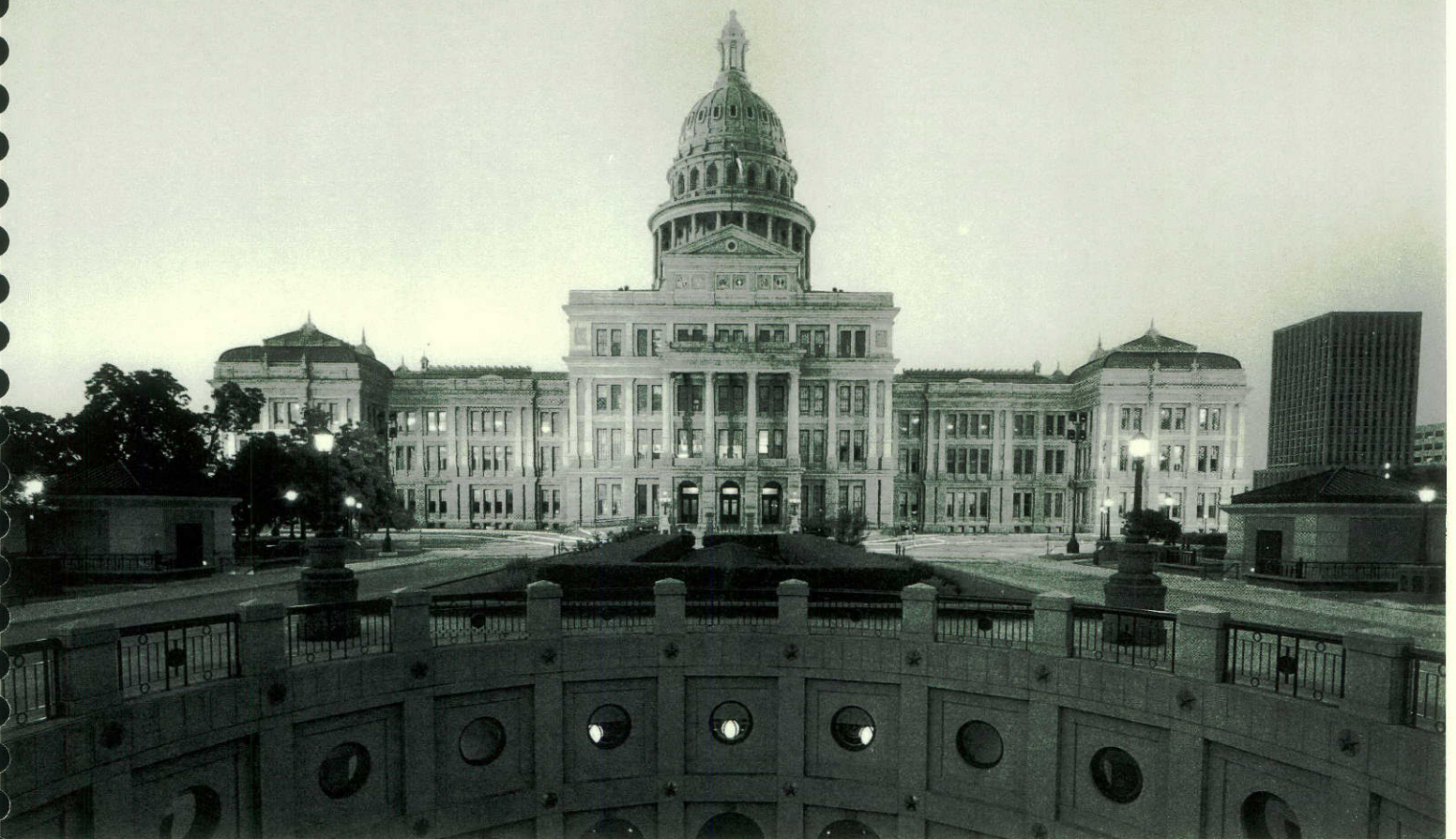


# INTERIM REPORT

*to the 85<sup>th</sup> Texas Legislature*



HOUSE COMMITTEE ON  
HIGHER EDUCATION



JANUARY 2017



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**HOUSE COMMITTEE ON HIGHER EDUCATION  
TEXAS HOUSE OF REPRESENTATIVES  
INTERIM REPORT 2016**

**A REPORT TO THE  
HOUSE OF REPRESENTATIVES  
85TH TEXAS LEGISLATURE**

**JOHN ZERWAS, M.D.  
CHAIRMAN**

**COMMITTEE CLERK  
CAMERON COCKE**

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Committee On  
Higher Education

January 4, 2017

John Zerwas, M.D.  
Chairman

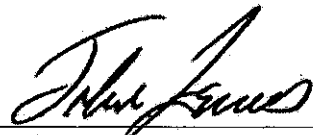
P.O. Box 2910  
Austin, Texas 78768-2910


The Honorable Joe Straus  
Speaker, Texas House of Representatives  
Members of the Texas House of Representatives  
Texas State Capitol, Rm. 2W.13  
Austin, Texas 78701

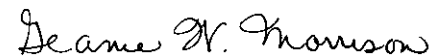
Dear Mr. Speaker and Fellow Members:

The Committee on Higher Education of the Eighty-fourth Legislature hereby submits its interim report including recommendations and drafted legislation for consideration by the Eighty-fifth Legislature.

Respectfully submitted,

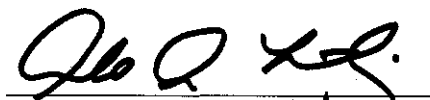
  
John Zerwas, M.D., Chair

  
Donna Howard, Vice Chair

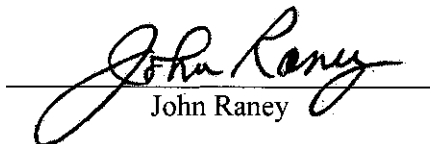
  
Geanie Morrison

  
Roberto R. Alonzo

  
Myra Crownover

  
Armando "Mando" Martinez

  
Chris Turner

  
John Raney

  
Travis Clardy

Donna Howard  
Vice-Chairwoman

Members: Geanie Morrison, Roberto R. Alonzo, Myra Crownover, Armando "Mando" Martinez, Chris Turner, John Raney, Travis Clardy

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## House Committee on Higher Education

### Committee Membership and Interim Study Charges

The Honorable Joe Straus, Speaker of the House of Representatives, appointed nine members of the 84th Legislature to serve on the House Committee on Higher Education. The following members were named to the committee: Chairman John Zerwas, Vice-Chairwoman Donna Howard, Representative Geanie Morrison, Representative Roberto R. Alonzo, Representative Myra Crownover, Representative Armando "Mando" Martinez, Representative Chris Turner, Representative John Raney, and Representative Travis Clardy.

Pursuant to House Rule 3, Section 16 (84th Legislature), the Committee has jurisdiction over all matters pertaining to:

1. education beyond high school;
2. the colleges and universities of the State of Texas; and the following state agencies: the Texas Engineering Experiment Station, the Texas Engineering Extension Service, the Texas Higher Education Coordinating Board, the Texas Guaranteed Student Loan Corporation, the State Medical Education Board, the Prepaid Higher Education Tuition Board, and the Texas Transportation Institute.

During the interim, Speaker Joe Straus issued seven interim charges to the House Higher Education Committee to study and make policy recommendations on key issues for the 85th Legislative Session. The committee held seven hearings with both invited stakeholders and public witnesses to provide testimony on these policy discussions. These witnesses represented a cross-section of higher education and included students, university presidents and chancellors, faculty members, higher education administrators, representatives from independent school districts, and heads of state agencies. The overarching goals of these interim charges focused on ways the legislature can continue to promote higher learning in the state by promoting greater access and opportunities at an affordable rate for all Texans.

Review the state's community college system, including a discussion of taxing districts, service areas and any barriers to access. Examine the governance structure to ensure that campuses in multi campus districts that are outside of a college taxing district receive fair and equitable treatment. Review the accounting and reporting requirements of community college districts to ensure open government and transparency. Study ways community colleges could offer accessible and affordable baccalaureate degree programs in areas where the state has a significant workforce shortage without compromising quality of education and training. Make recommendations to maximize efficient student pathways and to offer more affordable educational opportunities such as through dual credit and early college start programs.

Study the affordability and accessibility of undergraduate college education in Texas, including a

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focus on middle-class students. Analyze the cost of attendance and tuition rates, comparing Texas institutions to their national peers. Review the availability and effectiveness of financial aid programs, and analyze student debt and default rates. Study and recommend ways to promote timely and cost efficient graduation.

- Study current policies and initiatives at institutions of higher education, including community colleges, and make recommendations toward the prevention and elimination of sexual assault on college campuses. Identify, evaluate, and recommend reporting mechanisms to ensure that students have safe, appropriate, and accessible avenues for reporting sexual assault. Study the existing campus support systems in place for students who are victims of assault, and provide recommendations of best practices. Evaluate the effectiveness of current policies and make recommendations to support the prevention and elimination of sexual assault at institutions of higher education in Texas.
- Study the long-term viability of the Hazlewood Act, in particular the legacy tuition exemption provision. Review eligibility requirements and recommend changes to ensure that the program can remain solvent. Examine the costs of the program to institutions of higher education, including foregone tuition, additional infrastructure, administrative and instructional support costs, and the financial impact on nonveteran/legacy students. Analyze and report any effect changes to this program would have for veterans and their families. Review current data systems related to this exemption and recommend improvements to ensure quality and accuracy of information. (Joint charge with the House Committee on Defense & Veterans' Affairs)
- Review educational opportunities for non-traditional students, including adult learners who did not complete a secondary education credential. Recommend possible funding options to promote degree, credential, and/or certification completion. Develop recommendations to promote programs that simultaneously allow adult learners to complete degrees, credentials, and/or certifications for the purpose of promoting and increasing workforce ready graduates.

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## **Texas Higher Education Strategic Plan: 60X30TX**

Prior to the 77th Texas Legislative Session, the Texas Higher Education Coordinating Board adopted Closing the Gaps, a plan formulated to address the long term higher education needs in Texas.<sup>1</sup> The plan included four primary goals aimed at closing the gaps in participation, success, excellence, and research. The state met the plans attainment goals dramatically, due in large part to increasing African American completions by over 100 percent and Hispanic completions by over 150 percent. In the year 2000, the 6 year graduation rate for Texas and Texas universities was 49 percent and in 2015 was closing in on 60 percent. Thanks to efforts by the institutions, school districts, and stakeholders across the state, Texas met those goals and created a foundation to build on for the new strategic plan.

The 60X30TX plan lays out ambitious goals for educational attainment, completions, marketable skills, and student debt.<sup>2</sup> The aim is to help students achieve their educational goals and help the state remain globally competitive for years to come. Today, Texas' economic climate is much more diversified than it was in 2000. Once heavily reliant on the energy sector, Texas now boasts annual GDP growth in construction, health care, and technology. All this to say, the workforce needs of Texas are constantly evolving and providing the training and education opportunities to promote this growth will be a priority for the legislature.

60X30TX is entirely related to student performance, student outcomes, and readiness for the workforce. Texas needs to ensure that by the year 2030 we have at least 60 percent of our youngest cohorts of adults holding some sort of post-secondary credential. According to Georgetown University, by 2020, 65 percent of the jobs in America will require a post-secondary credential.<sup>3</sup> Currently, Texas sits at 38 percent.

The goal for completions is to graduate 550,000 students by 2030. This goal will meet the demand in the workforce and will provide a well-educated workforce that will itself attract businesses and the jobs of the future.

The third goal is graduating our students with marketable skills. As the higher education sector most immediately attuned to the workforce needs of their regions, our community colleges will play a large role in ensuring that our youngest workers have relevant, high-quality certificates and degrees. Increasing the quality and availability of information targeted to students about the transition from higher education to the workforce, including information about the transferability and alignment of skills will be a critical component.

The fourth and final goal of the plan is making sure our students completing and attaining these credentials leave school with manageable debt. As it stands, close to 50 percent of students graduating leave school with some degree of debt. Our primary goal should be to ensure that this percentage doesn't escalate. There are multiple avenues to address the consequences of debt with the students. Many of the institutions are using freshman orientation and career counseling services as effective opportunities for this discourse.

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The 84th Legislature made it a priority and funded \$715M to TEXAS Grants, an increase of \$63M used to support approximately 71,500 students per year at a \$5,000 target award.

Curtailing the levels of debt will take a collaborative approach and will require that institutions work to keep costs low, the state funds the institutions at adequate levels, and that we better inform and advise students on the consequences of debt. This will be a major challenge for the state as 60 percent of students in the K-12 pipeline fall below the poverty line. In that vein, it will be essential to find ways for economically disadvantaged families to have resources available to break the poverty cycle through the education system.

With these ambitious goals, come high expectations for all of us so that future generations of Texans will have access to better opportunities. As elected officials, we serve in a unique time period because of limited state resources and a heightened awareness of costs and barriers to access. The policy decisions we make today can and will have lasting impacts on the ability for Texas to continue to lead on a regional and global scale. This plan serves as a blueprint for the Legislature, the institutions of higher education, school districts, and the citizens of this great state. It is going to take all hands on deck in order for us to achieve the goals of 60X30TX.

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**Interim Charge 2**

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## Committee Action

The committee met on 11 February to hear testimony on the state's community college system, including: a discussion of taxing districts, service areas and any barriers to access; examination of the governance structure to ensure that campuses in multi campus districts that are outside of a college taxing district receive fair and equitable treatment and; review of the accounting and reporting requirements of community college districts to ensure open government and transparency.

Invited testimony was given by the following: Commissioner Raymund Paredes for the Texas Higher Education Coordinating Board; Betty McCrohan for Wharton County Junior College; Dr. Mary Hensley for Blinn College; Dr. Brent Wallace for North Central Texas College.

## Background

The Texas community college system is a critical pillar in our state's system of higher education, and an important contributor to our ability to meet state goals for students in higher education. With the Texas Higher Education Coordinating Board's adoption of the 60X30TX plan, community colleges across Texas will have to strengthen their efforts in order for the state to meet the four goals of: attainment, completions, marketable skills and curtailing student debt.

Currently, Texas has 50 locally governed public community or junior college districts. Some of the first community colleges were church-affiliated institutions that were later converted into public institutions.<sup>4</sup> Others were extensions of school districts that were authorized in 1929 to separate from the school districts to become independent institutions. The earliest community college districts were Blinn College, Clarendon College, and Saint Phillips College.

Texas public junior colleges and community college districts are two-year institutions that serve local taxing districts and service areas in Texas and offer vocational, technical, and academic courses for certification or associate degrees. They also offer continuing, remedial, and compensatory education consistent with open admissions policies, as well as counseling and guidance programs. These institutions also conduct research that is funded through private and competitively acquired sources, local taxes, and other local revenue.

Section 61.062 of the Education Code authorizes the Texas Higher Education Coordinating Board to adopt standards and policies relating to the creation, dissolution, and operation of community college districts. Section 61.063 requires the commissioner of higher education to certify colleges that have complied with the prescribed standards, rules, and regulations. Only those colleges that have been certified are eligible to receive funds from the legislature. Below are the types of junior/community college districts that may be established under Section 130.004 of the code:

- an independent school district junior college;

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- a city junior college;
  - a union junior college;
  - a county junior college;
  - a joint-county junior college; and
  - a public junior college as a part or division of a regional college district.

Sections 8.21 through 8.36, Title 19 of the Texas Administrative Code, set forth the requirements for the creation of a public community college district. That code provides that if a local group of citizens is interested in establishing a community college district, the group must appoint a steering committee of at least seven citizens to provide leadership on behalf of the proposed community college. If a proposed community college district is to be coextensive with an independent school district, the board of trustees of that school district may serve as the steering committee. The steering committee must prepare and circulate a petition requesting an election on the establishment of a community college district. The petition must be signed by not less than 10 percent of the qualified voters in the proposed district and verified by the appropriate authorities. The steering committee is then required to file a letter of intent with the commissioner of the Coordinating Board within a designated period before the Coordinating Board holds its quarterly meeting, at which time the steering committee submits the certified petition requesting approval to hold an election regarding the creation of a public community college district. The Coordinating Board must approve and authorize an election in which the district must be approved by a majority of those voting.

Section 51.352 of the Education Code, sets forth the duties and responsibilities of the governing boards of institutions of higher education, including community colleges. Community college districts are governed by a board composed of seven to nine lay members. The board is authorized to set and collect any amount of tuition, rentals, rates, charges, or fees the board considers necessary for the efficient operation of the college district, with certain exceptions. The board is required to provide policy direction for the college district and adopt such rules, regulations, and bylaws as the board deems advisable.

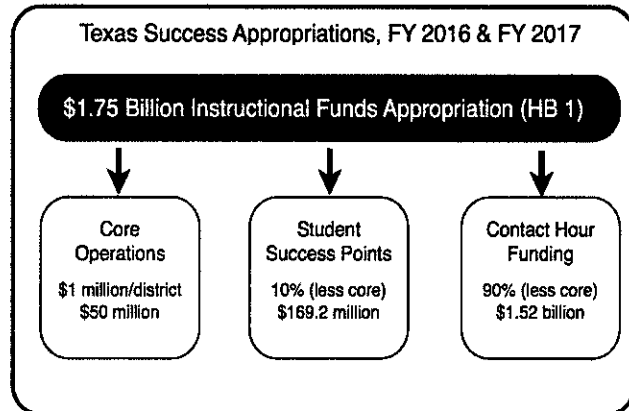
## **Service and Taxing Districts**

Texas community colleges are a highly diverse network with locally elected boards. Some districts have boards with seven members, others with nine members and can vary based on their creation. These boards are accountable to the voters because they serve and are elected locally. Each board has a unique opportunity to serve their service area and are closely reviewed by their constituents. Community colleges are governmental subdivisions and sometimes have a local taxing authority. This hasn't always been the case, but in 1929 the Legislature provided this authority. The creation and taxing authority of junior college districts is governed under chapter 130 of the Education Code. Junior College districts may be created by school boards, county commissioner courts or other local authority boards through a petition and approval by the Texas Higher Education Coordinating Board. Then it must be approved by voters including taxing authority ability. Once approved, the residents in the district pay a maintenance and operation tax set annually by the governing board. The state averages about fifteen cents per hundred dollar

valuation. That can vary from two cents to sixteen cents and varies based on the effective tax rate. Rural areas typically do not have high values and are becoming more and more dependent on student tuition and fees.

There can be significant difference between each community college and their revenue streams. As a sector of higher education, public community colleges obtain revenue from three major sources: state government, local taxpayers, and student tuition and fees.

The board of each community college district sets the institution's tuition and fee structure. Tuition and fee revenues are considered institutional funds and are not appropriated by the state. Tuition and fee rates vary by institution.



The 83rd Texas Legislature provided three revenue strategies for funding instructional programs at public community colleges (\$1.77 billion for the 2014-15 biennium):

1. Core Operations (\$500,000 each fiscal year per district; \$50 million total for the 2014-15 biennium)
2. Student Success (\$172 million for the 2014-15 biennium; 10 percent of instructional funds appropriated after first deducting the core amount)
3. Contact Hour Funding (\$1.548 billion for the 2014-15 biennium; 90 percent of instructional funds appropriated after first deducting the core amount)

Student Success funding is based on a student achievement points system. Success points are earned as students progress along a continuum from successful completion of college readiness courses to intermediate success measures to successful outcome metrics.

The students outside of the taxing district are served in the service area, which is a geographical district created by the legislature. For the most part, those students are charged an out of district fee that varies by institution. For example, Wharton County Junior College charges out of district students almost twice the amount of in-district students per semester credit hour. Service areas for community college districts were established by the 74th Legislature through Senate Bill 397. Service areas are defined as the territory outside the community college taxing districts boundaries in which the district is recognized as the provider of the first responsibility. Service areas were created for two reasons-- to prevent duplication of services or overlapping efforts by multiple community colleges and further defining the ability to offer services outside of taxing districts.

At the time, duplicate programs were being offered in some areas of the state and then in other areas, no programs were being offered. Community colleges are obligated to offer services within their territories. That doesn't mean that the college must offer all programs. If they do



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not offer certain programs, they may invite another institution through a memorandum of understanding to offer those services in their area. This is an effective way to spread limited resources and offer programs that are critical to filling workforce shortage gaps in that specific area. Service areas have changed through the years. Sometimes an area may be better served by another college and we have seen those boundary changes happen through the legislative process.

### *Challenges with Service Areas and Taxing Districts*

- About 30% of the state's residents live outside the boundaries of any community college taxing district.
- The taxing capacity of the community college districts vary greatly. Even with above average tax rates, some districts do not have a sufficient property value base to provide adequate resources to meet student educational needs.
- The geographic boundaries of community college taxing districts are not aligned with the state's demographic growth, especially the growing Hispanic population.

## **Accounting and Reporting Requirements**

Texas is home to one of the most comprehensive higher education data systems in the country. Community colleges report data to the Coordinating Board that is used in a wide variety of applications. Community college data is included in the Texas Higher Education Accountability System, which ranks institutional performance on critical measures of participation, success, excellence, research, and institutional efficiency and effectiveness.

The Coordinating Board collects contact hour data reported by the community colleges and sends it to the Legislative Budget Board in November of every even-numbered year to determine the initial formula funding allocation for the General Appropriations Act. These numbers are updated during the Legislative session to reflect the most current available data. Community colleges report to the Coordinating Board data on their student enrollment and demographics, student completion, college readiness, facilities inventories, continuing education, and financial aid awards. This data is collected through CBM Reports which define how institutions are to report their data and require institutions to certify that the data is accurate. It is important to note that for the most part, community colleges do not report their data by individual campus but rather by district. Exceptions include those community colleges where campuses are individually accredited.<sup>5</sup>

This issue arose during the 84th Legislative Session because there are a number of community colleges service areas that are significantly larger in geographic size than their taxing district. For example, Blinn College's service area encompasses all or parts of: Austin, Brazos, Burleson, Fayette, Grimes, Lee, Madison, Waller and Washington Counties and parts of Milam, Montgomery, Robertson and Walker Counties yet Blinn's taxing district is solely in Washington County. This can be an issue when colleges have multiple campuses and the tax revenue from

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one county is being used to supplement instructional support for campuses outside that district, or vice versa.

As a result, Rider 23 was introduced and passed in the General Appropriations Act during the 84th Legislative Session. The rider requires each public community/junior college to submit a report to the Legislative Budget Board no later than 1 December of each fiscal year regarding the contact hours and success points generated by each campus of the district and the amount of formula funding transferred to each campus, as well as the total tuition and fee revenue collected at each campus and the amount of any total tuition and fee revenue transferred to another campus.

## **Governance Structure**

The Texas Higher Education Coordinating Board's role in community college oversight is outlined in statute, under Texas Education Code 61.060. The authorities that the Coordinating Board exercises over community colleges is defined as: "The board shall exercise, under the acts of the legislature, general control of the public junior colleges of this state. All authority not vested by this chapter or other laws of the state in the board is reserved and retained locally in each respective public junior college district or the governing board of each public junior college as provided in the applicable laws." There are a number of specific authorities that the Coordinating Board exercises in regard to community colleges, including review and approval of all degree programs and defining reporting requirements. The Coordinating Board uses a number of avenues for engaging the community college sector. The Community and Technical College Leadership Council is a standing committee that meets quarterly and advises the Coordinating Board on matters of interest to the community colleges. These include providing legislative recommendations to the Board, identifying areas to reinforce the distinctive mission of community, technical and state colleges and providing guidance for how community college districts develop targets to meet 60X30TX.<sup>6</sup>

Since 2012, each community, state, and technical college has provided a liaison as a single point of contact to strengthen and improve communication with the Coordinating Board. These liaisons receive all communication from the Coordinating Board, and ensure that this information is effectively and appropriately distributed to the respective colleges. The Coordinating Board also works with the Texas Association of Community Colleges to understand their members' positions and concerns, and coordinates as much as possible on policy recommendations that would benefit the system as a whole.

(See Appendix A for oral and written Testimony, Service Area Maps, and Taxing District Maps)

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## **Committee Action**

The committee met on 11 February to hear testimony on the state's community college system, including: Study ways community colleges could offer accessible and affordable baccalaureate degree programs in areas where the state has a significant workforce shortage without compromising quality of education and training. Study ways in which the state can maximize efficient student pathways and to offer more affordable educational opportunities such as dual credit and early college start programs.

Invited testimony was given by the following: Commissioner Raymund Paredes for the Texas Higher Education Coordinating Board; Dr. Cesar Maldonado for Houston Community College; Dr. William Serrata for El Paso Community College; Dr. Dennis Brown for Lee College; Dr. Shirley Reed for South Texas College; Dr. Joe May for Dallas County Community College District; Dr. Brenda Hellyer for San Jacinto College; James Henry Russell for Texarkana College; and Richard Moore for the Texas Community College Teachers Association.

## **Background**

In 2003, the legislature passed a bill allowing three community colleges in Texas to offer up to five baccalaureate degrees. Currently, South Texas College, Brazosport College, and Midland College are the only Texas Community Colleges accredited by the Southern Association of Colleges and Schools Commission on Colleges and authorized by the Texas Higher Education Coordinating Board to offer baccalaureate degrees. Senate Bill 414 from the 83rd Legislative Session mandated that the Coordinating Board conduct a study to assess the need and desirability of expanding community college authority to offer baccalaureate degrees.<sup>7</sup>

In 2014, the Coordinating Board hired the RAND Corporation from Santa Monica, California to conduct a study regarding the feasibility of community college baccalaureate degrees (Appendix C). The report offered three options, yet they did not make a recommendation: The first option was to leave things as they are; the second to allow community colleges to freely expand baccalaureate degrees as they see fit; the third to have a process in Texas that would allow community colleges to propose baccalaureate degrees, which would then need approval, presumably by the Coordinating Board, and after a rigorous evaluation process involving need, quality, and resources. The Coordinating Board has recommended the third option.

One of the Coordinating Boards concerns in higher education today in Texas is the growing cost for our students and their families to attend college. Fees and tuition at our universities are going up more quickly than commensurate costs in our community colleges.

### **What is being done around the state?**

South Texas College was selected as one of three community colleges in Texas by the 78th

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Legislature in 2003 to pilot offering a maximum of five applied baccalaureate degrees. During the 82nd Legislature the pilot status was removed, but maintained the maximum limit of five applied baccalaureate degrees.<sup>8</sup>

The offering of baccalaureate degree programs at South Texas College over the last 10 years has significantly impacted student access and success. Between 2005 and 2014, four baccalaureate degrees were established at South Texas College.

One of those degrees is a Bachelor of Applied Science in Organizational Leadership, a competency based program that was created when South Texas College developed a partnership with Texas A&M University-Commerce. It was funded by the Texas Higher Education Coordinating Board and the College for All Texans Foundation.

Over one thousand students have earned bachelor degrees with a notable number of them choosing to pursue post baccalaureate degrees at the Master's level and beyond. Moreover, all four baccalaureate programs have increased access for Hispanic students and have contributed to the goals of Closing the Gaps and the new Texas Higher Education Strategic Plan, 60x30TX by raising higher education participation rates for Hispanic students and by increasing the number of students earning bachelor degrees.

The student demographics for the fall of 2015 for students enrolled in baccalaureate programs at South Texas College are as follows:

- 63% are full time students;
- 52% are male and 48% are female;
- About 91% of the students are Hispanic, 5% white, and 4% other;
- 23% are between the ages of 17 and 24, 46% are between 25 and 34, and the remaining are older than 35.

Local revenue from taxpayers South Texas College's taxing district of Hidalgo and Starr counties funded facilities, infrastructure, operations, and maintenance costs of the institution and has accommodated the baccalaureate degrees without additional expense to local taxpayers. The baccalaureate program is designed to meet the workforce development needs of specific industries requiring a highly skilled and specifically prepared workforce. The investment by local taxpayers in a BAT degreed labor force helps attract new companies to the region that will employ personnel into high-wage and high-demand occupations.

### **Texas' Nursing Shortage**

Texas has made significant strides in mitigating the nursing shortage over the past several years through strategically designed programs such as: the Nursing Shortage Reduction Program which incentivizes schools of professional nursing to increase their production of pre-licensure graduates; the Nursing Education Innovative Grant program, which is funded by the tobacco settlement and supports development of new models for nursing education; and the nurse faculty loan repayment program.

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Texas continues to be well below the national average of registered nurses per 100,000 population; this disparity is enhanced in rural communities. About forty percent of actively practicing RNs are over the age of 50 and can be expected to leave the workforce over the next 10-20 years.

The 2010 Institute of Medicine's report, *The Future of Nursing: Advancing Health Through Nursing* emphasized the critical need to support advancing nursing education, in particular the achievement of a minimum of a baccalaureate degree for at least 80 percent of RNs by 2020. This recommendation is derived from a growing body of research that demonstrates better patient outcomes with BSN nurses.

Following the publication of the RAND report on options for community college baccalaureate programs in 2014, the Coordinating Board issued specific recommendations related to BSN programs. Their recommendations would safeguard the quality of programs and ensure that graduates have the same opportunity to pursue graduate degree programs. The Texas Nurses Association agrees with the Coordinating Boards recommendations, which stated that any proposal for BSN programs in junior or community colleges should:

- Limit BSN programs to those colleges that already have nationally accredited associate degree nursing programs.
- Limit BSN programs to those preparing currently licensed registered nurses for a baccalaureate degree.
- Require junior and community colleges to seek and obtain national nursing certification for the BSN degree
- Require the college to partner with a general academic teaching institution or health science center which offers the BSN degree.
- Require the nursing degree awarded to be a BSN and not a baccalaureate of applied science.

These parameters provide a starting point for discussion and provide a framework for standards that promote the quality we are accustomed to in the current system.

## **Dual Credit**

The comprehensive model of Dual Credit is found in over 130 Texas Early College High Schools, where high school students can earn both a high school diploma and two-year college associate degree in four years. For students still in high school, there are many advantages to dual credit enrollment: receiving credit for both a high school course and college course by taking one class tuition free; the opportunity to compile a college transcript while still in high school; and a quicker time to certificate and degree completion.<sup>9</sup>

Dual Credit reduces the time to degree completion. As students add courses to their college transcript while in high school, they edge closer to completing certificates and degrees. This jumpstart to their college career significantly improves the completion rate. The state, local

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communities, students and parents realize a financial benefit to Dual Credit. This progressive educational initiative reduces the need for facilities as many of the classes are taught in existing high school classrooms, one college class meets both the high school credit and the college credit, no or low tuition is charged, and students are living at home.

The Texas Legislature has been progressive over the past ten years as it relates to Dual Credit. Legislation has provided an opportunity for students to enroll in and complete college courses. The more salient legislative actions include:

1. The 76th Legislature passed legislation requiring school districts to establish a program for high school students to earn at least 12 semester credit hours of college credit.
2. The 84th legislature removed the two courses per semester cap for dual credit and removed the limitation of only juniors and seniors being eligible for college courses. Currently, all high school students who demonstrate that they are college-ready can earn college credit in high school. This expansion of dual credit will increase the number of students in dual credit throughout Texas.

From the fall of 2000 to the fall of 2015, dual credit enrollment in Texas has increased nearly 750 percent, from a little over 17,000 students to over 133,000 students. Over 93 percent of those students are served by community colleges. Largely due to the criteria for admission to Early College High Schools, 44 percent of the students enrolled in dual credit courses are Hispanic, 43 percent are white, and 7 percent are African-American.

The Coordinating Board reports that dual credit students remain enrolled in higher education at persistence rates greater than 85 percent. This compares to all community college students' persistence rate of just over 67 percent. Approximately 30 percent of dual credit students earn a baccalaureate degree in four years or less. The four-year graduation rate for all community college students for all credentials was 22 percent in 2015.

There are some issues facing dual credit programs in Texas. Among those are barriers to access. Offering dual credit classes to rural school districts presents a challenge. Other challenges are having adequate supply of college credentialed teachers, making the college course affordable for high school students and their families, ensuring that community colleges have the opportunity to serve the school districts in their service areas, and competition from 4 year universities offering similar courses. For some students online dual credit instruction helps to mitigate the distance and credentialed faculty problem.

The main public education reform legislation from the 83rd Legislature was House Bill 5. One of the more prominent elements of the legislation was the change in focus of high school coursework, moving from what had been known as the four-by-four curriculum to endorsement areas. With this new focus on career and technical education, the opportunity for high schools and community colleges to partner on technical dual credit courses, certificates and associate of applied science degrees was significantly enhanced. This expanded the playing field for many community colleges, allowing them access to students they might not otherwise had the

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opportunity to educate.

The issue of rigor is one that the community colleges take very seriously. Students cannot enroll in any college course unless they meet the requirements set out in the Texas Success Initiative Assessment, which is required of all students enrolling in college courses. The only exception is for students who are enrolling for a short-term technical certificate.

The Texas Association of Community Colleges formed a Dual Credit Task Force in the spring of 2015. The task force is made up of community college chancellors and presidents, as well as representation from the Texas Higher Education Coordinating Board and other key stakeholders.

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**Interim Charge 3**

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## Committee Action

The committee met on 10 May to study the affordability and accessibility of undergraduate college education in Texas, including a focus on middle-class students. Analyze the cost of attendance and tuition rates, comparing Texas institutions to their national peers. Review the availability and effectiveness of financial aid programs, and analyze student debt and default rates. Study and recommend ways to promote timely and cost efficient graduation.

Invited testimony was given by the following: Commissioner Raymund Paredes for the Texas Higher Education Coordinating Board; The Legislative Budget Board; Robert Duncan for Texas Tech University System; Renu Khator for the University of Houston System; John Sharp for the Texas A&M System; William McRaven for the University of Texas System; Brian McCall for the Texas State University System; and Lee Jackson for the University of North Texas System.

## Background

Prior to 2003, the Texas Legislature had the regulatory authority to set tuition rates, generally mandating that the same statutory and designated tuition rate be charged by all institutions across the state. In 2003, the 78th Legislature passed House Bill 3015, amending the Education Code to allow governing boards of public universities to set their own designated tuition rates. Tuition deregulation became effective September 1, 2003, and universities began increasing designated tuition in spring 2004.<sup>10</sup>

While authorizing the increase in designated tuition, HB 3015 also added Sections 56.011 and 56.012 to the Education Code, which required universities to set-aside at least 15 percent of the amount of resident undergraduate and graduate designated tuition charges in excess of \$46 per semester credit hour. This set-aside was to be used to provide financial assistance for undergraduate or graduate students and was intended to lessen the impact of tuition deregulation.

The Legislature provided that, as a condition of tuition deregulation, each university would make satisfactory progress towards the goals provided in its master plan for higher education and Closing the Gaps, and future state plans for higher education. HB 3015 also required each university to meet acceptable performance criteria, including measures such as graduation rates, retention rates, enrollment growth, educational quality, efforts to increase diversity, opportunities for financial aid, and affordability.

## Texas Legislative Budget Board

### State Support from the 2016-2017 Biennium:

- For the 2016-17 biennium, the 84th Legislature provided additional funding for General Academic Institutions (GAIs).
  - Formula funding for GAIs increased by \$294.1 million in General Revenue, or 9.3%, from the previous biennium.

- Special item funding for GAIs for the 2016-17 biennium increased \$80.1 million from the previous biennium.
- Research funding for the 2016-17 biennium totals \$400 million in General Revenue, an increase of \$131.7 million from the 2014-15 biennium.
- The enactment of House Bill 100 authorized the issuance of \$3.1 billion in Tuition Revenue Bonds to fund capital projects at institutions of higher education. The Legislature appropriated \$240 million in General Revenue to the Higher Education Coordinating Board in fiscal year 2017 for distribution to the institutions for debt service on newly authorized tuition revenue bonds, of which \$175 million is for capital projects at GAIs.
- The enactment of Senate Bill 1191 increased Higher Education Fund appropriations by \$131.3 million beginning in fiscal year 2017, of which \$110.7 million will be allocated to GAIs.<sup>11</sup>

Other State Support:

- GAIs receive state support in addition to formula funding, including funding to support special items, research, and capital projects.
- From fiscal year 2004 to fiscal year 2015, state funding to GAIs in the categories below increased 38%. Adjusted for inflation, state funding increased 9% over the same time frame.

Funding for General Academic Institutions (in millions)

State Support	FY 2004	FY 2015	Percent Change from FY 2004	FY 2015 (adjusted for inflation)	Percent Change from FY 2004
Formula Funding	\$1,325.5	\$1,576.3	19%	\$1,244.7	(6%)
Special Items	\$245.7	\$242.3	(1%)	\$191.4	(22%)
Research	\$43.2	\$152.2	252%	\$120.2	178%
TRB Debt Service	\$107.9	\$205.1	90%	\$162.0	50%
AUF/HEF	\$478.0	\$927.1	94%	\$732.1	53%
Other	\$81.7	\$53.9	(34%)	\$42.6	(48%)
<b>Total</b>	<b>\$2,282.2</b>	<b>\$3,157.0</b>	<b>38%</b>	<b>\$2,492.9</b>	<b>9%</b>

Types of Tuition and Fees:

- Statutory Tuition – an amount of tuition set in statute that institutions must charge resident or nonresident undergraduate students.
- Designated Tuition – additional tuition charges determined by each institution’s governing board.
- Board Authorized Tuition – additional tuition charges for graduate programs also determined by each institution’s governing board.
- Mandatory Fees – fees charged to a student upon enrollment to provide services to every student.
- Non-mandatory Course Fees – fees required by all students enrolled in a particular course.

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Overview of Tuition Deregulation:

- Until 2003, tuition rates for public institutions of higher education were set by the Texas Legislature.
- In 2003, the 78th Legislature, Regular Session, passed House Bill 3015, allowing the governing boards of public institutions to set different designated tuition rates for each institution.
- Tuition deregulation became effective on September 1, 2003.

Trends since Deregulation - Methodology:

- Analysis included state support (General Revenue and significant Other Funds appropriations) and tuition and fee data from the Higher Education Coordinating Board for the General Academic Institutions (GAIs) from fiscal year 2004 to fiscal year 2015.
- All adjustments for inflation are based on the Consumer Price Index – All Urban Consumers (CPI-U) and represent inflation-adjusted values in fiscal year 2004 dollars.

Tuition and Fee Rates:

- Since tuition deregulation, the statewide average for total academic charges for an undergraduate resident student taking 15 semester credit hours (SCH) increased 112% from Fall 2003 to Fall 2014. However, the level of tuition increase varies by institution.

	Fall 2003	Fall 2014	Percent Change
Statutory Tuition	\$690	\$750	9%
Designated Tuition	\$625	\$2,128	240%
Mandatory Fees	\$547	\$1,150	110%
Average College and Course Fees	\$71	\$63	(11%)
<b>Total Academic Charges</b>	<b>\$1,934</b>	<b>\$4,091</b>	<b>112%</b>

- Adjusting for inflation, the statewide average for total academic charges for an undergraduate resident student taking 15 SCH increased 67% from Fall 2003 to Fall 2014.

	Fall 2003	Fall 2014	Percent Change
Statutory Tuition	\$690	\$592	(14%)
Designated Tuition	\$625	\$1,680	169%
Mandatory Fees	\$547	\$908	66%
Average College and Course Fees	\$71	\$50	(30%)
<b>Total Academic Charges</b>	<b>\$1,934</b>	<b>\$4,091</b>	<b>67%</b>

Tuition and Fees:

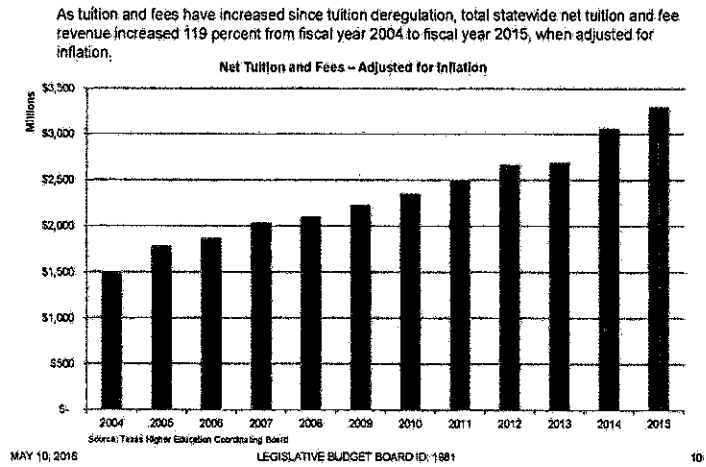
- The total academic charges for an undergraduate resident student taking 15 SCH represents the average “sticker price” charged to a student.

- Net tuition and fee revenue is the actual tuition and fee revenue collected by an institution. Net tuition and fee revenue represents gross tuition and fees, less any exemptions, waivers, scholarship discounts, and allowances.

**Net Tuition and Fee Revenue:**

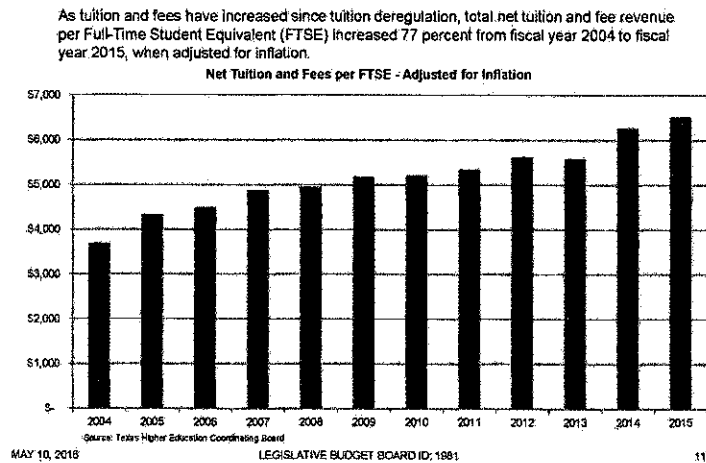
- As tuition and fees have increased since tuition deregulation, total statewide net tuition and fee revenue increased 119% from fiscal year 2004 to fiscal year 2015, when adjusted for inflation.

**Net Tuition and Fee Revenue**



- As tuition and fees have increased since tuition deregulation, total net tuition and fee revenue per Full-Time Student Equivalent (FTSE) increased 77% from fiscal year 2004 to fiscal year 2015, when adjusted for inflation.

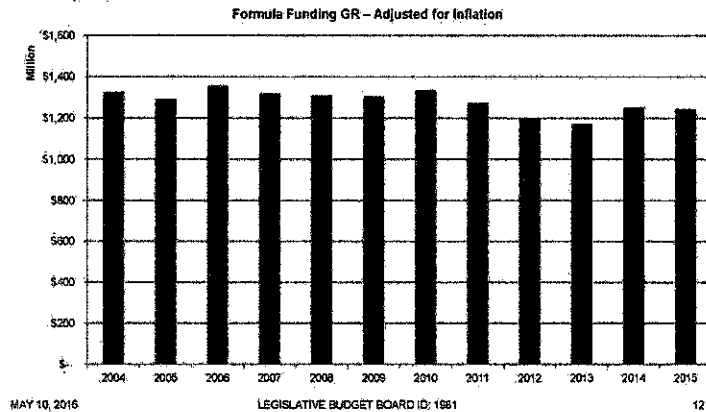
**Net Tuition and Fee Revenue per FTSE**



- While net tuition and fee revenue has increased since tuition deregulation, total General Revenue formula funding decreased by 6% from fiscal year 2004 to fiscal year 2015, when adjusted for inflation.

### Formula Funding – General Revenue

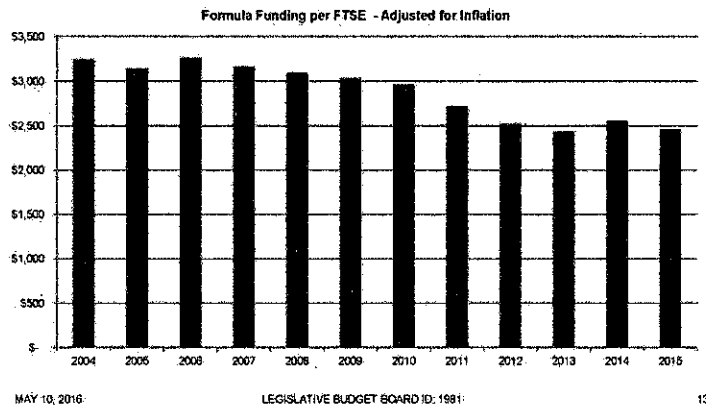
While net tuition and fee revenue has increased since tuition deregulation, total General Revenue formula funding decreased by 6 percent from fiscal year 2004 to fiscal year 2015, when adjusted for inflation.



- Similarly, General Revenue formula funding per FTSE decreased by 24% from fiscal year 2004 to fiscal year 2015, when adjusted for inflation.

### Formula Funding per FTSE

Similarly, General Revenue formula funding per FTSE decreased by 24 percent from fiscal year 2004 to fiscal year 2015, when adjusted for inflation.



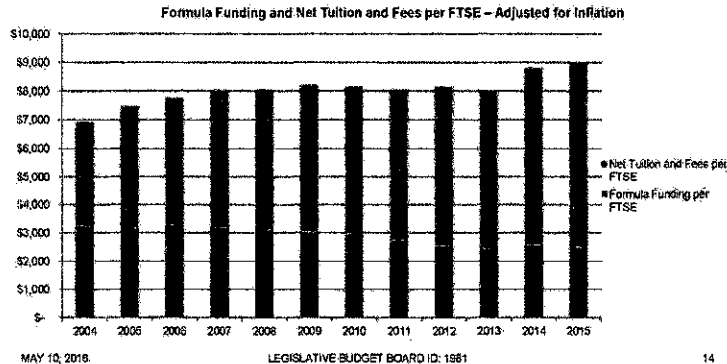
- Since deregulation, net tuition and fees per FTSE increased 77% while formula funding per FTSE decreased 24%, when adjusted for inflation.

- When combined, formula funding and net tuition and fees per FTSE increased 30% from fiscal year 2004 to fiscal year 2015, when adjusted for inflation.

## Net Tuition and Formula Funding

Since deregulation, net tuition and fees per FTSE increased 77 percent while formula funding per FTSE decreased 24 percent, when adjusted for inflation.

When combined, formula funding and net tuition and fees per FTSE increased 30 percent from fiscal year 2004 to fiscal year 2015, when adjusted for inflation.



## Financial Aid in Texas

### Financial Aid - House Bill 1 (84th Legislative Session)

- TEXAS Grants - TEXAS (Towards EXcellence, Access and Success) Grant is a financial aid program that provides funds to academically prepared high school graduates with financial need to pursue a higher education.
  - \$715M, an increase of \$63M used to support approximately 71,500 students per year at a \$5,000 target award.
- Texas Educational Opportunity Grant (TEOG) - provides grant aid to financially needy students enrolled in Texas public two-year colleges.
  - \$94M, an increase of \$29M used to support an estimated 31,500 total students per year at an average initial award of \$1,575.
- Work Study Programs - provides financially needy students enrolled at Texas public and private institutions with part-time jobs, funded by the state and the employer.
  - \$19M, used to support approximately 5,059 students per year, at an average award amount of \$1,680
- Tuition Equalization Grant (TEG) - provides grant aid to students with financial need who attend private, non-profit Texas colleges and universities
  - \$192M, an increase of \$12M that supports an estimated 29,580 students per year at an average award amount of \$3,250.

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- Teach for Texas Loan Repayment - The purpose of the TFTLRP is to recruit and retain classroom teachers in communities and subjects for which there is an acute shortage of teachers in Texas.
    - \$7M, an increase of almost \$3M for the Math and Science Scholars Loan Repayment Program.
  - B-On-Time Private - provides eligible Texas students no-interest loans to attend colleges and universities in Texas.
    - \$19M for renewals only.
  - B-On-Time Public - provides eligible Texas students no-interest loans to attend colleges and universities in Texas.
    - \$63M for renewals only. There was a rider to allocate GR-D balances back to the institutions.
  - Texas Armed Services - encourages students to become members of the Texas Army National Guard, the Texas Air National Guard, the Texas State Guard, the United States Coast Guard, or the United States Merchant Marine, or to become commissioned officers in any branch of the armed services of the United States.
    - \$5M was allocated with a limit of \$10,000 per recipient.
  - Top Ten Percent - encourages outstanding high school students who graduate within the top 10 percent of their high school graduating classes to attend a public college or university in Texas.
    - \$18M for renewals only.

(See Appendix D for oral and written Testimony)





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**Interim Charge 4**

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## Committee Action

The committee met 8 March to Study current policies and initiatives at institutions of higher education, including community colleges, and make recommendations toward the prevention and elimination of sexual assault on college campuses. Identify, evaluate, and recommend reporting mechanisms to ensure that students have safe, appropriate, and accessible avenues for reporting sexual assault. Study the existing campus support systems in place for students who are victims of assault, and provide recommendations of best practices. Evaluate the effectiveness of current policies and make recommendations to support the prevention and elimination of sexual assault at institutions of higher education in Texas.

Invited testimony was given by the following: Noel Busch-Armendariz for the Institute on Domestic Violence and Sexual Assault - UT Austin; Ray Bonilla for Texas A&M University System; Dr. Cynthia Hernandez for Texas A&M System; Dr. Kevin Jackson for Baylor University; Annie Clark for End Rape on Campus; and Chris Kaiser for the Texas Association Against Sexual Assault.

### Definition

Defining sexual assault is an emotional and politicized undertaking, and there is no definition that is used universally. The United States Department of Justice defines sexual assault as “any type of sexual contact or behavior that occurs without the explicit consent of the recipient,” but individual states vary in their own legal definitions. Many college campuses also feel increasing pressure to offer or revise their own definitions as students and parents demand that campuses take more rigorous steps to address this issue.<sup>12</sup>

### Texas Penal Code

In Texas, the state penal code defines sexual assault as:

- “an offense [where] the person intentionally or knowingly:
- (A) causes the penetration of the anus or sexual organ of another person by any means, without that person's consent;
  - (B) causes the penetration of the mouth of another person by the sexual organ of the actor, without that person's consent; or
  - (C) causes the sexual organ of another person, without that person's consent, to contact or penetrate the mouth, anus, or sexual organ of another person, including the actor.”

The secondary definition specifies that an actor also commits sexual assault by engaging in any of the aforementioned behaviors with a child. Note that the primary definition emphasizes penetration of or by the victim without their consent. Texas law does not distinguish “rape” from “sexual assault.” “Sexual assault” is the only term used in the penal code.

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## **College Campuses**

The state definition differs somewhat from sexual assault as it is typically defined by college campuses. For example, The University of Texas at Austin's definition states that sexual assault is "an offense that meets the definition of rape, fondling, incest, or statutory rape," for which there are further definitions of each.

One key difference here is the inclusion of "fondling," which UT Austin defines as the "touching of the private body parts of another person for the purpose of sexual gratification, without the consent of the complainant." This definition better falls in line with the Department of Justice's definition of sexual assault as "any type of sexual contact or behavior that occurs without the explicit consent of the recipient. Falling under the definition of sexual assault are sexual activities as forced sexual intercourse, forcible sodomy, child molestation, incest, fondling, and attempted rape." The inclusion or exclusion of non-penetrative acts in the definition of sexual assault has a significant impact on policies and studies of incidence.

## **Other Terminology**

It is important to distinguish sexual assault from similar terms, such as "sexual misconduct" and "sexual harassment." Again, Texas penal code and college campuses do not align perfectly on the definition of these terms. Texas penal code chapter 42. Section 42.01 defines "disorderly conduct" to include the public exposure of genitalia, unlawful voyeurism, and other such acts. Section 42.07 of the Texas Penal Code, which defines "harassment," specifies that a person must have an "intent to harass, annoy, alarm, abuse, torment, or embarrass" the person they are acting upon for their behavior to be recognized as unlawful. College campuses, and many businesses, take a broader view of what constitutes "harassment." UT Austin defines "sexual harassment" as "unwelcome conduct of a sexual nature," which can include demanding sexual contact in exchange for academic or professional favors, unwelcome attempts (verbal or otherwise) to elicit sexual favors, and more. The key word used here is "unwelcome," the term also used by the United States Equal Employment Opportunity Commission in their definition of "sexual harassment," which places the emphasis on the victim's experience of the behavior rather than the intent of the individual engaging in said behavior.

While sexual misconduct and sexual harassment contribute to the type of environment that fosters sexual assault, this focus is specifically on sexual assault on college campuses because people, especially young women, are at a significantly higher risk of being sexually assaulted while in college.

## **Reporting**

Incidences of sexual assault on campus can be reported in a variety of ways. Under Title IX, a section of federal education legislation passed in 1972, discrimination on basis of sex is illegal at any educational institution that received federal funding. Sex discrimination includes acts of sexual assault, sexual violence, and sexual harassment. Universities that are not in compliance

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with Title IX are at risk of losing all federal funding. Increasingly, schools across the country have faced lawsuits over their handling of sexual assault and rape. These lawsuits allege that by failing to address campus sexual assault effectively, schools are violating their female students' Title IX rights.

### **Barriers to Reporting**

Not all survivors of sexual assault know an assault has taken place. Out of those who do know they have been assaulted, most report the incident to friends or family. A far smaller group reports the event to an outside authority. Most cases of sexual violence are committed by someone the victim knows; some even take place in the context of intimate relationships. Additionally, the presence of drugs or alcohol during the assault may discourage the survivor from reporting the assault, for fear of university sanctions or legal trouble.

### **Clery Statistics**

Under the Jeanne Clery Act, signed in 1990, schools receiving Title IX funding are required to report all crimes, including cases of sexual assaults, committed on their campus, campus properties, or bordering properties. The law was passed as a consumer protection measure designed to help students accurately assess the safety of university campuses. These federally collected, publicly available statistics provide one way to measure rates of sexual assaults on campus. These reports, however, are collected and reported to police by campus security authorities, so only the cases of sexual assault officially reported to campus security are measured in a school's Clery statistics.

### **Internal Reporting**

Complaints can also be filed within university's internal judicial system. In April of 2011, the Department of Education released a "Dear Colleague" letter that gave guidance to schools and universities on how to set up internal mechanisms to deal with sexual assault and violence. Schools are required under Title IX to respond systematically to complaints about sexual assault and abuse on campus and must make accommodations to ensure that students who are victims of sexual violence are not unfairly prevented from continuing their education.

### **Association of American Universities Data**

Other schools rely on survey data to track the number of sexual assaults that take place on their campuses. The Association of American Universities runs a national survey on campus sexual assault that approximately 26 universities take part in in 2015. Other universities rely on individually developed campus climate surveys. Low response rates have historically plagued campus climate initiatives; the University of Texas, for example, participated in the 2015 AAU survey, which had a response rate of 19.3% nationally. Advocates suggest that low response rates may distort the predicted rate of sexual assault on campuses. Students who have been sexually assaulted may be either more or less likely to take the survey, so that rates of sexual

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assault in the general student population may be higher or lower than the rate among survey respondents.

### **Title IX Complaints**

Campus sexual assaults can also be reported by students who file a Title IX complaint with the Department of Education. Title IX complaints are filed by students who allege that their college or university is engaging in discriminatory behavior based on sex. Currently, these complaints are more frequently filed as a response to institutional mishandling of sexual assault cases. The Department of Education has conducted 336 Title IX investigations in response to alleged discrimination in sexual assault cases since 2011. While these cases reflect the number of federal investigations into university responses to sexual assault, they do not offer a clear measure of the rate of sexual assault, nationally or on specific campuses.

### **Definitions and Reporting**

The definitions used by different reporting mechanisms also influence reporting rates. Clery statistics, for example, only reflect crimes reported to on-campus authorities or the local police. Self-reporting mechanisms also define sexual assault and rape in various ways. Some specifically ask students if they have been victims of sexual assault or rape, while others ask about specific experiences that are then classified by the researchers as sexual assault or rape. The AAU study, for example, asked students about sexual touching and penetration that met the legal definition of rape. They further asked which of these experiences occurred because of incapacitation due to drugs or alcohol, threats and physical coercion, psychological coercion, or with a lack of consent.

Differing descriptions of sexual assault and rape in surveys can lead to different reporting rates. Surveys that describe activities without labeling them rape or sexual assault explicitly can also find higher rates of sexual assault than those that ask students instead whether they have been raped or sexually assaulted point-blank.

### **False Reporting**

Although false reports of sexual assault are extremely rare—the highest estimates range from 2%-8% of all reports—much public debate still exists about the dangers of false accusations. Some of the confusion is related to the way sexual assaults are reported and recorded by law enforcement. Police and investigators categorize unfounded reports of sexual assault in one of two ways: either false or baseless reporting. A false report is categorized by an investigation that finds no evidence of its truth. A baseless report, on the other hand, is one that does not meet the legal definition of sexual assault, but is presumed to be a true statement.

### **Prevalence**

As the chart below illustrates, different definitions and reporting methods can lead to very different findings of incidence rates ranging from less than two percent to nearly twenty percent. A significant determinant of these findings is the definition of sexual assault used.

Study	Rate of Sexual Assault	Definition used	Time period studied	Sample	Mode of Response
DOJ Campus Sexual Assault Report (2007)	19%	Rape or unwanted sexual contact	Since beginning college	5,446 undergraduate women and 1,375 undergraduate men at two universities	Online Survey
Correlates of Rape while Indicated in a National Sample of College Women (2004)	4.7%	Completed rape	First seven months of on campus	8,567 women in the 1997 survey, 8,425 in the 1999 survey, and 6,988 in the 2001 survey from 119 schools	Three Harvard School of Public Health College Alcohol Study surveys
AAU Campus Climate Survey on Sexual Assault and Sexual Misconduct (2014)	11.2% of all students (23.1% of undergraduate females, 5.4% of undergraduate males, 8.8% of graduate females, 2.2 of graduate males)	Nonconsensual sexual penetration or touching by physical force, threats of physical force, or incapacitation	Since starting their degree	150,000 students at 27 Universities	Online Survey
Stanford Campus Climate Survey (2015)	1.9%	Victim was asleep, unconscious, or unable to resist or respond, that the offender had threatened to physically harm the respondent or someone close to the respondent or that force was used.  *If respondent was under the influence of any substance it was counted as sexual misconduct, not sexual assault	Since starting their degree at Stanford	9,067 Students	Online Survey
National Crime Victimization Survey (NCVS)	0.61%	Behavior-specific questions about rape and sexual assault	Women ages 18-24, from years 1995-2011	90,000 households/160,000 individual	Online survey

A great example of the difference the definition of sexual assault can make is the Stanford University study, which defined sexual assault as an incident where:

1. the victim was asleep, unconscious, or unable to resist or respond;
2. the offender had threatened to physically harm the respondent or someone close to the respondent or;
3. force was used.

There was significant backlash after it became known that the study categorized any unwanted sexual conduct that happened while the victim was under the influence of alcohol or drugs as sexual misconduct rather than sexual assault. Stand With Leah, an organization dedicated to addressing sexual assault at Stanford University, used the exact same data but included incidents where drugs or alcohol were present as sexual assault and found that 43% of undergraduate women experienced sexual assault while completing their degree. As this study shows, the rate of incidence of sexual assault found in a study is influenced by critical decisions about exactly who and what is studied. These decisions include studying:

- women and/or men
- undergraduates and/or graduate students

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- four year institutions and/or two year institutions
  - exclusively incidents of rape or all forms of unwanted sexual contact
  - incidents before attending the university or only while attending the university
  - the time period used in the study (all four years or only since entering college)
  - completed and/or attempted sexual assault

The Association of American Universities' 2014 report exemplifies the differences these choices can make. Male graduate students have a sexual assault rate of just over 2% while undergraduate women are more than ten times more likely to be assaulted with an incidence rate of 23%. Overall, the study found the average rate of sexual assault is 11%, which is not representative of either population.

An additional barrier to accurate measures of the prevalence of sexual assault is how survey questions are designed. The National College Women Victimization Survey found that reporting of completed rapes was eleven times higher in surveys that asked about the behaviors descriptive of sexual assault than in surveys that asked if respondents had been raped or sexually assaulted. Methodologists tend to agree that asking about behaviors of sexual assault leads to more accurate estimates than asking for self-reporting of victimization.

Without consistency in the definition or the method used for studying sexual assault on college campuses, it is difficult to claim one statistic for the rate of sexual assault on college campuses as correct. Without understanding exactly what a study was testing for, it is easy to disregard a report on sexual assault as biased and unsound. Findings that may actually be in alignment with each other can appear to be conflicting depending on how the study was done. Without a specific set of parameters, it becomes easy to debate which rate of sexual assault is "true."

## **Prevention**

### Types of Prevention Programs

#### **Primary Prevention**

Primary prevention programs aim to shift the culture to reject sexual assault and embrace healthy and respectful attitudes toward sexual activity. Different primary prevention programs are used across the country, and different types of primary prevention may be required to obtain different outcomes. The federal Violence Against Women Act, effective July 1, 2015, requires institutions of higher education to provide primary prevention and awareness programs to incoming students and new employees, as well as describe these programs in their annual security reports.<sup>13</sup>

#### **Consent Education**

Understanding consent is pivotal in preventing sexual assault both from a potential victim and a potential abuser standpoint. In many cases prevention efforts rely on consent educational programs as a tool to reduce violence. Consent is defined as an agreement to engage in sexual



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activity between participants. Consent can be verbal or nonverbal, but verbal agreements are the clearest way to ensure that consent has been obtained. In the state of Texas in order to legally consent to sexual activity a participant must be conscious and not incapacitated by alcohol or other drugs.

Efforts are being made across the country to institute educational programs on consent in classrooms in middle schools, high schools, and colleges. One research study found that participants in an all-male sexual assault prevention program focused on consent and victim empathy showed a significantly reduced likelihood of becoming an abuser.

### **Environmental Prevention**

Environmental prevention programs aim to directly and indirectly reshape campus environment to ensure a reduction in sexual assault. Modern environmental prevention includes policies around alcohol, drugs, and campus security and safety. Older policies include dormitory curfew and check-in policies.

Most campus sexual assaults are preceded by drug and/or alcohol consumption, and rates of assault increase with consumption levels. It is important to recognize that victims who consume alcohol prior to a sexual assault are not at fault for their victimization, and that perpetrators often also consume drugs and alcohol which may reduce their inhibitions. That said, the association between assault and intoxication gives universities an opportunity to reduce assault by regulating access to drugs and alcohol.

Any institution of higher education that receives federal funding is required to comply with the Drug Free Schools and Campus Regulations under the Education Department's General Administrative Regulations. These regulations require that institutions "must develop and implement a program to prevent the unlawful possession, use, or distribution of illicit drugs or alcohol by students and employees." These policies aim to reduce the amount of alcohol or drugs being consumed by undergraduates in recognition of the serious effects that abuse of alcohol and drugs can have on the academic performance of a student, as well as on their overall well-being.

It is important that campus alcohol and drug policies do not discourage victims to report assault that occurred when they were intoxicated. Many universities incorporate amnesty measures into their policies on sexual assault. For example, the University of Texas at Austin's policy states that "any student who files a complaint, or who acts as a third-party witness in an investigation under this policy, will not be subject to disciplinary action by the Office of the Dean of Students for using and/or consuming alcohol or drugs at or near the time of the alleged incident, provided that any such alcohol or drug use did not, and do not, place the health or safety of any other person at risk"

### **Older Campus Policies**

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Dormitory curfews were popular, especially in female residence halls, in the early 20th century but were largely repealed in the 60's and early 70's. While a small number of universities tried to reinstate curfews in the 80's, they are largely unpopular and rarely implemented today. This shift is reflective of the transition from paternalistic campus policies to fostering a space for students to become independent, responsible young adults. Without putting limitations on what students can do and recognizing the important role residence halls can play in preventing sexual assault, many schools offer primary prevention programming in residence halls and fraternity and sorority houses and plan free alcohol-free programs to promote residents socializing in alcohol and drug free spaces.

A major criticism of dormitory curfews is that they historically focused on female students and perpetuate school-sanctioned victim blaming. Not only does this disempower and alienate students from the college experience, but it is based in a reactive ideology. Instead of teaching students to act lawfully, students are taught it is not safe to be out late at night.

Another older policy was a requirement that dormitory residents inform a supervisor when they leave and return to their residence hall. Potential reasons why such policies are not widely used are the burden they put on each residence hall to track their residents, the assumption that students sleep in their residence halls every night, the low likelihood of students to consistently self-report their coming and going from a dorm and an increasing number of students do not live on campus during their college careers. Importantly, such policies do not address sexual assaults where both the victim and perpetrator live in the same dorm, or where either of them lives off campus. More modern approaches to dorm safety include providing residence hall staff with safety training, have security staff on duty and requiring overnight guests to register.

## **Response**

When sexual assault is alleged on a college campus, there are several organizations that can respond, including the school's Title IX office or coordinator, the Office of Civil Rights in the US Department of Education, law enforcement, and various community support organizations. These organizations differ in their standards of evidence and in the actions that they can take. A response by one organization does not prevent a response by another, and individuals dissatisfied with the response of one organization can often appeal to another. In some cases, a Sexual Assault Response Team may coordinate the responses of different organizations.<sup>14</sup>

### On-Campus Title IX Offices and Coordinators

Schools' responses to accusations of sexual assault are guided by Title IX regulations. Title IX is a section of federal education legislation that was passed in 1972 to prevent universities that receive public funding from discriminating against students based on sex. Discrimination is defined to include the existence of a hostile environment exists where a student cannot participate in programs or learning because of their sex. Title IX's standard states that "severe or pervasive sexual harassment creates a hostile environment for students and needs to be remedied and prevented from occurring." Additional federal guidance from the Department of Education

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has made it clear that this entails investigating cases of sexual assault, harassment, and misconduct, and that failure to do so can result in the loss of all federal funding.

Every institution of higher education is required to have a Title IX coordinator, and some larger institutions create Title IX offices with multiple staff. Although Title IX staff have a variety of responsibility which include investigation of sexual assault allegations, Title IX coordinators or offices are not required to have training in interviewing victims of sexual trauma.

### **Investigation Process**

To initiate a Title IX investigation, a student must report directly to the Title IX coordinator or office. If the student reports to law enforcement (including campus police), counseling services, or health services, those entities are not required to notify the title IX coordinator. If the incident occurs off campus, the school must follow its code of conduct and exercise its jurisdiction if it does so in other physical altercations between students off-campus. Neighboring sidewalks or buildings that are located between breaks in campus property are also considered to be a part of campus jurisdiction. Universities are also required to begin an investigation if staff members hear that a sexual assault has taken place.

Schools are required under Title IX to create and disseminate information about their complaint and investigation process for cases of sexual assault. However, schools are given a high level of freedom when constructing these policies. They must insure that the investigation is "prompt and equitable" and that the results of investigations are provided to both the complainant and respondent in written form at the conclusion of the investigation. However, the actual logistics of the process are left to school administrators to decide. This freedom allows schools to tailor their complaint processes to their student body's dimensions (what may work on a traditional residential campus 1,300 students strong may be cumbersome and ineffective on a city campus hosting 50,000 students). It can be difficult, however, to compare such varied and specific policies and examine their effectiveness.

Both the accusing student, called the "complainant" under Title IX, and the accused student, called the "respondent," have equal rights throughout a university sexual assault investigation under Title IX. They are both able to present and review evidence and present and cross-examine witnesses. The complainant must "be given oral or written notice of the charges against him and, if he denies them, an explanation of the evidence the authorities have and an opportunity to present his version." If appeals are a part of the university's judicial processes, both sides must have access to the appeal process, and if schools allow students to have legal representation, both students must be allowed to have an attorney present. In some cases, investigations may proceed without the consent of the complainant, as universities are obligated under Title IX to fully investigate all claims of sexual assault to keep other students safe. Throughout the investigation, the Title IX coordinator or office needs to frequently update the complainant and respondent about the investigation.

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Title IX does not require a school to notify law enforcement, but other statutes under local, state or federal law might require a school to do so. A school's Title IX investigation must be completed whether or not law enforcement is undergoing a separate investigation, and may come to a different conclusion than a legal investigation. If law enforcement is pursuing its own investigation, a school should not withhold its investigation until the completion of the law enforcement's investigation; however, in some instances a school may need to delay fact-finding while police gather evidence.

Because many Title IX staff lack training in sexual trauma, evidence gathered through interviews (often a feature of sexual assault investigations) may be unreliable and poorly recorded. Some complainants may omit information in an interview, and some Title IX offices might provide inconsistent or inaccurate summaries of interviews that work to the detriment of the complainant later in the process. In some cases, this can re-traumatize the complainant, which leads to noncooperation with Title IX staff and other parties, such as law enforcement, leaving a pool of cases that are never resolved. A lack of training may also lead investigators to conclude that contradictory statements by the complainant are an evidence of deceit, when in fact discrepancies in memory are a hallmark of trauma.

### **Standards of Evidence**

Until 2011, some higher education institutions conducted Title IX investigations under a "burden of proof" standard similar to that used in legal cases. Under this standard, the complainant must show "beyond a reasonable doubt" that the respondent has engaged in sexual assault.

In 2011, the Department of Education directed universities to switch from the burden of proof standard to a lower "preponderance of evidence" standard. Under a preponderance of evidence standard, evidence must only show that it is more likely than not that the assault occurred. Even if accusers can only show that 51% of the evidence supports their claims, higher education institutions are required to find that their complaints are valid.

### **Possible Outcomes**

If a student reports a sexual assault, or if university officials come to hear that an assault has occurred, universities are required by law to immediately protect the complainant regardless if the investigation has been completed or a resolution is reached. Protective measures include separating the accused from the complainant, changing housing assignments, reworking class schedules, and providing counseling services. If the investigation determines that the respondent has committed sexual assault, a school must take the necessary steps to discipline the respondent. These disciplinary measures may include changes in housing, class schedules, school-sponsored extracurricular activities, the issuance of no-contact orders, suspension, academic assignments such as essays or reports, or expulsion.

When determining appropriate punishments, a school faces the challenge of deciding how much and what type of space the complainant is entitled to when on campus. The rights of both

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students must be considered, including the right of "due process" for the respondent. Some punishments are easier to enforce than others—class schedules may be altered more easily than housing, for example. Universities may not require the complainant to pay for any accommodations.

### **Retaliation, Amnesty, and Conflicts of Interest**

Title IX prohibits retaliation – including "intimidation, threats, coercion, or discrimination" – by students or schools against any students involved in a sexual assault investigation. The school must provide guidelines on reporting retaliation and make sure the guidelines are known.

Because most campus sexual assaults are preceded by drug and/or alcohol consumption, there is a danger that complainants will be prosecuted for underage drinking, or blamed for contributing to their own assault by drinking. This can be a form of retaliation. To prevent it, some universities have instituted amnesty policies for underage drinking when students are reporting cases of sexual assault. These policies mirror amnesty policies in cases of alcohol poisoning, in which students can seek help for an intoxicated friend without facing sanctions themselves. Underage drinking amnesty policies for cases of sexual assault are sometimes supported by state law as well as school policies. Wisconsin, for example, recently passed a law preventing law enforcement from issuing an underage drinking citation to an individual seeking emergency services after a sexual assault.

Although ideally, universities would act as neutral arbitrators of cases of sexual assault, they sometimes have incentives to minimize, suppress, or under report cases of assault. A recent study from the University of Kansas also found that universities generally under-report cases of sexual assault unless they are in the process of being audited. The legal, reputational, and financial threat of lawsuits is one such deterrent, although covering up sexual assault can lead to equally damaging publicity.

### **Recourse Against Decisions**

Both the complainant and the respondent may pursue recourses during or after a Title IX investigation.

An increasing number of respondents who are accused of sexual assault and found at fault by their universities are responding to sanctions with lawsuits. These lawsuits often allege that schools are violating students' rights by sanctioning them after an extralegal investigation and violating their right to due process. Two main Supreme Court cases make due process a relevant concept for dealing with campus sexual assault. The first applies to students attending public institutes of education, who are protected by the Fourteenth Amendment by nature of their relationship with the state. In the 1975 *Goss v. Lopez* case, the Supreme Court ruled that any public-school student had the right to due process if they were to face losing their education. The second case, in the 1971 *Wisconsin v. Constantineau* case, the Supreme Court ruled that a person "has a liberty interest in protecting his good name and reputation."

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In addition, if they are not satisfied with a school's handling of its responsibilities under Title IX, either the complainant or the respondent may file a complaint with law enforcement or with the Office for Civil Rights in the Department of Education

Office of Civil Rights, U.S. Department of Education

If either the complainant or the accused is dissatisfied with the response of the campus Title IX coordinator or office, they may file a complaint with the Office for Civil Rights in the Department of Education. The OCR regulates and enforces Title IX. Documents and regulations from the OCR constitute the main administrative law surrounding the handling of campus sexual assault allegations under Title IX.

**Investigation Process**

By the time a case reaches the OCR, the topic of investigation has broadened. Investigation goes beyond the specific allegation of sexual assault to consider the school's response and broad systemic issues. OCR completes a thorough investigation of the school, including the atmosphere on campus, policies and procedures, and data from the institution several years prior.

Given the breadth of the investigation, OCR cases are rarely resolved quickly. Some cases are handled after the students graduate or leave the institution. Many students are left without support and protection for long periods of time. Schools sometimes fail to comply with OCR investigations in a timely fashion.

The length of OCR cases has only grown in recent years. The average days it took to reach a "substantive closure" went from 379 days in 2009 to 1,032 days in 2015. One of the longest cases on record took 2,146. In the last few years there has been a huge influx of cases being brought to the OCR, almost tripling the number of higher education institutions under investigation.

**Possible Outcomes**

Once finding that a university is in violation of Title IX, OCR will first attempt to negotiate a signed contract detailing remediation efforts that will be undertaken by the university. OCR will continue to monitor the institution's steps toward ending its discriminatory practices. If an institution refuses to negotiate, the OCR will first issue a Letter of Finding and then a Letter of Impending Enforcement Action. Each letter is followed by a time period in which the institution is able to enter into negotiations. If, after the second letter, the university still refuses to negotiate, the OCR will begin steps to remove federal funding from the institution and/or refer the case to the Department of Justice.

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Universities may also resolve a complaint at any point in the investigation process by working with the OCR and complainant to negotiate remediation efforts. The OCR must approve this move.

### Police and the Criminal Law System

In addition to filing a Title IX complaint (or instead of it), a student can report a sexual assault to police. There are several important differences between a police investigation and a Title IX investigation.

#### **Definition and Standards of Evidence**

Police follow criminal law, under which the definition of sexual assault is typically narrower than it is under Title IX. In Texas, for example, the criminal code defines sexual assault as nonconsensual penetration, whereas campuses typically use broader definitions that include a variety of unwanted sexual contact that can be construed as discriminatory under Title IX. See the accompanying page on Campus Sexual Assault: Definition, Reporting, and Prevalence.

Under criminal law, the accused can be convicted only if the evidence shows that it took place "beyond a reasonable doubt." This is the highest standard of proof in sexual assault cases. It contrasts with the "preponderance of evidence" standard used in Title IX investigations, under which it is enough for accusers to prove that it is more likely than not that the assault occurred.

Criminal law typically makes no distinction between sexual assaults on a college campus and sexual assaults elsewhere in the community.

#### **Investigation Process**

Persons alleging sexual assault must file a report of the incident before the statute of limitations runs out. The statute of limitations varies from state; in Texas, it is 10 years. Persons alleging sexual assault may provide evidence in the form of a sexual assault forensics exam, also called a "rape kit." It is possible to receive a rape kit without filing an official report.

Investigations into sexual assault follow state protocols. In Texas, evidence is collected by first responders and local law enforcement about the alleged assault and reported to the District or County Attorney, who decides whether to issue a warrant for arrest. The suspect is formally charged and may be released on bail. A grand jury then decides whether or not to indict the suspect. If the individual is indicted, a court date is set, and the accused and accuser may look for legal representation.

#### **Possible Outcomes**

Under criminal law, the penalties for sexual assault are much more severe than the penalties that a college or university can pursue under Title IX. If enough evidence is discovered, the accused

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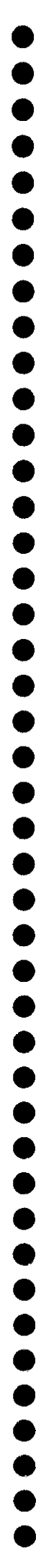
will be charged with a criminal offense, may be jailed pending trial, and if convicted may be imprisoned. In Texas, sexual assault is a first-degree felony, and can result in a prison sentence of 5-99 years. For those who have already committed a felony, the minimum jail time is 15 years. Certain cases may also result in the sentence of life without parole.

### **Potential Policy Options**

- Amnesty clause: Require institutions to have an amnesty policy for reporting sexual violence to the institution;
- Expand Texas' current definition of sexual assault to include domestic violence, dating violence, and stalking;
- Create a system for anonymous online reporting;
- Look at transfer policies and find a solution to ensure investigations of violence or non-forcible sex offenses will not end upon the withdrawal of a complainant from the university;
- Expand training opportunities for university police departments;
- Expand educational opportunities in foundation school to include awareness of dating violence and sexual assault;

(See Appendix E for oral and written testimony)





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**Interim Charge 5**

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## Committee Action

The committee met on 13 September to hear testimony regarding the long-term viability of the Hazlewood Act, in particular the legacy tuition exemption provision. Review eligibility requirements and recommend changes to ensure that the program can remain solvent. Examine the costs of the program to institutions of higher education, including foregone tuition, additional infrastructure, administrative and instructional support costs, and the financial impact on nonveteran/legacy students.

Analyze and report any effect changes to this program would have for veterans and their families. Review current data systems related to this exemption and recommend improvements to ensure quality and accuracy of information. (Joint charge with the House Committee on Defense & Veterans' Affairs)

Invited testimony was given by the following: Commissioner Raymund Paredes for the Texas Higher Education Coordinating Board; Brantley Starr for the Office of the Attorney General; Dr. Michael Cline for Rice University's Hobby Center; Lieutenant Colonel Jim Carney for the Texas Army National Guard's Recruiting and Retention Command; The Legislative Budget Board; The Comptroller of Public Accounts Office; Robert Duncan for Texas Tech University System; Renu Khator for the University of Houston System; John Sharp for the Texas A&M System; William McRaven for the University of Texas System; Brian McCall for the Texas State University System; Lee Jackson for the University of North Texas System; Andres Alcantar for the Texas Workforce Commission; Thomas Palladino for the Texas Veteran's Commission; Al Cantu for the Texas Veteran's Commission; Jim Brennan for the Texas Coalition of Veteran Organizations; John McKinney for the American Legion; Dan West for the Veterans of Foreign Wars; Dr. Mary Keller for the Military Child Education Coalition; and Dan Hamilton for the Student Veterans Association.

## Background

The Hazlewood Act is a state law that covers the cost of tuition for military veterans and, in some cases, their children and spouses. Its origins date back to 1923, when the Texas Legislature directed universities to cover college costs for World War I veterans, nurses, and their children.

The benefit is applicable at public college or universities in the state and is named in honor of the late Texas Sen. Grady Hazlewood, a 1926 UT Law graduate. In 1944, the statute was updated to include veterans of World War II.

Qualifying students are exempt from paying tuition and fees for up to 150 credit hours of coursework. Under a legacy provision passed in 2009, veterans may also transfer unused credit hours to their children. If a veteran dies or is disabled as a result of military service, their spouse and children each become eligible for 150 hours of credit.

*Harris v. Cantu (Texas Veterans Commission)*

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Keith Harris was born in 1978 in Georgia. In 1996, while still living in Georgia, he graduated from high school and enlisted in the United States Army. He served on active duty for four years and was honorably discharged in 2000.

Harris began taking college courses while he was on active duty. After he left active duty, he used his federal GI Bill educational benefits to continue his college education. He received a bachelor's degree in business from the University of Houston-Downtown in December 2011 and then enrolled in the University of Houston Law School in August 2012. He exhausted his federal GI educational benefits before he started his third and final year of law school, and at that point he sought to use educational benefits under a Texas law called the Hazlewood Act.<sup>15</sup>

Hazlewood provides that the governing board of each institution of higher education shall exempt the following persons from the payment of tuition, dues, fees, and other required charges but excluding general deposit fees, student services fees, and any fees or charges for lodging, board, or clothing, provided the person seeking the exemption currently resides in this state and entered the service at a location in this state, declared this state as the person's home of record in the manner provided by the applicable military or other service, or would have been determined to be a resident of this state at the time the person entered the service.

Harris met the requirements for Hazlewood educational benefits, except the requirement of Texas residence at the time of enlistment in the armed forces. Harris lived in Georgia, not Texas, when he enlisted in 1996. Based on his Georgia residence at the time of enlistment, the University of Houston denied him the Hazlewood benefit of free tuition for his final year of law school, after he had exhausted his federal GI educational benefits. Harris filed suit in the United States District Court for the Southern District of Texas, asserting that the Hazlewood requirement of Texas residence at the time of enlistment violated the Equal Protection Clause of the 14th Amendment of the United States Constitution.

Section 1 of the 14th Amendment provides: All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States, nor shall any state deprive any person of life, liberty, or property, without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws.

The Equal Protection Clause does not make it unconstitutional for a state to draw lines. Indeed, legislation is all about drawing lines. Those persons on one side of the line receive a benefit, and those on the other side are denied the benefit. The Equal Protection Clause is about how the states draw these lines.

Judge Werlein cited several decisions of the United States Supreme Court. He also cited a decision of the California Supreme Court, striking down a very similar California statute. Judge Werlein held: "Accordingly, the Court holds that the fixed-point residence requirement found in Texas Education Code section 54.341(a) violates the Equal Protection Clause because it

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unconstitutionally discriminates against Plaintiff, an honorably discharged Texas veteran, for the sole reason that when he enlisted in the United States Army in 1996 he was a resident citizen of another state.”

Having found the fixed point residency requirement unconstitutional, Judge Werlein then had to address the question of severability. Whether unconstitutional provisions of a state statute are severable is a matter of state law. The Hazlewood contains neither a severability clause nor a non-severability clause. Accordingly, Judge Werlein cited and relied upon a general severability clause in the Texas Government Code and found the fixed point of residency requirement to be severable.

Judge Werlein enjoined the University of Houston and other Texas public university systems from Hazlewood educational benefits based on the veteran’s residence outside the State of Texas at the time of enlistment. Texas filed a timely appeal to the 5th Circuit. Oral argument was held in November 2015.

In June of 2016, the 5th Circuit did not affirm the decision of the United States District Court for the Southern District of Texas. A three-judge panel of the 5th Circuit reversed the District Court decision on June 23, 2016.

### **Federal GI Bill**

The Servicemen’s Readjustment Act of 1944, or the GI Bill of Rights, provided support, including education benefits, to veterans of World War II. Following the expiration of the original GI Bill, other programs, including the Korean GI Bill, Vietnam Era GI Bill, the Post-Vietnam Era Veterans’ Educational Assistance Program, the Montgomery GI Bill, and the current program the Post-9/11 GI Bill were implemented to make education benefits available to veterans of the Armed Forces. These programs were primarily, if not exclusively, funded by the federal government and were intended to provide assistance to veterans following the completion of their military service.<sup>16</sup>

The Post-9/11 GI Bill provides benefits to veterans and service members who serve on active duty after September 10, 2001. Participants may be eligible for payments to cover tuition and fees, housing, books and supplies, tutorial and relocation assistance, and testing and certification fees.

For the purpose of looking at the legacy portion of the benefit, it is important to note how the federal GI Bill is administered for this population. There are two mechanisms by which dependents of individuals with military service may be eligible for Post-9/11 GI Bill benefits. Transferred Post-9/11 GI Bill benefits may be available to the dependents of service members who stay in the military for at least 10 years. Also, the Post-9/11 GI Bill Marine Gunnery Sergeant John David Fry Scholarship Program may be available to the children of service members who die while serving on active duty in the line of duty.

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## **Rising Costs**

Since 1923, Texas has led the nation in the benefits it provides for its veterans, and the educational benefit for veterans – a total exemption of tuition and fees at our public institutions of higher education – is the richest in the nation. In 2009, the Texas Legislature passed Senate Bill 93. SB 93 established the Hazlewood Legacy program, which allows veterans to pass their unused Hazlewood exemption hours to their children and dependents.

Since 2009, the number of students utilizing the Hazlewood Exemption has increased dramatically, due in large part to the addition of the legacy provision. According to THECB data, in fiscal year 2009 the total amount of waived tuition and fees for this exemption across all public institutions of higher education in Texas totaled approximately \$24.7 million. This increased to \$146.1 million in FY 2013 and \$169.1 million in FY 2014, provided to 36,724 individual students.

While the number of veterans using the exemption has steadily increased, the number of legacies using Hazlewood has ballooned exponentially. In FY 2010, only an estimated 3.8% of Hazlewood recipients were legacies. By FY 2014, that number grew to 50.6%. If unchanged, tuition and fees waived by IHEs through the Hazlewood Exemption is expected to continue growing to \$379.1 million by FY 2019. The majority of the increase is projected to occur through the Legacy Program.

## **Potential Policy Options**

During the 84th Legislative Session a number of reform proposals were discussed, none of which would have changed the status of the benefit for the veteran. Due to exponential growth, the discussion focused on the legacy portion of the benefit and centered on aligning the federal and state prerequisites.

Policy options from the 84th session included but were not limited to:

- Legacy beneficiaries would be required to submit a Free Application for Federal Student Aid (FAFSA) in order to ensure that these students were using their federal benefits prior to use of Hazlewood. Completing a FAFSA would allow for better record keeping by the institutions, the THECB, and the TVC.
- Sponsoring veteran (parent) must have served for six years in order to be eligible to pass hours to a legacy.
- The minimum service for a veteran to be eligible (180 days) does not change.
- Any dependent of a veteran killed/missing in action, or 100% disabled will still be eligible.
- This is less restrictive than post-9/11 GI Bill, which requires 10 years of service before a veteran may transfer his or her unused benefits to a dependent.
- Veterans and their legacies would have a 15 year window from End of Time in Service (ETS) as documented on their DD-214 to utilize Hazlewood benefits.

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- This mirrors the Post-9/11 GI Bill, which has a 15 year cap. The Montgomery GI Bill had a 10 year cap.
  - Legacy use would be restricted to undergraduate programs only.
  - Legacies must maintain a 2.5 GPA and complete 24 credit hours per year to remain eligible. This mirrors eligibility requirements for TEXAS grant.





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**Interim Charge 6**

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## Committee Action

The committee met on 21 June to review educational opportunities for non-traditional students, including adult learners who did not complete a secondary education credential. Recommend possible funding options to promote degree, credential, and/or certification completion. Develop recommendations to promote programs that simultaneously allow adult learners to complete degrees, credentials, and/or certifications for the purpose of promoting and increasing workforce ready graduates.

Invited testimony was given by the following: Commissioner Raymund Paredes for the Texas Higher Education Coordinating Board; Andres Alcantar for the Texas Workforce Commission; Eliseo Cantu Jr. for the Texas Veteran's Commission; Veronica Stidvent for Western Governor's University; Michael Reeser for Texas State Technical College; Dr. James Hallmark for the Texas A&M System; Jennifer Yancy for Victoria College; Dr. Mark Escamilla for Del Mar College; Dr. Michael Flores for Palo Alto College; Dr. Ali Esmaeili for South Texas College; Dr. Tammi Cooper for the University of Mary Hardin-Baylor; Matt Williams for Goodwill Central Texas; and Justin Yancy for the Texas Business Leadership Council.

## Background

Census and survey data make it clear, nontraditional undergraduates have since the 1990s constituted the majority of American college students.<sup>17</sup> The term “nontraditional student” is defined more broadly to include seven characteristics not typically associated with participation in college. These characteristics include:

- entry to college delayed by at least one year following high school,
- having dependents,
- being a single parent,
- being employed full-time,
- being financially independent,
- attending part-time, and
- not having a high school diploma.

Half of US undergraduates are financially independent of their parental households. Some two-fifths are older than twenty-four. A majority of college students are employed at least twenty hours a week, and more than a third work full time. Nearly half are enrolled part time. Demographers estimate that only some 26 percent of college students fit the conventional profile of a recent high school graduate who is financially dependent and enrolled full time in a two- or four-year institution. That is almost exactly the same proportion as undergraduates who are parents.<sup>18</sup>

**Texas: A Blueprint for the Nation**

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Texas enjoys a strong and vibrant economy that is the envy of the rest of the world. We continue to attract new industries and jobs thanks to a dynamic business environment and an eager workforce.

The numbers are impressive. Last year, Texas' gross domestic product grew by 5.2%, more than double the national rate of 2.39%. Over the past year, our total non-farm employment increased by more than 170,000 jobs. Texas added jobs in seven of eleven major industries, including professional and financial services, trade, transportation, education, and health services.<sup>19</sup>

Today's global economy demands an educated and skilled workforce that can thrive in a knowledge-based, hyper-connected, digital age. Rapid technological advances have changed the nature of work. Experts predict that by 2020, more than 65% of all jobs will require a postsecondary education. Many of today's most demanded skills did not even exist a decade ago. We can only guess what the job market will require a decade from now.

What is certain is that maintaining our economic position requires that our colleges and universities produce a workforce that is smart, productive, and prepared to meet the demands of the new century. Our traditional notion of students going straight from high school to college is no longer the norm. The demographics have changed. Today, barely a third of students enter college immediately after high school graduation. Of those who do, barely more than half finish college within six years.

### **The Texas Workforce Commission**

The Texas Workforce Commission's structure includes twenty eight local boards that are in place to understand the regional priorities across the state. These boards build partnerships centered around the unique populations of that specific area. They focus on understanding the employment dynamics, the changes in the economy, and what is needed to do to respond to those changing components. Over the past year, the state has remained at a relatively low level of unemployment, right around 4.4 percent. Texas has continued to add jobs though not as fast as we did in 2015 when we set the state record for the number of jobs created. It is important to understand where the different increases are and what they mean in terms of the regional needs around the state, understanding which companies and what sectors are expanding, and which ones are holding steady. That is important in terms of how you work with post-secondary institutions and other partners relative to advising and investing.<sup>20</sup>

The focus on collaboration between these boards and local high schools is centered around building career fairs and building endorsement pathways. The work that they're doing with the states institutions where we have military installations has been very critical. The boards have deployed really good solutions that are working with the installations prior to our veterans release from the military. The workforce is constantly changing and the mission of the Workforce Commission is also constantly changing based on what the different components of our economy are doing. For example, we know that in the Gulf Coast there is great opportunity for the petrochemical industry.

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Looking at South Texas and the Valley region, Texas has been fortunate in terms of having some offsets relative to the oil and gas industry around some of the Eagle Ford Shale areas. Some of our smaller communities are still struggling in terms of the impact of oil and gas and so trying to figure out how to best support that region of the state and how to equip adult learners, veterans, former foster kids, etcetera with the solutions that will help them acquire the certificates that will help them go to work in these areas of demand. At the TWC, one of the best solutions to invest in has been and continues to be the partnerships with our community colleges, technical schools, and regional universities who are best equipped to provide the necessary credentials that our employers are telling us that they need.

In terms of Texas' adult learners, through the adult education literacy program we operate a program that currently has thirty five grantees. These grantees were selected through a competitive process and work in partnership through the state's community colleges, high schools, and other non-profits to deliver services to that population. They have been receiving services to help them learn to read, to do math, to prepare for the GED, and ultimately pass the GED.

We are working with our grantees to build partnerships with their local boards in terms of referrals and in terms of providing them with opportunities to connect to employers. We are establishing a referral system in order to build more effective career pathways. The challenge is the level of funding that we have to work with. The Workforce Commission has been looking at higher cost models which are now possible because under the federal legislation that was passed last year, Texas like every other state, can now move forward and build more concurrent strategies that integrate skills attainment and learning at the same time rather than being restricted by a federal funding stream that previously allowed only for the literacy component.

There are challenges in terms of meeting some of the rural areas of the state and how we better service some of those individuals. The Workforce Commission partners with Accelerate Texas which is a wonderful model where we provide these mini-semester accelerated programs where individuals can acquire a welding certificate for example, or other credentials in high demand or a manufacturer related fields.

This program makes a great deal of sense in terms of the strategic plan, 60X30TX. More importantly the way that that program is structured, it is equipping individuals with certifications that do allow them to go to work as they complete both the skills attainment and the literacy work. The issues surrounding this program are critical and they do impact our employers in many different ways. When we hear about the skills gap we're certainly talking about the technical challenges that our workers face given the evolution of occupations within these transforming industries, but we're also talking about soft skills, or workplace skills. The Workforce Commission is going to continue to explore and expand on those models because they have shown to provide effective pathways into career fields with good results.

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When we talk about adults that we serve, our priority population for us is our veterans. We work very closely with the Texas Veterans Commission and the Coordinating Board to make sure that we're doing all that we can to assist in the transition for our veterans. One of our cornerstone programs is College Credit for Heroes, and it does address the issues of some these individuals serving our country who provide great expertise and service in different occupations that are directly attributable to what many of our workforce needs are. We can do this more effectively through competency based approaches, prior learning assessments, and other models that each of these partnering community colleges and universities are putting into place to minimize to duplication of work. Our goal is to educate these individuals without having them waste time in a classroom for skills they have already shown to be competent in.

#### How are institutions of Higher Education servicing this growing population?

A number of colleges and universities had made this population of students a primary focus by expanding online classes and programs, creating competency based programs that cater to adult learners with preexisting measurable skills, and a number of other initiatives aimed at providing flexible options for adult learners.

#### **Western Governor's University**

Western Governor's University mission is to improve quality and expand access to post-secondary academic opportunity by providing a means for individuals to learn independent of time or place and to earn competency-based degrees and other credentials that are credible to both academic institutions and employers. We leverage technology and competence-based curricula to provide graduates the practical skills they need to succeed in the job market. We offer more than 50 undergraduate and graduate degrees in high-demand careers, including business, education, informational technology, and health professions.

Our student-centered competency-based approach is ideal for adult learners. It measures knowledge and mastery of skills rather than time spent in a classroom seat. We partner with employers to design and evaluate our degree programs. And each of our students is assigned a faculty mentor who guides them in their degree plan and helps keep them on track for success.

Competency-based education gives shape and direction to the long overdue need to personalize learning in higher education, especially for the non-traditional student population. It allows students to progress at their own pace, focus on those subjects and skills they need to learn, and accelerate time to degree. Competency-based learning's greatest impact may be derived from the fact that it offers a logical framework for aligning the demands of the labor market with higher education.

WGU Texas has more than 7,500 students. Nationally, WGU is the largest single trainer of math and science educators in the United States and accounts for around five percent of the bachelor's degrees and fifteen percent of the master's degrees in Science, Technology, Engineering and Mathematics.

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WGU's employer satisfaction rankings have been impressive. Because competency-based degrees require students to demonstrate proficiency in their field, employers are actively recruiting students who possess skills they have practiced and mastered.

Most importantly, WGU is committed to affordability. Tuition is flat-rate at \$6,000 a year; with most students earning a bachelor's degree in two and a half years. Considering that graduates earn an average of \$10,600 more in salary within two years of graduation, they see a significant return on investment within two years of completing their degree. WGU has not raised tuition since inception in the state, and continue to keep the promise not to raise tuition for another five years.

In addition, the school has created a Responsible Borrowing Initiative which helps students graduate with less debt. It has changed student advising to help them understand not just the amount they are eligible to borrow, but the smaller recommended amount of loans they need to cover their unmet direct costs. From July 2013 to June 2015, the average borrowing per student decreased 40 percent--from \$7,870 per year to \$4,717 per year.

WGU Texas is committed to improving educational outcomes for the State's non-traditional students. Currently, these 3.7 million non-traditional students are at a disadvantage because they are seldom eligible for existing financial assistance programs. The current system of financial aid is still structured for the outmoded notion of young students with minimal financial responsibilities or needs.

This is a disadvantage not only for these students, but also for our state. With millions of Texans with some college and no degree, the students and the state have made an investment with no return. By allowing non-traditional students to access financial aid, our economy will benefit as these students get on track for higher-paying careers and fill the growing number of high-skilled jobs. The ability to complete their degrees will have multi-generational impacts, as their families enjoy a higher standard of living and their children see the benefits of achieving educational goals.

### **Texas State Technical College**

The Texas State Technical College system student body is comprised of about forty percent non-traditional students. That number will vary depending on the type of job market growth in Texas because adult learners are looking for alternatives. Ten percent of TSTC's enrollment are over thirty five years old. Most of these come to the institution with a lot of life experience that traditional college students don't have. Typically they are reenrolling with more of a purpose that they have come back to school. This cohort wants to be able to move through the coursework more quickly because of all the other circumstances going on in their lives.<sup>21</sup>

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In addition, these students are seeking flexibility because of their full time job, parenthood, and other challenges of day to day life. The eight to five schedule or even an eight twelve doesn't always work with this population.

Affordability is also critical for these students. The adult student often is paying their way and doesn't have the family support that your typical college student may receive.

And finally, non-traditional students want a focused track that they can plan around. These students are coming back to college because they have reached an inflection point in their life. They are underemployed, or worse they are unemployed. Status quo is not an option because a lot of times, they need to provide for children and their family and see college as the answer. This cohort of students are coming to TSTC as a means to an end.

Nontraditional student have to be guaranteed that the degree or field of study that they are working to complete is going to result in a job. The concept is alignment and how aligned is the output of higher education with the workforce demands of Texas employers. There is room to improve in this area. At TSTC, employers are requesting workers for a number of these high demand fields because they can't find people to fill positions.

The challenge for administrators is aligning the curriculum with the workforce. The concept of providing economic incentive to institutions is a big driver and shifts the conversation away from what students will take to what should we provide to fill the work shortage gaps.

The one size fits all system for funding higher education may not be the best way to address the workforce shortages we hear so much about. If we place a premium on funding these programs that are targeted towards these high demand jobs it would provide a lot more incentive to the institutions. Without an external driver in terms of catering our output to the needs of industry, that alignment is not going to happen.

TSTC is not funded on contact hours. The Coordinating Board tracks TSTC's students as they do all the students in Texas and works in conjunction with the Texas Workforce Commission who monitor these students through the programs and into the workforce. Those students are tracked by the TWC for a five year period and the state captures their earnings.

It is those first five years of earnings that is used by the Coordinating Board and the Legislative Budget Board to develop an economic impact number that TSTC graduates have on the state economy. The higher the salaries that the graduates get, and the more graduates that we put into the workplace, the higher the economic impact. The state's funding recommendations that the Legislature receives from the Coordinating Board and the LBB are based on a small percent of that economic impact.

Last session was the first session that this funding model was in place. Prior to that, TSTC operated under a hybrid system of both contact hours and placement. If you go back and look at

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the data on TSTC, you'll find that although the overall enrollment is relatively flat, the number of TSTC graduates found in the workplace has increased by 39 percent.

### **The Texas A&M University System**

In the fall of 2015, Texas A&M University System (TAMUS) had 38,385 students who were twenty five and older, 25,911 of which were undergraduate students. One in five of all of our students within the A&M system is twenty five years or older, one in five of them are the these nontraditional adult students who have returned to receive a degree.<sup>22</sup>

These students range from everything from veterans who are returning from service, to mothers who are retraining, to any number of kinds of experiences that they've had in the workforce. TAMUS serve a large number of veterans, of course not all of the veterans are twenty five or older but most of them are and we have 5,383 veterans or active duty service members who are currently enrolled in one of our A&M system universities. This number does not include the sixty two hundred dependents that are also part of our university system. Texas A&M Central Texas has the greatest population of veteran's in our system, close to 48 percent of the student body.

All of TAMUS campuses are military and veteran supportive which of course is essential to the success of these veterans as they enter our campuses. Another aspect of the service of veterans which are almost entirely twenty five or older, is that the A&M system is the largest single four year participant in the College Credit for Heroes program. All of the universities within the system except and apply the College Credit for Heroes credits where they are applicable to their degree and this enables those veterans to better use the training they received in the military and to complete their degrees in a timely manner. Again the goal being to not require them to take those courses by which they already have the training and knowledge but rather move them forward quickly.

A significant number of TAMUS veterans pursue what is called a BAAS degrees. These are the bachelor of Applied Arts and Sciences and they have shown to be an effective mechanism for ensuring these students move through in a timely manner. The Bachelor of Applied Science and the bachelor Applied Arts and Sciences programs offer students with formal training in technical areas the opportunity to obtain a baccalaureate degree without the loss of credits that normally occurs if you're pursuing a traditional degree. This program is particularly appropriate for graduates of associate of applied science programs at community colleges, TSTC, or those who may have received significant technical training in the military. The degree is designed to afford both academic and professional depth to individuals who possess and recognize competence in occupational technical fields. Nine of our universities in the system offer these vast agrees and these degrees are earned almost entirely by students aged twenty five or older.

Since 2012, the A&M System has had a little over three thousand BAAS degrees that have been earned by students who are twenty five and older. Texas A&M Commerce and Texas A&M San



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Antonio have the lead the way in that terms of having the most graduates, Tarleton State and West Texas A&M are close behind.

A&M central Texas' BAAS degree in business management currently has one hundred thirty two majors in it and it's designed for former military and adult students with substantial technical training in credits as well as those with extensive supervisor experiences. A&M Texarkana's BAAS program uses prior learning assessment in a holistic portfolio development to match the student's background experiences and goals with the specific courses to prepare the student for their chosen career path. Over the past four years, Texas A&M Texarkana has averaged fifty three graduates each year from this program. Tarleton State has effectively use their BAAS programs in developing outstanding programs in Fort Worth, Waco, and in Midlothian where thousands of students are currently enrolled in those programs.

Texas A&M San Antonio recently received a grant from the Texas Workforce Commission to create a competency based BAAS program in health care services administration and health care services informatics. These competency based BAAS programs at A&M San Antonio are four year degree programs that utilize the military or industrial training in lieu of up to forty two semester credit hours. So a veteran our worker is able to apply the maximum number of technical credits that student will graduate with a bachelor's degree in two to two and a half years instead of the normal four years or longer that it may take to finish that degree.

The Texas A&M Commerce Affordable Baccalaureate Program is among the greatest accomplishments we've seen thus far in meeting the needs of the nontraditional student among the public universities in the state of Texas. The programs in its third year of operation and currently has one hundred ninety two students enrolled with sixty six graduates to date. The average age of those enrolled in the program is thirty nine.

On the average the typical student in the Texas affordable baccalaureate program ecommerce has completed their degree in less than a year now. The program is one hundred percent online so a student need not be located anywhere near Commerce, Texas in order to participate in this program

The Texas A&M System also provides training and education necessary for certification for over 100,000 Texans each year. TEEEX or the Texas Engineering Extension Service is among the premier training and certification programs in the state and are a leader in the delivery of emergency response, homeland security, workforce training exercises, technical assistance, and economic development. In most cases, completion of the TEEEX courses qualify the student to also take a certification exam from the governing body in that field. In fiscal year 2015, we had 119,895 Texans who participated in TEEEX workforce development programs. These programs include: firefighting, water and waste water, cybersecurity, forensic science, ocean safety, corrections, hazmat rescue, transportation, marine safety, etcetera. Nearly eighty five percent of those were twenty five or older as well over one hundred thousand individuals in Texas who were trained to receive certification.

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## Texas Women's University

Two groups of non-traditional students that TWU has prioritized focused energy, effort, and resources on are students with children and families, and students who come to TWU from the Texas foster care system.<sup>23</sup>

Nationally the higher education graduation rate for students who have aged out of foster care is about 3 percent. The institution has created a program for this vulnerable population aptly named the Frontier Program, to help these students achieve the dream of four year degree. The Frontiers Program at TWU has only been around for four years but since implementation, 60 percent of the students who have entered the program are still in school and on track to graduate.

The Frontiers Program supports students raised in foster care through encouragement, a sense of community and available financial assistance. Frontier students meet individually with a mentor for help with navigating college, identifying resources and setting goals. As a group, Frontier students enjoy social activities, study groups, guest speakers, support and hanging out in the Frontier student center.

In addition to the support from the Frontiers Program, many former foster children do not have any financial resources to fall back on during unexpected emergencies. To address this TWU created the “Tonn Emergency Aid for Adults who Have Aged Out of Foster Care Fund.” The purpose of the Fund is to provide emergency aid for educational and living expenses at TWU, health care, and other needs for students who have aged out of the foster care system.

Texas Woman’s University is committed to helping non-traditional students who have families. TWU created the Campus Alliance for Resource Education of CARE office for non-traditional and commuter students. The CARE office also provides a one-stop shop where TWU student parents can get help meeting the needs of their families while they are enrolled at TWU.

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## **Appendices**

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## Appendix A

### Oral and Written Testimony

#### Wharton County Junior College

There are 50 two-year community college districts that serve the state of Texas. They offer vocational, technical, and academic programs for certification or associates degrees. There are over 715,000 students enrolled in Texas' community colleges. That's the highest portion of students in higher education. With the network of service areas across the state, community colleges are strategically and uniquely positioned to provide access to all Texans and to help achieve the goals of 60X30TX. Texas community colleges provide workforce training for local business and industry and serve as partners with K-12 education and area universities for seamless path for transfer.<sup>24</sup>

At Wharton County Junior College we are helping bring in industry in Matagorda County. These industries invest in the community college through monetary resources and work study programs for our students. There is a real opportunity to scale up these types of programs and bring more students from our community into the community college system. We also have great working relationship with the University of Houston and are working to ensure that students can transfer with much of their coursework completed at an affordable rate.

Texas community colleges are a highly diverse network with locally elected boards. Some districts have boards with seven members, others with nine members and can vary based on their creation. These boards are very accountable because they serve and are elected locally. Each board has a unique opportunity to serve their service area and are closely reviewed by their constituents. Community colleges are governmental subdivisions and sometimes have local taxing authority. This hasn't always been the case, but in 1929 they were authorized for this authority. The creation and taxing authority of junior college districts is governed under chapter 130 of the Education Code. Junior College districts may be created by school boards, county commissioner courts or other local authority boards through a petition and approval by the Texas Higher Education Coordinating Board. Then it must be approved by voters including taxing authority ability. Once approved, the residents in the district pay a maintenance and operation tax set annually by the governing board. The state averages about fifteen cents per hundred dollar valuation. That can vary from two to sixteen cents and varies based on the effective tax rate. Rural areas typically do not have high values and are becoming more and more dependent on student tuition and fees. At WCJC students pay close to fifty-six percent of the operating budget. This is a barrier to access for students across Texas.

WCJC serves a large rural, suburban, and a growing urban area but the tax base is small in comparison. There is quite a difference between each community college and their revenue streams. There are around five different business models for the community colleges across the state and each of those are unique to their specific area.

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The students outside of the taxing district are served in the service area, which is a geographical district which was created by the legislature (Appendix B). For the most part, those students are charged an out of district fee and that varies institution by institution. For WCJC, it's almost twice the amount charged per semester credit area. Service areas for community college districts were established by the 74th Legislature through Senate Bill 397. Service areas are defined as the territory outside the community college taxing districts boundaries in which the district is recognized as the provider of the first responsibility. Service areas were created for two reasons: to prevent duplication of services or overlapping efforts by multiple community colleges and further defining the ability to offer services outside of taxing districts.

At the time, duplicate programs were being offered in parts of the state and no programs were being offered in other parts of the state. Some community college is obligated to offer services within their territories. That doesn't mean that college must offer the program but if they do not, they may invite another institution through a memorandum to offer those services in their area. This is an effective way to spread state dollars and offer programs that are critical to workforce shortage gaps of that specific area. Service areas have changed through the years. Some areas may be better served by another area and so we have seen those changes happen through the legislative process over the years.

### **Blinn College**

As you are aware in December of 2015, Blinn transitioned from a seven member board to a nine member board as a result of the legislation that passed in House Bill 2621. Blinn College has the highest academic transfer rate in the state at forty two percent. Our institution sets the benchmark for transferring students to four-year institutions, a large portion of those going on to attend Texas A&M University. In addition, Blinn also serves an important role in the areas workforce shortage needs. Blinn is actively seeking to expand workforce programs by collaborating with area businesses and using those relationships to compete and earn grants to help address these needs. These grants have been focusing primarily on skills training and safety training for employees. A significant part of Blinn College's mission is to serve under represented populations. Last year at Blinn, seven thousand minority students, four thousand of those students being Hispanic, were served by our multiple campuses.<sup>25</sup>

Community colleges will play a significant role in the Texas Higher Education Coordinating Boards 60X30TX strategic plan because of our affordability and our geographic accessibility within our service areas. Limited resources make it a challenge to meet the needs of these growing populations, the need for expanded workforce program opportunities, recruitment of the under-served populations, and to address the various needs that lie in the rural communities.

For Blinn, our service areas greatest growth takes place in Brazos and Waller counties yet the only district that draws taxes is from Washington County. Only sixty six of the state's two hundred and fifty four counties pay taxes to support community colleges. At Blinn, despite tax increases in seven of the last eight years, our taxes will provide only \$1.8 million in revenue which represents less than two percent of this \$106 million operating budget. Blinn is unique

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because the majority of the students we serve, seventy four percent, come from outside the service area. Students come from across the state and country because they want to transfer.

In 2014, Blinn conducted a study which found that students hailed from 1,533 different zip codes across the country. As a community college with a small tech space and a growing population outside of its taxing area it is a challenge to meet and to provide services to its entire service area. Blinn has implemented a number of programs to try to address some of the area's needs. First of all we just completed a \$10 million renovation at our current Bryan campus. In addition, Blinn was able to purchase ninety five acres of property that will allow the college to serve an additional fifteen thousand students. This project will cost \$46 million and is set to open in the fall of 2017. We also have several workforce sites throughout our service area. They are providing technical, career, and professional development training. Blinn has a \$1.8 million annual lease to provide a Health Science Center where we have all of our nursing and our allied health programs. The college also offers an early college high school with Bryan ISD. All that to say, I can assure you that balancing the needs with limited tax dollars while trying to keep tuition and fees is a very daunting task.

Community colleges vary in their primary revenue sources. Many community colleges are primarily state funded or some depend upon a blend of state and tuition revenue while others rely on a balance of state and local and tuition funding. Each community college has developed its own plan to meet the varied needs within its service area and it affords them the flexibility they need to meet the local needs and with local solutions.

Community colleges have seen a seventy four percent enrollment increase in the past fifteen years. Fifty two percent of all students currently enrolled in public higher education attend a community college. Seventy four percent of all freshmen enrolled in Texas are at a community college. Seventy six percent of all minority freshman are enrolled in a community college. Seventy three percent of all Hispanic freshmen and sophomores are enrolled in a Texas community college and ninety percent of all dual credit opportunities are provided by community colleges. So to maintain this and to build upon the success, community colleges look forward to working with the legislature and policymakers to ensure that we have a bright future ahead for our Texas schools, for our Texas businesses, and for our Texas communities.

### **North Central Texas College**

North Central Texas College serves a diverse student body throughout our service area which includes Cook, Denton, and Montague counties and the Graham Independent School District. For more than ninety years NCTC has served North Texans beginning in 1924 as a part of Gainesville high school. In an effort led by community leadership the college separated from the high school and gained independence in 1960 and created a county wide Junior College District in Cook County. Enrollment at the college grew steadily over the years reaching the thousand student population mark in 1965.<sup>26</sup>

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NCTC began serving Denton County students in 1970. As Denton County grew and without any tax support in that county, NCTC tried to keep up by leasing temporary campuses in the cities of Denton and Lewisville with the Lewisville campus opening in 1980 and served fifteen hundred students in technical and academic education. The NCTC Denton campus was opened in the fall semester of 1992, offering day time, evening, and weekend courses. The facilities were inadequate and inhibited the number of courses and programs that the college could offer. So in the year 2000, the Denton County Extension sites were consolidated into a modern centrally located facility in Corinth, Texas. The thirty five acre campus located on I-35 was the only location for Denton students for several years reaching its capacity of over five thousand students in 2009. This facility was only made possible through the support of our NCTC Board of Regents elected from the tax district of Cook County and their comprehensive understanding of the importance of the service area and agreeing to utilize revenue bonds for the construction of this campus and an ongoing payment of \$400,000 each year.

In 2000, the citizens of Bowie, Texas understanding the tremendous positive impact the college could have on Education and Workforce Development supported a half-cent sales tax increase. These funds were channeled through the Economic Development Corporation and were used to build a sixteen thousand square foot facility to serve Montague County. In May of 2009 through another strategic partnership between the city of Bowie and oil and gas industry partners, an additional sixty five hundred square feet was added to housing new oil and gas technology programs and a new library.

In 2009, the Graham campus opened to serve the students of the Graham Independent School District. This partnership was only made possible by the citizens of Graham ISD, voting to secure a five cent maintenance tax securing the future of that campus.

The Flower Mound campus also located in Denton County is the newest addition to the NCTC district, opening in January of 2011 with slightly over eight hundred students and a handful of faculty and staff. The campus now boasts almost two thousand students with a comprehensive student service and academic instruction.

As a representative and an elected board member, it is important to emphasize the commitment and dedication that local boards around the state have and continue to have for students not only within but also outside the college's taxing districts. NCTC as with Blinn, Cisco, Hill, Vernon, Paris, Howard, the list goes on and many other colleges strive to serve students in a larger metropolitan environment and have accomplished this goal over the past four decades by emphasizing student success through local control. Just over the past ten years, fifty eight thousand six hundred seventy nine students have been served in Denton County by NCTC. Sixteen thousand five hundred eighty one of those students have transferred to the University of North Texas and Texas Woman's University both of which are Denton County universities and are similar in structure to the partnership between Texas A&M and Blinn College.

We've also served over five thousand Denton County High School students through dual credit. Three hundred ten of our employees live in Denton county with an annual salary base of six and

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a half million. NCTC's out of district tuition average is \$130 per credit hour and we offer to our non-tax district service area \$118 per credit hour. We also maintain the twelfth lowest in district tuition rate while having the fifth lowest maintenance and operation tax in the states fifty community college districts. In the future, the community college in the state of Texas will be the most successful in the hands of locally governing bodies working with our communities they serve to create fair and equitable service for our students. The conversation between state leaders and local College Board officials will be necessary as we continue to educate the citizens of Texas. We must work together to create more effective mechanisms in service expansion and representation that not only meet the needs of growing counties but also recognize the long standing historic commitments made by smaller communities to achieve these profound results. As mentioned earlier by the commissioner, each year the community colleges in the state of Texas serve more than seven hundred thousand students. We are going to be an intricate part of the 60X30TX plan. We look forward to our continued growth and know that Texas can and will lead the nation in the conversation in regards to higher education.

### **Texas Higher Education Coordinating Board**

In 2003, the legislature passed a bill allowing three community colleges in Texas to offer up to five baccalaureate degrees: South Texas College, Brazosport College, and Midland College. The evidence that we have right now indicates that community colleges will engage this issue in a thoughtful, reasonable manner. Senate Bill 414 from the 83rd Legislative Session mandated that the Coordinating Board conduct a study to assess the need and desirability of expanding community college authority to offer baccalaureate degrees.<sup>27</sup>

The Coordinating Board has since hired the RAND Corporation from Santa Monica, California to conduct a study regarding the feasibility of community college baccalaureate degrees (Appendix C). The report offered three options, yet they did not make a recommendation: The first option is to leave things as they are; the second is to allow community colleges to freely expand baccalaureate degrees as they see fit; the third is to have a process in Texas that would allow community colleges to propose baccalaureate degrees, which would then need approval, presumably by the Coordinating Board, and after a thoughtful process of evaluation as to need, quality, and resources of the proposing community colleges. The Coordinating Board has recommended the third option.

One of the Coordinating Boards concerns in higher education today in Texas is the growing expenses for our students and their families. Fees and tuition at our universities are going up more quickly than commensurate costs in our community colleges. In terms of other issues that are included in your charge, Texas has to develop more efficient guided pathways to credentials and lower degrees. Young people that are coming on to our college campuses haven't received adequate counseling in their high schools about what courses they should take and how they should prepare to go to college or university. We have to aggressively intervene and help students make choices.

### **South Texas College**



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South Texas College was selected as one of three community colleges in Texas by the 78th Legislature in 2003 to pilot offering a maximum of five applied baccalaureate degrees. During the 82nd Legislature in 2011, the pilot status was removed, but maintained the maximum limit of five applied baccalaureate degrees. Currently, South Texas College, Brazosport College, and Midland College are the only Texas Community Colleges accredited by the Southern Association of Colleges and Schools Commission on Colleges and authorized by the Texas Higher Education Coordinating Board to offer baccalaureate degrees.<sup>28</sup>

The offering of baccalaureate degree programs at South Texas College over the last 10 years has significantly impacted student access and success. Between 2005 and 2014, four baccalaureate degrees were established at South Texas College. In 2005, the Technology Management (TMGT) degree program was created which was the first baccalaureate program offered on campus. In 2008, South Texas College was authorized to create a program for Computer and Information Technologies (CIT). In 2011, the Coordinating Board authorized Medical and Health Services Management (MHSM) and in 2014 STC established the Organizational Leadership Competency Based (OL) program.

The fourth bachelor degree, Bachelor of Applied Science in Organizational Leadership, a competency based program, was created when STC developed a partnership with Texas A&M University-Commerce. It was funded by the Texas Higher Education Coordinating Board and the College for All Texans Foundation as a part of EDUCAUSE Next Generations Learning Challenges Wave III Grant.

Over 1,000 students have earned bachelor degrees with a notable number of them choosing to pursue post baccalaureate degrees at the Master's level and beyond. Moreover, all four baccalaureate programs have increased access for Hispanic students and have contributed to the goals of Closing the Gaps and the new Texas Higher Education Strategic Plan, 60x30TX by raising higher education participation rates for Hispanic students and by increasing the number of students earning bachelor degrees.

Our student demographics for the fall of 2015 for students enrolled in baccalaureate programs are as follows:

- 63% are full time students;
- 52% male and 48% female;
- About 91% of the students are Hispanic, 5% white, and 4% unknown;
- 23% between the ages of 17 and 24, 46% are between 25 and 34, and the remaining are older than 35.

Local revenue from taxpayers South Texas College's taxing district of Hidalgo and Starr counties funded facilities, infrastructure, operations, and maintenance costs of the institution and has accommodated the baccalaureate degrees without additional expense to local taxpayers. The baccalaureate program is designed to meet the workforce development needs of specific industries requiring a highly skilled and specifically prepared workforce. The investment by

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local taxpayers in a BAT degreed labor force helps attract new companies to the region that will employ personnel into high-wage and high-demand occupations. This is a good investment for local taxpayers and the State of Texas.

### **San Jacinto College**

As of 2015, 22 states deliver robust offerings of bachelor's degree programs at community colleges. Washington State initiated the development of baccalaureate degrees in 2010, currently offers 35 bachelor's degree programs at 15 community colleges, and anticipates offering 44 programs at 20 community colleges during this academic year. They are building on the advancement of workforce training in their state rather than competing with the offerings of four-year colleges. South Texas College has developed a pathway for dual credit, which includes stackable awards from marketable skills achievement awards through associate degrees, to a bachelor's degree.<sup>29</sup>

The mission of San Jacinto College is to ensure student success, create seamless transitions, and enrich the quality of life in the communities we serve. To that end, the development of a baccalaureate program would provide more accessibility to higher education by creating a seamless transition from workforce training to a bachelor's degree and by improving the quality of life in the community by improving the economy and providing non-traditional students a pathway to a bachelor's degree in technical workforce fields.

Programs at community colleges contain rigor equal to the rigor found in the university setting. This is evidenced by the performance of community college students after transfer, where they perform as well or better than the native four-year university student. In addition, the Accreditation Commission for Education in Nursing affirms San Jacinto College nursing programs and by the Texas Board of Nursing. This ensures that the highest standards are in place for all courses and clinical settings. This is evidenced by our pass rates. The pass rate for our Central Campus ADN program is 89.71 percent and our South Campus ADN program pass rate is 85.71 percent. At this time, the Texas pass rate for all colleges and universities is 85.22 percent and the national rate 84.18 percent for all newly licensed Registered Nurses.

Associate of Applied Science degrees in technical programs, by their very nature, are designed to train a local workforce. Once graduates are employed and assume family obligations, it becomes difficult for them to relocate to another region to continue working. Pursuing the baccalaureate degree could move them into management positions, allowing them to remain where they are currently located.

Providing flexibility in education to full-time working students means that the workers are retained in the local workforce, continue to support the local economy while pursuing higher education, and receive an education at a lower cost than at a four-year institution. Although oil prices are at an all-time low and many energy companies are experiencing layoffs, the process plants in east Harris County are still experiencing growth and expansion. The industry partners in the San Jacinto College taxing district still have demand for highly skilled workers.

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Through House Bill 5 that passed in the 83rd Legislative Session, educational partners are expanding access to career and technical education. By offering degrees such as the Bachelor of Applied Technology at the Community College, students will have options to advance in their careers rather than feel stuck in the same position with no option for advancement other than starting over at a four-year university. Students often lose technical course work in transfer.

There are current and future demands for managers and nurses. Health care is one of the fastest growing industries in the nation, and in Texas there are over two million small businesses in health care, retail, construction, transportation and warehousing, international trade, and manufacturing. In addition, there is a need for successful small businesses owned by local citizens to support local and regional economic development. Owning and operating a small business requires specific managerial and administrative skills provided through an applied technology bachelor's degree. According to the Small Business Administration, many small businesses are owned by women and veterans; in Texas, over 16 percent of small businesses are women-owned and 21.9 percent Hispanic-owned. San Jacinto College oversees a Small Business Development Center, which could tie in with a bachelor's program focusing on the skills needed for entrepreneurial enterprises. This critical workforce training can be supplied by community colleges at a lower cost to taxpayers and with flexibility for the working student. San Jacinto Community College is well situated to meet these needs by providing bachelor's degrees in applied technology and nursing.

### **Lee College**

The comprehensive model of Dual Credit is found in over 130 Texas Early College High Schools, where high school students can earn both a high school diploma and two-year college associate degree in four years. For students still in high school, there are many advantages to dual credit enrollment, including students receiving credit for both a high school course and college course by taking one class, the opportunity for a high school student to compile a college transcript while still in high school, no tuition for students in Early College High Schools, and a sooner than usual time to certificate and degree completion.<sup>30</sup>

Dual Credit reduces the time to degree completion. As students add courses to their college transcript while in high school, they edge closer to completing certificates and degrees. This jumpstart to their college career significantly improves the completion rate. The state, local communities, students and parents realize a financial benefit to Dual Credit. This progressive educational initiative reduces the need for facilities as many of the classes are taught in existing high school classrooms, one college class meets both the high school credit and the college credit, no or low tuition is charged, and students are living at home.

The Texas Legislature has been progressive over the past ten years as it relates to Dual Credit. Legislation has provided an opportunity for students to enroll in and complete college courses. The more salient legislative actions include:

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1. The 76th Legislature passed legislation requiring school districts to establish a program for high school students to earn at least 12 semester credit hours of college credit.
  2. The 84th legislature removed the two courses per semester cap for dual credit and removed the limitation of only juniors and seniors being eligible for college courses. Currently, all high school students who demonstrate that they are college-ready can earn college credit in high school. This expansion of dual credit will increase the number of students in dual credit throughout Texas.

From the fall of 2000 to the fall of 2015, dual credit enrollment in Texas has increased nearly 750 percent, from a little over 17,000 students to over 133,000 students. Over 93 percent of those students are served by community colleges. Largely due to the criteria for admission to Early College High Schools, 44 percent of the students enrolled in dual credit courses are Hispanic, 43 percent are white, and 7 percent are African-American.

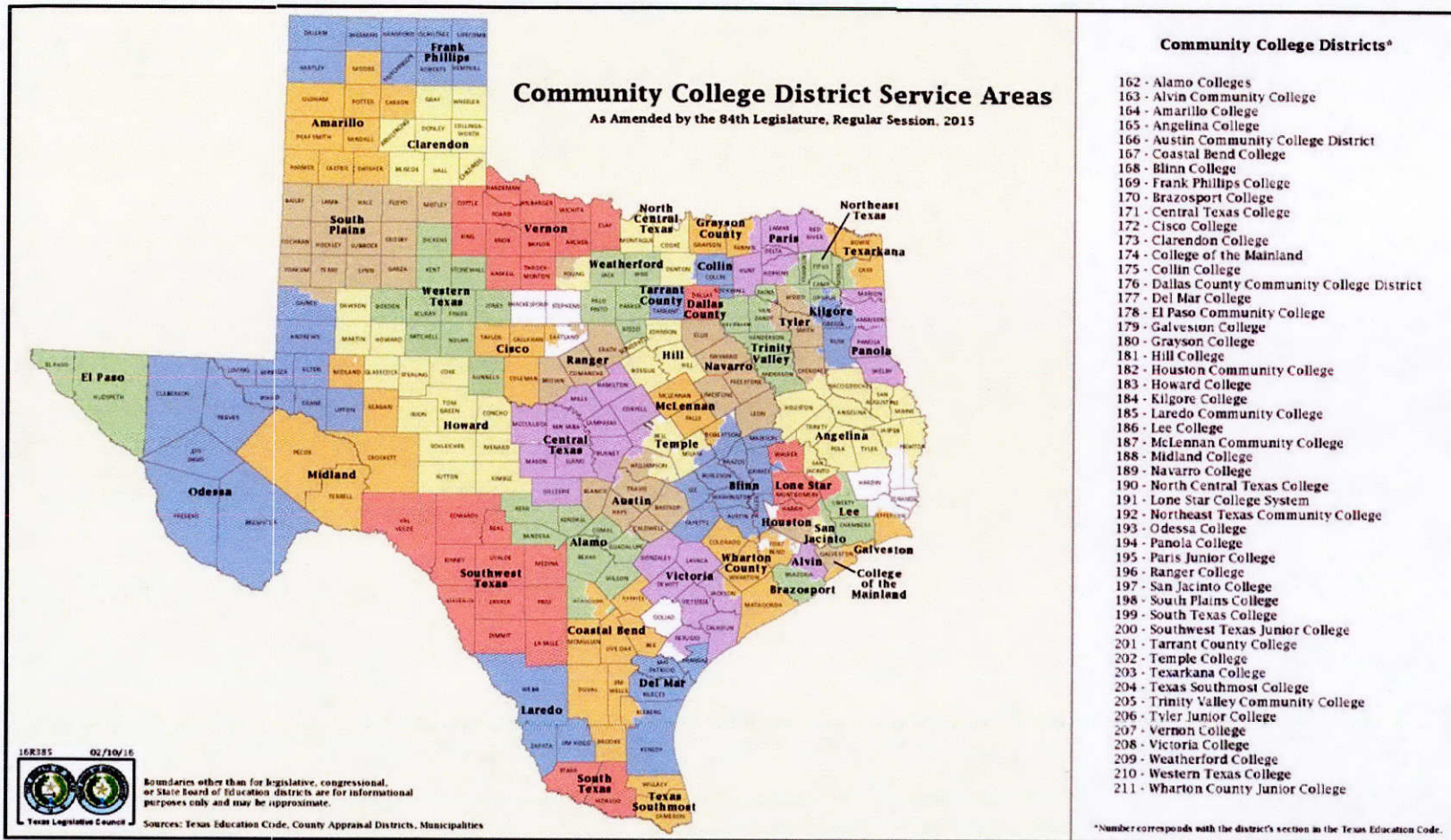
The Coordinating Board reports that dual credit students remain enrolled in higher education at persistence rates greater than 85 percent. This compares to all community college students' persistence rate of just over 67 percent. Approximately 30 percent of dual credit students earn a baccalaureate degree in four years or less. The four-year graduation rate for all community college students for all credentials was 22 percent in 2015.

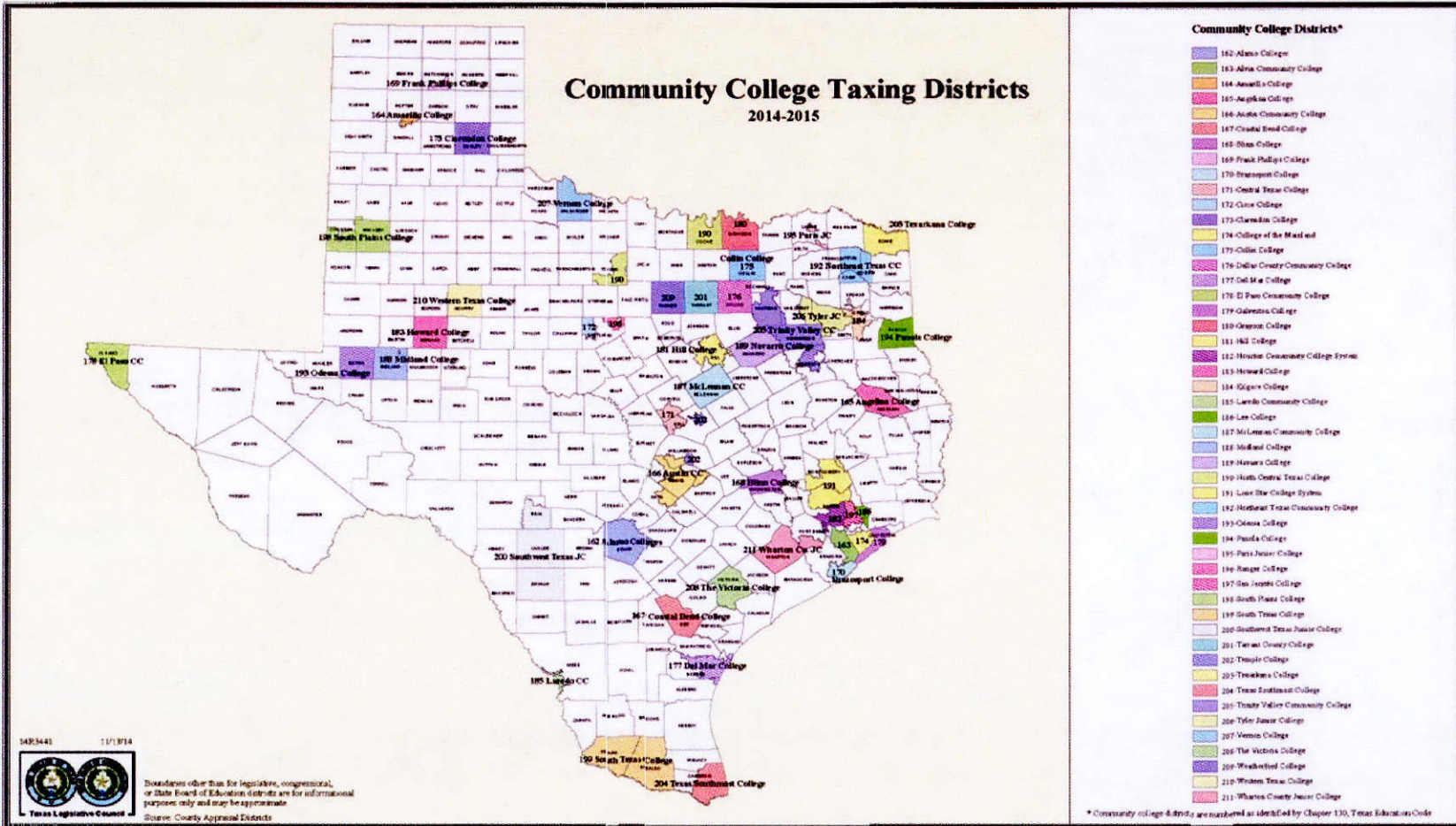
There are some issues facing dual credit programs in Texas. Among those are barriers to access. Offering dual credit classes to rural school districts presents a challenge. Other challenges are having adequate supply of college credentialed teachers, making the college course affordable for high school students and their families, ensuring that community colleges have the opportunity to serve the school districts in their legislatively authorized service areas, and competition from universities offering no tuition or scholarships. For some students online dual credit instruction helps to mitigate the distance and credentialed faculty problem.

One of the biggest take away from the 83rd Legislature was the passage of House Bill 5. One of the more prominent elements of the legislation was the change to the high school curriculum, moving from what has been known as the four-by-four to endorsement areas, with this change, the opportunity for high schools and community colleges to partner on technical dual credit courses, certificates and associate of applied science degrees was significantly enhanced. For some community colleges and school districts, typically those with needed resources to offer technical courses and programs of study, the playing field was now expanded.

The issue of rigor is one that the community college takes very seriously. Students cannot enroll in any college course unless they meet the requirements set out in the Texas Success Initiative Assessment, which is required of all students enrolling in college courses. The only exception is for students who are enrolling in short-term technical certificates.

The Texas Association of Community Colleges formed a Dual Credit Task Force in the spring of 2015. The task force is made up of community college chancellors and presidents, as well as representation from the Texas Higher Education Coordinating Board and other key stakeholders.





## Appendix B

RAND CORPORATION

Assessing the Potential to Expand  
**Community College  
Baccalaureate  
Programs** in Texas

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Lindsay Butterfield  
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Prepared for the  
Texas Higher Education  
Coordinating Board

**Summary**

Like much of the United States, Texas has seen significant expansion in higher education in recent years. Yet many workforce-development needs, particularly those requiring additional baccalaureate degrees, remain unmet in some areas of the state. Employers and students are calling for additional programs to develop workplace skills and to provide opportunities for career advancement. Increasing levels of education also would benefit individuals and society. Baccalaureate-level needs have been served primarily by universities, sometimes in partnership with community colleges, where a large percentage of students complete the first portion of a degree program. Community colleges are particularly important for first-generation college students from low-income families and for older students, many of whom work while enrolled in classes.

In an effort to make higher education more effective in meeting workforce needs, states are exploring whether community colleges might play a greater role in baccalaureate-level education. Supporters argue that community college expansion is necessary to meet local workforce needs and support a robust economy. They also contend that authorizing community colleges to offer baccalaureate programs will expand students' opportunities to improve their knowledge, skills, and abilities, and to attain credentials for career advancement. Yet there is considerable

debate over the efficacy of community college baccalaureate expansion. Opponents express doubt that expanded community colleges will continue to fulfill their critical missions of workforce preparation and open enrollment. They also fear that expansion may lead community colleges and universities to compete with each other for students, state funding, and other limited resources.

**Should community colleges provide baccalaureate degrees?**

On May 22, 2013, the Texas Legislature approved a bill mandating a study on whether community college baccalaureate degree programs should be expanded in Texas. The Texas Higher Education Coordinating Board (THECB)

asked the RAND Corporation to partner with the Texas Higher Education Policy Initiative (HEPI) to conduct the study. The study has several objectives, which we list along with the corresponding research questions, in Table S.1.

Table S.1. *Study Objectives and Research Questions*

Study Objective	Research Question
Assess unmet workforce-development needs in nursing and the applied sciences	Are there unmet workforce-development needs for baccalaureate degrees in nursing and four applied science occupational groups in Texas?
Assess the arguments for and against baccalaureate expansion and other information (e.g., costs) to support THECB and legislative policymaking related to community college baccalaureate expansion	Do community colleges provide an appropriate way of meeting unmet workforce-development needs, particularly those requiring greater baccalaureate production in nursing or the applied sciences?
Recommend potential activities to support implementation of any new policies undertaken to expand the community college baccalaureate	If the state determines community college baccalaureate expansion is an appropriate means to meet unmet workforce-development needs, what process should it use to recommend and approve new programs?

## Community College Baccalaureate Programs in Texas

Community college baccalaureate programs are not new in Texas. In 2003, the state authorized the three community colleges of Brazosport College, Midland College, and South Texas College to each offer as many as five baccalaureate programs. The programs had to be approved by the THECB, and the community colleges themselves had to be authorized by their regional accrediting agencies to become baccalaureate-granting institutions. After a two-year approval process, the institutions began enrolling students in fall 2005 in the following Bachelor of Applied Technology programs.

- Brazosport College—Management of Operation/ Production Technicians
- Midland College—Organizational Management
- South Texas College—Computer and Information Sciences, Technology Management, Medical and Health Services Management, and Organizational Leadership

In 2010, the THECB and three external consultants conducted a study (as mandated by the Texas Legislature) and found that each of these community colleges had a strong commitment to the baccalaureate degree and to the quality of its programs. Graduates and their employers seemed satisfied with the education received. Nevertheless, the study also revealed several concerns, particularly about the costs, both startup and ongoing, that institutions incur when they implement baccalaureate degree programs.



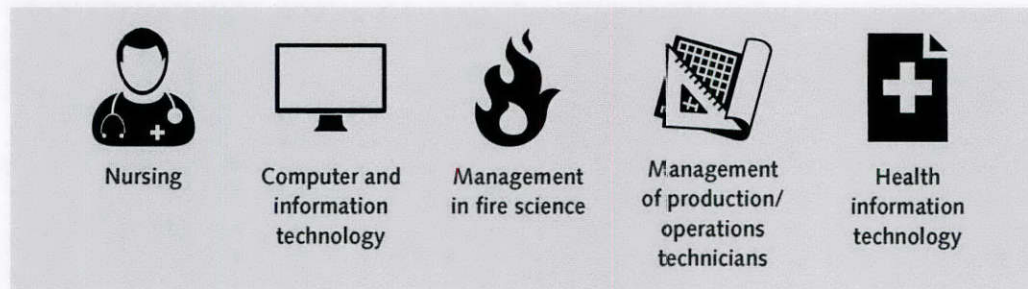


## Study Methodology

To support the state in determining whether community college baccalaureate offerings should be expanded, we first needed to ascertain whether Texas has unmet workforce needs that such programs could address. Based on input from the presidents and provosts of all Texas community colleges, we elected to focus our study on five fields (Figure S.1): nursing and four applied science fields:

- Computer and information technology
- Management in fire sciences
- Management of production/operations technicians
- Health information technology

Figure S.1. *The Five Degree Fields of Focus*



We also elected to focus on four distinct regions of Texas, which were chosen to represent the state's range of policy and workforce environments. We identified two regions with large urban centers and two regions that represent rural or otherwise distinct regions, and we conducted more detailed, deep-dive analyses within them. These regions (Figure S.2) are:

- the Dallas–Fort Worth region;
- the Gulf Coast region, including Houston and surrounding areas;
- the region of South Texas stretching from Laredo to Brownsville; and
- the West Central Texas region surrounding Abilene.

We visited the four regions in January and February 2014, spending one week in each to speak with a wide variety of stakeholders. We interviewed more than 300 people in total, including employers as well as institutional leaders and departmental experts at universities and community colleges (Table S.2). We also conducted literature reviews and surveys and analyzed quantitative data from the Texas

Workforce Commission, the American Community Survey, the Texas Department of State Health Services, the Integrated Postsecondary Education Data System, the College Board, and other sources.

Figure S.2. *The Four “Deep-Dive” Regions*

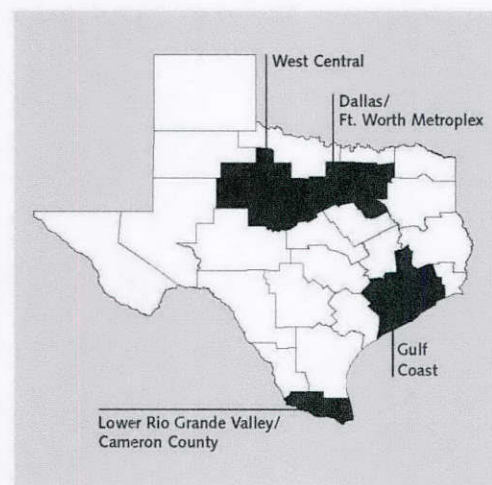


Table S.2. Number of Stakeholders Interviewed for the Study, by Affiliation and Location

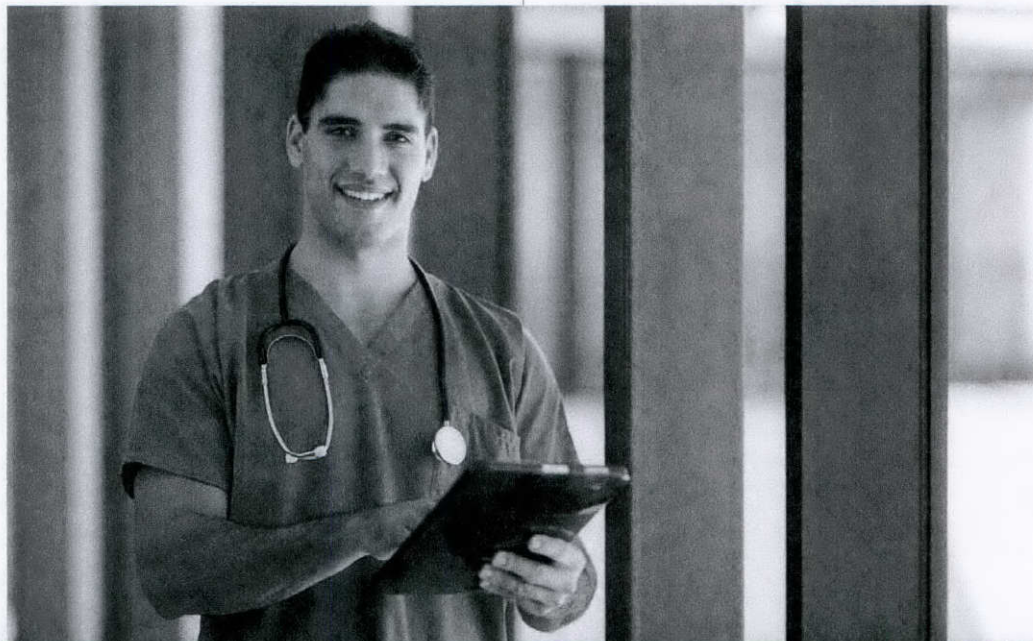
Stakeholder Group	Organizations	Participants
Two-year colleges	13	231
Public universities	14	60
Private universities	2	2
Employers	25	25
Other labor market and professional experts	8	8
Accreditation agencies	1	1
Other states	4	11
<b>Total</b>	<b>67</b>	<b>332</b>

Given the time and resources available for the study, we faced a number of limitations. In assessing unmet workforce-development needs, we looked closely at several indicators of supply and demand, but we did not conduct a full assessment of shortages. RAND and HEPI are currently working on a study, also mandated by the Texas Legislature, to develop a workforce model to improve the ability of the state to identify the occupations with the greatest unmet needs. To assess unmet workforce-development needs, we considered:

- Do positions with unmet needs require a baccalaureate degree?
- What is the level of demand for candidates with baccalaureate degrees?

- What are the current sources and supply levels of candidates with baccalaureate degrees?

Although we spoke with a large number of stakeholders in our interviews and focus groups, we were unable to capture the perspectives of many more people inside and outside of Texas. Our analysis focused on just four regions of Texas, and there are likely to be some issues not raised here that are important elsewhere in Texas. Finally, we note there is limited objective evidence regarding many of the potential benefits and concerns related to community college baccalaureates, so we relied heavily on stakeholder perspectives.



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## Findings on Unmet Workforce Development Needs

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Our analysis identified a number of workforce-development issues:

**Nursing.** Texas, like many other states, is facing serious nursing shortages. The 2010 recommendation of the Institute of Medicine that 80 percent of registered nurses (RNs) hold a Bachelor of Science in Nursing degree (BSN) has placed particular pressure on the demand for baccalaureate-degreed nurses. The demand for BSN nurses is particularly strong in urban areas, where the focus on meeting the 80 percent target is the greatest. Even maintaining the state's current 50 percent proportion of registered nurses holding BSN degrees will require that colleges continue to graduate 4,800 degree-holders each year. Increasing that proportion to 80 percent will require a substantial expansion of BSN programs.

**Computer and information technology.** Computer and information technology occupations increasingly demand knowledge, skills, and attributes beyond what can be provided in a 60-credit hour associate degree program, although associate degrees and advanced certificates still provide a common means of entry to these high-demand occupations. Compared with the level of demand, there are few information technology programs targeted at developing applied skills at universities, and traditional computer science programs do not focus on the applied skills needed in these occupations. Student demand, however, appears to be low, which presents a barrier to higher production. It is essential that any new programs address the pipeline issue.

**Management in fire sciences.** Management positions in fire sciences occupations—the supervision of firefighting and fire prevention—increasingly require candidates to hold bachelor's degrees, but Texas currently has no specific programs in the management of fire sciences. The Bachelor of Applied Arts and Sciences (BAAS) programs that are offered at universities might be able to meet these needs if universities offer a few industry-specific courses, but those courses may not provide the level of fire sciences proficiency

that employers seek. A modest demand for baccalaureate degrees in fire sciences is spread around the state, so programs would need to draw from students statewide, likely through distance learning. A key limitation to sustaining or expanding programs is that working firefighters, who will generate the demand for these programs, are exempt from paying tuition for such courses.

**Management of production/operations technicians.** Those who manage production/operations technicians typically progress through their careers after earning an associate degree. For these technicians to move into management positions, some employers require baccalaureate-level education in leadership and business. The modest demand for these occupations is concentrated in specific regions, especially the Gulf Coast, and in specific industries or by large employers. Similar to fire sciences, BAAS programs at universities may be able to meet these needs but may not be able to provide the level of industry-specific proficiency that employers prefer. Baccalaureate-granting community colleges and a few of the regional universities offer more targeted programs that also can meet this need.

**Health information technology.** Health information technology accounts for several different occupations, including medical records coding, health information system design, and health information management. Medical records coding positions are unlikely to require education beyond the associate level. Occupations in the design of health information systems and system management typically require a graduate degree. The increasing use of information technology is driving new demands, but it is not clear that these changes will necessarily lead to new demand at the baccalaureate level. Employers and some community college stakeholders noted a preference for students entering graduate education in health information technology to hold degrees in nursing or information technology. In short, new baccalaureate programs in health information technology do not appear to be needed.

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## Potential Benefits of Community College Baccalaureate Expansion

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Texas could realize a range of potential benefits from expanding community college baccalaureate programs. We identified the benefits described below from both the literature and our interviews.

**The ability to help meet workforce needs.** Community colleges may be well suited to meet local workforce needs because of their connections with employers, their flexibility in creating and modifying programs, and the geographic mobility patterns of their graduates. We found that, compared with universities, community colleges generally have a stronger connection with employers and a greater demonstrated willingness to work with employers to create programs that directly meet a workforce need. Some regional universities have placed an emphasis on workforce relationships and applied program development, but most universities have not made this a priority to the degree that most community colleges have. Community college stakeholders argue that because they attract working adults, their baccalaureate graduates may be more likely to remain in the region and help meet local workforce needs, but increased degree attainment also could motivate graduates to migrate to areas with high demand.

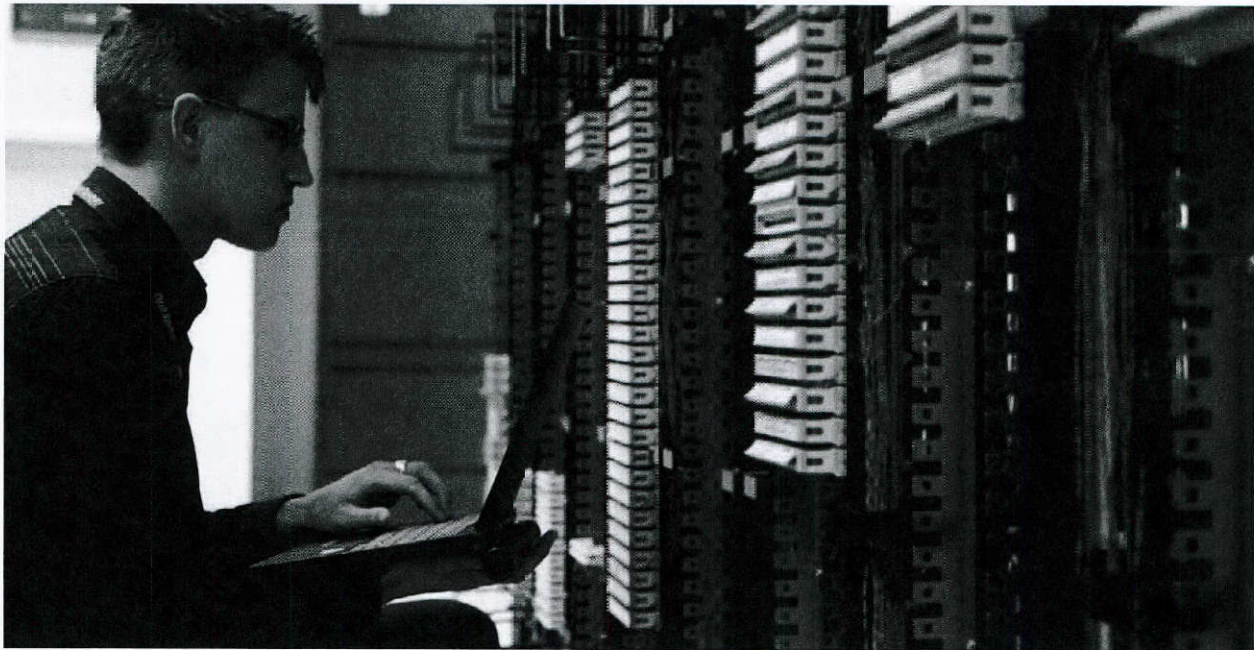
**Community colleges could help meet workforce needs in applied fields and expand access to baccalaureate-level education.**

**The potential for increased student access and degree attainment.** There are several reasons why community colleges may appeal to students who otherwise would not pursue a baccalaureate degree: their lower cost relative to universities, their flexibility in course scheduling and delivery, their open-enrollment policies, and the ability for students to make a seamless transition from an associate program to a bachelor's program within the same institution. We found that, compared with universities, community colleges serve a more diverse, nontraditional

student population and, therefore, may attract students who otherwise might not pursue a baccalaureate-level education. Evidence from Washington and Florida suggests that community college baccalaureate programs have continued to attract students who are distinct from university baccalaureate enrollees. The evidence suggests that if Texas community colleges implement baccalaureate programs on a larger scale the community colleges would likely continue to offer low costs, flexible scheduling, and seamless transitions. Although community colleges offer open enrollment in their two-year programs, they may choose to establish more restrictive enrollment policies for baccalaureate programs. We note that the increased access provided by community colleges may differ by field and region.

**Greater experience with applied education.** Applied education encompasses certificate, associate, and bachelor's degrees in applied technical or vocational fields. Such education is contextualized within specific occupations and is primarily targeted toward preparation for employment. Community colleges may have more expertise than universities in delivering applied education. The baccalaureate programs of community colleges often build directly on associate-level programs and require a clear understanding of workforce needs. The advantage of community colleges in applied education, however, may be weaker in the field of nursing, where many universities offer programs.

**A small, supportive environment for students.** Particularly in small, specialized programs such as the potential baccalaureate programs, community colleges (and some universities) typically offer students small class sizes and close interactions with instructors and other students. These close interactions can be a source of student support. Because academic counseling departments at both community colleges and universities are severely understaffed, meeting student needs is a challenge at all types of institutions. While there is variation in size across both community colleges and universities, the smaller average class and cohort size in community colleges, particularly in the baccalaureate programs, could help to support students' needs.



## Concerns About Community College Baccalaureate Expansion

Many stakeholders we spoke with in Texas contended that benefits of community college baccalaureate expansion would be outweighed by concerns associated with these programs and their potential negative effects on the higher education system. We identified the concerns described below from both the literature and our interviews.

**Mission creep at community colleges.** Mission creep was the most commonly cited concern. Many stakeholders fear that community college baccalaureate expansion would shift focus away from certificate and associate degree programs, increase costs for all students, and threaten some open-enrollment policies. The evidence for mission creep is mixed. Although there has been rapid growth of community college baccalaureate programs in Florida and Washington, these programs continue to account for a very small portion of community college enrollment in these states. Additional research and monitoring are needed to determine whether mission creep will lead to long-term problems for Texas higher education. Evidence does not support fears that expansion of community college baccalaureate programs will affect tuition costs across most institutions, even though one of the baccalaureate-granting community colleges in Texas has seen a large increase in tuition costs relative to other institutions in

the state. Community colleges are unlikely to retain open-enrollment policies for baccalaureate programs, but this may not necessarily be related to mission creep as much as to higher admissions standards necessary to ensure that students are prepared for baccalaureate-level education.

**Counterproductive competition between universities and community colleges.** Specific concerns involved competition between universities and community colleges to attract upper-division students, faculty, and other limited resources; competition for state funding; and damage to existing university-community college partnerships. The degree of competition is likely to vary substantially by field and region. Duplication concerns are particularly strong in fields such as nursing, where universities offer programs. The recent expansion of RN-to-BSN programs in universities, combined with the challenges that university programs face in recruiting qualified faculty, suggests that community college programs may ultimately compete with universities for students. This situation also suggests that introducing nursing programs into community colleges might exacerbate faculty shortages to a greater degree than would university expansion. In computer and information technology, there may be competition for a limited supply of students. In

other applied sciences, the level of competition may vary by region. In the areas where regional universities have been proactive about meeting needs, competition from community colleges may damage existing programs, but in other areas of the state, it is clear that needs are being underserved and community college programs would be unlikely to generate counterproductive competition.

**Potential benefits of community college baccalaureate programs may be outweighed by concerns about mission creep, counterproductive competition, and quality.**

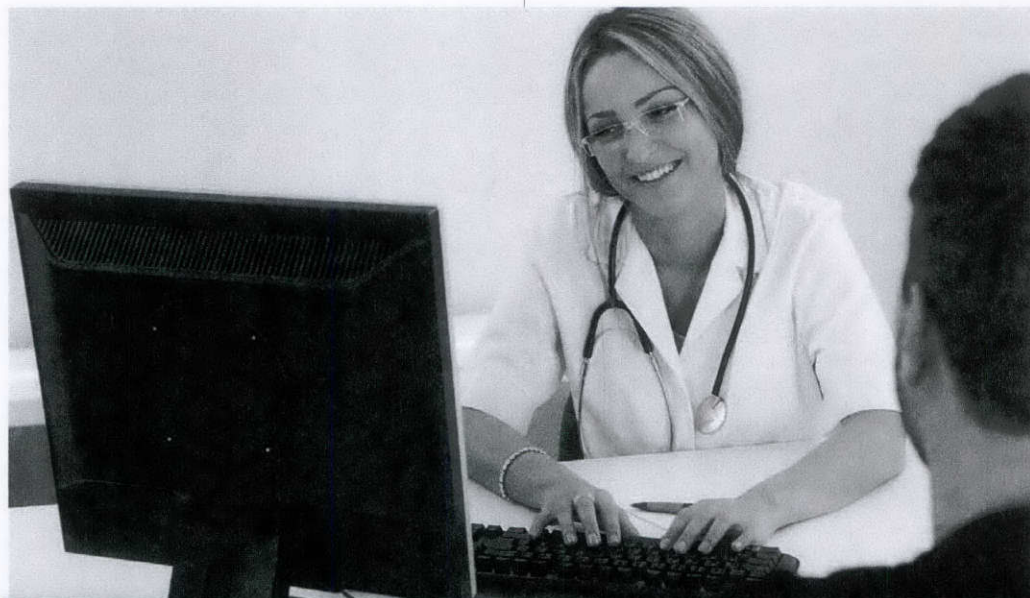
**A decline in the overall quality of the Texas baccalaureate.** Specific concerns about the ability of community colleges to produce baccalaureate degrees of equivalent value to those offered at universities have two sources. First, some note the challenges community colleges may face in providing the liberal arts courses required for baccalaureate degrees. Second, some question whether employers and graduate programs would accept community college-conferred baccalaureates. (We found little evidence among employers and graduate programs to support the latter concern.) In occupations that demand the knowledge, skills, and abilities associated with a broad liberal arts education, community colleges may not be able to match the quality provided by universities. Nevertheless, as previously noted, community colleges may have an advantage over universities in serving occupations that demand applied skills

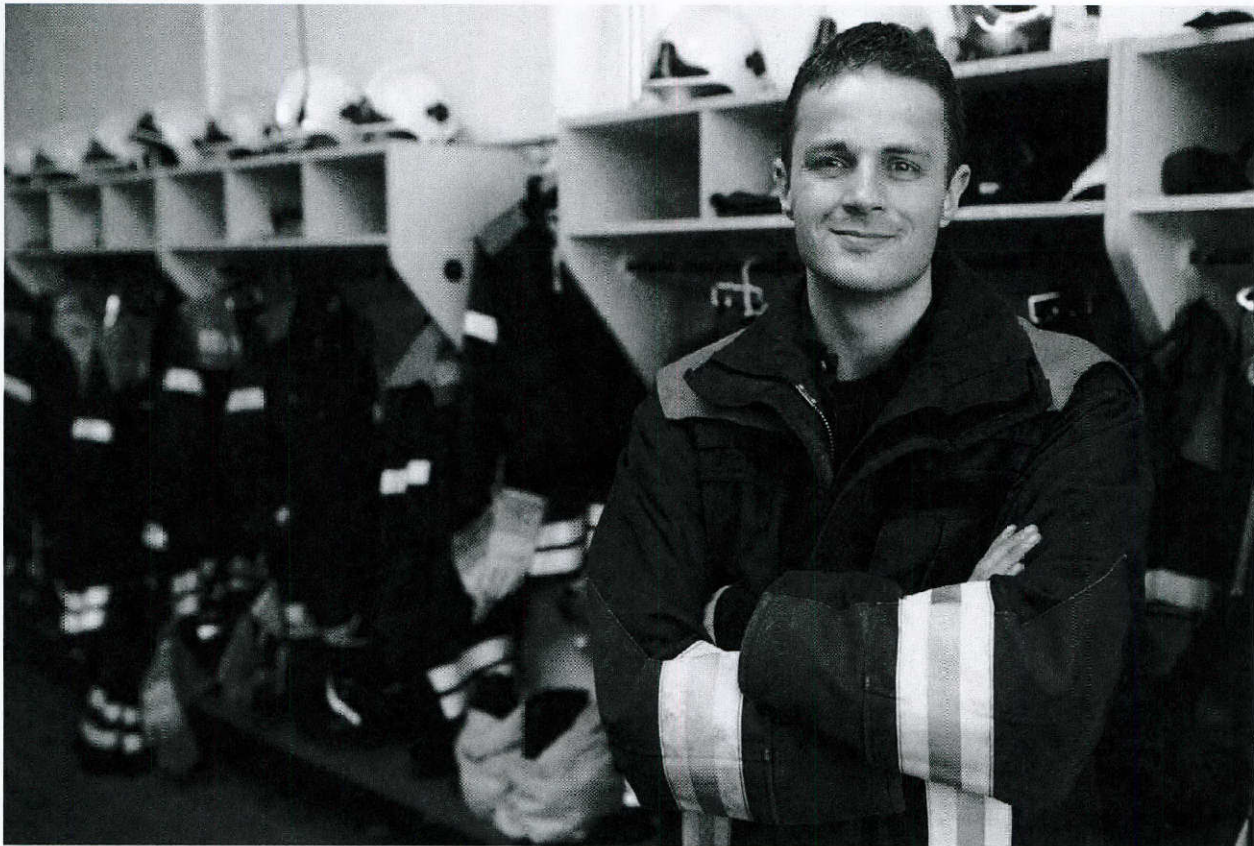
## Ongoing Efforts to Meet Workforce Needs

In addition to considering the benefits and concerns associated with community college baccalaureate programs, decisionmakers also must consider other options to meet workforce needs and the ways in which community college baccalaureate expansion might complement or compete with them. Many universities and community colleges are currently partnering to improve students' access to bachelor's degrees by establishing articulation agreements, implementing simultaneous enrollment programs, or offering upper-division

university courses at community college campuses or regional higher education centers.

Stakeholders thought it was vital that any new policy not undermine these ongoing efforts. They also argued that new community college programs should be developed, particularly when existing pathways fail to meet workforce needs.





## Costs and Funding

In evaluating options, decisionmakers must consider both the cost of various options for expanding baccalaureate production and the allocation of those costs across different funding sources. Stakeholders disagreed on the relative costs of options, with both community colleges and universities claiming advantages in some situations.

Financial records from two Texas community colleges with experience offering bachelor's degrees indicate that these colleges have been able to cover their identified operating costs from tuition revenue and state reimbursement. The colleges did experience significant startup costs both for institutional upgrades to meet accreditation requirements and for normal program startup costs until a full complement of students enrolled. The state provided each college with \$1.2 million in special funding, which appears to have covered the startup costs at the two colleges we reviewed. Startup costs for future programs are expected to be lower because there will be no, or low, institutional costs.

Although community colleges have set upper-division tuition above the lower-division rate, it remains only one-half to two-thirds the cost of state university tuition. Thus, community colleges have been more affordable for students. To date, community colleges have been receiving the same state reimbursement for upper-division courses that universities receive. If the state lowers that reimbursement rate in the future, students or local taxpayers could face increased costs.

Our analysis did not examine the indirect costs for facilities and central administration that growing baccalaureate programs may require (and, indeed, at least one college now has built facilities with local funding). More detailed analysis of the full costs of expansion, including indirect costs, is needed to ensure that expansion of baccalaureate programs occurs at the institutions that can meet workforce needs most efficiently.

## Policy Options for Community College Baccalaureate Expansion

Essentially, Texas has three major policy options to consider:

1. Make no significant policy changes.
2. Authorize community college baccalaureate expansion without special restrictions beyond those imposed by accreditation standards and THECB program approval.
3. Authorize community college baccalaureate expansion with restrictions.

Although there was substantial disagreement among stakeholders about the best path forward for Texas, we found consensus around six general principles that should guide the selection of policy options related to community college baccalaureates:

1. Meeting unmet workforce needs should be a priority.
2. The state and students should realize some benefits from any new program.
3. Any policies limiting the scope of community college bachelor's degrees should seek to address concerns such as mission creep and duplication of efforts without unnecessarily limiting benefits such as student access to expanded programs.
4. Policies should complement and promote investments in other pathways, particularly university–community college partnerships.
5. Decisions about policy should consider costs.
6. Policies should be fair and transparent.

Authorizing community college baccalaureate expansion within specified limits would strike a balance between potential benefits and concerns. Some possible policies might:

- limit the scope of provision statewide by setting restrictions on fields or degree types, or on the number of programs offered by each community college;
- limit the scope of provision regionally by allowing universities the opportunity to develop programs first or requiring increased evidence of need when programs overlap;

- require additional planning or monitoring by limiting the number of community colleges initially authorized to offer baccalaureate programs, requiring self-studies for all proposals, or conducting follow-up studies to monitor quality and mission creep; or
- change financial arrangements by limiting reimbursement rates or changing the source of funding.

Any decision regarding community college baccalaureate expansion will necessarily involve difficult tradeoffs, balancing the potential benefits of expansion with the concerns that expansion raises.





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## Recommendations for Processes and Supporting Activities

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In the course of our research, we identified a number of supporting activities that the state could pursue to address some concerns about mission creep, counterproductive competition, and threats to quality. Some of these activities would be valuable even without expansion of community college baccalaureate programs; others would be appropriate only if expansion occurs.

**Clarify different degree types.** Texas currently has three different types of applied baccalaureate degrees, and there is confusion about the distinctions between different degree types. As the applied baccalaureate expands in the state of Texas, students and employers would benefit from a well-defined set of degree types and a clear understanding of the student and workforce needs that are met by a degree to ensure some consistency and transparency across programs.

**Clearly define fields of study.** The legislature has suggested community colleges focus on the applied sciences, yet there is no clear definition of applied science fields. If community colleges are authorized to propose baccalaureate degrees in the applied sciences, it is essential that a clear definition of each field be adopted to guide all parties.

**Continue to use THECB criteria for program approval.** Most stakeholders agreed that the criteria for program approval should be the same for universities and community colleges, but university stakeholders also argued for restrictions on the types of programs that community colleges can offer. Community college stakeholders asked that the process for program approval be transparent and that the criteria for program approval be applied fairly.

**Coordinate proposals across institutions when demand is limited or resources are constrained.** When student demand is limited across the state, or there are resources that could be seriously strained by approving too many programs, comparing proposals from all interested institutions can identify the best approach.

**Provide guidance and mentoring to community colleges.** The three existing Texas community colleges that confer baccalaureate degrees can be valuable guides for future colleges; future colleges also can support each other through networking and mentoring arrangements.

**Conduct more empirical analyses.** More detailed analysis of costs, outcomes, and mission creep would be very valuable in understanding the tradeoffs Texas faces and in improving decisionmaking in the future.



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## Conclusion

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Our review of evidence from Texas and other states highlighted a number of benefits that community college baccalaureate programs could offer but also raised several concerns.

We found a range of situations across the five specific occupations we examined, with some occupations experiencing major shortages of workers that community colleges might be able to address and others in which there is either no clear shortage or no clear need for an industry-specific bachelor's degree.

The state has three broad options related to community college baccalaureate programs:

1. It can rely on the existing arrangements with no new community colleges authorized to add baccalaureate programs.
2. It can expand the number of community colleges authorized to add baccalaureate programs without any restrictions other than those imposed by the existing requirements to receive regional accreditation and THECB program approval.
3. It can expand authorization of baccalaureate programs under some specific limitations, which could address the concerns raised by expansion but also might limit the benefits of expansion.

These policy choices necessarily involve difficult tradeoffs.



## Appendix D

### The University of Houston System

The University of Houston System includes four distinct but complementary universities providing comprehensive higher education services to the Houston metropolitan area and Gulf Coast region of Texas:

Institution	Enrollment	Description
University of Houston	42,704	The largest university in Houston and the third largest in the state, UH is a Tier One doctoral degree-granting, comprehensive research university.
University of Houston-Clear Lake	8,906	Located near the NASA Johnson Space Center, UHCL delivers undergraduate, master's and a limited number of doctoral degrees in the heart of Clear Lake's high-technology community.
University of Houston-Downtown	14,262	The second largest university in Houston and the most ethnically diverse university in the state, UHD is a primarily undergraduate institution with an expanding portfolio of master's programs.
University of Houston-Victoria	4,152	Located in the Coastal Bend region of Texas, UHV is an undergraduate and master's university with one of the most dynamic online educational programs in the state.
University of Houston System	70,024	

### Transformational Change

Over the past several years, the UH System universities have experienced transformational change expanding access to a greater number of students, enhancing productivity in key areas of performance, and improving the diversity for which our universities have already received national recognition.<sup>31</sup> Since FY 2008:

- Access - Enrollment has grown by over 13,000 students (23%). This growth has been fueled by the enrollment of freshmen and sophomores for the first time at UHCL and UHV, the expansion of off-campus teaching centers that are strategically located in high-growth parts of the metropolitan area (Sugar Land, Katy, Northwest Houston, Pearland), and the rapid rise of online enrollment.
- Productivity - Degrees awarded have increased by 3,500 (30%), with those awarded in STEM fields more than doubling. Research expenditures have more than doubled – from \$75 million to \$155 million. Total private support has more than doubled – from \$55 million to \$125 million. The endowment has grown by \$141 million (22%).

- Diversity - Enrollment of African-American, Hispanic and Native American students has increased by almost 10,000 (45%), while degrees awarded to these students have increased by over 2,300 (63%). Moreover, the UH System is the only higher education system in the country to have all of its components designated as Hispanic Serving Institutions by the federal government

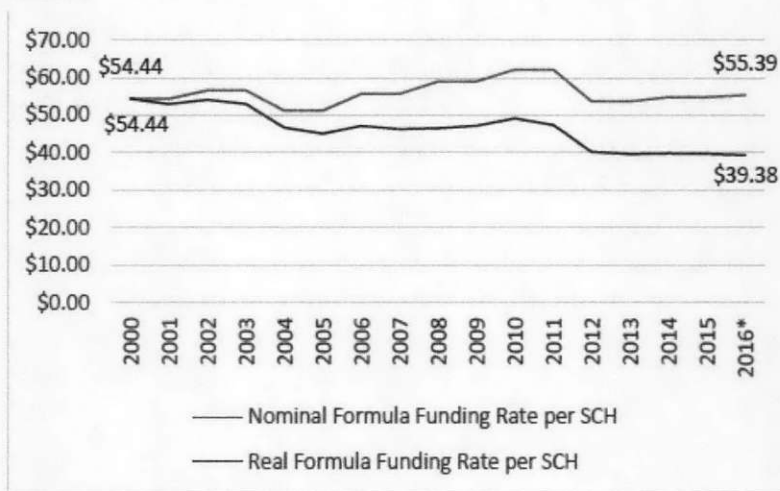
### The Role of Tuition in UH System Achievements

Increased funding has been essential to the expanded access and increased productivity that the UH System universities have achieved over the past 8-10 years. Due in part to economic crises that occurred at the beginning of this time period and earlier, state formula funding on a per credit hour basis has decreased in real dollars since 2000 (see Figure 1). As a result, the UH System universities have increasingly turned to other sources of funding to meet the needs of their students, including private support, reallocation of existing resources, and tuition increases.

As institutions of higher education, the decision to increase tuition is one of our most important responsibilities. Hence, before proposed increases are approved by the UH System Board of Regents, they are vetted by students and faculty to ensure that they are reasonable in terms of cost and necessary to achieve the goals of the institution. As part of this process, tuition at the UH System universities is also compared to that at other universities nationally to ensure that our charges are comparable with those at peers institutions. While tuition in Texas has been on the rise in recent years, it is important to recognize that the state remains affordable relative to other U.S. states. For the 2015-16 academic year, average tuition and fees in Texas were 27th highest among all states.

In terms of increases in tuition and fees over the past five years, increases in Texas were among the fifteen lowest in the nation .

Figure 1. Formula Funding per Semester Credit Hour, FY 2000 – FY2016



\*Assumes a 2% inflation rate for FY 2016

### Investments in Student Success

Among the UH System's goals, student success is the most important, so increases to student costs must be justified in terms of how planned investments will enable our universities to serve students better. Figure 2 demonstrates the significant investments the UH System has made in student success initiatives on an annual basis since FY 2009. Among other initiatives, these resource have been invested in new faculty positions to accommodate enrollment growth and reduce student/faculty ratios, need-based scholarships to maintain affordability, and student services and support programs to facilitate retention and graduation.

The impact of these investments has been a significant improvement in student performance over the years. At the University of Houston, which seeks to build a highly competitive undergraduate student population, both four-year and six-year graduation rates have increased by approximately ten percentage points since FY 2008 (see Figure 3). Meanwhile, at UHCL, UHD and UHV, whose missions are more access driven, growth in degrees awarded since FY 2008 has exceeded growth in enrollment (see Figure 4), indicating that these institutions are doing a better job of graduating their students.

Figure 2. Average Annual Investment of New and Reallocated Resources in Student Success Initiatives, FY 2009 – FY 2016

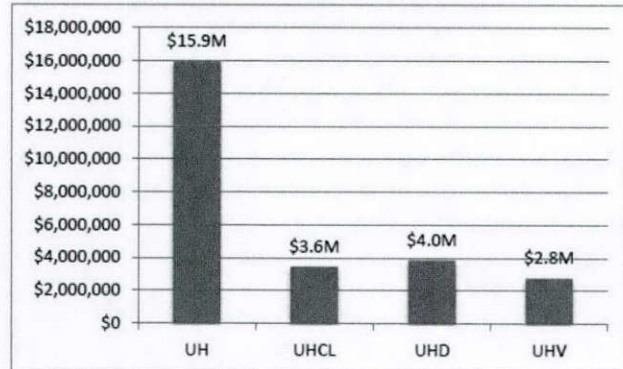


Figure 3. University of Houston Four- and Six-Year Graduation Rates

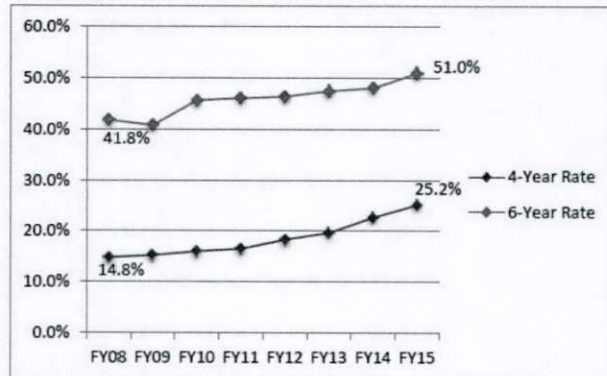
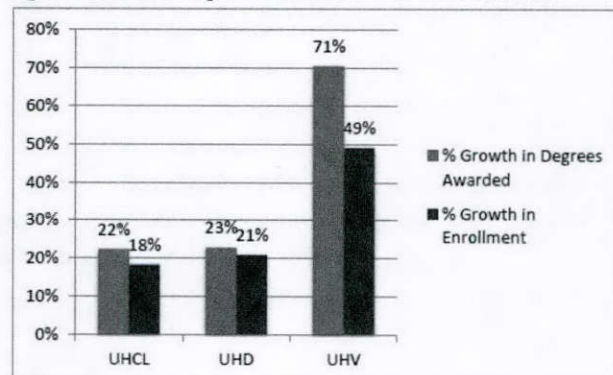


Figure 4. Growth in Degrees vs. Growth in Enrollment FY08 – FY15



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### **Emphasis on Performance, Commitment to Cost Savings**

While tuition and fees at the UH System universities have risen over the past several years, the ways in which the funding generated from these increases have been allocated do in fact support cost savings on behalf of students and the state. There is a significant cost when a student is delayed in graduating or fails to do so altogether:

- The investment in tuition, fees, and state funding that doesn't yield an academic credential.
- The repeated courses or those that don't count toward the degree, the cost of which is borne by both the student and the state.
- The lost income to the student and economic contributions to the state resulting from delayed entry into the workforce.
- The failure to produce the highly skilled, highly educated workforce that Texas needs for economic competitiveness in the global economy.

By focusing our investments on the quality instruction, services and infrastructure students need to graduate on time, the UH System is taking affirmative steps to address these cost issues. As challenged by our elected officials, we are also developing direct ways of reducing student costs and debt through fixed tuition programs, strategic use of financial aid, and innovative student success programs focused on reducing time to degree and minimizing excess credit hours. The University of Houston's UH in 4 program is one such example. Through UH in 4, the university guarantees four years of fixed tuition and mandatory fees for new freshmen and transfer students who are continuously enrolled at the university and complete 30 credit hours per year. During its first two years, freshman participation in UH in 4 has increased from 49 percent to 62 percent. In addition, UH in 4 students have better records of retention, SCH completion, and academic achievement than non-UH in 4 students:

	UH in 4 (FTICs)*	Non-UH in 4
First-Year Retention	88.1 percent	84.6 percent
percent Completing 30 SCH in	83.4 percent	68.3 percent
Average GPA	3.09	2.97

\*First-time in college students

The University of Houston has also been recognized nationally for its strong performance in minimizing student debt. According to U.S. News and World Report, UH ranks 11th among national universities for graduating students with the least amount of debt. Currently, 48 percent of UH graduates take on debt. Among them, the average debt load is only \$18,400.

### **Value of a UH System Degree**

Over the past 20 years, the landscape for higher education in the United States has shifted dramatically. As the value of a college degree has become increasingly important to economic prosperity for both the individual and society, public institutions of higher education must

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compete with other essential priorities (e.g., public education, health care) for a limited supply of state revenue. Consequently, universities have had to become more strategic in how they invest their resources and demonstrate more effectively that they provide a significant return on investment to both the student and the tax payer. At the University of Houston System, our focus is on the achievement of outcomes for the services we provide, rather than simply focusing on providing the services themselves.

### **The University of Texas System**

The University of Texas System serves more than 217,000 students at 14 institutions and more than 157,000 undergraduates at eight academic institutions.<sup>32</sup> We award more than one third of all degrees conferred by Texas public universities. Given our size and scope, decisions about tuition and the accumulation of education debt affect a lot of Texans and Texas families. We take these matters seriously and are committed to maintaining both quality and affordability for our students.

- UT System academic institutions are among the most affordable in the state.
- Grant or scholarship aid covers 114 percent of tuition and fees for a large percentage of resident undergraduate students who receive aid. Even the average student with the highest family income who receives a grant or scholarship has more than 60 percent of tuition and fees covered.
- Our regents have been good stewards of the responsibility to set tuition rates. Although there were large percentage increases in the first few years, for the last six to eight years increases have been modest. Resident undergraduate students at UT institutions experienced little to no increases in tuition and mandatory fees for the last five years, with zero increases since the fall of 2011 at UT Austin, our national research university, and at UT Arlington, one of our emerging research universities.
- Administrative costs as a percentage of operating budget have decreased over the last six years for the majority of our academic institutions.
- A primary driver of student debt is living expenses, for which students turn to loans, even where financial aid may cover tuition and fees.
- Operating revenue, which comes from the combination of state appropriations and tuition, is a challenge in an environment in which inflation-adjusted state appropriations per full-time student equivalent have declined significantly.

Of course, with eight academic institutions, each has a different story reflected in the report's institutional responses.

- At UT Austin, in constant 2014 dollars, net tuition in 2014 was \$500 less than it was in 2004.
- UT Arlington has the lowest educational and related expenses per degree among UT System institutions.
- UT Dallas is recognized among public universities nationwide as a "Best Value."
- UT El Paso has the lowest average net price among U.S. research universities

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- UT Permian Basin guarantees four years of free tuition and fees to Pell-eligible students whose family income is less than \$60,000 a year.
  - UT Rio Grande Valley budgeted \$1.5 million for a money management and financial literacy initiative for at-risk students seeking loans.
  - UT San Antonio has reduced its net price to student over the last three years.
  - UT Tyler employs several programs specifically aimed at reducing time to degree, recognizing that time to degree is the single biggest factor in reducing the cost of higher education.

### **Texas State University System**

The Texas State University System (TSUS) educates nearly 83,000 students at its eight institutions and 13 campuses across the state. Our mission as a public university system is to provide a high quality education at an affordable cost. We constantly strive to find the right balance between affordability and quality.<sup>33</sup>

Where we have the ability to control costs, we have done so. The Texas State University System maintains a small and efficient system administrative office in Austin, with just 24 employees. System-wide, we have reduced our administrative cost as a percentage of our operating budget by five percent over the past six years.

Since 2010, we've saved more than \$44 million by refinancing construction bond debt, more than \$3 million by re-negotiating energy contracts, and \$1.3 million annually by going to the private market for property insurance.

We have also launched a group-purchasing initiative to leverage the buying power of our system and reduce the cost of common, every-day purchases.

Even with our continued efforts to identify cost saving opportunities, the cost of providing a high quality education continues to rise. Since tuition deregulation, overall state support to TSUS has increased. However, on a per student basis, state support has not. For TSUS components, average state support per student is down more than \$700 when comparing FY 2002 and FY 2014, \$5,474 and \$4,702 respectively. After adjusting for inflation, state support is down by 35 percent.

During the same period, the General Academic Instruction rate dropped from \$56.65 per Weighted Semester Credit Hour to \$55.39. Our institutions have also experienced a rapid increase in the foregone tuition revenue following the expansion of the Hazlewood Act. Since 2010, Hazlewood costs in our System have increased more than 1,000 percent, from \$2.2 million to \$24 million.

Last session, the Legislature increased Formula Funding by nine percent. However, the Formula Funding rate increased only one percent, as weighted semester credit hours were up seven



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percent. Our tuition and fees across the System have historically been below the state average. In the most recent year, our average tuition and fees were eight percent below the state average.

Based on data from the Texas Higher Education Coordinating Board's Accountability System, TSUS component institutions in FY 2015 ranked 7th (Texas State), 9th (Lamar University), 12th (Sam Houston State University), 29th (Sul Ross State University) and 38th (Sul Ross-Rio GRANDE Campus) out of the state's 38 institutions in tuition and fees.

Last year, the "sticker price" at Texas State University, our largest institution, was approximately \$9,500. However, 60 percent of our students received some form of financial aid. More than 40 percent of our undergraduate students are transfers, many of them taking advantage of the great value that our community colleges provide. Many other students qualify for tuition exemptions and waivers that reduce the cost of attendance.

Our strong focus on affordability is evidenced by the low debt load of our graduates. The average debt of a TSUS graduate is \$16,600, and 38 percent of our students graduate with no debt at all. This is seven percent below the national average.

### **Texas Guaranteed Student Loan Corporation**

Texas Guaranteed (TG) is a private non-profit organization created in 1979 to administer the Federal Family Loan Program for the State of Texas. While these originations ceased in 2010, TG continues to provide default prevention and administration for this federal program, but our activities in support of students go far beyond that.<sup>34</sup>

Throughout our history, TG has always taken a broad view of our role in helping students navigate the often complex system of student financial aid. TG provides critical support at every stage of the student aid process – from helping fund crucial aid programs to providing information on how to pay for college including financial aid options, to facilitating successful loan repayment after graduation.

While over the past 11 years TG has contributed \$365 million to Texas state aid (including the initial funding for the Permanent Fund Supporting Military Veterans Exemptions) and \$47 million in project-based grant funding, we also provide direct services to Texas students. TG administers Senate Bill 680, the Texas Student Loan Default Prevention and Financial Aid Literacy Pilot Program, on behalf of the Texas Higher Education Coordinating Board. This program seeks to reduce federal student loan defaults by proactively helping students make smart academic and financial decisions through email messages, financial education training and personalized financial coaching. TG is currently in discussions with the U.S. Department of Education to create a major new federal program that will target financial education, coaching, and assistance to low income, first generation, and minority students, starting right here in Texas. Before sharing our most recent research findings on the state of student loan counseling, I'd like to provide some context for thinking about student debt in Texas.

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- During the 2013-14 Award Year, 84 percent of student aid in Texas came from the federal government. This exceeds the national average of 72 percent.
  - For Texas public institutions, the proportion derived from the federal government is even higher, 89 percent of aid at four-year public colleges and 95 percent of aid at two-year community colleges comes from federal sources.
  - Texas students are also disproportionately dependent on student loans when compared to the nation. In Texas, 60 percent of student aid is comprised of loans while nationally it is only 50 percent. This makes our state different in an important way, especially given the growth in first generation college going students, many from low income backgrounds.
  - This varies by school sector in Texas, where loans account for 71 percent of aid for four-year public college students but only 38 percent of aid for two-year community college students.
  - Using 2013 U.S. Department of Education scorecard data, TG estimated Median Borrower Indebtedness (MBI) by school sector for Texas. We broke this out for all borrowers and for those who earned a degree. Estimated MBI for all borrowers at four-year public colleges was \$14,876 compared to \$20,946 for those who earned a degree. The comparable estimates for community college borrowers are \$6,531 for all borrowers and \$10,506 for degree completers.
  - TG also applied these estimates to students at four-year and two-year public colleges in the six most populous states. Texas ranked third for borrowers with degrees at four-year public colleges with Pennsylvania leading with an estimated MBI of \$26,386 and California having the lowest at \$16,692. For community college student borrowers, Texas again ranked third. Pennsylvania was also highest for community college student borrowers with an estimated MBI of \$13,699 and Florida had the lowest among the six with \$7,093
  - TG has also examined these estimated MBIs over time using constant 2013 dollars. The most pronounced shift has been borrowing among Texas community college students, especially those with completed degrees. Among these students, TG estimates that MBIs have increased over 100 percent in ten years using constant dollars.

Given students' heavy dependence on financial aid, it's important to understand how those funds are awarded. Before schools package financial aid, the federal government determines what a student and/or family can pay. This is called Expected Family Contribution (EFC) and is calculated using information about the student and family's financial situation. Schools try to fill the gap between EFC and cost of attendance with grants and loans from state, federal, and institutional sources. Once all grants and loans are added to EFC, any remaining gap is considered "unmet need." It's the amount that the student or family has to come up with even after taking loans and the expected family contribution into account.

Using Fall 2012 data from the Coordinating Board, we see that students from families earning less than \$35,000 have an average unmet need of \$10,016. This figure varies by school sector with Texas four-year public college students from low-income families averaging \$12,635 in unmet need, while students attending low cost community colleges average \$7,735. The level of unmet need can influence the way that a student goes to college.

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A more affluent student will generally enroll directly out of high school, will enroll full-time, and will work part-time at a job related to her field of study, if at all. A low-income student is more likely to delay enrollment in order to save for college and to enroll part-time to lower the cost per semester and accommodate a full-time job that rarely relates to her field of study. These different experiences affect both their odds of graduating and their future employment prospects.

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## Appendix E

### University of Texas at Austin - Institute on Domestic Violence and Sexual Assault

We often talk about campus sexual assault but when we explore interpersonal violent crimes on campuses we actually mean four different crimes. Those are: sexual assault, dating violence, sexual harassment, and stalking. These are complex problems, particularly in campus settings where dual or multiple reporting systems are available to universities or their students.<sup>35</sup>

Our conversations at the institutions about safety and compliance are still evolving and are relatively new. The rate of sexual assault and other personal violent crimes on campuses is of great concern. We know that most college students will never need to use institutional victim services or need to report such crimes. Nevertheless, campus administrators have an obligation to create a safe learning environment for all students.

Victims are survivors who experience sexual assault on or off campus face many of the same challenges as those victims in the community. However, college students have a unique set of concerns that should be considered when providing a response that is effective and helpful.

#### Areas of concern:

1. Prevalence and rate - The institute on Domestic Violence and Sexual Assault on UT Austin's campus is a collaboration between the schools of law, nursing, social work, and the Bureau of business Affairs. Our team is composed of nineteen including graduate students. The institute conducts many statewide studies and recently conducted the statewide victimization study for the State of Texas on sexual assault. While we didn't target college students specifically, I'll speak to our findings for this age group. We are also working on a human trafficking mapping project that is a few years in the making.

In Texas there are 6.3 million adults who report a lifetime victimization of sexual assault, that is 33 percent of our adult populations. When we break it down by gender that is two in five women and one in five men. When victims report, 65 percent say they have been victimized more than once. Among the adult cohort of 18 to 24 years old, 48 percent of women and 12 percent of men report a lifetime victimization, which is nearly half in this age group.

The most recent study conducted by the Association of American Universities in 2005. What they found was 23 percent of undergraduate women and 5 percent of undergraduate men at the nation's most prestigious universities reported being victims of non-consensual sexual contact. UT Austin participated in the study and what they found was that 18 percent of undergraduate women reported nonconsensual penetration or sexual touching involving physical force or incapacitation during the time they were enrolled.

2. Underreporting - formal reporting of sexual assault is extremely low. Across Texas, only 9 percent of victims of sexual assault report their crimes to law enforcement. The number

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of reports at institutions of higher education has recently increased which we attribute to the increase in educational awareness, student comforts with reporting crimes, and confidence in law enforcement to respond appropriately.

Research indicates that it is very difficult for victims to report because they often encounter insensitivity, doubt about the veracity of their stories, and blame on the part of some professionals who interact with them. We also know that other factors such as not wanting other to know about the rape, believing evidence about the crime is insufficient, feeling uncertain about how to report the crime, and fear of retribution by the offender all contributed to delayed reporting or failure to report. Research also indicates victims who initially delayed but later reported, typically sought informal advice from their social support system and reporting was often initiated once the victim considered other factors such as, the offender might rape others, they had a medical condition they had to seek help for, or a friend encouraged them to report.

3. College campus specific issues and challenges - The relationship between the offender and victim is a complicated issue for college students. 80 percent of victims have a previous history with the offender. We know from social sciences that many sexual assault victims suffer from a specific rate of effects resulting from the assault including, clinically diagnosable illnesses such as PTSD, substance abuse, and major depression. Dual reporting, maintaining the liberties of people, due process, and evolving policies make campus sexual assault much more complex.

As with other offenses, there is a balance between the pursuit of justice for the victim and the due process for alleged offenders.

Student victims are concerned about their loss of autonomy and confidentiality. College aged student victims in particular are worried about their parents and peers learning about the sexual assault. College students are often worried that parents will react to the disclosure in ways that will result in the student losing the relatively newly gained independence and autonomy.

4. Alcohol and amnesty - Alcohol consumption and underage alcohol consumption is a very prominent factor in college aged sexual assault crimes.

Shared community and living space - Victims often face their offenders on a regular basis in classes, dorms, organizational meetings after the assault or even after the adjudication process depending on the outcomes.

Lack of perception of accountability for offenders - There are perceptions among some students that some institutions may cover up allegations to protect the institutions reputation or may not hold the offenders fully accountable.

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## Texas A&M University System

DIVISION OF STUDENT AFFAIRS  
OFFICE OF THE VICE PRESIDENT  
FOR STUDENT AFFAIRS



Fall 2015

Dear Texas A&M community member:

As we progress through this busy fall semester, I want to inform you of several resources developed by members of the Task Force for Campus Emergencies. Often, faculty and staff members are the first to recognize that a student or other community member may not be doing well. In this packet you will find a *Concerning Behavior Response Guide* which can assist you in connecting individuals with resources.

The *Concerning Behavior Response Guide* was developed to assist faculty and staff as they work with individuals who may exhibit behavior that is of concern. On this folder you will find information on how to help students who are in distress, including:

**Responding to individuals who exhibit concerning behavior.** If you observe any behavior that is concerning and that needs to be brought to the attention of the Special Situations team, you may report the behavior online on the Tell Somebody website at <http://tellsomebody.tamu.edu> or by contacting one of the team members during business hours. Please note, if you are in an emergency situation that requires medical, psychological or police services, call 9-911 from a campus phone. Off-campus and cell phones, call 911.

**Responding to students who disclose an incident of sexual harassment, sexual assault, domestic violence, dating violence, and/or stalking.** University officials can take proactive steps to address conduct, perhaps prevent conduct from continuing or escalating, and/or otherwise assist the recipient of the conduct. For more information, please visit the University's Title IX website at <http://titleix.tamu.edu>.

I ask for your assistance in spreading the word about these resources. Your help is very much needed and appreciated in this effort. Please contact me if you need copies of these materials for other faculty or staff members. We are also willing to do presentations on these issues. We hope you take the time to read the enclosed folder and find the information valuable. Copies of this folder are available online at <http://tellsomebody.tamu.edu> under "Resources"

If you have any questions, comments, or concerns regarding this information, please don't hesitate to contact me by phone at (979) 845-4728, or by email at [Cynthia.Hernandez@tamu.edu](mailto:Cynthia.Hernandez@tamu.edu).

Sincerely,

A handwritten signature in black ink, appearing to read 'Cynthia L. Hernandez'.

Cynthia L. Hernandez, Ph.D.  
Assistant Vice President for Student Affairs  
Convener, Special Situations Team

117 John J. Koldus Student Services Building  
College Station, TX 77843-1256  
Tel. 979.845.4728 Fax. 979.845.3320  
[studentaffairs.tamu.edu](http://studentaffairs.tamu.edu)

**WE STAND TOGETHER.**



Join the entire Texas A&M community as we step in and stand up against sexual violence and sexual assault. It's our opportunity to change the culture and show the world that Aggies won't stand for it.



[stepinstandup.tamu.edu](http://stepinstandup.tamu.edu)  
[#stepinstandup](https://twitter.com/stepinstandup)

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**Step In. Stand Up.** has been created by the diligent and passionate efforts of the faculty, staff and student leaders of Texas A&M University to show survivors that we stand with them and asks others to do the same.

This *is* more than a campaign. It's a promise, a statement and a pledge — all in an effort to reduce incidents of sexual assault and sexual violence.

[stepinstandup.tamu.edu](http://stepinstandup.tamu.edu)

*#stepinstandup*

**IN A RECENT SURVEY:**

**17% of Aggie students indicated that they had experienced unwanted or uninvited touching of a sexual nature during their time at Texas A&M.**

**25% of female students experienced unwanted or uninvited touching of a sexual nature during their time at Texas A&M.**

**52% told a friend, while 34% told no one.**

Source: 2013 Climate Survey conducted by the Texas A&M University Sexual Assault Services Committee



# CONCERNING BEHAVIOR RESPONSE GUIDE

## HELPING STUDENTS IN DISTRESS

This guide may be used as a resource when working with troubled students, identifying students in distress, helping students, and knowing when to refer students for help when they need it. Staff in the Offices of the Dean of Student Life is available for assistance if needed when referring or assisting a student. The Dean of Faculties or Human Resources should be contacted regarding concerning behavior on the part of faculty or staff, respectively.

## HOW TO HELP STUDENTS (Adapted from material provided by the Student Counseling Service)

### RECOGNIZE THE PROBLEM

Irregular attendance or excessive absences  
Defensive or repetitive excuses  
Persistence of addressed concerns  
Classroom disruptions  
Disclosure of sexual assault/harassment/  
Relationship violence  
Sudden or extreme changes in behavior  
Threatening behavior  
Disclosure of suicidal or  
Suicidal thoughts

### WHAT TO DO

- Talk to the student in private and allow plenty of time, and/or communicate care for the student's well-being.
- If you do not feel comfortable addressing all concerns, refer the student to the Student Counseling Service.
  - You can walk with the student to the Student Counseling Service, or
  - Refer the student to the office location or online for an appointment at <http://scs.tamu.edu>.
  - Emergency walk-in accommodations are available Monday-Friday 9am-4pm.
- If you have concerns about a student you have already tried to help, consult with the Student Counseling Service or Student Assistance Services.

### CRISIS SITUATIONS

- If a student exhibits behaviors that you feel indicate IMMEDIATE DANGER TO SELF OR SOMEONE ELSE: CALL 9-911 from a campus phone, or 911 from a cell phone or off campus phone
- For URGENT but NON-CRISIS situations during working hours, walk the student to the Student Counseling Service. After working hours, please call the HelpLine at (979) 845-2700.

## HELPFUL CONTACTS

Honor Code	<a href="http://aggiehonor.tamu.edu">http://aggiehonor.tamu.edu</a>	(979) 458-3378
Intervention HelpLine <small>(after hours or after 5:00 p.m.)</small>	<a href="http://scs.tamu.edu">http://scs.tamu.edu</a>	(979) 845-2700
Office of Faculties	<a href="http://dof.tamu.edu">http://dof.tamu.edu</a>	(979) 845-4274
Disability Services	<a href="http://disability.tamu.edu">http://disability.tamu.edu</a>	(979) 845-1637
Employee Assistance Program	<a href="http://employees.tamu.edu">http://employees.tamu.edu</a>	(979) 845-3711
Offices of the Dean of Student Life	<a href="http://studentlife.tamu.edu">http://studentlife.tamu.edu</a>	(979) 845-3111
Residence Life	<a href="http://reslife.tamu.edu">http://reslife.tamu.edu</a>	(979) 862-3158
Student Assistance Services	<a href="http://sas.tamu.edu">http://sas.tamu.edu</a>	(979) 845-3113
Student Counseling Service	<a href="http://scs.tamu.edu">http://scs.tamu.edu</a>	(979) 845-4427
Student Health Services	<a href="http://shs.tamu.edu">http://shs.tamu.edu</a>	(979) 458-0316
Student Rules	<a href="http://student-rules.tamu.edu">http://student-rules.tamu.edu</a>	(979) 845-3111
University Police Department	<a href="http://upd.tamu.edu">http://upd.tamu.edu</a>	(979) 845-2345



TEXAS A&M  
UNIVERSITY

# REFERRALS For general questions or consultation p

## THREATENING/CONCERNING BEHAVIOR

If you see or are dealing with threatening behavior or other unusual situations in which students appear extremely aggressive, contact:

### UNIVERSITY POLICE DEPARTMENT

Phone: Emergency: **9-911** (on campus) or **911** (off campus/cell phone)  
Non-emergency: **(979) 845-2345** | <http://upd.tamu.edu>

### TELL SOMEBODY/SPECIAL SITUATIONS TEAM (for non-emergency)

For behavior that is concerning and needs to be brought to the attention of the Special Situations Team, you may report:

Online: <http://tellsomebody.tamu.edu>.

Phone (during work hours):

Student behavior - Offices of the Dean of Student Life **(979) 845-3111**

Staff behavior - Human Resources **(979) 845-3711**

Faculty behavior - Dean of Faculties **(979) 845-4274**

The charge of the Spec  
circumstances, enhanc  
appropriate responses  
that may involve threat  
theUniversity communi

## STUDENTS IN DIST

If you are assisting a st  
psychological or emoti  
someone, contact:

## STUDENT COUNSELIN

8am-5pm Monday - Fr

Phone: (979) 845-4427

Helpline: (979) 845-271

<http://scs.tamu.edu>

## WHAT STAFF SHOULD KNOW ABOUT SEXUAL HARASSMENT, SEXUAL

*Helping to ensure a coordinated, compassionate, and professional respo*

Texas A&M University strives to maintain a work and educational environment free from discrimination, sexual harassment, and related retaliation in accordance with applicable federal and state laws. Individuals are encouraged to report all unwelcome conduct of a sexual nature and should not wait to report conduct of concern until it becomes severe, pervasive, or persistent harassment. University officials can take proactive steps to address conduct, perhaps prevent conduct from continuing or escalating, and/or protect or otherwise assist the recipient of the conduct.

### 1. Identifying Incidents of Sexual Harassment Including Sexual Violence

#### Sexual Harassment

Sexual harassment is a form of sex discrimination. Unwelcome sexual advances, requests for sexual favors and other verbal, nonverbal or physical conduct of a sexual nature constitute sexual harassment when this conduct is so severe, persistent or pervasive that it explicitly or implicitly affects an individual's employment, unreasonably interferes with an individual's work or educational performance, or creates an intimidating, or hostile work or educational environment. The University will use a reasonable person standard to determine these elements. Sexual harassment also includes sexual misconduct (non-consensual sexual intercourse and non-consensual sexual contact) and sexual exploitation.

**Dating violence** - Any violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the survivor.

**Domestic violence** - Any violence committed by a person who is or has been a current or former spouse of the survivor, person with whom the survivor shares a child in common, person who is cohabitating with or has cohabitated with the survivor as a spouse, a person similarly situated to a spouse of the survivor under the domestic or family violence laws of the jurisdiction receiving grant monies, or any other person against an adult or youth survivor who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

**Stalking** - Any repeated conduct directed specifically at another person that causes that person or a member of that person's family or household to fear for his/her safety. Such conduct includes

### 2. Where on Campus to Dire

All employees are responsible for ensur  
illegal discrimination, sexual harassme  
**discrimination, sexual harassment**  
**known to an employee, the employe**  
System Regulation 08.01.01, section 2

The University has identified "Desi  
appropriately to alleged violations of s

**Designated Officials** - Reports sh  
Official based on the status of the alle

<b>STUDENTS</b>	<b>FACI</b>
Dean of Student Life	Assoc
Texas A&M University	Texas
TAMU Mail Stop 1257	TAMU
College Station, TX 77843-1257	Colleg
studentlife@tamu.edu	Dof@i
979.845.3111	979.8

For additional questions regarding di  
contact the Title IX Coordinator at 979.

**What happens when I report?**  
Reporting knowledge of an alleged inc  
us to properly respond to the alleged s  
options for reporting if the survivor(s)



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## Endnotes

- <sup>1</sup> Closing the Gaps: The Texas Higher Education PLAN; Texas Higher Education Coordinating Board; Publication 2005.
- <sup>2</sup> 60x30TX: The Texas Higher Education Strategic Plan 2015-2030; Texas Higher Education Coordinating Board; Publication 2015.
- <sup>3</sup> RECOVERY: Job Growth and Education Requirements Through 2020; Georgetown University, Public Policy Institute; Publication 2013.
- <sup>4</sup> Special Purpose Districts: Education; Texas Senate Research Spotlight; Publication 2008.
- <sup>5</sup> Julie Eklund, Assistant Commissioner, Texas Higher Education Coordinating Board, in testimony before the committee, February 11, 2016.
- <sup>6</sup> Rex Peebles, Assistant Commissioner, Texas Higher Education Coordinating Board, in testimony before the committee, February 11, 2016.
- <sup>7</sup> Raymund Paredes, Commissioner, Texas Higher Education Coordinating Board, in testimony before the committee, February 11, 2016.
- <sup>8</sup> Shirley Reed, President, South Texas College, in testimony before the committee, February 11, 2016.
- <sup>9</sup> Dennis Brown, President, Lee College, in testimony before the committee, February 11, 2016.
- <sup>10</sup> Overview of Tuition Deregulation, Texas Higher Education Coordinating Board, Publication 2010.
- <sup>11</sup> Emily Deardorff, Budget Analyst, Legislative Budget Board, in testimony before the committee, May 10, 2016.
- <sup>12</sup> Katherine Protil, Heather Henry, Lauren Davis, Sarah Pollock, and Hailey Pullman. (2016). Campus Sexual Assault: Definition, Reporting, and Prevalence. Education Policy Wiki, University of Texas at Austin. Faculty supervisor/editor: Paul von Hippel.
- <sup>13</sup> Heather Henry, Roxanna Maiberger, and Hailey Pullman. (2016). Prevention of Campus Sexual Assault. Education Policy Wiki, University of Texas at Austin. Faculty supervisor/editor: Paul von Hippel.
- <sup>14</sup> Lauren Davis and Katherine Protil. (2016). Response to Campus Sexual Assault. Education Policy Wiki, Faculty supervisor/editor: Paul von Hippel.
- <sup>15</sup> Unconstitutional To Deny Hazlewood Act Education Benefits to Veterans Based on Residence outside Texas when they Enlisted; Law Review 16041 May 2016; Captain Samuel F. Wright.
- <sup>16</sup> The Post-9/11 Veterans Educational Assistance Act of 2008 (Post-9/11 GI Bill): Primer and Issues; Congressional Research Service; Cassandra Dortch, Analyst in Education Policy; July 2014.
- <sup>17</sup> Marginalized Majority: Nontraditional Students and the Equity Imperative; Diversity & Democracy; David Scobey; AACU 2016 Vol. 19, No. 1.
- <sup>18</sup> Research on Adult Learners: Supporting the Needs of a Student Population that is no longer Nontraditional; Peer Review; Jovita Ross-Gordon; AACU 2011 Vol. 13, No.1.
- <sup>19</sup> Veronica Stidvent, Chancellor, Western Governor's University, in testimony before the committee, June 21, 2016.
- <sup>20</sup> Andres Alcantar, Chairman, Texas Workforce Commission, in testimony before the committee, June 21, 2016.
- <sup>21</sup> Michael Reeser, Chancellor, Texas State Technical College, in testimony before the committee, June 21, 2016.
- <sup>22</sup> James Hallmark, Vice Chancellor for Academic Affairs, Texas A&M University System, in testimony before the committee, June 21, 2016.
- <sup>23</sup> Texas Women's University, in testimony before the committee, June 21, 2016.
- <sup>24</sup> Betty McCrohan, President, Wharton County Junior College, in testimony before the committee, February 11, 2016.
- <sup>25</sup> Mary Hensley, President, Blinn College, in testimony before the committee, February 11, 2016.
- <sup>26</sup> Brent Wallace, President, North Central Texas College, in testimony before the committee, February 11, 2016.
- <sup>27</sup> Raymund Paredes, Commissioner, Texas Higher Education Coordinating Board, in testimony before the committee, February 11, 2016.
- <sup>28</sup> Shirley Reed, President, South Texas College, in testimony before the committee, February 11, 2016.
- <sup>29</sup> Brenda Hellyer, Chancellor, San Jacinto College, in testimony before the committee, February 11, 2016.
- <sup>30</sup> Dennis Brown, President, Lee College, in testimony before the committee, February 11, 2016.
- <sup>31</sup> Renu Khator, Chancellor, University of Houston System, in testimony before the committee, May 10, 2016.
- <sup>32</sup> William McRaven, Chancellor, University of Texas System, in testimony before the committee, May 10, 2016.

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<sup>33</sup> Brian McCall, Chancellor, Texas State University System, in testimony before the committee, May 10, 2016.

<sup>34</sup> Jeff Webster, Director of Research, Texas Guaranteed Student Loan Corporation, in testimony before the committee, May 10, 2016.

<sup>35</sup> Noel Busch-Armendariz, Director, Institute on Domestic Violence and Sexual Assault (UT-Austin School of Social Work), in testimony before the committee, March 8, 2016.





