

TSTC FORT BEND COUNTY

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 Fort Bend County.
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

Restoration of Start-Up Funding.

With the launch of the campus at TSTC in Fort Bend County, the Legislature authorized Start Up funding to provide a funding mechanism to support these new campuses. In a results-based/accountability funding model, this type of funding is especially critical. For new campuses at TSTC, Start Up funding is a proxy for formula funded, Instruction and Administration (I&A) funding for start up locations. TSTC's I&A funding is derived from the wages of placed former students (sometimes 8-10 years after TSTC incurs the cost of instruction). This is different than a cost reimbursement formula, such as contact hour funding which would allow phase out much sooner. TSTC's Start Up funding will phase out as students leave TSTC, enter the workforce, and funding is derived after the value is returned to the State from the benefit of the student's wages.

Tuition Revenue Bonds: Phase III Development at New Campus Site in Fort Bend County

TSTC includes capital needs within the TRB portion of the LAR to demonstrate its highest priority capital needs and expansion plans. The \$30.3 million project indicated for TSTC in Fort Bend County is the third phase of development of TSTC's campus in Fort Bend County. This campus was created through \$40 million in gifts from local foundations and communities. This is TSTC's fastest growing location and need for this expansion is a response to the increased workforce development need in the Greater Houston region and across Texas. The additional capacity created through this project will increase production of workers in several high demand occupations.

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

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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 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.

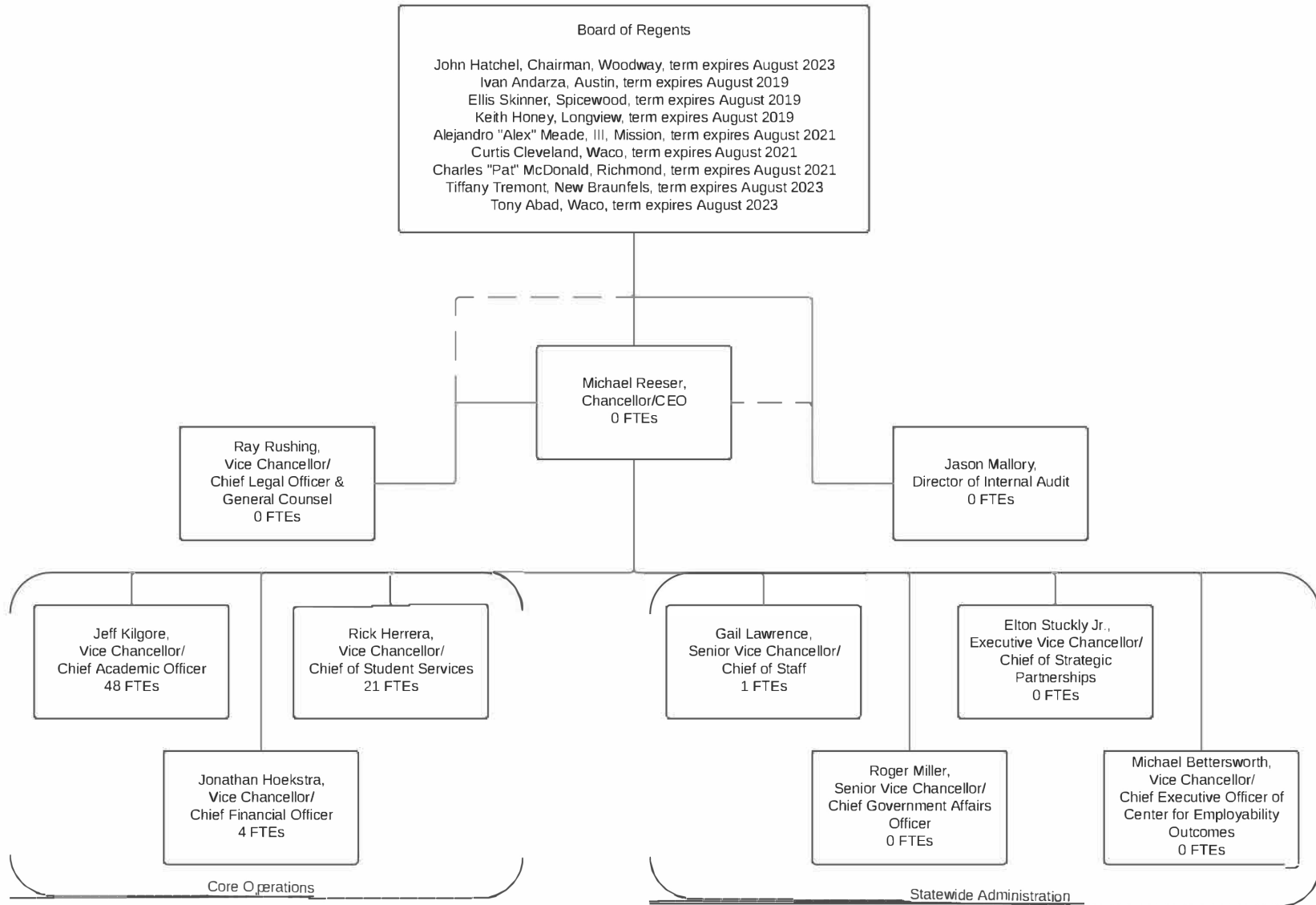
TSTC's baseline reduction approach would be similar to its ongoing budget approach. That is, TSTC would reduce programming/funding based on its appraisal of markets and related program performance and potential across the state. To mitigate the statewide impact of reductions, TSTC would invest first 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:

Administrator's Statement

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- 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
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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											
1.1.3. Staff Group Insurance Premiums	48,568		59,288	151,923					107,856	151,923	
1.1.6. Texas Public Education Grants			69,606	93,080					69,606	93,080	
1.1.8. Hold Harmless	1,495,582	1,495,582	8,329						1,503,911	1,495,582	
Total, Goal	1,544,150	1,495,582	137,223	245,003					1,681,373	1,740,585	
Goal: 2. Provide Infrastructure Support											
2.1.1. E&G Space Support	193,001		28,781						221,782		
2.1.2. Tuition Revenue Bond Retirement	1,942,813	1,944,588							1,942,813	1,944,588	5,289,836
2.1.5. Small Institution Supplement	750,000		8,097						758,097		
Total, Goal	2,885,814	1,944,588	36,878						2,922,692	1,944,588	5,289,836
Goal: 3. Provide Non-formula Support											
3.1.1. Startup Funding	6,525,831	6,574,399	313,444						6,839,275	6,574,399	2,438,583
Total, Goal	6,525,831	6,574,399	313,444						6,839,275	6,574,399	2,438,583
Total, Agency	10,955,795	10,014,569	487,545	245,003					11,443,340	10,259,572	7,728,419
Total FTEs									73.4	67.0	12.0

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
1 Provide Instructional and Operations Support					
1 <i>Provide Instructional and Operations Support</i>					
3 STAFF GROUP INSURANCE PREMIUMS	0	36,722	71,134	74,279	77,644
6 TEXAS PUBLIC EDUCATION GRANTS	0	26,363	43,243	45,405	47,675
8 HOLD HARMLESS	0	747,791	756,120	747,791	747,791
TOTAL, GOAL 1	\$0	\$810,876	\$870,497	\$867,475	\$873,110
2 Provide Infrastructure Support					
1 <i>Provide Operation and Maintenance of E&G Space</i>					
1 E&G SPACE SUPPORT (1)	0	99,818	121,964	0	0
2 TUITION REVENUE BOND RETIREMENT	0	972,044	970,769	974,444	970,144
5 SMALL INSTITUTION SUPPLEMENT (1)	0	378,949	379,148	0	0
TOTAL, GOAL 2	\$0	\$1,450,811	\$1,471,881	\$974,444	\$970,144

(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
3 Provide Non-formula Support					
1 Instructional					
1 STARTUP FUNDING	0	3,450,364	3,388,911	3,290,552	3,283,847
TOTAL, GOAL 3	\$0	\$3,450,364	\$3,388,911	\$3,290,552	\$3,283,847
TOTAL, AGENCY STRATEGY REQUEST	\$0	\$5,712,051	\$5,731,289	\$5,132,471	\$5,127,101
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$0	\$5,712,051	\$5,731,289	\$5,132,471	\$5,127,101
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	0	5,485,205	5,470,590	5,012,787	5,001,782
SUBTOTAL	\$0	\$5,485,205	\$5,470,590	\$5,012,787	\$5,001,782
General Revenue Dedicated Funds:					
770 Est. Other Educational & General	0	226,846	260,699	119,684	125,319
SUBTOTAL	\$0	\$226,846	\$260,699	\$119,684	\$125,319
TOTAL, METHOD OF FINANCING	\$0	\$5,712,051	\$5,731,289	\$5,132,471	\$5,127,101

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

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

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Agency code: 71F		Agency name: Texas State Technical College - Ft. Bend				
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 (2018-19 GAA)		\$0	\$5,475,362	\$5,467,450	\$0	\$0
Regular Appropriations from MOF Table (2020-21 GAA)		\$0	\$0	\$0	\$5,012,787	\$5,001,782
<i>TRANSFERS</i>						
Administrative - From Marshall to Fort Bend		\$0	\$9,843	\$0	\$0	\$0
Administrative - From Fort Bend to Harlingen		\$0	\$0	\$3,140	\$0	\$0
TOTAL,	General Revenue Fund	\$0	\$5,485,205	\$5,470,590	\$5,012,787	\$5,001,782
TOTAL, ALL	GENERAL REVENUE	\$0	\$5,485,205	\$5,470,590	\$5,012,787	\$5,001,782

GENERAL REVENUE FUND - DEDICATED

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

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Agency code: 71F		Agency name: Texas State Technical College - Ft. Bend				
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>GENERAL REVENUE FUND - DEDICATED</u>						
<u>770</u> GR Dedicated - Estimated Other Educational and General Income Account No. 770						
<i>REGULAR APPROPRIATIONS</i>						
Regular Appropriations from MOF Table (2018-19 GAA)						
		\$0	\$262,761	\$334,506	\$0	\$0
Regular Appropriations from MOF Table (2020-21)						
		\$0	\$0	\$0	\$119,684	\$125,319
<i>BASE ADJUSTMENT</i>						
Revised Receipts						
		\$0	\$(59,915)	\$(22,283)	\$0	\$0
<p>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.</p>						
Adjustments to Expended						
		\$0	\$24,000	\$(51,524)	\$0	\$0
TOTAL,	GR Dedicated - Estimated Other Educational and General Income Account No. 770	\$0	\$226,846	\$260,699	\$119,684	\$125,319

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

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Agency code: 71F	Agency name: Texas State Technical College - Ft. Bend				
METHOD OF FINANCING	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
TOTAL GENERAL REVENUE FUND - DEDICATED - 704, 708 & 770	\$0	\$226,846	\$260,699	\$119,684	\$125,319
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED	\$0	\$226,846	\$260,699	\$119,684	\$125,319
TOTAL, GR & GR-DEDICATED FUNDS	\$0	\$5,712,051	\$5,731,289	\$5,132,471	\$5,127,101
GRAND TOTAL	\$0	\$5,712,051	\$5,731,289	\$5,132,471	\$5,127,101
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2018-19 GAA)	0.0	58.4	58.4	67.0	67.0
RIDER APPROPRIATION					
Art IX, Sec 6.10(a)(2), Board or Administrator FTE Adjustment (2018-19 GAA)	0.0	5.8	5.8	0.0	0.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Over Cap	0.0	9.2	9.2	0.0	0.0
TOTAL, ADJUSTED FTES	0.0	73.4	73.4	67.0	67.0

2.B. Summary of Base Request by Method of Finance
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Agency code: 71F	Agency name: Texas State Technical College - Ft. Bend				
METHOD OF FINANCING	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
TOTAL GENERAL REVENUE FUND - DEDICATED - 704, 708 & 770	\$0	\$226,846	\$260,699	\$119,684	\$125,319
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED	\$0	\$226,846	\$260,699	\$119,684	\$125,319
TOTAL, GR & GR-DEDICATED FUNDS	\$0	\$5,712,051	\$5,731,289	\$5,132,471	\$5,127,101
GRAND TOTAL	\$0	\$5,712,051	\$5,731,289	\$5,132,471	\$5,127,101
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2018-19 GAA)	0.0	58.4	58.4	67.0	67.0
RIDER APPROPRIATION					
Art IX, Sec 6.10(a)(2), Board or Administrator FTE Adjustment (2018-19 GAA)	0.0	5.8	5.8	0.0	0.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Over Cap	0.0	9.2	9.2	0.0	0.0
TOTAL, ADJUSTED FTES	0.0	73.4	73.4	67.0	67.0

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

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OBJECT OF EXPENSE	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1001 SALARIES AND WAGES	\$0	\$1,957,063	\$2,078,464	\$1,832,027	\$1,825,322
1002 OTHER PERSONNEL COSTS	\$0	\$71,138	\$175,018	\$93,056	\$96,421
1005 FACULTY SALARIES	\$0	\$1,817,368	\$1,609,756	\$1,609,756	\$1,609,756
2003 CONSUMABLE SUPPLIES	\$0	\$10,000	\$93,684	\$84,684	\$84,684
2004 UTILITIES	\$0	\$200,000	\$180,000	\$0	\$0
2007 RENT - MACHINE AND OTHER	\$0	\$10,000	\$4,000	\$0	\$0
2008 DEBT SERVICE	\$0	\$972,044	\$970,769	\$974,444	\$970,144
2009 OTHER OPERATING EXPENSE	\$0	\$598,075	\$514,355	\$431,099	\$431,099
3001 CLIENT SERVICES	\$0	\$76,363	\$105,243	\$107,405	\$109,675
5000 CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
OOE Total (Excluding Riders)	\$0	\$5,712,051	\$5,731,289	\$5,132,471	\$5,127,101
OOE Total (Riders)					
Grand Total	\$0	\$5,712,051	\$5,731,289	\$5,132,471	\$5,127,101

2.D. Summary of Base Request Objective Outcomes
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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	0.00%	40.00%	42.50%	45.00%	47.00%
KEY 2 Number of Associate Degrees and Certificates Awarded Annually	0.00	104.00	119.00	137.00	157.00
KEY 3 Number of Minority Students Graduated Annually	0.00	61.00	70.00	80.00	92.00
KEY 4 Number of Former Students Found Working One Year After Departing TSTC	0.00	137.00	236.00	276.00	323.00
KEY 5 Percent of Former Students Found Working One Year After Departing TSTC	0.00%	55.00%	56.00%	57.00%	58.00%
6 Total Ann Salary-Former Stdnts Found Working 1 Yr After Departing TSTC	0.00	4,332,961.00	7,459,211.00	8,949,554.00	10,996,176.00

2.E. Summary of Exceptional Items Request
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 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 71F

Agency name: Texas State Technical College - Ft. Bend

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	Startup Funding	\$1,219,291	\$1,219,291	12.0	\$1,219,292	\$1,219,292	12.0	\$2,438,583	\$2,438,583
2	TRB - FBC Phase 3	\$2,644,918	\$2,644,918		\$2,644,918	\$2,644,918		\$5,289,836	\$5,289,836
Total, Exceptional Items Request		\$3,864,209	\$3,864,209	12.0	\$3,864,210	\$3,864,210	12.0	\$7,728,419	\$7,728,419
Method of Financing									
	General Revenue	\$3,864,209	\$3,864,209		\$3,864,210	\$3,864,210		\$7,728,419	\$7,728,419
	General Revenue - Dedicated								
	Federal Funds								
	Other Funds								
		\$3,864,209	\$3,864,209		\$3,864,210	\$3,864,210		\$7,728,419	\$7,728,419
Full Time Equivalent Positions				12.0				12.0	
Number of 100% Federally Funded FTEs									

2.F. Summary of Total Request by Strategy
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Agency code: 71F	Agency name: Texas State Technical College - Ft. Bend					
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>						
3 STAFF GROUP INSURANCE PREMIUMS	\$74,279	\$77,644	\$0	\$0	\$74,279	\$77,644
6 TEXAS PUBLIC EDUCATION GRANTS	45,405	47,675	0	0	45,405	47,675
8 HOLD HARMLESS	747,791	747,791	0	0	747,791	747,791
TOTAL, GOAL 1	\$867,475	\$873,110	\$0	\$0	\$867,475	\$873,110
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	974,444	970,144	2,644,918	2,644,918	3,619,362	3,615,062
5 SMALL INSTITUTION SUPPLEMENT	0	0	0	0	0	0
TOTAL, GOAL 2	\$974,444	\$970,144	\$2,644,918	\$2,644,918	\$3,619,362	\$3,615,062

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: 71F	Agency name: Texas State Technical College - Ft. Bend					
Goal/Objective/STRATEGY	Base 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
3 Provide Non-formula Support						
1 <i>Instructional</i>						
1 STARTUP FUNDING	\$3,290,552	\$3,283,847	\$1,219,291	\$1,219,292	\$4,509,843	\$4,503,139
TOTAL, GOAL 3	\$3,290,552	\$3,283,847	\$1,219,291	\$1,219,292	\$4,509,843	\$4,503,139
TOTAL, AGENCY STRATEGY REQUEST	\$5,132,471	\$5,127,101	\$3,864,209	\$3,864,210	\$8,996,680	\$8,991,311
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$5,132,471	\$5,127,101	\$3,864,209	\$3,864,210	\$8,996,680	\$8,991,311

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: 71F	Agency name: Texas State Technical College - Ft. Bend						
Goal/Objective/STRATEGY		Base 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
General Revenue Funds:							
1 General Revenue Fund		\$5,012,787	\$5,001,782	\$3,864,209	\$3,864,210	\$8,876,996	\$8,865,992
		\$5,012,787	\$5,001,782	\$3,864,209	\$3,864,210	\$8,876,996	\$8,865,992
General Revenue Dedicated Funds:							
770 Est. Other Educational & General		119,684	125,319	0	0	119,684	125,319
		\$119,684	\$125,319	\$0	\$0	\$119,684	\$125,319
TOTAL, METHOD OF FINANCING		\$5,132,471	\$5,127,101	\$3,864,209	\$3,864,210	\$8,996,680	\$8,991,311
FULL TIME EQUIVALENT POSITIONS		67.0	67.0	12.0	12.0	79.0	79.0

2.G. Summary of Total Request Objective Outcomes

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Agency code: **71F** Agency name: **Texas State Technical College - Ft. Bend**

Goal/ Objective / Outcome

	BL 2020	BL 2021	Excp 2020	Excp 2021	Total Request 2020	Total Request 2021
1 Provide Instructional and Operations Support						
1 <i>Provide Instructional and Operations Support</i>						
KEY 1 % of 1st-time, Full-time, Deg or Cert-seeking Students Graduated 3yrs						
	45.00%	47.00%			45.00%	47.00%
KEY 2 Number of Associate Degrees and Certificates Awarded Annually						
	137.00	157.00			137.00	157.00
KEY 3 Number of Minority Students Graduated Annually						
	80.00	92.00			80.00	92.00
KEY 4 Number of Former Students Found Working One Year After Departing TSTC						
	276.00	323.00			276.00	323.00
KEY 5 Percent of Former Students Found Working One Year After Departing TSTC						
	57.00%	58.00%			57.00%	58.00%
6 Total Ann Salary-Former Stdnts Found Working 1 Yr After Departing TSTC						
	8,949,554.00	10,996,176.00			8,949,554.00	10,996,176.00

3.A. Strategy Request
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71F Texas State Technical College - Ft. Bend

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⁾
Output Measures:						
	1 Number of Contact Hours Taught Annually	0.00	323,333.00	400,933.00	441,026.00	463,078.00
	2 % of Contact Hours Completed Annually at End of Rpting Period	0.00 %	98.63 %	100.49 %	99.00 %	99.00 %
	3 Fall Headcount	0.00	412.00	511.00	562.00	590.00
	4 Number of Minority Students Enrolled Annually	0.00	303.00	392.00	431.00	452.00
KEY	5 Annual Headcount Enrollment	0.00	517.00	641.00	705.00	740.00
	6 Number of Semester Credit Hours Taught Annually	0.00	10,635.00	13,187.00	14,506.00	15,231.00
	7 % Semester Credit Hours Completed at the End of the Reporting Period	0.00 %	100.00 %	99.00 %	99.00 %	99.00 %
Efficiency Measures:						
KEY	1 Administrative Cost as a Percent of Operating Budget	0.00 %	11.20 %	12.65 %	11.00 %	11.00 %

TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)

TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)

FULL TIME EQUIVALENT POSITIONS:

(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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71F Texas State Technical College - Ft. Bend

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support Service Categories:
 STRATEGY: 1 Instruction and Administration 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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STRATEGY DESCRIPTION AND JUSTIFICATION:

In the General Appropriations Act, HB 1, 84th Texas Legislature, Section 11 (page III-224), allocated funding 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.

Dual credit and continuing education remain unfunded.

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, Fort Bend County ranked 4th in the United States for percentage growth during 2014-2015.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (+)	Baseline Request (+)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
		\$0	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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71F Texas State Technical College - Ft. Bend

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	\$0	\$13,098	\$44,927	\$48,072	\$51,437
2009	OTHER OPERATING EXPENSE	\$0	\$23,624	\$26,207	\$26,207	\$26,207
TOTAL, OBJECT OF EXPENSE		\$0	\$36,722	\$71,134	\$74,279	\$77,644
Method of Financing:						
1	General Revenue Fund	\$0	\$23,124	\$25,444	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$23,124	\$25,444	\$0	\$0
Method of Financing:						
770	Est. Other Educational & General	\$0	\$13,598	\$45,690	\$74,279	\$77,644
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$13,598	\$45,690	\$74,279	\$77,644
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$74,279	\$77,644
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$36,722	\$71,134	\$74,279	\$77,644
FULL TIME EQUIVALENT POSITIONS:						

3.A. Strategy Request
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71F Texas State Technical College - Ft. Bend

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 E&G funds.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Influencing factors include the number of personnel working 30 hours or more and the change in premium rates.

Strategy based upon percentage of estimated other E&G income to total appropriation. 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>	
Base Spending (Est 2018 + Bud 2019)	Baseline Request (BL 2020 + BL 2021)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$107,856	\$151,923	\$44,067	\$44,067	Increase in group insurance premiums. MOF - Other E&G FTE's - 0.
			\$44,067	Total of Explanation of Biennial Change

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71F Texas State Technical College - Ft. Bend

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	\$0	\$26,363	\$43,243	\$45,405	\$47,675
TOTAL, OBJECT OF EXPENSE		\$0	\$26,363	\$43,243	\$45,405	\$47,675
Method of Financing:						
770	Est. Other Educational & General	\$0	\$26,363	\$43,243	\$45,405	\$47,675
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$26,363	\$43,243	\$45,405	\$47,675
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$45,405	\$47,675
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$26,363	\$43,243	\$45,405	\$47,675

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

To provide for grants to College students as prescribed by the VTCA 56.037.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The level of funds set-aside from tuition for use under TPEG is directly correlated with total enrollment.

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71F Texas State Technical College - Ft. Bend

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
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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>
\$69,606	\$93,080	\$23,474	\$23,474	Increase in enrollment. MOF - Other E&G. FTE's - 0.
			<u>\$23,474</u>	Total of Explanation of Biennial Change

3.A. Strategy Request
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Automated Budget and Evaluation System of Texas (ABEST)

71F Texas State Technical College - Ft. Bend

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Provide Instructional and Operations Support
STRATEGY: 8 Hold Harmless

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	\$0	\$429,006	\$466,120	\$429,006	\$429,006
1002	OTHER PERSONNEL COSTS	\$0	\$13,893	\$90,000	\$13,893	\$13,893
2009	OTHER OPERATING EXPENSE	\$0	\$304,892	\$200,000	\$304,892	\$304,892
TOTAL, OBJECT OF EXPENSE		\$0	\$747,791	\$756,120	\$747,791	\$747,791
Method of Financing:						
1	General Revenue Fund	\$0	\$747,791	\$747,791	\$747,791	\$747,791
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$747,791	\$747,791	\$747,791	\$747,791
Method of Financing:						
770	Est. Other Educational & General	\$0	\$0	\$8,329	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$0	\$8,329	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$747,791	\$747,791
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$747,791	\$756,120	\$747,791	\$747,791
FULL TIME EQUIVALENT POSITIONS:		0.0	8.6	9.0	9.0	9.0

3.A. Strategy Request
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71F Texas State Technical College - Ft. Bend

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 8 Hold Harmless

Service Categories:

Service: 19 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:

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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>
\$1,503,911	\$1,495,582	\$(8,329)	\$(8,329)	New location in Fort Bend County experiencing growth in enrollment, but additional funds will bridge gap until funding stabilizes. MOF-GR, FTE's-0.
			\$(8,329)	Total of Explanation of Biennial Change

3.A. Strategy Request
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71F Texas State Technical College - Ft. Bend

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⁾
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$55,818	\$50,964	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$0	\$6,000	\$8,000	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$0	\$8,000	\$9,000	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$0	\$10,000	\$4,000	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$0	\$20,000	\$50,000	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$99,818	\$121,964	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$0	\$99,818	\$93,183	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$99,818	\$93,183	\$0	\$0
Method of Financing:						
770	Est. Other Educational & General	\$0	\$0	\$28,781	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$0	\$28,781	\$0	\$0

(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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71F Texas State Technical College - Ft. Bend

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⁾
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)					\$0	\$0
FULL TIME EQUIVALENT POSITIONS:					0.0	1.5

STRATEGY DESCRIPTION AND JUSTIFICATION:

To provide operation, maintenance, and support for E & G facilities, network services and grounds, which are essential to TSTC Fort Bend.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Influencing factors include the cost of goods, services and utilities, as well as progress on deferred maintenance, efforts in energy efficiency and management, and centralized System network services.

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)
\$221,782	\$0	\$(221,782)	\$(221,782)	Formula funding for FY2020 and Fy2021.
			\$(221,782)	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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71F Texas State Technical College - Ft. Bend

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	\$0	\$972,044	\$970,769	\$974,444	\$970,144
TOTAL, OBJECT OF EXPENSE		\$0	\$972,044	\$970,769	\$974,444	\$970,144
Method of Financing:						
1	General Revenue Fund	\$0	\$972,044	\$970,769	\$974,444	\$970,144
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$972,044	\$970,769	\$974,444	\$970,144
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$974,444	\$970,144
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$972,044	\$970,769	\$974,444	\$970,144
FULL TIME EQUIVALENT POSITIONS:		0.0				

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy is essential for the College to meet the annual debt service requirements for the Tuition Revenue Bonds issued during FY 2016, as authorized by the 84th Texas Legislature. The FY 2016 TRB was issued at a lower interest rate than expected, thereby resulting in savings for the state.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

TRB funds used for new construction is enabling the college to better serve the needs of our students in technical education.

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71F Texas State Technical College - Ft. Bend

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>	
Base Spending (Est 2018 + Bud 2019)	Baseline Request (BL 2020 + BL 2021)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$1,942,813	\$1,944,588	\$1,775	\$1,775	Slight increase in interest rate of bonds.
			\$1,775	Total of Explanation of Biennial Change

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71F Texas State Technical College - Ft. Bend

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	\$0	\$40,008	\$60,000	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$0	\$40	\$1,000	\$0	\$0
2004	UTILITIES	\$0	\$200,000	\$180,000	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$0	\$138,901	\$138,148	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$378,949	\$379,148	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$0	\$375,000	\$375,000	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$375,000	\$375,000	\$0	\$0
Method of Financing:						
770	Est. Other Educational & General	\$0	\$3,949	\$4,148	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$3,949	\$4,148	\$0	\$0

(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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71F Texas State Technical College - Ft. Bend

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:					0.0	1.5

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. The 84th Texas Legislature in Texas Education Code (TEC), section 135.02(a), authorized designation of TSTC in Fort Bend County as a campus. Under the criteria established by the 81st Legislature, this new campus qualifies for Small Institution Supplement funding.

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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71F Texas State Technical College - Ft. Bend

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⁾
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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>
\$758,097	\$0	\$(758,097)	\$(758,097)	Formula funding for FY 2020 and FY 2021.
			<u>\$(758,097)</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
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 Automated Budget and Evaluation System of Texas (ABEST)

71F Texas State Technical College - Ft. Bend

GOAL: 3 Provide Non-formula Support
 OBJECTIVE: 1 Instructional
 STRATEGY: 1 Startup Funding

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	\$0	\$1,432,231	\$1,501,380	\$1,403,021	\$1,396,316
1002	OTHER PERSONNEL COSTS	\$0	\$38,107	\$31,091	\$31,091	\$31,091
1005	FACULTY SALARIES	\$0	\$1,817,368	\$1,609,756	\$1,609,756	\$1,609,756
2003	CONSUMABLE SUPPLIES	\$0	\$2,000	\$84,684	\$84,684	\$84,684
2009	OTHER OPERATING EXPENSE	\$0	\$110,658	\$100,000	\$100,000	\$100,000
3001	CLIENT SERVICES	\$0	\$50,000	\$62,000	\$62,000	\$62,000
5000	CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$3,450,364	\$3,388,911	\$3,290,552	\$3,283,847
Method of Financing:						
1	General Revenue Fund	\$0	\$3,267,428	\$3,258,403	\$3,290,552	\$3,283,847
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$3,267,428	\$3,258,403	\$3,290,552	\$3,283,847
Method of Financing:						
770	Est. Other Educational & General	\$0	\$182,936	\$130,508	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$0	\$182,936	\$130,508	\$0	\$0

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

71F Texas State Technical College - Ft. Bend

GOAL: 3 Provide Non-formula Support
 OBJECTIVE: 1 Instructional
 STRATEGY: 1 Startup Funding

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)					\$3,290,552	\$3,283,847
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$3,450,364	\$3,388,911	\$3,290,552	\$3,283,847
FULL TIME EQUIVALENT POSITIONS:		0.0	61.8	61.4	55.0	55.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

TSTC’s funding model for Instruction and Administration, the “returned value” (RTV) funding model, only funds results; consequently, it does not provide funding for start-up operations like other cost-reimbursement (e.g., contact-hour based) models. RTV funding returns a portion of the economic value to the state generated from wages earned (over five years) by former students. Consequently, there is an 8-10 year inherent lag between the campus start-up, teaching event, the students’ 5-year earnings contribution, the funding formula measurement, and the allocation through appropriations funding. For start-up locations, significant costs accumulate during this time.

Basic start-up costs include, but are not limited to, operations personnel, debt service on financed equipment (TSTC’s programs require costly, industrial equipment), and consumables (many programs have significant consumable cost, such as welding rods), and advertising costs. Start-up administrative costs are mitigated by TSTC’s centralized administration structure.

As student earnings begin to reach the end of the 5-year measurement period, the funding formula will recognize these results and the need for transition funding will decline.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

71F Texas State Technical College - Ft. Bend

GOAL: 3 Provide Non-formula Support
 OBJECTIVE: 1 Instructional
 STRATEGY: 1 Startup Funding

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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Transition funding is a substitute for the formula-funded line items since the returned-value funding formula is outcome based, deriving the formula yield after the teaching event and five trailing years of earnings results. Since it is not a cost-recovery formula, start-up costs require funding from another mechanism. Only after (1) the campus is open, (2) the student navigates the curriculum, and (3) earnings for five years are measured after leaving TSTC will the formula funding be activated. Consequently, transition funding will begin dissipating 6-8 years after the first cohorts enter the workforce. Due to the operational nature of transition funding, not exempting TSTC transition funding from based reductions is inconsistent with the exemptions to formula-funded appropriations.

Start-up costs for technical training are extraordinarily high because of the space and capital equipment required to deliver the hands-on, industrial training necessary for these new campus locations. This exceptional item request restores that funding to consistently apply the reduction strategy and support essential start up operations.

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)
\$6,839,275	\$6,574,399	\$(264,876)	\$(264,876)	Fort Bend started appearing separately in the LAR in FY18. Prior to FY18 Fort Bend was managed by TSTC Waco, but appeared in prior LAR's in TSTC System Admin., Ft Bend Cty Special Item Strategy.
			<u>\$(264,876)</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:	\$0	\$5,712,051	\$5,731,289	\$5,132,471	\$5,127,101
METHODS OF FINANCE (INCLUDING RIDERS):				\$5,132,471	\$5,127,101
METHODS OF FINANCE (EXCLUDING RIDERS):	\$0	\$5,712,051	\$5,731,289	\$5,132,471	\$5,127,101
FULL TIME EQUIVALENT POSITIONS:	0.0	73.4	73.4	67.0	67.0

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

Agency code: **71F** Agency name: **Texas State Technical College - Ft. Bend**

CODE	DESCRIPTION	Excp 2020	Excp 2021
	Item Name: Startup Funding Item Priority: 1 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 03-01-01 Startup Funding		
OBJECTS OF EXPENSE:			
1005	FACULTY SALARIES	600,000	600,000
5000	CAPITAL EXPENDITURES	619,291	619,292
	TOTAL, OBJECT OF EXPENSE	\$1,219,291	\$1,219,292
METHOD OF FINANCING:			
1	General Revenue Fund	1,219,291	1,219,292
	TOTAL, METHOD OF FINANCING	\$1,219,291	\$1,219,292
	FULL-TIME EQUIVALENT POSITIONS (FTE):	12.00	12.00

DESCRIPTION / JUSTIFICATION:

This funding supports new programs in a results-based environment. Start Up funding for TSTC is a proxy for formula funded, Instruction and Administration (I&A) funding for start up locations. This is especially relevant for TSTC since TSTC I&A funded formula is purely results-based, derived from the wages of placed former students. This is different than a cost reimbursement formula such as contact hour funding which would allow phase out much sooner.

TSTC's Start Up funding will phase out as students leave TSTC, enter the workforce, and funding is derived after the value is returned to the State from the benefit of the student's wages.

EXTERNAL/INTERNAL FACTORS:

Major accomplishments to date and expected over the next two years: Enrollment has increased by a multiple of 11 from 30 students in 2016 to 341 in 2017. Graduates increased by a multiple of 6, from 13 in 2016 to 87 in 2017.

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

Established during the 84th Legislature. Funding established in connection with launch of new campus. No prior funding for this item (teaching and learning at this location).

Formula funding: Formula funding will phase out start up funding gradually, beginning 5-6 years after the first cohort of students begins enrolling. TSTC funding formula does not return funding until after five years of earnings have been recorded from a student. Consequently, the start up funding will not entirely be replaced until 8-10 years

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

Agency code: **71F**

Agency name:

Texas State Technical College - Ft. Bend

CODE	DESCRIPTION	Excp 2020	Excp 2021
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after the launch of the campus. This is less predictable with a volatile funding rate for the returned value formula.

Non-general revenue sources of funding: Student tuition partially funds core operations of new locations.

Consequences of not funding: This funds core operations (teaching and learning) as a substitute for the Instruction and Administration formula funding. Elimination of funding would suspend TSTC's ability to operate programs. Following accreditor imposed teach-out obligations, the College would need to close programs.

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Startup Funding will begin to phase out in the coming years as working graduates from Fort Bend County appear in the Returned Value formula , however it will be the 2026-2027 biennium until that is the case. Maintaining quality service in core operations for students is vital to long term growth and success in the center. Funds will be used for instructional salaries and supplies.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2022	2023	2024
\$1,200,000	\$1,200,000	\$1,200,000

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

Agency code: **71F** Agency name:

Texas State Technical College - Ft. Bend

CODE	DESCRIPTION	Excp 2020	Excp 2021
	Item Name: TRB - Fort Bend New Campus Site Phase 3		
	Item Priority: 2		
	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	2,644,918	2,644,918
TOTAL, OBJECT OF EXPENSE		\$2,644,918	\$2,644,918
 METHOD OF FINANCING:			
1	General Revenue Fund	2,644,918	2,644,918
TOTAL, METHOD OF FINANCING		\$2,644,918	\$2,644,918

DESCRIPTION / JUSTIFICATION:

TSTC Fort Bend requests funding for the third phase of development of TSTC's campus in Fort Bend County. This campus was created through a \$40 million in gifts from local foundations and communities. This is TSTC's fastest growing location and need for this expansion is a response to the increased workforce development need in the Greater Houston region and across Texas. This project will expand the welding instruction capacity as TSTC has reached capacity in the few short years of operating the new campus. The project will also create additional space to expand the Industrial Maintenance and HVAC programs as well as additional campus support space. This additional capacity will increase production of workers in these high demand occupations. Tuition Revenue Bond Issuance Authority in the amount of \$30,337,000 is requested by TSTC Fort Bend for the new Industrial Technology Center.

State funding is requested for projected debt service payments of \$5,289,836 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: This facility would increase first year capacity for an additional 310 students.

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.

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

Agency code: **71F**

Agency name:

Texas State Technical College - Ft. Bend

CODE	DESCRIPTION	Excp 2020	Excp 2021
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Consequences of not funding: Reduced capacity for reducing Texas' technical skills shortage in one of the fastest growing counties in Texas.

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Debt service for Tuition Revenue bonds will last the tenure of the bonds, which is 20 years.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2022	2023	2024
\$2,644,918	\$2,644,918	\$2,644,918

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

Agency code: **71F** Agency name: **Texas State Technical College - Ft. Bend**

Code	Description	Excp 2020	Excp 2021
Item Name:	Startup Funding		
Allocation to Strategy:	3-1-1 Startup Funding		
OBJECTS OF EXPENSE:			
1005	FACULTY SALARIES	600,000	600,000
5000	CAPITAL EXPENDITURES	619,291	619,292
TOTAL, OBJECT OF EXPENSE		\$1,219,291	\$1,219,292
METHOD OF FINANCING:			
1	General Revenue Fund	1,219,291	1,219,292
TOTAL, METHOD OF FINANCING		\$1,219,291	\$1,219,292
FULL-TIME EQUIVALENT POSITIONS (FTE):		12.0	12.0

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

Agency code: **71F** Agency name: **Texas State Technical College - Ft. Bend**

Code	Description	Excp 2020	Excp 2021
Item Name:	TRB - Fort Bend New Campus Site Phase 3		
Allocation to Strategy:	2-1-2 Tuition Revenue Bond Retirement		
OBJECTS OF EXPENSE:			
2008 DEBT SERVICE		2,644,918	2,644,918
TOTAL, OBJECT OF EXPENSE		2,644,918	2,644,918
METHOD OF FINANCING:			
1 General Revenue Fund		2,644,918	2,644,918
TOTAL, METHOD OF FINANCING		2,644,918	2,644,918

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

Agency Code: **71F** Agency name: **Texas State Technical College - Ft. Bend**

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	2,644,918	2,644,918
Total, Objects of Expense	\$2,644,918	\$2,644,918

METHOD OF FINANCING:

1 General Revenue Fund	2,644,918	2,644,918
Total, Method of Finance	\$2,644,918	\$2,644,918

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

TRB - Fort Bend New Campus Site Phase 3

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

Agency Code: **71F** Agency name: **Texas State Technical College - Ft. Bend**

GOAL: 3 Provide Non-formula Support

OBJECTIVE: 1 Instructional

STRATEGY: 1 Startup Funding

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	600,000	600,000
5000 CAPITAL EXPENDITURES	619,291	619,292
Total, Objects of Expense	\$1,219,291	\$1,219,292

METHOD OF FINANCING:

1 General Revenue Fund	1,219,291	1,219,292
Total, Method of Finance	\$1,219,291	\$1,219,292

FULL-TIME EQUIVALENT POSITIONS (FTE):	12.0	12.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Startup Funding

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 - Ft. Bend**

GR Baseline Request Limit = \$8,056,998

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							
0.0				0.0				*****GR-D Baseline Request Limit=\$0*****						
Strategy: 1 - 1 - 3	Staff Group Insurance Premiums													
0.0	74,279	0	74,279	0.0	77,644	0	77,644	0	151,923					
Strategy: 1 - 1 - 6	Texas Public Education Grants													
0.0	45,405	0	45,405	0.0	47,675	0	47,675	0	245,003					
Strategy: 1 - 1 - 8	Hold Harmless													
9.0	747,791	747,791	0	9.0	747,791	747,791	0	1,495,582	245,003					
Strategy: 2 - 1 - 1	Educational and General Space Support													
1.5	0	0	0	1.5	0	0	0	1,495,582	245,003					
Strategy: 2 - 1 - 2	Tuition Revenue Bond Retirement													
0.0	974,444	974,444	0	0.0	970,144	970,144	0	3,440,170	245,003					
Strategy: 2 - 1 - 5	Small Institution Supplement													
1.5	0	0	0	1.5	0	0	0	3,440,170	245,003					
12.0				12.0				*****GR Baseline Request Limit=\$8,056,998*****						
Strategy: 3 - 1 - 1	Startup Funding													
55.0	3,290,552	3,290,552	0	55.0	3,283,847	3,283,847	0	10,014,569	245,003					
Excp Item: 1	Startup Funding													
12.0	1,219,291	1,219,291	0	12.0	1,219,292	1,219,292	0	12,453,152	245,003					
Strategy Detail for Excp Item: 1														
Strategy: 3 - 1 - 1	Startup Funding													
12.0	1,219,291	1,219,291	0	12.0	1,219,292	1,219,292	0							
Excp Item: 2	TRB - Fort Bend New Campus Site Phase 3													
0.0	2,644,918	2,644,918	0	0.0	2,644,918	2,644,918	0	17,742,988	245,003					

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 - Ft. Bend**

GR Baseline Request Limit = \$8,056,998

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			
Strategy Detail for Excp Item: 2										
Strategy: 2 - 1 - 2 Tuition Revenue Bond Retirement										
0.0	2,644,918	2,644,918	0	0.0	2,644,918	2,644,918	0			
79.0	\$8,996,680	\$8,876,996	\$119,684	79.0	\$8,991,311	\$8,865,992	125,319			

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

Agency Code: 71F Agency: Texas State Technical College - Ft. Bend

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

Agency Code: **71F** Agency: **Texas State Technical College - Ft. Bend**

- 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 Fort Bend (71F)
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)	\$ 4,513,161	\$ 4,493,541	\$ 9,006,702		\$ 4,493,541	\$ 4,493,541	\$ 8,987,082	
Tuition and Fees (net of Discounts and Allowances)	212,279	327,834	540,113		344,226	361,437	705,663	
Endowment and Interest Income	-	-	-		-	-	-	
Sales and Services of Educational Activities (net)	-	-	-		-	-	-	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Other Income	-	-	-		-	-	-	
Total	4,725,440	4,821,375	9,546,815	46.2%	4,837,767	4,854,978	9,692,745	43.2%
APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN								
State Appropriations (HEGI & State Paid Fringes)	\$ 887,795	\$ 918,395	\$ 1,806,190		\$ 973,499	\$ 1,031,909	\$ 2,005,408	
Higher Education Assistance Funds	1,200,000	1,200,000	2,400,000		1,200,000	1,200,000	2,400,000	
Available University Fund	-	-	-		-	-	-	
State Grants and Contracts	186,427	191,088	377,515		195,865	200,761	396,626	
Total	2,274,222	2,309,483	4,583,705	22.2%	2,369,364	2,432,670	4,802,034	21.4%
NON-APPROPRIATED SOURCES								
Tuition and Fees (net of Discounts and Allowances)	1,824,724	2,296,323	4,121,047		2,411,139	2,531,696	4,942,835	
Federal Grants and Contracts	868,969	890,693	1,759,662		912,961	935,785	1,848,746	
State Grants and Contracts	-	-	-		-	-	-	
Local Government Grants and Contracts	-	-	-		-	-	-	
Private Gifts and Grants	-	-	-		-	-	-	
Endowment and Interest Income	-	-	-		-	-	-	
Sales and Services of Educational Activities (net)	65,430	509,000	574,430		519,180	529,564	1,048,744	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Professional Fees (net)	-	-	-		-	-	-	
Auxiliary Enterprises (net)	46,130	50,392	96,522		51,400	52,428	103,828	
Other Income	-	-	-		-	-	-	
Total	2,805,253	3,746,408	6,551,661	31.7%	3,894,680	4,049,473	7,944,153	35.4%
TOTAL SOURCES	\$ 9,804,915	\$ 10,877,266	\$ 20,682,181	100.0%	\$ 11,101,811	\$ 11,337,121	\$ 22,438,932	100.0%

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: 71F Agency name: Texas State Technical College - Ft. Bend

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: This portion relates to the strategy for startup funding. Transition funding is a substitute for the formula-funded line items since the returned-value funding formula is outcome based, deriving the formula yield after the teaching event and five trailing years of earnings results. Consequently, reduction in the strategy would be linked to program service reductions.

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: 3-1-1 Startup Funding

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$201,425	\$201,425	\$402,850			
General Revenue Funds Total	\$0	\$0	\$0	\$201,425	\$201,425	\$402,850			
Item Total	\$0	\$0	\$0	\$201,425	\$201,425	\$402,850			

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

2 Program Service Reductions - Add'l 5%

Category: Programs - Service Reductions (Contracted)

Item Comment: This portion relates to the strategy for startup funding. Transition funding is a substitute for the formula-funded line items since the returned-value funding formula is outcome based, deriving the formula yield after the teaching event and five trailing years of earnings results. Consequently, reduction in the strategy would be linked to program service reductions.

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.

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 71F Agency name: Texas State Technical College - Ft. Bend

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
Strategy: 3-1-1 Startup Funding									
<u>General Revenue Funds</u>									
1 General Revenue Fund	\$0	\$0	\$0	\$201,425	\$201,425	\$402,850			
General Revenue Funds Total	\$0	\$0	\$0	\$201,425	\$201,425	\$402,850			
Item Total	\$0	\$0	\$0	\$201,425	\$201,425	\$402,850			
FTE Reductions (From FY 2020 and FY 2021 Base Request)									
AGENCY TOTALS									
General Revenue Total				\$402,850	\$402,850	\$805,700			\$805,700
Agency Grand Total	\$0	\$0	\$0	\$402,850	\$402,850	\$805,700			\$805,700
Difference, Options Total Less Target									
Agency FTE Reductions (From FY 2020 and FY 2021 Base Request)									
Article Total				\$402,850	\$402,850	\$805,700			
Statewide Total				\$402,850	\$402,850	\$805,700			

6.L. Document Production Standards

Summary of Savings Due to Improved Document Production Standards

Agency Code:	Agency Name:	Prepared By:
71F	TSTC Fort Bend	Nathan Ehlert

Documented Production Standards Strategies	Estimated 2018	Budgeted 2019
1. Adobe Sign	\$457	\$480
2. Moodle Training	\$1,983	\$2,083
3.	\$0	\$0
4.	\$0	\$0
Total, All Strategies	\$2,440	\$2,563
Total Estimated Paper Volume Reduced	24,873.00	26,117.00

<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

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Automated Budget and Evaluation System of Texas (ABEST)

71F Texas State Technical College - Ft. Bend					
	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
Gross Tuition					
Gross Resident Tuition	0	169,112	274,227	287,938	302,335
Gross Non-Resident Tuition	0	33,059	53,607	56,288	59,102
Gross Tuition	0	202,171	327,834	344,226	361,437
Less: Resident Waivers and Exemptions (excludes Hazlewood)	0	(3,209)	(4,956)	(5,204)	(5,464)
Less: Non-Resident Waivers and Exemptions	0	(617)	(953)	(1,000)	(1,050)
Less: Hazlewood Exemptions	0	(6,788)	(10,483)	(11,007)	(11,557)
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	0	191,557	311,442	327,015	343,366
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)	0	(26,363)	(43,243)	(45,405)	(47,675)
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	0	165,194	268,199	281,610	295,691

Schedule 1A: Other Educational and General Income

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

71F Texas State Technical College - Ft. Bend					
	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)	0	165,194	268,199	281,610	295,691
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	0	165,194	268,199	281,610	295,691
Less: O.A.S.I. Applicable to Educational and General Local Funds Payrolls	0	(8,651)	(14,928)	(16,901)	(16,901)
Less: Teachers Retirement System and ORP Proportionality for Educational and General Funds	0	(7,405)	(12,892)	(14,634)	(14,634)
Less: Staff Group Insurance Premiums	0	(36,722)	(71,134)	(74,279)	(77,644)
Total, Other Educational and General Income (Formula Amounts for General Academic Institutions)	0	112,416	169,245	175,796	186,512
Reconciliation to Summary of Request for FY 2017-2015					
Plus: Transfer of Funds for Texas Public Education Grants Program and Physician Loans	0	26,363	43,243	45,405	47,675
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	0	36,722	71,134	74,279	77,644
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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71F Texas State Technical College - Ft. Bend					
	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	0	175,501	283,622	295,480	311,831

Schedule 2: Selected Educational, General and Other Funds

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Automated Budget and Evaluation System of Texas (ABEST)

71F Texas State Technical College - Ft. Bend					
	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)	0	743	1,000	1,000	1,000
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	0	9,843	0	0	0
Less: Transfer to Department of Health, Disproportionate Share - State-Owned Hospitals (2017, 2018, 2019)	0	0	0	0	0
Other (Itemize)					
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	0	0	(3,140)	(3,140)	(3,140)
GME Expansion	0	0	0	0	0
Subtotal, General Revenue Transfers	0	10,586	(2,140)	(2,140)	(2,140)
General Revenue HEF for Operating Expenses	0	577,999	1,482,205	1,000,000	1,000,000
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)	0	1,824,724	2,296,323	2,411,139	2,531,696
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)

71F Texas State Technical College - Ft. Bend

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
GR & GR-D Percentages					
GR %	97.10%				
GR-D/Other %	2.90%				
Total Percentage	100.00%				
FULL TIME ACTIVES					
1a Employee Only	26	25	1	26	5
2a Employee and Children	4	4	0	4	0
3a Employee and Spouse	8	8	0	8	0
4a Employee and Family	12	12	0	12	1
5a Eligible, Opt Out	0	0	0	0	0
6a Eligible, Not Enrolled	1	1	0	1	0
Total for This Section	51	50	1	51	6
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	51	50	1	51	6

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

71F Texas State Technical College - Ft. Bend

	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	26	25	1	26	5
2e Employee and Children	4	4	0	4	0
3e Employee and Spouse	8	8	0	8	0
4e Employee and Family	12	12	0	12	1
5e Eligible, Opt Out	0	0	0	0	0
6e Eligible, Not Enrolled	1	1	0	1	0
Total for This Section	51	50	1	51	6

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

71F Texas State Technical College - Ft. Bend

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
TOTAL ENROLLMENT					
1f Employee Only	26	25	1	26	5
2f Employee and Children	4	4	0	4	0
3f Employee and Spouse	8	8	0	8	0
4f Employee and Family	12	12	0	12	1
5f Eligible, Opt Out	0	0	0	0	0
6f Eligible, Not Enrolled	1	1	0	1	0
Total for This Section	51	50	1	51	6

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

Agency 71F Texas State Technical College - Ft. Bend

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)	0.0000	\$0	97.0971	\$289,361	95.7019	\$332,381	95.7019	\$376,308	95.7019	\$376,308
Other Educational and General Funds (% to Total)	0.0000	\$0	2.9029	\$8,651	4.2981	\$14,928	4.2981	\$16,901	4.2981	\$16,901
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%)	0.0000	\$0	100.0000	\$298,012	100.0000	\$347,309	100.0000	\$393,209	100.0000	\$393,209

Schedule 5: Calculation of Retirement Proportionality and ORP Differential

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Automated Budget and Evaluation System of Texas (ABEST)

71F Texas State Technical College - Ft. Bend

Description	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	0	2,912,095	3,424,292	3,886,952	3,886,952
Employer Contribution to TRS Retirement Programs	0	198,022	232,852	264,313	264,313
Gross Educational and General Payroll - Subject To ORP Retirement	0	864,515	1,016,560	1,153,900	1,153,900
Employer Contribution to ORP Retirement Programs	0	57,058	67,093	76,157	76,157
Proportionality Percentage					
General Revenue	0.0000 %	97.0971 %	95.7019 %	95.7019 %	95.7019 %
Other Educational and General Income	0.0000 %	2.9029 %	4.2981 %	4.2981 %	4.2981 %
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)	0	7,405	12,892	14,634	14,634
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	0	0	0	0	0
Differential					
Differential Percentage	0.0000 %	1.9000 %	1.9000 %	1.9000 %	1.9000 %
Gross Payroll Subject to Differential - Optional Retirement Program	0	78,780	75,000	75,000	75,000
Total Differential	0	1,497	1,425	1,425	1,425

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

71F Texas State Technical College - Ft. Bend					
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	0	1,550,155	1,726,878	1,551,194	1,465,510
Project Allocation					
Library Acquisitions	0	0	0	0	0
Construction, Repairs and Renovations	0	0	0	0	0
Furnishings & Equipment	0	0	55,000	65,000	62,621
Computer Equipment & Infrastructure	0	0	0	0	0
Reserve for Future Consideration	0	353,763	268,989	83,305	0
HEF for Debt Service	0	1,196,392	1,402,889	1,402,889	1,402,889
Other (Itemize)					

Schedule 7: Personnel

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

Agency code: **71F** Agency name: **TSTC - Ft. Bend**

	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	0.0	25.0	25.0	25.0	25.0
Educational and General Funds Non-Faculty Employees	0.0	42.0	42.0	42.0	42.0
Subtotal, Directly Appropriated Funds	0.0	67.0	67.0	67.0	67.0
Other Appropriated Funds					
AUF	0.0	0.0	0.0	0.0	0.0
Subtotal, Other Appropriated Funds	0.0	0.0	0.0	0.0	0.0
Subtotal, All Appropriated	0.0	67.0	67.0	67.0	67.0
Non Appropriated Funds Employees	0.0	7.0	7.0	7.0	7.0
Subtotal, Other Funds & Non-Appropriated	0.0	7.0	7.0	7.0	7.0
GRAND TOTAL	0.0	74.0	74.0	74.0	74.0

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

Agency code: **71F** Agency name: **TSTC - Ft. Bend**

	Actual 2017	Actual 2018	Budgeted 2019	Estimated 2020	Estimated 2021
Part B.					
Personnel Headcount					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	0.0	26.0	26.0	26.0	26.0
Educational and General Funds Non-Faculty Employees	0.0	47.0	47.0	47.0	47.0
Subtotal, Directly Appropriated Funds	0.0	73.0	73.0	73.0	73.0
Other Appropriated Funds					
AUF	0.0	0.0	0.0	0.0	0.0
Subtotal, Other Appropriated Funds	0.0	0.0	0.0	0.0	0.0
Subtotal, All Appropriated	0.0	73.0	73.0	73.0	73.0
Non Appropriated Funds Employees	0.0	7.0	7.0	7.0	7.0
Subtotal, Non-Appropriated	0.0	7.0	7.0	7.0	7.0
GRAND TOTAL	0.0	80.0	80.0	80.0	80.0

Schedule 7: Personnel

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

Agency code: **71F** Agency name: **TSTC - Ft. Bend**

	Actual 2017	Actual 2018	Budgeted 2019	Estimated 2020	Estimated 2021
PART C.					
Salaries					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	\$0	\$1,532,720	\$1,770,156	\$1,823,261	\$1,877,959
Educational and General Funds Non-Faculty Employees	\$0	\$2,179,719	\$2,782,849	\$2,866,334	\$2,952,325
Subtotal, Directly Appropriated Funds	\$0	\$3,712,439	\$4,553,005	\$4,689,595	\$4,830,284
Other Appropriated Funds					
AUF	\$0	\$811	\$1,000	\$1,000	\$1,000
Subtotal, Other Appropriated Funds	\$0	\$811	\$1,000	\$1,000	\$1,000
Subtotal, All Appropriated	\$0	\$3,713,250	\$4,554,005	\$4,690,595	\$4,831,284
Non Appropriated Funds Employees	\$0	\$335,198	\$370,008	\$381,108	\$392,541
Subtotal, Non-Appropriated	\$0	\$335,198	\$370,008	\$381,108	\$392,541
GRAND TOTAL	\$0	\$4,048,448	\$4,924,013	\$5,071,703	\$5,223,825

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

Agency 71F Texas State Technical College - Ft. Bend

Project Priority:	Project Code:	Tuition Revenue Bond Request	Total Project Cost	Cost Per Total Gross Square Feet
1	1	\$ 30,337,000	\$ 30,337,000	\$ 188
Name of Proposed Facility:	Project Type:			
TRB - Fort Bend New Campus Site Phase III	New Construction			
Location of Facility:	Type of Facility:			
Fort Bend County, Rosenberg, TX	Industrial Technology Lab			
Project Start Date:	Project Completion Date:			
09/01/2019	08/01/2021			
Gross Square Feet:	Net Assignable Square Feet in Project			
146,000	115,500			

Project Description

TSTC Fort Bend requests funding for a technical education building in Rosenberg, Texas in response to the increased workforce development need in the Greater Houston region. This project will construct a new CDL training lab and create additional space to expand the Welding Technology and competency based learning programs. All programs in the new space will reflect those which result in occupations that are in high demand. An additional 310 students will be served in this new building.

Schedule 8C: Tuition Revenue Bonds Request by Project
 86th Regular Session, Agency Submission, Version 1

Agency Code: 71F

Agency Name: **Texas State Technical College - Fort Bend**

Project Name	Authorization Year	Estimated Final Payment Date	Requested Amount 2020	Requested Amount 2021
Series 2016 - Construct Building #2 at Fort Bend Campus	2016	10/15/2035	\$ 974,444.00	\$ 970,144.00
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
			<u>\$ 974,444.00</u>	<u>\$ 970,144.00</u>

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

71F Texas State Technical College - Ft. Bend

1 - Fort Bend Start Up Funding

(1) Year Non-Formula Support Item First Funded:	2016
Year Non-Formula Support Item Established:	2016
Original Appropriation:	\$4,500,000

(2) Mission:

The 84th Legislature provided \$9,000,000 in Special Item Support for Start Up funding at TSTC in Fort Bend County. TSTC's funding model for Instruction and Administration, the "returned value" (RTV) funding model, only funds results; consequently, it does not provide funding for start-up operations like other cost-reimbursement (e.g., contact-hour based) models. RTV funding returns a portion of the economic value to the state generated from wages earned (over five years) by former students. Consequently, there is an 8-10 year inherent lag between the campus start-up, teaching event, the students' 5-year earnings contribution, the funding formula measurement, and the allocation through appropriations funding. For start-up locations, significant costs accumulate during this time.

Basic start-up costs include, but are not limited to, operations personnel, debt service on financed equipment (TSTC's programs require costly, industrial equipment), and consumables (many programs have significant consumable cost, such as welding rods), and advertising costs. Start-up administrative costs are mitigated by TSTC's centralized administration structure.

As student earnings begin to reach the end of the 5-year measurement period, the funding formula will recognize these results and the need for transition funding will decline.

(3) (a) Major Accomplishments to Date:

First semester enrollment will begin with over 300 students, 89 of which graduated within the first year. Enrollment increased 150% in the next fall, and some programs have reached capacity.

Unprecedented levels of community support, with long term commitments of over \$40,000,000 in donations over the next 10 years.

Industry donations of \$1,690,000 in equipment for instructional use.

Creation of night and weekend cohorts with emphasis on non-traditional markets to round out the College's recruitment strategies.

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

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

71F Texas State Technical College - Ft. Bend

Grow enrollment beyond current instructional and space capacity. Within one year of opening the new building, the expectation is for enrollment to double.

Develop annual fundraising component to raise outside instructional aid and capital equipment donations.

Develop industry relations capacities to serve workforce and contract training needs.

Grow dual credit capacity with surrounding ISDs with focus on technical pathways.

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

Special Item - Fort Bend County Strategy, located in LAR of TSTC System Administration

(5) Formula Funding:

None

(6) Category:

Start-Up

(7) Transitional Funding:

Y

(8) Non-General Revenue Sources of Funding:

Community donations, GR-Dedicated Tuition & Fees and Designated Tuition.

(9) Impact of Not Funding:

This strategy funds core operations (teaching and learning) as a substitute for the Instruction and Administration formula funding. Elimination of funding would suspend TSTC's ability to operate programs. Following accreditor imposed teach-out obligations, the College would need to close programs, which would reduce the capacity to remedy Texas' technical skills shortage in one of the fastest growing counties in Texas.

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

This support will be necessary to maintain operations until the TSTC Returned-Value formula for the TSTC Fort Bend campus begins to phase in.

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

It is estimated that the need for this support will begin to phase out beginning in the 89th biennium as the Returned-Value formula begins to contribute to funding.

(12) Benchmarks:

Schedule 9: Non-Formula Support
86th Regular Session, Agency Submission, Version 1
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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.

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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.

