

# Closing the Gaps in Expectations

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Texas Association of  
Community Colleges

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# Texas Community Colleges

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- 50 independent college districts with locally elected boards
- Largest sector of higher education
- About 1 million students enroll per year
- 73 percent of all lower division students
- 76 percent of all lower division minority students

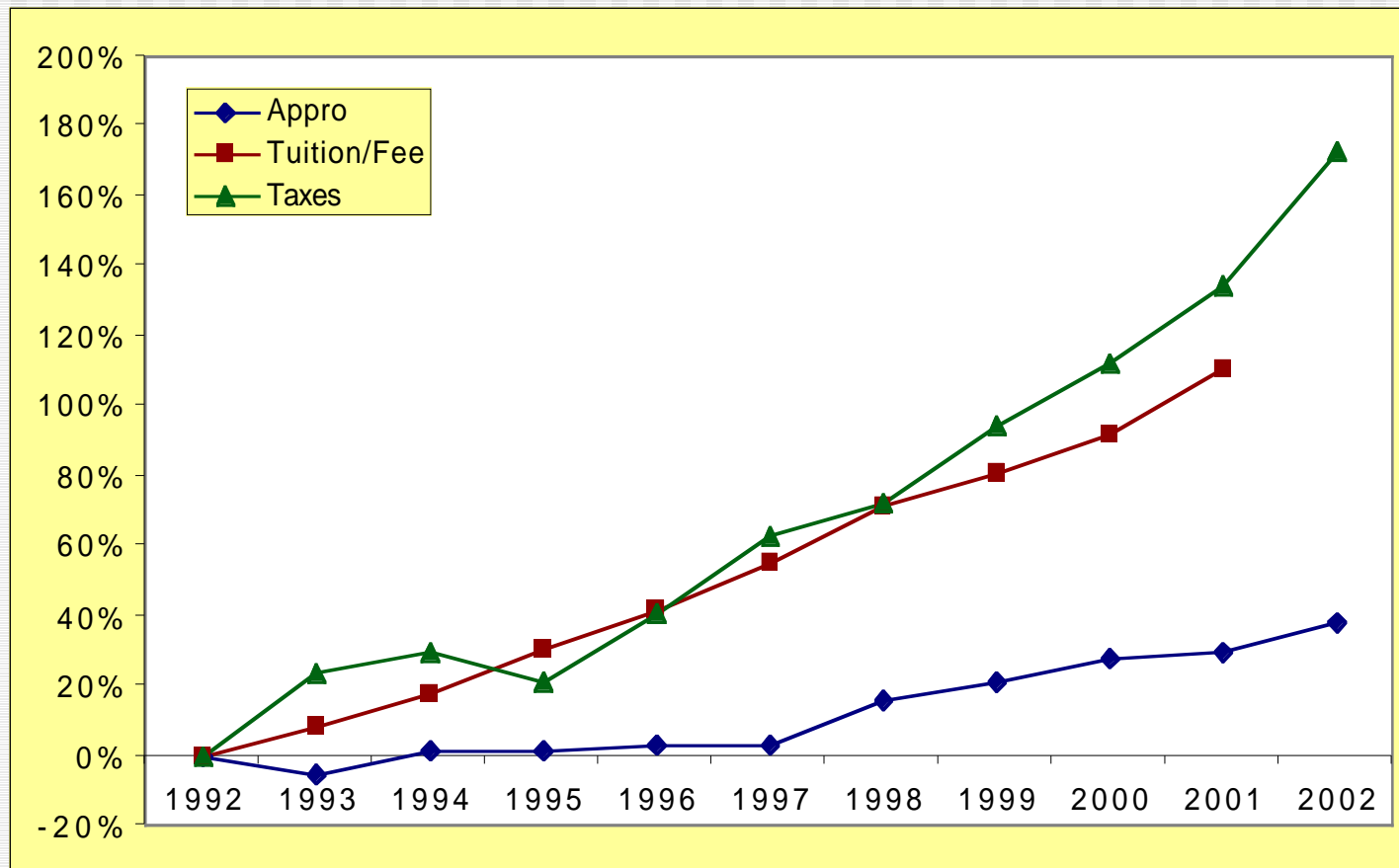
# Community College Revenue

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- Three primary revenue sources:
  - State appropriations
  - Local property taxes
  - Student tuition and fees
- State appropriations may only be expended on instruction and administration - no state funds for facilities
- Facilities are supported exclusively from local funds - cash, general obligation bonds, and revenue bonds

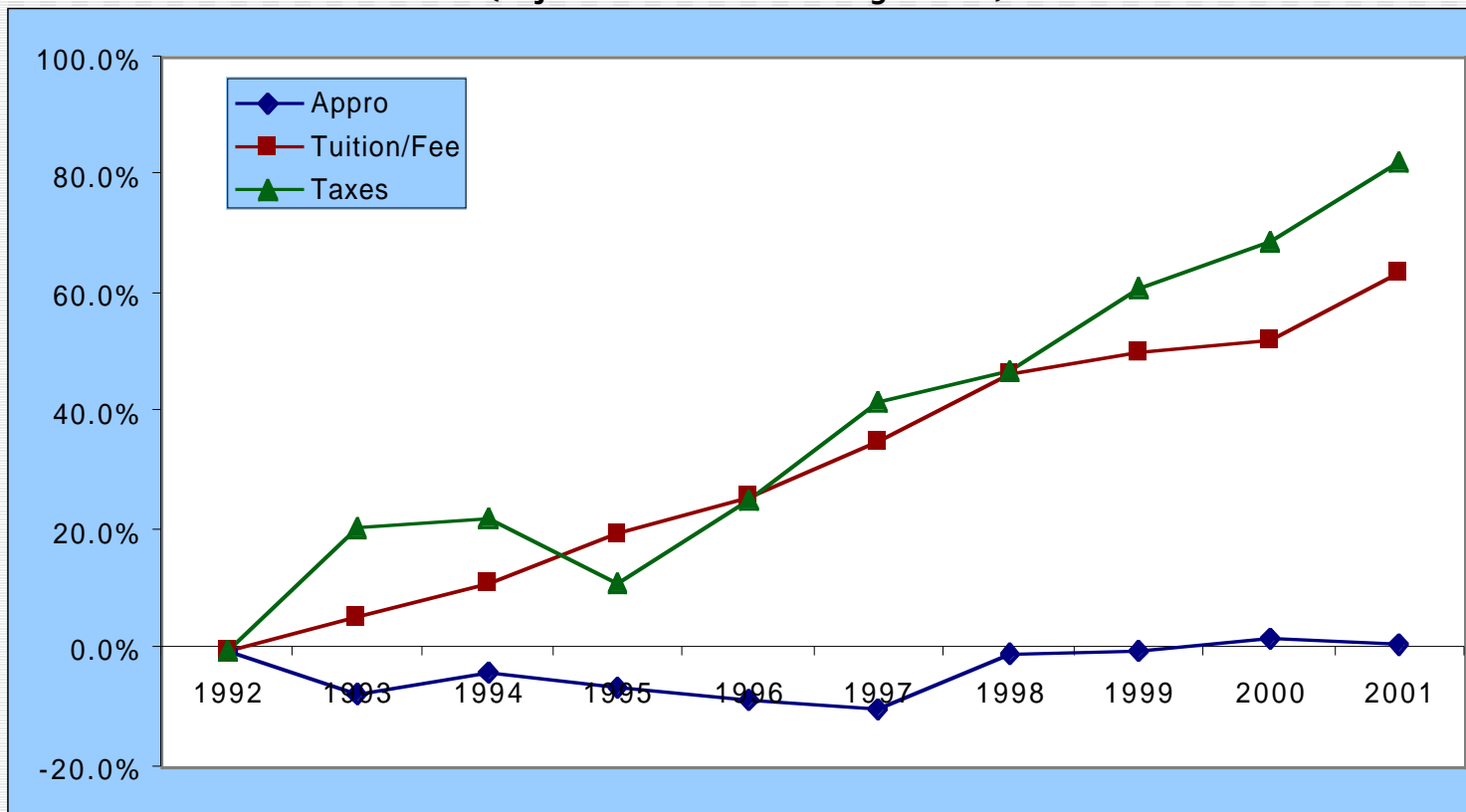
# Revenue Trends

Percent Change of Community College Revenue: 1992–2002



# Revenue Trends

Percent Change of Community College Revenue: 1992-2001  
(Adjusted for Inflation using the CPI)



# State Formula Appropriation

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- State appropriation to community colleges based on a cost study
- State should fund the cost of instruction and administration
- Trend has been downward
  - 1997 - 64.7%
  - 1999 - 71.0%
  - 2001 - 67.4%
- Resulting cost shifting to local funds to support instruction limits local ability to meet facilities needs

# 78th Texas Legislature

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- Formula Appropriation for 2004-2005 biennium is 51.9 % of the cost study recommendation
- Formula reduction of 4.4 % of total appropriation
- Formula reduction of 16 % per SCH
- Additional reductions in group health insurance

# TEXAS Grants

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- Centerpiece of student aid is the TEXAS Grant program
- Community college students are nearly 50 percent of the student population of the state
- Community college students receive 11% of grants awarded



# Community College Response

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- 50 college districts choosing from among various options
  - Administrative efficiencies
  - Increase student tuition and fees
  - Increase property taxes
  - Limit course and program offerings
  - Defer maintenance and new construction
  - Defer equipment acquisitions