Agenda Item III-E

College for all Texans

Texas Higher Education Coordinating Board

TEC §61.070. PILOT PROJECT TO AWARD INCENTIVES TO STUDENTS CONTRACTING TO GRADUATE IN A TIMELY MANNER

Fourth Report on Implementation

DRAFT

December 2010

Texas Higher Education Coordinating Board

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Mission of the Coordinating Board

The Texas Higher Education Coordinating Board's mission is to work with the Legislature, Governor, governing boards, higher education institutions and other entities to help Texas meet the goals of the state's higher education plan, Closing the Gaps by 2015, and thereby provide the people of Texas the widest access to higher education of the highest quality in the most efficient manner.

Philosophy of the Coordinating Board

The Texas Higher Education Coordinating Board will promote access to quality higher education across the state with the conviction that access without quality is mediocrity and that quality without access is unacceptable. The Board will be open, ethical, responsive, and committed to public service. The Board will approach its work with a sense of purpose and responsibility to the people of Texas and is committed to the best use of public monies. The Coordinating Board will engage in actions that add value to Texas and to higher education. The agency will avoid efforts that do not add value or that are duplicated by other entities.

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.

TEC §61.070. PILOT PROJECT TO AWARD INCENTIVES TO STUDENTS CONTRACTING TO GRADUATE IN A TIMELY MANNER

Fourth Report on Implementation
December 2010

Academic Affairs & Research Division
Texas Higher Education Coordinating Board

The Texas Education Code (TEC), Chapter 61, Section 61.070 (Senate Bill 30 from the 79th Regular Session of the Texas Legislature) provides for a pilot project to award incentives to students contracting to graduate in a timely manner from public institutions of higher education. (The full text of the portion of Senate Bill 30 that established the pilot project is included in this report as **Appendix I**.)

The Coordinating Board was specifically charged in the statute to collect information from institutions about the level of participation and the effectiveness of the pilot project, and to report that information to the Legislature at the end of each calendar year. Thus, although the Coordinating Board did not need to adopt rules to affirm the procedures for the pilot program already detailed in the statute, there would be a need for some communication and reporting by institutions that elected to participate.

The pilot project implementation was overseen by the Texas Higher Education Coordinating Board. The initial report, provided in early 2008, included detailed information about the implementation of the pilot project during the 2006-2007 academic year, labeled AY 07 in the charts that follow. This second report, completed in December 2008, presented an update to the results of the pilot project's ongoing implementation, including institutions that joined the project during the 2007-2008 academic year, labeled AY 08 in the charts below. Due to the nature of the project, no results indicating the success of the project to promote timely graduation were available until the first cohort of participating students graduated in 2009.

The data provided by the five participating institutions for the third report (2009) reflected a few completers under the pilot project during 2008-2009. During the 2009-2010 academic year, more students completed the pilot project requirements, as university-level students completed the four-year contracted cycle of coursework and graduated.

On September 29, 2010, an email message was sent to the five institutions currently participating in the pilot project. The text of the message is included in **Appendix II**. The message reminded institutions of their commitment to participate in the pilot project, and included a survey to collect information about the results of the initial year, plus any information about the current semester that might be available. The survey instrument is included as **Appendix III**. Institutions were asked to return their results by October 22, 2010. Additional information regarding graduation of students under the terms of the pilot project was collected during November 2010.

Five institutions of higher education returned results for the 2009-2010 academic year. The institutions were:

Grayson County College
Texas Tech University
University of Houston
The University of Texas at San Antonio
The University of Texas at Tyler

The Coordinating Board will submit a fifth report by December 31, 2011.

NOTE: Per statute, a student may not enter into a contract after the end of the 2009-2010 academic year. Thus, the data below reflects the continuing progress of students who entered into contracts during the years specified in the pilot project legislation. Graduation contracts will expire August 31, 2014.

Participants Since 2006

Texas Tech University

This Table summarizes the data for students participating in Texas Tech's Pilot Project.

Cohort	Report Year	Total Freshman Enrollment	Students Enrolling in TGIP	% Freshmen Enrolling in TGIP	Cohort Students Continuing	% Cohort Continuing	Students Leaving Contract	% Cohort Contract Leaving	Students Graduating	% Cohort Graduating
AY 07	Fall 06	3922	511	13%	--	--	--	--	0	0%
	Fall 07	--	--	--	491	96%	20	4%	0	0%
	Fall 08	--	--	--	470	92%	21	4%	0	0%
	Fall 09	--	--	--	372	73%	98	19%	239	47%
	Fall 10	--	--	--	92	18%	41	8%	n/a	n/a
AY 08	Fall 07	4515	1264	28%	--	--	--	--	0	0%
	Fall 08	--	--	--	1124	89%	140	11%	0	0%
	Fall 09	--	--	--	934	74%	190	15%	49	4%
	Fall 10	--	--	--	822	65%	63	5%	n/a	n/a
AY 09	Fall 08	4407	879	20%	--	--	--	--	0	0%
	Fall 09	--	--	--	826	94%	53	6%	0	0%
	Fall 10	--	--	--	622	71%	204	23%	n/a	N/A
AY 10	Fall 09	4579	930	20%	--	--	--	--	0	0%
	Fall 10	--	--	--	791	85%	158	17%	n/a	n/a

Number of pilot project students who successfully completed/graduated.

Of the 511 students originally enrolled in the initial fall 2006 cohort, 239 (47 percent of the cohort) graduated during the 2009-2010 academic year. These students graduated within the four years specified in the pilot project. Only 92 cohort students continue to participate in the project. So far, a total of 180 students, or 35 percent of the cohort, have left the project

without graduating (they may still be enrolled). The graduation rate for this cohort (47 percent) compares favorably with the same graduation rate for all students in the entering class during the AY 2007 (37 percent).

Of the 1264 students originally enrolled in the initial fall 2007 cohort, 49 (4 percent of the cohort) graduated during the 2009-2010 academic year. These students graduated earlier than the four-year point expected in the project. Another 822 cohort students continue to participate in the project. So far, a total of 393 students, or 31 percent of the cohort, have left the project.

S*tudents for whom the institution failed to honor its agreements under the contract and the resolution/outcome.*

None

Description of the promised incentive, submitted by Texas Tech University.

The Texas Tech University's (TTU) timely graduation pilot program outlines how students can more effectively and efficiently utilize their educational dollars. The program offers the following incentives to entering freshman students choosing to participate in and complete the program:

- Institutional Tuition and Fees
  Should TTU fail to make a course available in a specified semester delay a student from graduating on time, the university will pay the institutional tuition and fees for the student to take the course(s) at TTU in a later term, provided another resolution is not found that allows the student to graduate on time. Alternate solutions include substituting an alternate course(s), substituting an independent study assignment, or waiving the requirement.
- Educational Savings
  Students will save up to $9,559/semester on out-of-pocket costs by graduating on time. National, state, and institutional data show the amount saved could be as much as $28,677 ($9,559/semester x 3 semesters) for any student not taking the average 1.5 years beyond expected graduation timelines to graduate.
- Money for Graduate School
  The money saved by graduating in a timely manner with a baccalaureate degree could be utilized toward earning a master's, doctoral, or other professional degree.
- Career Earnings
  Begin professional career up to 1.5 years earlier, translating into an average earnings of $30,000-45,000 that would be lost were the student still in school earning their degree.
- Tuition Rebate for Certain Undergraduate Students
  Increased opportunity of being eligible for the State of Texas $1,000 Tuition Rebate upon graduation.
- No Punitive Consequences

TTU guarantees no punitive action(s) will be taken toward any student who signs the contract and later chooses not to continue to participate or fails to uphold their commitments as outlined in the contract.

Description of the process to inform freshmen about the pilot project, submitted by Texas Tech University.

Texas Tech University utilizes the following resources to make students aware of the TTU Graduate-On-Time Partnership Agreement (GOT Contract) program:

- Program website (www.graduateontime.ttu.edu)
- University Catalog (http://www.depts.ttu.edu/officialpublications/catalog/_AcademicsGOT.php)
  The program is explained at length in the university catalog and clearly outlines the purpose of the program, expectations for advising, the commitments expected of the students, the commitments students can expect of the institution, and a list of the degree/major programs participating in the program. TTU ensures every entering freshman student receives a catalog (free) as part of their new student orientation information packet.
- Red Raider (new student) Orientation
  Students and parents participated in university, college, and department presentations outlining the program's incentives and the process for signing. First-time, entering freshman students receive their first opportunity to sign a contract form with their academic advisor at this event.
- Academic Advising
  Academic advisors encourage students to consider the program and sign an agreement at each advance registration period (Oct-Nov and March-April) during first-time freshman students' first year at TTU. Faculty teaching IS (Interdisciplinary Studies) 1100 Tech Transition Freshman Seminar Program, an interdisciplinary freshman success course, encourage students to participate in the program and to contact the departmental academic advisor for the student's major to review, discuss and sign the contract form. The College of Human Sciences also has a first-year success course required of all of their first-time, entering freshman students. Students are encouraged to sign a contract form as part of the information covered during this course.
- Electronic Message Board
  Students receive multiple messages during their first two long semesters of attendance at the university via the university's electronic messaging system known as TechAnnounce. The messages encourage students to participate in the program and to contact their academic advisors to sign a contract form. Article submitted to the Parent and Family Relations office electronic newsletter outlining the program, the advantages/benefits including cost and time savings, and the process for signing a form.
- New Faculty Professional Development
  The GOT Participation Agreement program is presented to new faculty at a professional development retreat for the IS 1100 Tech Transition Freshman Seminar program. Faculty teaching the IS 1100 Tech Transition Freshman Seminar course

discuss the GOT Partnership Agreement Program in their IS 1100 classes and encourage students to see their academic advisor to sign a contract form.

Continuation

Texas Tech will continue to offer timely graduation contracts and incentives to students beyond the term specified in the Pilot Project legislation. The university reports that 1183 entering freshman students have entered into the agreement so far this academic year; entering freshmen may request the contract at any time during their freshman year, resulting in a possible increase in numbers by May 2011.

University of Houston

This Table summarizes the data for students participating in the University of Houston's Pilot Project.

Cohort	Report Year	Total Freshman Enrollment	Students Enrolling in TGIP	% Freshmen Enrolling in TGIP	Students Continuing	% Cohort Continuing	Students Leaving Contract	% Cohort Leaving Contract	Students Graduating	% Cohort Graduating
AY 07	Fall 06	3216	381	12%	--	--	--	--	0	0%
	Fall 07	--	--	--	284	74%	98	26%	0	0%
	Fall 08	--	--	--	204	53%	80	21%	9	2%
	Fall 09	--	--	--	180	47%	24	6%	130	34%
	Fall 10	--	--	--	42	11%	8	2%	n/a	n/a
AY 08	Fall 07	3218	407	13%	--	--	--	--	0	0%
	Fall 08	--	--	--	250	61%	157	39%	0	0%
	Fall 09	--	--	--	186	46%	64	16%	9	2%
	Fall 10	--	--	--	153	38%	24	8%	n/a	n/a
AY 09	Fall 08	3436	688	20%	--	--	--	--	0	0%
	Fall 09	--	--	--	368	53%	320	47%	1	<1%
	Fall 10	--	--	--	256	37%	112	16%	0	0%
AY 10	Fall 09	3301	1001	30%	--	--	--	--	0	0%
	Fall 10	--	--	--	499	50%	502	50%	n/a	n/a

Number of pilot project students who successfully completed/graduated.

Of the 381 students originally enrolled in the initial fall 2006 cohort 129, (34 percent of the cohort), graduated during the 2009-2010 academic year. These students graduated within the four years specified in the pilot project. Only 42 cohort students continue to participate in the project. So far, a total of 210 students, or 55 percent of the cohort, have left the project without graduating (they may still be enrolled). The graduation rate for this cohort (37 percent)

compares favorably with the same graduation rate for all students in the entering class during the AY 2007 (16 percent).

Of the 407 students originally enrolled in the initial fall 2007 cohort, 9 (2 percent of the cohort) graduated during the 2009-2010 academic year. These students graduated earlier than the four-year point expected in the project. Another 256 cohort students continue to participate in the project. So far, a total of 245 students, or 60 percent of the cohort, have left the project without graduating (they may still be enrolled).

S*tudents for whom the institution failed to honor its agreements under the contract and the resolution/outcome.*

None

Description of the promised incentive, submitted by the University of Houston.

Entering freshmen who complete 30 hours towards their major at the University of Houston (UH) in good standing within one academic year will be eligible for $500 toward their next year's tuition and fees. By completing 60 hours at UH after two years, students will then be eligible for $1000 toward their next year's tuition and fees. Those who finish 90 hours at UH by the end of their third year will be eligible for $1500 toward their fourth year tuition and fees. Students also receive priority registration.

Description of the process to inform freshmen about the pilot project, submitted by the University of Houston.

Admitted students receive an informational package. The program is presented at all freshmen orientations, website http://www.uh.edu/admissions/financial/undergraduate/types-aid/incentives/graduation-pledge. Advisors encourage students to sign up for the program, with letters to high school counselors, a program flyer in University of Houston Scholarship Award Letters to recipients, and special college visits.

Additional information regarding retention rates, submitted by the University of Houston.

While the percentage of continuing freshmen in the Timely Graduation Incentive Program (TGIP) decreased significantly this year, the numbers are misleading with regard to retention at the institution. As the University of Houston offers a stipend to contracted students, the institution's eligibility requirements for disbursement of funds and continuation in the TGIP are stringent. While the students may no longer be in TGIP, most are still enrolled at UH. In fact, the retention statistics of TGIP students are higher than those choosing not to enroll. For the AY09 cohort, 88 percent of the TGIP students continued their studies at UH compared to 78 percent of the entire AY09 freshman class.

Agnes DeFranco, Assistant Vice President of Undergraduate Studies, attributes the variance in retention numbers to the semester credit hour completion requirement. Entering freshmen must complete 30 semester credit hours (SCH) toward their major at UH specifically. Dr. DeFranco suggested that many students did not complete 30 SCH during the academic

year. However, due to lower tuition rates, many students took advantage of summer coursework at local community colleges to complete the 30 SCH requirement. The majority of students returned to UH in the fall semester; however, the lack of UH hours made them ineligible for continuation in the TGIP and the accompanying stipend.

Continuation

The University of Houston intends to continue the Timely Graduation Incentive, which the institution calls the "UH Graduation Pledge," beyond the period of the pilot project. The university reports that 388 entering freshman students have entered into the agreement so far this academic year; entering freshmen may request the contract at any time during their freshman year, so those numbers may increase by May 2011.

Participants Since 2007

Grayson County College

This Table summarizes the data for students participating in Grayson County College's Pilot Project.

Cohort	Report Year	Total Freshman Enrollment	Students Enrolling in TGIP	% Freshmen Enrolling in TGIP	Students Continuing	% Cohort Continuing	Students Leaving Contract	% Cohort Leaving Contract	Students Graduating	% Cohort Graduating
AY 08	Fall 07	2699	6	<1%	--	--	--	--	0	0%
	Fall 08	--	--	--	5	83%	1	17%	0	0%
	Fall 09	--	--	--	4	67%	1	17%	3	50%
	Fall 10	--	--	--	1	17%	--	--	n/a	n/a

Number of pilot project students who successfully completed/graduated.

Due to staffing restrictions, Grayson County College offered the timely graduation incentive to a portion of its incoming freshman class during the 2007-2008 academic year. Five of the six students successfully completed all courses in which they were enrolled during that year. Any additional hours beyond the normal 12 SCH were funded by college scholarships. At the end of the 2008-09 school year, four students were successful in meeting the project requirements. Three students graduated in May 2009. The single remaining student from the original cohort is still enrolled and is expected to complete an associate degree in nursing in December 2010.

Students at community colleges would be expected to complete their associate degrees in two academic years under the terms of the pilot project as it was described in the statute. Because Grayson County College elected to offer the incentive only to students with a high likelihood of non-completion, the students were closely monitored through their enrollment at the college.

S*tudents for whom the institution failed to honor its agreements under the contract and the resolution/outcome.*

None

Description of the promised incentive, submitted by Grayson County College.

Each student in the developmental cohort chosen was identified and contracted to receive free tuition for any courses taken in the spring 2008 and spring 2009 semesters in excess of 12 SCH and for summer classes, to ensure they finish the freshman year with thirty hours.

Description of the process to inform freshmen about the pilot project, submitted by Grayson County College.

In fall 2006, the College tested 568 first-time college students with the Noel Levitz assessment. Fifty-seven students were identified as high risk. Of the 57 students, 18 received personal letters inviting them to participate and receive scholarship incentives. Of the 18, six students signed agreements to participate.

Additional information, supplied by Grayson County College.

As a result of limited resources, Grayson County College changed the original proposed program submitted of working with all entering freshmen to a specific cohort group identified from the high risk students enrolled in developmental courses. Of the 568 students taking developmental math courses, 57 students were identified by the Noel Levitz assessment to be less likely to progress and stay in college. Out of the 57 students, 18 were selected to be in the cohort because they met the challenge requirements of working with first time college students. Students were invited at the end of the fall 2007 semester to contract with the College to receive free tuition for any courses taken in the spring 2008 semester, in excess of 12 SCH and/or for summer classes to ensure they finish the freshman year with 30 SCH. All students had already been assigned faculty mentors who met and reviewed their progress regularly throughout the semester. Thus, all students participating in the cohort were eligible to participate in the program the following year with additional incentives.

Of the 18 students identified in the cohort, six students signed the contract to participate in the project. All six students enrolled in additional hours, above 12 SCH, for the spring 2008 semester, enabling them to be "on-time" with 30 SCH accumulated by the end of the first year. Five of the six students successfully completed all courses in which they were enrolled. Any additional hours beyond the normal 12 SCH were funded by college scholarships. At the end of the 2008-09 school year, four students were successful. Three students graduated in May 2009. The remaining student from the original cohort who is currently enrolled is expected to complete an associate degree in nursing in December 2010.

Continuation

Grayson County College only offered the pilot project to a small number of students during the 2007-2008 academic year. They do not intend to continue the program due to resource limitations.

The University of Texas at Tyler

This Table summarizes the data for students participating in The University of Texas at Tyler's Pilot Project.

Cohort	Report Year	Total Freshman Enrollment	Students Enrolling in TGIP	% Freshmen Enrolling in TGIP	Students Continuing	% Cohort Continuing	Students Leaving Contract	% Leaving Contract	Students Graduating	% Cohort Graduating
AY 08	Fall 07	582	92	16%	--	--	--	--	0	0%
	Fall 08	--	--	--	27	29%	65	71%	0	0%
	Fall 09	--	--	--	25	27%	2	2%	6	7%
	Fall 10	--	--	--	10	2%	9	10%	3*	n/a
AY 09	Fall 08	544	62	11%	--	--	--	--	0	0%
	Fall 09	--	--	--	46	74%	16	26%	0	0%
	Fall 10	--	--	--	29	5%	33	53%	n/a	n/a
AY 10	Fall 09	549	56	10%	--	--	--	--	0	0%
	Fall 10	--	--	--	33	59%	23	41%	n/a	n/a

*Three students have indicated their intention to graduate in December 2010.

Total number of pilot project students who successfully completed/graduated.

Of the 92 students originally enrolled in the initial fall 2007 cohort, (67 percent of the cohort), graduated during the 2009-2010 academic year, and three expect to graduate in December 2010. So far, a total of 76 students, or 83 percent of the cohort, have left the project without graduating (they may still be enrolled). The four-year graduation rate for this cohort will be available following the conclusion of the current academic year.

S*tudents for whom the institution failed to honor its agreements under the contract and the resolution/outcome.*

None

Description of the promised incentive, submitted by The University of Texas at Tyler.

The University of Texas at Tyler (UTT) Timely Graduation Contract states:

In the event UTT does not satisfy the commitments made herein, and you are unable to graduate due to the unavailability of a course (or courses), the department offering the major

will choose one of the following procedures, subject to the approval of the Provost or the Provost's designee:

1. Substitute a different course (or courses) or independent study course, as determined by your advisor, for the unavailable course(s).
2. Waive the requirement to be met by the unavailable course(s), as long as you do not fall below 120 hours for graduation.
3. If neither option 1 or 2 above is feasible, UTT will allow the delay of graduation, in which case UTT will pay the designated tuition (**not** mandatory state tuition) and fees for you to take the unavailable course(s) at UTT the next time it is available.

If you meet all conditions set by the Contract and graduate on time, you will be guaranteed a one-time only $600 Graduate on Time Tuition Rebate.

Description of the process to inform freshmen about the pilot project, submitted by The University of Texas at Tyler.

The Academic Advising Center notifies all eligible freshmen of the Timely Graduation Contract (TGC) program at the conclusion of the fall semester and announces an early spring deadline for completing the contract in order to participate in the program. Advisors inform freshmen students of the TGC program during initial advising sessions and TGC literature is also included in the information packets distributed to incoming freshmen. The Financial Aid Offices includes information about the TGC in their brochures as well.

Continuation

The University of Texas at Tyler has indicated that it will not continue to offer timely graduation incentives, due to lack of staffing resources.

Participant Since 2008

The University of Texas at San Antonio

Cohort	Report Year	Total Freshman Enrollment	Students Enrolling in TGIP	% Freshmen Enrolling in TGIP	Students Continuing	% Cohort Continuing	Students Leaving Contract	% Cohort Leaving Contract	Students Graduating	% Cohort Graduating
AY 09	Fall 08	4795	288	6%	--	--	--	--	0	0%
	Fall 09	--	--	--	168	58%	120	42%	0	0%
	Fall 10	--	--	--	282*	98%	6	2%	n/a	n/a
AY 10	Fall 09	4740	481	10%		--	--	--	0	0%
	Fall 10	--	--	--	375*	78%	106	22%	n/a	n/a

* Note that some students who had lost their eligibility in previous years were allowed by UTSA to regain their eligibility and continue on toward the goal of the contract.

Number of pilot project students who successfully completed/graduated.

The University of Texas at San Antonio (UTSA) joined the pilot project in fall 2008. They are not expected to produce graduates under the terms of the pilot project until the conclusion of the 2011-2012 academic year (AY 12).

S*tudents for whom the institution failed to honor its agreements under the contract and resolution/outcome.*

None

Description of the promised incentive, submitted by The University of Texas at San Antonio.

The pilot project is called UTSAccess. Students whose annual family income is less than $25,000 are eligible to participate. The participants are required to enroll in at least 12 semester credit hours in each fall and spring semester and to earn at least 30 semester credit hours toward their degrees each year. Each participant is also required to maintain a cumulative grade point average of 2.00 or higher at the end of each term, have a declared major by the end of his or her first year at The University of Texas at San Antonio (UTSA), meet with an academic advisor by the end of the first year in order to file a semester-by-semester degree plan showing graduation in four years, and meet with an academic advisor at least once per semester.

UTSA promises to cover all tuition and fees of the participants for up to four years and to assist in the facilitation of the timely graduation of the participants by substituting different courses or independent study assignments for those required courses determined to be unavailable by the department and college offering the major.

The UTSAccess program will also set aside work-study funds for participants to help cover the cost of room and board and other educational expenses. Participants may work on campus for approximately 10-12 hours per week to help support their additional costs gaining work experience in a variety of departments while becoming involved in campus life. Participants will also be provided low interest loans to assist with additional education expenses over and above tuition and fees.

Along with financial aid resources, UTSAccess will also provide support to participants that help them continue at UTSA and graduate on time. Support programs include assistance with increased academic advising, financial aid counseling, money management programs, and tutoring.

Description of the process to inform freshmen about the pilot project, submitted by The University of Texas at San Antonio.

Freshmen students who have submitted applications for admission to UTSA and are determined to be eligible to participate in UTSAccess are sent personal letters inviting them to participate in the program. UTSA expects to continue the program.

Interim Findings

Although some institutions have modified their pilot projects to focus on students with a higher probability of not completing a degree, whether due to level of college readiness or economic factors, the early results are promising. Both Texas Tech and the University of Houston are showing graduation rates for pilot project students that surpass the four-year graduation rates for all students who entered college at the same time as the students in the cohort.

Appendix I

TEC §61.070. PILOT PROJECT TO AWARD INCENTIVES TO STUDENTS CONTRACTING TO GRADUATE IN A TIMELY MANNER.

Text of section effective until August 31, 2014

(a) The board shall establish a pilot project under which each institution of higher education participating in the project awards incentives to students who contract to graduate from the institution in a timely manner and fulfill all other terms of the contract. The board shall select institutions of higher education to participate in the pilot project from among institutions that apply to participate in the manner prescribed by board rule. An institution of higher education may apply to participate on behalf of a specific degree program, department, college, or school of the institution.

(b) On written request of an undergraduate student, the governing board of an institution of higher education participating in the pilot project shall enter into a contract with the student to award the student an incentive authorized under board rule if the student satisfies the requirement of timely graduation and other requirements established by the institution under the contract. A student is not required to enter into a contract under this section.

(c) A student may not request an institution of higher education to enter into a contract under this section after the end of the student's first academic year at the institution. Each institution participating in the pilot project that offers an undergraduate degree program shall notify each entering undergraduate student of the provisions of this section not later than the sixth week of the student's first semester or term.

(d) Each contract under this section:

(1) must require a student entering into the contract to:

(A) earn at least 30 required or elective credit hours each academic year;

(B) maintain good academic standing as prescribed in the contract;

(C) in consultation with the student's academic advisor, select a degree program not later than the end of the student's first academic year at the institution, in the case of a student enrolled in a general academic teaching institution; and

(D) earn, as prescribed by the institution in the contract, additional credit hours during one or more regular semesters or summer sessions if the student's degree program requires more than 120 credit hours for a bachelor's degree or more than 60 credit hours for an associate degree; and

(2) may require a student entering into the contract to enroll in any specified courses or types of courses prescribed by the degree program selected as specified in Subdivision (1)(C).

(e) In addition to the provisions required or authorized under Subsection (d), the institution of higher education offering a contract under this section or the board may provide for any other reasonable provision to be included in a contract under this section.

(f) A student who has entered into and satisfies the requirements of a contract under this section and who submits an application that is approved as described by Subsection (i) is entitled to an incentive under this section.

(g) If a contract under this section includes the provision described by Subsection (d) (2), the contract must require the institution of higher education to select one of the following actions to take if a course required for the student's degree program is unavailable to the student in the sequence required by the degree program selected as specified in Subsection (d) (1) (C):

(1) permanently waive the student's required enrollment in that course;

(2) allow the student at that time to satisfy the course requirement by selecting for the student and substituting:

(A) a different course that the student is eligible to take and that is available to the student; or

(B) an independent study assignment; or

(3) provide for the payment of the student's designated tuition and required fees for the course at the institution.

(h) An institution of higher education required to select an option under Subsection (g) may select an option under Subsection (g) (1) or (2) only if the institution determines that such a selection will not negatively affect the quality of the student's degree program or result in the institution's noncompliance with applicable accreditation standards.

(i) A student who enters into a contract under this section must apply for an incentive under Subsection (f) in the manner provided by the governing board of the institution of higher education awarding the incentive. The governing board shall require an applicant for an incentive to submit satisfactory evidence that the applicant is entitled to the incentive.

(j) An institution of higher education may not contract under this section with a student who transfers to the institution from another public or private institution of higher education. A student's transfer from one institution of higher education to another voids a contract entered into by the student under this section with the prior institution.

(k) This section does not apply to a student seeking a certificate at a public junior college.

(l) In consultation with institutions of higher education, the board shall adopt rules consistent with this section as necessary to implement this section, including rules establishing the manner in which an institution of higher education must apply to participate in the pilot project, rules concerning the types of incentives that an institution may award under this section, and rules allowing an otherwise qualified student to receive an incentive under this section if the student is unable to satisfy a requirement for the incentive solely as a result of a hardship or other good cause. In adopting rules concerning the types of incentives that may be awarded, the board shall authorize incentives such as free membership in an institution's alumni organization or free tickets to one or more athletic events.

(m) Not later than December 31, 2007, and not later than December 31 of each year after 2007, the board shall submit a report to the legislature on the level of participation in the pilot project under this section and on the effectiveness of project contracts in encouraging students to graduate from institutions of higher education in a timely manner.

(n) A student may not enter into a contract under this section after the end of the 2009-2010 academic year. This section expires August 31, 2014.

Added by Acts 2005, 79th Leg., ch. 781, § 1, eff. June 17, 2005.

Appendix II

Text of email message sent to participating institutions on September 29, 2010

Greetings!

If you are reading this message, your institution either contributed to, or expressed an interest in joining, the Pilot Project to Award Incentives to Students Contracting To Graduate in a Timely Manner, which was enacted by the 79th Regular Session of the Texas Legislature as Texas Education Code §61.070. A condition of the legislation is that participating pilot institutions will provide information annually on the progress of the pilot program to the Coordinating Board, which must make a report to the Legislature by December 31 of each year of the pilot, beginning in 2007, through 2013.

As promised, we are once again requesting some minimal information about your institution's pilot project and its most recent year of implementation. A brief survey instrument is attached to this message. Please complete it (you may need assistance from your registrar or institutional research staff) and **return it to me by email attachment before the end of the business day on Friday, October 22, 2010**. We will use the information you provide as part of the report we will send to the Legislature later in December.

You have received this message because you have been identified as someone who would be able to provide the information we seek at this time, or because you responded to last year's request. Due to the legislative deadline for the report, we will not have any option to extend the date for receipt of your institution's information beyond the specified due date. If we do not receive the completed survey by the due date, we will conclude that your institution is no longer participating in the pilot project.

We have attached the 2010 survey and the 2009 report, which includes the original statute. If you have questions, please contact me immediately. I will be out of the office October 6-14. If you need assistance during that period, please contact Catherine Parsoneault, Catherine.parsoneault@thecb.state.tx.us. As always, we are grateful for your participation, and for your continuing efforts to increase the timely graduation of college and university students across Texas.

Lucy

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Appendix III

October 2010 Survey for Institutions Participating in the Pilot Project to Award Incentives to Students Contracting to Graduate in a Timely Manner

Please complete this survey and return it to Lucy Bloor, lucy.bloor@thecb.state.tx.us, no later than the end of the business day on Friday, October 22, 2010. If we do not receive a response from you, we will remove your institution from the list of participating institutions for the duration of the pilot project.

Table One: Pilot Participation Information by Pilot Cohort

Students must request and sign a contract within their first year of enrollment. All first time entering students who complete the contract should be considered as the pilot project cohort for the academic year in which they sign their contract.

	A	B	C	D	E	F
1	Academic Year	Total number of 1st time entering students	Number of 1st time entering students who signed pilot project contracts	Number of returning pilot project students	Percent of 1st time entering students who signed pilot project contracts	Percent of returning pilot project students
2	2006-2007			-----		-----
3	2007-2008					
4	2008-2009					
5	2009-2010					
6	Fall 2010					

Instructions for completing Table One: Enter the information for each year your institution has participated in the pilot project (you should use information from previous reports to complete entries for preceding years).

Column B: Enter the total number (headcount) of first time entering students for the academic year indicated (whether or not they requested and signed a pilot project contract).

Column C: Enter the number of first time entering students who signed contracts to participate in the pilot project during the academic year indicated.

Column D: Enter the number of students who signed a contract under the terms of the pilot project, who were still participating as of the beginning of the subsequent academic year/s indicated.

Column E: Enter the percentage of the first time entering class who signed a contract under the pilot project during the year indicated.

Column F: Enter the percentage of the first time entering class who were still participating as of the beginning of the subsequent academic year/s indicated.

Table Two: Students in the cohort who did not meet the terms of the pilot project

	A	B	C
1	Academic Year	Number of pilot project cohort students who failed to meet the contract terms	Percent of pilot project cohort students who failed to meet the terms
2	2006-2007		
3	2007-2008		
4	2008-2009		
5	2009-2010		
6	Fall 2010	NA	NA

Instructions for completing Table Two: Enter the information for each year your institution has participated in the pilot project (you should use information from previous reports to complete entries for preceding years).

Column B: Enter the number of first time entering students who signed a contract under the terms of the pilot, but who failed to meet the terms of the contract within the year indicated.

Column C: Enter the percentage of the original class of first time entering students who signed a contract under the terms of the pilot, but who failed to meet the terms of the contract within the year indicated.

Other Information

1. Were there any students in the pilot project cohort for whom the institution failed to honor its agreements under the contract? If so, describe in general terms the resolution/outcome. (e.g. was the student accommodated through a different course; was the course waived; or was the student compensated by the institution paying the course costs to enroll in the course during a semester different than the one specified in the contract?)

2. Describe the incentive/s promised by your institution under the pilot program contract available to freshman students. (Describe here or attach an additional file with details.)

3. Describe the ways that freshman students at your institution are informed about the pilot project (catalogue, advising, etc.)

Thank you for your participation in the Pilot Project to Award Incentives to Students Contracting to Graduate in a Timely Manner!

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

For more information, contact:

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