This report results from the 1996 U.S. Supreme Court decision, Hopwood v. Texas, which declared that race may not be taken into account for the purpose of creating a diverse student body. The report offers recommendations to Texas policymakers and educators concerning creative approaches to encourage more representative student bodies in light of this decision. Short-term and long-term recommendations are made for programs and strategies in three areas: recruitment and admissions, retention, and financial aid. Discussion of the issues and effective strategies in each of these areas is followed by presentation of ten major recommendations, including the following: (1) creation of a fund for supplementary financing of recruitment programs; (2) creation of incentives for two-year students to earn an associate degree or transfer to a four-year college; (3) increases in state financial aid funding; (4) expansion of current work-study programs; (5) expansion of partnerships between the state and private sectors; and (6) increased support to improve retention of full-time higher education professional faculty. Also included are profiles of commission members and two appendices, one an executive summary of another financial aid report and, the second, a matrix of Texas recognition and equal access programs. (Contains 24 references.) (DB)
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   Brief History of the Texas Commission on a Representative Student Body
   Charge to the Commission
   Appointment of the Commission

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   Higher Education in Texas:
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BACKGROUND

In 1995, leaders of the state’s public and independent colleges and universities created the Texas Higher Education Coalition to present the needs of higher education to the citizens and legislators of Texas. The Coalition’s proposal, called Back to Basics: Gaining the Competitive Edge, sought to increase state funding to higher education by $926 million for the biennium.

At the conclusion of the 75th Texas Legislature, responding to the Coalition’s unified approach and reversing a 10-year trend, the Legislature provided almost $600 million in new funding to higher education. While legislators did not specifically fund the programs outlined in the plan, they provided almost two-thirds of the funds requested. These funds are being used to help increase the number of college graduates by 15,200 a year, with the goal of bringing Texas to the national average.

BRIEF HISTORY OF THE COMMISSION

On July 1, 1996, the U.S. Supreme Court left standing a ruling on the Hopwood v. Texas case by the United States Court of Appeals for the Fifth Circuit. The ruling declared that race may not be taken into account for the purpose of creating a diverse student body. Then, on August 21, 1996, Texas Attorney General Dan Morales provided Texas’ colleges and universities with guidelines for establishing race-neutral policies in admissions and financial aid. Texas institutions of higher education have, of course, adhered to the law. But despite extraordinary efforts to continue a commitment to a diverse student body, there is enormous concern that fewer minority students will enroll in Texas higher education institutions, particularly those with selective admissions criteria. Regardless of the view of affirmative action held by an individual, most Texans agree that the state’s colleges and universities must attract, retain, and graduate students who are representative of the larger society.

Deeply concerned about how to develop and implement effective strategies and plans for functioning in the post-Hopwood world, members of the Texas Higher Education Coalition once again joined forces, appointing the Texas Commission on a Representative Student Body to consider creative approaches to encourage more representative student bodies at all Texas colleges and universities.

CHARGE TO THE COMMISSION

The Texas Higher Education Coalition charged the Texas Commission on a Representative Student Body with assessing—with the parameters of Hopwood—current efforts associated with the recruitment, admission, retention, and graduation of minority students at colleges and universities in Texas. The Commission was asked to make both short-term and long-term recommendations for additional programs and strategies in three areas:

1. Recruitment and Admissions.
   What are Texas colleges and universities doing to attract a diverse student body? How effective are these recruitment activities?

“...despite extraordinary efforts to continue a commitment to a diverse student body, there is enormous concern that fewer minority students will enroll in Texas higher education institutions.”
What additional recruitment efforts are recommended for 1998 and beyond?

Retention
What retention programs are currently used at Texas institutions, and how effective are they? What additional programs and financial support are recommended for 1998 and beyond?

Financial Aid
What current financial aid programs are most likely to encourage underrepresented groups to enroll in Texas colleges and universities? What additional financial aid strategies are recommended for 1998 and beyond?

The Commission was charged with forwarding its recommendations to the Texas Higher Education Coalition. The final report of the Commission was completed in August 1998 and issued in October 1998.

Appointment of the Commission
Representatives of the following higher education entities in the State of Texas were appointed in October 1997 to serve on the Commission:

- Independent Colleges and Universities of Texas
- Texas Association of Community Colleges
- Texas A&M University System
- Texas State Technical College System
- Texas State University System
- Texas Tech University System
- University of Houston System
- University of North Texas System
- The University of Texas System

The Chair of the Commission was selected by, and from the membership of, the Commission. Each of the higher education entities associated with the Commission named resource persons who provided staff assistance and coordination.
Higher Education in Texas: From Independent, Church-Related Institutions to Community Colleges and Metropolitan Universities

The first institutions of higher education in Texas were independent, church-related institutions. Austin College, Baylor University, and Southwestern University all have claims on being the state's oldest institutions. As citizens of the Republic of Texas and the new state considered the need for higher education, they debated whether public universities were necessary.

In 1876, when the state constitution created a fund for a “university of the first class,” Texas was a rural state. A public college education was available to the few young white males and even fewer young white females who could leave the farm or ranch to go to the University of Texas in Austin or to Texas A&M University in College Station.

As Texas grew, so did the number of higher education options. Today, Texas has 43 public universities and health institutions, 50 public community college districts, and 41 independent colleges and universities with a combined enrollment of more than 925,000 students. These institutions range in size from a few hundred students to close to 50,000 at the nation’s largest university. Today, higher education in Texas is no longer the exclusive domain of single males between ages 18 and 21, nor do all students graduate four or even six years after they first enroll.

Each higher education institution in Texas offers a variety of educational opportunities, and each one has a different role and service area:

- Some are publicly funded, while others are independent non-profits.
- Community colleges are two-year institutions that grant associate degrees in vocational and academic areas.
- Technical colleges add options for those seeking to enhance their vocational skills and achieve a technical degree.
- Four-year institutions range from special mission colleges to comprehensive, research universities. A few institutions are upper-level universities granting bachelor's, master's and doctoral degrees.
- Professional schools educate students in such disciplines as medicine, dentistry, law, optometry, veterinary medicine, architecture, and pharmacy.

Among the fastest-growing higher education institutions in Texas are the community colleges and the metropolitan universities, institutions that serve not only first-time students who need to attend classes near home, but also older students who return to upgrade their skills, knowledge, and degrees while retraining to change careers or jobs. These students are more likely to be working and supporting a family and more likely to carry less than 12 semester credit hours.

In short, higher education in Texas is as diverse as the population it serves. The variety of academic offerings and regional locations means that there is a place where every Texan can go to succeed. The pathway to higher education is open.

Obstacles Along the Pathway

There are problems on the pathway to obtaining a college degree, however. Texas has an unacceptable rate of high school dropouts. Therefore, Texas starts with an unacceptably low number of high school graduates, with fewer of those graduates attending college. The percentage of Texas high school graduates who enroll in college is at least 7% lower than the national rate. Of those who enroll, a lower percent graduate. Only about 49% of our college
students graduate, ranking Texas 48th in the nation. Less than half of students who enroll in four-year public universities have earned a bachelor's degree six years later. Again, this number compares unfavorably with other states, since about 57% of all U.S. college students complete a degree in five years.

It is also important to recognize that Texas invests less money in higher education than many other states. The state dollar investment per student is not only considerably lower than the average of the 10 largest states, but below the national average.

Minority students did even less well than the Texas average for degree completion. About 36% of Hispanic students earned degrees in six years, while only 27% of African-Americans went on to earn degrees. While freshman minority enrollment in higher education nearly equals the percentage of minority population, the gap widens six years later when fewer minorities have successfully completed degree requirements.

**Hopwood and its Impact**

As a once-segregated southern state, Texas struggled to overcome the legacy of a dual system of higher education. To create more opportunity for students who had once been denied admission on racial grounds, many universities established recruitment and financial aid programs. The result was a gradual, slight increase in minority enrollment in Texas in the last decade. The percentage of African-American students attending college has risen from about 9% to 10% of total enrollment, while the percentage of Hispanics attending college rose from 15% to 23%.

The *Hopwood* decision, issued on March 18, 1996 by the Fifth Circuit Court of Appeals, dealt a severe blow to the affirmative action programs at public and independent institutions. The lawsuit was brought by white students who claimed they were denied admission to the University of Texas School of Law because of preferences granted to African-American and Hispanic applicants. In an opinion issued on February 5, 1997, Attorney General Dan Morales interpreted the *Hopwood* decision to apply to financial aid, recruitment and retention programs, and admissions practices.

The impact of the decision was most dramatic in professional schools. Between 1996 and 1997, African-American enrollment at Texas public law schools dropped from 477 to 454. Hispanic enrollment declined from 465 to 428. There were also significant declines in the number of minority freshmen admitted to the University of Texas at Austin (98 fewer) and Texas A&M University (160 fewer).
MEETING THE EDUCATIONAL NEEDS OF EMERGING POPULATIONS OF TEXAS

Heir to a glorious ethnic diversity bestowed by its geography and history, Texas is a state of emerging minorities. By 2030, however, it is likely that there will be no ethnic majority within the state. By then, white Texans, who now constitute about 60% of the general population, will also become a minority, joining Hispanics, African-Americans, Native Americans, and Asians.

As the number of white Texans decreases, and that of Hispanics and African-Americans increases, the differences in college-going, graduation, and economic attainment rates among these groups will be even more evident. Currently, not as many Hispanic and African-American high school graduates go to college as do Anglos, and not as many receive degrees.

At every point in the educational pipeline, from high school graduation through professional degrees, minorities lose ground. Not only does minority income trail that of whites, but the state’s workforce and its economic future suffer because all Texans are not able to realize their full potential.

The Diversity of Texas and the Educational Pipeline: 1997

The graph shows the percentage of the population and various educational enrollment rates for different racial and ethnic groups in Texas for the year 1997. The data is sourced from The Texas Higher Education Coordinating Board.
The Commission on a Representative Student Body was created by leaders of the higher education community to consider three issues crucial to the future of the state:

How can the student body of higher education in Texas more faithfully reflect the population of Texas?

How should the state deal with the problem of educational disadvantage posed by emerging minority populations?

How do we ensure that the Texans of tomorrow will be better educated and have better lives than the Texans of today?

The Commission's charge was to assess efforts associated with the recruitment, retention, and graduation of underrepresented students at colleges and universities in Texas, and to develop "realistic and innovative" recommendations for the future.

Per capita income in Texas is below the national average. One reason for such economic disadvantage is an undereducated workforce. Texas awards about 25 degrees per every 1,000 persons between 18 and 34, compared to 31 nationwide. Consequently, Texas has 14% fewer college graduates in its population than does the nation. A college graduate will, over a lifetime, earn $1 million more than a non-graduate. And the greatest job growth is anticipated to occur in areas that require associate or bachelor's degrees.

Unless we improve educational opportunities from kindergarten through postgraduate work, Texas will be less able to attract the jobs that create better lives for all of us. Texas, now booming, will become less competitive in the global economy.

**Average Annual Household Income by Education Level (in 1998 dollars)**

<table>
<thead>
<tr>
<th>Education Level Attained</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than High School</td>
<td>$25,756</td>
</tr>
<tr>
<td>High School</td>
<td>$41,145</td>
</tr>
<tr>
<td>Bachelor's Degree</td>
<td>$69,543</td>
</tr>
<tr>
<td>Graduate/ Professional Degree</td>
<td>$93,850</td>
</tr>
</tbody>
</table>

**Working Lifetime (40 Years) Total State and Local Taxes for Households by Education Level of Householder (in 1998 dollars)**

<table>
<thead>
<tr>
<th>Education Level Attained</th>
<th>Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than High School</td>
<td>$64,360</td>
</tr>
<tr>
<td>High School</td>
<td>$97,120</td>
</tr>
<tr>
<td>Bachelor's Degree</td>
<td>$157,760</td>
</tr>
<tr>
<td>Graduate/ Professional Degree</td>
<td>$207,000</td>
</tr>
</tbody>
</table>

Source of Charts: Steve H. Murdock, Department of Rural Sociology, Texas A&M University, 1998
III. OVERVIEW
Demographer Dr. Steve H. Murdock informs us that if the 1980-90 population growth pattern continues, the state population, which was 18.4 million in 1994, will reach 33.8 million by the year 2030. Over 70% of the projected growth will be from immigration to the United States and from descendants of immigrants, as well as migration to Texas from other states. Nearly 90% of the population growth is expected to be non-white.

The state’s projected increases of students in higher education will include many individuals from poor, single-parent, and minority backgrounds—a population that is at risk under the current system. Small improvements will not effectively address our problems and consequently are not acceptable. To meet the challenges of the 21st century, Texas must also be concerned about the number of top students leaving the state to attend institutions elsewhere in the nation.

**Barriers to Recruiting Minority Students**

The under-representation of minorities in higher education reflects patterns and problems within the societal and educational process. These are some of the more common barriers:

- Poor academic preparation while in high school has limited the pool of admissible minority applicants. Counseling often is too little, too late, or nonexistent.

Students learn about prerequisites for college admission too late in their high school careers. Others suffer from the gap between their high school performance and the requirements for college admission.

- Lack of family experience with higher education means that first-generation college students often lack the family-initiated aspiration for a college degree, knowledge of the process for entering and financing college, and support for getting through the admission process. These students often lack information and ideas about what college will be like and have academic, financial, and social fears about college.

- Money is almost always an issue cited by potential students who are often convinced that higher education is beyond their means. They have little knowledge of the types and amounts of financial aid available or of the steps required in securing financial assistance. Even students who receive financial aid may find the grants inadequate. For most students from low-income families, the threat of incurring a high level of debt by taking out student loans is not an acceptable option.

- The Hopwood decision not only eliminated affirmative action efforts, but reinforced the perception that institutions of higher education do not seek or welcome minority students. Some minority students viewed this as a return to official legal discrimination.

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### Race/Ethnicity Population

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Population</th>
<th>% of Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anglo</td>
<td>10,291,680</td>
<td>60.5</td>
</tr>
<tr>
<td>African-American</td>
<td>1,976,360</td>
<td>11.5</td>
</tr>
<tr>
<td>Hispanic</td>
<td>4,399,905</td>
<td>25.8</td>
</tr>
<tr>
<td>Other</td>
<td>378,565</td>
<td>2.2</td>
</tr>
<tr>
<td>Total</td>
<td>16,986,510</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Developing Effective Outreach Programs

Good preparation in elementary, middle, and high school is the critical key to success in higher education. The long-term challenge for Texas is to address the entire educational pipeline in a way that increases the pool of students who can succeed in higher education. Without question, the most effective efforts are those in which all segments of the educational community work together to ensure that all students are prepared for college-level work. The importance of a college degree should be emphasized early in the K-12 years. Outreach and tutorial programs should begin in the elementary and middle schools.

All students benefit when they are assisted and encouraged to prepare for college. They need help in selecting appropriate curriculum, tutorial help with core courses, timely information on educational opportunities, and access to role models and mentors.

Outreach programs are needed at every college and university in partnership with secondary schools to assist underrepresented students in their study of mathematics, science, and engineering. Weak background in these areas deters many minority students from studying medicine and other science-related disciplines, steering them instead to non-science disciplines. Institutions conducting outreach programs should work with students regardless of the universities they may wish to attend, and build relationships with churches, civic clubs, community organizations, and agencies that serve large minority populations that can be of assistance by encouraging higher education.

Most colleges and universities have in place a variety of services and support systems which help to recruit and assist students through the educational pipeline in a timely manner. There are numerous examples of campus efforts that effectively contribute to the recruitment and retention of underrepresented students.

A Proposed Early Outreach Model

Effective outreach efforts begin in the seventh or eighth grade and offer a variety of educational services which correspond to student needs by age and academic level.

At the intermediate level, the programs should identify promising minority and/or disadvantaged students and begin informing them about the advantages of a college education. At the high school level, the program should become more comprehensive, offering academic advising, tutoring, campus visits, and summer programs. Early outreach should be initiated and encouraged in those schools with a higher proportion of low-income and underrepresented students. The program should provide these services:
Academic Advising
All programs should provide participants with usable information on educational opportunities available, the courses and academic performance needed to meet admission requirements, the appropriate course sequences to follow, admission and financial aid requirements and deadlines, and preparation for college admissions tests.

Tutorial and Learning Skills Services
Students should be offered assistance in courses that are required to prepare them for college, especially in science, mathematics, and English. Additionally, students should be trained in note-taking, reading, study habits, and test-taking.

College and Career Counseling
Participants should receive information on college admissions procedures and entrance examinations, career choices, financial aid and scholarship programs, housing, and college life.

Parent Meetings
College and university representatives should meet with students and parents to discuss information vital to college preparation and career planning. Meetings with parents should be held at times convenient to them and, if possible, in the community.

Campus Tours
Prospective students and their parents should be encouraged to tour colleges and universities. The campus tours should include visits to the various academic departments and facilities, sample lectures, and presentations on the history, tradition, and mission of the institution.

Summer Programs
These programs place high school students in an academic setting where they can improve their reading, writing, mathematics, and study skills. If possible, the summer programs should be on campus and should offer orientation and other assistance to help ease the transition into college.

A number of model programs in Texas target at-risk students and provide the tools they need to enter colleges and universities. These programs use many of the strategies listed above to motivate and prepare students.

"If Texas is to address the need for better preparation for higher education, the state should pay to do so."
including neighborhood student centers, public school partnerships, and mentoring.

Among these initiatives are the Reading One-One Program at the University of Texas at Dallas, the Dean's Future Scholars Programs at Texas Tech University, Project Grad and the Jeff Davis Collaborative at the University of Houston-Downtown, University Outreach Centers sponsored by the University of Texas in Austin, Texas A&M University, and the University of North Texas, and Texas Scholars at Angelo State University. There are many more programs with a history of success.

Most of these programs are financed with private contributions and are small and underfunded—few are much larger than pilot projects. If Texas is to address the need for better preparation for higher education, the state should pay to do so.

Admissions

Colleges and universities traditionally utilize one of two methods for admission—selective or open. Selective admission institutions use several elements in selecting students. These include such quantitative elements as grade point average, class standing and scores on standardized entrance examinations. Institutions also use personal histories (biographical information, activities, interests, experience, and references), essays, and interviews in making their decision. There is substantial variability in practices used at public universities and colleges and in how various factors should be weighted. The key element of the controversy over affirmative action concerns the emphasis on standardized test scores rather than class standing and personal experience in making admissions decisions.

In 1997, the Texas Legislature passed House Bill 558 to lessen the impact of standardized test scores for selective admissions. Beginning in Fall 1998, four-year public universities must admit all high school graduates in the top 10% of their graduating classes.

Texas has a number of open admissions institutions that admit all students who meet minimum criteria, such as holding a high school diploma. These institutions include the entire system of public community and technical colleges. Because they are affordable, accessible, and admit all applicants, Texas community and technical colleges serve the largest percentage of minority students who seek higher education. Community and technical colleges offer students both university transfer programs and career preparation programs for direct entry into the workforce. We must take full advantage of this important pathway of access to higher education.

Some four-year institutions attract many students from neighboring community and technical colleges. They have established effective recruitment efforts for students who have selected community and technical colleges as their entry point to the higher education system. Community and technical colleges provide an excellent pool of minority students. Appropriate transition programs can help these students achieve their educational goals. The greatest need is for more comprehensive, effective collaborative transition efforts. Most universities have articulation agreements, recruitment programs, and concurrent enrollment efforts, which help with transition, but these need to be examined and expanded.

"The greatest need is for more comprehensive, effective collaborative transition efforts."
Because of Senate Bill 148, passed in 1997, community and technical college credits are increasingly transferable to four-year and upper-level institutions. If a student is admitted, that student should get credit for most of the academic course work done at the community or technical college. Senate Bill 148 was aimed at correcting one of the problems in the educational pipeline, but there are others, including the need to increase the number of associate degree graduates and the need to increase the number of transfer students who will complete their bachelor's degree.

Financial Aid

For the individual Texan, a baccalaureate degree ensures an income almost four times higher than that of someone with a high school diploma. In Texas, the need for more workers with bachelor's degrees continues to increase as more jobs require specialized skills and knowledge. The future economic prosperity of Texas and its citizens depends on an educated workforce and a greater investment in higher education.

The cost of attending a college or university is often out of the reach of many students and their families. Typically, students and/or their parents pay for 40% to 50% of the cost of a college degree, and the remainder comes generally from loans, grants, and student employment.

For many Texas families, cost is the major barrier to the dream of obtaining a college education.

According to the Texas Higher Education Coordinating Board (THECB), more than 46% of Texas households have incomes below $25,000, and more than 62% of African-American and Hispanic households fall in this category. This could help explain why only 6% of the bachelor's degrees granted at Texas public universities in 1995 went to African-Americans and only 15% to Hispanics.

In 20 years, the average cost nationally for tuition, fees, and room-and-board at four-year public institutions has risen from $2,577 to $10,315. During this time, family income remained relatively stable. Texas average costs have been among the lowest in the nation, but they also have risen substantially.

Lack of money is the main reason why minority students do not enter college, transfer from community and technical colleges, or stay long enough to receive a degree. Without additional financial support, many Texans will not acquire the education necessary to become fully productive citizens, and the state will not have the educated workforce it needs to remain competitive.

To date, Texas has not made a substantial commitment to address this issue. Texas does not receive a proportional share of federal financial aid resources, and Texas provides a lower portion of financial aid than the national average. The result is that Texas students, on average, receive only 60% of the aid for which they qualify and could receive. This Commission agrees with the THECB that it is imperative that the state "ensure that students who cannot afford to attend college have adequate resources available to overcome their financial obstacles." The Commission notes that merely getting students into college does not ensure an increase in the number of Texans who earn a baccalaureate degree—a major goal for Texas.

Texas colleges and universities have worked to implement both traditional and innovative programs to provide financial aid to students and to operate retention programs that help students achieve their
educational goals. However, the institutions receive only minimal funding for such programs. State appropriations for higher education do not provide much flexibility to fund such endeavors.

Getting a scholarship is made more difficult by the variety of state programs with different eligibility requirements and varying funding levels. Students and their parents face a frustrating search for programs that fit their qualifications and needs. Some programs are so small that a great deal of money is spent administering them, with little benefit to the students. Additionally, students should get their scholarships in time to pay their tuition.

The availability of aid is critical in making it possible for students to seek higher education. To succeed in higher education, students must make important decisions early in their school career so they can take the necessary courses in high school. The better students are prepared when they enter college, the more likely they are to persist and graduate. A better system of state financial aid could provide the incentives for better preparation.

The Commission examined numerous financial aid and retention proposals. In looking at the Georgia HOPE scholarship program, it was clear that this model helped many who could already afford to attend a public college or university. In addition, the retention rate of HOPE recipients fell substantially for minority students after the first year. This type of scholarship was not seen as a viable alternative to help achieve a more representative student body in Texas.

The Texas Higher Education Coordinating Board recommends several excellent principles for a financial aid program (see Appendix A, page 32) and the University of Texas in Austin recommends the Texas Recognition and Equal Access Program as an option (see Appendix B, page 34).

Work-study programs should be expanded. Students who hold part-time jobs while attending college can perform at high academic levels. Work-study programs provide a way for students to become connected with their institution and its faculty, making earning a degree more likely. In addition, the students acquire job skills and the employers benefit because they pay only part of the students' wages.

First-year retention rates at Texas universities are comparable to the national average, but graduation rates are considerably lower than national rates. Even the state's largest public institutions, which have first-year retention rates considerably higher than Texas universities as a whole, fall below their national-level peer institutions in first-year retention rates.

The reasons for dropping out are well known—lack of sufficient support services, financial problems, family responsibilities, grade difficulties, lack of a sense of belonging, and conflicts with work schedules and family obligations. The strategies for preventing drop out are also well known.
Perhaps most important in connecting at-risk students to their college or university is the early intervention of full-time professional teachers and mentors who are able to give personal attention to students. These faculty members should teach introductory courses—part-time faculty who teach these courses cannot be expected to counsel students and develop new and improved ways of teaching. Senate Finance Committee Chair Bill Ratliff sought to provide incentives for this in the formula funding he devised in 1997 for semester credit hours taught by professional faculty. However, teaching introductory courses with tenured or tenure-tracked faculty is costly.

According to a report from the Charles A. Dana Center at the University of Texas at Austin, researchers who study retention underscore the importance of helping students build multiple and complex connections to the institutions they attend. Many programs incorporate strategies that foster academic and social integration with the institution by the students, particularly in their freshman year.

Most universities and colleges operate retention programs, but their efforts cost money. The best programs are locally shaped and responsive to specific institutional needs.

Increasing retention becomes a cost-effective strategy when the state has made an increased investment in the student and the student is thus sufficiently well-prepared and motivated to pursue a higher education.

These are some of the effective retention strategies:

- **Safety net for at-risk students**
  Some students underestimate the cost of their first few months in higher education, while others do not receive financial aid in time to pay their tuition bills. Many institutions offer short-term loans to help students complete registration and begin classes. Some provide child care and access to public transportation, key factors in helping students remain enrolled.

- **Pre-matriculation and college adjustment programs**
  The types of programs that encourage students to pursue higher education also increase their chances of success once enrolled. These programs ease the transition from high school to college, or from undergraduate to graduate or professional schools by helping students learn about the demands of college or university life and academic expectations prior to beginning classes.

  Some institutional programs offer opportunities to attend mock classes and see the difference between high school and college or university courses. Other programs expose students to the rigors of first-year graduate or professional courses and the fast pace of the curriculum. Workshops and seminars help students make the academic, psychological, emotional, and physical adjustment necessary to adapt to the demands of college or graduate school. Students who understand these expectations from the beginning are more successful and more likely to stay in school.

- **First-year experience courses**
  These courses introduce students to the expectations and culture of college and university life while improving basic learning skills. For example, programs patterned after the successful Freshmen Experience course developed by Dr. John Gardner at the University of South Carolina give students a variety of opportunities to improve critical thinking and self-expression skills. These courses should be taught with small numbers of students so as to allow one-on-one counseling. Students in these classes develop long-term relationships with other students and are better connected to the university.

- **Learning resources, tutoring, and support services**
  Most colleges and universities offer a variety of programs and activities that address students’ academic deficiencies. Typical services are writing centers, tutorial assistance, study skills workshops, reading, math, and computer labs, stress management workshops, time management
seminars, test anxiety reduction, exam preparation sessions, and analytical skill development. Institutions use Web sites, kiosks, mail exchanges, publications, and voice response to inform students about these services. When combined with early alert systems that identify students in difficulty, these services can provide the early intervention necessary to help students succeed.

◊ **Assessment and course placement**
Tests for entering students and scores on standardized tests help place students in courses appropriate for their abilities and knowledge level. Some students may need non-credit leveling courses to prepare them for credit courses in mathematics and science. Other tests help students focus on a major and a career choice.

◊ **Faculty, staff, and alumni mentors**
Students who quickly become connected with faculty and staff at their institution are less likely to drop out. Mentoring programs match students with caring faculty and staff, sometimes based on race and ethnic similarities. The federal-funded McNair Scholars program places low-income and first-generation students with research faculties in their chosen area of study. Students who participate in such programs generally have higher retention rates. Alumni volunteers can "adopt" students and spend time with them, discussing how to be successful in a particular field and motivating them to remain in school.

◊ **Effective advising programs**
Academic advising for students is crucial to reaching education goals. Students who know what courses are necessary to complete a degree are generally more satisfied with the college or university experience and remain longer. Students who receive bad advice about courses often become frustrated and leave. For transfer students, proper advising about degree requirements and transferability of courses reduces the time it takes to finish a degree, lowering costs and making a degree more achievable.

◊ **Student organizations and groups**
Students who participate in extra-curricular activities are more likely to remain in school. Most institutions sponsor groups with an emphasis on ethnicity, such as Hispanic Students in Higher Education and the National Association for the Advancement of Colored People, which help give students a sense of belonging. Centers for culture diversity or multicultural affairs help students adapt.
RECRUITMENT AND ADMISSIONS

Many students have not been provided the opportunity for academic achievement that would enable them to prepare for, and secure admission to, Texas institutions of higher learning. Some of the reasons include lack of information in families that do not have a history of higher education attainment, as well as the lack of educational preparation and necessary advice from high school counselors that would guide them into a college or a university.

Early outreach and intervention programs have proven to be effective tools in reversing the trend of low minority attainment at the elementary and secondary school levels. Many colleges and universities have developed recruitment programs that reach into public schools to help students set and achieve their goals. These programs, very often operated in partnership with public schools, start student preparation for post-secondary careers as early as elementary school, and offer the enrichment and student skill courses that help students achieve. These are generally small programs that are sometimes privately financed and do not entirely meet the needs.

Colleges and universities are encouraged to continue to implement—particularly through personal contact by faculty, staff, and alumni—programs that have been successful in the past in recruiting minority students.

The TCRSB recommends that:

◊ The Texas Legislature create a fund of approximately $60 million to provide supplementary financing for recruitment programs that meet certain standards of success and work toward the goal of personalizing the recruiting processes at all levels. The financing could come from grants or formula, and program evaluation should be done as appropriate.

TRANSFERABILITY

Because they are geographically and academically accessible, community and technical colleges are the institutions of choice for many underrepresented students. With their open admissions policies and wide range of course offerings, community and technical colleges are an excellent academic beginning for those who want baccalaureate degrees, and excellent vocational training for those moving directly into the workforce. But many of the students who begin community and technical college do not receive a degree of any kind. Improvements should be made to remove barriers in the pathway to a degree.

The TCRSB recommends that:

◊ Incentives be created for students to earn an associate's degree or participate in student transfer agreements prior to transfer to a four-year college or university, thus enhancing their chance of success in a cost-effective way.

◊ Greater recognition be accorded to technical degrees that will help Texas meet the demand for high-tech workers and fill the many new jobs which will require post-secondary education beyond high school but below the baccalaureate level.

FINANCIAL AID

Texas has a wealth of institutions of higher education that offer a choice of geographic locations, academic specialties, and admission standards. Such variety gives aspiring students an excellent opportunity to pursue the college degree that best suits their needs.

But without the money to pay for tuition and living expenses, this opportunity is often an empty promise. Lack of money keeps disadvantaged students out of college. Included among these groups are a disproportionate number of African-Americans, Hispanics, Native Americans, and others who do not go to college in the same proportion as do their Anglo, frequently more prosperous, contemporaries. Lack of money is most often given as the reason why underrepresented students do not pursue a higher education and do not persevere to graduation if they do enroll. A student from a family with an income above $75,000 a year has an 86% chance of entering college before age 24, while a student from a family earning less than $10,000 per year has a 38% chance.

To students from low-income, disadvantaged families who are often the first generation to consider higher education, the debt created by student loans is not an
option. What they need is grants rather than loans. Just as the GI Bill remade this nation by offering free education to a generation of returning veterans, accessible state financial aid will open the pathway to success now denied to many African-American, Hispanic, and other youngsters.

The TCESB recommends that:

- State funding for financial aid be increased.

The Legislature should appropriate $500 million a biennium for a simple student aid program based on need. As a strong incentive for high achievement, additional grant money should go to students who complete the recommended advanced high school curriculum. Criteria for high school achievements should be established by the Texas Higher Education Coordinating Board, who would evaluate it after two years.

A grant should be available to any undergraduate student admitted to a Texas institution of higher learning, whether a technical college, community college, or university, public or independent. Need would be determined by using federal standards that consider student/family contributions and other financial awards.

The program should use the family's contribution and federal and other state aid to ensure that students receive a maximum of $5,000 to pay for their higher education. For example, a student whose expected family contribution and federal aid totaled $4,000 would receive a state grant of $1,000.

With minor modifications, the Texas Educational Opportunity Grant Program, which already exists by statute, is one possible vehicle for expanding financial aid. That statute would also need amendment to comply with the Hopwood decision.

- Current work-study program be expanded.

Work-study increases retention by providing students with an extended support system as well as money for expenses while attending school. Students also benefit from exposure to work and job skills, while employers benefit because part of the students' wages are paid by the program. These funds are leveraged because employers pay part of the cost. The Commission recommends that state funding for work-study be increased by $49 million per biennium which, if matched by employers at 30%, could meet 5% more of the unmet need.

- State financial aid programs and processes be simplified, and funds awarded at appropriate times.

To make financial aid easier for students and families to understand, and to simplify its administration, the number of state-funded grant and scholarship programs should be reduced. A consolidated state fund should be created, and the current funding for various state programs should be transferred into one new program. The state's cycle of funding authorization must be revised so students are able to receive financial assistance before school starts.

- Efforts to inform Texans about educational, support, and financial aid opportunities be improved

(See Marketing Communication Plan, page 24).

- Partnerships between the state and the private sector be increased.

Because Hopwood prohibits the use of state funds for financial aid specifically targeted for minority students, the Commission strongly encourages private sources and businesses to serve as active partners with higher education to identify and support the financial needs of these students. The "Adopt a School" program, mentoring, internship, and work-study programs provide additional opportunities for private sector involvement.

Retention

It is alarming to note that, while the percentage of Texas high school graduates enrolling in higher education has increased since the mid-1970s, the proportion of students completing four years of college has stalled, with some 49% of students who enroll graduating in six years. Nationally, about 57% of students who enter higher education receive a bachelor's degree.

The Educational Testing Service expresses it well: "Higher education digs deeply into the pool of high school graduates with a sieve." We can "plug" many of the "holes" in the sieve with adequate financial aid, full-time faculty who take time with students, student
advising, and student support programs. The 1997 Back to Basics initiative presented by the Texas Higher Education Coalition addressed many of these concerns.

Public school counselors encourage students to go to college, while college counselors help them stay when they get there. The Commission supports the allocation of resources to provide counseling for post-secondary and college students before graduation from high school and once they have been accepted and enrolled in higher education in Texas.

**The TCRSB recommends that:**

- The Legislature increase its efforts to support Texas higher education at a level that allows institutions to retain full-time professional faculty in teaching roles and to supplement their teaching efforts with an adequate staff of academic advisors and programs for at-risk students.

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**Marketing Communication Plan**

A strategic and staged marketing communication plan will aid in increasing the number of college graduates among Texas’ underrepresented groups.

The communication plan would encourage more Texas students to prepare for college and to persist through graduation by fostering hope among low and moderate income parents for a better future for their children and by raising the aspirations and goals of young Texans. And, it would persuade business and industry leaders to invest in college preparedness programs and college scholarships, and to take leadership positions in encouraging legislative support for the same.

A sound communication program begins with segmented marketing research, followed by the development of a strategic communication plan that includes public relations activities and targeted advertising, among other strategies. Marketing research avoids the incorrect and ineffective positioning of messages, products, and services. The estimated cost for this research would be $350,000.

Marketing research outcomes and the resulting communication strategies would be employed by Texas’ colleges and universities (both public and independent), independent school districts, and Texas state agencies to increase the number of college graduates in Texas. The research also may be employed in a large-scale, long-term communication initiative.

GSD&M, led by Roy Spence, has suggested that the cost for a five-year communication initiative would total approximately $18 million ($3 million for up-front production costs at pro bono rates and $15 million for advertising and other communication strategies).

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**The TCRSB recommends that:**

- A market research plan be launched in preparation for a statewide communications initiative, with the goal of raising citizens' aspirations and awareness of the need to increase the number of college graduates in Texas, the need to create a more educated workforce, and the need to cultivate the state's future leadership.
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SPECIAL THANKS TO:
The Honorable Don W. Brown, Commissioner of Higher Education, Texas Higher Education Coordinating Board, for providing staff and meeting facilities for several of the Commission meetings; Bill Cunningham, Chancellor, University of Texas System, for hosting the Commission's first meeting; Joseph McMillan, President, Huston-Tillotson College, for hosting the Commission's second meeting; Richard Fonte, President, Austin Community College, for hosting the Commission's third meeting; Fernando Gómez, Vice Chancellor and General Counsel, Texas State University System, for providing meeting facilities for the Commission's public relations subcommittee.
A high school education no longer provides the skills students need to find and keep good jobs after they graduate. The low-skill or manual-labor jobs of yesterday have largely been replaced by high-tech, high-skilled jobs requiring some type of postsecondary education.

However, students face many challenges before obtaining that education, and one of the most difficult challenges is simply making it to college and then graduating. Increasing higher education participation and graduation rates is an important state goal. However, these rates are affected significantly by the level of financial resources available to students to pay for their education and by the level at which students enter higher education prepared to do college work. Improving these participation and graduation rates will take a concerted effort to help those students for whom these factors have become obstacles to success. That effort should:

- Ensure that students who cannot afford to attend college have adequate resources available to overcome their financial obstacles. For those who do not have the resources to pay their share of the cost, the state should assist with increased financial aid; and

- Increase the college preparedness of high school graduates, a long-term goal that the state should strive for all students to reach. High schools should offer curricula that prepare students for college-level work, and students should be encouraged to complete the curriculum.

The cost of attending a college or university includes not only tuition and fees, but expenses for room and board, books, transportation, and incidental expenses, as well. A partnership of students and their families, the federal government, state and local governments, and philanthropy (including institutional resources) pays these costs. Students and their families have traditionally contributed a significant share, paying from 40 to 50 percent of these costs for the past three decades. However, for many families in Texas, the cost they are expected to pay has become a major barrier to obtaining a college education.

National studies show that college participation rates decrease as family income decreases. In addition, college graduation rates for low-income students are lower than their higher-income counterparts. Overall, more than 46 percent of the households in Texas have incomes below $25,000, but of Texas’ Black and Hispanic households, more than 62 percent have incomes of less than $25,000.

The proposed options and recommendations in this report focus on increasing the availability of financial aid to needy students and the longer-term goal of linking students’ high school performance with the availability of financial aid as an incentive to increase the level of preparedness for college of graduating high school students.

In general, it is recommended that:

- Funds for state grants to college students should be substantially increased.

- To make financial aid easier for students and families to understand and to simplify administration, the number of state-funded grant/scholarship programs should be reduced. A state-funded grant program
should be created, and funding for various state programs should be transferred into the new program.

- Eligibility for a grant should be based on financial need, with a requirement of satisfactory academic progress towards a degree or certificate to maintain eligibility.

- Completion of the recommended high school curriculum should be required as a criterion for eligibility for recent high school graduates for the state grant program; however, the requirement should be phased in as all high schools develop the capacity to provide the curriculum to all students and as all high school students are made aware of the requirement.

- A state standard should be established for determining satisfactory academic progress in college to maintain eligibility.

- If a state grant program is created that solely targets recent high school graduates (by requiring completion of the recommended high school curriculum) and if all funds are to be transferred from existing state grant/scholarship programs into that program, some funding should remain available to institutions to ensure that financial needy students who are not eligible for the grant program have aid available to them.

In particular, the state should create a substantially funded grant program. The proposed model for a state grant program described in this document takes into account the partnership (of students and their parents, the federal government, state and local governments, and philanthropy/institutional resources) that pays the cost of higher education. It would grant to each resident student in Texas enough state aid to provide a minimum of $5,000 a year in financial assistance, when combined with other resources. The amount of the state portion of the grant would be determined after taking into consideration the student's expected family contribution and any federal gift aid (including the Hope Tax Credit) for which the student is eligible. For example, a student whose expected family contribution and federal aid totaled $3,000 would receive a state grant of $2,000. If the expected family contribution and federal aid totaled $5,000 or more, no state grant would be given. Such a program would target the neediest students.

The $5,000 figure is just an example. For an alternative, the minimum could be based on 50 percent of the average cost of attendance at a public university (currently $5,240). Depending on the level of funding available, the amount of the grant could be increased or decreased by raising or lowering the minimum.

The cost of providing the state grant to all eligible resident undergraduate and graduate students would be approximately $498 million. The cost of providing the grant only to eligible resident undergraduate students would be approximately $443 million. Other options are presented in the report targeting different groups of students.

To help accomplish the long-term goal of encouraging students to prepare for college-level work, another recommendation would require, at a future date, eligibility for receiving financial assistance to include a certain level of performance in high school—requiring entering freshmen to complete the “Recommended” or “Distinguished Achievement” high school curricula. College students would be expected to make satisfactory progress towards a degree or certificate to maintain eligibility. Students who did not qualify for the aid in their freshman year, but who did well in college would have other opportunities to meet eligibility requirements.

The report also recommends increased funding for the work-study program and encourages the leveraging of the funding with private enterprise participation. In addition, the work-study program could be used to help with tutoring in the public schools or for teaching reading through other programs.

Additional recommendations are included to make financial aid more understandable for students and parents and to simplify the administrative process for delivering financial aid so financial aid officers can better serve students.
## Texas Recognition and Equal Access Programs

<table>
<thead>
<tr>
<th>Student Description</th>
<th>Awards</th>
<th>Total Award</th>
</tr>
</thead>
</table>
| **Option 1**
Low Income (<$30,000)
Underrepresented High Schools
High School Graduate | $2,000 Work Eligibility | $2,000 Work Eligibility (Renewable) |
| **Option 2**
Low Income (<$30,000)
Underrepresented High Schools
Top 33% High School Class | $2,000 Work Eligibility, $1,000 Grant | $2,000 Work Eligibility; $1,000 Grant; $1,000 Grant; Total = $3,000 (Renewable) |
| **Option 3**
Low Income (<$30,000)
Underrepresented High Schools
College Prep Curriculum
Top 33% High School Class | $2,000 Work Eligibility, $1,000 Grant, $1,000 Grant | $2,000 Work Eligibility; $2,000 Grant; Total = $4,000 (Renewable) |
| **Option 4**
Low Income (<$30,000)
Underrepresented High Schools
College Prep Curriculum
Top 10% High School Class | $2,000 Work Eligibility, $1,000 Grant, $1,000 Grant, $1,000 Grant | $2,000 Work Eligibility; $3,000 Grant; Total = $5,000 (Renewable) |
| **Option 5**
Income >$30,000
Top 10% High School Class
(not awarded in Option 4) | | $1,000 Grant (One-Year Award) |

1. All programs can be used at any degree-granting institution (2-year colleges and 4-year universities, public and private) within the State of Texas.
2. Low income is defined as family income below $30,000 (date collected as student completes the FAFSA).
3. Underrepresented high schools are defined as high schools where at least 40% of the students are classified as economically disadvantaged (data provided by the TEA).
4. College Prep Curriculum refers to the "Recommended Curriculum" defined by the TEA.
5. Rank in class is designated on student's high school transcript.
6. All awards except Option 5 are renewable with continued full-time enrollment and satisfactory academic progress, for a maximum of 2 years for two-year colleges and 4 years for universities.


Murdock, Steve H. *Texas Challenged: Implications for Population Change for Public Service Demand in Texas.* College Station, TX: The Center for Demographic and Socioeconomic Research and Education, Department of Rural Sociology, Texas A&M University. 1998.


The University of Texas at Austin, Texas A&M University. *University Outreach Annual Report,* Austin, TX. 1997.
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