

A Report on the Feasibility of Providing Off-Campus Work-Study Employment

November 2016

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Agency Mission

The mission of the Texas Higher Education Coordinating Board is to provide leadership and coordination for the Texas higher education system and to promote access, affordability, quality, success, and cost efficiency through 60x30TX, resulting in a globally competitive workforce that positions Texas as an international leader.

Agency Vision

The THECB will be recognized as an international leader in developing and implementing innovative higher education policy to accomplish our mission.

Agency Philosophy

The THECB will promote access to and success in quality higher education across the state with the conviction that access and success without quality is mediocrity and that quality without access and success is unacceptable.

The Coordinating Board's core values are:

Accountability: We hold ourselves responsible for our actions and welcome every opportunity to educate stakeholders about our policies, decisions, and aspirations.

Efficiency: We accomplish our work using resources in the most effective manner.

Collaboration: We develop partnerships that result in student success and a highly qualified, globally competent workforce.

Excellence: We strive for excellence in all our endeavors.

The Texas Higher Education Coordinating Board does not discriminate on the basis of race, color, national origin, gender, religion, age or disability in employment or the provision of services.

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Executive Summary

Texas has one of the most robust and diverse economies in the nation. Indeed, Texas is home to industries in advanced technologies and manufacturing, energy and petroleum refining, aerospace and defense, and information and computer technology, and the state is making strides in the healthcare industry, including biotechnology and life sciences. The strength of the Texas economy and the wide variety of Texas industries creates an opportunity for providing college students with internship or other concurrent work experiences during their higher education years to strengthen their marketable skills and support their transition to the workforce.

Senate Bill (SB) 947 from the 84th Legislative Session mandated “a study and report by the Texas Higher Education Coordinating Board on the feasibility of providing off-campus employment positions through the Texas College Work-Study program.” Advocates of cooperative education describe it as beneficial for students. It helps students with motivation, career clarity, enhanced employability, and vocational maturity. In order to provide a perspective on the feasibility of off-campus employment positions through the Texas College Work-Study (TX WS) program, this report provides the information required in SB 947:

- 1) Best practices for developing partnerships with employers to provide off-campus employment positions through the work-study program, including best practices learned from other apprenticeship, internship, or mentorship programs in this state or from similar programs in other states;
- 2) Any careers or industries that are well-suited for providing off-campus employment positions through the work-study program;
- 3) Current barriers that public junior colleges face in developing partnerships with employers to provide off-campus employment positions through the work-study program, including any staffing needs or limitations on the outreach capabilities of those colleges; and
- 4) Any public junior colleges that demonstrate strong potential for successful participation in a pilot program to develop partnerships with employers to provide off-campus employment positions through the work-study program.

Coordinating Board staff employed numerous methods to respond to the directives in SB 947. The study included a scan of internal sources, including an analysis of current TX WS policy and practice, an analysis of data in the *Academic Course Guide Manual* and the *Workforce Education Course Manuals*, and a review of data on federal work-study program funding, accessed through a Freedom of Information Act request in 2015. Policies and practices in other states were reviewed, followed by interviews with representatives from five salient states. In addition, Texas institutions were surveyed to gain insight on local and best practices, and Texas employers were surveyed to learn their perspectives on off-campus work-study. A scan of current literature was also integral to this research.

The TX WS program was created in 1989 to provide “eligible, financially needy students with jobs, funded in part by the State of Texas, to enable those students to attend eligible institutions of higher education, public or private, in Texas (TEC Sec. 56.072).” The program is based on a cost-sharing model: state appropriations pay for a portion of student wages (75% for on-campus and non-profit employment, and 50% for private sector employment), while the employer pays for the remaining share of wages and all other employment related costs. The

TX WS program is available to all public, private or independent institutions (as defined by TEC Sec. 61.003), other than theological or religious seminaries.

The program has remained relatively unchanged since its inception, with a notable amendment in 2005, when the program was expanded to include the Work-Study Student Mentorship Program (TEC Sec. 56.079). The mentorship program creates partnerships between institutions of higher education and school districts or non-profit organizations, in order to provide a specific focus on mentoring “students at participating eligible institutions or high school students in participating school districts; or counseling high school students at [GO Centers](#) or similar high school-based recruiting centers designed to improve student access to higher education.”

According to data collected by the National Association of State Student Grant and Aid Programs, there are only fourteen states sponsoring work-study programs. The Public Policy Research Institute (PPRI) summarized the elements driving the development of off-campus employment opportunities in state-sponsored programs:

“The [state interview] contacts emphasized that the major impetus for implementing their programs is the strategic understanding that partnerships between local employers and higher education institutions is essential and desirable for the economy of the state and helps reduce overall loan dependency for students. The off-campus work-study programs help students achieve their full social potential and may result in many students remaining with employers after they graduate. The practical experience gained from such employment may help set work-study students apart from other applicants. These programs also help states leverage funds by requiring the employers to match a percentage of each student’s salary. This in turn helps states offer a greater number of needy students work-study opportunities. Employers, for their part, receive employees at a reduced cost. The reduction of loan dependency benefits all parties and contributes to rising levels of educational attainment statewide.” (PPRI, 2016a)

While the resources utilized in developing this study identified best practices in off-campus work-study opportunities, no particular careers or industries stood out as being particularly well-suited for an off-campus work-study program. Input from institutions, employers, and other state programs through surveys, interviews, and focus groups conducted by both PPRI and the National Association of Student Financial Aid Administrators provide insight into the challenges of offering off-campus work-study opportunities, including administrative burden, competing mandates, and lack of local jobs and funding.

Off-campus work-study programs are feasible, though sometimes complicated, endeavors. Despite the challenges, undertaking these endeavors is a critical step in achieving the state’s educational and workforce goals. Both the state’s higher education strategic plan, *60x30TX*, and the upcoming tri-agency report to the Governor outline the importance of developing marketable skills and the role paid internships will play in achieving that goal. Given these critical needs and interests, the Coordinating Board recommends three modifications to the current TX WS statute to further enhance the contribution this program can play in the success of Texas students.

- Create a Work-Study Internship Pilot
- Expand the Work-Study Student Mentorship Program
- Repeal the Current Off-Campus Work-Study Employment Requirement

Introduction

Texas has one of the most robust and diverse economies in the nation. Indeed, Texas is home to industries in advanced technologies and manufacturing, energy and petroleum refining, aerospace and defense, and information and computer technology, and the state is making strides in the healthcare industry, including biotechnology and life sciences. The state's continued growth in the demand for housing and infrastructure has also increased demand for skilled labor in the construction and transportation industries. The strength of the Texas economy and the wide variety of Texas industries creates an opportunity for providing college students with internship or other concurrent work experiences during their higher education years in order to strengthen their marketable skills and support their transition to the workforce.

Senate Bill (SB) 947 from the 84th Legislative Session mandated "a study and report by the Texas Higher Education Coordinating Board on the feasibility of providing off-campus employment positions through the Texas College Work-Study program." Since then, multiple activities have occurred which focus greater attention on the importance of off-campus employment activities. First, the Texas Higher Education Coordinating Board launched *60x30TX*, the state's higher education strategy for 2015-2030, with goals focused on educational attainment, completion, marketable skills, and student debt. The National Association of Student Financial Aid Administrators (NASFAA) issued a series of reports on the Federal Work-Study Program, examining ways to strengthen the program. And most recently, the Texas Education Agency, the Texas Higher Education Coordinating Board, and the Texas Workforce Commission developed their tri-agency report on integrating education and the workforce in response to the Governor's five charges centered on developing strong links between education and industry, including helping students enter the workforce more quickly with marketable skills, and identifying innovative workforce development models that coordinate industry partners and promote postsecondary success. All of these efforts specifically reference the importance of expanded public/private partnerships to provide greater opportunity for students to gain marketable skills through the work experience.

Expanding the Texas College Work-Study (TX WS) program to include greater opportunities for internships benefits students in multiple ways. Work-study funding provides financial aid to help support student attainment and completion of postsecondary credentials, as well as help manage student debt. Work-study employees gain marketable skills to prepare them for the workforce. And mentorship (a particular sub-set of the state's work-study program) helps bring students into the postsecondary educational pipeline. The state's economy also benefits from the work-study program through the addition of student employees to the workforce.

Advocates of cooperative education describe it as beneficial for students. It helps students with motivation, career clarity, enhanced employability, and vocational maturity. However, as NASFAA points out, there is little research that ties work-study programs, specifically, to student outcomes in higher education or in the workforce (NASFAA, 2016c). Some research ties working on campus to student engagement (Pike, Kuh, and Massa-McKinley, 2008), and, in 2009, a team of researchers conducted a comprehensive review of the extant research on how student financial aid affects undergraduate student persistence and graduation (Hossler et al., 2009). Hossler et al. found that "among the highly relevant, high-quality studies, 14 find the effects of college work-study to be either positive or nonsignificant and, thus, these studies interpret college work-study as enhancing the odds of recipients' persistence. In some examples, work-study has the largest effect – or one of the largest effects – compared with any of the financial

aid variables (p.405).” In another analysis using a national database, Villarreal (2012) found that work-study participation increased the probability of persisting to completion by approximately five percent, holding all other known characteristics constant. At the same time, it is important to note that several studies identified that working over 20-25 hours can have a negative impact on grades and persistence; too many work hours can have a negative effect on academic success (Astin, 1975; Pike, Kuh, & Massa-McKinley, 2008).

Legislative Directive

In order to provide a perspective on the feasibility of off-campus employment positions through the TX WS program, this report provides the information required in SB 947:

- 1) Best practices for developing partnerships with employers to provide off-campus employment positions through the work-study program, including best practices learned from other apprenticeship, internship, or mentorship programs in this state or from similar programs in other states;
- 2) Any careers or industries that are well-suited for providing off-campus employment positions through the work-study program;
- 3) Current barriers that public junior colleges face in developing partnerships with employers to provide off-campus employment positions through the work-study program, including any staffing needs or limitations on the outreach capabilities of those colleges; and
- 4) Any public junior colleges that demonstrate strong potential for successful participation in a pilot program to develop partnerships with employers to provide off-campus employment positions through the work-study program.

Methods

Coordinating Board staff employed numerous methods to respond to the directives in SB 947. The study included a scan of internal sources, including an analysis of current TX WS policy and practice, an analysis of data in the *Academic Course Guide Manual* and the *Workforce Education Course Manuals*, and a review of data on federal work-study program funding, accessed through a Freedom of Information Act request in 2015. Policies and practices in other states were reviewed, followed by interviews with representatives from five salient states. In addition, Texas institutions were surveyed to gain insight on local and best practices, and Texas employers were surveyed to learn their perspectives on off-campus work-study. A scan of current literature was also integral to this research.

Historical Background

The Cooperative Education & Internship Association cites that work-study programs are grounded in cooperative education, a structured method of combining classroom-based education with practical work experience (Cooperative Education & Internship Association, Nd). Cooperative education has a 200 year history in practice internationally, and a 112 year history in the U.S., with beginnings in technical education (engineering and architecture). A seminal study in 1961, commissioned by the Ford and Edison Foundations, led to the proliferation of cooperative education programs across the U.S. According to Campus Compact, this study also led to the inclusion of work-study programs in the Economic Opportunity Act of 1964 (Campus

Compact, Nd). The goal of the work-study program was to, “stimulate and promote the part-time employment of students in institutions of higher education who are from low-income families and are in need of the earnings from such employment to pursue courses of study at such institutions.”

The TX WS program was created in 1989 with the purpose of providing “eligible, financially needy students with jobs, funded in part by the State of Texas, to enable those students to attend eligible institutions of higher education, public or private, in Texas (TEC Sec. 56.072).” The program is based on a cost-sharing model, whereby state appropriations pay for a portion of student wages (75% for on-campus and non-profit employment, and 50% for private sector employment), while the employer pays for the remaining share of wages and all other employment related costs. The TX WS program is available to all public, private or independent institutions (as defined by TEC Sec. 61.003), other than theological or religious seminaries. In order to participate in the TX WS program, students and employers must meet specific criteria outlined in Table 1.

Table 1. Student and employer criteria for participation in the TX WS Program.

Student Eligibility (TEC Sec. 56.075)[§]	Employer Eligibility (TEC Sec. 56.076)
Be a Texas resident as defined by coordinating board rules	Provide part-time employment to an eligible student in nonpartisan and nonsectarian
Be enrolled for at least one-half of a full course load and conform to an individual course of study in an eligible institution	Provide, insofar as is practicable, employment to an eligible student that is related to the student's academic interests
Establish financial need in accordance with Coordinating Board procedures and rules	Use TX WS program positions only to supplement and not to supplant positions normally filled by persons not eligible to participate in the work- study program
Comply with other requirements adopted by the Coordinating Board	Provide from sources other than Federal Work-Study program funds a percentage of an employed student's wages that is equal to the percentage of a student's wages that the employer would be required to provide to the student in that academic year under the Federal Work-Study program
	Provide from sources other than Federal Work-Study funds 100 percent of other employee benefits for the employed student

[§] Students receiving athletic scholarships or who are enrolled in a seminary or other program leading to ordination or licensure to preach are not eligible to participate.

The program has remained relatively unchanged since its inception, with a notable amendment in 2005. The Work-Study Student Mentorship Program (TEC Sec. 56.079) was added to create partnerships between institutions of higher education and school districts or non-profit organizations, in order to provide a specific focus on mentoring “students at participating eligible institutions or high school students in participating school districts; or counseling high school students at [GO Centers](#) or similar high school-based recruiting centers designed to improve student access to higher education.”

In the most recent legislative session, two amendments were added to the TX WS program. First, SB 947 called for the Texas Higher Education Coordinating Board to study and report on

the “feasibility of providing off-campus employment positions through the Texas college work-study program.” The study specifically called for the identification of best practices, well-suited careers or industries, current barriers, and potential pilot program participants. The study also focused special attention on the state’s community college system. The study, for which this report is created, is due by December 1, 2016.

Second, Senate Bill (SB) 1750 required institutions participating in the TX WS program to “ensure that at least 20 percent but no more than 50 percent of the employment positions provided through the work-study program in an academic year are provided by employers eligible under this section who are providing employment located off-campus.” SB 1750 also mandates a biennial report indicating the total number of students employed through the TX WS program, broken down by on- vs. off-campus employment, and for-profit vs. non-profit employers. The requirement took effect for institutions in August 2016, with the start of the 2016-2017 academic year.

While the TX WS program allows for off-campus employment, the option has been largely unutilized by institutions, with no campuses exercising this option in the past several years. Similarly, in the Federal Work-Study Program, only 56 of 3,239 institutions (less than 2%) reported earnings at for-profit employers based on data reported on the Department of Education’s 2014-2015 Fiscal Operations Report and Application to Participate (FISAP).

The Texas Higher Education Coordinating Board administers the TX WS program using funds specified in biennial appropriations, and SB 1750 did not change appropriations for TX WS. The fiscal analyses for this bill assumed it, “would not have a state fiscal impact,” and “that any costs for institutions of higher education to implement the provisions of the bill could be absorbed within current resources (Legislative Budget Board, 2015).” Table 2 provides a history of TX WS funding since the 2004-2005 award year, while Appendix A provides campus allocations for the TX WS Program for the past three years.

Table 2. History of Texas Work-Study Program funding.

Award Year	Appropriations (\$thousands)	Allocations (\$thousands)	Awards to Students (\$thousands)	Number of Recipients	Average Grant	Number of Participating Institutions
2004-05	\$4,420,097	\$4,408,605	\$6,283,070	5,606	\$1,121	120
2005-06	\$5,000,000	\$4,650,000	\$5,966,146	5,376	\$1,110	119
2006-07	\$5,000,000	\$4,649,999	\$6,472,634	5,505	\$1,176	119
2007-08	\$7,500,000	\$7,500,000	\$6,199,802	5,288	\$1,172	120
2008-09	\$7,500,000	\$7,488,792	\$6,232,089	4,937	\$1,262	119
2009-10	\$7,500,000	\$7,500,000	\$6,365,572	4,578	\$1,390	120
2010-11	\$7,500,000	\$7,000,000	\$9,348,999	5,751	\$1,626	123
2011-12	\$7,529,639	\$9,229,639	\$7,096,453	4,770	\$1,488	121
2012-13	\$7,529,639	\$7,500,000	\$5,926,922	4,053	\$1,462	119
2013-14	\$9,404,639	\$9,404,639	\$7,975,527	4,798	\$1,662	126
2014-15	\$9,404,639	\$9,404,637	\$8,628,560	5,089	\$1,696	131
2015-16	\$9,404,639	\$9,654,639	Data Has Not Yet Been Reported At This Time			
2016-17	\$9,404,639	\$9,404,585	Data Has Not Yet Been Reported At This Time			

Best Practices in Off-Campus Work-Study

The study must identify best practices for developing partnerships with employers to provide off-campus employment positions through the work-study program, including best practices learned from other apprenticeship, internship, or mentorship programs in this state or from similar programs in other states.

State-Sponsored Work-Study Programs

While colleges and universities in every state participate in the Federal Work-Study (FWS) Program, few have the opportunity to participate in a state-sponsored program. According to the data collected by the National Association of State Student Grant and Aid Programs (NASSGAP), there are only fourteen states sponsoring work-study programs (Table 3).

Table 3. State-sponsored work-study programs.

State Name	Total Dollars Disbursed in FY 2014
Colorado	\$17,196,587
Florida	\$1,377,287
Idaho	\$1,185,999
Illinois*	n/a
Indiana	\$121,713
Iowa*	--
Kansas	\$972,534
Kentucky	\$394,211
Minnesota	\$14,164,757
Montana	\$863,001
Nevada	\$181,691
New Mexico	\$6,522,490
Pennsylvania***	\$9,281,009
Texas****	\$7,975,527
Washington	\$12,182,109

* Figures for Illinois were unavailable

** Iowa's program has not been funded since FY 2009

*** Combined funding for Pennsylvania's three state-sponsored work-study programs

**** Excludes funds disbursed through the Work-Study Student Mentorship Program.

While the federal and state work-study programs each have their own unique characteristics, there are significant similarities across the programs. In their spring 2014 Policy Brief, the Working Poor Families Project summarized key elements that are shared between most federal and state programs (Altstadt, 2014):

- Funds allocated directly to universities and colleges;
- Eligibility is based on a student demonstrating financial need;

- Earnings are limited to a student's unmet financial need;
- Work-study earnings do not impact a student's eligibility for financial aid in future years;
- Work can be on- or off-campus, at public, non-profit, or for-profit employers [though it may not involve partisan or sectarian activities];
- Work hours should not interfere with classes scheduled;
- Employers must pay a matching share of the wages; and
- Academic credit is allowed under certain circumstances.

In order to gain a broader understanding of state-sponsored work-study programs, the Coordinating Board engaged the services of the Public Policy Research Institute (PPRI) at Texas A&M University. PPRI provided an analysis and overview of the similarities and differences between state programs. In conducting a literature review of the fourteen states with state-sponsored work-study programs, PPRI identified six states with prominent programs in the private sector: Colorado, Illinois, Indiana, Minnesota, Pennsylvania, and Washington. These states were targeted for more in-depth research, including phone interviews with state officials responsible for administering the programs. Five of the six states participated in the interview process, with Colorado declining because their program is fully decentralized with no direct state oversight. Table 4 provides an overview of the private sector state-sponsored work-study programs in the five states.

In their March 2016 report, PPRI provided the following summary of the elements driving the development of off-campus employment opportunities in these five state-sponsored programs:

"The [state interview] contacts emphasized that the major impetus for implementing their programs is the strategic understanding that partnerships between local employers and higher education institutions is essential and desirable for the economy of the state and helps reduce overall loan dependency for students. The off-campus work-study programs help students achieve their full social potential and may result in many students remaining with employers after they graduate. The practical experience gained from such employment may help set work-study students apart from other applicants. These programs also help states leverage funds by requiring the employers to match a percentage of each student's salary. This in turn helps states offer a greater number of needy students work-study opportunities. Employers, for their part, receive employees at a reduced cost. The reduction of loan dependency benefits all parties and contributes to rising levels of educational attainment statewide (PPRI, 2016a)."

Illinois Cooperative Work-Study Program

Of particular interest is the state-sponsored work-study program in the state of Illinois, due to its competitive grant structure, its assessment requirements, and its focus on providing institutions authority to administer the program. Illinois supports its state work-study program through a competitive grant process, whereby institutions apply for a grant (PPRI, 2016a). These grant funds can be used for student wages and for a required annual audit, but not for administrative salaries. Undergraduate students at grantee institutions are eligible for the Illinois work-study program. Employers pay up to half of these students' salaries, with the expectation they will hire "well-educated interns at a reduced cost of normal wages (Illinois Board of Higher Education, 2015)."

Table 4. Brief summary of state-sponsored work-study programs.*

	Illinois	Indiana	Minnesota	Pennsylvania	Washington
Eligible Student	Undergraduate Only	Undergraduate Only	Undergraduate and Graduate	Undergraduate and Graduate	Undergraduate and Graduate
Required Enrollment Status	Determined by institution	Full-time only	Half-time	Half-time	Half-time
Maximum Allowed Weekly Work Hours	Varies according to grant specification	20 hours while school is in session; 40 hours during breaks	Determined by institution	40 hours work week all year	19 hours while school is in session; 40 hours during breaks
Employer Contract Authority	Institution	State	Institution	State	Institution or State
Funding Distribution	Grants	Direct State Funds	Direct State Funds	Direct State Funds	Grants
Most Recent Average Award	\$862	\$932	\$1,048	\$4,000	\$2,700
Most Recent Annual Number of Students	993	650	10,828	3,200	4,500
Private Sector Employer Matching	50%+ of Student Wages Paid by State; up to 50% Matched by Employers	50% of Student Wages Paid by State; 50% Matched by Employers	75%+ of Student Wages Paid by State; up to 25% Matched by Employers	30% of Student Wages Paid by State; 70% Matched by Employers	40% of Student Wages Paid by State; 60% Matched by Employers
Most Recent Yearly Program Amount	\$1,114,500	\$606,099	\$15,490,604	\$5,700,000	\$12,182,109

*Amounts given are total of both on-campus and off-campus awards. No state had stand-alone off-campus figures available.

The Illinois Board of Higher Education (IBHE) evaluates grant applications based on the program objectives (Illinois General Assembly, 1991; IBHE, 2015):

- Expand opportunities for students to pursue internships, clinical placements, and other cooperative programs with business and industry, and other work opportunities linked to a student's academic program (particularly in high-demand fields, such as STEM);
- Strengthen cooperation between higher education, business, industry, and other government (including K-12);
- Encourage social and community service;
- Maximize use of matching contributions from businesses and industry and governmental and social agencies;
- Create new opportunities for public/private partnerships;

- Integrate other components of financial aid to reduce reliance on student loans; and
- Encourage students to seek permanent employment in Illinois.

These objectives support the Illinois higher education strategic plan by addressing college affordability, educational attainment, and the economic health of the state and regions (IBHE, 2008). The IBHE prioritizes programs that target local, regional labor market demands. Other focus areas include: how applicants leverage resources in their work-study programs; how they enhance academic, employment, and community relationships; how clearly they explain the program to students; how well the program is monitored (i.e., evaluation and assessment); and the appropriateness of the proposed budget (IBHE, 2015).

The Illinois work-study program is titled “cooperative work study.” According to the authorizing statute ([110 ILCS 225](#)) from the Illinois General Assembly (IGA), “cooperative work study” means an academically related work and study experience with business, industry, government or other agencies and organizations. Cooperative work study can include, but is not limited to, summer internships, clinical placements, internships and work experiences during the academic year (IGA, 1991).” Grant applicants (institutions) must include a letter of commitment from each possible employer with their proposals. The IBHE encourages (but does not require) employers to be academically related to a student’s field of study.

According to the Center for Public Policy Priorities, the Illinois off-campus work-study program “placed 1,187 students at 665 business across the state and that 70 percent of program participants seeking regular jobs were offered permanent employment by the work-study internship employer (Villanueva, 2015).”

Promising Practices

Currently, there are no Texas institutions utilizing the off-campus opportunity within the TX WS Program, nor are there any Texas institutions utilizing the off-campus opportunity for Federal Work-Study Program funding in the private sector. And, in the surveys completed by PPRI, few institutions indicated their awareness of any internships, practicums, apprenticeships, or mentorships currently available to students that could serve as models for an off-campus work-study program.

The surveys completed by PPRI and NASFAA do, however, provide insight into the promising practices that institutions have identified as being important for success. Many of these promising practices align with the recommendations provided by the five states interviewed as part of PPRI’s research. Ideas include better marketing to employers, participation in local community engagement activities to facilitate partnerships, a solid infrastructure for administering the program at the institution, financial incentives for employers, and well developed, though streamlined, state guidelines. “Almost half of the [employer] respondents talked about the importance of educating and informing the employers about the program through networking events, information meetings, targeted advertising, etc. (PPRI, 2016b).” All of the groups surveyed indicated the importance of a structured effort to assess program performance.

Effective Industries for Off-Campus Work-Study

The study must identify any careers or industries that are well-suited for providing off-campus employment positions through the work-study program.

While the resources utilized in developing this feasibility study identified best practices, as well as current barriers, in off-campus work-study opportunities, no particular careers or industries stood out above the rest as being particularly well-suited for an off-campus work-study program.

In the research conducted by PPRI, “none of the state [work-study program] leads could identify any occupation that seems better suited for the off-campus work-study program” (2016a). Instead, they identified a number of elements that appeared to be important in the creation of strong programs that benefit institutions and their students:

- Well-defined eligibility and application procedures and marketing strategies;
- Long-term, established relationships between institutions and local employers, industries, or local workforce; and
- Student intern programs, as well as academic programs with student internships or practicums.

The regional meetings held as part of the tri-agency initiative to integrate education and the workforce also identified the critical need to create off-campus opportunities, though again, no specific industries rose above the rest as being most effective for off-campus work-study. Regional leaders suggested creating more public/private partnerships, increasing paid internships, co-ops, apprenticeships, and mentorships, and expanding and improving student advising.

Ultimately, the best careers or industries for a state-sponsored, off-campus work-study program are likely to be unique to each region of the state (based on workforce demands), and even to each institution of higher education (based on their individual missions). An agency review of the *Academic Course Guide Manual* and the *Workforce Education Course Manuals* revealed hundreds of courses categorized as cooperative education, practicum, practical experience, cooperative work experience, internship, or clinical experience. The individual enrollments in these types of courses may provide institutions with further guidance on careers or industries that would be best suited for work-study. A cursory review of work-study websites nationally showed that messaging to students encourages them to find a work-study opportunity that fits the students’ unique career interests.

Barriers to Effective Off-Campus Work-Study

The study must identify current barriers that public junior colleges face in developing partnerships with employers to provide off-campus employment positions through the work-study program, including any staffing needs or limitations on the outreach capabilities of those colleges.

The best practice information provided demonstrates that off-campus work-study programs can be effectively implemented, but there are numerous barriers that must be considered when developing these programs. Input from institutions, employers, and other state programs

through surveys, interviews, and focus groups conducted by both PPRI and NASFAA provide insight into these challenges. In particular, “community college participants in the focus groups expressed a greater frustration with barriers to successful FWS implementation and innovation than their four-year institutional peers due to the multi-mission nature of community colleges, the complexity of the student populations they serve, and the comparative lack of institutional resources,” according to NASFAA (2016a).

In tackling this sometimes daunting task, **administrative burden** is one of the primary barriers to effective off-campus work-study programs. These programs are staff intensive, requiring significant effort across a variety of program elements: identifying employment opportunities, executing contracts with employers, maintaining and marketing job postings, processing hiring documents, monitoring worksites, processing payroll, monitoring expenditures, and assessing and reporting on program outcomes, to name a few (NASFAA, 2016d; PPRI, 2016b). In PPRI’s survey of state work-study programs outside of Texas, “many states emphasized that the program can be labor intensive for all stakeholders, including the state” (PPRI, 2016b). And, in PPRI’s survey of community college financial aid directors, 75 percent of respondents indicated that administrative burden would hinder participation in a pilot study regarding off-campus work-study, with over 50 percent indicating that inadequate staffing, complicated eligibility requirements, or the absence of specific state guidelines would impact their ability to participate (PPRI, 2016b).

Competing mandates and a **lack of local jobs** are additional barriers faced by institutions. The FWS Program requires all participating institutions to spend at least 7 percent of their annual allocation on community service positions, as well as ensuring involvement in a reading tutor or family literacy project. Institutions already face challenges meeting these federal mandates, thus limiting the institution’s ability to focus on other work-study opportunities. Community service positions are often located off-campus, thus reducing the number of opportunities that might be available for a state work-study program. This is especially true for institutions located in more rural locations.

The **lack of adequate funding** presents an additional financial challenge for work-study programs. States, institutions, and employers voiced a common concern in the surveys, identifying the need for increased state allocations, increased financial incentives for employers, and additional administrative support (both on campus and through centralized assistance from the state) in order to effectively execute off-campus work-study programs. Given the labor intensive nature of off-campus work-study, institutions are faced with a difficult decision in their efforts to run efficient and effective financial aid programs. In selecting between competing priorities, committing to off-campus work-study programs, which may only benefit a few students due to the low level of state funding, is a difficult prospect.

Further challenges cited in the surveys included:

- Due to the wage-based nature of work-study, these programs face greater difficulty predicting the funding levels necessary to support participants, and thus work-study programs need greater flexibility than other programs in how funds can be utilized.
- Off-campus work-study programs require heightened marketing efforts to both attract employers and encourage student participation.
- A lack of adequate transportation options can result in students choosing not to pursue off-campus work-study opportunities that exist and off-campus employers choosing to not post positions due to lack of student interest.

- Federal and state work-study programs are clear in the expectation that students working through the programs will supplement, rather than supplant, an employer's current workforce (34 CFR 675.20; TEC 56.076). Off-campus employers often misunderstand this critical concept given their lack of prior involvement in the program.
- It is not uncommon for work-study to be overlooked and under resourced given its small size relative to other financial aid programs (NASFAA 2016a, 2016d). Without commitment from an institution's senior leadership, it can be difficult for individuals to implement and innovate off-campus programs.

Campus Engagement vs. Career Aspiration

Campuses also face the question of balancing **campus engagement** with **career aspiration** in evaluating whether to focus work-study placements on- or off-campus. In discussing these sometimes competing principles, the logical framework for **campus engagement** is that on-campus work assignments suggest more time on campus, which leads to greater engagement, and thus greater success. On the other hand, off-campus work assignments allow for more time working in a chosen field, which leads to more successful job placement, and greater support for student **career aspiration**. Unfortunately there is no way to know which approach is more effective because of the dearth of research on this topic, though many would argue that both on- and off-campus employment can lead to improved "soft skills" or "life skills," which prepare students to enter the workforce.

Impact of SB 1750

The recent introduction of required off-campus work-study placements through SB 1750 provides insight into the barriers faced in implementing an off-campus work-study program. Twelve institutions have terminated their participation in the program for FY 2017, and institutions continue to drop out as their efforts to identify off-campus opportunities are not met with success. In discussing their decision to withdraw from the program, three common reasons were identified.

First, **FWS program requirements** were cited. The most common reason for dropping out of the program was the fact that these institutions, especially rural campuses, were already struggling to meet the community service and other requirements of the FWS Program. Since their communities could not support additional required positions, institutions chose to protect their FWS allocations, which were significantly larger than their TX WS allocations. Second, work-study incurs a high **administrative burden**. Many institutions indicated that the administration of the new off-campus requirement led to their decision to withdraw. Institutions indicated that staffing necessary to ensure off-campus positions were handled appropriately was beyond their means. Finally, institutions identified **minimal funding** as a reason for dropping out of TX WS. The administrative cost associated with running the program, especially in light of the new off-campus requirement, was often greater than the amount of the allocation itself, making the program fiscally impractical.

Potential Pilot Program Participants

This study must identify any public junior colleges that demonstrate strong potential for successful participation in a pilot program to develop partnerships with employers to provide off-campus employment positions through the work-study program.

A number of approaches were utilized to identify institutions for potential pilot program participation. First, THECB reviewed the *Academic Course Guide Manual* and the *Workforce Education Course Manual*, to identify institutions based on the number of credit-based experiential opportunities offered. Brazosport College, Midland College, and South Texas College were identified through this process. Second, PPRI's survey asked institutions to indicate a willingness to participate in a work-study pilot project. Paris Junior College, St. Phillip's College, Tyler Junior College, and Victoria College all indicated this interest (PPRI, 2016b). FWS Program expenditures at for-profit employers were also reviewed, however, further inquiry clarified that none of the Texas institutions identified through this review had private sector programs that would qualify for the TX WS Program.

Utilizing a grant application approach, such as exists in both the Texas Work-Study Student Mentorship program and the Illinois program, provides an opportunity to identify institutions who demonstrate both their interest and their ability to support a successful off-campus work-study program. While including an administrative cost allowance in a pilot will provide some assistance, participating institutions need to demonstrate their ability to dedicate the resources necessary for success. In the focus groups administered by NASFAA (2016b), one participant indicated that "there's no reward for being innovative." Establishing a pilot funded through a competitive grant application process is one way to ensure that innovative ideas are rewarded.

"Responses to other survey questions indicate that potential strong candidates for a possible pilot need to be bigger institutions with big budgets, so they can handle the administrative tasks effectively with human resources plus well-developed infrastructures ... " (PPRI, 2016b). NASFAA (2016d) identified two key elements to innovative work-study programs: a dedicated staff position to implement innovative practices; and leveraging partnerships with other offices on or off campus. Support from both the campus President, as well as the system Chancellor, are also critical elements to success. A competitive grant structure provides the most effective strategy for identifying participants for a pilot project, whereby institutions demonstrate their interest and willingness through an application for funding. Institutions that demonstrate that they have the infrastructure to manage the program; the broad-based support from campus leadership and local employers; and a plan for developing, marketing, and assessing the program would be in the best position to succeed.

Feasibility and Recommendations

Off-campus work-study programs are feasible, though sometimes complicated, endeavors. Despite the challenges, undertaking these endeavors is a critical step in achieving the state's educational and workforce goals. The state's higher education strategic plan, *60x30TX*, outlines the importance of developing marketable skills and the role paid internships will play in achieving that goal. The upcoming tri-agency report to the Governor includes the creation of more internships, co-op's, apprenticeships, and other applied learning opportunities as a centerpiece of its report. And surveys by PPRI and NASFAA indicate interest by higher education

administrators and private employers in finding ways to successfully execute off-campus work-study opportunities.

Given these critical needs and interests, the Coordinating Board recommends three modifications to the current Texas College Work-Study statute to further enhance the contribution this program can play in the success of Texas students.

Create a Work-Study Internship Pilot

The need to provide training opportunities that coincide with institutions of higher education was discussed at every regional meeting held in development of the tri-agency report on integrating education and the workforce, not only as a way to engage students and provide them with the skills they need to succeed, but also as a way for employers to gain skilled employees who can fill jobs and help businesses grow. Paid internships also allow students – especially those who cannot afford to take on unpaid learning opportunities – to gain job skills before graduation and to expand opportunities for success after graduation. The state must focus on providing meaningful career training and work for all students, so that all students gain the marketable skills employer's desire.

Public/private partnerships are a critical element in the integration of education and the workforce, and work-study internships provide an opportunity for higher education institutions to work closely with businesses to create employment opportunities that benefit everyone involved. Students benefit from both the funding they receive to support their educational studies and developing the marketable skills that are essential to their success in the workplace. Employers benefit through access to employees at a reduced cost and the opportunity to evaluate student employees for potential future employment. In addition to their students receiving support, institutions benefit from the assistance employers can provide in evaluating student skills needed in the workplace. And the state benefits from a stronger workforce.

Using a competitive grant structure similar to what is already in place for the Work-Study Student Mentorship program, a **work-study internship program** would allow institutions to develop focused efforts to create and expand paid internship opportunities available for low-income students. The competitive grant structure would allow funding to be focused on institutions that are able to demonstrate their ability to overcome the barriers to off-campus work-study programs. A pilot allows for a focused effort to develop a successful model for future expansion, while ensuring the ongoing success of the current work-study and mentorship programs.

The pilot would allow participating institutions to utilize a percentage of their funding to support administrative costs associated with the program. As indicated earlier, the research conducted by PPRI identified multiple factors that would improve the success of off-campus work-study program, and the administrative cost allowance would allow institutions to pursue these ideas, such as better marketing to employers, participation in local community engagement activities to facilitate partnerships, a solid infrastructure for administering the program at the institution, educating and informing the employers about the program through networking events, information meetings, and targeted advertising, and structured efforts to assess program performance.

The work-study internship program would focus on developing marketable skills and improving affordability in support of the *60x30TX* strategic plan, using the following general structure:

- A four-year pilot, utilizing \$1 million from the annual TX WS state appropriation in each year of the pilot to fund the program.

- Five to ten institutions participating in the pilot, including initial preparatory work (establishing the necessary marketing, assessment, and administrative structure, along with identifying the necessary private sector partners), followed by work-study placements and evaluation;
- Annual grants, of which at least 80 percent would provide wage subsidies, while up to 20 percent would be available for ongoing administrative and evaluation activities;
- Student wages subsidized 50 percent by the state, with employers contributing 50 percent of wages, as well as 100 percent of all employer-based taxes, benefits, and other employment costs;
- Employment opportunities structured in various lengths (e.g. summer employment, semester placements, or year-long opportunities) that clearly link the students desired career path with the marketable skills that will be acquired through the work-study internship placement;
- Grants based on a competitive application process in which institutions demonstrate their ability to succeed through factors such as: the support they are receiving from the campus President, system Chancellor, and the local business community; the manner in which the pilot would support local workforce needs; innovative marketing approaches that are planned; their ability to execute the marketing, placement, and other administrative aspects of the program; and the evaluation structure that will be utilized to assess the program's success and identify opportunities for ongoing improvement.
- Preference would be given to grant applications focused on low-income undergraduate students, as well as those integrating academic credit into the internship experience.

Furthermore, if large corporations with multiple sites across the state want to provide off-campus Work-Study (paid) internships at various locations, there should be a single point of contact for the corporations to work with, such as the Coordinating Board, to help create administrative efficiencies and eliminate the redundancy of corporations working with multiple institutions of higher education.

Appendix B provides additional background on the proposed work-study internship pilot.

Expand the Work-Study Student Mentorship Program

NASFAA's research on the FWS Program identified peer mentoring as one of the most promising practices in student employment. Their research noted that "many of the existing innovative programs from our surveys had ties to mentorship," and that existing research points to the "powerful influences of mentorship (NASFAA, 2016a)." The state is uniquely positioned to expand on the innovative approach of the Work-Study Student Mentorship program to include **greater opportunity for academic advising, as well as additional support for financial literacy activities.** Legislative changes to the current Work-Study Student Mentorship program statute to expand its capacity into advising and financial literacy support all aspects of the *60x30TX* strategic plan: encouraging attainment and completion, developing marketable skills, and addressing student debt. It also supports the recommendation in the tri-agency report on integrating education and the workforce to expand and enhance advising at all levels of P-16.

Repeal the Current Off-Campus Work-Study Employment Requirement

The agency recommends repealing the off-campus employment requirement that was added to the TX WS program by SB 1750 in the 84th Legislative Session. This recommendation is not meant to eliminate off-campus work-study from statute. Instead, it acknowledges that not all institutions are in a position to provide these opportunities, whether due to geographic location,

administrative challenges, funding levels, size of the student body, or other factors that influence the program. Those institutions unable to successfully develop off-campus programs should focus on ensuring that on-campus work-study opportunities offer marketable skills to help students in their transition to the workforce.

Appendix A: History of TX WS Funding by Institution

INSTITUTION	FY15 Allocation Amount - TX	FY15 Allocation Amount -	FY16 Allocation Amount - TX WS	FY16 Allocation Amount -	FY17 Allocation Amount - TX	FY17 Allocation Amount - Mentorship
Public Universities						
Angelo State University	39,506	-	44,02	-	45,454	-
Lamar University	80,853	-	84,95	-	94,830	-
Midwestern State University	31,126	-	32,69	-	35,035	-
Prairie View A&M University	65,489	-	69,20	-	72,111	-
Sam Houston State University	108,747	-	116,35	-	122,822	-
Stephen F. Austin State University	82,180	-	82,13	-	84,451	-
Sul Ross State University	18,108	-	18,34	-	20,116	-
Tarleton State University	71,964	20,000	69,61	19,500	74,771	19,500
Texas A&M International University	48,522	50,000	51,55	50,000	56,181	50,000
Texas A&M University	175,483	-	194,04	-	212,090	-
Texas A&M University at Galveston	7,393	-	8,791	-	9,234	-
Texas A&M University-Commerce	68,413	25,000	69,71	50,000	76,269	50,000
Texas A&M University-Corpus Christi	62,145	110,000	65,74	110,000	68,578	110,000
Texas A&M University-Kingsville	79,606	100,000	52,53	100,000	50,734	100,000
Texas A&M University-San Antonio					33,306	-
Texas A&M University-Texarkana	8,905	-	8,974	-	9,945	-
Texas A&M-Central Texas	14,111	-	14,59	-	16,381	-
Texas Southern University	77,950	100,000	75,77	125,000	78,836	125,000
Texas State University	179,813	100,000	206,72	100,000	220,735	100,000
Texas Tech University	145,726	50,000	153,15	-	164,096	-
Texas Woman's University	89,875	100,000	92,67	100,000	94,784	100,000
The University of Texas at Arlington	178,306	100,000	181,27	100,000	192,788	100,000
The University of Texas at Austin	196,318	-	195,47	-	191,609	-
The University of Texas at Brownsville	56,170	100,000				
The University of Texas at Dallas	75,089	50,000	84,59	60,000	94,448	60,000
The University of Texas at El Paso	166,832	110,000	177,35	110,000	177,633	110,000
The University of Texas at San Antonio	183,465	100,000	175,61	100,000	183,641	100,000
The University of Texas at Tyler	39,829	-	42,02	50,000	45,726	50,000
The University of Texas of the Permian Basin	20,851	25,000	22,70	37,500	26,309	37,500
The University of Texas-Pan American	142,998	135,000				
The University of Texas-Rio Grande Valley**			214,81	125,000	229,246	125,000
University of Houston	222,317	-	217,44	-	232,502	-
University of Houston-Clear Lake	38,343	-	39,34	-	40,239	-
University of Houston-Downtown	90,204	20,000	95,55	25,000	99,051	25,000
University of Houston-Victoria	23,356	-	24,41	-	26,957	-
University of North Texas	210,079	135,000	198,05	150,000	202,682	150,000
University of North Texas - Dallas	-	20,000		25,000	-	25,000
West Texas A&M University	41,220	100,000	44,33	87,500	45,801	87,500
Public Health- Related Institutions						
Texas A&M University System-HSC	14,939	-	16,39	-	17,786	-
The University of Texas Medical School, San Antonio	22,019	-	23,33	-	24,482	-
The University of Texas Southwestern School of Health Professions	8,932	-	9,423	-	9,084	-
University of North Texas Health Science Center	13,835	-	14,50	-		-
Public Community Colleges						
Alvin Community College	10,259	-	12,01	-	11,917	-
Amarillo College	-	50,000	-	50,000	-	50,000
Angelina College	30,266	-	31,26	-	28,107	-
Austin Community College	118,612	20,000	112,82	50,000	109,396	50,000

INSTITUTION	FY15 Allocation Amount - TX WS	FY15 Allocation Amount -	FY16 Allocation Amount - TX	FY16 Allocation Amount -	FY17 Allocation Amount - TX WS	FY17 Allocation Amount - Mentorship
Brazosport College	12,832	20,000	12,914	25,000	13,623	25,000
Central Texas College	50,459	30,000	51,646	25,500	46,860	25,500
Cisco College	23,080	-	22,554	-	20,128	-
Clarendon College	6,782	-	7,603	-	7,077	-
Coastal Bend College	17,917	-	18,569	25,000	20,064	25,000
College of the Mainland Community College District	17,588	-	16,932	-	-	-
Collin County Community College District	88,824	-	90,427	-	89,643	-
Dallas Community College District	249,192	225,000	240,315	200,000	246,587	200,000
Del Mar College	52,349	-	49,210	25,000	48,785	25,000
El Paso Community College District	170,239	-	157,341	50,000	151,624	50,000
Frank Phillips College	5,482	-	5,372	-	5,631	-
Galveston College	9,595	-	8,630	-	7,274	-
Grayson County College	29,459	-	29,364	-	28,391	-
Hill College	25,235	-	23,875	-	22,510	-
Houston Community College	262,481	20,000	246,231	30,000	287,353	30,000
Howard College	19,169	-	16,061	-	14,288	-
Kilgore College	30,091	-	29,247	-	28,061	-
Laredo Community College	60,665	20,000	67,823	40,000	56,840	40,000
Lee College	21,897	-	22,282	-	39,672	-
Lone Star College System District	250,094	150,000	255,576	-	266,606	-
McLennan Community College	59,619	-	54,559	-	52,596	-
Midland College	15,942	-	15,140	-	15,404	-
Navarro College	61,652	-	63,694	-	61,148	-
North Central Texas College	46,591	20,000	47,706	-	46,686	-
Northeast Texas Community College	22,226	25,000	20,989	50,000	21,857	50,000
Northwest Vista College	74,649	-	69,066	-	65,432	-
Odessa College	18,421	50,000	17,554	50,000	18,405	50,000
Palo Alto College	40,238	-	37,866	-	39,296	-
Panola College	13,772	-	15,134	-	15,855	-
Paris Junior College	36,571	-	35,208	-	34,815	-
Ranger College	9,829	-	10,633	-	-	-
San Antonio College	119,297	-	113,026	-	97,779	-
San Jacinto College Central Campus	123,988	-	124,897	-	120,388	-
South Plains College	53,102	-	53,538	-	-	-
South Texas College	154,005	30,000	155,587	37,500	159,407	37,500
Southwest Texas Junior College	29,868	-	30,518	-	32,219	-
St. Philip's College	46,957	15,000	43,332	-	39,875	-
Tarrant County College District	251,580	-	258,251	40,000	250,918	40,000
Temple College	35,796	-	35,396	-	33,589	-
Texarkana College	17,874	-	18,886	-	18,948	-
Texas Southmost College	31,089	-	26,345	-	26,980	-
Trinity Valley Community College	37,011	-	37,588	-	36,185	-
Tyler Junior College	62,023	-	61,680	-	62,946	-
Vernon College	17,879	-	18,958	-	18,717	-
Victoria College	22,507	25,000	19,924	-	18,139	-
Weatherford College	26,710	-	26,983	-	-	-
Western Texas College	5,307	-	5,583	-	-	-
Wharton County Junior College	29,741	-	30,002	-	29,316	-
Public State Colleges						
Lamar Institute of Technology	12,684	-	12,731	-	12,241	-

INSTITUTION	FY15	FY15	FY16	FY16	FY17	FY17
	Allocation Amount - TX	Allocation Amount -	Allocation Amount - TX	Allocation Amount -	Allocation Amount - TX	Allocation Amount - Mentorship
Lamar State College-Orange	11,368	-	10,162	-	10,535	-
Lamar State College-Port Arthur	13,735	-	12,132	-	11,703	-
Public Technical Institutes						
Texas State Technical College	87,492	100,000	88,468	125,000	81,502	125,000
Independent Junior Colleges						
Jacksonville College	3,184	-	2,830	-	3,145	-
Independent Universities and Colleges						
Abilene Christian University	12,461	-	14,135	-	15,045	-
Austin College	5,679	-	5,872	-	6,337	-
Baylor University	53,888	-	52,617	-	53,885	-
Concordia University Texas	17,688	-	18,292	-	18,838	-
Dallas Baptist University	24,816	-	25,190	-	25,089	-
East Texas Baptist University	8,746	-	8,741	-	8,858	-
Hardin-Simmons University	13,055	-	12,831	-	12,177	-
Houston Baptist University	14,403	-	15,373	-	17,081	-
Howard Payne University	7,982	-	8,519	-	8,049	-
Huston-Tillotson University	9,266	25,000	10,378	37,500	11,674	37,500
Jarvis Christian College	4,994	-	6,482	-	7,199	-
Letourneau University	17,232	-	11,643	-	11,772	-
Lubbock Christian University	12,748	-	11,882	-	12,322	-
McMurry University	9,128	-	8,436	-	7,644	-
Our Lady of the Lake University of San Antonio	22,948	-	23,170	-	29,784	-
Paul Quinn	1,900	-	-	-	-	-
Rice University	8,937	-	8,452	-	-	-
Schreiner University	8,125	-	8,003	-	8,563	-
Southern Methodist University	26,286	-	26,095	-	26,425	-
Southwestern Adventist University	4,076	-	4,484	-	4,961	-
Southwestern Assemblies of God University	9,494	-	9,962	-	10,084	-
Southwestern Christian College	934	-	888	-	919	-
Southwestern University	5,466	-	6,859	-	6,909	-
St. Edward's University	24,269	15,000	23,747	17,500	23,487	17,500
St. Mary's University	24,460	-	24,746	-	24,083	-
Texas Christian University	20,437	25,000	19,108	50,000	-	50,000
Texas College	38,725	25,000	8,680	-	8,800	-
Texas Lutheran University	8,778	-	9,190	-	8,910	-
Texas Wesleyan University	17,142	35,000	12,315	47,500	12,385	47,500
Trinity University	6,114	-	6,271	-	-	-
University of Dallas	5,546	-	5,861	-	-	-
University of Mary Hardin-Baylor	21,409	-	22,665	-	23,956	-
University of St. Thomas	14,669	-	14,307	-	14,519	-
University of the Incarnate Word	51,600	-	51,041	-	-	-
Wiley College	7,133	25,000	8,369	-	8,095	-
Private Health Related						
Parker University	7,812	-	9,312	-	9,529	-
Total:	6,904,637	2,500,000	6,904,639	2,500,000	6,904,585	2,500,000

Appendix B: Work-Study Internship Pilot Background

Despite the barriers mentioned in this report, institutions, particularly community colleges, would like to engage in a more effective work-study program. According to NASFAA, many colleges believe a “more effective” work-study program would be one that **engages the private sector**. “When asked about the traits of an ideal community college FWS program, participants described a program that would be purposefully aligned with academic programs, [and] structured to encourage off-campus employment and incentivize innovation (NASFAA, 2016b).” Community colleges described, “...the ideal program would be valued by the institution as part of the broader student development process and as a core part of the broader financial narrative that currently focuses on grants and loans (NASFAA, 2016b).” Developing a work-study program around these concepts provides institutions with an additional mechanism to support both the marketable skills and student debt goals in the *60x30TX* strategic plan.

According to the employers who responded to the PPRI survey, off-campus work-study opportunities are viewed as beneficial to the employer, beneficial to the student, and aligned with the mission of many companies (PPRI, 2016b). Considering these factors, as well as the challenges that institutions already face meeting the community service requirements of the Federal Work-Study Program, it is advantageous for Texas to design a work-study pilot that engages the private sector in offering internship opportunities to students.

The concept of a work-study internship program has been suggested by many organizations and implemented in several states. In their 2015 report, “Beyond Campus: Connecting Community College Students to Meaningful Employment,” the Center for Public Policy Priorities indicates that “the state now has an opportunity to improve and expand on the current Texas Work-Study program by linking students to off-campus jobs that help businesses while providing meaningful work experience for low-income, nontraditional students enrolled in public two-year institutions (Villanueva).” In 2014, the Working Poor Families Project issued a policy brief titled “Earn to Learn: How states can reimagine and reinvest in work-study to help low-income adults pay for college, enhance their academic studies, and prepare for post-college careers.” In this report, they identify the importance of meaningful, skills-building job assignments; support for school-work-life balance; and commitment to increased earnings; and they highlight not only the need for expanded investment in work-study programs, but strengthening the programs to enhance academics and career development, including a focus on off-campus opportunities (Altstadt). PPRI’s research has indicated that employers in Texas have expressed interest in participating in a work-study program, and, as seen in the best practices section of this report, states such as Illinois and Indiana have taken steps to craft their programs to focus specifically on off-campus opportunities (PPRI, 2016a).

In developing a work-study internship, it is important to allow institutions to tailor their programs to the local needs and labor market demands. The cost (both in staff time and labor) associated with developing private sector opportunities and effectively administering a successful program must also be taken into account. Time and attention are necessary to develop effective marketing strategies. Almost half of employers responding to the PPRI survey “talked about the importance of educating and informing the employers about the program through networking events, information meetings, targeted advertisements, etc. (PPRI, 2016b).” Institutions also explained they will have to, “vet off-campus opportunities to ensure elements such as job rigor, clear delineation of the marketable skills to be gained, and appropriate support at the job site (PPRI, 2016b).” For these reasons, including funding for administrative costs to institutions is critical for off-campus work-study programs to succeed.

Evaluation of the pilot program is also important, and this type of formal assessment is a time-consuming, yet critical component to ensure the ongoing growth and development of a successful program. Supporting this assessment is another key reason for the inclusion of funding for administrative costs to the institution. NASFAA suggests a wide variety of assessment opportunities, similar to those raised by the Center for Public Policy Priorities, the Working Poor Families Project, and through internal discussions at the Coordinating Board.

The importance of keeping any off-campus work-study program simple and straight-forward cannot be underestimated. Institutions, state agencies, and potential off-campus employers all indicated that clearly understood and easily implemented rules and expectations are essential to the success of an off-campus work-study program (PPRI, 2016a; PPRI, 2016b). Within a simple and straight-forward model, there were two critical elements identified. The first is to maintain the need-based nature of work-study eligibility. Multiple states, associations, and non-profit organizations, including NASFAA and the Working Poor Families Project, recommend the utilization of work-study programs to help reduce student reliance on loans to cover the costs of education, and thus the need-based component of the work-study program is an important element in the work-study internship pilot. The second important element is to provide students guidance and advising on employment placements.

While allowing for institution flexibility is critical, providing direction as to the most appropriate utilization of funding is also important. For example, Washington's state-sponsored work-study employment placements must consider the following elements:

- Relevant and beneficial work experience to the student;
- Exposure to the realities of work in career path relevant to the student;
- Interaction with professionals in career path relevant to student;
- Pay rates comparable to what a non-student would earn in the same position;
- Opportunity to exercise knowledge, skills, and abilities gained from the classroom; and
- Flexible work schedules that accommodate the needs of students and employers (PPRI, 2016a).

Utilizing best practices from the state's Work-Study Student Mentorship program, as well as programs offered in Illinois and Washington, a successful work-study internship program can be developed through a four-year pilot, utilizing current state appropriations, in order to expand the opportunity for college students to strengthen their marketable skills while earning funds to cover college costs.

Appendix C Text of Senate Bill, 84th Texas Legislature

AN ACT

relating to a study and report by the Texas Higher Education Coordinating Board on the feasibility of providing off-campus employment positions through the Texas college work-study program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter E, Chapter 56, Education Code, is amended by adding Section to read as follows:

Sec. 56.081. STUDY ON FEASIBILITY OF PROVIDING OFF-CAMPUS WORK-STUDY EMPLOYMENT. (a) In this section, "public junior college" has the meaning assigned by Section 61.003.

(b) The Texas Higher Education Coordinating Board shall conduct a study to examine the feasibility of providing employment positions located off-campus through the Texas college work- study program.

(c) The study must identify:

(1) best practices for developing partnerships with employers to provide off-campus employment positions through the work-study program, including best practices learned from other apprenticeship, internship, or mentorship programs in this state or from similar programs in other states;

(2) any careers or industries that are well-suited for providing off-campus employment positions through the work-study program;

(3) current barriers that public junior colleges face in developing partnerships with employers to provide off-campus employment positions through the work-study program, including any staffing needs or limitations on the outreach capabilities of those colleges; and

(4) any public junior colleges that demonstrate strong potential for successful participation in a pilot program to develop partnerships with employers to provide off-campus employment positions through the work-study program.

(d) Not later than December 1, 2016, the coordinating board shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing legislative committees with primary jurisdiction over higher education a report on the results of the study and any recommendations for legislative or other action.

(e) This section expires September 1, 2017.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Appendix D: Text of Senate Bill 1750, 84th Texas Legislature

AN ACT

relating to the requirements for employment positions provided through the Texas college work- study program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 56.076, Education Code, is amended to read as follows:

Sec. 56.076. ELIGIBLE EMPLOYER. (a) An eligible institution may enter into agreements with employers that participate in the work-study program. To be eligible to participate in the work-study program, an employer must:

- (1) provide part-time employment to an eligible student in nonpartisan and nonsectarian activities;
- (2) provide, insofar as is practicable, employment to an eligible student that is related to the student's academic interests;
- (3) use Texas college work-study program positions only to supplement and not to supplant positions normally filled by persons not eligible to participate in the work-study program;
- (4) provide from sources other than federal college work-study program funds a percentage of an employed student's wages that is equal to the percentage of a student's wages that the employer would be required to provide to the student in that academic year under the federal college work-study program; and
- (5) provide from sources other than federal college work-study funds 100 percent of other employee benefits for the employed student.

(b) Each eligible institution shall ensure that at least 20 percent but not more than 50 percent of the employment positions provided through the work-study program in an academic year are provided by employers eligible under this section who are providing employment located off campus.

SECTION 2. Section 56.079(l), Education Code, is amended to read as follows:

(l) Notwithstanding Section 56.076(a) [~~56.076~~], a participating entity that employs a student mentor under the work-study student mentorship program shall provide from sources other than federal college work-study funds:

- (1) not less than 10 percent of the employed student's wages; and
- (2) 100 percent of other employee benefits for the employed student.

SECTION 3. Subchapter E, Chapter 56, Education Code, is amended by adding Section to read as follows:

Sec. 56.082. BIENNIAL REPORT. (a) Not later than January 1 of each odd-numbered year, the Texas Higher Education Coordinating Board shall submit to the standing legislative committees with primary jurisdiction over higher education and post on the coordinating board's Internet website a report on the Texas college work-study program. The report must include the total number of students employed through the program, disaggregated by:

(1) the employment position's location on or off campus; and

(2) the employer's status as a for-profit or nonprofit entity.

(b) Notwithstanding Subsection (a), the Texas Higher Education Coordinating Board shall submit its initial report under that subsection not later than May 1, 2019. This subsection expires September 1, 2019.

SECTION 4. The changes in law made by this Act to Sections 56.076 and 56.079, Education Code, apply to participation in the Texas college work-study program beginning with the 2016-2017 academic year.

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Appendix E: References

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This document is available on the Texas Higher Education Coordinating Board website:
<http://www.thecb.state.tx.us>

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