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James has higher education administration and research experience spanning twenty years. He joined the Legislative Budget Board on 12/1/05 as an analyst on the Higher Education Performance Review team. He served as manager of that team from 3/1/06 to 9/21/09, before joining the new Applied Research and Performance Audit team.

James previously toiled at the Texas Higher Education Coordinating Board in planning and accountability, P-16 research and assessment of college-readiness, institutional effectiveness of community colleges, collection and analysis of postsecondary student/faculty/course data, and servicing of student loan accounts. Earlier, he conducted a two-year social science research project at U.T. Austin.

James' educational credentials consist of an A.A.S. (DCCCD North Lake College), a B.S. in Experimental Psychology (U.T. Arlington), and a M.Ed. in Higher Education Administration (U.T. Austin). He is active in the Texas Association for Institutional Research, as well as the Texas Association of Collegiate Registrars and Admissions Officers.

His personal interests include golfing, biking, and hiking.

Senate Higher Education Committee  
Chair Senator Judith Zaffirini  
August 19, 2010

Interim Charge #6: Review the structure and operation of the Texas Higher Education Coordinating Board. Evaluate the board's data collection systems, including costs to higher education institutions, and make recommendations for improvements. Include an assessment of higher education reporting requirements and make recommendations to eliminate duplicate requirements and streamline reporting.

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*Promoting Efficiency and Reducing Reporting Requirements for Texas Public  
Institutions of Higher Education (2007)*

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LBB and THECB

SB 1226, 79th Session 2005

LBB and THECB should study the reporting requirements of higher education institutions resulting from state law, THECB rules, or other state agencies' rules for duplication, inefficiency and lack of necessity.

2004 List of Reporting Requirements

<u>Topic of Report</u>	<u>Requiring Agencies</u>
Multiple	Governor's Office, LBB, THECB
Financial	CPA, Auditor, AG, TEA
Human Resources	CPA, ERS, TWC, Auditor, etc.
Facilities	GLO, Building Comm., Bond Review, TCEQ, TDH
Other	DIR, TSL, SOS, DPS, TABC, etc.

LBB/THECB Survey of Institutions

	<u>No. of Individuals</u>	<u>No. of Institutions</u>
Total	269	79
Community/Technical Colleges	73	43
Health-Related Institutions	22	9
Universities	74	27

Primary Survey Questions for 79 THECB Reports and 52 Reports of Other Agencies

- Effort required producing the report?
- Perceived value of the report to the institution?
- Probability of producing similar information in absence of mandate?
- Additional comments requested

Evaluation Methodology

- Word answers converted to numeric values ("very high" = 5 to "very low" = 1)
- Numeric values were averaged and reconverted to words
- The perceived value of the report was compared with effort required

Survey Results for 61 THECB Reports

- 15 have “very high” or “high” perceived value: of these, 6 are finance-related and 5 concern academic issues.
- 22 have “low” or “very low” perceived value: 10 of these concern financial aid.
- 11 have a low perceived value-to-effort score: 5 of these are finance-related reports, 3 concern academic issues, and 3 are related to financial aid.

Recommendations Based upon Derived Effort/Value at the Institution

- low effort/low value eliminate, unless agency can justify value
- medium effort/low value eliminate, unless agency can justify value
- high effort/low value eliminate, unless agency can justify value and improve efficiency
- low effort/high value continue without changes
- medium effort/high value continue without changes
- high effort/high value institutions and agency should improve efficiency

Top 4 Reports Rated as Low Value and High Effort

<u>Report Name</u>	<u>Continue if not Required</u>
Integrated Fiscal Report System	Low
Uniform Recruitment & Retention Strategy	Medium
Financial Aid Database System	Medium
Texas Success Initiative Report	Medium

Comments Received

- Greater institutional input and sufficient notice
- Access to databases not available locally requested
- Updated data submission procedures
- Use latest industry standards
- Duplication of data collection in Financial Aid Database System

Survey Observations

- Duplication across reports in a category (i.e. human resources, Equal Employment Opportunity, Office of Civil Rights, and finances)
- Questionable value of reports that monitor institutions of higher education by a non-regulatory agency. Consider conversion of those requirements to analyses of program effectiveness and/or fiscal efficiency.

THECB Action on Problematic Reports

- Integrated Fiscal Report System: ?
- Uniform Recruitment & Retention Strategy: THECB staff altered to align with Closing the Gaps
- Financial Aid Database System: Institutional Advisory Committee working on since September 2006
- Texas Success Initiative Report: report was altered with institutional input

Additional Concerns

- Value of reports may not be sufficiently communicated to those producing reports
- Lack of coordination between preparing and receiving agencies
- Reporting changes are costly to institutions and may outweigh value of change

TSLAC Report of Reports

- Add reports from LBB/THECB survey
- Identify overlap between agencies
- Affirm need/value for receiving agencies
- Publish before each Legislative Session

Improve Procedures at Agencies

- Designate agency committee and lead contact
- Produce accurate inventory
- Justify value of each requirement
- Estimate effort to meet each requirement
- Maximize value and minimize effort for everyone
- Share common data summaries
- Rely upon advisory committees
- Recommend changes to riders in Legislative Appropriations Request

State-Level Review

- Establish sunset process
- Identify future information needs
- Develop performance metrics
- Target overlap between agencies
- Share guidelines or best practices

## Conclusion

- This report alone will not improve the efficiency and effectiveness of reporting.
- All reporting requirements must be subjected to a continuous or periodic process of scrutiny and institutional input.
- Initial improvements should be targeted at areas with high need for information and high effort to produce that information.
- Increased demand for information may be related to the goals of effective management and transparency for consumers.
- Increased efficiency in meeting that demand may be realized through standardization and centralization via electronic systems.
- However, increased efficiency may prompt increased demand. Also, centralization may decrease flexibility and responsiveness. Thus, cost avoidance must be balanced with the cost of change.

## **LBB Suggestions for Improved Procedures at Agencies Requiring Reports**

Increase the scope of the Texas State Library and Archives Commission's Report of Reports to include:

- all reports identified in the LBB survey and any new requirements;
- identification of overlap between agencies;
- affirmation of need/value by receiving agencies;
- publication of the Report of Reports in advance of each Legislative Session.

Improve procedures at agencies receiving required reports to:

- designate a committee of staff with agency-wide responsibility and authority for efficient and effective data/information collection and dissemination;
- designate one primary contact person to communicate the efforts of the committee and lead staff responsible for each report regarding the following;
- produce an accurate inventory of reports required by the agency;
- justify the purpose, need, use, timing, accuracy-level, aggregation-level, and value of each report/element after a review of comparable sources;
- estimate the effort (in annual cost and FTE employees) and difficulty for all agencies/institutions to meet each reporting requirement;
- improve existing reporting to increase efficiency and effectiveness, eliminate duplicate requirements, enhance clarity and standardization, and employ appropriate information systems.
- evaluate proposed reports/elements (and ad hoc requests) against the four criteria listed immediately above, as well as existing reporting requirements;
- develop a more transparent method of disseminating information including a common data set of information routinely provided to interested parties;
- rely upon input from advisory committees of affected professionals regarding reduction of reporting effort while maximizing value of the information;
- submit recommendations in the Legislative Appropriation Request to delete or revise pertinent riders requiring reports, if indicated by the reporting review.

Establish a continuous state-level strategic review of all agencies' reporting procedures and requirements including:

- an ongoing periodic sunset process attached to each reporting requirement, similar to the Federal Paperwork Reduction Act, or attached to each agency for existing reporting requirements, informed by the recommendations in the Texas State Library and Archives Commission's Report of Reports;
- coordinated, systematic, proactive identification of the future information needs of the state;
- development of performance metrics to hold agencies accountable for efficient and effective reporting requirements;
- targeted efforts to reduce any duplication resulting from overlap between agencies; and
- identification and sharing of guidelines or best practices for efficient and effective reporting requirements.

Source: ***Promoting Efficiency and Reducing Reporting Requirements for Texas Public Institutions of Higher Education*** (THECB and LBB, April 2007), pages 11-12, available at <http://www.thecb.state.tx.us/reports/pdf/1348.pdf>.



### Timeline of State-Level Related Activities

- 1994-2004 *Required Reports Prepared by State Agencies and Institutions of Higher Education* (Comptroller of Public Accounts).
- 1996 Recommendation to expand reporting to increase transparency and accountability for Community Colleges (*Disturbing the Peace*, Texas Performance Review, Comptroller of Public Accounts, available at <http://www.window.state.tx.us/tpr/tpr4/c1.ed/c115.html#fn12>).
- 1999 Require that state agencies shall make each report required by law available to members of the legislature in an electronic format (House Bill 1016, enacted by the 76th Legislature, and codified as Section 2052.0021, Government Code, available at <http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2052.htm#2052.0021>).
- 2000 Recommendation to create a clearinghouse for information and technical assistance on electronic reporting (*e-Texas*, Texas Performance Review, Comptroller of Public Accounts, available at <http://www.window.state.tx.us/etexas2001/recommend/ch01/eg05.html>).
- 2000 Recommendation to ease reporting requirements on cities and counties (*e-Texas*, Texas Performance Review, Comptroller of Public Accounts, available at <http://www.window.state.tx.us/etexas2001/recommend/ch03/gp04.html>).
- 2004 Public universities and health science centers annually submit 258 reports costing \$34 million for one million hours of labor. An additional 160 reports were uncorroborated, so the total cost and hours of labor are unknown. (*2004 Survey of State Reporting by Texas Colleges and Universities*, prepared for the Council of Public University Presidents and Chancellors by the Texas Association of State College and University Business Officers).
- 2005 Recommendation to move the *Report of Reports* from the Comptroller of Public Accounts to Texas State Library and Archives Commission (Eliminate Unnecessary Reporting Requirements for State Agencies, *Staff Performance Report*, Legislative Budget Board, pages 1-3, available at [http://www.lbb.state.tx.us/Performance%20Reporting/Staff\\_Performance\\_Report\\_79th\\_0105.pdf](http://www.lbb.state.tx.us/Performance%20Reporting/Staff_Performance_Report_79th_0105.pdf)).

- 2005 Require Texas Higher Education Coordinating Board and Legislative Budget Board to “study each reporting requirement imposed on an institution of higher education by state law, including by board or other state agency rule, to determine if any of those requirements are duplicative, inefficient, or unnecessary” (Senate Bill 1226, Seventy-ninth Legislature, Regular Session, available at <http://www.legis.state.tx.us/BillLookup/Text.aspx?LegSess=79R&Bill=SB1226>).
- 2005 *Report of Reports* due June 1, 2007 from the Texas State Library and Archives Commission, with the assistance of the Comptroller of Public Accounts (Library & Archives Commission Rider 8 - Report of Reports, *General Appropriations Act*, Seventy-ninth Legislature, page I-72, available at [http://www.lbb.state.tx.us/Bill\\_79/8\\_FSU/79-8\\_FSU\\_0905.pdf](http://www.lbb.state.tx.us/Bill_79/8_FSU/79-8_FSU_0905.pdf)).
- 2007 Suggest continuation of the *Report of Reports*, improvement of procedures at agencies requiring reports, and establishment of a continuous state-level review (*Promoting Efficiency and Reducing Reporting Requirements for Texas Public Institutions of Higher Education*, Texas Higher Education Coordinating Board and Legislative Budget Board, available at <http://www.theccb.state.tx.us/reports/pdf/1348.pdf>).
- 2007 Rather than the approximately 400 reports identified by the Comptroller of Public Accounts, this report lists over 1,600 (*Required Reports Prepared by State Agencies and Institutions of Higher Education; Fiscal Year 2007*, Texas State Library and Archives Commission, available at [http://www.tsl.state.tx.us/slrn/publications/state\\_reports2007.pdf](http://www.tsl.state.tx.us/slrn/publications/state_reports2007.pdf)).
- 2007 Proposed repeal or consolidation of certain reports (House Bill 2443, sent to Calendars, available at <http://www.legis.state.tx.us/BillLookup/Text.aspx?LegSess=80R&Bill=HB2443>).
- 2007 Include statement of implementation of data sharing standards in Strategic Plans for state agencies that provide social services, mental health services, substance abuse services, or health services (House Bill 921, enacted by the 80th Legislature, and codified as Section 2054.096(a), Government Code, and Chapter 109, Health and Safety Code, Subchapter B, available at <http://www.statutes.legis.state.tx.us/Docs/HS/htm/HS.109.htm#109.051>).

2007 Require the Comptroller of Public Accounts to ensure that the uniform statewide accounting project includes enterprise resource planning (House Bill 3106, enacted by the 80th Legislature, and codified as Section 2101.001, Government Code, available at <http://www.legis.state.tx.us/BillLookup/Text.aspx?LegSess=80R&Bill=HB3106>).

ProjectONE, formerly known as Texas ERP (Enterprise Resource Planning), is led by the Comptroller of Public Accounts. Higher Education would operate under a decentralized processing model as data reporting “hubs.” They would interface into the Statewide Data Warehouse platform and their transactional data would interface into the new ERP system.

2007 *Report of Reports* due January 1, 2009 from the Texas State Library and Archives Commission, with the assistance of all agencies (Library & Archives Commission Rider 8 - Report of Reports, *General Appropriations Act*, Eightieth Legislature, page I-75, available at [http://www.lbb.state.tx.us/Bill\\_80/8\\_FSU/80-8\\_FSU\\_1007.pdf](http://www.lbb.state.tx.us/Bill_80/8_FSU/80-8_FSU_1007.pdf)).

2009 Recommend abolishing 318 reports, and either consolidating 58 others or producing them less frequently (*Required Reports Prepared by State Agencies and Institutions of Higher Education; Fiscal Year 2009*, Texas State Library and Archives Commission, available at [http://www.tsl.state.tx.us/slrn/report2009/state\\_reports2009.pdf](http://www.tsl.state.tx.us/slrn/report2009/state_reports2009.pdf)).

2009 Proposed repeal of certain reports (Senate Bill 2245, referred to Committee on Higher Education, available at <http://www.legis.state.tx.us/BillLookup/Text.aspx?LegSess=81R&Bill=SB2245>).

2009 *Report of Reports* due January 1, 2011 from the Texas State Library and Archives Commission, with the assistance of all agencies (Library & Archives Commission Rider 7 - Report of Reports, *General Appropriations Act*, Eighty-first Legislature, page I-73, available at [http://www.lbb.state.tx.us/Bill\\_81/6\\_FSU/Bill-81-6\\_FSU\\_0909.pdf](http://www.lbb.state.tx.us/Bill_81/6_FSU/Bill-81-6_FSU_0909.pdf)).

By January 1, 2011, the Texas State Library and Archives Commission, with the assistance of all agencies, shall prepare a complete and detailed written report indexing all statutorily required reports and providing detail about the preparing agency, title of report, legal authority, due date, recipient, and a

brief description. The report shall provide indexes by (1) preparing agency, (2) title of report, and (3) report recipient, and the detail section shall be arranged by preparing agency. This report shall include an assessment from each receiving agency for each statutorily required report affirming or denying its continued usefulness to that agency. This report shall be provided to the Governor and the Legislative Budget Board and be made available to the public.