

# **Texas Community and Technical Colleges Funding Formulas for the FY 2020-2021 Biennium**

**Recommendations of the Community and  
Technical Colleges Formula Advisory  
Committee  
(CTCFAC)**

December 2017

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**Community and Technical Colleges  
Formula Advisory Committee (CTCFAC)  
Recommendation Report for the FY 2020-2021 Biennium**

In accordance with the biennial Formula Advisory Committee process, the Community and Technical Colleges (CTCs) submitted their report for consideration by the Commissioner of the Texas Higher Education Coordinating Board (THECB).

**Committee Background**

The Commissioner of the THECB delivered his charge to the CTCFAC at its first meeting on August 31, 2017. The committee elected Dr. Pamela Anglin, President of Paris Junior College, as the chair and Dr. Jeremy McMillen, President of Grayson College, as the vice chair.

The CTCFAC held four additional meetings between September 2017 and December 2017. A list of CTCFAC members is provided in Attachment A. The minutes of the meetings are provided in Attachment B.

**Commissioner Charges and Committee Recommendations**

The Community and Technical Colleges Formula Advisory Committee (CTCFAC), conducted in an open and public forum, is charged with proposing a set of formulas that provide the appropriate funding levels and financial incentives necessary to best achieve the goals of *60x30TX*. A preliminary written report of its activities and recommendations is due to the Commissioner by December 21, 2017, and a final written report by February 2, 2018. The CTCFAC’s specific charges are to:

**Charge 1**

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

**Committee Recommendation for Community Colleges.**

<b>Sector</b>	<b>2018-2019 Appropriations (millions)</b>	<b>2020-2021 Appropriations (millions)</b>	<b>Change Amount (millions)</b>	<b>Percent Change</b>
Texas Public Community Colleges	1,767.4	1,912.2	144.8	8.2%

- The committee recommends the funding for community colleges be increased by \$144.8 million to \$1,912.2 million for the biennium; this will enable institutions to meet the goals of *60x30TX*. The committee further recommends funding with the following priorities:

1. Fund the community colleges with an increase based on projected contact hour and success point growth and adjusted for inflation.
  2. Fund community college success points at \$215 per point. This adds \$49 million to the funding level.
  3. Maintain the core funding level at \$68 million.
  4. Maintain the current level of Bachelor of Applied Technology (BAT) funding for the four institutions eligible for upper-level funding, adjusted for projected growth.
  5. Distribute the balance based on the Community College Contact Hour Formula.
- The committee also recommends maintaining the current critical needs fields for this biennium. Further, the committee recommends additional study of the existing success point metrics jointly with the Metrics Task Force of the Texas Association of Community Colleges (TACC) to evaluate the continued relevancy of each success point given various state-level policy changes, the addition of fields of study and the implementation of the co-requisite model in developmental education. This review should keep in mind the relevance to *60X30TX* goals and strengthening student success throughout the state.

**Committee Recommendation for State Colleges**

<b>Sector</b>	<b>2019-2018 Appropriations (millions)</b>	<b>2020-21 Appropriations (millions)</b>	<b>Change Amount (millions)</b>	<b>Percent Change</b>
Texas Public State Colleges	44.1	47.0	2.9	6.5%

- The committee recommends increasing the funding to the State College formulas for the 2020-2021 biennium to \$47.0 million, which is an increase of \$2.9 million, or 6.5 percent as compared to the 2018-2019 biennium.
- Fund \$38.5 million to the State College Instruction and Administration formula for the 2020-21 biennium, which would be an increase of \$3.0 million, or 8.3 percent, compared to the \$35.6 million appropriated for the 2018-19 biennium.
  - ❖ This funding level assumes a rate of \$7.51 per contact hour. An increase of \$0.46 or 6.5 percent compared to the \$7.05 funded for the 2018-19 biennium.
  - ❖ This funding level assumes a contact hour growth rate of 4 percent for the following reasons: :
    - Three Early High School Campuses have opened since the fall 2016 semester. By year four of the programs over 1,000 students per year will graduate with an associate degree or certificate coupled with a high school diploma.
    - Prison credit offerings have expanded through a pilot PELL program.
    - Co-Enrollment to local high schools and charter schools has increased 256 percent.

- Workforce Development Programs have expanded through collaboration with local industry.
- The Continued partnership with Community in Schools of Southeast Texas (CISSET) provides a Site Coordinator to offer college and career services to high school students on all CISSET contracted campuses.
- Focus on enrollment and retention has been strengthened by establishing an Enrollment Management Plan, which expands the role of advisors and strategies to increase faculty/staff engagement with students.
- A program for students at risk who are reported by faculty to advisors has been developed; these advisors then reach out to the students to gain an understanding of the issues and design a plan for retention.

- ❖ The recommendation includes an estimated \$8.4 million in statutory tuition and \$30.1 million in general revenue.

The increase will provide support for the *60X30TX* plan by:

- Allowing the continued collaborative efforts between the colleges and high school campuses for dual enrollment and promotion of college attainment.
  - Continuing the development and implementation of programs based on the desirable skill needs of the local employer workforce.
  - Continuing efforts to set an early path to a college education by reaching out to high school students and parents, providing financial aid information, advising and career path counseling.
- Fund \$8.6 million to the Space Support formula and Small Institution supplement for the 2020-2021 biennium, which would be the same as appropriated for the 2018-19 biennium.
    - ❖ This funding level assumes a rate of \$5.36 per adjusted predicted square foot, representing an increase of \$0.09 or 1.7 percent compared to the \$5.27 funded for the 2018-19 biennium. The funding level assumes a 2.8 percent decrease for growth in adjusted predicted square feet between fall 2016 and fall 2018 and a 1.7 percent increase for inflation.
  - Split the recommended Space Support rate between “utilities” and “operations and maintenance” components using FY 2018 utility rates, update the utility rate adjustment factors using the FY 2018 utilities expenditures, and allocate the Space Support formula using the fall 2018 predicted square feet.
  - Fund the Small Institution Supplement using the same methodology and rate as the 2018-19 biennium.

## Charge 2

Study and make recommendations for the appropriate funding level for, and the refinement of, Texas State Technical College System's returned value funding formula.

### Committee Recommendation for Technical Colleges.

<b>Sector</b>	<b>2018-2019 Appropriations (millions)</b>	<b>2020-2021 Appropriations (millions)</b>	<b>Change Amount (millions)</b>	<b>Percent Change</b>
Texas Public Technical Colleges	143.5	179.1	35.6	24.8%

<b>Administration and Instruction (A&amp;I) and Space Support</b>	<b>2018-2019 Appropriations (millions)</b>	<b>2020-2021 Appropriations (millions)</b>	<b>Change Amount (millions)</b>	<b>Percent Change</b>
General Revenue	106.7	142.7	36.0	33.7%
General Revenue-Dedicated	32.4	32.0	-.4	-1.2%
All Funds	139.1	174.7	35.6	24.8%

<b>Small Institution Supplement</b>	<b>2018-2019 Appropriations (millions)</b>	<b>2020-2021 Appropriations (millions)</b>	<b>Change Amount (millions)</b>	<b>Percent Change</b>
General Revenue	4.4	4.4	0.0	0%

Fund \$147.1 million in General Revenue and \$179.1 million in all funds for the 2020-2021 biennium, an increase of \$35.6 million, or 24.8 percent, which includes \$32.0 million of General Revenue-Dedicated.

- Fund \$129.5 million in General Revenue and \$161.5 million in all funds to the Texas State Technical College System (TSTCS) return value formula for the 2020-2021 biennium, an increase of \$35.5 million, or 28.2 percent, compared to the all funds appropriation of \$126 million for the 2018-2019 biennium.
  - ❖ The \$179.1 million All Funds recommendation includes an estimated \$32.0 million in General Revenue-Dedicated (statutory tuition and fees) equal to the amount appropriated in the Administration and Instruction and Space Support formulas for the 2018-2019 biennium.
  - ❖ The \$129.5 million General Revenue recommendation funds 35 percent of the \$370 million estimated 2011-2012 cohort Return Value, which is the same percentage of return value that would have been funded by the 2016-2017 biennium general revenue appropriation.
  - ❖ Fund \$4.4 million to the Small Institution Supplement using the same methodology and rate as the 2018-2019 biennium.

### **Charge 3**

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

#### **Committee Recommendation for Competency-Based Education**

The CTCFAC recommends Competency Based Education (CBE) courses (not modules) be funded using the existing formula calculation and updated expenditure-based weights for the 2020-2021 biennium.

- Institutions offering competency-based courses should report hours to the Coordinating Board once the institution has an indication that the student has begun engaging with the course materials;
- Competency-based education courses may only be reported for funding if they are linked to coursework in the Academic Course Guide Manual (ACGM) or Workforce Education Course Manual (WECM).

### **Charge 4**

Study and make recommendations on the efficacy of critical need fields as they relate to contact hour and success point funding.

#### **Committee Recommendation for Adjustment of Critical Need Fields**

The CTCFAC recommends that the Metrics Task Force of the Texas Association of Community Colleges be reconvened to provide feedback to the CTCFAC on Success Point metrics. It is recommended that at least two members of the CTCFAC whose appointments continue into 2019 be invited to join the Metrics Task Force for the Success Point discussions, which will include, but not be limited to, Success Point funding for critical fields and awards such as Field of Study. A staff member of the Coordinating Board with expertise in the calculation of Success Points should continue as a participant.

## Charge 5

Study and make recommendations on a new formula to fund dual credit programs based upon the number of semester credit hours offered in dual credit by Texas State Technical College.

### Committee Recommendation for Funding Texas State Technical Colleges Dual Credit

Sector	2018-2019 Appropriations (millions)	2020-2021 Appropriations (millions)	Change Amount (millions)	Percent Change
Texas Public Technical Colleges	0.0	3.7	3.7	NA

The CTCFAC found that TSTC favors the use of the Contact Hour method because of the System's familiarity with the approach. TSTC reports that the processes needed for collecting the requisite data for the Contact Hour approach and reporting of the data to the THECB, the LBB staff, and any other agencies is well known to TSTC and could be easily accomplished. The Contact Hour method is used by the community colleges, and therefore, provides an opportunity to provide consistency.

The Committee recommends using the Contact Hour method for funding Dual Credit for Texas State Technical College System. Accordingly, the CTCFAC recommends funding TSTC Dual Credit programs at \$3.7 million in General Revenue.

## Charge 6

Review existing Coordinating Board data on dual credit program funding, including preliminary data available from the 2017-2018 dual credit study being conducted by contracted research organizations, and share insight on current dual credit funding mechanisms.

### Committee Recommendation for Funding Community and State Colleges Dual Credit

Funding for community college courses awarded via dual credit (by secondary schools) should be based upon the current contact hour and success point formulas.

The CTC Workgroup of the Formula Advisory Committee studied the manner in which Dual Credit courses are funded at community colleges. This study was challenging without clearly articulated state-wide goals. Further, many research studies are active, focusing on quality, equity, funding and policy questions to help the state ensure dual credit programs fulfill their promise and position students for success.

The 85<sup>th</sup> Legislature charged the Commissioners of the Texas Higher Education Coordinating Board and Texas Education Agency with setting state-wide goals for dual credit. That work is ongoing, and the CTCFAC hopes that it will include an opportunity for input from community colleges, workforce (perhaps even the Commissioner of the Texas Workforce Commission), employers, universities, and our broader public.



The Committee reviewed an early draft report of the RAND Study for recommendations on funding; however, there were no clear funding recommendations at this time. The CTCFAC is aware of additional study being conducted by American Institutes for Research (AIR); however, its final report was not available at the time the committee made recommendations. Additionally, the statewide Dual Credit Task Force, led by The University of Texas System Administration and the Texas Association of Community Colleges, with representation across educational sectors statewide is focused on quality, equity, funding and policy questions to help the state ensure dual credit programs fulfill their promise and position students for success. Their work has yet to conclude, and no recommendations on funding have emerged at this date.

Community Colleges provide 93 percent of classes offered as dual credit, with the number of students taking classes for dual credit increasing. Members of the CTCFAC view dual credit as a key to making the state's strategic plan, *60X30TX*, a reality, as the reports from the above (as well as national) studies indicate dual credit students are very successful within classes offered as dual credit, post-high school collegiate entry, and baccalaureate degree completion.

The CTCFAC believes that a funding recommendation should be built upon established state-wide goals for dual credit, and which reflect the role of dual credit in achieving the attainment and completion goals of the *60X30TX* plan, as well as research on what works (RAND Study, UT Study, AIR Study, and national studies on dual credit). Identifying alternative funding methods for dual credit is a difficult task due to the diverse range of business models used at community colleges and some universities, and will require further study and discussions with all dual credit stakeholders. Further expansion of dual credit may require additional investments in order to continue to see the same outcomes. For example, the expansion of the Early College High School model is a substantial investment of resources that may require further study going forward.

Attachment A - Committee Membership

Committee Membership

**Dr. Pamela Anglin, Chair**

Name/Title	Institution/Address	Email/Phone
<b><u>Institution Representatives:</u></b>		
<b>Ms. Teri Crawford</b> (2022) Vice Chancellor of Public Relations, Marketing, and Governmental Affairs	San Jacinto College District 4624 Fairmont Parkway Suite 200 Pasadena, TX 77504	<a href="mailto:teri.crawford@sjcd.edu">teri.crawford@sjcd.edu</a> (281) 998-6151
<b>Dr. Cesar Maldonado, Ph.D., P.E.</b> (2022) Chancellor	Houston Community College 3100 main Houston, Texas 77002	<a href="mailto:cesar.maldonado@hccs.edu">cesar.maldonado@hccs.edu</a> (713) 718-5059
<b>Dr. Van Miller</b> (2022) Vice President for Administrative Services and CFO	Temple College 2600 South First Street Temple, Texas 76504	<a href="mailto:van.miller@templeic.edu">van.miller@templeic.edu</a> (254) 298-8606
<b>Mr. Patrick Lee</b> (2022) Department Chair and Professor of Mathematics	Alamo Colleges 1400 West Villaret Boulevard San Antonio, Texas 78224	<a href="mailto:plee18@alamo.edu">plee18@alamo.edu</a> (210) 486-3282
<b>Mr. Richard Cervantes</b> (2022) Vice President for Business and Finance	Blinn College 902 College Avenue Brenham, Texas 77833	<a href="mailto:Richard.Cervantes@blinn.edu">Richard.Cervantes@blinn.edu</a> (979) 830-4123
<b>Ms. Mary Wickland</b> (2020) Vice President for Finance	Lamar State College - Port Arthur PO Box 310 Port Arthur, TX 77641	<a href="mailto:wicklandma@lamarpa.edu">wicklandma@lamarpa.edu</a> (409) 984-6125
<b>Mr. Jim Yeonopolus</b> (2022) Chancellor	Central Texas College PO Box 1800 Killeen, TX 76540	<a href="mailto:JYeonopolus@ctcd.edu">JYeonopolus@ctcd.edu</a> (254) 526-1214
<b>Mr. Michael Reeser</b> (2020) Chancellor	Texas State Technical College System 3801 Campus Drive Waco, Texas 76705	<a href="mailto:mike.reeser@tstc.edu">mike.reeser@tstc.edu</a> (254) 867-4891
<b>Dr. Robert K. Riza</b> (2022) President	Clarendon College 1122 College Drive Clarendon, TX 79226	<a href="mailto:robert.riza@clarendoncollege.edu">robert.riza@clarendoncollege.edu</a> (806) 874-4808
<b>Dr. Pamela Anglin</b> (2020) President	Paris Junior College 2400 Clarksville Street Paris, TX 75460	<a href="mailto:panglin@parisjc.edu">panglin@parisjc.edu</a> (903) 782-0330
<b>Dr. Ron Clinton</b> (2018) Interim President	Northeast Texas Community College PO Box 1307 Mount Pleasant, TX 75456	<a href="mailto:rclinton@ntcc.edu">rclinton@ntcc.edu</a> (903) 434-8101
<b>Dr. Jeremy McMillen</b> (2020) President	Grayson College 6101 Grayson Drive Denison, TX 75020	<a href="mailto:mcmillenj@grayson.edu">mcmillenj@grayson.edu</a> (903) 463-8600
<b>Dr. Phil Rhodes</b> (2020) Vice President - Research, Effectiveness, and Information Technology	McLennan Community College 1400 College Drive, Admin. 410 Waco, TX 76708	<a href="mailto:prhodes@mcLennan.edu">prhodes@mcLennan.edu</a> (254) 299-8642

## **Committee Meeting Minutes**

**Meeting of the Community and Technical Colleges Formula Advisory Committee  
Texas Higher Education Coordinating Board  
Lone Star Room, Second Floor  
1200 East Anderson Lane, Austin  
Wednesday, August 31, 2017  
1:45 p.m.**

### Minutes

Attendees: Dr. Van Miller, Mr. Patrick Lee, Mr. Richard Cervantes, MR. Jim Yeonopolus, Mr. Michael Reeser, Dr. Robert Riza, Dr. Pamela Anglin, Dr. Bradley W. Johnson, Dr. Jeremy McMillen, Dr. Phil Rhodes and Mr. Dusty Johnston

Attended by phone: Dr. Cesar Maldonado

Absent: Mr. Chet Lewis and Ms. Mary Wickland

THECB Staff: Mr. Roland Gilmore

1. The meeting was called to order at 1:45 p.m.
2. Mr. Dusty Johnston, convening chair, nominated Dr. Pamela Anglin for chair and Dr. Jeremy McMillen for Vice Chair; Dr. Robert Riza motioned, Mr. Jim Yeonopolus second, approval by acclamation, and there were no member objections to Dr. Pamela Anglin as committee chair and Dr. Jeremy McMillen for Vice Chair.
3. Mr. Dusty Johnston announced the departure of Dr. Bradley W. Johnson and introduced Dr. Ron Clinton as his replacement.
4. Mr. Gilmore provided a brief overview of the funding formulas.
5. The chair reviewed the Commissioner's 2020-2021 biennium charges and asked committee members to indicate their preference for working on the charges.
  - a. Charge 1 – Study and make recommendation for the appropriate funding levels for the contact hour, core, and the student success funding.
  - b. Charge 2 – Study and make recommendations for the appropriate funding level for, and the refinement of, Texas State Technical College System's returned value funding formula.
  - c. Charge 3 – Study and make recommendations on the treatment of competency-based courses in formula allocations.
  - d. Charge 4 – Study and make recommendations on the efficacy of critical need fields as they relate to contact hour and success point funding.
  - e. Charge 5 – Study and make recommendations on a new formula to fund dual credit programs based upon the number of semester credit hours offered in dual credit by Texas State Technical College. (General Appropriations Act, SB 1, 85th Texas Legislature, Rider 12 (page III-232))
  - f. Charge 6 – Review existing Coordinating Board data on dual credit program funding, including preliminary data available from the 2017-2018 dual credit study being

conducted by contracted research organizations, and share insight on current dual credit funding mechanisms.

Work groups and members are as follows:

- A Charges 1 and 4 – Wickland (lead), Maldonado, Lee, Cervantes, Clinton, McMillen, Lewis.
  - B Charge 2 – Reeser (lead), Miller, Lee, Rhodes.
  - C Charge 3 – Yeonopolus (lead), Reeser, Anglin, Clinton.
  - D Charges 5 and 6 – McMillen (lead), Maldonado, Miller, Yeonopolus, Reeser, Riza, Anglin, Rhodes, Lewis.
6. The chair asked the committee if the future meeting dates and times distributed with the agenda were okay with the committee. All meeting dates and times will stay as outlined in the agenda materials.
  7. Mr. Dusty Johnston, as his final act, wanted to go on record with some comments. Mr. Reeser followed with supporting comments.
  8. The chair called for a motion to adjourn, Dr. Riza motioned for adjournment, and the meeting was adjourned at 2:19 p.m. The committee will next convene on September 21, 2017, at 10:00 a.m.

Prepared by Roland Gilmore

**Meeting of the Community and Technical Colleges Formula Advisory Committee  
Texas Higher Education Coordinating Board  
Board Room, First Floor, 1.170  
1200 East Anderson Lane, Austin  
Thursday, September 21, 2017  
10:00 a.m.**

Minutes

Attendees: Mr. Chet Lewis , Dr. Cesar Maldonado, Dr. Van Miller, Mr. Patrick Lee, Mr. Richard Cervantes, Ms. Mary Wickland, Mr. Michael Reeser, Dr. Robert Riza, Dr. Pamela Anglin, Dr. Jeremy McMillen

Absent: Mr. Jim Yeonopolus, Dr. Ron Clinton and Dr. Phil Rhodes

THECB Staff: Mr. David Young, Dr. Julie Eklund, Mr. Thomas Keaton, Mr. Roland Gilmore, Ms. Jennifer Gonzales

Legislative Budget Board: Ms. Emily Schmidt

1. The meeting was called to order at 10:01 a.m.
2. The chair asked if there were any corrections to the minutes of the August 31, 2017, meeting. Correction was noted to change "Mr. Maldonado" to "Dr. Maldonado." Mr. Richard Cervantes motioned for approval of the minutes. The motion was seconded by Dr. Van Miller and unanimously approved.
3. Discussion of Charge 3 – is to study and make recommendations on the treatment of competency-based courses in formula allocations.
  - a. Dr. Julie Eklund presented on competency based education.
  - b. Dr. Eklund said Dr. Jennifer Nailos would be available at the October meeting to present information on CBE funding models utilized in other states.
4. Discussion of Charge 4 – Study and make recommendations on the efficacy of critical need fields as they relate to contact hour and success point funding.
  - a. Dr. Julie Eklund presented three options relating to charge 4.
    - I. Continue with current critical field methodology, but update outdated CIPs.
    - II. Align critical fields with occupations that are high demand, but low supply.
    - III. Eliminate critical fields from contact hour and success point funding.
  - b. Dr. Eklund was asked to speak about Fields of Study being considered as a potential success point in the future.
    - I. Dr. Eklund commented on the option of adding Fields of Study to the Success Point Funding model.

Attachment B - Committee Meeting Minutes

5. Discussion of Charge 6 – Review existing Coordinating Board data on dual credit program funding, including preliminary data available from the 2017-2018 dual credit study being conducted by contracted research organizations, and share insight on current dual credit funding mechanisms.
  - a. Dr. Julie Eklund commented on dual credit funding and the Rand Report.
  - b. Dr. Eklund said researchers working on the RAND/AIR/THECB dual credit study would be available for questions on dual credit at the October meeting.
6. Discussion of Charge 1 – Study and make recommendations for the appropriate funding levels for the core, contact hour and student success funding.
  - a. Mr. Gilmore briefed the Committee on the funding projections contained in the agenda materials.
7. Discussion of Charge 2 – Study and make recommendations for the appropriate funding level for, and the refinement of, Texas State Technical College System’s returned value funding formula.
  - a. Mr. Reeser commented on the value-added formula.
8. Discussion of Charge 5 – Study and make recommendations on a new formula to fund dual credit programs based upon the number of semester credit hours offered in dual credit by Texas State Technical College. (General Appropriations Act, SB 1, 85th Texas Legislature, Rider 12 (page III-232))
  - a. Mr. Reeser recommended aligning funding for dual credit courses with the community colleges, which are funded based on contact hours.
9. The chair recommended the work groups continue their work preparing recommendations to the committee for the six charges.

The chair asked for a motion to adjourn. Dr. Robert Riza made the motion, the motion was seconded by Ms. Mary Wickland. The chair adjourned at 11:00 a.m. The committee will next convene October 12<sup>th</sup>, 2017, at 1:00 p. m.

Prepared by Roland Gilmore

**Meeting of the Community and Technical Colleges Formula Advisory Committee  
Texas Higher Education Coordinating Board  
Board Room, First Floor, 1.170  
1200 East Anderson Lane, Austin  
Thursday, October 12, 2017  
1:00 p.m.**

Minutes

Attendees: Dr. Van Miller, Mr. Patrick Lee, Mr. Richard Cervantes, Ms. Mary Wickland, Mr. Michael Reeser, Dr. Robert Riza, Dr. Jeremy McMillen, Dr. Ron Clinton and Dr. Phil Rhodes

Phone conference: Dr. Cesar Maldonado, Dr. Pamela Anglin and Mr. Jim Yeonopolus

Absent: Mr. Chet Lewis

THECB Staff: Mr. David Young, Mr. Thomas Keaton, Dr. Garry Tomerlin, Dr. Holly Kosiewicz, Dr. Jennifer Nailos, Mr. Roland Gilmore, Ms. Jennifer Gonzales

Legislative Budget Board: Ms. Emily Schmidt

1. The meeting was called to order at 1:00 p.m.
2. The chair asked if there were any corrections to the minutes of the September 21, 2017, meeting. Dr. Van Miller motioned for approval of the minutes. The motion was seconded by Dr. Ron Clinton and unanimously approved.
3. Discussion of Charge 1 – Study and make recommendations for the appropriate funding levels for the core, contact hour and student success funding.
  - IV. Ms. Wickland said the work group is continuing to review.
  - V. Dr. Tomerlin spoke on the status of the current list of Fields of Study and fielded questions.
  - VI. Dr. McMillen inquired as to how often the Fields of Study would be refreshed. Dr. Tomerlin said the current Fields of Study would be reviewed on a periodic basis, keeping them current and relevant.
4. Discussion of Charge 6 – Review existing Coordinating Board data on dual credit program funding, including preliminary data available from the 2017-2018 dual credit study being conducted by contracted research organizations, and share insight on current dual credit funding mechanisms.
  1. Dr. McMillen said the work group has met and is still reviewing.
  2. Dr. Holly Kosiewicz presented on the THECB/Rand, AIR Study on Dual Credit Education in Texas.
  3. Mr. Reeser asked if the research team would differentiate between academic and technical courses when it reviews costs. Ms. Kosiewicz said technical courses comprise less than ten percent of dual credit hours; therefore the focus would be on academic courses.

5. Discussion of Charge 3 – Study and make recommendations on the treatment of competency-based courses in formula allocations.
  1. Mr. Yeonopolus did not have a work group update.
  2. Dr. Jennifer Nailos presented on competency based education.
6. Discussion of Charge 4 – Study and make recommendations on the efficacy of critical need fields as they relate to contact hour and success point funding.
  - I. Ms. Wickland said the work group met and had a good discussion. It will continue its review.
7. Discussion of Charge 5 – Study and make recommendations on a new formula to fund dual credit programs based upon the number of semester credit hours offered in dual credit by Texas State Technical College. (General Appropriations Act, SB 1, 85th Texas Legislature, Rider 12 (page III-232))
  - I. Dr. McMillen did not have a work group update.
8. Discussion of Charge 2 – Study and make recommendations for the appropriate funding level for, and the refinement of, Texas State Technical College System’s returned value funding formula.
  1. Mr. Reeser said work the group is reviewing information he distributed and plans to have a recommendation soon.
9. The vice chair recommended the work groups finalize their recommendations for final discussion and approval by the full committee.

The vice chair asked for a motion to adjourn. Ms. Mary Wickland made the motion, the motion was seconded by Mr. Richard Cervantes. The committee adjourned at 2:10 p.m. and will next convene November 9<sup>th</sup>, 2017, at 1:00 p. m.

Prepared by Roland Gilmore



**Meeting of the Community and Technical Colleges Formula Advisory Committee  
Texas Higher Education Coordinating Board  
Board Room, First Floor, 1.170  
1200 East Anderson Lane, Austin  
Thursday, November 9, 2017  
1:00 p.m.**

Minutes

Attendees: Ms. Teri Crawford, Dr. Van Miller, Mr. Patrick Lee, Mr. Richard Cervantes, Ms. Mary Wickland, Mr. Jim Yeonopolus, Dr. Robert Riza, Dr. Pam Anglin, Dr. Ron Clinton, Dr. Jeremy McMillen, and Dr. Phil Rhodes

Absent: Mr. Michael Reeser, Dr. Cesar Maldonado

THECB Staff: Dr. Julie Eklund, Mr. David Young, Mr. Thomas Keaton, Dr. Chelsea Moore, Mr. Roland Gilmore, Ms. Jennifer Gonzales

Legislative Budget Board: Ms. Emily Schmidt

1. The meeting was called to order at 1:00 p.m.
2. The chair asked if there were any corrections to the minutes of the October 12, 2017, meeting. Dr. Jeremy McMillen motioned for approval of the minutes. The motion was seconded by Dr. Van Miller and unanimously approved.
3. Discussion of Charge 1 – Study and make recommendations for the appropriate funding levels for the core, contact hour and student success funding.
  - VII. Ms. Wickland said the work group recommended funding State Colleges at \$47 million, which is a 6.5 percent increase over the 2018-2019 biennium. The recommendation included 4.06 percent growth in contact hours.
  - VIII. Dr. McMillen said the work group recommended funding Community Colleges at \$1,912.2 million, which is an 8.2 percent increase over the 2018-2019 biennium. The recommendation included 3.68 percent growth in contact hours and funding success points at \$215 per point.
  - IX. Dr. McMillen said the workgroup also recommends further study of the current success point categories and their relevancy in meeting the *60x30TX* plan.
4. Discussion of Charge 2 – Study and make recommendations for the appropriate funding level for, and the refinement of, Texas State Technical College System’s returned value funding formula.
  1. In Mr. Reeser’s absence, Mr. Gilmore said the workgroup had agreed on a funding level for the Texas State Technical College System’s funding level.

5. Discussion of Charge 3 – Study and make recommendations on the treatment of competency-based courses in formula allocations.
  1. Mr. Yeonopolus said the work group recommends continuing the current (fall 2017) course based methodology for funding Competency Base Education (CBE).
6. Discussion of Charge 4 – Study and make recommendations on the efficacy of critical need fields as they relate to contact hour and success point funding.
  - II. Dr. McMillen said the work group recommends no changes to critical fields in contact hour or success point funding.
  - III. Dr. Eklund mentioned the need for language in the recommendation outlining the potential composition of a suggested workgroup to review changes in critical fields and success point formulas.
7. Discussion of Charge 5 – Study and make recommendations on a new formula to fund dual credit programs based upon the number of semester credit hours offered in dual credit by Texas State Technical College. (General Appropriations Act, SB 1, 85th Texas Legislature, Rider 12 (page III-232))
  - II. Dr. McMillen said the work group recommends aligning the addition of the Technical colleges' dual credit funding in alignment with the Community and State colleges through contact hours.
8. Discussion of Charge 6 – Review existing Coordinating Board data on dual credit program funding, including preliminary data available from the 2017-2018 dual credit study being conducted by contracted research organizations, and share insight on current dual credit funding mechanisms.
  1. Dr. McMillen said the work group recommends no changes to dual credit funding for the Community and State colleges.
9. The chair recommended the work groups finalize their recommendations for final approval by the full committee.

The chair asked for a motion to adjourn. Dr. Robert Riza made the motion, the motion was seconded by Mr. Yeonopolus. The committee adjourned at 1:20 p.m. and will next convene December 7<sup>th</sup>, 2017, at 1:00 p. m.

Prepared by Roland Gilmore

**Meeting of the Community and Technical Colleges Formula Advisory Committee  
Texas Higher Education Coordinating Board  
Board Room, First Floor, 1.170  
1200 East Anderson Lane, Austin  
Thursday, December 7, 2017  
1:00 p.m.**

Minutes

Attendees: Mr. Patrick Lee, Mr. Richard Cervantes, Ms. Mary Wickland, Mr. Michael Reeser, Dr. Robert Riza, Dr. Pam Anglin and Dr. Phil Rhodes

Phone conference: Ms. Teri Crawford, Dr. Ron Clinton and Dr. Jeremy McMillen

Absent: Mr. Jim Yeonopolus, Dr. Cesar Maldonado and Dr. Van Miller

THECB Staff: Dr. Julie Eklund, Mr. David Young, Mr. Thomas Keaton, Ms. Jennifer Gonzales Mr. Roland Gilmore

Legislative Budget Board: Ms. Emily Schmidt

1. The meeting was called to order at 1:02 p.m.
2. The chair asked if there were any corrections to the minutes of the November 9, 2017, meeting. Mr. Michael Reeser motioned for approval of the minutes. The motion was seconded by Dr. Robert Riza and unanimously approved.
3. Discussion of Charge 1 – Study and make recommendations for the appropriate funding levels for the core, contact hour and student success funding.
  - I. Ms. Mary Wickland briefed the committee on the funding recommendation for the state colleges.
  - II. Dr. Jeremy McMillen briefed the committee on the funding recommendation for the community colleges.
  - III. The chair asked for a motion to approve the committee's charge 1 recommendation. Mr. Michael Reeser motioned for approval of the charge 1 recommendation. The motion was seconded by Dr. Robert Riza and unanimously approved.

4. Discussion of Charge 2 – Study and make recommendations for the appropriate funding level for, and the refinement of, Texas State Technical College System’s returned value funding formula.
  - I. Mr. Michael Reeser briefed the committee on the funding recommendation for the technical colleges.
  - II. The chair asked for a motion to approve the committee’s charge 2 recommendation. Dr. Robert Riza motioned for approval of the charge 2 recommendation. The motion was seconded by Mr. Richard Cervantes and unanimously approved.
5. Discussion of Charge 3 – Study and make recommendations on the treatment of competency-based courses in formula allocations.
  - I. The chair asked for a motion to approve the committee’s charge 3 recommendation. Dr. Phil Rhodes motioned for approval of the charge 3 recommendation. The motion was seconded by Mr. Michael Reeser and unanimously approved.
6. Discussion of Charge 4 – Study and make recommendations on the efficacy of critical need fields as they relate to contact hour and success point funding.
  - I. The chair asked for a motion to approve the committee’s charge 4 recommendation. Ms. Mary Wickland motioned for approval of the charge 4 recommendation. The motion was seconded by Mr. Richard Cervantes and unanimously approved.
  - II. Dr. Eklund asked how the two Formula Advisor Committee members should be selected for the interim work group on Success Point metrics.
  - III. Dr. Anglin said the Texas Association of Community Colleges would help the THECB select the two members.
7. Discussion of Charge 5 – Study and make recommendations on a new formula to fund dual credit programs based upon the number of semester credit hours offered in dual credit by Texas State Technical College. (General Appropriations Act, SB 1, 85th Texas Legislature, Rider 12 (page III-232))
  - I. Mr. Michael Reeser briefed the committee on the recommendation for funding the technical college’s dual credit programs.
  - II. The chair asked for a motion to approve the committee’s charge 5 recommendation. Dr. Robert Riza motioned for approval of the charge 5 recommendation. The motion was seconded by Mr. Michael Reeser and unanimously approved.

8. Discussion of Charge 6 – Review existing Coordinating Board data on dual credit program funding, including preliminary data available from the 2017-2018 dual credit study being conducted by contracted research organizations, and share insight on current dual credit funding mechanisms.
  - I. Dr. Jeremy McMillen briefed the committee on the recommendation as it relates to current funding mechanisms.
  - II. The chair asked for a motion to approve the committee’s charge 6 recommendation. Dr. Phil Rhodes motioned for approval of charge 6 recommendation. The motion was seconded by Mr. Michael Reeser and unanimously approved.
9. Discussion of draft Committee Report.
  - I. The chair asked for a motion to approve the committee’s draft report. Mr. Michael Reeser motioned for approval of the draft report. The motion was seconded by Ms. Mary Wickland and unanimously approved.
10. The chair asked for a motion for the chair and vice chair to approve the final Committee Report. Ms. Mary Wickland motioned for approval of the draft report. The motion was seconded by Dr. Robert Riza and unanimously approved.
11. The chair asked for a motion to cancel the January 11, 2018, meeting. Dr. Jeremy McMillen motioned for approval of the draft report. The motion was seconded by Mr. Richard Cervantes and unanimously approved.

The chair asked for a motion to adjourn. Dr. Robert Riza made the motion, the motion was seconded by Dr. Phil Rhodes. The committee adjourned at 1:33 p.m.

Prepared by Roland Gilmore