

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

A First Report on Implementation

**Academic Affairs & Research Division
Texas Higher Education Coordinating Board**

Texas Education Code (TEC) §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 pilot project implementation was overseen by the Texas Higher Education Coordinating Board. This report presents an overview of the results of the pilot project's initial implementation. Because of the nature of the project, no results indicating the success of the project to promote timely graduation will be available until the first cohort of students to participate graduates, which will most likely be in 2009.

Shortly after Senate Bill 30 became law in 2005, the general counsel for the Coordinating Board, along with Coordinating Board staff, undertook an analysis of the bill's provisions. Counsel determined that, although the Board was directed to "adopt rules ... as necessary to implement..." the provisions of the pilot project, in fact, no rules were required if the procedure for selecting participating institutions would identify all interested institutions as participants, thereby encouraging a self-selection, that is, volunteer, process to determine which institutions would participate in the project. This approach would allow the broadest possible array of potentially-interested colleges and universities to explore whether they would choose to participate in the project.

The provisions of the statute outline in detail how the pilot project must function, including the requirement that students must request a contract agreement from the governing board of the institution, and specifying responsibilities for the student and the institution that must be a part of any contract entered into as a part of the pilot project. Because the provisions and procedures were outlined in such detail within the statute, counsel further determined that no other rules were needed to implement the project, but that some Coordinating Board staff guidance to inform institutions of the availability of the project should take place.

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 presumably through the end of the pilot project period as specified in the statute. 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.

On November 28, 2005, an electronic mail memorandum was sent from Dr. Carol Raney, Acting Assistant Commissioner for Academic Affairs and Research, and Dr. Glenda O. Barron, Acting [Associate] Commissioner for Outreach and Success, to the chancellors,

academic officers, and chief instructional officers of every Texas public institution of higher education. The memo alerted institutional executives to the existence of the pilot project and to its origin during the legislative session. It invited expressions of interest in participation as the first step in the process of determining which institutions would actually initiate the pilot. Institutions were given until December 15, 2005 to respond.

Response to this memorandum included the institutions listed in Appendix II. A total of fourteen universities, ten community colleges, and one technical college indicated potential interest in the pilot project. A number of those institutions had questions regarding the pilot project, but most were able to be answered with Coordinating Board staff assistance and reference to the conditions set out in the statute itself. In November 2006, a reminder memo was sent by Dr. Joseph H. Stafford, Assistant Commissioner for Academic Affairs and Research, to the chancellors, presidents, and chief academic and instructional officers at the institutions that had previously expressed interest in participating in the pilot project. (The text of the memo is included as Appendix III.) Institutions responding positively before the deadline included:

Lamar University
Texas Tech University
Texas A&M University–Corpus Christi
Texas A&M University–Kingsville
The University of Texas at Austin
The University of Texas–El Paso (in collaboration with El Paso Community College)
The University of Texas at San Antonio
The University of Texas at Tyler
University of Houston
University of Houston–Downtown
West Texas A&M University
Dallas County Community College District
El Paso Community College (in collaboration with the University of Texas – El Paso)
Grayson County College
Lee College
North Harris Montgomery Community College District
The Victoria College

These institutions indicated their intention to implement the pilot project. They expected to be contacted late in 2007 to present information about the first year of their project.

On December 3, 2007, an email message was sent to all institutions that had indicated their intention to implement the pilot project. The text of the message is included in Appendix V. 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. This data, of course, would be preliminary, since the pilot project would not have produced graduates yet. The survey instrument is included as Appendix VI. Institutions were asked to return their results by December 12, 2007, but the deadline was extended to December 14, 2007.

A number of colleges and universities communicated their responses by indicating that, for a variety of reasons, they had not implemented the pilot project as planned, or they wished to withdraw from the project. One college cited their involvement with the Lumina Foundation's *Achieving the Dream* project as having drawn attention away from the pilot project participation.

Several other colleges and universities simply indicated that they desired to withdraw from the project without giving a reason. The University of Houston, Texas Tech University, and Grayson County College did provide responses to the survey. The following responses were received:

► How many freshman students signed contracts under the pilot project during the 2006-2007 academic year?

UH: 379

TTU: 511

Grayson: NA (project was initiated fall 2007)

► What percentage of the entering freshman class entered into a contract under the pilot project?

UH: 12%

TTU: 13%

Grayson: NA (project was initiated fall 2007)

► How many students who entered into a contract under the terms of the pilot project during the 2006-2007 academic year were still participating as of the beginning of the fall 2007 semester?

UH: 284

TTU: 490

Grayson: NA (project was initiated fall 2007)

► What percentage of the returning students from the freshman class of 2006-2007 are still participating in the project as of the beginning of the fall 2007 semester?

UH: 75%

TTU: 96%

Grayson: NA (project was initiated fall 2007)

► How many students who entered into a contract under the terms of the pilot project during the 2006-2007 academic year failed to fulfill the terms of the contract, resulting in the termination of the contract?

UH: 95

TTU: 21

Grayson: NA (project was initiated fall 2007)

► How many freshman students have signed contracts under the pilot project during the fall 2007 semester?

UH: 170 to date; deadline for contract sign-up is May 2008

TTU: 1173 (26% of the fall 2007 freshman class, a 130% increase over the first year of the pilot)

Grayson: 57 students are eligible and will be contracted before the end of Dec. 2007

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

UH: Students are given priority registration privileges, they receive \$500 toward tuition after the first 30 credit hours toward a declared major [have been earned], \$1000 after 60 credit hours toward a declared major [have been earned], and \$1500 after 90 credit hours toward declared major [have been earned].

TTU: The Texas Tech University timely graduation pilot program offers the following incentives to entering freshman students choosing to participate in and complete the program:

- Savings on out-of-pocket costs of up to \$ 8,777.00/semester or \$26,331 over the course of three long semesters for those students who graduate on time versus spending an additional one to three semesters earning their degree.
- Opportunity to utilize above out-of-pocket savings toward masters or doctoral degree to improve professional/career opportunities upon graduation.
- Begin professional career up to 1.5 years earlier translating into earnings of \$30,000-45,000 on the average versus paying out-of-pocket expenses outlined above for additional semesters in college.
- Increased opportunity of being eligible for the State of Texas \$1000 Tuition Rebate upon graduation.

University intervention guarantee:

- Texas Tech University assures GOT contract participants that they will be able to enroll in courses that permit graduation in the specified and mutually agreed upon time period.
- The plan does not apply to programs combining a baccalaureate and master's degree.
- Texas Tech will ensure the availability of courses or the department and college offering the major will choose one of the following procedures as the exclusive remedy for GOT contract signers:
 - Allow you to graduate in the specified and mutually agreed upon time period, substituting a different course(s) or independent study assignment

for the unavailable course(s) as determined by the department and college offering your major. "Allow you to graduate on time by waiving the requirement to be met by the department or college offering your major.

- Allow the unavailability of a course(s) to delay you from graduating on time, in which case the university will pay the institutional tuition and fees for you to take the unavailable course(s) at Texas Tech University in a later term.

No penalties if sign and later choose not to continue to participate or fail to uphold student commitments.

Grayson: Grayson County College changed the original proposed program submitted for working with all entering freshman to a specific group identified as high risk students enrolled in developmental courses. Of the 355 students taking developmental math courses 57 students were identified by the CSI inventory to be less likely to progress and stay in college. These students will be 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 semester in excess of twelve hours and for summer classes to ensure they finish the freshman year with thirty hours.

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

UH: Advising, university website, flyers [sic], emails, letters to high school counselors, flyers [sic] in University of Houston Scholarship Award Letters to recipients.

TTU: The advertising/awareness campaign for the TTU Graduate-On-Time Partnership Agreement (GOT Contract) program includes:

- Detailed information on the TTU home page at the following website: www.graduateontime.ttu.edu.
- Entering freshman students receive an informational postcard about the program encouraging them to view the website and to ask their advisors about the program when they attend New Student Orientation (NSO). The postcard is sent to every entering freshman student who registers to attend the TTU mandated New Student Orientation program during the summer prior to the students' first fall enrollment at the university.
- Student and parents receive an informational brochure in their NSO informational packet upon checking in to NSO.
- 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.
- The program is presented a minimum of three times to students during the New Student Orientation required of all first-time students
 - by university speakers at university mandated sessions
 - by college speakers at the mandated college information sessions
 - by department speakers during the mandated department information sessions

- by academic advisors during one-to-one advising sessions with students
- Students receive multiple messages encouraging them to participate in the program from academic advisors and university offices via the university's electronic messaging system known as TechAnnounce.
- Students are encouraged to consider the program and sign an agreement at each advance registration period (Oct-Nov and March-April) during their first year at TTU.
- The program is included on a list of acceptable topics from which first/second year journalism students choose to research, interview and write stories for possible submission in the TTU student run newspaper.
- Instructors in the IS 1100 course, The Freshman Seminar, encourage those who have not signed a contract to do so.

Grayson: The 57 students are assigned faculty mentors who meet and review their progress regularly throughout the semester. All students who meet criteria in the contract will be eligible to participate in the program the following year with additional incentives.

The University of Texas at San Antonio and the University of Texas at Brownsville/Texas Southmost College have indicated their intention to initiate their institutional pilot projects in fall 2008, and will participate for the entering classes of 2008 and 2009.

Coordinating Board staff will continue to work with the participating institutions in the collection of information for annual reporting to the Legislature. With so many mandated initiatives for timely graduation (e.g. limitations on the accumulation of excess semester credit hours and on appropriations-based formula funding for excess hours; limitations on repeated courses and on appropriations-based formula funding for repeated courses; limitation on the number of semester credit hours that may be required for the award of a bachelor's degree; financial aid requirements that make timely graduation essential if a student wants to avoid even more debt) this pilot project may not have received the attention on campuses that it might have received in the absence of those initiatives. The design of the pilot project, which requires involvement of the governing board and holds out substantial penalties for failure to meet the specified terms, may also have created unintended barriers to institutional participation. Finally, the condition that academic transfer voids a contract made it difficult for colleges and universities that wanted to collaborate to generate enthusiasm for completion of the bachelor's degree by community college students, such as the project that was proposed between The University of Texas—El Paso and El Paso Community College, may have meant that institutions simply did not choose to follow through on what were very good ideas.

But the pilot project will certainly provide good information that will be useful as the Legislature continues to encourage students to complete their baccalaureate degrees. The numbers of participating students have increased substantially for the second year of the pilot, more than doubling the number of entering students who have already requested a contract through the pilot project. The increase is almost entirely attributable to Texas Tech's program, but as two more institutions join the project for the fall 2008 semester, a more complete picture will emerge of the value of various incentives in promoting timely graduation.

The Coordinating Board will submit a second report by December 31, 2008.

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

Timely Graduation Pilot Project as Specified in TEC §61.070 (SB 30, 79th Texas Legislature Regular Session)

Coordinating Board staff received indications of interest about participating in the pilot program from ten community colleges, fourteen universities, and one technical institute.

Participating Institutions (as of 1-06)	Governing Board
Austin Community College	Austin Community College Board of Trustees
Cedar Valley College	Dallas County Community College District Board of Trustees
El Paso Community College	El Paso Community College District
Grayson County College	Grayson County College District
Houston Community College (all campuses)	Houston Community College Board of Trustees
Lee College	Lee College Board of Trustees
Navarro College	Navarro College Board of Trustees
North Harris Montgomery Community College District (all campuses?)	North Harris County Montgomery Community College District Board of Trustees
Temple College	Temple College Board of Trustees
The Victoria College	The Victoria College Board of Trustees
Lamar University	Texas State University System
Texas A&M International University	Texas A&M University System
Texas A&M University	Texas A&M University System
Texas A&M University – Corpus Christi	Texas A&M University System
Texas A&M University – Kingsville	Texas A&M University System
Texas Southern University	Texas Southern University Board of Regents
Texas Tech University	Texas Tech University System
The University of Texas at Austin	University of Texas System
The University of Texas at Brownsville and Texas Southmost College	University of Texas System AND Texas Southmost College Board of Trustees
The University of Texas at San Antonio	University of Texas System
The University of Texas at Tyler	University of Texas System
University of Houston	University of Houston System
University of Houston – Downtown	University of Houston System
West Texas A&M University	Texas A&M University System
Texas State Technical College – Waco	Texas State Technical College Board of Regents

APPENDIX III

MEMORANDUM

TO: Chancellors, Presidents and Chief Academic Officers at Participating Institutions

FROM: Joe Stafford

SUBJECT: Timely Graduation Incentive Pilot Project as Specified in TEC §61.070 (SB 30, 79th Texas Legislature Regular Session)

DATE: November 9, 2006

Between November 2005 and January 2006, your institution responded to at least one of two memos from us asking about interest in the pilot project to award incentives to students who contract to graduate in a timely manner. The pilot project has been implemented pursuant to TEC §61.070 (SB 30, 79th Texas Legislature Regular Session). A copy of the statute and a list of institutions that responded positively have been attached for your convenience.

The Coordinating Board staff has determined that all institutions expressing an interest in response to either of those earlier memos are eligible to participate in the pilot project. If your institution plans to go forward with implementing the pilot project, please notify us by no later than **December 15, 2006**. The notification should include a list all of the academic administrative units (departments, colleges, schools, etc.) or degree programs at your institution that will offer the incentive contracts through the project.

The Coordinating Board is required to report annually to the Legislature about the level of participation and the effectiveness of the project. To facilitate the collection of consistent information for those reports, we will issue reporting guidelines early in the spring semester. We would welcome your suggestions for inclusion in those guidelines.

We would also welcome information about any similar projects that currently exist at your institution, and invite you to submit that information to us at this time. The tuition rebate program is one legislatively-mandated incentive for timely graduation that is available to any student who completes a bachelor's degree at a public university and who meets certain criteria for timeliness and efficiency in the completion of degree requirements. But we understand that other initiatives exist. We would like to include these projects in our first report to the Legislature.

Dr. Catherine Parsonault is the lead staff person for the pilot project. She can be reached via email at catherine.parsonault@theqb.state.tx.us or by phone at 512-427-6214. Please return your notification regarding your intentions to participate in the pilot project to her.

APPENDIX IV

Timely Graduation Pilot Project as Specified in TEC §61.070 (SB 30, 79th Texas Legislature Regular Session)

Coordinating Board staff received notification that some colleges and universities had determined that they would not participate in the pilot project for 2006-2007. The institutions on this list were considered to be participating in the pilot project for 2006-2007.

Participating Institutions	Governing Board
El Paso Community College	El Paso Community College District
Grayson County College	Grayson County College District
Houston Community College (all campuses)	Houston Community College Board of Trustees
Lee College	Lee College Board of Trustees
Navarro College	Navarro College Board of Trustees
Temple College	Temple College Board of Trustees
The Victoria College	The Victoria College Board of Trustees
Lamar University	Texas State University System
Texas A&M International University	Texas A&M University System
Texas A&M University – Corpus Christi	Texas A&M University System
Texas Southern University	Texas Southern University Board of Regents
Texas Tech University	Texas Tech University System
The University of Texas at Austin	University of Texas System
The University of Texas at Brownsville and Texas Southmost College	University of Texas System AND Texas Southmost College Board of Trustees
The University of Texas at San Antonio	University of Texas System
The University of Texas at Tyler	University of Texas System
University of Houston	University of Houston System
University of Houston – Downtown	University of Houston System
West Texas A&M University	Texas A&M University System

Appendix V.

Texas of email message sent to participation institutions on December 3, 2007

Greetings!

If you are reading this message, your institution indicated during December 2006 that it is participating in 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 copy of that legislation is attached to this message. A condition of the legislation is that institutions will provide information annually on the progress of the pilot program to the Coordinating Board, which will make a report to the Legislature by December 31 of each year of the pilot, beginning in 2007.

As promised, we would like to collect some minimal information about your institution's pilot project and its first 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 Wednesday, December 12, 2007**. We will use the information you provide as part of the report we will send to the Legislature later this month.

You may have received this message because the person who responded to the original invitation to participate is no longer with your institution, or because you have been identified as someone who would be able to provide the information we seek at this time. If we do not receive the completed survey by the due date next week, we will conclude that your institution is no longer participating in the pilot project.

If you have questions, please contact me immediately so I can forward to you the original memos that set out the invitation to participate in the pilot project. As always, we are grateful for your assistance and for your efforts to increase the timely graduation of college and university students across Texas.

Sincerely,

Catherine Parsoneault, PhD

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Appendix VI.

December 2007 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 Dr. Catherine Parsonneault, catherine.parsonneault@theccb.state.tx.us, no later than the end of the business day on Wednesday, December 12, 2007. 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.

1. How many freshman students signed contracts under the pilot project during the 2006-2007 academic year? _____ What percentage of the entering freshman class entered into a contract under the pilot project? _____
2. How many students who entered into a contract under the terms of the pilot project during the 2006-2007 academic year were still participating as of the beginning of the fall 2007 semester? _____ What percentage of the returning students from the freshman class of 2006-2007 are still participating in the project as of the beginning of the fall 2007 semester? _____
3. How many students who entered into a contract under the terms of the pilot project during the 2006-2007 academic year failed to fulfill the terms of the contract, resulting in the termination of the contract? _____
4. How many freshman students have signed contracts under the pilot project during the fall 2007 semester? _____
5. Describe the incentive promised by your institution under the pilot program contract available to freshman students. (describe here or attach an additional file with details)
6. 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!