



# **Coordinating Board Rules**

## **Chapter 5, Subchapter D**

### **Supply/Demand Pathway Model**

#### **§5.78 Supply/Demand Pathway**

(a) The Board has developed the Supply/Demand Pathway as a particular way to address anticipated large-scale enrollment demand in a specified region. The Supply/Demand Pathway shall be used as the model to address higher education needs in areas without ready geographic access to existing public higher education institutions. The general principles set forth in §5.76 of this title (relating to General Principals for Off-Campus Educational Units) are even more significant in regard to the larger scale efforts designated as Supply/Demand Pathway initiatives.

(b) An off-campus educational unit is on the "Pathway" when it is awarded that designation by the Board.

(c) The supply/demand pathway consists of three categories:

(1) Category A. Institutions temporarily test the market both in terms of demand and staying power by providing off-campus courses and/or programs by one or more institutions. Should demand decrease or not materialize, courses and programs can be discontinued and resources moved to areas of greater demand.

(2) Category B. As demand increases, offerings may be organized through a multi-institution teaching center or as a university system center as a Pathway Education Center. A group of institutions may request that the Board authorize the establishment of a MITC. Alternatively, a university system may request that the Board authorize the establishment of a university system center. In either case, a lead institution shall be designated to provide leadership for the center and facilitate the provision of programs and resources from other institutions.

(3) Category C. After an entity in Category B has attained a full-time equivalent upper-level and graduate enrollment of 3,500 for four fall semesters, the parent institution(s) and Board(s) of Regents may request that the Board review the status of the center and recommend that the Legislature reclassify the unit as an upper-level general academic institution--a university. Reclassification may be considered sooner if the center attains a fall semester full-time equivalent enrollment of 3,500 followed the next fall semester by a full-time equivalent

enrollment of 4,000. The 3,500 FTSE standard approximates the headcount enrollment included in the current university funding formula as the minimum size needed to achieve economies of scale.

(d) Counting. The following general criteria and standards will be used to determine enrollments applicable to the Supply/Demand Pathway thresholds.

(1) Upper-division and graduate semester credit hours generated in academic courses delivered by the parent universities or by other institutions to on-site students at a Pathway Education Center (PEC) shall be counted towards the relevant Supply/Demand Pathway (SDP) threshold.

(2) Upper-division and graduate semester credit hours generated in academic courses delivered electronically to students on-site at a Pathway Education Center shall be counted towards the SDP threshold. For interactive video courses that originate at a PEC, only students taking the course at the PEC shall be counted.

(3) Upper-division and graduate semester credit hours generated in academic Internet-based courses and other courses offered in non-traditional formats that do not require the physical presence of the student at a PEC for a normal number of contact hours shall not be counted.

(4) Lower-division semester credit hours generated in academic courses offered at PECs shall not be counted towards the thresholds except when:

(A) the courses are required at the lower-division level for degree programs offered at the PEC,

(B) the courses are not offered by community colleges in the vicinity of the Center,

(C) the courses have been reviewed by Higher Education Regional Councils as described in Chapter 4.107(b) of this title, relating to Approval of Distance Education and Off-Campus Instruction for Public Colleges and Universities, and related Board procedures, and

(D) the Coordinating Board has granted permission to teach the courses at the PEC.

(5) Enrollments in extension courses, continuing education and non-formula funded courses shall not be counted towards the thresholds.

(6) Semester credit hours generated in courses that do not receive formula funding (e.g., military science, theology and religious vocations, some basic skills, personal awareness) shall not be counted toward the thresholds.

**Source Note:** *The provisions of this §5.78 adopted to be effective May 28, 2003, 28 TexReg 4126; amended to be effective August 11, 2004, 29 TexReg 7671*