



Texas Commission on Community College Finance



TxCCCF – make recommendations to the 88th Legislature – 01/10/2023 – 05/29/2023

Make recommendations regarding:

- The state funding formula and funding levels for public junior/community colleges in Texas that would be sufficient to sustain viable education and training offerings throughout the state;
- Improve student outcomes in alignment with state postsecondary goals; and
- Report by 11/01/2022.

Gubernatorial appointments:

Mr. Woody Hunt – El Paso, chair

Dr. Mark Escamilla – Del Mar College

Dr. Brian Jones – Odessa College

Mr. Todd Williams – Dallas, Commit Partnership

Lieutenant Governor's appointees:

Senator Larry Taylor – Friendswood

Senator Brandon Creighton – Conroe

Dr. Stephen Head – Lone Star College

12 members

Speaker of the Texas House:

Representative Oscar Longoria – Penitas

Representative Gary VanDeaver – New Boston

Dr. Brenda Kays – Kilgore College

Texas Association of Community Colleges

–
Dr. Brenda Hellyer – San Jacinto College

Community College Association of Texas Trustees –

Ms. Carol Scott – Del Mar College

TxCCCF – Three Subcommittees



COLLEGE OPERATIONS



STUDENT SUPPORT



WORKFORCE
EDUCATION

College Operations

Some of the
discussions
and findings
to date.

Demographic and enrollment trends:

- **Demographics of students has changed**; traditionally not served well by educational institutions;
- Gaps in 60 x 30 attainment goal;
- **Regional variations** (population change, unemployment, labor force participation, educational attainment) have implications for community colleges;
- Increasing access to dual credit requires solutions to reduce costs and eliminate enrollment barriers to provide strong supports and pathways;
- **Finance model should consider demographic realities, consider regional variations and place value on all credentials that lead to employment/mobility.**

College Operations

Some of the
discussions
and findings
to date.

Finance issues:

- CCs' business model & decisions counter to best interest of student, employer and state interests.
- No effective state-level incentive that ensures CCs respond to state policies and goals (*60 x 30 TX*).
- **State funding strategy needed that considers equity implications of local resources.**
- **No correlation between tax rates and tuition.**
- Considerations of different levels and types of needs/resources for students.
- Need more “weight” on outcomes; need ground rules on shared-services arrangements.

College Operations - discussions and findings

Local Funding:

- Relies on local property taxes;
- **No big swings from year-to-year;**
- Stabilizes more volatile funding sources like tuition;
- **Reflects inequities** in resources like those in property rich vs. property poor areas and with in-district and out-of-district tuition.

State Funding:

- **Focus on state needs;**
- Respond to changes in system and regional variations;
- Consider different levels of students' needs;
- **Focus on desired outcomes such as jobs/employment.**

Student Support

Some of the discussions and findings to date.

Enrollment issues:

- Prior to COVID-19, Community Colleges saw moderate enrollment growth, but it has not kept pace with TX population growth;
- Need to get additional data on enrollment by demographics for state & region; and
- Need data and analysis on the enrollment trends of non-traditional adult students.

Student Support

Some of the discussions and findings to date.

Dual Credit issues:

- Access not equitable in terms of demographics, geography, program availability, infrastructure and funding with historically disadvantaged groups participating at lower rates than their proportion of the student population.
- Dual credit enrollment topped 180,000 in 2019, an increase of over 600% since 2000; it has doubled since 2010.
- Dual credit enrollments increased from 5% in 2000 to 25% of all enrollments in 2019.
- 92% of dual credit/enrollment is delivered by CCs.
- Texas has a “Wild West” system of funding dual credit with wide variations in who pays: ISDs, colleges and students/families.
- No program standardization or consistency across the state.

Student Support – Recent Discussions

At its June 7 meeting, the Student Support subcommittee discussed the following topics:

- **Outcomes-based funding models** in other states compared to Student Success Points in Texas.
- How should **student characteristics**, such as economically disadvantaged, academically disadvantaged, disabled, adult learners, first generation to go to college, be factored into funding? **Should funding weights be added for these factors as done for public education?**
- The impact of “**dual credit**” on community colleges’ funding and business models.
- **Student learning loss** has to be addressed to re-engage students to stem the loss of higher ed enrollments that began before the pandemic. **More high school graduates are not going to college than ever before – why and what are they doing?**

Workforce Education

Some of the
discussions
and findings
to date.

- For first time since 2000, enrollment in public junior/community colleges below four-year institutions. Why?
- Types of workforce education at community colleges include:
 - Industry-Based Certifications;
 - CTE Programs of Study;
 - Incentive Structures;
 - College - Career - Military Ready;
 - Tiered CTE Funding;
- High School endorsements (HB5) 83rd Leg, 2013) chosen by 8th graders:
 - STEM;
 - Business & Industry;
 - Public Services;
 - Arts and Humanities; and
 - Multidisciplinary Studies – commissioner said on 06/09/2022, that most students default to this pathway.

Workforce Education – discussions and findings

At its June 9 meeting, the Workforce Education subcommittee discussed the following:

Barriers:

- Funding disparities across CCs, **high-cost programs and start-up costs;**
- Limited incentives and current funding models do not support workforce education;
- **Lack of alignment between CCs and school districts;** and
- Need to discuss funding from **local tax bases vs. state funding levels,** as well as **in-district and out-of-district** service areas as possible barriers to programs that can be offered or students' abilities to enroll in available programs.

Workforce Education – discussions and findings

“Tapered” funding – concept is to front load new programs and then to scale back funding as a program becomes more self sufficient. Members of the committee seemed favorable to exploring this concept further with the following comments:

- Need robust application and approval process to gauge likelihood of success;
- Need to plan for what happens if program isn’t successful – what to do with building and equipment;
- Need to factor-in challenges in rural areas to start-up new programs and secure funding;
- Need to engage industries and employers in these discussions;
- Need to “regionalize” credentials of value; and
- Need to do more work to standardize and fund dual credit offerings.

Possible Elements – New Funding Model

Issues for possible inclusion in new funding model:

- Based on outcomes to promote **continuous improvement** by each college;
- Tied to new higher education strategic plan: *Building a Talent Strong Texas* to ensure that:
 - 60% of Texans aged 25-64 have a degree, certificate or other credential of value by 2030.
 - Degrees, certificates and other credentials awarded by colleges will be of value to individual credential holders, as measured by credential holders' typical earnings in the Texas labor market, taking account of typical costs to students;
 - 95% of undergraduates will graduate with no or manageable debt relative to typical earnings for their credentials in the Texas labor market; and
 - All students across Texas will have equitable opportunities to participate in, contribute to, and benefit from the state's robust economy.

Possible Elements – New Funding Model

- Bolster workforce development by promoting production of degrees, certificates and other credentials that are of value to individuals and aligned with **regional workforce needs**.
- The model should ensure all students across all regions of the state have **access to educational opportunities** relevant to students' academic goals and state and regional workforce needs.
- Should be affordable for all students and encourage **reduced levels of student debt**.

Implementation Principles

Phased-in for a smooth transition and unintended consequences;

Establish priorities for funding if appropriations are not sufficient;

Be dynamic and have adjustments for student needs and diseconomies of scale;

Stable and yield predictable results;

Work with the governor's Tri-Agency Initiative and other entities to collect and ensure accuracy of data;

Identify opportunities for sharing academic and workforce programs and to enhance operational efficiencies through inter-institutional collaborations for administrative and student support services; and

Monitor and produce biennial reports.



*Discussion
or
Questions?*

