



Legislative Appropriations

Request for Fiscal Years

2028 and 2029

Submitted to the
Office of the Governor, Budget Division,
and the Legislative Budget Board

by

Northeast Texas Community College

August 14, 2026



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Administrator's Statement

Administrator's Statement

8/13/2026 10:32:25AM

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Automated Budget and Evaluation System of Texas (ABEST)

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Legislative Appropriations Request
Northeast Texas Community College

About the College

Northeast Texas Community College's mission is to provide personal, dynamic learning experiences empowering students to succeed. The college's vision is to be the “College of Choice” for Northeast Texas, guided by its North Star Statement: to be a nationally recognized, community-rooted college where care drives innovation and real-world preparation transforms lives.

To advance this vision, the college's Strategic Framework (Empowering the Future: NTCC 2030) organizes institutional work around five strategic priorities: Community and Workforce Engagement, strengthening the college's role as a regional leader connecting education, business, and industry; Academic and Technological Innovation, creating a technology-driven learning environment that mirrors real-world business and industry practices; Student Success and Belonging, supporting every student's journey from enrollment to graduation and beyond, through the support of a caring campus culture; Institutional Growth and Effectiveness, ensuring the college operates efficiently, sustainably, and strategically in pursuit of its mission; and Culture of Collaboration and Excellence, fostering innovation, communication, and pride across the college community. Each division translates these priorities into annual objectives and measurable key results (OKRs), reviewed through a quarterly strategic communication process led by the Office of the President.

Organization of the College

Northeast Texas Community College District was established as a public community college in an election held in Camp, Morris, and Titus Counties in 1984. The District operates as a community college district under the laws of the State of Texas. The district is governed by a seven-member Board of Trustees elected at-large by place.

The Northeast Texas Community College Board of Trustees, as of May 2026, includes the following:

Mr. Robin Sharp, Chair, Term expires 2032, Mt. Pleasant, TX
Mr. Russell East, Vice Chair, Term expires 2030, Daingerfield, TX
Ms. Sondra Fowler, Secretary, Term expires 2032, Daingerfield, TX
Mr. Kerry Wootten, Trustee, Term expires 2030, Mt. Pleasant, TX
Mr. Chad Elledge, Trustee, Term expires 2028, Pittsburg, TX
Mr. Brian Applegate, Trustee, Term expires 2032, Pittsburg, TX
Dr. Gerald Stagg, Trustee, Term expires 2028, Mt. Pleasant, TX

Northeast Texas Community College's service delivery area, as defined by the Texas Higher Education Coordinating Board, encompasses all of Camp, Morris, and Titus Counties (taxing district) and parts of Cass, Franklin, Hopkins, Upshur, and Wood Counties.

Significant Changes in Policy

House Bill 8 fundamentally transformed Texas community college finance by shifting the funding formula from enrollment-driven to outcomes-driven, rewarding

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credentials of value, transfer, and completion. For Northeast Texas Community College, this has resulted in a greater focus on metrics and outcomes related to completion, transfer, and workforce-aligned credentials, consistent with the college and the state's strategic priorities.

The shift to outcomes-based, credential-of-value funding has directly incentivized deeper employer engagement. NTCC's institutional objectives and key results (OKRs) include developing five new high-impact industry collaborations aligned with regional workforce priorities, alongside the continued expansion of the Carroll Shelby Automotive Institute and new employer partnerships tracked through the Advancement division. The FAST tuition program, coupled with industry input and collaboration with ISD counselors, has been a primary driver of dual-credit growth while continuing to reduce financial barriers to college access.

Over the next two to five years, NTCC's Strategic Framework commits the college to reducing student textbook costs through expanding Open Education Resources (OER) adoption from 8.5 percent to 20 percent of courses, growing employer and industry partnerships, integrating applied AI tools and competencies into at least 60 percent of workforce and transfer programs, and increasing graduate placement and successful transfer rates by 10 percent. These commitments are designed to sustain and grow the outcomes defined under the state's higher education plan, Building a Talent Strong Texas, even amid the funding volatility described in the following section.

As described in the Significant Changes in Provision of Services section below, the FY26 shortfall in performance-based funding required targeted adjustments to advising, dual-credit support, and instructional operations. Continued or deepening shortfalls in FY27 could require further scope or scale reductions in these same or additional areas, which would slow progress toward the outcomes goals described above.

Significant Changes in Provision of Services

The college's state appropriation this year reflects a reduction of more than \$1.0 million from the prior year. This reduction reflects a statewide proration of performance-based funding under House Bill 8 and is not unique to our college. With two of the college's three primary revenue sources effectively fixed (tuition and fees frozen since 2023, and property tax revenue growing only minimally with the college holding its tax rate steady at \$0.11 per \$100 for three consecutive years), this year's reduction in state appropriations could not be offset by other revenue and required direct adjustments to college operations.

To manage the reduction, the college made targeted adjustments in two primary areas:

Student Services:

Advising and dual-credit support operations were modified to operate within current staffing levels, with workflows adjusted to preserve core student support while reducing overall service capacity in these areas.

Instructional Operations:

Instructional supply and general operating budgets were reduced, with select non-critical purchases deferred. The college's budget for the current year assumes a 2.5% increase in traditional student enrollment and a 14% increase in dual-credit enrollment to help offset the effects of this reduction.

Significant External Factors

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- State funding formula reform under House Bill 8 continues to shift community college finance toward outcomes-based measures (credentials of value, transfer, and completion) rather than enrollment alone. This is a structural change the college must manage while all parties, including the college, THECB, and the legislature, work through the model's continued rollout. The move to a variable annual reimbursement model, coupled with evolving implementation rules and changes, has made budgeting challenging.
- Regional workforce demand is evolving faster than traditional program cycles, requiring continuous investment in curriculum and equipment to keep pace with employer needs.
- Rural geography and a dispersed service area impact the cost and complexity of delivering consistent student support, dual-credit access, and workforce training across the college's service delivery area.
- Statewide and regional labor market competition for qualified faculty and staff makes recruitment and retention harder and more costly, especially in technical and health science fields where industry pay often exceeds academic salaries.
- Rising operational costs, including utilities, insurance, and maintenance, remain a challenge as the college balances a relatively flat property tax valuation (a 1.49% increase for 2026) with no increase in the tax rate (the college has maintained an \$0.11/\$100 tax rate for the past three years).
- Dual-credit expansion, while a state and local priority, shifts cost burden in ways that require careful management. While the college is very supportive of the FAST program, as it has opened the doors of higher education for many students and reduced financial barriers, it also affects institutional revenue per credit hour.
- Rapid advances in AI and workforce automation are changing the skill sets employers require, pushing the college to update instructional technology and faculty training much faster and at a much higher cost than in the past.
- Population trends across the college's service area are uneven and aging. Growth is concentrated in outer service counties, driven largely by retiree in-migration, while the core taxing-district counties carry the region's highest share of school-age residents but grow more slowly. The college must balance continued support for the traditional 18-24-year-old pipeline with a growing reliance on adult learners, career changers, and workforce upskilling to drive enrollment growth.

Continued Support from the State of Texas

Our college fully supports the Texas Association of Community Colleges (TACC) Formula Funding and Supplemental Request, per letter dated August 14, 2026.

In order to build momentum on the community college sector's achievement of substantial performance improvement and preserve the dynamic incentives of the funding model, Northeast Texas Community College respectfully requests the Texas Legislature fully fund a supplemental amount equal to the gap between current state appropriations and the performance funding amounts earned by colleges during Fiscal Year 2026 and Fiscal Year 2027 according to the rules, rates and weights set by the Texas Higher Education Coordinating Board (THECB).

The combination of sustained growth in student performance outcomes and the goal-oriented funding rates established under the Community College Finance Program has resulted in a level of performance funding that exceeds current Fiscal Year 2026-27 appropriations. This funding shortfall may continue to grow if current

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performance trends hold through the close of the biennium. THECB will determine the definitive supplemental amount as colleges finalize data submissions and report FY26 outcomes.

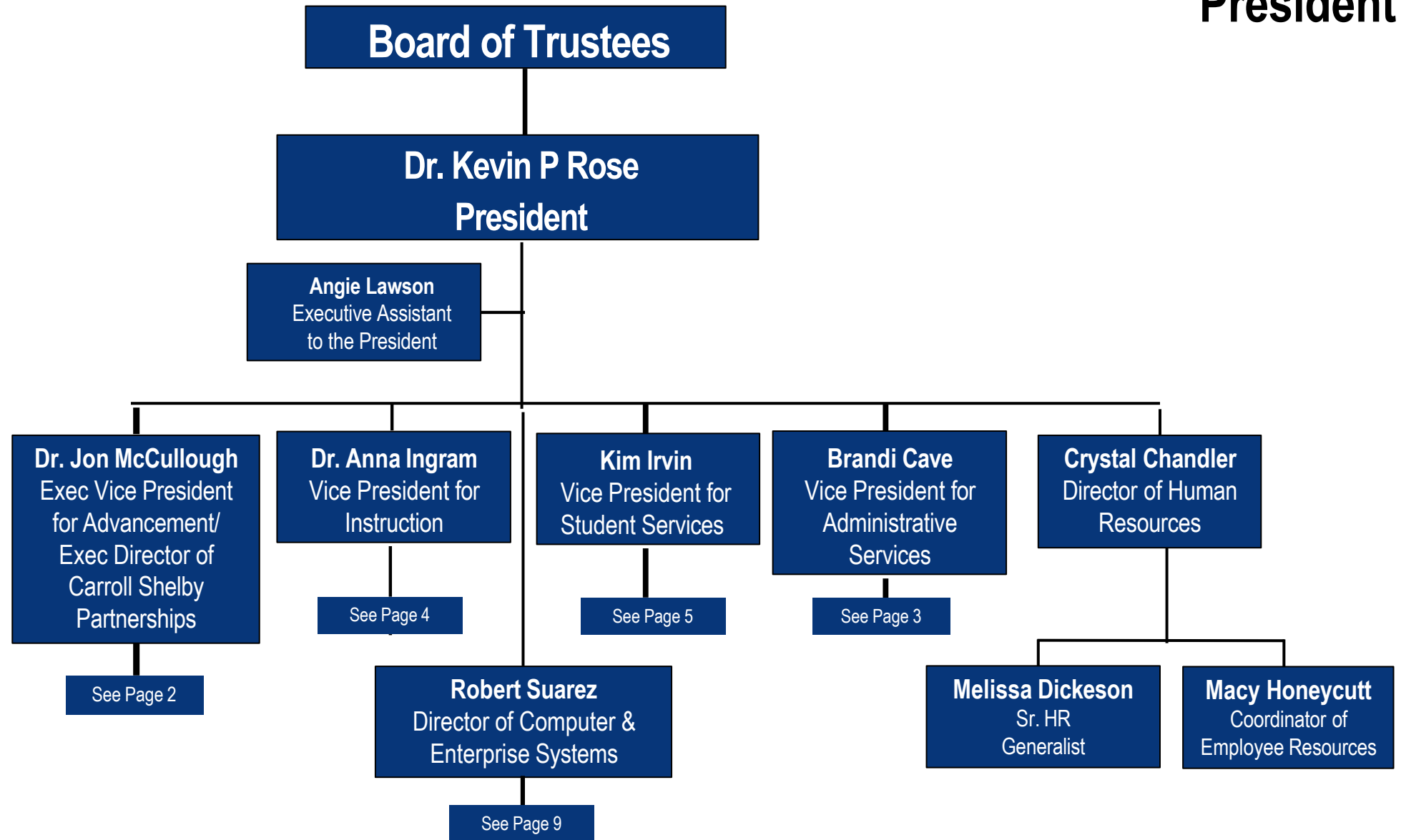
Additionally, colleges respectfully request that the Legislature fully fund the community college formula for Fiscal Year 2028 and Fiscal Year 2029 based on THECB's performance forecast, which will be developed in collaboration with the Standing Advisory Committee for Public Junior Colleges. Funding at these levels will provide additional certainty for colleges investing in student achievement of credentials of value, including short-term workforce credentials, dual credit attainment, and transfer. State funding supports colleges' focus on providing the most affordable paths to workforce-aligned credentials, transfer opportunities, and early momentum via dual credit that the state has requested in House Bill 8 (88R) and subsequent legislation.

With continued support from the State of Texas, Northeast Texas Community College will:

- Expand high-demand workforce training in fields such as healthcare, advanced manufacturing, automotive technology, and skilled trades (i.e., HVAC and plumbing) to meet documented regional labor market needs. This includes short-term credentials, both credit and non-credit, as requested by area businesses and industry.
- Strengthen transfer pathways to four-year universities through expanded articulation agreements, giving students a clear, affordable route to a bachelor's degree.
- Leverage the college's recently completed regional economic impact study to document NTCC's stakeholder return on investment. This will guide future resource allocation toward the highest-impact programs.
- Improve student retention and completion through data-driven advising, personalized outreach, and expanded competency-based instruction, closing gaps for first-generation and rural students.
- Integrate applied AI tools and real-world skills across workforce and transfer programs, ensuring graduates and faculty keep pace with a rapidly evolving labor market.
- Deepen employer and industry partnerships to grow work-based learning, internships, and co-investment in training that directly serves regional workforce demand.
- Continue to utilize the FAST program to build and expand dual-credit opportunities, with a focus on workforce education areas that align with industry-based credentials (IBC).



Organizational Chart





Certificate of Dual Submission



CERTIFICATE

Agency Name Northeast Texas Community College

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

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Office of the Governor will be notified in writing in accordance with Senate Bill 1, Article IX, Section 7.01, Eighty-ninth Legislature, Regular Session, 2025.

Chief Executive Office or Presiding Judge

Kevin T. Rose
Signature

Kevin Rose

Printed Name

President

Title

8-10-26

Date

Board or Commission Chair

Robin Sharp
Signature

Robin Sharp

Printed Name

Board Chairman

Title

8-10-26

Date

Chief Financial Officer

Brandi Cave
Signature

Brandi Cave

Printed Name

Vice President for Administrative Services

Title

8-10-26

Date



Reports

Automated Budget and Evaluation System of Texas (ABEST)

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Goal / Objective / STRATEGY

TOTAL, GOAL

TOTAL, AGENCY STRATEGY REQUEST

TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*

GRAND TOTAL, AGENCY REQUEST

METHOD OF FINANCING:

SUBTOTAL

TOTAL, METHOD OF FINANCING

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

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

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Agency code: 998		Agency name: Northeast Texas Community College				
METHOD OF FINANCING		Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
<u>GENERAL REVENUE</u>						
<u>1</u> General Revenue Fund						
REGULAR APPROPRIATIONS						
Regular Appropriations from MOF Table (2024-25 GAA)						
		\$0	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2026-27 GAA)						
		\$0	\$0	\$0	\$0	\$0
TOTAL,	General Revenue Fund	\$0	\$0	\$0	\$0	\$0
TOTAL, ALL	GENERAL REVENUE	\$0	\$0	\$0	\$0	\$0
GRAND TOTAL		\$0	\$0	\$0	\$0	\$0
FULL-TIME-EQUIVALENT POSITIONS						
TOTAL, ADJUSTED FTES						

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

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Agency code: **998**Agency name: **Northeast Texas Community College****METHOD OF FINANCING****Exp 2025****Est 2026****Bud 2027****Req 2028****Req 2029****NUMBER OF 100% FEDERALLY
FUNDED FTEs**

2.F. Summary of Total Request by Strategy

DATE : 8/13/2026

TIME : 10:32:26AM

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:

Agency name:

	Base	Base	Exceptional	Exceptional	Total Request	Total Request
<u>Goal/Objective/STRATEGY</u>						
TOTAL, GOAL						
TOTAL, AGENCY STRATEGY REQUEST						
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST						

2.F. Summary of Total Request by Strategy

DATE : 8/13/2026

TIME : 10:32:26AM

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:

Agency name:

	Base	Base	Exceptional	Exceptional	Total Request	Total Request
Goal/Objective/STRATEGY						
TOTAL, METHOD OF FINANCING						
FULL TIME EQUIVALENT POSITIONS						



Supporting Schedules

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

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	Total I & A Enrollment	Local Non I & A	Total Enrollment
FULL TIME ACTIVES			
1a Employee Only	91	36	127
2a Employee and Children	31	16	47
3a Employee and Spouse	16	2	18
4a Employee and Family	23	10	33
5a Eligible, Opt Out	2	0	2
6a Eligible, Not Enrolled	3	1	4
Total for this Section	166	65	231
PART TIME ACTIVES			
1b Employee Only	0	0	0
2b Employee and Children	0	0	0
3b Employee and Spouse	0	0	0
4b Employee and Family	0	0	0
5b Eligible, Opt Out	0	0	0
6b Eligible, Not Enrolled	0	0	0
Total for this Section	0	0	0
Total Active Enrollment	166	65	231

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	Total I & A Enrollment	Local Non I & A	Total Enrollment
FULL TIME RETIREES by ERS			
1c Employee Only	45	17	62
2c Employee and Children	0	4	4
3c Employee and Spouse	15	0	15
4c Employee and Family	1	0	1
5c Eligible, Opt Out	0	0	0
6c Eligible, Not Enrolled	3	2	5
Total for this Section	64	23	87
PART TIME RETIREES by ERS			
1d Employee Only	0	0	0
2d Employee and Children	0	0	0
3d Employee and Spouse	0	0	0
4d Employee and Family	0	0	0
5d Eligible, Opt Out	0	0	0
6d Eligible, Not Enrolled	0	0	0
Total for this Section	0	0	0
Total Retirees Enrollment	64	23	87
TOTAL FULL TIME ENROLLMENT			
1e Employee Only	136	53	189
2e Employee and Children	31	20	51
3e Employee and Spouse	31	2	33
4e Employee and Family	24	10	34
5e Eligible, Opt Out	2	0	2
6e Eligible, Not Enrolled	6	3	9
Total for this Section	230	88	318

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	Total I & A Enrollment	Local Non I & A	Total Enrollment
TOTAL ENROLLMENT			
1f Employee Only	136	53	189
2f Employee and Children	31	20	51
3f Employee and Spouse	31	2	33
4f Employee and Family	24	10	34
5f Eligible, Opt Out	2	0	2
6f Eligible, Not Enrolled	6	3	9
Total for this Section	230	88	318