

Initial Thoughts on the Design of the Colorado Funding Model



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Denver, Colorado
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NCHEMS

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Design Principles

- Data/calculations included for all institutions as independent entities
 - Not by sector or governing board
- As the very last step, summarize at the governing board level
- Use metrics that are continuous in form—not dichotomous—in order to better reflect institutional differences

Features of the Funding Model Dashboard

1. Starts with general fund appropriations from which are subtracted amounts for specialty education programs. The result is the total state appropriation. The amounts for specialty education programs will be shown in the funding summaries for each institution.
 - Amount entered, not calculated in the model
2. Total state appropriations is distributed to COF, mission, and performance
 - % in each category is a variable that can be changed interactively
3. COF
 - Number of credits enrolled for by undergraduate Colorado residents
 - Amount per credit hour an input
4. Mission
 - Factors/metrics
 - Weight for each
 - Variable for different types of institutions

Features of the Funding Model Dashboard

(continued)

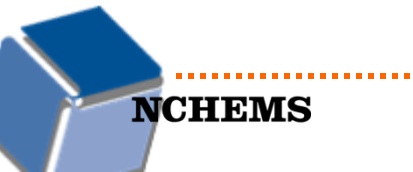
5. Performance
 - Factors/metrics
 - Weights for each
 - Variable for different types of institution
6. Stop-loss (and stop-gain if necessary)
7. Base operating amount
 - Built in as a feature
 - Doesn't have to be utilized

A. Selectivity

- Community colleges all open access
- Selectivity of 4-year institutions reflected in
 - Entering ACT/SAT scores
 - High school GPA
- Check results against language in statute

B. Number of campuses of institutions

- Use numbers as presented in foundational working document



C. Low student enrollment, that affects institution's or campus' ability to meet operational costs

- FTE undergraduate enrollments
- Conduct analyses of funding versus size
 - At what point do economies of scale become evident
 - Place Colorado institutions in this context

D. Rural or urban location of institutions

- Check relationship of FTE undergraduate enrollment to categories included in foundational working document
- Seek more gradations than simply urban/rural
- Other possibilities
 - Population of county in which institution is located
 - Number of high school grads in home county

Question:

Is low student enrollment so highly correlated with “ruralness” that a single metric can suffice for both?

E. Undergraduate programs with high cost per student

- Weighted undergraduate FTE \div unweighted undergraduate FTE
- Where weighted undergraduate FTE = the sum of
Credit hours by discipline and level X
relative weights by discipline and level
- Weights determined in consultation with expert team – informed by data from
 - Budget data books
 - Results of cost studies in other states

F. Whether the institution conducts research

- Research expenditures ÷
 - FT Faculty or
 - Instruction expenditures
- More gradations than yes/no

G. Pell eligible, first generation and underserved undergraduate students

- Use Pell recipients as the metric
- Number of undergraduate students receiving Pell at any time during the year ÷ unduplicated number of undergraduate students
- Question: All undergraduates or Colorado residents only?

H. Graduate programs

- An amount based in number enrolled, by subject and level
- Consider programs that have a high cost per student
- Metrics are
 - FTE graduate student
 - $\text{Weighted graduate FTE} \div \text{unweighted graduate FTE}$
 - Where weighted FTE calculated in same way as weighted undergraduate FTE

I. Remediation

- Proportion of first-time students identified as requiring remediation
 - Reading 30, 60, 90 Separately
 - Writing 30, 60, 90 Separately
 - Mathematics 30, 60, 90 Separately
- Weight each so that a student assigned to 30 level courses in all 3 areas is nine times the weight of a student assigned to a 90 level course in only one area

Performance Metrics

Required

a. Completions – awards

- Reward for the number of certificates or degrees awarded
 - Certificate
 - Associate
 - Baccalaureate
 - Masters
 - Doctoral
 - First professional
- A bonus for each credential awarded in a priority field
- What limits should be placed on certificates to ensure that they are credentials of value?
- Note: would align better with goals in the master plan if rewards were for increases in the number of awards

Required

b. Completions – transfer

- Rewards for an increase in numbers of students who transfers from a community college to a public 4-year institutions after completion of a certain number of credit hours
 - A bonus for each transfer of a Pell recipient
- Question: how many credit hours as a minimum?
 - Current policy sets the minimum at 12
 - Most other states are setting the minimum no lower than 24.

Required

c. Retention

- Four-year institutions – an increase in the number of students who cross the threshold of completing
 - 30 SCH
 - 60 SCH
 - 90 SCH
- Two-year institutions – an increase in the number of students who cross the threshold of completing
 - 15 SCH
 - 30 SCH
 - 45 SCH

Optional Performance Metrics

a. Successful remediation

- Number of remedial students who successfully complete (grade C or better)
 - 1st college credit math course
 - 1st college credit English course
- Within two years of entering college

b. Contributions to economic development/innovation

- Among the possibilities for metrics
 - Research expenditures of funds from external sources
 - Bonus for funds from Colorado sources
 - Licensure revenues
 - Employment in spin-off companies established within past 5 years



These tabs house other aspects of the model, including where to input the total available funding, other aspects of the funding model, etc.

Foundations

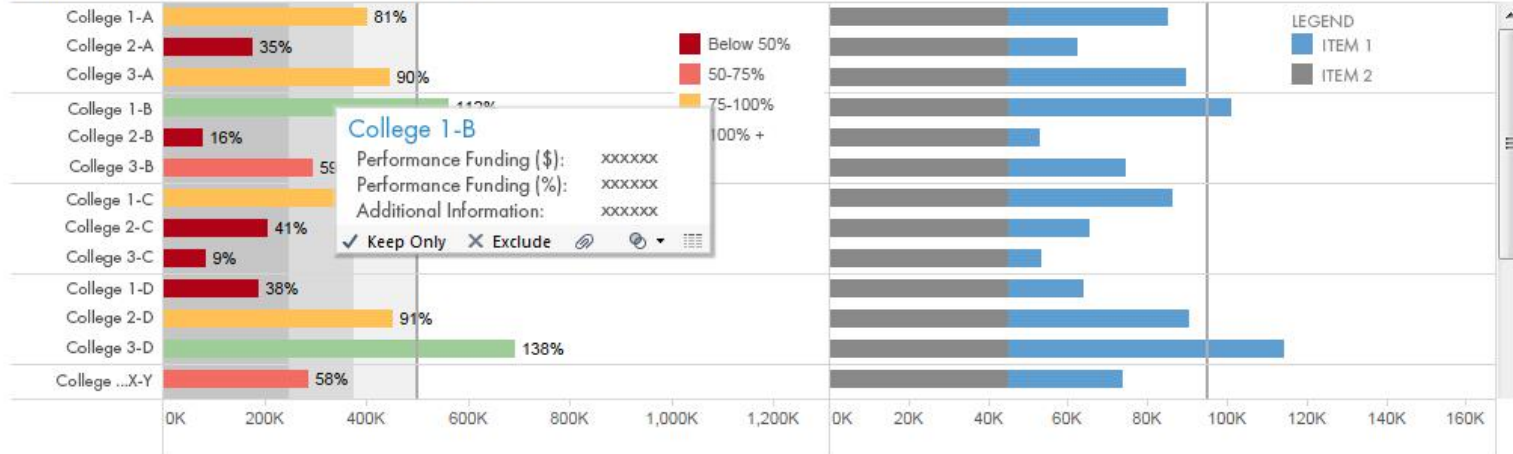
COF

Mission

Performance

Allocation Results

Estimated Results with These Assumptions



Sort by

- Ascending
- Descending
- Total \$ Change

Display as

- Graph
- Crosstab
- Trend

This area would be used to change the visual display, including to view the same data in multiple formats or for comparison, etc.

Model Weight Selection

Enter Selections for Base Operating, Stop-Loss, and [MISC / OTHER GLOBAL METRIC]

Base Operating Dollars

\$500K

Stop-Loss

10.0%

Additional Global Variable, etc.

Weights for [METRIC NAME HERE]

Metric Weight 1-A

10.0%

Metric Weight 1-B

10.0%

Metric Weight 1-C

10.0%

Select Metric

Metric 1
Metric 1
Metric 2
Metric 3
Metric...X

This area is to select an individual metric in order to make needed changes