
INTERIM CHARGE SEVEN

In 2003, following the 78th Regular Legislative Session, the Joint Interim Committee on Higher Education was charged with identifying opportunities for legislative and administrative action relating to:

Accountability measures and performance incentives for institutions of higher education and university systems that are aligned with the purposes of higher education and that are sensitive to mission differentiation among institutions of higher education.

Background:

The increasing importance of higher education has led to substantial interest in accountability mechanisms as a means of improving performance. The majority of institutions of higher education have many mechanisms and reports of their own to monitor and improve institutional performance, including comprehensive accountability reports and reporting systems.

Recommendation 1:

In order to make Texas public higher education institutions more transparent, the legislature should implement a statewide accountability plan to promote excellence through institutional groupings, peers, and benchmarks.

The statewide accountability system should include the following:

- Establishing groupings of institutions of similar types and missions;
- Determining appropriate measures that reflect institutional performance;
- Determining benchmarks against which to measure success;
- Assessing progress annually and taking steps to improve performance; and
- Restricting authority to deregulate tuition for those institutions whose performance is judged unsatisfactory within the accountability system.

Background:

The Texas Higher Education Coordinating Board and the Council of Public University Presidents and Chancellors have been working together to establish benchmarks that apply to all institutions. This collaboration will be completed in December 2004.

Recommendation 2:

The legislature should consider incorporating the benchmarks established by the Coordinating Board and the Council of Public University Presidents and Chancellors in their report to be released in December 2004.

Background:

Texas Higher Education Coordinating Board Commissioner Raymund Paredes testified at a July 2004 Joint Hearing of the Senate Finance Committee and the Senate Subcommittee on Higher Education on Tier I Institutions. Commissioner Paredes concluded that to achieve a level of Tier 1 status that makes sense for Texas, the most important recommendation was to think of Tier 1 status in terms of placing greater emphasis on undergraduate education, defining excellence in a way that is commensurate with state resources. Questions involving the kind of educational experience we want for our students, and whether these students will have access to excellent undergraduate education across the state, locally and regionally, must be addressed, particularly in the context of the *Closing the Gaps* initiative and our goal of enrolling 500,000 more students in higher education by 2015.

Recommendation 3:

The legislature should direct the systems and universities to incorporate into each institutions' individual accountability system methods that place a greater emphasis on improving the accessibility, affordability and excellence of undergraduate education, particularly in compliance with the *Closing the Gaps* initiative and the state's goal of enrolling 500,000 more students in higher education by 2015.