

STATE OF COLORADO



DEPARTMENT OF HIGHER EDUCATION

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Lt. Gov. Joseph A. Garcia
Executive Director

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INNOVATIVE PERFORMANCE FUNDING PLAN APPROVED

The Colorado Commission on Higher Education Thursday unanimously approved an innovative performance funding plan that is a key part of Colorado's ongoing push to increase degree completion rates for all students and prepare the workforce of tomorrow.

The plan approved by the Commission provides a framework for the implementation of performance funding. Pursuant to current law, it would not be implemented until fiscal year 2016-17, provided that state operating funding for higher education is fully restored to its pre-recession level of \$706 million. In the interim, the department and public institutions of higher education will work together to refine the performance funding plan as baseline data becomes available.

Colorado's performance funding plan was spurred by passage of Senate Bill 11-052, which called for both a master plan for higher education and creation of performance funding criteria based upon goals identified in institutional [governing board performance contracts](#). The master plan, [Colorado Competes](#), was published in October 2012. Key goals of the plan include increasing credential attainment, improving student success, reducing attainment gaps and restoring fiscal balance.

"This performance funding plan will ultimately give us a tangible way to measure and reward the work our state's campuses are doing to meet our four primary goals for higher education," said CCHE Chairman Dick Kaufman. "This is yet another example of our ongoing efforts to improve college completion rates for all of Colorado's students."

While the four performance goals are intended to address areas of statewide concern, each public institution has its own role and mission, service area and distinct demographic challenges. Recognizing these differences, the CCHE developed performance contracts featuring specific metrics common to all institutions as well as individual metrics developed by each institution.

Institutions then assigned weights to their chosen metrics that will factor into the funding allocation model. Each institution's performance will be assessed based on its progress in successfully meeting these metrics. At the same time, a total performance funding allocation will depend on the performance of other institutions on similar metrics.

Under the plan, the first reporting of institutional performance will come in December 2014, and the system and the contracts will be reviewed in the fall of 2015.

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- Read the higher ed master plan at http://highered.colorado.gov/Publications/General/StrategicPlanning/MasterPlan2012/Master_Plan_Final.pdf
- Read more about the performance funding model at http://highered.colorado.gov/CCHE/Meetings/2013/dec/dec5_perffundingA.pdf
- Review existing institutional performance contracts at <http://highered.colorado.gov/Academics/PerformanceContracts/>