

# LEGISLATIVE APPROPRIATIONS REQUEST

FISCAL YEARS 2026 AND 2027  
TSTC IN NORTH TEXAS





## **LEGISLATIVE APPROPRIATIONS REQUEST FOR FISCAL YEARS 2026 & 2027**

Submitted to the Governor's Office of Budget, Planning  
and Policy and the Legislative Budget Board  
by Texas State Technical College in North Texas.  
Original submission as of August 16, 2024.

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**71G Texas State Technical College - North Texas**

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In accordance with the instructions, Texas State Technical College (TSTC) submits the following Legislative Appropriations Request (LAR) for fiscal years 2026 and 2027 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 seven campus bill patterns. The Administrator's Statement and related attachments are identical in all eight TSTC LAR documents.

**OVERVIEW**

TSTC is a unique institution focused on providing specialized technical education, not commonly offered by public junior colleges, through its network of campuses across Texas. With 11 campuses currently, and another authorized, TSTC offers over 100 degree and certificate programs designed to meet the evolving needs of Texas employers. The college's programs cover a range of advanced and emerging technologies, including Electrical Lineworker, Precision Machining, and Welding.

TSTC's approach to education is hands-on and practical, emphasizing real-world experience and problem-solving skills. This "learning by thinking and doing" philosophy is supported by strong partnerships with industry leaders alongside capital intensive training labs filled with high-tech equipment. Students benefit from training on cutting-edge machinery and technology, often working directly with top organizations to prepare for high-demand careers.

By aligning programs with industry requirements, TSTC helps students become highly qualified candidates and ensures that graduates are well-prepared to meet the technological and workforce demands of Texas.

**SIGNIFICANT CHANGES IN POLICY**

**FUNDING FOR WORKFORCE TRAINING:** TSTC is the only higher education institution in the state that is not funded for accelerated training (short-term, non-credit credentials). Short-term credentials for reskilling or upskilling employees are crucial for the growth of the Texas economy because they enable the workforce to quickly adapt to the evolving demands of industry. As technology advances and market needs shift, businesses require employees with updated skills to stay competitive. Short-term programs provide a fast and flexible way to bridge the skill-gaps, ensuring that workers can contribute effectively to high-growth sectors such as manufacturing, technology, and transportation. TSTC's adaptability not only helps businesses thrive but also empowers workers with new opportunities, leading to a more dynamic and resilient economy in Texas. TSTC requests following the recommendation of the THECB's Formula Advisory Committee that workforce training and continuing education students be included in TSTC's Returned-Value formula funding.

**RESOLVING THE MID-SESSION RUN:** In previous years, the calculation of TSTC's formula was incomplete when the base budget was written, and significant fluctuations have been seen when the final calculation is run mid-session. The cohort years included in the Returned-Value formula have been six and seven years, respectively, before the legislative session, with the intent of including five years of wage data after a student exits TSTC in the calculation. Timing issues with the availability of the data has resulted in the base budget using an interim cohort, and the final formula calculation estimating a portion of the fifth year wages.

TSTC requests following the recommendation of the THECB's Formula Advisory Committee that adjust the cohort years included in the formula calculation to seven and eight years, respectively, to remedy the issue. To avoid the mid-session fluctuations and ensure five full years of actual wage data is available for the Returned-Value formula calculation, the formula calculation for 89th legislative session would include cohort years 2017 and 2018.

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RETURNED-VALUE FORMULA REFINEMENT: As stated in the General Appropriations Act, TSTC, THECB and the LBB will work together to refine TSTC's formula as needed. The current formula calculation relies on an outdated federal minimum wage, and TSTC is currently working with the THECB to update the base wage used in the formula. The new data includes actual wages in Texas for high school graduates from the American Community Survey, which can be updated each session and more closely reflects the intended demographic. Recommendations based on this work will be available in late 2024.

TSTC's primary funding source is the Returned-Value funding formula appropriation, which provides a "commission" to the College based on the economic value created by the employment and earnings of its former students. In recent sessions, the legislature has maintained the link between performance and funding by funding the full commission rate. As the base wage is adjusted, the commission rate will receive a corresponding adjustment in the THECB's recommendation.

TSTC's focused mission and dependable economic model have enabled a successful transformation from a struggling education agency to a market-driven workforce pipeline. This transformation has provided measurable economic benefits to taxpayers and enhanced upward mobility for Texans who are frequently overlooked by conventional educational systems.

**SIGNIFICANT CHANGES IN PROVISION OF SERVICE AND EXTERNALITIES**

The 88th Legislature designated the campus in East Williamson County, previously an extension center, as a stand-alone campus. Growing needs from industry partners such as Samsung, Tesla, & KoMiCo Technologies Inc. have spurred a significant demand for advanced skills in the area. In response to these needs, TSTC requested that East Williamson County be its own campus and continue to grow. As such, the campus now has its own bill pattern and will need the traditional campus funding appropriation strategies to continue operations, which primarily include Instruction and Administration (I&A) funding, Space Support, Small Institution Supplement, and Institutional Enhancement.

By aligning educational programs and workforce development initiatives with the specific requirements of these industry leaders, Texas can position itself as a key player in the global economy and support the growth and success of its industry partners.

**PURPOSE OF NEW FUNDING REQUESTS AND EXCEPTIONAL ITEMS**

In 2013, TSTC transitioned to become the state's leading institution in outcomes-based funding, meaning its funding is directly tied to a skilled graduate filling a high-value job in the workforce. This model has led to increased student prosperity and a greater value returned to the state. Despite these successes, TSTC faces significant challenges which hinder its ability to fully address the growing workforce demands in Texas.

Unlike other two-year institutions in Texas, TSTC has constrained access to capital funds for new construction and infrastructure improvements. TSTC does not receive property tax support and relies heavily on public and private funds along with state Capital Construction Assistance Projects (CCAP) and limited HEF funding. This limits TSTC's ability to expand instructional space. Currently, there is a misalignment between current campus capacities and the increasing industry workforce needs. Without the necessary funds to build new instructional spaces, TSTC cannot fully meet the demand for skilled workers. To address these challenges, as outlined on page 3 of the attachment, the TSTC System is proposing an ambitious, two-phased plan to address the needs across the state. This strategic plan is critical for TSTC to continue delivering a high-quality workforce and supporting Texas' economic growth. Phase 1 of the plan corresponds to Exceptional Item number 2, which includes CCAP funding for the two newest campuses and expanding the presence in Ellis County. Phase 2 can be achieved with a proposed \$1 billion endowment along with other public and private funds from local governmental entities, private foundations, and donors.

**Administrator's Statement**

89th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

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**71G Texas State Technical College - North Texas**

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**Exceptional Item No. 1: Start-up funding for new campuses**

TSTC receives Returned-Value formula funding after former students participate in the workforce for five years, causing a delay in funding to TSTC of seven to nine years. Until then, the System lacks a revenue stream to operate and maintain these new campuses. Start-up, or bridge funding, from the legislature is necessary to resolve the timing difference between when the funding is earned and paid. TSTC is requesting \$19.4 million to continue expanding the new campus in Comal/Guadalupe counties and \$900 thousand to establish the campus in Denton County.

**Exceptional Item No. 2: CCAP Funding to increase capacity**

The 88th legislature authorized TSTC to operate in new locations in Texas: Comal/Guadalupe Counties, Denton County, and expanding in Ellis County. However, funding for campus buildings and equipment is still needed. Located in the fastest-growing areas of Texas, these new locations will place skilled graduates in open positions employers are desperately trying to fill. TSTC requests \$450 million in one-time CCAP funds to build these new campuses in authorized counties.

**Exceptional Item No. 3: Commercial Driver's License Training Capacity**

The shortage of commercial driver's license (CDL) holders is restricting Texas industry and supply chain operations. According to the Texas Trucking Association (TXTA), the shortage of CDL holders continues to negatively impact the supply chain, as 82% of Texas communities depend exclusively on trucks for needed products. With its statewide scope and strategic placement across the Texas landscape, TSTC is uniquely positioned to address the CDL shortage in a meaningful way. To execute rapidly, TSTC requests an Exceptional Item of \$66.2 million to (1) establish or expand six CDL training and testing sites, (2) create capacity to license approximately 1,100 drivers per year, and (3) establish a platform for an advanced transportation ecosystem around the state meeting both the immediate and future training needs of Texas.

## DIFFERENT BY DESIGN

In 1965, Texas State Technical College (TSTC) was founded to meet the evolving workforce needs of the state. As the only state-supported technical college in Texas, TSTC exists to place more Texans in great-paying jobs.

*Education Code Title 3. Higher Education Chapter 135 Sec. 135.01*

## CREATING CAREERS, CHANGING LIVES

As the workforce college of Texas, TSTC provides technical training in high demand fields. With over 7,660+ industry partnerships within the state, graduates can expect to find meaningful employment. But the impact doesn't end there. Every new job has a ripple effect, changing the lives of students, their families, and the State of Texas.

## 100% OUTCOMES-BASED FUNDING

As the only higher education institution that is 100% outcomes-based funded, the state holds TSTC accountable for job placement and wages. TSTC does not get paid unless our students get well-paying jobs. This unique returned-value funding model incentivizes the college to provide employers with highly-skilled workers to meet their demands.

## BEST IN CLASS

TSTC stands out as the premier institution for training students for high-skilled, high-waged jobs offering programs that align with industry's ever-changing demands. TSTC produces more highly skilled, highly paid graduates than any other two-year college in Texas. With a focus on hands-on learning and real-world experience, TSTC ensures that graduates are job-ready, making it the best choice for those seeking to excel in today's competitive job market.

## WORKFORCE TRAINING

In addition to certificates and degrees, TSTC keeps Texans working by providing the latest skills through short-term training programs, many of which are tailored to specific employer needs.

## WE'VE GOT TEXAS COVERED

From north to south and everywhere in between, TSTC has a location that will fit the needs of Texans throughout the state.



**\$108.4M**

combined first-year earnings  
of TSTC graduates



**83%**

job placement rates for  
graduates in 2021-22



**7,660+**

industry partners



# BARRIERS TO THE TSTC MISSION

“The **only** thing wrong with **TSTC** is they are **too small**.”

Tony Bennett  
Texas Association of Manufacturers

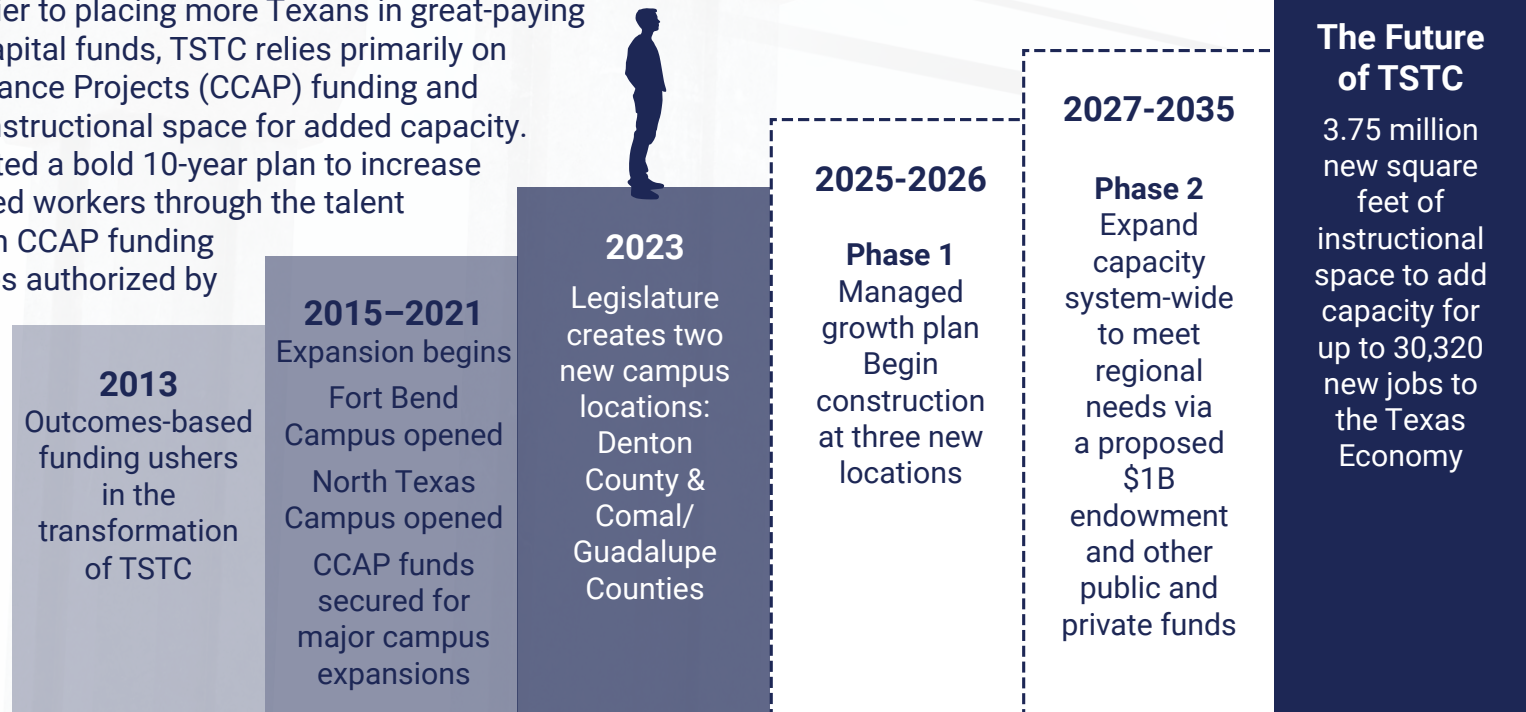
## EVER-GROWING WORKFORCE DEMAND

TSTC fuels Texas' economic engine by producing highly skilled workers for today's in-demand jobs. TSTC is the only institution of higher education in Texas with economic development written into the education code as part of its mission. Employers seek out TSTC graduates first. Our commitment to quality in teaching skills employers value is key to their success.

## FUNDING TO INCREASE CAPACITY IS AN ISSUE

TSTC is too small because many of our campuses are undersized. Capital construction funding for additional capacity is the primary barrier to placing more Texans in great-paying jobs. Without a source of capital funds, TSTC relies primarily on Capital Construction Assistance Projects (CCAP) funding and private donations to build instructional space for added capacity.

The team at TSTC has created a bold 10-year plan to increase capacity and put more skilled workers through the talent pipeline. Phase 1 will rely on CCAP funding to build three new campuses authorized by the 88th Legislature. Phase 2 will rely on other avenues of funding such as the \$1B proposed permanent endowment before the 89th legislature. TSTC will utilize only investment income from the endowment, leaving the original seed money in the investment fund.





## 2026–2027

BIENNIUM

### PHASE 1

- 900,000 sq. ft. increase capacity to fill 7,200 jobs
- \$450 million (CCAP)
- Comal/Guadalupe Counties, Denton County, and Ellis County

## 2028–2029

BIENNIUM

### PHASE 2

- 720,000 sq. ft. increase capacity to fill 5,760 jobs
- \$450 million
- Added capacity based on regional needs.

# 10-YEAR PLAN

\$2.25 billion  
3.75 million sq. ft.  
Increase capacity to fill 30,320 jobs

## 2030–2031

BIENNIUM

- 540,000 sq. ft. increase capacity to fill 4,320 jobs
- \$450 million
- Added capacity based on regional needs.

## 2032–2033

BIENNIUM

- 820,000 sq. ft. increase capacity to fill 6,560 jobs
- \$450 million
- Added capacity based on regional needs.

## 2034–2035

BIENNIUM

- 820,000 sq. ft. increase capacity to fill 6,480 jobs
- \$450 million
- Added capacity based on regional needs.

A black silhouette of a worker wearing a hard hat and safety harness, climbing a utility pole. The worker is positioned on the left side of the page, with their body angled towards the right. The pole and associated equipment are also silhouetted against the white background.

# NOTEWORTHY CHANGES & EXCEPTIONAL ITEMS

## Notable changes in bill patterns and formula funding.

### **Funding for Workforce Training**

TSTC is the only institution of higher education in Texas that does not receive funding for workforce training programs. Because of this, many employers cannot afford to train their employees on new and emerging technologies. TSTC requests following the recommendation of the THECB's Formula Advisory Committee that TSTC begins including workforce continuing education students in TSTC's Returned-Value formula funding to respond to the growing Texas economy.

### **East Williamson County Campus (Hutto)**

The campus in East Williamson County was designated as a stand-alone campus (previously an extension center) by the 88th legislature. As such, the campus will have its own bill pattern beginning in the 89th legislative session, and needs the standard campus funding strategies added to the new bill pattern.

### **Resolving the Mid-session Run**

In previous years, the calculation of TSTC's formula was incomplete when the base budget was written, and significant fluctuations have been seen when the final calculation is run mid-session. An adjustment to the cohort years included in the calculation will solve this problem. TSTC requests following the recommendation of the THECB's Formula Advisory Committee that cohort years included in the formula be adjusted accordingly.

### **Returned-Value Formula Refinement**

The current formula calculation relies on an outdated federal minimum wage. TSTC is currently working with the THECB to update the base wage used in the formula based on actual wages in Texas for high school graduates from the American Community Survey. Recommendations based on this work will be available in late 2024.

## Exceptional Item Requests

### **EXCEPTIONAL ITEM #1: Start-Up Funding**

\$19.4 million in start-up funding for the recently opened campus in Comal/Guadalupe Counties.  
\$900K in start-up funding for a new campus in Denton County.

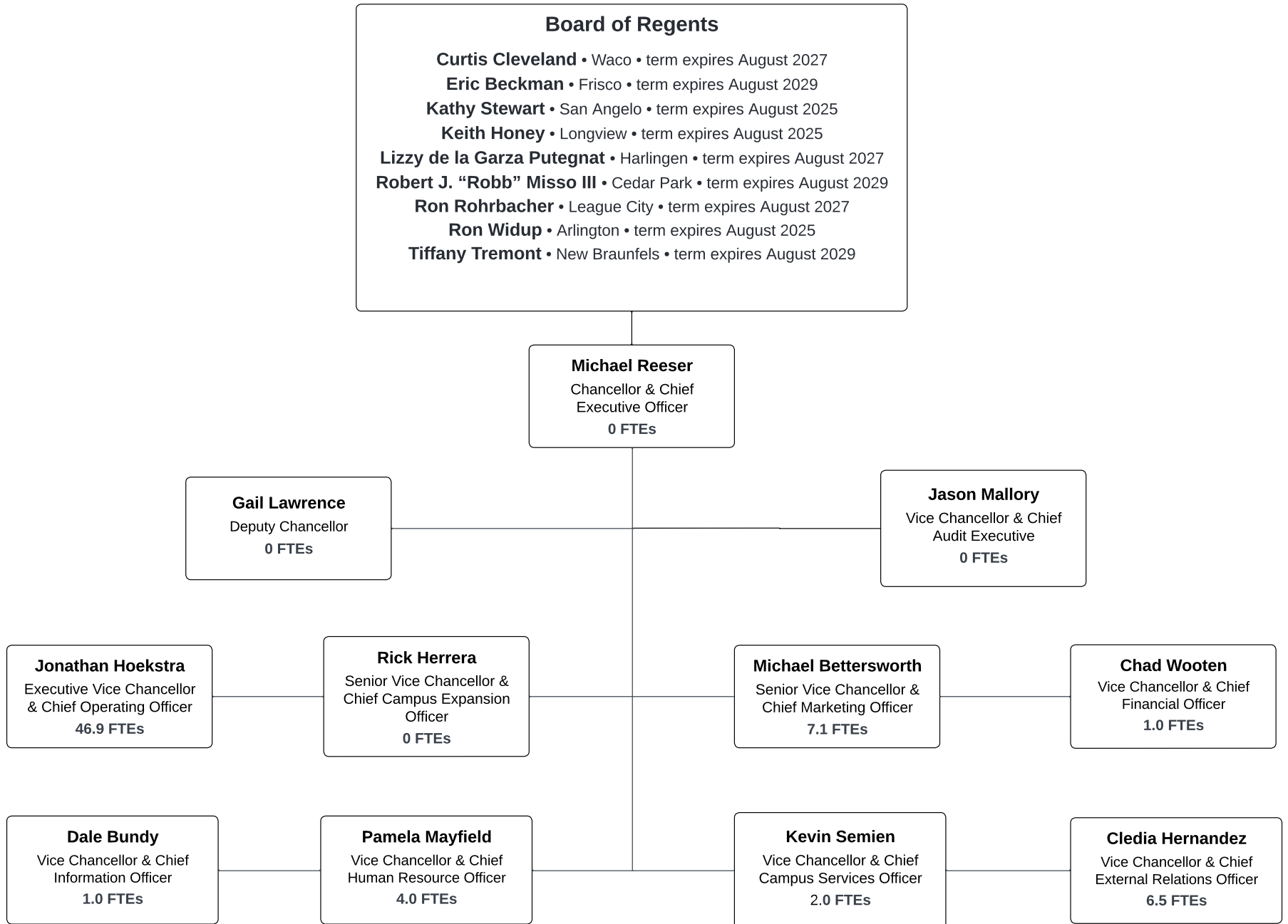
### **EXCEPTIONAL ITEM #2: CCAP**

TSTC is requesting \$450 million in CCAP funds to begin Phase 1 of our 10-year managed growth plan. These funds will build 900,000 sq. ft. of training space and increase our capacity to fill 7,200 additional jobs in Comal/Guadalupe, Denton and Ellis Counties. Phase 2 covers an 8-year period and will depend on additional funding from a proposed permanent endowment and other sources.

### **EXCEPTIONAL ITEM #3: CDL \$66.2 Million**

This one-time investment will have an immediate, significant impact on the Texas economy that will continue well into the future. The American Trucking Association (ATA) reports the current shortage of truck drivers nationwide is around 80,000 and will reach 160,000 by 2030 if current trends continue. This expansion plan will add over 1,100 new drivers to the Texas workforce each year.

LAR - ORGANIZATION CHART - TSTC IN NORTH TEXAS





CERTIFICATE

Agency Name Texas State Technical 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

Board or Commission Chair

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date

Chief Financial Officer

Chad Wooten  
Signature

Chad Wooten

Printed Name

Chief Financial Officer

Title

8-16-2024  
Date

**Budget Overview - Biennial Amounts**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

71G Texas State Technical College - North Texas  
 Appropriation Years: 2026-27

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2024-25	2026-27	2024-25	2026-27	2024-25	2026-27	2024-25	2026-27	2024-25	2026-27	2026-27
<b>Goal: 1. Provide Instructional and Operations Support</b>											
1.1.1. Instruction And Administration	2,937,474								2,937,474		
1.1.3. Staff Group Insurance Premiums			273,878	44,143					273,878	44,143	
1.1.4. Workers' Compensation Insurance	33,926	50,000							33,926	50,000	
1.1.6. Texas Public Education Grants			54,867	66,959					54,867	66,959	
<b>Total, Goal</b>	<b>2,971,400</b>	<b>50,000</b>	<b>328,745</b>	<b>111,102</b>					<b>3,300,145</b>	<b>161,102</b>	
<b>Goal: 2. Provide Infrastructure Support</b>											
2.1.1. E&G Space Support	122,232								122,232		
2.1.2. Ccap Revenue Bonds	2,589,250	3,803,900							2,589,250	3,803,900	26,266,650
2.1.5. Small Institution Supplement	2,260,116								2,260,116		
<b>Total, Goal</b>	<b>4,971,598</b>	<b>3,803,900</b>							<b>4,971,598</b>	<b>3,803,900</b>	<b>26,266,650</b>
<b>Goal: 3. Provide Non-formula Support</b>											
3.1.1. Startup Funding	5,453,820	3,244,858							5,453,820	3,244,858	
3.4.1. Institutional Enhancement	108,570	330,000							108,570	330,000	
3.5.1. Exceptional Item Request											10,131,422
<b>Total, Goal</b>	<b>5,562,390</b>	<b>3,574,858</b>							<b>5,562,390</b>	<b>3,574,858</b>	<b>10,131,422</b>
<b>Total, Agency</b>	<b>13,505,388</b>	<b>7,428,758</b>	<b>328,745</b>	<b>111,102</b>					<b>13,834,133</b>	<b>7,539,860</b>	<b>36,398,072</b>
<b>Total FTEs</b>									<b>79.2</b>	<b>79.2</b>	<b>4.0</b>

**2.A. Summary of Base Request by Strategy**

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

**71G Texas State Technical College - North Texas**

<b>Goal / Objective / STRATEGY</b>	<b>Exp 2023</b>	<b>Est 2024</b>	<b>Bud 2025</b>	<b>Req 2026</b>	<b>Req 2027</b>
<b>1</b> Provide Instructional and Operations Support					
<b>1</b> <i>Provide Instructional and Operations Support</i>					
<b>1 INSTRUCTION AND ADMINISTRATION</b> (1)	0	1,469,718	1,467,756	0	0
<b>3 STAFF GROUP INSURANCE PREMIUMS</b>	188,495	128,894	144,984	21,325	22,818
<b>4 WORKERS' COMPENSATION INSURANCE</b>	24,017	16,963	16,963	25,000	25,000
<b>6 TEXAS PUBLIC EDUCATION GRANTS</b>	26,899	25,880	28,987	31,885	35,074
<b>TOTAL, GOAL</b> <b>1</b>	<b>\$239,411</b>	<b>\$1,641,455</b>	<b>\$1,658,690</b>	<b>\$78,210</b>	<b>\$82,892</b>
<b>2</b> Provide Infrastructure Support					
<b>1</b> <i>Provide Operation and Maintenance of E&amp;G Space</i>					
<b>1 E&amp;G SPACE SUPPORT</b> (1)	37,392	61,116	61,116	0	0
<b>2 CCAP REVENUE BONDS</b>	718,125	717,625	1,871,625	1,902,875	1,901,025
<b>5 SMALL INSTITUTION SUPPLEMENT</b> (1)	934,188	1,130,058	1,130,058	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**

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

**71G Texas State Technical College - North Texas**

<b>Goal / Objective / STRATEGY</b>		<b>Exp 2023</b>	<b>Est 2024</b>	<b>Bud 2025</b>	<b>Req 2026</b>	<b>Req 2027</b>
<b>TOTAL, GOAL</b>	<b>2</b>	<b>\$1,689,705</b>	<b>\$1,908,799</b>	<b>\$3,062,799</b>	<b>\$1,902,875</b>	<b>\$1,901,025</b>
<b>3 Provide Non-formula Support</b>						
<b>1 Instructional</b>						
<b>1 STARTUP FUNDING</b>		3,319,717	2,726,910	2,726,910	1,622,429	1,622,429
<b>4 Institutional</b>						
<b>1 INSTITUTIONAL ENHANCEMENT</b>		145,778	54,285	54,285	165,000	165,000
<b>5 Exceptional Item Request</b>						
<b>1 EXCEPTIONAL ITEM REQUEST</b>		0	0	0	0	0
<b>TOTAL, GOAL</b>	<b>3</b>	<b>\$3,465,495</b>	<b>\$2,781,195</b>	<b>\$2,781,195</b>	<b>\$1,787,429</b>	<b>\$1,787,429</b>
<b>TOTAL, AGENCY STRATEGY REQUEST</b>		<b>\$5,394,611</b>	<b>\$6,331,449</b>	<b>\$7,502,684</b>	<b>\$3,768,514</b>	<b>\$3,771,346</b>
<b>TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*</b>					<b>\$0</b>	<b>\$0</b>
<b>GRAND TOTAL, AGENCY REQUEST</b>		<b>\$5,394,611</b>	<b>\$6,331,449</b>	<b>\$7,502,684</b>	<b>\$3,768,514</b>	<b>\$3,771,346</b>

**2.A. Summary of Base Request by Strategy**

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

**71G Texas State Technical College - North Texas**

<b>Goal / Objective / STRATEGY</b>	<b>Exp 2023</b>	<b>Est 2024</b>	<b>Bud 2025</b>	<b>Req 2026</b>	<b>Req 2027</b>
<b>METHOD OF FINANCING:</b>					
<b>General Revenue Funds:</b>					
1 General Revenue Fund	4,770,473	6,176,675	7,328,713	3,715,304	3,713,454
<b>SUBTOTAL</b>	<b>\$4,770,473</b>	<b>\$6,176,675</b>	<b>\$7,328,713</b>	<b>\$3,715,304</b>	<b>\$3,713,454</b>
<b>General Revenue Dedicated Funds:</b>					
770 Est. Other Educational & General	624,138	154,774	173,971	53,210	57,892
<b>SUBTOTAL</b>	<b>\$624,138</b>	<b>\$154,774</b>	<b>\$173,971</b>	<b>\$53,210</b>	<b>\$57,892</b>
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$5,394,611</b>	<b>\$6,331,449</b>	<b>\$7,502,684</b>	<b>\$3,768,514</b>	<b>\$3,771,346</b>

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



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

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71G**

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

<b>METHOD OF FINANCING</b>	<b>Exp 2023</b>	<b>Est 2024</b>	<b>Bud 2025</b>	<b>Req 2026</b>	<b>Req 2027</b>
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**GENERAL REVENUE**

**1** General Revenue Fund

*REGULAR APPROPRIATIONS*

Regular Appropriations from MOF Table (2022-23 GAA)

\$3,764,020	\$0	\$0	\$0	\$0
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Regular Appropriations from MOF Table (2024-25 GAA)

\$0	\$6,823,423	\$6,821,928	\$0	\$0
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Regular Appropriations from MOF Table (2026-27 GAA)

\$0	\$0	\$0	\$3,715,304	\$3,713,454
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*RIDER APPROPRIATION*

Art IX, Sec 17.47 Additional Funding for Formula Funding (2022-23 GAA)

\$6,453	\$0	\$0	\$0	\$0
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**Comments:** Incorporates Article IX, §17.47, 87th Legislature, Regular Session, relating to additional funding for formula funding for Texas State Technical College – North Texas, resulting in increases of \$6,453 out of General Revenue Funds and 0.1 FTE each fiscal year of the biennium

Article III, Special Provision, Sec. 58, 88th Regular Session

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

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71G**

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

<b>METHOD OF FINANCING</b>	<b>Exp 2023</b>	<b>Est 2024</b>	<b>Bud 2025</b>	<b>Req 2026</b>	<b>Req 2027</b>
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**GENERAL REVENUE**

	\$0	\$6,785	\$6,785	\$0	\$0
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**Comments:** Incorporates Special Provisions Relating Only to State Agencies of Higher Education, Section 58, relating to Higher Education Affordability resulting in increases of \$6,785 out of General Revenue Funds and 0.2 FTEs each fiscal year of the 2024-25 biennium

*TRANSFERS*

Administrative - transfer from Marshall

	\$200,000	\$500,000	\$500,000	\$0	\$0
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Administrative - transfer from Harlingen

	\$800,000	\$0	\$0	\$0	\$0
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CCAP Debt Service - transfer from System Administration

	\$1,311,619	\$0	\$0	\$0	\$0
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CCAP Debt Service unused amount returned to the Texas Higher Education Coordinating Board. The North Texas Project was put on hold.

	\$(1,311,619)	\$0	\$0	\$0	\$0
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**Comments:** CCAP bonds for North Texas expected to be issued in late FY25 or early FY26 and will be requested in the LAR submission. Transfer actually done in FY24 for unused FY23 amount.



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

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71G**

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

METHOD OF FINANCING	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
<b><u>GENERAL REVENUE FUND - DEDICATED</u></b>					
<i>BASE ADJUSTMENT</i>					
Revised Receipts	\$(9,035)	\$(37,522)	\$(39,152)	\$0	\$0
Adjustments to Expended	\$479,710	\$10,466	\$25,838	\$0	\$0
<b>TOTAL, GR Dedicated - Estimated Other Educational and General Income Account No. 770</b>	<b>\$624,138</b>	<b>\$154,774</b>	<b>\$173,971</b>	<b>\$53,210</b>	<b>\$57,892</b>
<b>TOTAL GENERAL REVENUE FUND - DEDICATED - 704, 708 &amp; 770</b>	<b>\$624,138</b>	<b>\$154,774</b>	<b>\$173,971</b>	<b>\$53,210</b>	<b>\$57,892</b>
<b>TOTAL, ALL GENERAL REVENUE FUND - DEDICATED</b>	<b>\$624,138</b>	<b>\$154,774</b>	<b>\$173,971</b>	<b>\$53,210</b>	<b>\$57,892</b>
<b>TOTAL, GR &amp; GR-DEDICATED FUNDS</b>	<b>\$5,394,611</b>	<b>\$6,331,449</b>	<b>\$7,502,684</b>	<b>\$3,768,514</b>	<b>\$3,771,346</b>
<b>GRAND TOTAL</b>	<b>\$5,394,611</b>	<b>\$6,331,449</b>	<b>\$7,502,684</b>	<b>\$3,768,514</b>	<b>\$3,771,346</b>

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

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

METHOD OF FINANCING	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
<p>Agency code: <b>71G</b> Agency name: <b>Texas State Technical College - North Texas</b></p>					
<b>FULL-TIME-EQUIVALENT POSITIONS</b>					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2022-23 GAA)	45.3	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2024-25 GAA)	0.0	95.3	95.3	0.0	0.0
Regular Appropriations from MOF Table (2026-27 GAA)	0.0	0.0	0.0	79.2	79.2
RIDER APPROPRIATION					
Art IX, Sec 17.47 Additional Funding for Formula Funding (2022-23 GAA)	0.1	0.0	0.0	0.0	0.0
<p><b>Comments:</b> Incorporates Article IX, §17.47, 87th Legislature, Regular Session, relating to additional funding for formula funding for Texas State Technical College – North Texas, resulting in increases of \$6,453 out of General Revenue Funds and 0.1 FTE each fiscal year of the biennium</p>					
Article III, Special Provision, Sec. 58, 88th Regular Session	0.0	0.2	0.2	0.0	0.0
<p><b>Comments:</b> Incorporates Special Provisions Relating Only to State Agencies of Higher Education, Section 58, relating to Higher Education Affordability resulting in increases of \$6,785 out of General Revenue Funds and 0.2 FTEs each fiscal year of the 2024-25 biennium.</p>					
Art IX, Sec 6.10(a)(2), Board or Administrator FTE Adjustment (2022-23 GAA)	4.5	0.0	0.0	0.0	0.0

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

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71G**

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

<b>METHOD OF FINANCING</b>	<b>Exp 2023</b>	<b>Est 2024</b>	<b>Bud 2025</b>	<b>Req 2026</b>	<b>Req 2027</b>
Art IX, Sec 6.10(a)(1), Board or Administrator FTE Adjustment (2024-25 GAA)	0.0	9.6	9.6	0.0	0.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Over (Below) Cap	13.3	(33.1)	(25.9)	0.0	0.0
<b>TOTAL, ADJUSTED FTES</b>	<b>63.2</b>	<b>72.0</b>	<b>79.2</b>	<b>79.2</b>	<b>79.2</b>

**NUMBER OF 100% FEDERALLY FUNDED FTES**

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

89th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

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**71G Texas State Technical College - North Texas**

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<b>OBJECT OF EXPENSE</b>	<b>Exp 2023</b>	<b>Est 2024</b>	<b>Bud 2025</b>	<b>BL 2026</b>	<b>BL 2027</b>
1001 SALARIES AND WAGES	\$1,998,486	\$2,292,523	\$2,292,523	\$847,563	\$847,563
1002 OTHER PERSONNEL COSTS	\$397,660	\$354,788	\$370,878	\$85,897	\$87,390
1005 FACULTY SALARIES	\$2,191,210	\$2,621,657	\$2,619,695	\$722,949	\$722,949
2008 DEBT SERVICE	\$718,125	\$717,625	\$1,871,625	\$1,902,875	\$1,901,025
2009 OTHER OPERATING EXPENSE	\$89,130	\$344,856	\$347,963	\$209,230	\$212,419
5000 CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
<b>OOE Total (Excluding Riders)</b>	<b>\$5,394,611</b>	<b>\$6,331,449</b>	<b>\$7,502,684</b>	<b>\$3,768,514</b>	<b>\$3,771,346</b>
<b>OOE Total (Riders)</b>					
<b>Grand Total</b>	<b>\$5,394,611</b>	<b>\$6,331,449</b>	<b>\$7,502,684</b>	<b>\$3,768,514</b>	<b>\$3,771,346</b>

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**2.D. Summary of Base Request Objective Outcomes**  
89th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation system of Texas (ABEST)

**71G Texas State Technical College - North Texas**

Goal/ Objective / Outcome	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
1 Provide Instructional and Operations Support <i>1 Provide Instructional and Operations Support</i>					
<b>KEY 1 % of 1st-time, Full-time, Deg or Cert-seeking Students Graduated 3yrs</b>	53.00%	54.00%	56.00%	57.00%	59.00%
<b>KEY 2 Number of Associate Degrees and Certificates Awarded Annually</b>	85.00	87.00	89.00	92.00	99.00
<b>KEY 3 Number of Minority Students Graduated Annually</b>	69.00	71.00	72.00	74.00	81.00
<b>KEY 4 Number of Former Students Found Working One Year After Departing TSTC</b>	180.00	191.00	210.00	240.00	265.00
<b>KEY 5 Percent of Former Students Found Working One Year After Departing TSTC</b>	74.90%	72.30%	70.80%	71.10%	70.50%
<b>6 Total Ann Salary-Former Stdnts Found Working 1 Yr After Departing TSTC</b>	10,398,122.00	11,246,757.00	12,586,333.00	14,464,924.00	16,105,366.00



**2.E. Summary of Exceptional Items Request**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71G**

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

Priority	Item	2026			2027			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	North Texas Expansion - Buildings	\$13,134,250	\$13,134,250		\$13,132,400	\$13,132,400		\$26,266,650	\$26,266,650
2	CDL Expansion Program	\$9,625,510	\$9,625,510	4.0	\$505,912	\$505,912	4.0	\$10,131,422	\$10,131,422
<b>Total, Exceptional Items Request</b>		<b>\$22,759,760</b>	<b>\$22,759,760</b>	<b>4.0</b>	<b>\$13,638,312</b>	<b>\$13,638,312</b>	<b>4.0</b>	<b>\$36,398,072</b>	<b>\$36,398,072</b>

**Method of Financing**

General Revenue	\$22,759,760	\$22,759,760		\$13,638,312	\$13,638,312		\$36,398,072	\$36,398,072
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	<b>\$22,759,760</b>	<b>\$22,759,760</b>		<b>\$13,638,312</b>	<b>\$13,638,312</b>		<b>\$36,398,072</b>	<b>\$36,398,072</b>

**Full Time Equivalent Positions**

**4.0**

**4.0**

**Number of 100% Federally Funded FTEs**

**2.F. Summary of Total Request by Strategy**  
89th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: <b>71G</b>	Agency name: <b>Texas State Technical College - North Texas</b>					
<b>Goal/Objective/STRATEGY</b>	<b>Base 2026</b>	<b>Base 2027</b>	<b>Exceptional 2026</b>	<b>Exceptional 2027</b>	<b>Total Request 2026</b>	<b>Total Request 2027</b>
<b>1</b> Provide Instructional and Operations Support						
<b>1</b> <i>Provide Instructional and Operations Support</i>						
<b>1</b> INSTRUCTION AND ADMINISTRATION	\$0	\$0	\$0	\$0	\$0	\$0
<b>3</b> STAFF GROUP INSURANCE PREMIUMS	21,325	22,818	0	0	21,325	22,818
<b>4</b> WORKERS' COMPENSATION INSURANCE	25,000	25,000	0	0	25,000	25,000
<b>6</b> TEXAS PUBLIC EDUCATION GRANTS	31,885	35,074	0	0	31,885	35,074
<b>TOTAL, GOAL 1</b>	<b>\$78,210</b>	<b>\$82,892</b>	<b>\$0</b>	<b>\$0</b>	<b>\$78,210</b>	<b>\$82,892</b>
<b>2</b> Provide Infrastructure Support						
<b>1</b> <i>Provide Operation and Maintenance of E&amp;G Space</i>						
<b>1</b> E&G SPACE SUPPORT	0	0	0	0	0	0
<b>2</b> CCAP REVENUE BONDS	1,902,875	1,901,025	13,134,250	13,132,400	15,037,125	15,033,425
<b>5</b> SMALL INSTITUTION SUPPLEMENT	0	0	0	0	0	0
<b>TOTAL, GOAL 2</b>	<b>\$1,902,875</b>	<b>\$1,901,025</b>	<b>\$13,134,250</b>	<b>\$13,132,400</b>	<b>\$15,037,125</b>	<b>\$15,033,425</b>

**2.F. Summary of Total Request by Strategy**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: <b>71G</b>	Agency name: <b>Texas State Technical College - North Texas</b>					
<b>Goal/Objective/STRATEGY</b>	<b>Base 2026</b>	<b>Base 2027</b>	<b>Exceptional 2026</b>	<b>Exceptional 2027</b>	<b>Total Request 2026</b>	<b>Total Request 2027</b>
<b>3</b> Provide Non-formula Support						
<b>1</b> <i>Instructional</i>						
<b>1</b> STARTUP FUNDING	\$1,622,429	\$1,622,429	\$0	\$0	\$1,622,429	\$1,622,429
<b>4</b> <i>Institutional</i>						
<b>1</b> INSTITUTIONAL ENHANCEMENT	165,000	165,000	0	0	165,000	165,000
<b>5</b> <i>Exceptional Item Request</i>						
<b>1</b> EXCEPTIONAL ITEM REQUEST	0	0	9,625,510	505,912	9,625,510	505,912
<b>TOTAL, GOAL 3</b>	<b>\$1,787,429</b>	<b>\$1,787,429</b>	<b>\$9,625,510</b>	<b>\$505,912</b>	<b>\$11,412,939</b>	<b>\$2,293,341</b>
<b>TOTAL, AGENCY STRATEGY REQUEST</b>	<b>\$3,768,514</b>	<b>\$3,771,346</b>	<b>\$22,759,760</b>	<b>\$13,638,312</b>	<b>\$26,528,274</b>	<b>\$17,409,658</b>
<b>TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST</b>						
<b>GRAND TOTAL, AGENCY REQUEST</b>	<b>\$3,768,514</b>	<b>\$3,771,346</b>	<b>\$22,759,760</b>	<b>\$13,638,312</b>	<b>\$26,528,274</b>	<b>\$17,409,658</b>

**2.F. Summary of Total Request by Strategy**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: <b>71G</b>	Agency name: <b>Texas State Technical College - North Texas</b>					
<b>Goal/Objective/STRATEGY</b>	<b>Base 2026</b>	<b>Base 2027</b>	<b>Exceptional 2026</b>	<b>Exceptional 2027</b>	<b>Total Request 2026</b>	<b>Total Request 2027</b>
<b>General Revenue Funds:</b>						
1 General Revenue Fund	\$3,715,304	\$3,713,454	\$22,759,760	\$13,638,312	\$26,475,064	\$17,351,766
	<b>\$3,715,304</b>	<b>\$3,713,454</b>	<b>\$22,759,760</b>	<b>\$13,638,312</b>	<b>\$26,475,064</b>	<b>\$17,351,766</b>
<b>General Revenue Dedicated Funds:</b>						
770 Est. Other Educational & General	53,210	57,892	0	0	53,210	57,892
	<b>\$53,210</b>	<b>\$57,892</b>	<b>\$0</b>	<b>\$0</b>	<b>\$53,210</b>	<b>\$57,892</b>
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$3,768,514</b>	<b>\$3,771,346</b>	<b>\$22,759,760</b>	<b>\$13,638,312</b>	<b>\$26,528,274</b>	<b>\$17,409,658</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>	<b>79.2</b>	<b>79.2</b>	<b>4.0</b>	<b>4.0</b>	<b>83.2</b>	<b>83.2</b>

**2.G. Summary of Total Request Objective Outcomes**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation system of Texas (ABEST)

Agency code: **71G**

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

Goal/ Objective / Outcome

	<b>BL 2026</b>	<b>BL 2027</b>	<b>Excp 2026</b>	<b>Excp 2027</b>	<b>Total Request 2026</b>	<b>Total Request 2027</b>
1	Provide Instructional and Operations Support					
1	<i>Provide Instructional and Operations Support</i>					
<b>KEY</b>	<b>1 % of 1st-time, Full-time, Deg or Cert-seeking Students Graduated 3yrs</b>					
	57.00%	59.00%			57.00%	59.00%
<b>KEY</b>	<b>2 Number of Associate Degrees and Certificates Awarded Annually</b>					
	92.00	99.00			92.00	99.00
<b>KEY</b>	<b>3 Number of Minority Students Graduated Annually</b>					
	74.00	81.00			74.00	81.00
<b>KEY</b>	<b>4 Number of Former Students Found Working One Year After Departing TSTC</b>					
	240.00	265.00			240.00	265.00
<b>KEY</b>	<b>5 Percent of Former Students Found Working One Year After Departing TSTC</b>					
	71.10%	70.50%			71.10%	70.50%
	<b>6 Total Ann Salary-Former Stdnts Found Working 1 Yr After Departing TSTC</b>					
	14,464,924.00	16,105,366.00			14,464,924.00	16,105,366.00

**3.A. Strategy Request**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

**71G Texas State Technical College - North Texas**

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 2023	Est 2024	Bud 2025	BL 2026 <sup>(1)</sup>	BL 2027 <sup>(1)</sup>
<b>Output Measures:</b>						
1	Fall Headcount	384.00	510.00	550.00	556.00	570.00
2	Number of Minority Students Enrolled Annually	279.00	358.00	386.00	390.00	400.00
KEY 3	Annual Headcount Enrollment	492.00	624.00	673.00	680.00	697.00
<b>Efficiency Measures:</b>						
KEY 1	Administrative Cost as a Percent of Operating Budget	9.95 %	13.39 %	13.39 %	13.39 %	13.39 %
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$0	\$251,210	\$251,210	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$0	\$63,039	\$63,039	\$0	\$0
1005	FACULTY SALARIES	\$0	\$1,119,896	\$1,117,934	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$0	\$35,573	\$35,573	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$0</b>	<b>\$1,469,718</b>	<b>\$1,467,756</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$0	\$1,469,718	\$1,467,756	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$0</b>	<b>\$1,469,718</b>	<b>\$1,467,756</b>	<b>\$0</b>	<b>\$0</b>

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

**3.A. Strategy Request**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

**71G Texas State Technical College - North Texas**

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 2023	Est 2024	Bud 2025	BL 2026 <sup>(1)</sup>	BL 2027 <sup>(1)</sup>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$0</b>	<b>\$1,469,718</b>	<b>\$1,467,756</b>	<b>\$0</b>	<b>\$0</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>0.0</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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

**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, Ellis County was ranked 34th across the United States for percentage growth during 2018-2019.

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

**3.A. Strategy Request**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

**71G Texas State Technical College - North Texas**

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 2023	Est 2024	Bud 2025	BL 2026 <sup>(1)</sup>	BL 2027 <sup>(1)</sup>
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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 2024 + Bud 2025)	Baseline Request (BL 2026 + BL 2027)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$2,937,474	\$0	\$(2,937,474)	\$(2,937,474)	Formula funding not included for 2026-27.
			<u>\$(2,937,474)</u>	<b>Total of Explanation of Biennial Change</b>

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



**3.A. Strategy Request**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

**71G Texas State Technical College - North Texas**

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 2023	Est 2024	Bud 2025	BL 2026	BL 2027
<b>Objects of Expense:</b>						
1002	OTHER PERSONNEL COSTS	\$188,495	\$128,894	\$144,984	\$21,325	\$22,818
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$188,495</b>	<b>\$128,894</b>	<b>\$144,984</b>	<b>\$21,325</b>	<b>\$22,818</b>
<b>Method of Financing:</b>						
770	Est. Other Educational & General	\$188,495	\$128,894	\$144,984	\$21,325	\$22,818
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$188,495</b>	<b>\$128,894</b>	<b>\$144,984</b>	<b>\$21,325</b>	<b>\$22,818</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$21,325</b>	<b>\$22,818</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$188,495</b>	<b>\$128,894</b>	<b>\$144,984</b>	<b>\$21,325</b>	<b>\$22,818</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>0.0</b>				

**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:**

**3.A. Strategy Request**  
89th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**71G Texas State Technical College - North Texas**

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 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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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>	
<u>Base Spending (Est 2024 + Bud 2025)</u>	<u>Baseline Request (BL 2026 + BL 2027)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$273,878	\$44,143	\$(229,735)	\$(229,735)	2024-25 amounts include estimated GR shortfall paid from Other E&G funds. GR shortfall unknown for 2026-27 therefore not included in this request. MOF-Other E&G. FTEs-0.
			<b>\$(229,735)</b>	<b>Total of Explanation of Biennial Change</b>

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**71G Texas State Technical College - North Texas**

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
<b>Objects of Expense:</b>						
2009	OTHER OPERATING EXPENSE	\$24,017	\$16,963	\$16,963	\$25,000	\$25,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$24,017</b>	<b>\$16,963</b>	<b>\$16,963</b>	<b>\$25,000</b>	<b>\$25,000</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$24,017	\$16,963	\$16,963	\$25,000	\$25,000
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$24,017</b>	<b>\$16,963</b>	<b>\$16,963</b>	<b>\$25,000</b>	<b>\$25,000</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$25,000</b>	<b>\$25,000</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$24,017</b>	<b>\$16,963</b>	<b>\$16,963</b>	<b>\$25,000</b>	<b>\$25,000</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>0.0</b>				

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

Workers' Compensation strategy represents the expenditures paid to State Office for Risk Management.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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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 2024 + Bud 2025)	Baseline Request (BL 2026 + BL 2027)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$33,926	\$50,000	\$16,074	\$16,074	This strategy is broken out for the first time for TSTC North Texas. In prior bienniums, this was paid from Start up Funding Strategy. Estimating a rounded \$25k for each year 2026-27. MOF-GR. FTEs-0.
			<u>\$16,074</u>	<b>Total of Explanation of Biennial Change</b>

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**71G Texas State Technical College - North Texas**

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 2023	Est 2024	Bud 2025	BL 2026	BL 2027
<b>Objects of Expense:</b>						
2009	OTHER OPERATING EXPENSE	\$26,899	\$25,880	\$28,987	\$31,885	\$35,074
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$26,899</b>	<b>\$25,880</b>	<b>\$28,987</b>	<b>\$31,885</b>	<b>\$35,074</b>
<b>Method of Financing:</b>						
770	Est. Other Educational & General	\$26,899	\$25,880	\$28,987	\$31,885	\$35,074
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$26,899</b>	<b>\$25,880</b>	<b>\$28,987</b>	<b>\$31,885</b>	<b>\$35,074</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$31,885</b>	<b>\$35,074</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$26,899</b>	<b>\$25,880</b>	<b>\$28,987</b>	<b>\$31,885</b>	<b>\$35,074</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>0.0</b>				

**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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**71G Texas State Technical College - North Texas**

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 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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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 2024 + Bud 2025)</u>	<u>Baseline Request (BL 2026 + BL 2027)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$54,867	\$66,959	\$12,092	\$12,092	Increase in TPEG directly correlated to the enrollment increase expected for 2026-27.
			<b>\$12,092</b>	<b>Total of Explanation of Biennial Change</b>

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**71G Texas State Technical College - North Texas**

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 2023	Est 2024	Bud 2025	BL 2026 <sup>(1)</sup>	BL 2027 <sup>(1)</sup>
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$29,220	\$34,188	\$34,188	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$1,128	\$3,093	\$3,093	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$7,044	\$23,835	\$23,835	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$37,392</b>	<b>\$61,116</b>	<b>\$61,116</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$36,233	\$61,116	\$61,116	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$36,233</b>	<b>\$61,116</b>	<b>\$61,116</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
770	Est. Other Educational & General	\$1,159	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$1,159</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$37,392</b>	<b>\$61,116</b>	<b>\$61,116</b>	<b>\$0</b>	<b>\$0</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>1.0</b>	<b>1.1</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>

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

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**71G Texas State Technical College - North Texas**

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 2023	Est 2024	Bud 2025	BL 2026 <sup>(1)</sup>	BL 2027 <sup>(1)</sup>
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**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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

**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>	
<u>Base Spending (Est 2024 + Bud 2025)</u>	<u>Baseline Request (BL 2026 + BL 2027)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$122,232	\$0	\$(122,232)	\$(122,232)	Formula funding not included for 2026-27.
			<b>\$(122,232)</b>	<b>Total of Explanation of Biennial Change</b>

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



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**71G Texas State Technical College - North Texas**

GOAL: 2 Provide Infrastructure Support  
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space Service Categories:  
 STRATEGY: 2 Capital Construction Assistance Projects Revenue Bonds Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
<b>Objects of Expense:</b>						
2008	DEBT SERVICE	\$718,125	\$717,625	\$1,871,625	\$1,902,875	\$1,901,025
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$718,125</b>	<b>\$717,625</b>	<b>\$1,871,625</b>	<b>\$1,902,875</b>	<b>\$1,901,025</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$718,125	\$717,625	\$1,871,625	\$1,902,875	\$1,901,025
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$718,125</b>	<b>\$717,625</b>	<b>\$1,871,625</b>	<b>\$1,902,875</b>	<b>\$1,901,025</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$1,902,875</b>	<b>\$1,901,025</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$718,125</b>	<b>\$717,625</b>	<b>\$1,871,625</b>	<b>\$1,902,875</b>	<b>\$1,901,025</b>

**FULL TIME EQUIVALENT POSITIONS:**

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

Capital Construction Assistance Project funding, formerly known as Tuition Revenue Bonds, provides for bond debt service payments of General Revenue. Bond indebtedness payments of Capital Construction Assistance Projects is authorized under Texas Education Section 55.17.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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GOAL: 2 Provide Infrastructure Support  
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space Service Categories:  
 STRATEGY: 2 Capital Construction Assistance Projects Revenue Bonds Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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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 2024 + Bud 2025)</u>	<u>Baseline Request (BL 2026 + BL 2027)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$2,589,250	\$3,803,900	\$1,214,650	\$1,214,650	TSTC North Texas was authorized to issue CCAP bonds in the 87th session. The \$13.5M authorized will be issued by October 2024, and estimated debt service is included in 2025 and 2026-27 requests.
			<u>\$1,214,650</u>	<b>Total of Explanation of Biennial Change</b>

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**71G Texas State Technical College - North Texas**

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 2023	Est 2024	Bud 2025	BL 2026 <sup>(1)</sup>	BL 2027 <sup>(1)</sup>
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$561,397	\$798,209	\$798,209	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$45,842	\$50,828	\$50,828	\$0	\$0
1005	FACULTY SALARIES	\$325,189	\$279,101	\$279,101	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$1,760	\$1,920	\$1,920	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$934,188</b>	<b>\$1,130,058</b>	<b>\$1,130,058</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$933,438	\$1,130,058	\$1,130,058	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$933,438</b>	<b>\$1,130,058</b>	<b>\$1,130,058</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
770	Est. Other Educational & General	\$750	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$750</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

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**71G Texas State Technical College - North Texas**

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 2023	Est 2024	Bud 2025	BL 2026 <sup>(1)</sup>	BL 2027 <sup>(1)</sup>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$934,188</b>	<b>\$1,130,058</b>	<b>\$1,130,058</b>	<b>\$0</b>	<b>\$0</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>13.3</b>	<b>16.6</b>	<b>18.2</b>	<b>18.2</b>	<b>18.2</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

The Small Institution Supplement strategy provides \$1,316,566 during a biennium for institutions that enroll less than 5,000 students (phased out between 5,000 and 10,000), recognizing that institutions have a minimum cost of operation that may not be covered by funds generated through the formulas.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

**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 2024 + Bud 2025)</u>	<u>Baseline Request (BL 2026 + BL 2027)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$2,260,116	\$0	\$(2,260,116)	\$(2,260,116)	Formula funding not included for 2026-27.
			<u>\$(2,260,116)</u>	<b>Total of Explanation of Biennial Change</b>

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

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**71G Texas State Technical College - North Texas**

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 2023	Est 2024	Bud 2025	BL 2026	BL 2027
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$1,269,194	\$1,154,696	\$1,154,696	\$682,762	\$682,762
1002	OTHER PERSONNEL COSTS	\$155,092	\$108,869	\$108,869	\$64,373	\$64,373
1005	FACULTY SALARIES	\$1,866,021	\$1,222,660	\$1,222,660	\$722,949	\$722,949
2009	OTHER OPERATING EXPENSE	\$29,410	\$240,685	\$240,685	\$152,345	\$152,345
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$3,319,717</b>	<b>\$2,726,910</b>	<b>\$2,726,910</b>	<b>\$1,622,429</b>	<b>\$1,622,429</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$2,915,905	\$2,726,910	\$2,726,910	\$1,622,429	\$1,622,429
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$2,915,905</b>	<b>\$2,726,910</b>	<b>\$2,726,910</b>	<b>\$1,622,429</b>	<b>\$1,622,429</b>
<b>Method of Financing:</b>						
770	Est. Other Educational & General	\$403,812	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$403,812</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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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 2023	Est 2024	Bud 2025	BL 2026	BL 2027
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$1,622,429</b>	<b>\$1,622,429</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$3,319,717</b>	<b>\$2,726,910</b>	<b>\$2,726,910</b>	<b>\$1,622,429</b>	<b>\$1,622,429</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>46.7</b>	<b>52.8</b>	<b>58.1</b>	<b>58.1</b>	<b>58.1</b>

**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:**

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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 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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Enrollment at the start-up location has grown steadily since inception, and is consistent with the rate of growth expected for the start-up.

Creation of night and weekend cohorts has placed an opportunity for non-traditional students to obtain an in demand technical education.

TSTC continues to be an institution of choice for Texas Workforce Commission Skills Development Funding grants , and several awards were made at TSTC in North Texas.

Continued model of reduced administration to efficiently deploy all funding resources to core, educational services.

Actively participating as a member of the community through the Red Oak Chamber of Commerce, Waxahachie Chamber of Commerce, Best Southwest Partnership, and engagement with Red Oak and the surrounding cities.

Forged relationships with surrounding ISDs.

**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 2024 + Bud 2025)</u>	<u>Baseline Request (BL 2026 + BL 2027)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$5,453,820	\$3,244,858	\$(2,208,962)	\$(2,208,962)	TSTC North Texas began receiving I&A formula funding in the 88th session. Formula funding strategy is expected to slowly phase out as I&A increases. MOF-GR. FTEs-0.
			<u>\$(2,208,962)</u>	<b>Total of Explanation of Biennial Change</b>

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**71G Texas State Technical College - North Texas**

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$138,675	\$54,220	\$54,220	\$164,801	\$164,801
1002	OTHER PERSONNEL COSTS	\$7,103	\$65	\$65	\$199	\$199
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$145,778</b>	<b>\$54,285</b>	<b>\$54,285</b>	<b>\$165,000</b>	<b>\$165,000</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$142,755	\$54,285	\$54,285	\$165,000	\$165,000
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$142,755</b>	<b>\$54,285</b>	<b>\$54,285</b>	<b>\$165,000</b>	<b>\$165,000</b>
<b>Method of Financing:</b>						
770	Est. Other Educational & General	\$3,023	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$3,023</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$165,000</b>	<b>\$165,000</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$145,778</b>	<b>\$54,285</b>	<b>\$54,285</b>	<b>\$165,000</b>	<b>\$165,000</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>2.2</b>	<b>1.1</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>



**3.A. Strategy Request**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

**71G Texas State Technical College - North Texas**

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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**STRATEGY DESCRIPTION AND JUSTIFICATION:**

Provides funding necessary for proper functioning of the College operations. Funds are used to support E&G components including career services, institutional planning, assessment, instructional support, and new program development.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

Influencing factors include the demand for new programs and student services.

**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 2024 + Bud 2025)</u>	<u>Baseline Request (BL 2026 + BL 2027)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$108,570	\$330,000	\$221,430	\$221,430	Requesting similar baseline as 2024-25 for this strategy. MOF-GR. FTEs-0.
			<b>\$221,430</b>	<b>Total of Explanation of Biennial Change</b>

**3.A. Strategy Request**  
89th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**71G Texas State Technical College - North Texas**

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$0	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$0	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$0	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>STRATEGY DESCRIPTION AND JUSTIFICATION:</b>						

**3.A. Strategy Request**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

**71G Texas State Technical College - North Texas**

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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Texas industry and supply chain are constrained by the shortage in commercial driver’s license (CDL) holders. This shortage spans across a broad range of industries in Texas. The American Trucking Association (ATA) reports that nearly 72% of all freight tonnage moved in the U.S. travels by commercial truck. In order to meet America’s freight needs, the industry requires nearly three million heavy-duty Class 8 trucks and over three million truck drivers. ATA reports the current shortage of truck drivers nationwide is around 80,000 and will reach 160,000 by 2030 if current trends continue. According to the Texas Trucking Association (TXTA), the shortage of CDL drivers continues to negatively impact the supply chain, as 82 percent of Texas communities depend exclusively on trucks for needed products. TXTA also advises that 15 of every 1,000 jobs in Texas belong to truckers, and projects approximately 62,000 new job openings due to growth over the next 10 years. With its statewide scope and strategic placement across the Texas landscape, TSTC is positioned to address the CDL shortage in a meaningful way. To execute rapidly, TSTC requests an Exceptional Item of \$103 million to (1) establish or expand six CDL training and testing sites, (2) create licensing capacity to license approximately 2,400 drivers per year, and (3) establish a platform for an advanced transportation ecosystem around the state meeting both the immediate and future training needs of Texas.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

Consequences of not funding: Continued Driver shortage, prolonged supply chain disruption and negative impact to the Texas Economy.

**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 2024 + Bud 2025)	Baseline Request (BL 2026 + BL 2027)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$0	\$0	\$0	<u>\$0</u>	<b>Total of Explanation of Biennial Change</b>

**3.A. Strategy Request**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

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**SUMMARY TOTALS:**

<b>OBJECTS OF EXPENSE:</b>	<b>\$5,394,611</b>	<b>\$6,331,449</b>	<b>\$7,502,684</b>	<b>\$3,768,514</b>	<b>\$3,771,346</b>
<b>METHODS OF FINANCE (INCLUDING RIDERS):</b>				<b>\$3,768,514</b>	<b>\$3,771,346</b>
<b>METHODS OF FINANCE (EXCLUDING RIDERS):</b>	<b>\$5,394,611</b>	<b>\$6,331,449</b>	<b>\$7,502,684</b>	<b>\$3,768,514</b>	<b>\$3,771,346</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>	<b>63.2</b>	<b>72.0</b>	<b>79.2</b>	<b>79.2</b>	<b>79.2</b>

**4.A. Exceptional Item Request Schedule**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 71G

Agency name: Texas State Technical College - North Texas

CODE	DESCRIPTION	Excp 2026	Excp 2027
	<b>Item Name:</b> North Texas Expansion - Buildings <b>Item Priority:</b> 1 <b>IT Component:</b> No <b>Anticipated Out-year Costs:</b> Yes <b>Involve Contracts &gt; \$50,000:</b> No		
	<b>Includes Funding for the Following Strategy or Strategies:</b> 02-01-02 Capital Construction Assistance Projects Revenue Bonds		
<b>OBJECTS OF EXPENSE:</b>			
2008	DEBT SERVICE	13,134,250	13,132,400
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$13,134,250</b>	<b>\$13,132,400</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	13,134,250	13,132,400
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$13,134,250</b>	<b>\$13,132,400</b>

**DESCRIPTION / JUSTIFICATION:**

The 88th legislature authorized TSTC to operate an expanded campus in Ellis County. However, funding for campus buildings and equipment is still needed. TSTC requests the funding for two additional buildings (estimated 300,000 square feet) and equipment. Located in a fast-growing area of Texas, this expansion will place more skilled graduates in open positions employers are desperately trying to fill. Unlike other two-year institutions in Texas, TSTC has constrained access to capital funds for new construction and infrastructure improvements. TSTC does not receive property tax support and relies heavily on public and private funds along with state Capital Construction Assistance Projects (CCAP) and limited HEF funding. This limits TSTC's ability to expand instructional space. Currently, there is a misalignment between current campus capacities and the increasing industry workforce needs. Without the necessary funds to build new instructional spaces, TSTC cannot fully meet the demand for skilled workers.

**EXTERNAL/INTERNAL FACTORS:**

Consequences of not funding: TSTC cannot fully meet the demand for skilled workers.

**PCLS TRACKING KEY:**

**4.A. Exceptional Item Request Schedule**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71G**

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

<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2026</u>	<u>Excp 2027</u>
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**DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :**

Debt service based on 6% for 20 years

**ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:**

<u>2028</u>	<u>2029</u>	<u>2030</u>
\$13,132,000	\$13,131,000	\$13,133,500

**4.A. Exceptional Item Request Schedule**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71G** Agency name: **Texas State Technical College - North Texas**

CODE	DESCRIPTION	Excp 2026	Excp 2027
	<b>Item Name:</b> CDL Expansion Program <b>Item Priority:</b> 2 <b>IT Component:</b> No <b>Anticipated Out-year Costs:</b> Yes <b>Involve Contracts &gt; \$50,000:</b> Yes <b>Includes Funding for the Following Strategy or Strategies:</b> 03-05-01 Exceptional Item Request		
<b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	351,400	351,400
2009	OTHER OPERATING EXPENSE	154,512	154,512
5000	CAPITAL EXPENDITURES	9,119,598	0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$9,625,510</b>	<b>\$505,912</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	9,625,510	505,912
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$9,625,510</b>	<b>\$505,912</b>
<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>		4.00	4.00

**DESCRIPTION / JUSTIFICATION:**

The American Trucking Association (ATA) reports that nearly 72% of all freight tonnage moved in the U.S. travels by commercial truck. In order to meet America’s freight needs, the industry requires nearly three million heavy-duty Class 8 trucks and over three million truck drivers. ATA reports the current shortage of truck drivers nationwide is around 80,000 and will reach 160,000 by 2030 if current trends continue. Data indicate that the median pay for a standard Class A commercial driver's license (CDL) is \$60,158, and Class A CDL truck driving jobs that require endorsements (Tanker, HAZMAT, or both) have higher pay. According to the Texas Trucking Association (TXTA), the shortage of CDL drivers continues to negatively impact the supply chain, as 82 percent of Texas communities depend exclusively on trucks for needed products. TXTA also advises that 15 of every 1,000 jobs in Texas belong to truckers and projects approximately 62,000 new job openings due to growth over the next 10 years. In response to the ever-growing supply chain issues in Texas, we request that the Legislature invest in the expansion of TSTC’s Statewide Commercial Driver License training program. As the only statewide workforce training college in Texas, TSTC streamlines training programs to ensure consistency, quality, and agility, in order to rapidly respond to industry and state needs. We have partnered with external parties to ensure more Texans will be placed in the workforce in a timely manner.

**EXTERNAL/INTERNAL FACTORS:**

Our execution strategy incorporates proven methodologies, highly qualified personnel, and an exceptionally responsive approach to managing deliverables. The following is a description of our project methods, including how the project will be developed, a proposed timeline of events, and our rationale for developing the project as described. Each site will be a regional transportation ecosystem that will provide individuals with a one-stop shop for training and licensing, as well as opportunities for career progression. TSTC’s primary focus will be on technical training activities while collaborating with local partners, such as chambers of commerce and economic development corporations, to give trainees access to valuable resources that will aid in their careers.

**4.A. Exceptional Item Request Schedule**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71G**

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

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Excp 2026</b>	<b>Excp 2027</b>
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In an effort to help drivers see the opportunities for career development, partners will be able to provide workshops on business plan development, financial planning, funding opportunities, and bidding on government contracts, among other subjects. These workshops will help drivers grow and advance within the industry, building a more sustainable skilled labor pool.

**PCLS TRACKING KEY:**

**DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :**

Continuing Operating Costs

**ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:**

<b>2028</b>	<b>2029</b>	<b>2030</b>
<hr/>	<hr/>	<hr/>
\$553,912	\$581,607	\$610,687

**APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM :** 0.00%

**CONTRACT DESCRIPTION :**

N/A



**4.B. Exceptional Items Strategy Allocation Schedule**

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71G**

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

Code	Description	Excp 2026	Excp 2027
<b>Item Name:</b> North Texas Expansion - Buildings			
<b>Allocation to Strategy:</b> 2-1-2 Capital Construction Assistance Projects Revenue Bonds			
<b>OBJECTS OF EXPENSE:</b>			
2008	DEBT SERVICE	13,134,250	13,132,400
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$13,134,250</b>	<b>\$13,132,400</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	13,134,250	13,132,400
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$13,134,250</b>	<b>\$13,132,400</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **71G**                      Agency name: **Texas State Technical College - North Texas**

Code	Description	Excp 2026	Excp 2027
<b>Item Name:</b> CDL Expansion Program			
<b>Allocation to Strategy:</b> 3-5-1                      Exceptional Item Request			
<b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	351,400	351,400
2009	OTHER OPERATING EXPENSE	154,512	154,512
5000	CAPITAL EXPENDITURES	9,119,598	0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$9,625,510</b>	<b>\$505,912</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	9,625,510	505,912
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$9,625,510</b>	<b>\$505,912</b>
<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>		4.0	4.0

**4.C. Exceptional Items Strategy Request**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **71G** Agency name: **Texas State Technical College - North Texas**

GOAL: 2 Provide Infrastructure Support

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

STRATEGY: 2 Capital Construction Assistance Projects Revenue Bonds

Service Categories:

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

<b>CODE DESCRIPTION</b>	<b>Excp 2026</b>	<b>Excp 2027</b>
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**OBJECTS OF EXPENSE:**

2008 DEBT SERVICE	13,134,250	13,132,400
<b>Total, Objects of Expense</b>	<b>\$13,134,250</b>	<b>\$13,132,400</b>

**METHOD OF FINANCING:**

1 General Revenue Fund	13,134,250	13,132,400
<b>Total, Method of Finance</b>	<b>\$13,134,250</b>	<b>\$13,132,400</b>

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

North Texas Expansion - Buildings

**4.C. Exceptional Items Strategy Request**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **71G** Agency name: **Texas State Technical College - North Texas**

GOAL: 3 Provide Non-formula Support

OBJECTIVE: 5 Exceptional Item Request

STRATEGY: 1 Exceptional Item Request

Service Categories:

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

<b>CODE DESCRIPTION</b>	<b>Excp 2026</b>	<b>Excp 2027</b>
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**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES	351,400	351,400
2009 OTHER OPERATING EXPENSE	154,512	154,512
5000 CAPITAL EXPENDITURES	9,119,598	0
<b>Total, Objects of Expense</b>	<b>\$9,625,510</b>	<b>\$505,912</b>

**METHOD OF FINANCING:**

1 General Revenue Fund	9,625,510	505,912
<b>Total, Method of Finance</b>	<b>\$9,625,510</b>	<b>\$505,912</b>

<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>	4.0	4.0
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**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

CDL Expansion Program

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

89th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 71G

Agency name: Texas State Technical College - North Texas

GR Baseline Request Limit = \$4,510,068

GR-D Baseline Request Limit = \$0

Strategy/Strategy Option/Rider				2026 Funds				2027 Funds				Biennial	Biennial	Page #
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded	Cumulative GR	Cumulative Ded					
Strategy: 1 - 1 - 1	<b>Instruction and Administration</b>													
0.5	0	0	0	0.5	0	0	0	0	0					
<b>0.5</b>				<b>0.5</b>				<b>*****GR-D Baseline Request Limit=\$0*****</b>						
Strategy: 1 - 1 - 3	<b>Staff Group Insurance Premiums</b>													
0.0	21,325	0	21,325	0.0	22,818	0	22,818	0	44,143					
Strategy: 1 - 1 - 4	<b>Workers' Compensation Insurance</b>													
0.0	25,000	25,000	0	0.0	25,000	25,000	0	50,000	44,143					
Strategy: 1 - 1 - 6	<b>Texas Public Education Grants</b>													
0.0	31,885	0	31,885	0.0	35,074	0	35,074	50,000	111,102					
Strategy: 2 - 1 - 1	<b>Educational and General Space Support</b>													
1.2	0	0	0	1.2	0	0	0	50,000	111,102					
Strategy: 2 - 1 - 2	<b>Capital Construction Assistance Projects Revenue Bonds</b>													
0.0	1,902,875	1,902,875	0	0.0	1,901,025	1,901,025	0	3,853,900	111,102					
Strategy: 2 - 1 - 5	<b>Small Institution Supplement</b>													
18.2	0	0	0	18.2	0	0	0	3,853,900	111,102					
<b>19.9</b>				<b>19.9</b>				<b>*****GR Baseline Request Limit=\$4,510,068*****</b>						
Strategy: 3 - 1 - 1	<b>Startup Funding</b>													
58.1	1,622,429	1,622,429	0	58.1	1,622,429	1,622,429	0	7,098,758	111,102					
Strategy: 3 - 4 - 1	<b>Institutional Enhancement</b>													
1.2	165,000	165,000	0	1.2	165,000	165,000	0	7,428,758	111,102					
Excp Item: 1	<b>North Texas Expansion - Buildings</b>													
0.0	13,134,250	13,134,250	0	0.0	13,132,400	13,132,400	0	33,695,408	111,102					

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

89th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 71G

Agency name: Texas State Technical College - North Texas

GR Baseline Request Limit = \$4,510,068

GR-D Baseline Request Limit = \$0

Strategy/Strategy Option/Rider								Biennial	Biennial	
2026 Funds				2027 Funds				Cumulative GR	Cumulative Ded	Page #
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded			
<b>Strategy Detail for Excp Item: 1</b>										
Strategy: 2 - 1 - 2 <b>Capital Construction Assistance Projects Revenue Bonds</b>										
0.0	13,134,250	13,134,250	0	0.0	13,132,400	13,132,400	0			
Excp Item: 2 <b>CDL Expansion Program</b>										
4.0	9,625,510	9,625,510	0	4.0	505,912	505,912	0	43,826,830	111,102	
<b>Strategy Detail for Excp Item: 2</b>										
Strategy: 3 - 5 - 1 <b>Exceptional Item Request</b>										
4.0	9,625,510	9,625,510	0	4.0	505,912	505,912	0			
<b>83.2</b>	<b>\$26,528,274</b>	<b>\$26,475,064</b>	<b>\$53,210</b>	<b>83.2</b>	<b>\$17,409,658</b>	<b>\$17,351,766</b>	<b>57,892</b>			

**6.A. Historically Underutilized Business Supporting Schedule**  
 89th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **71G** Agency: **Texas State Technical College - North Texas**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

**A. Fiscal Year - HUB Expenditure Information**

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2022			Total Expenditures FY 2022		HUB Expenditures FY 2023			Total Expenditures FY 2023	
			% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$	FY 2023		
11.2%	Heavy Construction	11.2 %	22.4%	11.2%	\$22,944	\$102,204	11.2 %	4.1%	-7.1%	\$1,750	\$42,892	
21.1%	Building Construction	21.1 %	6.8%	-14.3%	\$705,562	\$10,307,595	21.1 %	2.9%	-18.2%	\$639,205	\$21,951,892	
32.9%	Special Trade	32.9 %	17.3%	-15.6%	\$595,184	\$3,433,582	32.9 %	15.1%	-17.8%	\$1,361,870	\$9,014,848	
23.7%	Professional Services	23.7 %	0.0%	-23.7%	\$0	\$71,771	23.7 %	0.0%	-23.7%	\$0	\$2,091,457	
26.0%	Other Services	26.0 %	24.9%	-1.1%	\$3,566,345	\$14,347,612	26.0 %	17.9%	-8.1%	\$3,412,081	\$19,017,846	
21.1%	Commodities	21.1 %	11.6%	-9.5%	\$2,540,507	\$21,901,442	21.1 %	8.3%	-12.8%	\$1,898,066	\$22,736,594	
	<b>Total Expenditures</b>		<b>14.8%</b>		<b>\$7,430,542</b>	<b>\$50,164,206</b>		<b>9.8%</b>		<b>\$7,312,972</b>	<b>\$74,855,529</b>	

**B. Assessment of Attainment of HUB Procurement Goals**

**Attainment:**

In FY 23, Texas State Technical College (TSTC) significantly increased its total spend from \$50,164,207 in FY 22 to \$74,855,528. Despite this growth, HUB spend slightly decreased from \$7,430,542 to \$7,312,972, reducing the HUB spend percentage from 14.81% to 9.77%. While the HUB spend percentage dropped, TSTC remains committed to supporting HUB suppliers and will continue to enhance engagement and utilization in future fiscal years.

**Applicability:**

All procurement categories apply to TSTC's operations.

**Factors Affecting Attainment:**

TSTC purchases technical equipment, supplies, and services throughout the fiscal year. However, HUB vendors often do not respond to solicitations such as RFPs, ITBs, and RFQs. Additionally, many professional services require unique expertise, resulting in a limited number of qualified HUB vendors. This scarcity makes it challenging to find HUB vendors capable of completing such projects. Furthermore, the limited availability of HUB vendors in specific geographic regions or industry sectors can also impact procurement goals. These factors collectively influence the ability to meet HUB procurement targets.

**C. Good-Faith Efforts to Increase HUB Participation**

**Outreach Efforts and Mentor-Protégé Programs:**

FY22 Events:

- o 3/4/22: Houston Business Matchmaker (Virtual)
- o 3/11/22: TSTC Procurement Round Table (Virtual)

**6.A. Historically Underutilized Business Supporting Schedule**  
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Agency Code: **71G** Agency: **Texas State Technical College - North Texas**

- o 5/2-5/3/22: 15th Annual Spot Bid Fair (Irving, TX)
- o 6/7/22: TRS HUB Event (Austin, TX)
- o 6/8/22: University of Houston HUB Event (Virtual)
- o 6/16/22: SMSDC “New Chapters in Supplier Diversity” (Virtual)

FY23 Events:

- o 9/14/22: UTSSCA 1st Annual Affiliate Conference (Virtual)
- o 9/28/22: USTA Matchmaker Event (Virtual)
- o 11/3/22: 7th Annual Tarrant County (Fort Worth)
- o 12/7/22: 22nd Annual SMWVBO Conference (San Antonio, TX)
- o 3/3/23: Houston Business Matchmaker (Virtual)
- o 5/23-5/24/23: Annual Spot Bid Fair (Irving, TX)
- o 6/6/23: University of Houston HUB Expo (Virtual)
- o 6/15/23: Build Your Dream HUB Expo (Beaumont, TX)
- o 7/12/23: State of Texas HUB + DBE Expo (Austin, TX)

TSTC did not have an active mentor-protégé partnership in the 2022-23 biennium.

**HUB Program Staffing:**

TSTC has maintained the same staffing levels for the HUB Program as in FY2023. The Supplier Diversity Specialist continues to lead outreach initiatives aimed at increasing HUB supplier utilization.

**Current and Future Good-Faith Efforts:**

TSTC has implemented several initiatives to comply with statewide HUB goals.

1. HUB Events Participation: Attend vendor fairs, demonstrations, and other events to learn more about HUB vendors.
2. Supplier Education: Educate and encourage potential HUB suppliers to obtain HUB certification and participate actively.
3. Internal Training: Develop and deliver training for internal departments on HUB program policies and procedures.
4. Promotion: Advocate for the use of HUBs within internal departments by utilizing strategic marketing.
5. Subcontracting Plans: Mandate HUB subcontracting plans for contracts exceeding \$100,000 when subcontracting opportunities are likely.
6. Utilize Directories: Use CMBL/HUB directories for bid solicitations.
7. Active Seeking: Proactively seek certified HUB suppliers through events and outreach initiatives.
8. Strategic Inclusion: Integrate HUB suppliers into strategic sourcing and procurement processes.
9. Communication: Communicate the importance of supplier diversity to all stakeholders, both internally and externally.
10. Supplier Diversity Committee: Establish and operate an official Supplier Diversity Committee within TS to oversee these efforts .



**6.H Estimated Funds Outside the Institution's Bill Pattern**  
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**TSTC North Texas (71G)**  
**Estimated Funds Outside the Institution's Bill Pattern**  
**2024-25 and 2026-27 Biennia**

	2024-25 Biennium				2026-27 Biennium			
	FY 2024 Revenue	FY 2025 Revenue	Biennium Total	Percent of Total	FY 2026 Revenue	FY 2027 Revenue	Biennium Total	Percent of Total
<b>APPROPRIATED SOURCES INSIDE THE BILL PATTERN</b>								
State Appropriations (excluding HEGI & State Paid Fringes)	\$ 6,830,208	\$ 6,828,713	\$ 13,658,921		\$ 6,828,713	\$ 6,828,713	\$ 13,657,426	
Tuition and Fees (net of Discounts and Allowances)	110,734	121,807	232,541		133,988	147,386	281,374	
Endowment and Interest Income	-	-	-		-	-	-	
Sales and Services of Educational Activities (net)	-	-	-		-	-	-	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Other Income	-	-	-		-	-	-	
<b>Total</b>	<b>6,940,942</b>	<b>6,950,520</b>	<b>13,891,462</b>	<b>66.3%</b>	<b>6,962,701</b>	<b>6,976,099</b>	<b>13,938,800</b>	<b>64.4%</b>
<b>APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN</b>								
State Appropriations (HEGI & State Paid Fringes)	\$ 1,182,217	\$ 1,276,795	\$ 2,459,012		\$ 1,378,938	\$ 1,489,253	\$ 2,868,191	
Higher Education Assistance Funds	-	-	-		-	-	-	
Available University Fund	-	-	-		-	-	-	
State Grants and Contracts	-	-	-		-	-	-	
<b>Total</b>	<b>1,182,217</b>	<b>1,276,795</b>	<b>2,459,012</b>	<b>11.7%</b>	<b>1,378,938</b>	<b>1,489,253</b>	<b>2,868,191</b>	<b>13.2%</b>
<b>NON-APPROPRIATED SOURCES</b>								
Tuition and Fees (net of Discounts and Allowances)	853,658	939,023	1,792,681		1,032,926	1,136,218	2,169,144	
Federal Grants and Contracts	872,463	872,463	1,744,926		872,463	872,463	1,744,926	
State Grants and Contracts	349,760	208,702	558,462		208,702	208,702	417,404	
Local Government Grants and Contracts	-	-	-		-	-	-	
Private Gifts and Grants	-	-	-		-	-	-	
Endowment and Interest Income	65,164	52,125	117,289		52,125	52,125	104,250	
Sales and Services of Educational Activities (net)	184,336	193,552	377,888		203,230	213,391	416,621	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Professional Fees (net)	-	-	-		-	-	-	
Auxiliary Enterprises (net)	-	-	-		-	-	-	
Other Income	-	-	-		-	-	-	
<b>Total</b>	<b>2,325,381</b>	<b>2,265,865</b>	<b>4,591,246</b>	<b>21.9%</b>	<b>2,369,446</b>	<b>2,482,899</b>	<b>4,852,345</b>	<b>22.4%</b>
<b>TOTAL SOURCES</b>	<b>\$ 10,448,540</b>	<b>\$ 10,493,180</b>	<b>\$ 20,941,720</b>	<b>100.0%</b>	<b>\$ 10,711,085</b>	<b>\$ 10,948,251</b>	<b>\$ 21,659,336</b>	<b>100.0%</b>

**Higher Education Schedule 1A: Other Educational and General Income**

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<b>71G Texas State Technical College - North Texas</b>					
	<b>Act 2023</b>	<b>Act 2024</b>	<b>Bud 2025</b>	<b>Est 2026</b>	<b>Est 2027</b>
<b>Gross Tuition</b>					
Gross Resident Tuition	158,306	182,941	207,365	228,102	250,912
Gross Non-Resident Tuition	19,069	46,182	32,030	35,233	38,756
<b>Gross Tuition</b>	<b>177,375</b>	<b>229,123</b>	<b>239,395</b>	<b>263,335</b>	<b>289,668</b>
Less: Resident Waivers and Exemptions (excludes Hazlewood)	(1,125)	(1,713)	(1,790)	(1,969)	(2,166)
Less: Non-Resident Waivers and Exemptions	(2,470)	(9,527)	(9,954)	(10,949)	(12,044)
Less: Hazlewood Exemptions	(10,562)	(8,406)	(8,783)	(9,661)	(10,628)
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. 54.263)	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
<b>Subtotal</b>	<b>163,218</b>	<b>209,477</b>	<b>218,868</b>	<b>240,756</b>	<b>264,830</b>
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)	(26,899)	(25,880)	(28,987)	(31,885)	(35,074)
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)	0	0	0	0	0
Set Aside for Doctoral Incentive Loan Repayment Program (Tx. Educ. Code Ann. Sec. 56.095)	0	0	0	0	0
Less: Other Authorized Deduction	0	0	0	0	0
<b>Net Tuition</b>	<b>136,319</b>	<b>183,597</b>	<b>189,881</b>	<b>208,871</b>	<b>229,756</b>
Student Teaching Fees	0	0	0	0	0

**Higher Education Schedule 1A: Other Educational and General Income**

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	<b>Act 2023</b>	<b>Act 2024</b>	<b>Bud 2025</b>	<b>Est 2026</b>	<b>Est 2027</b>
Special Course Fees	0	0	0	0	0
Laboratory Fees	0	0	0	0	0
<b>Subtotal, Tuition and Fees (Formula Amounts for Health-Related Institutions)</b>	<b>136,319</b>	<b>183,597</b>	<b>189,881</b>	<b>208,871</b>	<b>229,756</b>
<b>OTHER INCOME</b>					
<b>Interest on General Funds:</b>					
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)					
<b>Subtotal, Other Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Subtotal, Other Educational and General Income</b>	<b>136,319</b>	<b>183,597</b>	<b>189,881</b>	<b>208,871</b>	<b>229,756</b>
Less: O.A.S.I. Applicable to Educational and General Local Funds Payrolls	(9,589)	(8,289)	(9,228)	(9,690)	(10,174)
Less: Teachers Retirement System and ORP Proportionality for Educational and General Funds	(9,199)	(8,478)	(9,099)	(9,545)	(10,014)
Less: Staff Group Insurance Premiums	(188,495)	(128,894)	(144,984)	(21,325)	(22,818)
<b>Total, Other Educational and General Income (Formula Amounts for General Academic Institutions)</b>	<b>(70,964)</b>	<b>37,936</b>	<b>26,570</b>	<b>168,311</b>	<b>186,750</b>
<b>Reconciliation to Summary of Request for FY 2019-2021:</b>					
Plus: Transfer of Funds for Texas Public Education Grants Program and Physician Loans	26,899	25,880	28,987	31,885	35,074
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	188,495	128,894	144,984	21,325	22,818
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
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

**Higher Education Schedule 1A: Other Educational and General Income**

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	<b>Act 2023</b>	<b>Act 2024</b>	<b>Bud 2025</b>	<b>Est 2026</b>	<b>Est 2027</b>
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
<b>Total, Other Educational and General Income Reported on Summary of Request</b>	<b>144,430</b>	<b>192,710</b>	<b>200,541</b>	<b>221,521</b>	<b>244,642</b>

**Higher Education Schedule 2: Selected Educational, General and Other Funds**

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	<b>Act 2023</b>	<b>Act 2024</b>	<b>Bud 2025</b>	<b>Est 2026</b>	<b>Est 2027</b>
<b>General Revenue Transfers</b>					
Transfer from Coordinating Board for Texas College Work Study Program (2021, 2022, 2023)	0	0	0	0	0
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	0	0	0	0
Less: Transfer to Department of Health, Disproportionate Share - State-Owned Hospitals (2021, 2022, 2023)	0	0	0	0	0
<b>Other (Itemize)</b>					
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	0	0	0
GME Expansion	0	0	0	0	0
<b>Subtotal, General Revenue Transfers</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
General Revenue HEF	0	0	0	0	0
Transfer from Available University Funds (UT, A&M and Prairie View A&M Only)	0	0	0	0	0
<b>Other Additions (Itemize)</b>					
Increase Capital Projects - Educational and General Funds	0	0	0	0	0
Transfer from Department of Health, Disproportionate Share - State-owned Hospitals (2021, 2022, 2023)	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)					
<b>Gross Designated Tuition (Sec. 54.0513)</b>	<b>1,312,759</b>	<b>1,615,864</b>	<b>1,777,450</b>	<b>1,955,195</b>	<b>2,150,715</b>
<b>Indirect Cost Recovery (Sec. 145.001(d))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Correctional Managed Care Contracts</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Higher Education Schedule 3A: Staff Group Insurance Data Elements (ERS)**

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	<b>E&amp;G Enrollment</b>	<b>GR Enrollment</b>	<b>GR-D/OEGI Enrollment</b>	<b>Total E&amp;G (Check)</b>	<b>Local Non-E&amp;G</b>
<b>GR &amp; GR-D Percentages</b>					
GR %	96.58%				
GR-D/Other %	3.42%				
<b>Total Percentage</b>	<b>100.00%</b>				
<b>FULL TIME ACTIVES</b>					
1a Employee Only	27	26	1	27	5
2a Employee and Children	14	14	0	14	0
3a Employee and Spouse	4	4	0	4	2
4a Employee and Family	7	7	0	7	1
5a Eligible, Opt Out	1	1	0	1	1
6a Eligible, Not Enrolled	0	0	0	0	0
<b>Total for This Section</b>	<b>53</b>	<b>52</b>	<b>1</b>	<b>53</b>	<b>9</b>
<b>PART TIME ACTIVES</b>					
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
<b>Total for This Section</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Active Enrollment</b>	<b>53</b>	<b>52</b>	<b>1</b>	<b>53</b>	<b>9</b>

**Higher Education Schedule 3A: Staff Group Insurance Data Elements (ERS)**

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	<b>E&amp;G Enrollment</b>	<b>GR Enrollment</b>	<b>GR-D/OEGI Enrollment</b>	<b>Total E&amp;G (Check)</b>	<b>Local Non-E&amp;G</b>
<b>FULL TIME RETIREES by ERS</b>					
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
<b>Total for This Section</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PART TIME RETIREES by ERS</b>					
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
<b>Total for This Section</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Retirees Enrollment</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL FULL TIME ENROLLMENT</b>					
1e Employee Only	27	26	1	27	5
2e Employee and Children	14	14	0	14	0
3e Employee and Spouse	4	4	0	4	2
4e Employee and Family	7	7	0	7	1
5e Eligible, Opt Out	1	1	0	1	1
6e Eligible, Not Enrolled	0	0	0	0	0
<b>Total for This Section</b>	<b>53</b>	<b>52</b>	<b>1</b>	<b>53</b>	<b>9</b>

**Higher Education Schedule 3A: Staff Group Insurance Data Elements (ERS)**

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	<b>E&amp;G Enrollment</b>	<b>GR Enrollment</b>	<b>GR-D/OEGI Enrollment</b>	<b>Total E&amp;G (Check)</b>	<b>Local Non-E&amp;G</b>
<b>TOTAL ENROLLMENT</b>					
1f Employee Only	27	26	1	27	5
2f Employee and Children	14	14	0	14	0
3f Employee and Spouse	4	4	0	4	2
4f Employee and Family	7	7	0	7	1
5f Eligible, Opt Out	1	1	0	1	1
6f Eligible, Not Enrolled	0	0	0	0	0
<b>Total for This Section</b>	<b>53</b>	<b>52</b>	<b>1</b>	<b>53</b>	<b>9</b>



**Higher Education Schedule 4: Computation of OASI**  
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**Agency 71G Texas State Technical College - North Texas**

Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2023		2024		2025		2026		2027	
	<b>% to Total</b>	<b>Allocation of OASI</b>	<b>% to Total</b>	<b>Allocation of OASI</b>	<b>% to Total</b>	<b>Allocation of OASI</b>	<b>% to Total</b>	<b>Allocation of OASI</b>	<b>% to Total</b>	<b>Allocation of OASI</b>
General Revenue (% to Total)	96.8360	\$293,482	97.4902	\$321,973	97.3491	\$338,896	97.3491	\$355,840	97.3491	\$373,633
Other Educational and General Funds (% to Total)	3.1640	\$9,589	2.5098	\$8,289	2.6509	\$9,228	2.6509	\$9,690	2.6509	\$10,174
Health-Related Institutions Patient Income (% to Total)	0.0000	\$0	0.0000	\$0	0.0000	\$0	0.0000	\$0	0.0000	\$0
<b>Grand Total, OASI (100%)</b>	100.0000	<b>\$303,071</b>	100.0000	<b>\$330,262</b>	100.0000	<b>\$348,124</b>	100.0000	<b>\$365,530</b>	100.0000	<b>\$383,807</b>

**Higher Education Schedule 5: Calculation of Retirement Proportionality and ORP Differential**  
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**71G Texas State Technical College - North Texas**

<b>Description</b>	<b>Act 2023</b>	<b>Act 2024</b>	<b>Bud 2025</b>	<b>Est 2026</b>	<b>Est 2027</b>
<b>Proportionality Amounts</b>					
Gross Educational and General Payroll - Subject To TRS Retirement	3,447,063	3,972,473	3,975,266	4,174,029	4,382,731
Employer Contribution to TRS Retirement Programs	275,765	327,729	327,959	344,357	361,575
Gross Educational and General Payroll - Subject To ORP Retirement	226,909	152,288	231,337	238,277	245,426
Employer Contribution to ORP Retirement Programs	14,976	10,051	15,268	15,726	16,198
<b>Proportionality Percentage</b>					
General Revenue	96.8360 %	97.4902 %	97.3491 %	97.3491 %	97.3491 %
Other Educational and General Income	3.1640 %	2.5098 %	2.6509 %	2.6509 %	2.6509 %
Health-related Institutions Patient Income	0.0000 %	0.0000 %	0.0000 %	0.0000 %	0.0000 %
<b>Proportional Contribution</b>					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	9,199	8,478	9,099	9,545	10,014
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	0	0	0	0	0
<b>Differential</b>					
Differential Percentage	0.0000 %	0.0000 %	0.0000 %	0.0000 %	0.0000 %
Gross Payroll Subject to Differential - Optional Retirement Program	0	0	0	0	0
<b>Total Differential</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Higher Education Schedule 7: Personnel**  
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Agency code: **71G**      Agency name: **TSTC - North Texas**

	<b>Actual 2023</b>	<b>Actual 2024</b>	<b>Budgeted 2025</b>	<b>Estimated 2026</b>	<b>Estimated 2027</b>
<b>Part A.</b>					
<b>FTE Postions</b>					
<b>Directly Appropriated Funds (Bill Pattern)</b>					
Educational and General Funds Faculty Employees	28.0	32.0	35.2	35.2	35.2
Educational and General Funds Non-Faculty Employees	35.2	40.0	44.0	44.0	44.0
<b>Subtotal, Directly Appropriated Funds</b>	<b>63.2</b>	<b>72.0</b>	<b>79.2</b>	<b>79.2</b>	<b>79.2</b>
Non Appropriated Funds Employees	1.6	2.8	3.7	3.7	3.7
<b>Subtotal, Other Funds &amp; Non-Appropriated</b>	<b>1.6</b>	<b>2.8</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>
<b>GRAND TOTAL</b>	<b>64.8</b>	<b>74.8</b>	<b>82.9</b>	<b>82.9</b>	<b>82.9</b>

**Schedule 8C: Capital Construction Assistance Projects Revenue Bonds Request by Project**  
 89th Regular Session, Agency Submission, Version 1

Agency Code: **71G**

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

Project Name	Authorization Year	Estimated Final Payment Date	Requested Amount 2026	Requested Amount 2027
Series 2016 - Purchase & Renovation of North Texas Technology Center	2016	10/15/2035	\$ 717,625.00	\$ 716,125.00
Series 2022 CCAP Bond - North Texas Campus Expansion	2022	8/1/2045	\$ 1,184,375.00	\$ 1,184,400.00
Series 2025 CCAP Bond - North Texas Campus Expansion - Buildings	2026	8/1/2045	\$ 13,134,250.00	\$ 13,132,400.00
			<u>\$ 15,036,250.00</u>	<u>\$ 15,032,925.00</u>

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**CDL Program Expansion**

<b>(1) Year Non-Formula Support Item First Funded:</b>	2026
Year Non-Formula Support Item Established:	2026
Original Appropriation:	\$10,131,422

**(2) Mission:**

The American Trucking Association (ATA) reports that nearly 72% of all freight tonnage moved in the U.S. travels by commercial truck. In order to meet America's freight needs, the industry requires nearly three million heavy-duty Class 8 trucks and over three million truck drivers. ATA reports the current shortage of truck drivers nationwide is around 80,000 and will reach 160,000 by 2030 if current trends continue. Data indicates that the median pay for a standard Class A commercial driver's license (CDL) is \$60,158, and Class A CDL truck driving jobs that require endorsements (Tanker, HAZMAT, or both) have higher pay. According to the Texas Trucking Association (TXTA), the shortage of CDL drivers continues to negatively impact the supply chain, as 82 percent of Texas communities depend exclusively on trucks for needed products. TXTA also advises that 15 of every 1,000 jobs in Texas belong to truckers and projects approximately 62,000 new job openings due to growth over the next 10 years. In response to the ever-growing supply chain issues in Texas, we request that the Legislature invest in the expansion of TSTC's Statewide Commercial Driver License training program. As the only statewide workforce training college in Texas, TSTC streamlines training programs to ensure consistency, quality, and agility, in order to rapidly respond to industry and state needs. We have partnered with external parties to ensure more Texans will be placed in the workforce in a timely manner.

**(3) (a) Major Accomplishments to Date:**

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

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

None

**(5) Formula Funding:**

None

**(6) Category:**

Economic Development

**(7) Transitional Funding:**

N

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**(8) Non-General Revenue Sources of Funding:**

None

**(9) Impact of Not Funding:**

Continued Driver shortage, prolonged supply chain disruption and negative impact to the Texas Economy.

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

This item will be needed on a permanent basis.

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

This item is not associated with a particular time frame.

**(12) Benchmarks:**

N/A

**(13) Performance Reviews:**

N/A

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**Institutional Enhancement**

**(1) Year Non-Formula Support Item First Funded:** 2020  
Year Non-Formula Support Item Established: 2020  
Original Appropriation: \$161,617

**(2) Mission:**

This funding is an important source of funding for various core E&G components. These funds will continue to support essential educational support activities, instructional services, and student services.

**(3) (a) Major Accomplishments to Date:**

Educational support. Increased investment in student outreach services resulting in higher levels of prospect to registered students. Instructional support. Deployment of faculty development across statewide campuses with emphasis on new faculty bootcamp, multi-level instructor certification courses, department chair training, competency based education training, and online learning courses and assistance. Institutional Research Tools: Implementation of data research and visualization tools that enabled various levels of college stakeholders to participate in the improvement of instructional programs. Educational Services: Increased capacity of success coach program to increase persistence/retention of students.

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

Instructional Support: Increased development for faculty, improving and innovating the student learning experience. Institutional Research: Improved effectiveness and productivity of student learning through available dashboards, insights, and analysis. Educational Support: Increasing persistence and retention levels facilitated by improved student support services as well as increased capacities.

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

None

**(5) Formula Funding:**

None

**(6) Category:**

Institutional Enhancement

**(7) Transitional Funding:**

N

**(8) Non-General Revenue Sources of Funding:**

None

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#### **(9) Impact of Not Funding:**

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

#### **(10) Non-Formula Support Needed on Permanent Basis/Discontinuation:**

Non-formula support will be needed on a permanent basis.

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

This item is not associated with a particular time frame.

#### **(12) Benchmarks:**

TSTC is an active participant in the THECB 60x30 strategic plan, which provides an excellent source external benchmarks. Although the strategic plan ends in 2030, TSTC statewide has already surpassed two of the four strategic plan goals. The first achievement is goal number 3, in which 80% of institution graduates will have completed programs with identified marketable skills. The second is goal number 4, in which TSTC students have an average student loan debt of 29% 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 life cycle, 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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**North Texas Expansion - Buildings**

<b>(1) Year Non-Formula Support Item First Funded:</b>	2026
Year Non-Formula Support Item Established:	2026
Original Appropriation:	\$26,266,650

**(2) Mission:**

The 88th legislature authorized TSTC to operate an expanded campus in Ellis County. However, funding for campus buildings and equipment is still needed. TSTC requests the funding for two additional buildings (estimated 300,000 square feet) and equipment. Located in a fast-growing area of Texas, this expansion will place more skilled graduates in open positions employers are desperately trying to fill. Unlike other two-year institutions in Texas, TSTC has constrained access to capital funds for new construction and infrastructure improvements. TSTC does not receive property tax support and relies heavily on public and private funds along with state Capital Construction Assistance Projects (CCAP) and limited HEF funding. This limits TSTC's ability to expand instructional space. Currently, there is a misalignment between current campus capacities and the increasing industry workforce needs. Without the necessary funds to build new instructional spaces, TSTC cannot fully meet the demand for skilled workers.

**(3) (a) Major Accomplishments to Date:**

The addition of multidisciplinary teaching space will accommodate a versatile training modality suitable for traditional and performance-based education. This space will increase capacity to meet immediate workforce needs in high-demand technical industries, but will be flexible to accommodate changes in the labor market to meet the needs of employers for decades to come.

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

TSTC is the State of Texas' leading provider of two-year technical education in industries critical to the State's long-term sustainable growth, and TSTC is an essential partner to industry as Texas faces the threat of a long-emerging trade and industrial skills gap.

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

None

**(5) Formula Funding:**

None

**(6) Category:**

Instructional Support

**(7) Transitional Funding:**

N

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**(8) 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.

**(9) Impact of Not Funding:**

TSTC cannot fully meet the demand for skilled workers.

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

CCAP Debt Service

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

20 year CCAP Debt Service

**(12) Benchmarks:**

N/A

**(13) Performance Reviews:**

N/A

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**North Texas Start Up Funding**

<b>(1) Year Non-Formula Support Item First Funded:</b>	2014
Year Non-Formula Support Item Established:	2014
Original Appropriation:	\$2,250,000

**(2) Mission:**

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:**

Enrollment at the start-up location has grown since inception, and is consistent with the rate of growth expected for the start-up. Continued model of reduced administration to efficiently deploy all funding resources to core, educational services. Actively participating as a member of the community through the Red Oak Chamber of Commerce, Waxahachie Chamber of Commerce, Best Southwest Partnership, and engagement with Red Oak and the surrounding cities. Forged relationships with surrounding ISDs.

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

Grow enrollment beyond current instructional and space capacity. Develop annual fundraising component to raise outside instructional aid and capital equipment donations. Grow dual credit capacity with surrounding ISDs with focus on technical pathways.

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

Special Item - NTX & E Williamson County Strategy, located in LAR of TSTC System Administration

**(5) Formula Funding:**

None

**(6) Category:**

Start-Up

**(7) Transitional Funding:**

Y

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#### **(8) Non-General Revenue Sources of Funding:**

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. Additionally, if funding sources are not increased back to prior levels, the potential exists that previously donated land may need to revert back to Red Oak ISD (partnership agreement required additional capital expansion or land would revert back to ISD).

#### **(10) Non-Formula Support Needed on Permanent Basis/Discontinuu**

This support will be necessary to maintain operations until the TSTC Returned-Value formula for the TSTC North Texas 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 88th biennium as the Returned-Value formula begins to contribute to funding.

#### **(12) Benchmarks:**

TSTC is an active participant in the THECB 60x30 strategic plan, which provides an excellent source of external benchmarks. TSTC is continually monitoring progress toward planned goals, and has achieved early success on several key benchmarks. TSTC is actively working on improving the number and rate of students with a certification, which are the primary 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 life cycle, 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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