

Legislative Appropriations Request

for Fiscal Years 2028 and 2029

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

by
North Central Texas College
August 13, 2026

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Administrator's Statement

8/14/2026 9:27:00AM

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North Central Texas College

About the College: North Central Texas College (NCTC) is a public two-year institution of higher education primarily serving residents of Cooke, Denton, Young, and Montague counties by offering technical and academic courses for certification or associate degrees along with continuing and community education.

VISION: NCTC envisions a future where students thrive, connections are made and communities benefit from strong educational partnerships with purpose. We will continue to redefine what is possible by connecting people and ideas while working to build stronger communities for generations to come.

MISSION: NCTC is committed to transforming lives and strengthening our communities through accessible, high-quality education and training.

VALUES: At NCTC, our values guide how we serve our students, strengthen our communities, and prepare learners for a successful future. We believe in creating OPPORTUNITY by expanding access to education and career advancement. Through COMMUNITY, we build strong regional relationships that uplift individuals, families, businesses, and the places we serve. NCTC is committed to STUDENT EMPOWERMENT, providing learners with the tools, guidance, resources, and encouragement they need to achieve their goals. Through LEARNING, NCTC creates structured and supportive pathways that help students earn degrees and credentials, pursue transfer opportunities, and prepare for meaningful careers. NCTC values ENGAGEMENT & ENRICHMENT by fostering belonging, connection, and relationships that make the college experience meaningful and rewarding. Finally, through INNOVATION, NCTC embraces new ideas, technology, and approaches that strengthen our institution and prepare our students to succeed in a changing world. Together, these values reflect NCTC's commitment to student success, community impact, and a future of opportunity for all.

BOARD OF REGENTS:

Karla Metzler, Board Chair, Term expires 2027, Gainesville, TX
Christy Morris, Board Vice-Chair, Term expires 2031, Lake Kiowa, TX
Jon Grimes, Board Secretary, Term expires 2027, Muenster, TX
Lisa Bellows, Board Member, Term expires 2029, Gainesville, TX
Jerry Don Henderson, Board Member, Term expires 2029, Gainesville, TX
Aaron Krebs, Board Member, Term expires 2031, Gainesville, TX
Erica Sullivan, Board Member, Term expires 2027, Gainesville, TX

Significant changes in policy: The implementation of HB 8 funding has had a significant impact on NCTC's processes and institutional priorities, particularly in the areas of student success, seamless pathways, enrollment, and completion. The outcomes-based funding model has encouraged the College to look beyond simply enrolling students and place greater emphasis on helping students successfully progress through their educational journey and complete a credential. In response, NCTC has worked to strengthen seamless pathways from high school through college and into the workforce, improve communication and coordination across academic and student services, and remove unnecessary barriers that can make enrollment and completion more difficult. These efforts include simplifying the student experience, improving access to advising and support services, strengthening transitions between programs and educational levels, and examining processes that may prevent students from enrolling, persisting, or completing their programs. Ultimately, HB 8 has helped reinforce a student-centered approach in which NCTC is not only focused on attracting students, but also on creating clearer pathways and more accessible processes that enable students to successfully reach their educational and workforce goals.

Significant changes in provision of service: North Central Texas College (NCTC) has leveraged the policy changes and funding opportunities associated with House Bill 8 to strengthen its focus on student access, successful completion, workforce alignment, and seamless educational pathways. The College has expanded and strengthened

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dual credit partnerships with area school districts, with particular emphasis on Career and Technical Education programs that provide students with an early and affordable pathway into high-demand workforce fields. NCTC has also expanded academic and workforce programming and continued to invest in instructional capacity and spaces that support regional workforce needs. Transfer pathways have been strengthened through enhanced articulation agreements, co-enrollment opportunities, and greater coordination with four-year institutions, allowing students to move more efficiently from high school to NCTC and, when appropriate, to a university or directly into the workforce. In response to employer needs, NCTC has increased partnerships with business and industry to align curriculum, credentials, and training opportunities with regional workforce demands. The College has also strengthened student services through more intentional advising, coaching, and intervention practices designed to help students navigate enrollment, persist, and complete their programs. NCTC continues to evaluate scholarship and grant opportunities that can reduce financial barriers and improve access to education, while also expanding the use of online and hybrid instructional options where appropriate and consistent with state requirements. The College has maintained and refined practices developed during the availability of emergency federal funding, including more coordinated approaches to identifying students facing financial barriers and connecting them with available institutional, state, and community resources. At the same time, reductions and changes in available funding have required NCTC to carefully evaluate programs and services, prioritize resources toward activities that directly support enrollment and completion, and identify efficiencies that preserve student access and workforce programming. Overall, HB 8 has encouraged NCTC to move from a traditional enrollment-focused approach toward a more comprehensive model that emphasizes access, successful completion, seamless pathways, and measurable outcomes for students and the communities the College serves.

Significant external factors: One significant challenge facing North Central Texas College (NCTC) is the limited local tax base available to support the College's large and rapidly growing service area. Denton County has recently surpassed one million residents, and continued population growth and migration into the region are expected. However, NCTC does not receive maintenance and operations tax revenue from Denton County despite providing educational and workforce services to residents throughout the county. NCTC's local tax base is concentrated in Cooke County, a predominantly rural and agricultural county with a population of fewer than 40,000 residents. As a result, maintenance and operations tax revenue from Cooke County represents only a modest portion of the College's overall budgeted revenues and is not sufficient to support the needs of the College's expanding service area. Historically, one mechanism for addressing this disparity has been tuition and fee revenue; however, with Governor Abbott's directive limiting increases in tuition and fees, that option is no longer readily available. While the implementation of House Bill 8 has provided some growth in state appropriations, changes in formula calculations and the absence of dynamic formula funding have created additional challenges in accurately forecasting revenues and developing reliable multiyear budgets. These circumstances make it increasingly important for NCTC to identify sustainable funding strategies that recognize the significant regional population growth and the educational and workforce services the College provides throughout its service area.

The Governor of Texas's directive calling for a freeze on tuition and fee increases at public institutions of higher education, has also required North Central Texas College (NCTC) to reduce the level of telemedicine and mental health services available to students. While the College recognizes the significant value of providing students with timely access to virtual medical and mental health support, the ongoing cost of these services could not be sustained at the previous level without additional revenue. This difficult decision reflects the financial constraints created by the loss of anticipated revenue and the need to prioritize limited institutional resources toward core instructional and operational responsibilities. The reduction in these services has important implications for student learning and success. Timely access to physical and mental health resources can play a critical role in helping students remain engaged in their coursework, manage stress and anxiety, maintain attendance, and persist toward completion of their educational goals. This support is particularly important for community college students, many of whom balance academic responsibilities with employment, family obligations, and financial pressures. Reduced access may result in delays in obtaining needed services, potentially contributing to lower academic performance, decreased course completion, and increased risk of withdrawal. While NCTC remains committed to identifying alternative resources and partnerships to support students, the reduction in these services demonstrates the difficult choices institutions face when costs continue to increase while available revenue sources are constrained. The decision reflects the College's continued commitment to affordability, access, and student success while maintaining responsible fiscal stewardship.

Administrator's Statement

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Background checks are conducted on all security-sensitive positions as permitted by the Texas Government Code, Sec 411.094 and Texas Education Code, Section 61.003(8) and consistent with the college's human resources policies.

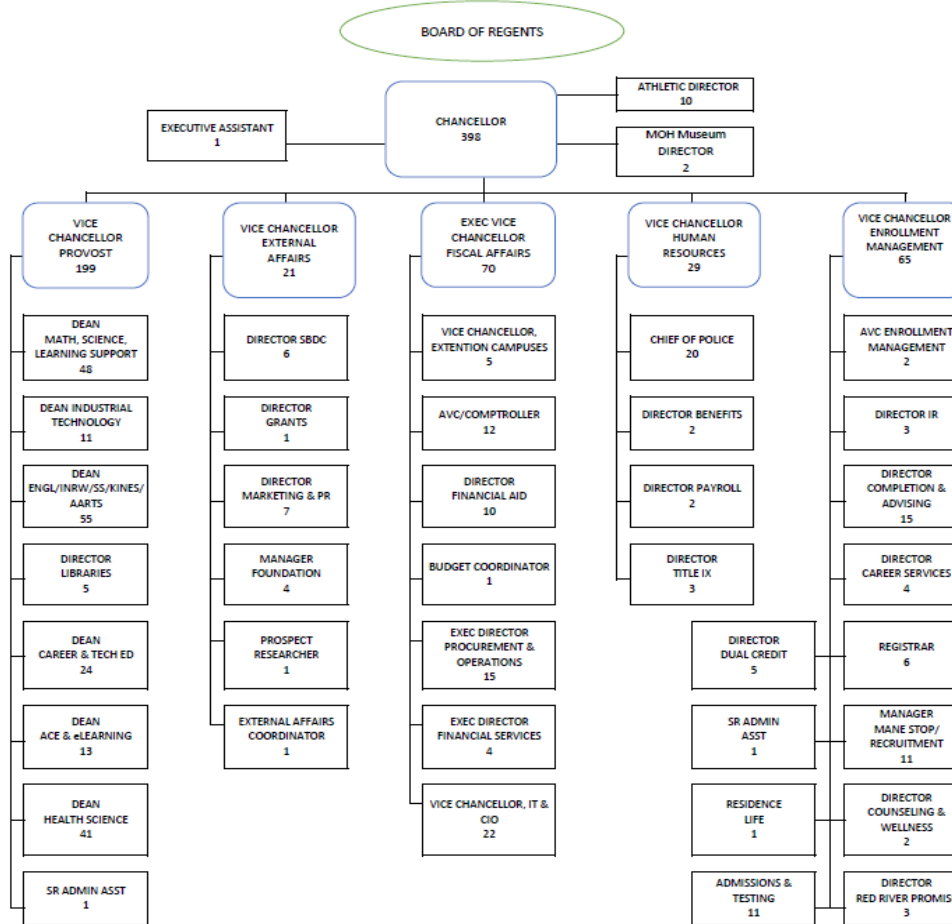
Our college fully supports the Texas Association of Community Colleges (TACC) Formula Funding and Supplemental Request, per letter dated August 14, 2026.

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, North Central Texas College, respectfully request 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 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.

NORTH CENTRAL TEXAS COLLEGE





CERTIFICATE

Agency Name North Central Texas College - 958

This is to certify that the information contained in the agency Legislative Appropriations Request 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

A handwritten signature in blue ink, appearing to be "GBW", written over a horizontal line.

Signature

G. Brent Wallace

Printed Name

Chancellor

Title

August 13, 2026

Date

Board or Commission Chair

A handwritten signature in blue ink, appearing to be "Christy Morris", written over a horizontal line.

Signature

Christy Morris

Printed Name

Board of Regents Vice-Chair

Title

August 13, 2026

Date

Chief Financial Officer

A handwritten signature in blue ink, appearing to be "Annette Ferguson", written over a horizontal line.

Signature

Annette Ferguson

Printed Name

CFO

Title

August 13, 2026

Date

2.A. Summary of Base Request by Strategy

8/14/2026 9:27:00AM

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Goal / Objective / STRATEGY	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
1 Provide Instruction					
1 Provide Administration and Instructional Services					
7 TEXAS MEDAL OF HONOR MUSEUM	3,000,000	500,000	500,000	485,000	485,000
TOTAL, GOAL 1	\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
TOTAL, AGENCY STRATEGY REQUEST	\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	3,000,000	500,000	500,000	485,000	485,000
SUBTOTAL	\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
TOTAL, METHOD OF FINANCING	\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000

*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: 958		Agency name: North Central Texas College				
METHOD OF FINANCING		Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
<u>GENERAL REVENUE</u>						
<u>1</u> General Revenue Fund						
<i>REGULAR APPROPRIATIONS</i>						
Regular Appropriations from MOF Table (2024-25 GAA)						
		\$3,000,000	\$0	\$0	\$0	\$0
Comments: Includes need based supplement						
Regular Appropriations from MOF Table (2026-27 GAA)						
		\$0	\$500,000	\$500,000	\$485,000	\$485,000
TOTAL,	General Revenue Fund	\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
TOTAL, ALL	GENERAL REVENUE	\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
GRAND TOTAL		\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
FULL-TIME-EQUIVALENT POSITIONS						
TOTAL, ADJUSTED FTES						

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

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Agency code: **958**

Agency name: **North Central Texas College**

METHOD OF FINANCING

Exp 2025

Est 2026

Bud 2027

Req 2028

Req 2029

**NUMBER OF 100% FEDERALLY
FUNDED FTEs**

2.C. Summary of Base Request by Object of Expense

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OBJECT OF EXPENSE	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
1001 SALARIES AND WAGES	\$0	\$100,000	\$100,000	\$100,000	\$100,000
2009 OTHER OPERATING EXPENSE	\$0	\$400,000	\$400,000	\$385,000	\$385,000
5000 CAPITAL EXPENDITURES	\$3,000,000	\$0	\$0	\$0	\$0
OOE Total (Excluding Riders)	\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
OOE Total (Riders)					
Grand Total	\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000

2.F. Summary of Total Request by Strategy
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DATE : 8/14/2026
 TIME : 9:27:01AM

Agency code: 958	Agency name: North Central Texas College					
Goal/Objective/STRATEGY	Base 2028	Base 2029	Exceptional 2028	Exceptional 2029	Total Request 2028	Total Request 2029
1 Provide Instruction						
1 Provide Administration and Instructional Services						
7 TEXAS MEDAL OF HONOR MUSEUM	\$485,000	\$485,000	\$0	\$0	\$485,000	\$485,000
TOTAL, GOAL 1	\$485,000	\$485,000	\$0	\$0	\$485,000	\$485,000
TOTAL, AGENCY STRATEGY REQUEST	\$485,000	\$485,000	\$0	\$0	\$485,000	\$485,000
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$485,000	\$485,000	\$0	\$0	\$485,000	\$485,000

2.F. Summary of Total Request by Strategy
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DATE : 8/14/2026

TIME : 9:27:01AM

Agency code: 958 Agency name: North Central Texas College

Goal/Objective/STRATEGY	Base 2028	Base 2029	Exceptional 2028	Exceptional 2029	Total Request 2028	Total Request 2029
General Revenue Funds:						
1 General Revenue Fund	\$485,000	\$485,000	\$0	\$0	\$485,000	\$485,000
	\$485,000	\$485,000	\$0	\$0	\$485,000	\$485,000
TOTAL, METHOD OF FINANCING	\$485,000	\$485,000	\$0	\$0	\$485,000	\$485,000

FULL TIME EQUIVALENT POSITIONS

3.A. Strategy Request
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GOAL: 1 Provide Instruction
OBJECTIVE: 1 Provide Administration and Instructional Services
STRATEGY: 7 Texas Medal of Honor Museum

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$100,000	\$100,000	\$100,000	\$100,000
2009	OTHER OPERATING EXPENSE	\$0	\$400,000	\$400,000	\$385,000	\$385,000
5000	CAPITAL EXPENDITURES	\$3,000,000	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
Method of Financing:						
1	General Revenue Fund	\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$485,000	\$485,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
FULL TIME EQUIVALENT POSITIONS:						
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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GOAL: 1 Provide Instruction

OBJECTIVE: 1 Provide Administration and Instructional Services

STRATEGY: 7 Texas Medal of Honor Museum

Service Categories:
 Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$1,000,000	\$970,000	\$(30,000)	\$(30,000)	Three percent mandatory reduction
			<u>\$(30,000)</u>	Total of Explanation of Biennial Change

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
METHODS OF FINANCE (INCLUDING RIDERS):				\$485,000	\$485,000
METHODS OF FINANCE (EXCLUDING RIDERS):	\$3,000,000	\$500,000	\$500,000	\$485,000	\$485,000
FULL TIME EQUIVALENT POSITIONS:					

DATE: 8/14/2026

TIME: 9:27:03AM

Agency name: **North Central Texas College**

GR-D Baseline Request Limit = \$0

Strategy/Strategy Option/Rider								GR-D Baseline Request Limit = \$0		
2028 Funds				2029 Funds				Biennial Cumulative GR	Biennial Cumulative Ded	Page #
FTEs	Total	GR	Ded	FTEs	Total	GR	Ded			
Strategy: 1 - 1 - 7	Texas Medal of Honor Museum									
0.0	485,000	485,000	0	0.0	485,000	485,000	0	970,000	0	
0.0	\$485,000	\$485,000	\$0	0.0	\$485,000	\$485,000	0			

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	178	15	193
2a Employee and Children	48	3	51
3a Employee and Spouse	47	3	50
4a Employee and Family	36	3	39
5a Eligible, Opt Out	7	12	19
6a Eligible, Not Enrolled	29	2	31
Total for this Section	345	38	383
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	345	38	383

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	Total I & A Enrollment	Local Non I & A	Total Enrollment
FULL TIME RETIREES by ERS			
1c Employee Only	96	12	108
2c Employee and Children	1	0	1
3c Employee and Spouse	34	4	38
4c Employee and Family	2	0	2
5c Eligible, Opt Out	0	0	0
6c Eligible, Not Enrolled	0	0	0
Total for this Section	133	16	149
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	133	16	149
TOTAL FULL TIME ENROLLMENT			
1e Employee Only	274	27	301
2e Employee and Children	49	3	52
3e Employee and Spouse	81	7	88
4e Employee and Family	38	3	41
5e Eligible, Opt Out	7	12	19
6e Eligible, Not Enrolled	29	2	31
Total for this Section	478	54	532

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	Total I & A Enrollment	Local Non I & A	Total Enrollment
TOTAL ENROLLMENT			
1f Employee Only	274	27	301
2f Employee and Children	49	3	52
3f Employee and Spouse	81	7	88
4f Employee and Family	38	3	41
5f Eligible, Opt Out	7	12	19
6f Eligible, Not Enrolled	29	2	31
Total for this Section	478	54	532

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Medal of Honor Host City Museum**(1) Year Non-Formula Support Item First Funded:** 2022

Year Non-Formula Support Item Established: 2022

Original Appropriation: \$5,000,000

(2) Mission:

Through powerful exhibits, education, and community engagement, we inspire future generations to uphold the enduring values of the Medal of Honor.

(3) (a) Major Accomplishments to Date:

Completed building and opened doors April 2025. In 2025, welcomed 900 visitors. Since January 2026, hosted 250 school-aged children to tour museum. Currently offering monthly lecture series to general public.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

Future goals - increase general public attendance, offer field trips to ISDs in multiple counties, promote activities on Veteran centered holidays - Veterans Day, Memorial Day, July 4th.

(4) Funding Source Prior to Receiving Non-Formula Support Funding:

None, new initiative

(5) Formula Funding:

Need based support - \$500,000 for FY26 and FY27, \$485,000 for FY28 and FY29

(6) Category:

Public Service

(7) Transitional Funding:

N

(8) Non-General Revenue Sources of Funding:**(9) Impact of Not Funding:**

With limited available resources, any loss in funding would lead to diminished services provided to community.

Higher Education Schedule 9: Non-Formula Support

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(10) Non-Formula Support Needed on Permanent Basis/Discont

N/A

(11) Non-Formula Support Associated with Time Frame:

N/A

(12) Benchmarks:

N/A

(13) Performance Reviews:

N/A
