

HB 14-1319 PROJECT OUTLINE

This Act requires the Colorado Commission on Higher Education (CCHE), the statewide coordinating board for the higher education system, to develop a new funding formula to allocate state general fund dollars among the State's public institutions of higher education within specified parameters. The legislation lays out an aggressive time frame and specifically charges the CCHE to engage in a facilitated process with "interested parties" and ultimately adopt and weight funding factors in a new base-funding allocation formula that includes role and mission factors as well as performance metric factors.

The intent of this new funding model is to, in part, determine and implement a mechanism that is more transparent and understandable for Colorado taxpayers; provides tuition predictability while ensuring both accessible and affordable higher education for residents; and, harmonizes with the statewide goals for higher education as articulated in the CCHE's Master Plan – *Colorado Competes, A Complete Agenda for Higher Education*.

LEGISLATIVE MANDATE

- Beginning with **Fiscal Year 2015-16**, repeals current fee-for-service contract provisions, and allows each state institution of higher education to annually negotiate a new fee-for-service contract within certain parameters defined by the legislation.
- By **January 1, 2015**, CCHE shall determine the role and mission factors and performance funding metrics for fee-for-service contracts for state institutions of higher education.
- By **November 1, 2015**, CCH shall submit to the Legislature tuition policies that ensure both accessible and affordable higher education for residents.
- Beginning **July 1, 2016**, and each July thereafter until 2020, CCHE shall submit a written report to the Legislature on the status of the implementation and any recommendations for statutory changes.

PROJECT INFRASTRUCTURE

Project Manager - Kachina Weaver

CDHE Project Team - Jennifer Sobanet, Scott Wasserman, Mark Cavanaugh, Inta Morris, and Beth Bean

- **Colorado Commission on Higher Education** – *ultimate decision makers responsible for the final product*
- **Executive Advisory Group (EAG)**
 - Comprised of a broad representation of "interested parties".
 - Synthesize information coming from the Stakeholder Teams, and finalize and make recommendations to CCHE for decisions.
 - Will report regularly to CCHE on progress.
- **3 Stakeholder Teams** (*Facilitation, Funding Modeling, Cost Driver Analysis*)
 - Comprised of subject matter experts to guide and advise the three elements of the project.
 - Will report regularly to Project Manager/Team and EAG, and seek guidance from both.

PROJECT FOUNDATIONAL WORK (June 2014)

- Create toolbox from which to work on all aspects of the Project.
- Identify goals and objectives.
- Clearly identify and define key terms to the extent provided by HB 1319.

- Draft a “Foundational Working Document” that contains common fundamental agreements to serve as Project foundation.
- Utilize existing “core” meetings already in place to engage key knowledge base for this work:
 - Thursday, June 5th from 1-3pm: CCHE Monthly Meeting, in Boulder
 - Tuesday, June 17th from 1:30-3PM: CFO Monthly Meeting, @ CDHE (will invite the Data Advisory Group members to participate in the 1319 discussion)
 - Thursday, June 26th from 10:30-12 Noon: CEO Monthly Meeting @ CDHE

PROJECT KICKOFF (July 2014)

The project will be officially launched during the CCHE retreat to be held on July 24 and 25, 2014 in Pueblo, Colorado.

PROJECT IMPLEMENTATION (begin August 2014)

- Facilitation:
 - Establish a Stakeholder Team to guide and inform the Facilitation Vendor.
 - Build upon the Foundational Working Document drafted in June.
 - Utilize existing meeting infrastructure around the state to ensure broad input.
 - Engage stakeholders in conversations around system-wide needs and institutional interests.
 - Ensure participants’ contributions are considered and included in the ideas, solutions or decisions that emerge.
 - Clearly articulate to stakeholders their responsibility and ownership in the outcomes.
 - Challenge stakeholders to find potential solutions to achieve the 1319 Project goals.
 - Synthesize the information gathered to inform EAG and Funding Modeling Stakeholder Team.
 - Report regularly to Project Manager/Team and EAG.
 - Keep other Stakeholder Teams informed.
- Funding Modeling:
 - Establish a Stakeholder Team to guide and inform the Funding Modeling Vendor.
 - Identify and evaluate the various factors and metrics to be incorporated into the model.
 - Identify recommended weights for such factors and metrics.
 - Design, develop, test, and evaluate modeling scenarios.
 - Report regularly to Project Manager/Team and EAG.
 - Keep other Stakeholder Teams informed.
 - Make a recommendation to the EAG for a final funding model to be considered by CCHE.
- Cost Driver Analysis:
 - Establish a Stakeholder Team to guide and inform the Cost Driver Analysis Vendor.
 - Develop a mechanism for collecting the needed data and ensuring responses.
 - Input data into a system that can produce information to help understand what drives institutional costs and how changing factors would influence these costs.
 - Provide a final report to EAG and CCHE on findings and any recommendations

PROJECT COMPLETION (December 2014)

The deadline goal to have all Project work completed is ***Wednesday, December 5, 2014.***

- Presentations of reports and findings to:
 - Joint Budget Committee
 - S.M.A.R.T. Act Hearings