Schedule F: Agency Workforce Plan

Agency Overview

The Texas Higher Education Coordinating Board was created by the Texas Legislature in 1965 to "represent the highest authority in the state in matters of public higher education and is charged with the duties to take an active part in promoting quality education throughout the state by:

- Providing a statewide perspective to ensure the efficient and effective use of higher education resources and to eliminate unnecessary duplication.
- Developing and evaluating progress toward a long-range master plan for higher education and providing analysis and recommendations to link state spending for higher education with the goals of the long-range master plan.
- Collecting and making accessible data on higher education in the state and aggregating and analyzing that data to support policy recommendations.
- Making recommendations to improve the efficiency and effectiveness of transitions, including between high school and postsecondary education, between institutions of higher education for transfer purposes, and between postsecondary education and the workforce; and
- Administering programs and trusteed funds for financial aid and other grants as necessary to achieve the state's long-range goals and as directed by the legislature." (Texas Education Code, Section 61.051).

Effective September 1, 2025, the agency has statutorily authorized 351.9 full-time equivalent (FTE) positions. FTEs whose salaries, benefits, and other expenses related to employment are funded through private grant funds are not counted toward this cap, pursuant to p. III-61 of the General Appropriations Act, 2026-27 Biennium.

Agency's Purpose Statement

Our purpose is to strengthen Texas through higher education. By making higher education accessible to a wide range of people, we can ensure Texas remains one of the world's most innovative, valuable educational systems. By bringing together data, policymakers, and institutions, we can inform sensible policies that make a difference and make education beyond high school available to every person in our state. When we do that, we will improve lives, communities, and our shared economy.

Agency's Workforce Strategic Goals and Objectives

The THECB's focus for immediate workforce planning initiatives for the next two to five years is based on the large percentage of employees who are eligible to retire. Additionally, the agency is conducting a classification and compensation analysis to address workforce needs. A response to the economic outlook requires consideration of possible effects of budget deficits and how the future legislative sessions may affect the agency workforce.

Goal 1: Retention and Recruitment	Strengthen the agency's ability to respond to changing workforce market conditions and maintain staffing levels needed to support agency operations.
Objective:	Monitor workforce trends and prepare for staffing and budget conditions that may affect recruitment, hiring, and retention.
Strategies:	• Monitor workforce market conditions, including hiring trends, turnover patterns, and compensation competitiveness. • Assess workforce risks and identify positions or functions most vulnerable to staffing shortages. • Develop contingency staffing strategies to address potential vacancies, hiring delays, or funding changes. • Provide leadership with timely information to support workforce and budget planning decisions.

Goal 2: Succession Planning of Critical Positions	Prepare for retirement of key positions.
Objective:	Work to maintain agency business with no interruption.
Strategies:	• Continue cross-training of identified key positions. • Continually review agency workforce needs (i.e., skills, education, experience, etc.).

Goal 3: Changing Conditions	Prepare for changing economic and legislative conditions that may affect agency funding and workforce capacity.
Objective:	Provide timely analysis and planning options to support informed decision-making during periods of fiscal uncertainty.
Strategies:	• Monitor legislative and budget developments that may affect agency policy, funding, or staffing levels. • Evaluate potential workforce impacts associated with funding changes. • Identify cost-management and staffing alternatives to maintain essential functions. • Provide leadership with clear options and supporting data to guide workforce decisions.

Agency's Core Values

The Coordinating Board's core values are:

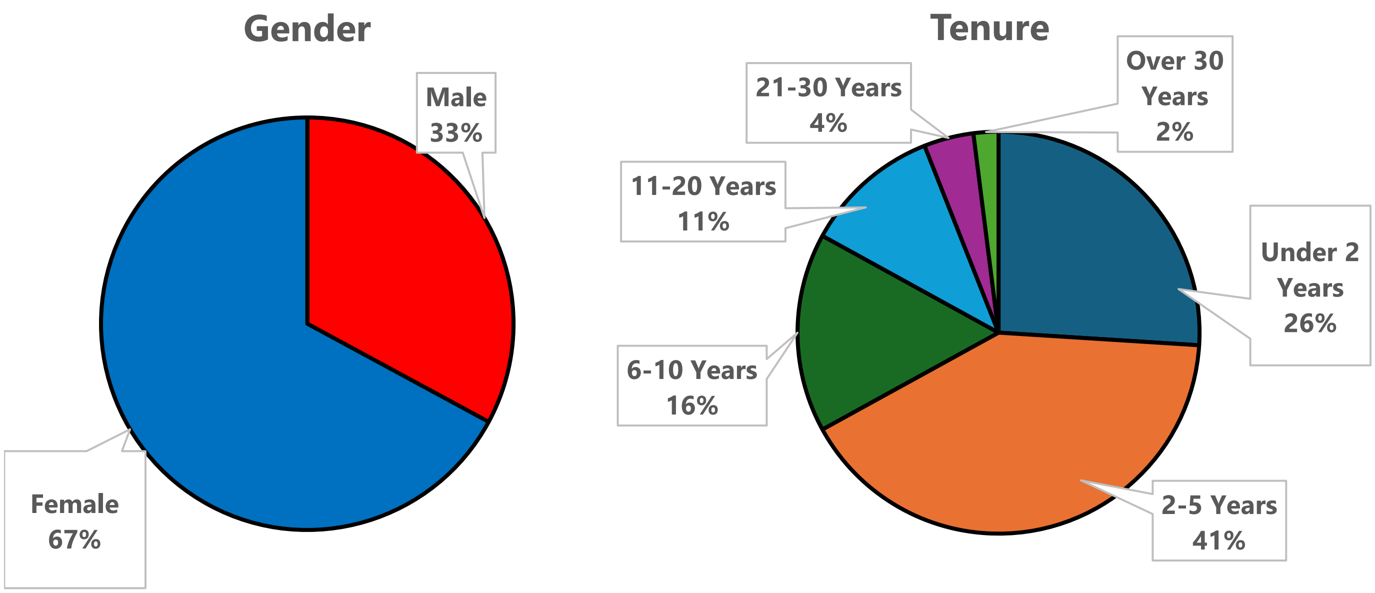
1. **Accountability** – We hold ourselves responsible for our actions and welcome every opportunity to educate stakeholders about our policies, decisions, and aspirations.
2. **Efficiency** – We accomplish our work using resources in the most effective manner.
3. **Collaboration** – We develop partnership that result in student success and a highly qualified, globally competent workforce.
4. **Excellence** – We strive for excellence in all our endeavors.

Current Workforce Profile (Supply Analysis)

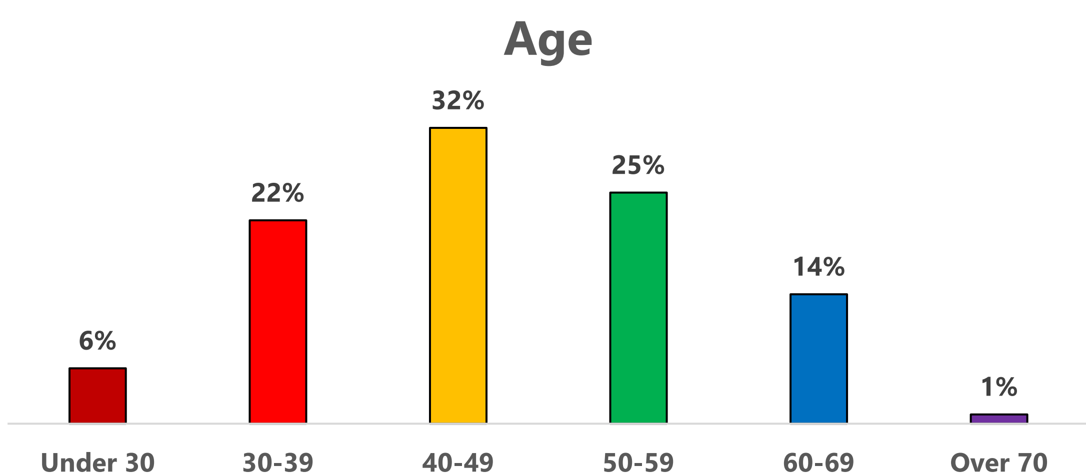
Workforce Demographics

The following charts profile the agency's workforce as of April 17, 2026. The THECB staff include part-time and full-time employees comprised of 33% male and 67% female. Approximately 73% are over the age of 40 and approximately 26% have fewer than two years of service with THECB.

Workforce Breakdown as of April 17, 2026



Source: CAPPS



Source: CAPPS

Retirement Eligibility

THECB Fiscal Year Retirement				
	FY 2023		FY 2024	
	Number	Percent	Number	Percent
Retirement	7	14%	7	20%

Source: State Auditor's Office Workforce Summary Document

Given that 73 % of the THECB's workforce is over the age of 40, seven employees retired during FY 2024, and 44 additional employees will be eligible to retire by September 1, 2025, a proactive plan is required to improve succession planning for identified key positions, to train internal replacements, and to enhance external recruitment. The THECB will be challenged to replace these retirees with the high skills and education levels necessary to perform the research and analysis functions required to achieve the Texas higher education strategic plan. The THECB continues to aim at retaining employees with critical knowledge, providing educational opportunities, and utilizing senior management as mentors for identified, less tenured staff.

Predicting future turnover based on retirement eligibility can be difficult. An employee's eligibility to retire is not an accurate indicator of his/her election to retire. Factors that play a major role in the decision to retire include, but are not limited to, income requirements, eligibility for insurance, and Social Security benefits. Regardless of these factors, the THECB must be prepared to effectively address the future loss of knowledgeable and capable staff.

Employee Turnover

Turnover is an important issue in any organization and the THECB is no exception. The turnover rate for FY 2024 was 6.9%. The state's average turnover rate for FY 2024 was16.5%. The following charts compare the THECB's turnover rates to that of the state from Fiscal Years 2020-2024. Over this timeframe, the THECB's turnover has been significantly lower than the state's turnover rate.

Turnover Rate for Fiscal Years 2020-2024					
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Statewide	18.6%	21.5%	22.7%	18.7%	16.5%
THECB	7.7%	10.9%	13.3%	10.4%	6.9%

Source: State Auditor's Office Workforce Summary Document

THECB Turnover by Tenure						
Tenure	FY 2022		FY 2023		FY 2024	
	Number	%	Number	%	Number	%
Under 2 years	21	37%	24	48%	27	57%
Between 2-5 years	15	26%	12	24%	10	21%
Between 6-10 years	6	11%	6	12%	3	7%
Between 11-20 years	7	12%	6	12%	3	7%
Between 21-30 years	3	5%	2	4%	4	8%

Over 30 years	1	2%	0	0%	0	0%

Projected Retirement Rate over the Next Five Years

THECB currently has 50 employees who are eligible for retirement as of May 1, 2026. Current projections show that these numbers will almost double over the next four years. This would reflect almost 25% of the current workforce.

Number of Employees Eligible to Retire				
Eligible as of May 2026	**FY 2027**	**FY 2028**	**FY 2029**	**FY 2030**
50	+14	+14	+4	+12

Critical Workforce Skills

THECB's employees are comprised of well-qualified individuals, some with highly specialized skills unique to the agency. There are several skills that are critical to the agency's ability to operate effectively, efficiently, and consistently meet the agency's performance measures and legislative mandates. These current critical workforce knowledge and skills are in the following areas:

- Knowledge of higher education programs and curriculum review
- Formula funding and capital planning
- Legal expertise
- Student loan bonds
- Governmental accounting
- Project management
- Research and data analysis
- Leadership/management
- Information technology

Positions critical to the THECB include mid- and upper-management positions, such as Commissioner of Higher Education, Deputy Commissioners, General Counsel, Assistant Commissioners, Deputy Assistant Commissioners, Directors, Senior Program Directors, and Managers, as well as positions with highly specialized skills. These positions require extensive experience, specialized designations, and detailed knowledge of the agency's statutory regulations, functions, and rules.

Future Workforce Profile (Demand Analysis)

The THECB's critical functions must be maintained when turnover occurs. Since the agency has a unique workforce to accomplish a wide variety of tasks, every position is critical to maintain efficient and effective operations. Filling vacant positions must occur quickly and effectively.

Workforce Challenges

The THECB continues to face increasing challenges in sourcing, attracting, hiring, and retaining qualified candidates in a highly competitive labor market. Workforce shortages across key occupational groups, along with increased competition from both public and private sector employers, have made it more difficult to recruit candidates with the specialized skills and experience required to meet agency needs. These conditions have also contributed to longer recruitment timelines and fewer qualified applicants for certain positions.

To address these challenges, the THECB continues to expand recruitment efforts by posting job opportunities across multiple professional networks, employment platforms, and institutions of higher education to broaden awareness of available positions and attract qualified applicants.

In response to current workforce conditions, the agency continues to evaluate alternative employment approaches to enhance workforce flexibility and expand access to talent. Recruitment and retention strategies must be continuously assessed and refined to sustain workforce capacity and maintain operational effectiveness. According to data from the State Auditor's Office, compensation and benefits remain among the primary factors influencing employee turnover across state agencies, underscoring the importance of maintaining competitive total compensation to retain qualified staff.

Future Workforce Skills Needed

After review and assessment of information compiled on the THECBs' workforce, the agency has determined that no gap exists between the agency's workforce supply and future demand. Additional skilled labor exists in the workforce for the existing positions, and although any loss of staff will impact agency operations, replacement with appropriate personnel at the current budgeted salary levels will allow the agency to replace any vacancy.

Anticipated Increase/Decrease in Number of FTEs

While THECB does anticipate an increase in the number of FTEs, required to fill important roles with in the agency, THECB will continue to review work demands, along with the state's increasing population and number of students attending Texas institutions of higher education, to ensure the agency has appropriate staffing levels and skills necessary to fulfill its mission.

Strategy Development

Training and development of current staff is critical to the success of THECB. The primary objective of staff development and training is to ensure THECB employees have the knowledge and skills to perform their duties effectively and efficiently. Additionally, the continued development and training of staff will allow for a long-term succession plan solution.

The possibility of a significant number of retirements over the next five years and the expectation that many of these retirements will represent the loss of highly skilled employees, with specific experience and specialized backgrounds, may require a proactive plan of action to train internal replacements, as well as enhance external recruitment. The THECB will be challenged to replace these retirees with the high skills and education levels necessary to perform the research and analysis functions required.