

TSTC WACO

LEGISLATIVE APPROPRIATIONS REQUEST



LEGISLATIVE APPROPRIATIONS REQUEST FOR FISCAL YEARS 2020 & 2021

Submitted to the Governor's Office of Budget, Planning
and Policy and the Legislative Budget Board
by Texas State Technical College Waco.
Originally submitted August 3, 2018.

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In accordance with the instructions, Texas State Technical College (TSTC) submits the following Legislative Appropriation Request (LAR) for fiscal years 2020 and 2021 to the Governor's Office of Budget, Policy, and Planning and the Legislative Budget Board. TSTC's LAR is submitted in a manner consistent with the description of TSTC in Section 135.02 of the Texas Education Code, including a LAR for the System Administration unit and the College's six campuses.

OVERVIEW

TSTC is the State of Texas' leading provider of two-year technical education in Texas. TSTC's operations are dispersed across 10 campuses, allowing the College to meet workforce needs not just regionally but across the state. The campus locations include Abilene, Breckenridge, Brownwood, the East Williamson County Higher Education Center (in Hutto), TSTC in Fort Bend County (in Rosenberg), Harlingen, Marshall, TSTC in North Texas (in Red Oak), Sweetwater, and Waco. With these 10 campuses across Texas, TSTC is set to place nearly 5,000 of its graduates in great paying job during this biennium (2018-2019).

With a focus on employability, TSTC executes its legislative mission of economic development through workforce education. This mission has never been so relevant as Texas faces a middle-skills gap that is already severe with an incumbent skilled workforce that is rapidly "greying" and who will retire soon in record numbers.

TSTC has many unique advantages contributing to success in addressing this skills gap, including

- (1) an extraordinary funding structure that is designed to fund the College only when it succeeds in placing students in great paying jobs,
- (2) an operating structure that focuses directly on education and placement and not administration, and
- (3) a narrowly focused mission statement.

The result is an alignment of interests between TSTC, its students, and the employers it serves, setting TSTC apart from other institutions. This job-creating advantage becomes threatened, however, as TSTC's different funding mechanisms become less reliable year after year. Maintaining this advantage drives the purpose of TSTC's funding requests:

PURPOSE OF FUNDING REQUESTS THAT SUPPORT JOB CREATION

Performance and Accountability Funding. The accountability notions embedded within TSTC's results-based funding structure lose their strength when the link between performance and funding unravels as the funding rate (also referred to as TSTC's "commission rate") loses consistency and predictability. While funding formulas are not addressed in this document, funding requests within this LAR are directly impacted by the results-oriented nature and recent instability of TSTC's returned value funding formula (Instruction and Administration).

Start Up Funding. The returned-value funding method used for TSTC measures the first five years of employment earnings of job-placed students and then indicates funding levels based on that actual salary performance. Accordingly, there is a significant delay between teaching a student and realizing a funding amount—sometimes as much as 8 to 10 years. So, for new campuses, working capital is needed until the student performance begins to reflect in the formula. Start Up funding is that working capital for the newly authorized campuses for TSTC. Eventually, Start Up funding will phase out as the funding formula results begin to show for new campuses.

Dual Credit Funding. TSTC is not funded for dual credit under the outcomes-based funding formula. The last Legislature recognized this problem and directed the THECB to recommend a method to solve this matter. The resulting recommendation is to fund TSTC's dual credit offerings using the same contact hour method that

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is used for the community colleges. The need for career and technical dual credit classes is strong and underserved. Implementing this recommendation is critical to meeting the CTE needs of Texas students.

Infrastructure Funding. Historically, TSTC has been underfunded in infrastructure support and we request an increase in our rates of funding. This problem was observed during the space model study required by Rider 55 of House Bill 1, General Appropriations Act, 84th Legislature, Regular Session. The problem was later confirmed and validated by an independent consultant engaged by the THECB. The trend results in extremely lean facilities operations, significant deferred maintenance, and aging equipment. This impact on TSTC's facilities and equipment jeopardizes the ability to offer cutting edge experiences essential to high-quality technical education. When the College was founded, then Governor John Connally predicted that it would be "the most sophisticated technical-vocational institute in the country." Decades of accrued deferred maintenance, however, chip away at the College's ability to maintain that brand standard.

HIGHLIGHTS SINCE THE 85TH LEGISLATURE

TSTC is a top performer in THECB's 60x30 Strategic Plan:
92% of TSTC graduates leave with identified marketable skills. Plan Goal :80%
Student loan debt of TSTC students averages 40% of their first year wage. Plan Goal: 60%

Other Student Success Achievements:
TSTC Degrees and awards have increased 30% in the past 5 years.
Total Wages produced by TSTC graduates in their first year working increased 47% in the past 5 years.

EXCEPTIONAL ITEMS OVERVIEW

Establish Funding for Dual Enrollment

This funding request implements the recommendation of the Texas Higher Education Coordinating Board and its Formula Advisory Committees to fund TSTC at the community college formula funding rate. If the base bill adopts the THECB recommendation to add formula funding for dual credit at the community college rate, this funding request is unnecessary. TSTC has incurred significant losses over the years it has continued dual credit partnerships with school districts. Without resolution to this issue, those operations (and a significant portion of the State's technical dual credit offerings) are in jeopardy.

Abatement and Demolition of Environmentally Hazardous Military Structures

TSTC in Waco is TSTC's oldest campus whose origins trace to the conversion of the former James Connally Air Force Base in Waco into the James Connally Technical Institute. Many of the facilities that existed in the beginning still exist today. These facilities were aged upon acceptance but the College has extended their useful life to support its campus operations over the last 53 years. This strategy is losing viability and more and more of these facilities cannot be restored to a habitable condition in a cost-effect manner. They are simply worn out.

The US Federal government constructed these facilities using early to mid century methods and materials. This included materials such as lead-based paint and asbestos, later determined to be environmentally hazardous. Consequently, maintenance or removal of these facilities includes significant abatement costs that far exceed the cost of demolition.

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The campus currently has identified over 450 structures that have surpassed the end of their useful life. Demolition of these facilities is estimated at \$5.7 million with related abatement estimated at an additional \$10.9 million. In addition, these structures reside on top of a water infrastructure that requires similar demolition and abatement. The water infrastructure project is estimated to cost nearly \$12.9 million.

Tuition Revenue Bonds: Computer Technology Center at TSTC in Waco

TSTC includes capital needs within the TRB portion of the LAR to demonstrate its highest priority capital needs and expansion plans. The \$20 million project would include construction of a new technical education building at TSTC in Waco. This facility would consolidate related offerings within a single, modern facility. Migrating the computer-related programs to a cutting edge facility consistent with the industry's digital transformation would shape the appeal of these high-demand occupations to prospective students. Vacated facilities would provide capacity to consolidate support departments whose current facilities are beyond the end of their useful life.

SIGNIFICANT CHANGES IN PROVISION OF SERVICE (CLIENT POPULATION, COST, EFFICIENCIES, TECHNOLOGIES, ETC)

Academic Dual Credit. At the close of the 85th Legislative Session, TSTC informed its dual credit partners that it was phasing out its academic dual credit offerings in favor of technical dual credit offerings. Since TSTC is not funded for dual credit, the administration determined it would only focus any dual credit offerings on technical coursework that led to certain career pathways. Since academic dual credit is pervasively offered in Texas, affected school districts could find partners to offer the academic coursework (students would not lose access). Consequently, TSTC's dual credit enrollment declined significantly during the current biennium as TSTC narrowed its focus of offerings.

Operational Consolidation. TSTC's merged statewide operational structure continued to create efficiencies and contain costs during the period that it brought new campuses online in recent years. This cost containment continued through the current biennium with higher faculty to administrator ratios, elimination of redundancies, and increased consistency in service delivery across statewide operations.

Technologies. TSTC's centralized operations provides new opportunities for modernizing information systems and reporting. The College anticipates evaluation and implementation of enterprise systems, including its enterprise resource planning platform.

SIGNIFICANT EXTERNALITIES

As mentioned previously, the growth in the nationwide skills gap continues to outpace the nationwide skills supply chain. Improving economic conditions and low unemployment exacerbate the growing labor shortage. With the historical go-to-college mantra, the reality of a healthy skills supply ratio is overlooked. The true ratio of jobs in the economy is 1:2:7. For every job that requires a master's degree or more, two jobs require a bachelor's degree, and more than half a dozen jobs require a credential or two-year degree. This ratio is across all industries and was the same in 1950, 1990, and will be the same in 2030. TSTC's programs directly address this creeping issue.

10% BIENNIAL BASE REDUCTION OPTIONS

The cumulative effect of the 10% Base Reduction scenario across the statewide college would be nearly \$2.4 million with the largest impact relating to the \$1.4 million reduction of start-up funding for TSTC's newest locations. Start Up funding is a proxy for instruction and administrative costs with the substantial portion funding teaching and learning. Cutting the Start Up funding at these highest potential locations would account for nearly 60% of TSTC's overall reduction calculation statewide. Cutting services at these new locations would have a significant impact on TSTC's delivery of services. Consequently, responding to the reduction requires

Administrator's Statement

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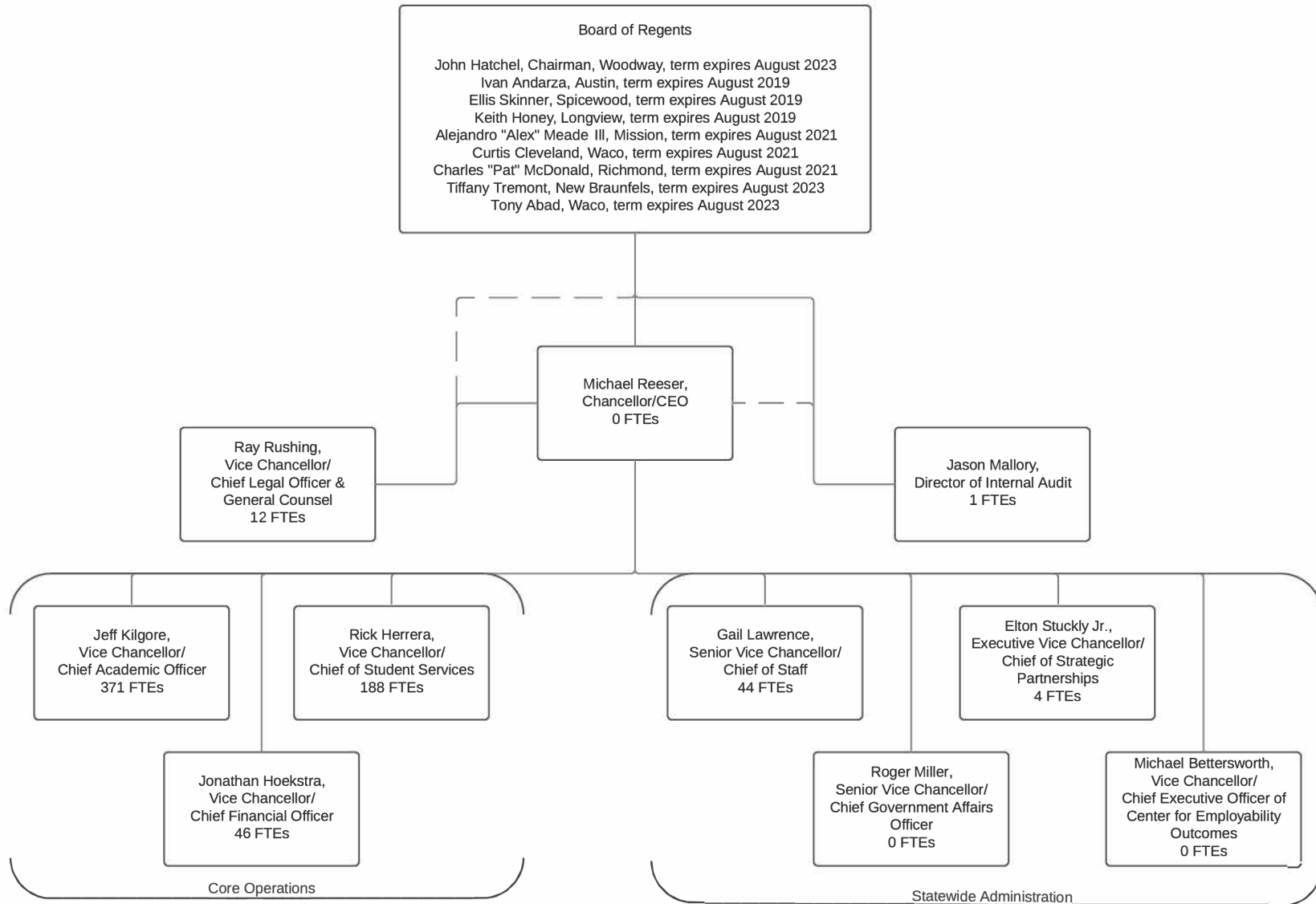
a statewide, strategic approach to mitigate the impact of the reductions.

In accordance with the request, TSTC's strategies for responding to the Base Reduction Scenarios would impact the following:

- o Institutional Enhancement Special Item Support strategy for Harlingen, Marshall, Waco, and West Texas;
- o Start-Up Funding Special Item Support strategy for North Texas and Fort Bend;
- o Instruction/Operations System Office Operations strategy at System Administration.

TSTC's baseline reduction approach would be similar to its ongoing budget approach. That is, TSTC would reduce programming/funding based on its appraisal of markets and related program performance and potential across the state. To mitigate the statewide impact of reductions, TSTC would invest first in programs and activities with the highest return potential. Based on the extent of cuts, TSTC would reduce or close services in its lowest performing and lowest potential markets to mitigate the impact of reductions to the returns on the State's investment. TSTC is unique in the college sector because of its concentrated focus on placing students in jobs. Through careful budgeting and a streamlined statewide structure, the organization is lean on activities that are not directly related to education. The following reduction considerations would be required under the proposed reductions:

- o Student Oriented Activities not directly related to teaching. Continue reduction efforts for activities not essential to Place More Texans. For example, even though student recreation centers help provide a vibrant student life, TSTC might consider elimination of the activity to mitigate the reduction impact on providing a skilled workforce to Texas.
- o Level of Dual Credit Offerings. Continue refining the focus of dual credit offerings (TSTC eliminated a substantial portion of offerings following the 85th Session). TSTC still partners with over 100 high schools in offering dual credit; however, it receives no appropriations support for the effort. The dual enrollment effort is extremely important to TSTC but it is an activity that requires significant resources of the College without the ability to recoup the costs.
- o Core Programmatic Offerings. Evaluate markets by recent performance and growth potential. Depending on the reduction request, TSTC would eliminate programming in areas that provide the lowest prospects for return on capital to the State.



Budget Overview - Biennial Amounts
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

Appropriation Years: 2020-21

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2020-21
Goal: 1. Provide Instructional and Operations Support											
1.1.1. Instruction And Administration	42,024,022		7,748,997						49,773,019		
1.1.3. Staff Group Insurance Premiums	388,593		1,697,673	2,534,238					2,086,266	2,534,238	
1.1.4. Workers' Compensation Insurance	198,852	198,852							198,852	198,852	
1.1.6. Texas Public Education Grants			564,008	693,490					564,008	693,490	
Total, Goal	42,611,467	198,852	10,010,678	3,227,728					52,622,145	3,426,580	
Goal: 2. Provide Infrastructure Support											
2.1.1. E&G Space Support	3,624,884		324,474						3,949,358		
2.1.2. Tuition Revenue Bond Retirement	1,026,697	1,021,797							1,026,697	1,021,797	3,487,382
2.1.5. Small Institution Supplement	750,000		578,682						1,328,682		
Total, Goal	5,401,581	1,021,797	903,156						6,304,737	1,021,797	3,487,382
Goal: 3. Provide Non-formula Support											
3.4.1. Institutional Enhancement	1,379,448	1,379,448	1,338,741						2,718,189	1,379,448	
3.5.1. Exceptional Item Request											30,144,640
Total, Goal	1,379,448	1,379,448	1,338,741						2,718,189	1,379,448	30,144,640
Total, Agency	49,392,496	2,600,097	12,252,575	3,227,728					61,645,071	5,827,825	33,632,022
Total FTEs									537.0	538.0	4.0

2.A. Summary of Base Request by Strategy

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Automated Budget and Evaluation System of Texas (ABEST)

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Goal / Objective / STRATEGY	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
1 Provide Instructional and Operations Support					
1 Provide Instructional and Operations Support					
1 INSTRUCTION AND ADMINISTRATION (1)	33,700,681	25,746,978	24,026,041	0	0
3 STAFF GROUP INSURANCE PREMIUMS	2,316,352	923,676	1,162,590	1,230,687	1,303,551
4 WORKERS' COMPENSATION INSURANCE	99,426	99,426	99,426	99,426	99,426
6 TEXAS PUBLIC EDUCATION GRANTS	1,781,185	241,829	322,179	338,288	355,202
TOTAL, GOAL 1	\$37,897,644	\$27,011,909	\$25,610,236	\$1,668,401	\$1,758,179
2 Provide Infrastructure Support					
1 Provide Operation and Maintenance of E&G Space					
1 E&G SPACE SUPPORT (1)	3,106,756	2,161,809	1,787,549	0	0
2 TUITION REVENUE BOND RETIREMENT	1,673,986	523,000	503,697	510,325	511,472
5 SMALL INSTITUTION SUPPLEMENT (1)	794,737	713,742	614,940	0	0

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
TOTAL, GOAL	2	\$5,575,479	\$3,398,551	\$2,906,186	\$510,325	\$511,472
3	Provide Non-formula Support					
4	<i>Institutional</i>					
1	INSTITUTIONAL ENHANCEMENT	1,152,500	1,363,609	1,354,580	689,724	689,724
5	<i>Exceptional Item Request</i>					
1	EXCEPTIONAL ITEM REQUEST	0	0	0	0	0
TOTAL, GOAL	3	\$1,152,500	\$1,363,609	\$1,354,580	\$689,724	\$689,724
TOTAL, AGENCY STRATEGY REQUEST		\$44,625,623	\$31,774,069	\$29,871,002	\$2,868,450	\$2,959,375
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*					\$0	\$0
GRAND TOTAL, AGENCY REQUEST		\$44,625,623	\$31,774,069	\$29,871,002	\$2,868,450	\$2,959,375

2.A. Summary of Base Request by Strategy
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Goal / Objective / STRATEGY	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	30,882,252	24,818,098	24,574,398	1,299,475	1,300,622
SUBTOTAL	\$30,882,252	\$24,818,098	\$24,574,398	\$1,299,475	\$1,300,622
General Revenue Dedicated Funds:					
770 Est. Other Educational & General	13,743,371	6,955,971	5,296,604	1,568,975	1,658,753
SUBTOTAL	\$13,743,371	\$6,955,971	\$5,296,604	\$1,568,975	\$1,658,753
TOTAL, METHOD OF FINANCING	\$44,625,623	\$31,774,069	\$29,871,002	\$2,868,450	\$2,959,375

*Rider appropriations for the historical years are included in the strategy amounts.

2.B. Summary of Base Request by Method of Finance

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D**

Agency name: **Texas State Technical College - Waco**

METHOD OF FINANCING	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>GENERAL REVENUE</u>					
<u>1</u> General Revenue Fund					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2016-17 GAA)	\$25,417,038	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2018-19)	\$0	\$24,060,819	\$23,991,730	\$0	\$0
Regular Appropriations from MOF Table (2020-21 GAA)	\$0	\$0	\$0	\$1,299,475	\$1,300,622
<i>TRANSFERS</i>					
Administrative - From System to Waco for Startup Funding for Fort Bend	\$4,500,000	\$0	\$0	\$0	\$0
Administrative - From Harlingen to Fort Bend	\$189,913	\$0	\$0	\$0	\$0
Administrative - From West Tx to Fort Bend	\$62,980	\$0	\$0	\$0	\$0

2.B. Summary of Base Request by Method of Finance

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 71D		Agency name: Texas State Technical College - Waco				
METHOD OF FINANCING	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021	
<u>GENERAL REVENUE</u>						
Administrative - From Marshall to Fort Bend	\$13,311	\$0	\$0	\$0	\$0	
Partnership - From System to EWCHEC (Waco) Tech Part Trg	\$296,133	\$296,133	\$0	\$0	\$0	
Administrative - From Waco to System	\$(1,955,590)	\$(342,505)	\$0	\$0	\$0	
Administrative - From Marshall to Waco for EWC	\$691,681	\$0	\$0	\$0	\$0	
Administrative - From Waco to Harlingen	\$0	\$(1,782,840)	\$0	\$0	\$0	
Administrative - From Marshall to Waco for EWC	\$0	\$1,686,490	\$0	\$0	\$0	

2.B. Summary of Base Request by Method of Finance
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Agency code: 71D	Agency name: Texas State Technical College - Waco				
METHOD OF FINANCING	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>GENERAL REVENUE</u>					
EWCHEC (Waco) - From System to EWCHEC (Waco)	\$0	\$666,514	\$0	\$0	\$0
Hold Harmless - From System to Waco for EWC	\$0	\$233,487	\$0	\$0	\$0
EWCHEC (Waco) - From System to EWCHEC (Waco)	\$0	\$0	\$666,513	\$0	\$0
Administrative - From Waco to Harlingen	\$0	\$0	\$(379,978)	\$0	\$0
Partnership - From System to EWCHEC (Waco) Tech Part Trg	\$0	\$0	\$296,133	\$0	\$0
EWCHEC (Waco) - Fr System to EWCHEC (Waco)	\$1,000,000	\$0	\$0	\$0	\$0
Art. III, Special Provisions, Section 64, Contingency for HB 100 (2016-17 GAA)	\$1,156,318	\$0	\$0	\$0	\$0

2.B. Summary of Base Request by Method of Finance
86th Regular Session, Agency Submission, Version 1
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Agency code: 71D		Agency name: Texas State Technical College - Waco				
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>GENERAL REVENUE</u>						
<i>LAPSED APPROPRIATIONS</i>						
	Waco Lapse Hiring Freeze	\$(406,956)	\$0	\$0	\$0	\$0
	Fort Bend Lapse Hiring Freeze	\$(82,576)	\$0	\$0	\$0	\$0
TOTAL,	General Revenue Fund	\$30,882,252	\$24,818,098	\$24,574,398	\$1,299,475	\$1,300,622
TOTAL, ALL	GENERAL REVENUE	\$30,882,252	\$24,818,098	\$24,574,398	\$1,299,475	\$1,300,622

GENERAL REVENUE FUND - DEDICATED

770 GR Dedicated - Estimated Other Educational and General Income Account No. 770

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2016-17 GAA)

\$10,668,131	\$0	\$0	\$0	\$0
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Regular Appropriations from MOF Table (2018-19 GAA)

\$0	\$10,778,985	\$11,355,608	\$0	\$0
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2.B. Summary of Base Request by Method of Finance
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	71D	Agency name:	Texas State Technical College - Waco			
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>GENERAL REVENUE FUND - DEDICATED</u>						
Regular Appropriations from MOF Table (2020-21)		\$0	\$0	\$0	\$1,568,975	\$1,658,753
<i>BASE ADJUSTMENT</i>						
Revised Receipts		\$1,670,603	\$(9,006,939)	\$(9,054,332)	\$0	\$0
Comments: The large adjustment to revised receipts is due to the changes made beginning (Fall 2016) 09/01/2016 in TSTC's tuition structure. State tuition was an average of about \$120 per semester credit hour and changed to \$16 per semester credit hour. Designated tuition was \$46 per semester credit hour and changed to an average of about \$150 per semester credit hour.						
Adjustments to Expended		\$1,404,637	\$5,183,925	\$2,995,328	\$0	\$0
TOTAL, GR Dedicated - Estimated Other Educational and General Income Account No. 770		\$13,743,371	\$6,955,971	\$5,296,604	\$1,568,975	\$1,658,753
TOTAL GENERAL REVENUE FUND - DEDICATED - 704, 708 & 770		\$13,743,371	\$6,955,971	\$5,296,604	\$1,568,975	\$1,658,753
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED		\$13,743,371	\$6,955,971	\$5,296,604	\$1,568,975	\$1,658,753

2.B. Summary of Base Request by Method of Finance

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	71D	Agency name:	Texas State Technical College - Waco			
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
TOTAL, GR & GR-DEDICATED FUNDS		\$44,625,623	\$31,774,069	\$29,871,002	\$2,868,450	\$2,959,375
GRAND TOTAL		\$44,625,623	\$31,774,069	\$29,871,002	\$2,868,450	\$2,959,375

FULL-TIME-EQUIVALENT POSITIONS

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2016-17 GAA)	546.3	0.0	0.0	0.0	0.0
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Regular Appropriations from MOF Table (2018-19 GAA)	0.0	571.5	571.5	538.0	538.0
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UNAUTHORIZED NUMBER OVER (BELOW) CAP

Unauthorized Below Cap	0.0	(34.5)	(34.5)	0.0	0.0
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Unauthorized Over Cap	31.4	0.0	0.0	0.0	0.0
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Comments: Expansion of campus at Fort Bend required bringing on staff and instructors. For FY17 Fort Bend is being reported with Waco. Fort Bend total is 43.4 plus Waco variance (12.0) = 31.4.

TOTAL, ADJUSTED FTES	577.7	537.0	537.0	538.0	538.0
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2.B. Summary of Base Request by Method of Finance

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D**

Agency name: **Texas State Technical College - Waco**

METHOD OF FINANCING

Exp 2017

Est 2018

Bud 2019

Req 2020

Req 2021

NUMBER OF 100% FEDERALLY FUNDED

FTEs

2.C. Summary of Base Request by Object of Expense

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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OBJECT OF EXPENSE	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1001 SALARIES AND WAGES	\$12,343,007	\$11,966,870	\$12,288,853	\$660,902	\$660,902
1002 OTHER PERSONNEL COSTS	\$3,133,497	\$1,331,734	\$1,378,273	\$1,066,855	\$1,139,719
1005 FACULTY SALARIES	\$15,520,306	\$15,036,555	\$13,946,724	\$0	\$0
1010 PROFESSIONAL SALARIES	\$0	\$0	\$0	\$0	\$0
2001 PROFESSIONAL FEES AND SERVICES	\$60,653	\$200	\$200	\$0	\$0
2002 FUELS AND LUBRICANTS	\$136,096	\$600	\$500	\$0	\$0
2003 CONSUMABLE SUPPLIES	\$374,641	\$75,000	\$65,000	\$0	\$0
2004 UTILITIES	\$2,297,370	\$506,000	\$306,000	\$0	\$0
2005 TRAVEL	\$220,762	\$0	\$0	\$0	\$0
2006 RENT - BUILDING	\$141,912	\$0	\$0	\$0	\$0
2007 RENT - MACHINE AND OTHER	\$147,759	\$2,000	\$2,000	\$0	\$0
2008 DEBT SERVICE	\$1,678,614	\$889,845	\$870,697	\$510,325	\$511,472
2009 OTHER OPERATING EXPENSE	\$5,214,093	\$1,673,436	\$650,576	\$292,080	\$292,080
3001 CLIENT SERVICES	\$2,147,470	\$241,829	\$322,179	\$338,288	\$355,202
5000 CAPITAL EXPENDITURES	\$1,209,443	\$50,000	\$40,000	\$0	\$0
OOE Total (Excluding Riders)	\$44,625,623	\$31,774,069	\$29,871,002	\$2,868,450	\$2,959,375
OOE Total (Riders)					
Grand Total	\$44,625,623	\$31,774,069	\$29,871,002	\$2,868,450	\$2,959,375

2.D. Summary of Base Request Objective Outcomes
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

71D Texas State Technical College - Waco

Goal/ Objective / Outcome	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1 Provide Instructional and Operations Support					
1 Provide Instructional and Operations Support					
KEY 1 % of 1st-time, Full-time, Deg or Cert-seeking Students Graduated 3yrs	25.00%	35.00%	40.00%	43.00%	45.00%
KEY 2 Number of Associate Degrees and Certificates Awarded Annually	1,417.00	1,389.00	1,458.00	1,531.00	1,608.00
KEY 3 Number of Minority Students Graduated Annually	386.00	395.00	415.00	436.00	457.00
KEY 4 # of Former TSTC Students Working after One Year of Not Attending TSTC	2,255.00	2,452.00	2,377.00	2,461.00	2,436.00
KEY 5 % of Former TSTC Students Working after One Year of Not Attending TSTC	67.00%	68.00%	68.00%	69.00%	70.00%
6 Total Annual Salaries of Stds Wrkg after One Yr of Not Attending TSTC	58,483,496.00	63,800,407.00	62,070,582.00	65,865,034.00	66,823,041.00

2.E. Summary of Exceptional Items Request

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D**

Agency name: **Texas State Technical College - Waco**

Priority	Item	2020			2021			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Dual Enrollment	\$250,000	\$250,000	4.0	\$250,000	\$250,000	4.0	\$500,000	\$500,000
2	Abatement and Demolition	\$14,822,320	\$14,822,320		\$14,822,320	\$14,822,320		\$29,644,640	\$29,644,640
3	TRB - Computer Technology Center	\$1,743,691	\$1,743,691		\$1,743,691	\$1,743,691		\$3,487,382	\$3,487,382
Total, Exceptional Items Request		\$16,816,011	\$16,816,011	4.0	\$16,816,011	\$16,816,011	4.0	\$33,632,022	\$33,632,022

Method of Financing

General Revenue	\$16,816,011	\$16,816,011		\$16,816,011	\$16,816,011		\$33,632,022	\$33,632,022
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	\$16,816,011	\$16,816,011		\$16,816,011	\$16,816,011		\$33,632,022	\$33,632,022

Full Time Equivalent Positions

4.0

4.0

Number of 100% Federally Funded FTEs

2.F. Summary of Total Request by Strategy
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D** Agency name: **Texas State Technical College - Waco**

Goal/Objective/STRATEGY	Base 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
1 Provide Instructional and Operations Support						
1 <i>Provide Instructional and Operations Support</i>						
1 INSTRUCTION AND ADMINISTRATION	\$0	\$0	\$0	\$0	\$0	\$0
3 STAFF GROUP INSURANCE PREMIUMS	1,230,687	1,303,551	0	0	1,230,687	1,303,551
4 WORKERS' COMPENSATION INSURANCE	99,426	99,426	0	0	99,426	99,426
6 TEXAS PUBLIC EDUCATION GRANTS	338,288	355,202	0	0	338,288	355,202
TOTAL, GOAL 1	\$1,668,401	\$1,758,179	\$0	\$0	\$1,668,401	\$1,758,179
2 Provide Infrastructure Support						
1 <i>Provide Operation and Maintenance of E&G Space</i>						
1 E&G SPACE SUPPORT	0	0	0	0	0	0
2 TUITION REVENUE BOND RETIREMENT	510,325	511,472	1,743,691	1,743,691	2,254,016	2,255,163
5 SMALL INSTITUTION SUPPLEMENT	0	0	0	0	0	0
TOTAL, GOAL 2	\$510,325	\$511,472	\$1,743,691	\$1,743,691	\$2,254,016	\$2,255,163

2.F. Summary of Total Request by Strategy
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 71D	Agency name: Texas State Technical College - Waco					
Goal/Objective/STRATEGY	Base 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
3 Provide Non-formula Support						
4 Institutional						
1 INSTITUTIONAL ENHANCEMENT	\$689,724	\$689,724	\$0	\$0	\$689,724	\$689,724
5 Exceptional Item Request						
1 EXCEPTIONAL ITEM REQUEST	0	0	15,072,320	15,072,320	15,072,320	15,072,320
TOTAL, GOAL 3	\$689,724	\$689,724	\$15,072,320	\$15,072,320	\$15,762,044	\$15,762,044
TOTAL, AGENCY STRATEGY REQUEST	\$2,868,450	\$2,959,375	\$16,816,011	\$16,816,011	\$19,684,461	\$19,775,386
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$2,868,450	\$2,959,375	\$16,816,011	\$16,816,011	\$19,684,461	\$19,775,386

2.F. Summary of Total Request by Strategy
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 71D	Agency name: Texas State Technical College - Waco						
Goal/Objective/STRATEGY		Base 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
General Revenue Funds:							
1 General Revenue Fund		\$1,299,475	\$1,300,622	\$16,816,011	\$16,816,011	\$18,115,486	\$18,116,633
		\$1,299,475	\$1,300,622	\$16,816,011	\$16,816,011	\$18,115,486	\$18,116,633
General Revenue Dedicated Funds:							
770 Est. Other Educational & General		1,568,975	1,658,753	0	0	1,568,975	1,658,753
		\$1,568,975	\$1,658,753	\$0	\$0	\$1,568,975	\$1,658,753
TOTAL, METHOD OF FINANCING		\$2,868,450	\$2,959,375	\$16,816,011	\$16,816,011	\$19,684,461	\$19,775,386
FULL TIME EQUIVALENT POSITIONS		538.0	538.0	4.0	4.0	542.0	542.0

2.G. Summary of Total Request Objective Outcomes
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Agency code: **71D**

Agency name: **Texas State Technical College - Waco**

Goal/ Objective / Outcome

	BL 2020	BL 2021	Excp 2020	Excp 2021	Total Request 2020	Total Request 2021
1						
1						
KEY	1 % of 1st-time, Full-time, Deg or Cert-seeking Students Graduated 3yrs					
	43.00%	45.00%			43.00%	45.00%
KEY	2 Number of Associate Degrees and Certificates Awarded Annually					
	1,531.00	1,608.00			1,531.00	1,608.00
KEY	3 Number of Minority Students Graduated Annually					
	436.00	457.00			436.00	457.00
KEY	4 # of Former TSTC Students Working after One Year of Not Attending TSTC					
	2,461.00	2,436.00			2,461.00	2,436.00
KEY	5 % of Former TSTC Students Working after One Year of Not Attending TSTC					
	69.00%	70.00%			69.00%	70.00%
	6 Total Annual Salaries of Stds Wrkg after One Yr of Not Attending TSTC					
	65,865,034.00	66,823,041.00			65,865,034.00	66,823,041.00

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 1 Intruction and Administration

Service Categories:

Service: 19 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
Output Measures:						
	1 Number of Contact Hours Taught Annually	3,461,910.00	3,049,493.00	3,067,790.00	3,144,485.00	3,223,097.00
	2 % of Contact Hours Completed Annually at End of Rptng Period	100.00 %	100.00 %	99.00 %	99.00 %	99.00 %
	3 Fall Headcount	4,014.00	4,238.00	4,263.00	4,370.00	4,479.00
	4 Number of Minority Students Enrolled Annually	2,037.00	2,061.00	2,064.00	2,115.00	2,168.00
KEY	5 Annual Headcount Enrollment	5,457.00	5,523.00	5,556.00	5,695.00	5,837.00
	6 # Semester Credit Hours Taught Annually as of the Official Census Date	119,750.00	108,094.00	108,743.00	111,461.00	114,248.00
	7 % Semester Credit Hours Completed at the End of the Reporting Period	100.00 %	100.00 %	99.00 %	99.00 %	99.00 %
Efficiency Measures:						
KEY	1 Administrative Cost as a Percent of Operating Budget	5.90 %	6.30 %	8.13 %	8.00 %	8.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$9,998,223	\$9,383,340	\$9,492,376	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$976,984	\$532,763	\$329,405	\$0	\$0
1005	FACULTY SALARIES	\$15,507,578	\$15,036,555	\$13,946,724	\$0	\$0
2001	PROFESSIONAL FEES AND SERVICES	\$59,475	\$0	\$0	\$0	\$0
2002	FUELS AND LUBRICANTS	\$134,170	\$0	\$0	\$0	\$0

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

3.A. Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 1 Instruction and Administration

Service Categories:

Service: 19 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
2003	CONSUMABLE SUPPLIES	\$273,693	\$0	\$0	\$0	\$0
2004	UTILITIES	\$442,363	\$0	\$0	\$0	\$0
2005	TRAVEL	\$204,062	\$0	\$0	\$0	\$0
2006	RENT - BUILDING	\$141,912	\$0	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$143,433	\$0	\$0	\$0	\$0
2008	DEBT SERVICE	\$3,642	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$4,266,480	\$794,320	\$257,536	\$0	\$0
3001	CLIENT SERVICES	\$366,285	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$1,182,381	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$33,700,681	\$25,746,978	\$24,026,041	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$26,521,667	\$21,087,659	\$20,936,363	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$26,521,667	\$21,087,659	\$20,936,363	\$0	\$0
Method of Financing:						
770	Est. Other Educational & General	\$7,179,014	\$4,659,319	\$3,089,678	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$7,179,014	\$4,659,319	\$3,089,678	\$0	\$0

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 1 Intruction and Administration

Service Categories:

Service: 19 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$33,700,681	\$25,746,978	\$24,026,041	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		510.0	449.0	449.0	450.0	450.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

In the General Appropriations Act, HB 1, 84th Texas Legislature, Section 11 (page III-224), allocated funding under the Instruction & Operations strategy among Texas State Technical Colleges (TSTC) based on the additional direct and indirect state tax revenues generated as a result of the education provided. This formula furthers the goal of rewarding job placement and graduate earnings projections, not time in training or contact hours. This funding facilitates the provision of industry standard, state-of-the-art education and training in high priority careers.

The formula advisory committee elected to exclude dual credit and continuing education outcomes from the funding formula and determined it would continue to evaluate the appropriateness of their inclusion. In short, TSTC does not receive appropriations funding for dual credit and continuing education.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Texas businesses in key industries are unable to find enough sufficiently trained workers to fill available, middle-skill jobs (those which require credentials between high school and a four-year college degree). Consequently, many Texas employers are left unable to grow and innovate, restricting their ability to compete in the current economy. This growing need for workers in middle-skill occupations is concentrated in the STEM fields, TSTC's primary focus. According to the U.S. Census Bureau, McLennan County has experienced moderate population growth in recent years.

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 1 Intruction and Administration

Service Categories:

Service: 19 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$49,773,019	\$0	\$(49,773,019)	\$(49,773,019)	Formula Funding for FY 2020 and FY 2021. Formula Funding for FY 2020 and FY 2021.
			\$(49,773,019)	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 3 Staff Group Insurance Premiums

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
1002	OTHER PERSONNEL COSTS	\$2,057,073	\$677,316	\$972,816	\$1,040,913	\$1,113,777
2009	OTHER OPERATING EXPENSE	\$259,279	\$246,360	\$189,774	\$189,774	\$189,774
TOTAL, OBJECT OF EXPENSE		\$2,316,352	\$923,676	\$1,162,590	\$1,230,687	\$1,303,551
Method of Financing:						
1	General Revenue Fund	\$194,884	\$205,954	\$182,639	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$194,884	\$205,954	\$182,639	\$0	\$0
Method of Financing:						
770	Est. Other Educational & General	\$2,121,468	\$717,722	\$979,951	\$1,230,687	\$1,303,551
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$2,121,468	\$717,722	\$979,951	\$1,230,687	\$1,303,551
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,230,687	\$1,303,551
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,316,352	\$923,676	\$1,162,590	\$1,230,687	\$1,303,551
FULL TIME EQUIVALENT POSITIONS:						

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support Service Categories:
 STRATEGY: 3 Staff Group Insurance Premiums Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy is to provide proportional share of staff group insurance premiums paid from Other Educational and General funds.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Strategy is impacted by the number of employees working 30 hours or more and the premium rate. Strategy is based upon percentage of other E&G income to total appropriation. Tuition increases and reduced general revenue appropriations affect the expenditure requirements of this strategy.

There is a general revenue shortfall for group insurance; therefore, other strategies must supplement group insurance expenditures.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$2,086,266	\$2,534,238	\$447,972	\$447,972	Increase in group insurance premiums. MOF - Other E&G. FTE's - 0
			<u>\$447,972</u>	Total of Explanation of Biennial Change

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 4 Workers' Compensation Insurance

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$99,426	\$99,426	\$99,426	\$99,426	\$99,426
TOTAL, OBJECT OF EXPENSE		\$99,426	\$99,426	\$99,426	\$99,426	\$99,426
Method of Financing:						
1	General Revenue Fund	\$99,426	\$99,426	\$99,426	\$99,426	\$99,426
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$99,426	\$99,426	\$99,426	\$99,426	\$99,426
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$99,426	\$99,426
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$99,426	\$99,426	\$99,426	\$99,426	\$99,426

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy funds Workers' Compensation payments related to E&G funds provided through the State Office for Risk Management.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Changes in workers' compensation are related to payroll costs, number of employees and workers' compensation claims.

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support Service Categories:
 STRATEGY: 4 Workers' Compensation Insurance Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$198,852	\$198,852	\$0	\$0	Total of Explanation of Biennial Change

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 6 Texas Public Education Grants

Service Categories:

Service: 20 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
3001	CLIENT SERVICES	\$1,781,185	\$241,829	\$322,179	\$338,288	\$355,202
TOTAL, OBJECT OF EXPENSE		\$1,781,185	\$241,829	\$322,179	\$338,288	\$355,202
Method of Financing:						
770	Est. Other Educational & General	\$1,781,185	\$241,829	\$322,179	\$338,288	\$355,202
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$1,781,185	\$241,829	\$322,179	\$338,288	\$355,202
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$338,288	\$355,202
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,781,185	\$241,829	\$322,179	\$338,288	\$355,202

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy represents tuition set aside for the Texas Public Education Grants program as required by Section 56.033 of the Texas Education Code.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support Service Categories:
 STRATEGY: 6 Texas Public Education Grants Service: 20 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
	Enrollment					
	Tuition rate					

Set-aside portion of tuition received by TSTC Waco to provide grants and loans based on need to TSTC Waco students. Increasing costs to students make this strategy important to retaining students who have a financial need. The amount of this funding is dependent on enrollment and tuition received.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$564,008	\$693,490	\$129,482	\$129,482	Increase in tuition pricing. MOF - Other E&G. FTE's - 0.
			\$129,482	Total of Explanation of Biennial Change

3.A. Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 2 Provide Infrastructure Support

OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space

Service Categories:

STRATEGY: 1 Educational and General Space Support

Service: 10

Income: A.1

Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
Objects of Expense:						
1001	SALARIES AND WAGES	\$886,397	\$727,023	\$877,299	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$35,067	\$45,341	\$40,750	\$0	\$0
2002	FUELS AND LUBRICANTS	\$1,923	\$600	\$500	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$85,771	\$70,000	\$60,000	\$0	\$0
2004	UTILITIES	\$1,848,513	\$500,000	\$300,000	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$4,326	\$2,000	\$2,000	\$0	\$0
2008	DEBT SERVICE	\$986	\$366,845	\$367,000	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$224,706	\$400,000	\$100,000	\$0	\$0
5000	CAPITAL EXPENDITURES	\$19,067	\$50,000	\$40,000	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$3,106,756	\$2,161,809	\$1,787,549	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$1,030,064	\$1,837,335	\$1,787,549	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,030,064	\$1,837,335	\$1,787,549	\$0	\$0
Method of Financing:						
770	Est. Other Educational & General	\$2,076,692	\$324,474	\$0	\$0	\$0

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 2 Provide Infrastructure Support

OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space

STRATEGY: 1 Educational and General Space Support

Service Categories:

Service: 10 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$2,076,692	\$324,474	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$3,106,756	\$2,161,809	\$1,787,549	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		40.0	28.0	28.0	28.0	28.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

Funding for this strategy is determined through a formula that applies a funding rate to a determination of predicted square feet for an institution, the Space Projection Model. The Space Projection Model is generated through The Texas Higher Education Coordinating Board.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

3.A. Strategy Request
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71D Texas State Technical College - Waco

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space Service Categories:
 STRATEGY: 1 Educational and General Space Support Service: 10 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
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House Bill 1 (General Appropriations Act), 84th Legislature, Regular Session, Article III, Higher Education Coordinating Board, Section 55 (p. III-54), directed the Texas Higher Education Coordinating Board (THECB) to conduct a study of the Space Projection Model.

The study conducted in response to Rider 55 treated the allocation of space for TSTC different than other institutions evaluated by dramatically increasing the allocation of teaching space for TSTC. This was validated as necessary by a third-party consultant who noted the space-intensive nature for TSTC training programs, relative to other spaces considered in the model.

During its formula funding development process for the 84th Legislature, the Texas Higher Education Coordinating Board Formula Advisory Committee recommended incorporating Space Support funding into the Returned-Value formula to, as directed by the Legislature, further the goal of rewarding job placement and graduate earnings, not time in training or contact hours.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL CHANGE	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2018 + Bud 2019)	Baseline Request (BL 2020 + BL 2021)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$3,949,358	\$0	\$(3,949,358)	\$(3,652,093)	Formula funding for FY 2020-FY 2021.
				Formula funding for FY 2020-FY 2021.
			\$(7,304,186)	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

3.A. Strategy Request
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71D Texas State Technical College - Waco

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space
 STRATEGY: 2 Tuition Revenue Bond Retirement

Service Categories:
 Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
2008	DEBT SERVICE	\$1,673,986	\$523,000	\$503,697	\$510,325	\$511,472
TOTAL, OBJECT OF EXPENSE		\$1,673,986	\$523,000	\$503,697	\$510,325	\$511,472
Method of Financing:						
1	General Revenue Fund	\$1,673,986	\$523,000	\$503,697	\$510,325	\$511,472
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,673,986	\$523,000	\$503,697	\$510,325	\$511,472
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$510,325	\$511,472
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,673,986	\$523,000	\$503,697	\$510,325	\$511,472

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy is essential for the College to meet the annual debt service requirements for the Tuition Revenue Bonds issued throughout FY 2002 and FY 2008. The FY 2002 TRB issue was refinanced in FY 2016, lowering the debt service on that issue, thereby resulting in savings for the state.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

TRB funds have enabled the college to better serve the needs of our students in technical education.

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space Service Categories:
 STRATEGY: 2 Tuition Revenue Bond Retirement Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$1,026,697	\$1,021,797	\$(4,900)	\$(4,900)	Actual interest rate on bond is lower than original estimate.
			\$(4,900)	Total of Explanation of Biennial Change

3.A. Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 2 Provide Infrastructure Support

OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space

STRATEGY: 5 Small Institution Supplement

Service Categories:

Service: 19 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
Objects of Expense:						
1001	SALARIES AND WAGES	\$537,003	\$562,474	\$593,420	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$10,490	\$10,068	\$9,360	\$0	\$0
2001	PROFESSIONAL FEES AND SERVICES	\$1,178	\$200	\$200	\$0	\$0
2002	FUELS AND LUBRICANTS	\$3	\$0	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$7,136	\$5,000	\$5,000	\$0	\$0
2004	UTILITIES	\$6,078	\$6,000	\$6,000	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$224,854	\$130,000	\$960	\$0	\$0
5000	CAPITAL EXPENDITURES	\$7,995	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$794,737	\$713,742	\$614,940	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$375,000	\$375,000	\$375,000	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$375,000	\$375,000	\$375,000	\$0	\$0
Method of Financing:						
770	Est. Other Educational & General	\$419,737	\$338,742	\$239,940	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$419,737	\$338,742	\$239,940	\$0	\$0

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space
 STRATEGY: 5 Small Institution Supplement

Service Categories:

Service: 19 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)					\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		8.0	22.0	22.0	22.0	22.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Small Institution Supplement strategy provides \$750,000 during a biennium for institutions that enroll less than 5,000 students (phased out between 5,000 and 10,000), recognizing that institutions have a minimum cost of operation that may not be covered by funds generated through the formulas.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The cost of will be covered by this funding. Buildings that have been recently remodeled will increase this cost in the next biennium.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$1,328,682	\$0	\$(1,328,682)	\$(1,328,682)	Formula Funding for FY 2020-FY 2021.
			<u>\$(1,328,682)</u>	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

3.A. Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 3 Provide Non-formula Support
OBJECTIVE: 4 Institutional
STRATEGY: 1 Institutional Enhancement

Service Categories:
Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
1001	SALARIES AND WAGES	\$921,384	\$1,294,033	\$1,325,758	\$660,902	\$660,902
1002	OTHER PERSONNEL COSTS	\$53,883	\$66,246	\$25,942	\$25,942	\$25,942
1005	FACULTY SALARIES	\$12,728	\$0	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$8,041	\$0	\$0	\$0	\$0
2004	UTILITIES	\$416	\$0	\$0	\$0	\$0
2005	TRAVEL	\$16,700	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$139,348	\$3,330	\$2,880	\$2,880	\$2,880
TOTAL, OBJECT OF EXPENSE		\$1,152,500	\$1,363,609	\$1,354,580	\$689,724	\$689,724
Method of Financing:						
1	General Revenue Fund	\$987,225	\$689,724	\$689,724	\$689,724	\$689,724
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$987,225	\$689,724	\$689,724	\$689,724	\$689,724
Method of Financing:						
770	Est. Other Educational & General	\$165,275	\$673,885	\$664,856	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$165,275	\$673,885	\$664,856	\$0	\$0

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 3 Provide Non-formula Support
 OBJECTIVE: 4 Institutional
 STRATEGY: 1 Institutional Enhancement

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$689,724	\$689,724
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,152,500	\$1,363,609	\$1,354,580	\$689,724	\$689,724
FULL TIME EQUIVALENT POSITIONS:		19.7	38.0	38.0	38.0	38.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The 76th Legislature created the initial Institutional Enhancement appropriation based on a consolidation of certain special item appropriations with inclusion of \$1.0 million per year to the strategy. This funding is an important source of funding for core operations of various E&G components.

For the 2020-2021 biennial budget, these funds will support core educational support activities, instructional services, and student services, all of which are vital to fulfilling TSTC's mandated mission.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

In the last biennium, this strategy was further reduced from the 2016-2017 levels, despite the strategy funding core operations of the college. In light of the reduction, TSTC has implemented stringent reviews of programs and services to ensure that the investment of available dollars is made in programs and activities with the highest return potential. Based on the extent of cuts, TSTC has had to reduce and close services in its lowest performing and lowest potential markets.

3.A. Strategy Request
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71D Texas State Technical College - Waco

GOAL: 3 Provide Non-formula Support
 OBJECTIVE: 4 Institutional Service Categories:
 STRATEGY: 1 Institutional Enhancement Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$2,718,189	\$1,379,448	\$(1,338,741)	<u>\$0</u>	Total of Explanation of Biennial Change

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 3 Provide Non-formula Support
 OBJECTIVE: 5 Exceptional Item Request
 STRATEGY: 1 Exceptional Item Request

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
1005	FACULTY SALARIES	\$0	\$0	\$0	\$0	\$0
1010	PROFESSIONAL SALARIES	\$0	\$0	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$0	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$0	\$0	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$0	\$0	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		0.0	0.0	0.0	0.0	0.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

GOAL: 3 Provide Non-formula Support
 OBJECTIVE: 5 Exceptional Item Request Service Categories:
 STRATEGY: 1 Exceptional Item Request Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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As the formula advisory group assembled by the Texas Higher Education Coordinating Board evaluated TSTC’s new Instruction and Operations funding formula (the Returned Value formula), several factors led to the exclusion of dual credit from the returned value formula. Consequently, TSTC receives no appropriation for dual credit. Despite that, TSTC continued to offer dual credit programs with a specific emphasis on Career and Technical Education pathway programs.

If faced with continued lack of funding for dual credit programs, TSTC will assess the necessity to suspend, or considerably change, the business model for dual credit offerings since it receives no appropriations support for the effort. The dual enrollment effort is extremely important to TSTC but it is an activity that requires significant resources of the College without the ability to recoup the costs.

Exceptional Item funding for dual credit programs would allow TSTC Waco to continue and/or grow its dual credit programs.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Today, TSTC Waco partners with 30 schools to offer dual credit at the secondary level without receiving appropriations funding for related offerings.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2018 + Bud 2019)	Baseline Request (BL 2020 + BL 2021)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$0	\$0	\$0	<u>\$0</u>	Total of Explanation of Biennial Change

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$44,625,623	\$31,774,069	\$29,871,002	\$2,868,450	\$2,959,375
METHODS OF FINANCE (INCLUDING RIDERS):				\$2,868,450	\$2,959,375
METHODS OF FINANCE (EXCLUDING RIDERS):	\$44,625,623	\$31,774,069	\$29,871,002	\$2,868,450	\$2,959,375
FULL TIME EQUIVALENT POSITIONS:	577.7	537.0	537.0	538.0	538.0

4.A. Exceptional Item Request Schedule
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D**

Agency name:

Texas State Technical College - Waco

CODE	DESCRIPTION	Excp 2020	Excp 2021
	Item Name: Dual Enrollment		
	Item Priority: 1		
	IT Component: No		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	Includes Funding for the Following Strategy or Strategies: 03-05-01 Exceptional Item Request		
OBJECTS OF EXPENSE:			
1005	FACULTY SALARIES	150,000	150,000
1010	PROFESSIONAL SALARIES	50,000	50,000
2003	CONSUMABLE SUPPLIES	50,000	50,000
	TOTAL, OBJECT OF EXPENSE	\$250,000	\$250,000

METHOD OF FINANCING:

1	General Revenue Fund	250,000	250,000
	TOTAL, METHOD OF FINANCING	\$250,000	\$250,000

FULL-TIME EQUIVALENT POSITIONS (FTE):

	4.00	4.00
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DESCRIPTION / JUSTIFICATION:

This funding request implements the recommendation of the Texas Higher Education Coordinating Board and its Formula Advisory Committees to fund TSTC at the community college formula funding rate. If the base bill adopts the THECB recommendation to add formula funding for dual credit at the community college rate, this funding request is unnecessary.

EXTERNAL/INTERNAL FACTORS:

Major accomplishments to date and expected over the next two years: Today TSTC Waco partners with schools in multiple counties in the Central Texas region, focusing on increasing focus on industrial technologies with quality instruction.

Year established and funding source prior to receiving special item funding: Since adoption of the returned value funding formula during the 83rd Legislature.

Formula funding: TSTC has not received funding for dual credit offerings to high schools, incurring significant losses per year while honoring the Legislative intent that the institution continue to offer dual credit (specifically, technical dual credit).

Non-general revenue sources of funding: TSTC receives significant discounted tuition revenue from students enrolled in dual credit programs.

Consequences of not funding: Suspension of dual credit operation.

4.A. Exceptional Item Request Schedule
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 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D**

Agency name:
Texas State Technical College - Waco

CODE DESCRIPTION

Excp 2020

Excp 2021

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Faculty salaries are the largest component of the continuing costs, however also included in the estimate is an amount of instructional supplies, which have a direct correlation with enrollment. Technical supplies have a higher cost per student than those of academic courses.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	<u>2022</u>	<u>2023</u>	<u>2024</u>
	\$250,000	\$250,000	\$250,000

4.A. Exceptional Item Request Schedule
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D**

Agency name:

Texas State Technical College - Waco

CODE	DESCRIPTION	Excp 2020	Excp 2021
	Item Name: Abatement and Demolition of Environmentally Hazardous Military Structures		
	Item Priority: 2		
	IT Component: No		
	Anticipated Out-year Costs: No		
	Involve Contracts > \$50,000: No		
	Includes Funding for the Following Strategy or Strategies: 03-05-01 Exceptional Item Request		

OBJECTS OF EXPENSE:

2009	OTHER OPERATING EXPENSE	14,822,320	14,822,320
	TOTAL, OBJECT OF EXPENSE	\$14,822,320	\$14,822,320

METHOD OF FINANCING:

1	General Revenue Fund	14,822,320	14,822,320
	TOTAL, METHOD OF FINANCING	\$14,822,320	\$14,822,320

DESCRIPTION / JUSTIFICATION:

TSTC in Waco is TSTC's oldest campus whose origins trace to the conversion of the former James Connally Air Force Base in Waco into the James Connally Technical Institute. Many of the facilities that existed in the beginning still exist today. These facilities were aged then but the College has extended their useful life to support its campus operations over the last 55 years. This strategy is losing viability and more and more of these facilities are becoming surplus.

The US Federal government constructed these facilities using mid century methods and materials. This included materials such as lead-based paint and asbestos, later determined to be environmentally hazardous. Consequently, maintenance or removal of these facilities includes significant abatement costs that far exceed the cost of demolition.

The campus currently has identified over 450 structures that have surpassed the end of their useful life. Demolition of these facilities is estimated at \$5.7 million with related abatement estimated at an additional \$10.9 million. In addition, these structures reside on top of a water infrastructure that requires similar demolition and abatement. The water infrastructure project is estimated to cost nearly \$12.9 million.

EXTERNAL/INTERNAL FACTORS:

Major accomplishments to date and expected over the next two years: Repurposed air force facilities into academic facilities 50-60 years past their original life.

Year established and funding source prior to receiving special item funding: 1965

Formula funding: There is no formula funding that supports this item.

4.A. Exceptional Item Request Schedule
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Agency code: **71D**

Agency name:

Texas State Technical College - Waco

CODE DESCRIPTION

Excp 2020

Excp 2021

Non-general revenue sources of funding: TSTC has not identified non-general revenue sources to support this item.

Consequences of not funding: As certain facilities come off-line and become abandoned, safety issues accrue. Some facilities are located nearby family housing creating an attractive nuisance for curious children.

In addition, these aged facilities project a very poor image for technical education.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D**

Agency name:

Texas State Technical College - Waco

CODE	DESCRIPTION	Excp 2020	Excp 2021
	Item Name: TRB - Computer Technology Center		
	Item Priority: 3		
	IT Component: No		
	Anticipated Out-year Costs: Yes		
	Involve Contracts > \$50,000: No		
	Includes Funding for the Following Strategy or Strategies: 02-01-02 Tuition Revenue Bond Retirement		
 OBJECTS OF EXPENSE:			
2008	DEBT SERVICE	1,743,691	1,743,691
TOTAL, OBJECT OF EXPENSE		\$1,743,691	\$1,743,691
 METHOD OF FINANCING:			
1	General Revenue Fund	1,743,691	1,743,691
TOTAL, METHOD OF FINANCING		\$1,743,691	\$1,743,691

DESCRIPTION / JUSTIFICATION:

TSTC Waco requests funding for a new technical education building in Waco, Texas in response to the increased workforce development need in the Central Texas region. This project will construct labs and additional classroom space to house regionally in-demand, technical programs. Tuition Revenue Bond Issuance Authority in the amount of \$20,000,000 is requested by TSTC Waco for the new Computer Technology Center.

State funding is requested for projected debt service payments of \$3,487,382 for the FY 2020/2021 biennium. This is based upon an amortization of 20 years at 6.00%.

EXTERNAL/INTERNAL FACTORS:

Major accomplishments to date and expected over the next two years: Computer technology programs have proven to be a cost effective instructional division that produce in demand occupations, such as Cyber Security , where exponential growth has been seen in the last two years. This new center will result in increased enrollment in these programs.

Year established and funding source prior to receiving special item funding: Not applicable.

Formula funding: Not applicable.

Non-general revenue sources of funding: Funding from local community and industry to be sought to assist with start up operational cost and instructional equipment.

Consequences of not funding: Reduced capacity for reducing Texas' technical skills shortage.

4.A. Exceptional Item Request Schedule
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D**

Agency name:
Texas State Technical College - Waco

CODE DESCRIPTION

Excp 2020

Excp 2021

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Debt service for Tuition Revenue Bonds are set for the term of the bond, which is 20 years.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2022	2023	2024
	\$1,743,691	\$1,743,691	\$1,743,691

4.B. Exceptional Items Strategy Allocation Schedule
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D** Agency name: **Texas State Technical College - Waco**

Code	Description	Excp 2020	Excp 2021
Item Name: Dual Enrollment			
Allocation to Strategy: 3-5-1 Exceptional Item Request			
OBJECTS OF EXPENSE:			
1005	FACULTY SALARIES	150,000	150,000
1010	PROFESSIONAL SALARIES	50,000	50,000
2003	CONSUMABLE SUPPLIES	50,000	50,000
TOTAL, OBJECT OF EXPENSE		\$250,000	\$250,000
METHOD OF FINANCING:			
1	General Revenue Fund	250,000	250,000
TOTAL, METHOD OF FINANCING		\$250,000	\$250,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		4.0	4.0

4.B. Exceptional Items Strategy Allocation Schedule
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D** Agency name: **Texas State Technical College - Waco**

Code	Description	Excp 2020	Excp 2021
Item Name: Abatement and Demolition of Environmentally Hazardous Military Structures			
Allocation to Strategy: 3-5-1 Exceptional Item Request			
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	14,822,320	14,822,320
TOTAL, OBJECT OF EXPENSE		\$14,822,320	\$14,822,320
METHOD OF FINANCING:			
1	General Revenue Fund	14,822,320	14,822,320
TOTAL, METHOD OF FINANCING		\$14,822,320	\$14,822,320

4.B. Exceptional Items Strategy Allocation Schedule
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D** Agency name: **Texas State Technical College - Waco**

Code	Description	Excp 2020	Excp 2021
Item Name: TRB - Computer Technology Center			
Allocation to Strategy: 2-1-2 Tuition Revenue Bond Retirement			
OBJECTS OF EXPENSE:			
2008	DEBT SERVICE	1,743,691	1,743,691
TOTAL, OBJECT OF EXPENSE		\$1,743,691	\$1,743,691
METHOD OF FINANCING:			
1	General Revenue Fund	1,743,691	1,743,691
TOTAL, METHOD OF FINANCING		\$1,743,691	\$1,743,691

4.C. Exceptional Items Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **71D** Agency name: **Texas State Technical College - Waco**

GOAL: 2 Provide Infrastructure Support

OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space

STRATEGY: 2 Tuition Revenue Bond Retirement

Service Categories:

Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2020	Excp 2021
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OBJECTS OF EXPENSE:

2008	DEBT SERVICE	1,743,691	1,743,691
Total, Objects of Expense		\$1,743,691	\$1,743,691

METHOD OF FINANCING:

1	General Revenue Fund	1,743,691	1,743,691
Total, Method of Finance		\$1,743,691	\$1,743,691

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

TRB - Computer Technology Center

4.C. Exceptional Items Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **71D** Agency name: **Texas State Technical College - Waco**

GOAL: 3 Provide Non-formula Support

OBJECTIVE: 5 Exceptional Item Request

STRATEGY: 1 Exceptional Item Request

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2020	Excp 2021
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OBJECTS OF EXPENSE:

1005 FACULTY SALARIES	150,000	150,000
1010 PROFESSIONAL SALARIES	50,000	50,000
2003 CONSUMABLE SUPPLIES	50,000	50,000
2009 OTHER OPERATING EXPENSE	14,822,320	14,822,320
Total, Objects of Expense	\$15,072,320	\$15,072,320

METHOD OF FINANCING:

1 General Revenue Fund	15,072,320	15,072,320
Total, Method of Finance	\$15,072,320	\$15,072,320

FULL-TIME EQUIVALENT POSITIONS (FTE):	4.0	4.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Dual Enrollment

Abatement and Demolition of Environmentally Hazardous Military Structures

General Revenue (GR) & General Revenue Dedicated (GR-D) Baseline

86th Regular Session, Agency Submission, Version 1
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Agency code:

Agency name: **Texas State Technical College - Waco**

GR Baseline Request Limit = \$1,578,300

GR-D Baseline Request Limit = \$0

Strategy/Strategy Option/Rider				2020 Funds				2021 Funds				Biennial Cumulative GR	Biennial Cumulative Ded	Page #
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded							
Strategy: 1 - 1 - 1	Intruction and Administration													
450.0	0	0	0	450.0	0	0	0		0	0				
450.0				450.0					*****GR-D Baseline Request Limit=\$0*****					
Strategy: 1 - 1 - 3	Staff Group Insurance Premiums													
0.0	1,230,687	0	1,230,687	0.0	1,303,551	0	1,303,551		0	2,534,238				
Strategy: 1 - 1 - 4	Workers' Compensation Insurance													
0.0	99,426	99,426	0	0.0	99,426	99,426	0		198,852	2,534,238				
Strategy: 1 - 1 - 6	Texas Public Education Grants													
0.0	338,288	0	338,288	0.0	355,202	0	355,202		198,852	3,227,728				
Strategy: 2 - 1 - 1	Educational and General Space Support													
28.0	0	0	0	28.0	0	0	0		198,852	3,227,728				
Strategy: 2 - 1 - 2	Tuition Revenue Bond Retirement													
0.0	510,325	510,325	0	0.0	511,472	511,472	0		1,220,649	3,227,728				
Strategy: 2 - 1 - 5	Small Institution Supplement													
22.0	0	0	0	22.0	0	0	0		1,220,649	3,227,728				
500.0				500.0					*****GR Baseline Request Limit=\$1,578,300*****					
Strategy: 3 - 4 - 1	Institutional Enhancement													
38.0	689,724	689,724	0	38.0	689,724	689,724	0		2,600,097	3,227,728				
Excp Item: 1	Dual Enrollment													
4.0	250,000	250,000	0	4.0	250,000	250,000	0		3,100,097	3,227,728				
Strategy Detail for Excp Item: 1														
Strategy: 3 - 5 - 1	Exceptional Item Request													
4.0	250,000	250,000	0	4.0	250,000	250,000	0							

General Revenue (GR) & General Revenue Dedicated (GR-D) Baseline

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code:

Agency name: **Texas State Technical College - Waco**

GR Baseline Request Limit = \$1,578,300

GR-D Baseline Request Limit = \$0

Strategy/Strategy Option/Rider								Biennial	Biennial	
2020 Funds				2021 Funds				Cumulative GR	Cumulative Ded	Page #
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded			
Excp Item: 2	Abatement and Demolition of Environmentally Hazardous Military Structures									
0.0	14,822,320	14,822,320	0	0.0	14,822,320	14,822,320	0	32,744,737	3,227,728	_____
Strategy Detail for Excp Item: 2										
Strategy: 3 - 5 - 1	Exceptional Item Request									
0.0	14,822,320	14,822,320	0	0.0	14,822,320	14,822,320	0			
Excp Item: 3	TRB - Computer Technology Center									
0.0	1,743,691	1,743,691	0	0.0	1,743,691	1,743,691	0	36,232,119	3,227,728	_____
Strategy Detail for Excp Item: 3										
Strategy: 2 - 1 - 2	Tuition Revenue Bond Retirement									
0.0	1,743,691	1,743,691	0	0.0	1,743,691	1,743,691	0			
542.0	\$19,684,461	\$18,115,486	\$1,568,975	542.0	\$19,775,386	\$18,116,633	1,658,753			

6.A. Historically Underutilized Business Supporting Schedule
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **71D** Agency: **Texas State Technical College - Waco**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2016 - 2017 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2016			Total Expenditures FY 2016		HUB Expenditures FY 2017			Total Expenditures FY 2017
			% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$		
11.2%	Heavy Construction	11.2 %	0.0%	-11.2%	\$0	\$60,312	11.2 %	7.0%	-4.2%	\$4,100	\$58,275
21.1%	Building Construction	21.1 %	0.1%	-21.0%	\$23,737	\$21,683,391	21.1 %	0.8%	-20.3%	\$42,915	\$5,159,091
32.9%	Special Trade	32.7 %	31.2%	-1.5%	\$1,358,056	\$4,358,201	32.9 %	3.6%	-29.3%	\$208,915	\$5,851,854
23.7%	Professional Services	23.6 %	9.5%	-14.1%	\$84,245	\$888,266	23.7 %	1.0%	-22.7%	\$197,249	\$19,187,293
26.0%	Other Services	24.6 %	11.2%	-13.4%	\$860,022	\$7,660,757	26.0 %	18.6%	-7.4%	\$1,843,212	\$9,911,643
21.1%	Commodities	21.0 %	9.3%	-11.7%	\$1,675,252	\$18,100,071	21.1 %	3.5%	-17.6%	\$691,363	\$19,763,719
	Total Expenditures		7.6%		\$4,001,312	\$52,750,998		5.0%		\$2,987,754	\$59,931,875

B. Assessment of Fiscal Year 2016 - 2017 Efforts to Meet HUB Procurement Goals

Attainment:

The agency attained zero of six, or 0%, of the applicable statewide HUB procurement goals in FY 2016 and FY 2017. The agency had expenditures in five of the six HUB categories in FY 2016 and in all of the six HUB categories in FY 2017. The agency's overall spend increased from FY 2016 to FY 2017.

Applicability:

The agency increased HUB usage in Heavy Construction and Building Construction due to new projects from FY 2016 to FY 2017.

Factors Affecting Attainment:

- The agency routinely utilizes vendors that could qualify for HUB certification, but they have no direct incentive to complete the HUB certification steps. This creates a limited supply of "HUB certified" vendors.
- The agency HUB spend decreased due to the increased use of contracts and purchasing cooperatives.

"Good-Faith" Efforts:

The agency made the following good faith efforts to comply with statewide HUB procurement goals per 34 TAC Section 20.13(c):

- Developed and conducted training to internal departments regarding the HUB program and policies and procedures
- Promoted the use of HUBs with internal departments
- Attended various vendor fairs, demonstrations, and other events to learn more about HUB vendors
- Provided a purchasing/HUB overview to new employees during new employee orientation
- Meet with potential HUB vendors and encouraged them to apply for certification and showed them how to participate in the bidding process
- Ensured that the TPASS HUB Electronic Database is accessible to all employees and encouraged use of the directory in procurement activities.

6.A. Historically Underutilized Business Supporting Schedule
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Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **71D** Agency: **Texas State Technical College - Waco**

- Posted information to our website regarding the HUB Program and provided a link to apply for HUB certification

6.H. Estimated Funds Outside the Institution's Bill Pattern
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TSTC Waco (71D)

**Estimated Funds Outside the Institution's Bill Pattern
2018-19 and 2020-21 Biennia**

	2018-19 Biennium				2020-21 Biennium			
	FY 2018 Revenue	FY 2019 Revenue	Biennium Total	Percent of Total	FY 2020 Revenue	FY 2021 Revenue	Biennium Total	Percent of Total
APPROPRIATED SOURCES INSIDE THE BILL PATTERN								
State Appropriations (excluding HEGI & State Paid Fringes)	\$ 24,295,098	\$ 24,070,701	\$ 48,365,799		\$ 24,070,701	\$ 24,070,701	\$ 48,141,402	
Tuition and Fees (net of Discounts and Allowances)	1,999,386	2,600,442	4,599,828		2,730,464	2,866,987	5,597,451	
Endowment and Interest Income	-	-	-		-	-	-	
Sales and Services of Educational Activities (net)	-	-	-		-	-	-	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Other Income	-	-	-		-	-	-	
Total	26,294,484	26,671,143	52,965,627	32.8%	26,801,165	26,937,688	53,738,853	31.4%
APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN								
State Appropriations (HEGI & State Paid Fringes)	\$ 8,697,857	\$ 10,026,372	\$ 18,724,229		\$ 10,627,954	\$ 11,265,632	\$ 21,893,586	
Higher Education Assistance Funds	4,050,000	4,050,000	8,100,000		4,050,000	4,050,000	8,100,000	
Available University Fund	-	-	-		-	-	-	
State Grants and Contracts	2,491,124	2,553,402	5,044,526		2,617,237	2,682,668	5,299,905	
Total	15,238,981	16,629,774	31,868,755	19.8%	17,295,191	17,998,300	35,293,491	20.6%
NON-APPROPRIATED SOURCES								
Tuition and Fees (net of Discounts and Allowances)	16,733,024	16,919,207	33,652,231		17,765,167	18,653,425	36,418,592	
Federal Grants and Contracts	8,772,434	7,045,089	15,817,523		7,221,216	7,401,747	14,622,963	
State Grants and Contracts	-	-	-		-	-	-	
Local Government Grants and Contracts	651,605	667,895	1,319,500		684,593	701,707	1,386,300	
Private Gifts and Grants	382,332	391,890	774,222		401,688	411,730	813,418	
Endowment and Interest Income	-	-	-		-	-	-	
Sales and Services of Educational Activities (net)	4,796,846	7,052,136	11,848,982		7,193,179	7,337,042	14,530,221	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Professional Fees (net)	-	-	-		-	-	-	
Auxiliary Enterprises (net)	6,125,825	6,939,822	13,065,647		7,078,619	7,220,191	14,298,810	
Other Income	-	-	-		-	-	-	
Total	37,462,066	39,016,039	76,478,105	47.4%	40,344,462	41,725,842	82,070,304	48.0%
TOTAL SOURCES	\$ 78,995,531	\$ 82,316,956	\$ 161,312,487	100.0%	\$ 84,440,818	\$ 86,661,830	\$ 171,102,648	100.0%

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D** Agency name: **Texas State Technical College - Waco**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
1 Program Service Reductions - 5%									
Category: Programs - Service Reductions (Other)									
Item Comment: TSTC would combine the statewide impact of proposed reductions and apply to program service reductions based on markets performance and growth potential. Depending on the reduction request, TSTC would eliminate programming in areas that provide the lowest prospects for return on capital to the State.									
Strategy: 1-1-1 Instruction and Administration									
<u>General Revenue Funds</u>									
1 General Revenue Fund	\$0	\$0	\$0	\$39,457	\$39,457	\$78,914			
General Revenue Funds Total	\$0	\$0	\$0	\$39,457	\$39,457	\$78,914			
Item Total	\$0	\$0	\$0	\$39,457	\$39,457	\$78,914			

FTE Reductions (From FY 2020 and FY 2021 Base Request)

2 Program Service Reductions - Add'l 5%

Category: Programs - Service Reductions (Contracted)

Item Comment: TSTC would combine the statewide impact of proposed reductions and apply to program service reductions based on markets performance and growth potential. Depending on the reduction request, TSTC would eliminate programming in areas that provide the lowest prospects for return on capital to the State.

Strategy: 3-4-1 Institutional Enhancement

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D** Agency name: **Texas State Technical College - Waco**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
<u>General Revenue Funds</u>									
1 General Revenue Fund	\$0	\$0	\$0	\$39,457	\$39,459	\$78,916			
General Revenue Funds Total	\$0	\$0	\$0	\$39,457	\$39,459	\$78,916			
Item Total	\$0	\$0	\$0	\$39,457	\$39,459	\$78,916			
FTE Reductions (From FY 2020 and FY 2021 Base Request)									
AGENCY TOTALS									
General Revenue Total				\$78,914	\$78,916	\$157,830			\$157,830
Agency Grand Total	\$0	\$0	\$0	\$78,914	\$78,916	\$157,830			\$157,830
Difference, Options Total Less Target									
Agency FTE Reductions (From FY 2020 and FY 2021 Base Request)									
Article Total				\$78,914	\$78,916	\$157,830			
Statewide Total				\$78,914	\$78,916	\$157,830			

6.L. Document Production Standards

Summary of Savings Due to Improved Document Production Standards

Agency Code: 71D	Agency Name: TSTC Waco	Prepared By: Nathan Ehlert
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Documented Production Standards Strategies	Estimated 2018	Budgeted 2019
1. Adobe Sign	\$4,116	\$4,322
2. Moodle Training	\$17,851	\$18,744
3.	\$0	\$0
4.	\$0	\$0
Total, All Strategies	\$21,967	\$23,066
Total Estimated Paper Volume Reduced	223,857.00	235,050.00

<p>Description:</p> <p>Adobe Sign is a time and print saving initiative that enables signatures to be obtained electronically, as well as retaining a copy of the document. Because of TSTC's multiple locations, documents were often printed multiple times as they proceeded through the approval process.</p> <p>Moodle Training is a tool used to deliver employee and student training electronically in lieu of paper handouts.</p>

Schedule 1A: Other Educational and General Income
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco					
	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
Gross Tuition					
Gross Resident Tuition	13,041,669	1,562,269	2,298,699	2,413,634	2,534,316
Gross Non-Resident Tuition	664,961	205,074	301,743	316,830	332,671
Gross Tuition	13,706,630	1,767,343	2,600,442	2,730,464	2,866,987
Less: Resident Waivers and Exemptions (excludes Hazlewood)	(972,693)	(122,848)	(159,779)	(64,526)	(67,752)
Less: Non-Resident Waivers and Exemptions	(210,159)	(26,579)	(34,569)	(13,961)	(14,659)
Less: Hazlewood Exemptions	(889,384)	(110,493)	(143,710)	(58,037)	(60,938)
Less: Board Authorized Tuition Increases (TX. Educ. Code Ann. Sec. 54.008)	0	0	0	0	0
Less: Tuition increases charged to doctoral students with hours in excess of 100 (TX. Educ. Code Ann. Sec. 54.012)	0	0	0	0	0
Less: Tuition increases charged to undergraduate students with excessive hours above degree requirements. (TX. Educ. Code Ann. Sec. 61.0595)	0	0	0	0	0
Less: Tuition rebates for certain undergraduates (TX. Educ. Code Ann. Sec. 54.0065)	0	0	0	0	0
Plus: Tuition waived for Students 55 Years or Older (TX. Educ. Code Ann. Sec. 54.013)	0	0	0	0	0
Less: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	0	0	0	0	0
Plus: Tuition waived for Texas Grant Recipients (TX. Educ. Code Ann. Sec. 56.307)	0	0	0	0	0
Subtotal	11,634,394	1,507,423	2,262,384	2,593,940	2,723,638
Less: Transfer of funds for Texas Public Education Grants Program (Tex. Educ. Code Ann. Sec. 56c) and for Emergency Loans (Tex. Educ. Code Ann. Sec. 56d)	(1,781,185)	(241,829)	(322,179)	(338,288)	(355,202)
Less: Transfer of Funds (2%) for Physician/Dental Loans (Medical Schools)	0	0	0	0	0
Less: Statutory Tuition (Tx. Educ. Code Ann. Sec. 54.051) Set Aside for Doctoral Incentive Loan Repayment Program (Tx. Educ. Code Ann. Sec. 56.095)	0	0	0	0	0
Less: Other Authorized Deduction					
Net Tuition	9,853,209	1,265,594	1,940,205	2,255,652	2,368,436

Schedule 1A: Other Educational and General Income
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco					
	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
Student Teaching Fees	0	0	0	0	0
Special Course Fees	0	0	0	0	0
Laboratory Fees	0	0	0	0	0
Subtotal, Tuition and Fees (Formula Amounts for Health-Related Institutions)	9,853,209	1,265,594	1,940,205	2,255,652	2,368,436
OTHER INCOME					
Interest on General Funds:					
Local Funds in State Treasury	0	0	0	0	0
Funds in Local Depositories, e.g., local amounts	0	0	0	0	0
Other Income (Itemize)					
Subtotal, Other Income	0	0	0	0	0
Subtotal, Other Educational and General Income	9,853,209	1,265,594	1,940,205	2,255,652	2,368,436
Less: O.A.S.I. Applicable to Educational and General Local Funds Payrolls	(413,497)	(69,904)	(90,471)	(91,115)	(91,115)
Less: Teachers Retirement System and ORP Proportionality for Educational and General Funds	(361,133)	(60,447)	(78,952)	(80,379)	(80,379)
Less: Staff Group Insurance Premiums	(2,316,352)	(923,676)	(1,162,590)	(1,230,687)	(1,303,551)
Total, Other Educational and General Income (Formula Amounts for General Academic Institutions)	6,762,227	211,567	608,192	853,471	893,391
Reconciliation to Summary of Request for FY 2017-2019					
Plus: Transfer of Funds for Texas Public Education Grants Program and Physician Loans	1,781,185	241,829	322,179	338,288	355,202
Plus: Transfer of Funds 2% for Physician/Dental Loans (Medical Schools)	0	0	0	0	0
Plus: Transfer of Funds for Cancellation of Student Loans of Physicians	0	0	0	0	0
Plus: Organized Activities	0	0	0	0	0
Plus: Staff Group Insurance Premiums	2,316,352	923,676	1,162,590	1,230,687	1,303,551
Plus: Board-authorized Tuition Income	0	0	0	0	0
Plus: Tuition Increases Charged to Doctoral Students with Hours in Excess of 100	0	0	0	0	0

Schedule 1A: Other Educational and General Income
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Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco					
	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
Plus: Tuition Increases Charged to Undergraduate Students with Excessive Hours above Degree Requirements (TX. Educ. Code Ann. Sec. 61.0595)	0	0	0	0	0
Plus: Tuition rebates for certain undergraduates (TX Educ.Code Ann. Sec. 54.0065)	0	0	0	0	0
Plus: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	0	0	0	0	0
Less: Tuition Waived for Students 55 Years or Older	0	0	0	0	0
Less: Tuition Waived for Texas Grant Recipients	0	0	0	0	0
Total, Other Educational and General Income Reported on Summary of Request	10,859,764	1,377,072	2,092,961	2,422,446	2,552,144

Schedule 2: Selected Educational, General and Other Funds

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
General Revenue Transfers					
Transfer from Coordinating Board for Texas College Work Study Program (2017, 2018, 2019)	27,476	15,175	23,750	45,608	45,000
Transfer from Coordinating Board for Professional Nursing Shortage Reduction Program	0	0	0	0	0
Transfer of GR Group Insurance Premium from Comptroller (UT and TAMU Components only)	0	0	0	0	0
Less: Transfer to Other Institutions	266,204	116,370	731,166	731,166	731,166
Less: Transfer to Department of Health, Disproportionate Share - State-Owned Hospitals (2017, 2018, 2019)	0	0	0	0	0
Other (Itemize)					
CoBoard - Other Programs	81,000	(3,698)	50,000	50,000	50,000
Other: Fifth Year Accounting Scholarship	0	0	0	0	0
Texas Grants	0	0	0	0	0
B-on-Time Program	0	0	0	0	0
Texas Research Incentive Program	0	0	0	0	0
Less: Transfer to System Administration	4,532,224	(259,092)	582,668	582,668	582,668
GME Expansion	0	0	0	0	0
Subtotal, General Revenue Transfers	4,906,904	(131,245)	1,387,584	1,409,442	1,408,834
General Revenue HEF for Operating Expenses	4,494,293	3,188,437	3,586,203	2,801,082	2,801,082
Transfer from Available University Funds (UT, A&M and Prairie View A&M Only)	0	0	0	0	0
Other Additions (Itemize)					
Increase Capital Projects - Educational and General Funds	0	0	0	0	0
Transfer from Department of Health, Disproportionate Share - State-owned Hospitals (2017, 2018, 2019)	0	0	0	0	0
Transfers from Other Funds, e.g., Designated funds transferred for educational and general activities (Itemize)	0	0	0	0	0
Other (Itemize)					
Gross Designated Tuition (Sec. 54.0513)	7,585,532	16,733,024	16,919,207	17,765,167	18,653,425
Indirect Cost Recovery (Sec. 145.001(d))	0	0	0	0	0
Correctional Managed Care Contracts	0	0	0	0	0

Schedule 3A: Staff Group Insurance Data Elements (ERS)
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
GR & GR-D Percentages					
GR %	96.62%				
GR-D/Other %	3.38%				
Total Percentage	100.00%				
FULL TIME ACTIVES					
1a Employee Only	308	298	10	308	51
2a Employee and Children	92	89	3	92	10
3a Employee and Spouse	49	47	2	49	12
4a Employee and Family	50	48	2	50	10
5a Eligible, Opt Out	0	0	0	0	1
6a Eligible, Not Enrolled	41	40	1	41	0
Total for This Section	540	522	18	540	84
PART TIME ACTIVES					
1b Employee Only	0	0	0	0	0
2b Employee and Children	0	0	0	0	0
3b Employee and Spouse	0	0	0	0	0
4b Employee and Family	0	0	0	0	0
5b Eligible, Opt Out	0	0	0	0	0
6b Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
Total Active Enrollment	540	522	18	540	84

Schedule 3A: Staff Group Insurance Data Elements (ERS)
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
FULL TIME RETIREES by ERS					
1c Employee Only	0	0	0	0	0
2c Employee and Children	0	0	0	0	0
3c Employee and Spouse	0	0	0	0	0
4c Employee and Family	0	0	0	0	0
5c Eligible, Opt Out	0	0	0	0	0
6c Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
PART TIME RETIREES by ERS					
1d Employee Only	0	0	0	0	0
2d Employee and Children	0	0	0	0	0
3d Employee and Spouse	0	0	0	0	0
4d Employee and Family	0	0	0	0	0
5d Eligible, Opt Out	0	0	0	0	0
6d Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
Total Retirees Enrollment	0	0	0	0	0
TOTAL FULL TIME ENROLLMENT					
1e Employee Only	308	298	10	308	51
2e Employee and Children	92	89	3	92	10
3e Employee and Spouse	49	47	2	49	12
4e Employee and Family	50	48	2	50	10
5e Eligible, Opt Out	0	0	0	0	1
6e Eligible, Not Enrolled	41	40	1	41	0
Total for This Section	540	522	18	540	84

Schedule 3A: Staff Group Insurance Data Elements (ERS)
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
TOTAL ENROLLMENT					
1f Employee Only	308	298	10	308	51
2f Employee and Children	92	89	3	92	10
3f Employee and Spouse	49	47	2	49	12
4f Employee and Family	50	48	2	50	10
5f Eligible, Opt Out	0	0	0	0	1
6f Eligible, Not Enrolled	41	40	1	41	0
Total for This Section	540	522	18	540	84

Schedule 4: Computation of OASI
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency 71D Texas State Technical College - Waco

Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2017		2018		2019		2020		2021	
	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>
General Revenue (% to Total)	79.9568	\$1,649,534	96.6230	\$2,000,105	95.7915	\$2,059,241	95.7915	\$2,073,897	95.7915	\$2,073,897
Other Educational and General Funds (% to Total)	20.0432	\$413,497	3.3770	\$69,904	4.2085	\$90,471	4.2085	\$91,115	4.2085	\$91,115
Health-Related Institutions Patient Income (% to Total)	0.0000	\$0	0.0000	\$0	0.0000	\$0	0.0000	\$0	0.0000	\$0
Grand Total, OASI (100%)	100.0000	\$2,063,031	100.0000	\$2,070,009	100.0000	\$2,149,712	100.0000	\$2,165,012	100.0000	\$2,165,012

Schedule 5: Calculation of Retirement Proportionality and ORP Differential

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Description	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	19,206,633	20,161,225	21,130,363	21,582,463	21,582,463
Employer Contribution to TRS Retirement Programs	1,306,051	1,370,963	1,436,865	1,467,607	1,467,607
Gross Educational and General Payroll - Subject To ORP Retirement	7,510,955	6,348,587	6,653,793	6,701,693	6,701,693
Employer Contribution to ORP Retirement Programs	495,723	419,007	439,150	442,312	442,312
Proportionality Percentage					
General Revenue	79.9568 %	96.6230 %	95.7915 %	95.7915 %	95.7915 %
Other Educational and General Income	20.0432 %	3.3770 %	4.2085 %	4.2085 %	4.2085 %
Health-related Institutions Patient Income	0.0000 %	0.0000 %	0.0000 %	0.0000 %	0.0000 %
Proportional Contribution					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	361,133	60,447	78,952	80,379	80,379
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	0	0	0	0	0
Differential					
Differential Percentage	1.9000 %	1.9000 %	1.9000 %	1.9000 %	1.9000 %
Gross Payroll Subject to Differential - Optional Retirement Program	2,818,308	2,378,093	2,146,848	2,146,848	2,146,848
Total Differential	53,548	45,184	40,790	40,790	40,790

Schedule 6: Constitutional Capital Funding
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco					
Activity	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
A. PUF Bond Proceeds Allocation	0	0	0	0	0
Project Allocation					
Library Acquisitions	0	0	0	0	0
Construction, Repairs and Renovations	0	0	0	0	0
Furnishings & Equipment	0	0	0	0	0
Computer Equipment & Infrastructure	0	0	0	0	0
Reserve for Future Consideration	0	0	0	0	0
Other (Itemize)					
B. HEF General Revenue Allocation	6,478,373	4,929,286	3,140,206	2,368,125	2,317,566
Project Allocation					
Library Acquisitions	15,477	0	0	0	0
Construction, Repairs and Renovations	834,858	594,200	150,000	0	0
Furnishings & Equipment	191,580	160,352	160,188	0	11,056
Computer Equipment & Infrastructure	182,274	507,715	68,400	0	0
Reserve for Future Consideration	1,674,441	976,184	54,103	3,544	0
HEF for Debt Service	3,579,743	2,690,835	2,707,515	2,364,581	2,306,510
Other (Itemize)					

Schedule 7: Personnel
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D** Agency name: **TSTC - Waco**

	Actual 2017	Actual 2018	Budgeted 2019	Estimated 2020	Estimated 2021
Part A.					
FTE Positions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	268.7	235.0	235.0	235.0	235.0
Educational and General Funds Non-Faculty Employees	301.4	295.4	295.4	295.4	295.4
Subtotal, Directly Appropriated Funds	570.1	530.4	530.4	530.4	530.4
Non Appropriated Funds Employees	134.9	129.0	129.0	129.0	129.0
Subtotal, Other Funds & Non-Appropriated	134.9	129.0	129.0	129.0	129.0
GRAND TOTAL	705.0	659.4	659.4	659.4	659.4
Part B.					
Personnel Headcount					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	270.0	240.0	240.0	240.0	240.0
Educational and General Funds Non-Faculty Employees	320.0	303.0	303.0	303.0	303.0
Subtotal, Directly Appropriated Funds	590.0	543.0	543.0	543.0	543.0
Non Appropriated Funds Employees	221.0	210.0	210.0	210.0	210.0
Subtotal, Non-Appropriated	221.0	210.0	210.0	210.0	210.0
GRAND TOTAL	811.0	753.0	753.0	753.0	753.0

Schedule 7: Personnel
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71D** Agency name: **TSTC - Waco**

	Actual 2017	Actual 2018	Budgeted 2019	Estimated 2020	Estimated 2021
PART C.					
Salaries					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	\$15,520,306	\$13,891,265	\$13,389,156	\$13,790,831	\$14,204,556
Educational and General Funds Non-Faculty Employees	\$12,343,007	\$11,821,700	\$14,777,568	\$15,220,895	\$15,677,522
Subtotal, Directly Appropriated Funds	\$27,863,313	\$25,712,965	\$28,166,724	\$29,011,726	\$29,882,078
Non Appropriated Funds Employees	\$5,393,974	\$4,820,941	\$7,211,486	\$7,427,831	\$7,650,665
Subtotal, Non-Appropriated	\$5,393,974	\$4,820,941	\$7,211,486	\$7,427,831	\$7,650,665
GRAND TOTAL	\$33,257,287	\$30,533,906	\$35,378,210	\$36,439,557	\$37,532,743

Schedule 8A: Tuition Revenue Bond Projects
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency 71D Texas State Technical College - Waco

Project Priority:	Project Code:	Tuition Revenue Bond Request	Total Project Cost	Cost Per Total Gross Square Feet
1	1	\$ 20,000,000	\$ 20,000,000	\$ 198
Name of Proposed Facility:	Project Type:			
Computer Technology Center	New Construction			
Location of Facility:	Type of Facility:			
Waco, TX	Technology Building			
Project Start Date:	Project Completion Date:			
09/01/2019	08/01/2021			
Gross Square Feet:	Net Assignable Square Feet in Project			
94,000	87,000			

Project Description

The Computer Technology Center will house all computer related programs on the Waco campus to allow them to be centrally located into one building. The building will be designed to provide the necessary equipment and foundation for the in-demand programs to grow and serve more students. The program offerings will be aligned with TSTC's mission to train highly skilled technicians for great paying jobs. As a result of the consolidation, the remaining space will be renovated and repurposed to allow all student service related functions to be in one building. This will result in better customer service to our students.

Schedule 8C: Tuition Revenue Bonds Request by Project

86th Regular Session, Agency Submission, Version 1

Agency Code: 71D

Agency Name: **Texas State Technical College - Waco**

Project Name	Authorization Year	Estimated Final Payment Date	Requested Amount	
			2020	2021
Series 2002 - Renovate Industrial Technology Center	2002	8/1/2022	\$ 240,625.00	\$ 241,172.00
Series 2008 - HVAC System Replacements	2005	10/15/2022	\$ 269,700.00	\$ 270,300.00
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
			<u>\$ 510,325.00</u>	<u>\$ 511,472.00</u>

Schedule 9: Non-Formula Support
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

71D Texas State Technical College - Waco

1 - Institutional Enhancement

(1) Year Non-Formula Support Item First Funded:	2000
Year Non-Formula Support Item Established:	2000
Original Appropriation:	\$1,796,114

(2) Mission:

Though funded at 50% of its original allocation, this funding is an important source of funding for various E&G components. For the 2020-2021 biennial budget, these funds will continue to support essential educational support activities, instructional services, and student services.

(3) (a) Major Accomplishments to Date:

Educational support. Increased investment in student outreach services resulting in higher levels of prospect to registered students.

Instructional support. Deployment of faculty development across statewide campuses with emphasis on new faculty bootcamp, multi-level instructor certification courses, department chair training, competency based education training, and online learning courses and assistance.

Institutional Research Tools: Implementation of data research and visualization tools that enabled various levels of college stakeholders to participate in the improvement of instructional programs.

Educational Services: Increased capacity of success coach program to increase persistence/retention of students.

Deaf and disabled services: Continued services for deaf and disabled students.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

Instructional Support: Increased development for faculty, improving and innovating the student learning experience.

Institutional Research: Improved effectiveness and productivity of student learning through available dashboards, insights, and analysis.

Educational Support: Increasing persistence and retention levels facilitated by improved student support services as well as increased capacities.

(4) Funding Source Prior to Receiving Non-Formula Support Funding:

The 76th Legislature created Institutional Enhancement (IE) to consolidate Special Items (including scholarships, instructional services, plant expansion, new plant start-up, and deaf services).

(5) Formula Funding:

None

(6) Category:

Institutional Enhancement

(7) Transitional Funding:

N

Schedule 9: Non-Formula Support
86th Regular Session, Agency Submission, Version 1
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(8) Non-General Revenue Sources of Funding:

None

(9) Impact of Not Funding:

Reduced capacity for Instructional and Educational Support. Due to core nature of services supported by Institutional Enhancement funds, funding reductions or eliminations would be evaluated statewide across funding categories. Most likely consequences of lower funding will be reduced programming, specifically in areas that are considered low-performance, low-potential.

(10) Non-Formula Support Needed on Permanent Basis/Discontinued

This item will be needed on a permanent basis.

(11) Non-Formula Support Associated with Time Frame:

This item is not associated with a particular time frame.

(12) Benchmarks:

TSTC is an active participant in the THECB 60x30 strategic plan, which provides an excellent source external benchmarks. Although the strategic plan ends in 2030, TSTC statewide has already surpassed two of the four strategic plan goals. The first achievement is goal number 3, in which 80% of institution graduates will have completed programs with identified marketable skills. The second is goal number 4, in which TSTC students have an average student loan debt of 42% relative to their first year wage, which positively exceeds the plan goal of 60%. TSTC is actively working on improving the number and rate of students with a degree, which comprise the remaining two goals of the THECB 60x30 strategic plan.

(13) Performance Reviews:

Student success is continually reviewed throughout the fiscal year with the use of an increasing number of analytic tools. These reporting tools provide a view of the student lifecycle, from application to working in Texas. While different departments are focused on various sections of the student lifecycle, the reporting tools enable all areas to be continually refined and improved throughout the year. Each semester program review reports are created for college stakeholders to continually monitor performance and to identify potential areas of improvement.

Schedule 9: Non-Formula Support
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71D Texas State Technical College - Waco

2 - Dual Enrollment

(1) Year Non-Formula Support Item First Funded:	2020
Year Non-Formula Support Item Established:	2020
Original Appropriation:	\$250,000

(2) Mission:

Increase the rate of student success by partnering with the 1,247 school districts across Texas with the incorporation of the Career and Technical Education sequenced pathways mandated by the 83rd Legislature's House Bill 5. Specifically, TSTC is focused on increasing the supply of highly trained technicians for in-demand technology fields in the State of Texas.

(3) (a) Major Accomplishments to Date:

Partnered with 30 school districts in delivery of dual credit.

Creation of compressed sequences, shortening road to TSTC graduation and entry to Texas workforce in a shorter time frame, ensuring qualification to meet the workforce demands.

Expanded reach of service through direct, smooth and transitionless online dual credit offerings addressing CTE/Career Cluster occupations and needs in high demand TWC identified occupations. This provides access to these pathways electronically, regardless of available faculty or staff on the ISD campus.

For technical pathways requiring face-to-face format for hands-on training (e.g., Welding and Automotive) delivery is made by credentialed and qualified ISD faculty.

Created crosswalk for technical pathways between the The Public Education Information Management System standards (PEIMS), allowing the districts to meet standards regardless of available, qualified faculty or staff.

Where feasible, facilitate student travel to local TSTC campus to access technically qualified staff.

Participated with the Advanced Technical Credit (ATC) Leadership Committee, a committee of high school community/technical college representatives, in setting the criteria for ATC dual credit across the state, with input from TEA and THECB.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

Schedule 9: Non-Formula Support
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Expand to 200 school district partnerships, statewide (depending on funding).

Create statewide centers of excellence, providing scaling capability to meet statewide needs.

Expand number of HB 5 mandated CTE pathways offered.

Expand number of students graduating on a distinguished level (through completed foundation plan endorsements).

(4) Funding Source Prior to Receiving Non-Formula Support Funding:

General Revenue Dedicated - Statutory Tuition at a Discounted Rate

(5) Formula Funding:

None

(6) Category:

Instructional Support

(7) Transitional Funding:

N

(8) Non-General Revenue Sources of Funding:

Designated Tuition at a Discount Rate

(9) Impact of Not Funding:

Significant reduction to dual credit offerings and increased costs to high school students for tuition revenue to be charged.

(10) Non-Formula Support Needed on Permanent Basis/Discontinued

Non-formula support will be needed on a permanent basis if the THEB formula funding recommendation for dual credit at TSTC is not approved.

(11) Non-Formula Support Associated with Time Frame:

This item is not associated with a particular time frame.

(12) Benchmarks:

TSTC is an active participant in the THECB 60x30 strategic plan, which provides an excellent external benchmark of high school students enrolling in college and, subsequently, obtaining a degree.

Schedule 9: Non-Formula Support
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(13) Performance Reviews:

Dual credit enrollment is continually reviewed throughout the fiscal year with the use of a Dual Credit Vitality tool. This reporting tool reviews the outcomes of dual credit students from each partnering high school institution. It reviews potential performance with actual, as well as measuring trends of student success and financial viability.

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Equal opportunity shall be afforded within TSTC to all employees and applicants for admission or employment regardless of race, color, gender, religion, national origin, age, genetic information, disability or veteran status. TSTC will make reasonable accommodations for persons with disabilities. TSTC's policy is that, in all aspects of its operations, each person with a disability shall be considered for admission or access to or treatment or employment in its programs and activities in accordance with Part 84 of Title 45, the regulation implementing Section 504 of the Rehabilitation Act of 1973.

