

# FORGING THE FUTURE

**STRATEGIC PLAN +  
BUDGET REPORT**  
FISCAL YEAR 2025



# PLACING MORE TEXANS IN GREAT- PAYING JOBS



## A MESSAGE FROM FINANCIAL SERVICES



To our Regents,

TSTC is growing. Plans have materialized for new facilities, and construction is underway across the state to significantly expand several of our campuses. We are in the process of expanding to new regions in Texas as well, making plans and building relationships with new community partners. Student volume grew in fiscal year 2024 by 10%. High demand for skilled technicians has existed in Texas for many years, and the clear value of a low cost, high return education at TSTC is now growing in consumer demand as well.



This strategic plan update, along with the proposed fiscal year 2025 budget, demonstrates our dedication to this growth trajectory. Growth of this magnitude must be carefully managed, and numerous TSTC managers and leaders have spent the last several months engaging in a collaborative effort of planning, and then budgeting, as we forge ahead toward placing even more Texans in great paying jobs.



Overall, this plan conveys a sense of optimism and determination as TSTC boldly moves forward into a new phase of development. We are excited to work alongside you and the entire TSTC family to make our shared vision of TSTC's bright future a reality.



With Care,

*Financial Services*



## TSTC DEFINITIONS

### Big 3 –

1. We Are Compellingly Different
2. We Are Responsive & Accountable to Texas Industry
3. We Are Driven By Quality  
\* We Are Getting Stronger

**CCAP** – Capital Construction Assistance Projects. The debt service on CCAP projects is partially funded by state appropriations authorized in 2021.

**EASI** – Core Values: Excellence, Accountability, Service and Integrity (EASI)

**ERP** – Enterprise Resource Planning software used to transform business processes, people and technology. TSTC is implementing Workday as the new ERP platform for the College.

**PBE** – Performance-Based Education

**PMTIGPJ** – Place More Texans In Great Paying Jobs

**SEE** – Survey of Employee Engagement, an annual survey that TSTC participates in to gather data on the teammates' perception of the College.

**Transformational Initiatives** – The multi-year changes needed to transform the future of TSTC.

1. Thrive in a Performance Based Culture
2. Fortify Appropriation Funding Sources & Plan for Growth
3. Grow and Modernize Physical & Operational Infrastructure
4. Forge Ahead Toward Core Growth & Expansion Imperatives

**WIG** – Wildly Important Goal, a Franklin Covey term from the book 4 Disciplines of Execution. Employed by TSTC to identify two ultimate outcomes that will define our success.

- 1) Increase the Quantity of Former Students Found Working.
- 2) Increase the Quality of First-Year Wages Earned by Former Students.

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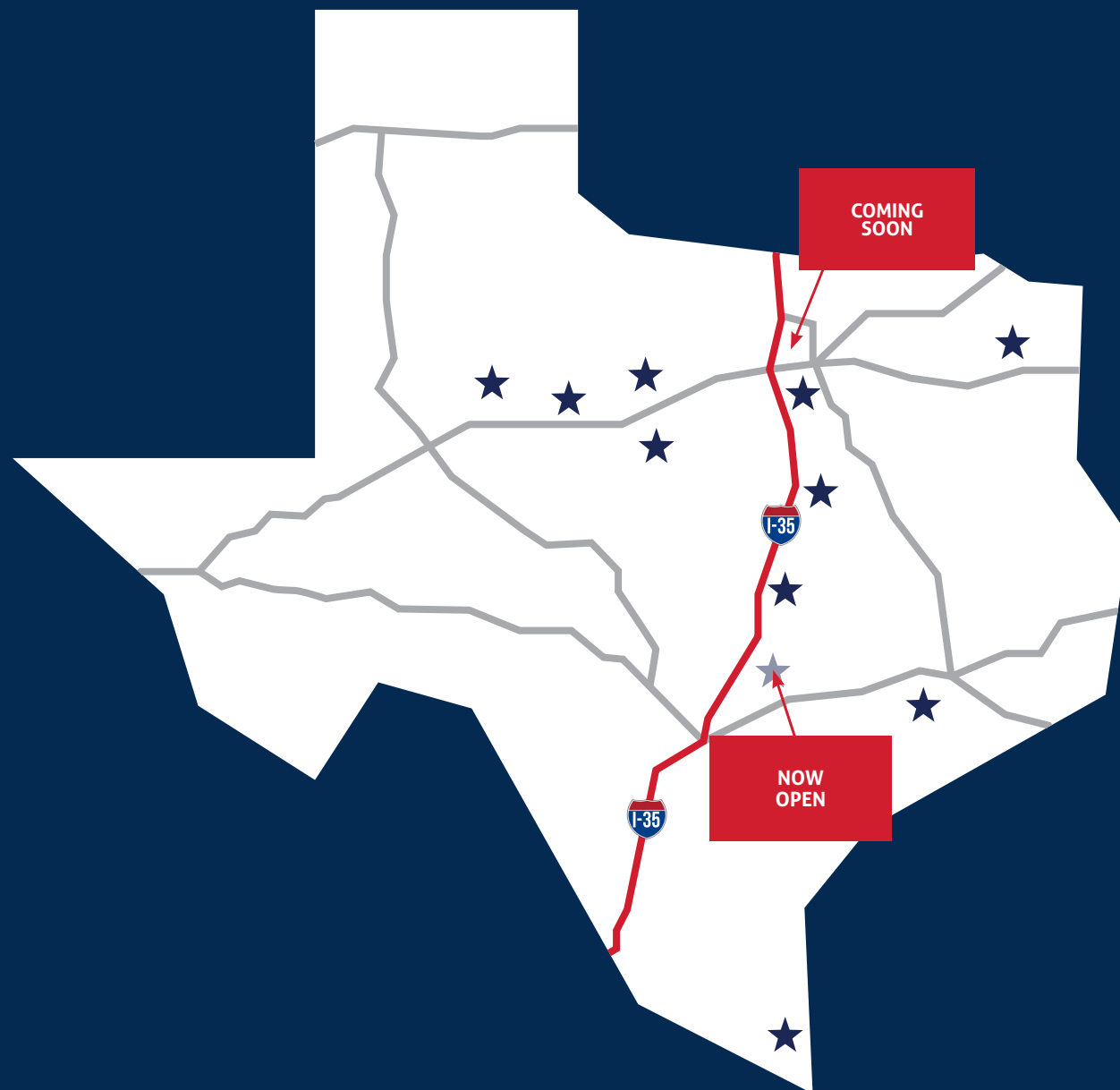
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# Forge

/fôrj/ **verb**

1. Make or shape (metal object) by heating, bending, and hammering to create the right shape.
2. To move forward in a determined way although progress is difficult.
3. To make an effort to achieve something in a short time.
4. Create (a relationship or new conditions).



# FOUNDATIONS OF INNOVATION

## WHO WE ARE

### Core Values & Big 3

#### Commitment to Excellence

TSTC strives for the highest standards in all its educational programs, ensuring students receive top-quality instruction and hands-on experience that prepares them for successful careers.

#### Accountability Framework

The College maintains a transparent and responsible approach to its operations, utilizing data-driven decision-making and regular performance evaluations to continuously improve and meet strategic goals.

#### Service to Each Other, and the College

The core value of "service" reflects a commitment to enhancing the well-being and growth of the college/employees and industry. For employees, it encompasses investing in their well-being and recognizing their contributions. For the industry, it means fostering strong partnerships and being responsive to evolving needs. This value underscores an organization's dedication to making a positive impact and creating a supportive, thriving environment for all its stakeholders.

#### Integrity in Operations and Practices

Loyalty to principles highlights the importance of staying true to the foundational values of integrity, ensuring they guide every decision and action, thereby supporting the overall mission and vision of TSTC. It is reflected in honesty and ethical practices, open communication, and a commitment to the success and well-being of our students, stakeholders, and employees.



**We Are Compellingly Different**

Our culture of entrepreneurship and innovation will be our differentiation.




**We Are Responsive & Accountable to Texas Industry**

Create and deepen mutually beneficial alliances with industry to strengthen our mission and our brand.



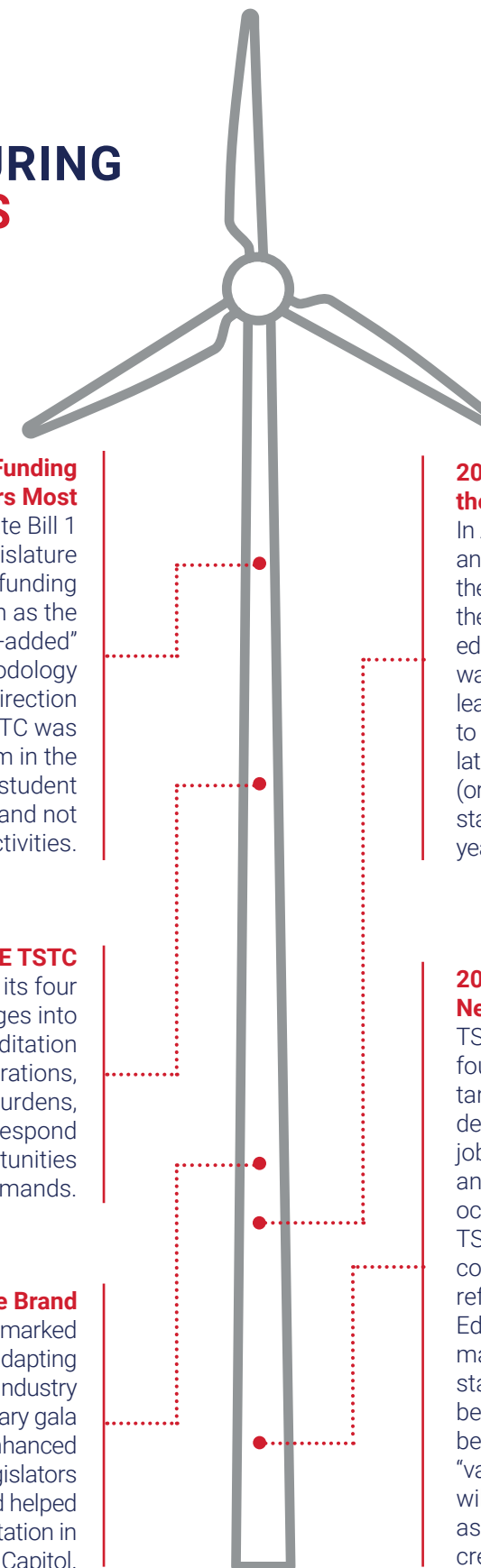
**We Are Driven By Quality**

Striving to be Best in Class will increase stakeholder satisfaction.



Commit to continuously strengthen core business and operational muscles to always be prepared for change and growth.

## MANUFACTURING MILESTONES



#### 2012-2013: Funding What Matters Most

With the passage of Senate Bill 1 in 2013, the 83rd Legislature implemented a new funding model for TSTC, known as the "returned-value" or "value-added" funding model. The methodology was developed at the direction of the Legislature, and TSTC was the first college system in the nation funded solely upon student employment outcomes and not educational activities.

#### 2016-2018: Focusing on the Wildly Important

In August 2016, executive leadership and the Board of Regents immersed themselves in understanding the current landscape for higher education. A strategic workshop was facilitated by executive leadership with the Board of Regents to identify essential areas of focus, later called Wildly Important Goals (or WIGs). This launched TSTC's first statewide strategic plan during fiscal year 2017.

#### 2013-2014: Creating ONE TSTC

TSTC begins consolidating its four separately accredited colleges into a single, statewide accreditation structure to streamline operations, reduce administrative burdens, and enhance its ability to respond efficiently to growth opportunities and industry demands.

#### 2018-2020: Training the Next Generation

TSTC begins to further fulfill their founding legislative purpose by targeting the highest yielding, high-demand and high-tech industry jobs in Texas. To accomplish this and thrive in the disruptive changes occurring in higher education, TSTC is becoming a predominately competency-based college. It is referred to as Performance-Based Education (PBE) in order to better match our performance-based state funding model. The lines between credit and non-credit become blurred. Eventually, the "value-add" provided by the college will be generated by placement, assessment, certification, and credentialing.

#### 2015: Elevating the Brand

TSTC's 50th anniversary marked half a century of success in adapting to technological and industry advancements. An anniversary gala held in Austin significantly enhanced TSTC's visibility among legislators and elected officials, and helped solidify TSTC's strong reputation in the Capitol.

Throughout its history TSTC's strategic initiatives and adaptations positioned it as a leader in technical education, continuously producing graduates who are well-equipped for the evolving demands of the workforce.

# THE GOALS

TSTC leadership consistently reviews and reaffirms the mission of the College: Place More Texans in Great Paying Jobs (PMTIGPJ). To achieve this, two Wildly Important Goals (WIGs) describe the targeted outcomes expected.

## HOW WE MEASURE

Former students encompasses any student who attended TSTC for a minimum of 9 semester credit hours, regardless of obtaining a credential or degree. For this reason both graduates and non-graduates are combined in goal setting. The WIGs are tracked and partitioned by fiscal year cohorts of all students who last attended TSTC in a given fiscal year, for example "Class of 2022".

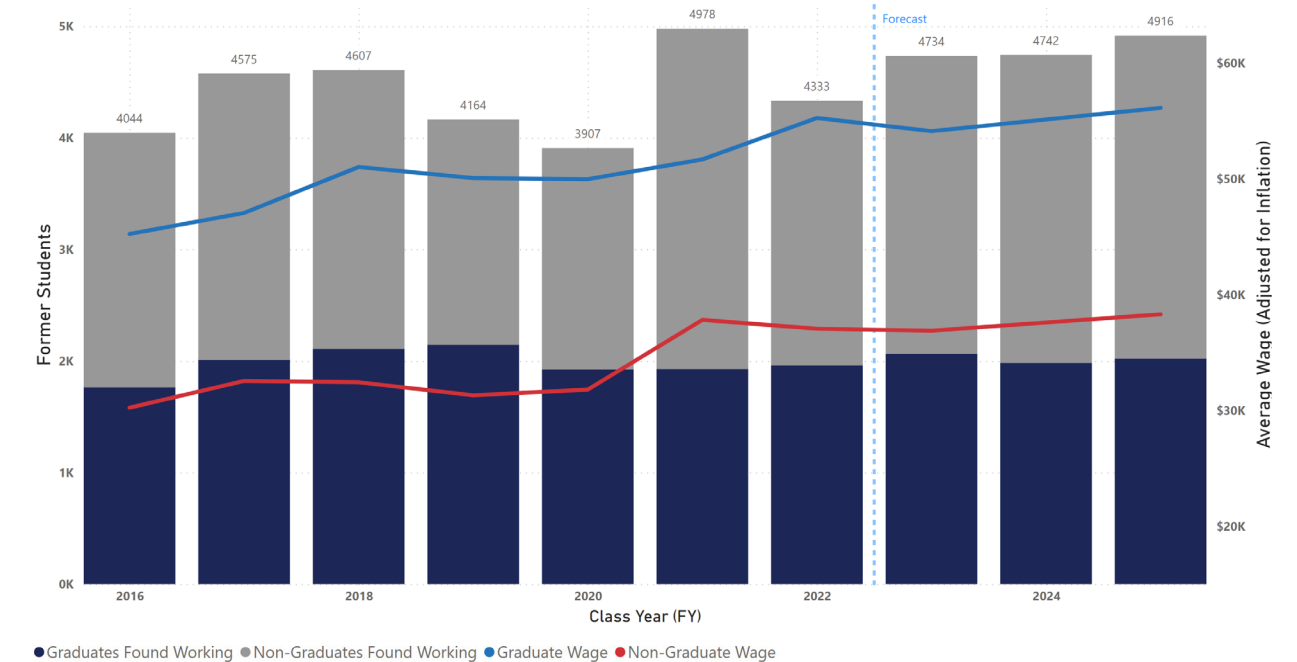
### WIG 1: Quantity of Former Students Found Working

The first WIG ensures a consistent number of students transition into the workforce successfully. Each data point represents the number of former students who departed TSTC in the identified fiscal year and found working in the succeeding year.

### WIG 2: Quality of First-Year Wages Earned by Former Students

The second WIG measures the salary strength of former students, reflecting the value that industries place on the skills they acquired at TSTC. This measure represents only the first-year average, focusing on entry-level positions.

Figure 02



**Class of 2016**  
Former Students: 6,002  
**Graduates (41%)**  
Count: 2,475  
Found working: 1,763 (71%)  
Avg wage: \$45,250  
**Non-Graduates (59%)**  
Count: 3,527  
Found working: 2,281 (65%)  
Avg wage: \$30,241

**Class of 2017**  
Former Students: 6,587  
**Graduates (41%)**  
Count: 2,690  
Found working: 2,009 (75%)  
Avg wage: \$47,067  
**Non-Graduates (59%)**  
Count: 3,897  
Found working: 2,566 (66%)  
Avg wage: \$32,551

**Class of 2018**  
Former Students: 6,416  
**Graduates (43%)**  
Count: 2,754  
Found working: 2,110 (77%)  
Avg wage: \$51,032  
**Non-Graduates (57%)**  
Count: 3,662  
Found working: 2,497 (68%)  
Avg wage: \$32,439

**Class of 2019**  
Former Students: 6,241  
**Graduates (47%)**  
Count: 2,958  
Found working: 2,145 (73%)  
Avg wage: \$50,070  
**Non-Graduates (53%)**  
Count: 3,283  
Found working: 2,019 (61%)  
Avg wage: \$31,314

**Class of 2020**  
Former Students: 5,572  
**Graduates (47%)**  
Count: 2,614  
Found working: 1,925 (74%)  
Avg wage: \$49,978  
**Non-Graduates (53%)**  
Count: 2,958  
Found working: 1,982 (67%)  
Avg wage: \$31,803

**Class of 2021**  
Former Students: 6,851  
**Graduates (37%)**  
Count: 2,547  
Found working: 1,929 (76%)  
Avg wage: \$51,686  
**Non-Graduates (63%)**  
Count: 4,304  
Found working: 3,049 (71%)  
Avg wage: \$37,832

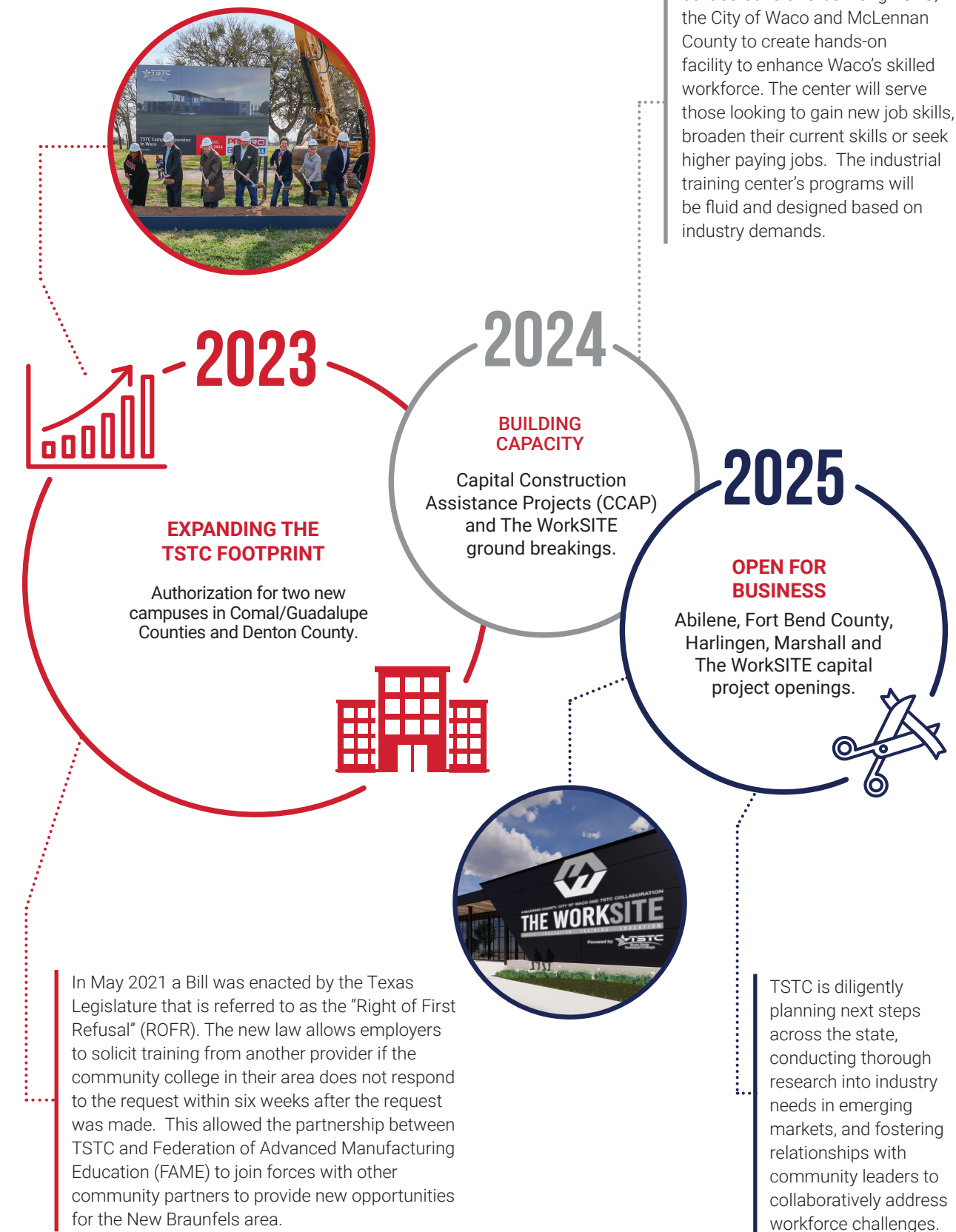
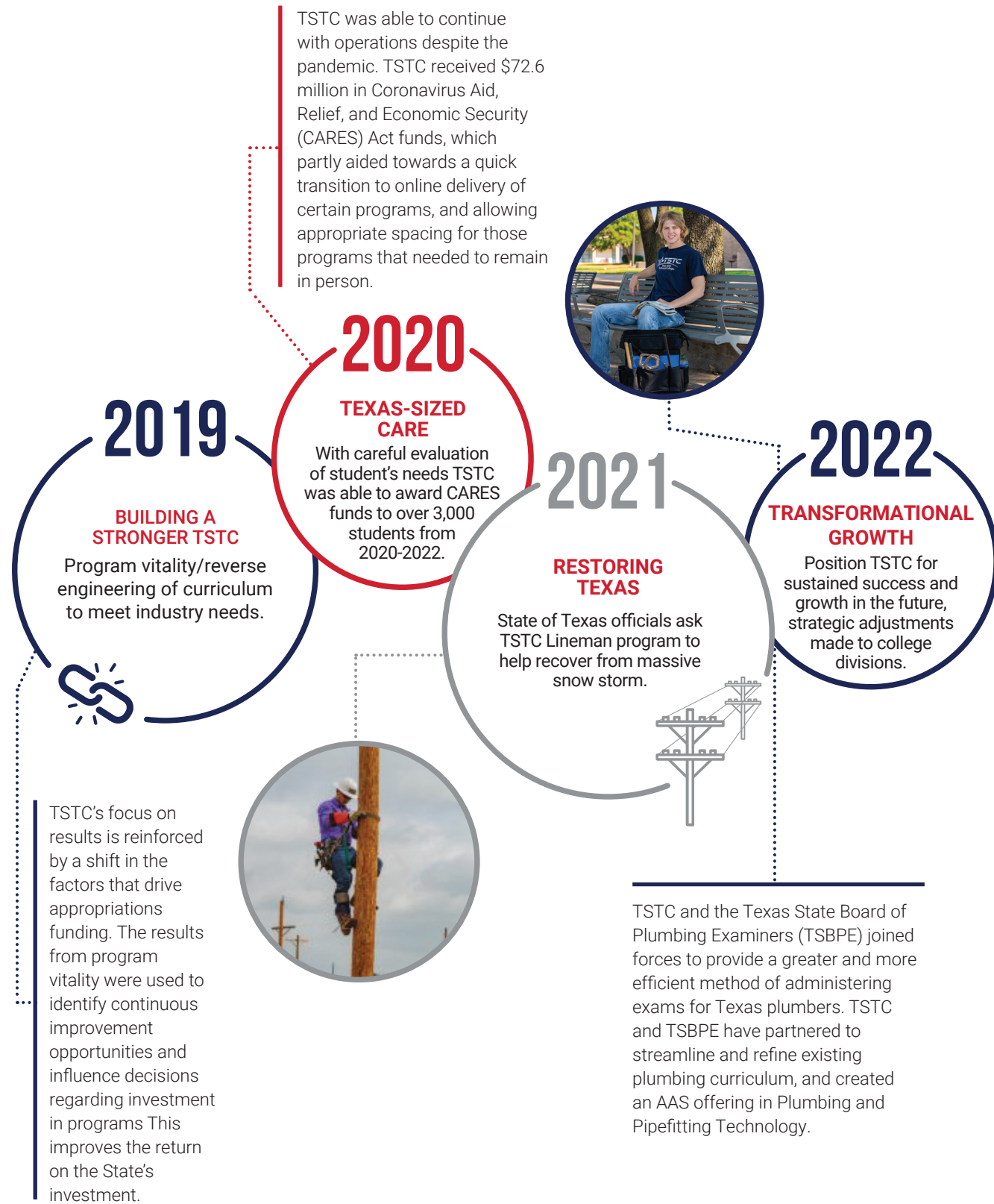
**Class of 2022**  
Former Students: 6,387  
**Graduates (39%)**  
Count: 2,503  
Found working: 1,961 (78%)  
Avg wage: \$55,268  
**Non-Graduates (61%)**  
Count: 3,884  
Found working: 2,372 (61%)  
Avg wage: \$37,063

**Forecast: Class of 2023**  
Former Students: 6,794  
**Graduates (41%)**  
Count: 2,768  
Found working: 2,064 (75%)  
Avg wage: \$54,130  
**Non-Graduates (59%)**  
Count: 4,026  
Found working: 2,670 (66%)  
Avg wage: \$36,893

**Forecast: Class of 2024**  
Former Students: 7,026  
**Graduates (41%)**  
Count: 2,852  
Found working: 1,984 (70%)  
Avg wage: \$55,132  
**Non-Graduates (59%)**  
Count: 4,174  
Found working: 2,758 (66%)  
Avg wage: \$37,601

**Forecast: Class of 2025**  
Former Students: 7,418  
**Graduates (39%)**  
Count: 2,927  
Found working: 2,020 (69%)  
Avg wage: \$56,134  
**Non-Graduates (61%)**  
Count: 4,491  
Found working: 2,896 (64%)  
Avg wage: \$38,309

# TECHNOLOGICAL ADVANCEMENTS



# FORGING FORWARD

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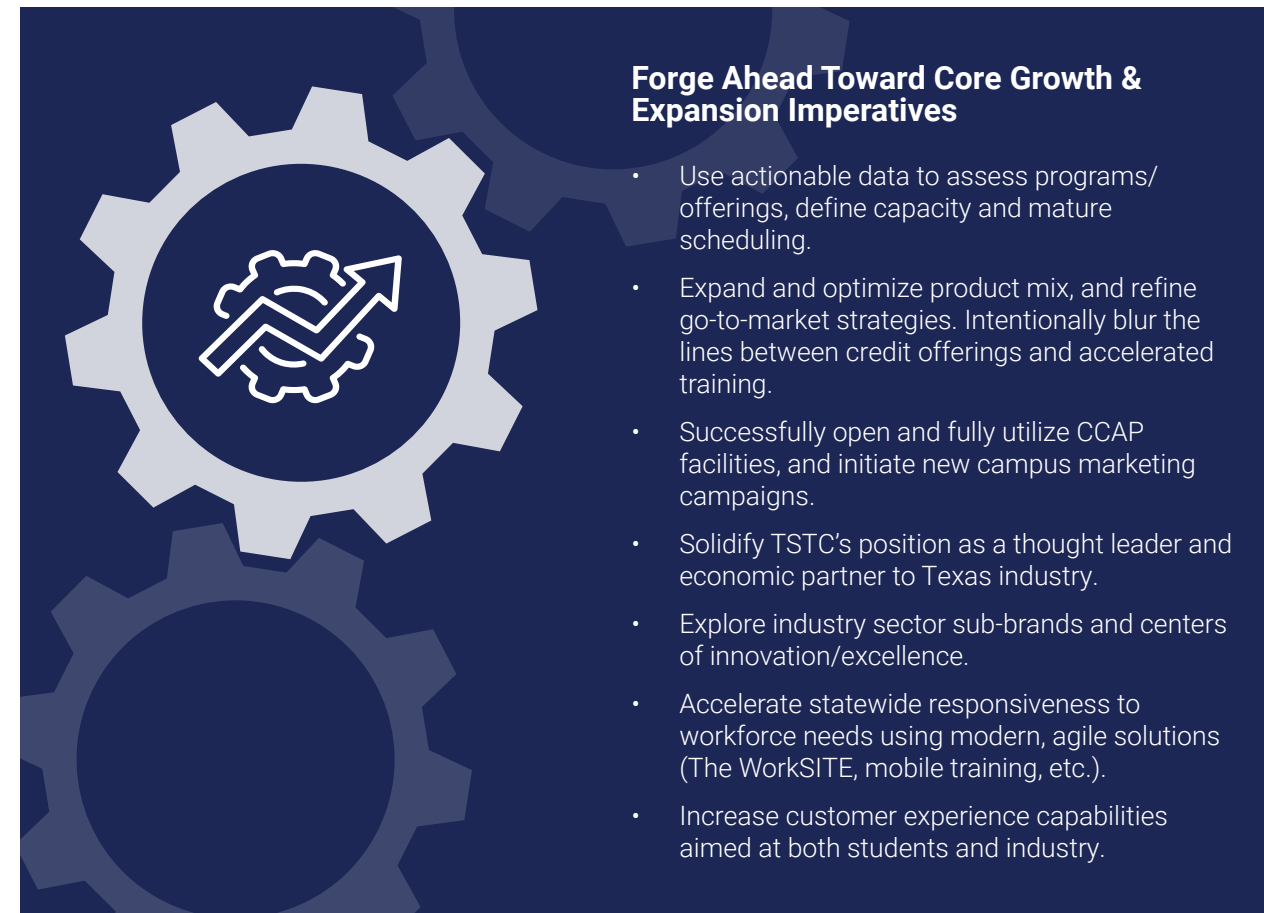


## TRANSFORMATIONAL INITIATIVES

These multi-year, cross-divisional initiatives are aimed at fundamentally changing the processes, operations and mindsets at TSTC to achieve long-term, sustainable growth.

### Thrive in a Performance Based Culture

- Managers prioritize the needs and well-being of their team members, and teammates are empowered to collaborate freely and energetically.
- Roles, expectations and responsibilities are clear, and regular two-way feedback continually refines that clarity.
- Compensation is competitive, incentives are motivating, accountability is prevalent, and recognition is meaningful.
- Managers receive regular training and development to be effective, and teammates receive the resources and support they need.
- Working environments are bright and inclusive, and teammates have clear paths to advance their careers.



### Forge Ahead Toward Core Growth & Expansion Imperatives

- Use actionable data to assess programs/ offerings, define capacity and mature scheduling.
- Expand and optimize product mix, and refine go-to-market strategies. Intentionally blur the lines between credit offerings and accelerated training.
- Successfully open and fully utilize CCAP facilities, and initiate new campus marketing campaigns.
- Solidify TSTC's position as a thought leader and economic partner to Texas industry.
- Explore industry sector sub-brands and centers of innovation/excellence.
- Accelerate statewide responsiveness to workforce needs using modern, agile solutions (The WorkSITE, mobile training, etc.).
- Increase customer experience capabilities aimed at both students and industry.

### Grow and Modernize Physical & Operational Infrastructure

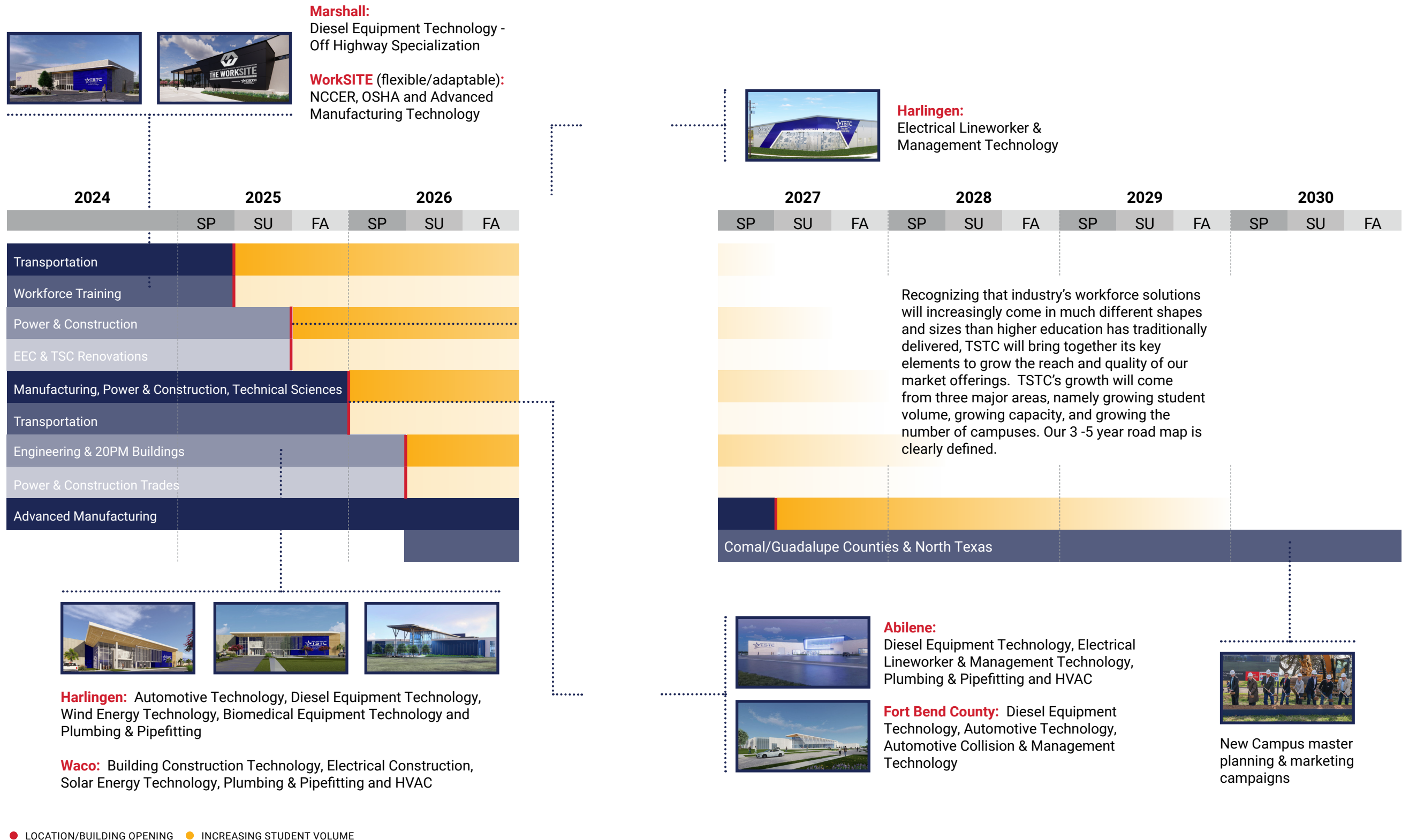
- Mature and optimize new enterprise software platforms.
- Strengthen cybersecurity presence.
- Construct and open CCAP facilities.
- Enhance physical safety and security.
- Continue scheduled maintenance execution and develop asset life-cycle management programs.



### Fortify Appropriation Funding Sources and Plan for Growth

- Continually reinforce formula funding tenets with external constituents.
- Raise awareness and advocate for critically needed long-term capital funding.
- Develop programming and site plans for new campuses.
- Build relationships with community partners at new locations to collaboratively amplify TSTC's positive impact.
- Mature multi-year planning and budgeting capabilities.

# BUILDING TEXAS/TSTC



# FORECASTING THE FUTURE OF GROWTH

## 5 YEAR PRO FORMA

TSTC leadership annually forecasts and analyzes long-term economic viability based on operational plans and expected outcomes. These forecasts reflect management’s current views and assumptions, but are subject to risks and uncertainties that may cause actual results to differ significantly from projections.

- TSTC’s funding under the Returned-Value Formula significantly increased during the 88th legislative session, with data showing sustained trends in former students’ employment and wages. Although a slight decline is expected in the 90th legislature due to lower placements from the 2019-2020 cohort, projections indicate that growth will resume in future sessions, supported by rising former student employment rates and wages.
- 10% enrollment growth in FY 2024, coupled with a 5% tuition price increase, resulted in an increase in tuition revenue of nearly \$10 million over the prior year. Student capacity is expected to increase significantly by fiscal

year 2026 as CCAP projects across the state are completed. Tuition revenue is projected to grow by about 10% annually through FY 2028, followed by 7% annually through FY 2030, supported by biennial 5% price adjustments essential to sustain rising operational costs and meet workforce demands.

- Personnel and operating expenses are expected to rise as TSTC hires new faculty and staff to support increased student capacity and daily operating costs associated with new campus locations. Forecasts project a 3% increase for merit and inflation adjustments, with revenue growth allocated equally between personnel and operating costs.

While upcoming legislative sessions present uncertainties, the anticipated HEF reallocation is likely to fund new debt service starting in FY 2026, and TSTC may issue additional local debt to support further capital expansion initiatives.

- Each year, TSTC allocates funds from a strategic pool to effectively address operational changes and implement necessary budgetary increases. The amount allocated may vary annually and is directed toward specific strategies based on overall budget performance. Additionally, some funds may be reserved for future use.

Figure 04

(in millions)	87th Legislature		88th Legislature	
	FY 2023	FY 2024	FY 2025	
	Actual	Forecast	Budget	
<b>Operating Sources</b>				
Returned Value Formula Appropriations	69.9	95.1	95.1	
Non-Formula Appropriations	53.2	58.8	60.2	
Appropriated Capital Funding	31.9	26.4	26.3	
Tuition Revenue	52.8	62.1	68.8	
Student Financial Aid	38.9	48.1	50.0	
Auxiliary Enterprises and Other Fees	13.6	16.1	18.0	
Workforce Training	4.9	5.8	7.0	
Grants and Contracts	25.0	19.2	14.1	
<b>Total Operating Sources</b>	<b>290.2</b>	<b>331.6</b>	<b>339.5</b>	
<b>Carryforward / Reserves Usage</b>	<b>4.9</b>	<b>0.0</b>	<b>7.0</b>	
<b>Operating Uses</b>				
Salaries and Wages	110.1	122.6	129.8	
Benefit Costs	37.5	40.7	41.8	
Operating Expenses	65.4	69.9	73.2	
Student Financial Aid / Scholarships	50.0	60.0	60.2	
Capital Cost / Debt Service	37.9	35.5	38.1	
Strategic Pool (to be allocated)	0.0	0.0	3.4	
<b>Total Operating Uses</b>	<b>300.9</b>	<b>328.7</b>	<b>346.5</b>	
<b>Operating Margin (Deficit)</b>	<b>-5.8</b>	<b>2.9</b>	<b>0.0</b>	

89th Legislature		90th Legislature		91st Legislature	
FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	
Forecasting the Future					
	113.2	113.2	108.7	108.7	117.5
	66.2	67.5	70.9	71.5	75.1
	36.2	36.2	36.2	36.2	39.6
	79.1	87.0	100.1	107.1	120.0
	55.0	60.5	66.6	71.3	76.3
	18.9	19.5	20.8	21.8	22.5
	7.7	8.5	8.9	9.3	9.8
	14.5	14.8	15.1	15.4	15.7
	<b>390.8</b>	<b>407.1</b>	<b>427.3</b>	<b>441.4</b>	<b>476.4</b>
	-	-	-	-	-
	140.2	151.4	159.7	168.5	177.8
	44.9	48.4	52.3	55.7	59.3
	79.1	85.4	92.2	98.2	104.6
	66.2	72.8	80.1	85.7	91.7
	41.1	42.2	42.2	42.2	42.2
	-	-	-	-	-
	<b>371.5</b>	<b>400.2</b>	<b>426.5</b>	<b>450.3</b>	<b>475.6</b>
	<b>19.3</b>	<b>6.9</b>	<b>0.8</b>	<b>-8.9</b>	<b>0.8</b>

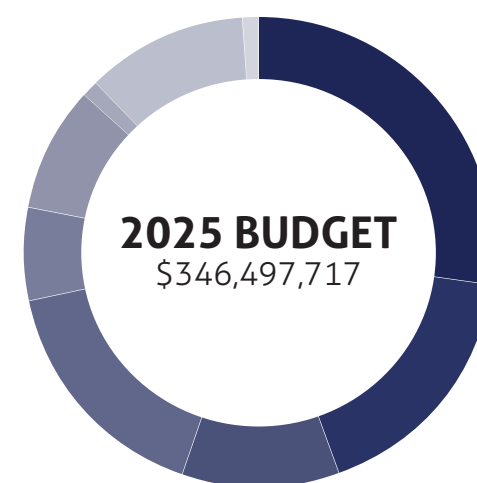
# FISCAL YEAR 2025 BUDGET DETAILS

## OPERATING BUDGET

### ORGANIZATIONAL STRUCTURE & BUDGET FRAMEWORK

Following a significant expansion of the College's leadership team and operational division restructuring in fiscal year 2023, minor adjustments were implemented in fiscal year 2024 to further refine the structure. No major changes in the operational hierarchy are anticipated for the upcoming year. The revised structure is designed to support growth and accommodate future enhancements in administrative functions, with a focused alignment of external-facing divisions aimed at fostering growth. The distribution of resources across the College's functional areas is outlined below:

Figure 05



■ Instruction/Operations	<b>27%</b>
■ Student Financial Aid	<b>17%</b>
■ Statewide Benefits	<b>11%</b>
■ Marketing, External Relations & Campus Services	<b>16%</b>
■ Facilities & Plant	<b>7%</b>
■ Finance, Human Resources & Information Technology	<b>9%</b>
■ Statewide Administration	<b>1%</b>
■ Debt Service	<b>11%</b>
■ Strategic Pool	<b>1%</b>

### PRESENTATIONS, ASSUMPTIONS & ESTIMATES

- Certain line items from previous fiscal year budgets and actual expenditures have been reclassified to align with the current organizational structure and budget framework. This adjustment ensures consistency for comparative analysis purposes.
- Fiscal year 2024 forecast amounts and certain fiscal year 2025 budget amounts use available data and related estimates as of May 31, 2024.
- The College will realize appropriation revenues in fiscal year 2025 in accordance with bill patterns established by the 88th Legislature.
- TSTC prepares budgets using a cash basis of accounting, which includes budgeting tuition revenue net of discounts and allowances, budgeting debt service payments (total principal and interest) as an expense, excluding depreciation expense, and also excluding non-cash accounting adjustments such as pension and other post-employment benefits (OPEB) accruals.
- The annual budget report is simply a starting point each year. TSTC anticipates many refinements to this budget throughout the year as the needs and circumstances of TSTC departments continually change.

# FISCAL YEAR 2025 BUDGET PRESENTATION

	FY 2023 Actuals	FY 2024 Budget	FY 2024 Forecast	FY 2025 Budget	Note
<b>REVENUE</b>					
Returned Value Formula Appropriations	69,916,159	95,103,614	95,103,614	95,103,614	A
Special Items & Other Appropriations	24,873,186	27,162,626	27,162,626	27,162,626	
Debt Service Appropriations	23,241,790	17,696,557	17,696,557	17,699,057	
HEAF Appropriations	8,662,500	8,662,500	8,662,500	8,662,500	
Benefits Appropriations	28,290,877	32,226,640	31,593,670	33,019,920	
Tuition	52,826,059	60,000,000	62,060,198	68,750,000	B
Student Financial Aid	38,872,941	38,576,500	48,135,490	50,000,000	C
Auxiliary Enterprises	9,512,166	10,278,000	12,163,161	13,000,000	D
Fees & Educational Sales	4,101,809	3,450,000	3,952,509	5,000,000	D
Industry Relations	4,890,704	4,000,000	5,842,892	7,000,000	D
Grants	9,053,142	8,338,539	8,683,583	7,500,000	E
Contracts & Other	15,926,957	9,500,000	10,547,044	6,600,000	F
<b>TOTAL REVENUE</b>	<b>290,168,290</b>	<b>314,994,976</b>	<b>331,603,844</b>	<b>339,497,717</b>	
Carryforward / Reserves	4,909,498	3,102,609	-	7,000,000	G
<b>EXPENSE</b>					
Instruction/Operations	79,484,339	85,954,973	88,005,087	94,315,875	H
Student Financial Aid	49,976,901	48,768,078	59,944,366	60,268,075	C
Statewide Benefits	33,983,120	36,845,253	36,333,801	37,778,524	
Marketing	20,778,129	21,857,622	21,916,345	24,084,844	H
External Relations	12,970,778	14,928,622	14,299,605	16,273,511	H
Auxiliary Enterprises	9,794,819	9,107,190	10,870,882	10,419,160	D
Campus Services	4,033,151	5,035,549	4,841,576	5,320,805	
Physical Plant	18,260,340	20,051,533	19,856,443	19,679,023	
Facilities, Planning & Construction	1,732,639	2,228,601	4,903,015	2,373,747	E
Information Technology	15,563,945	15,946,231	15,938,848	17,345,491	H
Finance	8,015,126	8,281,063	8,336,167	8,396,957	
Human Resources	4,000,526	4,422,719	4,104,413	4,370,365	
Statewide Administration	4,066,375	3,696,612	3,862,472	4,355,692	
Debt Service & Leases	38,222,703	34,148,539	35,520,249	38,111,648	I
Strategic Pool	-	6,825,000	-	3,404,000	J
<b>Total Expense</b>	<b>300,882,891</b>	<b>318,097,585</b>	<b>328,733,269</b>	<b>346,497,717</b>	
<b>Operating Margin (Deficit)</b>	<b>(5,805,103)</b>	<b>-</b>	<b>2,870,575</b>	<b>-</b>	

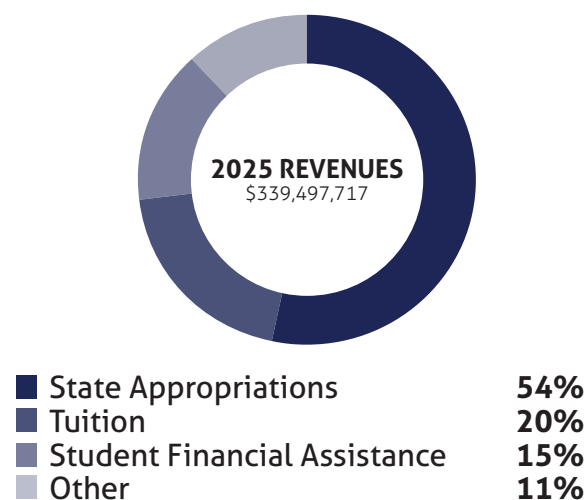
- A.** FY 2025 is the second year of the legislative biennium, and appropriations remain at prior year levels. Of note, TSTC's returned value appropriation for the FY 2024-2025 biennium increased approximately \$52 million (38%) over the FY 2022-2023 biennium.
- B.** In FY 2024, tuition revenue exceeded the budget by over \$2 million, driven by a 10% enrollment increase and tuition rate adjustments, leading to a 19% revenue increase from the previous year. This trend is expected to continue with the upcoming capacity expansions from new CCAP buildings opening in Spring and Summer 2025.
- C.** Student Financial Aid revenue and expense are both expected to increase with the growth in enrollment and tuition in FY 2025. In FY 2024, funding for Texas Education Opportunity Grants allocated to TSTC increased by over \$6 million, reflected in the FY 2025 budget.
- D.** Secondary revenue sources, such as Industry Relations, Auxiliary Enterprises, and Fees & Educational Sales, typically mirror growth in student enrollment and workforce training initiatives. As activity in these areas increases, associated expenses are also projected to rise.
- E.** In FY 2023, grant revenue included unspent residual CARES Act funds. In FY 2024, it comprised a \$3.5 million capital construction grant from the Department of Commerce's Economic Development Administration (EDA) to partially fund renovations of the Electronics Center on the Waco campus. For FY 2025, grant revenue and related expenses are expected to return to TSTC's traditional operational patterns.
- F.** Since FY 2023, rising interest rates have led to favorable budget variances in interest income. While decreasing rates are possible in the coming year, significant earnings are expected from the CCAP bond proceeds. Part of this interest income is allocated for interest-only debt service payments on the local segment of the Series 2022A CCAP bonds. The FY 2025 budget includes the final interest-only payment, with any remaining bond interest earmarked for capital projects. Additionally, this line item accounts for approximately \$1 million in reimbursements from local government agencies for FAME equipment purchased in FY 2023.
- G.** TSTC strategically utilizes accumulated reserves for various purposes. With enrollment and revenue projections surpassing initial FY 2024 estimates, TSTC plans to carry forward \$3.1 million from FY 2024 and supplement with an additional \$3.9 million from reserves allocated to boost revenues and offset one-time costs in the FY 2025 budget.
- H.** TSTC's expense budgets for primary operating divisions have notably increased due to rising salary standards, inflation, and enrollment increases. These adjustments are essential for maintaining high-quality training and improving employee compensation. A significant portion of the budget growth is directed toward core business divisions (Instruction/Operations, External Relations, and Marketing), as well as Information Technology for security enhancements. TSTC is also planning for campus expansions and increased brand visibility, requiring careful budgeting for operational costs, staffing, and necessary equipment.
- I.** In November 2022, TSTC issued \$298.8 million in Tuition Revenue bonds, of which \$188.3 million is secured by CCAP appropriations (see Note A), while the remaining \$110.5 million is financed through local tuition revenue. The FY 2025 budget includes \$22.8 million for debt service related to this issuance, of which nearly \$15 million is funded by CCAP appropriations.
- J.** Each year, TSTC allocates funds from a strategic pool to address operational changes and distribute budgetary increases. In FY 2025, this pool totals \$3.4 million, comprising \$2.4 million designated for pay-for-performance salary increases and \$1.0 million for other initiatives.

# OPERATING REVENUES

## REVENUE MIX

TSTC's budget is supported by diverse revenue sources. State appropriations represent the largest share, comprising over half of the College's total revenues. Tuition revenue increased nearly 19% in fiscal year 2024 and is projected to grow by an additional 10% in fiscal year 2025 based on enrollment trends, constituting over 20% of total revenues. Student Financial Aid is recorded as revenue and subsequently applied to students' accounts through an offsetting/equal expense. Supplementary revenues, including grants, pilot training fees, housing rents, retail sales, and contract-related income, collectively contribute a smaller yet significant portion to the overall revenue stream. Figure 06 provides an illustrative breakdown of these various funding sources.

Figure 06

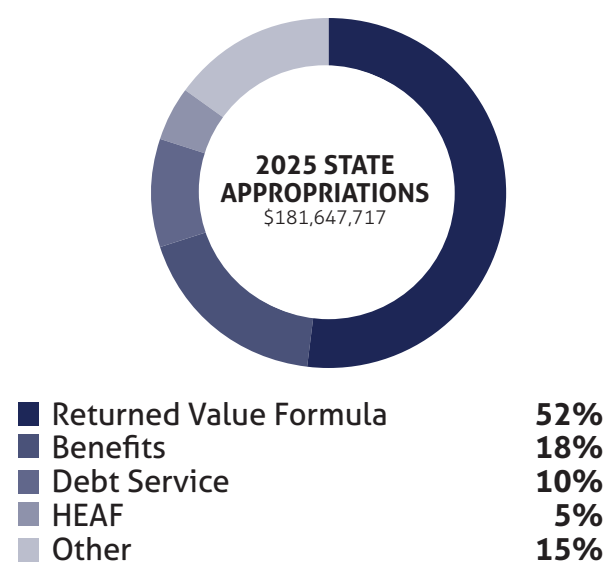


# STATE APPROPRIATIONS

Total General Revenue appropriations for fiscal year 2025 mirror those of fiscal year 2024, both being stipulated in the General Appropriations Act following the 88th legislative session. This session resulted in a cumulative increase of over \$45 million annually for TSTC's General Revenue appropriations compared to the previous session. A notable portion of this increase, approximately \$25.2 million per year, stemmed from TSTC's returned-value formula calculation. Additionally, a substantial rise in fiscal years 2024 and 2025 appropriations includes funding for debt service related to the recently issued Series 2022A Capital Construction Assistance Projects (CCAP) Revenue Bonds, covering more than half of TSTC's total debt service obligations.

Additional components of TSTC's appropriation funding, categorized as "non-formula support," encompass various allocations such as the Small Institution Supplement, Institutional Enhancement, System Office Operations, and Startup Funding strategies. Capital improvement funding sourced from the Higher Education Assistance Funds (HEAF) appropriation, along with funding for employee payroll taxes, benefits, and specific appropriations designated for debt service, collectively contribute to the overall TSTC appropriation bill pattern.

Figure 07



# RETURNED-VALUE FORMULA PERFORMANCE

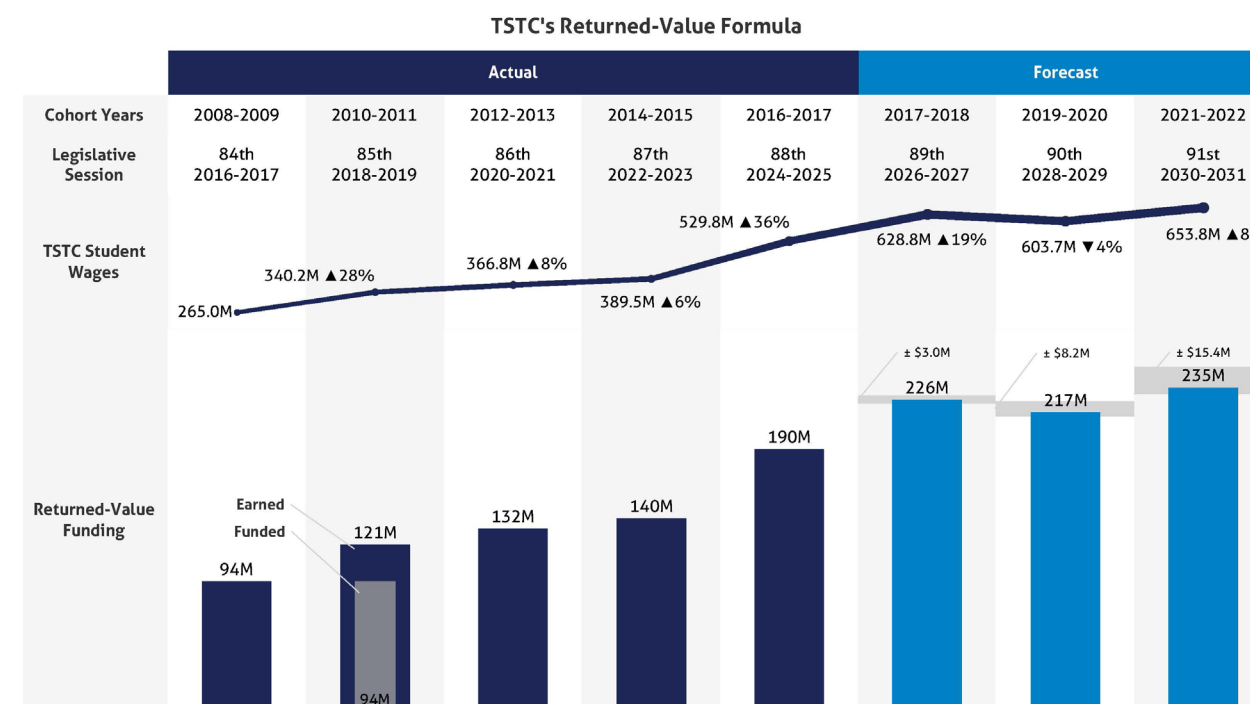
TSTC's unique returned-value funding formula has established itself as an effective model for performance-based higher education funding in Texas. In the latest earnings calculation used for the 88th legislative session, the number of graduates considered in the formula remained consistent with previous years, while their average wages over the five-year period saw notable growth. These higher wages have resulted in increased formula funding for TSTC in fiscal years 2024 and 2025.

TSTC is actively enhancing its capacity to forecast future returned-value metrics. TSTC anticipates a decline in the number of former students factored into future formula calculations due to program closures in fiscal year 2019 and enrollment reductions during the pandemic. However, the trend of higher earnings among graduates is expected to persist for at least the

next two biennia. By prioritizing training programs with strong employment outcomes for students, TSTC has leveraged the funding mechanisms inherent in the formula, contributing to economic growth in alignment with the formula's original design objectives set by the State of Texas.

As illustrated in Figure 08 below, TSTC expects a decrease in returned value funding in the 90th legislative session. The cohort ("class of") years used in that session will be 2019-2020, which were directly impacted the COVID-19 pandemic. TSTC's enrollment recovered fairly quickly after the pandemic, and the returned value funding is expected to increase accordingly in the 91st session.

Figure 08



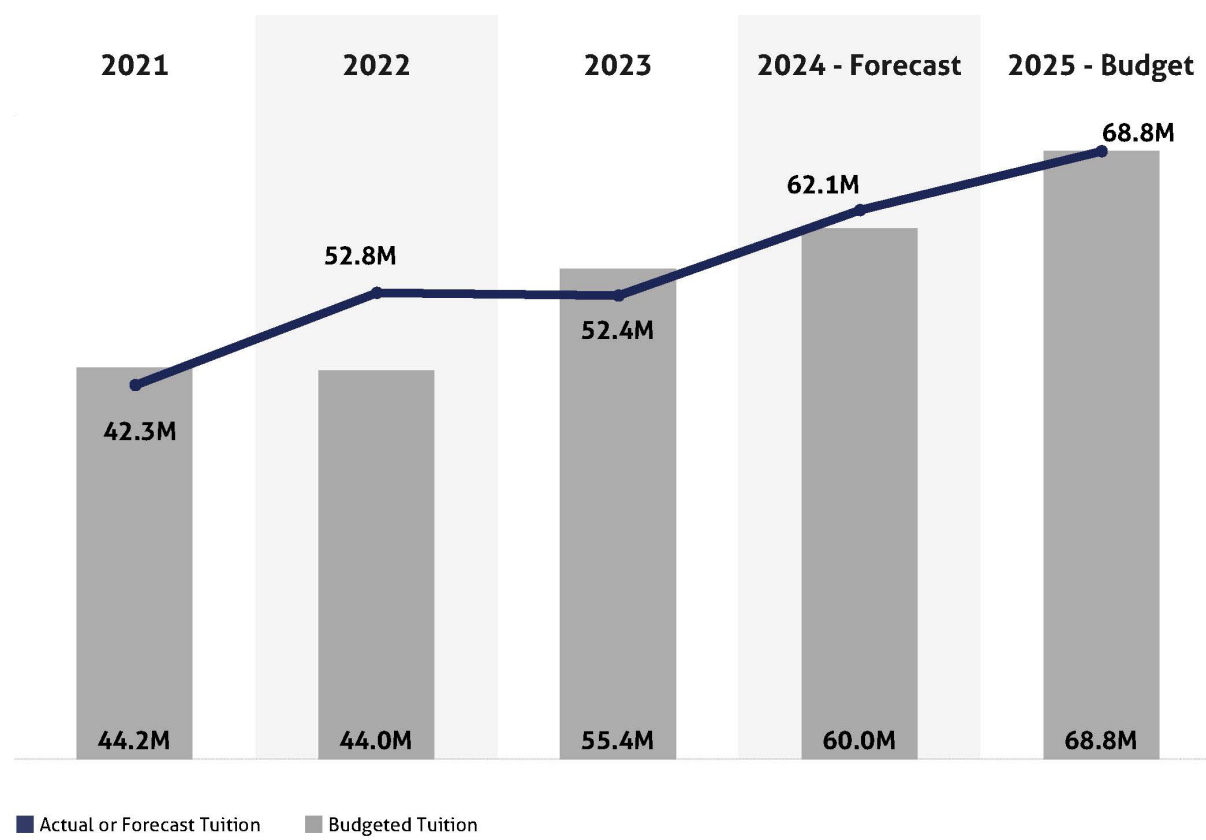
# TUITION REVENUE

Over the past five to seven years, TSTC has conducted comprehensive market analyses and adjusted tuition rates to align with the current demand for technical expertise in key industries. Tuition and fees for programs with a stronger technical emphasis are set higher per semester credit hour, taking into account factors such as graduate demand and salary trends, as well as program costs. Consequently, enrollment in these higher-tier programs has shown substantial growth, as illustrated in Figure 10 on the following page.

In fiscal year 2024, tuition revenue surpassed initial projections, exceeding the budget by \$2 million and marking a \$10 million increase compared to fiscal year 2023. Looking ahead to fiscal year 2025, with new buildings scheduled to open in Spring and Summer 2025 to enhance capacity, tuition revenue is expected to grow by an additional 10%.

Figure 09

## Tuition Trends



• Bars represent the Budgeted Tuition for each Fiscal Year  
 • Line represents the Actual or Forecast Tuition for each specific Fiscal Year

### TIER 1

- Advanced Manufacturing
- Aircraft Airframe
- Aircraft Powerplant
- Electrical Lineworker
- Instrumentation
- LVN to RN Transition
- Nursing Program
- Welding

### TIER 2

- Biomedical Equipment
- Building Construction
- Computer Networking & Systems Administration
- Culinary Arts
- Cybersecurity
- Diesel Equipment
- Electrical Power and Controls
- Vocational Nursing

### TIER 3

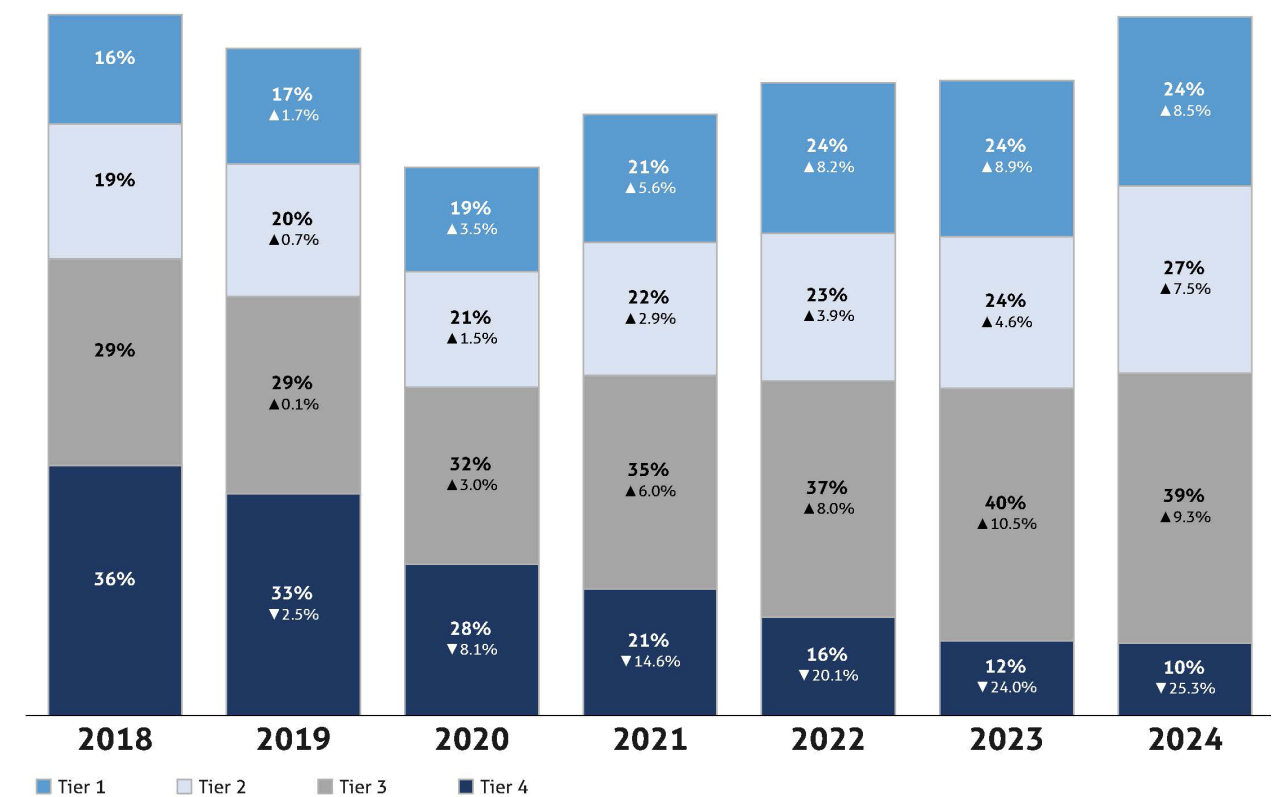
- Chemical Dependency Counseling
- Computer Programming
- Drafting & Design
- Auto Collision & Management
- Automotive Technology
- Business Management
- Dental Hygiene
- Digital Media and Design
- Education & Training
- Electrical Construction
- Emergency Medical Services
- Health Information
- HVAC
- Industrial Systems
- Occupational Safety and Environmental Compliance
- Precision Machining
- Process Operations
- Solar Energy
- Surgical Technology
- Wind Energy

### TIER 4

- Aircraft Pilot Training
- Automation and Control
- Avionics
- Biology
- Computer Science
- Electromechanical Technology
- Engineering
- Mathematics
- Mechatronics
- Plumbing & Pipefitting
- Pre-Allied Health
- Physics
- Robotics
- Web Design & Development

Figure 10

## Operational Enrollment by Tier: % Change Relative to 2018



• Operational Census Enrollment Based on 2023 Tier Structure.  
 • Student headcount is calculated using the distinct count of Student IDs by Term and Tier.

## OPERATING EXPENSES

The fiscal year 2025 operating expenditures are budgeted at \$346.5 million, up from \$318.1 million in fiscal year 2024, driven primarily by transformative growth initiatives. Of the \$28.4 million increase, approximately \$10.2 million is allocated to personnel costs to sustain growth initiatives and support operational needs for expanding student enrollment. This allocation also includes funding for the annual employee merit cycle.

Excluding student financial aid expenditures, which are offset by grant revenues, operating expenses are expected to increase by approximately \$6.7 million compared to prior budget. This primarily includes an additional

budget of \$2.2 million allocated towards new equipment to accommodate higher student capacity and address inflationary costs, \$1.3 million for increased marketing efforts and campus improvements, \$1.4 million for information technology upgrades ensuring data security, and nearly \$4.0 million for debt service. The increases in operating expenses are offset by a reduction of approximately \$2.2 million in Workday implementation and consulting costs, as the project concludes in fiscal year 2024.

Please refer to the Exhibit at the end of the report for the detailed operating expense budget.

Figure 11

	FY 2023	FY 2024	FY 2025
Salaries & Wages	96,750,915	117,929,130	129,762,709
Benefit Costs	33,095,630	40,894,710	41,811,977
Operating Expenses	117,552,174	152,448,745	171,519,031
Strategic Pool	11,000,000	6,825,000	3,404,000
<b>Total Operating Expenditures</b>	<b>258,398,719</b>	<b>318,097,585</b>	<b>346,497,717</b>

Figure 12



## CAPITAL BUDGET & CCAP

The capital budget comprises all financial activities pertaining to significant projects, including construction projects exceeding \$1 million and planned real estate acquisitions. Each project must receive approval from the Board of Regents individually. The provided capital project list includes both previously approved projects and those currently under consideration for approval by the Board of Regents.

Figure 13

Active Capital Project Uses	Capital Reserves	EDA Grant	2020 RFS Bond	2022 CCAP Bonds	Proposed Bond Issuance	Total	% Expended
Abilene CCAP	42,297			30,383,614		30,425,911	10.0%
EWC CCAP				50,592,980		50,592,980	0.7%
EWC Expansion				7,000,000	22,345,000	29,345,000	0.0%
Fort Bend CCAP	250,150			54,108,164		54,358,314	14.8%
Fort Bend CDL Canopy				79,000		79,000	0.0%
Harlingen CCAP	284,363			63,540,471		63,824,834	6.2%
Harlingen Welcome Center			2,100,000			2,100,000	2.8%
Harlingen CDL Facility				669,000		669,000	0.0%
Marshall CCAP				13,191,633		13,191,633	27.2%
New Braufels Expansion	498,804					498,804	6.8%
Midlothian Site Expansion					26,305,000	26,305,000	0.0%
Waco CCAP	336,392			70,329,013		70,665,405	8.4%
Waco JBC Renovations	887,400		5,162,600	9,500,000		15,550,000	85.6%
Waco Interceptor Sewer	650,000					650,000	0.0%
Waco TSC/EEC Renovations	2,835,253	3,500,000		6,000,000		12,335,253	71.5%
Statewide CCAP Audits				285,000		285,000	0.0%
Statewide Project Planning	1,112,634		4,463,173			5,575,807	87.8%
<b>Total Budget</b>	<b>6,897,293</b>	<b>3,500,000</b>	<b>11,725,773</b>	<b>305,678,875</b>	<b>48,650,000</b>	<b>376,451,941</b>	



**EXHIBIT: Detailed Operating Expense Budget**

		FY2023	FY2024	FY2025
<b>Instruction/Operations</b>				
<b>Academics</b>	Personnel Costs	5,572,096	5,398,759	4,926,564
	Operating Costs	140,851	159,195	143,071
	<b>Total</b>	<b>5,712,947</b>	<b>5,557,954</b>	<b>5,069,635</b>
<b>Digital Transformation</b>	Personnel Costs	3,778,580	3,947,817	4,048,865
	Operating Costs	279,507	262,905	385,655
	<b>Total</b>	<b>4,058,087</b>	<b>4,210,722</b>	<b>4,434,520</b>
<b>Power &amp; Construction</b>	Personnel Costs	7,200,150	9,796,293	9,941,176
	Operating Costs	906,667	1,858,111	3,349,337
	<b>Total</b>	<b>8,106,817</b>	<b>11,654,404</b>	<b>13,290,513</b>
<b>Health Sciences</b>	Personnel Costs	4,875,114	4,944,436	6,019,766
	Operating Costs	269,899	696,968	415,614
	<b>Total</b>	<b>5,145,013</b>	<b>5,641,404</b>	<b>6,435,380</b>
<b>Manufacturing</b>	Personnel Costs	7,400,446	10,188,941	10,885,542
	Operating Costs	1,556,614	2,021,184	2,817,287
	<b>Total</b>	<b>8,957,060</b>	<b>12,210,125</b>	<b>13,702,829</b>
<b>Office of AVC</b>	Personnel Costs	71,043	0	870,824
	Operating Costs	349,702	524,702	857,756
	<b>Total</b>	<b>420,745</b>	<b>524,702</b>	<b>1,728,580</b>
<b>Technical Services</b>	Personnel Costs	2,841,287	3,068,264	3,266,499
	Operating Costs	361,969	402,334	426,370
	<b>Total</b>	<b>3,203,256</b>	<b>3,470,598</b>	<b>3,692,869</b>
<b>Transportation</b>	Personnel Costs	6,879,014	8,516,696	9,079,341
	Operating Costs	3,419,368	3,451,873	3,452,533
	<b>Total</b>	<b>10,298,382</b>	<b>11,968,569</b>	<b>12,531,874</b>
<b>FAME</b>	Personnel Costs	0	160,290	328,491
	Operating Costs	0	313,000	285,714
	<b>Total</b>	<b>0</b>	<b>473,290</b>	<b>614,205</b>
<b>Retention Services</b>	Personnel Costs	2,570,697	2,780,613	3,323,003
	Operating Costs	744,254	1,441,684	1,276,086
	<b>Total</b>	<b>3,314,951</b>	<b>4,222,297</b>	<b>4,599,089</b>
<b>Administration</b>	Personnel Costs	6,991,253	10,026,705	5,885,338
	Operating Costs	3,079,565	3,880,722	3,058,984
	<b>Total</b>	<b>10,070,818</b>	<b>13,907,427</b>	<b>8,944,322</b>
<b>Institutional Effectiveness</b>	Personnel Costs	497,493	719,999	831,006
	Operating Costs	119,305	377,706	345,336
	<b>Total</b>	<b>616,798</b>	<b>1,097,705</b>	<b>1,176,342</b>
<b>Provost - Campus Team</b>	Personnel Costs	2,352,964	3,646,732	8,980,364
	Operating Costs	340,779	899,225	1,173,176
	<b>Total</b>	<b>2,693,743</b>	<b>4,545,957</b>	<b>10,153,540</b>
<b>Shared Services</b>	Personnel Costs	3,767,727	5,159,716	5,144,377
	Operating Costs	994,487	1,310,103	1,270,800
	<b>Total</b>	<b>4,730,966</b>	<b>6,469,819</b>	<b>6,415,177</b>
<b>Campus Expansion Pool</b>	Personnel Costs	0	0	1,527,000
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,527,000</b>
<b>Total Instruction/Operations</b>	<b>Personnel Costs</b>	<b>54,797,864</b>	<b>68,355,261</b>	<b>75,058,156</b>
	<b>Operating Costs</b>	<b>12,562,967</b>	<b>17,599,712</b>	<b>19,257,719</b>
	<b>Total</b>	<b>67,360,831</b>	<b>85,954,973</b>	<b>94,315,875</b>

		FY2023	FY2024	FY2025
<b>Student Financial Aid</b>	Personnel Costs	960,361	759,778	759,778
	Operating Costs	45,083,012	48,008,300	59,508,297
	<b>Total</b>	<b>46,043,373</b>	<b>48,768,078</b>	<b>60,268,075</b>
<b>Statewide Benefits</b>	Personnel Costs	30,837,158	36,845,253	37,778,524
	Operating Costs	290,719	0	0
	<b>Total</b>	<b>31,127,877</b>	<b>36,845,253</b>	<b>37,778,524</b>
<b>Marketing</b>				
<b>Processing Center</b>	Personnel Costs	801,284	1,819,034	2,167,697
	Operating Costs	412,562	592,218	498,590
	<b>Total</b>	<b>1,213,846</b>	<b>2,411,252</b>	<b>2,666,287</b>
<b>Veterans</b>	Personnel Costs	441,426	499,331	620,987
	Operating Costs	30,905	62,580	185,035
	<b>Total</b>	<b>472,331</b>	<b>561,911</b>	<b>806,022</b>
<b>Communication &amp; Creative Services</b>	Personnel Costs	1,475,298	1,995,155	2,010,661
	Operating Costs	2,119,266	2,539,984	4,367,789
	<b>Total</b>	<b>3,594,564</b>	<b>4,535,139</b>	<b>6,378,450</b>
<b>Enrollment/Recruitment</b>	Personnel Costs	7,080,325	8,936,462	8,555,775
	Operating Costs	1,109,622	1,849,964	2,052,290
	<b>Total</b>	<b>7,332,223</b>	<b>10,786,426</b>	<b>10,608,065</b>
<b>C4EO</b>	Personnel Costs	1,675,746	1,844,774	2,124,056
	Operating Costs	343,774	353,800	353,800
	<b>Total</b>	<b>2,019,520</b>	<b>2,198,574</b>	<b>2,477,856</b>
<b>Marketing Admin</b>	Personnel Costs	0	539,320	824,824
	Operating Costs	0	825,000	323,340
	<b>Total</b>	<b>0</b>	<b>1,364,320</b>	<b>1,148,164</b>
<b>Total Marketing</b>	<b>Personnel Costs</b>	<b>11,474,079</b>	<b>15,634,076</b>	<b>16,304,000</b>
	<b>Operating Costs</b>	<b>4,016,129</b>	<b>6,223,546</b>	<b>7,780,844</b>
	<b>Total</b>	<b>15,490,208</b>	<b>21,857,622</b>	<b>24,084,844</b>
<b>External Relations</b>				
<b>Advancement &amp; TSTC Foundation</b>	Personnel Costs	2,257,376	2,041,310	1,964,057
	Operating Costs	1,004,676	1,010,501	1,072,603
	<b>Total</b>	<b>3,262,052</b>	<b>3,051,811</b>	<b>3,036,660</b>
<b>Industry Relations</b>	Personnel Costs	2,645,245	3,618,465	5,120,803
	Operating Costs	1,962,052	4,453,940	4,441,150
	<b>Total</b>	<b>4,607,297</b>	<b>8,072,405</b>	<b>9,561,953</b>
<b>Dual Credit</b>	Personnel Costs	586,352	605,166	588,922
	Operating Costs	60,762	153,222	69,609
	<b>Total</b>	<b>647,114</b>	<b>758,388</b>	<b>658,531</b>
<b>Quality Enhancement</b>	Personnel Costs	180,010	114,059	42,230
	Operating Costs	0	158,604	50,828
	<b>Total</b>	<b>180,010</b>	<b>272,663</b>	<b>93,058</b>
<b>Career Services</b>	Personnel Costs	797,715	1,428,007	1,667,647
	Operating Costs	194,403	95,801	203,943
	<b>Total</b>	<b>992,118</b>	<b>1,523,808</b>	<b>1,871,590</b>
<b>External Relations (Admin)</b>	Personnel Costs	0	531,750	739,423
	Operating Costs	233,594	627,498	312,296
	<b>Total</b>	<b>620,223</b>	<b>1,159,248</b>	<b>1,051,719</b>
<b>Other</b>	Personnel Costs	203,037	67,427	0
	Operating Costs	22,872	22,872	0

		FY2023	FY2024	FY2025
<b>Total External Relations</b>	<b>Total</b>	225,909	90,299	0
	<b>Personnel Costs</b>	6,669,735	8,406,184	10,123,082
	<b>Operating Costs</b>	3,478,359	6,522,438	6,150,429
	<b>Total</b>	10,148,094	14,928,622	16,273,511
<b>Auxiliary Services</b>				
<b>Retail Operations</b>	Personnel Costs	1,313,320	1,576,378	1,573,887
	Operating Costs	2,512,680	2,592,030	3,172,000
	<b>Total</b>	3,826,000	4,168,408	4,745,887
<b>Housing</b>	Personnel Costs	1,446,634	1,291,369	1,324,981
	Operating Costs	2,471,466	2,464,105	2,978,850
	<b>Total</b>	3,918,100	3,755,474	4,303,831
<b>Airport</b>	Personnel Costs	148,728	234,237	169,115
	Operating Costs	419,842	419,842	657,218
	<b>Total</b>	568,570	654,079	826,333
<b>Printing Production</b>	Personnel Costs	129,452	224,078	239,176
	Operating Costs	211,191	305,151	303,933
	<b>Total</b>	340,643	529,229	543,109
<b>Total Auxiliary Services</b>	<b>Personnel Costs</b>	<b>3,038,134</b>	<b>3,326,062</b>	<b>3,307,159</b>
	<b>Operating Costs</b>	<b>5,615,179</b>	<b>5,781,128</b>	<b>7,112,001</b>
	<b>Total</b>	<b>8,653,313</b>	<b>9,107,190</b>	<b>10,419,160</b>
<b>Campus Services</b>				
<b>Campus Service Admin</b>	Personnel Costs	0	271,625	314,599
	Operating Costs	0	1,255,100	255,100
	<b>Total</b>	0	1,526,725	569,699
<b>Police</b>	Personnel Costs	1,408,993	1,345,215	1,758,771
	Operating Costs	465,100	802,462	853,303
	<b>Total</b>	1,874,093	2,147,677	2,592,073
<b>Safety</b>	Personnel Costs	190,400	245,363	307,308
	Operating Costs	168,884	314,200	304,774
	<b>Total</b>	359,284	559,563	612,082
<b>Residence Life &amp; Wellness Center</b>	Personnel Costs	792,795	552,018	812,104
	Operating Costs	509,800	149,800	612,986
	<b>Total</b>	1,302,595	701,818	1,325,093
<b>Risk Management</b>	Personnel Costs	136,508	81,618	84,256
	Operating Costs	16,148	18,148	17,604
	<b>Total</b>	152,656	99,766	101,860
<b>Total Campus Services</b>	<b>Personnel Costs</b>	<b>2,528,696</b>	<b>2,495,839</b>	<b>3,277,038</b>
	<b>Operating Costs</b>	<b>1,159,932</b>	<b>2,539,710</b>	<b>2,043,767</b>
	<b>Total</b>	<b>3,688,628</b>	<b>5,035,549</b>	<b>5,320,805</b>
<b>Physical Plant</b>				
<b>Utilities</b>	<b>Operating Costs</b>	4,256,000	4,518,960	4,619,958
	<b>Total</b>	4,256,000	4,518,958	4,619,958
<b>Physical Plants</b>	Personnel Costs	4,090,312	4,764,029	5,131,083
	Operating Costs	8,792,686	9,111,015	8,163,404
	<b>Total</b>	12,882,998	13,875,044	13,294,487
<b>Fleet</b>	Personnel Costs	145,417	150,889	257,938
	Operating Costs	1,171,645	1,506,640	1,506,640
	<b>Total</b>	1,317,062	1,657,529	1,764,578
<b>Total Physical</b>	<b>Personnel Costs</b>	<b>4,235,729</b>	<b>4,914,918</b>	<b>5,389,021</b>

		FY2023	FY2024	FY2025
<b>Facilities, Planning &amp; Construction</b>	<b>Operating Costs</b>	14,220,331	15,136,615	14,290,002
	<b>Total</b>	18,456,060	20,051,533	19,679,023
	<b>Personnel Costs</b>	786,936	1,395,801	1,590,919
	<b>Operating Costs</b>	3,195,849	832,800	782,828
	<b>Total</b>	3,982,785	2,228,601	2,373,747
<b>Information Technology</b>				
<b>Information Technology (Admin)</b>	Personnel Costs	309,303	390,749	244,781
	Operating Costs	5,662,349	6,839,762	6,233,782
	<b>Total</b>	5,971,652	7,230,511	6,478,563
<b>IT Infrastructure Operations</b>	Personnel Costs	321,614	330,625	374,863
	Operating Costs	893,083	893,683	1,096,290
	<b>Total</b>	1,214,697	1,224,308	1,471,153
<b>IT Onsite Support</b>	Personnel Costs	687,394	883,112	922,750
	Operating Costs	72,107	76,000	183,000
	<b>Total</b>	759,501	959,112	1,105,751
<b>IT Risk Management</b>	Personnel Costs	113,060	217,440	240,810
	Operating Costs	25,500	52,000	328,502
	<b>Total</b>	138,560	269,440	569,312
<b>IT Program Development</b>	Personnel Costs	317,333	256,866	268,743
	Operating Costs	15,000	15,000	0
	<b>Total</b>	332,333	271,866	268,743
<b>IT Solutions Management</b>	Personnel Costs	706,963	1,068,614	1,184,268
	Operating Costs	33,150	82,250	552,750
	<b>Total</b>	740,113	1,150,864	1,737,018
<b>IT Support Operations</b>	Personnel Costs	757,301	672,662	980,455
	Operating Costs	36,197	40,700	47,000
	<b>Total</b>	793,498	713,362	1,027,455
<b>Central Communication</b>	Operating Costs	894,500	906,385	977,925
	<b>Total</b>	894,500	906,385	977,925
<b>Data &amp; Analytics</b>	Personnel Costs	1,257,462	1,619,903	1,659,092
	Operating Costs	381,922	1,375,000	1,620,000
	<b>Total</b>	1,639,384	2,994,903	3,279,092
<b>IT Statewide Admin</b>	Personnel Costs	0	225,480	249,480
	Operating Costs	0	0	181,000
	<b>Total</b>	0	225,480	430,480
<b>Total Information Technology</b>	<b>Personnel Costs</b>	<b>4,470,430</b>	<b>5,665,451</b>	<b>6,125,242</b>
	<b>Operating Costs</b>	<b>8,013,808</b>	<b>10,280,780</b>	<b>11,220,249</b>
	<b>Total</b>	<b>12,484,238</b>	<b>15,946,231</b>	<b>17,345,491</b>
<b>Finance</b>				
<b>Budget, Accounting &amp; Reporting</b>	Personnel Costs	2,265,290	2,402,221	2,621,902
	Operating Costs	555,815	656,776	656,776
	<b>Total</b>	2,821,105	3,058,997	3,278,678
<b>Procurement</b>	Personnel Costs	2,014,132	2,409,340	2,244,824
	Operating Costs	717,170	822,293	852,757
	<b>Total</b>	2,731,302	3,231,633	3,097,582
<b>Finance Admin</b>	Personnel Costs	439,394	417,504	449,145
	Operating Costs	293,270	293,270	238,253
	<b>Total</b>	732,664	710,774	687,398
<b>Enterprise Risk Management</b>	Operating Costs	974,655	1,279,659	1,333,300

	FY2023	FY2024	FY2025
<b>Total Finance</b>	<b>974,655</b>	<b>1,279,659</b>	<b>1,333,300</b>
Personnel Costs	4,718,816	5,229,065	5,315,871
Operating Costs	2,540,910	3,051,998	3,081,086
<b>Total</b>	<b>7,259,726</b>	<b>8,281,063</b>	<b>8,396,957</b>
<b>Human Resources</b>			
<b>Human Resources</b>	Personnel Costs 2,086,173	2,736,890	2,801,686
	Operating Costs 924,000	1,074,000	942,590
	<b>Total</b> 3,010,173	<b>3,601,889</b>	<b>3,744,276</b>
<b>Payroll</b>	Personnel Costs 128,780	145,640	140,611
	<b>Total</b> 128,780	<b>145,640</b>	<b>140,611</b>
<b>Professional Development</b>	Personnel Costs 424,426	393,189	412,477
	<b>Total</b> 424,426	<b>393,190</b>	<b>412,477</b>
<b>Employee Recognition</b>	Operating Costs 73,500	73,000	73,000
	<b>Total</b> 73,500	<b>73,000</b>	<b>73,000</b>
<b>Total Human Resources</b>	<b>Personnel Costs 2,639,379</b>	<b>3,275,719</b>	<b>3,354,775</b>
	<b>Operating Costs 997,500</b>	<b>1,147,000</b>	<b>1,015,590</b>
	<b>Total 3,636,879</b>	<b>4,422,719</b>	<b>4,370,365</b>
<b>Statewide Administration</b>			
<b>General Counsel</b>	Personnel Costs 563,827	473,634	575,362
	Operating Costs 80,474	30,474	96,474
	<b>Total</b> 644,301	<b>504,108</b>	<b>671,836</b>
<b>Office of the CEO</b>	Personnel Costs 1,210,581	1,307,452	1,450,583
	Operating Costs 461,500	464,000	403,142
	<b>Total</b> 1,672,081	<b>1,771,452</b>	<b>2,001,125</b>
<b>Internal Audit</b>	Personnel Costs 434,686	407,857	586,806
	Operating Costs 69,900	119,500	102,750
	<b>Total</b> 504,586	<b>527,357</b>	<b>689,556</b>
<b>Government Relations</b>	Personnel Costs 480,614	331,488	578,370
	Operating Costs 371,486	482,205	482,205
	<b>Total</b> 852,100	<b>813,693</b>	<b>913,175</b>
<b>Deputy Chancellor Admin</b>	Operating Costs 0	80,000	80,000
	<b>Total</b> 0	<b>80,000</b>	<b>80,000</b>
<b>Total Statewide Administration</b>	<b>Personnel Costs 2,689,708</b>	<b>2,520,431</b>	<b>3,191,121</b>
	<b>Operating Costs 983,360</b>	<b>1,176,179</b>	<b>1,164,571</b>
	<b>Total 3,673,068</b>	<b>3,696,610</b>	<b>4,355,692</b>
<b>Debt Service</b>	<b>Operating Costs 15,393,639</b>	<b>34,148,539</b>	<b>38,111,648</b>
	<b>Total 15,393,639</b>	<b>34,148,539</b>	<b>38,111,648</b>
<b>Strategic Pool (to be allocated)</b>	<b>Personnel Costs 8,000,000</b>	<b>5,000,000</b>	<b>2,404,000</b>
	<b>Operating Costs 3,000,000</b>	<b>1,825,000</b>	<b>1,000,000</b>
	<b>Total 11,000,000</b>	<b>6,825,000</b>	<b>3,404,000</b>
<b>Total Operating Expenses</b>	<b>Personnel Costs 137,847,025</b>	<b>163,823,838</b>	<b>173,978,686</b>
	<b>Operating Costs 120,551,694</b>	<b>154,273,745</b>	<b>172,519,031</b>
	<b>Total 258,398,719</b>	<b>318,097,583</b>	<b>346,497,717</b>

# NOTES:

## ACKNOWLEDGMENTS

This annual report is the collaborative effort of many teammates across the College. Represented in the creation of this document are TSTC's values of Excellence, Accountability, Service and Integrity.

The teams and partners listed below contributed to this report to honor the past and future meaningful work done to Place More Texans in Great Paying Jobs while also making TSTC a great(er) place to work.

**Thank you to these exceptional teammates:**

Budget, Accounting and Reporting Team  
Communication and Creative Services Team  
Data and Analytics Team  
Finance Administration Team  
Print Shop Team

**Key Contributors:**

**Chad Wooten**, Vice Chancellor & Chief Financial Officer  
**Nathan Ehlert**, Senior Director, Budget  
**Jeni Gooden**, Chief of Staff, Financial Services  
**Fernando Guerrero**, Senior Budget Decision Support Analyst  
**Jan Harvey**, Senior Director, Institutional Revenue  
**Elizabeth Kacmarynski**, Budget Decision Support Analyst  
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**Anju Motwani**, Associate Vice Chancellor & Controller  
**Kayla Redding**, Finance Project Manager  
**Caitlin Simmonds**, Assistant Director, Creative Services  
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**Courtney Volney**, Budget Manager  
**Eric Vogelsinger**, Vice President, Procurement Services  
**Emma Vuia**, Executive Assistant to Vice Chancellor/CFO  
**Shannon Wiggins**, Senior Budget Analyst

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Texas State Technical College (TSTC) is accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) to award Associate Degrees and Certificates of Completion. Contact the Southern Association of Colleges and Schools Commission on Colleges at 1866 Southern Lane, Decatur, Georgia 30033-4097 or call 404-679-4500 for questions about the accreditation of Texas State Technical College.

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

CREATED  
BY  
TEXAS  
FOR  
TEXANS

