

**Senate Higher Education Committee**

**Interim Report**

**November 2018**

November 29, 2018

The Honorable Dan Patrick  
Lieutenant Governor of Texas  
P.O. Box 12068  
Austin, Texas 78711

Dear Lieutenant Governor Patrick:

The Senate Higher Education Committee hereby submits our interim report,  
including recommendations to the 86<sup>th</sup> Legislature.

Respectfully submitted,



Senator Kel Seliger, Chair



Senator Royce West, Vice Chair



Senator Paul Bettencourt



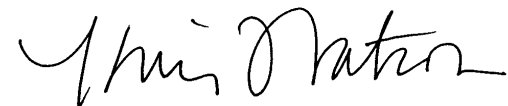
Senator Dawn Buckingham



Senator José Menéndez



Senator Larry Taylor



Senator Kirk Watson



**Senate Higher Education Committee**

**Interim Report**

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## **Acknowledgements**

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Please direct any questions to:

**Senator Kel Seliger, Chair**  
Senate Higher Education Committee  
P.O. Box 12068  
Austin, Texas 78711

Interim report developed by:  
Johanna Sheffield, Director  
Daniel Warner, Policy Analyst & Committee Clerk



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## **Introduction**



On October 24, 2017, Lieutenant Governor Dan Patrick issued the following interim charges to the Senate Higher Education Committee:

1. **Improving Transferability:** Examine and make recommendations regarding policies that will help students make informed decisions regarding transferring credits among institutions and promote efficient completion of degrees and credentials. Study the adequacy of advising for transfer students in secondary and post-secondary settings. Focus on statewide solutions that will address transfer for all Texas students, including Fields of Study curricula, the role of the Core Curriculum and additional tools that will help students transfer credits efficiently toward a degree.
2. **System/Campus Expansion:** Consider what role the state should have in overseeing the approval and development of new higher education locations into geographical areas already served by existing institutions. Develop a long-term statewide strategy for authorizing new locations and programs which includes a plan to ensure adequate support for expansion. Explore where there are underserved areas of the state and what type of programs would best serve the population to fill regional workforce needs.
3. **60x30TX Statewide Plan Review:** Examine progress in achieving goals within the 60x30TX plan, and review efforts of higher education institutions to implement innovative and non-traditional models of education delivery to meet the needs of an increasingly diverse student body. Consider whether current state policies and regulations may support or hinder institutions' ability to innovate in educational delivery and access. Make recommendations to accelerate innovation in higher education, to better serve students through expanded access to high quality educational opportunities, improve quality in educational delivery, and achieve goals outlined in the 60x30TX higher education strategic plan
4. **Funding Models:** Examine different models of student-focused funding for general academic institutions, including competency-based and performance

funding models, and make recommendations on whether a new funding model would produce greater efficiencies and student performance.

5. **Mandate Reduction:** Examine all current state and federal regulations on public higher education institutions and consider whether reductions of regulations could reduce fees, produce efficiencies and greater student academic performance. Make recommendations to reduce certain regulations for increased flexibility to provide better student outcomes.
6. **Dual Credit:** Study regional workforce needs in the state and make recommendations on whether metrics should be applied to authorize public community colleges to offer certain baccalaureate degrees in order to meet the regional workforce needs.
7. **Monitoring:** Monitor the implementation of legislation addressed by the Senate Higher Education Committee and make recommendations for any legislation needed to improve, enhance and/or complete implementation. Specifically, receive updates on construction of facilities as a result of tuition revenue bonds authorized during the 84th Legislative Session, as well as the development and implementation of the Texas OnCourse program, authorized during the 84th Legislative Session and monitor the following:
  - SB 2118 (85th) relating to authorization by the Texas Higher Education Coordinating Board for certain public junior colleges to offer baccalaureate degree programs.
  - HB 2205 (84th) relating to the State Board for Educator Certification, educator preparation programs, educator certification, issuance of certain teaching permits, and certain procedures for investigating educator misconduct.
  - SB 887 (85th) relating to a requirement that certain participating institutions under the student loan program administered by the Texas Higher Education Coordinating Board provide loan debt information to certain students.

- SB 802 (85th) relating to a study and report regarding best practices in the transfer of course credit between public institutions of higher education.
- SB 810 (85th) relating to open educational resources.
- HB 2223 (85th) relating to developmental coursework offered by public institutions of higher education under the Texas Success Initiative.

## ***Charge One -- Improving Transferability***

Examine and make recommendations regarding policies that will help students make informed decisions regarding transferring credits among institutions and promote efficient completion of degrees and credentials. Study the adequacy of advising for transfer students in secondary and post-secondary settings. Focus on statewide solutions that will address transfer for all Texas students, including Fields of Study curricula, the role of the Core Curriculum and additional tools that will help students transfer credits efficiently toward a degree.

## Testimony

The Senate Higher Education Committee heard testimony regarding this charge on September 5, 2018. The hearing included invited testimony from the following persons:

- Raymund Paredes, PhD, Commissioner, Texas Higher Education Coordinating Board
- Sue McMillin, President & CEO, Greater Texas Foundation
- Jason Langdon, Executive Director, AP Higher Education Outreach, The College Board
- Vistap Karbhari, PhD, President, University of Texas at Arlington
- Robert Mong, President, University of North Texas at Dallas
- Sandra Woodley, PhD, President, University of Texas of the Permian Basin
- Kristi Kirk, PhD, Provost and Executive Vice President, Concordia University Texas
- Ivette Savina, Assistant Vice President of Outreach and Student Access, University of Texas at El Paso
- Russell Lowery-Hart, PhD, President, Amarillo College
- Mark Tengler, Director of Instructional Quality, Houston Community College

### **Findings/Analysis**

Raymund Paredes, PhD, Commissioner, Texas Higher Education Coordinating Board (THECB), provided an overview of the current state of college credit transferability and what issues have occurred in the current system. Transferability issues include: students accumulating excess semester credit hour (SCH) that do not apply to their degree plan, SCH being found ineligible for transfer by receiving institutions and the increasing number of dual credit not transferring to a student's degree. Due to the high number of degree programs across at institutions of higher education in the state, curriculum changes constantly. Commissioner Paredes said that institutions of higher education are constantly revising their curricula to make it more attractive to students. Institutions adapt to workforce needs and create majors that did not exist five or ten years ago. He also stated that transfer issues are not amenable to a single institution at a single point in time.

Commissioner Paredes testified that more than half of all Texas students enter higher education through a public two-year college. He also stated that 73 percent of 2017 baccalaureate graduates took courses at a two-year institution of higher education and 34 percent took 30 or more SCH at a two-year institution prior to receiving a baccalaureate degree. He said that these rates are the highest in the country, even higher than California, where the system in California was founded on sending two-thirds of all high school graduates to community college before a general academic institution.

Commissioner Paredes stated that while 80 percent of students who attend community college indicate they intend to transfer to a four year institution, only 21 percent ultimately accomplish this goal. He went on to testify that due to the complexity around transferring course credit, students tend to accumulate excess credit hours which cost both students and the state money. In addition, transfer students on average accumulate more SCH than non-transfer students. The cost of students taking excess credit hours is approximately \$59 million annually, including both General Revenue supported by the state and tuition and fees spent by students and families.

Commissioner Paredes discussed strategies that THECB is implementing to help reduce the lack of transfer of credits. With legislative support, THECB is developing Field of Study Curriculum (FOSC) for the top 25 majors throughout

the state. Fields of Study are a set of courses that fulfill lower division requirements for a specific major. FOSCs are intended to guarantee the transfer of course credit and be applicable to a student's degree at any public college or university in Texas. Commissioner Paredes said the next steps for this program will be to bolster FOSC implementation by developing uniform public outreach materials to students and advisors that explain the importance and outline the details of FOSC.

Commissioner Paredes made the following recommendations to address transferability issues: restructuring the core curriculum to help ensure students take courses that count toward their degrees; reducing the number of hours in the core curriculum; embedding information about FOSC in degree programs posted on institution websites and verify the use of FOSC; implementing an interactive online degree site that allows students to input their majors and receive a list of the required courses needed to complete a specific degree in four years; requiring institutions to provide program course requirements to THECB, including indicators of which courses satisfy the core curriculum and FOSC; creating a feasibility study on the transfer admission guarantee and make recommendations to the Legislature about student and institutional criteria for such a system; and requiring all types of dual credit students to file a degree plan at 30 SCH and require institutions to document compliance.

Commissioner Paredes noted there is a difference between SCH that transfer and SCH that transfer and are applicable to a degree plan. Senator Seliger questioned whether any SCH earned at a prior institution is meaningful if SCH does not count toward the student's degree or major. Senator Seliger and Commissioner Paredes discussed if there is an improvement in the transfer rate by ethnicity and Commissioner Paredes stated that there is a larger improvement among Hispanic students than African American students.

Sue McMillin, President & CEO, Greater Texas Foundation, stated that one of the goals of the Greater Texas Foundation is to improve postsecondary outcomes of students by way of improving transferability. Ms. McMillan outlined two central problems which limit students' ability to transfer successfully and efficiently. The first problem is that students do not have clear transfer pathways leading to coherent, transparent or widely accepted ways from community college enrollment

to bachelor's degree completion. Secondly, students are not given advising assistance when choosing, entering and staying on transfer pathways. Ms. McMillan stated that nationally, bachelor's degree completion rates are 40 points higher for students that successfully transfer all of their credits than students that lose credits.

The Greater Texas Foundation recommends three ways to improve transferability: institutions should create stronger transfer pathways; more assistance should be provided to students to ensure they stay on a transfer pathway; and finally, the increased momentum for regional community college-university to collaboration to improve transfer rates should continue. Ms. McMillan stated in order to create stronger transfer pathways, it is imperative to provide clear guidance for students on which general education courses to take for particular fields, also known as "meta-majors"; and expand and strengthen statewide FOOSC for the most popular transfer majors. In order to help students choose and enter into a transfer pathway, Ms. McMillan recommends requiring community college students to choose a broad field or a meta-major by the time they earn 30 SCH. The state should strengthen high school dual credit regulations to ensure that college courses students take in high school will be applicable to a degree, by requiring community colleges to provide advising to dual credit students on college and career pathways.

Ms. McMillian testified that it is important to strengthen alignment between House Bill (HB) 5, from the 83rd Legislative Session, endorsements and postsecondary pathways by requiring colleges to create websites and other advising tools to help the requirements for college programs and what students should be taking in high school to prepare to enter a field of interest when they enroll in college. The final policy recommendation Ms. McMillian provided is for the state to build momentum for community college and university collaboration through supporting regional career pathway partnerships led by public universities and statewide financial incentives for efficient transfers should be explored.

Jason Langdon, Executive Director, AP Higher Education Academic Policy, The College Board, testified on the usability of Advanced Placement (AP) courses/exams and CLEP exams for credit at institutions of higher education. Mr. Langdon stated that since the fall of 2016, with the passage of House Bill (HB) 1992 by Representative Zerwas and Senator Seliger, first year students entering



public colleges and universities in Texas have been able to receive college credit for AP exam scores of three or higher. Texas more than tripled the number of low-income test takers earning AP scores of three or higher. In 2017, low income students' AP scores resulted in \$64.8 million tuition savings. Texas high school students took a total of 270,805 AP exams that resulted in scores of three, four, or five in May 2017. This represents an estimated 812,415 SCH. The College Board estimates that at an average rate of \$327.87 per credit hour, the potential cost savings for Texas students and families was \$266,366,506.

Mr. Langdon provided recommendations to remove confusion and improve the usage and transferability of credit. First, he recommended the state align AP Exams of three and higher to the current Texas programs to ensure that credit is applied toward a degree. He stated the College Board can provide resources, working with THECB, to align the Texas Common Course Numbers and Texas Core Curriculum to corresponding AP courses and exams. Next, he recommended ensuring that both counselors in high schools and advisors in colleges understand the benefits and encourage students to utilize AP credit appropriately.

The third recommendation Mr. Langdon offered was to encourage the state to continue to support access for all prepared students to be provided rigorous coursework. He stated that research demonstrates that having success in one or two AP exams has a strong correlation on student success in college. And lastly, the College Board recommends the state consider expanding access to credit for CLEP exams, with a guarantee of credit for all military and adult students based on the American Council of Education (ACE) credit recommendations.

Vistap Karbhari, PhD, President, University of Texas at Arlington (UTA), provided an overview of the transfer of course credit process, addressing both issues and successes that UTA has observed. President Karbhari testified that 57 percent of UTA's incoming students are transfer students. In order to make the transfer process seamless, UTA partners with Tarrant County College (TCC) to provide a seamless transfer from TCC to UTA where students notify TCC that they have an intention to transfer, which then allows data to be shared with UTA. Students are also provided academic advising from a UTA advisor on their first day at TCC which allows pathways to be identified immediately. President

Karbhari indicated that UTA has the same data sharing agreement with Dallas County Community College District (DCCD).

President Karbhari noted that UTA is the largest provider of bachelor's degrees in nursing in the state, accounting for approximately half of all bachelor's degrees in nursing in Texas. UTA credits this success to memoranda of understanding (MOU) and articulation agreements with community college partners statewide. Lastly, President Karbhari testified on UTA's partnership with TCC Southeast, Arlington Independent School district (ISD,) and Grand Prairie ISD for the purpose of Science, Technology, Engineering & Math (STEM) Academies, Teaching Academies, and Early College High Schools (ECHS). These structured pathways ensure that there are no lost credits earned by students when they transfer to UTA. These innovative initiatives also allow UTA to play an integral role in training the state's workforce in high need shortage areas.

Robert Mong, President, University of North Texas at Dallas (UNT-D), provided an overview on what efforts UNT-D is executing to help ease the transfer of course credits from other institutions to UNT-D. President Mong stated that UNT-D partners with ISDs, community colleges, the Commit Dallas Partnership and industry partners with the goal of working together for the benefit of students. President Mong said that UNT-D has articulation agreements with all seven campuses of DCCCD, from which the majority of the institution's undergraduate students transfer. President Mong highlighted progress made in the area of transferability, such as UNT-D entering into data sharing agreements with local school districts as well as DCCCD to better track student progress. In the Dallas County Promise program, UNT-D is able to track weekly how the 9,300 seniors are progressing in their degree plans. President Mong recommended the Legislature pursue the idea of meta-majors in the fields of Liberal Arts; Business; Science and Technology that would transfer universally between all institutions of higher education.

The Committee members discussed their frustration at the lack of communication between institutions of higher education when it comes to providing solutions to decrease the number of lost credits. Specifically, members questioned why the receiving institution does not share why the credit was denied with the granting institution. By providing feedback, the granting institution may be able to alter the

academic course to better align with the receiving institution, which will better facilitate student transfer and completion.

Kristi Kirk, PhD, Provost and Executive Vice President, Concordia University Texas (Concordia), also representing the Independent Colleges and Universities of Texas (ICUT), gave an overview on the role Concordia and private universities in Texas play in order to help students effectively transfer between institutions of higher education. Dr. Kirk testified that at Concordia there are around 1,000 transfer students, equaling almost 60 percent of all Concordia's student population. Additionally, she stated that less than 10 percent of those students are "traditional" transfer students. Dr. Kirk listed some policies and procedures that make enrolling at Concordia simple for students to understand including a policy to accept up to 90 hours of credit from other institutions, requiring only 30 hours in residency for many programs. Additionally, Concordia voluntarily participates in the Texas Common Core program to allow students who complete the Common Core the ability to take nine additional hours of general education curriculum and the rest of Concordia's general education curriculum is waived. Lastly, they provide trained counselors at Austin Community College campuses to allow for seamless advising for students.

Dr. Kirk discussed a new effort that the Council of Independent Colleges, with the College Consortium, are discussing which will help improve transferability by creating the ICUT Transfer Portal. This portal will house 58 online bachelor's degrees from six ICUT institutions. Dr. Kirk stated that the basic premise of the ICUT Transfer Portal is to facilitate seamless transfer of associate degree earners at community colleges to private, nonprofit ICUT members with very transfer-friendly degree programs. This is accomplished in part through a personalized online portal where students are shown multiple degree program options, with total cost and time-to-degree estimates based on each student's existing transcript. Using this information, students are conditionally accepted automatically into their selected degree program through the online portal, which facilitates a secure, seamless transfer of student information from the two-year to the four-year school. The student's associate degree transfers as a block of credits, with some ICUT institutions accepting upwards of 80 semester credit-hours toward a bachelor's degree. Dr. Kirk summarized the two main takeaway points learned from the pilot program: well-trained advisors are needed to help students through all stages of the

transfer process, and the automation of articulation agreements would provide for a less cumbersome and more easily updated method.

Ivette Savina, Assistant Vice President of Outreach and Student Access, University of Texas at El Paso (UTEP), provided an overview on the role dual credit and transfer of that credit has in helping to improve educational attainment of students in El Paso and at UTEP. Ms. Savina stated that dual credit and transferability policies are intertwined. She testified that regional dual credit programs were developed on a strong foundation of collaboration between El Paso Community Colleges (EPCC), UTEP, and the ISDs in Region 19. For over 25 years, the El Paso Collaborative for Academic Excellence has served as the regional convener and helped create strategic efforts to develop rigorous college curricula by designing and implementing effective articulation agreements, and by ensuring college quality training for instructors.

Ms. Savina discussed the initiatives that UTEP and EPCC have implemented to create an effective transfer model such as: joint admissions, common course numbers, integrated student data systems, joint financial aid workshops, common degree audits, transferable scholarships, joint financial aid for concurrent enrollment, reverse transfer degree tracking, and joint training sessions for UTEP and EPCC staff. Ms. Savina explained that the UTEP-EPCC Executive Council meet four times a year to discuss issues of transfer with members of faculty from both EPCC and UTEP to discuss coursework and competencies to ensure courses will seamlessly transfer. Ms. Savina also discussed UTEP-EPCC Advisor and Counselor Academies where advisors meet two times a year to discuss programmatic concerns and discuss any upcoming degree plan changes. Ms. Savina stated that dual credit students have a higher retention rate and completion rate than non-dual credit students at UTEP.

Lastly, Ms. Savina stated that due to the success of dual credit and ECHS, 9,209 student have taken dual credit courses, resulting in 234,094 SCH earned by students before they enroll at UTEP. This has saved students approximately \$54 million in tuition and fees and the state \$12 million in general revenue over the last ten years.

Russell Lowery-Hart, PhD, President, Amarillo College, discussed the issues around the transferability of credit, and how the core curriculum could be central to the issue. President Lowery-Hart stated that Amarillo College has a strong relationship with West Texas A&M University (WTAMU), noting that WTAMU has placed advisors on Amarillo College's campus. President Lowery-Hart stated that the underlying issue for transferability is the core curriculum because it is not the "core curriculum" consistently at most universities. President Lowery-Hart testified that when universities were required to reduce degree plans to 120 credit hours (and community colleges to 60 credits), they functionally did not meet the spirit of the law. Instead of eliminating classes, many institutions simply moved degree specific upper division material down into the lower division core curriculum and created new "required core classes" as pre-requisites for a degree plan.

President Lowery-Hart stated that Amarillo College's top five transfer institutions are WTAMU, Texas Tech University, UTA, University of Texas at Austin, and Texas A&M University. At each of these universities there will be between 150 and 200 majors and Amarillo College has difficulty identifying what each of the core curricula are at each of the institutions, even in the same majors. President Lowery-Hart stated that if the core is fixed, then advisors will have an easier job ensuring course credits apply toward a degree, and it will be easier to advise students on fields of study.

President Lowery-Hart provided three recommendations to improve transferability and applicability of course credit. First, he suggested to make the general education core curriculum universally accepted with no academic major or prerequisite requirements placed within it. To ease the difficulty in accomplishing this, he testified that the state could potentially reduce the General Education Core Curriculum from 42 credits to 39 credits and "return" one course back to the "major" degree plan. Doing this would ease some of the burden by removing certain major requirements within the core. For example, Texas is the only state that requires 12 credit hours for history and government. This would mean that the core is actually the core and every student could transfer core complete, ready to matriculate into their academic majors. His next recommendation is to ensure articulation agreements are uniform and that they must be more specific in aligning community colleges with their university transfer counterparts. Students, faculty,

and advisors should find these articulated degree plans easily and use them as guides in the decision-making process.

Amarillo College's last recommendation is to evaluate institutional requirements and course substitutions for consistency across institutions. As a native student changes their major or simply takes the wrong core curriculum for their long-held major, institutions should offer course substitutions. Transfer students are often not offered course substitutions nor have requests granted. The inconsistency, especially for first-generation students, creates curriculum, scheduling, and advising difficulties.

Mark Tengler, Director of Instructional Quality, Houston Community College (HCC), discussed strategies and partnerships that HCC has implemented to improve the transfer of course credit. Mr. Tengler discussed the issues with engineering majors due to the specificity of most engineering degree plans. HCC and University of Texas at Tyler (UT-Tyler) partnered to create a four-year Engineering Degree program at HCC's Alief-Hayes Campus. The program allows students to obtain a UT-Tyler Bachelor of Science in Engineering degree in four years. All degree program related courses taken at HCC transfer to UT-Tyler, saving students nearly 50 percent in their tuition costs. This innovative transfer opportunity has been so successful that HCC currently has 1,000 pre-engineering students enrolled in the Associate of Science in Engineering Science program at HCC who benefit from \$21,395 tuition versus \$34,000 for students who do not participate in the partnership.

Another innovative program is the HCC Pathway to Stephen F. Austin University (SFA), where HCC students seamlessly transfer credits to SFA, as they pursue completion of the Bachelor of Science in Interior Design degree at SFA. Students complete their Associate of Applied Science in Interior Design degree at HCC and then transfer 78 credit hours from HCC to SFA. SFA teaches the remaining 42 hours of the degree on the HCC Central Campus. The total tuition costs for students in this partnership is \$14,772, compared to \$41,148 for those that do not enroll in the HCC Pathway. Additionally, HCC has recently executed an articulation agreement with University of Houston - Downtown (UH-D) that will also help to improve transferability by allowing HCC students the option to complete their Associate of Applied Science in Nursing degree at HCC and then

transfer over 80 hours of credit to UH-D. The remaining hours are taught by UH-D faculty on the HCC Coleman campus in the Texas Medical Center.

In this partnership example, students pay \$12,455 in tuition, rather than \$39,000. Mr. Tengler recommended mandating that the most common fields of study include the entire associate degree. The other recommendation Mr. Tengler provided was to mandate that regional councils be created to accomplish the former associate degree pathways. The collaboration of regional councils will allow for periodic adjustments to the associate degrees due to changing industry, accreditation, and state requirements. Mr. Tengler stated that the partnerships HCC has forged with the four-year institutions will help advance THECB's *60x30TX* plan.

Bruce Leslie, PhD, Chancellor, Alamo Colleges, discussed the establishment of the Central Texas Transfer Consortium with the main goal of helping ease the transfer of credit between institutions of higher education. The consortium consists of 19 colleges and universities ranging from Corpus Christi to Texas Tech University to Sam Houston State University. He also discussed Transfer Advising Guides which is the process of cross-walking university degree requirements with courses available at Alamo College. Chancellor Leslie stated that it is important for students to know what their degree plan is before they enroll at a community college. Chancellor Leslie stated that declaring a high school endorsement, as required by House Bill 5 from the 83rd Legislative Session, is not working because there are not enough resources to ensure students are properly advised. He testified that high school students need to have better advising on what endorsements to choose so they may declare the appropriate major.

Melissa Henderson, Deputy Director of Policy, Educate Texas, submitted written testimony on policy recommendations to improve transferability in Texas. Ms. Henderson's testimony reports that lack of credit transfer inhibits student progress toward a degree and costs the state and families a significant amount of money. Educate Texas has found that rates of degree completion almost doubled when universities accepted all of students' community college credits, as compared to accepting only some of these credits. Ms. Henderson stated that as the state embraces early credit and dual credit, the solution to transferability may focus on implementing high-caliber college advising for both high school and college

enrollees; providing and informing students of courses that will transfer; and fostering strong, cooperative partnerships between school districts, two-year institutions and four year institutions.

Ms. Henderson provided five policy recommendations. The first recommendation is to develop more cohesion in lower-division major requirements across the state by expanding the use of FOSC, developing regional transfer pathways, and adopting credit equivalency policies for a subset of majors. The next recommendation is to create incentives for four-year universities to support transfer student success by potentially considering a performance-based funding metric based on community college transfer student outcomes. The third recommendation is to build the knowledge and capacity of community college advisors and students by investing in resources for training of community college advisors. The fourth recommendation is to encourage community college students to select a degree path early in their college career. The last recommendation is to collect additional data to allow the state to better understand credit mobility patterns and reasons for credit loss, and the affect this has on students, programs, and institutions.



### **Recommendations**

- 1) The Legislature should consider requiring institutions to report transfer of course credit that is not accepted to THECB on an annual basis, and explain why the credits have been rejected.
- 2) The Legislature should ensure articulation agreements provide specific information regarding alignment with transfer institutions in a user friendly manner to allow students, faculty and advisors the ability to easily find and use them as guides in the decision-making process.
- 3) The Legislature should explore methods to incentivize community colleges and universities to enter into student data sharing agreements, as feasible, to better allow student progress to be tracked with more precision, intrusive advising, effective transfer of courses taken and financial aid needs to be met seamlessly.
- 4) In light of the implementation of House Bill 5 and the increase in dual credit enrollment, the legislature should consider expanding options to increase the number of high school counselors and provide incentives to address this shortage.
- 5) The Legislature should re-examine the efficacy of the core curriculum including its structure and number of hours.
- 6) THECB shall continue to fully implement and increase awareness of Fields of Study Curriculum and collect statewide data on its usage.

## ***Charge Two -- System/Campus Expansion***

Consider what role the state should have in overseeing the approval and development of new higher education locations into geographical areas already served by existing institutions. Develop a long-term statewide strategy for authorizing new locations and programs which includes a plan to ensure adequate support for expansion. Explore where there are underserved areas of the state and what type of programs would best serve the population to fill regional workforce needs.

## Testimony

The Senate Higher Education Committee heard testimony regarding this charge on March 21, 2018. The hearing included invited testimony from the following persons:

- Raymund Paredes, PhD, Commissioner, Texas Higher Education Coordinating Board
- Demetrio Hernandez, Higher Education Team Manager, Legislative Budget Board
- Brian McCall, PhD, Chancellor, Texas State University System
- John Sharp, Chancellor, Texas A&M University System
- Guy Bailey, PhD, President University of Texas Rio Grande Valley
- Robert Duncan, JD, Chancellor, Texas Tech University System
- Robert Mong, President, University of North Texas at Dallas
- Michael Williams, DO, MD, MBA, President, University of North Texas Health Science Center
- Juan Sanchez Muñoz, PhD, President, University of Houston-Downtown
- David Hinds, PhD, President, Victoria College
- Neil Matkin, EdD, President, Collin College
- Michael Reeser, Chancellor, Texas State Technical College

## Findings/Analysis

The Texas Senate has often considered legislation to address expansion of higher education institutions and programs in order to ensure state resources are being used efficiently and to the greatest benefit of Texas. The Senate Higher Education Committee heard testimony from university systems, health science centers, four year institutions and two year colleges regarding strategies for expanding programs and locations to address both statewide and regional needs.

To set the framework for higher education in the state, Raymund Paredes, PhD, Commissioner, Texas Higher Education Coordinating Board (THECB), described the goals of *60x30TX*, which aim to improve student outcomes and are exclusively student-focused. Commissioner Paredes expressed concern over the state's ability to adequately fund and continuously support new campus expansions. He stated that competition is not always necessarily good, because all public institutions are competing for limited state support due to budget constraints.

Commissioner Paredes noted that in addition to main campuses, there are 344 other public higher education locations in Texas including branch campuses, multi-institutional teaching centers, university system centers, single institution centers, remote teaching sites, and off-campus face-to-face teaching sites. Commissioner Paredes also testified that a tremendous amount of higher education resources are highly concentrated in the three largest metro areas.

Additionally, Commissioner Paredes testified that the THECB oversees approximately two thousand online programs across the state. The rapid growth of online programs may significantly mitigate the need for expansion of both physical sites and actual academic programs in large part due to the typically limitless capacity of online programs.

Currently, institutions of higher education do not need to seek THECB approval when creating new off-campus sites. However, if a new program or degree is being offered, the institution must first get approval from THECB. Commissioner Paredes explained the THECB's process to review new programs which is aimed to prevent unnecessary duplication and ensure efficient use of resources statewide. The THECB review of new programs considers the following critical factors: workforce needs, student demand, program duplication, qualified faculty, costs and

funding, and other resources including but not limited to, accreditation, library resources, facilities and equipment. Commissioner Paredes stated that, for every expansion, there is an opportunity for THECB to identify low producing programs for consolidation or closure. If a program is low producing for three or more consecutive years, the THECB may recommend that the relevant governing board consolidate or close the program. This allows institutions to focus limited instructional resources on programs with greater demand.

Commissioner Paredes testified that the THECB recommends that the Legislature authorize THECB to require institutions to obtain THECB review and approval prior to acquiring property to create a new or expand an existing off-campus academic, technical or research site. With the 344 non-main campus academic sites in the state and a limited review process, approval of sites is necessary for future statewide planning of additional sites which may require state resources, such as formula funding. Commissioner Paredes stated that this ensures more efficient use of the state's resources and promotes objectivity in pursuit of *60x30TX* goals and prevents unnecessary duplication.

Demetrio Hernandez, Higher Education Team Manager, Legislative Budget Board, gave an overview of state appropriations related to system or campus expansion. He stated that formula funding to support expansion provides ongoing support to institutions after the establishment of a program or campus. Mr. Hernandez testified that there are two methods available for expansion. The first is appropriated, which includes non-formula support item funding, Available University Fund (AUF) funding, and Higher Education Fund (HEF) funding. The second is non-appropriated which includes philanthropic gifts, other revenue and institutional funds.

Mr. Hernandez also testified on the different types of non-formula support item funding. Transition funding is an appropriation that provides operational support as an institution becomes a stand-alone, self sustaining institution. Three institutions currently receive transition funding including Texas A&M Central Texas, Texas A&M San Antonio, and University of North Texas at Dallas. Downward expansion funding is another type of appropriation that provides support to an institution as it adds lower division classes to its already existing upper division or graduate level classes. Four institutions are receiving downward expansion funding including

Texas A&M San Antonio, Texas A&M Texarkana, University of Houston at Clear Lake and University of Houston at Victoria. Lastly, startup funding for new programs or campuses is an appropriation that provides support to an institution as it adds a new program or remote campus. Three institutions receive funds for new programs, including, University of Texas at El Paso for Pharmacy Extension, University of Houston for College of Pharmacy, and Texas Tech University for Veterinary Medicine. The Legislature has also provided funds for new campuses at University of Texas at Tyler, Texas State Technical System at Fort Bend, and Texas State Technical System at North Texas.

Brian McCall, Chancellor, Texas State University System (TSUS), testified that the TSUS has been a high growth system, resulting in TSUS doing more with less and still receiving a better result. Chancellor McCall stated that to improve access to higher education, TSUS has looked inward for solutions, not outward. When TSUS decided to expand, they have done so with regional partners and nearby community colleges in both academic program expansion and additional facility expansion. Furthermore, Chancellor McCall stated that TSUS reviews local, state, and national needs before expanding programs. Chancellor McCall also testified that the TSUS expanded their credit hours earned online by 200 percent, which he expects will continue to grow and the focus on non-degree adults with some college credit and hours will remain an area of importance.

John Sharp, Chancellor, Texas A&M University System (TAMUS), testified on the many ways the system has made significant investments to expand educational opportunities throughout their component institutions. Chancellor Sharp stated that the 25 x 25 Initiative, which aims to have 25,000 engineering students at Texas A&M University by 2025, was created with community college partners to allow students to be dually enrolled at community colleges and Texas A&M University to take engineering courses taught by university faculty while completing their core curriculum classes at community colleges. Chancellor Sharp also testified on the TAMUS partnership with Blinn College through the creation of the RELLIS Campus. At this system campus, Blinn College will teach the majority of the lower division courses and TAMUS institutions will teach upper level courses.

Guy Bailey, PhD, President, University of Texas Rio Grande Valley (UT-RGV), testified on the transition UT-RGV experienced when University of Texas Pan

American and University of Texas Brownsville merged to create the new UT-RGV. President Bailey stated that the university has campuses from Brownsville to Rio Grande City. There are three academic health education centers including a new medical research building in McAllen, where 52 researchers have been staffed with a grant for \$30 million in federal funding. President Bailey also testified that 48 percent of students at this campus major in a science, technology, engineering and math (STEM) or a health related field. Additionally, UT-RGV is currently in the process of expanding the mathematics and science academy to the Edinburg campus, and the physician assistant studies program from 50 students to 100 students by 2019.

The University of Texas System (UTS) submitted written testimony outlining their internal review of geographical expansion of systems or campuses. When first considering expanding new programs, UTS looks at whether the new programs will increase opportunity for Texans, either through research or economic development. The UTS has found that expansion can be through collaboration with other institutions, rather than stand alone expansion of campuses or programs. UTS submitted that it has no current plans to expand, and testified that future expansion of UTS academic or health related institutions to other geographic locations would be done only to provide needed access to new higher education opportunities.

The UTS supports THECB's current role in resolving conflicts that may arise when an institution proposes an off-campus program but also recommends the following: a reevaluation of the 50-mile radius notification language to see if the geographic area should be expanded; a similar mechanism to address proposed expansion of online programs; linking the existing THECB program inventory and the existing interactive Higher Education Locator Map to clearly communicate all program offerings in the state; and the THECB website be made more interactive and enable it to accept comments related to program and/or geographic expansion for consideration among stakeholders.

Robert Duncan, Chancellor, Texas Tech University System (TTUS), testified on the origins and expansions of TTUS. Chancellor Duncan stated that in the late 1960s, the state and the Legislature had determined there was a need for a medical school, as there were not enough clinical opportunities in west Texas. Since its inception in 1969, the Texas Tech School of Medicine has efficiently expanded to

Amarillo, Midland, and El Paso. In 2011, with authorization from the Legislature, Texas Tech University (TTU) downward expanded and created a stand-alone medical school, known as Texas Tech Health Science Center at El Paso.

Chancellor Duncan testified that TTU has a continued dialogue with THECB and receives advice from the agency regarding possible program or campus expansions.

Chancellor Duncan also testified about San Angelo State University's transition from a stand-alone university to an institution within the TTUS in 2009.

Chancellor Duncan stated that TTUS has grown to 51 thousand students. Finally, Chancellor Duncan recommends that four-year institutions partner with community colleges to make incremental gains in efforts to increase enrollment capacity and the number of graduates.

Robert Mong, President, University of North Texas at Dallas (UNT-D), testified that most of the students that enter UNT-D are from Dallas County Community College District. President Mong stated that in order to achieve the state's goal of *60x30TX*, it requires a partnership between school districts, community colleges and four-year institutions. President Mong briefly discussed the Dallas County Promise, a program offering free community college tuition to students who attend specific high schools in Dallas County, noting that UNT-D is an institution that participates in Dallas County Promise.

Michael Williams, DO, MD, MBA, President, University of North Texas Health Science Center (UNTHSC), testified on their effort to expand through the partnership of UNTHSC and Texas Christian University to create a medical school in Fort Worth. President Williams stated that regulation of expansion should be based around the quality and efficiencies of the programs. He also stated that there needs to be a willingness to look at innovative higher education models moving forward.

Juan Sánchez Muñoz, PhD, President, University of Houston - Downtown (UH-D), testified that the THECB has an important role in advising institutions in terms of expansion of properties and of program delivery. He also stated that the THECB provides valuable technical assistance and guidance to institutions. Dr. Muñoz testified that when programs or site expansions are presented to the THECB, they



complete numerous layers of the vetting process. President Muñoz referenced the UH-D's "2+2" articulation agreement with Houston Community College's nursing program which allows students to graduate with a Bachelor of Science in Nursing degree from UH-D. The provided UH-D technical guidance and support ensures this program begins and continues to be successful.

David Hinds, PhD, President, Victoria College, testified that all community colleges operate under statutorily established service areas. He noted that it is not common to reach into another community college's service area, except for dual credit courses, where independent school districts may enter into a memorandum of understanding with any community college of its choosing. President Hinds recommended that the state develop a long-term statewide strategy for authorizing new locations and programs which includes a plan to ensure adequate expansion. He also stated that the state provides funding for instructional programs, but it does not provide funding for facilities.

Community colleges rely on local property tax revenue, general obligation bonds and revenue bonds to fund facilities. President Hinds testified that state support is critical in rural areas due to lower property tax valuations and community college need to serve students far beyond their service area and tax base. President Hinds also recommended the Legislature explore underserved areas of the state and what types of programs would best serve the population in order to fill regional workforce needs. Lastly, President Hinds discussed the importance of the Jobs and Education for Texans (JET) grant program administered through the Texas Workforce Commission, as it helps community colleges build programs and purchase equipment.

Neil Matkin, EdD, President, Collin College, testified that Collin College continuously examines ways to better utilizes existing campuses and effective methods to increase its online presence. He stated that approximately two-thirds of all Collin College students enroll at the community college with the intent to transfer to a four-year institution. President Matkin addressed the new technical campus being built in Allen, Texas which aims to improve the utilization of evening and weekend programs to help address the schedule needs of the working student. Through this new campus, and existing campus sites, Collin College will

continue to help address the state's higher education needs and help reach the goals of *60x30TX*.

Mike Reeser, Chancellor, Texas State Technical College (TSTC) System, testified about the mission and goals of the TSTC System. Chancellor Reeser stated that Chapter 135 of the Texas Education Code defines all TSTC campuses and requires TSTC to receive specific statutory authority before opening any additional campus. Chancellor Reeser stated that TSTC institutions only offer two-year credentials and are not considered community colleges. Chancellor Reeser also testified that the Legislature has approved three new campuses within the last five years. Additionally, he stated that before TSTC agrees to move forward with a new site, there is an extensive workforce study completed to determine the need for a new program. Chancellor Reeser stated that the state would benefit from a long-term, strategic, overarching statewide talent supply plan with a special focus on high-skill, high demand employment needs which lead to high-paid jobs.

As the committee heard through testimony, the methods and support for institutional program and campus expansion varies greatly across all types of institutions. Many expansion opportunities are formed through collaboration with regional partners and with consideration of workforce needs. Even though institutions are not required to provide the Legislature with proposed plans of expansion, the THECB is able to examine new programs to ensure efficient use of the state resources these new programs will require once completed and enrolling students.

## **Recommendations**

- 1) The Legislature should consider the THECB recommendation to review and ensure efficient use of state resources when institutions are planning to acquire property to create new or to expand existing off-campus academic, technical or research site.
- 2) The Higher Education Locator Map should be linked with the THECB program inventory to better inform lawmakers, taxpayers and students of the course offerings in the state.
- 3) The Legislature should examine the effectiveness of the JET grant and consider expanding support to allow additional institutions the ability to offer high-cost programs needed to address workforce shortages.
- 4) The Legislature should study community college campus expansion, including online course offerings, to ensure students are being served effectively statewide and address the issues that arise when community colleges cover areas beyond their taxing districts.
- 5) The Legislature should consider the availability of existing online programs and program enrollment growth capabilities, as well as job market opportunities when authorizing new programs.

### ***Charge Three -- 60x30TX Statewide Plan Review***

Examine progress in achieving goals within the 60x30TX plan, and review efforts of higher education institutions to implement innovative and non-traditional models of education delivery to meet the needs of an increasingly diverse student body. Consider whether current state policies and regulations may support or hinder institutions' ability to innovate in educational delivery and access. Make recommendations to accelerate innovation in higher education, to better serve students through expanded access to high quality educational opportunities, improve quality in educational delivery, and achieve goals outlined in the 60x30TX higher education strategic plan.

## Testimony

The Senate Higher Education Committee heard testimony regarding this charge on April 25, 2018. The hearing included invited testimony from the following persons:

- Raymund Paredes, PhD, Commissioner, Texas Higher Education Coordinating Board
- Mike Morath, Commissioner, Texas Education Agency
- Andres Alcantar, Chairman, Texas Workforce Commission
- Demetrio Hernandez, Higher Education Team Manager, Legislative Budget Board
- Jennifer Saenz, MEd, Associate Director of Strategic Partnerships and Outreach, Texas OnRamps, University of Texas at Austin
- Paul Goebel, MBA, Director, Student Money Management Center, University of North Texas
- Paula Myrick Short, PhD, Senior Vice Chancellor/Senior Vice President for Academic Affairs and Provost, University of Houston
- Karen Murray, PhD, Provost and Executive Vice President for Academic Affairs, Tarleton State University
- Steven Johnson, PhD, Chancellor, Western Governors University
- Valerie Jones, Vice President for Instruction, Odessa College
- Lonnie Howard, PhD, President, Lamar Institute of Technology
- Mary Hensley, EdD, Chancellor, Blinn College
- Joe May, EdD, Chancellor, Dallas County Community College District

## Findings/Analysis

In Texas, it has been common practice for decades for the state to adopt goals for what is seen to be the highest needs of improvement in higher education in order to maintain and provide an educated workforce for the future. After the accomplishment of completing the goals laid out in *Closing the Gaps*, the discussion for the next statewide goals became *60x30TX*. *60x30TX* was developed through the partnership and commitment of three state agencies, the Texas Education Agency (TEA), the Texas Higher Education Coordinating Board (THECB), and the Texas Workforce Commission (TWC). To begin, Demetrio Hernandez, Higher Education Team Manager, Legislative Budget Board, provided an overview of *60x30TX* plan regarding student completion and student debt goals.

Mr. Hernandez testified on the completion goal of *60x30TX* is by the year 2030 for the state to have at least 550,000 students in that year who will have completed either a certificate program, associate, or bachelor's degree from an institution of higher education. Mr. Hernandez also testified that in order to meet the projected goal of 550,000 new certificates or degrees, it would require an annual growth rate of nearly four percent. Additionally, Mr. Hernandez stated that the current growth trend would yield approximately 30,000 certificates or degrees short of the goal listed in *60x30TX*. Mr. Hernandez discussed potential factors impacting completion growth including, persistence rates, enrollment growth, time-to-degree factors, and the overall affordability of higher education.

Raymund Paredes, PhD, Commissioner, THECB, testified that the main, overarching goal of *60x30TX* is to have at least 60 percent of Texans between the age of 25 and 34 to hold a credential, associate, or bachelor's degree. Commissioner Paredes also stated that there are three other goals of *60x30TX*. The second goal of *60x30TX* is the completion goal previously mentioned, to ensure at least 550,000 students complete either a certificate, associate, or bachelor's degree by 2030. Commissioner Paredes also added that this would require a large increase among targeted student population groups. The third goal of *60x30TX* is for students to complete programs with identifiable marketable skills. The last goal of *60x30TX* is to ensure student loan debt incurred by students is manageable upon graduation. Commissioner Paredes stated that a student's debt should not exceed 60 percent of first-year wages for graduates of Texas public institutions.

Commissioner Paredes testified that when it comes to an educated population, educational attainment has increased over the past year by 1.3 percent. This percentage of growth is the amount needed in order to meet the main goal of *60x30TX*. Commissioner Paredes also stated that there are large attainment gaps between demographic groups. He stated that numbers for Latino students are trending upward dramatically, but that is not the same for African American students. Commissioner Paredes also testified that in order to meet the completion goal of *60x30TX*, 376,000 certificates or degrees are needed by 2020, 455,000 by 2025 and 550,000 by 2030 in order to be on track to achieve *60x30TX*. The number of students completing a degree or certificate increased 3.9 percent in the last year, with two-year institutions showing significant improvements. An element to increasing completion is to increase the percentage of Texas public high school graduates enrolling directly into Texas higher education upon high school graduation. The direct-to-college going student population goal is to have 65 percent of high school seniors enrolled directly into institutions of higher education.

Commissioner Paredes also identified that 71 percent of university graduates incur student loan debt level above 59 percent of their first-year wages upon graduation. In 2017, 47 percent of undergraduate students graduated with debt. Commissioner Paredes stated that in order to meet *60x30TX*, students must decrease excess semester credit hours (SCH) attempted when completing a bachelor's degree. Since 2015, there has been a slight reduction in SCH attempted by students completing a bachelor's degree program at public institutions, which has saved students across the state around \$61.2 million in annual tuition and fees. Additionally, there has been a reduction in average SCH attempted for students earning an associate degree at public two-year institutions which resulted in an estimated annual tuition and fee savings of \$16.3 million for students.

Commissioner Paredes discussed a few of THECB's promising policies and programs that will help the state achieve *60x30TX*. An example of one of the innovative educational initiatives is GradTX, which aims to recover students that have accumulated at least 60 SCH but did not receive a degree or credential, and bring them back into the classroom and help them complete a degree. Another example is the practice of providing developmental education using the co-requisite delivery model. Additionally, the THECB has identified additional efforts

to improve timely completion such as providing funding based on student outcomes, the Texas Pathways Project and block scheduling.

Mike Morath, Commissioner, Texas Education Agency (TEA), provided testimony regarding TEA's comprehensive strategic priorities that aim to have every child prepared for success in college, workforce or the military. Commissioner Morath stated that it is the goal of TEA for students to be fully integrated on a path from high school to career attainment, or to ensure college completion. Commissioner Morath also stated that the accountability system has transitioned into a tiered, A-F rating system that aligns with the goals of *60x30TX*. He discussed the wide array of support a high school counselor provides to students including; psychological counseling, college and career advice, and assistance with relevant paperwork.

Commissioner Morath also discussed the proliferation of Pathways in Technology Early College High Schools (P-TECH). He stated that P-TECH is an early college high school (ECHS) with an embedded career program that has shown positive results for first-generation college students. The P-TECH model includes a public high school with a partnership of an institution of higher education, as well as a major employer. Commissioner Morath recommended that P-TECH programs be expanded through existing grant funding or on a formula funding basis. Senator Bettencourt stated that Algebra II is a critical way to gain entry into the areas of science or math. Commissioner Morath stated that SAT/ACT test scores can be used as a proxy to determine level of mastery for Algebra II. Commissioner Morath concluded by testifying that improvement of teacher quality needs to begin with recruitment in high school, include proper training, and emphasize teacher retention. Senator West stressed that the Legislature should ensure the strategies in the K-12 pipeline and higher education are institutionalized and implemented regardless of who is in a leadership position.

Andres Alcantar, Commissioner, Texas Workforce Commission (TWC), testified that between 2014 and 2024 the state of Texas will add 2.3 million jobs. He further stated that the Texas economy is strong, diverse and is continuing to expand and that approximately 32,000 new jobs were added in March of 2018. One of TWC's strategies to increase employment across the state is through partnering with 28 local development boards in order to bring together employers, school administrators and students. The TWC also partners with community colleges and



general academic institutions to offer the Summer Merits Program for those who wish to pursue an industry-aligned postsecondary education in the areas of science, technology, engineering or math (STEM) related careers. Commissioner Alcantar and Commissioner Morath both stated that the funds used for P-TECH programs have been through both TEA and TWC grants.

Jennifer Saenz, Associate Director of Strategic Partnerships and Outreach, Texas OnRamps, University of Texas at Austin (UT Austin), testified that the mission of OnRamps is to increase the number and diversity of high school students who participate in courses aligned with the academic expectations of universities, with the overarching goal being to bridge the gap between high school and college. Texas OnRamps is funded by the Legislature and housed at UT Austin.

Texas OnRamps is composed of three different models. The first portion is dual enrollment, where year-long college courses are offered to high school students overseen by a university faculty member and partnered with local high school teacher. This method is different than dual credit because there is both a high school instructor and a college faculty member administering the course. Additionally, in this instance, the student earns a high school grade and a college level grade. Secondly, Texas OnRamps brings teachers, faculty, and students together in a facilitated network to enhance teaching quality, capacity improvements, and the use of educational technology in schools. For example, each new Texas OnRamps high school teacher receives more than 80 hours of professional learning and development annually. And finally, Ms. Saenz testified that Texas OnRamps facilitates the partnership of universities, community colleges and school districts to encourage innovation and improve dual credit delivery throughout Texas.

Paul Goebel, Director, Student Money Management Center (SMMC), University of North Texas (UNT), testified that the SMMC was created in 2005 to streamline financial literacy education services within one office at UNT. Mr. Goebel discussed the efforts that the SMMC utilizes before a student begins their college career. Staff members give presentations to middle and high schools regarding the cost of attendance and financial planning, including student loan counseling.

Mr. Goebel stated that the program has three major initiatives for students when they are on campus including: the financial readiness program, the financial wellness program and the financial support program. Additionally, the SMMC provides personal student loan exit counseling for graduating students to prepare them for possible new financial responsibilities as they enter the workforce. Mr. Goebel also testified that UNT has developed initiatives in line with the student debt goal prioritized by *60x30TX*. Mr. Goebel stated that more than half its undergraduate students complete with no student debt and that in 2017 the average financial student loan debt for a UNT bachelor's degree recipient was \$20,598.

Paula Myrick Short, PhD, Senior Vice Chancellor/Senior Vice President for Academic Affairs and Provost, University of Houston (UH), testified regarding the UH in 4 program, as well as the Houston Guided Pathways to Success (Houston GPS) initiative. Dr. Short testified that the goal of UH in 4 is for students to have a comprehensive plan to complete their degree in four years. Dr. Short also stated that this program is a partnership between UH and students where expectations are clearly outlined. Students are required to take 30 SCH a year and be in good academic standing, while the university guarantees a fixed-rate tuition plan over the 4 years, offers those students priority registration and provides academic maps to outline what classes the student needs to complete a degree plan. Dr. Short added that this is a comprehensive, high impact initiative that is consistent with the goal of completion within *60x30TX*. Dr. Short testified that there is a nine percent increase in four-year graduation rates for those students enrolled in UH in 4 compared to those students who are not enrolled in the program.

Dr. Short testified that Houston GPS was created to increase completion rates and create seamless transfer pathways between two and four year institutions, as well as reduce the number of unnecessary courses taken by students. Dr. Short emphasized the key areas to earning an associate degree with the intent to transfer or bachelor's degree. The key areas include remedial math and English courses during the first semester, ensuring math courses are relevant to a student's major, the development of meta-majors and providing degree plans that are transparent and easy to understand for students.

Karen Murray, PhD, Provost and Executive Vice President for Academic Affairs, Tarleton State University, testified on the institution's Intern 2 Learn program, which bolsters the goals of *60x30TX* because it allows for students to develop marketable skills by the time they graduate. Dr. Murray testified that students are able to earn wages throughout their academic career, starting from \$8 per hour at the assistant intern role to finishing at \$10 per hour at the senior intern role. The Intern 2 Learn program is designed to have students work on campus and partner with off-campus, non-profit, employers to provide the ability to obtain an internship consistent with their major. The program is funded with a combination of institutional and federal funds which cover the expense of offering wages. Dr. Murray stated that approximate 58 percent of Intern 2 Learn participants have completed their degree, while reducing their time to degree by over one semester. Additionally, Intern 2 Learn students complete their degree at a 20 percent higher rate than their non-participant peers. She stated that students exhibit high problem solving skills, teamwork, leadership, and work ethic.

Steven Johnson, PhD, Chancellor, Western Governors University Texas (WGU), testified that WGU is an online competency-based university with unlimited enrollment capacity. WGU aims to help fulfill the goals of *60x30TX* by using technology to expand access to higher education. Chancellor Johnson discussed the institution's efforts to collaborate with community colleges across the state to create partnerships and pathways that increase the number of minority students enrolled at WGU.

Valerie Jones, Vice President for Instruction, Odessa College, testified regarding the critical role community colleges play in helping the state to achieve *60x30TX*. Ms. Jones discussed Odessa College's new model of eight-week terms. She stated that Odessa College depended on the Legislature and THECB flexibility to allow the institution to innovate and take risks. Ms. Jones discussed the logistics of implementing an eight-week program. Classes are provided through the delivery method of face-to-face, online, or a hybrid of the two methods. She stated the most popular method is the hybrid model where students are able to learn the material online, then show up to class and engage with other students.

Ms. Jones testified that the eight-week semester model attempts to address the at-risk population of college going students. She stated that due to unforeseen events

which arise in the lives of students, eight-week terms are an easier commitment than sixteen week terms. Currently, 80 percent of courses taught at Odessa College are eight-week courses and many students have converted from part-time to full-time. By being classified as full-time, this allows students to be Pell Grant eligible. Ms. Jones added that due to the eight-week semesters, students are graduating faster regardless of being enrolled as a full-time or part-time student. Odessa College has seen an increase in their three-year graduation rate, course completion rates, and in enrollment of first-time-full-time students. Senator Seliger stated that the greatest increment toward the goals of *60x30TX* is going to be realized at community colleges.

Lonnie Howard, PhD, President, Lamar Institute of Technology (LIT), testified on the successful role that LIT plays in the Beaumont area with both Early College High Schools (ECHS) and Industry Cluster Innovative Academies (ICIA). President Howard stated that ECHS address the attainment goal and the completion goal of *60x30TX*. LIT has partnered with Beaumont Independent School District, as well as Silsbee Independent School District to create an ECHS. President Howard testified that the goal is to allow students to graduate high school with both a high school diploma and a certificate or an associate degree, with no loan debt and documented marketable skills. ECHS are public schools that partner with an institution of higher education to offer students college-level work in high school through dual credit course offerings. Many of the certificates offered at ECHS have direct entry-level skills, including soft skills. President Howard stated that ICIA are the next evolution of ECHS. Specifically, President Howard testified that the Petroleum Refining and Chemical Products ICIA had an enrollment of 130 students in 2017 and he projects that by the fall of 2018 enrollment will have doubled. The industry partners that LIT collaborates with include Air Products, BASF, ExxonMobil, and the Huntsman Corporation. President Howard stated that although there is no hiring guarantee by these employers, the LIT student placement rate is above 90 percent among those mentioned.

Mary Hensley, EdD, Chancellor, Blinn College, testified on five programs that Blinn College offers which aim to help achieve *60x30TX* goals. Chancellor Hensley stated that most of Blinn College's students originate from Blinn College's service area. Chancellor Hensley first discussed Texas A&M University (TAMU)-Blinn TEAM Program which was developed in 2001 to allow students to be co-

enrolled at both Blinn College and TAMU. Chancellor Hensley stated that 10,765 students have been enrolled into this program that would not have otherwise been enrolled into TAMU because of enrollment constraints at the institution. Students take one to two courses per semester at TAMU and the rest at Blinn College. Once they have completed 60 SCH, they are able to transfer to TAMU directly into their degree program of choice.

Chancellor Hensley discussed the Texas A&M Engineering Academy at the Blinn College Bryan campus. This program was developed in 2013 to allow engineering students to be co-enrolled at Blinn College and TAMU where students take math and science courses at Blinn College, and after earning a minimum grade point average (GPA) of 3.5, students can transfer to TAMU into their engineering major of choice. Next, Chancellor Hensley discussed Texas A&M Engineering Academy at the Blinn College Brenham campus that enrolls approximately 100 students where engineering courses are taught TAMU faculty.

Blinn College's new RELIS campus will foster cutting edge research and technology development where students will complete their freshmen and sophomore level courses through Blinn College and then seamlessly complete their third and fourth year courses at one of eleven universities within the Texas A&M System. Chancellor Hensley also testified on the effectiveness of the Bryan ISD and Bryan Collegiate High School where students can earn 40 to 60 SCH upon graduation. She stated that all of these efforts Blinn College participates in are aimed at helping the state to achieve the goals set forth in *60x30TX*.

Joe May, EdD, Chancellor, Dallas County Community College District (DCCCD), testified on the work DCCCD is doing with local school districts, other institutions of higher education and workforce partners to create effective P-TECH programs and the Dallas County Promise in order to meet the goal of 55 thousand new credentials and degrees by 2030. Chancellor May discussed the innovative P-TECH model, where a student may apply in 8th grade to enter a 9-12 grade program that allows them to earn an associate degree or up to 60 SCH, in a STEM related field while concurrently earning a high school diploma. Chancellor May stated that students earn an industry-recognized associate degree which allows them to gain workplace skills and certifications.

Chancellor May also testified on the effectiveness of the Dallas County Promise. He stated that the Dallas County Promise partnership allows students to attend DCCCD tuition-free, with an emphasis on advising and mentoring to provide critical support to students who are primarily low-income and first-generation students. He also stated that an innovative information technology system has been created which tracks real-time progress of students across education and workforce pathways. He testified that this model works because there is no cost to students or parents, and the local property tax revenue is used to meet P-TECH needs. Chancellor May stated that it costs \$750,000 for each P-TECH school to be run annually. He testified that in order to continue high school and community college innovations, flexibility and local decision making authority is required. Additionally, he stated that the local ability of community colleges to set tax rates and to keep community college tuition low should be maintained. In conclusion, Chancellor May recommended that in order for districts to offer more P-TECH programs, TEA should expand the grant program used to support these efforts.

The various invited witnesses provided valuable insight into specific, locally driven and supported programs that assist the individual institution's student population achieve one or more of goals set forth in *60x30TX*. While there is still much to be accomplished in order to reach these goals, hearing from institutions on ways they have tried to innovate was a valuable discussion.

### **Recommendations**

- 1) The Legislature should consider efforts to expand support for innovative collaborations between K-12 and higher education, such as P-TECH and ICIA, while examining whether there is an appropriate level of college and career counseling available to student participants.
- 2) The Legislature should examine ways to implement and expand the availability of programs that promote paid apprenticeships which are meaningful and relevant to a student's degree, such as the Intern 2 Learn program at Tarleton State University.
- 3) The THECB should provide updates to the Legislature on the progress toward reaching the goals of *60x30TX* every academic year.
- 4) The Legislature shall explore ways to increase the number of high school students completing the Free Application for Federal Student Aid, especially those enrolling in dual credit or dual enrollment courses.

## ***Charge Four -- Funding Models***

Examine different models of student-focused funding for general academic institutions, including competency-based and performance funding models, and make recommendations on whether a new funding model would produce greater efficiencies and student performance.



## Testimony

The Senate Higher Education Committee heard testimony regarding this charge on May 22, 2018. The hearing included invited testimony from the following persons:

- Demetrio Hernandez, Higher Education Team Manager, Legislative Budget Board
- Emily Schmidt, Analyst, Higher Education Team, Legislative Budget Board
- Andrew Overmyer, Analyst, Higher Education Team, Legislative Budget Board
- Rex Peebles, PhD, Assistant Commissioner, Texas Higher Education Coordinating Board
- Ray Keck III, PhD, President, Texas A&M University-Commerce
- Raymund Paredes, PhD, Commissioner, Texas Higher Education Coordinating Board
- Scott Boelscher, Senior Associate, Lumina Strategy Labs
- Austin Lane, PhD, President, Texas Southern University
- Pablo Arenaz, PhD, President, Texas A&M International University
- Chris Maynard, PhD, Associate Vice Provost, Sam Houston State University

### **Findings/Analysis**

Emily Schmidt, Analyst, Higher Education Team, Legislative Budget Board, testified that General Academic Institutions (GAI) are funded using an Instruction and Operation (I&O) Formula, based upon semester credit hours (SCH) during a three-semester base period. The formula is the number of SCH multiplied by the program weight level, which is based upon a cost study created by Texas Higher Education Coordinating Board (THECB), and then multiplied by the funding rate set by the Legislature. Ms. Schmidt stated that the 85th Legislature set the rate at \$55.82 for fiscal years 2018-2019. Additionally, there is a Teacher Experience Supplement that is multiplied by one-tenth of the formula if those hours are taught by tenured or tenure-track faculty. Ms. Schmidt testified that GAIs are also funded through the GAI Infrastructure Formula which allocates funds for physical plant support and utilities. This formula includes GAIs, Lamar State Colleges and Texas State Technical Colleges. This is based upon predicted square feet for universities' educational and general activities produced by the Space Projection Model. The rate set by the 85th Legislature for this is the predicted square feet multiplied by \$5.41.

Institutions with less than 10,000 students receive a small institution supplement. The supplement totals \$1.5 million for the biennium for each institution with less than 5,000 students. Institutions ranging from 5,000 to 10,000 students receive an appropriation that decreases from \$1.5 million with each additional student enrolled at the campus. Ms. Schmidt also testified that GAIs may receive funding from the state through non-formula support items. She testified that this is a direct appropriation to institutions for programs or projects that are specifically identified by the Legislature for support.

Andrew Overmyer, Analyst, Higher Education Team, Legislative Budget Board, testified that beginning in the 2014-2015 biennium, the Legislature implemented a new outcomes-based funding model for community colleges which includes three major funding components. The first component is core operations, with each community college district receiving \$1.4 million per biennium to assist with covering basic operating costs regardless of size or geographic location of the community college. The second component is success point funding with each point funded at \$171.56 in fiscal year 2018-2019. Each point is based on a three-

year average of success points earned at each community college. Mr. Overmyer also stated that community colleges are funded through contact hours, where the time of unit measured that represents an hour of scheduled academic or technical class time, 50 minutes of which must be instructional. The current contact hour rate is the number of contact hours multiplied by the rate of \$2.69, set by the 85th Legislature.

Rex Peebles, PhD, Assistant Commissioner, Texas Higher Education Coordinating Board, testified on Competency-Based Education (CBE). He stated that CBE allows students to progress toward completion, at their own pace, as the student demonstrates mastery of a defined set of knowledge and skills. Dr. Peebles stated that courses may be organized around traditional course-based units, but it is not required. He also stated that a majority of the curriculum must include regular and substantive interaction with faculty. Dr. Peebles discussed the different elements of the Texas Affordable Baccalaureate (TAB) program. He first stated that the focus is on mastery of competencies instead of seat time. The course competencies are defined by faculty to meet academic requirements and career demands. He also stated that this program combines online learning, competency-based education, traditional courses and hybrid classes. Dr. Peebles testified that CBE degrees have the potential to decrease time to degree, but also to decrease the cost of obtaining a degree. THECB has recommended expanding TAB program offerings by increasing grants to offset start-up costs, establishing a CBE funding model that is not course based and addressing the challenges universities face with innovative educational delivery methods.

Ray Keck III, PhD, President, Texas A&M University-Commerce (TAMU-Commerce), testified that TAB is an innovative model designed for first-generation, low-income and working-adult students. President Keck stated that approximately 400 students have graduated from the program, with an average completion of just over a year, and overall cost to degree once arriving at TAMU-Commerce of approximately \$6,000. He also said that students are completing faster and have realized a cost savings of almost \$9,000 compared to students in traditional degree programs. President Keck also discussed the Institute for Competency-Based Education. He stated that this center was created at TAMU-Commerce through a Special Item during the 84th Legislative Session to assist in developing alternative, affordable methods to deliver quality education. This center

serves as a collaboration for innovation focused on experimentation, research, and to support the development and growth of additional CBE programs. TAMU-Commerce's CBE program is as rigorous and traditional in terms of academic expectations compared to traditional classes. Senator Seliger and Senator Bettencourt voiced concerns over the ongoing non-formula support cost that it takes to run the CBE program.

Raymund Paredes, PhD, Commissioner, Texas Higher Education Coordinating Board, testified that in order to meet the state's *60x30TX* goal, more students need to complete a certificate, associates, or bachelor's degree, and an outcomes-based funding model would help accomplish that. Paredes stated that THECB recommends dedicating \$160 million in fiscal year 2020-2021 for a graduation bonus regardless of overall funding. He stated that THECB also recommends that the graduation bonus be integrated into each institution's I&O formula in the introduced General Appropriations Act. He believes that it is important to institutionalize the graduation bonus as a long-term structural component of universities' funding. The graduation bonus would provide \$500 for each "non at-risk" student awarded a bachelor's degree, and \$1,000 for each "at-risk" student awarded a bachelor's degree. Commissioner Paredes defined "at-risk" as a person eligible to receive a Pell Grant or whose SAT or ACT score is below average. He also stated that the goal of performance-based funding is to change institutional behavior.

Commissioner Paredes testified that institutions can increase funding with their existing student population. He also stated by using predictive analytics to target interventions and implement intrusive advising institutions can do better job serving the at-risk student population. Senator Bettencourt stated that universities should be rewarded based on an incremental gain as a percentage of growth in degrees awarded.

Commissioner Paredes proposed five actions to complete in order to increase four-year graduation rates: institutions of higher education and the public schools need to work closely together on the K-12 pipeline; teacher training must be improved; more wraparound services must be implemented for students; at risk students must be better identified; and block scheduling should be implemented to better accommodate working students.

Scott Boelscher, Senior Associate, Lumina Strategy Labs, testified on outcomes-based funding at a national level and the general categories that make up outcomes-based funding. He stated that outcomes-based funding supports the advancement toward goals in student progression, completion and closing the gaps in student outcomes. He said this model also recognizes need for continued access and increased equity, while creating incentives for continuous improvement in student outcomes and reinforcing a coordinated and comprehensive system of higher education.

Mr. Boelscher identified six best practices when it comes to creating an effective outcomes-based funding model. The first is to align the model with the state attainment goal. The goals and priorities in the state attainment goal anchor the conversation to allow for clearly established and commonly accepted priorities for higher education. He said the early models of performance-based funding did not work because there too many metrics and institutions could not identify what was best. The second practice is to prioritize degree completion to include limited, clearly defined metrics focused on increasing the number of students completing degrees. Mr. Boelscher recommended using the total number of degrees rather than graduation rates. The total number is more inclusive and difficult to gain, while a rate has a numerator and denominator, and institutions can change either number.

The third practice is to encourage the success of priority populations by developing a model that encourages success of underserved student populations. He stated that this is intended to offset the increased costs to institutions when they successfully serve these students. The fourth practice is to reflect institutional missions by creating a model that recognizes the specific mission or role each institution serves in moving the state toward its higher education goals. The fifth practice is to allocate meaningful level of recurring or base funding. He believes that by building outcomes-based funding as a portion of recurring support to institutions, this promotes sustainability and ensures that the policy does not languish while waiting for new funding that may never materialize. Lastly, Mr. Boelscher recommends creating a formula-driven model by providing a structure that encourages continuous improvement by institutions and allows for all institutions to benefit from the funding model. He stated funding models that establish winners and losers by requiring redistribution of funds have several challenges.

Austin Lane, PhD, President, Texas Southern University (TSU), testified regarding TSU's unique student population. President Lane stated that 80.7 percent of all degrees TSU awards are to THECB's definition of at-risk student, 90 percent of students are on some sort of financial aid, and 75 percent of students are first-generation students. President Lane discussed the local initiative, Summer of Success Program, which is a five-week mandatory program for students that are at-risk and want to attend TSU. This program prepares students for the college environment, provides them the opportunity to demonstrate college readiness, and pairs an advisor with each student from orientation to graduation. He stated this gives at-risk students the attention and support they need to be successful.

President Lane also discussed the role enrollment and completion advisors play while providing a hands-on, intrusive advising for all first-time college freshmen. President Lane recommended creating a model that rewards student momentum, persistence, progression, completion and employment. He believes this allows universities to compete against themselves on key performance measures that are set yearly. President Lane does not believe it is appropriate for TSU to compete with larger universities and their more robust infrastructure that may have 100 or more advisors. He recommends that any model be built to support core operations, including advising staff and technology, for institutions that have at least 50 percent of their students that are designated at-risk.

Pablo Arenaz, PhD, President, Texas A&M International University (TAMU-I), testified that TAMU-I is the top Hispanic serving institution in the country. President Arenaz stated that 69 percent of students received a Pell Grant. He also stated that TAMU-I has a 86.3 percent retention rate, one of the top in the state for regional universities, and a six-year graduation rate of 58.3 percent, the highest in the TAMU System. President Arenaz stated that taking at-risk students and underprepared students from admission to graduation requires multiple strategies. The first strategy is mitigating student challenges. He testified that students who are not college-ready need help overcoming Texas Success Initiative deficiencies so they can successfully transition to college. Additionally, President Arenaz discussed the second strategy which is aimed at helping students build an academic identity and sense of belonging. He stated that first generation students must overcome a sense of "not belonging" in college. President Arenaz also discussed the First Year Success Program and how it helps by building a sense of community

among incoming freshmen during orientation, grouping freshmen into learning communities based on educational interests, and requiring weekly meetings between freshmen and peer mentors.

The last strategy to help students is to monitor student success and timely progress toward graduation through intrusive advising when students start their freshmen year. President Arenaz stated even though it is labor intensive and requires a constant source of funding, it has led to very strong first-year persistence rates. He stated that TAMU-I is committed to accountability and return on investment to the state, students and their families. He also stated to reduce non-formula support funding currently provided, in exchange for funding on the backend, will deprive students at regional universities of the support they need to succeed and the funding that is needed to ensure success on the frontend.

Chris Maynard, PhD, Associate Vice Provost, Sam Houston State University (SHSU), discussed the Frontier Set grant program funded through the Bill & Melinda Gates Foundation. The Frontier Set grant program identifies strategies for improving graduation rates among low-income, first-generation and minority students. Dr. Maynard discussed SHSU has invested in success through three key areas. The first is SHSU's redesign of academic advising in creating the Student Advising and Mentoring Center (SAM Center). The SAM Center focuses on success-based advising by merging the "academic advisor" and "academic mentor" roles, the creation of college-based teams of professional advisors to specialize in programs and degree plans, and the development of strong professional development and training program that will serve advisors across campus.

Dr. Maynard stated the second strategy is to improve developmental education. Beginning in the fall of 2017, SHSU requires all incoming students who are identified as not core competent in math to be enrolled in a co-requisite math course. Developmental math was redesigned to include a co-requisite model to allow more students to have the ability to pass core math in fewer semesters. This model emphasizes on aligning the most appropriate core math course to a student's degree to help reduce unneeded courses. Lastly, Dr. Maynard discussed SHSU's goal to enhance digital learning. He stated the Provost's office developed an approach that includes an updated faculty training and development for online

instruction. Additionally, SHSU trains students that are new to online instruction and has created a platform for effective online academic advising.

Dr. Maynard also discussed the Sam Houston Establishing Leadership In and Through Education (SH ELITE) Program that was created in 2010. The purposed of the program is to help ensure that male African American and Hispanic students are successful. Dr. Maynard testified that SH ELITE is a four year program with professional, academic and leadership workshops dedicated to enhancing the success of approximately 150 African American and Hispanic new and continuing undergraduates each year. There have been 434 SH ELITE scholars over its eight-year history.

The Texas Conservative Coalition Research Institute (TCCRI) submitted written testimony stating that metrics used to reward performance should focus on providing incentives or rewarding improvements in performance as opposed to performance in a vacuum. TCCRI stated that metrics tied to rates avoid the pitfalls of raw totals, and that should be the emphasis of any performance-based plan. TCCRI recommended that one way to provide incentives for better performance at general academic teaching institutions is to bypass the institution and go directly to the students by way of a potential tuition rebate. TCCRI stated that performance-based funding should be a carrot and a stick. TCCRI believes that if a model is created in which very little is at stake from the school's perspective, then it will not produce greater efficiencies or increase student performance. Adoption of a model in which there is no real possibility of both incentive-based funding (the carrot) and less funding (the stick) allows for the illusion of a system that is not fundamentally different from the one that preceded it.



### **Recommendation**

- 1) If funding is available, the Legislature should consider adding a supplement to the existing funding formulas to support institutions' mission, size, student population, and geography to achieve the goals of *60x30TX*.

### ***Charge Five -- Mandate Reduction***

Examine all current state and federal regulations on public higher education institutions and consider whether reductions of regulations could reduce fees, produce efficiencies and greater student academic performance. Make recommendations to reduce certain regulations for increased flexibility to provide better student outcomes.

### **Testimony**

The Senate Higher Education Committee heard testimony regarding this charge on August 22, 2018. The hearing included invited testimony from the following persons:

- Raymund Paredes, PhD, Commissioner, Texas Higher Education Coordinating Board
- Jason King, Executive Director of Systemwide Compliance and Ethics Officer, University of Texas System
- Jim Yeonopolus, Chancellor, Central Texas College

## Findings/Analysis

Periodically the Legislature reviews existing mandates placed on institutions of higher education to look for areas of redundant or outdated requirements and discusses ways to reduce unnecessarily burdensome mandates. Even though the majority of mandates originate at the federal level, the conversation remains important. Raymund Paredes, PhD, Commissioner, Texas Higher Education Coordinating Board (THECB), testified that institutions of higher education are subject to mandates from multiple sources. He stated that institutions are subject to numerous federal mandates and federal agency rules. Additionally, he stated that state government mandates are derived from state statutes and state agency rules. Lastly, Commissioner Paredes stated that both regional and professional accreditors mandate certain reporting requirements and set standards to ensure the quality of education provided by institutions and programs is maintained.

Commissioner Paredes highlighted a Vanderbilt University study that found federal regulatory compliance represents 3 to 11 percent of non-hospital operating expenses at institutions of higher education. He added that if this were true at University of Texas at Austin, the cost of mandates to the institution could range from \$72.1 million to \$264.3 million per year. Commissioner Paredes testified that compliance costs are high at large research-intensive universities, but federal regulations impose costs across all sectors of higher education. He also added that inflexible regulations inhibit innovation and deter institutions from adopting practices to increase student persistence and success.

Commissioner Paredes discussed challenges Competency Based Education (CBE) has faced with federal regulators and accreditor requirements, because CBE is based on the mastery of the course topic, not traditional "time-in-seat" requirements. Commissioner Paredes emphasized that federal regulators and accreditors require that CBE programs tie student's progression to semester credit hours (SCH), creating an unnecessary administrative burden. Additionally, CBE delivery complicates traditional methods of state formula funding, which deters a wider adoption of this innovation.

Commissioner Paredes stated that if THECB has rules or policies that inhibit student success or cost effectiveness, the agency is eager to hear about those items and look for ways to be innovative and flexible. Senator West and Commissioner Paredes discussed TexasWORKS proposal and emphasized the importance of improving the off-campus portion by authorizing the THECB to administer a statewide, centralized off-campus work-study program and portal.

Jason King, Executive Director of Systemwide Compliance and Ethics Officer, University of Texas System (UT System), began his testimony by speaking about Senate Bill (SB) 5 from the 82nd Legislative Session, relating to eliminating unfunded mandates, improving efficiency, and providing administrative flexibility to institutions. Mr. King recommends that the Legislature consider a study to examine all statutorily required higher education data requests that come from state agencies to systems and institutions to identify those that are outdated or unnecessary. Mr. King stated that he is pleased that THECB has proposed recommendations for the 86th Legislature to remove several statutorily required data requests that are unnecessary or redundant. Mr. King testified that most of the burdens imposed on higher education come from Washington, D.C.. Mr. King would recommend changing the method for reporting the biennial agency information security plan required by the Department of Information Resources because the current process for submitting information is tedious and does not benefit institutions of higher education.

Jim Yeonopolus, Chancellor, Central Texas College (CTC), testified that CTC is a unique institution because it is located in a region that supports the United States' largest military base, Fort Hood. Chancellor Yeonopolus expressed concern with the state law requiring students to prove they have received a meningitis vaccination before enrolling at an institute of higher education. Active duty military members are vaccinated for meningitis by order of United States Army and Air Force regulations during basic training. He recommends that active duty military use their Military ID Card to show proof of the meningitis vaccination. He stated that he has seen a decline in enrollment since this law went into effect because students are going out of state to receive their education where this redundancy is not required. Chancellor Yeonopolus also articulated some hardships associated with the disabled veterans tax exemption. He explained that CTC has seen a loss of revenue between \$1.2 million to \$1.6 million and is recommending that the legislature give some statutory relief to those districts that are adversely affected. He Chancellor Yeonopolus testified that the state offsets the cost to cities and counties, but not to independent school districts or community colleges.

A thorough, ongoing review of mandates will continue to benefit the state's higher education systems and institutions. Whether it be an institution specific issue, or statewide, the Legislature should be mindful of the time and financial impact all mandates place on institutions and carefully consider this when creating new mandates or reporting requirements.

### **Recommendations**

- 1) The Legislature should consider creating a central portal for off-campus work study or apprenticeship opportunities to provide employers and students a single location for statewide opportunities.
- 2) The Legislature should continue to study and identify old or outdated statutorily required reporting mandates and explore ways to make submission of such reports uniform and user-friendly for institutions.
- 3) While institutions are required to biennially report agency security plan information to Department of Information Resources, the state should explore, after receiving agency input, less burdensome methods for submission.

## *Charge Six -- Dual Credit*

Review dual credit opportunities throughout the state, examining the impact of HB 505 (84th Legislature) on students in particular. Look at the outcomes of statewide studies completed in Texas regarding dual credit, and examine the current rigor of dual credit courses, as well as how to improve advising for students in dual credit. (JOINT CHARGE with EDUCATION)

## Testimony

The Senate Higher Education Committee heard testimony regarding this charge on September 12, 2018. The hearing included invited testimony from the following persons:

- Raymund Paredes, PhD, Commissioner, Texas Higher Education Coordinating Board
- Lilly Laux, Associate Commissioner of School Programs, Texas Education Agency
- Tedd Holladay, Analyst, Public Education Team, Legislative Budget Board
- Emily Schmidt, Analyst, Higher Education Team, Legislative Budget Board
- David Troutman, PhD, Associate Vice Chancellor, Institutional Research & Decision Support, University of Texas System
- Trey Miller, PhD, Principal Researcher, American Institutes for Research
- Jacob Fraire, PhD, President and CEO, Texas Association of Community Colleges
- Robert Riza, PhD, President, Clarendon College
- Elizabeth Ozuna, Director of Advanced Academics, San Antonio Independent School District
- Israel Cordero, Deputy Superintendent, Dallas Independent School District
- Kai Bouchard, Principal, Robert Turner Career College and High School, Pearland Independent School District
- Lonnie Howard, PhD, President, Lamar Institute of Technology
- Steve Head, PhD, Chancellor, Lone Star Community College System
- Mike Meroney, Texas Association of Manufacturers
- Daniel P. King, PhD, Superintendent, Pharr-San Juan-Alamo Independent School District
- Leticia Adams, Team Lead-Advising, San Antonio College, Alamo Community College District
- Jennifer Saenz, MEd, Associate Director of Strategic Partnerships and Outreach, Texas OnRamps, University of Texas at Austin
- Melanie Storey, Senior Director, Higher Education & Student Aid Policy, The College Board



### **Findings/Analysis**

The role dual credit should play in the state's high schools has been a topic of discussion for many interim in Texas. While Texas has one of the most robust dual credit enrollments in the nation, the Legislature continues to monitor its effectiveness to ensure expansion of dual credit is in a student's best interest. The Senate Education Committee and Senate Higher Education Committee began their joint interim charge by hearing first from Raymund Paredes, PhD, Commissioner, Texas Higher Education Coordinating Board (THECB). Commissioner Paredes gave an update on dual credit programs in the state of Texas. The THECB defines dual credit as a system under which an eligible high school student enrolls in a college course and receives credit for the course from both the college and the high school. Except for dual credit offered through an Early College High School (ECHS), dual credit must be in the core curriculum at the institution of higher education, a career and technical education (CTE) course, or a foreign language course. Commissioner Paredes stated that decisions about who pays tuition, fees and other costs for dual credit are made at the local level.

Institutions are allowed to waive all, part, or none of the mandatory tuition and fees for dual credit courses. Additionally, state law requires all school districts to offer students a minimum of twelve hours of college credit while in high school. Commissioner Paredes noted that the dual credit enrollment in 2007 was 64,910 and in 2017 was at 151,669, an increase of 57 percent. He also stated that dual credit enrollment represented ten percent of all higher education enrollment in 2017. Of particular interest is the increase of economically disadvantaged students enrolling in dual credit. In 2007, 25 percent of economically disadvantaged students enrolled in dual credit; by 2017 that percentage was up to 37 percent.

Commissioner Paredes also testified concerning the benefits of dual credit completion in higher education. For example, he noted that students who enroll in dual credit have higher four-year and six-year graduation rates than those who do not participate in dual credit. Additionally, dual credit students take approximately 4.3 years to graduate with a bachelor's degree, where non-dual credit students graduate in approximately 5.1 years. Innovative programs, such as CTE ECHS, allow students to enter high-skill, high demand workforce fields immediately upon high school graduation while also earning a high school diploma. Commissioner

Paredes stated that in response to House Bill (HB) 5 from the 83rd Legislative Session, the THECB, Texas Education Agency (TEA) and Texas Workforce Commission (TWC) have awarded grants to institutions and school districts to develop ECHS with a CTE focus. Approximately 16 percent of dual credit courses offered are CTE dual credit.

Commissioner Paredes also cautioned that about one in five students in academic dual credit have not demonstrated college readiness in at least one subject. These students are either accessing dual credit through a dual credit eligibility waiver or are taking an academic dual credit course which does not require demonstration of college readiness through Texas Success Initiative (TSI) to enroll. Commissioner Paredes laid out three recommendations to strengthen student success in dual credit. First, he stated students should be required to demonstrate college readiness as prescribed by TSI which includes the SAT, ACT and TSI-Assessment (TSIA) in the academic dual credit courses they propose to take. Secondly, he recommends identifying a means for public high school students to have the opportunity to take the TSIA, SAT or ACT free of charge at an appropriate point in their high school pathway. He added that any funding should be a "last dollar" effort intended to complement free or subsidized testing opportunities. Finally, Commissioner Paredes recommended expanding the current requirement for students enrolled in academic dual credit to file a degree plan at 30 semester credit hours (SCH) and to also require institutions document compliance.

Commissioner Paredes stated that the THECB is working on Fields of Study Curriculum (FOSC) to ensure that students know which courses will transfer and be applied to a degree. He also mentioned the importance of advising, both at the high school and higher education level, which if improved, will help aid in the transfer of course credit. He also stated that students do not know the difference between the core curriculum and what courses are required for a major.

Commissioner Paredes summarized his belief that the state has more work to do on dual credit academic rigor. He discussed the dual credit study commissioned by THECB, explaining that the study found that the levels of rigor in courses taught by high school faculty, adjunct faculty and community college faculty are essentially equivalent. He stated that this was a promising conclusion. However, the study did not determine if the levels of rigor were high enough to prepare

students adequately to take a full range of college courses. Commissioner Paredes also said that the biggest barrier for economically disadvantaged students to access dual credit is adequate preparation. Senator Seliger stated that dual credit and ECHS will be one of the greatest advances going forward dealing with cost and accessibility of higher education.

Senator West referenced HB 1638, passed during the 85th Legislative Session, which required a report be completed and provided to the Legislature relating to statewide goals for dual credit programs provided by school districts. Senator West stated that the bill required THECB and TEA to develop and align goals for all dual credit courses and to provide standards on evaluating those courses. Rex Peebles, PhD, Assistant Commissioner, Texas Higher Education Coordinating Board, noted HB 1638's requirement for THECB and TEA to develop goals and objectives that would be reflected in the memoranda of understanding (MOU) signed between independent school districts (ISD) and institutions of higher education offering dual credit. Dr. Peebles stated that any dual credit arrangement between an ISD and institutions of higher education has to be in the form of an MOU, and these goals and objectives will be added to the MOU. Lilly Laux, Associate Commissioner of School Programs, Texas Education Agency, agreed, noting that TEA is working with THECB to develop these goals and objectives. Commissioner Paredes stated that the short shelf life of articulation agreements has become problematic. In order for articulation agreements to work, a significant number of staff at both the receiving institution and the sending institution must be responsible for ensuring courses are current due to majors changing so frequently.

After the conclusion of the joint hearing, both the THECB and TEA released four objectives and goals. The first goal is for ISDs and institutions of higher education to implement purposeful and collaborative outreach efforts to inform all students and parents of the benefits and costs of dual credit, including enrollment and fee policies. The second goal is for dual credit programs to assist high school students in the successful transition to and acceleration through postsecondary education. The third goal is to have all dual credit students to receive academic and college readiness advising with access to student support services to bridge them successfully into college course completion. The fourth and final goal is for the quality and rigor of dual credit courses to be sufficient to ensure students success in subsequent courses.

Lilly Laux, Associate Commissioner of School Programs, Texas Education Agency, testified on TEA's role in the administration of dual credit programs in high schools. She stated that there are many variations of dual credit programs that differ by location, the setting in which the course is taught, the type of instructor delivering the course, the method of delivery and other classmates in the course. Ms. Laux stated that the credentialing for the instructor is the same, no matter the location. The Texas Administrative Code requires that all dual credit instructors be college faculty or meet the same standards and approval procedures as college faculty.

Ms. Laux discussed the College and Career Readiness School Models that is a network of ECHS, Texas Science, Technology, Engineering and Math Academies (T-STEM), Industry Cluster Innovative Academies (ICIA) and Pathways in Technology Early College High Schools (P-TECH). These models all have the essential partnerships between an institution of higher education and an ISD. Additionally, T-STEM, ICIA and P-TECH all focus on the partnership with workforce to ensure labor market alignment, workforce partnerships, and work-based learning experiences. All of these models are designed to provide dual credit at no cost to students, offer rigorous instruction and accelerated courses, provide academic and social support services to help students succeed, increase college readiness and reduce barriers to college access.

Ms. Laux identified two challenges around dual credit. The first is that dual credit costs are challenging to determine partly because costs vary across the state due to variations in tuition and fee arrangements. She stated the costs include: tuition and fees (including instructor costs), textbooks, transportation and the TSI Assessment. The second challenge is the applicability of credits toward a degree because TEA is not able to track core curriculum courses that are transferable because the core curriculum varies among dual credit providers. Ms. Laux testified that although the core curriculum is guaranteed to transfer, they may not transfer to the specific degree plan for the student, depending on to which institution they transfer.

Senator Watson asked Ms. Laux what is needed in order to determine the true cost of dual credit. She stated that TEA does not collect data on the cost of dual credit because those decisions are made by community colleges and ISDs at the local level. Ms. Laux stated that one of the components of HB 1638 requires ISDs and

community colleges to post the cost of dual credit to students on their websites in an effort to be as transparent. Ms. Laux recommended TEA administer a comprehensive survey to determine the cost of dual credit, including the cost arrangements and who is bearing the cost of the program.

Tedd Holladay, Analyst, Public Education Team, Legislative Budget Board (LBB), gave an overview of funding for dual credit programs located at TEA. Mr. Holladay stated that the Foundation School Program (FSP) is the principal vehicle for distributing state aid to school districts, which in turn use state funds, local property tax revenue, and federal funding to provide education services to students. The amount of funding provided through the FSP to school districts and charter schools does not change for attendance in dual credit or non-dual credit courses. Therefore, the same rate of funding would be attributable to attendance in dual credit and non-dual credit courses.

In addition to the FSP, TEA was provided \$14.6 million in the current biennium for the Texas Advanced Placement (AP) Initiative, with the goal of prioritizing examination fee subsidies for students. The Legislature also appropriated \$6 million for ECHS to support programs which allow students who are less likely to attend college to earn a high school diploma and up to 60 SCH. The University of Texas at Austin (UT Austin) OnRamps program was appropriated \$4 million to reimburse districts for costs related to students taking OnRamps Dual Enrollment courses. Lastly, Mr. Holladay highlighted that the Legislature appropriated \$5 million for P-TECH program costs associated with beginning the program.

Emily Schmidt, Analyst, Higher Education Team, Legislative Budget Board, provided an update on dual credit funding through higher education formulas. Ms. Schmidt stated that dual credit programs are included in formula funding calculations for General Academic Institutions (GAI) and community colleges. For dual credit SCH earned at a GAI, they are included in the Instruction and Operations (I&O) Formula and funded at the same rate as non-dual credit SCH. LBB estimates that this biennium there will be 99,615 SCH taken by dual credit students. For community colleges, dual credit contact hours are included in the contact hour formula and are also funded at the same rate as non-dual credit contact hours. LBB estimates that 26,627,398 contact hours will be taken by students this biennium.

Ms. Schmidt also listed which GAIs receive funding to support dual credit programs through non-formula support items. The first is housed at UT Austin where \$16 million was appropriated to support Texas OnRamps program. University of Texas at Arlington (UT Arlington) was appropriated \$39,227 for the biennium to house the Science Education Center to support pre-service secondary STEM teacher preparation through UT Arlington's UTeach program. Also at UT Arlington is the Mexican-American Studies program which received \$41,039 for this program. University of Texas El Paso was appropriated \$100,000 for the El Paso Collaborative for Academic Excellence for UT-El Paso, El Paso Community College and school districts to assist in preparing high school students for college. University of Texas Rio Grande Valley received \$71,697 from the state to facilitate the UT System K-12 Collaborative Initiative to promote and prepare South Texas high school students for success with a focus on dual credit outreach. Angelo State University received \$1.5 million over the biennium for the Freshman College which is designed to assist new students with transition to college and to develop a dual credit advising model for students who have completed over 15 dual credit hours from Angelo State University. The final non-formula support item was for \$100,000 this biennium and appropriated to the Spindletop Center for Excellence in Teaching Technology at Lamar University, which provides content to the SouthEast Texas Telecommunications Education Network.

David Troutman, PhD, Associate Vice Chancellor, Institutional Research & Decision Support, University of Texas System (UT System), shared the findings that UT System and Texas Association of Community Colleges (TACC) set forth when the two institutions jointly announced the creation of the Dual Credit Task Force. Dr. Troutman only surveyed students attending institutions of higher education within the UT System. Dr. Troutman stated that 39 percent of the entering freshmen class at the UT System academic institutions have some dual credit. One out of every five students have entered into a UT System institution with an AP or International Baccalaureate (IB) credit. One in every ten students have both dual credit and AP or IB credit. Dr. Troutman compared students with one to fifteen dual credit hours, 16 to 30 and 31 to 59 hours. He stated that even though the number of hours did not have an impact on retention, it did predict students's four, five and six year graduation rates.

Students with 16 to 30 dual credit hours are 1.4 times; students with 31 to 59 hours are 1.9 times; and students with 60 hours or more are 4.9 times more likely to graduate in four years than students who had taken 1 to 15 dual credit hours. Dr. Troutman stated that the key takeaway is that there is no "sweet spot" for the ideal number of dual credit hours students should take to be successful. Dr. Troutman testified that in the study, as it relates to access and equity, early data indicates that dual credit is an important contributor to successfully reaching the goals of *60x30TX*. Dr. Troutman stated that statewide equity gaps exist for certain student populations in terms of access eligibility, enrollment and participation.

Regional equity gaps exist due to geographic variance in access to programmatic models, infrastructure and faculty, proximity to institutions of higher education, and availability of funding, with some gaps being more pronounced in rural parts of the state. CTE programs have distinct equity challenges, and the quality and funding components are exacerbated because of their high costs, especially the need for qualified teacher and industry partners. Dr. Troutman stated that as it relates to funding, there is a great variance in how dual credit courses are funded across Texas and in who bears the cost, ranging from colleges, school districts, and/or parents and students. He also stated that there is a growing need to increase funding for CTE programs.

Dr. Troutman stated that the last area of findings is surrounded by the issue of course alignment. He stated that the implementation of dual credit programs differs based on agreements between institutions of higher education and school districts, and there is no statewide model of where and how most courses are taught. Dr. Troutman found that the lack of a coordinated, statewide infrastructure inhibits meaningful communication among stakeholders.

Dr. Troutman also provided many recommendations including establishing and funding a dual credit advisory committee with stakeholders from K-12, higher education, and workforce, including the TEA, the THECB and the TWC. Another recommendation is for the dual credit advisory committee to establish equity goals distinct to dual credit and in support of the targets and strategies in *60x30TX*, specifically for economically disadvantaged, African-American, Hispanic and male students. Additionally, the report recommends for high schools and institutions of higher education to align dual credit courses to endorsements, established in HB 5,

as well as Field of Study Curricula for academic transfer courses, and Programs of Study for career and technical courses. The last recommendation the report states is to require colleges to provide advising to dual credit students upon entry and at 15 SCH. Upon entry, advising should provide students with clear information on college and career paths.

Trey Miller, PhD, Principal Researcher, American Institutes for Research (AIR), provided an overview of findings from AIR's study on dual credit education programs in Texas which was conducted on behalf of the THECB. Dr. Miller stated that the study's overall findings make it clear that dual credit is a worthwhile investment for Texas high school students and the state of Texas. Dr. Miller stated that the study determined that dual credit courses increase the overall chances that students will enroll at a GAI by 2.4 percent and increase the chances that these students will earn a degree by 1.1 percent. Dr. Miller stated that based on a limited set of College Algebra and English Composition courses delivered for dual credit and college credit only, the study found that the instructors teaching dual credit courses and those teaching college credit-only courses delivered similar content and assessed students using similar metrics and standards. In the report, Dr. Miller also stated that low-income students and minority students benefitted less from dual credit education delivered in a traditional high school setting when compared with affluent and white students.

High school guidance counselors and college advisors who participated in the AIR study reported that the cost of tuition and textbooks often deters students from considering and pursuing dual credit courses. The study concluded that although many community colleges absorb all or part of the tuition costs for low-income students, some do not. Dr. Miller also noted that college advisors and high school counselors face challenges to ensure that dual credit courses taken lead to a degree at an institution of higher education. He stated that advisors and counselors lack the information needed to help ensure dual credit students can transfer credits toward major requirements. Senators Seliger, Bettencourt and West expressed concern for the methodology used that Dr. Miller presented, particularly the exclusion of ECHS in the study.

Jacob Fraire, PhD, President and CEO, Texas Association of Community Colleges (TACC), testified that when Dr. Miller and Dr. Troutman presented their findings



of each of their respective studies to TACC, they stated that there were no academic issues in regard to rigor. Dr. Fraire stated that the most important issues when it comes to dual credit courses, is the transferability of those courses to a degree plan, and the adequate advising that needs to take place in order for students to take courses that apply to a degree. He stated that there is unequivocally room for improvement with regard to advising. Dr. Fraire stated that within all dual credit students in Texas, 44 percent of them attend an ECHS.

Dr. Fraire provided recommendations from TACC with regard to dual credit. TACC's first recommendation is to create a statewide commission on dual credit, which would include the TEA, THECB, TWC, higher education and business stakeholders, ISDs, and researchers. The next recommendation would be to establish a state goal for dual credit to be by 2030, where no less than 30 percent of high school graduates will have earned at least 12 SCH in dual credit. Another recommendation is to require that dual credit students declare a meta-major or field of study upon completion of 12 SCH in core academic subjects or declare a career path upon completion of 12 SCH in CTE.

TACC also recommends to broaden dual credit access by expanding student eligibility for the Texas Education Opportunity Grant (TEOG) program to high school students enrolled in dual credit for up to 12 SCH in core academic transfer subjects or in CTE dual credit courses leading to certification. Dr. Fraire recommends the state continue academic dual credit access for high school sophomores, juniors and seniors who demonstrate college readiness.

Robert Riza, PhD, President, Clarendon College, testified on the successes of Clarendon College's dual credit program. He stated that in the spring of 2014, the headcount at Clarendon College was 338 students and this year it is at 739 students. President Riza noted that Clarendon College's graduation rate of dual credit students that finish a bachelor's degree in four years or less is at 39 percent and that the five-year graduation rate is 49 percent. He testified that academic advising is driven by the core curriculum, not only at Clarendon College but also for the institution's dual credit courses. Clarendon College's three-year transfer graduation rate, predominately to Texas Tech University and West Texas A&M University, is 70 percent.

President Riza stated although there are no ECHS in the eastern panhandle, the impact of HB 505 is tremendous. HB 505 has allowed some ISDs to create pathways to allow some of their students to finish with an associate's degree while still in high school. For example, due to HB 505 Clarendon College has had 28 students complete a CTE certificate last year while they were still in high school. President Riza stated that their dual credit headcount has increased 225 percent over the last five years, while SCH has increased 250 percent.

Elizabeth Ozuna, Director of Advanced Academics, San Antonio Independent School District (SAISD), provided an overview of SAISD's demographics and how it relates to dual credit programs that are offered at SAISD. Ms. Ozuna stated that SAISD has three ECHS, two of which are standalone campuses and one that is housed at a comprehensive high school. Ms. Ozuna stated that SAISD has a growing AP program, with over 30 courses that are currently offered to students. Ms. Ozuna also testified that 80-90 percent of students attending SAISD's free-standing ECHS, earned an associate degree prior to completing high school. At SAISD's comprehensive ECHS, 85 percent of those students are on track to earn an associate degree as well. SAISD partners with three Alamo Community College campuses to offer dual credit and CTE dual credit.

Additionally, SAISD partners with University of Texas at San Antonio (UTSA) to offer dual credit courses and college pathways to allow students to transfer seamlessly from their high school course plan to their major. Ms. Ozuna gave two examples, describing how dual credit hours transfer to the construction management degree and bilingual education degree at UTSA. Ms. Ozuna stated that about 26 percent of SAISD students take one or more dual credit courses, and 80 percent of those students earn passing grades. Ms. Ozuna stated SAISD's cost sharing model with their higher education partners is an expensive investment for the district because SAISD pays for tuition, fees and books for their dual credit students.

Israel Cordero, Deputy Superintendent Academic Improvement and Accountability, Dallas Independent School District (DISD), gave an update on DISD's partnership with Dallas County Community College District (DCCCD) as it relates to HB 505 in creating the P-TECH program in Dallas. Mr. Cordero stated that this partnership's main goal is to help propel Texas to achieve the goal of

60x30TX. Mr. Cordero stated that prior to two years ago, there were only five ECHS in DISD. Since the enactment of Senate Bill (SB) 22, the creation of the P-TECH program, DISD and DCCCD have created 18 P-TECH programs. Of the 23 ECHS, Mr. Cordero stated that 20 of them are within a comprehensive high school. He stated that 400 to 500 students attend each of those ECHS, and have a chance to earn both a high school diploma and associate's degree upon completing high school.

Mr. Cordero noted the structure of the P-TECH program, where the independent school district, the community college and an industry partner come together to offer relevant work experience. Mr. Cordero stated that DISD and DCCCD have 67 industry partners including American Airlines, IBM, Southwest Airlines, and Baylor, Scott & White. The industry partners sign inter-local agreements stating that when the students earn their associate degree, they have preferential interview status. Mr. Cordero stated that American Airlines has 28 full time employees that are located at Adamson High School to support students with mentoring, work-site visits, internships to ensure students take part in the opportunities American Airlines has to offer.

Each P-TECH school has two to seven industry partners. Mr. Cordero stated that, through scholarships, DCCCD pays for tuition for the ECHS students and DISD pays for textbooks. Mr. Cordero then highlighted the Dallas County Promise, which enables students to enter into a contract with DISD and DCCCD at participating high schools to give them three years of tuition scholarships at community colleges within DCCCD if the students fill out the Free Application for Federal Students Aid (FAFSA). Students may also matriculate to a four-year institution, primarily the University of North Texas at Dallas, where they may earn a bachelor's degree at no cost. Mr. Cordero testified that last year 31 high schools in DISD participated in the Dallas County Promise.

Kai Bouchard, Principal, Robert Turner Career College and High School (Turner), Pearland Independent School District (PISD), gave an overview of the school and the efforts that PISD is pursuing to help students earn an associate's degree while in high school. Principal Bouchard stated that the high school's demographics are 40 percent white, 40 percent Hispanic, eight percent Asian, and eight percent African American, with approximately 37 percent of students that are eligible for

free or reduced lunch. Principal Bouchard testified that each high school student in the district has the choice to either attend a comprehensive high school for which they are zoned, or they are able to apply to Turner.

Turner offers fifteen specialized CTE pathways, in addition to the dual credit program. Principal Bouchard stated that Turner is currently at full capacity and 80 to 90 students earn their associate degree in general studies from Alvin Community College each year. Last year, of the 233 seniors that graduated from Turner, 44 percent earned more than 30 SCH through dual credit and 30 percent of graduates earned more than 60 SCH and their associate degree. Alvin Community College sends their faculty to teach on Turner's campus to teach all of the 28 dual credit classes offered. Principal Bouchard stated that the success of the program is partly due to an on-campus, full-time advisor at Turner that is an Alvin Community College advisor.

Principal Bouchard highlighted that the best part of the dual credit program is the relatively low cost of tuition paid by the student because classes are taught on the high school campus, where students pay approximately \$170 per course. By the time students graduate from Turner, they have paid less than \$5,000 for an associate degree. Principal Bouchard also emphasized the 15 CTE pathways that Turner offers. He testified that each of the pathways offer at least one certification once a student completes the CTE sequences. Last year, students at Turner tested for over 40 different credentials and earned 661 industry credentials. Students use these credentials for internship opportunities or the ability to start a career upon graduating from high school.

Lonnie Howard, PhD, President, Lamar Institute of Technology (LIT), discussed LIT's partnership with Beaumont ISD and the creation of an Industry Cluster Innovative Academy (ICIA). President Howard stated that this model is the next iteration of the ECHS model. He also said that in southeast Texas, since the economy is driven by the petrochemical industry, there is a large need for qualified, skilled workers. Due to such a need, in 2017, Beaumont ISD's Austin Innovation Center for Petroleum and Refining Academy (Austin Innovation Center) was one of the first of 18 ICIA's with a cohort of 40 students. Beginning in the 9th grade, students can earn up to 21 SCH of a 60 SCH Process Operating Technology degree or up to 25 SCH of 60 SCH for a Instrumentation Technology

degree. Due to strong industry partnerships with ExxonMobil, BASF, Huntsman, and Air Products, students at the Austin Innovation Center may connect with experts for internships. President Howard testified that after earning a certificate or two-year degree, students have the capacity that obtain entry-level salaries in excess of \$70,000. He also stated that the ICIA model helps to change student's lives, meets the needs of business and industry, and drives the state's economy.

Steve Head, PhD, Chancellor, Lone Star Community College System, provided an overview of dual credit taken at Lone Star College (LSC) and the impact of HB 505. Chancellor Head stated that LSC educates 16,000 students through dual credit courses. Additionally, LSC charges \$63 per course offered. Chancellor Head testified that LSC enrolls less than 300 ninth and tenth grade students in dual credit and has found that even though some ninth and tenth graders are mature enough to take college-level courses, while some are not.

In LSC's service area there are 61 high schools, ten ECHS and the completion of one P-TECH facility. Chancellor Head also discussed strategies that LSC has implemented to help dual credit students earn credit that is applicable to a degree. First, LSC helps students have a specific plan for their courses to create a pathway so they know where they are going and how to get there. LSC also maintains high standards for all students and instructors to ensure dual credit students are prepared to attend an institution of higher education after high school. Lastly, LSC builds strong relationships with partner school districts.

Chancellor Head provided the committees with recommendations to support dual credit success. His first recommendation was that students should be provided a clear plan of the courses they need in order to complete their post-secondary credential which also outlines their opportunities for transfer to a four-year institution or the workforce. He also recommended creating specific advising milestones along a student's pathway to credential completion. Additionally, he recommended that ISDs and community colleges improve dual credit communication with students and families to enable informed decisions. The last recommendation he provided is to expand ECHS model for under-represented student populations.

Senator Bettencourt provided committee members with data on the impact of SB 1004 from the 84th Legislative Session, relating to courses and programs offered jointly by certain public junior colleges and independent school districts. SB 1004 allowed the Houston Independent School District (HISD) and other school districts in Harris County, and surrounding counties, to contract with any of the 10 community college districts in the region to provide dual credit programs. Senator Bettencourt noted that there has been a 45 percent increase in dual credit enrollment at Houston Community College, 54 percent increase at Lee College, a 40 percent increase at Lone Star College and 70 percent increase at San Jacinto College.

Mike Meroney, Texas Association of Manufacturers, testified on the importance of dual credit, specifically CTE for the benefit of many large employers in the state. Mr. Meroney stated that the Association of Manufacturers support policies that encourage Texas' public education and higher education systems to better align with the diverse workforce needs of employers. He also testified on the importance of data-sharing of workforce opportunities to students, parents, advisors, counselors, teachers and administrators. Mr. Meroney highlighted the importance for the state to have a fair and transparent public school accountability system that does not diminish or de-emphasize CTE. Mr. Meroney stated that there also needs to be a significant improvement in advising to better ensure students are taking the correct dual credit and CTE courses that lead to a degree or certification.

Daniel P. King, PhD, Superintendent, Pharr-San Juan-Alamo Independent School District (PSJAISD), discussed the ECHS model success that PSJAISD has developed. Superintendent King stated that at all high schools in the district, students are able to earn their associate degree while in high school. He testified that this model focuses on building career pathways "to and through" postsecondary completion and that PSJAISD employs districtwide pathways aligned to degree plans and certifications, and students are able to be enrolled in specialized programs that are clustered at various high schools. Superintendent King stated that in 2007 the four year graduation rate was 62.4 percent, and in 2017 it was up to 91.5 percent.

He then discussed PSJAISD's comprehensive approach to advising, which is centered around the Student Success Team. Within the Student Success Team, all

PSJAISD high school counselors are certified by the National Academic Advisory Association. A positive result of the close relationship PSJAISD has with South Texas College (STC) allows the ISD's counselors to be trained by STC staff which makes them better able to advise on the college level. Also within the team are Early College Directors, who receive training from STC faculty and are placed at each high school who are also a financial aid officer. This partnership helps take some of the college advising burden off of the high school counselors. There is also a college transition specialist at each high school to help the student transition during their senior year and during the summer to reduce "summer melt," where seniors do not then matriculate into college, and to support them to and through their first year of college.

Finally, the STC high school programs and services division as well as student affairs division work hand in hand with PSJAISD. Superintendent King stated that the PSJAISD college transition specialist has an on-campus office at local colleges or universities to allow students who choose to attend the ability have a sense of familiarity. In 2017, PSJAISD graduated 2051 students, 70 percent of which had some dual credit or CTE earned, 50 percent had 12 to 29 SCH, 30 percent had 30 to 59 SCH earned, 16 percent had more than 60 SCH, 15 percent earned an associate's degree and ten percent earned a certificate.

Melanie Storey, Senior Director, Higher Education & Student Aid Policy, The College Board, gave an overview on the AP program in Texas. Ms. Storey stated that the AP program serves 318,000 students in Texas, 100,000 more students than those enrolled in dual credit courses. The College Board convened a College Credit in High School Working Group to equip policymakers and program leaders to promote and invest in the most effective advanced coursework. The working group identified three primary pillars to address a strong college credit high school program. The pillars include: program quality and accountability, value for time and dollars invested, equity and access and transparency around credit transfer. Ms. Storey stated that dual credit programs and AP share the same goal of delivering opportunities for students to get a head start on their college education. Ms. Storey referenced the AIR Dual Credit Education Study that found that students who enroll in AP and dual credit, experience the largest gains in postsecondary success. Since the passage of HB 1992 in 2015, Ms. Storey testified

that colleges and universities grant college credit with a score of 3 or better which this has translated to over \$265 million in total tuition savings for students in 2017.

Leticia Adams, Team Lead-Advising, San Antonio College, Alamo Community College District, provided an overview of best practices on advising at San Antonio College (SAC) and Travis ECHS in San Antonio. Ms. Adams stated that the faculty collaborate frequently between SAC and Travis ECHS, where SAC faculty is specifically selected to teach at Travis ECHS. Another beneficial practice is to ensure a caseload management of one dedicated SAC Certified Advisor is assigned to each Travis ECHS cohort. She testified that advisors give progress reports for students on academic probation to prevent academic dismissal. SAC created a modified degree plan with the goal to obtain an associate degree, but if they do not, they are moved into a certificate program to ensure the student earns a credential. The modified degree plan allows SAC to concentrate on the courses that the students were taking and to ensure that students are on track to graduate.

SAC has developed a three-step intervention process to ensure student accountability and to take necessary steps to get student back on track the subsequent academic semester when necessary. SAC has also created individualized advising cards to ensure the students are enrolled in accurate coursework. Ms. Adams recommended students be required to identify their college major and transfer institution earlier in the academic process, implement more in-depth advising of chosen endorsement and to collaborate development of specific "boot camps" tailored to each grade level.

Jennifer Saenz, MEd, Associate Director of Strategic Partnerships and Outreach, Texas OnRamps, University of Texas at Austin, provided an overview on the dual enrollment that UT Austin offers, as well as the professional development that it provides to educators across the state. Ms. Saenz stated that the Texas OnRamps mission is to increase the number and diversity of high school students that are engaged in high quality learning experiences which align with the expectations of leading institutions. Ms. Saenz stated that the Texas OnRamps model is significantly different than the traditional dual credit programs that are offered at most high schools.



The Texas OnRamps program is a dual enrollment program that offers students two separate courses, with two separate instructors, and two separate grades for the courses. This model ensures that students are being held to the same standard as traditional college students at UT Austin, with the same high rigor and quality courses. Texas OnRamps offers courses that are designed and overseen by UT Austin faculty who partner with high school teachers to deliver the courses. Texas OnRamps currently offers 13 core curriculum courses. Additionally, Texas OnRamps provides high quality professional development and deploys strategic partnerships, namely the Dual Credit Innovation Collaborative, to help facilitate the communication between other institutions of higher education to ensure student success. In 2011-12, Texas OnRamps enrollment was at 166 students enrolled. This year, there are 30,192 students enrolled in Texas OnRamps and 53 percent of those currently enrolled are first generation students. Since the 2012-13 academic year, 11,700 students earned college credit that was transferrable to other institutions of higher education.

John Fitzpatrick, Executive Director, Educate Texas, submitted written testimony on policy recommendations to improve dual credit programs in Texas. Mr. Fitzpatrick testified that studies demonstrate that students who take dual credit courses outperform those that do not at a rate of 2.4. Mr. Fitzpatrick recommended the state require ISDs and institutions of higher education that partner with one another create common practice and terminology for high school counselors and college advisors related to dual credit and college readiness. He also recommended creating a map of the endorsements offered and dual credit courses that fit within those endorsements. Included in this map should be tools to assist counselors, students and families in endorsement and dual credit course selection. He also recommended the Legislature encourage the use of the elements of the TEA ECHS blueprint.

Additionally, he recommended to align dual credit courses to endorsements established in HB 5, FOSC for academic transfer courses and Programs of Study for career and technical courses. His last recommendation submitted was to require colleges to provide advising to dual credit students upon entry and 15 SCH. At 15 SCH, advising should include a map of the courses necessary to complete a postsecondary credential in a timely and affordable manner, and the map should not exceed the maximum number of transferable SCH.

Dee Carney, on behalf of the Texas School Alliance, submitted written testimony on five policy recommendations regarding dual credit. The first recommendation was to establish and fund a dual credit advisory committee that includes representatives from K-12, higher education and workforce, as well as TEA, THECB, and TWC. The goal of the committee is to develop policy solutions to address issues identified in the Report of the Dual Credit Task Force, organize and analyze relevant dual credit data, and coordinate and policy and programs in helping achieve the goals of *60x30TX*. The next recommendation submitted by Texas School Alliance was that THECB and TEA should provided disaggregated dual credit participation data to school districts and institutions of higher education with the goal of assisting in identifying and measuring opportunity and making clear any achievement gaps. Texas School Alliance also recommends to increase CTE funding for equipment, faculty training and workforce alignment to provide students with hands-on experiences, access to most up-to-date equipment, and professional development and collaboration with industry experts and employers.

Another recommendation provided was for ISDs and institutions of higher education to align dual credit courses to endorsements established in HB 5, as well as academic transfer courses and Programs of Study for CTE courses in order to provide greater clarity about how many and what types of courses students will need to complete a postsecondary degree or credential. The last recommendation provided by Ms. Carney was for THECB, TEA and TWC to create a variety of online and print resources for counselors, students, and families that clearly communicate the types of dual credit, eligibility requirements and the cost and benefits of participating in dual credit programming to ensure equal access to information about dual credit.

As the joint hearing easily demonstrated, there are many methods of providing dual credit across the state. Equally, there are numerous programs that provide innovative ways to increase student success as well as initiatives to partner with workforce partners and four year institutions. A key component to the testimony and data provided was the role of advisors and counselors who assist students in making very important, but complicated decisions, about the most beneficial dual credit courses to a students' goal of completing a workforce credential or postsecondary degree.

### **Recommendations**

- 1) The Legislature should consider authorizing a study or survey to determine the cost of dual credit to institutions of higher education, independent school districts, as well as students and families, including contact hour, success point and property tax revenue support.
- 2) The Legislature should require students to file a degree plan upon completion of 15 SCH of academic or career and technical dual credit earned and incentivize additional advising for dual credit students.
- 3) The Legislature should study and evaluate whether CTE dual credit provides workforce certification pathways when possible.
- 4) The Legislature should consider requiring TEA and THECB to develop a map of HB 5 endorsements which best align to individual dual credit courses, including Fields of Study Curriculum for academic dual credit and Programs of Study for CTE dual credit, in an effort to better inform students.

## *Charge Seven -- Monitoring*

Monitor the implementation of legislation addressed by the Senate Higher Education Committee and make recommendations for any legislation needed to improve, enhance and/or complete implementation. Specifically, receive updates on construction of facilities as a result of tuition revenue bonds authorized during the 84th Legislative Session, as well as the development and implementation of the Texas OnCourse program, authorized during the 84th Legislative Session and monitor the following:

- SB 2118 (85th) relating to authorization by the Texas Higher Education Coordinating Board for certain public junior colleges to offer baccalaureate degree programs.
- HB 2205 (84th) relating to the State Board for Educator Certification, educator preparation programs, educator certification, issuance of certain teaching permits, and certain procedures for investigating educator misconduct.
- SB 887 (85th) relating to a requirement that certain participating institutions under the student loan program administered by the Texas Higher Education Coordinating Board provide loan debt information to certain students.
- SB 802 (85th) relating to a study and report regarding best practices in the transfer of course credit between public institutions of higher education.
- SB 810 (85th) relating to open educational resources.
- HB 2223 (85th) relating to developmental coursework offered by public institutions of higher education under the Texas Success Initiative.

## Testimony

The Senate Higher Education Committee heard testimony regarding this charge on August 22, 2018. The hearing included invited testimony from the following persons:

- Julie Eklund, PhD, Assistant Commissioner, Texas Higher Education Coordinating Board
- Harrison Keller, PhD, Deputy to the President for Strategy and Policy, University of Texas at Austin
- Rex Peebles, PhD, Assistant Commissioner, Texas Higher Education Coordinating Board
- Katherine Thomas, MN, RN, FAAN, Executive Director, Texas Board of Nursing Examiners
- Richard Rhodes, PhD, President, Austin Community College
- Ryan Franklin, Associate Commissioner, Educator Leadership & Quality, State Board for Educator Certification
- Ginger Gossman, Senior Director, Texas Higher Education Coordinating Board
- Christopher Murr, PhD, Director of Financial Aid and Scholarships, Texas State University, Texas Association of Student Financial Aid Administrators
- Rex Peebles, PhD, Assistant Commissioner, Texas Higher Education Coordinating Board
- Monica Martinez, Associate Commissioner, Standards and Programs, Texas Education Agency
- Jerel Booker, Assistant Commissioner, Texas Higher Education Coordinating Board
- Warren Nichols, PhD, President, College of the Mainland
- Dr. Cynthia Ferrell, PhD, Vice President, Texas Success Center

### **Findings/Analysis**

As legislation is introduced and rules are adopted, it is important that the state continue to monitor the implementation to ensure legislative intent and purpose are consistent with implementation. The Senate Higher Education Committee had the opportunity to be provided an update on various impactful pieces of legislation, other programs and progress of tuition revenue bond (TRB) capital projects.

Julie Eklund, PhD, Assistant Commissioner, Texas Higher Education Coordinating Board (THECB), provided an overview of TRBs authorized by the 84th Legislature. Dr. Eklund stated that 68 projects were authorized totaling \$3.1 billion, with an annual debt service of \$240 million. She also stated that of those 68 projects, 40 were at general academic institutions, 13 at health related institutions, three at Lamar State Colleges, four at Texas State Technical Colleges and two at university systems. Dr. Eklund testified that over 11.8 million gross square feet will be completed or is under construction as a result of the TRBs. Additionally, 41 TRB projects have leveraged over \$1 billion from other funding sources including the Permanent University Fund and Higher Education Fund proceeds, designated tuition, unexpended plant funds, private gifts and other local funds. Chairman Seliger stated that these new projects will help the state meet the goals of *60x30TX* by adding capacity and allowing at least 108,000 additional students to be served at the state's public institutions.

Harrison Keller, PhD, Deputy to the President for Strategy and Policy, the University of Texas at Austin provided an update on the Texas OnCourse program. Texas OnCourse was established by HB 18 from the 84th Legislature with the goal of ensuring all Texas students have a clear plan for success after high school. Dr. Keller discussed how Texas OnCourse has developed a community of counseling experts who are able to provide a different personalized level of support for educators across the state. Dr. Keller stated that the work of Texas OnCourse is organized into three different strategies. The first strategy is through the OnCourse digital platform for educator professional development and the network of nearly 50 counselors and advisors who serve as Texas OnCourse Leader Fellows. The second strategy is focused on allowing middle and high school students to make better postsecondary decisions by engaging in curated online modules. Lastly,

Texas OnCourse has partnered with the Governor's tri-agency workforce initiative to improve college and career planning.

Dr. Keller testified that Texas OnCourse serves nearly 9,700 counselors, advisors and other educators. Over 2,500 schools participate in 850 independent school districts across the state. Senator West asked if Texas OnCourse has any efforts to address the lack of transferability of course credit between institutions of higher education. Dr. Keller discussed a tool called Map My Path which allows students to compare the recommended course sequences at two- and four-year institutions to help students make more informed decisions. Chairman Seliger expressed concern over students and families not being informed about scholarship opportunities that go unclaimed every year and asked Dr. Keller what Texas OnCourse is doing to address this issue. Dr. Keller stated that one of the three major elements of Texas OnCourse is to help students and counselors know how to apply for financial aid.

Rex Peebles, PhD, Assistant Commissioner, Texas Higher Education Coordinating Board, provided an update on Senate Bill (SB) 2118 that passed during the 85th Legislative Session. SB 2118 authorized public community colleges to offer baccalaureate degree programs in applied science, applied technology, and nursing upon approval by THECB. Additionally, institutions requesting to offer a Bachelor of Science in Nursing (BSN) degree must also obtain approval from the Texas Board of Nursing Examiners (BON). Dr. Peebles stated that Austin Community College and Grayson College have been granted a RN-BSN degree, Galveston College has been granted a Bachelor's of Applied Technology (BAT) in Healthcare Administration degree, and Tyler Junior College has been granted a BAT degree in Healthcare Technology and Medical Systems. He also stated that Collin College has a RN-BSN program and Odessa College has two Bachelor's of Applied Arts and Sciences (BAAS) in Leadership and Management and Automation pending approval before THECB.

Katherine Thomas, MN, RN, FAAN, Executive Director, Texas Board of Nursing Examiners, testified that they have approved the proposals from Austin Community College and Grayson College. Ms. Thomas stated that when a community college is interested in proposing a program, they are able to submit it to both THECB and BON simultaneously. Ms. Thomas testified that when

institutions submit their proposals, BON staff determine whether the RN-BSN program would enhance the educational preparation of registered nurses by offering higher level didactic content and clinical activities beyond that previously experienced at the associate degree level.

Richard Rhodes, PhD, President, Austin Community College (ACC), testified on the process by which ACC was authorized to offer a RN-BSN degree. President Rhodes mentioned his appreciation to Senator Seliger and committee members for passing SB 2118. President Rhodes provided an overview of the steps ACC underwent to offer a RN-BSN degree after the legislation passed. The ACC Board of Trustees approved the program in December 2017 and submitted their proposal to both THECB and BON. The program was approved in April and February 2018, respectively. ACC then submitted their accreditation proposal to the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC).

ACC was required to submitted their candidacy proposal to the Accreditation Commission for Education in Nursing which will conduct a site visit in February 2019. The final step is approval by the U.S. Department of Education in order to allow students to be eligible for Title IV funding, including Pell Grants. President Rhodes testified that 28 students have been approved to enter into the program in the fall of 2018 and 75% of the inaugural cohort are over the age of 30. Many of the students returning have been in the workforce for more than ten years. Additionally, President Rhodes stated another benefit of the program is that students may continue to work while obtaining their BSN. President Rhodes testified that the 60 semester credit hours of upper division work will be a hybrid model of both face-to-face time in class as well as online courses. The cost of the program is about \$900 per semester or just under \$4,000 for two years. Senator Watson expressed his appreciation to Senator Seliger for his leadership in passing SB 2118.

Ryan Franklin, Associate Commissioner Educator Leadership & Quality, State Board for Educator Certification (SBEC), gave an update on House Bill (HB) 2205 from the 84th Legislative Session. Mr. Franklin testified that only 33 percent of new teacher certifications are earned through the traditional undergraduate certification route and the remainder are through alternative certification programs. Mr. Franklin stated that HB 2205 changed the composition of SBEC by



adding a non-voting member who is a representative of an alternative certification program. Mr. Franklin stated that the bill provided explicit authority for SBEC to delegate the power to informally settle educator certification contested cases, as well as provided the Texas Education Agency (TEA) subpoena authority for educator disciplinary cases. Mr. Franklin testified that there were "small bumps" during implementation of this portion of the bill but now it is working smoothly. Approximately 1,000 subpoenas were issued in 2017 and TEA is projecting about 1,400 will be issued in 2018. He stated that it is SBEC's position that all elements of the bill are being implemented properly.

Priscilla Garza, Deputy Director of Policy, Educate Texas, submitted written testimony in regard to HB 2205 from the 84th Legislative Session. Ms. Garza provided some recommendations and areas of reinforcement that are essential to ensuring effective teacher preparation. Ms. Garza stated that the addition of the teacher satisfaction survey is beneficial and allows educators the ability to provide feedback on which programs did, or did not, prepare teachers for the classroom. Educate Texas believes these surveys are critical to understanding the changes that can support and prepare teachers to be more successful. Additionally, Ms. Garza stated that while the added data collection requirements in HB 2205 aimed to differentiate between programs, greater detail is needed to provide stakeholders a more comprehensive understanding of the strengths and weaknesses of the more than 135 educator preparation programs in the state. This user-friendly data dashboard will allow future teachers to make better informed decisions when they apply to programs, as well as provide programs better information for their continuous improvement.

As it relates to Career and Technical Education (CTE), Ms. Garza commented that the reduction of certification requirements of CTE teachers needs to remain a part of the ongoing discussion. While Ms. Garza believes that HB 2205 has made it easier to hire CTE teachers, the state must decide if it values certification. The continued dilution of certification requirements sets a precedence that the state will not be able to undo. Educate Texas cautions against further reduction in requirements if the state wants to maintain standards and minimum requirements for Texas teachers. Ms. Garza stated that as a state there needs to be improvements in educator preparation and that the focus should be on putting leaders in classrooms that will stay in the profession and continue to inspire the next

generation of Texans. She stated that the state needs to do more to support teachers and to protect students that are impacted when their teacher is not effective.

Ginger Gossman, PhD, Senior Director, Texas Higher Education Coordinating Board, provided an update on SB 887 from the 85th Legislative Session. SB 887 requires institutions of higher education that receive state financial aid administered by THECB to annually provide students an electronic communication with their loan information including: an estimate of the total amount of state and federal education loans incurred by the student; an estimate of the total payoff amount, or a range for that amount including principal and interest; and an estimate of the monthly repayment amount that student may incur. Dr. Gossman stated that THECB worked with Texas Association of Student Financial Aid Administrators in October 2017 to receive feedback and information that led to drafting of the rules. She also stated that THECB adopted rules for the implementation of SB 887 in April 2018. Dr. Gossman testified that THECB staff hosted a webinar on June 4, 2018 featuring Indiana University staff, where this legislation was initially implemented, focusing on logistics of sending the letters to students. Dr. Gossman stated that THECB will be providing an optional template for institutions to use.

Christopher Murr, PhD, Director of Financial Aid and Scholarships, Texas State University, testified on the importance of making sure students are aware of how much student debt they will owe upon graduation. Dr. Murr stated that Texas State University is in the process of transitioning from the hard copy of the Annual Student Loan Debt Letter to an online tool. This will allow students to access the information throughout the year and will track the number of students who access their information and the number of repeat visits students make to the site. Dr. Murr stated that through his participation in the Texas Association of Student Financial Aid Administrators, he has had the opportunity to have conversations with his colleagues and has found that institutions are generally on track to meet the requirements of SB 887 this academic year. He also stated that this was due to the efforts of administrators and staff at institutions of higher education, the straight-forward nature of the bill's language, and the rules promulgated by THECB.

Dr. Murr also laid out some challenges that institutions face while implementing this bill such as: determining the appropriate interest rate on which to calculate

private loan repayment amounts when rates can vary from 3.8% - 14.05%; concerns about incomplete records for transfer students regarding their public and private student loan debt; conflicting information on institutional indebtedness notices; indebtedness notices reflecting state loan amounts that a student has already paid off; and Grad PLUS and consolidated federal student loans being excluded from a school's indebtedness notice to borrowers. The last scenario is due to federal loans being included only on transfer alerts and financial aid history files and not in the National Student Loan Data System (NSLDS) records that accompany an Institutional Student Information Record (ISIR).

Dr. Murr recommended that moving to a more centralized approach would benefit students by providing more accurate and comprehensive information. Higher education institutions report financial aid data to the state three times each academic year. This reporting of students' financial aid information is provided through the Financial Aid Database System (FADS) submission process. He stated that FADS stores more comprehensive student loan debt information from all institutions than any individual institution of higher education. He believes that FADS could also be further improved by having colleges and universities report the federal aggregate student loan debt data they receive from NSLDS. Dr. Murr recommended providing students a single online portal that accesses their personal student loan data from FADS. Institutions of higher education could still send electronic notices to students. Dr. Murr stated that within the notice the student could be directed via hyperlink to login to a state-managed student loan debt portal.

Rex Peebles, PhD, Assistant Commissioner, Texas Higher Education Coordinating Board, provided an update on SB 802 which passed during the 85th Legislative Session. SB 802 required THECB to conduct a study to identify best practices to ensure that courses transferred to an institution of higher education for course credit, including courses for dual credit, apply toward a degree program. Dr. Peebles stated that THECB staff is in the process of evaluating 20 articulation agreements from ten institutions. Dr. Peebles stated that while THECB gathered preliminary data, the agency realized that students who earn more dual credit hours have a higher tendency to earn excess hours. Dr. Peebles stated there is a varying degree of specificity in articulation agreements, and that the agreements often vary greatly between institutions. Senator Seliger expressed concern that as distances

between two and four year institutions increase, articulation agreements and the transfer of credit towards a degree decreases. Dr. Peebles stated that the fields of study will help identify lower division course work which can be applied to a degree plan upon transfer. Dr. Peebles testified that THECB has developed a rubric to examine articulation agreements which considers the start-and-end date, the specific courses included and whether it mandates collaboration within faculty organizations to coordinate students and academic requirements. Senator Seliger recommended that institutions be required to give a reason when a particular course or credit is denied upon transferring to an institution.

Monica Martinez, Associate Commissioner, Standards and Programs, Texas Education Agency (TEA), provided an update on SB 810 that was passed during the 85th Legislative Session. Ms. Martinez stated that the instructional materials allotment is renamed the instructional materials and technology allotment in the Texas Education Code. She stated that 14 percent of these funds are spent on technology services and the remaining 86 percent are spent on instructional materials. Senator Taylor emphasized that the name change was made to address the importance of putting technology into the hands of students as instructional tools. Ms. Martinez stated that the remaining 86 percent of allotment includes textbooks, both electronic and hard copy. Senator Taylor said the goal of this portion of the bill was to encourage school districts to make better decisions regarding the type of educational materials they choose to use. Senator Taylor also stated that the bill is intended to help better inform school districts on what they may spend the allotment.

Ms. Martinez discussed another portion of the bill which required TEA to: create an instructional materials web portal to assist school districts and charter schools in selecting instructional materials; establish procedures for publishers to submit instructional materials to the web portal; and use a competitive process to contract for the development of the web portal. Ms. Martinez testified that the web portal must include general information such as price, computer system requirements and a repository of open educational resources (OER) and electronic instructional materials.

Rex Peebles, PhD, Assistant Commissioner, Texas Higher Education Coordinating Board, also provided an update on SB 810. Dr. Peebles testified that SB 810 directs

THECB to establish a grant program to encourage faculty to adopt, modify, redesign, or develop courses that use only OER. SB 810 also directs THECB to develop a feasibility study on establishing a state repository of OER. Dr. Peebles stated that \$200,000 was appropriated for the grant program, and \$100,000 was appropriated for the feasibility study. As one of the recommendations of the feasibility study, Dr. Peebles stated that the THECB should develop an open statewide portal where existing available OER can be accessed by faculty members, students, and others. Additionally, Dr. Peebles stated there is no need to start this project from the beginning, but recommends working with OER Commons or Texas Digital Library to develop and maintain such a portal.

THECB restricted the initial grant program offering to only include courses that are in the core curriculum and has received 41 applications. THECB has submitted an Exception Item Request in the agency's FY 2020-2021 Legislative Appropriations Request to include \$250,000 for the development of an OER Repository. THECB also requests one FTE using an existing resource and \$200,000 for the OER grant program which would fund additional grants to faculty for the development of OER course materials.

Jerel Booker, Assistant Commissioner, Texas Higher Education Coordinating Board, provided an update on HB 2223 which passed during the 85th Legislative Session, relating to developmental coursework offered by public institutions of higher education under the Texas Success Initiative. Mr. Booker stated that HB 2223 requires institutions of higher education to provide a certain percentage of developmental education coursework through a co-requisite model where a student concurrently enrolls in a developmental education support and a freshman-level course in the same subject area. Mr. Booker also stated that the bill established a timetable whereby 25 percent of each institution's developmental education students must be enrolled in co-requisite courses in the 2018-19 academic year, 50 percent in the 2019-20 academic year and 75 percent in the 2020-21 academic year. Mr. Booker testified that THECB adopted rules for HB 2223 implementation and institutions appear to be on track to meet or exceed the first-year requirement. The Legislature provided funding to support scaling effective strategies that promote systemic developmental education success, including co-requisite models. THECB has awarded 18 grants to institutions which range from \$44,000 to \$384,000 depending on the number of students served. Institutions anticipate

serving nearly 40,000 underprepared students across the state. Mr. Booker testified that THECB continues to provide statewide opportunities for professional development, webinars, conferences, technical assistance and documents to support the implementation of HB 2223.

Warren Nichols, PhD, President, College of the Mainland, provided an overview on the success of the co-requisite model that the College of the Mainland executes. The College of the Mainland implemented a co-requisite model before it was required by HB 2223. President Nichols discussed their "Finish Faster" initiative where all students who are entering the College of the Mainland take the Texas Success Initiative Assessment (TSI-A). Prior to the "Finish Faster" initiative, students who received low scores in English and math were required to take and pass a developmental education course before enrolling in a college credit course. The co-requisite model allows the developmental course to act as a tutor for the college course. The College of the Mainland schedules the courses to allow students to take two classes back-to-back where often the same instructor teaches both classes. He stated that with few exceptions, students requiring developmental courses were required to enroll in a co-requisite pairing, resulting in 81 percent of all developmental students enrolled in the co-requisite model for Fall 2018.

Dr. Cynthia Ferrell, PhD, Vice President, Texas Success Center, provided insight on what the Texas Association of Community Colleges is doing to enhance professional development with regards to HB 2223. Dr. Ferrell said that Texas Success Center hosted regional meetings across the state to help community colleges implement the co-requisite model. Dr. Ferrell testified that some community colleges face implementation challenges when developing course content in support of math and English college-level courses. Other challenges that are present when implementing HB 2223 include: effective and efficient co-requisite advising and placement; co-requisite implementation, acceleration and scaling; scheduling and logistics of course offerings; as well as fostering buy-in and building an institutional culture at community colleges supportive of the co-requisite model.

### **Recommendations**

- 1) The Legislature should continue to monitor the implementation of SB 2118, relating to authorization by the THECB for certain public junior colleges to offer baccalaureate degree programs.
- 2) The Legislature should seek ways to provide incentives to institutions to adopt more Open Educational Resources as a way to reduce the cost of attendance for students at institutions of higher education.
- 3) As it relates to SB 887, the Legislature should not require institutions of higher education to provide private loan data information as this causes a burdensome regulation on smaller institutions that do not have adequate resources to collect this data.
- 4) The Legislature should consider expanding Texas OnCourse to include social-emotional learning modules.