Strategic Planning and Funding

60x30TX
Texas Higher Education Coordinating Board

Agenda Item V-A

Financial Condition Analysis of Texas Public Community College Districts

March 2017-
Draft

Texas Higher Education Coordinating Board

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Agency Mission

The mission of the Texas Higher Education Coordinating Board is to provide leadership and coordination for the Texas higher education system and to promote access, affordability, quality, success, and cost efficiency through *60x30TX*, resulting in a globally competitive workforce that positions Texas as an international leader.

Agency Vision

The THECB will be recognized as an international leader in developing and implementing innovative higher education policy to accomplish our mission.

Agency Philosophy

The THECB will promote access to and success in quality higher education across the state with the conviction that access and success without quality is mediocrity and that quality without access and success is unacceptable.

The Coordinating Board’s core values are:
Accountability: We hold ourselves responsible for our actions and welcome every opportunity to educate stakeholders about our policies, decisions, and aspirations.
Efficiency: We accomplish our work using resources in the most effective manner.
Collaboration: We develop partnerships that result in student success and a highly qualified, globally competitive workforce.
Excellence: We strive for excellence in all our endeavors.

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Executive Summary

The objective of this report and the accompanying Excel workbook is to provide an assessment of the overall financial health of public community colleges and to identify the potential for financial stress at specific community colleges. This analysis is intended to be a broad financial evaluation. Other key performance indicators must be taken into account to gain a more robust and complete understanding of institutional strength. This analysis is not intended for peer-group comparisons or for benchmarking purposes.

An annual report about the financial condition of the state's community colleges is required by a rider in House Bill 1, General Appropriations Act (Section 13, page III-211), 84th Texas Legislature. The rider states the following:

> "Each community college shall provide to the Texas Higher Education Coordinating Board financial data related to the operation of each community college using the specific content and format prescribed by the Coordinating Board. Each community college shall provide the report no later than January 1st of each year.
>
> The Coordinating Board shall provide an annual report due on May 1 to the Legislative Budget Board and Governor's Office about the financial condition of the state's community college districts."

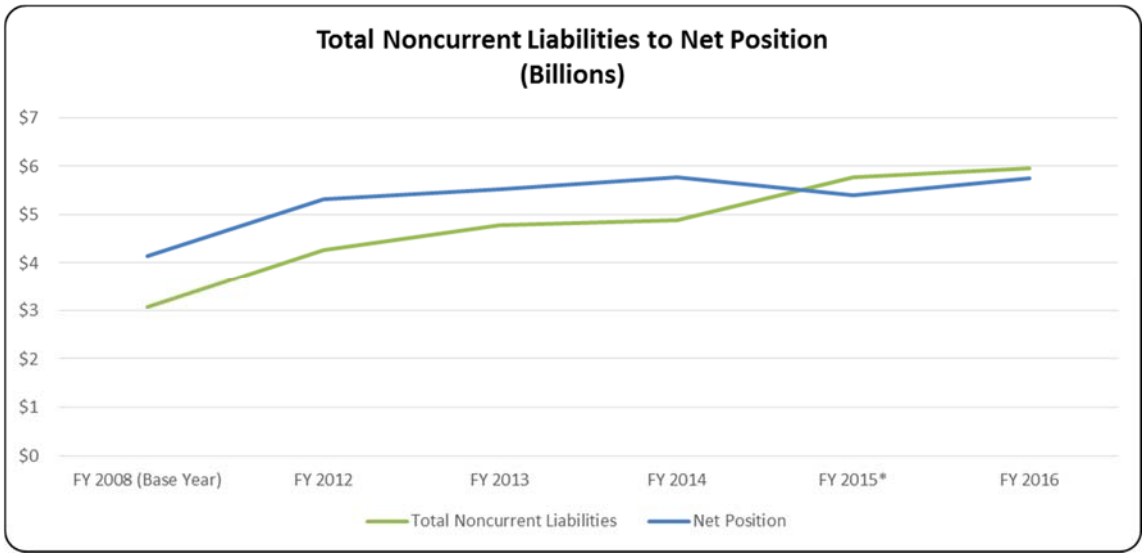
The overall financial health of an institution can be measured using two dimensions of inquiry. First, is the institution financially capable of successfully carrying out its current programs? Second, is the institution able to carry out its intended programs into the future?

Community college districts experienced a significant change in Accounting Principal in FY 2015 with the implementation of Governmental Accounting Standards Board (GASB) 68. According to the statement 68 summary,

> "The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency."

To create additional transparency, the GASB 68 implementation transferred pension liability from the state-level financial statements of the Teachers Retirement System (TRS) to the individual financial statements of the institutions. This transfer increased the visibility of pension liability at the community college district level. The overall effect to statewide financial ratios and financial condition of community college districts was substantial and is reflected below.

For a year-to-year comparison of total noncurrent liabilities and net position, impacted amounts for GASB 68 implementation are reflected. Total noncurrent liabilities have increased $2.89 billion since Fiscal Year (FY) 2008. Most of the increase is due to the general obligation bonds issued by districts and the addition of the Net Pension Liability in FY 2015. For FY 2016, the total noncurrent liabilities for Texas public community colleges was $5.97 billion. Overall, Texas public community colleges are managing the growth they have experienced. Net position has increased $2.28 billion since FY 2008 to $6.42 billion in FY 2016.



*Year of GASB 68 implementation.

Financial Ratio	FY 2008 (Base Year)	FY 2012	FY 2013	FY 2014	FY 2015*	FY 2016
Total Noncurrent Liabilities	$3.08	$4.28	$4.78	$4.88	$5.77	$5.97
Net Position	$4.14	$5.33	$5.53	$5.77	$5.41	$5.75

Ratios referenced in this report are commonly used by external entities to measure the health of higher education institutions. A Composite Financial Index (CFI) has been calculated to provide one metric to efficiently analyze the financial health of all districts. Other ratios used in this analysis include an equity ratio and a leverage ratio.

The institutions were given an opportunity to provide feedback on the report no later than February 24, 2017.

Institutional comments received are as follows:

David B. Marshall, MBA, Vice President of Financial Services & Chief Financial Officer, Brazosport College

"Currently, Brazosport College is rated Aa2 by Moody's and as AA- by Standard & Poor's. Due to Brazosport College's strong rating, the College was able to issue two Limited Tax Refunding Series 2016 Bonds. One bond refunding will result in total net savings of $2,525,873 between the years 2016 to 2036. The other bond refunding will result in net savings of $1,849,569 between the years 2016 to 2033, for a total future net savings of $4,375,442. The cost of the two bond issues, $800,296, was expensed in Fiscal Year 2016. Additionally, during the fiscal year the College recognized $294,095 additional pension expense as a direct result of GASB 68.

Without the non-operational expense of the bond refinancing, Brazosport College would have had an increase in FY 2016's net position of $743,543 rather than the reported decrease in net position of $56,753. The resulting increase in net position would have drastically improved the ratio analysis for FY 2016. Brazosport College management is confident that the College remains in a strong financial position."

Diane Novak, Associate Vice Chancellor, Accounting, Lone Star College

"On December 14, 2016, Standard and Poor's assigned a AAA rating to LSC's 2017A bond issue with a stable outlook, noting a good financial position with a diverse revenue mix of state funding, local property taxes, and student tuition.

LSC would like to note that the ratios used in the analysis are based on the numbers including GASB 68. However, the expected thresholds have not been adjusted accordingly.

Finally, LSC has improved its ratios from 2015 to 2016.

In 2015, LSC did not meet 6 standards including GASB 68 (3 standards excluding GASB 68).
In 2016, LSC did not meet 4 standards including GASB 68 (2 standards excluding GASB 68).

The chart below depicts these results.

		LSC Ratio With GASB			LSC Ratio Without GASB		
Ratio	Standard	2016	2015	Increase (decrease)	2016	2015	Increase (decrease)
CFI	2.0 or greater	-0.06	-1.00	0.94	3.05	0.38	2.67
Return on Net Position	0% or higher	0.03	-0.21	0.24	0.28	-0.01	0.29
Operating Margin	0% or higher	-0.05	-0.06	0.01	-0.05	-0.06	0.01
Primary Reserve	.14 or greater	0.02	0.04	(0.02)	0.14	0.16	(0.02)
Viability Ratio	.42 or greater	0.03	0.10	(0.07)	0.32	0.52	(0.20)
Equity Ratio	20% or greater	21.33%	19.70%	1.63%	26.63%	24.62%	2.01%
Leverage Ratio	Less than 2.0	0.48	0.64	(0.16)	0.38	0.51	(0.13)

"

Overview

There are 50 public community college districts in Texas, the oldest dating back to 1869. They are locally controlled governmental entities established via an election process. State statute specifies that newly created districts must have 15,000 secondary students and a minimum assessed property valuation of $2.5 billion. Seven of the existing districts do not currently meet that standard.

To a significant degree, local control enables districts to determine their own financial destiny. State law and Coordinating Board rules impose some limitations, but local autonomy and demographics account for much of the variation in resource allocation and revenue collection.[1]

Community college districts have four primary funding sources: state formula funding, local property tax revenue, tuition and fee revenue, and other income that is largely from federal funds. Although some districts have endowments, they are more commonly found in universities. Revenue from endowments is most often used for tuition assistance as opposed to operations.

Financial Analysis in Higher Education[2]

The concept of using selected indicators, such as ratios, during the course of financial analysis is nothing new in higher education, dating back to at least 1980. Financial analysis can measure success against institutional objectives and provide useful information that can form a basis for sound planning.

The overall financial health of an institution can be assessed via two dimensions of inquiry. First, is the institution financially capable of successfully carrying out its current programs? Second, is the institution able to carry out its intended programs well into the future?

Along with these two dimensions, four key financial questions need to be asked:

- Are resources sufficient and flexible enough to support the mission?
- Are resources, including debt, managed strategically to advance the mission?
- Does asset performance and management support the strategic direction?
- Do operating results indicate the institution is living within available resources?

A widely accepted metric called the Composite Financial Index (CFI) is often used to address these four key questions. The index was developed over time by a consortium of consulting companies led by KPMG and introduced in 1999. Many institutions, including the U.S. Department of Education, the State of Ohio Board of Regents, credit rating agencies, and countless institutions of higher education employ the index or similar approaches.

The CFI blends four core financial ratios into one metric, providing a more balanced view of an institution's finances since weakness in one measure can be offset by strength in another. Additionally, measuring the index over time provides a glimpse of the progress institutions are making toward achieving financial goals.

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[1] Texas Research League, *Bench Marks for Community and Junior Colleges in Texas*, August 1993.

[2] For more information, see *Strategic Financial Analysis for Higher Education*, 6th edition, KPMG, Prager, Sealy & Co., Bearing Point, 2005.

The Texas Higher Education Coordinating Board has been calculating the CFI and sharing related data with community college districts since 2007.

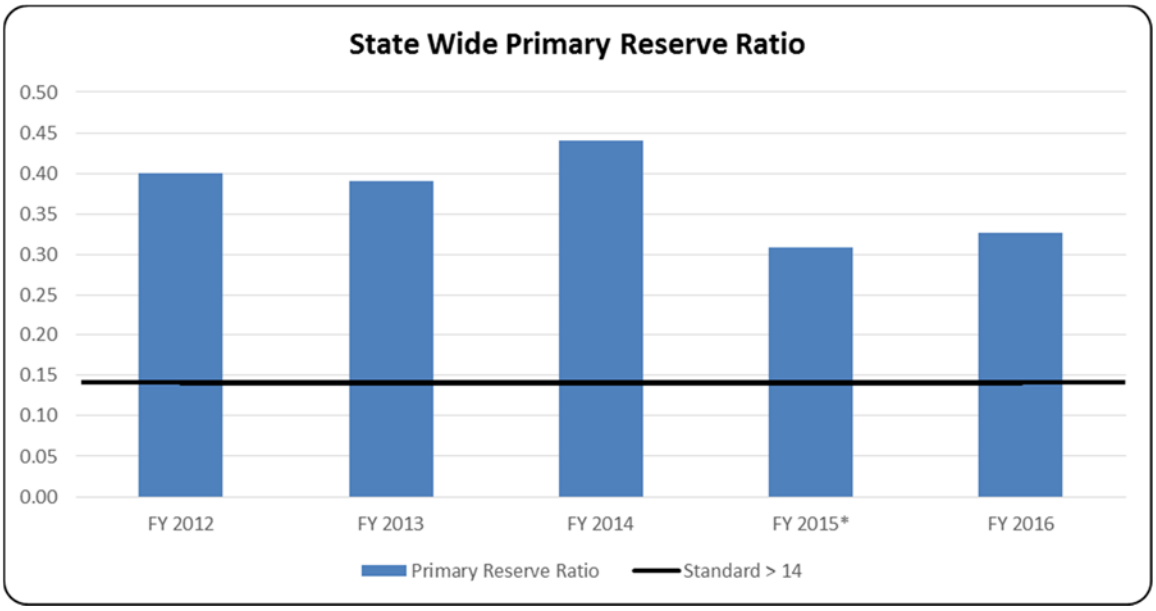
The CFI includes the following four core ratios: Primary Reserve, Viability, Return on Net Position, and Operating Margin.

Primary Reserve Ratio – measures financial strength and flexibility by comparing expendable net position to total expenses. This measure answers the question, "How long can the institution survive without additional net position generated by operating revenue?"

Calculation – Total expendable net position + unrestricted net position / operating expenses + interest expense on debt*.

Results – The 2016 statewide ratio for public community colleges is .33, which is an increase from .31 in 2015. A ratio of 0.14 or greater is the standard used in this report. The standard was met by 33 of the 50 districts.

*Interest expense on debt includes all debt, both tax and other revenue supported.



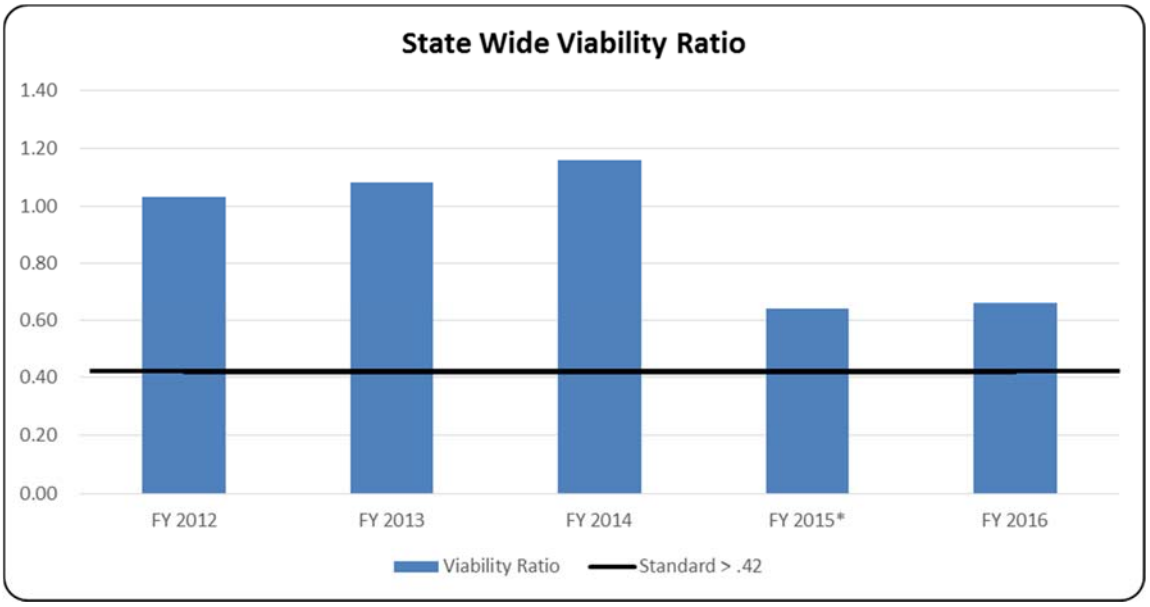
*Year of GASB 68 implementation.

Financial Ratio	FY 2012	FY 2013	FY 2014	FY 2015*	FY 2016
Primary Reserve Ratio	0.40	0.39	0.44	0.31	0.33
Standard > .14	0.14	0.14	0.14	0.14	0.14

Viability Ratio – measures the financial health of the institution by comparing total expendable net position to total noncurrent liabilities. This ratio is similar to a coverage ratio used in the private sector to indicate the ability of an organization to cover its long-term debt and answers the question, "How much of the debt can the institution pay off with existing resources?"

Calculation – Total expendable net position + unrestricted net position / Noncurrent liabilities, excluding general obligation (GO) debt.

Results – The 2016 statewide ratio for public community colleges is .66, which is an increase from .64 in 2015. A ratio of 0.42 or greater is the state standard, which was met by 30 of the 50 districts.



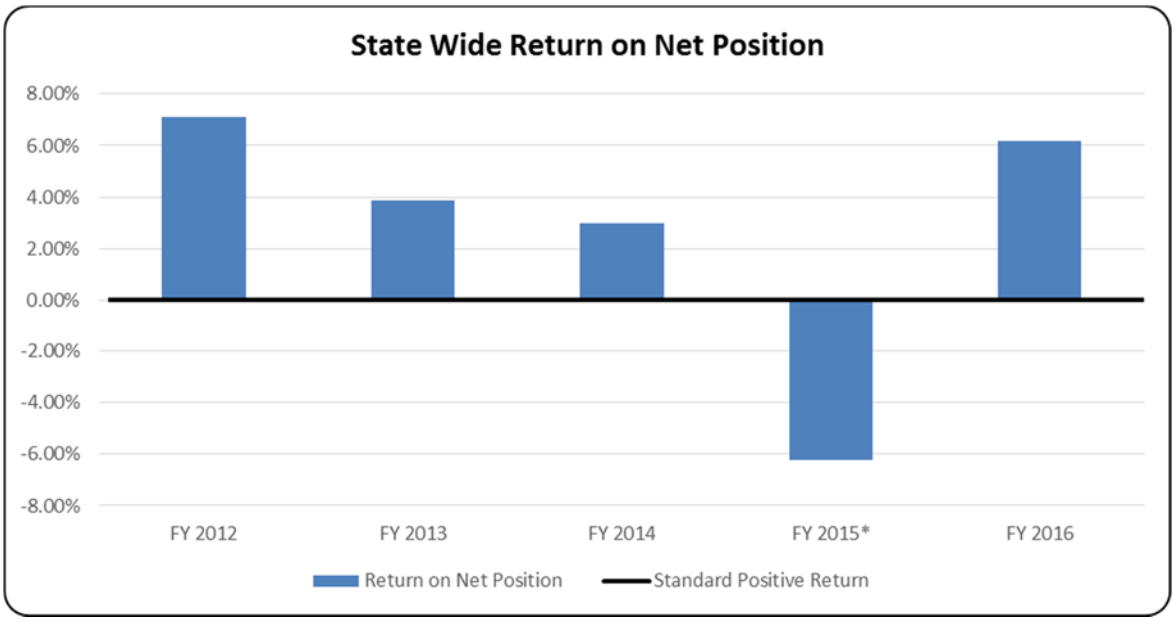
*Year of GASB 68 implementation.

Financial Ratio	FY 2012	FY 2013	FY 2014	FY 2015*	FY 2016
Viability Ratio	1.03	1.08	1.16	0.64	0.66
Standard > .42	0.42	0.42	0.42	0.42	0.42

Return on Net Position – measures total economic return during the fiscal year. This measure is similar to the return on equity ratio used in examining for-profit concerns and answers the question, "Is the institution better off financially than it was a year ago?"

Calculation – Change in net position / Total net position (beginning of year)

Results – The 2016 statewide ratio for public community colleges is 6.19 percent, which is an increase from -6.24 percent in 2015. A positive return is the standard used in this report and this standard was met by 39 of the 50 districts.



*Year of GASB 68 implementation.

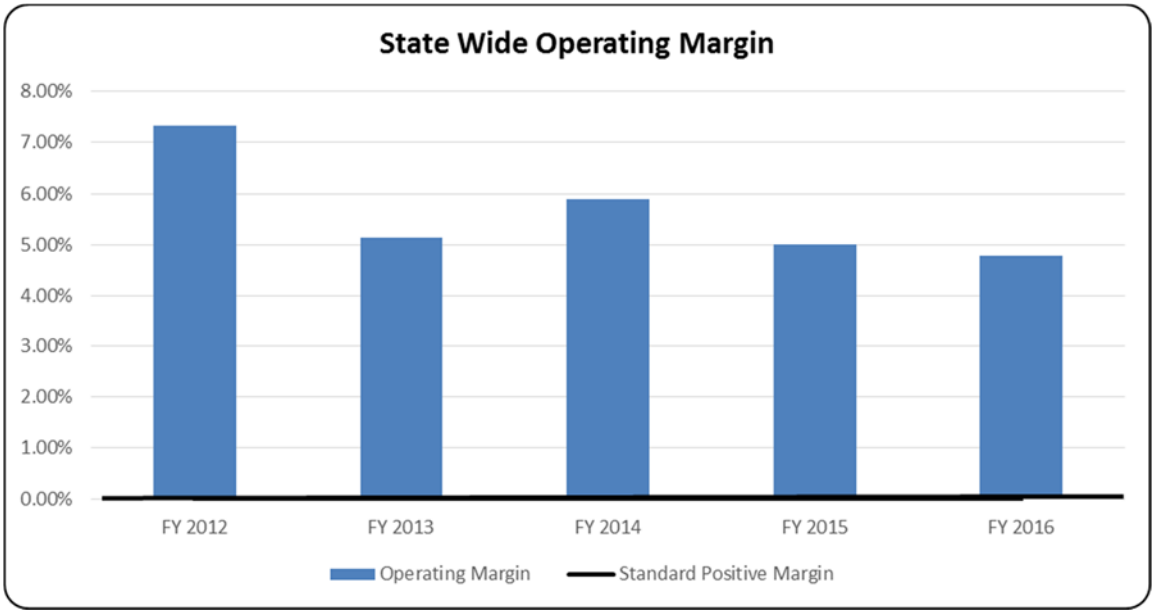
Financial Ratio	FY 2012	FY 2013	FY 2014	FY 2015*	FY 2016
Return on Net Position	7.10%	3.86%	3.00%	-6.24%	6.19%
Standard Positive Return	0.00%	0.00%	0.00%	0.00%	0.00%

Operating Margin – indicates an operating surplus or deficit in the given fiscal year. This ratio is similar to a profit margin and answers the question, "Did they balance operating expenses with available revenue?" Depreciation expense is included to reflect the use of physical assets in measuring operating performance.

Calculation – Total income - total operating expense / Total income*

Results – The 2016 statewide margin for public community colleges is 4.78 percent, which is a decrease from 5.01 percent in 2015. A positive margin is the standard used in this report. The standard was met by 37 of the 50 districts.

*Includes all operating revenue plus formula funding, property tax, and Title IV federal revenue.



Operating Margin was not affected by GASB 68 implementation.

Financial Ratio	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Operating Margin	7.32%	5.13%	5.90%	5.01%	4.78%
Standard Positive Margin	0.00%	0.00%	0.00%	0.00%	0.00%

Metrics Used in This Report

This report uses a Composite Financial Index (CFI) to provide one metric to efficiently analyze the financial health of all Texas community college districts. Other metrics used in this analysis include an equity ratio and a leverage ratio.

Composite Financial Index – measures the overall health of an institution by combining four ratios into one metric. The four core ratios include return on net position, operating margin, primary reserve, and viability ratio.

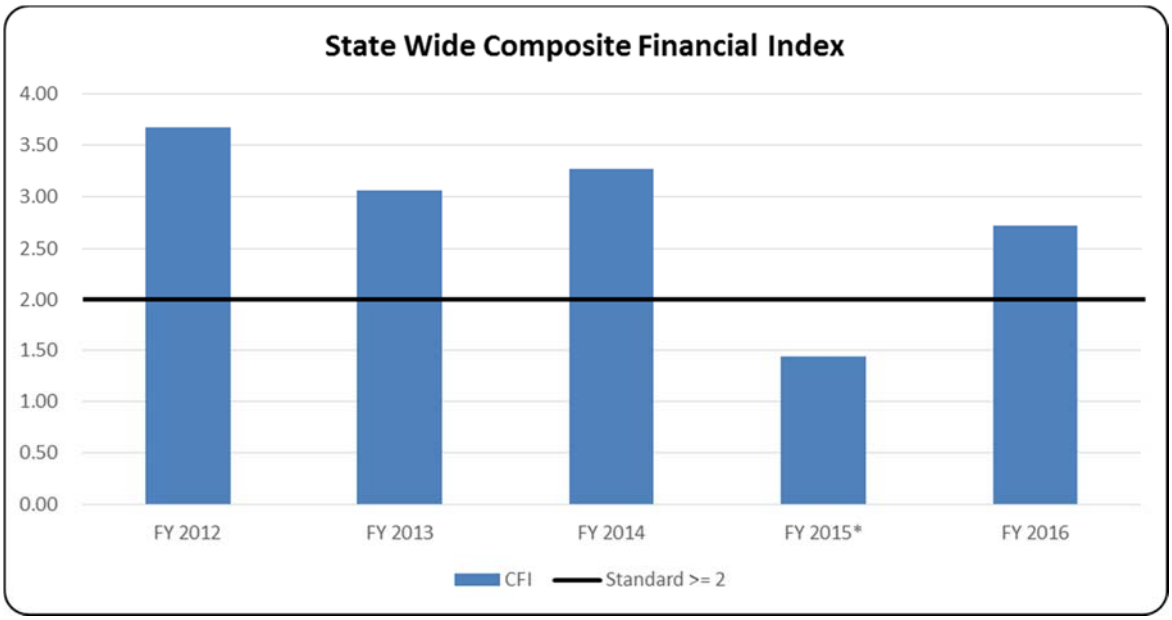
Calculation – The CFI is computed using a four-step methodology:

1. Computing the values of the core ratios
2. Calculating strength factors by dividing the core ratios by threshold values
3. Multiplying the factors by specific weights
4. Totaling the resulting scores to obtain the Composite Financial Index

Core Ratio		*Value*		*Strength Factor*		*Weight*	*Score*
Return on Net Position	/	0.02	=	Factor	X	20%	= Score
Operating Margin	/	0.007	=	Factor	X	10%	= Score
Primary Reserve	/	0.133	=	Factor	X	35%	= Score
Viability Ratio	/	0.417	=	Factor	X	35%	= Score
				Composite Financial Index		**=**	Total Score

Results – The 2016 combined CFI for public community colleges is 2.72, which is an increase from 1.44 in 2015 and exceeds the statewide standard of 2.0 or greater. The standard was met by 33 of the 50 districts. CFI numbers generally range from 0.00 to 10.00, although it is possible to have a CFI higher than 10.0 or below zero.

The threshold for the CFI was established by considering the original work conducted by KPMG in creating the index and industry practice. Using the CFI is the single best method to assess overall financial condition. While variability exists in the statewide CFI when looking at a year-to-year comparison, the overall financial condition of public community colleges improved in the four years prior to 2015, with the statewide CFI increasing from 2.96 in FY 2011 to 3.27 in FY 2014. FY 2016 has shown improvement from the FY 2015 GASB 68 implementation, moving back above the state standard with a statewide CFI index of 2.72.



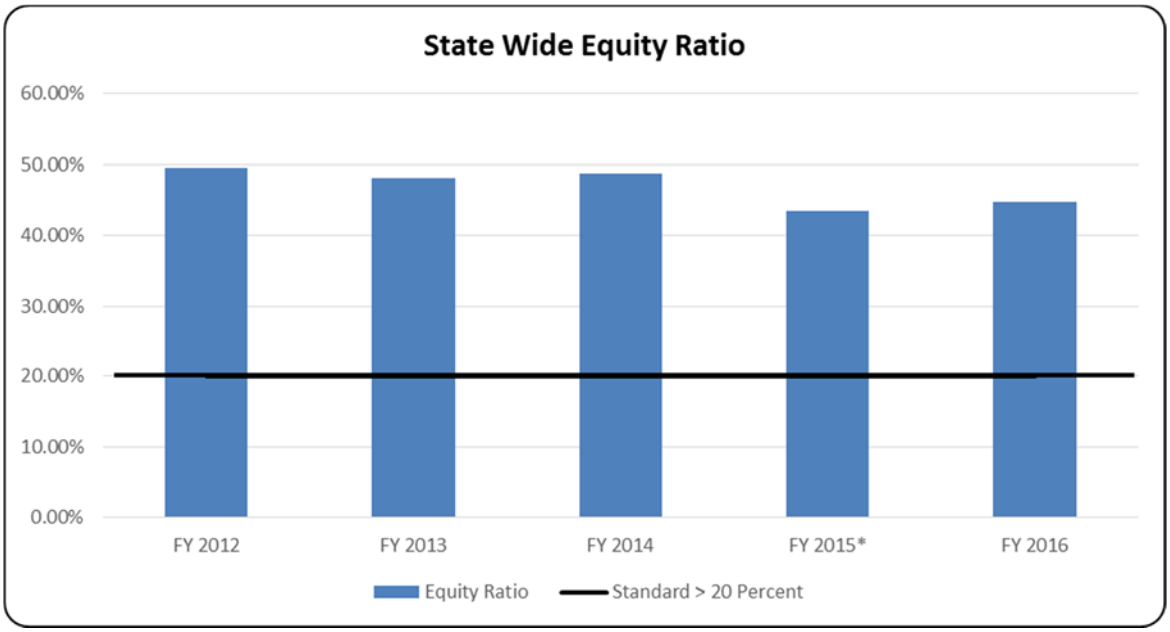
*Year of GASB 68 implementation.

Financial Ratio	FY 2012	FY 2013	FY 2014	FY 2015*	FY 2016
CFI	3.67	3.06	3.27	1.44	2.72
Standard >= 2	2.00	2.00	2.00	2.00	2.00

Equity Ratio – measures capital resources available and a college's ability to borrow. The U.S. Department of Education (DOE) introduced this ratio to enhance reporting for institutions that do not have long-term debt. The DOE uses financial ratios, in part, to provide oversight to institutions participating in programs authorized under Title IV of the Higher Education Act.

Calculation – Net position / Total assets

Results – The 2016 statewide ratio for public community colleges is 44.8 percent, which is an increase from 43.4 percent in 2015. A ratio of 20 percent or greater is the standard used in this report. The standard was met by 47 of the 50 districts.



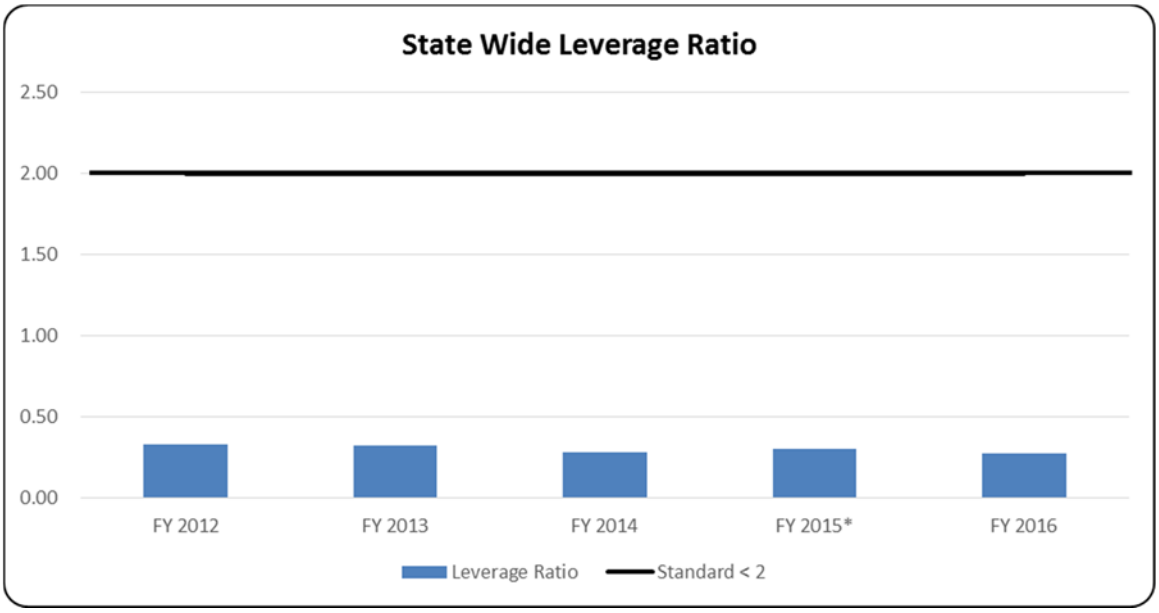
*Year of GASB 68 implementation.

Financial Ratio	FY 2012	FY 2013	FY 2014	FY 2015*	FY 2016
Equity Ratio	49.50%	48.10%	48.80%	43.44%	44.76%
Standard > 20 Percent	20.00%	20.00%	20.00%	20.00%	20.00%

Leverage Ratio – measures the amount of debt in relation to net position and provides an indication of the amount of interest and principle the institution must absorb in the future. This ratio is similar to the debt-to-equity ratio used in the private sector. The leverage ratio differs from the viability ratio in that investment in physical plant assets is included as part of the numerator. Long-term debt includes bonds payable, excluding GO bonds and long-term liabilities.

Calculation – Long term debt / Total net position

Results – The 2016 statewide ratio for the public community colleges is .27, which is a decrease from .30 in 2015. A ratio of less than 2.0 is the standard used in this report. The standard was met by 48 of the 50 districts.



*Year of GASB 68 implementation.

Financial Ratio	FY 2012	FY 2013	FY 2014	FY 2015*	FY 2016
Leverage Ratio	0.33	0.32	0.28	0.30	0.27
Standard < 2	2.00	2.00	2.00	2.00	2.00

Appendix A contains the indicators for the 50 districts for FY 2016. An Excel workbook is available that contains all the financial data used for the indicators and includes data for Fiscal Years 2003 to 2016.

The financial data used in this analysis came from the Community College Annual Reporting and Analysis Tool (CARAT) and is available online at: http://www.thecb.state.tx.us/index.cfm?objectid=148BEF9C-EC8D-06F7-A85154FCA9C2D191.

Data are reported by the institutions and came from published annual financial reports.

Financial Condition

Forty of the 50 Texas public community college districts have moderate or no indication of financial stress, which means they met four or more of the seven indicators. Twenty-four of these meet the threshold for all indicators. In FY 2015, 33 community college districts had moderate or no indication of financial stress. Currently, 10 community college districts do not meet four or more indicators, which means they could be experiencing some financial stress.

For Fiscal Year 2016, 24 community college districts met the threshold for all indicators, and 40 of the 50 Texas public community college districts show moderate or no indication of financial stress. The remaining ten, however, are worthy of additional discussion:

- Austin Community College (ACC) did not meet four of the indicator thresholds. The ratios that include total assets and noncurrent debt — the equity and leverage ratios — are below the standard used for this report. The college's increase of $3.7 million in noncurrent liabilities kept the institution's viability ratio below the state standard. The college met the threshold for operating margin, return on net position, and CFI. Operating and nonoperating expenses grew by $20.8 million, causing the primary reserve ratio to decrease below standard. On April 8, 2013, however, the rating agency Moody's gave ACC a rating of Aa1 on a bond issue and indicated the outlook for the college was stable.

- Brazosport College did not meet five of the indicator thresholds. The return on net position, operating margin, and CFI were negative. Expendable and unrestricted net position fell $2.7 million which, coupled with increased operating and nonoperating expenses and noncurrent liabilities, lowered the primary reserve and viability ratios below the state standard.

- Cisco College did not meet five of the indicator thresholds. The return on net position, operating margin, and CFI were negative. Expendable and unrestricted net position fell $0.6 million which, coupled with increased noncurrent liabilities, lowered the primary reserve and viability ratios below the state standard.

- Clarendon did not meet five of the indicator thresholds. The return on net position, operating margin, and CFI were negative. Expendable and unrestricted net position fell $0.4 million which, coupled with increased noncurrent liabilities, lowered the primary reserve and viability ratios below the state standard.

- Frank Phillips College did not meet five of the indicator thresholds. The return on net position, operating margin, and CFI were negative. Expendable and unrestricted net position was negative, which lowered the primary reserve and viability ratios below the state standard. In the previous six years, the college has had a negative operating margin and has not met the 2.0 threshold on the CFI.

- Lee College did not meet four of the indicator thresholds. The institution's operating margin was negative, and the CFI is below the standard of 2.0. Expendable and unrestricted net position fell $3.6 million which, coupled with increased operating and nonoperating expenses and noncurrent liabilities, lowered the primary reserve and viability ratios below the state standard.

- Lone Star College did not meet four of the indicator thresholds. The institution's operating margin was negative, and the CFI is below the standard of 2.0. Expendable and unrestricted net position fell $12.3 million which, coupled with increased operating and nonoperating expenses and noncurrent liabilities, lowered the primary reserve and viability ratios below the state standard.

- McLennan did not meet four of the indicator thresholds. The institution's operating margin was negative, and the CFI is below the standard of 2.0. The institution's improvement in expendable and unrestricted net position, noncurrent liabilities, operating and nonoperating expenses was not enough to raise the primary reserve and viability ratios above the state standard.

- Northeast College did not meet five of the indicator thresholds. The return on net position, operating margin, and CFI were negative. The college's expendable and unrestricted net position was negative, which dropped the institution's viability and primary reserve ratios below the state standard.

- Southwest Texas College did not meet six of the indicator thresholds. The return on net position and CFI were negative. Expendable and unrestricted net position fell $7.2 million which, coupled with increased operating and nonoperating expenses, lowered the primary reserve and viability ratios below the state standard. Lower net position and total assets dropped the institution's equity ratio below the state standard, while the leverage ratio remained the same as the previous year.

Summary

Evaluating the overall state financial health of community colleges in regards to individual indicators is more turbulent, and the individual indicators are better used to assess an individual institution, either for a given year or on a longitudinal assessment. However, looking at the individual indicators on an aggregate basis is not without value, despite the year-to-year variability. As seen in the table below, FY 2016 saw 40 of 50 districts meeting four or more individual indicators of financial health. The other 10 districts did not meet four or more indicators.

	FY 2016	FY 2015*	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010
Met all 7 indicators	24	6	29	31	39	33	22
Met 6 indicators	4	12	5	5	6	8	10
Met 5 indicators	4	7	10	7	1	4	6
Met 4 indicators	8	8	4	3	2	2	7
Met 3 indicators	4	9	0	2	1	1	5
Met 2 or fewer indicators	6	8	2	2	1	2	0

*Year of GASB 68 implementation.

Appendix A: Composite Financial Index, Core Financial and Other Financial Ratios

Fiscal Year 2016 General Obligation Bond Debt Excluded

Financial Stress Indicators	District	Composite Financial Index	Return on Net Position	Operating Margin	Primary Reserve	Viability Ratio	Equity Ratio	Leverage Ratio
2	Alamo	2.43	10.72%	5.70%	**0.13**	**0.23**	29.44%	0.32
3	Alvin	**1.98**	13.23%	1.94%	**0.05**	**0.30**	39.37%	-
3	Amarillo	**0.88**	**-1.50%**	**-4.25%**	0.23	0.98	48.18%	0.04
0	Angelina	4.05	4.06%	1.19%	0.35	3.04	59.64%	-
4	Austin	3.07	51.71%	8.43%	**0.02**	**0.02**	**6.05%**	**6.87**
1	Blinn	3.74	18.79%	14.99%	0.24	**0.27**	43.13%	0.75
5	Brazosport	**(0.13)**	**-0.14%**	**-2.99%**	**0.06**	**0.15**	31.98%	0.09
2	Central Texas	5.47	**-0.15%**	**-0.24%**	0.78	4.13	78.30%	-
5	Cisco	**(0.24)**	**-2.77%**	**-0.05%**	**0.01**	**0.02**	38.66%	0.74
5	Clarendon	**0.01**	**-2.33%**	**-1.65%**	**0.12**	**0.19**	60.00%	0.05
2	Coastal Bend	2.16	14.79%	5.99%	**-0.04**	**(0.09)**	36.42%	0.62
3	College Of The Mainland	**1.26**	**-1.66%**	**-0.84%**	0.21	1.18	57.62%	-
0	Collin	8.46	4.68%	10.72%	1.33	9.02	88.19%	0.00
0	Dallas	5.53	9.56%	4.80%	0.46	3.20	54.13%	-
0	Del Mar	3.14	7.79%	4.43%	0.32	1.05	38.72%	-
0	El Paso	3.36	8.93%	7.66%	0.31	0.77	52.05%	0.29
5	Frank Phillips	**(1.63)**	**-3.79%**	**-2.96%**	**-0.15**	**(0.53)**	60.68%	0.13
0	Galveston	5.46	8.03%	9.32%	0.49	2.81	81.95%	-
0	Grayson	6.32	11.16%	9.00%	0.84	2.36	52.29%	0.13
0	Hill	3.78	6.47%	7.35%	0.27	1.70	76.38%	0.03
1	Houston	3.16	13.73%	8.28%	0.23	**0.21**	27.05%	0.93
0	Howard	3.39	10.29%	10.64%	0.32	0.62	54.59%	0.29
1	Kilgore	2.47	**-2.41%**	2.15%	0.31	1.90	83.82%	0.01
2	Laredo	3.56	14.84%	8.92%	0.32	**0.26**	**15.06%**	1.98
4	Lee	**(0.24)**	0.80%	**-2.95%**	**0.02**	**0.04**	31.21%	0.25
4	Lone Star	**(0.06)**	2.73%	**-4.63%**	**0.02**	**0.03**	21.33%	0.48
4	McLennan	**0.75**	4.11%	**-0.53%**	**0.08**	**0.24**	32.09%	0.27
0	Midland	2.62	3.09%	2.35%	0.38	1.16	63.96%	0.12
3	Navarro	**0.81**	0.75%	2.09%	**0.10**	**0.19**	44.66%	0.45
0	North Central Texas	2.46	2.91%	1.29%	0.31	1.40	57.15%	0.10
5	Northeast Texas	**(0.64)**	**-2.23%**	**-2.08%**	**-0.03**	**(0.05)**	20.25%	0.62
0	Odessa	4.15	14.78%	9.32%	0.35	0.89	37.80%	0.24
0	Panola	6.38	11.74%	8.61%	0.56	3.27	47.47%	0.03
0	Paris	3.58	7.41%	10.78%	0.45	0.80	63.22%	0.31
0	Ranger	2.90	8.42%	6.15%	0.27	0.57	39.15%	0.66
3	San Jacinto	**(0.05)**	**-5.31%**	**-7.27%**	0.18	0.50	23.22%	0.31
0	South Plains	2.93	9.98%	8.33%	0.19	0.52	64.30%	0.27
0	South Texas	8.28	9.13%	11.00%	1.09	6.95	62.01%	-
6	Southwest Texas	**(0.04)**	**-4.22%**	2.12%	**0.02**	**0.02**	**19.78%**	**2.51**
0	Tarrant	5.90	3.33%	8.34%	0.52	3.80	91.28%	-
0	Temple	2.32	2.80%	0.63%	0.44	0.96	40.72%	0.34
0	Texarkana	2.77	6.47%	5.19%	0.22	0.97	67.87%	-
0	Texas Southmost	7.93	5.80%	8.12%	1.45	3.40	64.54%	0.10
0	Trinity Valley	2.22	4.14%	4.05%	0.15	0.98	81.56%	-
3	Tyler	**0.95**	1.09%	5.78%	**0.01**	**0.00**	36.37%	1.01
3	Vernon	**0.22**	0.03%	1.59%	**0.00**	**(0.00)**	40.15%	0.71
3	Victoria	**0.55**	3.45%	**-2.45%**	**0.07**	0.46	44.62%	0.02
0	Weatherford	4.34	4.86%	5.52%	0.67	1.56	62.77%	0.22
1	Western Texas	4.04	15.23%	18.17%	0.45	**0.40**	48.80%	0.72
0	Wharton	6.34	6.83%	8.14%	0.61	3.63	75.43%	0.03
0	Statewide	2.72	6.19%	4.78%	0.33	0.66	44.76%	0.27

Bold fonts indicate ratios that do not meet the state standard.

Zero to one financial stress indicators, which indicates no financial stress.

Two to three financial stress indicators, which indicates little to moderate financial stress.

Four to seven financial stress indicators, which indicates financial stress.

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Texas Higher Education Coordinating Board

This document is available on the Texas Higher Education Coordinating Board website: http://www.thecb.state.tx.us

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