



Legislative Appropriations Request

2026-2027

Submitted to the Governor's Office of Budget, Planning & Policy and the
Legislative Budget Board
by

Texas Southmost College

August 13, 2024

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Administrator's Statement

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ABOUT

Established in 1926, Texas Southmost College (TSC) offers the first two years of study toward a bachelor's degree, along with career and technical education leading to certificates and associate degrees, college preparatory studies to prepare students for college-level work, workforce training, and continuing education.

Since 2016, the number of hours students take to complete a degree has been reduced and, therefore, the amount of time students take to earn an associate's degree has also been reduced. This work culminates in an astounding increase in the number of students graduating from TSC. During this timeframe, the college has increased the number of students graduating by 119%, now surpassing the state's average three-year graduation rate by 7.6%.

In recognition of its exceptional efforts in strengthening student success, Texas Southmost College earned the prestigious 2023 Star Award by the Texas Higher Education Coordinating Board. This honor recognizes the college's outstanding achievement in producing consistent and aligned educational outcomes for all students, particularly students from economically disadvantaged backgrounds.

As a comprehensive community college, Texas Southmost College works hand-in-hand with economic development partners at the city, county, and federal levels, as well as local workforce development boards, meeting with companies looking to relocate to, or expand in, the area. Industry partners play a key role at TSC, providing expertise on program advisory committees and input on the knowledge, skills, and credentials essential for today's workforce whether training, upskilling, or reskilling.

Vision

Texas Southmost College will be a premier community college dedicated to student success.

Mission

Transforming our communities through innovative learning opportunities.

Role and Scope

Texas Southmost College's mission is guided by our commitment to provide:

- High-quality instruction and learning opportunities in the classroom, online, and through other delivery methods; a supportive and innovative faculty and staff; appropriate technology, equipment, and learning resources; and advising and assessment services to promote transfer to a four-year baccalaureate institution, entry or advancement in the workforce, or lifelong learning.
- University transfer, career, and technical programs leading to an associate degree or certificate along with courses specializing in college preparatory and developmental education, workforce training, adult literacy, and continuing education to support the evolving needs of citizens, industry, and economic development initiatives within Cameron and Willacy Counties.
- A learning-centered, service-oriented environment that celebrates diversity and inclusion; facilitates growth and development; fosters social responsibility, critical thinking, communication, and innovation; and empowers and engages students, faculty, and staff to achieve personal and professional goals.
- Institutional effectiveness that embraces individual accountability, data-driven decision making, change, and an unending pursuit of excellence.

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Values

To successfully fulfill the vision and mission, Texas Southmost College is consciously committed to:

- INTEGRITY by respecting the ideals of social responsibility, academic honesty, trustworthiness, personal ethics, and the courage to act.
- ACCESS by reaching out to our diverse communities, expanding linkages with industry, and strengthening our partnerships with area ISDs and universities to create accessible and affordable educational pathways for our students, faculty, and staff.
- SERVICE by encouraging and recognizing collaboration, teamwork, compassion, and service to others.
- EXCELLENCE by providing relevant, high-quality educational experiences and a supportive learning environment to advance knowledge, promote understanding, and achieve the academic and workforce potential of students, faculty, and staff.
- INNOVATION by embracing emerging technologies to enhance and expand teaching, learning, and service opportunities for students, faculty, and staff.
- SUCCESS by empowering, engaging, and educating students, faculty, and staff to achieve their personal and professional aspirations for graduation, academic transfer, employment, and other educational goals.

BOARD OF TRUSTEES

The Board of Trustees of the TSC District is composed of seven members, all of whom reside in the taxing district, serving six-year terms. Terms are staggered, with elections held in even-numbered years. The Board sets the vision, mission, and strategic direction for the College and is responsible for oversight of budgets, policies, and governance. Current Board members and terms are listed below.

Adela Garza, Board Chair - Place 1, Term expires 2026, Olmito, TX

Delia Saenz, Board Vice Chair - Place 4, Term expires 2028, Brownsville, TX

Dr. Norma Lopez-Harris, Board Secretary - Place 7, Term expires 2030, Brownsville, TX

Alejandra Aldrete, Place 2, Term expires 2026, Brownsville, TX

Dr. Tony Zavaleta, Place 3, Term expires 2028, Brownsville, TX

Edgar Garcia, Place 5, Term expires 2026, Brownsville, TX

Edward C. Camarillo, Place 6, Term expires 2030, Brownsville, TX

SIGNIFICANT CHANGES IN POLICY:

With the passage of House Bill 8, funding for the College changed from a static formula to a dynamic formula, moving in unison with TSC's growth outcomes. The College now receives predictable funding based on success metrics that benefits students, industry, and the state.

The outcomes-based formula funding is important for TSC, as provides funding that covers the cost of educating students from economically and academically disadvantaged backgrounds, as well as adult learners. This new finance system enables the College to contribute to the state's education goals and supports TSC's mission of transforming communities through innovative learning opportunities.

The College continues to enhance efficiencies and pursue innovations that provide pathways to upward economic mobility for the communities it serves. Over the past two years, TSC has established an online college and continued investment in workforce labs. As a result of its work with industry, TSC has added new academic and workforce programming, which, since 2022 includes: associate degrees in engineering, psychology, music, and allied health education; certificates in welding, structural welding, and certified nurse assistant; and occupational service awards in crime scene technician and phlebotomy.

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SIGNIFICANT CHANGES IN PROVISION OF SERVICE**Dual Enrollment**

Dual Enrollment continues to be an important area of growth at Texas Southmost College. More than 5,000 dual enrollment students are enrolled at TSC, representing 35 high schools, including 11 new schools recently added as partners. Since TSC awarded its first four associate degrees to dual enrollment students in 2019, the associate degree graduation rate has grown exponentially, with 467 associate degrees awarded to dual enrollment students last spring, most of whom had not yet graduated from high school. This saves local families thousands of dollars in tuition and fees. This extraordinary success has been possible because of TSC's strategic moves to add new programs (this year two new programs were launched: a Certified Nurse Assistant certificate and an Allied Health associate degree); double the number of TSC staff, such as college navigators, to support school partners; and increase the number of adjunct instructors available to teach at the high schools.

Digital College and Resources

TSC is dedicated to supporting students with flexible scheduling and more cost-effective ways to attend college. One strategy undertaken to specifically streamline academic and career pathways is the development fully online courses. Approximately 30% of TSC's course sections are offered online, including most of the college's general education courses. All online courses are built to Quality Matters (QM) standards, and the faculty who build the courses are all QM certified. In addition, TSC offers seven fully online programs of study and 10 that are hybrid/blended programs. With initial funding through a grant from the Texas Higher Education Coordinating Board, TSC has also transitioned the majority of required course resources to Open Educational Resources, essentially eliminating expensive textbook fees for students.

Affordability

Because TSC is located in a high-poverty, low-tax-base area, maintaining affordability while providing a high-quality education has been a top priority at the college. Since 2013, the TSC Board of Trustees has lowered tuition twice, making TSC the most affordable institution of higher education in the entire Rio Grande Valley. In addition, the Board lowered the tax rate three years in a row, providing relief for local homeowners.

TSC also aggressively pursues additional support for students. The Texas Southmost College Foundation, for example, awarded scholarships to 222 individual students during the last academic year. At their last meeting this spring, the board voted to fund an additional 50 students to ensure funding is available to all eligible students who apply.

SIGNIFICANT EXTERNALITIES**Demographics**

TSC's mission of transforming communities through innovative learning opportunities continues to be essential in supporting the 60x30 goals of THECB. According to the U.S. Census Bureau, TSC serves a younger-than-average population, with 40.6% of the population under age 18, vs. the national average of 28.7%. The county's educational attainment is also lower than the Texas average, with 26% of adults 25-years-and-over having less than a high school diploma and only 21% holding a bachelor's degree or higher. In addition, with 22% of the population living below the poverty line vs. the Texas average of 14%, TSC represents an important pathway to upward economic mobility.

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New Industries

TSC's service area is now home to two rapidly expanding industries: aerospace and liquefied natural gas. Space X currently employs more than 3,400 full-time employees and contractors, and the Rio Grande LNG project, currently under construction, has created 800 full-time jobs. TSC has expanded essential training in areas such as welding, laser welding, construction trades, and pipefitting to meet the demand for hundreds of local workers.

Leveraging Grant Funding

TSC actively pursues grant opportunities that leverage appropriations funding. Since the beginning of the last biennium (January 2022 to present) the college has been awarded more than \$4 million from the Texas Higher Education Board and the Texas Workforce Commission, alone. This demonstrates the commitment TSC has for partnering with agencies to achieve state-wide goals, as well as the valuable investment into our community the awards represent. Award highlights include two Texas Reskilling and Upskilling through Education (TRUE) grants, Apprenticeship Texas Expansion, Skills Development Funds, and a Jobs and Education for Texans (JET) grant.

Proposal to Amend Appraisal District Members

Texas Southmost College respectfully requests the legislature to amend Texas property code section 6.03 -Appraisal District Members. Purpose of the amended: There are 38 community college districts in the State of Texas. College districts are a unique governmental entity, as they may be the sole community college that has a geographical reach beyond schools districts and encompass more than one county in a service area. Because Community Colleges differ in size and scope from school districts, they do not have the voting power to elect a member to their respective County Appraisal District. As a result, they do not have a voice in setting policy for the appraisal district in their county. The lack of representation does not give an important taxing unit a voice in the deliberations and decisions of appraisal districts. The amendment would permit a community college to have one member sit on the appraisal district where its principal offices are located. If there is more than one community college in a county where their principal offices are located, then the colleges will alternate appointments, with the college first established having the first appointment.

TACC Formula Funding

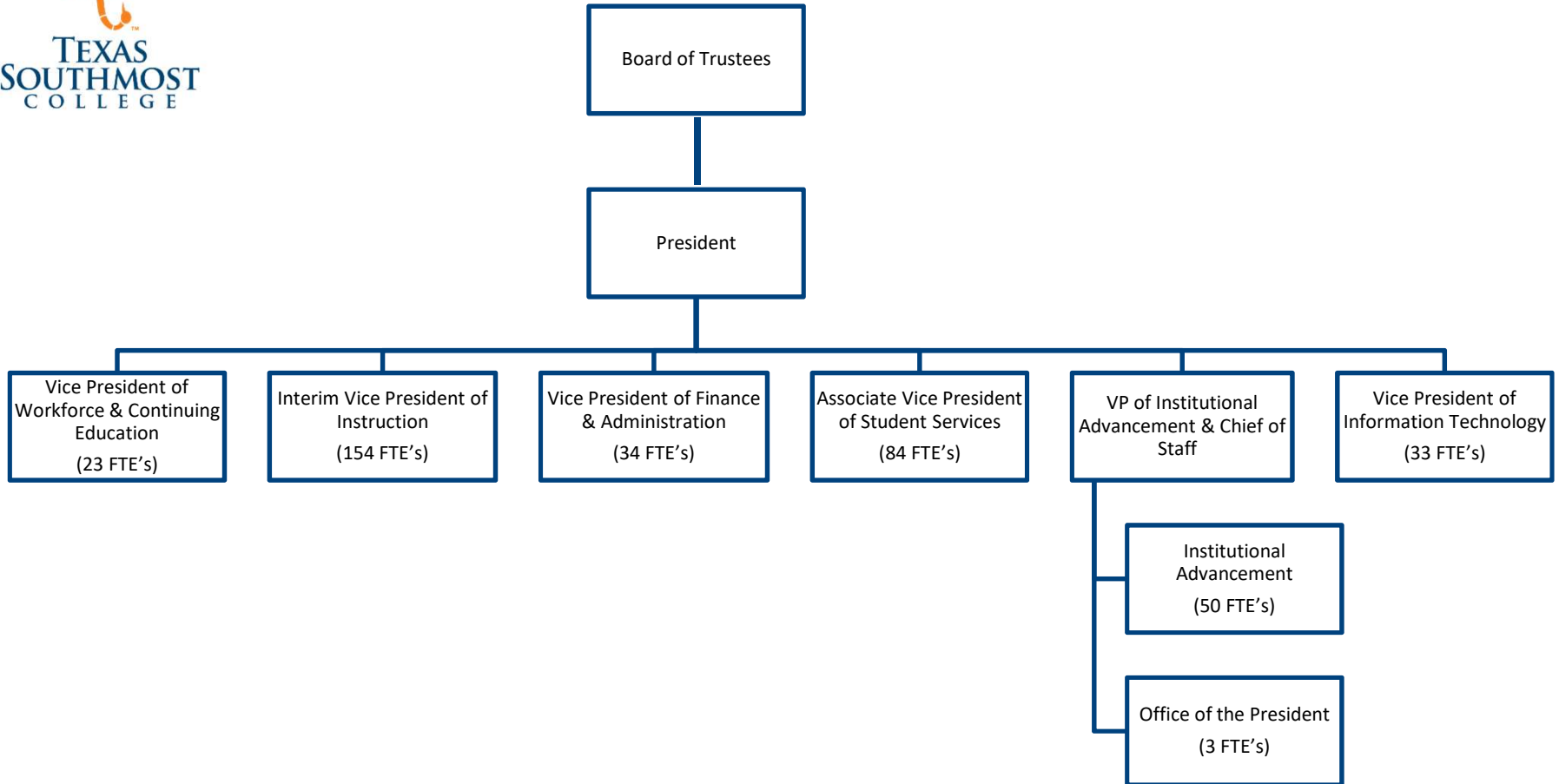
Our college fully supports the Texas Association of Community Colleges (TACC) Formula Funding Request (per letter dated August 16, 2024).

Texas Southmost College respectfully requests the legislature to fully fund a supplemental amount equal to the increase over appropriated Fiscal Year 2025 formula appropriation amounts using the rates and weights set by the Texas Higher Education Coordinating Board and the dynamic payments amount that provides funding to recognize high performing institutions that are achieving outcomes above the level forecasted for them. The combination of strong performance trends and goal-oriented funding rates creates a total performance funding yield of approximately \$1.12 billion for FY25, which puts biennial program expenses about \$40 million over the FY24-25 appropriation; this is the current supplemental funding need.

Additionally, colleges respectfully request the full amount of formula funding for FY26 and FY27 based on the Texas Higher Education Coordinating Board's forecast of performance by colleges and continuing the Board adopted weights and rates. Funding at these levels provides certainty for colleges who are pivoting to align around the incentives for student achievements in earning credentials of value, including those in short term workforce credentials, dual credit attainment, and transfer. This ensures colleges are focused on the workforce needs and educational requirements that the state has requested in House Bill 8.

BACKGROUND CHECKS

TSC conducts background checks on all security-sensitive positions as permitted by the Texas Government Code, Sec. 411.094 and Texas Education Code, Section 61.003 (8), and consistent with the college's human resources policies and procedures.





CERTIFICATE

Agency Name Texas Southmost College

This is to certify that the information contained in the agency Legislative Appropriations Request filed with the Legislative Budget Board (LBB) and the Office of the Governor, Budget and Policy Division, is accurate to the best of my knowledge and that the electronic submission to the LBB via the Automated Budget and Evaluation System of Texas (ABEST) and the PDF file submitted via the LBB Document Submission application are identical.

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Office of the Governor will be notified in writing in accordance with House Bill 1, Article IX, Section 7.01, Eighty-eighth Legislature, Regular Session, 2023.

Chief Executive Office or Presiding Judge



Signature

Dr. Jesus Roberto Rodriguez

Printed Name

President

Title

8/12/24

Date

Board or Commission Chair



Signature

Adela G. Garza

Printed Name

Chair, Board of Trustees

Title

8/12/24

Date

Chief Financial Officer



Signature

Dr. Gisela Figueroa

Printed Name

Vice President of Finance & Administration

Title

8/12/24

Date

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
1 Provide Instruction					
1 <i>Provide Administration and Instructional Services</i>					
1 CORE OPERATIONS (1)	680,406	0	0	0	0
2 SUCCESS POINTS (1)	1,465,494	0	0	0	0
3 CONTACT HOUR FUNDING (1)	7,189,103	0	0	0	0
5 PERFORMANCE TIER	0	14,173,096	14,173,096	0	0
TOTAL, GOAL 1	\$9,335,003	\$14,173,096	\$14,173,096	\$0	\$0
TOTAL, AGENCY STRATEGY REQUEST	\$9,335,003	\$14,173,096	\$14,173,096	\$0	\$0
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$9,335,003	\$14,173,096	\$14,173,096	\$0	\$0

(1) - Formula funded strategies are not requested in 2026-27 because amounts are not determined by institutions.

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	9,335,003	14,173,096	14,173,096	0	0
SUBTOTAL	\$9,335,003	\$14,173,096	\$14,173,096	\$0	\$0
TOTAL, METHOD OF FINANCING	\$9,335,003	\$14,173,096	\$14,173,096	\$0	\$0

*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: 984		Agency name: Texas Southmost College				
METHOD OF FINANCING		Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
<u>GENERAL REVENUE</u>						
<u>1</u> General Revenue Fund						
REGULAR APPROPRIATIONS						
Regular Appropriations from MOF Table (2022-23 GAA)						
		\$9,335,003	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2024-25 GAA)						
		\$0	\$14,173,096	\$14,173,096	\$0	\$0
TOTAL,	General Revenue Fund	\$9,335,003	\$14,173,096	\$14,173,096	\$0	\$0
TOTAL, ALL	GENERAL REVENUE	\$9,335,003	\$14,173,096	\$14,173,096	\$0	\$0
GRAND TOTAL		\$9,335,003	\$14,173,096	\$14,173,096	\$0	\$0
FULL-TIME-EQUIVALENT POSITIONS						
TOTAL, ADJUSTED FTES						

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

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Agency code: **984**

Agency name: **Texas Southmost College**

METHOD OF FINANCING

Exp 2023

Est 2024

Bud 2025

Req 2026

Req 2027

**NUMBER OF 100% FEDERALLY FUNDED
FTEs**

Higher Education Schedule 3C: Group Insurance Data Elements (Community Colleges)

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	Total I & A Enrollment	Local Non I & A	Total Enrollment
FULL TIME ACTIVES			
1a Employee Only	215	27	242
2a Employee and Children	54	0	54
3a Employee and Spouse	11	1	12
4a Employee and Family	20	0	20
5a Eligible, Opt Out	3	1	4
6a Eligible, Not Enrolled	4	0	4
Total for this Section	307	29	336
PART TIME ACTIVES			
1b Employee Only	0	0	0
2b Employee and Children	0	0	0
3b Employee and Spouse	0	0	0
4b Employee and Family	0	0	0
5b Eligible, Opt Out	0	0	0
6b Eligible, Not Enrolled	0	0	0
Total for this Section	0	0	0
Total Active Enrollment	307	29	336

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	Total I & A Enrollment	Local Non I & A	Total Enrollment
FULL TIME RETIREES by ERS			
1c Employee Only	0	0	0
2c Employee and Children	0	0	0
3c Employee and Spouse	0	0	0
4c Employee and Family	0	0	0
5c Eligible, Opt Out	0	0	0
6c Eligible, Not Enrolled	0	0	0
Total for this Section	0	0	0
PART TIME RETIREES by ERS			
1d Employee Only	0	0	0
2d Employee and Children	0	0	0
3d Employee and Spouse	0	0	0
4d Employee and Family	0	0	0
5d Eligible, Opt Out	0	0	0
6d Eligible, Not Enrolled	0	0	0
Total for this Section	0	0	0
Total Retirees Enrollment	0	0	0
TOTAL FULL TIME ENROLLMENT			
1e Employee Only	215	27	242
2e Employee and Children	54	0	54
3e Employee and Spouse	11	1	12
4e Employee and Family	20	0	20
5e Eligible, Opt Out	3	1	4
6e Eligible, Not Enrolled	4	0	4
Total for this Section	307	29	336

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	Total I & A Enrollment	Local Non I & A	Total Enrollment
<hr/>			
TOTAL ENROLLMENT			
1f Employee Only	215	27	242
2f Employee and Children	54	0	54
3f Employee and Spouse	11	1	12
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