



Outline of Testimony

*Senate Finance Subcommittee
on Higher Education*
August 20, 2008

Raymund A. Paredes
Texas Commissioner of Higher Education

Texas Community Colleges: A Critical Part of Closing the Gaps

I. Closing the Gaps review re: Community Colleges

a. Participation: Enrollments

- Enrollments at community colleges continue to climb at a faster pace than those at public universities. Currently, community and technical colleges enroll 53.3 percent of the public higher education student population in Texas.
- Dual credit enrollments in community colleges have risen significantly in the past seven years. In fall 2000, the dual credit enrollment was approximately 4 percent of total enrollments and increased to 11 percent by fall 2007.

b. Success: Certificates, degrees, transfers

- The number of associate degrees and certificates awarded has increased substantially. For example, the number of Associate of Arts degrees has increased 52 percent in six years.

c. Cost of attendance

- Community colleges in Texas have done a good job in holding down costs. National average for tuition and fees

at community colleges is about \$2,700, and in Texas it is only about \$1,600. To maintain this, however, adequate funding is critical.

II. Funding issues

- a. Formula funding for community colleges relative to FTE students has gone down relative to enrollment
- b. Formula recommendations for next biennium (2010-2011)
 - Board emphasizes three critical areas:
 - Outputs vs. inputs
 - Sufficient base funding
 - Performance funding
- c. Base formula funding for community and technical colleges
 - 100percent of rates from the FY 2007 Report of Fundable Operating Expenses less tuition which would be an increase of \$668 million. Funding based on completed contact hours (to be phased in over 4 years) contingent on a minimum funding increase of \$400 million.
- d. Performance funding recommendation
 - Provide \$100 million in performance funding to include success achieved in critical fields. Awards would be based on the number of degrees and certificates awarded, and transfers to universities.
- e. Developmental education recommendation
 - Community colleges teach 86 percent of all developmental education hours.
 - Challenge of preparing students for workplace or for transfer is significant when 60percent of students in community colleges are deemed not college ready.
 - Virtually all developmental education is currently course-based, but some of the more promising initiatives are non-course based (service communities, learning labs, tutoring, etc.).
 - Board requests \$30 million in trustee funds for non-course based developmental education: \$20 million directly to institutions based on delivery plans submitted

to the Board; \$10 million in grants based on RFPs for innovative programs.

- f. Alternative teacher certification funding recommendation
 - The teacher shortage continues, yet community colleges do not receive any funding for alternative certification programs – the students must pay the full cost.
 - Board recommends \$45 million in new funding for alternative teacher certification programs.
- g. Small institution supplement recommendation
 - Community colleges do not receive same level of small institution supplement even though they face the same issues as small universities.
 - Board recommends such a supplement for community colleges with less than 1 million contact hours and requests funding of \$6 million for this purpose.
- h. Other funding issues: local taxing capacity
 - Community colleges dependent on local taxes, but five have reached their cap for local taxes.
 - Fifteen of current community college districts no longer meet the statutory criteria for minimum assessed property value established in 1985.

III. Financial Aid / TEOG

- a. Financial aid is top priority in the Coordinating Board's legislative appropriation request for 2010-2011 biennium.
- b. Within financial aid, the Coordinating Board's top priority is the Texas Education Opportunity Grant (TEOG) which is for students attending community college.
- c. Even though the Coordinating Board is evaluating stronger merit requirements for TEXAS Grant recipients, staff recommends that this approach not be applied to TEOG. Community colleges have an important role to play as a pathway for underprepared students.
- d. Current funding of \$14 million for biennium is woefully inadequate given the fact that the vast majority of students will begin postsecondary educations at community colleges.

- e. Only 4 percent of eligible students currently receive TEOG and the Board recommends raising this to at least 33 percent of eligible students.
- f. Additional \$193.6 million for the 2010-2011 biennium will make TEOG available for additional 98,425 students.

IV. Career and Technical Education (CTE) and Transfer Issues

- a. CTE important to workforce; more entering students meet CTE goals than transfer goals.
- b. CTE becoming more complex, requiring more expense for equipment and expertise.
- c. Cannot overlook need for academic programs for CTE students who likely will need to further education in the future; academic programs also need strengthening to facilitate transfer.
- d. Transfer helps fulfill Closing the Gaps goals; need seamless transfer with minimum loss of courses; sometimes courses transfer, but are not applicable to student's major.
- e. Community colleges and universities both are taking transfer more seriously. Indicative of this, for instance, is the creation of a new position at the University of Texas at Austin for Vice Chancellor for Community College Partnerships. Collaboration of chancellors and presidents at a summit on transfer earlier this year resulted in numerous recommendations such as:
 - Facilitate post-transfer award of associate degrees
 - Adjust accountability systems to recognize shared success (i.e., both the community college and university get credit for success of a transferred student)
 - Guarantee that financial aid follows the successful transfer student

V. Best Practices / Innovation

Community colleges are involved in numerous promising initiatives to improve student readiness, participation, retention, and success. Those that are successful need to be recognized and replicated across the state.

- a. *El Paso Community College*: Gives high school juniors the Accuplacer placement exam and develops programs to provide

developmental education particularly for those students who are just below the cut score to place out of developmental education.

- b. *Austin Community College: College Connection* partners with local school districts to encourage all high school graduates to submit an application for their local community college.
- c. *San Jacinto College: New initiative* starts this fall to help students stay in college. Students are contacted by phone about two weeks into the semester, about four weeks later, before mid-terms, and before finals to check on their progress. Students are asked how they are doing in their courses and whether they are attending class. If the students need help with a course or if there are other issues that would hinder them from successfully completing their courses, the callers used scripted responses to tell the students where to go for assistance. Work study students are employed to make the calls.
- d. *Alamo Community College District: The Pathways Project* is designed to improve the successful transition of students from course to course and has two components. Students' performance in courses is tracked and analyzed as they move through successive courses in a discipline. This data is used by teacher-faculty vertical teams who discuss curriculum of individual courses and align content for successful transitions in four fields of study.
- e. *Early College High Schools:* Provide outreach, curricula, and student learning and support programs for students who attain the college Recommended or Advanced High School Program diploma and up to two years of college credit simultaneously.