AGENCY STRATEGIC PLAN

For the Fiscal Years 2009-2013 Period

By

The Texas Higher Education Coordinating Board

Submitted June 27, 2008

Texas Higher Education Coordinating Board
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Board Members	Dates of Term	Hometown
Robert W. Shepard, *Chair*	2003-2009	Harlingen
A. W. "Whit" Riter, *Vice Chair*	2005-2011	Tyler
Elaine Mendoza, *Secretary of the Board*	2006-2011	San Antonio
Charles E. "Trey" Lewis, *Student Representative*	2008-2009	Harlingen
Laurie Bricker	2004-2009	Houston
Fred Heldenfels	2007-2013	San Marcos
Joe B. Hinton	2006-2011	Crawford
Brenda Pejovich	2007-2013	Dallas
Lyn Bracewell Phillips	2005-2011	Bastrop
Robert V. Wingo	2007-2009	El Paso

Submitted June 27, 2008

(Original signed)

Signed: _____

Dr. Raymund A. Paredes, Commissioner of Higher Education

(Original signed)

Approved: _____

Robert W. Shepard, Chair

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APPENDICES

STATEWIDE STATEMENTS OF PURPOSE

Required elements and presentation format instructions for the Texas Higher Education Coordinating Board's Strategic Plan for Fiscal Year 2009-2013 are provided in *Securing Our Future: The Statewide Strategic Planning Elements for Texas State Government* from the Legislative Budget Board and the Governor's Office of Budget, Planning and Policy. Required state agency strategic plans cover a five-year period that begins approximately two months after submission. The internal process used at the Coordinating Board for developing its Strategic Plan is provided in Appendix A.

The Texas Higher Education Coordinating Board also engages in planning outside of this strategic planning process, such as through the development, adoption, and implementation of *Closing the Gaps by 2015*, the state's higher education plan, and other efforts.

This section of the Coordinating Board's Strategic Plan begins with the vision, mission, and philosophy[1] of statewide government as provided by the Governor's Office. This section concludes with a table providing linkages to *Closing the Gaps* goals and strategies, state benchmarks for higher education, and agency strategies.

Vision of Texas State Government

Priority goals for Texans:

- Assuring open access to an educational system that not only guarantees the basic core knowledge necessary for citizenship, but also emphasizes excellence and accountability in all academic and intellectual undertakings;

- Creating and retaining job opportunities and building a stronger economy that will lead to more prosperity for our people, and a stable source of funding for core priorities;

- Protecting and preserving the health, safety, and well-being of our citizens by ensuring healthcare is accessible and affordable, and our neighborhoods and communities are safe from those who intend us harm; and

- Providing disciplined, principled government that invests public funds wisely and efficiently.

1 The vision, mission, and philosophy of Texas state government are provided in *Securing Our Future: The Statewide Strategic Planning Elements for Texas State Government*.

Mission of Texas State Government

Texas state government must be limited, efficient, and completely accountable. It should foster opportunity and economic prosperity, focus on critical priorities, and support the creation of strong family environments for our children. The stewards of the public trust must be men and women who administer state government in a fair, just, and responsible manner. To honor the public trust, state officials must seek new and innovative ways to meet state government priorities in a fiscally responsible manner.

Aim high. . . .we are not here to achieve inconsequential things!

Philosophy of Texas State Government

The task before all state public servants is to govern in a manner worthy of this great state. We are a great enterprise, and as an enterprise we will promote the following core principles:

- First and foremost, Texas matters most. This is the overarching, guiding principle by which we will make decisions. Our state, and its future, is more important than party, politics, or individual recognition.
- Government should be limited in size and mission, but it must be highly effective in performing the tasks it undertakes.
- Decisions affecting individual Texans, in most instances, are best made by those individuals, their families, and the local government closest to their communities.
- Competition is the greatest incentive for achievement and excellence. It inspires ingenuity and requires individuals to set their sights high. Just as competition inspires excellence, a sense of personal responsibility drives individual citizens to do more for their future and the future of those they love.
- Public administration must be open and honest, pursuing the high road rather than the expedient course. We must be accountable to taxpayers for our actions.
- State government has a responsibility to safeguard taxpayer dollars by eliminating waste and abuse, and providing efficient and honest government.

Finally, state government should be humble, recognizing that all its power and authority is granted to it by the people of Texas, and those who make decisions wielding the power of the state should exercise their authority cautiously and fairly.

Statewide Priority Goal for Higher Education

To prepare individuals for a changing economy and workforce by:

- providing an affordable, accessible, and quality system of higher education; and
- furthering the development and application of knowledge through teaching, research, and commercialization.

State-Level Benchmarks for Higher Education

State-level priorities have been defined in *Securing Our Future: The Statewide Strategic Planning Elements for Texas State Government*. Operational definitions of measures associated with the state-level priorities are provided in Appendix D.

Sources of data that are used (or derived) to serve as output measures are described with agency goals and objectives in a separate section of this document. Projected outcomes for 2009-2013 are provided in Appendix C. The state-level benchmarks for higher education include:

- Percent of recent high school graduates enrolled in a Texas public college or university
- Percent of first-time, full-time freshmen returning after one academic year
- Percent of first-time, full-time freshmen who graduate within four years
- Percent of first-time, full-time freshmen who graduate within six years
- Percent of two-year college students who transfer to four-year institutions
- Percent of two-year transfer students who graduate from four-year institutions
- Percent decrease in number of students requiring developmental education
- Percent of population age 24 and older with vocational/technical certificates as highest level of educational attainment
- Percent of population age 24 and older with two-year college degree as highest level of educational attainment
- Percent of population age 24 and older with four-year college degree as highest level of educational attainment
- Number of baccalaureate graduates in science, technology, engineering, and mathematics
- Percent of M.D. graduates remaining in Texas for residency
- Percent of nursing graduates employed or enrolled in nursing graduate programs in Texas
- Texas public colleges' and universities' cost per student as a percentage of the national average
- Percent change in average tuition over past biennium
- Number of students receiving grants from the TEXAS grant program
- Percent of total federal research and development expenditures received by Texas institutions of higher education

- Percent increase in research and development expenditures in emerging technologies over previous biennium
- Number of patents obtained in emerging technologies
- Number of patents obtained by institutions of higher education that are commercialized
- Number of private sector companies created as a result of activities at public institutions of higher education

These benchmark elements have evolved over time to reflect public policy emphases. Accordingly, these priorities may require information for which no current means of collecting supporting data exist. In such cases, the best available proxies must be found until directly applicable data can be generated.

The following table aligns the state-level benchmarks identified above with agency strategies and the goals of *Closing the Gaps by 2015*, the state's higher education plan (Appendix K). These agency strategies are provided in context with agency objectives and performance measures in the Agency Statement of Impact section of this document (immediately prior to the first appendix).

<table>
<tr><th colspan="3">Agency Strategies Linked to State Benchmarks
and Closing the Gaps Goals
PARTICIPATION</th></tr>
<tr><td>Texas Higher Education Coordinating Board Higher Education Plan
Closing the Gaps by 2015</td><td>State Benchmarks Linked to
Closing the Gaps</td><td>Agency Strategies Linked to State Benchmarks</td></tr>
<tr><td>PARTICIPATION GOAL: By 2015, close the gaps in participation rates across Texas to add 630,000 more students.</td><td>Percent of recent high school graduates enrolled in a Texas public college or university

Percent decrease in number of students requiring developmental education</td><td rowspan="2">Close the gaps in participation by conducting a public awareness and outreach campaign.

Close the gaps in participation and success by:

• developing and promoting student participation and success;
• administering programs designed to promote college readiness and success;
• administering programs designed to promote effective public and higher education teaching;
• administering grants, scholarships, and work-study programs;
• administering loan, loan forgiveness, and loan repayment programs;
• administering programs which provide financial assistance: Toward EXcellence, Access, & Success (TEXAS) Grants, Tuition Equalization Grants (TEG), Texas College Work-Study, License Plate Scholarships, Doctoral Incentive Program, Fifth-Year Accounting Students Scholarships, Early High School Graduation Scholarships, Temporary Assistance to Needy Families (TANF) Scholarships, Educational Aide Grants, Teach for Texas Loan Repayments, Border Faculty Loan Repayments, Office of Attorney General (OAG) Lawyers Loan Repayment Program, Engineering Recruitment Program, Higher Education Performance Incentive Initiative, Texas Education Opportunity Grant (TEOG), Texas B-On-Time Loans, Baylor College of Medicine, Baylor College of Medicine Graduate Medical Education (GME), Family Practice Residency Program, Preceptorship Program, Primary Care Residency Program, Graduate Medical Education Program, Joint Admission Medical Program, Physician's Education Loan Repayments, Professional Nursing Aid, Dental Education Loan Repayment Program, Vocational Nursing Aid; and
• providing federal funds to institutions and students: Student Financial Assistance, Career and Technical Education, Teacher Quality Grants, and Other Federal Grants.

Provide planning, information services, and a performance and accountability system.

• Review and recommend changes to funding formulas, and approve state-funded new construction, renovations and property acquisitions at public institutions of higher education.

• Provide higher education information to governmental entities and the public.</td></tr>
<tr><td>Participation Strategies: Promote the Recommended High School Program, train and hire well-qualified educators, improve citizens' understanding of the benefits of higher education, establish affordability policies.</td><td>Number of students receiving grants from the TEXAS grants programs

Percent change in average tuition over past biennium

Percent of M.D. graduates remaining in Texas for residency

Percent of nursing graduates employed or enrolled in nursing graduate programs in Texas

Texas public colleges and universities cost per student as a percentage of the national average</td></tr>
</table>

Agency Strategies Linked to State Benchmarks and *Closing the Gaps* Goals SUCCESS		
Texas Higher Education Coordinating Board Higher Education Plan *Closing the Gaps by 2015*	State Benchmarks Linked to *Closing the Gaps*	Agency Strategies Linked to State Benchmarks
SUCCESS GOAL: By 2015, award 210,000 undergraduate degrees, certificates, and other identifiable student successes from high quality programs.	Percent of first-time, full-time freshmen who graduate within four years Percent of first-time, full-time freshmen who graduate within six years Percent of two-year college students who transfer to four-year institutions Percent of two-year transfer students who graduate from four-year institutions Percent of population age 24 and older with vocational/ technical certificates as highest level of educational attainment Percent of population age 24 and older with two-year college degree as highest level of educational attainment Percent of population age 24 and older with four-year college degree as highest level of educational attainment	*(As indicated above, many of the strategies that promote closing the gaps in participation also promote closing the gaps in success.)*
Success Strategies: Uniform recruitment and retention strategy, reward increases in retention and graduation, increase graduates in critical fields, seamless student transitions, community, and business partnerships	Percent of first-time, full-time freshmen returning after one academic year Number of baccalaureate graduates in science, technology, engineering, and mathematics Percent of nursing graduates employed or enrolled in nursing graduate programs in Texas	Incentive Funding Centers for Teacher Education Technology Workforce Development Professional Nursing Shortage Reduction Program

Agency Strategies Linked to State Benchmarks and *Closing the Gaps* Goals EXCELLENCE		
Texas Higher Education Coordinating Board Higher Education Plan *Closing the Gaps by 2015*	State Benchmarks Linked to *Closing the Gaps*	Agency Strategies Linked to State Benchmarks
EXCELLENCE GOAL: By 2015, substantially increase the number of nationally recognized programs or services at colleges and universities in Texas.		Close the gaps in excellence by coordinating and evaluating: • university programs and health-related programs; • public two-year college programs; • federal career and technical education programs; and • career schools and college programs.
Excellence Strategies: Establish ladders of excellence, programs nationally recognized, identify peer institutions, fund competitive grants		

Agency Strategies Linked to State Benchmarks and *Closing the Gaps* Goals RESEARCH		
Texas Higher Education Coordinating Board Higher Education Plan *Closing the Gaps by 2015*	State Benchmarks Linked to *Closing the Gaps*	Agency Strategies Linked to State Benchmarks
RESEARCH GOAL: By 2015, increase the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation.	Percent of total federal research and development expenditures received by Texas institutions of higher education Number of patents obtained in emerging technologies Percent increase in research and development expenditures in emerging technologies over previous biennium Number of patents obtained by institutions of higher education that are commercialized Number of private sector companies created as a result of activities at public institutions of higher education	Close the gaps in research by administering and evaluating research programs.
Research Strategies: Universities to retain all overhead income from grants, establish the Texas Science and Engineering Collaborative, increase funding for ARP/ATP, establish a competitive grant program, establish Education Research Centers		Provide programs to promote research at Texas institutions: • Advanced Research Program • Education Research Centers • Alzheimer Disease Centers

Agency Strategies Linked to State Benchmarks and *Closing the Gaps* Goals PERFORMANCE SYSTEM		
Texas Higher Education Coordinating Board Higher Education Plan *Closing the Gaps by 2015*	State Benchmarks Linked to *Closing the Gaps*	Agency Strategies Linked to State Benchmarks
PROGRESS TOWARD THE GOALS: Develop benchmarks and measures to assess progress toward goals of the plan by each institution and by higher education as a whole.		Close the higher education gaps by providing planning and information services

Additional Coordinating Board Budgeting Strategies (with no direct link to *Closing the Gaps* or State Benchmarks)
Provide trusteed funds to institutions through special programs designed to improve the quality and delivery of instruction and also increase the participation and success of Texans: Two-Year Institution Enrollment Growth, African American Museum Internship.
Special Programs Related to Tobacco Settlement Receipts: Earnings-Minority Health, Earnings-Nursing/Allied Health, Earnings-HECB for Baylor College of Medicine, earnings from Permanent Health Fund for Baylor College of Medicine.
Indirect Administration: Central Administration, Information Resources, Other Support Services.

AGENCY STATEMENTS OF PURPOSE

The *Agency Strategic Plan Instructions* define an agency's mission as "the reason for an agency's existence" and the agency's philosophy as "the expression of core values and principles for the conduct of the agency in carrying out its mission." This section provides the current mission and philosophy of the Coordinating Board.

Mission of the Coordinating Board

The Texas Higher Education Coordinating Board's mission is to work with the Legislature, Governor, governing boards, higher education institutions and other entities to help Texas meet the goals of the state's higher education plan, *Closing the Gaps by 2015*, and thereby provide the people of Texas the widest access to higher education of the highest quality in the most efficient manner.

Philosophy of the Coordinating Board

The Texas Higher Education Coordinating Board will promote access to quality higher education across the state with the conviction that access without quality is mediocrity and that quality without access is unacceptable. The Coordinating Board will be open, ethical, responsive, and committed to public service. The Coordinating Board will approach its work with a sense of purpose and responsibility to the people of Texas and a commitment to the best use of public monies. The Coordinating Board will engage in actions that add value to Texas and to higher education. The agency will avoid efforts that do not add value or that are duplicated by other entities.

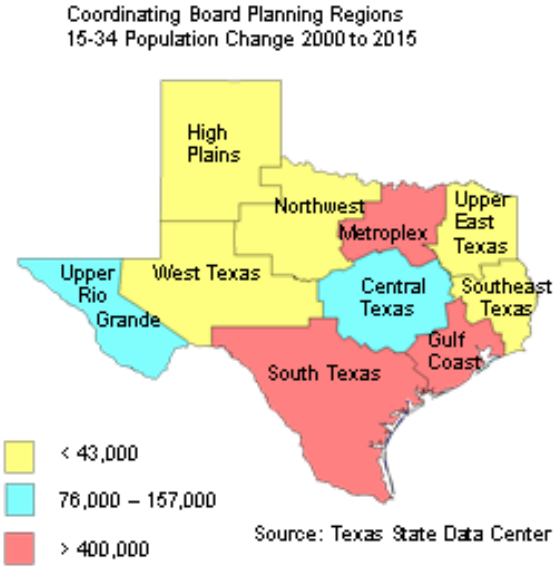
AGENCY STATEMENT OF DIRECTION

A Vision for Texas Higher Education: *Closing the Gaps*

> *Every Texan educated to the level necessary to achieve his or her potential; no one is left behind, and each can pursue higher education; colleges and universities focus on the recruitment and success of students while defining their own paths to excellence; education is of high quality throughout; and all levels of education, the business community, and the public are constant partners in recruiting and preparing students and faculty who will meet the state's workforce and research needs.*
>
> Source: *Closing the Gaps by 2015: The Texas Higher Education Plan, 2000*.

Education has never been more important for the future of Texas and its people, no matter where they live. People with more education tend to earn much higher incomes, help build and sustain strong communities and economies, have a higher quality of life, and are better prepared to contribute to an increasingly global society. While progress is encouraging on many fronts, Texas remains behind other states in education outcomes, and educational gaps continue to exist among its people and regions. Clearly, Texas must close these gaps to ensure a brighter future for all the people of the state.

Texas is projected to experience substantial population growth (see map), yet higher education enrollment may not keep the state's college-going rate at current levels. If this trend materializes, workforce educational levels will be insufficient to attract and retain the businesses and industries that offer the best jobs. The state's total annual household income will drop, perhaps by as much as an estimated $60 billion annually by 2040. The need for social and government services would grow as tax revenue falls, and inadequate support for a vibrant economy would reduce the quality of life for all Texans. To prevent that undesirable outcome, higher education participation and success rates for all Texans will have to rise more rapidly than ever.



In response, Texas higher education is answering this challenge with a plan called *Closing the Gaps by 2015*. *Closing the Gaps* lays out four goals: to close the gaps – within the state and between Texas and other states – in student participation, student success, excellence, and research.

Since *Closing the Gaps'* adoption by the Coordinating Board in 2000, the plan has been widely accepted and supported across the state. Sustained and diligent efforts to promote and support the plan are needed continually to ensure its success – especially as personnel changes occur in leadership and other key positions in the higher education community.

Closing the Gaps is a dynamic plan. The participation and success goals were revised in October 2005 to reflect revised population figures released by the Texas State Data Center. The research goal was changed to focus on improvement relative to other states.

The revised *Closing the Gaps'* goals are:

- Close the Gaps in Participation – By 2015, close the gaps in participation rates across Texas to add 630,000 more students.
- Close the Gaps in Success – By 2015, award 210,000 undergraduate degrees, certificates, and other identifiable student successes from high quality programs.
- Close the Gaps in Excellence – By 2015, substantially increase the number of nationally recognized programs or services at colleges and universities in Texas.
- Close the Gaps in Research – By 2015, increase the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation.

Supporting the Vision: The Texas Higher Education Coordinating Board

Created by the Texas Legislature in 1965 to ensure quality and efficiency in public higher education, the Texas Higher Education Coordinating Board works closely with the state's higher education institutions, public education entities, businesses, community groups, and others to achieve the goals of *Closing the Gaps.*

The Coordinating Board is currently comprised of nine members from all geographic regions of the state who are appointed to overlapping six-year terms by the Governor and confirmed by the Texas Senate. The Coordinating Board meets quarterly in Austin.

Board members appoint a Commissioner of Higher Education as the chief executive officer for the agency, which has 304.9 authorized full-time (FTE) positions. The Commissioner acts as the state's chief expert on higher education, making recommendations and carrying out higher education initiatives on behalf of the Coordinating Board.

Achievement of the *Closing the Gaps*' goals is the agency's central mission. To better support that mission, the agency was reorganized in early 2005 into two units that mirror the elements of *Closing the Gaps*: Participation and Success, and Academic Excellence and Research. To better streamline agency functions, in June 2007, these two units were reorganized as Business and Finance, and Academic Planning and Policy. (The agency's organizational chart is provided in Appendix B.) The Business and Finance

Unit currently consists of three divisions: Business and Support Services, Information Technology Services, and Student Services. The Academic Planning and Policy Unit consists of three divisions: Academic Affairs and Research, Planning and Accountability, and P-16 Initiatives.

The Coordinating Board also actively monitors and encourages institutional progress toward the goals of *Closing the Gaps* and other significant performance measures through its Higher Education Accountability System. The Accountability System, first developed in 2004 through a Governor's Executive Order, includes targeted levels of performance for institutional groups. This system, described below in the Peer and Benchmark Systems section, tracks institutions' progress toward improvement and efficiency.

Major Statutory Responsibilities

Most of the Coordinating Board's statutory authority is found in the Texas Education Code, Chapter 61, Section 61.002(a). The Coordinating Board is directed to "provide leadership and coordination for the Texas higher education system, institutions, and governing boards, to the end that the state of Texas may achieve excellence for college education of its youth through the efficient and effective utilization and concentration of all available resources and the elimination of costly duplication in program offerings, faculties, and physical plants."

To meet these broad obligations to all of the people of Texas, the Coordinating Board's wide range of statutory duties include:

- Develop and update the state's higher education plan, *Closing the Gaps by 2015*;
- Review and recommend changes in formulas for allocating legislative appropriations to higher education institutions;
- Approve institutions' requests for new academic programs to meet academic needs, ensure quality, and eliminate unnecessary duplication;
- Approve and monitor postsecondary technical/vocational educational programs and adult vocational education offerings;
- Administer the Carl Perkins federal grant funds for the purpose of improving workforce education, including inter-agency initiatives for cooperative administration of Tech-Prep and School-to-Work programs;
- Collect, analyze, and report higher education data, undertake studies, and develop recommendations for improving higher education;
- Report to the Legislature on policy issues and legislatively mandated issues;

- Approve new construction, renovations, and property acquisitions funded with state money at public institutions of higher education;

- Prescribe changes in the roles and missions of public higher education institutions;

- Administer the state's student financial aid programs, including the Toward EXcellence, Access, & Success (TEXAS) Grant Program, the Texas B-On-Time Student Loan Program, and the Hinson-Hazlewood College Student Loan Program;

- Administer College Readiness Initiatives stemming from House Bill 1, 79th Texas Legislature, Special Called Session, including the P-16 College Readiness and Success Strategic Action Plan recommended by the P-16 State Council;

- Administer state-funded competitive grants to Texas college and university researchers for projects expected to enhance economic development in the state; and

- Approve degree programs at career colleges and schools and regulate unaccredited private postsecondary institutions.

These and other duties and responsibilities affect the state's public higher education community, which includes students, faculty, administrators, and others at 35 universities, 50 community college districts, three state colleges, one technical college system, and nine health-related institutions.

Texas also has a thriving private and independent higher education sector – including 39 independent senior colleges and universities, two junior colleges, one independent medical school, and 46 degree-granting private career colleges and schools. The contributions of independent institutions are incorporated into *Closing the Gaps*.

Legislative Activities and Trends

Since *Closing the Gaps by 2015* was adopted by the Coordinating Board in 2000, the Texas Legislature has passed a considerable amount of legislation to support it. The Legislature is aware of the importance of progress toward the plan's goals, and of the financial commitment needed to achieve those goals.

Closing the Gaps-related initiatives approved in earlier legislative sessions include funding the *College for Texans* public awareness and motivational campaign, establishing new financial aid programs for students, and requiring that all students in public high schools be automatically enrolled in the college-preparatory Recommended High School Program.

Additionally, during the 79th Texas Legislature, Third Called Session, Texas lawmakers passed sweeping legislation in House Bill 1, designed to better align higher education and public education. This included the development of college readiness standards to improve college and skilled workforce success, the creation of summer bridge programs for at-risk students, and the implementation of a course redesign pilot project designed to revise and strengthen entry-level college courses.

As the overall health of state finances improved from previous sessions, the 80th Texas Legislature increased total appropriations for higher education to $19.8 billion, up from $16.9 billion for the 2006-07 biennium. Lawmakers' continued support for *Closing the Gaps* goals was evidenced by legislation to:

- Increase total funding for state-managed financial aid programs by $162 million over the 2006-07 biennium;
- Require the Recommended High School Program as a prerequisite for admissions to general academic teaching institutions;
- Reauthorize and increase bonding authority for the Hinson-Hazlewood Student Loan Program;
- Double the funding for the Advanced Research Program over the 2006-07 biennium; and
- Initiate a $100 million incentive funding program for institutions of higher education designed to reward increases in participation and success.

As seen in recent sessions, the Texas Legislature continues to delegate new duties and responsibilities to the Coordinating Board. It also reinforces a commitment to address education issues in the P-16 context with continued coordination between the Texas Education Agency and the Coordinating Board. A detailed report of these and other legislative initiatives, including related Coordinating Board responsibilities, follows.

Legislative Impact on Participation and Success

Legislators recognized the state's changing demographics and the need to bring more students into higher education to meet participation and success goals. The 80th Texas Legislature appropriated $746 million for the state's five main financial aid programs. This represents a $162 million or 28 percent increase over the previous biennium. The Legislature also committed to improve college participation and success by expanding P-16 initiatives that support Texas students as they prepare for college and improving higher education efficiencies through incentives to reduce time-to-degree.

Financial Aid

Funding for the **TEXAS Grant Program** was increased by more than $96 million to $428 million for the current biennium. The program is available to students who have completed at least the Recommended High School Program or have completed an associate's degree. Additionally –

- Students must meet their institutions' academic progress requirements at the end of their first year in the program, and thereafter complete a minimum of 24 hours per year with an overall grade point average of 2.5 on a 4.0 scale to continue their eligibility.

- Eligibility for students enrolled in four-year degree programs ends on the 5th anniversary of the students' initial awards.

Texas B-On-Time (BOT) Loan Program was appropriated about $77 million for 2008-2009 biennium. This is made up of $37 million from general revenue and $40 million from tuition set-aside required of the institutions under tuition deregulation legislation. B-On-Time loans are forgiven for students who graduate "on time" with at least a 3.0 grade point average (GPA); otherwise, loans must be repaid, but no interest is charged on the loans. For students to continue in the program, they must be enrolled full time in an undergraduate degree or certificate program at an eligible institution, complete at least 75 percent of the semester credit hours attempted in the most recent academic year, and have a cumulative GPA of at least a 2.5 on a 4.0 scale (or the equivalent) on all course work previously attempted at institutions of higher education.

Tuition Equalization Grants (TEG), available to qualified students at independent institutions, remained constant at $212 million. Continued eligibility for Tuition Equalization Grants is similar to the TEXAS Grant program. Students at independent institutions may only receive a TEXAS Grant if they had received their first TEXAS Grant prior to the 2005 fall semester. A student may not receive both a TEXAS Grant and a TEG.

Texas Education Opportunity Grant was increased from $5 million to $14 million. The program is available to students attending community or technical colleges as well as state colleges, and assists both traditional and non-traditional students.

- Students must meet their institutions' academic progress requirements at the end of their first year in the program, and thereafter complete 75 percent of the courses attempted with an overall grade point average of 2.5 on a 4.0 scale to continue their eligibility.

- Eligibility for students ends on the 4th anniversary of the students' initial awards.

The Texas College Work-Study (TCWS) Program was modified to allow institutions to use a portion of their TCWS funds for students to serve as mentors for undergraduate students and high school students.

P-16 Initiatives

College Readiness Initiatives. The State P-16 Council serves as a forum for the Commissioner of Higher Education, the Commissioner of Education, the Executive Director of the Texas Workforce Commission, and the Commissioner of the Department of Assistive and Rehabilitative Services to meet regularly to discuss and take action on issues of common concern. The Council recently added three new members; the Superintendent of the Fort Worth Independent School District, the President of Odessa College, and a business/community leader from Harlingen. This Council has been particularly helpful in forging a strong relationship between the Commissioner of Higher Education and the Commissioner of Education and has strengthened their cooperative efforts in working with state and national policymakers, public school and higher education leaders, and various business and educational organizations across Texas.

During the Third Called Session of the 79th Texas Legislature, the Council was required to create a P-16 College Readiness and Success Strategic Action Plan for adoption by the Coordinating Board and the Commissioner of Education. The Plan, developed collaboratively by all of the agencies on the Council over summer/fall of 2006, received final approval in January 2007. Its goal is to ensure that every Texas student is prepared by their P-12 education to be college-ready when exiting high school and has the skills to successfully compete in a global economy.

Funds appropriated by the Legislature were used to initiate activities related to meeting the objectives of the Plan, which was intentionally developed to be compatible to the goals of Participation and Success included in *Closing the Gaps by 2015*. Since that time, the Coordinating Board has collaborated with the Texas Education Agency to align its activities on P-16 with the eight objectives of the Plan as well as the four goals of *Closing the Gaps*. The following reflects what the Coordinating Board has accomplished in support of the Plan's eight objectives and the goals, objectives, and strategies of *Closing the Gaps by 2015*.

- **College Readiness Standards (CRS).** Define standards and expectations for college readiness for the state that address what students must know and be able to do to succeed in entry-level college/university courses and the skilled workforce. Four Vertical Teams**,** one each for the four content areas of English/language arts, mathematics, science, and social studies/science, met during FY 2007 and developed college readiness standards in the four content areas as well as in the area of cross disciplinary skills. Coordinating Board staff worked with the Texas Education Agency on appointments to the four Vertical Teams, composed of 10 members each—six higher education faculty and four public school teachers. The standards were approved by the Coordinating Board on January 24, 2008, were approved by the Commissioner of Education on April 4, 2008.

Development of the CRS was only the first phase of the project, and the supporting activities are equally important. The Coordinating Board is committed to assuring that all institutions of higher education are familiar with the CRS and supporting school district efforts to integrate them into their curricula. Some of the activities currently being implemented are:

  - **Phase II and III of the CRS Project.** Under contract to the Coordinating Board, the Education Policy Improvement Center (EPIC) currently is validating the CRS for entry-level college courses. The outcome of this study will determine "reference courses," that reflect best practices in first-year credit-bearing college courses. Class syllabi, assignments, and student exemplars from actual Texas classes will assist high school teachers, higher education faculty, parents and students in recognizing college-ready work. Phase III of the project will develop and field test assignments and rubrics that will be created by vertical teams of high school and freshman/sophomore higher education faculty that may be used in high school classes as well as developmental education courses to ensure students achieve college readiness.

- **P-16 Special Advisors (SAs).** The P-16 Special Advisors serve as academic liaisons between institutions of higher education (IHEs) and the Coordinating Board on various academic activities relative to college readiness. The SAs promoted the CRS on their campuses and recommended faculty to assist on Phase II and III of the CRS Project. They will continue to facilitate other academic activities within their institutions of higher education or region that will promote alignment of P-16 curricula with CRS and promote educator/faculty professional development for CRS.

- **Alignment of the Texas Success Initiative (TSI) Assessments with the CRS.** Now that CRS have been adopted in four content areas, it is necessary to review current TSI assessments to ensure alignment. The first step is to determine how well the current assessments align with the CRS. The Coordinating Board issued a Request for Proposals (RFP) in February 2008 to address the review of current TSI assessments to determine if they are aligned with the CRS. Further study will follow based on the research undertaken in response to the RFP. If the assessments are not appropriately aligned, the second step will be to develop or find a new assessment or assessments that are aligned. Finally, appropriate cut-scores on the assessment(s) will be determined for use in establishing college readiness for graduating high school students beginning in 2012.

- **End-of-Course (EOC) Assessments.** Beginning in 2012, new EOC assessments will replace the current Texas Assessment of Knowledge and Skills (TAKS). These new assessments will contain a college readiness component that will be developed jointly between the Texas Education Agency and the Coordinating Board. Additionally, if students are not college-ready by the time they complete the 11th grade, there will be college readiness courses that assist students in achieving college readiness by graduation. These new courses also hold promise for reforming

developmental education. The Coordinating Board's College Readiness Initiatives unit, along with several other departments and divisions, will coordinate efforts relating to the new assessments and courses.

- **Early College High School Demonstration Sites.** The Coordinating Board seeks to establish demonstration sites that are exemplars of both TEKS/CRS curriculum alignment and teaching excellence. Middle College and Early College High Schools will form the vehicle for the sites, and a planning grant to develop such sites currently is being developed by Coordinating Board staff. As envisioned, these sites will spend approximately one year developing curriculum aligned from grades six through the higher education core curriculum, and will model instructional strategies that promote student learning of advanced content cross-disciplinary skills.

- **College For All Texans.** Senate Bill 573 of the 77th Texas Legislature amended the Texas Education Code, Chapter 61, Subchapter CC, Section 61.9701, which mandated the Coordinating Board "to establish a statewide public awareness campaign to promote the value and availability of higher education." The information includes:
  - the benefits of obtaining a postsecondary education;
  - the types of institutions of higher education and degree programs available;
  - the academic preparation needed to pursue a postsecondary education and any other requirements for enrollment at an institution of higher education; and
  - how to obtain financial aid and what forms of financial aid are available.

  The target audience is defined as "primary and secondary schools students" with a priority given to students from groups that are *traditionally underrepresented* in postsecondary education. The statute also provides permissive language regarding the coordination with other agencies in the development and implementation of the campaign.

- **GO Centers.** Go Centers are local community-managed prospective college student centers that focus on creating a college-going culture in the public schools and surrounding communities. By means of the Internet, peer-to-peer tutoring and mentoring, and other on-site resources, each GO Center provides access to a wide range of information about college and careers.
  - *Traditional* GO Centers are located in educational settings, generally on high school campuses, but also on middle school and/or college/university campuses.
  - *Satellite* GO Centers are located in non-educational settings such as public libraries, local workforce centers, or community centers.
  - *Mobile* GO Centers are contained in vehicles outfitted with computers, printers, and Internet connectivity, and travel to nontraditional settings (i.e., festivals, sporting events, and supermarket or mall parking lots).

  GO Centers have been established in over 250 high schools and other locations around the state to offer academic counseling and financial aid information to prospective students. By summer of 2008, GO Center oversight will be moved from

the Coordinating Board to institutions of higher education. This will facilitate further development of GO Centers under the Work-Study Mentorship Program or the redesigned Uniform Recruitment and Retention Strategy. The Coordinating Board will provide technical support and materials.

Many GO Centers are staffed by **G-Force members**. This group represents the peer education component of the GO Center strategy to use students—high school and college students, technical and academic students, and/or volunteers—to facilitate the dissemination of the college-going message. The Collegiate G-Force is responsible for mentoring and tutoring high school students, as well as actively engaging in promotional activities developed to draw students to the GO Centers where college-going activities are the focus (i.e., admission application and FAFSA completion). The G-Force works under the guidance of a G-Force Sponsor who is typically a counselor, instructor, or financial aid advisor.

- **Work-Study Mentorship Program**. Senate Bill 1050, passed by the 80th Texas Legislature, requires that the Coordinating Board develop a Work-Study Mentorship Program. Work-study funds are used to provide wages to students employed on a part-time basis. Eligible college students serve as mentors in GO Centers, community centers, high schools, and institutions of higher education. The bill also authorizes nonprofit organizations to partner with institutions of higher education to pursue the objectives of the program. Several institutions of higher education with existing Collegiate G-Force students have received the first allocation of funding.

- **P-16 Regional Councils.** Beginning in 2007, the Coordinating Board provided funding to strengthen and/or create P-16 Regional Councils. The purpose of a P-16 Regional Council is to foster systemic change in how educational institutions and communities work together to promote implementation of the college readiness standards, and to create and sustain a college-going culture. Councils address issues from levels of pre-school to completion of postsecondary education and beyond, such as teacher preparation/quality, curriculum alignment, workforce development, remedial education, and early childhood education. Councils are often organized with several subcommittees to address specific issues in the local education community and are often informed by data assessment, local expertise, and building awareness around local community assets.

  A P-16 Regional Council's membership generally includes local and regional representatives from the P-12 and higher education, and business and community leaders. P-16 Regional Councils work to address the complex issues in local education systems, while promoting a college-going culture.

- **College Connection.** College Connection is a partnership between a public community college and public school district(s) within the college's taxing district and/or service area, where the college provides pre-college services to seniors on their high school campus. The community college guarantees admission to the

college, including appropriate academic advising and placement. The participating high school(s) allows college access to its seniors.

To improve access to higher education in the state under a College Connection statewide effort, 10 community colleges were funded in Fiscal Year 2007 to increase the number of community colleges with programs modeled on the program developed by Austin Community College (Texas Higher Education Star Award recipient in 2006). In addition, planning grants of $5,000 each were awarded to five community colleges to receive training and prepare for future implementation of a College Connection program. The Coordinating Board will be releasing additional RFPs to increase the number of community colleges implementing a College Connection program.

Teacher Preparation

- **STEM-The University of Texas at Austin Dana Center Pre-Service Pilot.** This project is designed to determine if the use of online tools and strategies in educator preparation programs for pre-service teachers will improve both the quality of the pre-service, induction, and practices for math teachers of Hispanic and African American high-school students in Texas and the quantity of these teachers. Dana Center activities reinforce the infusion of college readiness standards (CRS) in mathematics and science into educator preparation projects and addresses the participation goal of *Closing the Gaps by 2015.*

- **Math, Science, and Technology (MST) Teacher Preparation Academies.** Established by House Bill 2237 during the 80th Texas Legislative Session, the MST Teacher Academies are designed to improve the instructional strategies and content expertise of new and experienced teachers in the STEM fields. Funded programs must incorporate the CRS into their instruction. Also, programs must target high-need districts that typically contain a majority of the target populations of *Closing the Gaps by 2015.*

- **18 Graduate Hour Certificate Pilot.** Legislation from the Third Called Session of the 79th Texas Legislature mandated that every school district offer its students 12-hours of college credit. This credit could be provided through Advanced Placement, International Baccalaureate, or dual credit courses. However, this new law, plus the introduction of the 4x4 Recommended High School Program, meant that districts needed more qualified mathematics and science teachers. This project will determine if an online 18 graduate hour certificate is successful in providing Commission on Colleges of the Southern Association of Colleges and Schools (SACS)-required graduate courses so that high school teachers are certified to teach dual credit mathematics courses. The Coordinating Board is working with the Northeast Texas Consortium of Colleges and Universities, who proposed the project.

College Readiness and Success

- **Innovative Developmental Education Initiatives.** The intent of the Developmental Education initiatives is to create state-wide momentum to rethink and dramatically strengthen developmental education. In Fiscal Year 2007, under Course Redesign, Phase II and III, a Request for Proposals was issued in April and July that included the redesign of developmental education courses and pairs of developmental and entry-level credit courses. Awards were made to 13 institutional teams to redesign eight sets of developmental and paired courses.

  In Fiscal Year 2008, the next steps in dramatically rethinking interventions for underprepared students are to secure contracts with several experts in developmental education and related fields (accelerated learning, supplemental instruction, innovative applications of learning communities, and new findings in neuroscience applied to developmental contexts). Recommendations from this panel of experts will be used to inform the statewide strategic plan, make legislative recommendations, and set into motion a process to identify and solicit the participation of institutions of higher education in early summer 2008 to create replicable, scalable models that will test the effects of various research-based innovations and inform the field of developmental educators.

Student Preparation

- **Texas Governor's Schools.** Mandated by House Bill 1 of the Third Called Session of the 79th Texas Legislature and House Bill 2237 of the 80th Texas Legislature, the Texas Governor's School is designed to provide a summer residential program for high-achieving high school students focused on one or more of the following curricular areas: (1) mathematics and science, (2) humanities, (3) fine arts, and/or (4) leadership and public policy. Because of time constraints following the Third Called Session, only one school was held at the University of North Texas (UNT). In summer 2008, there will be three schools, one each at UNT, Lamar University, and Midwestern State University.

- **Higher Education Summer Bridge and Intensive Summer Programs**. Summer bridge programs for high school students are designed to determine if short-term academic interventions during an intensive summer program of at least four weeks would positively impact the college readiness of high school juniors and seniors who score between 2000 and 2200 (college readiness score) on the 10th or 11th grade TAKS. The Coordinating Board will expand summer bridge programs to include transfer students from community colleges to universities to improve transfer and retention rates for these students.

  The Intensive Summer Program was established by House Bill 2237 of the 80th Texas Legislature to promote college and workforce readiness to students identified as being at risk of dropping out of school or college. Awards to institutions of higher education may only be awarded if at least 50 percent of the students served (1) have

a Scholastic Aptitude Test (SAT) or American College Test (ACT) score that is equal to or less than the national mean; (2) have been awarded a Pell grant; (3) are at least 20 years old on the date of initial higher education enrollment; or (4) have enrolled or will initially enroll as a part-time student.

Higher Education Efficiencies

- **Semester credit hours (SCH) required for the baccalaureate degree** are limited to the minimum required by the Commission on Colleges of the Southern Association of Colleges and Schools, unless the institution determines that there is a compelling academic reason for requiring more hours.

- Institutions are permitted to charge **higher tuition for repeated or excessive undergraduate hours** (those in excess of 30 SCH beyond that required for a degree program).

- The Coordinating Board has overseen initial implementation of a pilot project to encourage students to **graduate in a timely manner** using a contract with incentives between the institution and student. Two universities, Texas Tech University and the University of Houston, and one community college, Grayson County College, have contracted with students as of January 2008. Results indicating the success of the project to promote timely graduation will be available when the first cohort of students graduate in 2009.

- Students graduating on time receive a **tuition rebate if they graduate within four years** with a four-year degree, and within three hours of the SCH required for their degree program requirements.

- Students entering higher education in fall 2007 or later may not drop more than six courses, with certain exceptions.

- General academic institutions must provide students **on-line progress reports**, which compare the courses taken and credit received to the courses required for degrees.

- The Coordinating Board will implement an entry-level, lower-division academic **course redesign project** with a summary report to be prepared by 2011.

Legislative Impact on Excellence and Research

To support *Closing the Gaps* goals in excellence and research, the 80th Texas Legislature doubled funding for the Advanced Research Program, as well as authorized continued funding of the Research Development Fund and creation of the Competitive Knowledge Fund.

Research and Technology

The 80th Texas Legislature appropriated $16.6 million for the **Advanced Research Program** (ARP). The ARP provides competitive, peer-reviewed grants for the scientific and engineering research projects of Texas higher education institutions' faculty. It also provides state-of-the-art research opportunities for students and helps attract and retain the best faculty.

The Governor's Office administers the **Texas Emerging Technology Fund** for research and development activities involving emerging technology industries. The fund will expedite innovation and commercialization, as well as increase higher education's applied technology research capabilities.

Targeted Critical Fields

The **Professional Nursing Shortage Reduction Program**, Texas Education Code, Sections 61.9621-61.9628, establishes key initiatives for relieving the nursing shortage and promotes innovation in nursing education. Consistent with one of those initiatives, a rider from the 80th Texas Legislature, House Bill 1, Section 40, page III-54, trustees funds to the Coordinating Board to support nursing programs that increase the number of graduates at all levels of nursing education. The funds may be used by these programs to hire and retain nursing faculty and to support preceptors who expand faculty capacity.

The Appropriations Act also directs the State P-16 Council to oversee the implementation of the **strategic plan to increase the number of certified teachers in Texas**. The P-16 Council is co-chaired by the Commissioner of Education and the Commissioner of Higher Education. Other members include the Executive Director of the Texas Workforce Commission, the Commissioner of the Department of Assistive and Rehabilitative Services, and three new members appointed in 2007 who represent public education, higher education, and the business sector. The Council's P-16 Educator Quality Committee is establishing a working plan for the state to implement specific policies and programs addressing issues of educator quality.

Incentive Funding

In addition to other amounts appropriated by the 80th Texas Legislature, $100 million was designated for Fiscal Year 2009 for incentive funding. The Governor appointed a special committee to develop an incentive program for the improvement of teaching and educational excellence at Texas public general academic teaching institutions. Some of the funds will be used to provide scholarships for undergraduate students who have graduated with a grade point average in the top 10 percent of their high school graduating class from an accredited Texas high school.

The Governor's Impact on the Goals of *Closing the Gaps*

Governor's Competitiveness Council

On November 29, 2007, Governor Rick Perry named 29 industry leaders, public and higher education officials, and representatives of key state regulatory agencies to the Governor's Competitiveness Council. The Council has been charged with identifying significant issues affecting Texas' economic competitiveness in the following six targeted industry clusters:

1) Aerospace and Defense;
2) Advanced Technologies and Manufacturing;
3) Biotechnology and Life Sciences;
4) Energy;
5) Information and Computer Technology; and
6) Petroleum Refining and Chemical Products.

The Council also has been charged with making recommendations to the Governor that will establish an agenda for action, whereby opportunities for increasing Texas' competitiveness are leveraged, and barriers or weaknesses are eliminated or minimized. Given these charges, and membership consisting of industry, education, and state agency leaders, the Council represents an outstanding opportunity to further advance the goals of *Closing the Gaps by 2015*.

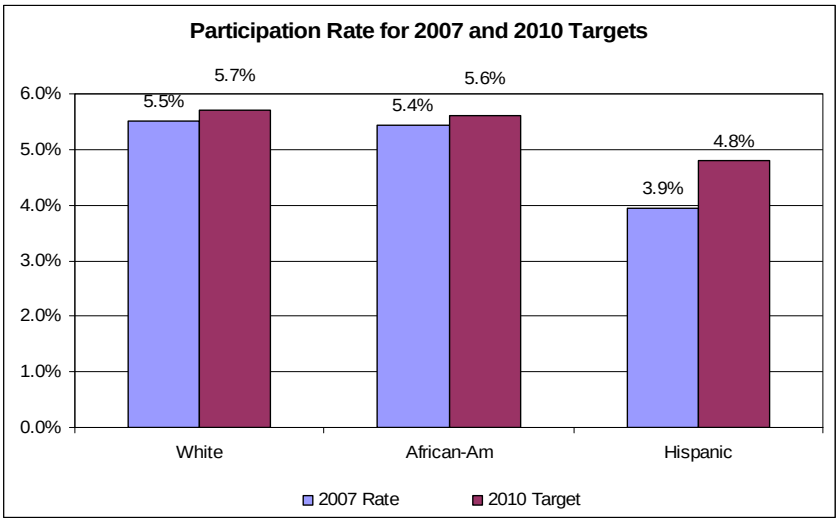
External and Internal Assessment

The Challenges Ahead

The state's public and independent colleges, universities, and health-related institutions are acutely aware of the sobering challenges that face Texas higher education. Enrollment currently exceeds 1.2 million students, but institutions must enroll an overwhelming one-third additional students to achieve the participation goal of *Closing the Gaps by 2015.*

The target population in *Closing the Gaps* is Texans age 15 and older. The ethnic make-up of the traditional college-going age group is changing, as are the entire state's demographics. Texas has become a minority-majority state. If the goals of *Closing the Gaps* are to be achieved, higher education must attract students from ethnic groups that have not enrolled at high rates in the past.

- The state's Hispanic population, which has the lowest college-going rate among large population groups, is the fastest growing. These demographic changes could mean that a smaller proportion of the state's population would go to college if successful strategies to increase participation are not implemented.



- Rising costs may deter many students from pursuing higher education. Although the Legislature appropriated more money for student financial aid, the aid available is not sufficient given the household income levels of fast-growing population segment.

Partners in Creating a College-Going Culture

The Coordinating Board is working diligently to emphasize the importance of college attendance and completion for individuals, their families, and the state. But the Coordinating Board is not solely responsible for achieving *Closing the Gaps* goals. Outside partners play a critical role in creating a culture that supports students' college aspirations. Critical participants include public education, institutions of higher education, elected and appointed officials, and interested citizens in the business and volunteer communities.

Higher Education Institutions

To expand access and improve success, Texas colleges and universities must reinvent much of what they do to achieve greater educational effectiveness and greater cost efficiency. While higher education requires adequate resources to fund projected growth, colleges and universities must devise ways to use state funding at commensurately higher levels of efficiency. Among the techniques being explored to improve efficiency are:

- Redesign large enrollment, introductory courses using information technology to reduce instructional costs;
- Improve use of facilities especially on weeknights, Fridays, weekends, and during summer months; and
- Expand work-study programs, which are cost effective because funding is shared by the employer and the state. These programs constitute only a tiny fraction of state financial aid even though work-study students tend to perform better academically than those on other types of financial aid.

Community Partners

Achieving the goals of *Closing the Gaps* is predicated on the establishment of an active network of supportive community partners, including local and regional P-16 Councils that can tailor educational strategies to area-specific needs and interests.

The Coordinating Board, in partnership with the Association of Governing Boards of Universities and Colleges, with grant support from the Houston Endowment and the Lumina Foundation for Education, has organized a series of "regional conversations." These are meetings where local education, business, and community leaders can exchange ideas and work together to develop a regional action plan to sustain and improve the participation and success of students in their regions. Regional *Closing the Gaps* meetings have been held in San Antonio, Weslaco, El Paso, Houston, Dallas, Lubbock, and Laredo. A summary meeting of regional P-16 council leaders from across the state and others is scheduled to be held in Austin in summer 2008.

Achieving *Closing the Gaps* Goals: Opportunities and Threats

After the first seven years of *Closing the Gaps*, Texas has made substantial progress in improving higher education participation, success, excellence, and research; however, on key indicators, Texas has not made enough progress. The opportunities that will help, and threats that will hinder, achievement of *Closing the Gaps* goals during the 2009-2013 timeframe of this plan are presented below. The Coordinating Board planning process is provided in Appendix A.

Closing the Gaps: Participation and Success

The first two *Closing the Gaps* goals – directed at recruiting, retaining, and graduating more students – share many of the same opportunities and threats. This analysis considers them together.

> *Goal 1: By 2015, close the gaps in participation rates across Texas to add 630,000 more students. A*pproximately 5.0 percent of the state's population was enrolled in higher education in 2000, compared to a national average of 5.9 percent. To raise the state's participation rate to 5.7 percent – comparable to the participation rate today in some other large states – Texas will have to enroll 630,000 more students (above fall 2000 enrollment figures) in 2015.
>
> *Goal 2: Close the Gaps in Success – By 2015, award 210,000 undergraduate degrees, certificates, and other identifiable student successes from high quality programs.* In addition to enrolling more students in college, Texas must also ensure the success of those students in college. Enrolling 630,000 more students annually suggests a proportionately similar increase in success rates – meaning at least an 80 percent increase in the number of degrees and certificates awarded and other indicators of success in college. A *Closing the Gaps* target calls for increasing the number of students earning bachelor's degrees, associate's degrees, and certificates from 116,000 in 2000 to 210,000 annually by 2015.

With its new organization and the urgency of making massive changes needed to achieve *Closing the Gaps*, the Coordinating Board is reexamining all agency activities and responsibilities to weigh their relevance to the plan. In all its endeavors, the Coordinating Board is using its data resources to help explain and evaluate educational trends. The items in the opportunities and threats section appear as discrete listings; in reality, they are overlapping parts that affect the participation and success goals in four broad categories: student preparation, recruitment and retention, completion, and support services.

Opportunities Related to Participation and Success

Teacher Quality Professional Development Program emphasizes P-16 partnerships to provide professional development for teachers in core academic subject areas in high-need school districts. The Texas Education Agency and the Coordinating Board are required to develop a joint plan for awarding these grants. The Texas Education Agency-Coordinating Board Requests for Proposals (RFPs) have focused on assisting mathematics and science teachers in grades 6-12 to become "highly qualified" as defined in the federal No Child Left Behind Act. It is expected that on-going joint Teacher Quality RFPs from the Texas Education Agency and the Coordinating Board will continue with similar proposals.

Another opportunity to increase the number of certified teachers is to expand the educational aide exemption program to independent institutions. The program, which covers tuition and some fees for education aides who enroll in college to become certified Texas teachers, has proven to be very successful in the state's public institutions of higher education, and would be equally successful in the independent sector of higher education.

The **Uniform Recruitment and Retention Strategy (URRS)** calls for each institution to set enrollment and graduation goals that reflect its area's population or the state, depending on its primary service area. This requirement originally impacted only undergraduate programs, but was extended to include graduate, medical, and dental programs by the 79th Texas Legislature. The strategy's purpose is to make higher education enrollment and graduation mirror the population of Texas. Beginning in 2006, the *Closing the Gaps by 2015* annual report was linked to the Uniform Recruitment and Retention Strategy to give the Texas Legislature and other stakeholders a better understanding of the recruitment and retention efforts of underrepresented students in higher education by the state's institutions.

In an effort to use the URRS more effectively and aggressively to help close the gaps in participation and success, the Coordinating Board refocused the URRS beginning in Fiscal Year 2008 by requiring that student recruitment and retention programs be provided to a wider audience of students and that institutions make progress towards the participation and success targets for *Closing the Gaps by 2015*. Currently, many successful programs are very small, and consequently provide limited improvements in overall success rates. Institutions will be required to design and implement programs that work for a larger share of the students.

Pathways Model and the Creation/Expansion of Higher Education Institutions. Because state financial support for higher education is limited, the Coordinating Board pursues its mission of coordinating the Texas higher education system through efficient and effective utilization of all available resources. The Coordinating Board's goal is to ensure that state resources are spent in an efficient manner while at the same time providing students in underserved areas access to instruction. Factors that affect efficiency include the elimination of costly duplication in program offerings, faculties, and physical plants, and achievement of economies of scale.

Small universities expend a significantly higher percentage of state funds on administration rather than instruction, meaning less of their state funding is devoted to their primary mission. The establishment of a small university is not the most economically efficient way of bringing educational opportunities to locations with student demand sufficient to warrant services but insufficient to justify a stand-alone institution.

The Coordinating Board's "Supply/Demand Pathway" model guides decisions on when sufficient student demand justifies establishment of a new university. The Pathway threshold that triggers Board consideration of a reclassification recommendation for an off-campus location, such as a higher education center, is 3,500 full-time student equivalents (FTSE) for four fall semesters.

The threshold was set at 3,500 FTSEs because that is the enrollment level necessary for an institution to efficiently deliver a moderate range of degree programs and to benefit from economies of scale. It is also roughly equivalent to 5,000 individual students, the number that has triggered the $750,000 small size supplement appropriation in past years.

Higher Education Centers. Even before *Closing the Gaps*, the Coordinating Board recognized that access to upper-level and graduate educational opportunities needed to be expanded to increase participation, especially for non-traditional students. Higher Education Centers, operated by public universities and systems, were conceived as the best use of state resources. The Centers could offer access to students in a manner that is flexible, cost effective, and appropriately gauged to the geographic area served. They offer geographic distribution of courses and programs without the creation of new, free-standing institutions.

The two primary types of Higher Education Centers are multi-institution teaching centers (MITCs) and university system centers (USCs). MITCs are administered under a formal agreement between two or more public higher education institutions from multiple university systems, and possibly some private institutions and community colleges. USCs are units of a public university or a university system. Texas is a national leader in these evolving and adaptable approaches to expanding access to higher education.

Completion and Success

Tracking Time-to-Degree. General academic teaching institutions are required to report to their governing boards on the length of time it took undergraduates to complete degrees and on institutional efforts to promote timely graduation. To assist with undergraduate time-to-degree reports, the Coordinating Board traces back for 10 years every student who earned a baccalaureate degree at a public general academic institution. The number of graduates by field, the average number of undergraduate credit hours attempted, and the average number of fall and spring semesters attended are calculated for each institution's graduates. These data are provided to institutions and their boards so that they can compare their students' progress toward graduation with those of other universities.

In a related effort, The University of Texas System has focused on time-to-degree as a measure that will be used to evaluate institutions' presidents. The importance placed on this measure will help ensure that institutional decisions on curricula and course availability will assist timely graduation.

Tracking of Graduates. The Coordinating Board annually monitors the placements of graduates of four-year and two-year institutions using the Automated Student and Adult Learner Follow-Up Systems (ASALFS), and manually follows up for community college graduates not located. ASALFS is a component of the Texas Workforce Investment Council's (TWIC) Strategic Plan. The Coordinating Board matches records of graduates with wage records received from the Texas Workforce Commission (TWC), Department of Defense, Office of Personnel Management, and U.S. Post Office. A graduate is considered "placed" if he or she is employed (has a wage record), is pursuing further education, or has entered the military. To supplement the matched records, the Coordinating Board asks institutions to follow up on graduates who could not be found through the electronic matching of records.

The placement rate for community college program graduates is calculated as an average for a three-year period beginning in the fourth quarter of the calendar year when the student has graduated. The minimum standard for placement in Texas is 85 percent. Programs that have been approved for less than three years are exempt from the placement standard until three years of data becomes available.

Tracking Students with Many Hours and No Degree. During fall 2007, the Coordinating Board identified 44,595 former students who have attempted a minimum of 100 semester credit hours (SCH) but are no longer enrolled in an institution of higher education in Texas. Another 178,248 former students have over 55 attempted SCH at community colleges.

The Commission on Colleges of the Southern Association of Colleges and Schools (SACS) has a requirement that the last 30 SCH be earned at a particular institution for an individual to earn a degree from that institution. This SACS requirement can prove a barrier to adult students who leave an institution with fewer than 30 SCH remaining to complete a degree.

The Coordinating Board proposes to address this barrier with the creation of a consortium of universities, with one institution designated to provide transcript analysis and award degrees. By SACS-accreditation standards, this is acceptable if 25 percent of the SCH were earned at any combination of the consortium institutions. If this arrangement can be accomplished, and the courses needed for completion could be offered online from host institutions, it could make a significant difference for adults who are near degree completion. A similar consortium of community colleges could make the same option available for the 178,248 former community college students.

Support Services

Information Access Initiative is incorporated into a website known as the *Texas Public Education Information Resource* (TPEIR), located at http://www.texaseducationinfo.org/tpeir/, is the face of the initiative and is the most comprehensive P-16 information system currently online in the United States. The public availability of this resource is vital to better understand student participation and success trends from pre-kindergarten through college. No other programs or projects in the state offer the potential benefits of this data sharing and analysis initiative.

The website provides stakeholders in education with ready access to data from the Coordinating Board, the Texas Education Agency, and the State Board for Educator Certification for research, planning, and decision-making. Integrated databases, composed of historical to present data collections, support ad hoc query and reporting functions; allow for research, including comparative and longitudinal analyses (by institution and statewide); and facilitate end-user access to formatted parameterized reports.

The Information Access Initiative was initially proposed by the Coordinating Board with the goal of following the progress of graduates from Texas public high schools through college graduation. The expanded scope, which now includes data from Pre-K through college graduation, resulted from legislative support for an active information partnership among the three participating agencies. The ongoing partnership between the agencies means data will extend from public colleges and universities down to Pre-K, rather than to only high school graduates.

Development of additional data resources and queries, plus an expanding range of report selections is ongoing. The Texas workforce data, now shared with the Coordinating Board, are included in locating baccalaureate graduates in the workforce and are used in the Higher Education Accountability System. Collection of Texas independent college and university enrollment and graduation data began in FY 2003. Those data have been and continue to be incorporated into a variety of high school to college reports as well as longitudinal higher education graduation rates, all available online. Online query capabilities including drill-down options, free-form ad hoc allowing column and sort selections, and geographic presentations of data are planned.

Higher Education Research Centers. College Readiness legislation, passed in 2006 by the 80th Texas Legislature, authorized the Coordinating Board and the Commissioner of Education to jointly establish up to three Education Research Centers (ERCs) to conduct research on the impact of state and federal education programs, the performance of educator preparation programs, and best practices of school districts in classroom instruction, bilingual education, special language programs, and business practices.

Following a Request for Proposals process, Texas A&M University, The University of Texas at Austin, and The University of Texas at Dallas were selected as the three ERCs. Contracts were negotiated and signed by the Commissioner of Higher Education

and the Commissioner of Education. An appropriation of $3 million was made to implement the Centers. The approved contracts included a brief description of the research projects that will be started at each Center during the first year. The term of the contract is five years with no obligation for additional funding. Each of the Centers has collaborative partnerships with other universities to assist with the research.

Data are being prepared by the Texas Education Agency and Coordinating Board to share with each of the ERCs. The data will not be identifiable to protect individual students' and staff confidentiality. Communication with the Federal Policy Compliance Office ("FPCO") at the U.S. Department of Education has taken place to ensure that all Family Education Rights and Privacy Act (FERPA) requirements are being met. Coordinating Board staff is currently working on security measures to protect confidentiality at consortium locations other than the main ERC for submission to FPCO.

A Joint Advisory Board will be appointed by the Commissioner of Higher Education and the Commissioner of Education to provide policy oversight, approve additional research projects, and allocate access to researchers not affiliated with the Centers or a consortium member. Procedures will be developed for updating data, obtaining additional data, and developing an ERC website.

Threats Related to Participation and Success

Not surprisingly, most of the threats to improving higher education participation and success are economic. This is somewhat ironic because not achieving higher education participation rates has equally threatening economic consequences. As mentioned earlier in this document, the state's total annual household income could drop by an estimated $60 billion annually by 2040 if the education level by underrepresented ethnic groups remains unchanged.

Higher Education Affordability. The difference in the cost of attending college (tuition, fees, books, room and board, and transportation) and the aid received by students continues to grow. In Fiscal Year 2001, the difference was $566 million in constant dollars. By Fiscal year 2006 that difference had grown to $1.386 billion. The projected increases in the proportion of college-age students from groups that are often financially needy, coupled with steadily rising tuition and fees, suggest that the difference between financial resources and the cost of attending college will continue to grow for the state's students. Texas must eliminate or substantially reduce this discrepancy to meet the student participation and success goals of *Closing the Gaps.* The state must work to substantially increase financial aid.

- **Tuition and fees.** The *Closing the Gaps* initiative recognizes the need to maintain affordability in Texas higher education. Affordability depends on several factors, including the cost of tuition and fees and the amount of financial aid that is available to students. Tuition and fees for a full-time undergraduate student enrolled in 30 hours per year have increased for 11 consecutive years.

Students' college costs have increased as the burden of paying for higher education has shifted from the state to students and their families (see Table 1). Although data for community/state/technical college tuition and fees are not included in the table, they have also increased – but more modestly and with a less dramatic shift from the state to the student. However, since 70 percent of new students are expected to enter higher education through the community college route, increases in tuition and fees at community colleges, regardless of how modest, will have a negative impact.

Although the extent of a cause-and-effect relationship between college costs and enrollment cannot be determined, the Coordinating Board is concerned about the effect of rising costs on enrollment. The affordability policy strategy contained in *Closing the Gaps* can help policymakers in Texas ensure an appropriate balance between student financial aid and tuition. The affordability policy has several principles, including ensuring state funds do not lessen the availability of federal funds available to Texas students; encouraging institutions to achieve operational efficiencies; and ensuring that revenue sources, including tuition and fees, are sufficient to ensure high quality courses and programs.

Table 1

Fiscal Year	Median Indebtedness of Students Leaving or Graduating from Four-Year Public Institutions	Median Indebtedness of Students Leaving or Graduating from Two-Year Public Institutions	Total Texas Guarantee Borrowers (Public & Independent Institutions and Career Schools/Colleges)
1997	$10,125	$3,340	230,000
1998	$11,102	$3,500	239,000
1999	$12,479	$3,824	246,000
2000	$12,935	$3,844	261,000
2001	$13,394	$4,000	271,000
2002	$13,750	$3,938	308,000
2003	$13,801	$3,938	373,000
2004	$13,723	$4,375	432,000
2005	$14,125	$4,813	465,000
Source: Texas Guaranteed Student Loan Corporation, State of Student Aid in Texas, March 2007.			

- **Financial aid.** Students attending college in Texas received $4.76 billion in financial aid in Fiscal Year 2006. Primary sources of financial aid include the federal government, state government, foundations and other private entities, and higher education institutions. Although several state and federal programs provide grants and scholarships, loans account for approximately 61 percent of the aid received by students. Many students must borrow money to pay for higher education, leaving them with substantial debt as they leave college. Student debt burdens, particularly at the state's public institutions, have risen substantially, as demonstrated above.

Federal financial aid. Federal grant programs, including Pell Grants, Supplemental Educational Opportunity Grants, Leveraging Educational Assistance Grants, and Special Leveraging Educational Assistance Grants, provided $918.5 million – 68 percent of the gift aid (grants and scholarships) provided students in Texas in Fiscal Year 2006. Overall federal financial aid (including loans) accounted for 76 percent of all aid provided to students in Texas.

State financial aid. The TEXAS Grant program, created in 1999, offers additional grants to academically prepared and financially needy Texas students. Recipients must have completed the Recommended or Distinguished High School Program (college-preparatory courses) in high school. Funds awarded through the program significantly increased from $20 million in Fiscal Year 2000 to $196 million in Fiscal Year 2008. As of Fiscal Year 2006, over 161,000 students have benefited from the program. Funding for the program has risen to $428 million for the 2008-2009 biennium.

The state's Hinson-Hazlewood College Student Loan Program, administered by the Coordinating Board, provides approximately $110 million in loans to approximately 12,000 students annually. The program is vital to the state because it ensures a continuing, stable source of low-interest alternative loans for students. It is funded through the sale of general obligation bonds authorized by the Texas Legislature, and is subsequently approved by Texas voters.

Community College Tax Bases. Community colleges are expected to enroll the majority of new students that will help the state meet its *Closing the Gaps* goals, placing a financial and capacity strain on most community college districts. Many community college districts might not have large enough tax bases to adequately support their enrollment growth. The state does not fund community colleges for building construction or maintenance. In 2007, only 36 of the state's 50 community college districts would meet a statutory provision requiring a taxable property evaluation of at least $2.5 billion for the creation of a new community college district.

Creation and Expansion of Higher Education Institutions. The Coordinating Board pursues its mission of coordinating the Texas higher education system through efficient and effective utilization of all available resources, including the elimination of costly duplication in program offerings, faculties, and physical plants. While the Pathway Model discussed earlier in this report provides guidance on efficient expansion, the Coordinating Board does not have final authority in this regard.

In 2003, the 78th Texas Legislature authorized the expansion of Texas A&M University-Texarkana. It also approved the conversion of three Higher Education Centers (Texas A&M University-Kingsville System Center-San Antonio, the University of North Texas System Center at Dallas, and Tarleton State University System Center-Central Texas) to stand alone universities when they achieve specified full-time student enrollments that are lower than the Coordinating Board's Pathway thresholds.

During the 79th Texas Legislative Session in 2005, the number of full-time-student equivalents (FTSE) required for Tarleton State University System Center-Central Texas to become a university was reduced again from 2,500 FTSE to 1,000 FTSE. Texas A&M University-Kingsville System Center-San Antonio's conversion FTSE were similarly lowered if the entity receives tuition revenue bonds for construction of a separate campus.

Carl D. Perkins Career and Technical Education Improvement Act Funding. The Carl D. Perkins Vocational and Technical Education Act of 1998 was amended and reauthorized by the Carl D. Perkins Career and Technical Education Improvement Act of 2006 for the purpose of the advancement and improvement of career and technical education programs in the states. Under the Bush Administration's proposed budget for Fiscal Year 2008-2009, programs funded through the federal Carl D. Perkins Act would be eliminated. Although the same proposal was made for the 2007-2008 fiscal years, Congress continued to support Perkins Act funding.

While the Bush Administration is supporting other legislation, Texas might face a net loss in federal funding for Perkins-type activities in the state. While federal funds are directed through the Department of Labor and the Texas Workforce Commission, they are for short-term job training. Perkins funds through the Department of Education are directed to long-term workforce education like that which leads to certificates and associate's degrees.

Gender and Ethnic Imbalances. *Closing the Gaps* acknowledges the differences in college-going rates of different ethnic and racial groups in Texas. The participation rate for African Americans has improved from 4.5 percent to 5.4 percent between 2000 and 2007; however, the rate for Hispanics continues to lag. Their attendance did increase as a percentage of the estimated population, but only from 3.6 percent to 3.9 percent. With the Hispanic population expected to increase by 43 percent in the next 10 years, the *Closing the Gaps* targets for Hispanic participation will be increasingly difficult to achieve.

Another troubling imbalance concerns the higher education participation of males. Males account for nearly half of all high school seniors, yet they account for only 45 percent of university undergraduates and 41 percent of community and technical college enrollees. The representation of African American males is even lower; only 36 percent of African American students in Texas public higher education are males. Hispanic males comprise 41 percent of their ethnic group's enrollments.

Underprepared Students. Efforts to improve the delivery and results of developmental education programs, and the establishment of College Readiness Standards, discussed earlier in this report, should not disguise the issue of student preparation. Higher education will continue to experience an economic drain and the delivery of quality offerings will be hindered if students entering institutions are not adequately prepared to do college-level work.

Underprepared students are less likely than prepared students to complete degrees and certificates. As measured by indicators like time-to-degree and graduation rates, Texas institutions do not compare well with their peers in other states. To meet *Closing the Gaps* goals, Texas institutions must do a better job of remediation, retaining, and advancing students to successful completions.

The P-16 Divide. Just as there are opportunities related to the interaction of public education, higher education, the commissioners, schools, and institutions, there are difficulties caused by the organization and governance of education in Texas. As with any large scale enterprise, successful completion of the mission to educate the citizens of Texas requires that all affected agencies and institutions acknowledge they must work together and value the contributions of all their educational partners. These partnerships are easier to talk about than to implement.

The 79th Texas Legislature, during the Third Called Session, recognized the need for public education and higher education to work more closely together by passing House Bill 1 that requires joint undertakings by the Coordinating Board and the Texas Education Agency related to curriculum, calendars, assessment, and standards.

College-Going Rate. In 2000, only 4.9 percent of the Texas population was enrolled in higher education, compared to a national average of 5.4 percent. By fall 2007, the Texas enrollment rate rose to 5.3 percent, but the national average rose to 5.9 percent. Compared to the 10 most populous states, the enrollment rate in Texas is below that of five states. Higher education enrollment in California and Illinois is 6.7 and 6.5 percent of each state's population, respectively. Michigan (6.2 percent), New York (6.0 percent), and Pennsylvania (5.6 percent) have enrollment rates that exceed that of Texas.

Although the percentage differences between the Texas higher education participation rate and the rates in other states appear small, they represent tens of thousands of students. If Texas' higher education enrollment had matched the national average in fall 2005, another 109,000 students would have attended college. Further, Texas would have to immediately enroll 282,000 more students to reach California's 2005 participation rate.

To reach the targeted 5.7 percent participation rate, the first goal of the *Closing the Gaps* plan, Texas must enroll approximately 630,000 more students in public and independent institutions than in 2000. Community and technical colleges, public and independent colleges and universities, health-related institutions, and private career colleges and schools will all play an important role in educating these students. It is estimated that 70 percent of the additional students will begin at community and technical colleges. The Independent Colleges and Universities of Texas (ICUT) organization projects that its member institutions can enroll 7,500 more full-time equivalent students if state-sponsored, need-based grants are made available to students.

Closing the Gaps: Excellence

> *Goal 3: Close the Gaps in Excellence – By 2015, substantially increase the number of nationally recognized programs or services at colleges and universities in Texas.* The need for every institution to develop its greatest potential within its mission is a key *Closing the Gaps* concept for ensuring that higher education programs and services are provided in every part of the state. All institutions – of every level and type – contribute to the state's economic, social, and cultural prosperity, and their contributions must be recognized and enhanced.

Opportunities Related to Excellence

Peers and Benchmarks System. Texas has a variety of institutions with different missions to serve the different needs of the state's population. These different missions must be recognized as institutions are held accountable for their performance in pursuit of closing the gaps. The peer group member institutions share similar characteristics, such as size, mission, degrees awarded, and research funding. Several times each year, Coordinating Board staff met with institutional peer groups to discuss issues of importance to higher education. The groups share ideas and identify best practices that will be most helpful in achieving the goals of *Closing the Gaps*. The peer groups also choose at least two out-of-state group peers and two to three additional institution-specific out-of-state peers.

The university peer groups are classified as: research, emerging research, doctoral, comprehensive, and masters. The community college groups are based on enrollment size and location and are called: very large, large, medium A, medium B, and small. The health-related institutions, state colleges, and technical colleges have their own groups.

The structure of the Accountability System allows for the peer group data to be readily compared for benchmarking purposes. Benchmarking is also possible using the out-of-state peer institutions' data.

Service as an Information Resource. The Coordinating Board is increasingly involved in statewide planning issues, as illustrated through the creation of *Closing the Gaps*, evaluation of the need for new professional schools, and collaboration with public schools on a more seamless education system in the state. The Coordinating Board also takes seriously its role and responsibilities for providing accurate and reliable information and its service as a state resource for data and analyses of higher education issues. For example, the Coordinating Board has developed a regional plan that provides information and guidance to policymakers on current higher education services in each region and future needs. The plan is updated in the fall of even numbered years. Additionally, the Coordinating Board provided the most up-to-date regional-level data at the statewide P-16 Summit in June 2007, and has provided county-level data at regional *Closing the Gaps* meetings of education, business, and community leaders that have been held throughout the state.

Excellence Begins with Faculty. Highly qualified, talented faculty are the foundation of excellence. Over the next three biennia, increased enrollments and the substantial number of faculty reaching retirement age will provide the state with the opportunity to select new faculty who are focused on new or specific areas of research and scholarship. These could position the state to create or attract new businesses or industries by preparing a highly qualified workforce for these new or specific areas.

Statewide Enrollment Planning. Throughout this report, reference has been made to the state's higher education plan, C*losing the Gaps (CTG) by 2015,* and its goal of enrolling an additional 630,000 students or a total of 1,650,000 students enrolled in higher education by 2015. This goal was set to achieve 5.7 percent participation for each group's projected population, as computed from the Texas State Data Center's "2000-2002" migration scenario population projections.

In order to guide fulfillment of the CTG goals, the Coordinating Board must project where these students will come from and where they will enroll. The agency has developed a methodology to allocate the student enrollments to higher education institutions and regions, *assuming that the 2015 CTG goals will be met*. The project focuses on the major segment of higher education enrollment: Texas residents who will enroll in public higher education institutions.

The computations were done in two steps:

1. The student population in 2015 was estimated by region of residence, type of institution in which they will be enrolled (two-year, four-year, or health-related), and ethnicity, subject to the constraint that the student population sums to the 2015 CTG goals.

2. The students were allocated to Texas public institutions and higher education regions.

The results of this project, expected to be completed in fall 2008, will help identify those areas of the state where additional educational facilities are anticipated to be needed to accommodate student enrollments is the state.

Promote Statewide Excellence. Each public institution identifies for the Coordinating Board areas in which national recognition has been achieved. To further recognize these and other exemplary contributions to one or more *Closing the Gaps* goals, the Coordinating Board established the Texas Higher Education Star Award in 2001. Each year, a maximum of 12 awards are awarded in six categories: 1) two-year colleges; 2) universities and health-related institutions; 3) partnerships (including multiple institutions); 4) individuals; 5) public and private schools (PreK-12), or districts; and 6) business with a college-going culture. The winners from 2007, the most recent competition, are listed in the table below.

Table 2 2007 Texas Higher Education Star Award Winners	
Institution and Partners	**Program Title**
Alamo Community College District- San Antonio College	LULAC Parent/Child Scholarship Program
El Paso Community College	Developmental Education Initiative Title V Project
The University of Texas System	UT TeleCampus
University of North Texas	Student Money Management Center

Studies on Undergraduate and Graduate Education. Institutional representatives on the Coordinating Board's Undergraduate Education Advisory Committee (UEAC) and Graduate Education Advisory Committee (GEAC), and Coordinating Board staff work together to enhance excellence in undergraduate and graduate education. Since being formed in March 2006, the GEAC has provided guidance on implementing recommendations made in the Coordinating Board's report on *Doctoral Education in Texas*, and has offered suggestions on the future direction of graduate education in the state. The UEAC, which began in November 2006, has finished research for a report on the state of undergraduate education in Texas as part of its charge to develop recommendations for policies and procedures to improve the quality of undergraduate education throughout the state.

Threats Related to Excellence

Quality of Public Higher Education. Texas institutions, in general, must improve the educational excellence of their undergraduate programs and the targeted excellence of some of their graduate level programs. Many Texas institutions do not match up to their counterparts in other states. The combined pressures of enrolling more students, many of whom are under prepared, and hiring more faculty in a financially restrictive environment represent an impediment to delivering quality instruction, and especially to reducing quality gaps between Texas and other states.

Excellence Begins with Faculty. Academic excellence is attributable in large part to the quality of the faculty; faculty are the foundation from which the excellence of education ensues. Faculty do the teaching, publish research, write research grant proposals, and because of the quality of their work and reputation, obtain the research grants. Should Texas fail to develop an environment conducive to recruiting the most promising young scholars/researchers, they will go to institutions in other states. This will inhibit the state's higher education institutions in obtaining sponsored research funding from the federal government. Increased research, which is paid for primarily by federal funds, increases scholarships at Texas universities. This results in more

graduates prepared to enter the job market, and increases the state's ability to create or attract new businesses and industries. Success in creating new knowledge promotes the ability to receive further research funds, increasing the ability of the state to stay competitive in producing jobs for Texas and highly qualified workers for those jobs. The federal government is not expanding funding for research, and an increasing number of faculty are reaching retirement age. These are factors which will require the state to become even more vigorous in its efforts to attract faculty who can successfully compete for the existing research funding.

National Academy Members. Faculty membership in the National Academy of Engineering, National Academy of Science, and the Institute of Medicine contributes to institutional prestige. The number of Texas faculty member in the academies can be used as a surrogate to the stature of a state's higher education institutions. In 2007, Texas higher education institutions combined had fewer members in the National Academies (N=185) than the University of California-Berkeley alone (N=209).

Institutions Operating Without Coordinating Board Authority. The Coordinating Board protects the public, including employers and prospective students, by requiring certain academic standards to be met before an institution – unless otherwise exempt – can offer degrees and other academic credentials to students in Texas. The growth of distance education opportunities has significantly increased access to higher education in the state, but it has also increased the ability of fraudulent or unaccredited institutions to enroll Texas students. As a result, the need to identify institutions that are operating illegally has become increasingly important. The Coordinating Board seeks to bring these entities into compliance, and, if necessary, documents their continued violations and pursues possible legal action against them.

Institutions that violate the Coordinating Board's academic standards and offer degrees are subject to administrative penalties, civil penalties, criminal sanctions (misdemeanor), and injunctive relief. The Coordinating Board works closely with the Office of the Attorney General to enforce existing academic standards.

Closing the Gaps: Research

> *Goal 4: Close the Gaps in Research – By 2015, increase the level of federal science and engineering research and development obligations to Texas institutions by 6.5 percent of obligations to higher education institutions across the nation.* In 2003, Texas ranked fourth among the states in the amount of federal science and engineering research and development obligations funding it receives, and no Texas higher education institution ranks among the nation's top 20 listings for federal research and development grants received. At least 10 institutions outside of Texas individually earn more intellectual property income which is generated by research discoveries and applications, than all Texas higher education institutions combined. More federal funds are needed to enhance research on the state's higher education campuses.

Opportunities Related to Research

Commitment by the Texas Legislature to Support Research. In surveys conducted by the National Science Foundation (NSF), Texas has ranked second among states in total research expenditures derived from state sources since 1999. From 1972 to 1998, Texas ranked first in state funding for research. However, state funds can flow to research through institutional support. Texas (at $532 million for Fiscal Year 2006) ranks third among states in institutional support for research behind California ($1.2 billion) and New York ($688 million).

The 80th Texas Legislature appropriated $16.8 million for the 2008-2009 biennium to support basic research conducted under the Advanced Research Program (ARP). The Advanced Technology Program (ATP) was not funded because applied research and commercialization were the focus of the Governor's $200 million Emerging Technology Fund.

The opportunity remains to increase funding for the ARP and restore funding to the Advanced Technology Program (ATP). The ARP was funded with $20 million and the ATP with $40 million per biennium since their inception in 1987 through 2001. Funding for the 2004-2005 biennium was vetoed for the ARP and was reduced to $19.5 million for the ATP. The ARP provides competitive, peer-reviewed grants for scientific and engineering basic research projects of Texas higher education institutions' faculty. It also provides state-of-the-art research opportunities for students and helps attract and retain the best faculty. Published studies of the economic impact ARP and ATP conclude that the state's return on investment for ARP and ATP exceed 5:1. The ARP impact study concludes that ARP has attracted graduates students to Texas universities, students view their ARP experience as a strong component of their education, and large numbers of these graduate students remain in Texas after graduation. The ATP impact study concludes that, on average, each project in six will lead to a license, each project in 22 will result in the formation of a new company, and each project will lead to two new employees for Texas businesses.

The Texas Legislature created the Research Development Fund to replace the Texas Excellence Fund and the University Research Fund, beginning in Fiscal Year 2005. These funds promote increased research capacity at eligible general academic teaching institutions by providing additional support to those institutions that actively secure federal research funds. The 80th Texas Legislature provided $80 million for the 2007-2008 biennium.

The 78th Texas Legislature allowed universities to retain 100 percent of indirect cost income from research grants and contracts. In the past, universities retained only 50 percent of indirect costs collected from external granting entities. Full retention of indirect costs allows more resources for research efforts.

Projected Increases in Research Expenditures Depend on Federal Spending for Research. Because a large part of research funding to Texas higher education institutions is provided by the federal government, the state's ability to reach its research goals is largely determined by the funding available for research at the federal level. According to the 2005 National Science Foundation's compilation of federal obligations for research and development by the states in science and engineering, Texas ranks fifth among the states behind California, New York, Pennsylvania, and Maryland.

Scientists regularly report that seed funding from the state's Advanced Research Program and Advanced Technology Program (see previous section) has been instrumental in allowing them to secure additional research funding from federal sources. ARP/ATP grants for basic and applied research will position Texas scientists and engineers to attract more federal funding from the National Institutes of Health, the National Science Foundation, and defense-related agencies.

Emerging Technology Fund. To ensure the continuing success of emerging technologies in Texas, it is necessary to "plant the seeds" through basic research. Basic research is the first step in the process of discovery that delivers opportunities for applied research and commercialization research.

Research Centers Inventory. In cooperation with the Governor's Office and higher education institutions, the Coordinating Board developed an online inventory of research centers that is being used to build collaborations between businesses that are in Texas or considering a Texas location and Texas higher education institutions. The research centers inventory can be found at www1.thecb.state.tx.us/apps/centers/.

Federal-Funding Opportunities. The Coordinating Board maintains contact information for sponsored program officers and research executives at higher education institutions throughout the state. The Coordinating Board provides the Governor's Office with appropriate contact information and recommendations regarding federal funding notices that the Governor's State Grants Team forwards to Texas higher education institutions. The Coordinating Board staff participates in meetings related to this effort organized by the Governor's Office.

Texas Workforce Investment Council (TWIC). The Coordinating Board is working with TWIC to establish collaboration between workforce stakeholders and higher education representatives regarding priorities, initiatives, and challenges in 1) workforce preparation and training; and 2) research, development, and commercialization. The Coordinating Board participates in annual projects such as Destination 2010 – Evaluation, Welfare-to-Work, and Texas Index.

Vigorous Growth by Texas Technology Companies. Texas has seen a dramatic growth in technology companies during the past decade, especially in areas related to microelectronics and telecommunications. These companies tend to support state efforts to attain research goals. For example, many of these companies provide

financial support for research at Texas institutions. They also are interested in securing additional legislative support for research at higher education institutions and other education-related activities. In addition, their presence makes it easier for institutions to attract research-oriented faculty.

Threats Related to Research

Declining Support for Basic Research. Industries conduct 66 percent of all applied research in the United States, while higher education institutions account for about 13 percent. Industries conduct only 14 percent of the basic research. In contrast, 58 percent of the basic research is conducted by higher education institutions and remains their domain as they focus on advancing knowledge and providing research education opportunities for students. In 2005, Texas higher education institutions spent $3.11 on research and development per $1,000 gross domestic product, compared with $3.63 for U.S. higher education institutions. Low levels of funding for research and development, especially basic research, will inhibit future advances in technology over time, and discourage scientists from pursuing careers in higher education.

State and federal support for research on higher education campuses could be affected by the economy, which tends to call on the state and federal government to apply their limited resources to other more direct and immediate needs.

Dilution of Research Resources. State-of-the-art facilities, whether newly constructed or updated through periodic renovations, are key to attracting top-flight research efforts. However, relatively few institutions have the human resources and research infrastructure to successfully compete for major research projects. Efforts to broaden the state's research base could dilute research resources in such a way that institutions that currently are competitive nationally for major research grants will lose their competitive advantages. To offset any negative impact, Texas institutions could join forces to establish large, multi-disciplinary research centers that could attract faculty and students to participating Texas institutions, large and small, by offering access to super-expensive laboratories and equipment that individual institutions do not have the resources to build or support.

Changing Focus of Federal Research Support. The budget for the National Institutes of Health (NIH) doubled over the five-year period ending in 2003. As a result, Texas higher education institutions saw substantial growth in their share of federal science and engineering obligations because they competed well for NIH funding. For the past four years, funding for NIH and the National Science Foundation (NSF) has remained basically flat. Achievement of the *Closing the Gaps* research goal may be hampered, at least short-term, by this flat funding.

Other Opportunities and Threats to the Coordinating Board's Success

Opportunities Related to Agency Operations

Increased Use of Automation/Technology. The demands for new information processing technologies, internal and external, will continue to increase during this period. The agency has provided competitive equipment and tools for communication and collaboration, data collection, and document creation and storage. Going forward, technology for effective management of data and communication will be as important as technology for data creation and collection.

Electronic communication and collaboration of work will continue to drive technology use. The agency currently provides and maintains up-to-date systems and basic electronic work tools, sufficient network bandwidth, and a secure environment for the Coordinating Board. Collaboration sites, email retention, support for telecommuters, and integration of voice and email projects are planned in the near future, but many other projects will surface during this period.

Maintaining effective websites that serve the needs of all user populations will continue to require better tools and technology. As the volume of information increases, intuitive access becomes as important as availability of data. What is on the web is the agency's presence to a large degree. Current projects include use of a content management system and a more external focus for design.

The growing volume of electronic data and documents increases the need for technologies to efficiently and effectively manage them. Currently the student loan area uses a document management system; however, it is older technology and not a viable enterprise solution. A project has been initiated for an enterprise solution for electronic data and document management that includes record retention as well as standardization of document management. Workflow and document management are key projects for "doing more with less" and will continue for several years.

Access to data becomes increasingly important in electronic collaboration and as the volume of data and documents increases. Reporting tools for accessing and using existing databases is the first step planned, but will continue to be important for internal and external users in accessing the agency's information.

Increased Information Technology Applications. The agency recently replaced the Bull mainframe Student Loan Application, and continues to develop interactive web-based applications for data collection and dissemination. Many of the web-based applications have been developed for a single area and are not integrated. Upgrading and/or replacing applications are needed to provide effective enterprise solutions. Agency management supports projects for upgrading current applications in the short-term when needed as well as looking for effective longer-term solutions. Assessment and planning for long-term solutions for core business applications are planned during the next few years.

The conversion to the student loan application was completed in April 2007. Work continues to optimize use of it, to add additional features, particularly to enhance the WEB components, and to add parallel interactive voice response components. A generalized application for loan repayment programs will be developed using the Office of Attorney General's Loan Repayment Program approved during the past legislative session as the foundation.

Although the Education Data Center's (EDC) data collection application has been in place for many years, the agency's current work with the Education Research Centers and the Pathways project continues to expand the data repositories and may require overall changes in the data collection processes in the future. Expansion of the agency's data warehouses requires technologies for securing and making the data available to external researchers.

Threats Related to Agency Operations

Increased Data Reliance. Increased reliance on data comes with a corresponding increase in issues related to timeliness, accuracy (in the data itself as well as in its analysis), and security. For example, the process of certifying data provided by each public institution in a timely manner has become a challenge as institutions adopt new software, and some institutions have limited the number of staff available to respond to various state and federal reporting requirements. Also, a growing number of students choose the "other" category when asked to identify their race/ethnicity. While not necessarily inaccurate, this may adversely impact interpretations of demographic trends.

Additional considerations include data security issues, such as who should have access to various types of data. Federal privacy laws, such as Family Educational Rights and Privacy Act (FERPA), affect the ability of the Coordinating Board and other groups to share data that is necessary for studying and analyzing student participation and success trends in higher education. For example, through administration of state financial aid programs for students, the Coordinating Board maintains a considerable amount of data regarding the students who participate in these programs. Federal privacy laws and rules could affect access to this information. The Coordinating Board must continue to develop methods that allow access to the needed data while protecting students' privacy. In addition, the Coordinating Board must continue to encourage other agencies and entities to consider using innovative, alternative data-sharing methods.

Information security will continue to be a major focus for Information Resources and other agency staff during this planning period. Pro-active steps, including presentations on topics such as anti-virus procedures and preventing hacker access to home computers will continue as needed, to protect the agency and inform employees of current safeguards.

The Coordinating Board receives many questions that cannot be answered with available data, in part because the agency is required not to collect more than the minimum necessary. Requesting additional data places a burden on institutions that must modify their procedures sometimes at a substantial fiscal and staff cost.

Recruiting and Retaining Qualified Employees. The Coordinating Board is concerned that its ability to successfully attract and retain qualified individuals with higher education knowledge and experience is jeopardized. A major factor is the non-competitive nature of the salary structure. There are positions in the agency that are underpaid when compared to employees in similar positions at other state agencies, institutions of higher education, and in the private sector.

In particular, the Coordinating Board's Information Technology Services' division faces challenges in competing with the private sector and other state agencies. For Fiscal Year 2005 and Fiscal Year 2006, Human Resources (HR) records indicate that the agency made seven job offers of employment that were declined. Out of the seven job offers that were declined, four of the positions were in Information Technology Services (ITS). The most cited factor for declining ITS job offers was low pay. In Fiscal Year 2007 and through February 2008, HR records indicate that three job offers were declined. One of the three declined job offers was for a position in ITS. A related concern was raised in September 2004 in a State Auditor's Office (SAO) report describing the need for competitive state employee salary levels, particularly in Austin, where the cost of living is higher than in many other parts of the state. For the 2006-2007 biennium, the SAO estimates a state employee's salary may lag as much as 17 percent behind salaries for comparable work in the federal government and in the private sector.

Coordinating Board Staff Workload. The Texas Legislature increased the full-time equivalent (FTE) positions at the Coordinating Board in 1999, 2001, 2003, 2005, and 2006. In Fiscal Year 2008, the agency lost nine positions due to the Texas Data Center Consolidation. The agency's current FTE is 304.9 positions.

A new online sequel server system, HELMS, was implemented in April 2007 to originate and service student loans, as two major responsibilities of the agency. The transition to HELMS has been a challenge for the agency, and further development and maintenance of HELMS will require significant staff time.

Coordinating Board staff are concerned that they do not have adequate time to devote to special projects, while simultaneously performing more routine duties and responsibilities. The ever-increasing requests made for data and information from the agency require the prioritization of staff assignments, and often result in delays in the completion of required tasks. Appendix F reflects the agency's workforce plan and staffing strategies, as required by the State Auditor. Results of the Survey of Organizational Excellence are provided in Appendix G.

Expanding Demands on Information Technology Resources to Meet Division Obligations and Automation Needs. The Data Center Services contract for consolidation of systems in off-site data centers has imposed new cost and delivery constraints. While the long-term benefits of the contract for the state of Texas are positive, the projections for the agency are increased costs and currently a decrease in level of service. Once the consolidation occurs, the agency should benefit with improved disaster recover and business continuity options.

Although the demands for technology are increasing, the availability of skilled Information Technology staff is decreasing. Industry projections indicate a decrease in the number of students graduating from college in technology-related fields. Likewise, the changing demographics and expectations of the workforce may require the agency to change the nature and structure of work. To meet the expanding demands, the agency must adjust to the changing workforce and work more efficiently and use standardized processes and tools.

Agency Budget. The Coordinating Board's fiscal year budget is guided by our state's higher education plan, *Closing the Gaps by 2015*. The plan establishes goals and strategies to close the educational gaps within Texas and between Texas and other states in student participation, student success, academic excellence, and research. The Coordinating Board currently administers a budget of $608 million per year—$570 million in Trusteed appropriations and $38 million in operating appropriations—and administers and oversees programs that have an affect on every area and level of the higher education community. Further, increased legislative assignments have put pressure on the agency staff's ability to respond quickly and to be proactive in setting policy. If the Coordinating Board is to successfully develop and implement major policy initiatives for Texas higher education, the agency needs to recruit, support, and retain staff that have completed graduate-level education, such as experienced university and college administrators who can quickly assess the implications of proposed policy changes. At the present time, the agency cannot compete for individuals at the assistant professor level at middle tier universities. Salaries for professional staff need to be competitive.

Out-Of-State Travel Cap. For Fiscal Years 2008-2009, the General Appropriations Act, Article IX, Section 5.08, sets the out-of-state travel cap for the agency at $57,760 per year, which is based on the amount spent on out-of-state travel in Fiscal Year 2000. With the increased costs of travel, this cap has significantly reduced the out-of-state travel funds available. Out-of-state travel is necessary for staff to attend conferences and consult with nationally-recognized experts on critical issues facing higher education in the U.S. and in other countries.

Agency Statements of Impact

Objectives and Outcome Measures, Strategies and Output, Efficiency, and Explanatory Measures.

The following section corresponds with the budget structure of the Coordinating Board. The goals represent the main focus of the agency's efforts. Objectives and outcome measures target specific actions with quantified results related to that action. Strategies and output, efficiency, and explanatory measures are defined in *Agency Strategic Plan Instructions* as "methods to achieve goals and objectives and the quantified end products, proficiencies, and descriptive indicators of the agencies' efforts."

GOAL A: CLOSE THE GAPS IN PARTICIPATION, SUCCESS, EXCELLENCE, AND RESEARCH BY COORDINATING HIGHER EDUCATION IN TEXAS, AND PROMOTING QUALITY AND ACCESS IN ALL ASPECTS OF HIGHER EDUCATION.

Objective A.1.: Close the gaps in participation and success by adding 630,000 more students by 2015; and by awarding 210,000 undergraduate degrees, certificates, and other identifiable student successes from high quality programs.

- Outcome A.1-1: Percentage increase in fall student headcount enrollment since fall 2000
- Outcome A.1-2: Percentage increase in bachelor's degrees, associates degrees, and certificates awarded since those awarded fall 1999 through summer 2000
- Outcome A.1-3: Percentage of underprepared public two-year college students graduating in six years
- Outcome A.1-4: Percentage of underprepared university students graduating in six years
- Outcome A.1-5: College-level course success rate of underprepared university students
- Outcome A.1-6: Percentage of university students graduating within four years
- Outcome A.1-7: Percentage of public two-year college students graduating within three years
- Outcome A.1-8: Percentage of university students graduating within six years
- Outcome A.1-9: Percentage of African American university students graduating within six years
- Outcome A.1-10: Percentage of Hispanic university students graduating within six years
- Outcome A.1-11: Percentage of under prepared math students who successfully complete the related college-level course
- Outcome A.1-12: Percentage of under prepared reading students who successfully complete the related college-level course
- Outcome A.1-13: Percentage of under prepared writing students who successfully complete the related college-level course

Strategy A.1.1.: Close the gaps in participation and success by administering grants and scholarship programs and by promoting access to higher education.

- Output A.1.1-1: Increase in fall student headcount enrollment since fall 2000
- Output A.1.1-2: Increase in the number of bachelor's degrees, associates degrees, and certificates reported since those awarded fall 1999 through summer 2000
- Output A.1.1-3: Number of grants or scholarships awarded
- Output A.1.1-4: Amount of grant and scholarship funds distributed (in millions)
- Explanatory A.1.1.1-1: Dollars appropriated for developmental education
- Explanatory A.1.1.1-2: Dollars appropriated for developmental education as a percentage of lower-division instruction
- Explanatory A.1.1-3: Percentage of faculty who are African American
- Explanatory A.1.1-4: Percentage of faculty who are Hispanic
- Explanatory A.1.1-5: Percentage of Anglo high school students who are enrolled in a Texas public college or university
- Explanatory A.1.1-6: Percentage of African American high school students who are enrolled in a Texas public college or university
- Explanatory A.1.1-7: Percentage of Hispanic high school students who are enrolled in a Texas public college or university
- Explanatory A.1.1-8: Percentage of Native American high school students who are enrolled in a Texas public college or university
- Explanatory A.1.1-9: Percentage of Asian American high school students who are enrolled in a Texas public college or university

Strategy A.1.2.: Close the gaps in participation and success by administering loan programs, loan forgiveness programs, and loan repayment programs.

- Efficiency A.1.2-1: Default rate on Hinson-Hazlewood loans
- Output A.1.2-1: Number of students receiving Hinson-Hazlewood loans
- Output A.1.2-2: Dollar amount of Hinson-Hazlewood loans made

Strategy A.1.3.: College Readiness Initiative.

- Output A.1.3-1: Number of students served in agency-sponsored college readiness initiatives
- Output A.1.3-2: Number of teachers participating in professional development as part of agency-sponsored college readiness initiatives

Objective A.2.: Close the gaps in excellence and research by promoting quality in all aspects of public higher education including teaching, research, and public service; substantially increasing the number of nationally-recognized programs or services at colleges and universities in Texas; and increasing the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation by 2015.

- Outcome A.2-1: Texas' share of total U.S. federal obligations to higher education institutions for research and development in science and engineering
- Outcome A.2-2: Percentage increase in research expenditures at Texas public institutions of higher education
- Outcome A.2-3: Number of patents, licenses, copyrights, and other commercialization efforts resulting from Advanced Research Program/Advanced Technology Program funding
- Outcome A.2-4: Educational Achievement: Percent of workforce program participants receiving a degree or credential through completion of an instructional program
- Outcome A.2-5: Entered Employment Rate: Percent of workforce program participants entering employment after exiting the program
- Outcome A.2-6: Employment Retention Rate: Percent of workforce program participants retaining employment

Strategy A.2.1.: Close the gaps in excellence by coordinating and evaluating public university programs, community and technical college programs, and health programs.

- Output A.2.1-1: Number of public university programs and health-related programs and administrative changes reviewed
- Output A.2.1-2: Number of career schools and colleges, and public two-year college programs reviewed

Strategy A.2.2.: Close the gaps in research by administering and evaluating research programs.

- Output A.2.2-1: Dollar value of federal funding for science and engineering at public Texas universities and health-related institutions (in millions)
- Output A.2.2-2: Dollars of additional funding received as a result of Advanced Technology Program/Advanced Research Program funding (in millions)
- Output A.2.2-3: Dollar amount of research expenditures at Texas public institutions of higher education (in millions)

Objective A.3.: Close the higher education gaps by providing planning, including developing and maintaining a plan for higher education, information services, and a performance and accountability system; providing capable and creative leadership in higher education; and promoting the creative, efficient, and effective management of the state's higher education resources.

- Outcome A.3-1: Critical deferred maintenance in Education and General space as a percentage of the total Educational and General building replacement value

Strategy A.3.1.: Provide planning, information services, and a performance and accountability system.

- Efficiency A.3.1-1: Percentage of requests for computerized information responded to by the Educational Data Center or Educational Data Analysis Support Center within three business days

Strategy A.3.2.: Higher Education Policy Institute.

GOAL B: CLOSE THE GAPS IN PARTICIPATION AND SUCCESS BY PROVIDING TRUSTEED FUNDS TO INSTITUTIONS AND STUDENTS THROUGH SPECIAL PROGRAMS DESIGNED TO IMPROVE THE AFFORDABILITY OF HIGHER EDUCATION.

Objective B.1.: Provide programs which make financial assistance available to Texas students.

- Outcome B.1-1: Percentage of independent college students receiving Tuition Equalization Grants (TEG) awards
- Outcome B.1-2: Number of students attending independent colleges and universities as a percentage of total enrollment
- Outcome B.1-3: Percentage of students receiving financial aid who are employed through the Texas College Work-Study Program
- Outcome B.1-4: Percentage of Teach for Texas Loan Repayment Program recipients teaching in underserved areas for three years

Strategy B.1.1.: License Plate Scholarships Program.

Strategy B.1.2.: Fifth-Year Accounting Students Program.

Strategy B.1.3.: Early High School Graduation Scholarship Program.

Strategy B.1.4.: Temporary Assistance to Needy Families (TANF) Scholarship Program.

Strategy B.1.5.: Educational Aide Program.

Strategy B.1.6.: Teach for Texas Loan Repayment Assistance Program.

Strategy B.1.7.: Border Faculty Loan Repayment Program.

Strategy B.1.8.: Office of the Attorney General (OAG) Lawyers Loan Repayment Program.

Strategy B.1.9.: Student Financial Aid Programs.

- Output B.1.9-1: Number of students receiving TEXAS grants
- Output B.1.9-2: Percentage of TEXAS Grant recipients who earn a baccalaureate degree within four academic years
- Output B.1.9-3: Percentage of TEXAS Grant recipients who earn a baccalaureate degree within six academic years
- Output B.1.9-4: Persistence rate of TEXAS Grant recipients after one academic year – public universities
- Output B.1.9-5: Persistence rate of TEXAS Grant recipients after one academic year – public community colleges
- Output B.1.9-6: Persistence rate of TEXAS Grant recipients after one academic year – public technical colleges
- Output B.1.9-7: Percentage of Texas B-On-Time loans forgiven
- Output B.1.9-8: Number of students receiving Texas Equalization Grants (TEG) awards
- Output B.1.9-9: Persistence rate of TEG recipients after one academic year
- Output B.1.9-10: Percentage of TEG recipients who earn a baccalaureate degree within six academic years
- Output B.1.9-11: Percentage of TEG recipients who are minority students
- Output B.1.9-12: Percentage of TEG recipients who earn a baccalaureate degree within four academic years

Strategy B.1.10.: Doctoral Incentive Program.

Strategy B.1.11.: Engineering Recruitment Program.

Strategy B.1.12.: Higher Education Performance Incentive Initiative.

GOAL C: CLOSE THE GAPS IN RESEARCH BY PROVIDING TRUSTEED FUNDS TO INSTITUTIONS AND STUDENTS THROUGH SPECIAL PROGRAMS DESIGNED TO ENHANCE AND FACILITATE RESEARCH AT TEXAS INSTITUTIONS.

Objective C.1.: Provide programs to promote research at Texas institutions.

Strategy C.1.1.: Advanced Research Program.

- Output C.1.1-1: Number of students receiving education and experience in research through Advanced Research Program (ARP) research projects
- Output C.1.1-2: Number of ARP research projects funded

GOAL D: CLOSE THE GAPS IN TEXAS BY PROVIDING TRUSTEED FUNDS TO INSTITUTIONS AND STUDENTS THROUGH SPECIAL PROGRAMS DESIGNED TO IMPROVE HEALTH CARE RELATED TO HIGHER EDUCATION.

Objective D.1.: Provide programs to improve health care in Texas.

- Outcome D.1-1: Percentage of Baylor College of Medicine (BCM) graduates entering Texas residency programs
- Outcome D.1-2: Percentage of BCM graduates entering primary care residencies
- Outcome D.1-3: Percentage of BCM students passing part 1 or part 2 of the national licensing exam on the first attempt
- Outcome D.1-4: Percentage of Family Practice Residency Program completers practicing in medically underserved areas or health professional shortage areas
- Outcome D.1-5: Percentage of Family Practice Residency Program completers practicing in Texas

Strategy D.1.1.: Baylor College of Medicine.

- Output D.1.1-1: Number of Texas resident BCM medical students funded
- Output D.1.1-2: Average amount per BCM student

Strategy D.1.2.: Baylor College of Medicine Graduate Medical Education (GME).

Strategy D.1.3.: Family Practice Residency Program.

- Output D.1.3-1: Number of Family Practice Residency Program (FPRP) residents supported
- Output D.1.3-2: Average funding per FPRP resident

Strategy D.1.4.: Preceptorship Program.

Strategy D.1.5.: Primary Care Residency Program.

Strategy D.1.6.: Graduate Medical Education Program.

Strategy D.1.7.: Joint Admission Medical Program.

Strategy D.1.8.: Physician's Education Loan Repayment Program.

- Output D.1.8-1: Number of physicians receiving Physician's Education Loan Repayment Program (PELRP) payment (including federal match)

Strategy D.1.9.: Financial Aid for Professional Nursing Students.

Strategy D.1.10.: Financial Aid for Vocational Nursing Students.

Strategy D.1.11.: Dental Education Loan Program.

Strategy D.1.12.: Professional Nursing Shortage Reduction Program.

Strategy D.1.13.: Consortium of Alzheimer's Disease Centers.

GOAL E: CLOSE THE GAPS IN TEXAS HIGHER EDUCATION BY PROVIDING TRUSTEED FUNDS TO INSTITUTIONS THROUGH SPECIAL PROGRAMS DESIGNED TO IMPROVE THE QUALITY AND DELIVERY OF INSTRUCTION AND INCREASE THE PARTICIPATION AND SUCCESS OF TEXANS.

Objective E.1.: Provide programs to improve the quality and delivery of higher education and increase the participation and success of Texans.

- Outcome E.1-1: Pass rate on Texas Examination of Educator Standards (TExES) at Centers for Teacher Education

Strategy E.1.1.: Centers for Teacher Education (Texas Association of Developing Colleges).

- Output E.1.1-1: Number of students enrolled in Texas Association of Developing Colleges (TADC) educator preparation programs
- Output E.1.1-2: Number of graduates of TADC educator preparation programs

Strategy E.1.2.: Two-Year Institution Enrollment Growth.

Strategy E.1.3.: New Community College Campuses.

Strategy E.1.4.: African American Museum Professional Internship.

Strategy E.1.5.: Technology Workforce Development.

GOAL F: CLOSE THE GAPS IN PARTICIPATION AND SUCCESS BY PROVIDING FEDERAL FUNDS TO INSTITUTIONS AND STUDENTS TO IMPROVE HIGHER EDUCATION IN TEXAS.

Objective F.1.: Administer statewide federal grants programs.

Strategy F.1.1.: Student Financial Assistance Programs.

Strategy F.1.2.: Career and Technical Education Programs.

Strategy F.1.3.: Teacher Quality Grants Program.

Strategy F.1.4.: Other Federal Grants Programs.

GOAL G: CLOSE THE GAPS IN TEXAS HIGHER EDUCATION BY PROVIDING TOBACCO SETTLEMENT RECEIPTS TO INSTITUTIONS THROUGH SPECIAL PROGRAMS.

Objective G.1.: Permanent Funds.

Strategy G.1.1.: Tobacco Earnings from the Permanent Fund for Minority Health

Research and Education.

Strategy G.1.2.: Tobacco Earnings from the Permanent Fund for Higher Education Nursing, Allied Health, and Other Health-Related Programs.

Objective G.2.: Endowment Funds.

Strategy G.2.1.: Tobacco Earnings – Texas Higher Education Coordinating Board for Baylor College of Medicine.

Strategy G.2.2.: Tobacco Earnings – Permanent Health Fund for Baylor College of Medicine.

GOAL H: INDIRECT ADMINISTRATION

Objective H.1.: Indirect Administration.

Strategy H.1.1.: Central Administration.

Strategy H.1.2.: Information Resources.

Strategy H.1.3.: Other Support Services.

Technology Initiative Alignment

Technology Initiative Alignment					
Technology Initiative	**Related Agency Objective**	**Related State Strategic Plan Strategy**	**Status**	**Anticipated Benefits**	**Innovations, Best Practices, Benchmarking**
1. Transform and consolidate agency data center operations into the State Data Center.	All Objectives	1-1	In Progress	Long-term consolidation of servers, hardware and software contracts; improved print/mail capabilities; enhanced disaster recovery.	
2. Enhance the student loans and grants systems, adding new financial aid programs as needed, optimizing internal processing for ease of use for borrowers and institution Financial Aid Officers.	A.1 - Close the gaps in participation and success by adding 630,000 more students by 2015; and by awarding 210,000 undergraduate degrees, certificates, and other identifiable student successes from high quality programs. B.1 - Provide programs which make financial assistance available to Texas students. F.1 - Administer statewide federal grants programs.	1-4, 2-2, 4-1, 4-2	In Progress and Planned	Streamlined processing and efficiency for the agency and ease of use for borrowers and Institution Financial Aid Officers.	Best Practices
3. Software and support for electronic documents and work flow management for working collaboratively internally and with external partners.	All objectives	4-1, 4-2, 4-4	In Progress and Planned	Improve availability of documents with centralized repositories for internal and external access.	Best Practices

Technology Initiative Alignment					
Technology Initiative	**Related Agency Objective**	**Related State Strategic Plan Strategy**	**Status**	**Anticipated Benefits**	**Innovations, Best Practices, Benchmarking**
4. Provide a state-wide Web Portal with information and tools for assisting students, parents, and high schools counselors in planning and financing career choices.	A.1 - Close the gaps in participation and success by adding 630,000 more students by 2015; and by awarding 210,000 undergraduate degrees, certificates, and other identifiable student successes from high quality programs.	2-2, 3-1, 4-1, 4-2	Planned	Improve the customer experience and information available for students, parents, and high school counselors in assessing college and career choices.	Best Practices
5. Redesign the agency websites to provide more intuitive organization and access for targeted populations.	All Objectives	1-4, 4 (all)	Current	Internal and external users will have more convenient access and data reporting processes.	Best Practices: Based on similar North Carolina and Utah projects.
6. Expand the data that are available for researchers throughout the state, and continue to analyze the resources needed to support data-driven education decision-making.	All Objectives	1-4, 4-1	Current	Data-driven analysis and decisions.	Innovation
7. Encourage use of the agency's existing data in decision-making by implementing end-user reporting tools for better working-, management-, and executive-level reporting.	All Objectives	1-4, 4-1	Planned	Agency management will be able to get data as needed for decision-making.	Innovation: The California Pathways project will be used as the model for San Antonio.
8. Increase the effectiveness of communication with integration of communication media and messaging systems.	All Objectives	1-2, 1-4	Planned	Managers will be able to communicate from a single point rather than check multiple sources.	Best Practices

Technology Initiative Alignment					
Technology Initiative	**Related Agency Objective**	**Related State Strategic Plan Strategy**	**Status**	**Anticipated Benefits**	**Innovations, Best Practices, Benchmarking**
9. Enhance, integrate, and/or replace the business support applications for efficiency and effectiveness of use.	All Objectives	4-1, 4-2	Planned	Streamlined, integrated applications that minimize reentry of data and reconciliation procedures.	Best Practices
10. In conjunction with the Texas Education Agency, develop policies and procedures for sharing data for research that protect the confidentiality of data and Family Educational Rights and Privacy Act (FERPA) compliance.	A - Close the gaps in participation, success, excellence, and research by coordinating higher education in Texas, and promoting quality and access in all aspects of higher education.	3-2, 4-1, 4-2, 4-3	In Progress	Student data will be available for research but secure.	Best Practices

Appendix A:
Agency Planning Process

Agency Planning Process

This appendix summarizes the Texas Higher Education Coordinating Board's internal planning process for developing the agency's biennial strategic plan. The *Closing the Gaps by 2015* higher education plan, adopted by the Coordinating Board in 2000, is the foundation for the Board's future direction and priorities. *Closing the Gaps* establishes intermediate targets for 2005 and 2010 for three of its goals, and 2007 for one of its goals, allowing progress to be monitored on the way to the plan's culmination in 2015. It is also a dynamic plan that is amended as needed to respond to changes in state population or achievement of goals. The plan's past and future schedule is shown below:

- 1999-2000: Development of a new higher education plan for Texas.
- 2001-2002: Implementation of the plan and update agency strategic plan.
- 2003-2004: Initial reporting for the plan and update agency strategic plan.
- 2005: Comparison year with first set of intermediate targets.
- 2005: Revision of goals and targets whose 2005 intermediate targets were achieved, which were affected by population revisions. Also, independent institutions were included in the goals and targets.
- 2005-2006: Reporting for the plan and update agency strategic plan.
- 2007-2008: Reporting for the plan and update agency strategic plan.
- 2010: Comparison year for second set of intermediate targets.
- 2009-2010: Reporting for the plan and update agency strategic plan.
- 2011-2012: Reporting for the plan and update agency strategic plan.
- 2013-2014: Reporting for the plan and update agency strategic plan.
- 2015: Final comparison with targets as established in the plan.

Agency Planning Highlights: 2005-Early-2006

As in recent years, the Coordinating Board continued to examine one of the four primary goals of *Closing the Gaps* at each Board meeting. This practice keeps higher education's strategic plan foremost in the thoughts of Board members as they act on institutional and agency business.

In early 2005, the agency was reorganized into divisions that mirror the elements of *Closing the Gaps*. The two primary divisions were named: Participation and Success, and Academic Excellence and Research. The reorganization resulted in shifts in focus for many agency staff. The Participation and Success Division added staff to work with

regional representatives to increase student participation in higher education. Agency staff who monitor academic offerings at community colleges and undergraduate programs at universities and health-related institutions were reorganized into a single section of the Academic Excellence and Research Division.

By 2005, one-third of the 2000 to 2015 time frame of the *Closing the Gaps* plan had elapsed. The agency carefully examined progress towards the 2005 benchmarks defined in the plan. It also used 2005 as an opportunity to revise *Closing the Gaps* measures that had been achieved, and to modify population-based goals and targets using new projections produced by the Texas State Data Center. In addition, the contributions of independent institutions toward *Closing the Gaps* in higher education were acknowledged by formally incorporating their student enrollments and successes into the goals and targets.

With respect to participation, the interim overall targets and the African American interim targets were met. The Hispanic target was not achieved. This is troubling because the 2015 target, which was revised to reflect higher population projections for Hispanics, is even more ambitious.

Significant progress has been made toward the success goal and targets. Benchmarks were achieved in the overall number of undergraduate successes, in African American and Hispanic successes, in associate degrees generally, and in nursing and allied health. The 2005 targets for bachelor's and doctoral degrees were not reached.

Agency staff reviewed the existing agency Strategic Plan and updated progress towards the *Closing the Gaps* elements. Representatives from all sections of the agency met to discuss additional challenges and opportunities. New ideas were circulated to appropriate staff members for extrapolation and analysis. A draft of the strategic plan was circulated internally and comments were received. The Coordinating Board's Strategic Planning Committee received copies before the Committee's June 8 meeting. Comments from the members were incorporated into the document. As approved at the Board's April 20, 2006, meeting, the Board chair and Strategic Planning Committee chair gave final approval of the document before the June 23 submission date.

Agency Planning Highlights: 2007-Early-2008

The Board's interest in *Closing the Gaps* continues. In April 2007, Coordinating Board staff updated the Board on the status of the plan's excellence measure. At the July 2008 Board meeting, a reworked version of the annual *Closing the Gaps* Progress Report was presented. That report gave a more graphic representation of the plan's goals and targets than was previously presented. The new document was favorably received as more interesting and descriptive of the agency's intentions and the state's progress towards meeting the goals and targets.

Throughout the year, the agency focused on completing the tasks mandated by House Bill 1, 79th Texas Legislature, Third Called Session. The College Readiness Initiative and the associated College Readiness Plan and College Readiness Standards were converted into tasks, activities, objectives, and outcomes that are referenced in this Strategic Plan. Due to agency staff limitations, a number of the activities were completed with the assistance of contractors. Other objectives were the subject of Request for Proposals (RFPs) that resulted in contracts with higher education institutions.

The peer accountability groups were active during 2007. They were given assignments related to success measures during the summer, and each group selected three success measures for scrutiny. The peer group met several times to discuss how to improve outcomes for those measures; best practices were identified, and data were studied to inform their conversations. The groups produced short reports on the measures, the findings, and best practices for improving results.

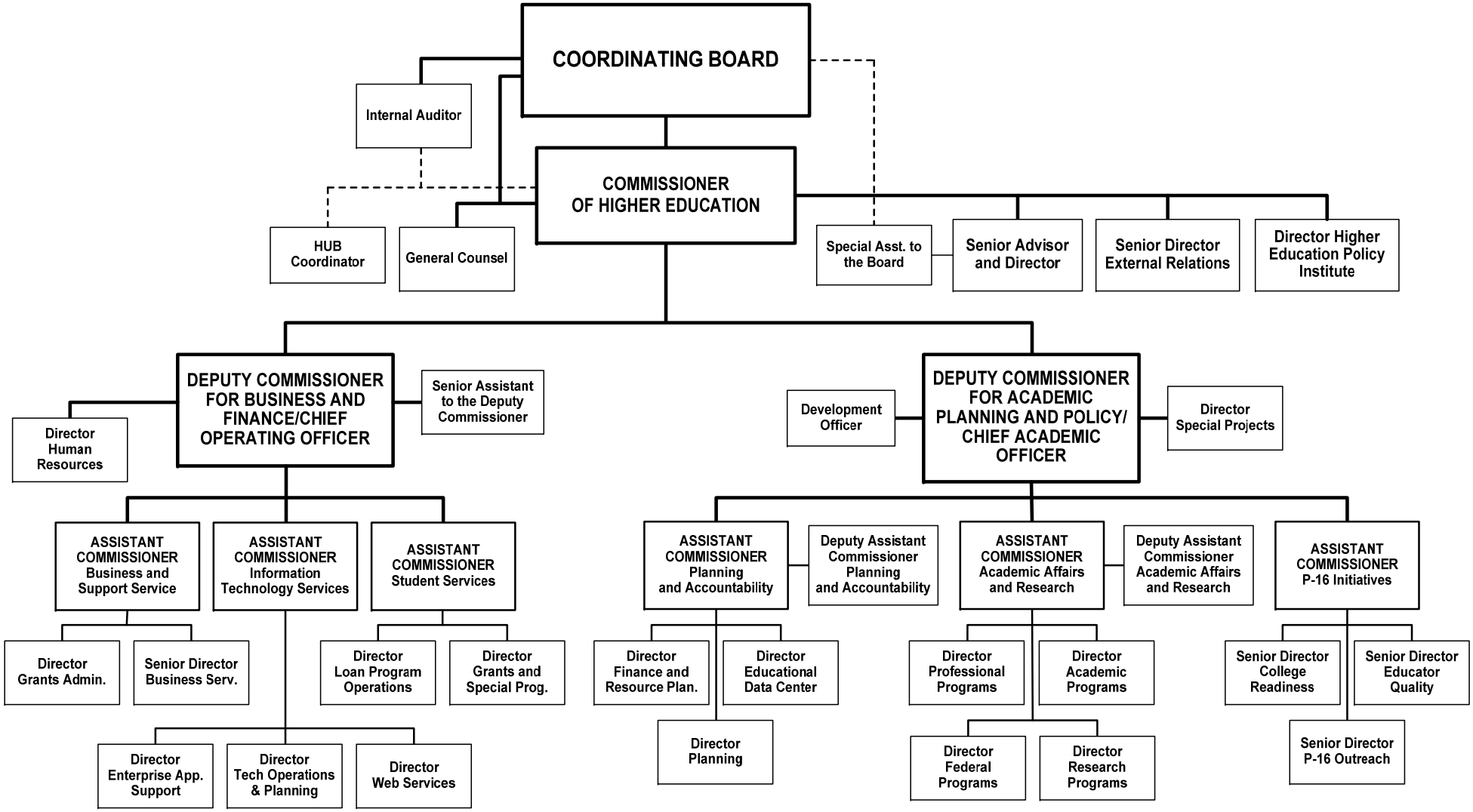
The meetings generated positive comments and closer group interaction. During the remainder of 2008 and parts of 2009, the peer groups will be asked to concentrate their attention on excellence measures. They will discuss how to achieve excellence in targeted areas. In addition, the groups are being asked to help formulate better excellence measures for *Closing the Gaps*. The Coordinating Board is requesting that universities concentrate on how to bring about excellent undergraduate education.

The Coordinating Board's internal process for preparing this extensively revised Strategic Plan has been a useful activity for the agency. In this document, staff's intention was to adhere more closely with the instructions. Groups of staff members from throughout the agency met to discuss the plan and its purpose. In addition, these groups discussed external influences that are affecting higher education. The factors identified became the core of the External Assessment portion of this report.

Each division also described its efforts to help achieve the outcomes from the agency's Legislative Appropriations Request measures. The divisions' results and analyses highlighted Coordinating Board objectives and strategies for meeting the goals and targets of *Closing the Gaps*.

Appendix B:
Organizational Chart

Texas Higher Education Coordinating Board



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Appendix C:
Five-Year Projections For Outcomes

Five-Year Projections for Outcomes

Outcome measures are quantifiable indicators of the impact or results of an action or policy. Progress is determined by comparing outcomes to the objectives. They are one method of assessing the effectiveness of an agency's performance and the benefit derived from it. As stated in *Agency Strategic Plan Instructions* for preparing this document, "an outcome measure indicates the change or difference the agency's action will have on the particular target group or issue area indicated in the objective."

Outcome measures should be relevant and logically related to the agency's goals and objectives. They should be reliable, accurate over time, and measure what the agency intends to measure. The outcome measures should provide information that supports a decision or conclusion concerning the agency's actions.

The five-year projections for outcomes provided below were prepared by key managers and executives of the Coordinating Board and align with specific agency objectives. Goals, objectives, strategies, and performance measures are provided in the Agency Statements of Impact section of this Agency Strategic Plan.

Texas Higher Education Coordinating Board
Projected Outcomes

Outcomes	2009	2010	2011	2012	2013
Objective A.1.: Close the gaps in participation and success by adding 630,000 more students by 2015; and by awarding 210,000 undergraduate degrees, certificates, and other identifiable student successes from high quality programs.					
Percentage increase in fall student headcount enrollment since fall 2000.	35.0%	39.6%	44.0%	48.5%	52.9%
Percentage increase in bachelor's degrees, associates degrees, and certificates awarded since those awarded fall 1999 through summer 2000.	42.1%	47.1%	53.8%	60.5%	67.2%
Percentage of underprepared public two-year college students graduating in six years.	18.0%	18.5%	19.0%	19.5%	20.0%
Percentage of underprepared university students graduating in six years.	36.5%	36.8%	37.1%	37.4%	37.7%
College-level course success rate of underprepared university students.	24.3%	24.7%	25.1%	25.5%	25.9%
Percentage of university students graduating within four years.	25.1%	25.3%	25.7%	25.9%	26.0%
Percentage of public two-year college students graduating within three years.	14.9%	15.2%	15.5%	15.8%	16.1%

Texas Higher Education Coordinating Board
Projected Outcomes

Outcomes	2009	2010	2011	2012	2013
Percentage of university students graduating within six years.	57.3%	57.5%	57.8%	57.9%	58.0%
Percentage of African American university students graduating within six years.	37.5%	37.9%	38.1%	38.3%	38.5%
Percentage of Hispanic university students graduating within six years.	45.0%	45.5%	46.0%	46.5%	47.0%
Percentage of underprepared math students who successfully complete the related college-level course.	11.4%	12.0%	12.5%	13.0%	13.5%
Percentage of underprepared reading students who successfully complete the related college-level course.	32.8%	33.3%	34.0%	34.5%	35.0%
Percentage of underprepared writing students who successfully complete the related college-level course.	23.8%	24.3%	26.0%	26.5%	27.0%
Objective A.2.: Close the gaps in excellence and research by promoting quality in all aspects of public higher education including teaching, research, and public service; substantially increasing the number of nationally-recognized programs or services at colleges and universities in Texas; and increasing the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation by 2015.					
Texas' share of total U.S. federal obligations to higher education institutions for research and development in science and engineering.	5.64%	5.68%	5.70%	5.74%	5.77%
Percentage increase in research expenditures at Texas public institutions of higher education.	5.0%	4.0%	4.0%	4.0%	4.0%
Number of patents, licenses, copyrights, and other commercialization efforts resulting from Advanced Research Program funding.	9	(out of cycle)	12	(out of cycle)	24
Educational Achievement Rate: Percent of participants receiving a degree or credential through completion of an instructional program.	25.7%	25.8%	25.9%	26.0%	26.1%
Entered Employment Rate: Percent of workforce program participants entering employment after exiting the program.	90.0%	90.0%	91.0%	91.0%	92.0%
Employment Retention Rate: Percent of program participants retaining employment.	86.9%	87.0%	87.1%	87.2%	87.3%

Texas Higher Education Coordinating Board
Projected Outcomes

Outcomes	2009	2010	2011	2012	2013
Objective A.3.: Close the higher education gaps by providing planning, including developing and maintaining a plan for higher education, information services, and a performance and accountability system; providing capable and creative leadership in higher education; and promoting the creative, efficient, and effective management of the state's higher education resources.					
Critical deferred maintenance in Education and General space as a percentage of the total Educational and General building replacement value.	0.01%	0.01%	0.01%	0.01%	0.01%
Objective B.1.: Provide programs which make financial assistance available to Texas students.					
Percentage of independent college students receiving Tuition Equalization Grant (TEG) awards.	27.0%	24.0%	24.0%	23.0%	23.0%
Number of students attending independent colleges and universities as a percentage of total enrollment.	10.0%	10.0%	10.0%	10.0%	10.0%
Percentage of students receiving financial aid who are employed through Texas College Work-Study Program.	0.89%	0.86%	0.83%	0.80%	0.77%
Percentage of Teach for Texas Loan Repayment Program recipients serving in underserved areas for three years.	80.0%	80.0%	80.0%	80.0%	80.0%
Objective C.1.: Provide programs to promote research at Texas institutions.					
Objective D.1.: Provide programs to improve health care in Texas.					
Percentage of Baylor College of Medicine graduates entering Texas residency programs.	51.0%	51.0%	52.0%	52.0%	52.0%
Percentage of Baylor College of Medicine graduates entering primary care residency programs.	45.0%	45.0%	45.0%	46.0%	46.0%
Percentage of Baylor College of Medicine students passing part 1 or part 2 of the National Licensing Exam on the first attempt.	97.0%	97.0%	97.0%	97.0%	97.0%
Percentage of Family Practice Residency Program completers practicing in medically underserved areas or health professional shortage areas.	6.11%	6.09%	6.07%	6.05%	6.03%
Percentage of Family Practice Residency Program completers practicing in Texas.	70.89%	70.86%	70.82%	70.7%	70.6%

Texas Higher Education Coordinating Board
Projected Outcomes

Outcomes	2009	2010	2011	2012	2013
Objective E.1.: Provide programs to improve the quality and delivery of higher education and increase the participation and success of Texans.					
Pass rate on Texas Examination of Educator Standards (TExES) at Centers for Teacher Education.	96.0%	96.0%	97.0%	97.0%	98.0%

Appendix D:
Performance Measure Definitions

Performance Measure Definitions

"A performance measure's definition explains the measure, the methodology for its calculation, and provides enough information about the measure that it can be clearly understood. The description of a measure's calculation must be detailed enough to allow replication. Definitions submitted with the agency's strategic plan must include all of the following elements:

- Short Definition—provides a brief explanation of what the measure is, with enough detail to give a general understanding of the measure.
- Purpose/Importance—explains what the measure is intended to show and why it is important.
- Source/Collection of Data—describes where the information comes from and how it is collected.
- Method of Calculation—describes clearly and specifically how the measure is calculated.
- Data Limitations—identifies any limitations about the measurement data, including factors that may be beyond the agency's control.
- Calculation Type—identifies whether the information is cumulative or non-cumulative.
- New Measure—identifies whether the measure is new, has significantly changed, or continues without change from the previous biennium.
- Desired Performance—identifies whether actual performance that is higher or lower than targeted performance is desirable (*e.g.*, a disease rate lower than targeted is desirable)."

Source: *Agency Strategic Plan Instructions*, March 2008

Measure	Definition
Percentage increase in fall student headcount enrollment since fall 2000 (Outcome A.1-1)	Short Definition: Percent increase in fall student headcount enrollment since fall 2000. Purpose: This measure provides an indication of the state's progress towards the first goal, *Closing the Gaps* in Participation: By 2015, close the gaps in participation rates across Texas to add 630,000 more students. Data Source: Data on public institutions will come from the Coordinating Board CBM001 student reports, and data on independent institutions will come from the Independent Colleges and Universities of Texas (ICUT). Methodology: Data reported for Texas higher education institutions minus the fall 2000 enrollment divided by the fall 2000 enrollment. Data Limitations: Data are not available until February of the following year. Calculation Type: Non-cumulative New Measure: No Key Measure: Yes Desired Performance: Higher
Increase in fall student headcount enrollment since fall 2000 (Output A.1.1-1)	Short Definition: Increase in fall student headcount enrollment since fall 2000. Purpose: This measure provides an indication of the state's progress towards the first goal, *Closing the Gaps* in Participation: By 2015, close the gaps in participation rates across Texas to add 630,000 more students. Data Source: Data on public institutions will come from the Coordinating Board CBM001 student reports, and data on independent institutions will come from the Independent Colleges and Universities of Texas (ICUT). Methodology: Data reported for Texas higher education institutions for the current fall minus the enrollment in fall 2000. Data Limitations: Data are not available until February of the following year. Calculation Type: Non-cumulative New Measure: No Key Measure: Yes Desired Performance: Higher

Measure	Definition		
Percentage increase in bachelor's degrees, associate's degrees, and certificates awarded since those awarded fall 1999 through summer 2000 (Outcome A.1-2)	Short Definition:	Percent increase in bachelor's degrees, associate's degrees, and certificates awarded since those awarded fall 1999 through summer 2000.	
	Purpose:	This measure provides an indication of the state's progress towards the second goal, *Closing the Gaps* in Success: By 2015, award 210,000 undergraduate degrees, certificates and other identifiable student successes from high quality programs.	
	Data Source:	Data on public institutions will come from the Coordinating Board CBM009 degrees reported each fall for the preceding academic year. Data on independent institutions will come from the Independent Colleges and Universities of Texas (ICUT).	
	Methodology:	Data reported for Texas higher education institutions minus those reported fall 2000 for bachelor's degrees, associate's degrees, and certificates awarded divided by the fall 2000 reported bachelor's, associate's, and certificates awarded.	
	Data Limitations:	Data are not available until February of the following year.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Increase in the number of bachelor's degrees, associate's degrees, and certificates reported since those awarded fall 1999 through summer 2000 (Output A.1.1-2)	Short Definition:	Increase in the number of bachelor's degrees, associate's degrees, and certificates reported since those awarded fall 1999 through summer 2000 (reported fall 2000).	
	Purpose:	This measure provides an indication of the state's progress towards the second goal, *Closing the Gaps* in Success: By 2015, award 210,000 undergraduate degrees, certificates and other identifiable student successes from high quality programs.	
	Data Source:	Data on public institutions will come from the Coordinating Board CBM009 degrees reported each fall for the preceding academic year. Data on independent institutions will come from the Independent Colleges and Universities of Texas (ICUT).	
	Methodology:	Data reported for Texas higher education institutions minus those reported fall 2000 for bachelor's degrees, associate's degrees, and certificates awarded.	
	Data Limitations:	Data are not available until February of the following year.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of underprepared public two-year college students graduating in six years (Outcome A.1-3)	Short Definition:	Of the public two-year college first time summer/fall entering undergraduates who were not TSI-exempted and failed the initial TSI test, the percent who were awarded a baccalaureate or associate degree, certificate, or progress measure within six years.	
	Purpose:	Provides information on the success of institutions in regards to successful completion by underprepared students.	
	Data Source:	Data are from the cohort (summer/fall entering undergraduates) that entered six years prior as certified by the institutions and compiled by the Educational Data Center (CBM001 and CBM002).	
	Methodology:	(a) Take the number of first-time summer/fall entering undergraduates at public two-year colleges (from CBM001). (b) Determine the number who took the initial TSI test and did not pass it (from CBM002). (c) Of those students, determine the number who were awarded a baccalaureate or associate degree, certificate, or progress measure within six years. (d) Divide the number of students in (c) by the number of students in (b) and express it as a percentage.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions and do not include students who go on to attend and graduate from an out-of-state institution. The State Auditor's Office performs enrollment audits on a sample of that data. Some students defer testing for documented reasons. The success of underprepared students who graduate in more than six years is not reflected with this methodology. Students persisting in higher education but who have not been awarded a degree, certificate or progress measure, as well as continuing education students, are excluded.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of underprepared university students graduating in six years (Outcome A.1-4)	Short Definition:	Of the university first time summer/fall entering undergraduates who were not TSI-exempted and failed the initial TSI test, the percent who were awarded a baccalaureate degree or higher within six years.	
	Purpose:	Provides information on the success of institutions in regards to successful completion by underprepared students.	
	Data Source:	Data are from the cohort (summer/fall entering undergraduates) that entered six years prior as certified by the institutions and compiled by the Educational Data Center (CBM001 and CBM002).	
	Methodology:	(a) Take the number of first-time summer/fall entering undergraduates at universities (from CBM001). (b) Determine the number who took the initial TSI test and did not pass it (from CBM002). (c) Of those students, determine the number who were awarded a baccalaureate degree or higher within six years. (d) Divide the number of students in (c) by the number of students in (b) and express it as a percentage.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions and do not include students who go on to attend and graduate from an out-of-state institution. The State Auditor's Office performs enrollment audits on a sample of that data. Some students defer testing for documented reasons. The success of underprepared students who graduate in more than six years is not reflected with this methodology. Students persisting in higher education but who have not been awarded a degree are excluded.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
College-level course success rate of underprepared university students (Outcome A.1-5)	Short Definition:	The percent of underprepared students at four-year institutions who successfully complete a related college-level course within 3 years if they tested above the deviation or 4 years if they tested under the deviation.	
	Purpose:	This measure provides an indication of the effectiveness of developmental education programs at four-year institutions in preparing underprepared students to succeed in college-level courses.	
	Data Source:	Data are from the latest cohort (summer/fall entering undergraduates) that entered four years prior to the reporting period as certified by the institutions and compiled by the Educational Data Center (CBM001 and CBM002).	
	Methodology:	(a) For each of the three TSI subject areas(math, reading and writing), determine the number of first time summer/fall entering undergraduates at four-year institutions who were not TSI-waived, not TSI-exempted and who took and failed the initial TSI test are identified. (b) Determine the number of these students who earn an A, B or C in a related general education core curriculum course within three years if they tested above the deviation or four years if they tested under the deviation. (The most underprepared students are given one year longer to complete their college course in the subject area in which they did not pass TSI.) (c) Total the number of students in all three subject areas in the initial cohort. (d) Total the number who received an A, B or C. (e) Divide the number of students in (d) by the number of students in (c) and express as a percentage.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions. The success of underprepared students who do not attempt a general education core curriculum course within the allotted years is not reflected with this methodology. Transfer and continuing students are excluded. Projections are based on the first year of TSI reporting. Reporting accuracy generally improves with familiarity with CBM reports. Projections from a single data point can be inaccurate. The fall 2003 cohort was the first year of students subject to the TSI legislation.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of university students graduating within four years (Outcome A.1-6)	Short Definition:	Number of students who entered Texas public universities four years ago as first-time, full-time degree seeking undergraduates (taking at least 12 semester credit hours) who received a baccalaureate or above degree during that four-year period divided by the total number of students who entered Texas public universities four years ago as first-time, full-time degree seeking undergraduates (taking at least 12 semester credit hours).	
	Purpose:	Provides information on the success of institutions in regard to successful completion by students.	
	Data Source:	Information provided by the Graduation Rates Report prepared by the Educational Data Center using data reported by the institutions.	
	Methodology:	Track incoming first-time, full-time degree seeking summer/fall entering undergraduates by SSN for four years. Take the number that graduate from a Texas public or independent institution and divide by the total cohort.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions. The State Auditor's Office performs enrollment audits on a sample of that data. We do not have data on students who go on to attend and graduate from an out-of-state institution.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of public two-year college students graduating within three years (Outcome A.1-7)	Short Definition:	Number of students who entered Texas public two-year colleges three years ago as first-time, full-time undergraduates (taking at least 12 semester credit hours) who received a degree or certificate during that three-year period divided by the total number of students who entered Texas public two-year colleges three years ago as first-time, full-time credential seeking undergraduates (taking at least 12 semester credit hours).	
	Purpose:	Provides information on the success of public two-year institutions in regard to successful completion by students.	
	Data Source:	Information provided by the Graduation Rates Report prepared by the Educational Data Center using data reported by the institutions.	
	Methodology:	Track incoming first-time, full-time credential seeking summer/fall entering undergraduates who have declared an intent to obtain a degree or certificate by SSN for three years. Take the number that graduate from a public two-year institution and divide by the total cohort of students who had declared intent to obtain degree or certificate.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions. The State Auditor's Office performs enrollment audits on a sample of that data. We do not have data on students who go on to attend and graduate from an out-of-state institution.	
	Calculation Type:	Non-cumulative	New Measure: No
	Key Measure:	Yes	Desired Performance: Higher

Measure	Definition		
Percentage of university students graduating within six years (Outcome A.1-8)	Short Definition:	Number of students who entered Texas public universities six years ago as first-time, full-time undergraduates (taking at least 12 semester credit hours) who received a baccalaureate degree during that six-year period divided by the total number of students who entered Texas public universities six years ago as first-time, full-time undergraduates (taking at least 12 semester credit hours).	
	Purpose:	Provides information on the success of institutions in regard to successful completion by students.	
	Data Source:	Information provided by the Graduation Rates Report prepared by the Educational Data Center using data reported by the institutions.	
	Methodology:	Track incoming first-time, full-time summer/fall entering undergraduates by SSN for six years. Take the number that graduate from a public institution and divide by the total cohort.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions. The State Auditor's Office performs enrollment audits on a sample of that data. We do not have data on students who go on to attend and graduate from an out-of-state institution.	
	Calculation Type:	Non-cumulative	New Measure: No
	Key Measure:	Yes	Desired Performance: Higher

Measure	Definition		
Percentage of African American university students graduating within six years (Outcome A.1-9)	Short Definition:	Number of African American students who entered Texas public universities six years ago as first-time, full-time undergraduates (taking at least 12 semester credit hours) who received a baccalaureate degree during that six-year period divided by the total number of African American students who entered Texas public universities six years ago as first-time, full-time undergraduates (taking at least 12 semester credit hours).	
	Purpose:	Provides information on the success of institutions in regard to successful completion by African American students.	
	Data Source:	Information provided by the Graduation Rates Report prepared by the Educational Data Center using data reported by the institutions.	
	Methodology:	Track incoming first-time, full-time summer/fall entering undergraduates by SSN for six years. Take the number of African American students that graduate from a public institution and divide by the total number of African American students in that cohort.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions. The State Auditor's Office performs enrollment audits on a sample of that data. We do not have data on students that go on to attend and graduate from an out-of-state institution.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of Hispanic university students graduating within six years (Outcome A.1-10)	Short Definition:	Number of Hispanic students who entered Texas public universities six years ago as first-time, full-time undergraduates (taking at least 12 semester credit hours) who received a baccalaureate degree during that six-year period divided by the total number of Hispanic students who entered Texas public universities six years ago as first-time, full-time undergraduates (taking at least 12 semester credit hours).	
	Purpose:	Provides information on the success of institutions in regard to successful completion by Hispanic students.	
	Data Source:	Information provided by the Graduation Rates Report prepared by the Educational Data Center using data reported by the institutions.	
	Methodology:	Track incoming first-time, full-time summer/fall entering undergraduates by SSN for six years. Take the number of Hispanic students that graduate from a public institution and divide by the total number of Hispanic students in that cohort.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions. The State Auditor's Office performs enrollment audits on a sample of that data. We do not have data on students that go on to attend and graduate from an out-of-state institution.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of under prepared math students who successfully complete the related college-level course (Outcome A.1-11)	Short Definition:	Percentage of under prepared math students who successfully complete the related college-level course.	
	Purpose:	This measure provides an indication of under prepared students' intermediate progress toward the Success Goal of *Closing the Gaps*.	
	Data Source:	Data are from the latest cohort (summer/fall entering undergraduates) as reported annually by the institutions and compiled by the Educational Data Center (CBM001 and CBM002).	
	Methodology:	(a) Take the number of first-time summer/fall entering undergraduates (from CBM001). (b) Determine the number who took an initial TSI test and did not pass it (from CBM002) or were not exempted. (c) Of those students, determine the number who did not meet the TSI obligation. Under prepared students are given three years if they tested above the deviation and four years if they tested below under deviation to successfully complete. (d) Of those students, determine the number who completed a college level math course. To "successfully complete" the first college-level course, the student must earn an A, B, or C in a related general education core curriculum course. (e) Divide (d) by (c) and express it as a percentage.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions and do not currently include data on students who transfer to a private institution or an out-of-state institution. Some students defer testing for documented reasons. Students who record their student intent as 4 or 5 are not included. Students getting a level 2 certificate are not included.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: Yes Desired Performance: Higher

Measure	Definition		
Percentage of under prepared reading students who successfully complete the related college-level course (Outcome A.1-12)	Short Definition:	Percentage of under prepared reading students who successfully complete the related college-level course.	
	Purpose:	This measure provides an indication of under prepared students' intermediate progress toward the Success Goal of *Closing the Gaps*.	
	Data Source:	Data are from the latest cohort (summer/fall entering undergraduates) as reported annually by the institutions and compiled by the Educational Data Center (CBM001 and CBM002).	
	Methodology:	(a) Take the number of first-time summer/fall entering undergraduates (from CBM001). (b) Determine the number who took an initial TSI test and did not pass it (from CBM002) or were not exempted. (c) Of those students, determine the number who did not meet the TSI obligation. Under prepared students are given three years if they tested above the deviation and four years if they tested below under deviation to successfully complete. (d) Of those students, determine the number who completed a college level reading course. To "successfully complete" the first college-level course, the student must earn an A, B, or C in a related general education core curriculum course. (e) Divide (d) by (c) and express it as a percentage.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions and do not currently include data on students who transfer to a private institution or an out-of-state institution. Some students defer testing for documented reasons. Students who record their student intent as 4 or 5 are not included. Students getting a level 2 certificate are not included.	
	Calculation Type:	Non-cumulative	New Measure: Yes
	Key Measure:	No	Desired Performance: Higher

Measure	Definition		
Percentage of under prepared writing students who successfully complete the related college-level course (Outcome A.1-13)	Short Definition:	Percentage of under prepared writing students who successfully complete the related college-level course.	
	Purpose:	This measure provides an indication of under prepared students' intermediate progress toward the Success Goal of *Closing the Gaps*.	
	Data Source:	Data are from the latest cohort (summer/fall entering undergraduates) as reported annually by the institutions and compiled by the Educational Data Center (CBM001 and CBM002).	
	Methodology:	(a) Take the number of first-time summer/fall entering undergraduates (from CBM001). (b) Determine the number who took an initial TSI test and did not pass it (from CBM002) or were not exempted. (c) Of those students, determine the number who did not meet the TSI obligation. Under prepared students are given three years if they tested above the deviation and four years if they tested below under deviation to successfully complete. (d) Of those students, determine the number who completed a college level writing course. To "successfully complete" the first college-level course, the student must earn an A, B, or C in a related general education core curriculum course. (e) Divide (d) by (c) and express it as a percentage.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions and do not currently include data on students who transfer to a private institution or an out-of-state institution. Some students defer testing for documented reasons. Students who record their student intent as 4 or 5 are not included. Students getting a level 2 certificate are not included.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: Yes Desired Performance: Higher

Measure	Definition		
Number of grants or scholarships awarded (Output A.1.1-3)	Short Definition:	Number of grants, scholarships, work-study, loan repayments, and exemptions awarded during the fiscal year through non-loan financial aid programs administered by the Coordinating Board.	
	Purpose:	This measure provides feedback on the grant, scholarship, work-study, loan repayment, and exemption programs administered by or funded through the Coordinating Board. It is an aggregate of all such programs.	
	Data Source:	Data are obtained from reports submitted by institutions and from Coordinating Board-generated reports.	
	Methodology:	Sum the year-to-date number of awards made in the various programs and net out the total made as of the end of the prior quarter.	
	Data Limitations:	For programs with awards issued by the Coordinating Board, the data should be accurate. For campus-based programs, we are relying on unaudited institutional reports. However, we have no reason to question the accuracy of these reports.	
		(Note on Desired Performance: The target is based on historic funding and award patterns. Annual fluctuations can be caused by changes in funding from the state and changes in the awarding philosophy of the institutions which make awards. Colleges may choose to give (1) larger awards to fewer students, or (2) smaller awards to more students. If they choose to exercise the first option, performance will be below the target; if they exercise the second option, performance will be above the target.)	
	Calculation Type: Key Measure:	Cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Amount of grant and scholarship funds distributed (in millions) (Output A.1.1-4)	Short Definition:	Dollar amount of grant, scholarship, work-study, loan repayment, and exemption funds distributed by the Coordinating Board during the fiscal year. Most students receive half their funds during the first quarter and the balance during the second quarter.	
	Purpose:	This measure provides feedback on the non-loan programs administered by or funded through the Coordinating Board. It is an aggregate of all such programs.	
	Data Source:	Data are obtained from reports submitted by institutions and from Coordinating Board-generated reports.	
	Methodology:	Calculate the year-to-date award totals and net out the amounts issued in prior quarters.	
	Data Limitations:	Institution-reported data are not audited, but we have no reason to question their accuracy.	
	Calculation Type: Key Measure:	Cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Dollars appropriated for developmental education (Explanatory A.1.1.1-1)	Short Definition:	Total dollars appropriated to institutions for course-based developmental education during the fiscal year. Beginning in FY04, no money was appropriated to institutions based on students who demonstrated college readiness after having failed one or more parts of TSI assessment.	
	Purpose:	This measure provides feedback regarding state funding to address deficiencies in students' academic preparation for college. Colleges with open door admissions policies enroll students from a wide array of backgrounds and levels of preparation and with differing goals.	
	Data Source:	CBM002--TSI Report; CBM004--Class Report (Contact Hours for Public Two-Year Colleges and SCH for Universities); CBM00C Class Report (Contact Hours for Public Two-Year Colleges, Continuing Education).	
	Methodology:	Contact hours at public two-year colleges are multiplied by the applicable formula funding rate. Semester credit hours at universities are multiplied by the weight for developmental education and the funding rate. Trusteed funds are allocated on a headcount basis for students that demonstrate college readiness.	
	Data Limitations:	Contact hours are reported to the Coordinating Board by the institutions and the State Auditor's Office performs enrollment audits on a sample of that data.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Lower

Measure	Definition		
Dollars appropriated for developmental education as a percentage of lower-division instruction (Explanatory A.1.1.1-2)	Short Definition:	Total dollars appropriated to institutions for course-based developmental education during the biennium, divided by the total dollars appropriated to institutions for lower-division instruction. Beginning in FY04, no money was appropriated to institutions based on students who demonstrated college readiness after having failed one or more parts of a TSI assessment.	
	Purpose:	This measure provides feedback regarding the relationship between state funding to: (1) address deficiencies in students' academic preparation for college; and (2) provide lower-division instruction. Colleges with open door admissions policies enroll students from a wide array of backgrounds and levels of preparation and with differing goals.	
	Data Source:	CBM002--TSI Report; CBM004--Class Report (Contact Hours for Public Two-Year Colleges and SCH for Universities); CBM00C Class Report (Contact Hours for Public Two-Year Colleges, Continuing Education).	
	Methodology:	Appropriations for developmental education divided by appropriations for lower-division instruction. Contact hours at public two-year colleges are multiplied by the applicable formula funding rate. Semester credit hours at universities are multiplied by the applicable weight and the funding rate. Trusteed funds (if appropriated) are allocated on a headcount basis for students that demonstrate college readiness.	
	Data Limitations:	Contact hours are reported to the Coordinating Board by the institutions and the State Auditor's Office performs enrollment audits on a sample of that data. Calculation is biennial rather than annual.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Lower

Measure	Definition		
Percentage of faculty who are African-American (Explanatory A.1.1.1-3)	Short Definition:	Number of African-American faculty members teaching in Texas public colleges and universities in the fall semester of the fiscal year divided by the total number of faculty members during the same period.	
	Purpose:	Provides information on how the state is doing at supplying a diverse group of role models for students.	
	Data Source:	Information provided by the Faculty Report (CBM008) prepared by Educational Data Center using data reported by the institutions.	
	Methodology:	Take the number of African-American faculty members teaching in Texas public colleges and universities in the fall semester of the fiscal year and divide that number by the total number of faculty members during the same period.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher
Percentage of faculty who are Hispanic (Explanatory A.1.1.1-4)	Short Definition:	Number of Hispanic faculty members teaching in Texas public colleges and universities in the fall semester of the fiscal year divided by the total number of faculty members during the same period.	
	Purpose:	Provides information on how the state is doing at supplying a diverse group of role models for students.	
	Data Source:	Information provided by the Faculty Report (CBM008) prepared by Educational Data Center using data reported by the institutions.	
	Methodology:	Take the number of Hispanic faculty members teaching in Texas public colleges and universities in the fall semester of the fiscal year and divide that number by the total number of faculty members during the same period.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of Anglo high school students who are enrolled in a Texas public college or university (Explanatory A.1.1.1-5)	Short Definition:	Percentage of Anglo Texas public high school students who graduated in the previous fiscal year and who enrolled in Texas public colleges and universities in the next fiscal year.	
	Purpose:	It is important to have a student body that is representative of the Texas population. This measure provides an indication of how well public institutions of higher education are doing in these efforts.	
	Data Source:	Enrollment data are reported by public institutions of higher education and compiled by the Educational Data Center (Student Report CBM001). Data on public high school graduates are reported by the Texas Education Agency.	
	Methodology:	Take the number of Anglo Texas public high school students who graduated in the previous fiscal year and who enrolled in Texas public colleges and universities in the next fiscal year and divide that number by the total number of Anglo Texas public high school students who graduated in the previous fiscal year. Students with invalid SSNs are not included.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions and by the Texas Education Agency. Students with invalid SSNs are not included.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of African-American high school students who are enrolled in a Texas public college or university (Explanatory A.1.1.1-6)	Short Definition:	Percentage of African-American Texas public high school students who graduated in the previous fiscal year and who enrolled in Texas public colleges and universities in the next fiscal year.	
	Purpose:	It is important to have a student body that is representative of the Texas population. This measure provides an indication of how well public institutions of higher education are doing in these efforts.	
	Data Source:	Enrollment data are reported by public institutions of higher education and compiled by the Educational Data Center (Student Report CBM001). Data on public high school graduates are reported by the Texas Education Agency.	
	Methodology:	Take the number of African-American Texas public high school students who graduated in the previous fiscal year and who enrolled in Texas public colleges and universities in the next fiscal year and divide that number by the total number of African-American Texas public high school students who graduated in the previous fiscal year. Students with invalid SSNs are not included.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions and by the Texas Education Agency. Students with invalid SSNs are not included.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of Hispanic high school students who are enrolled in a Texas public college or university (Explanatory A.1.1.1-7)	Short Definition:	Percentage of Hispanic Texas public high school students who graduated in the previous fiscal year and who enrolled in Texas public colleges and universities in the next fiscal year.	
	Purpose:	It is important to have a student body that is representative of the Texas population. This measure provides an indication of how well public institutions of higher education are doing in these efforts.	
	Data Source:	Enrollment data are reported by public institutions of higher education and compiled by the Educational Data Center (Student Report CBM001). Data on public high school graduates are reported by the Texas Education Agency.	
	Methodology:	Take the number of Hispanic Texas public high school students who graduated in the previous fiscal year and who enrolled in Texas public colleges and universities in the next fiscal year and divide that number by the total number of Hispanic Texas public high school students who graduated in the previous fiscal year. Students with invalid SSNs are not included.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions and by the Texas Education Agency. Students with invalid SSNs are not included.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of Native American high school students who are enrolled in a Texas public college or university (Explanatory A.1.1.1-8)	Short Definition:	Percentage of Native American Texas public high school students who graduated in the previous fiscal year and who enrolled in Texas public colleges and universities in the next fiscal year.	
	Purpose:	It is important to have a student body that is representative of the Texas population. This measure provides an indication of how well public institutions of higher education are doing in these efforts.	
	Data Source:	Enrollment data are reported by public institutions of higher education and compiled by the Educational Data Center (Student Report CBM001). Data on public high school graduates are reported by the Texas Education Agency.	
	Methodology:	Take the number of Native American Texas public high school students who graduated in the previous fiscal year and who enrolled in Texas public colleges and universities in the next fiscal year and divide that number by the total number of Native American Texas public high school students who graduated in the previous fiscal year. Students with invalid SSNs are not included.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions and by the Texas Education Agency. Students with invalid SSNs are not included.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of Asian-American high school students who are enrolled in a Texas public college or university (Explanatory A.1.1.1-9)	Short Definition:	Percentage of Asian-American Texas public high school students who graduated in the previous fiscal year and who enrolled in Texas public colleges and universities in the next fiscal year.	
	Purpose:	It is important to have a student body that is representative of the Texas population. This measure provides an indication of how well public institutions of higher education are doing in these efforts.	
	Data Source:	Enrollment data are reported by public institutions of higher education and compiled by the Educational Data Center (Student Report CBM001). Data on public high school graduates are reported by the Texas Education Agency.	
	Methodology:	Take the number of Asian-American Texas public high school students who graduated in the previous fiscal year and who enrolled in Texas public colleges and universities in the next fiscal year and divide that number by the total number of Asian-American Texas public high school students who graduated in the previous fiscal year. Students with invalid SSNs are not included.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions and by the Texas Education Agency. Students with invalid SSNs are not included.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Default rate on Hinson-Hazlewood loans (Efficiency A.1.2-1)	Short Definition:	Percentage of all Hinson-Hazlewood loans that borrowers fail to repay (including those that are paid by the guarantor).	
	Purpose:	This measure provides an indication of the Student Services Division's collection standards and ability to work closely with Hinson-Hazlewood borrowers to help prevent them from defaulting on their loans. When defaults occur, the Student Services Division provides substantial assistance to the Attorney General's Office in filing suit and securing judgments.	
	Data Source:	Data are obtained from the Analysis of Loans Report generated by the Coordinating Board's Student Loan Information System.	
	Methodology:	Determine the sum of all loans in the following statuses: uncollectible, judgment, claims and default, and historical claims paid. This sum is divided by the total life of program value (principle, interest and fees paid and due) to determine the default rate.	
	Data Limitations:	All information is maintained in-house on Coordinating Board computers, so the data are highly reliable.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Lower
Number of students receiving Hinson-Hazlewood loans (Output A.1.2-1)	Short Definition:	Number of student loans originated through the Hinson-Hazlewood College Student Loan Program during the fiscal year.	
	Purpose:	This measure provides feedback on the Hinson-Hazlewood College Student Loan Program.	
	Data Source:	Information is from the Analysis of Loans Report generated by the Coordinating Board's Student Loan Information System.	
	Methodology:	Data are pulled directly from the Analysis of Loans Report generated by the Coordinating Board's Student Loan Information System.	
	Data Limitations:	All information is from in-house programs through which loans are processed, so data are highly accurate. (Note on Desired Performance: Fixed loan funds and increases in average loans will eventually cause Hinson-Hazlewood performance to fall below the target.)	
	Calculation Type: Key Measure:	Cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Dollar amount of Hinson-Hazlewood loans made (Output A.1.2-2)	Short Definition:	Dollar amount of Hinson-Hazlewood College Student Loan Program loans disbursed during the fiscal year.	
	Purpose:	This measure provides feedback on the Hinson-Hazlewood College Student Loan Program.	
	Data Source:	Information is from the Analysis of Loans Report generated by the Coordinating Board's Student Loan Information System.	
	Methodology:	Data are pulled directly from the Analysis of Loans Report generated by the Coordinating Board's Student Loan Information System.	
	Data Limitations:	All information is from in-house programs through which loans are processed, so data are highly accurate.	
		(Note on Desired Performance: Funding for the loan program is set by the state. Policy decisions will impact the program's ability to perform above target.)	
	Calculation Type: Key Measure:	Cumulative No	New Measure: No Desired Performance: Higher
Number of students served in agency-sponsored college readiness initiatives (Output A.1.3-1)	Short Definition:	Total number of students served in agency-sponsored college readiness initiatives.	
	Purpose:	This measure reflects how many pre-college students are being served by agency-sponsored college readiness initiatives to increase college readiness and decrease the need for developmental education.	
	Data Source:	Data is provided by the institutions on evaluation forms developed by the Coordinating Board.	
	Methodology:	Figures from each of the funded programs are added together to obtain the total number of students served each year.	
	Data Limitations:	N/A	
	Calculation Type: Key Measure:	Cumulative Yes	New Measure: Yes Desired Performance: Higher

Measure	Definition		
Number of teachers participating in professional development as part of agency-sponsored college readiness initiatives (Output A.1.3-2)	Short Definition:	Total number of teachers participating in professional development as part of agency-sponsored college readiness initiatives.	
	Purpose:	This measure reflects how many teachers are participating in agency-sponsored college readiness initiatives to increase pre-college students' college readiness and to decrease the need for developmental education.	
	Data Source:	Data are provided by the institutions on evaluation forms developed by the Coordinating Board.	
	Methodology:	Figures from each of the funded programs are added together to obtain the total number of teachers participating each year.	
	Data Limitations:	N/A	
	Calculation Type:	Cumulative	New Measure: Yes
	Key Measure:	No	Desired Performance: Higher

Measure	Definition		
Texas' share of total U.S. federal obligations to higher education institutions for research and development in science and engineering (Outcome A.2-1)	Short Definition:	Texas' share of total U.S. federal obligations to higher education institutions for research and development in science and engineering.	
	Purpose:	This measure provides an indication of the institutions' progress towards the fourth goal, *Closing the Gaps* in Research: By 2015, increase the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation, from 5.5 percent in FY2000.	
	Data Source:	Federal agencies report their obligations for science and engineering support at higher education institutions to the National Science Foundation. The data are available from the National Science Foundation's web site (WebCASPAR).	
	Methodology:	Data reported for Texas higher education institutions are aggregated. This value is expressed as a percentage of the federal obligations for research and development in science and engineering to higher education institutions across the nation. The actual value reported here shows the share of federal obligations for two years prior to the current year.	
	Data Limitations:	Data are reported by 21 federal agencies. Not all federal agencies report their obligations to the National Science Foundation. The data reflect federal support given to the institutions and not expenditures. The data are reported according to the federal fiscal year: October 1 - September 30. Support to independent institutions is included. The data are generally available by July of the second year following the fiscal year being reported.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: Yes Desired Performance: Higher

Measure	Definition		
Percentage increase in research expenditures at Texas public institutions of higher education (Outcome A.2-2)	Short Definition:	Percentage increase in total expenditures for the conduct of research and development for the previous fiscal year as compared to those of the fiscal year previous to that, as reported by Texas public academic institutions and health science centers.	
	Purpose:	This measure provides an indication of research activities for each public higher education institution in the state.	
	Data Source:	Data reported by the institutions are compiled and maintained by the Coordinating Board. The information is published in the Coordinating Board's annual report titled "Research Expenditures."	
	Methodology:	The total expenditures for the conduct of research and development for the previous state fiscal year is compared to the total expenditures of the fiscal year previous to that (expressed as a percentage).	
	Data Limitations:	Data are reported by institutions.	
		(Note on Desired Performance: The amount of research expenditures reported by the institutions is dependent upon external factors, including federal grant programs and availability of private funds for research.)	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Number of patents, licenses, copyrights, and other commercialization efforts resulting from Advanced Research Program/Advanced Technology Program funding (Outcome A.2-3)	Short Definition:	Total number of patent applications accepted by the U.S. Patent Office, copyright applications accepted by the Library of Congress, licensing agreements, and other agreements that are intended to provide income to an institution as a result of the transfer of intellectual property derived from ARP/ATP funding.	
	Purpose:	This measure provides feedback on the state-funded Advanced Research Program (ARP) and the Advanced Technology Program (ATP) by indicating the number of commercialization efforts resulting from these research programs.	
	Data Source:	Grantees provide data to the institutions on grants completed during the previous year. Data are reported to the Coordinating Board by the institutions on final reports for each research project. The collected information is maintained by the Coordinating Board.	
	Methodology:	Data reported to the Coordinating Board by each institution are aggregated. Because of the grant funding cycle, this measure is reported only in odd fiscal years.	
	Data Limitations:	Data are reported by the institutions. (Note on Desired Performance: This measure is dependent upon external factors.)	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Educational Achievement Rate: Percent of participants receiving a degree or credential through completion of an instructional program (Outcome A.2-4)	Short Definition:	Percent of program completers at public two-year colleges who receive a workforce education or academic degree or certificate within six years of entering an instructional program.	
	Purpose:	This measure provides an indicator of the educational achievement for students at public two-year colleges.	
	Data Source:	Data are collected through automated reporting systems.	
	Methodology:	Data are submitted annually in the fall by colleges, and the information is reviewed and certified. Data on May graduates are measured in late spring of the following year and used to calculate six-year graduation rates from the Coordinating Board data reports CBM001, CBM009, and CBM00A. The numerator is the number of fall cohort first-time students in public two-year colleges receiving a degree or certificate. The denominator is the number of students in the entire fall cohort. The numerator is divided by the denominator and the result is expressed as a percentage.	
	Data Limitations:	Final data are not available until at least one year after program completion.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Entered Employment Rate: Percent of workforce program participants entering employment after exiting the program (Outcome A.2-5)	Short Definition:	Percent of program completers in workforce education programs at community and technical colleges who enter employment within one year of completion or continue in higher education, with or without concurrent employment.	
	Purpose:	This measure provides an indicator of the effectiveness of the workforce education programs at community and technical colleges.	
	Data Source:	Data are collected through automated reporting systems and interagency coordination.	
	Methodology:	After data are submitted annually in the fall by colleges, the information is reviewed and certified. The Coordinating Board data reports CBM001, CBM009, and CBM00A are matched by the Coordinating Board to Unemployment Insurance wage records. The numerator is the number of program completers who enter employment within one year of completion or continue in higher education. The denominator is the number of program completers. The numerator is divided by the denominator and the result is expressed as a percentage.	
	Data Limitations:	Final data are not available until at least one year after program completion.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition
Employment Retention Rate: Percent of workforce program participants retaining employment (Outcome A.2-6)	Short Definition: The percent of program completers in workforce education programs at community and technical colleges retaining employment. Purpose: This measure provides an indication of the effectiveness of workforce education programs at community and technical colleges. Data Source: Data are collected through automated reporting systems and interagency coordination. Methodology: The Coordinating Board data reports CBM001, CBM009, and CBM00A are matched by the Coordinating Board to Unemployment Insurance wage records for the fourth quarter after program completion. The numerator is the number of program completers who graduated from workforce education programs at community and technical colleges in May and who entered employment and retained employment in the fourth quarter after program completion. The denominator is the number of completers who entered employment. The numerator is divided by the denominator and the result is expressed as a percentage. Data Limitations: N/A Calculation Type: Non-cumulative New Measure: No Key Measure: No Desired Performance: Higher
Number of public university and health-related programs and administrative changes reviewed (Output A.2.1-1)	Short Definition: The number of reviews conducted during the fiscal year of existing and proposed academic programs and health-related degree programs and proposed administrative changes at public universities and health-related institutions, including regular performance reviews, reviews of proposed new programs and administrative changes, and reviews of programs slated to be phased out. Purpose: The Coordinating Board is required by statute to review all programs every four years. Reviews of existing programs consist of quantitative and qualitative analyses based on degree productivity and other factors. The reviews cause institutions to focus on student demand for programs and on the efficiency and effectiveness of programs. Reviews may result in the phase-out, consolidation, or improvement of existing degree programs. *(continued on next page)*

Measure	Definition
Number of public university and health-related programs and administrative changes reviewed (Output A.2.1-1) *--cont.*	*(continued from previous page)* Reviews are also conducted in response to requests from institutions for administrative changes and new programs. These consist of quantitative or qualitative analyses based on productivity, need (including statewide distribution), cost effectiveness, and program quality. Data Source: The data for existing programs are derived from the program inventory database and data reported by institutions on their CBM-009 graduate reports. Data on proposed programs and administrative changes come from a database that tracks proposal receipts, details and completions. Methodology: "Academic degree programs" includes all programs identified in the Coordinating Board university program inventory as "majors." BA/BS, MA/MS, and PhD/EdD degree program groups in the same discipline are considered to be a single "degree program" at the respective level. Degree programs identified as "being phased out" are not included. "Joint" or "federated" programs are included for each institution granting the degrees. Only proposal reviews which are completed during the reporting period are reported for that period. Data Limitations: Although the Coordinating Board reviews all programs within a four-year cycle, the number reviewed per year will fluctuate based on the number of requests from institutions for administrative changes and new programs during the fiscal year, and on the group of institutions whose programs are subject to review during a fiscal year. The Coordinating Board also periodically conducts large-scale reviews of certain categories of degree programs (e.g., doctoral programs), which will abnormally raise the reported figure for the reporting period in which the large-scale review is completed. Calculation Type: Cumulative New Measure: No Key Measure: No Desired Performance: Higher

Measure	Definition		
Number of career schools and colleges, and public two-year college programs reviewed (Output A.2.1-2)	Short Definition:	Number of reviews of proposed programs and revisions to existing programs at institutions granting associate degrees and certificates, including community, technical, and state colleges; career colleges and schools; and universities during the fiscal year.	
	Purpose:	Reviews for approval of new programs and for revisions to existing programs consist of evaluating quantitative and qualitative measures of program quality based on productivity, need (including statewide distribution), adequacy, and cost effectiveness. Revisions to existing programs may be required due to labor market changes or technological advances. New programs are developed by the institutions in response to the labor market and needs of business and industry.	
	Data Source:	The Coordinating Board compiles and maintains a database containing the number of reviews conducted.	
	Methodology:	This measure is calculated by summing the number of requests for program approval and revision during a reporting period. “Technical programs” includes all technical programs identified in the Coordinating Board’s current workforce/education/technical program inventory. Only the reviews that are completed during the reporting period are reported for that period.	
	Data Limitations:	The number of reviews conducted during any particular reporting period will vary depending on the number of requests received from institutions for new programs or revisions to existing programs.	
		(Note on Desired Performance: The number reviewed per year fluctuates based on the number of requests from institutions for new programs and/or revisions to existing programs during the fiscal year. With streamlining of new program approval and revisions of existing programs, the number of requests should decrease over time. The desired performance is the actual number of requests received.)	
	Calculation Type: Key Measure:	Cumulative No	New Measure: No Desired Performance: Lower

Measure	Definition		
Dollar value of federal obligations for research and development in science and engineering to Texas universities and health-related institutions (in millions) (Output A.2.2-1)	Short Definition:	Dollar value of federal obligations for research and development in science and engineering to Texas universities and health-related institutions (in millions).	
	Purpose:	This measure provides an indication of the institutions' progress towards the fourth goal, Closing the Gaps in Research: By 2015, increase the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation, from 5.5 percent in FY2000.	
	Data Source:	Federal agencies report their obligations for science and engineering support at higher education institutions to the National Science Foundation. The data are available from the National Science Foundation's web site (WebCASPAR).	
	Methodology:	Data reported for Texas higher education institutions are aggregated. The actual value reported here is for two years prior to the current year.	
	Data Limitations:	Data are reported by 21 federal agencies. Not all federal agencies report their obligations to the National Science Foundation. The data reflect federal support given to the institutions and not expenditures. The data are reported according to the federal fiscal year: October 1-September 30. Support to private institutions is included. The data are generally available by July of the second year following the fiscal year being reported.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Dollars of additional funding received as a result of Advanced Technology Program/Advanced Research Program funding (in millions) (Output A.2.2-2)	Short Definition:	Total additional funding as a result of ATP or ARP grants, as reported by grantees on Coordinating Board-sponsored research grants completed during the previous fiscal year. The number reported denotes millions.	
	Purpose:	This measure provides feedback on the state-funded Advanced Research Program (ARP) and the Advanced Technology Program (ATP) by indicating some of the leveraging of other sources of support for research developed under these programs.	
	Data Source:	Grantees provide data to the institutions on grants completed during the previous year. Data are reported to the Coordinating Board by the institutions on final reports for each research project. The collected data are compiled and maintained by the Coordinating Board.	
	Methodology:	Data reported to the Coordinating Board by each institution are aggregated. Because of the grant funding cycle, this measure is reported only in odd fiscal years.	
	Data Limitations:	Data are reported by the institutions. (Note on Desired Performance: This measure is dependent upon external factors.)	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Dollar amount of research expenditures at Texas public institutions of higher education (in millions) (Output A.2.2-3)	Short Definition:	Total expenditures for the conduct of research and development at public higher education institutions for most recently completed state fiscal year (in millions).	
	Purpose:	This measure provides an indication of research activities for the public higher education institutions in the state.	
	Data Source:	Data reported by the institutions are compiled and maintained by the Coordinating Board. The information is published in the Coordinating Board's annual report titled "Research Expenditures."	
	Methodology:	Total expenditures for the conduct of research and development reported by each institution for the previous state fiscal year are aggregated.	
	Data Limitations:	Data are reported by institutions.	
		(Note on Desired Performance: The amount of research expenditures reported by the institutions is dependent upon external factors, including federal grant programs and availability of private funds for research.)	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Critical deferred maintenance in Education and General space as a percentage of the total Educational and General building replacement value (Outcome A.3-1)	Short Definition:	Dollar amount of critical deferred maintenance in educational and general space at public universities, health-related institutions, and technical colleges as a percentage of educational and general building replacement value. Critical deferred maintenance consists of projects that place facilities, occupants, or missions at risk if left undone.	
	Purpose:	This measure provides feedback on the level of critical deferred maintenance in educational and general space. This data is used as a factor in the Coordinating Board's approval process for institutional construction requests.	
	Data Source:	Reported by institutions annually on October 15 in the Integrated Campus Planning System (ICPS) maintained by the Coordinating Board.	
	Methodology:	A percentage is obtained by dividing the total dollar amount of critical deferred maintenance in all educational and general space at all public universities, health-related institutions, and technical colleges by the total replacement value of all educational and general buildings.	
	Data Limitations:	Data are reported to the Coordinating Board by the institutions. Building replacement costs are estimates.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Lower

Measure	Definition		
Percentage of requests for computerized information responded to by the Educational Data Center or Educational Data Analysis Support Center within three business days (Efficiency A.3.1-1)	Short Definition:	Number of internal and external requests for information contained in the databases maintained on the agency's servers responded to by the Educational Data Center (EDC) and Educational Data Analysis Support Center (EDASC) personnel within three business days divided by the total number of requests.	
	Purpose:	This measure provides an indication both of the responsiveness of EDC and EDASC staff to requests for information and of the amount of requests received that can be responded to within three business days (minimal programming needed).	
	Data Source:	Information Technology Services Project Tracking System (TRAX).	
	Methodology:	There is a project tracking system that helps monitor the requests submitted to Educational Data Center for processing. Informal requests are captured from e-mails, phone calls, faxes, or other written correspondence. These are logged daily/weekly into the project tracking system. Each quarter the counts are made for the performance measures.	
	Data Limitations:	The number is dependent upon customers wanting information. As more information is made available via the web, the need may not be as frequent.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of independent college students receiving Tuition Equalization Grant (TEG) awards (Outcome B.1-1)	Short Definition:	Number of students attending independent colleges in Texas who received grants through the Tuition Equalization Grants Program during the fiscal year divided by the total number of students attending independent colleges in Texas during the fiscal year.	
	Purpose:	This measure provides feedback on the effect of state funding of the Tuition Equalization Grants (TEG) program.	
	Data Source:	Enrollment data are from the CBM reports submitted to the Coordinating Board by the institutions. The number of awards comes from the Coordinating Board's TEG Student Report.	
	Methodology:	The number of students attending independent colleges in Texas who received grants through the Tuition Equalization Grants Program during the fiscal year is divided by the total number of students attending independent colleges in Texas during the fiscal year and then expressed as a percentage.	
	Data Limitations:	N/A	
		(Note on Desired Performance: The target is based on historic funding and award patterns. Annual fluctuations can be caused by changes in funding from the state and changes in the awarding philosophy of the institutions which make awards. Colleges may choose to give (1) larger awards to fewer students, or (2) smaller awards to more students. If they choose to exercise the first option, performance will be below the target; if they exercise the second option, performance will be above the target.)	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Number of students attending independent colleges and universities as a percentage of total enrollment (Outcome B.1-2)	Short Definition:	Number of credit students attending independent colleges and universities in Texas during the fall semester of the fiscal year divided by the total number of credit students attending public and independent colleges and universities in Texas during the fall semester of the fiscal year.	
	Purpose:	This measure provides feedback on the percentage of all Texas higher education students who attend independent colleges and universities.	
	Data Source:	Enrollment data for most institutions are from the Independent Colleges and Universities of Texas (ICUT). For non-ICUT institutions, the enrollment data are provided directly by the institutions.	
	Methodology:	The number of credit students attending independent colleges and universities in Texas during the fall semester of the fiscal year is divided by the total number of credit students attending public and independent colleges and universities in Texas during the fall semester of the fiscal year.	
	Data Limitations:	Enrollment data from the institutions and ICUT are not audited but we have no reason to question their accuracy.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of students receiving financial aid who are employed through Texas College Work Study Program (Outcome B.1-3)	Short Definition:	Number of students enrolled in Texas public and independent colleges who received part of their salaries paid through the Texas College Work Study Program during the fiscal year divided by the total number of students enrolled in Texas public and independent colleges during the fiscal year who received need-based financial aid during the fiscal year.	
	Purpose:	This measure provides feedback on the effect of funding the Texas College Work-Study Program.	
	Data Source:	The number of awards comes from year-end reports submitted by the institutions.	
	Methodology:	The number of students enrolled in Texas public and independent colleges who received part of their salaries paid through the Texas College Work Study Program during the fiscal year (as reported in the institutions' year-end reports) is divided by the total number of students enrolled in Texas public and independent colleges during the fiscal year who received need-based financial aid during the fiscal year as estimated from the prior year Financial Aid Database report.	
	Data Limitations:	This is a campus-based program. Information is submitted at the end of the year. Data are not audited but we have no reason to question their accuracy. The number of aid recipients is estimated on the basis of the number of recipients reported in the prior year's Financial Aid Database Report (FADB). The current year FADB is not certified until after the due date of year-end performance measures. (Note Desired Performance: The target is based on historic funding and award patterns. Annual fluctuations can be caused by changes in funding from the state and changes in the awarding philosophy of the institutions which make awards. Colleges may choose to give (1) larger awards to fewer students, or (2) smaller awards to more students. If they choose to exercise the first option, performance will be below the target; if they exercise the second option, performance will be above the target.)	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of Teach for Texas Loan Repayment Program recipients serving in underserved areas for three years (Outcome B.1-4)	Short Definition:	The percentage of Teach for Texas Loan Repayment recipients who have taught in a Texas public school for at least three years since receiving their first loan repayment.	
	Purpose:	This measure provides feedback on the impact of the Teach for Texas Loan Repayment Program.	
	Data Source:	Teaching data are reported by the public school that employs the teacher.	
	Methodology:	The number of Teach for Texas Loan repayment recipients who received their third loan repayment award divided by the number of recipients who received their first loan repayment award in year one.	
	Data Limitations:	N/A	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher
Number of students receiving TEXAS grants (Output B.1.9-1)	Short Definition:	Total number of students receiving TEXAS Grant Program awards during the fiscal year.	
	Purpose:	This measure provides feedback on the TEXAS Grant Program.	
	Data Source:	Information is obtained from periodic reports prepared by institutions.	
	Methodology:	Sum the data from periodic reports prepared by institutions.	
	Data Limitations:	All reports are prepared by the institutions and submitted over the signature of the Directors of Student Financial Aid. Data are neither certified nor audited. (Note on Desired Performance: The target is an estimate based on historic funding and award patterns. Annual fluctuations can be caused by changes in funding from the state and changes in the enrollment patterns of students who receive awards. Larger awards will go to fewer students if they enroll on a full-time basis. Smaller awards will go to more students if they enroll only on a 3/4 basis. Under the first scenario, performance will be below target; under the second scenario, performance will be above target.)	
	Calculation Type: Key Measure:	Cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of TEXAS Grant recipients who earn a baccalaureate degree within four years (Output B.1.9-2)	Short Definition:	Number of TEXAS Grant recipients who entered a Texas institution of higher education four years ago as first-time undergraduates who received a baccalaureate degree during that four-year period divided by the total number of TEXAS Grant recipients who entered a Texas institution of higher education four years ago as first-time undergraduates.	
	Purpose:	This measure provides an indication of the effectiveness of the TEXAS Grant Program in retaining and graduating students.	
	Data Source:	Enrollment data are reported by the institutions and compiled by the Educational Data Center (Graduation Rates Report). Reports on TEXAS Grant recipients are submitted by institutional Offices of Student Financial Aid.	
	Methodology:	Track incoming first-time summer/fall entering undergraduates by SSN for four years. Take the number of TEXAS Grant recipients that graduate from a Texas institution of higher education and divide by the total number of TEXAS Grant recipients in that cohort.	
	Data Limitations:	Enrollment data are reported to the Coordinating Board by the institutions and do not include students who transfer to an out-of-state institution. Reports on TEXAS Grant recipients are submitted over the signature of the Directors of Student Financial Aid and are neither certified nor audited. Enrollment data are captured in the fall semester, so TEXAS Grant recipients who enroll for the first time in the spring semester will not be included in this measure.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of TEXAS Grant recipients who earn a baccalaureate degree within six years (Output B.1.9-3)	Short Definition:	Number of TEXAS Grant recipients who entered a Texas institution of higher education six years ago as first-time undergraduates who received a baccalaureate degree during that six-year period divided by the total number of TEXAS Grant recipients who entered a Texas institution of higher education six years ago as first-time undergraduates.	
	Purpose:	This measure provides an indication of the effectiveness of the TEXAS Grant Program in retaining and graduating students.	
	Data Source:	Enrollment data are reported by the institutions and compiled by the Educational Data Center (Graduation Rates Report). Reports on TEXAS Grant recipients are submitted by institutional Offices of Student Financial Aid.	
	Methodology:	Track incoming first-time summer/fall entering undergraduates by SSN for six years. Take the number of TEXAS Grant recipients that graduate from a Texas institution of higher education and divide by the total number of TEXAS Grant recipients in that cohort.	
	Data Limitations:	Enrollment data are reported to the Coordinating Board by the institutions and do not include students who transfer to an out-of-state institution. Reports on TEXAS Grant recipients are submitted over the signature of the Directors of Student Financial Aid and are neither certified nor audited. Enrollment data are captured in the fall semester, so TEXAS Grant recipients who enroll for the first time in the spring semester will not be included in this measure.	
	Calculation Type: Key Measure:	Cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Persistence rate of TEXAS Grant recipients after one academic year - public universities (Output B.1.9-4)	Short Definition:	The percentage of TEXAS Grant recipients who received an initial award at a Texas public university the previous fiscal year who were also enrolled at a Texas public institution in the fall semester of the current fiscal year.	
	Purpose:	This measure provides an indication of the effectiveness of the TEXAS Grant Program in retaining students at public universities after one academic year.	
	Data Source:	Enrollment data are reported by the institutions and compiled by the Educational Data Center (CBM001). Reports on TEXAS Grant recipients are submitted by institutional Offices of Student Financial Aid.	
	Methodology:	The number of TEXAS Grant recipients who received an initial award at a Texas public university in the previous fiscal year and who were also enrolled as an undergraduate at a Texas public institution in the fall semester of the current fiscal year is divided by the number of TEXAS Grant recipients who were enrolled at a Texas public university in the fall semester of the previous fiscal year.	
	Data Limitations:	Enrollment data are reported to the Coordinating Board by the institutions and do not include students who transfer to a private or out-of-state institution. Reports on TEXAS Grant recipients are submitted over the signature of the Directors of Student Financial Aid and are neither certified nor audited.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Persistence rate of TEXAS Grant recipients after one academic year - public community colleges (Output B.1.9-5)	Short Definition:	The percentage of TEXAS Grant recipients who received an initial award at a Texas public community college in the summer/fall semester of the previous fiscal year who were also enrolled at a Texas public institution in the fall semester of the current fiscal year.	
	Purpose:	This measure provides an indication of the effectiveness of the TEXAS Grant Program in retaining students at public community colleges after one academic year.	
	Data Source:	Enrollment data are reported by the institutions and compiled by the Educational Data Center (CBM001). Reports on TEXAS Grant recipients are submitted by institutional Offices of Student Financial Aid.	
	Methodology:	The number of TEXAS Grant recipients who received an initial award at a Texas public community college in the previous fiscal year and who were also enrolled as an undergraduate at a Texas public institution in the fall semester of the current fiscal year is divided by the number of TEXAS Grant recipients who were enrolled at a Texas public community college in the fall semester of the previous fiscal year.	
	Data Limitations:	Enrollment data are reported to the Coordinating Board by the institutions and do not include students who transfer to a private or out-of-state institution. Reports on TEXAS Grant recipients are submitted over the signature of the Directors of Student Financial Aid and are neither certified nor audited. Because enrollment data are captured in the fall semester, retention is measured from fall to fall, so TEXAS Grant recipients who enroll for the first time in the spring semester will not be included in this measure.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Persistence rate of TEXAS Grant recipients after one academic year - public technical colleges (Output B.1.9-6)	Short Definition:	The percentage of TEXAS Grant recipients who received an initial award at a Texas public technical college in the summer/fall semester of the previous fiscal year who were also enrolled at a Texas public institution in the fall semester of the current fiscal year.	
	Purpose:	This measure provides an indication of the effectiveness of the TEXAS Grant Program in retaining students at public technical colleges after one academic year.	
	Data Source:	Enrollment data are reported by the institutions and compiled by the Educational Data Center (CBM001). Reports on TEXAS Grant recipients are submitted by institutional Offices of Student Financial Aid.	
	Methodology:	The number of TEXAS Grant recipients who received an initial award at a Texas public technical college in the previous fiscal year and who were also enrolled as an undergraduate at a Texas public institution in the fall semester of the current fiscal year is divided by the number of TEXAS Grant recipients who were enrolled at a Texas public technical college in the fall semester of the previous fiscal year.	
	Data Limitations:	Enrollment data are reported to the Coordinating Board by the institutions and do not include students who transfer to a private or out-of-state institution. Reports on TEXAS Grant recipients are submitted over the signature of the Directors of Student Financial Aid and are neither certified nor audited. Because enrollment data are captured in the fall semester, retention is measured from fall to fall, so TEXAS Grant recipients who enroll for the first time in the spring semester will not be included in this measure.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of Texas B-On-Time Loans forgiven (Output B.1.9-7)	Short Definition:	The percentage of Texas B-On-Time Loan Program recipients who have had their loans forgiven.	
	Purpose:	This measure provides an indication of the effectiveness of the Texas B-On-Time Loan Program in retaining and graduating students on time.	
	Data Source:	End of year reports from the institutions.	
	Methodology:	Total number of individuals who are eligible for loan forgiveness divided by the total number of Texas B-On-Time Loan Program recipients calculated in cohort groups.	
	Data Limitations:	N/A	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher
Number of students receiving Tuition Equalization Grant (TEG) awards (Output B.1.9-8)	Short Definition:	Number of students attending independent colleges in Texas who are receiving grants through the Tuition Equalization Grants Program during the fiscal year.	
	Purpose:	This measure provides feedback on the Tuition Equalization Grants (TEG) Program.	
	Data Source:	Data are obtained from the year-end reports submitted to the Coordinating Board by the institutions.	
	Methodology:	Compile information from TEG year-end reports submitted by the institutions.	
	Data Limitations:	Information is submitted at the end of the year by the institutions participating in the program. We have no reason to question the accuracy of the institutions. (Note: The target is based on historic funding and award patterns. Annual fluctuations can be caused by changes in funding from the state and changes in the awarding philosophy of the institutions which make awards. Colleges may choose to give (1) larger awards to fewer students, or (2) smaller awards to more students. If they choose to exercise the first option, performance will be below the target; if they exercise the second option, performance will be above the target.)	
	Calculation Type: Key Measure:	Cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Persistence rate of TEG recipients after one academic year (Output B.1.9-9)	Short Definition:	The percentage of Tuition Equalization Grants (TEG) recipients who were first-time undergraduates at an independent institution of higher education in Texas in the summer/fall semester of the previous fiscal year and who were also enrolled at an independent institution of higher education in Texas in the fall semester of the current fiscal year.	
	Purpose:	This measure provides feedback on the effect of state funding of the Tuition Equalization Grants (TEG) Program.	
	Data Source:	Enrollment data are from the CBM enrollment reports submitted to the Coordinating Board by independent institutions.	
	Methodology:	The number of TEG recipients who were enrolled for the first time as an undergraduate at an independent institution of higher education in Texas in the fall semester of the previous fiscal year (including those who were first-time undergraduates in the summer immediately preceding that fall semester and who continued enrollment in the fall semester) and who were also enrolled as an undergraduate at an independent institution of higher education in Texas in the fall semester of the current fiscal year is divided by the number of TEG recipients who were enrolled for the first time as an undergraduate at an independent institution of higher education in Texas in the fall semester of the previous fiscal year (including those who were first-time undergraduates in the summer immediately preceding that fall semester and who continued enrollment in the fall semester).	
	Data Limitations:	Enrollment data do not include students who transfer to an out-of-state institution.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of TEG recipients who earn a baccalaureate degree within six academic years (Output B.1.9-10)	Short Definition:	Number of Tuition Equalization Grants (TEG) recipients who entered an independent institution of higher education in Texas six years ago as first-time undergraduates who received a baccalaureate degree during that six-year period divided by the total number of Tuition Equalization Grants (TEG) recipients who entered an independent institution of higher education in Texas six years ago as first-time undergraduates.	
	Purpose:	This measure provides an indication of the effectiveness of the Tuition Equalization Grants (TEG) Program in retaining and graduating students.	
	Data Source:	Enrollment data are from CBM enrollment reports submitted to the Coordinating Board by independent institutions.	
	Methodology:	Track incoming first-time summer/fall entering undergraduates at independent institutions of higher education in Texas by SSN for six years. Take the number that graduate from an independent institution of higher education in Texas and divide by the total cohort.	
	Data Limitations:	Enrollment data do not include students who transfer to an out-of-state institution.	
	Calculation Type:	Non-cumulative	New Measure: No
	Key Measure:	No	Desired Performance: Higher

Measure	Definition		
Percentage of TEG recipients who are minority students (Output B.1.9-11)	Short Definition:	Number of Tuition Equalization Grants (TEG) recipients enrolled in independent institutions of higher education in Texas during the prior fiscal year who are African American, Hispanic, Asian American, or Native American (excluding internationals) divided by the total number of Tuition Equalization Grants (TEG) recipients enrolled in independent institutions of higher education in Texas (excluding internationals) during the same time period.	
	Purpose:	This measure provides feedback on the Tuition Equalization Grants (TEG) Program. More detailed information is available in the Coordinating Board's Financial Aid Database Report which includes a table that indicates the percentage of each ethnic group at each TEG institution that receives TEG awards.	
	Data Source:	Enrollment data are provided through the CBM enrollment reports submitted to the Coordinating Board by the independent institutions. Award recipient information comes from the Coordinating Board's TEG Student Report.	
	Methodology:	Take the number of Tuition Equalization Grants (TEG) recipients enrolled in independent institutions of higher education in Texas during the prior fiscal year who are African American, Hispanic, Asian American, or Native American (excluding internationals) and divide it by the total number of Tuition Equalization Grants (TEG) recipients enrolled in independent institutions of higher education in Texas (excluding internationals) during the same time period.	
	Data Limitations:	N/A	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of TEG recipients who earn a baccalaureate degree within four academic years (Output B.1.9-12)	Short Definition:	Number of Tuition Equalization Grants (TEG) recipients who entered an independent institution of higher education in Texas four years ago as first-time undergraduates who received a baccalaureate degree during that four-year period divided by the total number of Tuition Equalization Grants (TEG) recipients who entered an independent institution of higher education in Texas four years ago as first-time undergraduates.	
	Purpose:	This measure provides an indication of the effectiveness of the Tuition Equalization Grants (TEG) Program in retaining and graduating students.	
	Data Source:	Enrollment data are from CBM enrollment reports submitted to the Coordinating Board by independent institutions.	
	Methodology:	Track incoming first-time summer/fall entering undergraduates at independent institutions of higher education in Texas by SSN for four years. Take the number that graduate from an independent institution of higher education in Texas and divide by the total cohort.	
	Data Limitations:	Enrollment data do not include students who transfer to an out-of-state institution.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Number of students receiving education and experience in research through Advanced Research Program (ARP) research projects (Output C.1.1-1)	Short Definition:	Number of postdoctoral, graduate, and undergraduate students who worked on Advanced Research Program projects as reported in final technical progress reports. The number includes students who were supported with grant funds as well as students who were supported through other means while they worked on the ARP research projects.	
	Purpose:	This measure provides feedback on the Advanced Research Program (ARP).	
	Data Source:	Grantees provide data to the institutions on grants completed during the previous year. Data are reported to the Coordinating Board by the institutions on final reports for each research project. The collected data are compiled and maintained by the Coordinating Board.	
	Methodology:	Data reported to the Coordinating Board by each institution are aggregated. Because of the grant funding cycle, this measure is reported only in odd fiscal years.	
	Data Limitations:	Data are reported by the institutions.	
		(Note on Desired Performance: This measure is largely dependent upon external factors such as the number of research projects funded during the biennium.)	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Number of ARP research projects funded (Output C.1.1-2)	Short Definition:	Number of Advanced Research Program grant requests funded during the fiscal year. Grants for projects involving multiple institutions are counted as multiple grants.	
	Purpose:	This measure provides feedback on the Advanced Research Program (ARP). In addition to the program's long-range impact on economic development in Texas, some immediate benefits have been realized. National attention has focused on Texas research. Texas universities have attracted outstanding research scientists and stimulated a new commitment to research by faculty as a whole. Our industrial base is enhanced through cooperative research arrangements, and faculty and students receive training in fields critical to the future of Texas. Institutions receiving grants have successfully generated additional research funds from outside sources far exceeding their ARP awards.	
	Data Source:	Projects are selected for funding by external review panels. Data on the funded projects are compiled and maintained by the Coordinating Board.	
	Methodology:	Data on the number of projects funded are compiled and maintained by the Coordinating Board. Because of the grant funding cycle, this measure is reported only in even fiscal years.	
	Data Limitations:	N/A (Note on Desired Performance: The funding available for this program is a finite amount that is appropriated by the Texas Legislature. External review panels determine the number of projects to be funded with the available funding.)	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of Baylor College of Medicine (BCM) graduates entering Texas residency programs (Outcome D.1-1)	Short Definition:	Number of Baylor College of Medicine's MD graduates who were awarded their degrees during the fiscal year and who entered the first year of residency training programs in Texas divided by the total number of Baylor College of Medicine's MD graduates who were awarded their degrees during the fiscal year.	
	Purpose:	This measure provides feedback on the effect of state funding of Baylor College of Medicine students. It is a goal of this program to encourage Baylor students to remain in Texas upon graduation.	
	Data Source:	Baylor College of Medicine.	
	Methodology:	The number of Baylor College of Medicine's MD graduates who were awarded their degrees during the fiscal year, and who entered the first year of: (1) the institution's affiliated residency training programs, or (2) other residency training programs in Texas, regardless of institutional affiliation, is divided by the total number of Baylor College of Medicine's MD graduates who were awarded their degrees during the fiscal year.	
	Data Limitations:	The Coordinating Board is dependent on Baylor College of Medicine to provide the information.	
	Calculation Type:	Non-cumulative	New Measure: No
	Key Measure:	Yes	Desired Performance: Higher

Measure	Definition		
Percentage of Baylor College of Medicine graduates entering primary care residency programs (Outcome D.1-2)	Short Definition:	Number of Baylor College of Medicine's MD graduates who were awarded their degrees during the fiscal year and who entered an in-state or out-of-state medical residency in family medicine, geriatrics, categorical general internal medicine, emergency medicine, general pediatrics or obstetrics/gynecology divided by the total number of Baylor College of Medicine's MD graduates who were awarded their degrees during the fiscal year.	
	Purpose:	This measure provides feedback on the effect of state funding of Baylor College of Medicine students. It is a goal of this program to encourage Baylor students to enter primary care residencies upon graduation.	
	Data Source:	Baylor College of Medicine.	
	Methodology:	The number of Baylor College of Medicine's MD graduates who were awarded their degrees during the fiscal year, and who entered an in-state or out-of-state medical residency in family medicine, geriatrics, categorical general internal medicine, emergency medicine, general pediatrics, medicine/pediatrics, or obstetrics/gynecology, is divided by the total number of Baylor College of Medicine's MD graduates who were awarded their degrees during the fiscal year.	
	Data Limitations:	The Coordinating Board is dependent on Baylor College of Medicine to provide the information.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of Baylor College of Medicine students passing part 1 or part 2 of the National Licensing Exam on the first attempt (Outcome D.1-3)	Short Definition:	The number of students passing part 1 or part 2 of the USMLE or COMLEX/NBOME on the first attempt during the fiscal year, divided by the total number of students taking part 1 or part 2 for the first time during the fiscal year.	
	Purpose:	This measure provides information on the quality of education provided by Baylor College of Medicine.	
	Data Source:	Data provided by Baylor College of Medicine and produced by the National Board of Medical Examiners.	
	Methodology:	The number of students passing part 1 or part 2 of the USMLE or COMLEX/NBOME on the first attempt during the fiscal year is divided by the total number of students taking part 1 or part 2 for the first time during the fiscal year.	
	Data Limitations:	The Coordinating Board is dependent on Baylor College of Medicine to provide the information.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher
Number of Texas resident Baylor College of Medicine medical students funded (Output D.1.1-1)	Short Definition:	Number of Texas resident undergraduate medical students at Baylor College of Medicine funded by the undergraduate medical education program per the Texas Education Code, Sections 61.091, 61.092, and 61.093, during the fiscal year.	
	Purpose:	This measure provides information on the number of Texas resident medical students at Baylor College of Medicine funded by the state.	
	Data Source:	Reported by Baylor College of Medicine to the Coordinating Board.	
	Methodology:	This measure is a headcount of the number of Texas resident undergraduate medical students at Baylor College of Medicine funded by the undergraduate medical education program during the fiscal year.	
	Data Limitations:	The Coordinating Board is dependent on Baylor College of Medicine to provide enrollment numbers. (Note on Desired Performance: The procedure for determining the number of students to be funded is specified in the enabling legislation and is the actual number of Texas resident undergraduate medical students enrolled at Baylor College of Medicine during the fiscal year.)	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Average amount per Baylor College of Medicine student (Output D.1.1-2)	Short Definition:	An amount equal to the average annual state tax support per undergraduate medical student at the established public medical schools (per Section 61.092 of the Texas Education Code), multiplied by the number of bona fide Texas resident undergraduate medical students enrolled at Baylor College of Medicine. The Coordinating Board may never disburse an amount exceeding the amount appropriated by the legislature for the undergraduate medical education program.	
	Purpose:	This measure provides information on the level of state funding per Texas resident medical student at Baylor College of Medicine.	
	Data Source:	General Appropriations Act, Annual Financial Reports and operating budgets from The University of Texas Medical Branch at Galveston and Southwestern Medical Center at Dallas. Information pertaining to the allocation of costs for fringe benefits and infrastructure is obtained from the institutions. Information pertaining to General Revenue applicable to the Instruction and Operations formula comes from the Legislative Budget Board work papers.	
	Methodology:	The procedure for determining the amount to be disbursed is specified in the enabling legislation, and is an amount equal to the average annual tax support per undergraduate medical student at two public medical schools in The University of Texas System (the Medical Branch at Galveston and Southwestern Medical Center at Dallas) multiplied by the number of Texas resident undergraduate medical students enrolled by Baylor College of Medicine in September of the year of disbursement. The actual amount allocated cannot exceed the trusteed appropriation, and is determined by actual appropriations and actual enrollment of Texas residents for the fiscal year.	
	Data Limitations:	The Coordinating Board is dependent on the institutions to provide cost allocation information related to fringe benefits and infrastructure. (Note on Desired Performance: The procedure for determining the amount to be disbursed is specified in the enabling legislation. The actual amount allocated cannot exceed the trusteed appropriation and is determined by actual appropriations and actual enrollment of Texas resident undergraduate medical students at Baylor College of Medicine for the fiscal year.)	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of Family Practice Residency Program completers practicing in medically underserved areas or health professional shortage areas (Outcome D.1-4)	Short Definition:	The number of Family Practice Residency Program completers who are currently practicing in Texas counties or portions of counties that are designated as Health Professional Shortage Areas (HPSAs) or Medically-Underserved Areas (MUAs) divided by the total number of program completers who are currently practicing in Texas.	
	Purpose:	This measure provides feedback on the Family Practice Residency Program. It is a goal of the program to achieve a better distribution of family physicians throughout the state and to improve medical care in underserved areas.	
	Data Source:	(1) Coordinating Board report CBM00R; (2) Texas State Board of Medical Examiners data; and (3) Texas Department of State Health Services list of Health Professional Shortage Areas (HPSAs) and Medically-Underserved Areas (MUAs).	
	Methodology:	The number of Family Practice Residency Program completers who are currently practicing in Texas counties or portions of counties that are designated as Health Professional Shortage Areas (HPSAs) or Medically-Underserved Areas (MUAs) is divided by the total number of program completers who are currently practicing in Texas and then expressed as a percentage.	
	Data Limitations:	The 76th Texas Legislature (1999) passed legislation that prohibited the release of Social Security Numbers by a licensing agency and resulted in our agency being unable to match resident physicians to practice locations using SSN as a primary match variable. We are working with the Texas Medical Board to develop alternative methods to identify and track Texas primary and specialty care resident physicians. In 2007, we implemented a new reporting system for residency completers; however, data from this new report will not be available for this measure until 2011. A 2007 study of family practice residents and practice location showed that 8.7 percent of Texas residents in the study population (1996 through 2001) were identified as practicing in a whole county Health Professional Shortage Area in Spring 2005.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Percentage of Family Practice Residency Program completers practicing in Texas (Outcome D.1-5)	Short Definition:	The number of known living Family Practice Residency Program completers who are currently licensed to practice medicine in Texas divided by the number of all completers of the program whether or not living or currently licensed to practice medicine in Texas.	
	Purpose:	This measure provides feedback on the Family Practice Residency Program. It is a goal of the program to achieve a better distribution of family physicians throughout the state and to improve medical care in underserved areas.	
	Data Source:	(1) Coordinating Board report CBM00R; and (2) Texas State Board of Medical Examiners data.	
	Methodology:	The number of known living Family Practice Residency Program completers who are currently licensed to practice medicine in Texas is divided by the number of all completers of the program whether or not living or currently licensed to practice medicine in Texas and then expressed as a percentage.	
	Data Limitations:	The 76th Texas Legislature (1999) passed legislation that prohibited the release of Social Security Numbers by a licensing agency and resulted in our agency being unable to match resident physicians to practice locations using SSN as a primary match variable. We are working with the Texas Medical Board to develop alternative methods to identify and track Texas primary and specialty care resident physicians. In 2007, we implemented a new reporting system for residency completers; however, data from this new report will not be available for this measure until 2011. A 2007 study of family practice residents and practice location showed that 71 percent of Texas residents in the study population (1996 through 2001) were identified as practicing in Texas in Spring 2005.	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Number of Family Practice Residency Program (FPRP) residents supported (Output D.1.3-1)	Short Definition:	Number of residents supported by the Family Practice Residency Program (FPRP) during the fiscal year.	
	Purpose:	This measure provides feedback on the Family Practice Residency Program and serves an evaluative indicator of the program's success.	
	Data Source:	Residency program directors certify to the Coordinating Board each September the number of FPRP full-time equivalent residents in training.	
	Methodology:	This measure is a headcount of the total number of residents supported by the Family Practice Residency Program during the fiscal year.	
	Data Limitations:	The Coordinating Board regularly audits the directors' reports for accuracy.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher
Average amount per FPRP resident (Output D.1.3-2)	Short Definition:	Total trusteed appropriation for the Family Practice Residency Program (excluding the support programs) during the fiscal year divided by the number of residents supported.	
	Purpose:	This measure provides feedback on the Family Practice Residency Program and serves as an evaluative indicator of the program's success.	
	Data Source:	Residency program directors certify to the Coordinating Board each September the number of FPRP full-time equivalent residents in training. This information is the basis for allocation of funds.	
	Methodology:	Take the total number of residents during the fiscal year and divide by the total appropriated amount (excluding the support programs) for the fiscal year.	
	Data Limitations:	The Coordinating Board regularly audits the directors' reports for accuracy.	
	Calculation Type: Key Measure:	Non-cumulative No	New Measure: No Desired Performance: Higher

Measure	Definition		
Number of physicians receiving Physician's Education Loan Repayment Program (PELRP) payment (including federal match) (Output D.1.8-1)	Short Definition:	Number of physicians currently working for the Texas Department of State Health Services, the Texas Department of Aging and Disability Services, the Texas Department of Criminal Justice, the Texas Youth Commission, or in an economically depressed or medically-underserved area of the state.	
	Purpose:	This measure provides feedback on the Physician's Education Loan Repayment Program.	
	Data Source:	Data are obtained from a database maintained by the Coordinating Board.	
	Methodology:	Sum the net number of awards made to physicians through the program.	
	Data Limitations:	N/A	
		(Note on Desired Performance: Performance will vary and is dependent on the amount of funding provided and the number of applications received from physicians.)	
	Calculation Type: Key Measure:	Cumulative No	New Measure: No Desired Performance: Higher
Pass rate on Texas Examination of Educator Standards (TExES) at Centers for Teacher Education (Outcome E.1-1)	Short Definition:	Of those students recommended by Texas Association of Developing Colleges (TADC) institutions to take the Texas Examination of Educator Standards (TExES), the percentage of program completers with acceptable initial pass rates.	
	Purpose:	This measure provides feedback on the first-year pass rate of students taught at the five TADC Centers for Teacher Education.	
	Data Source:	Data are provided by the State Board for Educator Certification (SBEC).	
	Methodology:	The data reported in this measure are calculated by the State Board for Educator Certification (SBEC).	
	Data Limitations:	N/A	
	Calculation Type: Key Measure:	Non-cumulative Yes	New Measure: No Desired Performance: Higher

Measure	Definition		
Number of students enrolled in Texas Association of Developing Colleges (TADC) educator preparation programs (Output E.1.2-1)	Short Definition:	Number of junior, senior, and post-baccalaureate students accepted into the five Texas Association of Developing Colleges (TADC) educator preparation programs during the fiscal year.	
	Purpose:	This measure provides feedback on student enrollments in educator preparation programs at the Texas Association of Developing Colleges (TADC) institutions.	
	Data Source:	Data are provided by institutional end-of-year reports.	
	Methodology:	This measure is a headcount of the number of junior, senior, and post-baccalaureate students accepted into the five Texas Association of Developing Colleges (TADC) educator preparation programs during the fiscal year.	
	Data Limitations:	N/A	
	Calculation Type:	Non-cumulative	New Measure: No
	Key Measure:	No	Desired Performance: Higher
Number of graduates of TADC educator preparation programs (Output E.1.2-2)	Short Definition:	Number of students, both undergraduate and post-baccalaureate, who successfully complete the educator preparation program at the five Texas Association of Developing Colleges (TADC) institutions during the fiscal year, and are recommended to take the Texas Examination of Educator Standards (TExES).	
	Purpose:	This measure provides feedback on students completing educator preparation programs at the Texas Association of Developing Colleges (TADC) institutions.	
	Data Source:	Data are provided by institutional end-of-year reports.	
	Methodology:	This measure is a headcount of the number of students, both undergraduate and post-baccalaureate, who successfully complete the educator preparation program at the five Texas Association of Developing Colleges (TADC) institutions during the fiscal year, and are recommended to take the Texas Examination of Educator Standards (TExES)	
	Data Limitations:	N/A	
	Calculation Type:	Non-cumulative	New Measure: No
	Key Measure:	Yes	Desired Performance: Higher

Appendix E:
Implementing the Texas Transformation

Implementing the Texas Transformation

Below are the responses to each of the nine questions related to the following broad categories presented in *The Texas Transformation*, the 2007 State Strategic Plan for Information Resources Management (*The Texas Transformation*, available on the Web at http://www1.dir.state.tx.us/transform/).

1. **Has the agency considered use of managed services in order to focus more on its business needs?**

   Yes, in 2006, the agency analyzed seven different options for replacing the student loan systems, including full outsourcing and several combinations of partial outsourcing. In that case and others, volume was too low for a total outsourcing solution to be cost effective. Outsourcing collections of delinquent loans was potentially the most feasible, but has been delayed for consideration until after the purchased application is implemented. Managed services provided at the state-level are a better fit than independent outsourcing of services because of agency size.

2. **Does the agency leverage and obtain additional value from the Information and Communications Technology (ICT) Cooperative Contracts program; for example, by further negotiating not-to-exceed pricing?**

   Yes.

3. **Describe the agency's strategies to align with the State Enterprise Security Plan (http://www.dir.state.tx.us/pubs/securityplan2007/index.htm).**

   The Coordinating Board's security policies are based on the templates provided by the Department of Information Resources (DIR). The agency Information Security Officer and designated staff actively participate in state security events and lists and promote compliance. An annual security risk assessment is completed. It includes security awareness training for staff and DIR penetration testing as well as a general risk assessment. The findings of the assessment and remediation plan for the current assessment and the status of the prior remediation plan are presented to an oversight group and then to the Commissioner of Higher Education. Security incident data is reported to DIR monthly.

4. **Describe the agency's policies, practices and programs, implemented or planned, that comply with relevant statutes and administrative rules to ensure the privacy of confidential data. Consider federal privacy requirements (e.g., the Health Insurance Portability and Accountability Act or the Family Educational Rights and Privacy Act) that apply to the agency. List the organizational units (program, offices, IT, legal, etc.) that manage privacy functions. Describe any future plans for improvement.**

   The Family Educational Rights and Privacy Act (FERPA) defines the requirements for student confidential information. Access to all confidential student information is restricted, cannot leave the premises on laptops or portable devices, and cannot be sent

externally unless secured. Coordinating Board staff must acknowledge awareness of these requirements as part of the account authorization process. All organizational units of the agency manage privacy functions to some degree, and the annual security awareness training includes FERPA compliance. The Coordinating Board and Texas Education Agency staff are currently reviewing policies and procedures for compliance with FERPA when sharing student data, and will publish them for researchers and in contracts as needed.

5. **What current practices or plans are in place to improve usability and search ability of the agency's Web content?**

   Two projects are currently planned or underway: (1) a Web Portal containing career choice, planning, and financing information to assist students, parents, and high school counselors; and (2) redesign of the current agency websites to improve usability. The Web Portal project includes a working group of internal and external stakeholders to assess functions and usability. An information architecture assessment will lead the redesign of the Coordinating Board websites as well as internal and external feedback. Improved searching and indexing tools are being incorporated into the Coordinating Board websites.

6. **What current practices or plans are in place to improve life cycle management of agency data and information? Include the agency's approach and ability to meet future open records and e-discovery requests. (2007 SSP, Strategy 4-1)**

   The application development life cycle procedures have recently been reviewed and revised to more strictly enforce segregation of duties. A partial owner audit of access to information was completed during the last annual security assessment, and the next will include a full audit. All open records requests are managed by the Coordinating Board legal staff. Information Technology Services has no special procedures or software to assist with e-discovery. Coordinating Board staff will continue to monitor other state projects related to e-discovery, particularly the current work at the Office of the Attorney General, and build on their findings.

7. **Describe agency methods and standards (federal, state, industry), implemented or planned, intended to enhance data sharing (i.e., improve interoperability) with other entities. (2007 SSP, Strategy 4-2)**

   When possible, summary data are used for reporting and sharing of data to eliminate the requirement for FERPA compliance. Projects that involve sharing of detailed student data may require FERPA compliance even when the confidential student data have been removed because of the requirement to eliminate small cells. The Texas Education Agency and the Coordinating Board staff continue to work to define the security criteria and procedures to facilitate the sharing of student data. A draft of the security criteria required for all entities involved in sharing student data has been created and is being reviewed. The final document will be the basis for an annual audit by each entity, with the results reported to the Texas Education Agency and the Coordinating Board.

8. **Does the agency have any plans to simplify or reduce the number of existing software platforms (e.g., operating systems, application development environments, database systems, office suites, other COTS applications)? If no, is the agency fully leveraging its technology to support both its current and future business environment?**

   Yes, as an agency participating in the data center services (DCS) program, the Coordinating Board will consolidate operations to the state data centers in Austin and San Angelo in the next 18 – 24 months. The consolidation includes migration to the DCS standard software platforms and tools for greater consistency across the state. Additionally, the agency submits new infrastructure technology purchases through the DCS solution request process. The solution request process uses the DCS standard configurations and includes enterprise-level reviews of solutions to ensure alignment with the state's direction for data center services.

9. **Describe any current or planned activities targeted at reducing the environmental resource consumption of technology equipment (recycling, consolidating, virtualizing, buying energy efficient equipment, etc.).**

   As an agency participating in the data center services (DCS) program, the Coordinating Board will consolidate operations to the state data centers in Austin and San Angelo in the next 18 – 24 months. The state data centers use highly efficient energy management systems, including double-conversion technology for the uninterruptible power supply (UPS), direct current (DC) units, and specialized lighting design that utilizes 23 percent less electricity than the state energy allowance. In addition to migrating operations to the more efficient environment, the Coordinating Board will virtualize systems management by re-aggregating distributed systems into virtual systems; replacing older, less efficient technology; and employing other emerging technology strategies to reduce the agency's technology footprint. The Technology Plan delivered as part of the DCS contract describes the consolidation and virtualization plans in detail.

   There are no current or planned activates for reducing the environment resource consumption of other technology equipment that will remain at the Coordinating Board.

Appendix F:
Workforce Plan

Workforce Plan[1]
Fiscal Years 2008-2009

Agency Overview

The Texas Higher Education Coordinating Board was created by the Texas Legislature in 1965 to "provide leadership and coordination for the Texas higher education system to achieve excellence for the college education of Texas students." To meet these broad obligations to the people of the state of Texas, the Coordinating Board reviews and recommends changes in formulas for allocation of state funds to public institutions; authorizes quality academic programs; works to avoid unnecessary duplication in academic programs, unwarranted construction projects and real estate acquisitions; and develops plans to guarantee future quality in Texas public higher education. Working with the higher education institutions, the Governor, and the Legislature, the Coordinating Board also promotes access for all Texans to high quality programs at different instructional levels and administers the state's student financial aid programs. The responsibilities of the Board have grown significantly over the last decade, with major new responsibilities added from each session of the Texas Legislature.

In October 2000, the Coordinating Board adopted a higher education plan, *Closing the Gaps by 2015*. which has become the focus for the agency's efforts to serve the people of Texas. The plan's four goals are to:

- Close the gaps in participation – By 2015, close the gaps in participation rates across Texas to add 630,000 more students;
- Close the gaps in success – By 2015, award 210,000 undergraduate degrees, certificates, and other identifiable student successes from high quality programs;
- Close the gaps in excellence – By 2015, substantially increase the number of nationally recognized programs or services at colleges and universities in Texas; and
- Close the gaps in research – By 2015, increase the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation.

Closing the Gaps and agency responsibilities are carried out by 274 full-time equivalent employees as of January 31, 2008. The agency is authorized to fill 304.9 full-time equivalent positions for the 2008-2009 biennium. The agency is organized around the *Closing the Gaps* goals into two major units: Academic Planning and Policy, and Business and Finance. The Academic Planning and Policy office is composed of an Academic Affairs and Research Division, a Planning and Accountability Division, and a P-16 Initiatives Division. The Business and Finance office is composed of a Business and Support Services Division, an Information Technology Services Division, and a Student Services Division.

[1] This appendix item adheres to format and content recommended by the State Auditor's Office.

Additional offices are: General Counsel; Office of External Relations; Higher Education Policy Institute, and the Commissioner's Office. Appendix B contains the agency's organizational chart, and Appendix K provides an overview of the state's higher education plan, *Closing the Gaps by 2015.*

The Texas Legislature, recognizing that a substantial number of new responsibilities have been assigned to the Coordinating Board by the Legislature over recent years, increased the number of authorized full-time equivalent (FTE) positions at the Coordinating Board in 1999, 2001, 2003, 2005, and 2006. In Fiscal Year 2008, House Bill 1516 reduced the agency's FTEs by nine, due to the Texas Data-Center Consolidation.

The Coordinating Board continues to develop and implement efforts to respond as effectively and efficiently as possible within budgetary restraints. The Board cooperated fully with the January 2002 request of the Governor's Office and the Legislative Budget Board that every state agency attempt to reduce spending and identify savings, as state government faces an uncertain budget for the upcoming biennium.

Instructions related to the content and format of this Workforce Plan were provided on March 20, 2008. Approximately 20 agency staff met on March 3 to review the information needed from each division to complete the workforce plan. By April 1, all divisions provided a review of current and anticipated workforce needs, including potential vacancies due to retirement and proposed new positions. Input from Coordinating Board divisions gave a wide range of employees the opportunity to contribute to the goals presented in this document. Frequent dialogue and exchanges took place with human resources and the divisions involved in implementing the proposed goals.

Agency Mission and Philosophy

Mission

The Texas Higher Education Coordinating Board's mission is to work with the Legislature, Governor, governing boards, higher education institutions, and other entities to help Texas meet the goals of the state's higher education plan, *Closing the Gaps by 2015,* and thereby to provide the people of Texas the widest access to higher education of the highest quality in the most efficient manner.

Philosophy

The Texas Higher Education Coordinating Board will promote access to quality higher education across the state with the conviction that access without quality is mediocrity, and that quality without access is unacceptable. The agency will be open, ethical, responsive, and committed to public service. The agency will approach its work with a sense of purpose and responsibility to the people of Texas and is committed to the best

use of public monies. The Coordinating Board will engage in actions that add value to Texas and to higher education. The agency will avoid efforts that do not add value or that are duplicated by other entities.

Statewide Priority Goal for Higher Education

To prepare individuals for a changing economy and workforce by:

- providing an affordable, accessible, and quality system of higher education; and
- furthering the development and application of knowledge through teaching, research, and commercialization.

State-Level Benchmarks for Higher Education

State-level priorities have been defined in *Securing Our Future: The Statewide Strategic Planning Elements for Texas State Government*. Operational definitions of measures associated with the state-level priorities are provided in Appendix D.

Sources of data that are used (or derived) to serve as output measures are described with agency goals and objectives in a separate section of this document. Projected outcomes for 2009-2013 are provided in Appendix C. The state-level benchmarks for higher education include:

- Percent of recent high school graduates enrolled in a Texas public college or university
- Percent of first-time, full-time freshmen returning after one academic year
- Percent of first-time, full-time freshmen who graduate within four years
- Percent of first-time, full-time freshmen who graduate within six years
- Percent of two-year college students who transfer to four-year institutions
- Percent of two-year transfer students who graduate from four-year institutions
- Percent decrease in number of students requiring developmental education
- Percent of population age 24 and older with vocational/technical certificates as highest level of educational attainment
- Percent of population age 24 and older with two-year college degree as highest level of educational attainment
- Percent of population age 24 and older with four-year college degree as highest level of educational attainment
- Number of baccalaureate graduates in science, technology, engineering, and mathematics
- Percent of M.D. graduates remaining in Texas for residency
- Percent of nursing graduates employed or enrolled in nursing graduate programs in Texas
- Texas public colleges' and universities' cost per student as a percentage of the national average

- Percent change in average tuition over past biennium
- Number of students receiving grants from the TEXAS grant program
- Percent of total federal research and development expenditures received by Texas institutions of higher education
- Percent increase in research and development expenditures in emerging technologies over previous biennium
- Number of patents obtained in emerging technologies
- Number of patents obtained by institutions of higher education that are commercialized
- Number of private sector companies created as a result of activities at public institutions of higher education

These benchmark elements have evolved over time to reflect public policy emphases. Accordingly, these priorities may require information for which no current means of collecting supporting data exist. In such cases, the best available proxies must be found until directly applicable data can be generated.

The following table aligns the state-level benchmarks identified above with agency strategies and the goals of *Closing the Gaps by 2015*, the state's higher education plan (Appendix K). These agency strategies are provided in context with agency objectives and performance measures in the Agency Statement of Impact section of this document (immediately prior to the first appendix).

<table>
<tr><th colspan="3">Agency Strategies Linked to State Benchmarks
and Closing the Gaps Goals
PARTICIPATION</th></tr>
<tr><td>Texas Higher Education Coordinating Board Higher Education Plan
Closing the Gaps by 2015</td><td>State Benchmarks Linked to
Closing the Gaps</td><td>Agency Strategies
Linked to
State Benchmarks</td></tr>
<tr><td>PARTICIPATION GOAL: By 2015, close the gaps in participation rates across Texas to add 630,000 more students.</td><td>Percent of recent high school graduates enrolled in a Texas public college or university

Percent decrease in number of students requiring developmental education</td><td rowspan="2">Close the gaps in participation by conducting a public awareness and outreach campaign.

Close the gaps in participation and success by:

• developing and promoting student participation and success;
• administering programs designed to promote college readiness and success;
• administering programs designed to promote effective public and higher education teaching;
• administering grants, scholarships, and work-study programs;
• administering loan, loan forgiveness, and loan repayment programs;
• administering programs which provide financial assistance: Toward EXcellence, Access, & Success (TEXAS) Grants, Tuition Equalization Grants (TEG), Texas College Work-Study, License Plate Scholarships, Doctoral Incentive Program, Fifth-Year Accounting Students Scholarships, Early High School Graduation Scholarships, Temporary Assistance to Needy Families (TANF) Scholarships, Educational Aide Grants, Teach for Texas Loan Repayments, Border Faculty Loan Repayments, Office of Attorney General (OAG) Lawyers Loan Repayment Program, Engineering Recruitment Program, Higher Education Performance Incentive Initiative, Texas Education Opportunity Grant (TEOG), Texas B-On-Time Loans, Baylor College of Medicine, Baylor College of Medicine Graduate Medical Education (GME), Family Practice Residency Program, Preceptorship Program, Primary Care Residency Program, Graduate Medical Education Program, Joint Admission Medical Program, Physician's Education Loan Repayments, Professional Nursing Aid, Dental Education Loan Repayment Program, Vocational Nursing Aid; and
• providing federal funds to institutions and students: Student Financial Assistance, Career and Technical Education, Teacher Quality Grants, and Other Federal Grants.

Provide planning, information services, and a performance and accountability system.

• Review and recommend changes to funding formulas, and approve state-funded new construction, renovations and property acquisitions at public institutions of higher education.

• Provide higher education information to governmental entities and the public.</td></tr>
<tr><td>Participation Strategies: Promote the Recommended High School Program, train and hire well-qualified educators, improve citizens' understanding of the benefits of higher education, establish affordability policies.</td><td>Number of students receiving grants from the TEXAS grants programs

Percent change in average tuition over past biennium

Percent of M.D. graduates remaining in Texas for residency

Percent of nursing graduates employed or enrolled in nursing graduate programs in Texas

Texas public colleges and universities cost per student as a percentage of the national average</td></tr>
</table>

Agency Strategies Linked to State Benchmarks and *Closing the Gaps* Goals SUCCESS		
Texas Higher Education Coordinating Board Higher Education Plan *Closing the Gaps by 2015*	State Benchmarks Linked to *Closing the Gaps*	Agency Strategies **Linked to State Benchmarks**
SUCCESS GOAL: By 2015, award 210,000 undergraduate degrees, certificates, and other identifiable student successes from high quality programs.	Percent of first-time, full-time freshmen who graduate within four years Percent of first-time, full-time freshmen who graduate within six years Percent of two-year college students who transfer to four-year institutions Percent of two-year transfer students who graduate from four-year institutions Percent of population age 24 and older with vocational/ technical certificates as highest level of educational attainment Percent of population age 24 and older with two-year college degree as highest level of educational attainment Percent of population age 24 and older with four-year college degree as highest level of educational attainment	*(As indicated above, many of the strategies that promote closing the gaps in participation also promote closing the gaps in success.)*
Success Strategies: Uniform recruitment and retention strategy, reward increases in retention and graduation, increase graduates in critical fields, seamless student transitions, community, and business partnerships	Percent of first-time, full-time freshmen returning after one academic year Number of baccalaureate graduates in science, technology, engineering, and mathematics Percent of nursing graduates employed or enrolled in nursing graduate programs in Texas	Incentive Funding Centers for Teacher Education Technology Workforce Development Professional Nursing Shortage Reduction Program

Agency Strategies Linked to State Benchmarks and *Closing the Gaps* Goals EXCELLENCE		
Texas Higher Education Coordinating Board Higher Education Plan *Closing the Gaps by 2015*	State Benchmarks Linked to *Closing the Gaps*	Agency Strategies **Linked to State Benchmarks**
EXCELLENCE GOAL: By 2015, substantially increase the number of nationally recognized programs or services at colleges and universities in Texas.		Close the gaps in excellence by coordinating and evaluating: • university programs and health-related programs; • public two-year college programs; • federal career and technical education programs; and • career schools and college programs.
Excellence Strategies: Establish ladders of excellence, programs nationally recognized, identify peer institutions, fund competitive grants		

Agency Strategies Linked to State Benchmarks and *Closing the Gaps* Goals RESEARCH		
Texas Higher Education Coordinating Board Higher Education Plan *Closing the Gaps by 2015*	State Benchmarks Linked to *Closing the Gaps*	Agency Strategies **Linked to State Benchmarks**
RESEARCH GOAL: By 2015, increase the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation.	Percent of total federal research and development expenditures received by Texas institutions of higher education Number of patents obtained in emerging technologies Percent increase in research and development expenditures in emerging technologies over previous biennium Number of patents obtained by institutions of higher education that are commercialized Number of private sector companies created as a result of activities at public institutions of higher education	Close the gaps in research by administering and evaluating research programs.
Research Strategies: Universities to retain all overhead income from grants, establish the Texas Science and Engineering Collaborative, increase funding for ARP/ATP, establish a competitive grant program, establish Education Research Centers		Provide programs to promote research at Texas institutions: • Advanced Research Program • Education Research Centers • Alzheimer Disease Centers

Agency Strategies Linked to State Benchmarks and *Closing the Gaps* Goals PERFORMANCE SYSTEM		
Texas Higher Education Coordinating Board Higher Education Plan *Closing the Gaps by 2015*	State Benchmarks Linked to *Closing the Gaps*	Agency Strategies **Linked to State Benchmarks**
PROGRESS TOWARD THE GOALS: Develop benchmarks and measures to assess progress toward goals of the plan by each institution and by higher education as a whole.		Close the higher education gaps by providing planning and information services

Additional Coordinating Board Budgeting Strategies (with no direct link to *Closing the Gaps* or State Benchmarks)
Provide trusteed funds to institutions through special programs designed to improve the quality and delivery of instruction and also increase the participation and success of Texans: Two-Year Institution Enrollment Growth, African American Museum Internship.
Special Programs Related to Tobacco Settlement Receipts: Earnings-Minority Health, Earnings-Nursing/Allied Health, Earnings-HECB for Baylor College of Medicine, earnings from Permanent Health Fund for Baylor College of Medicine.
Indirect Administration: Central Administration, Information Resources, Other Support Services.

Anticipated Changes in Strategies

The Coordinating Board anticipates several changes that will significantly impact the agency's business and workforce, as outlined below:

- Increased requests from customers requiring new applications of technology, ranging from "real-time" review of loan status to videoconferencing, to website maintenance skills for each division; and

- New programs authorized by the Legislature, such as new student financial aid programs, and increased agency responsibilities involving the higher education community.

Although many workforce issues present challenges, the Coordinating Board is committed to addressing areas of critical concern. These areas include:

- A high rate of anticipated retirement in senior management/professional positions;

- Real or perceived salary differences with other state agencies and public educational institutions/non-state agencies; and

- Improved computer/technology-related skills among employees throughout the agency.

I. Current Workforce Profile (Supply Analysis)

Critical Workforce Skills

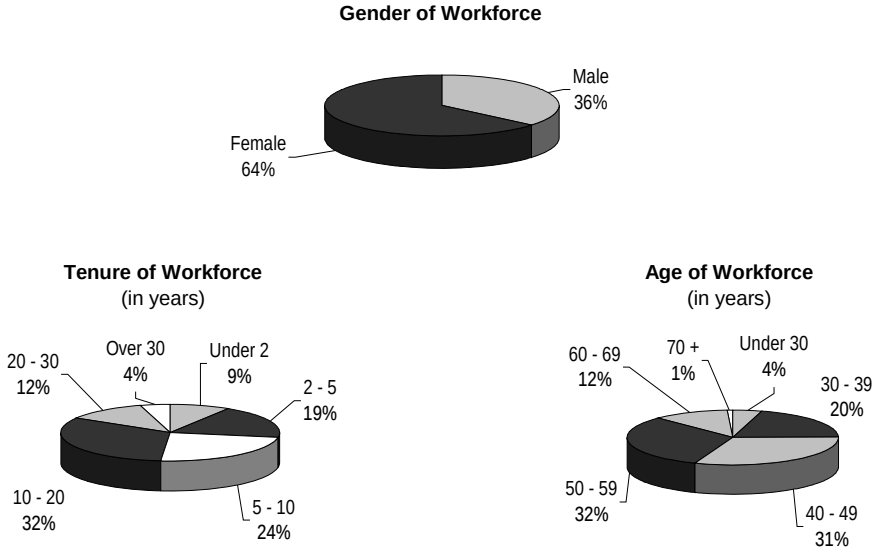
The scope of duties and range of responsibilities required of Coordinating Board employees varies throughout each division. The divisions consist of many well-qualified and dedicated employees, some with very highly specialized skills fairly unique to the agency. There are a number of skills that are critical to the agency's ability to operate effectively and efficiently, and to execute the agency's business functions and legislative mandates. These critical skills are in the areas of:

- Knowledge of higher education programs in general;
- Specific knowledge related to higher education, such as formula funding, curriculum review, issuance of student loan bonds, and collection of student loans;
- Governmental Accounting; and
- Knowledge gained through cross-training exercises within divisions to ensure more than one person is capable of carrying out the major responsibilities of the division.

Workforce Demographics:

As of January 31, 2007, the agency had a total head count of 274. The agency is authorized to have 304.9 full time equivalent employees (FTEs). Figure E.1 below provides a profile of the Coordinating Board's current workforce as of January 2007. The charts provide information related to gender, age, and tenure at the agency. In summary, the agency's workforce is 36 percent male and 64 percent female. Seventy-six percent of the agency's employees are over the age of 40, and almost 28 percent of the agency's employees have less than five years of service with the agency.

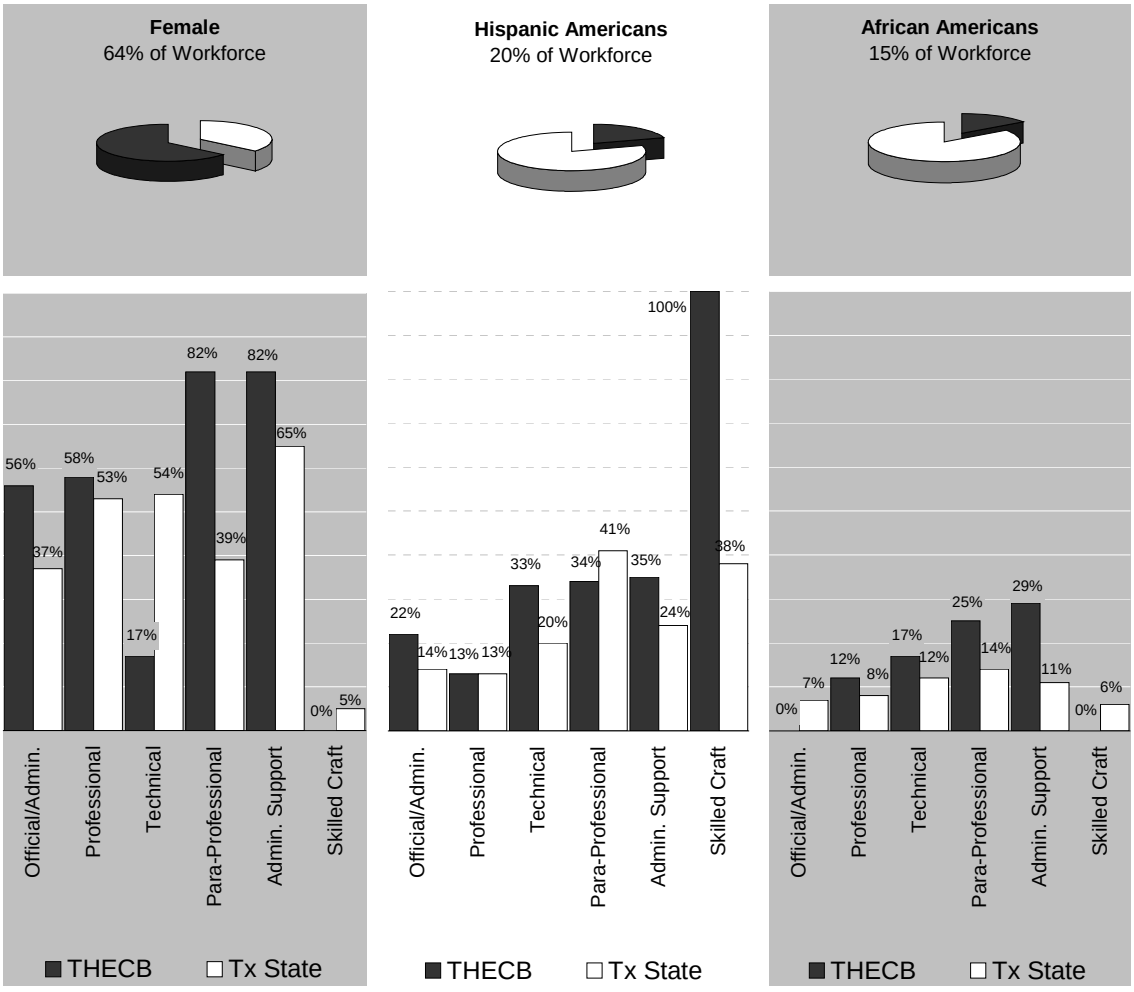
Figure E-1. THECB Workforce Demographics (January 31, 2007)



Source: THECB Human Resources Office

Figure E.2.compares the agency's percentage of Hispanic, African American and female Coordinating Board employees (as of January 31, 2007) to the statewide civilian workforce as reported by the Civil Rights Division of the Texas Workforce Commission. The Coordinating Board continues to meet or exceed several diversity targets. Females continue to be well represented in all job categories except for technical staff. African Americans meet or exceed targeted levels in four of six job categories, while Hispanics meet or exceed targeted levels in five of six job categories.

Figure E-2. THECB Workforce Utilization Analysis (January 31, 2007)



Source: The Bureau of Labor Statistics, Geographic Profile of Employment and Unemployment, 2004, for the state of Texas

The agency will continue to concentrate efforts on improving diversity targets that are underrepresented. In Hispanic and African American groups, the agency will focus on recruitment efforts to produce a pool of qualified applicants that reflect the appropriate state or metropolitan civilian workforce availability figures for the job category of each posted position.

The agency continues to make progress through the employment of more Hispanic American in official/administrator and professional positions, and more African Americans in professional and paraprofessional positions. Employment of both groups exceeds statewide levels. In addition to advertising our vacancies at the Texas Workforce Commission and local and metropolitan newspapers, the agency also advertises vacancies in *The Chronicle of Higher Education*, the *Hispanic Outlook*, and in the *Diverse Issues* to seek a diverse applicant pool.

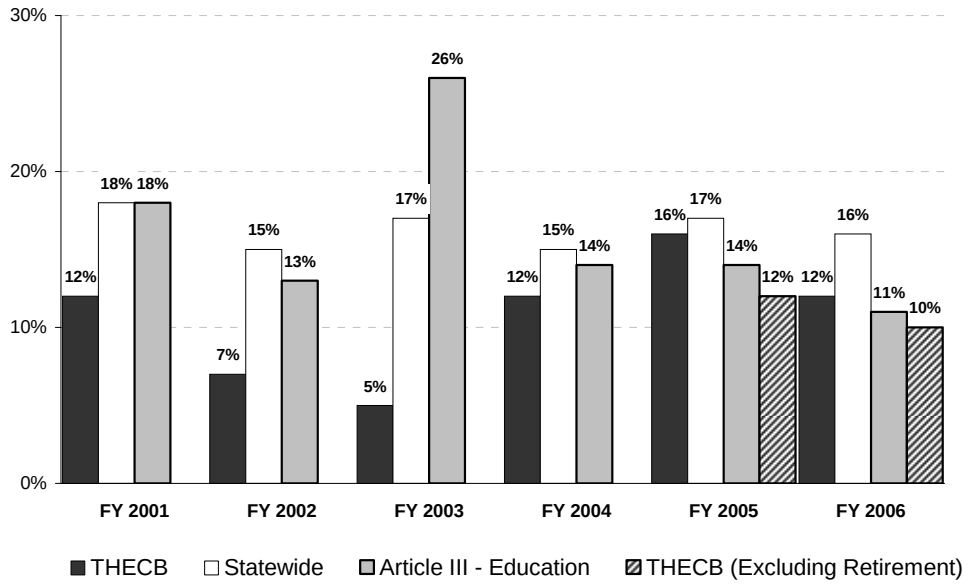
Employee Turnover

The loss of experienced and talented employees is a concern in almost every organization. It is costly and affects the agency's ability to function at maximum efficiency. In addition to loss of productivity, high turnover rates increase costs in the areas of recruitment and selection, training, and orientation.

The turnover rate for the Coordinating Board (not counting those who retired) has decreased from Fiscal Year 2005 to Fiscal Year 2006. The Coordinating Board's area with the highest turnover is in the professional job category – more specifically, those positions requiring a higher level of educational credentials, such as a master's or doctoral degree.

The following chart compares the average Coordinating Board turnover rates to that of the state and other Article III agencies over the last six years. The agency's turnover has been generally lower than the state's turnover rate, and has been lower than Article III-Education agencies.

Figure E-3. THECB Regular Full and Part-time Employee Turnover Rate for Fiscal years 2001-2006



Source: Statewide turnover rates provided by the State Auditor's Office.

Table 1 provides an additional breakdown percentage by age, length of service, ethnicity, gender, highest EEO category, and retirement for Fiscal Years 2005 and 2006.

Table 1. THECB Turnover Pecentage for Fiscal Years 2005 and 2006.

Texas Higher Education Coordinating Board Breakdown of Turnover Percentage				
Description	FY 2005		FY 2006	
	Number	Percent	Number	Percent
Age groups under 30	3	7%	3	9%
Age groups between 30 and 39	13	29%	8	25%
Age groups between 40 and 49	7	16%	8	25%
Age groups between 50 and 59	18	40%	11	34%
Age groups 60 and over	4	9%	2	6%
Agency tenure under 2	9	20%	10	31%
Agency tenure between 2 and 5	14	31%	8	25%
Agency tenure between 5 and 10	9	20%	9	28%
Agency tenure between 10 and 20	7	16%	2	6%
Agency tenure between 20 and 30	2	4%	1	3%
Agency tenure over 30	4	9%	2	6%
Male	13	29%	12	38%
Females	32	71%	20	63%
African Americans	6	13%	5	16%
Hispanic Americans	8	18%	8	25%
Retirement	11	24%	4	13%
EEO group with highest level turnover: Professional	24	53%	21	66%

Source: THECB Human Resource Office

The highest turnover for Fiscal Years 2005 and 2006 was in the professional job category. These positions require a higher level of educational credentials, such as a master's or doctoral degree. Research conducted in November of 2007, indicated that the titles of Program Director and Programmer/System Analyst were identified as high turnover job categories under the professional EEO job category.

The reason for departure most frequently cited by exiting employees is better pay and benefits. The agency is unable to match salaries offered by the private sector or by institutions of higher education. Five years ago, the agency was able to utilize the benefits package provided to employees as a recruiting incentive and as a motivator for employee retention. However, the 78th Texas Legislative Session in 2003 significantly impacted the strength and flexibility of the state employee's benefits program. Employees no longer view the state benefits program as a significant motivator for

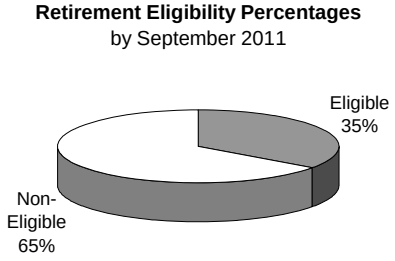
continuing their state employment. There is a concern that the agency has been deprived of a recruiting and retention strategy that has proven to be invaluable in the past. In an effort to address the cited reason of pay as a factor for departure, the agency will be conducting a Compensation Study of employee wages in the near future.

Additionally, to minimize the loss in turnover, the agency will continue to practice and promote the following retention and recruitment programs to retain and attract a diverse and knowledgeable workforce:

- Flexible Work Schedules;
- Telecommuting for appropriate personnel;
- Outstanding Performance Leave for outstanding performance;
- Educational Leave Program for undergraduate college courses at an accredited institution;
- Employee Scholarship Program payable to the employee for eligible expenses up to $1,000.00; and
- Performance Base Merit Salary Increases.

Retirement Eligibility:

Figure E-4. Projected Retirement Eligibility Based on Current Workforce.



Source: THECB Human Resource Office, January 31, 2007

Predicting future turnover based on retirement eligibility can be difficult, because an employee's eligibility to retire in and of itself is not an accurate indicator of his or her election to retire. Factors that play a major role in the decision to retire could be income requirements, eligibility for insurance, and social security benefits. Regardless of these factors, the agency should anticipate and be prepared for the retirement of several key employees in the next few years.

During Fiscal Years 2005 and 2006, 15 employees retired (as identified on Table 1). The table below identifies that for Fiscal Year 2008, six out of nine Officials/Administrators will become eligible for retirement. That eligibility retirement number remains the same for the remaining future fiscal years identified below. The highest EEO classification with the highest retirement eligibility percentage is the

agency's professional staff. Directors, Program Directors, Senior Directors, Assistant Directors, and Programmers are classified under the professional EEO category. This suggests a potential concern relating to the transfer of knowledge and experience within the agency's professional and middle management structure.

Table 2. Projected Retirement Eligibility for Regular Employees by EEO Classification.

EEO Classification	Current Workforce	Percentage of Workforce	Project Retirement Eligibility									
			FY07		FY08		FY09		FY10		FY11	
Officials/Administrators	9	3%	5	56%	6	67%	6	67%	6	67%	7	78%
Professionals	180	66%	35	19%	43	24%	49	27%	58	32%	67	37%
Technical	6	2%	3	50%	3	50%	3	50%	3	50%	3	50%
Para-Professional	61	22%	13	21%	13	21%	13	21%	13	21%	14	23%
Administrative Support	17	6%	4	24%	4	24%	5	29%	5	29%	5	29%
Skilled Craft	1	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Total	274	100%	60	22%	69	25%	76	28%	85	31%	96	35%

Source: THECB Human Resource Office, January 31, 2007

In November of 2007, the agency organized a Human Resource Workgroup whose charge was to implement a Succession Planning Policy to ensure that leadership positions and critical function roles will be filled with minimal disruption to operations. A Succession Planning Policy will soon be available to address the agency's commitment to identify, develop, and retain highly skilled talent to ensure leadership continuity in vital leadership roles and/or fulfillment of critical functions in the agency.

Additionally, efforts to implement the higher education plan (*Closing the Gaps by 2015*) have increased the number of requests for customer service (including data analysis, institutional and program review, and responses related to student financial aid). These requests place additional burdens on Coordinating Board employees, and illustrate a need to seriously examine employee duties and assignments, as well as the existing organizational structure and the need for new employees.

II. Future Workforce Profile (Demand Analysis)

Critical Functions

Section II identified a few of the critical functions required of agency employees. However, as the agency increasingly utilizes technology to streamline processes, meet the demand of constituents, and provide more efficient services, additional skills may be required. To address the challenges, the Coordinating Board needs a workforce with the following essential skills to effectively conduct agency business:

- Knowledge of student financial aid;
- Knowledge of funding formulas;
- Knowledge of public finance bond issuance;
- Advanced computer related skills;

- Ability to use technology to streamline workflow;
- Knowledge of system design and analysis;
- Knowledge of web design and development;
- Knowledge of governmental accounting;
- Leadership, management and supervision skills;
- Improved written and verbal communication skills between all levels of staff;
- Change management and strategic planning skills; and
- Project management skills.

Expected Workforce Changes Through 2011

Knowledge of higher education is a critical function for the Coordinating Board workforce. The agency is concerned about the ability to successfully attract qualified applicants with higher education knowledge and experience. Among the factors impacting this problem, is the non-competitive nature of our salary structure.

Successful work relationships with key stakeholders in education (including high-level administrators from institutions and systems throughout the state, representatives of other state agencies and the legislative offices, and business/community leaders all active in seeking solutions to education-related issues) have been dependent upon staff members who are knowledgeable in higher education issues and who are able to map solutions to complex problems.

The agency's need for employees to develop policy documents, prepare non-standard reports, and analyze data in response to internally and externally generated inquiries is growing. Also, the agency has a growing need for employees with higher technology skills. Technology-related requirements will affect the agency in two ways — first, the staffing and skills required of employees, and second, the technical support provided through the information management team. Training to increase the database software skills of current employees, and hiring new employees with those skills, will allow a wider range of staff to produce their own reports.

Future Workforce Skills Needed

To effectively and efficiently satisfy the high standards established in the Coordinating Board's mission and philosophy, as well as coordinate achievement of the goals set forth in *Closing the Gaps,* the agency will continue to rely on a knowledgeable, dedicated, and enthusiastic workforce. Additionally, our workforce will have to acquire leadership, management and supervision skills, process analysis, project management, web-based technology, and strategic planning skills. In addition to the critical competencies mentioned previously, the agency is preparing for the expected workforce changes (also mentioned previously) requiring solution-oriented, analytical, and technologically capable employees.

The agency is committed to providing current employees with opportunities to increase their computer skills. Training coordinators have been, and will continue to be, responsive to requests for additional course topics and modifications in course timing to permit as many employees to participate as are interested.

III. Gap Analysis

Anticipated Surplus or Shortage of Workers or Skills

Efforts related to the formulation of this document have provided a focused opportunity for the agency to examine its current, and desired, workforce needs. Through this process, the Coordinating Board has identified four main areas, or gaps, between the agency's workforce supply and demand areas that must be addressed.

First, the Coordinating Board will emphasize cross-training within divisions. This will permit continuous service to agency customers by ensuring that more than one person in each division is capable of carrying out the major responsibilities within the division. This training is important in a variety of situations, including the sharing of knowledge, before an employee retires, is out sick, or on vacation, and allows for preliminary training and exposure to skills necessary for advancement.

Second, the Coordinating Board will work to improve internal/external communication among current and new hires through increased and enhanced computer skills as appropriate for the respective positions.

Third, internal systems managed by the Deputy Commissioner's Office of Business & Finance will be reviewed to improve the utilization of existing staff and resources within the division. The resulting modifications will improve intra- and inter-division operations and the overall functioning of the agency.

Fourth, the Coordinating Board must attract a pool of qualified candidates with higher education experience as the agency fills professional-level positions that become vacant due to retirement and attrition.

IV. Strategy Development: Response to Anticipated Worker Surplus/Shortage

In response to the potential deficits between the current workforce and anticipated employee demands, the Coordinating Board has identified several goals for the current workforce plan. These goals evolved through expanding the dialogue among the agency's chief administrators, thus requesting that consideration be given beyond agency routine activities, and the impact of the agency's long-term goals (mainly C*losing the Gaps)* in their divisions' workforce.

The Coordinating Board's workforce requirements can be grouped into the following key areas:

Texas Higher Education Coordinating Board Workforce Plan: Strategy Development	
Gap	Enhancing agency performance and accountability.
Goal	Conduct training needs assessment and design training plans to address gap deficiencies
Rationale	Supervisors need to recognize employee performance to improve employee performance and morale.
Action Steps	Develop and deliver a training module for supervisory staff. Create a "resource" area on the agency intranet.
Gap	Succession Plan for critical positions and critical functions.
Goal	Ensure a Succession Plan for critical positions and functions is in place.
Rationale	To ensure that critical positions and functions within the organization have proper successors.
Action Steps	Identify positions and functions critical to daily operations. Identify employees who could potentially fill critical functions or positions. Review of data on all potential candidates, including performance evaluations, experience and skills, education and personal career goals. Use objective data to evaluate quality of the candidates. Determine and address training, development, and experience needs of candidates.
Gap	Limited knowledge sharing.
Goal	Increased employee cross-training.
Rationale	Cross-training is critical to retaining the knowledge base that is needed in areas with a high learning-curve, particularly in higher level positions in the Student Services Division, and across the agency.
Action Steps	Identify the most critical knowledge areas for cross-training potential. The Commissioner and Deputy Commissioners will promote cross-training to all executive officers.
Gap	Limited efficiencies and communication opportunities associated with technology.
Goal	Increased skills associated with computer applications for current and new employees.
Rationale	An effective and efficient workforce must have the skills in technology that are used on a routine basis, and be able to adapt to new technology changes in the workplace.
Action Steps	In addition to offering in-house training in new technology applications, the agency, in a few select classes, will consider limiting participants to employees that are rated by their supervisor as being highly skilled users or users with high potential. Even with prerequisite course work, experience has shown that grouping "like skill levels" provides a better environment more conducive to

	learning, and maximizing the learning opportunities across the various classes.
Gap	Ability to respond to non-routine activities.
Goal	Encourage development of critical thinking and solution-oriented skills.
Rationale	The agency is finding that its managers and employees need training on how to manage change effectively.
Action Steps	Provide change management training to the higher-level employees first, and to mid-level and first-line supervisors next, and to additional employees as appropriate.
Gap	Some current internal systems are not adequate for management's needs and rely too heavily on labor-intensive efforts of Business & Support Services Division staff, causing inefficient use of staff time and agency resources.
Goal	Develop and implement internal integrated systems to meet management's needs, and incorporate staff's knowledge into the systems.
Rationale	The organization needs improved support from agency Business & Support Services division and the division needs to make better use of its existing staff by transforming ongoing labor costs to investments in smarter systems that will be efficient and accessible, and enabling staff to concentrate on higher level application of their skills.
Action Steps	The agency has acquired the in-house expertise of Information Technology Services to advise the agency on development of various systems, and to work with an in-house team to develop system and component specifications and gauge realistic implementation and product delivery dates.
Gap	Potential that the Coordinating Board will not attract qualified applicants with higher education experience for professional level positions.
Goal	Ensure adequate pool of candidates with higher education experience for professional-level positions.
Rationale	It is critical for the Coordinating Board to recruit and retain staff members with knowledge of higher education issues in order to preserve successful work relationships with stakeholders and to find successful solutions to complex problems.
Action Steps	Conduct a Compensation Study and provide a salary range in recruitment for professional-level positions that is above the minimum for the position's salary group.

Appendix G:
Survey of Organizational Excellence Results and Utilization Plans

TEXAS HIGHER EDUCATION COORDINATING BOARD
WORKFORCE ANALYSIS AND PLAN
MARCH 2008

Survey of Organizational Excellence Results and Utilization Plans

The Texas Higher Education Coordinating Board has participated in the Survey of Organizational Excellence since 2000. The survey is used as a means of improving the organization as a place to work by assessing employee attitudes toward the agency, identifying employee perceptions of the strengths and weaknesses of the agency, and identifying areas that could be improved.

I. Benchmark Comparisons

Statewide

Employees responded to the survey of Organizational Excellence, via a secure web-based interface. Out of 257 employees who were invited to take the survey, 121 (47 percent) responded. The response rate for the agency is considered average. The response rate for similar size organizations is 70 percent, and for similar mission it is 50 percent.

II. Findings 2007

Employees identified the following as areas of strengths for the agency:

1. External Communication—the ability of employees to synthesize and apply external information to work performed by the agency; how information flows into the organization from external sources, and conversely, how information flows from inside the organization to external constituents;

2. Physical Environment—employees believe that the agency is a “safe” working environment, and captures employees’ positive perception of the total work atmosphere;

3. Strategic Orientation—reflects employees’ thinking about how the organization responds to external influences that play a role in defining the agency’s mission, vision, and services; seeking out and working with relevant external entities to fulfill the agency’s mission; and

4. Quality—customer service and continuous improvement are a part of the agency's culture to deliver quality services; employees feel that resources are available to them to deliver quality services.

Employees identified the following areas of concern for the agency:

1. Fair Pay—how well the compensation package “holds up” to similar jobs in other organizations;

2. Internal Communication—the extent to which communication exchange is open and candid;

3. Change Oriented—agency’s capability and readiness to change based on new information and ideas; utilizing the strengths of all employees in the agency for improvement;

4. Supervisor Effectiveness—quality of communication, leadership, thoroughness, and fairness that employees perceive exists between them and their supervisors; and

5. Team Effectiveness-—perception of how effective employees’ think their work group is.

III. Plans to address areas of employees’ concerns

The agency will focus on interventions in areas of internal communications, team effectiveness, and supervisor effectiveness. Senior management and the Human Resources department will examine the reasons and perceptions behind the results. A Compensation Study is scheduled to be conducted to address the fair pay concern. Training and developmental opportunities that address organizational change will soon be made available to all of its employees.

IV. Conclusion

Senior management considers the survey as a valuable tool for improving agency operations. Our goal is to increase employee participation, improve employee morale, and address the needs of the agency and its employees.

The Survey of Organizational Excellence

Texas Higher Education Coordinating Board

Executive Summary

2007

Executive Summary
Table of Contents

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soe@uts.cc.utexas.edu
Phone (512) 471-9831
Fax (512) 471-9600

Introduction

Thank you for your participation in the Survey of Organizational Excellence (SOE). We trust that you will find the information helpful in your leadership and organizational development efforts. Acting as a powerful wave of change, the SOE is important in both the public and private sectors. The number of surveys distributed over the last 10 years has increased three-fold. Both organization and employee response has been tremendous. Such participation indicates the readiness, indeed the eagerness, of employees to engage in meaningful work to improve the organization.

Organizational Leadership must build on this wave of engaged employees and begin initiatives to improve services and benchmark results against outstanding organizations. Above all, the Survey is not about just collecting data or fulfilling some type of compliance, but about promoting excellence through participation and accountability. The Survey reinforces the vital role every employee must play to the fullest at all times. The Survey emphasizes continuous thinking to formulate better, more efficient ways of getting work done. Finally, the Survey calls for candor among all employees towards building a quality organization.

The Survey Framework assesses, at its highest level, five workplace dimensions capturing the total work environment. Each workplace dimension consists of survey constructs. The survey constructs are designed to profile organizational areas of strength and concern so that interventions are targeted appropriately.

Survey Dimensions and Constructs

Dimension I Work Group	Dimension II Accommodations	Dimension III Organizational Features	Dimension IV Information	Dimension V Personal
Supervisor Effectiveness Fairness Team Effectiveness Diversity	Fair Pay Physical Environment Benefits Employment Development	Change Oriented Goal Oriented Holographic Strategic Quality	Internal Availability External	Job Satisfaction Time and Stress Burnout Empowerment

Your Reports Include:

An Executive Summary is provided in this document. The summary contains graphical representations of data from the organization as a whole or in the case of executive summaries for category codes, data specific to that category code. Your organization may or may not have elected to use category codes. In each executive report there is a demographic profile of the organization along with high order analysis of survey data on the construct and dimension level. Both organizational strengths and areas of concern are presented along additional narrative and analysis. Relative benchmark data is also pulled in for comparison purposes.

Introduction (cont.)

A Data Summary accompanies this report. The data summary provides a greater detail than the executive summary. The data summary is largely a quantitative report of the survey responses. Demographic data are presented in percentages and real numbers. Construct means and benchmark comparison numbers are provided on all variables. Item data is broken into mean, frequency counts, standard deviations, and number of respondents and item benchmark data are also displayed.

Electronic Reports are provided in two formats. First, all executive and data summary reports are included in pdf files for ease in distribution and for clear printability. This file format is widely used and a free pdf reader, called Adobe Acrobat reader is available from www.adobe.com. The second types of electronic reports are in Microsoft Excel format. These reports are constructs and item survey data in a flat spreadsheet format. This allows the user to sort highs and lows, search for individual items, or create custom reports from the survey data.

Benchmark Data composed of the organizations participating in the survey are provided in your reports. Benchmarks are used to provide a unit of comparison of organizations of similar mission and size. If you selected to use organizational categories, internal benchmarks between categories as well as over time data illustrates differences and changes along item and construct scores. Our benchmark data are updated every two years and are available from our website at www.orgexcel.net. The most current benchmark data are provided in your report.

Using the Survey as a Catalyst for organizational improvement is essential to the survey process. The survey creates momentum and interest. Towards the end of the executive summary report is a series of suggested next steps to assist in these efforts. Also, we have captured several presentations from other organizations that have used the data in strategic planning, organizational improvement, and employee engagement initiatives. These presentations are provided in streaming video from our website at www.orgexcel.net by clicking on the Best Practices link.

Additional Services are available from our group. We conduct 360-Degree leadership and supervisory evaluations, special leadership assessments, customer and client satisfaction surveys along with the ability to create and administer a variety of custom hardcopy and online survey instruments. Consultation time for large presentations, focus groups, or individual meetings is available as well. For additional information, please contact us at anytime.

Your Comments are Important to us. We welcome your comments (positive or negative) regarding the Survey, the level or type of service provided by our office, or suggestions you may have for ways we can improve our products or services. Comments can be sent directly to me or to the Survey's Principal Investigator, Dr. Michael L. Lauderdale at the UT School of Social Work, 1925 San Jacinto Blvd., Austin, TX 78712.

Organization Profile

Texas Higher Education Coordinating Board

Organizational Leadership:

ID: 781

- Raymund Paredes, Commissioner of Higher Education
- Robert Shepard, Board Chair

Benchmark Categories:

To get a better idea of how this organization compares to others like it, we provide three types of benchmark data: organizations with a similar size, similar mission, and organizations belonging to a special grouping. Visit www.survey.utexas.edu for a complete list of benchmark groups and scores.

Organization Size: Size category 3 includes organizations with 101 to 300 employees.

Mission Category: Education (Mission 3)
The Education category includes Universities, Colleges, Institutes and other Agencies involved with students, teachers, administrators and families throughout many areas of learning.

Special Grouping: None

Survey Administration Profile:

Collection Period:
10/1/2007 - 10/13/2007

Additional Items and Categories:
Organizations can add customization by creating additional items tailored to the organization and categories for employees to identify with.

Refer to the Appendix of the Data Report for a complete list of categories and additional items.

- 20 additional items

Collection Method:
All employees took the survey online.

Survey Liaison:

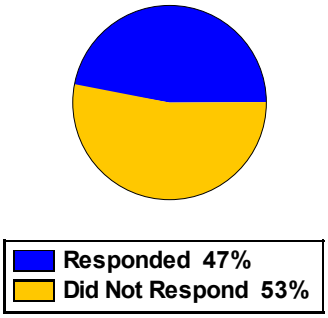
Maria Moreno (512) 427-6193
Assistant Director, HR
Texas Higher Education Coordinating Board
1200 E. Anderson Lane
Austin, TX 78752

Maria.Moreno@thecb.state.tx.us

Response Rates

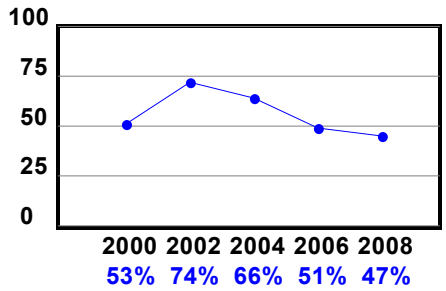
Overall Response Rate

High rates mean that employees have an investment in the organization, want to see the organization improve and generally have a sense of responsibility to the organization. Low response rates can mean several things. There simply may not have been enough effort in making certain employees know the importance of completing the Survey. At a more serious level, low rates of response suggest a lack of organization focus or responsiveness. It may suggest critical levels of employee alienation, anger or indifference to organizational responsibilities.



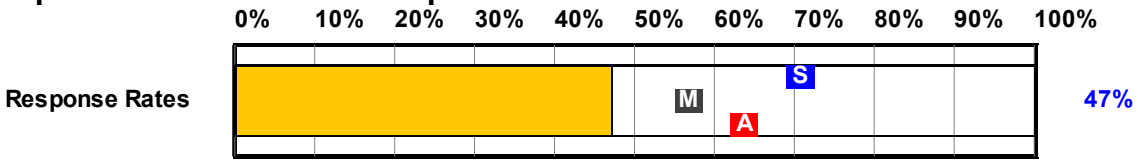
Out of the 257 employees who were invited to take the survey, 121 responded. As a general rule, rates higher than 50 percent suggest soundness. Rates lower than 30 percent may indicate serious problems. At 47%, your response rate is considered average.

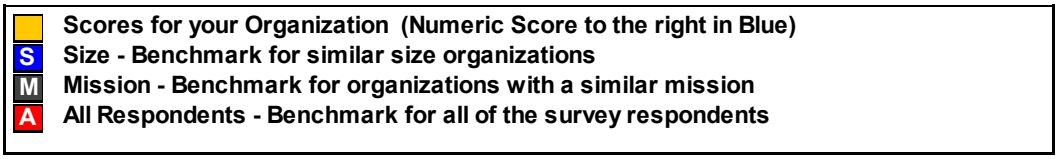
Response Rate Over Time



One of the values of participating in multiple iterations of the Survey is the opportunity to measure organizational change over time. In general, response rates should rise from the first to the second and succeeding iterations. If organizational health is sound, rates tend to plateau above the 50 percent level. Sharp declines in participation suggest some form of general organizational problem is developing. Your response rate is about the same as it was for the previous survey.

Response Rate Benchmark Comparisons





Regional Distribution Map and Benchmarks

Regional Distribution Maps are available to organizations with a large number of employees working in several regions throughout the state. Regional Distribution Map (if applicable) and Regional Benchmark Map will be available in the near future.

Survey Framework and Scoring

The Survey assessment is a framework that consists of survey items, constructs, and dimensions. Each level of the framework provides insight into the workings of an organization.

Items
At the most basic level there are survey items, which provide specific feedback. For each item, employees are asked to indicate how strongly they agree or disagree that the item describes the organization. Possible responses include: (1) strongly disagree; (2) disagree; (3) feel neutral; (4) agree; (5) strongly agree; and, (not scored) don't know/not applicable. Any survey item with an average (mean) score above the neutral midpoint of "3.0" suggests that employees perceive the issue more positively than negatively. Scores of "4.0" or higher indicate areas of substantial strength for the organization. Conversely, scores below "3.0" are viewed more negatively by employees. Items that receive below a "2.0" should be a significant source of concern for the organization and should receive immediate attention.

Constructs
The survey constructs are designed to broadly profile organizational strengths and areas of concern so that interventions may be targeted appropriately. Survey constructs are developed from a group of related survey items. The construct score is calculated by averaging the related item scores together and multiplying that result by 100. Scores for the constructs range from a low of 100 to a high of 500. An item may belong to one or several constructs, however, not every item is associated with a construct.

Dimensions
The framework, at its highest level, consists of five workplace dimensions. These five dimensions capture the total work environment. Each dimension consists of several survey constructs. The dimension score also ranges from 100 to 500 and is an average of the construct scores belonging to the dimension.

Survey Dimensions and Constructs

Dimension I Work Group	Dimension II Accommodations	Dimension III Organizational Features	Dimension IV Information	Dimension V Personal
Supervisor Effectiveness Fairness Team Effectiveness Diversity	Fair Pay Physical Environment Benefits Employment Development	Change Oriented Goal Oriented Holographic Strategic Quality	Internal Availability External	Job Satisfaction Time and Stress Burnout Empowerment

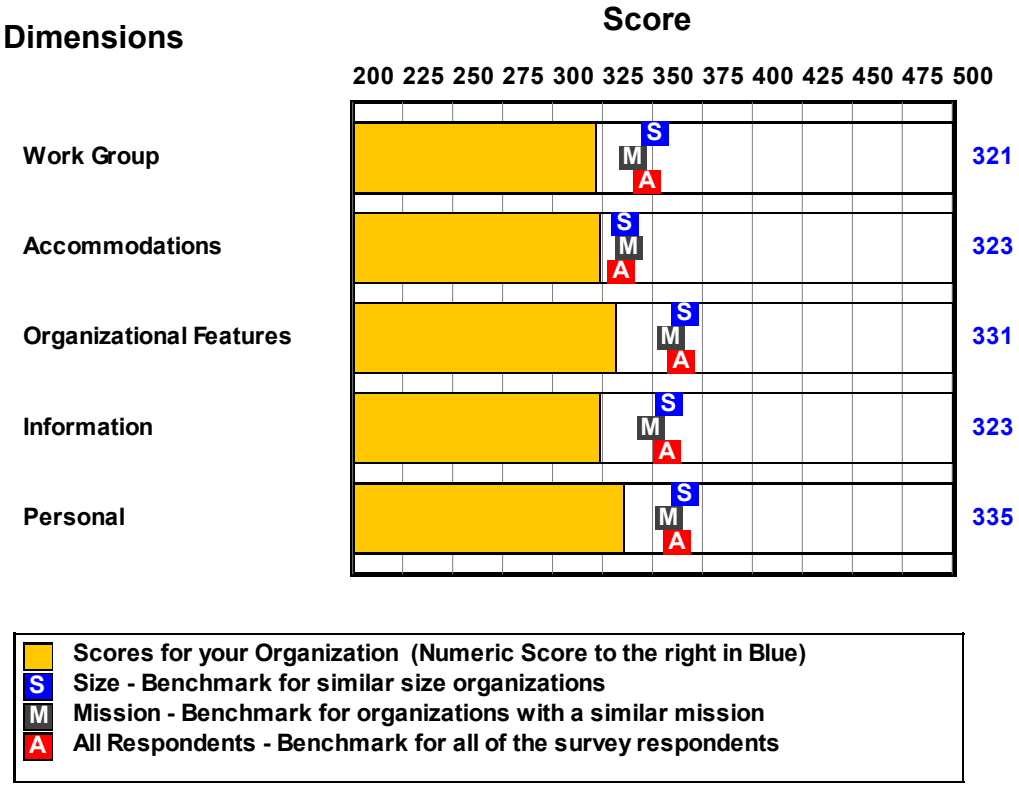
Over Time and Benchmark Data

Comparison scores are provided when available. One of the benefits of continuing to participate in the survey is that over time data shows how employees' views have changed as a result of implementing efforts suggested by previous survey results. Additionally, benchmarks help to illustrate how this organization is performing relative to organizations of similar size, organizations with similar missions and to the performance of all organizations that participated in this survey.

Dimension Analysis

In order for organizations to improve, there is a need to compare performance with other organizations. This comparison process is called benchmarking. The Survey provides a number of convenient and useful comparisons. The number of employees in an organization is one important characteristic of any organization. Large organizations with multiple locations in which any employee will know only a few of the members are different from organizations where most interaction is face-to-face and people know each other well. A second kind of benchmark focuses upon organizations that perform similar functions. The nature of an organization's work can have an impact on organizational features and employee experiences. Lastly, a benchmark is provided for a comparison against all other organizations that have taken the Survey in the current time frame.

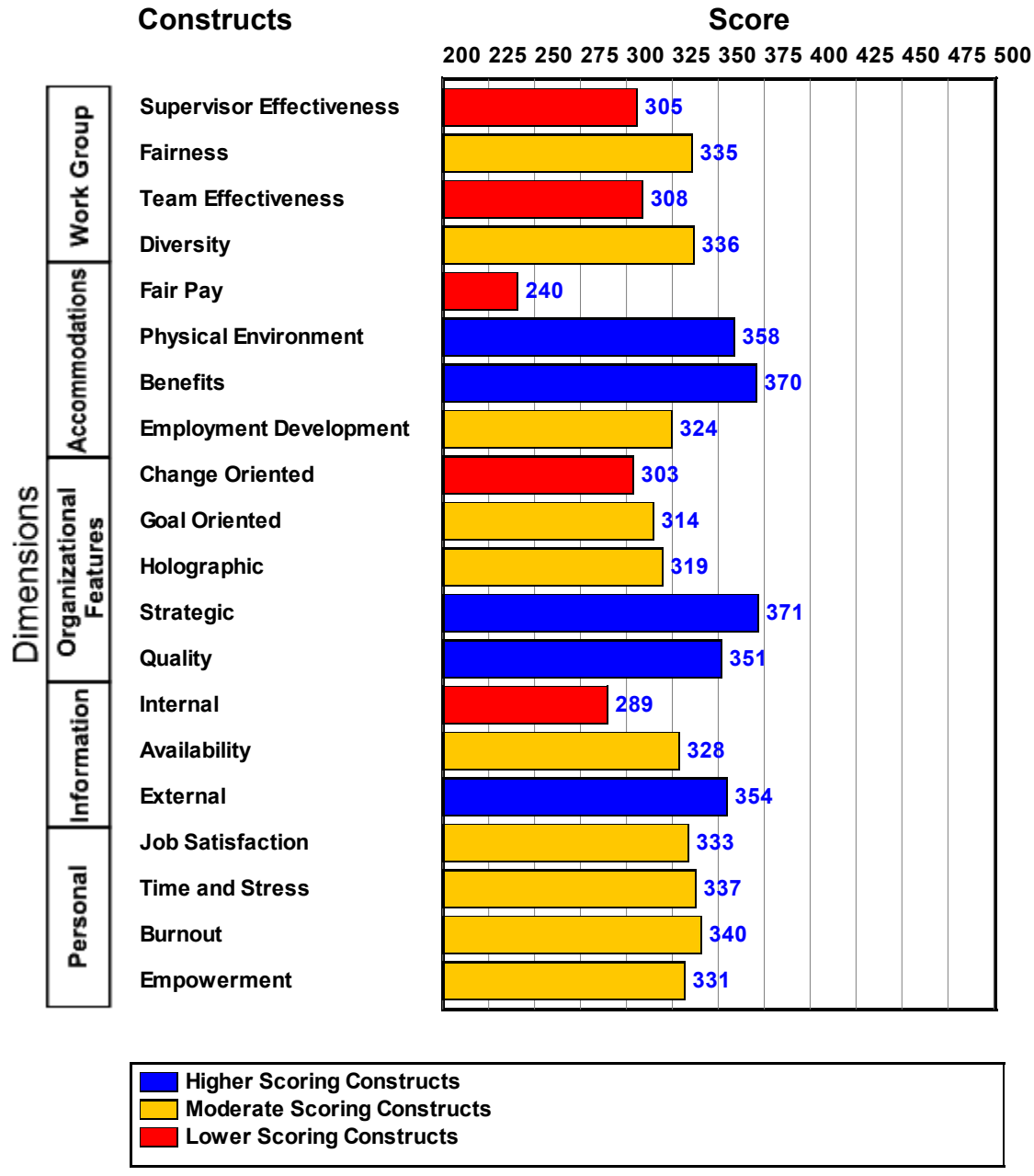
The data in this table are composed of the organization's scores for this iteration of the Survey and comparison data from the latest benchmark scores. The scores for the organization appear to the right.



Construct Analysis

Constructs have been color coded to highlight the organization's areas of strength and areas of concern. The 5 highest scoring constructs are blue, the 5 lowest scoring constructs are red, and the remaining 10 constructs are yellow.

Each construct is displayed below with its corresponding score. Highest scoring constructs are areas of strength for this organization while the lowest scoring constructs are areas of concern. Scores above 300 suggest that employees perceive the issue more positively than negatively, and scores of 400 or higher indicate areas of substantial strength. Conversely, scores below 300 are viewed more negatively by employees, and scores below 200 should be a significant source of concern for the organization and should receive immediate attention.



Organizational Typology: Areas of Strength

The following Constructs are relative strengths for the organization:

Strategic — Score: 371

General Description: The Strategic (Strategic Orientation) construct reflects employees' thinking about how the organization responds to external influences that should play a role in defining the organization's mission, vision, services, and products. Implied in this construct is the ability of the organization to seek out and work with relevant external entities.

Average scores suggest that employees feel there is room for improvement in how the organization interprets and understands the environment. Likely there is a concern that some programs are less relevant than in the past and that some processes do not seem knit into an overall vision. In general problems with Strategic Orientation stem from these factors: employees having a limited grasp of the goals of the organization, high levels of "silos", organizational components that function in isolation from other organizational processes, and the nature of the specific work being performed. Remedying Strategic Orientation requires careful study to determine the correct causative factors but assessing environmental understandings is the starting point. Conduct and compile customer assessments and review findings with staff at all levels. Benchmark processes with similar and competitive organizations. Use the employee feedback sessions to make a more complete determination for the causes of low Strategic Orientation scores.

Benefits — Score: 370

General Description: The Benefits construct provides a good indication of the role the benefit package plays in attracting and retaining employees in the organization. It reflects comparable benefits that employees feel exist with other organizations in the area.

Average scores suggest that room for improvement exists and lack of attention can lead to dropping scores. Benefits are often not viewed as motivators for employees but more as hygiene factors. This means employees will become restless, upset and dissatisfied when benefits are perceived as less than needed or fair. Part of the follow up to the Survey when data are returned is to discuss the results with employees and secure more elaborate explanations of important issues. In general concerns about benefits stem from these factors: level and type of benefits available, the cost and employees being able to understand and use the benefits package. Remedying concerns about benefits requires data collection from employees and competitive organizations to determine the correct causative factors. Use the employee feedback sessions to make a more complete determination for the causes of low Benefits scores.

Organizational Typology: Areas of Strength

Relative Strengths Continued:

Physical Environment **Score: 358**

General Description: The Physical Environment construct captures employees' perceptions of the total work atmosphere and the degree to which employees believe that it is a "safe" working environment. This construct addresses the "feel" of the workplace as perceived by the employee.

Average scores suggest that room for improvement exists and lack of attention can lead to dropping scores. Attention may be needed to quality and amount of office space, equipment, parking and the location of facilities.

External **Score: 354**

General Description: The External Communication construct looks at how information flows into the organization from external sources, and conversely, how information flows from inside the organization to external constituents. It addresses the ability of organizational members to synthesize and apply external information to work performed by the organization.

Average scores suggest that immediate consideration needs to be made to improve tools and process for external communication. In general External Communication is a function of these factors: nature of the organization's services or products and those who use the products, types of technology deployed for communication and knowledge of the organization of the needs of those who use its services. Remedying External Communication requires careful study to determine the correct causative factors. Carefully examine the customer base, operating hours of the organization, location of offices and knowledge of contact personnel with customer needs.

Organizational Typology: Areas of Strength

Relative Strengths Continued:

Quality **Score: 351**

General Description: The Quality construct focuses upon the degree to which quality principles, such as customer service and continuous improvement are a part of the organizational culture. This Construct also addresses the extent to which employees feel that they have the resources to deliver quality services.

Quality comes from attention to detail, customers and overall effort. Average scores mean that there is important room for improvement. In general quality is a result of understanding the needs of customers or clients coupled with a continuous and zealous examination of products and processes for improvement. Achieving quality requires the full and thoughtful attention of all members of the organization. Essential to maintaining high levels is clear articulation of goals, careful attention to changes in the environment that might affect resources or heightened competition and vigorous participation by all members. Leadership must maintain a clear articulation of the importance of quality and the role of everyone in achieving quality. Improvement is best addressed by developing clear standards of quality at all levels, urging employee assessment and feedback, and creating measures of quality for all work.

Organizational Typology: Areas of Concern

The following Constructs are relative areas of concern for the organization:

Fair Pay **Score: 240**

Source of Concern

General Description: The Fair Pay construct addresses perceptions of the overall compensation package offered by the organization. It describes how well the compensation package "holds up" when employees compare it to similar jobs in other organizations.

Low scores can come from many causes and may suggest a number of remedies. Part of the follow up to the Survey when data are returned is to discuss the results with employees and secure more elaborate explanations of important issues. Failure to successfully remedy Fair Pay problems is one of the more serious mistakes that leadership can make. These scores suggest that pay is a central concern or reason for satisfaction or discontent. Problems with pay can come from two or three causes and may suggest a number of remedies. In some situations pay does not meet comparables in similar organizations. In other cases individuals may perceive that pay levels are not appropriately set to work demands, experience and ability. At some times cost of living increases may cause sharp drops in purchasing power and employees will view pay levels as unfair. Remedying Fair Pay problems requires a determination of which of the above factors are serving to create the concerns. Triangulate low scores in Fair Pay by reviewing comparable positions in other organizations and cost of living information. Use the employee feedback sessions to make a more complete determination for the causes of low Fair Pay scores.

Internal **Score: 289**

Source of Concern

General Description: The Internal Communication construct captures the flow of communication within the organization from the top-down, bottom-up, and across divisions or departments. It addresses the extent to which communication exchanges are open and candid and move the organization toward goal achievement.

Low scores suggest that room for improvement is critical and lack of attention can lead to worsening coordination and embarrassing conflicts. Employees feel that information does not arrive in a timely fashion and often it is difficult to find needed facts. In general Internal Information problems stem from these factors: an organization that has outgrown an older verbal culture based upon a few people knowing "how to work the system", lack of investment and training in modern communication technology and, perhaps, vested interests that seek to control needed information. Remedying Internal Communication requires careful study to determine the correct causative factors. Triangulate low scores in Internal Communication by reviewing existing policy and procedural manuals to determine their availability. Assess how well telephone systems are articulated and if e-mail, faxing and Internet modalities are developed and in full use. Use the employee feedback sessions to make a more complete determination for the causes of low Internal Communication scores.

Organizational Typology: Areas of Concern

Relative Areas of Concern Continued:

Change Oriented **Score: 303**

General Description: The Change Oriented construct secures employees' perceptions of the organization's capability and readiness to change based on new information and ideas. It addresses the organization's aptitude to process information timely and act upon it effectively. This Construct also examines the organization's capacity to draw upon, develop, and utilize the strengths of all in the organization for improvement.

Average scores suggest that room for improvement exists and lack of attention can lead to organizational stasis. Problems with low change orientation can come from many causes and may suggest a number of remedies. Typically the organization is isolated or maintains a culture that feels that the organization and its activities are unique. This vitiates needed comparison or benchmarking processes. Remedying Change Orientation requires opportunity for study and comparisons with other organizations. Visits to other organizations, participation in accreditation processes and developing external advisory boards can help open the organization and increase readiness to change.

Supervisor Effectiveness **Score: 305**

General Description: The Supervisor Effectiveness construct provides insight into the nature of supervisory relationships in the organization, including the quality of communication, leadership, thoroughness and fairness that employees perceive exists between supervisors and them. This Construct helps organizational leaders determine the extent to which supervisory relationships are a positive element of the organization.

Average scores suggest that room for improvement exists and lack of attention can lead to dropping scores. No area in an organization is more important and often more resistant to change than the middle areas of the organization. Problems with supervision can come from many causes and may suggest a number of remedies. Part of the follow up to the Survey when data are returned is to discuss the results with employees and secure more elaborate explanations of important issues. In general supervisory effectiveness stems from these factors: the selection, support and training of supervisors, the maturity and experience of employees and the nature of the specific work being performed. A frequent problem with supervisors is that those tasks a person may be successful with are not the same tasks that are required when one is promoted to supervision. Remedying Supervisory Effectiveness requires careful study to determine the correct causative factors. Triangulate low scores in Supervisory Effectiveness by reviewing how supervisors are selected and their training. Use the employee feedback sessions to make a more complete determination for the causes of low Supervisory Effectiveness scores.

Organizational Typology: Areas of Concern

Relative Areas of Concern Continued:

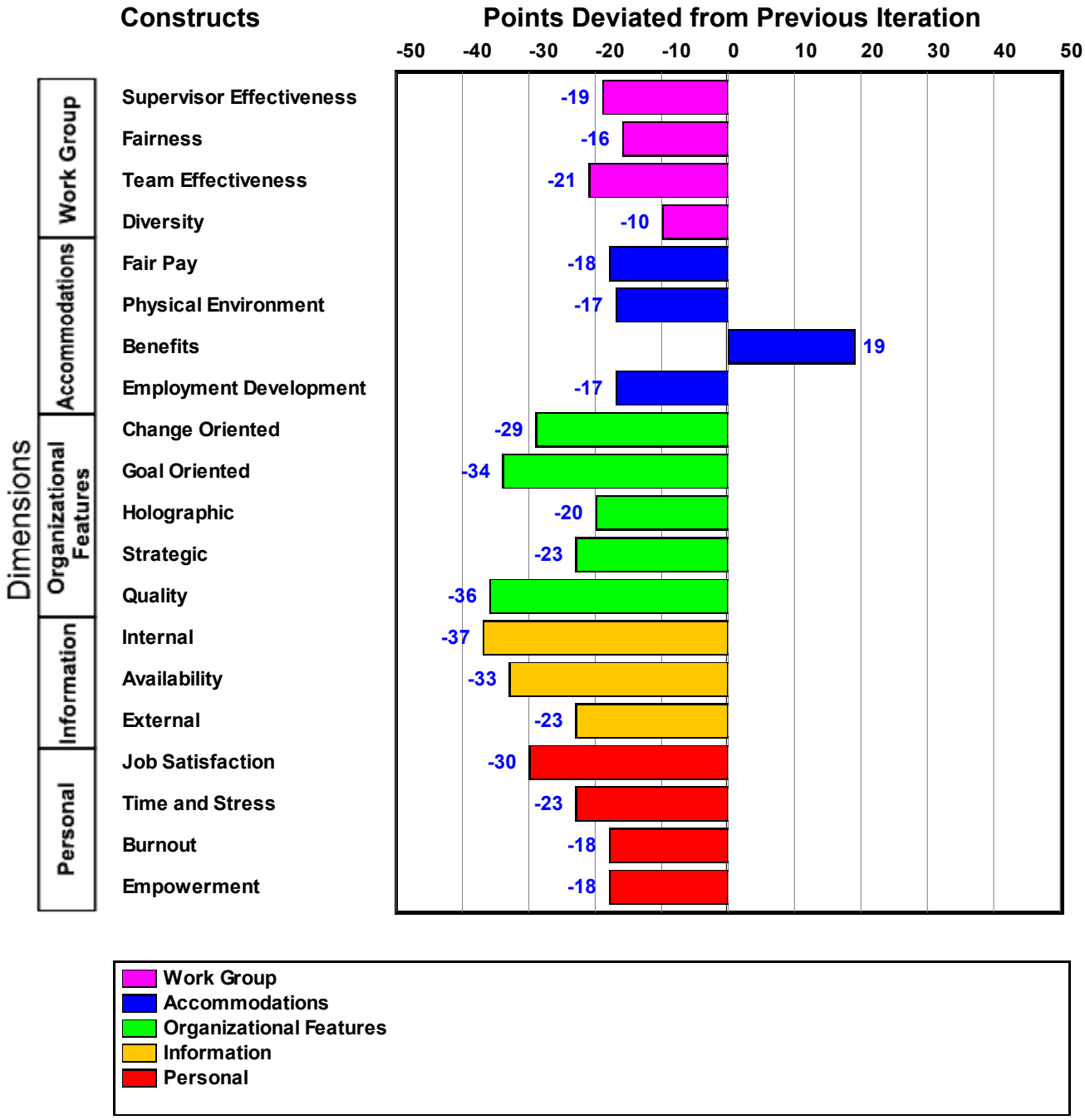
Team Effectiveness **Score: 308**

General Description: The Team Effectiveness construct captures employees' perceptions of the people within the organization that they work with on a daily basis to accomplish their jobs (the work group or team). This construct gathers data about how effective employees think their work group is as well as the extent to which the organizational environment supports cooperation among employees.

Average scores suggest that room for improvement exists and lack of attention can lead to dropping scores. Much and often most work in organizations require regular collaboration with others, the work team. Problems with Team Effectiveness can come from many causes and may suggest a number of remedies. In general team effectiveness stems from these factors: team membership, the selection, support and training of supervisors, the maturity and experience of employees and the nature of the specific work being performed. Remedying Team Effectiveness requires careful study to determine the correct causative factors. Triangulate low scores in Team Effectiveness with Supervisory Effectiveness by reviewing how supervisors are selected and their training. Use the employee feedback sessions to make a more complete determination for the causes of low Team Effectiveness scores.

Organizational Change: Performance Over Time

One of the benefits of continuing to participate in the survey is that over time data shows how employees' views have changed as a result of implementing efforts suggested by previous survey results. Positive changes indicate that employees perceive the issue as adequately improved since the previous survey. Negative changes indicate that the employees perceive that the issue has worsened since the previous survey. Negative changes of greater than 50 points and having 10 or more negative construct changes should be a source of concern for the organization and should receive immediate attention.



Analyzing Over Time Data

Over Time Data adds another dimension to an organization's scores. By viewing data from multiple iterations of the survey - static data suddenly is capable of tracking effectiveness of previous action plans and catching declining trends before they become critical. Identifying areas for future action plans becomes more obvious and employees can visually confirm the benefits of being proactive in their organization.

Changes
Organizational change occurs whether or not leadership plans for it. Planning for change puts the control in the hands of the organization. By using the results of the survey and employee feedback, organizations can encourage positive growth trends in their survey scores. A lack of planning can lead to haphazard fluctuations in scores over time.

This organization experienced positive growth in 1 out of the 20 constructs in comparison to the last iteration of the survey. The constructs with the most positive growth are: *Benefits, Diversity, Fairness, Employment Development, and Physical Environment*. Together, these constructs were identified by employees as having the most significant improvement compared to the previous iteration of the survey. The constructs that showed the least amount of improvement or a decrease in score are: *Internal, Quality, Goal Oriented, Availability, and Job Satisfaction*. These constructs may or may not be the lowest scoring constructs, but definite attention should be given to these constructs when considering which areas to focus efforts upon improving.

Determining Causes
This is a turbulent time for many organizations, however this year will prove as an important benchmark year as the economy starts to recover. Any number of events both within and outside of leadership control can affect scores. While score changes cannot be attributed directly to one particular event, it is worthwhile to consider all possibilities and use the most likely culprits as a starting point for developing action plans and encouraging positive trends. Consider any recent events that might have affected the scores for a particular construct. Have there been changes in leadership, policy, or procedure? Has there been any restructuring or layoffs? Were any action plans put into place based on the results of the last survey?

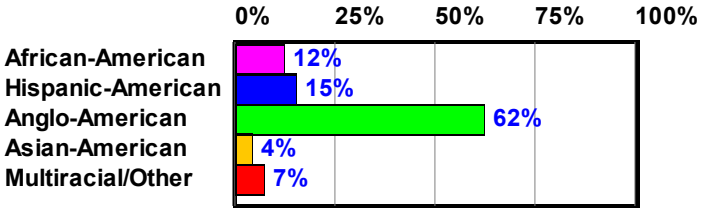
The *Data Report* provides detailed data on each of the survey items and constructs including descriptions and item-construct relationships. Examine the over time data for the individual items that make up a construct to try to isolate contributing factors. Once you have a list of factors, hold a focus group consisting of a diverse group of employees and try to get a better feel for why the employees responded the way they did. You may find that there are many other complex factors at work, but having a pre-compiled set of possible factors will provide a sound starting point.

Continuing Trends
No matter how high a score, there is always room for improvement. Get the entire organization involved in deciding on which constructs to concentrate efforts for improvement. Brainstorm ideas on how improvements can be made and how every employee can have a chance to contribute suggestions. A questionnaire, customized online survey, or departmental meeting may prove effective for collecting ideas. Each organization is unique and has a great amount of untapped resources in its employees. Using employees to solve problems and make organizational improvements is a natural solution - who else knows the organization better?

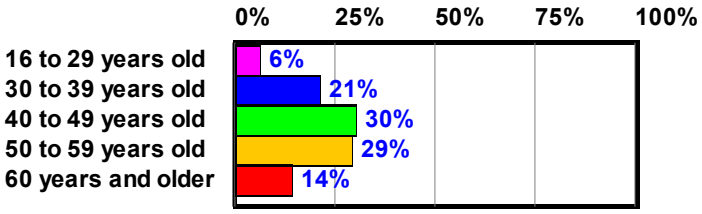
Participant Profile

Demography data help one to see if the Survey response rate matches the general features of all employees in the organization. It is also an important factor in being able to determine the level of consensus and shared viewpoints across the organization. It may also help to indicate the extent to which the membership of the organization is representative of the local community and those persons that use the services and products of the organization. Charts and percentages are based on valid responses. Slight variations from the Data Aggregation Report are due to respondents who chose not to answer particular demographic items.

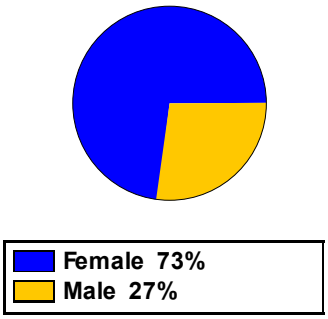
Race/Ethnic Identification
Diversity within the workplace provides resources for innovation. A diverse workforce helps insure that different ideas are understood, and that the community sees the organization as representative of the community.



Age
Age Diversity contributes to having a well-balanced workplace. Different age groups bring different experiences and perspectives to the organization. Large percentages of older individuals may be a cause of concern if a number of key employees are nearing retirement age. Seek ways to preserve the culture and experiences these individuals have brought to the organization. Be mindful that people have different challenges and resources at various age levels and should see that leadership incorporates these understandings.

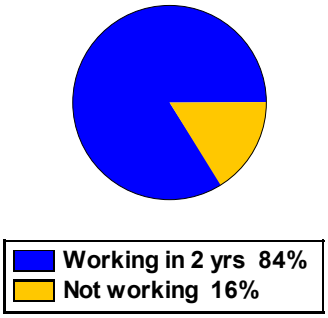


Gender
The ratio of males to females within an organization can vary among different organizations. However, extreme imbalances in the gender ratio should be a source of concern for the organization and may require immediate attention. Give consideration to the types of work being performed and be open to unintentional bias in job and employee selection as well as promotion consideration.

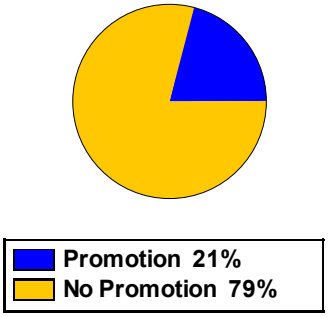


Participant Profile

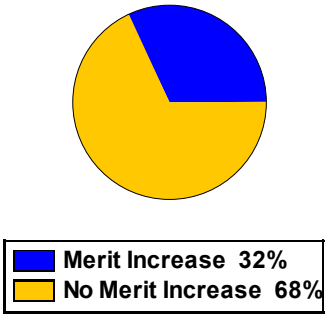
Employee Retention
The percent of employees that see themselves working for this organization in two years is a good indicator of how well the organization is doing at retaining its employees. Very low retention should be a source of concern and may require immediate attention.



Promotion
The percentage of employees that receive a promotion can vary among organizations. While organizational growth may increase the likelihood of promotional opportunities, organizations should not simply wait for growth. Low percentages may indicate that current employees do not compete well for promotional opportunities. This would urge study of the Employee Development Construct to gauge the level of employee interest.



Merit Increase
The percentage of employees that receive a merit increase can vary between organizations. Low percentages may indicate that employers need to review expectations of current employees and those efforts that seek to increase performance.



Interpretation and Intervention

After the survey data has been complied, the results are returned to the survey liaison, executive director, and board or commission chair approximately one month after data collection stops. These individuals are strongly encouraged to share results with all survey participants in the organization. Survey results are provided in several formats to provide maximum flexibility in interpreting the data and sharing the data with the entire organization. The quick turnaround in reporting allows for immediate action upon the results while they are still current.

The Executive Summary provides a graphical depiction of the data. Graphical data can easily be reproduced in a company newsletter or website. For additional detailed data, the Data Report is useful for examining survey data on the individual item level. Response counts, averages, standard deviations, and response distributions are provided for each item. Excel files provide electronic access to scores. Scores can be sorted in various ways to help determine strengths and areas of concern. The electronic data can also be used by Excel or other software to create additional graphs or charts. Any of these formats can be used alone or in combination to create rich information on which employees can base their ideas for change.

Benchmark data provide an opportunity to get a true feel of the organization's performance. Comparing the organization's score to scores outside of the organization can unearth unique strengths and areas of concern. Several groups of benchmarks are provided to allow the freedom to choose which comparisons are most relevant. If organizational categories were used, then internal comparisons can be made between different functional areas of the organization. By using these comparisons, functional areas can be identified for star performance in a particular construct, and a set of "best practices" can be created to replicate their success throughout the organization.

These Survey Data provide a unique perspective of the average view of all that took the Survey. It is important to examine these findings and take them back to the employees for interpretation and to select priority areas for improvement. This also provides an opportunity for the organization to recognize and celebrate areas that members have judged to be areas of relative strength. By seeking participation and engaging people on how the organization functions, you have taken a specific step in increasing organizational capital. High organizational capital means high trust among employees and a greater likelihood of improved efforts and good working relationships with clients and customers.

Ideas for getting employees involved in the change process:

- Hold small focus groups to find out how the employees would interpret the results
- Conduct small customized follow-up surveys to collect additional information including comments
- Provide employees with questionnaires/comment cards to express their ideas

Ideas for sharing data with the organization:

- Publish results in an organizational newsletter or intranet site
- Discuss results in departmental meetings
- Create a PowerPoint presentation of the results and display them on kiosks

Timeline

November and December: Interpreting the Data

- Data is returned to survey liaisons, executive directors and board members
- Review Survey data including the Executive Summary with executive staff
- Develop plans for circulating all the data sequentially and providing interpretations for all staff

January: Distributing Results to the Entire Organization

- Implement the plans for circulating the data to all staff
- Create 3 to 4 weekly or monthly reports or organization newsletters
- Report a portion of the Constructs and Questions, providing the data along with illustrations pertinent to the organization
- Select a time to have every employee participate in a work unit group to review the reports as they are distributed to all staff, with one group leader assigned to every group. The size of the groups should be limited to about a dozen people at a time. A time limit should be set not to exceed two hours.

February: Planning for Change

- Designate the Change Team composed of a diagonal slice across the organization that will guide the effort
- Identify Work Unit Groups around actual organizational work units and start each meeting by reviewing strengths as indicated in the data report. Brainstorm on how to best address weaknesses
- Establish Procedures for recording the deliberations of the Work Unit Group and returning those data to the Change Team
- Decide upon the Top Priority Change Topic and Methods necessary for making the change. Web-based Discussion Groups and Mini-Surveys are convenient technologies
- First change effort begins
- Repeat for the next change topic

March and Beyond: Implementation and Interventions

- Have the Change Team compile the Priority Change Topics and Methods necessary for making the change and present them to the executive staff
- Discuss the administrative protocols necessary for implementing the changes
- Determine the plan of action and set up a reasonable timeline for implementation
- Keep employees informed about changes as they occur through meetings, newsletters, or intranet publications
- Resurvey to document the effectiveness of the change

Appendix H:
Workforce Development System Strategic Plan

Workforce Development System Strategic Plan

The Texas Higher Education Coordinating Board's Strategic Plan instructions require the inclusion of this appendix item to summarize the agency's work with the Texas Workforce Investment Council (TWIC). This appendix responds in the required format and utilizes the TWIC Strategy Statement included in *Destination 2010: Fiscal Years 2005-2009 Strategic Plan for the Texas Workforce Development System* and its updates for the Coordinating Board.

Texas Higher Education Coordinating Board Strategy Statement

The goal of the Coordinating Board is to assist universities, community colleges, technical colleges, and individuals in achieving career and workforce relevant education through program approval, advocacy for funding needs, financial aid, and Tech-Prep funding.

The agency's primary focus within the workforce system is the community and technical colleges, which serve as the hub of workforce education and training in Texas higher education. This will be accomplished by:

- Executing the *Closing the Gaps* goals:
    - Increase the overall Texas higher education participation rate to 5.6 percent by 2010 and to 5.7 percent by 2015;
    - Increase the overall number of students completing bachelor's degrees, associate's degrees, and certificates to 171,00 by 2010, and to 210,000 by 2015;
    - Increase the number of students completing allied health and nursing bachelor's and associate's degrees and certificates to 20,300 by 2010, and to 26,100 by 2015;
    - Increase the number of teachers initially certified through all teacher certification routes to 34,600 by 2010, and to 44,700 by 2015; and
    - Increase science and engineering research obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation.
- Coordinating data, information, and analysis with the Texas Education Agency, the Texas Workforce Commission, and other workforce system partners.
- Undertaking legislative advocacy for higher education needs.

Efforts will be measured by participation (enrollment) and success (completion) rates across a wide range of student populations, as well as targeted occupations.

Integrated Workforce Development System Strategic Planning

The Texas Government Code, Chapter 2308.104, provides that the Texas Workforce Investment Council shall include in the strategic plan goals, objectives, and performance measures for the workforce development system that involve programs of all state agencies that administer workforce programs. The statute further mandates that, upon approval of the workforce development strategic plan by the Governor, each agency administering a workforce program shall use that strategic plan to develop the agency's operational plan. The Governor approved *Destination 2010: FY2004-FY2009 Strategic Plan for the Texas Workforce Development System* on October 15, 2003. An update of the original plan was approved by the Council in March 2006. The Council approved the 2008 update, the fifth and final such review, at its March 2008 meeting as work on the new workforce system strategic plan begins. The 2008 update will be the basis of partner agency actions, and will continue to guide implementation of *Destination 2010* in 2008 and 2009.

Part 1a Indicate each programmatic Long Term Objective that applies to your agency and its workforce programs. Provide specific page numbers where applicable references may be found within the agency strategic plan.

☑	Page Number	Destination 2010: FY 2004 – FY 2009 Strategic Plan for the Texas Workforce Development System Long Term Objectives	LTO ID#
		Programmatic Long Term Objectives	
		Increase the percentage of adult education students completing the level enrolled from 64 percent to 70 percent by Q4/07.	CU3.0
		Increase the percentage of adult education students receiving a high school diploma or GED from 6.7 percent to 10 percent by Q4/07.	CU3.1
		Increase job placements as a result of SEP mature worker programs and services from 17 percent to 25 percent by Q4/05.	CU3.2
		Increase academic and future workplace success of youth by increasing the high school graduation and/or certification (GED) rates from 92.5 percent to 95 percent by Q4/07.	CU3.3
		Reduce the percentage of student dropouts from public schools between grades 7 and 12 from 8.6 percent to 6.6 percent by Q4/07.	CU3.4
		Increase the percentage of exiting secondary students pursuing academic and/or workforce education from 75.3 percent to 76% by Q4/07.	CU3.5
✓	6, 8, 20-21, 38-39, C-2, D-3, D-4	Increase Texas higher education participation rate to 5.5 percent by Q4/09.	CU3.6
✓	6, 9, 21, 38-39, C-2, D-3, D-4	Increase the number of certificates, associates and bachelors degrees awarded to 165,000 by Q4/09 and 171,000 in 2010.	CU3.7

☑	Page Number	Destination 2010: FY 2004 – FY 2009 Strategic Plan for the Texas Workforce Development System Long Term Objectives	LTO ID#
✓	4, 40, C-3, D-7	Sustain job placements for students exiting post secondary programs at a total annual rate of 85% or greater.	CU3.8
		Decrease number of TANF recipients cycling on and off TANF by a rate to be specified (pending HHSC/TWC discussions).	CU3.9
		Establish a standard for job placement for adult and youthful offenders prior to release by Q4/04. Increase the percentage of adult offenders placed in jobs prior to release by 5 percent per year to Q4/09. Increase constructive activity rate for youthful offenders by 5 percent per year to Q4/09.	CU4.0
		Increase to a level to be determined, the percentage of persons receiving vocational rehabilitation services from TCB and TRC who remain employed after exiting the program.	CU5.0

Part 1b **Indicate each system Long Term Objective, as applicable, in which your agency is a participant. If applicable, provide specific page number references where discussion of these Long Term Objectives may be found within the agency strategic plan.**

☑	Page Number	Destination 2010: FY2004-FY2009 Strategic Plan for the Texas Workforce Development System Long Term Objectives	LTO ID#
		System Long Term Objectives	
✓	23, 26-27, 30, 35	All system partners and associated workforce service providers will participate in the scope and development of a system-wide universal information gateway designed to provide a consistent and universal framework for all system customers and provider information on system projects, services and solutions. System providers will achieve uniform utilization by Q4/05 and uniform utilization by TWDS customers by Q2/2008.	SI2.0
✓	See note "A" below	Increase system-wide, the number of employers using TWDS products and services by a percentage growth rate to be determined by Q4/09.	CU1.0
✓	See note "A" below	Employer Customer Satisfaction level will achieve a 0.1 percentage increase biennially in the combined satisfactory and above satisfactory categories in the Council's System Employer Survey.	CU2.0
		Achieve job growth increases of 18 percent from 2000 to 2010.	SC1.0
		Develop, approve, fund and implement a strategic alliance business model that targets a minimum of three strategic industry clusters by Q1/06. These alliances are targeted to industries that hold long term strategic relevance to the state.	SC2.0
		Expand existing program or create a new program that enables employers to directly, readily and accountably access funds for new hire or incumbent worker training by Q2/05.	SC3.0
✓	9, 13, 26	Design and implement a methodology and system for identifying and assessing employer needs with the first complete assessment and recommendations delivered by Q1/05.	SC4.0
✓	9, 13, 26	Develop system to review workforce education programs and make recommendations to revise or retire them as appropriate to the current and future workforce needs identified in coordination with employers. This system capacity will be operational by 2008	SC5.0

		Increase the awareness, access rates, participation, and relevance of services to small and mid-size businesses throughout the State. The results of these efforts will achieve an increase in usage (to be determined) of TWDS products, services, and solutions by a date to be specified.	SC6.0

Notes:

1. The Coordinating Board does not interact directly with employers, but supports this objective as it corresponds to postsecondary education offerings and curriculum.

2. The Coordinating Board is not directly involved in outcomes related to this objective (employer satisfaction survey, number of jobs created or listed, etc.), but the agency provides assistance in accomplishing this objective as it relates to higher education.

Part 2 Provide a brief narrative description of the activities and programs your agency is implementing, or plans to implement, in response to your agency Strategy Statement for the workforce system included in *Destination 2010: FY2004-FY2009 Strategic Plan for the Texas Workforce Development System.*

Please provide specific information regarding your agency's response to the following issues:

1. Accountability to customers;
2. Securing and maintaining client employment opportunities.; and
3. Coordination and sharing of information, data, and analyses.

Coordinating Board Response:

The Coordinating Board reviews all comments and inquiries related to customer service, and implements recommendations for improvement as appropriate on an ongoing basis. The Report on Customer Service will be submitted to the Legislative Budget Board and Governor's Office of Budget, Planning and Policy as required, no later than June 1, 2008.

The Coordinating Board is not directly involved in securing and maintaining client employment opportunities. However, the agency actively encourages and supports two-year colleges throughout the state in its efforts to provide career training and guidance.

The agency has participated in the System Integration Technical Advisory Committee, to further the development of a system gateway/portal. In addition, the Coordinating Board has coordinated with the Texas Workforce Commission to establish an administrative data exchange Memorandum of Understanding (MOU) that matches wage records with student enrollment files (a solution to previous Family Education Rights and Privacy Act –FERPA—constraints).

Discussions are underway to add other participant agencies, such as the Texas Rehabilitation Commission, and the Texas Youth Commission.

The Coordinating Board continues to contribute to the "Texas PK-16 Public Education Information Resource" (TPEIR) project with the Texas Education Agency, providing information related to tracking Texas public school students through higher education. A relatively new initiative, the data project is considering expansion to include the Texas Assessment of Knowledge and Skills (TAKS) Test Data, and adult basic education data. This project has the potential to include career placement data in the future.

There are two workforce system objectives that do not directly correspond with a specific strategy in *Closing the Gaps*: (1) sustain job placements for students exiting postsecondary programs at a total annual rate of 85 percent or greater, (CU-3.8); and (2) all system partners and associated workforce service providers will participate in the scope and development of a system-wide universal information gateway … (S12.0). Additionally, there are two *Closing the Gaps* goals (to close the gaps in excellence and to close the gaps in research) and their corresponding strategies/objectives that do not have a direct relationship with any Texas Workforce Development System objectives. A complete listing of *Closing the Gaps* goals, objectives and strategies is provided in Appendix K.

The following table demonstrates direct linkages with the higher education plan, *Closing the Gaps by 2015*, and workforce development strategies through Fiscal Year 2009.

Texas Higher Education Coordinating Board *Closing the Gaps by 2015*: Higher Education Plan Goals and Strategies	***Destination 2010: FY2004-FY2009 Strategic Plan for the Texas Workforce Development System* Long Term Objectives As They Correspond to *Closing the Gaps***
PARTICIPATION GOAL: Increasing the overall Texas higher education participation rate to 5.6 percent by 2010, and to 5.7 percent by 2015.	Increase Texas higher education participation rate to 5.5 percent by Q4/09. (CU-3.6)
Make the Recommended High School Program the standard Texas public high school curriculum.	
Recruit, prepare, and retain additional well-qualified educators for elementary and secondary schools.	
Ensure that all students and their parents understand the benefits of higher education and the steps to prepare academically and financially for college.	
Establish an affordability policy that ensures students are able to participate and succeed in higher education by providing grants/scholarships, setting appropriate tuition and fees, and establishing incentives that increase affordability through academic and administrative efficiencies.	

Texas Higher Education Coordinating Board Closing the Gaps by 2015: Higher Education Plan Goals and Strategies	***Destination 2010: FY2004-FY2009 Strategic Plan for the Texas Workforce Development System* Long Term Objectives As They Correspond to *Closing the Gaps***
SUCCESS GOAL: Increase the overall number of students completing bachelor's degrees, associate's degrees and certificates to 171,00 by 2010 and to 210,000 by 2015.	Increase the number of certificates, associates, and bachelors degrees awarded to 165,000 by 2009. (CU-3.7),
Increase graduates in critical fields, including education, engineering, computer science, math, physical science, allied health, and nursing.	
Implement the state's Uniform Recruitment and Retention Strategy and other efforts to make enrollment and graduation reflect the Texas population.	
Reward increases in retention and graduation from high quality programs.	
Create seamless student transitions among high schools, community and technical colleges, universities and health-related institutions.	
Form partnerships and collaborations with the business community.	Increase system-wide, the number of employers using TWDS products and services by a percentage growth rate to be determined by Q4/09 (CU1.0). Employer Customer Satisfaction level will achieve a 0.1 percentage increase biennially in the combined satisfactory and above satisfactory categories in the Council's System Employer Survey (CU2.0). Design and implement a methodology and system for identifying and assessing employer needs with the first complete assessment and recommendations delivered by Q1/05 (SC4.0). Develop system to review workforce education programs and make recommendations to revise or retire them as appropriate to the current and future workforce needs identified in coordination with employers (SC5.0).

Appendix I:
Historically Underutilized Business Plan

Historically Underutilized Business Plan

In accordance with the *Texas Government Code*, Chapter 2161, the *Texas Administrative Code*, Section 20.11, and the *State of Texas Disparity Study*, the Texas Higher Education Coordinating Board is dedicated and committed to including Historically Underutilized Businesses (HUBs) in the procurement process. All businesses – regardless of size, economic, gender, or ethnic status – have an equal opportunity to participate in the procurement process with the Coordinating Board.

The Coordinating Board strives to ensure that contracting opportunities for minority and women-owned businesses exist within the agency. The Coordinating Board reported positive results for Fiscal Year 2007 with a 18.3 percent HUB participation. In addition, for the past 16 fiscal years, the Coordinating Board has exceeded the overall statewide average percentage of HUB usage.

GOAL

The Texas Higher Education Coordinating Board is dedicated and committed to including Historically Underutilized Businesses (HUBs) in the procurement process and will continue to make a good faith effort to utilize HUBs through four key elements: (1) executive management support; (2) a strong emphasis on HUB vendor solicitation; (3) educating the Coordinating Board employees on the HUB program; and (4) HUB vendor recruitment. Additionally, the agency's goal is to continue to annually exceed the overall statewide average percentage of HUB usage.

OBJECTIVES

Executive Management Support

1. The Coordinating Board will build and maintain HUB vendor relationships, and will identify a minimum of five new HUBs each year that are qualified and capable of providing goods and services to agency activities.

2. The agency will require inclusion of HUB subcontract requirements in all contracts in excess of $50,000 when subcontract opportunities exist.

The agency will promote the mentor-protégé program by adding a statement of support to formal procurement contract opportunities, and promote and educate the program to their prime contractors and HUB subcontractors.

Agency Staff Education

The agency will educate workgroups through senior management directives on the agency policy regarding the use of HUB vendors to the extent possible.

HUB Vendor Solicitation

1. The agency will make available to all potential prime contractors a resource list of certified HUBs available for subcontracting opportunities for contracts over $50,000.

2. The agency will use affirmative action efforts to solicit more HUBs on contract solicitations and will use a HUB vendor for contracts under $5,000 to the fullest extent possible.

HUB Vendor Recruitment

1. The agency will invite HUBs to deliver technical and business presentations as potential contractors, with at least one such HUB presentation conducted per year.

2. The agency will sponsor or co-sponsor an Economic Opportunity Forum each year.

3. The agency will participate in at least two external HUB Economic Opportunity Forums per year.

EXTERNAL/INTERNAL ASSESSMENT

The Coordinating Board will continue to make a good faith effort to utilize HUBs through four key elements: (1) executive management support; (2) a strong emphasis on HUB vendor solicitation; (3) educating Coordinating Board employees on the HUB program; and (4) vendor recruitment. A variety of factors, both internal and external, impact and contribute to the goal of increased participation of Historically Underutilized Businesses in Coordinating Board contracts.

Executive Management Support: Opportunities

Increased awareness of the benefits and contributions provided by conducting business with HUBs at all levels of management throughout the agency improves the contracting process.

- Coordinating Board members, as leaders throughout the state, understand and support HUB outreach.

Executive Management Support: Threats

- Turnover of key personnel throughout the agency and within the procurement office reduces efficiency, due to lost knowledge of processes.

Agency Staff Education: Opportunities

- Agency knowledge of the HUB program can lead to additional HUB contracting opportunities.

Agency Staff Education: Threats

- Turnover of key personnel throughout the agency and within the HUB program office reduces efficiency due to lost knowledge of processes and the transfer of knowledge to new personnel.

HUB Vendor Solicitation: Opportunities

- Increasing the number of HUBs vendor contracts; and
- Increasing the number of contracts among HUB ethnicity groups.

HUB Vendor Solicitation: Threats

- Increasing competition for HUB contractors and subcontractors dilutes quality of vendor partnerships;
- Underutilization of HUBs goals, since HUB vendors may not be able to compete with large company's volume pricing;
- Limited time available for procurement staff to find HUB vendors that will provide competitive market prices for contracts; and
- Reluctance on the part of HUBs to respond to subcontracting solicitations due to the low response/award ratio.

HUB Vendor Recruitment: Opportunities

- Network of state agencies encourages development of HUB relationships and contracts; and

- Increasing the number of HUB-qualified businesses from which to select.

HUB Vendor Recruitment: Threats

- Limited time available for procurement staff to fully explore opportunities to promote and recruit HUBs;
- Limited opportunities to recruit new HUBs vendors due to same HUB vendor attendance; and
- Subject matter expertise for professional and consultant service contracts limits HUB participation.

STRATEGIES

The Coordinating Board will persist in working towards increased use of HUBs in procurement contracts and subcontracts in the categories of special trade construction, professional services, other services, and commodities. In support of these goals, the agency identified the following strategies to improve its HUB program:

Executive Management Support:

- Assist HUBs in their ability to compete for procurements by promoting the availability of HUBs and removing unfair barriers to HUB participation;
- Stress agency goals regarding HUB participation and require inclusion of HUB subcontract requirements in all contracts in excess of $50,000 when subcontract opportunities exist;
- Support external and internal HUB Economic Opportunity Forums;
- Develop and implement a mentor protégé program to foster long-term relationships between prime contractors and HUBs and to increase the number of HUBs to contract and subcontract;
- Continue to maintain a monthly HUB reporting system in order to track HUB utilization; and
- Submit a supplemental letter, when necessary, with the Coordinating Board's HUB report to the Comptroller of Public Accounts.

HUB Vendor Solicitation:

- Allow for maximum participation by all businesses by specifying reasonable and realistic contract specifications, terms, and conditions consistent with the agency's actual requirements;

- Provide potential contractors with references or sources of certified HUBs available for subcontracting opportunities; and

- Utilize all available HUB directories within the appropriate vendor criteria for procurement opportunities.

HUB Vendor Recruitment:

- Invite HUBs to deliver technical and business presentations regarding the HUBs' capability to do business with the Coordinating Board;

- Inform the public of the Coordinating Board contract opportunities by sponsoring or co-sponsoring HUB Economic Opportunity Forums; and

- Participate in external HUB Economic Opportunity Forums with the purpose of identifying HUBs capable of providing goods and services and to make procurement opportunities available.

Appendix J:
Current-Year Activities

Current-Year Activities

The state of Texas and the Coordinating Board recognize the future-oriented approach required to prepare an agency's strategic plan. Documentation of current-year activities provides the necessary context to understand the vision presented in the strategic plan. This appendix offers a review of activities accomplished in Fiscal Year 2008 in support of the agency's goals, objectives, and strategies.

The Coordinating Board's master plan for higher education, entitled *Closing the Gaps by 2015,* has now been in place for eight years (details are provided in Appendix K). From its 2000 adoption forward, the majority of activities planned, conducted, and evaluated by the Coordinating Board and staff aligned directly with one or more goals of the plan.

Closing the Gaps and agency responsibilities are carried out by 274 full-time equivalent employees as of January 31, 2008. The agency is authorized to fill 304.9 full-time equivalent positions for the 2008-2009 biennium. The agency is organized around the *Closing the Gaps* goals into two major units: Academic Planning and Policy, and Business and Finance. The Academic Planning and Policy Office is composed of an Academic Affairs and Research Division, a Planning and Accountability Division, and a P-16 Initiatives Division. The Business and Finance office is composed of a Business and Support Services Division, an Information Technology Services Division, and a Student Services Division.

Additional offices are: General Counsel; Office of External Relations; Higher Education Policy Institute, and the Commissioner's Office. Appendix B contains the agency's organizational chart, and Appendix K provides an overview of the state's higher education plan, *Closing the Gaps by 2015.*

Fiscal Year 2008

The Coordinating Board staff are aware of the benefits of strategic planning. The agency has many ongoing planning efforts. The Strategic Plan allows a more global, higher education examination of how all of the agency's projects interact and combine to help higher education meet the goals of *Closing the Gaps.*

Because the Strategic Plan covers activities conducted throughout the agency, representatives from all of the divisions met to discuss the plan. Several sessions were designed to help identify trends and topics that will affect higher education in the short- and long-term. Topics raised were classified as being most closely related to: demographic, social, economic, political, or technological trends. Participants voted on the top three factors that will have the greatest impact on

higher education in the future. The results from the sessions were combined and utilized in the External and Internal Assessment section of this report.

Some agency divisions have more formally tied their major activities to objectives they have set, while others are still working on this process. The agency recognizes that this type of effort must be continually updated so that activities are targeted at acknowledged objectives.

In February 2008, the Commissioner of Higher Education joined with The University of Texas System to sponsor a Summit on Transfer Issues. Top administrators from all of Texas higher education institutions were invited to discuss specific transfer-related topics and to share ideas. The limited participation was intended to ensure that all attendees actively contributed to the discussions.

The Transfer Summit was followed by the Coordinating Board members' strategic planning retreat. The Coordinating Board members reviewed the agency's activities, and identified programs of strategic importance to the agency. Ideas from these two meetings have informed this plan.

The Coordinating Board has commissioned a study of access and affordability that was discussed at the Coordinating Board's April 2008 meeting.

The Coordinating Board discusses a major issue at every quarterly meeting. The major topic at its January 2008 meeting was Texas College Readiness Standards (CRS) as required by House Bill 1, 79th Texas Legislature, Third Called Session.

Almost 1,000 comments on the College Readiness Standards were received during the public comment period, which ended on December 10, 2007. Comments were submitted by individuals, school districts, and higher education faculty departments. All comments were submitted to the vertical team co-chairs for their review and recommended modifications. The modified version was then submitted to the vertical teams for their review and comment. During the first week of January, conference calls were held with each vertical team to discuss any discrepancies, and to obtain agreement on the version that would be submitted to the Commissioner of Higher Education. The version approved by the Commissioner of Higher Education, and reviewed by Commissioner of Education Robert Scott, was submitted to the Coordinating Board's standing Committee on Academic Excellence and Research on January 15, 2008.

Regional and leadership meetings are other major activities that help promote higher education. The Coordinating Board, in partnership with the Association of Governing Boards of Universities and Colleges, received grant funds from the Houston Endowment and the Lumina Foundation for Education to host seven regional meetings across the state; a summary meeting of regional P-16 leaders

and selected regional meeting participants; a statewide leadership meeting of university chancellors, presidents, and governing board members; and a statewide leadership meeting of community college chancellors, presidents, and governing board members. Regional meetings have provided an ideal setting for education, business, and community leaders to discuss strategies and important institutional and community-level indicators in their regions and counties.

Regional meetings have also led to a better understanding of the partnerships and coordination needed between colleges, universities, and schools to achieve the goals of *Closing the Gaps.* Leadership meetings have helped educate regents and trustees about the importance of *Closing the Gaps*, and their individual and collective responsibility to understand the Texas higher education plan and its statewide, regional, system, and institutional imperatives. Regional meetings were held in San Antonio (February 2006), Weslaco (May 2006), El Paso (October 2006), Houston (February 2007), Dallas (April 2007), Lubbock (March 2008), and Laredo (April 2008). The Leadership Meeting for two-year community and technical colleges was held in June 2007; this meeting complemented the four-year Leadership Meeting held in June 2006. The Coordinating Board has shared important information on *Closing the Gaps* at the annual Governing Board Conferences held in Austin (November 2006) and in Houston (October 2007).

Coming in the Remainder of Fiscal Year 2008

Tentative agenda items for the Coordinating Board's consideration in July 2008 include the annual report on progress toward *Closing the Gaps*. The Coordinating Board will continue to monitor the progress of institutions relative to the goals and targets identified in *Closing the Gaps* on a quarterly cycle.

A Summary Meeting of local and regional P-16 Council leaders and selected participants from the Coordinating Board's regional *Closing the Gaps* meetings will be held in Austin on July 2-3, 2008. The annual Governing Board Conference will be held in Austin in December 2008.

Appendix K:
Closing the Gaps by 2015

Closing the Gaps by 2015
A Summary of Goals, Strategies and Targets

Closing the Gaps by 2015, the Texas higher education plan, was developed to ensure a well-educated workforce for the future and to support research efforts. The plan was created in recognition of the low proportion of Texans enrolled in higher education compared to other states, that too few higher education programs are noted for excellence, and that too few higher education research efforts have reached their full potential.

The plan outlines the goals of closing the gaps in higher education participation and success, in educational excellence, and in funded research over the next 15 years. The plan outlines the four challenges which are the most critical to overcome for the future well-being of Texas higher education; it is not a comprehensive list of all the desirable actions in Texas higher education.

PARTICIPATION

Goal: By 2015, close the gaps in participation rates to add 630,000 more students.

Strategies:

- Make the Recommended High School Program the standard Texas public high school curriculum and make it the minimum requirement for admission to Texas public universities by 2008
- Recruit, prepare, and retain additional well-qualified educators for elementary and secondary schools
- Ensure that all students and their parents understand the benefits of higher education and the steps to prepare academically and financially for college
- Establish an affordability policy that ensures students are able to participate and succeed in higher education by providing grants/scholarships, setting appropriate tuition and fees, and establishing incentives that increase affordability through academic and administrative efficiencies

Targets:

- Increase the overall Texas higher education participation rate from 5.0 percent in 2000 to **5.6 percent** by 2010, and to 5.7 percent by 2015.
- Increase the higher education participation rate for the African American population of Texas from 4.6 percent in 2000 to **5.6 percent** by 2010, and to 5.7 percent by 2015.
- Increase the higher education participation rate for the Hispanic population of Texas from 3.7 percent in 2000 to **4.8 percent** by 2010, and to 5.7 percent by 2015.
- Increase the higher education participation rate for the White population of Texas from 5.1 percent in 2000 to **5.7 percent** by 2010, and to 5.7 percent by 2015.

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* Participation targets were revised from the original *Closing the Gaps by 2015* plan to account for adjusted U.S. Census figures; the percent of the population originally identified remains the same.

SUCCESS

Goal: By 2015, award 210,000 undergraduate degrees, certificates and other identifiable student successes from high-quality programs.

Strategies:

- Increase graduates in critical fields, including education, engineering, computer science, math, physical science, allied health, and nursing
- Implement the state's Uniform Recruitment and Retention Strategy and other efforts to make enrollment and graduation reflect the Texas population
- Reward increases in retention and graduation from high-quality programs
- Create seamless student transitions among high schools, community and technical colleges, and universities and health-related institutions
- Form partnerships and collaborations with the business community

Targets:

- Increase the overall number of students completing bachelor's degrees, associate's degrees, and certificates to 171,000 by 2010; and to 210,000 by 2015.
- Increase the number of students completing bachelor's degrees to 100,000 by 2010, and to 112,500 by 2015.
- Increase the number of students completing associate's degrees to 43,400 by 2010, and to 55,500 by 2015.
- Increase the number of students completing doctoral degrees to 3,350 by 2010, and to 3,900 by 2015.
- Increase the number of African American students completing bachelor's degrees, associate's degrees, and certificates to 19,800 by 2010, and to 24,300 by 2015.
- Increase the number of Hispanic students completing bachelor's degrees, associate's degrees, and certificates; to 50,000 by 2010, and to 67,000 by 2015.
- Increase by 50 percent the number of students who achieve identifiable successes other than with certificates and degrees by 2015. Exceed the average performance of the 10 most populous states in workforce education provided by community and technical colleges.
- Increase the number of students completing engineering, computer science, math and physical science bachelor's and associate's degrees and certificates from 14,500 to 19,000 in 2005; to 24,000 by 2010; and 29,000 by 2015.
- Increase the number of students completing allied health and nursing bachelor's and associate's degrees, and certificates to 20,300 by 2010, and to 26,100 by 2015.
- Increase the number of teachers initially certified through all teacher certification routes to 34,600 by 2010, and to 44,700 by 2015.
- Increase the number of math and science teachers certified through all teacher certification routes to 6,500 by 2015.
- Increase the number of math and science teachers certified through higher education programs from less than 1,000 to 3,000 by 2015.
- Exceed the average performance of the 10 most populous states in workforce education provided by community and technical colleges.

EXCELLENCE

Goal: By 2015, substantially increase the number of nationally recognized programs or services at colleges and universities in Texas.

Strategies:

- Establish ladders of excellence for different types of institutions
- Require institutions to prepare a strategy for one or more programs or services to reach a level of nationally recognized excellence
- Identify peer institutions and establish benchmarks
- Fund competitive grants to match business contributions for acquiring equipment and software, and maintaining high-tech instructional laboratories

Targets:

- Increase the number of research institutions ranked in the top 10 among all research institutions from zero to one, and two additional research universities ranked in the top 30 by 2010; increase the number of public research universities ranked in the top 10 among all public research universities from zero to two, and four ranked among the top 30 by 2015.
- Increase the number of public liberal arts universities ranked in the top 30 among all public liberal arts institutions from zero to two by 2010, and four by 2015.
- Increase the number of health science centers ranked among the top 10 medical institutions from zero to one by 2010, and two by 2015.
- Each college and university will have identified by 2002 at least one program to achieve nationally recognized excellence.
- Community and technical colleges and universities will have at least one program or service nationally recognized: 25 percent of the institutions by 2005; 75 percent by 2010; and 100 percent by 2015.
- Meet all benchmarks of the Priority Plan to Strengthen Education at Texas Southern University and Prairie View A&M University.

RESEARCH

Goal: By 2015, increase the level of federal science and engineering research and development obligations to Texas institutions to 6.5 percent of obligations to higher education institutions across the nation.

Strategies:

- Permit universities to retain all overhead income from grants and contracts
- Establish the Texas Science and Engineering Collaborative to expand research through collaboration among institutions
- Increase funding for the Advanced Research/Advanced Technology Programs
- Establish a competitive grant program to expand research and research capacity

Targets:

- Increase federal science and engineering obligations to Texas universities and health-related institutions from 5.6 percent of the obligations in 2000 (or $1.1 billion in 1998 constant dollars) to 6.2 percent in 2010, and to 6.5 percent of obligations to higher education by 2015.
- Increase research expenditures by Texas public universities and health-related institutions from $1.45 billion to $3 billion by 2015 (approximate 5 percent increase per year).

Ensuring Progress Towards These Goals

Develop benchmarks and measures to assess progress toward goals of the plan by each institution and by higher education as a whole.