

Department of Community Colleges and  
Workforce Development

Outcomes Based Funding at Oregon CC's  
Update on Progress – Issues to Address

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February 2015



# Process Update

- Completed a first draft of spreadsheet using Tennessee “Shell.”
- Analyzed first draft and shared with Presidents.
- Received President feedback at Presidents Council.

# Underrepresented and Pell Factors

- Data on underrepresented and Pell were not available for the first run.
- All results will likely change once multipliers for success by students in these categories is included.

# Small College Impacts

- With this first run:
  - The five smallest colleges seemed to be impacted by the inclusion of outcomes.
  - Greater or lesser impact was not a straight line relation for mid- and large-sized institutions
  - CFO work group is assessing a V 2.0 modification which may erase some of this impact. Also assessing whether there is statistical relationship between outcomes impacts and (1) college size or (2) property tax per FTE.

# Property Tax Issue

- The Shell of the Tennessee Model was populated with Oregon data for the first run.
  - Tennessee's system does not include local property taxes.
  - Oregon CC's receive local property tax revenues.
  - There is wide range of revenue from local taxes.
  - About ten years ago, CCWD implemented an equalization system to use Total Public Resources to guide the State allocation.
- CFO group is working to assess best way to maintain this equalization
  - Changing this area may moderate the small college impact.
  - If issue is not due to property tax, the BASE could be adjust to moderate impact on small colleges as outcomes are initiated.

# Observations from First Run of Spreadsheet

- At \$535M to CCSF
- 70/30% split (enrollment/outcomes)
- No stop loss or phase-in
- And all outcomes ranked equally
  - All colleges receive more revenue than would have been projected at \$465M
  - While all get more
    - Some get more-more – Highest 27.9%
    - Others get less-more – Lowest 4.0%
    - **V 2.0 likely to moderate these differences**
  - **HOWEVER THESE RESULT ARE LIKELY SKEWED BY COLLEGES' VARYING RECENT ENROLLMENT DECLINE RATES.**

- When colleges are assigned arbitrarily to different weighting categories (emphasizing completion or progress), results do vary for each college.
  - All colleges did better with progression
  - Some showed greater variability
- If institutional weighting is included and local decisions made, range of variability will likely narrow.

# President Feedback: Summary

Dual Enroll	INCLUDE – clarify completions which count
Remediation	INCLUDE – count course completions. Issue: count remedial completion or completion of college-level course? (data challenges defining “college level” for certificates.)
15 units	INCLUDE
30 units	INCLUDE
45 units	<b>DELETE</b> to simplify, not in current Achievement Compact.
Certificates	INCLUDE
Degrees	INCLUDE
Transfer	INCLUDE
Job Placement	<b>DEFER</b> – Define as “under review/assessment” for future inclusion. Outcomes may mainly reflect local economy.
Workforce Training	<b>DEFER</b> – Define as “under review/assessment” for future inclusion. Outcomes may mainly reflect local economy.

# Presidents Feedback and Suggestions

- **DUAL ENROLLMENT**

- **Should be included**

- Should consciously determine what “counts” here:
    - College level classes taught by HS faculty under agreement with the CC?
    - HS Tech Prep/CTE courses generating college credit in college technical programs?
    - HS students who register for and complete college course at a college campus location?
  - There is concern that the Dual Enrollment/Eastern Promise Model may result in school districts contracting with lowest bidder – a situation that could decrease numbers for a college for reasons out of its control.

# Weighting

- Presidents recommend including local college weighting system
  - Particularly if colleges focus weighting on traditional areas of strength, weighting will likely not have major impact on ultimate distribution.
  - Does increase complexity of metrics
  - However, the task of weighting (and related internal dialogue) can be tool for defining mission and clarifying locally appropriate goals.

# HECC Weighting

- HECC weighting was not point of discussion in prior F&A discussion.
- Currently, all criteria have equal weighting from a HECC perspective.
- HECC may want to weight some outcomes more heavily.
  - *Should a 90-credit degree count the same as a 45 credit certificate?*

# Safeguards

- Presidents endorse planned phase-in and reasonable stop loss strategies.

# Strategic Fund

- Presidents recommended higher allocation to CCWD Strategic Fund to support the change sought by outcomes initiative.
  - January 2015 CCRC policy brief, “Increasing Institutional Capacity to Respond to Performance Funding: What States Can Do” examined strategies which “... effectively respond to demands placed on colleges by performance funding policy.”
    - Bolstering IT resources at local and state level
    - Improve institutional research capacity
    - Formalize institutional change discussion and communities of practice
    - Increase funding for new programs
    - Include time for institutions to adjust to changes (These are included in current OR plans)

# Safeguards/Realities

- Suggestion: Define research questions from the start
  - *Have underserved student enrollment and achievement expanded or contracted parallel to these changes?*
  - *Are there significant negative impacts on any colleges?*
  - *Is there significantly greater outcome achievement compared to prior system?*

# HECC Decisions

1. Determine year of initial implementation
2. Determine *Enrollment/OBF Percentage Split* for biennium.
3. Define parameters for split in subsequent biennia.
4. Determine which categories (of 10 originals) are included
5. Decide if there is local flexibility or not
  - If so, define the HECC minimum in each category
6. Determine if any HECC weighting
7. Determine length of phase-in period

# HECC Decisions

8. Define Stop Loss for each biennium (biennium-by-biennium or for full period)
9. Determine if there will be research questions which define success and assess intended and unintended consequences.
  - If so, define specific research questions.
10. Decide if there is cap on OBF proportion or if this is open ended.
11. Determine level of details for OAR, extent of delegation to Ex. Director for metric details

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