Community College Funding: Overview of Outcomes-based Formula

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**COMMUNITY COLLEGES ARE FUNDED FROM A VARIETY OF SOURCES**

- **Formula Funding** intended to cover:
  - Instruction
  - Department operating expenses
  - Academic support (including libraries)
  - Student services
  - Institutional support

The diagram illustrates the various sources of funding, including:

- **Federal Funds**
- **Tuition and Fees**
- **Appropriated Revenue**
- **Non-Appropriated Revenue**
- **Auxiliary Enterprises**
- **Special Items**
- **Other General Revenue**
- **Benefits**
FOR FY14/15, COMMUNITY COLLEGE FORMULA FUNDING STRUCTURE WAS MODIFIED

**FY12/13 Structure**

- **Small Institution Supplement**
  ($4.5 million for biennium)
  Available to certain low-revenue, low-enrollment institutions

- **Instruction and Administration**
  ($1.732 billion for biennium)
  Calculated on contact hours using a cost-based formula

**FY14/15 Structure**

- **Core Operations Funding**
  ($50 million for biennium)
  Flat $1 million per community college district

- **Instruction and Administration**
  90% of non-Core Formula
  ($1.546 billion for biennium)
  Calculated on contact hours using the cost-based formula as in prior biennia

- **Student Success**
  10% of non-Core Formula
  ($172 million for biennium)
  Calculated using institutions’ student success points
SUCCESS POINTS MEASURE STUDENT ATTAINMENT ON MULTIPLE INDICATORS

- **Developmental Education**: Completion of development education in math, reading and writing. (1 point each)

- **Gateway Course**: Completion of first college level math or English course. (1 point)

- **College Credit Attainment**: Completion of first 15 college credits and first 30 college credits. (1 point each)

- **Credentials Awarded**: Completion of an associate degree, certificate, or bachelor’s degree (where offered). (2 points each; 2.25 for STEM credentials)

- **Transfer to a General Academic Institution**: Transfer to a general academic institution after having completed 15 hours of coursework. (2 points)
FY16/17 STUDENT SUCCESS ALLOCATION TO BE BASED ON INSTITUTIONAL INCREASES

• FY14/15 Student Success funding was allocated among institutions based on a three-year average of institutional performance on the defined metrics.

• Rider instructed Coordinating Board to work with community colleges to develop an FY16/17 recommendation that, “compares the performance of a district to itself using the allocation of student success points in the 2014-15 biennium as a baseline.”
FY16/17 STUDENT SUCCESS FUNDING RECOMMENDATION

• For FY16/17, fund Student Success points at the FY14/15 amount of $185 per point

• Compare institutions’ points earned during current three-year average baseline (FY 12, 13, 14) against the previous baseline (FY 10, 11, 12)

• Any increase in points will result in an increase in success funding; a decrease in points will result in a decrease in success funding