

PROJECT PRINCIPLES

HB 14-1319 requires the Colorado Commission on Higher Education (CCHE) to develop a new base funding formula to allocate state general fund dollars among the State's public institutions of higher education.

In order to ensure Colorado higher education is of value, affordable, accessible, and high quality; and, seen as a public good, all decisions regarding the development of this new funding formula should:

- Align project outcomes with Master Plan goals, which are:
 - Increase the attainment of high quality postsecondary credentials across the academic disciplines and throughout Colorado by at least 1,000 new certificates and degrees each year to meet anticipated workforce demands by 2015.
 - Improve student success through better outcomes in basic skills education, enhanced student support services and reduced average time to credential for all students.
 - Enhance access to ensure that the system reflects the changing demographics of the state while reducing attainment gaps among students from underserved communities.
 - Develop resources, through increases in state funding, that will allow public institutions of higher education to meet projected enrollment demands while promoting affordability, accessibility and efficiency.

- Promote clarity, simplicity and predictability in the allocation of state funds to public institutions of higher education.

- Evaluate Colorado public institutions of higher education on accurate and comparable data.

- Respect the individual role and mission purposes of each Colorado public institution of higher education with regard to operational authority and flexibility.

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Legislative Intent

- ❑ Funding for higher education **should be based on the needs** of the state, the people of Colorado, and the students. *Section 1, Page 2, 23-18-301(1)(b)*
- ❑ It is essential that Colorado **make wise use of its investment** in higher education to **increase the number of Coloradans who have earned a high-quality postsecondary credential**. *Section 1, Page 2, 23-18-301(1)(d)*
- ❑ It is important that **all Coloradans have access to affordable higher education** and that higher education **services are available in all geographic areas** of the state. *Section 1, Page 2, 23-18-301(1)(e)*
- ❑ It is critical that the **rate of postsecondary participation by low-income Coloradans and minorities, who are currently underrepresented, be increased**. *Section 1, Page 2, 23-18-301(1)(f)*
- ❑ Colorado's **limited state resources must be used in a way that provides incentives** for state institutions of higher education **to achieve the policy goals** adopted by the General Assembly and the Colorado Commission on Higher Education. *Section 1, Page 2, 23-18-301(1)(g)*
- ❑ Ensure that tax dollars are being used to achieve state policy goals, higher education **must be funded in a manner that is transparent and understandable**. *Section 1, Page 3, 23-18-301(2)(a)*
- ❑ To achieve state policy goals, **performance metrics must be established that are consistent and predictable**. *Section 1, Page 3, 23-18-301(2)(b)*
- ❑ With a consistent and predictable funding model for higher education, state institutions of higher education will **be able to engage in long-term financial planning** that will benefit students through **more predictable tuition and fees**. *Section 1, Page 3, 23-18-301(2)(c)*
- ❑ If higher education is funded in a manner that is transparent and understandable, Coloradans, and especially Colorado Taxpayers, will **more easily understand the benefit realized from Colorado's investment in its higher education system**. *Section 1, Page 3, 23-18-301(2)(d)*

Legislative Directives

- ❑ The components of the 'new' fee-for service contracts developed by the Commission "**must**" **be fairly balanced between role and mission factors and performance metrics**. *Section 1, Page 5, 23-18-303(2)*
- ❑ **COF Stipend must be at least 52.5% of Total State Appropriations** for the applicable state fiscal year, except that percentage may be less than 52.5% as a result of adjustments for actual enrollment. *Section 1, Page 12, 23-18-305(2)(a)*
- ❑ CCHE **shall work in consultation with interested parties** to determine the role and mission factors and performance funding metrics. *Section 1, Page 14, 23-18-306(2)(a)*
- ❑ Each role and mission factor and performance funding metric **must be tied to the policy goals** established by the General Assembly and by the Commission in its Mater Plan. *Section 1, Page 14, 23-18-306(2)(b)(I)*
- ❑ Each role and mission factor and performance funding metric **must be transparent and measurable**. *Section 1, Page 14, 23-18-306(2)(b)(II)*
- ❑ Each **role and mission factor** may be applied differently to institutions, but **similar institutions must be treated similarly**. *Section 1, Page 14, 23-18-306(2)(b)(III)*
- ❑ Each **performance funding metric** must be **applied uniformly to all governing boards**. *Section 1, Page 14, 23-18-306(2)(b)(IV)*