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**Docket Item:**

Strategic Finance Plan update

**Summary:**

Action Area B (“Funding for Success”) of the HECC’s Strategic Framework, adopted by the Commission in January 2018, emphasizes the HECC’s commitment to “develop an approach to state funding for higher education and workforce that is directly linked to student success.” The [Strategic Framework](#) notes that “to achieve state attainment goals, higher education and workforce must be sufficiently funded” and “the state’s distribution processes for its resources should reflect our emphasis on student success and equity.” The Commission’s view of its responsibility for recommending a goal-driven state funding model for postsecondary education draws partly from ORS 350.075, which charges the HECC to “(3)(b) Determine strategic investments in the state’s community colleges, public universities, and student access programs necessary to achieve state goals” and to “(3)(e)(A) Each biennium ... recommend to the Governor a consolidated higher education agency request budget aligned with [its] strategic plan.”

In February 2018, Commission staff appointed a workgroup representing higher education institutions, workforce partners, foundations, and students to advise on the development of a funding model for achieving the state’s postsecondary education goals. Participants included Belle Cantor (Oregon Community Foundation), Brian Fox (Oregon Tech), Dave Hunt (American Federation of Teachers-Oregon), Denise Callahan (Ford Family Foundation), Greg Hamann (Linn-Benton Community College), Jake McClelland (Southwestern Oregon Workforce Investment Board), Jan Lewis (Oregon State University), Joanne Truesdell (Clackamas Community College), Jim Bauer (Oregon Alliance of Independent Colleges), Dana Richardson (Oregon Public Universities Council of Presidents), Perla Alvarez (Oregon Student Association), Cam Preus (Oregon Community College Association), and Mark Mitsui (Portland Community College). Commissioner Duncan Wyse participated as a representative of the Commission, along with leadership staff from most of the HECC’s offices. For technical and report-writing support, the agency engaged consultants from HCM Strategists, funded by the Lumina Foundation. Between March 2018 and March 2019, the workgroup met eight times to guide the project.

The draft report included in today’s meeting materials is presented for the Commission’s review and feedback, with final adoption of a revised report proposed for the Commission’s May or June meetings.

The report will serve as a launching point for the Commission’s subsequent development of policy and budget recommendations and actions, including potential revision of funding allocation formulas under the HECC’s purview and the development of the 2021-23 Agency Request Budget.

**Docket Material:**

Draft Report

**Staff Recommendation:**

Item presented for Commission review and feedback, with final adoption of a revised report anticipated in May or June, 2019.