the 2008 FAFSA completion rate for 2007 high school graduates from participating schools was 48.1 percent, compared to 46.2 percent for all Texas public high school students. The 2009 FAFSA rates will be available in June of 2010. The baseline data for transfer from the two-year institutions to senior institutions is 19.6 statewide for 2008. As this is the first summer of the program, transfer will not occur until fall. We will have the 2009 transfer rate for the institutions involved after they are reported by the institutions. Effort is being made to increase the number of FAFSA applications, especially for Hispanic and African-American students. In addition, efforts are being made to increase the number of students transferring from two-year to four-year institutions. This data will be reported in June 2010.

4. Request for approval of second-year funding of College Connection (\$240,000), College Connection 2+2+2 (\$969,556), and Community Partnership Programs (\$849,324)

Total Project Cost: \$2,058,880
Individual Project Cost: \$42,475 to \$158,073
Source of Funds: Federal, F.1.4 Strategy, College Access Challenge Grant
Authority: Higher Education Opportunity Act (Public Law 110-315)
Committee Approval: P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps by 2015 Goal(s): Participation, Success
These projects ensure that all students and their parents understand the benefits of higher education, the necessary steps to prepare academically and financially for college, and the importance of completing a baccalaureate degree for students who begin their studies at a two-year institution.

Board staff request approval of second-year funding of College Connection, College Connection 2+2+2, and Community Partnership Programs.

Background information:

Project Description: The objectives of the federally-funded College Access Challenge Grant Program (CACGP) are to provide information to students and families regarding postsecondary education and career preparation; to promote financial literacy and debt management; to conduct outreach activities; and to assist students in completing the Free Application for Federal Student Financial Aid (FAFSA). College Connection, College Connection 2+2+2, and Community Partnerships programs are designed to address the objectives of the CACGP.

College Connection and College Connection 2+2+2 programs are partnerships of public school districts, community colleges, and universities. Under the College Connection program, community college advisors provide pre-college services for students of partner school districts to assist with college planning and selection, admissions preparation, financial aid information including FAFSA completion, and college readiness assessment. College Connection 2+2+2 programs extend the pre-college services to include both community college and university advisors to ensure students understand the benefits of transferring to a university after completion of community college work.

Community Partnerships support new and existing college-promoting GO Centers in high schools, satellite and mobile GO Centers in the community, one-on-one mentoring, financial aid workshops, student visits to campuses, and college-promoting events.

Project Evaluation: All projects awarded funding are required to participate in a cross-site evaluation. Grant recipients have received training in the use of THECB's online data collection system and data templates. Preliminary information from the original Fiscal Year 2009 CACGP awards indicates that sub-grantees are on track to accomplish the objectives.

AGENDA ITEM V-J

Consideration of requests for the purchase of materials or services in excess of \$100,000 and less than \$750,000

- 1. Request to extend a contract for HELMS Student Loan software annual usage fee for Fiscal Year 2010 based on a 12-month term with a not-to-exceed amount of \$675,000**

RECOMMENDATION: Approval

Background Information:

In October 2006, THECB entered into a contract with Charter Account Systems, Inc., now 5280 Solutions, for the installation, conversion, customization, and annual usage fees for the HELMS and HelmNET Student Loan Systems. The base annual usage fee is \$500,000 per year based on a loan portfolio size of \$850,000,000, plus additional costs based on 5 basis points (.0005) for the portfolio balance above \$850,000,000, excluding uncollectible debt. The fees are calculated and invoiced quarterly.

THECB's loan portfolio exceeded the \$850,000,000 threshold for the first time with the June payment of \$136,000 for the last quarter of Fiscal Year 2009 and is expected to increase each quarter during Fiscal Year 2010. Each payment will vary, depending on portfolio size, with the total for the year not exceeding \$675,000.

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- 2. Request approval of the Fiscal Year 2010 purchase, in the estimated amount of \$120,000, of network services through an interagency contract with the Department of Information Resources**

RECOMMENDATION: Approval

Background Information:

HB1516 from the 79th Legislature mandated that the agency participate in the state-wide data center consolidation project. As part of this project, the agency must also acquire network services required to connect to the DCS Data Centers in Austin and San Angelo through a separate interagency contract with Department of Information (DIR).

The original interagency contract was executed in July 2008 and subsequently amended in April 2009 to reduce the cost to \$9,046.31 per month or \$108,556 per year. Although this rate is effective until amended by DIR, the amount requested for approval has been increased by slightly more than 10 percent to offset minor changes or one-time costs associated with the move of the equipment into the state data centers as scheduled during summer and early fall.

3. Request approval of the purchase of printing services through an Interagency Contract (IAC) with The University of Texas System for a not-to-exceed amount of \$750,000, the purchase will be through a blanket, two-year contract without obligation

RECOMMENDATION: Approval

Background information:

This contract shall be used on an as-needed basis and shall be used at the sole discretion of the Texas Higher Education Coordinating Board. Under existing State regulations, state agencies must obtain printing services from a list of approved printing vendors. The purpose of this contract is to utilize the printing services from the University of Texas.

The use of UT's printing services provides the THECB a cost effective and efficient way of securing printing services. The two-year IAC is an estimated amount based on anticipated divisions' needs with no guarantees of quantity. The IAC will expire on August 2011.

4. Request approval of a grant to purchase services through a contract regarding the Adult Basic Education Transitions Project, Fiscal Year 2010

Total Project Cost: \$500,000
Source of Funds: State, A.1.3. College Readiness Initiative
Authority: \$61.0762 (Texas Education Code), Programs to Enhance Student Success, and Rider 45, Appropriations Act, 81st Texas Legislature
Committee Approval: P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps by 2015 Goal(s): Success
This project focuses on assuring students are college-ready and have the support to be successful in postsecondary education.

Board staff request approval to contract with Texas State University-San Marcos for the Adult Basic Education Transitions pilot. Texas State has the only adult literacy and developmental education graduate program in the state. The pilot project expands on an earlier research project conducted by Texas State that identified best practices in Adult Basic Education Transition in Texas. This project will validate the identified best practices and determine scalability for statewide implementation. The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: This project will pilot best practices for the state as it relates to adult education transition in Texas. Texas has not undertaken a major pilot project of

this type with a rigorous evaluation to determine scalability. The planning, implementation, and evaluation will occur over the next 18-24 months.

Project Evaluation: The primary outcomes will be an increase in: the number of adult education students, especially recent General Educational Development graduates, that enroll in postsecondary education, the number of adult education students that enroll college ready, the number of adult education students that persist for one year, and the number of adult education students that earn a certificate or degree. Every attempt will be made to secure feedback as to the effectiveness of the program to meet their needs.

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5. Request approval of a grant to purchase services through a contract regarding the College and Career Readiness Standards Regional Meetings, Fiscal Year 2009

Total Project Cost: \$200,000
Individual Project Cost: \$20,000 (per meeting)
Source of Funds: State, A.1.3. College Readiness Initiative
Authority: \$61.0762 (Texas Education Code), Programs to Enhance Student Success
Committee Approval: P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps by 2015 Goal(s): Success, Excellence
This project focuses on assuring students are college-ready and have the support needed to be successful in postsecondary education, as well as on improving P-16 programs to a level of nationally recognized excellence.

Board staff request funding a second round of regional meetings, to be referred to as College and Career Readiness Standards (CCRS) Regional Round-Ups. Board staff will contract with 10 institutions of higher education (IHEs) across the state for their College Readiness Special Advisors to plan, coordinate, and host these Round-Ups in the fall of 2009. The Round-Ups are expected to reach up to 2,000 secondary and postsecondary educators, increasing their awareness of impending CCRS implementation, legislative action, and CCRS implementation strategies and resources available from the THECB and Texas Education Agency. The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: In July 2008, the Coordinating Board (THECB) approved a Request for Proposals for the planning and implementation of College and Career Readiness Standards (CCRS) Regional Meetings. Those meetings were held that fall in conjunction with the selected vendor, the Educational Policy Improvement Center (EPIC). The 14 meetings reached over 1,300 educators and education stakeholders. Subsequent to the meetings, the consensus recommendation of stakeholders was that the THECB should host a new round of regional meetings to update constituents.

Project Evaluation: IHEs will be required to submit final reports that include results of the meeting evaluation (developed with THECB input and final approval) and a description of initiated and anticipated follow-up activities, best practices, and lessons learned, as well as the resultant P-16 action planning leading to increased curriculum articulation that promotes college readiness.

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6. Request approval of a grant to purchase services through a contract regarding the Model Vertical Alignment Projects, Fiscal Year 2009

Total Project Cost: Up to \$300,000
Individual Project Cost: Up to \$100,000
Source of Funds: State, A.1.3. College Readiness Initiative
Authority: §61.0762 (Texas Education Code), Programs to Enhance Student Success
Committee Approval: P&S Committee, June 22, 2009

RECOMMENDATION: Approval

<p><i>Closing the Gaps by 2015</i> Goal(s): Success, Excellence This project focuses on assuring students are college-ready and have the support needed to be successful in postsecondary education, as well as on improving P-16 programs to a level of nationally recognized excellence.</p>
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Board staff request approval to enter into contracts with the University of Texas-Pan American, Austin Community College, and Cisco College to implement College and Career Readiness Standards (CCRS) alignment and professional development regional projects. The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: College Readiness Special Advisors Model Vertical Alignment Projects will further develop and expand regionally-specific CCRS alignment and professional development for public education and/or higher education faculty. The University of Texas-Pan American, Austin Community College, and Cisco College have developed CCRS alignment activities for secondary and postsecondary faculty in their region and/or service area, and have proposed additional regional activity to assist the Coordinating Board in its work around college readiness. Workshops will be conducted several times over the grant period, offering up to 24 hours of professional development for up to a total of 700 educators. Secondary and postsecondary faculty will collaborate in vertical teams to gain a thorough understanding of the CCRS and strategize effective integration of the CCRS into curricula.

Project Evaluation: The three institutions will be required to submit final reports that include results of meeting evaluations and follow-up surveys (developed with Coordinating Board input and final approval) and a description of initiated and anticipated follow-up activities, best practices, and lessons learned and of the resultant P-16 action planning leading to increased curriculum articulation that promotes college readiness.

7. Request approval of a grant to purchase services through a contract for testing fees for evaluation purposes regarding Intensive Summer Programs and Summer Bridge-Transition Programs, Fiscal Year 2009

Total Project Cost: \$120,000 (estimate)
Source of Funding: State, A.1.3. Strategy, College Readiness Initiative
Authority: §28.098 (Texas Education Code), Intensive Summer Programs
§61.0762 (Texas Education Code), Programs to Enhance Student Success
Committee Approval: P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps by 2015 Goal(s): Participation, Success
The bridging programs are designed to increase the college-readiness of students prior to enrollment in higher education. By requiring academic instruction and college going and success information and activities as part of the curriculum of all Intensive Programs, students will gain the "college knowledge" necessary to enroll in and persist in college.

Board staff request approval to pay the cost of required pre- and post-testing fees for the Texas Higher Education Assessment (THEA) and the Learning and Study Strategies Inventory (LASSI) for Fiscal Year 2009. Testing will take place in summer 2009. Staff will study the issue of paying the cost of pre- and post-testing fees for Fiscal Years 2010 and 2011 and determine whether a subsequent request for the cost of those fees be submitted to the Agency Operations Committee in October, or that changes be made to the funding of these fees directly through the grantees. The Participation and Success Committee approved the program elements of this project on June 22, 2009.

Background information:

Project Description: In fiscal years 2007 and 2008, the THECB funded summer bridge programs that required the institutions receiving grant funds to provide for pre- and post-testing using instruments identified and required by Board staff. The use of Board-identified pre- and post-test assessments is important to ensure the cross-site evaluation results are reliable and valid. For bridging programs beginning Fiscal Year 2009, Board staff require institutions to administer the THEA and the LASSI. Staff have had challenges in getting both pre- and post-testing data from the institutions, in part due to scheduling issues for some institutional testing centers for these short four-week programs. To address this concern, Board staff have arranged with the publishers of the THEA and LASSI for the THECB to be the testing center for the bridging programs beginning Fiscal Year 2009. This will allow the staff to control the scheduling of pre- and post-testing and ensure test data is submitted directly to the THECB.

The cost for each assessment is \$2.50 for the high school version of the LASSI, \$2.75 per assessment for the college version of the LASSI, and \$29 per assessment for the THEA. Based on estimated student enrollment for the bridging programs and the control groups used for each type of bridging program, the estimate on the cost of the pre- and post-tests for Fiscal Year 2009 only is as follows:

COST BREAK OUT

Name of Test	#	Cost Per Test	Total
THEA	3960	\$ 29.00	\$ 114,840.00
LASSI	1438	\$ 2.75	\$ 3,954.50
LASSI-HS	356	\$ 2.50	\$ 890.00
Total FY09			\$ 119,684.50

Project Evaluation: The goal of this program is to increase the college-readiness of rising 11th and 12th grade students and recent college graduates, thereby decreasing their need for developmental education and increasing their persistence in college. The program evaluation for the 2008 Summer Bridge Program indicates bridge programs can be successful in improving the college readiness of participants. Twenty-seven percent of the 2008 programs had significant increases in Math preparation, and 82 percent had increases in student study skills and self-regulation. Information obtained from the 2008 evaluation led to an increased emphasis in the 2009 solicitation on the development and implementation of learning strategies curriculum, and a new transitions program that spreads college-readiness preparation across the academic year.

8. Request approval to purchase services through one or more contracts regarding the Accelerated Developmental Education Course Models, Fiscal Year 2009

Total Project Cost: \$225,000
 Individual Project Costs: \$75,000
 Source of Funds: State, A.1.3. College Readiness Initiative
 Authority: \$61.0762 (Texas Education Code), Programs to Enhance Student Success
 Committee Approval: P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps by 2015 Goal(s): Success
 The projects will focus on assuring students are college-ready and have the support needed to achieve college readiness as quickly as possible.

Board staff request approval to contract with Amarillo College, Tarrant County College, and Austin Community College to implement accelerated developmental education pilot projects. The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: The Accelerated Developmental Education Course Models Project will fund a pilot of accelerated course-based curricular options for developmental education. Based on meetings with institutions and Texas developmental education associations, institutions have not moved forward in a measurable way to provide students with accelerated course-based options for developmental education. The

Coordinating Board has identified three institutions that have implemented accelerated course-based options that may be scalable for the state. The funding for this project will allow the Coordinating Board to pilot these courses with a standardized evaluation plan to determine scalability. The outcome of the pilot will help guide the curriculum design for the Developmental Education Demonstration Project proposed for 2010 and 2011 biennium (see Agenda Item V-S-4). The curriculum pilot will focus on the use of a modular curriculum for math and reading.

Project Evaluation: The evaluation criteria for the pilot projects will be an increase in rate of completion of the developmental math and reading sequence. Specific outcome measures will focus on the percentage of students that complete and achieve college readiness in developmental math and reading. The institutions participating in the project will present the project results in two webinar sessions for institutions around the state.

AGENDA ITEM V-K

Consideration of adopting the staff recommendation to purchase services through a contract regarding the Community College Developmental Education Initiative, Fiscal Year 2009

Total Project Cost:	\$1,100,000
Individual Project Cost:	\$25,000 to \$100,000.
Source of Funds:	State, A.1.3. College Readiness Initiative
Authority:	\$61.0762 (Texas Education Code), Programs to Enhance Student Success
Committee Approval:	P&S Committee, June 22, 2009
RECOMMENDATION:	Approval

Closing the Gaps Goal(s): Success
These projects focus on assuring students are college ready and have the support needed to achieve college readiness as quickly as possible.

Board staff request approval to contract with El Paso Community College (EPCC) for the Community College Developmental Education Initiative. EPCC will serve as the fiscal agent to award competitive programmatic grants to public two-year institutions across the state. EPCC will solicit input on programmatic project awards from the Developmental Education Initiative Policy Team led by the Texas Association of Community Colleges (three team members are from CB). Funded programmatic activities will address course-based and non-course based components as determined by CB staff for students in developmental. The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: This initiative would provide resources to fund developmental education efforts in public two-year institutions around the state. Community colleges remain the primary point of entry for first-time-in-college students in Texas. In addition to experiencing exploding student enrollment growth, Texas community colleges shoulder much of the expense associated with providing developmental education in the state. The proposed project would provide institutions with resources to support their efforts to strengthen developmental education.

Project Evaluation: Project evaluation will focus on: how quickly participating students satisfy Texas Success Initiative obligations in mathematics/reading and writing in intervals of three, six, or 12 months; 75 percent student course completion; and 75 percent persistence semester-to-semester enrollment.

AGENDA ITEM V-L

Consideration of adopting the staff recommendation for a grant to purchase services through a contract regarding Master College Readiness Special Advisors, Fiscal Years 2009, 2010, and 2011

Total Project Cost:	\$2,400,000 (three year awards)
Individual Project Cost:	\$80,000 per year, for a total of \$240,000
Source of Funds:	State, A.1.3. College Readiness Initiative
Authority:	\$61.0762 (Texas Education Code), Programs to Enhance Student Success
Committee Approval:	P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps by 2015 Goal(s): Success

This project focuses on assuring students are college ready and have the support needed to be successful in postsecondary education.

Board staff request funding to contract with 10 institutions of higher education to utilize the concept of a "Master College Readiness Special Advisor" (CRSA) to offer presentation on college and career readiness to statewide and regional groups, and to work with regional institution of higher education faculty who are involved in the College and Career Readiness Faculty Collaboratives as well as other projects. The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: This is the last biennium in which the Coordinating Board is underwriting CRSAs on all public higher education campuses. In order to maintain continuity, momentum, and an effective communication system, Board staff propose to transition to a reliance on regional "Master CRSAs", establishing a more agile and responsive network.

Project Evaluation: Master CRSAs would be required to meet standards of clear and measurable work products as established by Board staff. The effectiveness of follow-up activities conducted with institution of higher education faculty involved in the CCRS Faculty Collaboratives will be evaluated according to the resulting P-16 action plans leading to increased curriculum articulation that promotes college readiness. Funding for years two and three of the award will be contingent upon satisfactory performance in years one and two, respectively.

AGENDA ITEM V-M

Consideration of adopting the staff recommendation for a purchase of services through a contract regarding the Pre-service, Practicum, Induction, and In-Service Project, Fiscal Years 2010 and 2011

Original Contract Amount:	\$600,000 (Fiscal Year 2007-2009 two-year award)
Additional Contract Amount:	\$850,000 Two-year award: Fiscal Year 2009: \$425,000 Fiscal Year 2010: \$425,000
Total Contract Amount:	\$1,450,000
Authority:	\$61.0762 (Texas Education Code), Programs to Enhance Student Success
Committee Approval:	P&S Committee, June 22, 2009
RECOMMENDATION:	Approval

Closing the Gaps by 2015 Goal(s): Success
This project seeks to increase the number of teachers graduating from university programs with an emphasis on Hispanic and African American students moving from pre-service to in-service. In addition, this project addresses one of the Board's accelerated goals – teaching.

Board staff request funding to extend and amend the contract with the Charles A. Dana Center for an additional two years, the 2010-2011 biennium, to continue and expand the partnership with The University of Texas at Brownsville and Texas Southern University. The funding will provide resources for staff support at the Dana Center, staff and faculty support at the two universities, and licensing fees for the online tools. Funding for year two of the award will be contingent upon satisfactory performance in year one. The Participation and Success Committee approved the program elements of this project June 22, 2009. The reason this is being brought forward for AOC/Board approval is because the increase over the original contract amount exceeds 10 percent as allowed by Board Rule 1.16.

Background information:

Project Description: This project is designed to increase the *quantity* of Hispanic and African-American secondary teachers of mathematics and science and to improve the *quality* of their pre-service preparation, induction, and practice. As a result of promising outcomes from the 18-month pilot of this project at Texas Southern University and The University of Texas at Brownsville, staff request the continuation of this project

for two years. The continuation of this project would enable the Charles A. Dana Center (The University of Texas at Austin) to continue its work with pre-service teachers but to expand the use of the online tools in mathematics from the pre-service teachers into the classroom as students graduate, become certified teachers, and enter the classroom. In addition, the science faculty at Texas Southern University has interest in the online tools in the sciences, beginning with Biology, in its preparation of science secondary teachers.

Project Evaluation: Preliminary outputs and outcomes for the pilot during the 18- month period beginning spring 2008 are as follows:

- Across the two universities, six faculty members have taught classes using the project's online course support services to provide rigorous mathematics content to 34 sections of students.
- The program has served a total of 651 students (some duplicates) in pre-service mathematics classes.
- Eleven participating pre-service teachers who were formerly considering elementary certification are now working to prepare for the upcoming secondary math certification exams.

AGENDA ITEM V-N

Consideration of adopting the staff recommendation for a grant to purchase services through a contract regarding the Centers for Teacher Education, Fiscal Years 2010 and 2011

Total Project Cost:	\$6,331,484
Individual Project Cost:	\$1,266,296 (Two-year award \$633,148.00 per year)
Source of Funding:	State (see Authority)
Authority:	Rider 17, General Appropriations Act, 81st Texas Legislature, 2010-2011 Biennium
Committee Approval:	P&S Committee, June 22, 2009
RECOMMENDATION:	Approval

<p><i>Closing the Gaps by 2015</i> Goal(s): Success This project focuses on increasing the number of certified teachers.</p>
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Board staff request approval to issue two-year contracts with institutions of higher education contingent upon the institution being accredited by an accrediting body recognized by the Coordinating Board (THECB). The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: The 74th Texas Legislature (1995) established the Centers for Teacher Education and placed funds with the THECB to support the programs at several historically black independent institutions. These institutions collectively form the Texas Association of Developing Colleges (TADC) and include Huston-Tillotson University in Austin, Jarvis Christian College in Hawkins, Paul Quinn College in Dallas, Texas College in Tyler, and Wiley College in Marshall. The Centers for Teacher Education at the participating colleges: 1) recruit, prepare, retain, and place highly qualified and fully certified minorities in the teaching profession; 2) integrate technology into the colleges' teacher preparation programs; and 3) provide and participate in coursework delivery via distance education technologies.

Rider 17 of the General Appropriations Act, 81st Texas Legislature, appropriates \$6,401,484 for the 2010-2011 biennium. A contract will be issued for each eligible institution in an equal amount for each year of the biennium, and funds will be dispersed in three equal payments each year per the contractual agreements.

Project Evaluation: The THECB annually reports the following Key Measure to the LBB for this program: Pass rate for the state teacher certification exam (TEXES/ExCET) at Centers for Teacher Education. The target is 98 percent for each year of the 2010-2011 biennium. An output measure, the number of graduates of Texas Association of Developing Colleges educator preparation programs, is also reported. The targets are 143 graduates for 2010, and 147 graduates for 2011.

AGENDA ITEM V-O

Consideration of adopting the staff recommendation for the purchase of services through contracts regarding the Math, Science, and Technology Teacher Preparation Academies, (Cycle 2) Fiscal Years 2009 and 2010, two-year contracts amended and extended through Fiscal Year 2011

Total Project Cost:	\$1,177,000 (Fiscal Year 2009 funds)
Additional Contract Amount:	\$1,177,000 (Fiscal Year 2009 funds)
Total Contract Amount:	\$2,927,000
Individual Project Cost:	\$127,786 to \$350,000 (range)
Source of Funding:	State, A.1.3. Strategy, College Readiness Initiative
Authority:	§21.462 (Texas Education Code), Mathematics, Science, and Technology Teacher Preparation Academies via Memorandum of Understanding with Texas Education Agency
Committee Approval:	P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps by 2015 Goal: Participation, Success.
This project addresses: 1) increased participation for Hispanics, 2) increased success rates in teaching, and 3) increased success rate in technology.

Board staff request 12 month extensions and additional funding be provided for four of the five Cycle 2 Math, Science, and Technology Teacher Preparation (MSTTP) Academies. The four institutions of higher education (IHEs) include Stephen F. Austin State University, The University of Texas at Arlington, Texas A&M University-Corpus Christi, and Texas State University-San Marcos. The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: Texas Education Code 21.462 authorizes the Coordinating Board to establish MSTTP Academies at public IHEs to improve the instructional skills of certified teachers and to train students enrolled in a teacher preparation program to perform at the highest levels in mathematics, science, and technology.

In the 2008-2009 biennium, three cycles of Requests for Proposals were issued and funded. Five Cycle 2 Academies were funded for 18 months. Given that the focus of the Academies is to serve cohorts of teachers who are completing their Master's degrees, or for pre-service teachers to complete teacher certification in math, science or

technology, a longer period of participation time in the Academy is appropriate to serve the participants well and to achieve measureable results.

This initiative increases the pool of Texas certified Math, Science, and Technology (MST) teachers and supports their use of technology in the classroom. These four Academies propose to serve over 300 teachers, with an additional 150 added through this amendment, to become certified in mathematics, science or technology or to complete advanced teacher education degrees in these areas. This initiative also directly affects increased participation of Hispanics, as the four Academies are partnered with at least one public school district that serves a majority Hispanic population, and teacher participants agree to continue serving in high need schools.

Project Evaluation: An evaluation of Cycle 1 of the Academies has been completed by an external evaluator. Through site visits, content analysis of Academy lesson plans, and interviews with the participants, the evaluator found that both Cycle 1 sites were aligned with state standards and demonstrated awareness of science education research. The plan is in place for evaluation of future phases of the Academies and will include the following measures: higher levels of teacher certification in Math, Science, and Technology, higher levels of teachers completing Masters degrees in MST fields, and higher levels of certified Master teachers in MST fields.

AGENDA ITEM V-P

Consideration of adopting the staff recommendation of an amendment to the interagency contract with the Department of Information Resources (DIR) to provide services under the Data Center Services contract to add costs of \$1,658,604 for Fiscal Year 2010 and \$1,421,493 for Fiscal Year 2011

RECOMMENDATION: Approval

Background Information:

HB1516 from the 79th Legislature mandated that the agency participate in the statewide data center consolidation project. The original interagency contract with DIR included estimated costs for Fiscal Year 2007, Fiscal Year 2008, and Fiscal Year 2009 and has recently been amended to include Fiscal Year 2010 and Fiscal Year 2011.

AGENDA ITEM V-Q

Consideration of Approval of Requests for Qualifications, Requests for Proposals, or similar requests for the purchase of services as follows:

1. Requests for Applications regarding P-16 Regional Councils, Fiscal Year 2010

Total Project Cost:	\$850,000
Individual Project Cost:	\$30,000 - \$50,000
Source of Funding:	State, A.1.3. Strategy, College Readiness Initiative
Authority:	\$61.0762 (Texas Education Code), Programs to Enhance Student Success
Committee Approval:	P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps by 2015 Goal(s): Participation, Success
This project focuses on coordinating and supporting outreach efforts between and among educational entities, community organizations, and businesses that promote the development of a college-going-and-completion culture. A particular emphasis will be on increasing Hispanic participation and success rates, one of the Board's accelerated objectives under *Closing the Gaps*.

Board staff request approval to issue a Request for Applications (RFA) to further the development of P-16 Regional Councils. The RFA will be issued in August 2009. The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: The purpose of the project is to further the development of the P-16 Regional Councils with a focus on: 1) using data to drive initiatives; 2) increasing Hispanic college participation and completion rate; 3) improving parental outreach; and 4) increasing awareness of the College and Career Readiness Standards.

Project Evaluation: Key outcomes of this project will be an increase in Hispanic college participation and success rates, an increase in the number of parental outreach activities, and an increase in the awareness of the College and Career Readiness Standards. Preliminary evaluation data on the 2009 funded programs was presented to the Participation and Success Committee on June 22, 2009.

2. Requests for Applications regarding the Work-Study Mentorship Program, Fiscal Years 2010 and 2011

Total Project Cost: \$5 million
 Individual Project Cost: \$30,000 to \$300,000 (range)
 Source of Funding: State, B.1.9. Strategy, Student Financial Aid Programs
 Authority: \$56.079 (Texas Education Code), Work-Study Student Mentorship Program
 Committee Approval: P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps Goal(s): Success
 These projects focus on generating a college-going culture and providing financial support needed to be successful in post secondary education.

Board staff request approval to issue a Request for Applications (RFA) for this project for the 2010-2011 biennium. Funding for year two of the award will be contingent upon satisfactory performance in year one. The RFA will be issued in August 2009. It is estimated that 40 institutions of higher education (IHEs) will be selected for funding, for a total of 1,000 Collegiate G-Force members each year of the biennium. The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: Texas Education Code §56.079 provides the Coordinating Board with \$5 million for the biennium for the development of the Work-Study Mentorship Program at IHEs. Eligible college students work as Collegiate G-Force members in GO Centers, high schools, and IHEs. The Work-Study Mentorship Program provides matching funds for the College Access Challenge Grant and the Gates Grant and supports the agency's efforts regarding HB 400.

Project Evaluation: Key outcomes of this program include an increase in the college-going rate of students from participating high schools, and an increase in the retention rate of the work-study (college) mentors. Preliminary data on the Work-Study Mentorship Program shows an increase of 3.3 percent in the college-going rate from 2007 to 2008 for students from participating high schools, compared with an increase of 2.8 percent for all Texas public high school students. A final report on this program will be available in December 2009.

3. Requests for Applications regarding the Intensive Programs, Fiscal Years 2010 and 2011

Total Project Cost: \$3-9 million (range; shared with MST Academies)
 Individual Project Cost: \$200,000 (average)

AGENDA ITEM V-Q

Page 3

Source of Funding: State, A.1.3. Strategy, College Readiness Initiative
Authority: §28.098 (Texas Education Code), Intensive Summer Programs
§61.0762 (Texas Education Code), Programs to Enhance Student Success
Committee Approval: P&S Committee, June 22, 2009

RECOMMENDATION: Approval

Closing the Gaps by 2015 Goal(s): Participation, Success
These programs are designed to increase the college readiness of students prior to enrollment in higher education. By requiring academic instruction and college going and success information and activities as part of the curriculum of all Intensive Programs, students will gain the "college knowledge" necessary to enroll in and persist in college.

Board staff request approval to issue of Requests for Applications (RFA) to fund awards across the 2010-2011 biennium that will combine the RFA for Intensive Summer Programs and the Summer Bridge-Transition Programs. The first RFA will be issued in October 2009, with additional RFAs issued as needed to fully expend funding on quality programs. Funding for year two of the award will be contingent upon satisfactory performance in year one. The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: Intensive Programs aim to increase student success for first-year college students at risk of dropping out of college and to determine if intensive and accelerated academic instruction and support can positively affect college readiness for rising 11th and 12th graders, recent high school graduates, and General Education Development diploma completers. In 2009, the Texas Higher Education Coordinating Board (THECB) awarded 21 three-year grants during the 2009-2011 Summer Bridge or Transition Programs (SBTs) and the Intensive Summer Programs (ISPs) grant competition with expected enrollments totaling 3,900.

Senate Bill 2258 passed by the 81st Texas Legislature allows the THECB more flexibility in administering the Intensive Programs as outlined under Texas Education Code §29.098. Under this legislation, the authority for the Intensive Summer Programs moves to Texas Education Code §61.0762 (Programs to Enhance Student Success). The bill also removes the requirement that these programs be offered only in the summer allowing programs also to be offered on weekends or in before- or after-school timeframes. In addition, the THECB has flexibility to include other student eligibility requirements other than those outlined in the previous statute (i.e., must be part-time students, 20+ years of age, Pell Grant recipients, or have a particular ACT or SAT score). This will ensure these programs provide the type of services by institutions and other providers that are needed for the at-risk student population.

Project Evaluation: The goal of this program is to increase the college readiness of specific college student populations, thereby decreasing their need for developmental

07/29/2009

education and increasing their persistence in college. The program evaluation for the 2008 Intensive Summer Program indicates ISPs can be successful in improving the college readiness of participants. Forty percent of the 2008 programs demonstrated increases in Math preparation; 20 percent in English preparation, and 40 percent in student study skills and self-regulation. Information obtained from the 2008 evaluation led to an increased emphasis on the development and implementation of the learning strategy components in the 2009-11 solicitation. In 2008, many of the programs combined instruction for recent high school graduates, struggling college students and recent GED recipients in one class. In 2009 the program was divided into three parts to make the types of students served in each classroom situation more similar.

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4. Requests for Applications regarding the Developmental Education Demonstration Project, Fiscal Years 2010 and 2011

Total Project Cost:	\$5,000,000
Individual Projects:	Up to \$1,500,000
Additional Cost:	\$500,000 (Dissemination efforts by CB)
Source of Funds:	State, E.1.1 Strategy, Developmental Education Program
Authority:	Rider 50, Appropriations Act, 81st Texas Legislature
Committee Approval:	P&S Committee, June 22, 2009

RECOMMENDATION: Approval

<p><i>Closing the Gaps by 2015</i> Goal(s): Success This project focuses on assuring students are college ready and they have the support needed to achieve college readiness as quickly as possible.</p>

Board staff request approval to issue a Request for Applications to fund 3-4 awards across the 2010-2011 biennium. Technical assistance will be available to grantees and will focus on professional or management advice and training provided by state and national experts in developmental education and organizational development. The RFA will be issued in August 2009. Funding for year two of the award will be contingent upon satisfactory performance in year one. The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: The goal of the Demonstration Projects is to develop a comprehensive model of developmental education for use in Texas. Currently, institutions around the state are implementing small-scale pilots using various innovative strategies to improve student outcomes and accelerate students through the developmental education sequence. The strategy will implement the most effective components from successful small-scale pilot projects that already exist in some programs across the State, by funding large-scale initiatives that bring all of the key program elements together on one campus. Bringing these elements together utilizing a student centered model will greatly enhance student success. Through rigorous evaluation models these projects will help the Coordinating Board determine the

effectiveness and scalability of these initiatives for statewide implementation. The key program elements that the demonstration projects must include:

- Assessment and placement
- Academic advising
- Differentiated instruction
- Professional Development and Technical Assistance
- Program evaluation

Project Evaluation: Key outcomes of this project will be higher student course completion rates, higher levels of student achievement, and accelerated completion of the developmental education sequence.

In addition, the Higher Education Policy Institute will seek to secure additional funds to add both formative and summative components to the evaluation of funded projects.

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5. Requests for Applications regarding the Math, Science, and Technology Teacher Preparation Academies, (Cycle 4) Fiscal Years 2010 and 2011

Total Project Cost:	\$3-9 million (range; shared with Intensive Programs)
Individual Project Cost:	\$275,000 to \$700,000 (range)
Source of Funding:	State, A.1.3. Strategy, College Readiness Initiative
Authority:	§61.0766 (Texas Education Code), Mathematics, Science, and Technology Teacher Preparation Academies
Committee Approval:	P&S Committee, June 22, 2009
RECOMMENDATION:	Approval

<p><i>Closing the Gaps by 2015</i> Goal(s): Participation, Success This project addresses: 1) increased participation for Hispanics, 2) increased success rates in teaching, and 3) increased success rates in technology.</p>
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Board staff request approval to issue Requests for Applications (RFA) to fund awards across the 2010-2011 biennium. The first RFA will be issued in September 2009, with additional RFAs issued as needed to fully expend funding on quality programs. Funding for year two of the award will be contingent upon satisfactory performance in year one. The Participation and Success Committee approved the program elements of this project June 22, 2009.

Background information:

Project Description: The THECB received funding in the 2008-2009 biennium for the establishment of Math, Science, and Technology Teacher Preparation Academies at

public institutions of higher education. The Academies are aimed at improving the instructional skills of certified teachers and to train students enrolled in a teacher preparation program to perform at the highest levels in mathematics, science, and technology. In the 2008-2009 biennium, three cycles of RFA were issued, resulting in the identification and funding of 16 Academies involving participants committed to serving high-need school districts.

Project Evaluation: An evaluation of Phase I of the academies has been completed by an external evaluator. Through site visits, content analysis of Academy lesson plans, and interviews with the participants, the evaluator found that both Fiscal Year 2009 sites were aligned with state standards and demonstrated awareness of science education research. The evaluation plan is in place for evaluation of future phases of the Academies and will include the following measures: higher levels of teacher certification in Math, Science, and Technology (MST), higher levels of teachers completing a Masters degree in MST fields, and higher levels of certified Master teachers in MST fields.

AGENDA ITEM V-R

Consideration of approval of a Request for Qualifications regarding Bond/Tax Legal Counsel to perform legal services for the agency

RECOMMENDATION: Approval

Background Information:

The Coordinating Board is seeking proposals in response to a Request for Qualifications (RFQ) for bond and program counsel. The Board is seeking to employ Bond and Program Counsel to assist the Board in the issuance of bonds and to provide general program assistance when needed. The counsel's responsibilities for bond work will include, but will not be limited to, advice to the Board and staff of the Board (Staff) on: the legal ramifications of and constraints surrounding the issuance of bonds; the legality of loan policy proposals and legal aspects of investments and loan policy; the legality of proposed debt structuring techniques; compliance with federal tax and securities requirements for financings associated with the Board's programs; and, real and anticipated changes in state and federal law, regulations, or public policy and the real or potential impact on existing or anticipated bond issues, investment policy, and loan policy.