

MINUTES

SPECIAL COMMISSION ON 21ST CENTURY COLLEGES AND UNIVERSITIES

Monday, June 12, 2000
1:00 P.M.
The University of Texas at El Paso
El Paso, Texas

Pursuant to a notice posted in accordance with Senate Rules, a public hearing of the Special Commission on 21st Century Colleges and Universities was held on Monday, June 12, 2000.

MEMBERS PRESENT

Chairman Jim Adams
Senator Teel Bivins
James Hooten
Dr. Betsy Jones
Nancy Marcus
Elaine Mendoza
Jeff Sandefer
Karen Shewbart
Danny Vickers
Senator Royce West

MEMBERS ABSENT

Kirbyjon Caldwell
Commissioner Tony Garza
Margie Kintz
Senator Bill Ratliff
Senator Carlos Truan
Pam Willeford (ex-officio)

Chairman Jim Adams called the meeting to order at 1:00 p.m. There being a quorum present, the following business was transacted.

Chairman Adams advised that the first order of business was to approve the minutes of the April 11, 2000 and May 9, 2000 meetings. Elaine Mendoza moved to approve the minutes. Without objection, the minutes were approved.

Chairman Adams introduced Dr. Diana Natalicio, President of the University of Texas at El Paso, who addressed the Commission on challenges that UTEP is facing and possible solutions.

Chairman Adams announced that the next hearing would be held in August and that it would be held in Austin, Texas. He implored the Commission members to consider their ideas and the Higher Education Coordinating Board Planning Committee's draft recommendations in preparation for the next round of hearings.

Chairman Adams introduced Dr. Martin Basaldua, M.D., Vice-Chair of the Texas Higher Education Coordinating Board, who explained the Coordinating Board's process for developing its draft plan for Texas higher education. The Board's goals are to close gaps in participation, research, success, and excellence. The final report will be approved by the Coordinating Board in October, and will then be submitted to the Legislature.

Dr. Don Brown, Commissioner of the Texas Higher Education Coordinating Board, testified about the Coordinating Board's goals. To close gaps in participation by 2015, the percent of the Texas population enrolled in a Texas college or university would need to increase from 4.9% to 5.5%, and enrollment across Texas would have to increase by 500,000 students. At current levels, Texas would only add 170,000 students.

Chairman Adams asked whether the Board anticipated that the largest percentage would be added in the last couple of years of the plan. Commissioner Brown replied that Texas will not add more than 10,000 to 15,000 students per year over the next several years. The HECB determined that it should aim for demanding goals rather than set goals they knew they could meet.

Senator Royce West asked whether there had been any consideration of costs involved with trying to meet the proposed goals. Dr. Brown said that the focus has been on setting the goals. The goals have been developed because of demographic projections that show the cost to the state if Texas does not do a better job of educating its population.

Senator Teel Bivins noted that graduation rates have been flat since the 1960's. He expressed doubt that the goals are doable. He asked how participation rates have changed in the last 30 years. Commissioner Brown replied that the participation of Hispanics and African-Americans has gone up in the 1990's while participation among whites has gone down. If the current trend continues, the overall participation would drop.

The 5.5% goal proposed by the Coordinating Board would raise Texas to a level comparable to California and New York. The highest of the top 10 states is Illinois at 6.1%.

Danny Vickers asked whether participation rates could go up, stressing the needs in the border region and industry demands that are not being met. Commissioner Brown said that, in order to meet the goals for success, the number of degrees and certificates from high quality programs, and other student successes in colleges and universities would need to increase 50% by 2015, with an emphasis on increasing technology graduates while closing the gaps.

Commissioner Brown testified that Texas is near the bottom of the 10 most populous states in bachelor's and associate degrees compared to enrollments. Dr. Brown said the goal is reachable if Hispanic and African-Americans graduation rates double. The emphasis would need to be on degrees and certificates in high demand areas like technology, nursing, and teaching.

Texas ranks 8th on bachelors and 9th on associates. University graduation rates for Hispanics is currently 34.4%, while African-Americans are at 27.4%, and Anglos are at 56.5%.

Senator Bivins repeated his concern that the goals were unachievable.

Dr. Brown testified that, to close gaps in research by 2015, the level of federal research funding to Texas institutions would have to increase by 50%. This would increase federal obligations from about \$650 million to approximately \$1 billion.

Texas ranks sixth in the amount of federal Research and Development (R&D) obligations. Texas has two universities in the Top 30 in federal R&D expenditures while California has seven. R&D attracts quality

faculty and students and fuels a vibrant, knowledge-based economy. Even if the goals for participation and success are reached, the gap to meet industry needs would still not close.

To close gaps in excellence by 2015, Texas must substantially increase the number of nationally recognized programs or services at each Texas college and university to raise the quality of higher education in Texas to a point where it is at least equal to the best in the nation.

Texas has one university ranked in the Top 30 National Universities while California has four. The one Texas university in the Top 30 is a private university, Rice.

Texas has two universities ranked in the Top 30 national public universities while California has six. UC Berkley is the top public university, ranked 20th. Texas has 11 doctoral programs ranked in the top 10 for their field while California has 124. The goals would raise educational quality at every institution, and would help institutions focus resources and build strengths.

Chairman Adams asked how the Coordinating Board would determine which institutions should be raised. Dr. Brown responded with the Planning Committee's strategies for meeting excellence goals, which are: 1.) identify programs to achieve nationally recognized excellence and implement a plan; 2.) identify peer institutions for each institution and establish benchmarks; 3.) establish ladders for different institutions to achieve excellence; and 4.) establish a fund to match industry contributions on a competitive basis.

Strategies to meet participation goals include: 1.) making the Recommended High School Program the standard curriculum; 2.) establishing a policy on college costs and financial aid to guarantee success; and 3.) ensuring that students and parents understand the preparation needed for college.

Chairman Adams noted that he had only recently learned that most students are not taking the Recommended program. Senator Bivins commented that students who have taken the Recommended High School Program have a far better chance of succeeding in college.

Senator West asked what the unmet need is for financial aid in Texas. Commissioner Brown said it is about \$1 billion annually for enrolled students only. This figure takes into account grants and loans. There are no figures available for students who do not enroll.

Chairman Adams noted that money is not going to help everything; much of the problem is ignorance. Senator West agreed that lack of knowledge is pervasive. Parents need to know what options are available to their children.

Commissioner Brown testified that proposed strategies to meet success goals include: paying attention to students; rewarding increases in retention and success; creating seamless student transitions from Pre-K through university; and increasing the number of degrees awarded in high demand areas, partly by ensuring partnerships between industry and academic institutions.

Commissioner Brown asserted that Texas has a supply problem such that not enough students are graduating from high school adequately prepared to be successful in college.

Chairman Adams asked Dr. Basaldua to introduce the next witness, Dr. Roger Benjamin, President of the Council for Aid to Education (CAE), who presented the RAND/CAE report to the Commission. The HECB Planning Committee considered the RAND/CAE report in the process of developing its draft recommendations.

Dr. Benjamin said that to satisfy technology industry workforce needs, there would need to be at least a 30% increase in enrollment nationally at four-year institutions. Even with the participation rates proposed for Texas, there would still be enormous shortages, especially in technology and teaching.

RAND/CAE suggested several strategies for reaching higher education goals in Texas. These include: mission differentiation; increased support; the addition of Research/Doctoral institutions in high urban growth areas such as Dallas/Fort Worth, Houston, San Antonio, and in metropolitan areas on the border.

In addition, RAND/CAE recommended that Texas build or expand existing two-year and four-year institutions in growth areas. Dr. Benjamin noted that the greatest need that has been identified is for community colleges and four-year enrollment. The projected labor market demands suggest a need for new or expanded institutions in Dallas/Fort Worth, San Antonio, Houston, and in metropolitan areas on the border. Internet-based education is also important, especially for serving rural areas.

Comparative evaluation criteria should be quality, centrality, student demand, cost, and comparative advantage.

Dr. Benjamin suggested budget cuts or no new investment in areas with no or slow growth, and budget increases for urban areas with high growth. He also suggested changing the Coordinating Board to an entity that focuses on access and research goals.

The floor was opened to public testimony.

Danny Vickers, having taken over for Chairman Adams for the duration of the hearing, introduced Ms. Dolores DeAvila and Mr. Bob Schulte, who spoke on behalf of the Alliance Schools Initiative. The Alliance Schools Initiative is funded by the \$14 million investment capital fund through grants awarded by the Texas Education Agency. The Alliance is a parent-led initiative, and has shown remarkable effectiveness in raising TAAS scores, particularly in Ysleta Elementary where 97% of the students are Hispanic, and 90% are economically disadvantaged.

Cynthia Farah, an Associate Professor at the University of Texas at El Paso, spoke to the Commission about outreach programs at UTEP. These programs include the El Paso Collaborative for Academic Excellence, the mother-daughter program, the tutoring and learning center at which students receive free tutoring services from other students who are paid to be tutors, counseling services, and a marketing campaign.

Randy Kuykendall, representing Western Technical Institute, spoke on the role of proprietary institutions in helping Texas achieve workforce education and training goals. Mr. Kuykendall cited that proprietary schools graduated 57% of the students who have received technical degrees. More employers are using these graduates. He would like to encourage public/private institution partnerships, and arrive at an articulation agreement that would allow some classes taken at proprietary schools to transfer to public colleges and universities. Mr. Kuykendall suggested that public institutions could partner with proprietary schools, especially in under-served rural areas, to offer courses to those populations. He also suggested that proprietary school students should have equal access to funding mechanisms such as grants, the Texas Tomorrow Fund, and Smart Jobs grants.

There being no further business, at 4:15 p.m. Mr. Vickers moved that the Commission stand adjourned. Without objection, it was so ordered.

Jim Adams, Chair

Kimberly Berry, Commission Clerk