

From: Oregon Higher Education Coordinating Commission

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PRESS RELEASE

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Commission approves change in public university funding model to improve student outcomes

Salem, Oregon | The Higher Education Coordinating Commission (HECC) today approved a significant change to the model which calculates distributions of state funding to Oregon's public universities. This approach shifts the basis for state funding distribution from enrollment—seats in a class— to *access and* successful completion of degrees for resident students. This innovative student-focused model aligns state funding to advance toward Oregon's ambitious 40-40-20 educational attainment goal, with an increased focus on improving outcomes for students least likely to enroll and complete today, as well as investing in priorities for Oregon's 21st century economy.

Ben Cannon, executive director for the HECC, said, "This model is crystal clear in aligning state funding distribution with our educational attainment goals for Oregon. Combined with our continuing work with the Oregon Legislature on the need for reinvestment in our universities, this model will advance our state and our students. I commend the Commission for its

collaboration with the seven public universities and faculty leadership, and is expected to be completed during the summer of 2015.

The Oregon Legislature is actively considering the upcoming biennium funding level for the public universities; the Commission's approved allocation model will be implemented in the 2015-17 biennium at the funding levels set by the state. To ensure that all institutions see proposed increases in state investment, the Commission has approved parameters within the model which "bracket" year-over-year change through a four year transition period. This ensures that increases or decreases in funding do not surpass agreed-upon levels as universities adjust to the new allocation system. During the transition period, these brackets will remain in place and the level of degree completion funding will gradually increase. Funding focused on degree completion, currently at less than 2% of formula based funding, will increase to 20% during the 2016 fiscal year and eventually to 60%. Finally, by shifting to a three-year rolling average of course and degree completion, the model provides a greater emphasis on stability and predictability than the more volatile enrollment based system.

The Commission's action today validates the broad missions of Oregon's public universities, while recognizing that the greatest economic returns from postsecondary education come to those who complete, not just start, college coursework. Currently, about 40% of students at Oregon's public universities do not complete bachelor's degrees within 6 years. These students represent a key opportunity for Oregon to make a difference toward the state's 40-40-20 goal and the prosperity envisioned by it.

For details on the model, see the following materials from the April 9 Higher Education Coordinating Commission:

[7.1 b. and 7.2 b. Student Success and Completion Model Staff Recommendation](#)

[7.1 c. and 7.2 c. Student Success and Completion Model Memo and Overview](#)

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The Higher Education Coordinating Commission is dedicated to fostering and sustaining the best, most rewarding pathways to opportunity and success for all Oregonians through an accessible, affordable and coordinated network for educational achievement beyond high school.