



# **Commission on Community College Finance**

Thank you for joining, we will begin shortly.



# Agenda

- **Setting the Context:** A historical view of Community College Funding
- **Commission Charge and New Appointees**
- **Steering Committee Charge**
- **Q & A**





# **Texas Community College History At-A-Glance**

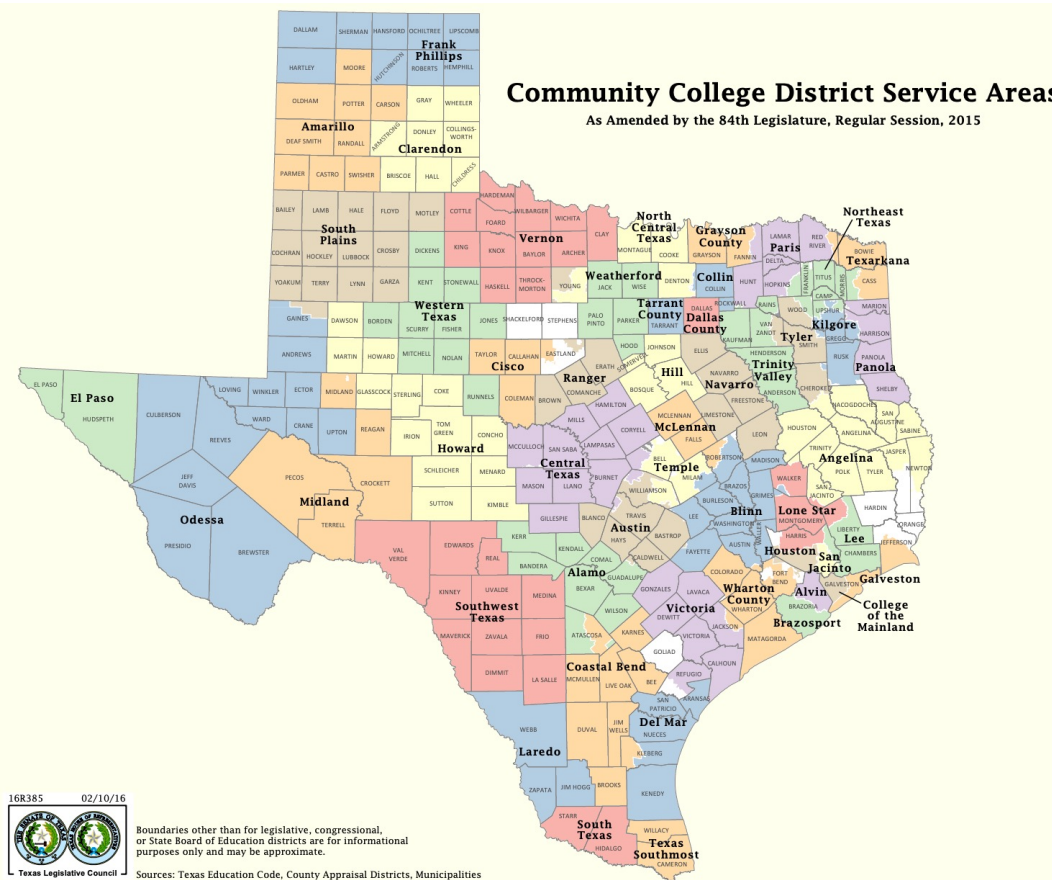


# Service Areas & Taxing Districts

## Community College Districts\*

### Community College District Service Areas

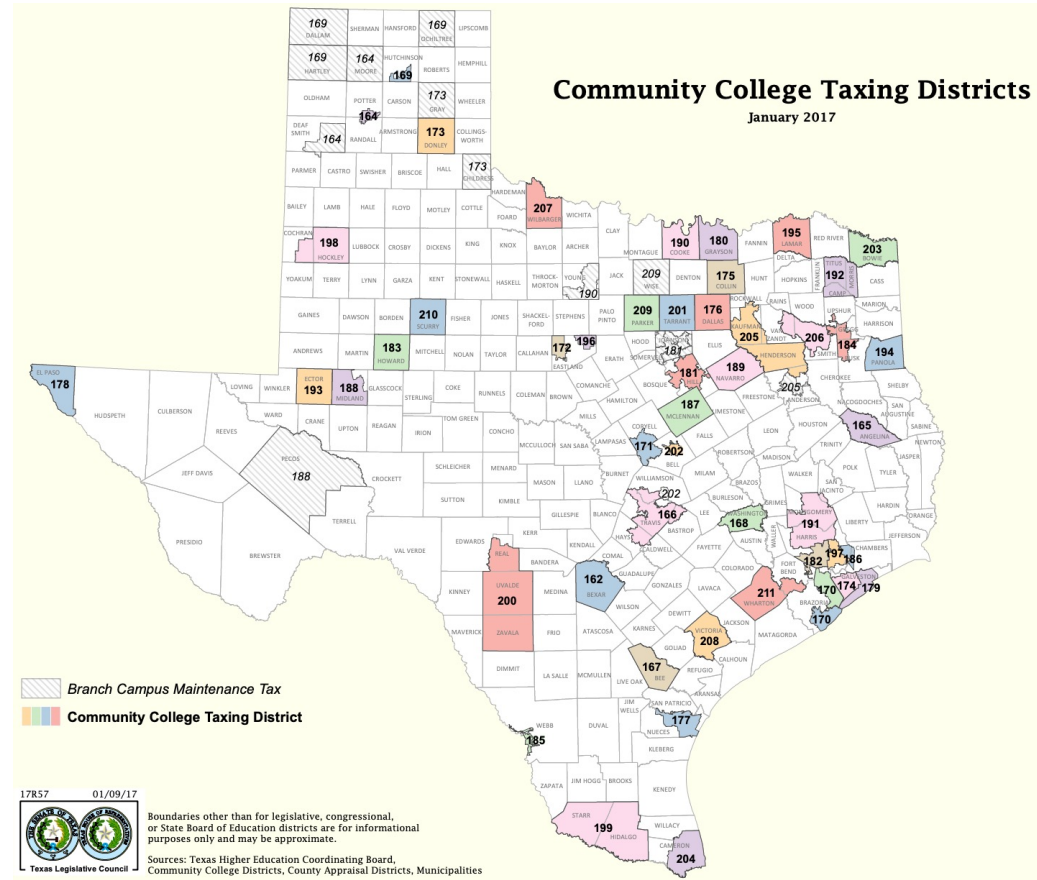
As Amended by the 84th Legislature, Regular Session, 2015



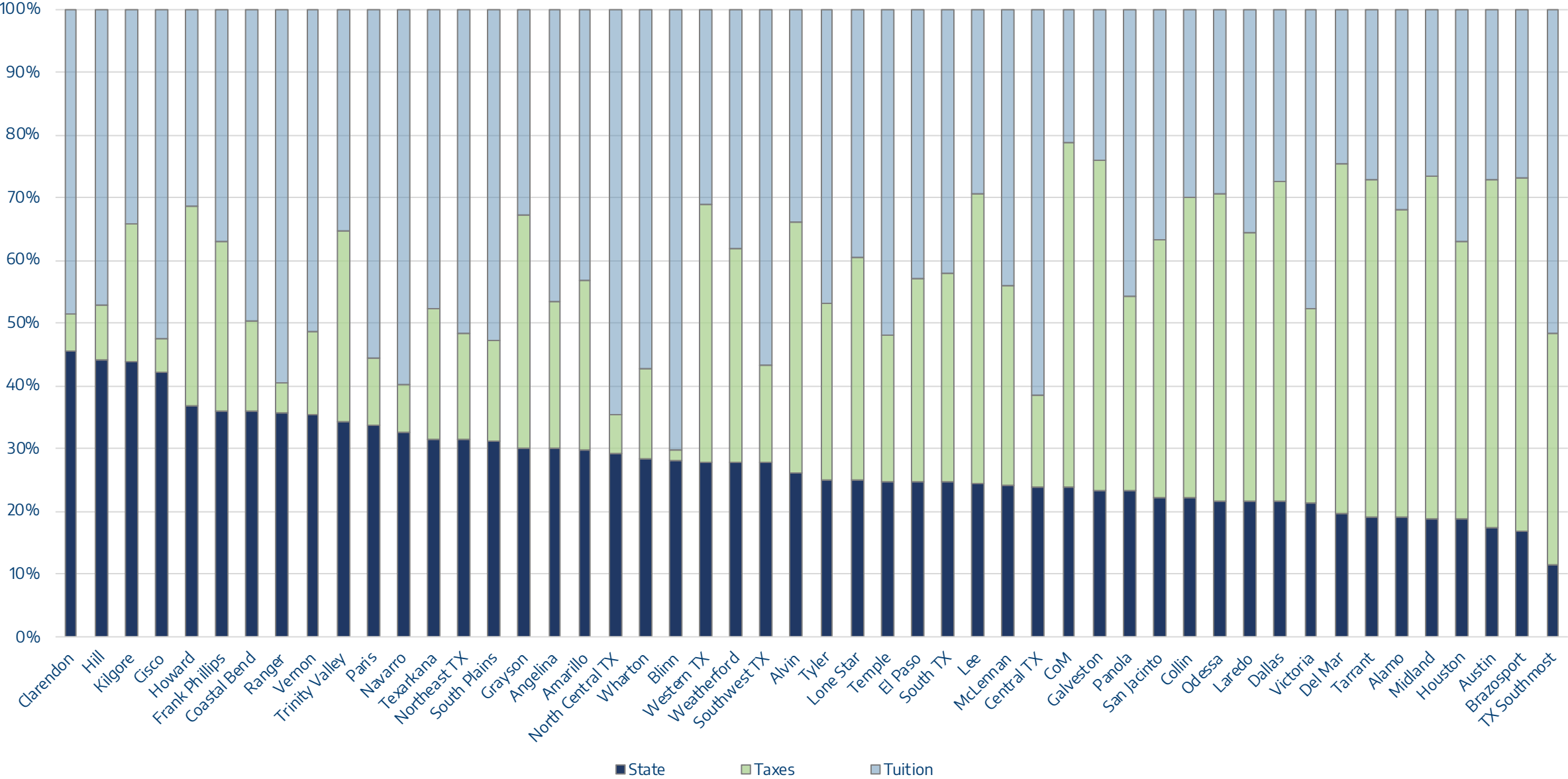
- 162 - Alamo Colleges
- 163 - Alvin Community College
- 164 - Amarillo College
- 165 - Angelina College
- 166 - Austin Community College District
- 167 - Coastal Bend College
- 168 - Blinn College
- 169 - Frank Phillips College
- 170 - Brazosport College
- 171 - Central Texas College
- 172 - Cisco College
- 173 - Clarendon College
- 174 - College of the Mainland
- 175 - Collin College
- 176 - Dallas County Community College District
- 177 - Del Mar College
- 178 - El Paso Community College
- 179 - Galveston College
- 180 - Grayson College
- 181 - Hill College
- 182 - Houston Community College
- 183 - Howard College
- 184 - Kilgore College
- 185 - Laredo Community College
- 186 - Lee College
- 187 - McLennan Community College
- 188 - Midland College
- 189 - Navarro College
- 190 - North Central Texas College
- 191 - Lone Star College System
- 192 - Northeast Texas Community College
- 193 - Odessa College
- 194 - Panola College
- 195 - Paris Junior College
- 196 - Ranger College
- 197 - San Jacinto College
- 198 - South Plains College
- 199 - South Texas College
- 200 - Southwest Texas Junior College
- 201 - Tarrant County College
- 202 - Temple College
- 203 - Texarkana College
- 204 - Texas Southmost College
- 205 - Trinity Valley Community College
- 206 - Tyler Junior College
- 207 - Vernon College
- 208 - Victoria College
- 209 - Weatherford College
- 210 - Western Texas College
- 211 - Wharton County Junior College

### Community College Taxing Districts

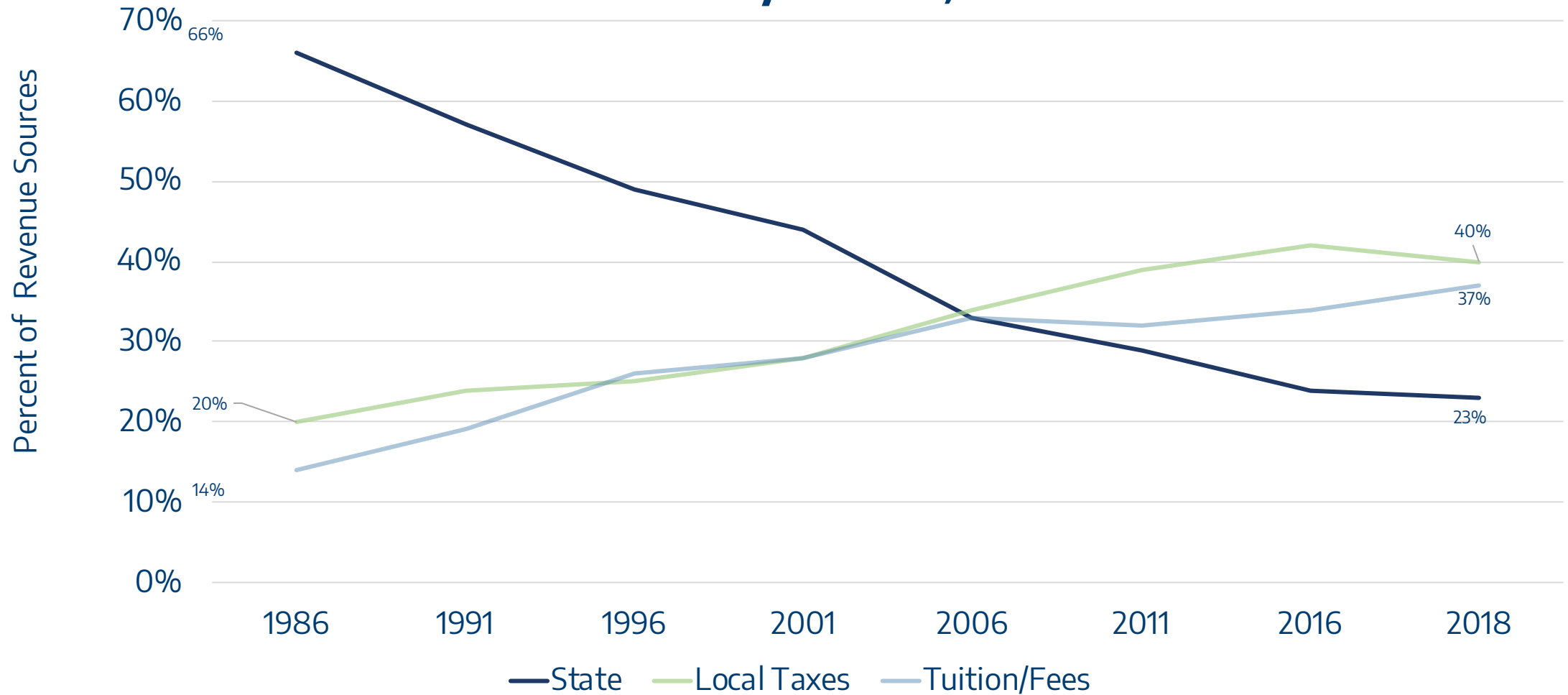
January 2017



# Relative Composition of FY 2018 Primary Operating Revenue at Texas Community Colleges, by Source

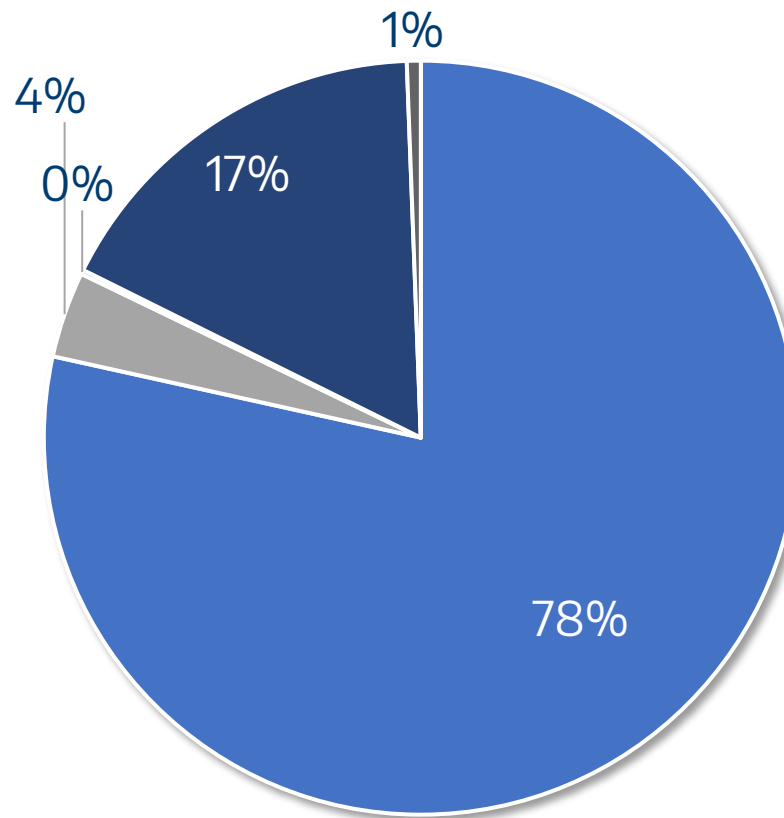


## Composition of Primary TX Community College Operating Revenue by Source, 1986-2018



# Community College Instructional Appropriations 2021-2022

Community colleges receive state funding for instructional support through a formula consisting of contact hour funding, core operations funding, and the outcomes-based Student Success Point model. The state also provides support for group health insurance and retirement benefits.



## ■ Contact Hours

\$1,447.2 M

## ■ Core Operations

\$68.0 M

## ■ BAT

\$3.4 M

## ■ Student Success Points

\$314.8 M

## ■ Need-Based Supplement

\$11.0 M

# Final Formula Funding for FY2022-23

	FY 20-21 Biennium (millions)	Final SB1 Conference Report (FY 22-23)	Final SB1 Difference from FY 20-21
Core Operations	\$68.0	\$68.0	\$0
Contact Hours	\$1,533.7	\$1,447.2	(\$86.5)
Bachelor of Applied Technology	\$3.3	\$3.4	\$0.1
Student Success Points	\$228.3 (\$202.50 per SSP)	\$314.8 (\$253.65 per SSP)	\$86.5
95% Formula Hold Harmless	\$1.9	\$0.0	(\$1.9)
Need-Based Supplement (New, 11 colleges only)	N/A	\$11M	\$11M
<b>TOTAL*</b>	<b>\$1,839.2 M</b>	<b>\$1,844.4 M</b>	<b>\$5.2 M</b>

\*Instructional Appropriation, excludes non-formula support items and HEGI



# **Community College Finance Commission** (SB 1230)

**PASSED & SIGNED BY**  
**GOVERNOR ABBOTT**



Texas Association of  
Community Colleges

House Bill 21, 85th Texas Legislature, 1st Called Special Session (2017), established the **Texas Commission on Public School Finance** to develop and make recommendations for improvements to the current public school finance system or for new methods of financing public schools.

## Commission Members

- **Justice Scott Brister** (Commission Chair) – Georgetown
- **Rep. Diego Bernal** – San Antonio
- **Sen. Paul Bettencourt** – Houston
- **Dr. Keven Ellis** – Lufkin
- **Rep. Dan Huberty** – Houston
- **Nicole Conley Johnson** – Austin
- **Dr. Doug Killian** – Pflugerville
- **Rep. Ken King** – Canadian
- **Melissa Martin** – Deer Park
- **Elvira Reyna** – Denton County
- **Sen. Larry Taylor** – Friendswood
- **Sen. Royce West** – Dallas
- **Todd Williams** – Dallas

# Texas Commission on Public School Finance

Funding for Impact: Equitable Funding for Students Who Need It the Most

Final Report

December 31, 2018



**Final Report**



# SB 1230

## ENACTED

### COMPOSITION

**The Commission includes 12 members:**

- 4 appointed by the **Governor**;
- 3 appointed by the **Lieutenant Governor**;
- 3 appointed by the **Speaker of the House**;
- 1 appointed by the board of **TACC**; and
- 1 appointed by the board of the **CCATT**.

### OTHER AREAS OF STUDY

**The Commission may examine and make recommendations on other policy and finance matters, including:**

- workforce demand and skills gaps;
- dual credit programs and costs;
- variation between taxing districts and service areas
- student graduation, transfer, and success metrics; and
- the relationship between economic cycles and student enrollment.

### GOAL

**The Texas Commission on Community College Finance will make recommendations for consideration by the 88th Texas Legislature** regarding the state funding formula and funding levels for public junior colleges in Texas that would be sufficient to sustain viable junior college education and training offerings throughout the state and improve student outcomes in alignment with state postsecondary goals.

The Commission will convene no later than October 15, 2021, and will continue its activities until completion of a final report.

### SCOPE

The Commission will **examine trend and forecast data, seek stakeholder input, and account for equity in student outcomes.**

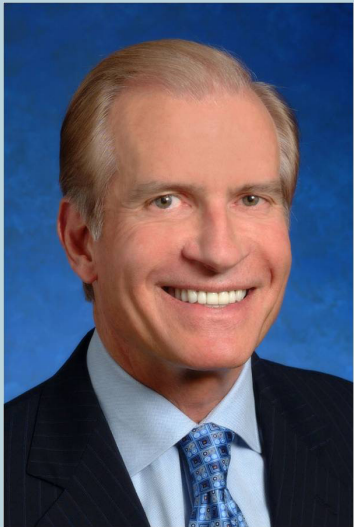
Based on its findings the Commission will make recommendations for:

- The components of state funding for public junior colleges, including contact hour funding formulas
- The feasibility of establishing shared service agreements or interinstitutional collaborations where institutions of higher education may perform administrative services, other than direct instruction and student support services, for other institutions of higher education for a fee or other consideration



# Commission Appointees To-Date

## Presiding Officer



**Woody Hunt**  
Senior Chairman of the  
Board of Hunt Companies



**Mark Escamilla**  
President, Del Mar  
College



**Brenda Hellyer**  
President, San Jacinto  
College



**Brian Jones**  
Director, Professional  
Learning at Odessa  
College



**Carol Scott**  
Chair, Del Mar College  
Board of Regents



**Todd Williams**  
CEO, The Commit  
Partnership

# Community College Finance Steering Committee

## The Steering Committee includes:

- 11 presidents/chancellors;
- 7 trustees/regents;
- 2 faculty members;
- 2 resource partners; and
- 2 ex-official members from TACC & CCATT.

## The Steering Committee will:

- Serve as a communications channel between the Commission and stakeholders (community colleges, students, policy makers, employers)
- Inform the Commission on the needs of today's community college students
- Provide a historical perspective of community college funding in the state
- Ensure the Commission's recommendations are realistic, fundable, actionable, and aligned to the mission of the institutions
- Serve as an ongoing "vetting vehicle" for Commission recommendations
- Debate issues internally then advise the Commission with a unified voice



Texas Association of  
Community Colleges

**Community College Finance Steering Committee Road Map**  
**Discussion Document**  
**July 2021 – February 2022**

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**Date:** Wednesday, May 25, 1:00pm – 2:30pm CST

**Discussion Topic:** Organizational Meeting

**Description:** The Community College Finance Steering Committee will convene to establish an understanding of the purpose and scope for the committee's future efforts. An emphasis will be placed on understanding how the steering committee will potentially operate alongside and support the official Texas Commission on Community College Finance. During the meeting, the steering committee will also propose ground rules for future meetings and propose a "road map" of topics to investigate in the coming months.

**Date:** Wednesday, July 7, 1:00pm – 2:30pm CST

**Discussion Topic:** "The Future Higher Education Landscape of Texas"

**Description:** A business-friendly environment, low statewide unemployment, affordable cost of living, and an abundance of natural resources are a few reasons why Texas' population has grown over the past decades. As a result of this growth, Texas' population has become increasingly more diverse compared to previous generations. These rapid demographic changes create new opportunities and challenges for Texas community colleges as they adapt to educating an increasingly diverse student population. During this meeting, the steering committee will review Texas demographic data trends to understand the implications for Texas' community colleges.

**Date:** Wednesday July 28, 1:00pm – 2:30pm CST

**Discussion Topic:** "Typology of Community College Finance Modalities"

**Description:** Texas' community colleges are uniquely situated to address growing issues of equity and access to higher education faced by today's students across the state. These higher education institutions serve all students regardless of background and preparation, are located close to where students live and work, and are pivotal in efforts to reduce economic inequality. While Texas' community colleges are praised for their ability to educate students and prepare a talented workforce, these institutions can only succeed if they are adequately funded. During this meeting, the steering committee will review the typology of community college finance modalities with an emphasis on the state and local components that shape each model.



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**Date:** Wednesday August 18, 1:00pm – 3:00pm CST

**Discussion Topic:** "Data Sources & Definitions"

**Discussion Topic:** "Exploring Expenditures"

**Description:** The steering committee will be discussing two topics during the August 18 meeting. The first topic will focus on data, specifically identifying the sources and the definitions that are critical to the Commission's policy analysis. Data are the foundation of knowledge, and provides the rationale for decisions and actions. This discussion will focus on identifying the key data sources available to the commission and establishing clear data definitions in order to ensure a foundational consensus for policy analysis. The second half of the steering committee meeting will explore community college expenditures. The steering committee will review the various types of expenditures community college leaders must consider and prioritize during their institutional budget setting efforts.

**Date:** Wednesday, September 8, 1:00pm – 3:00pm CST

**Discussion Topic:** "Student Graduation, Transfer, and Success Metrics"

**Discussion Topic:** "Today's Student"

**Description:** The steering committee will be discussing two topics during the September 8 meeting. The first topic will focus on student success metrics. Texas community colleges receive a portion of their budget from state appropriators each legislature session. Each district receives its allocation based off a funding formula derived by the Texas Legislature. Texas' funding formula currently includes a variety of metrics such as contact hours, credit hours generated, enrollment in selected programs, successful transfer, among others. While many factors are included into the current funding formula, there are additional metrics that are currently not considered. The steering committee will review the various elements that make up the current funding formula and will review additional metrics that could potentially add value to Texas' allocation process. The steering committee will also review case study examples of success funding models at other states. The second portion of the meeting will center on better understanding "today's student" and the various factors that shape a student's academic journey. An emphasis will be placed on understanding the common barriers and hurdles that can impede student progress.



# Policy Partners & Stakeholders



EDUCATE TEXAS  
at COMMUNITIES FOUNDATION of TEXAS



Texas Association of  
Community Colleges

TEXAS 2036

tccta

Texas Community College  
Teachers Association



Community College  
Association of Texas Trustees





**Q & A**