

Texas Commission on Community College Finance: Final Recommendations



Texas Association of
Community Colleges

TXCCCF Final Recommendations

1. State Funding for Outcomes

\$430M

Recommendation 1.1: Develop a modern community college finance model that distributes the majority of state funding based on **measurable outcomes** aligned with regional and state workforce needs and state goals for *Building a Talent Strong Texas*.

This new outcomes-based formula should be dynamic, with adjustments through an annual settle-up process. Funding levels should be based on individual colleges' current outcomes with specified fixed dollar amounts for:

- Credentials of value, including degrees, certificates, and other credentials from credit and non-credit programs that equip Texas students for continued learning and greater earnings in the state economy;
- Credentials of value awarded in high-demand fields;
- Students who transfer to four-year universities; and
- Students who complete a sequence of dual credit courses that apply towards academic and workforce program requirements.

Recommendation 1.2: Ensure community colleges across Texas can access foundational levels of funding for **instruction and operations** through a state-funded guaranteed yield for colleges with low taxable valuations.

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2. Affordability for Students

\$170M

Recommendation 2.1: Increase funding for **Texas Educational Opportunity Grants** (TEOG) and link state performance measures for eligible students served through TEOG at two-year institutions and TEXAS Grants at universities to establish a state goal of supporting at least 70 percent of qualified low-income college students in pursuing postsecondary credentials of value at public two- and four-year institutions. The TEOG program should also be restructured to provide colleges greater flexibility in meeting the needs of non-traditional students pursuing a wide variety of credentials of value, including non-credit and short-term programs.

Recommendation 2.2: Provide financial aid through colleges to cover tuition and required fees in dual credit courses for economically disadvantaged students. This new targeted **financial aid for dual credit** should be administered by THECB, with support from the Texas Education Agency (TEA), for dual credit courses that apply towards academic or workforce education program requirements. It should also incorporate a maximum tuition rate for dual credit courses set annually by THECB to help ensure equitable access for high school students across the state to dual credit courses.

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2. Affordability for Students

Recommendation 2.3: Expand partnerships among colleges and private employers for **paid work-based learning** opportunities, including work-study, apprenticeships, and internships related to students' programs of study, utilizing the work-based learning strategic framework developed by the Governor's Tri-Agency Workforce Initiative. Work-based learning is a proven strategy to provide financial support while giving students opportunities to apply and develop skills through real work experiences in industry settings. The state should leverage existing federal funding and provide targeted state support for programs developed in partnership with employers and offered through colleges to expand paid work-based learning.

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3. Investments in College Capacity

\$50M

Recommendation 3.1: Provide one-time **seed grants for programs in high-demand fields** to support community colleges in rapidly standing up or expanding programs to meet regional and state workforce needs. These grants would be administered through THECB in consultation with the Texas Workforce Commission. Drawing on insights from initial implementation of the Texas Reskilling and Upskilling through Education (TRUE) program, the state should give priority to short-term workforce programs developed in partnership with employers.

Recommendation 3.2: Support and facilitate **shared services** and stronger inter-institutional partnerships. THECB should facilitate shared services to enable individual colleges to improve operational efficiency and expand the range of academic and workforce programs they offer. These shared services might include support for inter-institutional partnerships, master service agreements, and state technology infrastructure, along with related feasibility studies. For example, institutions across the state should be able to leverage other institutions' online courses so students can stack courses, credits, and credentials to earn degrees, certificates, and short-term workforce credentials that smaller colleges would be unable to offer on their own.

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3. Investments in College Capacity

Recommendation 3.3: Update state policies, and build upon the recent work by individual colleges, to help community colleges across the state provide high-quality non-credit credential programs that are **convertible and stackable** with credit-bearing programs. A state crosswalk of non-credit to credit courses and programs will improve transferability of workforce education courses across institutions and throughout students' pathways, from high school dual credit programs through pathways for adult learners to support ongoing reskilling, upskilling, and career advancement. This state crosswalk could also facilitate and improve the mobility of credit awarded for students' prior work experience. Projects already underway through the Governor's Tri-agency Workforce Initiative to clarify and streamline career pathways should be considered in these specifications of stackable credentials.

Thank you



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