

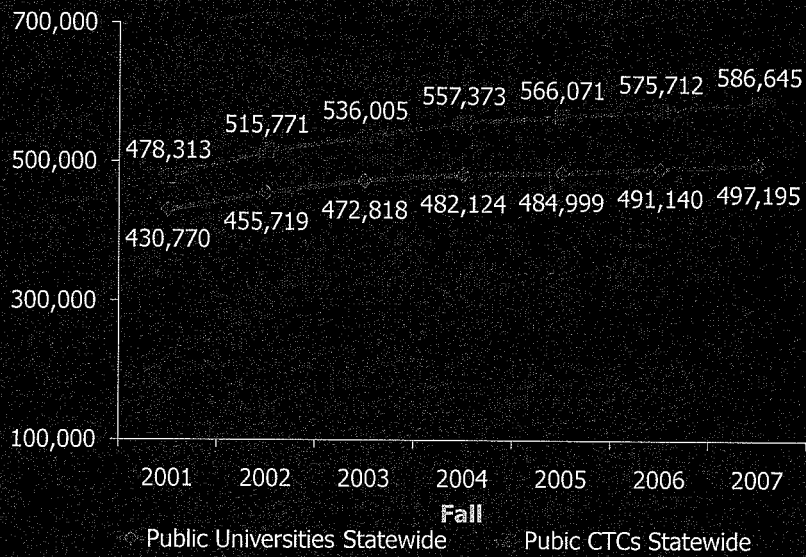


# Community Colleges: A Critical Component of Closing the Gaps

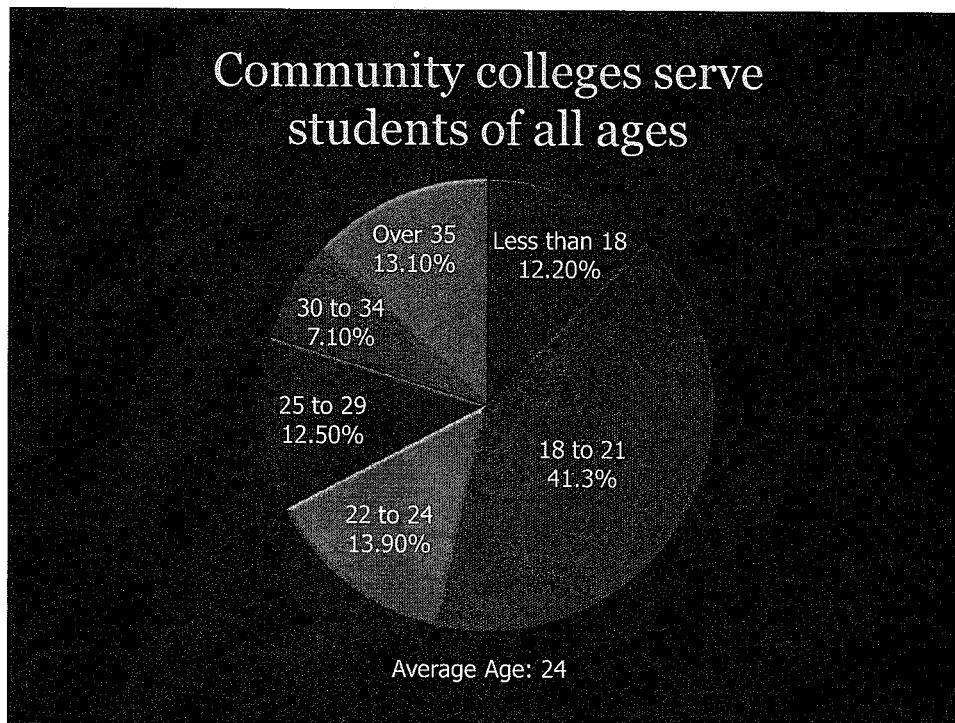
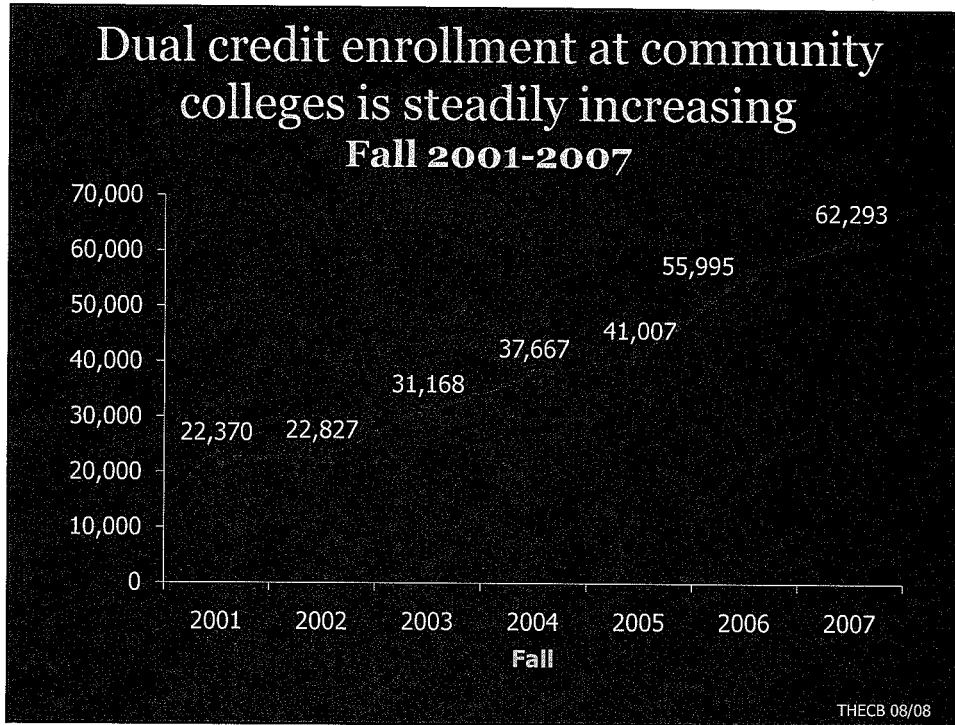
August 20, 2008

Presentation for the Senate Finance  
Subcommittee on Higher Education

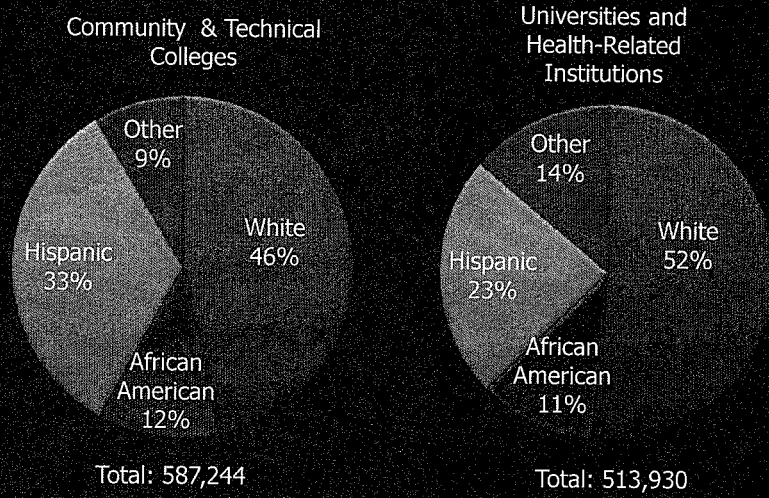
Statewide, total enrollment has been increasing,  
particularly at community and technical colleges



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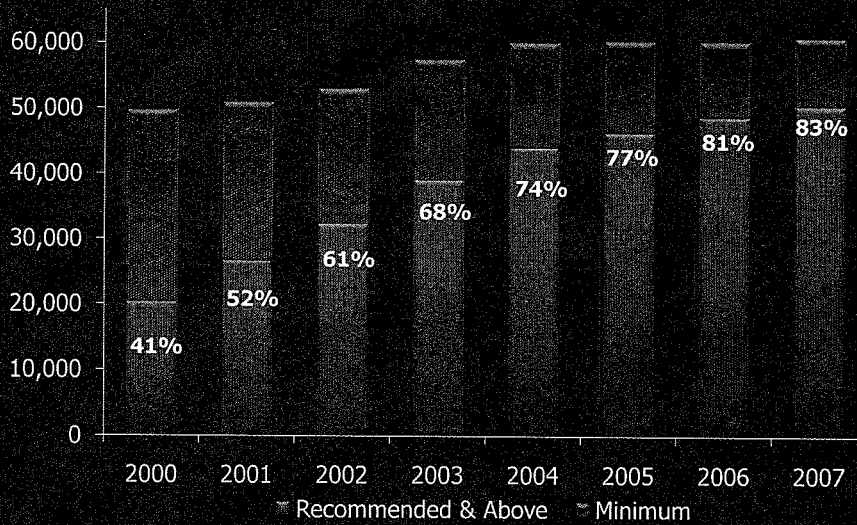


## Community colleges enroll more students Fall 2007

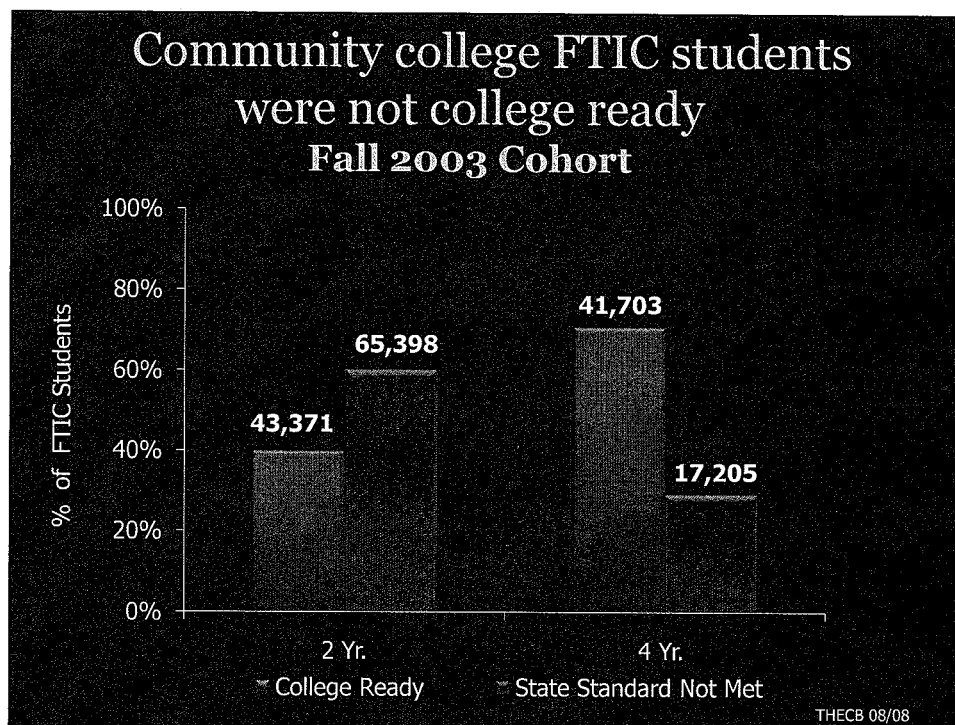
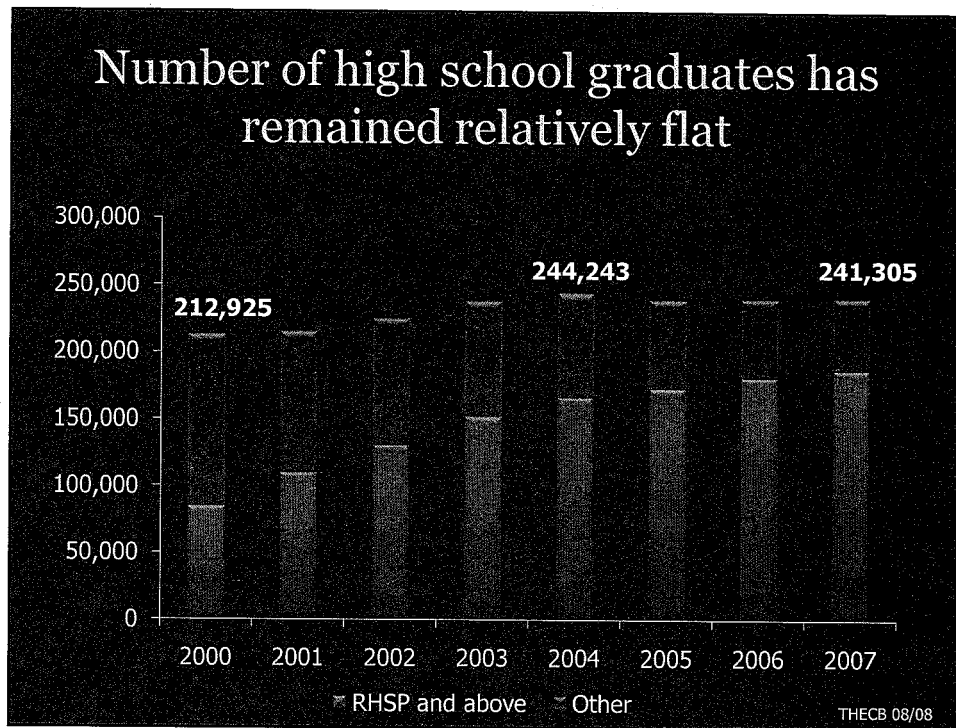


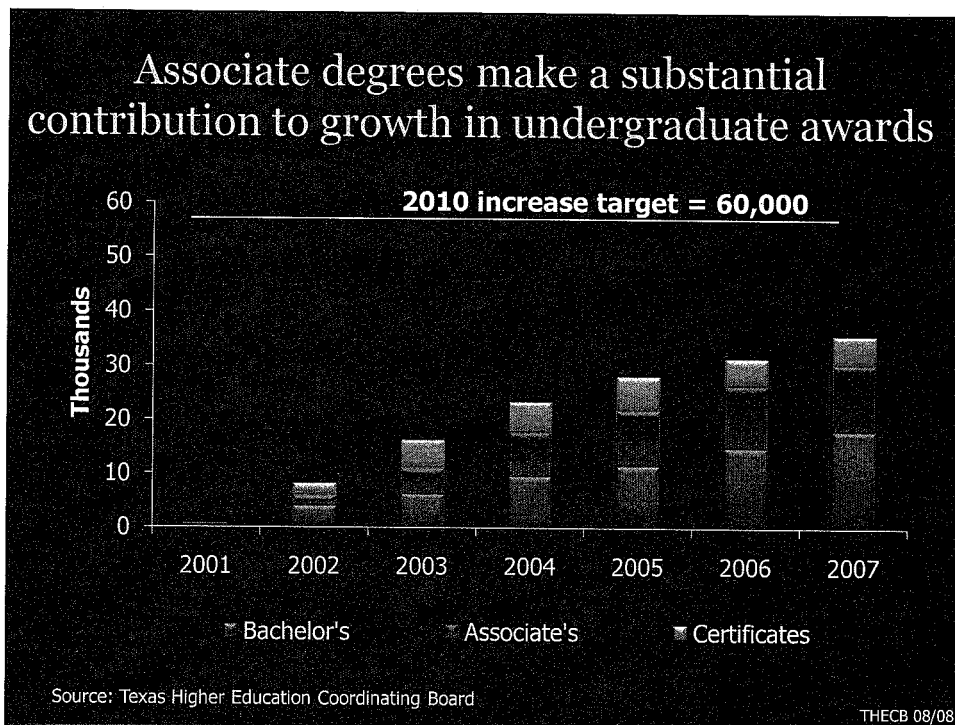
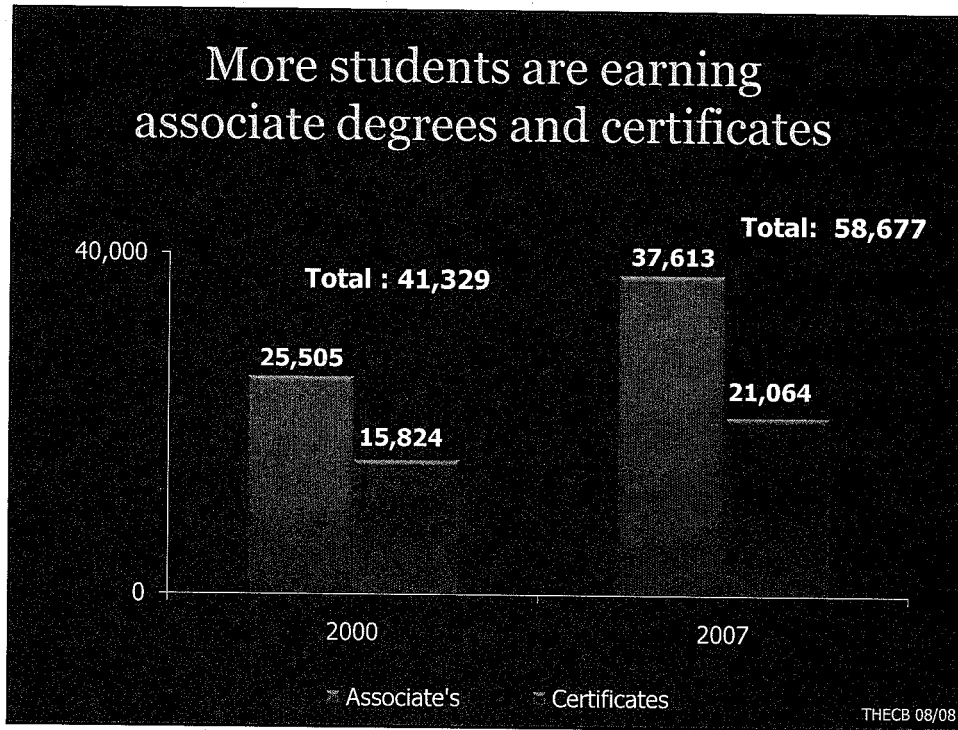
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## More high school graduates entering with the R.H.S.P.



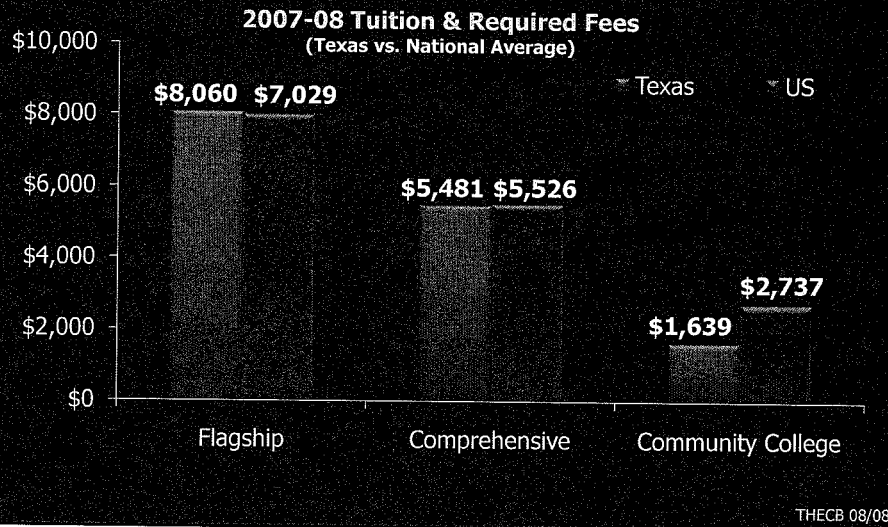
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Source: Texas Higher Education Coordinating Board

## Tuition at community colleges remains relatively low compared to other institutions



## Funding at higher levels is critical

### Formula Funding Recommendations for Community and Technical Colleges 2010-2011 Biennium

- Proposed biennial total: \$2.62 billion
- Overall increase from 2008-2009 biennium: \$807.3 million
- Change from 2008-2009 biennium: 44.6 percent

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## Funding at higher levels is critical

### Formula Funding Recommendations for Community and Technical Colleges 2010-2011 Biennium

- Significantly increase base funding by \$668 million to fund the formula at 100% of the median cost level minus tuition and fees
- Phase-in completed contact hours over 4 years contingent on a minimum funding increase of \$400 million

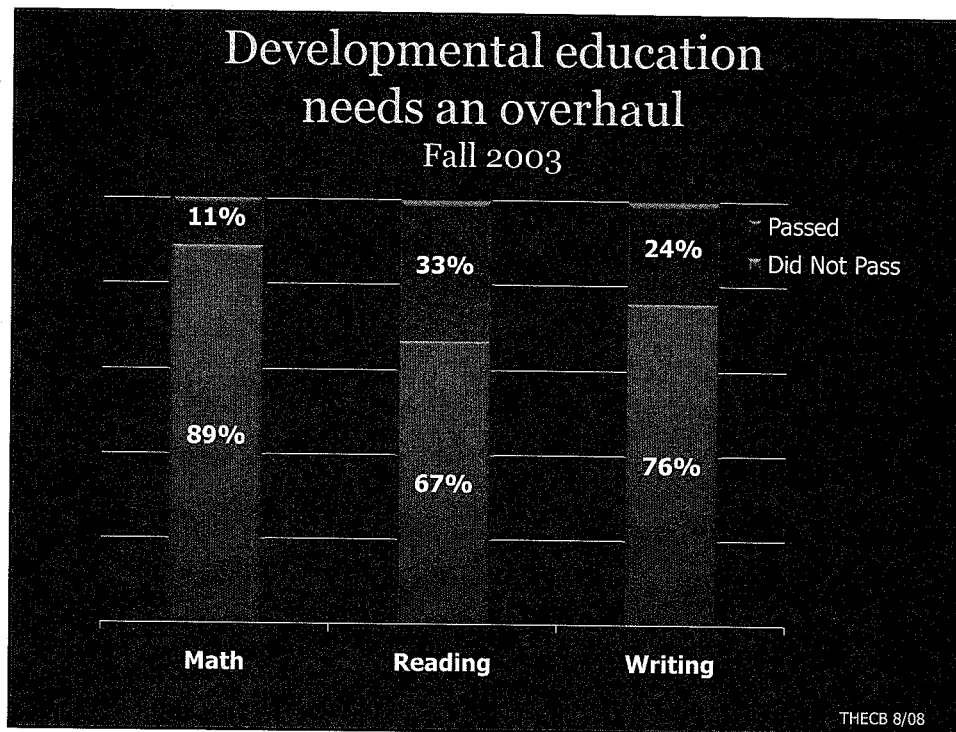
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## Funding at higher levels is critical

### Formula Funding Recommendations for Community and Technical Colleges 2010-2011 Biennium

- \$100 million for performance based funding
- \$4.5 million in trustee funding for alternative teacher certification programs
- \$4.8 million in small institution supplement funding
- \$30 million trustee for developmental education funding

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### Community college funding has not kept pace with enrollment growth

	FY 2000	FY 2007	Percent Change
<b>Formula Appropriations</b>	<b>\$723.9M</b>	<b>\$808.3M</b>	<b>12%</b>
<b>Enrollment</b>	<b>431,934</b>	<b>568,760</b>	<b>32%</b>
<b>FTSE</b>	<b>310,010</b>	<b>393,399</b>	<b>27%</b>
<b>Funding/FTSE</b>	<b>\$2,335</b>	<b>\$2,055</b>	<b>(12%)</b>

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## Local taxing concerns

- Seven community colleges have reached or are approaching their maintenance & operations cap or total tax cap  
(total tax cap is sum of Maintenance and Operations rate and debt service rate)
- The state has traditionally paid for most instruction but community colleges are increasingly using their local tax revenue
- Some community college districts have an insufficient tax base to fund their operations

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## Funding the Texas Educational Opportunity Grant is top priority (two year college program)

- Financial aid is the #1 priority in the Coordinating Board's legislative appropriations request for 2010-2011 biennium
- Only 4 percent of eligible students currently receive TEOG
  - Additional \$193.6 million will make TEOG available for an additional 98,425 students, at least 33 percent of eligible students
- TEOG is a need based program (no merit component proposed)

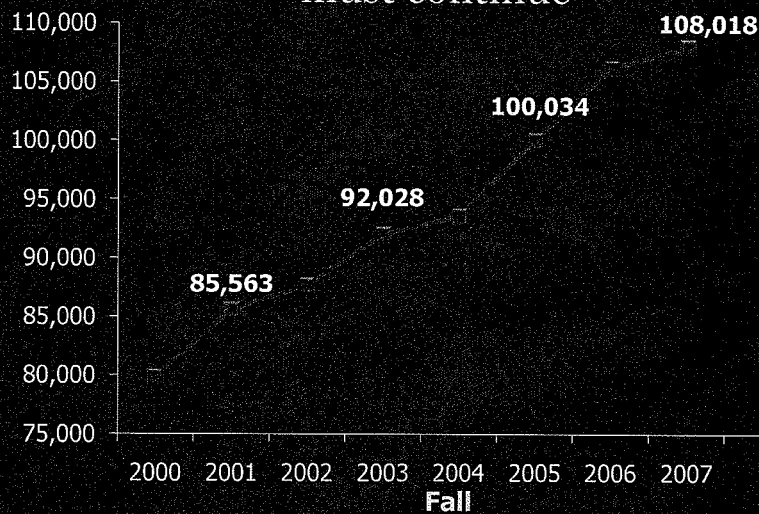
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## College to university transfer is critical

- Transfer helps fulfill the *Closing the Gaps* goals; need seamless transfer with minimum loss of courses
- Transfer Success Summit brought stakeholders together to create recommendations for successful transfer initiatives
  - Facilitate post-transfer award of associate degrees
  - Adjust accountability systems to recognize shared success
  - Guarantee that financial aid follows the successful transfer student
- Aligning curricula for transfer-oriented AA and AS degrees could help students earn credit that will apply to their baccalaureate degrees

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## Increases in community college students transferring to Texas universities must continue



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## Best practices/ Innovation

**El Paso Community College** – Accuplacer in high schools

**Austin Community College** - *College Connection*

**San Jacinto College** - Retention Initiative

**Alamo Community College District** – *Pathways Project*

**Early College High Schools**

**Required study skills course for all entering students**

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## Community colleges are critical in Closing the Gaps

- Significant increases in state funding is necessary to meet enrollment growth and the need for financial aid
- Transfer rates must be increased through cooperation between four-and two-year institutions and incentives for community colleges
- Implementation of innovative developmental education programs is vital

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