

# THECB Updates

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**Texas Association of Community Colleges**

July 17, 2025

# Overview

- Building a Talent Strong Texas
- Community College Finance
- CCF Methodology & Data Reporting
- Workforce Education & Shared Services
- Program Approval & Transfer
- Student Success Initiatives
- TEOG & FAST

# *Building a Talent Strong Texas*



# Texas-Sized Economic Growth and Opportunity

8th

**largest economy**  
in the world  
by GDP

1st

in the nation for  
**net new jobs**  
created over the  
past year

#1

state for  
**business climate**  
in the nation

# Building a Talent Strong Texas

## 2022–2030 STRATEGIC PLAN

### GOALS

**ATTAINMENT**  
of Postsecondary  
Credentials

Postsecondary  
**CREDENTIALS**  
**OF VALUE**

**RESEARCH,**  
Development,  
and Innovation

#### **EQUITY OF OPPORTUNITY**



Data will be tracked and  
disaggregated by race and  
ethnicity, gender, and income

#### **COLLABORATION**



Engage public and  
private sector stakeholders  
to break down historic silos

# Talent Strong Texas Indicators

## GOALS

**Attainment of  
Postsecondary Credentials**



**Postsecondary  
Credentials of Value**



**Research, Development,  
and Innovation**



## TARGET INDICATORS

- **60% of Texans ages 25-34** with a degree, certificate, or other postsecondary credential of value by 2030
- **60% of Texans ages 35-64** with a degree, certificate, or other postsecondary credential of value by 2030
- **550,000 students completing** postsecondary credentials of value each year
- **95% of graduates** with no undergraduate student debt or manageable levels of debt in relation to potential earnings
- **\$1 billion** in additional annual private and federal research and development expenditures by 2030
- **7,500 research doctorates** awarded annually by Texas institutions of higher education

# Community College Finance

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# Community College Finance: Funding and Resource Planning



## **OUTCOMES BASED FUNDING**

Clearly communicating the drivers and implementing the new finance model



## **PARTNERSHIP**

Working closely with colleges and the advisory committee on issues and addressing along the way



## **POLICY IMPLEMENTATION**

Focusing on rules, procedures, and legislative requirements



## **EVALUATION**

Examining trends and behavioral changes in response to House Bill 8



# Community College Finance: Implementation of House Bill 8

## PREVIOUS FUNDING MODEL

1

State funding for colleges was focused on inputs, including student contact hours (78% of previous formula)

2

Variation in local taxes and revenue made it difficult for some colleges to fund instruction and operational needs

3

Colleges received static allocations of state funding each fiscal year based on a predetermined formula

## NEW FUNDING MODEL

**PERFORMANCE OUTCOMES** will now determine the largest tranche of state funding allocated to colleges

**BASE TIER** funding ensures that all colleges have a baseline level of funding for instruction and operational needs

Funding for colleges will be based on a **DYNAMIC MODEL** that accounts for changes against measurable outcomes

# Community College Finance: What's New?

## Senate Bill 1786

- Added transfers to private universities as fundable transfer outcomes
- Changed criteria for credential of value and requires an agency definition of self-sustaining wage

## New FY26 Funding Rules in Chapter 13, Subchapter V

- Preventing duplicative funding between co-enrollment and transfer and requiring documentation of all co-enrollment programs;
- Maintaining contact hour minima for the Institutional Credential Leading to Licensure or Certification (ICLC) and Third-Party Credential;
- Adding a new methodology for determining when an associate degree is a credential of value;
- Limiting the fundability of credentials of the same type conferred in the same year to the same student and credentials conferred in or reported for a year in which they were not earned; and
- Other refinements to credential fundable outcomes.

# Community College Finance: What's on the Horizon?

## Essential Occupations

- Our initial implementation of the essential occupations process will begin this summer. As a reminder, the essential occupations petition process allows community colleges to receive additional funding for certain instructional programs that are linked to high-demand fields in their region.

## One-Time Payment in September

- Approximately \$900,000 in statewide funding will be sent out in a special one-time September payment. These funds represent the remaining June 2025 payment.
- The October payment will proceed as regularly scheduled.

# CCF Methodology & Data Reporting

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# CCF Data Reporting and Methodology: What's New?

## Credential of Value Methodology

- Threshold for Associates degrees moved to 5 years

## Performance Outcome Methodology

- Credentials
- Transfer

## Data Reporting

- Credential completion

# Fund Year 2026 Did not Meet COV Threshold

## Exclusions: Associate Degrees

| Program Area                      | CIP Level   |
|-----------------------------------|---|
| Agriculture and Natural Resources | 01 - Agriculture, agriculture operations, and related sciences<br>03 - Natural resources and conservation   |
| Arts                              | 50 - Visual and performing arts   |
| Biology and Life Sciences         | 26 - Biological and biomedical sciences   |
| Communications and Journalism     | 09 - Communication, journalism, and related programs<br>10 - Communications technologies/technicians and support services   |
| Consumer, Culinary, and Wellness  | 12 - Personal and culinary services (except for 12.03)<br>19 - Family and consumer sciences/human sciences (except for 19.0706 – 19.0709)<br>31 - Parks, recreation, leisure, and fitness studies |
| Psychology                        | 42 - Psychology   |

# Changes for Fund Year 2026

**Credentials – one award by type per student per year**



## CBM Reports

Pull awards\* from  
**CBM009** (Grad  
Report) & **CBM00M**  
(WE Report)



## Remove Excluded Associate Degrees



## High Demand Fields

Link awards to High  
Demand Field list by  
**CIP code**



Limit one award per  
student within award  
categories

**STEPS 1**

**2**

**3**

**4**

# Changes for Fund Year 2026

## Credentials – one award by type per student per year

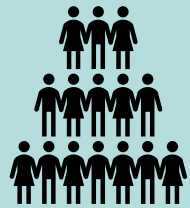
- **One student** may receive a fundable outcome for **one credential** within the following categories .
  - Bachelor's
  - Associates
  - Cert I
  - Cert II
  - ATC
  - OSA
  - *ICLC – starting with FY25 data*
- Priority selection for awards in High Demand Fields

OSAs and ICLCs retain same rules  
about not sharing hours



# Changes for Fund Year 2026

**Transfer – Include transfer to Texas private universities**



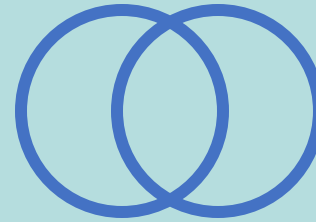
## Identify Initial Cohort

Current FY - **Public and Private University CBM0C1/CBM001**; enrolled as undergrad & not enrolled at university in prior 4 years



## Create 15+ SCH Dataset

Current FY + 4 prior years – **Community College CBM00S (Schedule Report)**; keep students accumulating 15+ SCH over the period\*



## Combine Steps (1) and (2)

Keep students (1) enrolled in current FY **AND** (2) accumulated at least 15 qualifying SCH at community college



## Consider Dual Credit Outcome

Keep students with 15+ SCH in current FY at CC **after** subtracting 15 hours from accumulated hours **if student earned a dual credit outcome**

**STEPS 1**

**2**

**3**

**4**

# Reporting Changes: Credentials

## Starting for Fiscal Year 2025 Reporting

*Credentials Earned in **FY25**:*

- **ICLC** completions reported at student level on the **CBM00M**

## Starting for Fiscal Year 2026 Reporting

*CBM009 and CBM00M:*

- New rules about when degree is conferred and reported

# Workforce Education & Shared Services

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Senior Director for Workforce Education Partnerships

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# Workforce Education Stakeholder Workgroup



Formation of the workgroup (Early 2024, THECB initiative)



Purpose: Guidance on workforce and continuing education rules/processes



Alignment with Community College Finance model

# Key Initiatives and Updates



Summary of ongoing efforts



Recent rule changes



Development of new Career and Technical Education Guidelines programs

# Overview of New CTE Guidelines

Purpose and scope

Organizational  
structure  
(Six chapters)

Chapter 1:  
Overview &  
glossary

Chapters 2-5:  
Texas  
Administrative  
Code-based rules

Chapter 6:  
Guidance Resources  
(best practices &  
legacy resources)

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# Career and Technical Education Course Maintenance



CTE COURSE  
MAINTENANCE  
PAUSE DUE TO  
HOUSE BILL 8



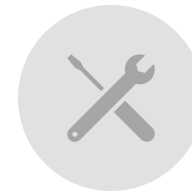
RESUMPTION OF  
WORKSHOPS FOR  
CTE COURSE  
MAINTENANCE



NOMENCLATURE  
CHANGES I.E. CTE  
COURSE, SUBJECT  
MATTER EXPERTS



CURRENT CTE  
MAINTENANCE  
PLANS



BEST PRACTICES  
FOR CTE COURSE  
MAINTENANCE



NEXT STEPS

# Shared Services Pilot and Participating Institutions

IT Research & Advisory Services Pilot; Launched: May 2025

Purpose: Support IT strategy, cost optimization, and strategic sourcing

Initial Workshop: IT cost optimization shapes individualized roadmaps

Institutions Participating: Del Mar College, Lee College, South Texas College, Trinity Valley Community College, Wharton County Junior College



# Support Services and Leadership

Robust Institutional  
Support Includes:



Assistance with 3 vendor negotiations

- Mark Roman – Managing Partner (Former Educause Board Member)
- Dr. Carlos Thomas – Executive Counselor (Higher ed IT strategy/governance expert)

# Program Approval & Transfer

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# Program Approval Goals

- Better aligning degree and certificate approval processes to the agency's refreshed Strategic Plan.
- Bringing agency rules and procedures in line with statute.
- Minimizing institutions' regulatory burden and supporting innovation.
- Prioritizing the board meetings on the most meaningful program approval questions.
- Achieving the policy objective of having a comprehensive catalog of all credentials offered in the state; and
- Improving administrability of program review and approval with policies and processes that are feasible, efficient, and flexible.

# Rule Implementation: Complete!

- All initial online forms completed

## Next Steps

- Prioritize backlog of updates and changes requested for forms previously launched.
- Updates to self-supporting degree program reporting (for Fall 2026 reporting)
- Continue to collect feedback from stakeholders for ongoing process improvement.

# Program & Course Approval

## Rule Roadmap

- ✓ Academic Degree & Certificate Approval
- ✓ Workforce Education Program Approval
- ✓ Distance Education Approval
- ✓ Degree Program Review
- ✓ Degree Program Changes
- ✓ Workforce Education Course Approval
- ✓ Self-Supporting Degree Programs
- \_\_ Off-Campus Degree Program Approval
- \_\_ Private Postsecondary Institutions
- \_\_ Updates to Degree Program Review

# Texas Direct Associate Degree

Students attending any public two-year institution automatically qualify to receive a Texas Direct Transfer Associate Degree when they complete:



## A FIELD OF STUDY (FOS) CURRICULUM

Discipline specific pathways that are developed with the assistance of the Texas Transfer Advisory Committee (TTAC).



## A CORE CURRICULUM

- The college's core curriculum, **or**
- An approved, abbreviated FOS core curriculum that is transferable to one or more general academic teaching institutions

# Streamlining Pathways to Success

## **THECB** **Texas** **Direct**

Streamlining transfer pathways  
to save students & families  
time, money, & effort.

### STUDENT BENEFITS:

- ✓ More transparent and seamless transfer processes across institutions
- ✓ Opportunities to reduce time and money spent on excess credit hours
- ✓ Opportunities to optimize the number of credits applicable to a major upon transfer

# Current Status of Revised Fields of Study

| Revised FOS  | Status of Implementation  |
|--|---|
| <ul style="list-style-type: none"> <li>1. Business Administration</li> <li>2. Criminal Justice</li> <li>3. Sociology</li> <li>4. Social Work</li> <li>5. Political Science</li> <li>6. Psychology</li> <li>7. Nursing</li> <li>8. History (BS Only)</li> <li>9. Education – 4-8</li> <li>10. Education – EC-6</li> <li>11. Education – EC-3</li> <li>12. Communications</li> </ul> | Approved.   |
| 13. Biology  | Approved by TTAC and subcommittee co-chairs/TTAC co-chairs reviewing comments received.                                 |
| 14. Exercise Science   | Approved by TTAC and the agency is finalizing the survey to collect directed electives from universities.               |
| 15. English  | Approved by TTAC and subcommittee co-chairs/TTAC co-chairs reviewing comments received.                                 |
| 16. History (BA)   | Subcommittee developed a recommended FOS and will be presented at the fall TTAC meeting.                                |
| <ul style="list-style-type: none"> <li>17. Computer and Information Sciences</li> <li>18. Engineering</li> </ul>   | These subcommittees were established by TTAC and will meet in the fall to develop a FOS based upon the alternative FOS. |



# **Transfer Legislation/ New Grant Program**

## **SB 3039**

Revision of transfer reports and addition of transfer liaisons.

## **SB 1401**

Relating to the creation of the Texas Mental Health Profession Pipeline Program by the Texas Higher Education Coordinating Board.

## **Behavioral Health Innovation Grant Program**

Established to support recruitment, training, and retention programs in behavioral health fields through the solicitation of grant applications from public community colleges.

# Student Success Initiatives

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# SB 2786 (89<sup>th</sup> TX Legislature)

## TSI Non-Applicability

### SB 2786 SUMMARY

- SB 2786 adds three new categories for TSI non-applicability for certain:
  - EMT personnel
  - Firefighters
  - Peace Officers
- Applies beginning with the assessment of entering undergraduates for fall 2025 semester.

### RULES

- 30-day public comment period, which includes proposed language for rules expected to be published July 2025.
- New CBM Reporting (002: 21A, 41A, 61A) expected November 2025\*
- THECB webinar coming soon.

\*dates subject to change

# Student Success Division

## Strengthening our Culture of Evidence



### ACE GRANT EVALUATION

The purpose of the Texas Innovative Adult Career Education (ACE) Grant Program is to support efforts to prepare veterans and low-income students for entering careers in high demand and significantly higher-earning occupations.

Goals:

- Determine best practices for non-profit orgs & CC partnerships
- Share promising interventions promoting collaborations
- Identify gaps & build on successes
- Demonstrate progress in empowering adult learners through career advancement



### COLLEGE READINESS REPORT

The 2025 college readiness report, Supporting Underprepared Students: Continued Progress, shows the important progress Texas has made and provides a path forward to continue to ensure the most efficient and effective delivery of developmental education. This report is updated and published every two years.

Goals:

- Provide data regarding the current state of college readiness in Texas
- Outline the progress of the co-requisite model implementation
- Review multiple measures assessment approach to student success



### SSAP GRANT EVALUATION

The purpose of the SSAP Grant evaluation is to develop, enhance, redesign, and/or scale evidence-base programs and initiatives in Texas. Grantees will receive continuous improvement support plans that identify key factors contributing to successful outcomes.

Goal:

- Support students' persistence and completion of credentials of value leading to successful career and labor market outcomes in TX.
- Positively impact statewide metrics, including retention rates, scaling, enhance impact, completion rates, academic achievement, & cost improvements.

# Inaugural Convening: Advancing Parenting Student Success

The purpose of hosting a statewide Parenting Student Convening is to bring stakeholders, parenting student liaisons and experts together to discuss and inform best practices that address the unique needs of this population.



## CONVENING DATE & LOCATION

Date: August 1

Where: Palo Alto College



## CAMPUS REPRESENTATIVES

Who: Liaison, Staff, Parenting Student



## REGISTRATION

Deadline: No cost to IHEs,  
Limited Spots





### UPCOMING CONVENING DATE

Virtual Training: TBA

Regional Trainings: July 11, 15, 17



### CAMPUS REPRESENTATIVES

Who: Liaisons, Staff, Stakeholders



### REGISTRATION

Deadline: No cost to IHEs,  
Limited Spots



# Summer Institutes: Foster Care Liaisons

The purpose of hosting Summer Institutes for Foster Care Liaisons is to support students by sharing innovative strategies to boost engagement, explore ideas, and network with colleagues to strengthen campus engagement with students who have experienced foster care.



# Texas Conference on Student Success

October 29-31, 2025 | Austin, TX

The Texas Conference on Student Success is a one-of-a-kind opportunity for education professionals to share best practices, discover innovative ideas, develop new connections, and experience a variety of perspectives, all in the interest of supporting student success in higher education.





Student Success Initiatives Listserv



# TEOG & FAST

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# Texas Educational Opportunity Grant (TEOG)

- Appropriation Changes
  - \$84M in additional funding for community college students
  - 38% increase in funding
- TEOG for Top 25%
  - Over \$7 million in additional funding in FY 2027 to ensure that institutions can provide TEOG to all students who graduated in the Top 25% of their high school class
- TEOG Transfer Students
  - Over \$27 million to provide TEXAS Grants in FY 2027 for students who received TEOG and then transfer to public universities

# Financial Aid for Swift Transfer (FAST)

- Fiscal Year 2024 (Fall 2023/Spring 2024)
  - Over 157,000 eligible students
  - Over 1.4 million eligible semester credit hours
  - Over \$81.5 million disbursed to institutions
  - True-up instructions will be distributed shortly
- Fiscal Year 2025 (Summer 2024/Fall 2024)
  - Over \$52 million disbursed to date for summer and fall
  - Fall Flex and Spring rosters due by July 25
- 2025-2026 FAST Tuition Rate: \$58.52 per SCH
- New CBM fields for fall reporting
  - FAST Indicator and School District Code will streamline FAST process

# Financial Aid for Swift Transfer (FAST) (cont.)

- Senate Bill 1786
  - Defines high school as Grades 9-12 for FAST
  - Adds the Windham School District
  - Educationally disadvantaged expanded to include eligibility for the national school lunch program in the year the student is taking the dual credit course
- House Bill 120
  - Expands eligibility to students who have graduated from high school but are enrolled in a school district or open-enrollment charter school at a P-TECH campus while completing a course of study under a P-TECH or R-PEP program
- Proposed Rules
  - Posted in the June 13 issue of the *Texas Register*



# **Texas Higher Education**

## **COORDINATING BOARD**

Thank You!

