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ENGINEERING SUSTAINING FUNDS WORKGROUP

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INTRODUCTION

This Presentation will briefly cover the following

- Outcomes of the 2015 workgroup for ETSF.
- Properties for a proposed ETSF allocation model.
- Past Commission Input on the upcoming workgroup
- Fundamental Questions for the workgroup

THE 2015 WORKGROUP

- In spring 2015, the HECC convened a workgroup which determined an allocation formula for ETSF for the 2015-17 biennium.
- The allocation model distributed funds as follows:
 - For the 2015-16 fiscal year, 80% of funds were based on historical allocations with 20% based on the “Oregon Students, Oregon Jobs” model.
 - For the 2016-17 fiscal year, historical funds were frozen and any additional funds over the prior year were distributed on the basis of the “Oregon Students, Oregon Jobs” model based on the proportion that each institution was underfunded had this model been the sole determinant of funding in the 2015-16 fiscal year.

PROPERTIES FOR A PROPOSED ETSF ALLOCATION MODEL

- Based on prior work on ETIC and ETSF allocation models, staff anticipates that the funding model from this new workgroup will incorporate the following properties:
 - Rationalize funding allocations
 - Align investment of Sustaining Funds in order to reward tight coupling of university programs and graduates with labor force needs
 - Recognize and respect past processes, discussions, and efforts

PRIOR COMMISSION INPUT

- In November 2015, the commission gave the following input on the allocation of ETSF appropriations:
 - Historical funding should be phased out over time and the focus of funding should be on outcomes.
 - We should be as broad as possible in how we define success.
 - If possible, wage data should be included in the calculations.
 - The formula needs to consider how to keep institutions accountable while adjusting to changes in the economy/ and workforce needs.
 - A similar transition period to the SSCM is preferable.

FUNDAMENTAL QUESTIONS FOR THE WORKGROUP

- Staff anticipates the following questions, among others, will be fundamental to the group's work:
 - Should all fields/areas of study be weighted equally or varied based on workforce needs?
 - Should graduate and undergraduate degree recipients be weighted equally?
 - Should non-resident graduates be included if they stay and find jobs in Oregon?