



H.B. 14-1319 Update

Presentation to the Joint Budget Committee
June 19, 2015

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COLORADO
Department of
Higher Education

Overview

Provide an overview of the HB 14-1319 allocation model

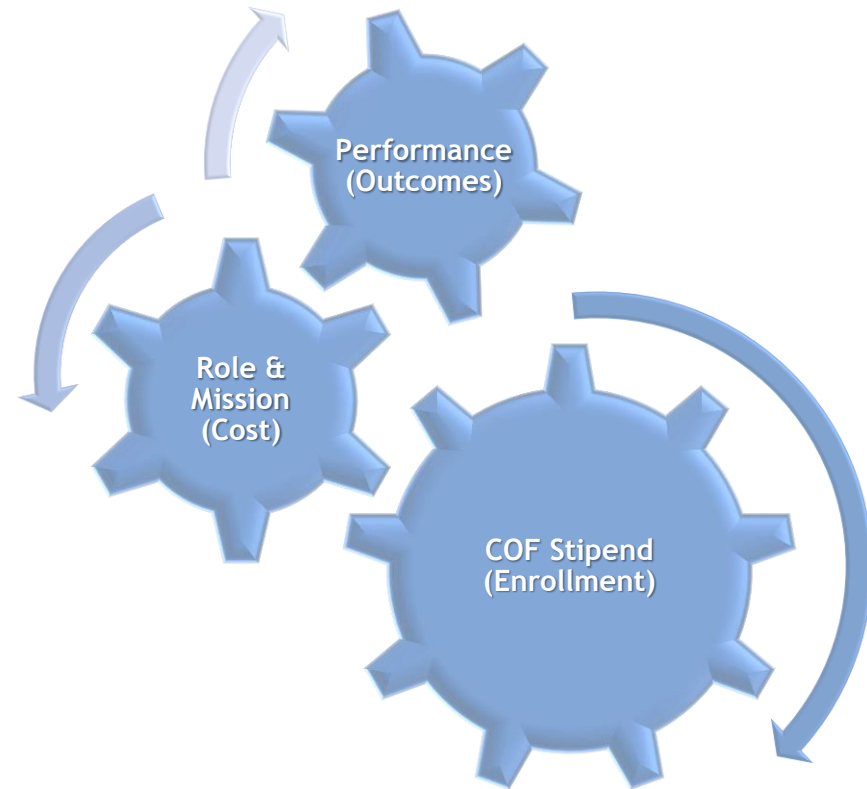
Discuss the Department's plan for reviewing and refining the allocation model, including initial items under consideration and responses to the Committee's Requests for Information; and

Provide an update on the directive in 1319 charging the CCHE to develop and recommend to the General Assembly new tuition policies

Higher Education Finance in Colorado: Before and After HB 14-1319



Before: 2004-2014



After: 2015

HB 14-1319 Funding Allocation

Model Process

STATE OPERATING FUNDS FOR PUBLIC INSTITUTIONS OF HIGHER EDUCATION

Less

LOCAL DISTRICT JUNIOR COLLEGES

GOVERNING BOARD SPECIALTY EDUCATION PROGRAMS

AREA VOCATIONAL SCHOOLS

Equals

TOTAL STATE APPROPRIATIONS

HB 14-1319 Model

COF STIPEND (ENROLLMENT)

ROLE & MISSION (COST)

PERFORMANCE (OUTCOMES)

HB 14-1319 Overview

Summary of Model Components

Enrollment

The College Opportunity Fund Stipend

- A per-student stipend for new and continuing resident students going to college in Colorado.

Role & Mission Factors

- A formula that funds institutional role and mission based on course completions and the costs of providing those courses. Additional funding provided for services to support low income students.

Cost

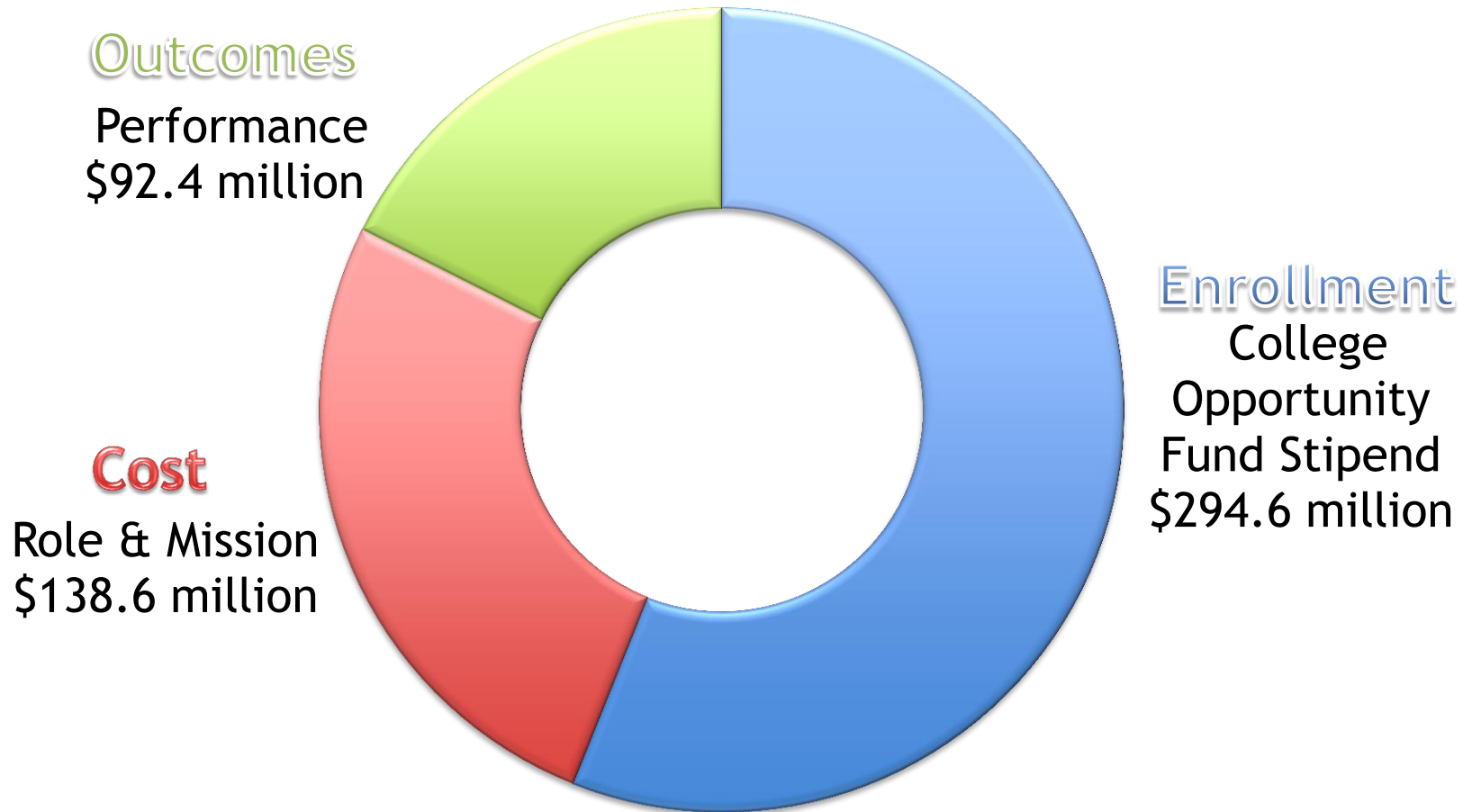
Outcomes

Performance Metrics

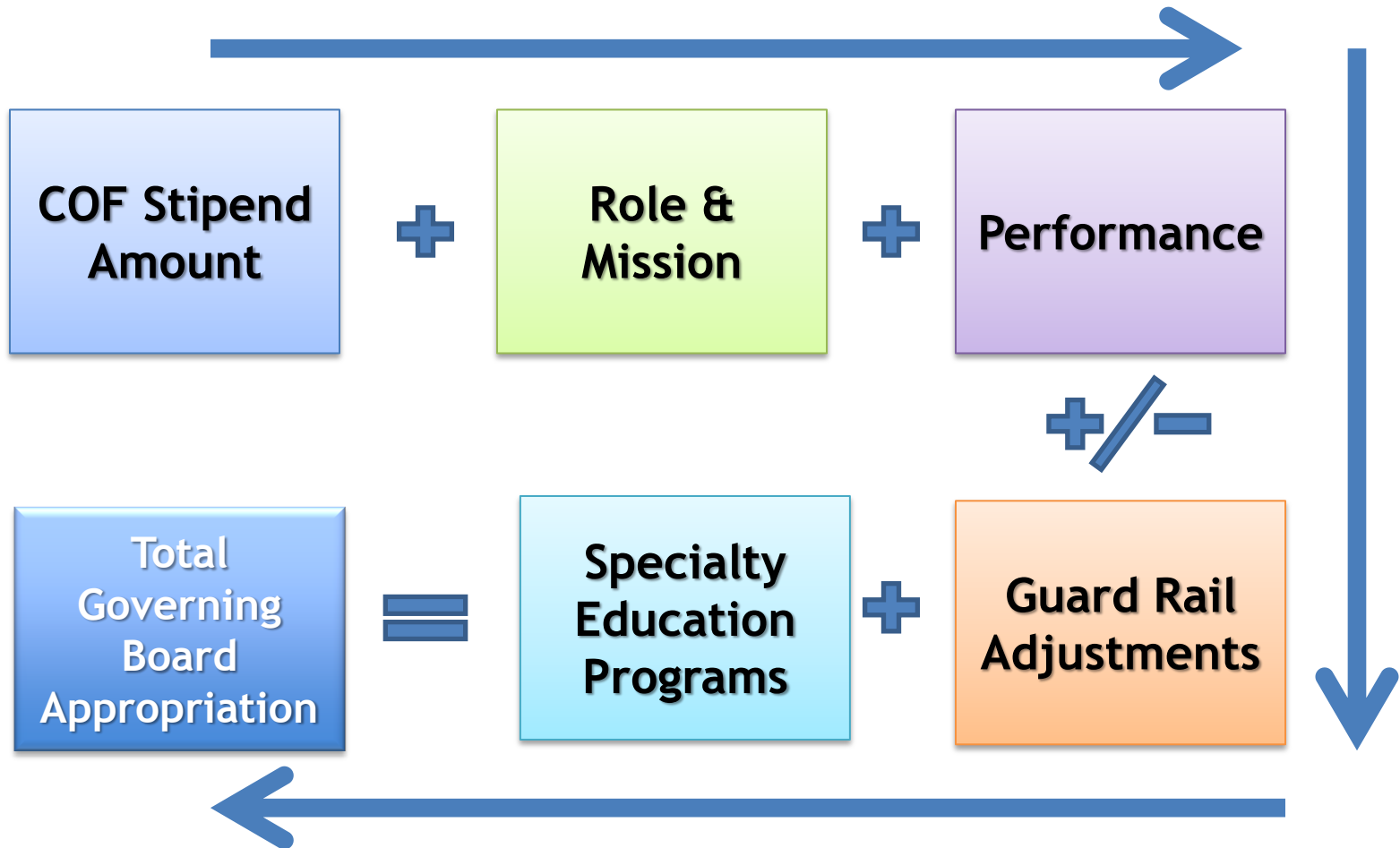
- Outcomes-based measurement rewarding institutions for the: (1) degrees and certificates produced; and, (2) student progression to a degree or certificate. Funding is provided based on both total number of production and production relative to institution size.

HB 14-1319 Overview

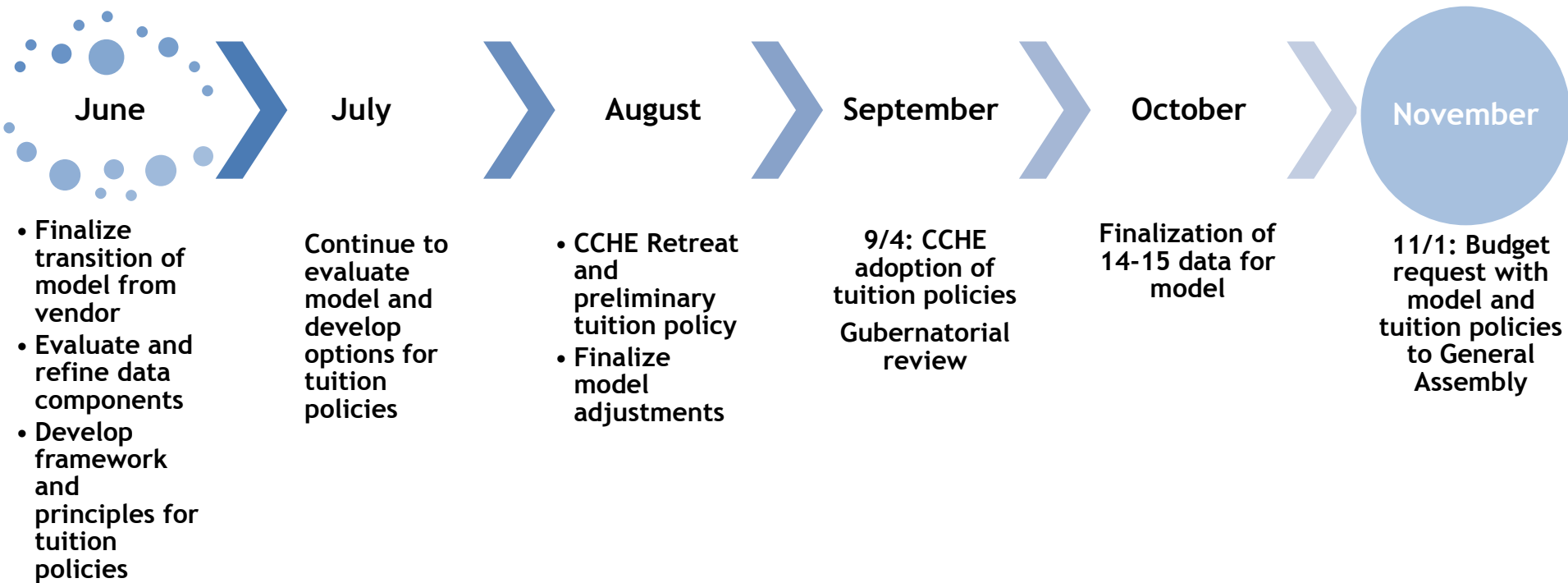
Summary of Model Components



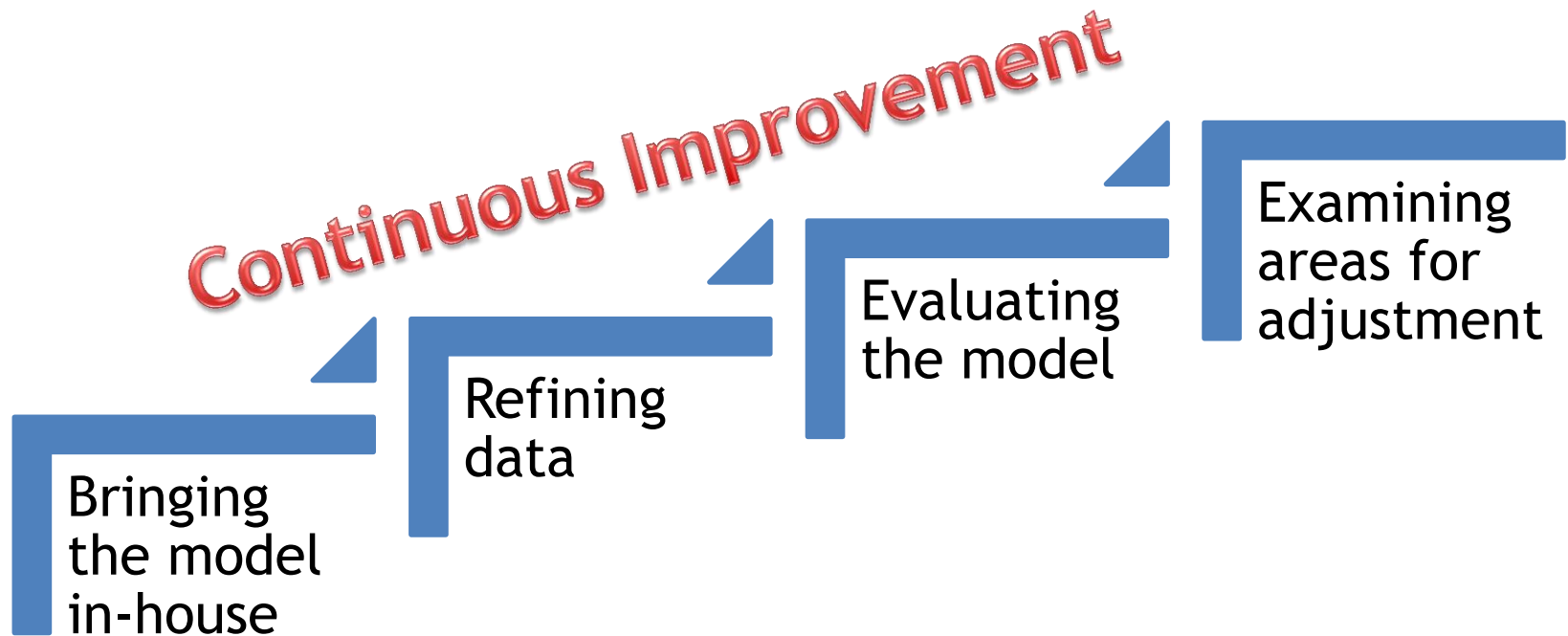
Final Allocations by Governing Board



HB 14-1319 Calendar



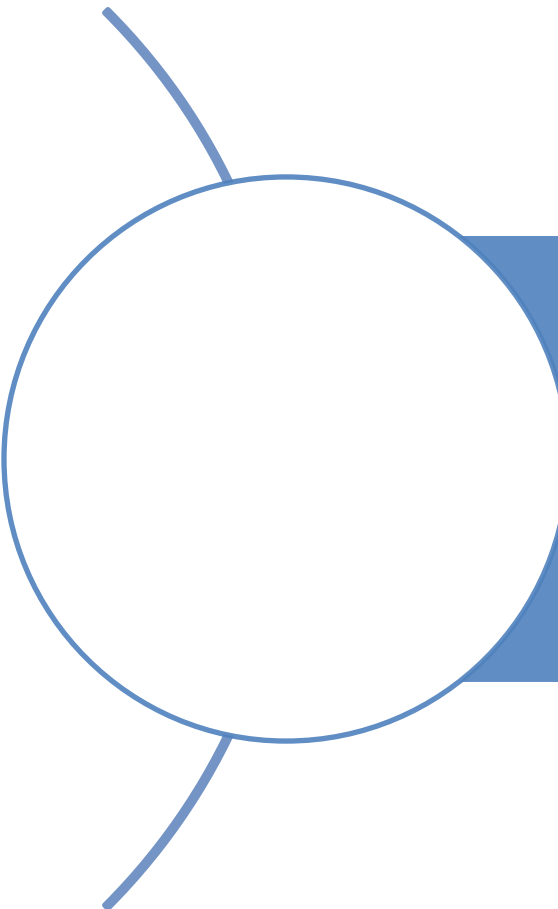
Model Review



Model Review

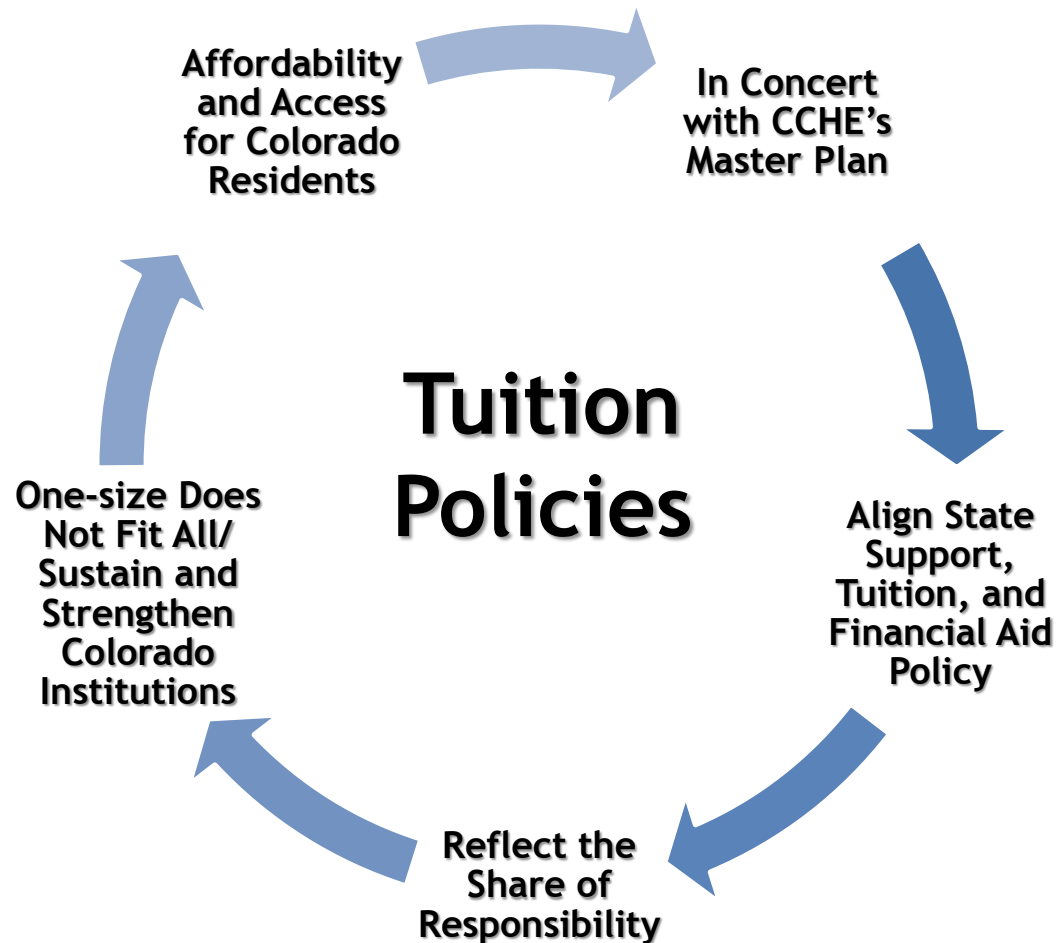


The Statutory Charge

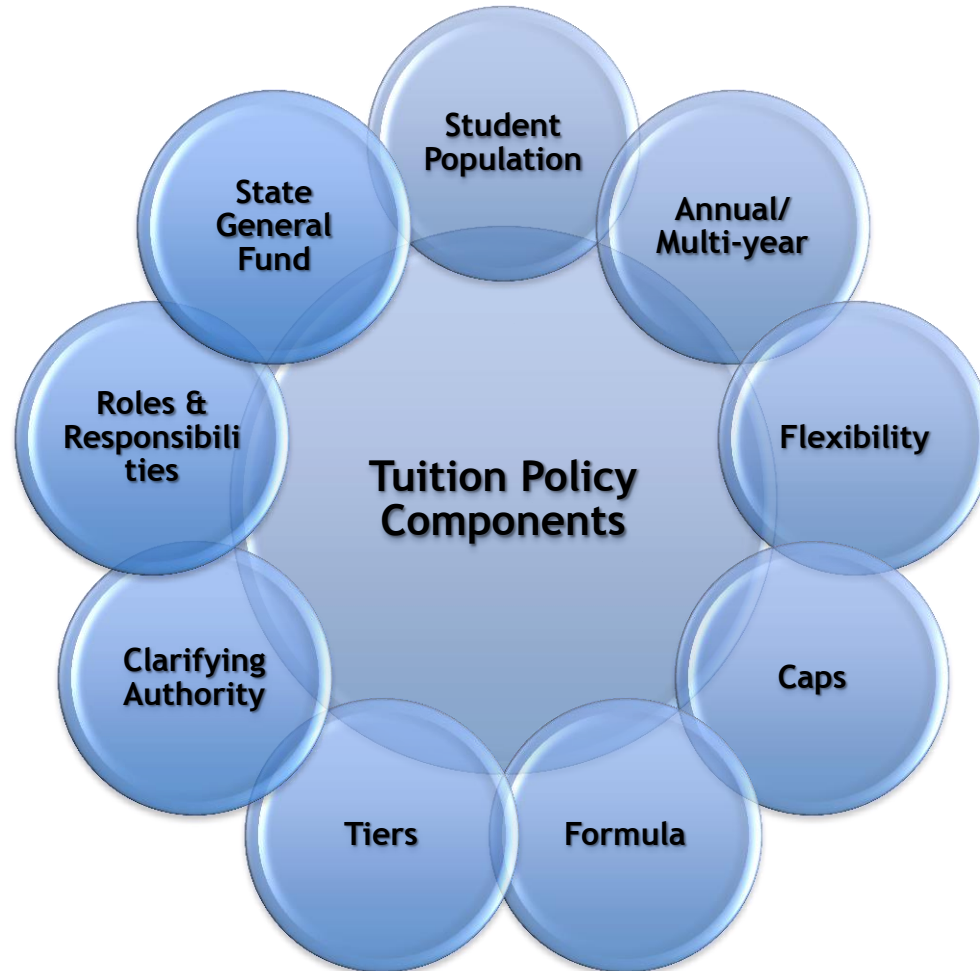


C.R.S §23-18-306 (5)...BY NOVEMBER 1, 2015,
THE COMMISSION SHALL SUBMIT TO THE JOINT
BUDGET COMMITTEE AND TO THE EDUCATION
COMMITTEES OF THE HOUSE OF
REPRESENTATIVES AND THE SENATE TUITION
POLICIES THAT ENSURE BOTH ACCESSIBLE AND
AFFORDABLE HIGHER EDUCATION FOR
COLORADO'S RESIDENTS.

Developing Tuition Policies: *Establish Principles*



Developing Tuition Policies: Develop a Framework





Questions



COLORADO
Department of
Higher Education

Request for Information Due November 1, 2015, to the Joint Budget Committee: DHE 25 (related to the HB 14-1319 Funding Allocation Model)

Department of Higher Education, Colorado Commission on Higher Education, Administration - The Joint Budget Committee requests that during the annual review process of the new funding allocation model the Department consider the following policy issues, include with their annual budget request, due November 1, 2015, a report on how these issues were examined, incorporated into the current model, or otherwise decided upon, and make recommendations for changes to the model, if needed, including identifying any needed funding to implement.

- a) Examine the role of the “Tuition Stability Factor” within the model and how it should be utilized in the future.
- b) Examine the feasibility, cost, and benefit to weighting resident and non-resident students within the model.
- c) Examine the feasibility, cost, and benefit to program the ability to download model settings and funding results into an Excel spreadsheet format for any given “run” of the model; allowing users to compare the impact of various model settings without excessive data entry.
- d)
 - (i) Ensure the ability for all concerned parties to examine data used by the model; and
 - (ii) examine the feasibility, cost, and benefit to program a mechanism into the model that would allow for consideration of how model results would change with different underlying data, e.g., data from prior years.
- e) Examine the feasibility, cost, and benefit to program a mechanism to run the model so that an adjustment to any particular model setting or value does not change the funding allocation associated with other model components but instead increases or decreases the total model funding - thus enabling an increase or decrease support for services (such as Pell-eligible students or masters degrees awarded) without simultaneously reducing funding to other model components.
- f) Continue to examine how performance funding is awarded to incentivize increased completions, retentions, and transfers. In particular:
 - (i) Explore why increasing the proportion of funding directed to performance in the FY 2015-16 model reduces funding to the state's more selective institutions. Does this indicate a need for further changes to the model?
 - (ii) Explore how changes in the numbers of degrees awarded at small versus large governing boards could affect performance funding for each, given FY 2015-16 model settings and recent trends in degrees awarded at boards of different sizes.
- g) Examine the feasibility, cost, and benefit to incorporating total institutional revenue within the model.