

Docket Item:

F&A Subcommittee Update – SSCM Review and Institutional Budget Requests

Summary:

The F&A subcommittee discussed a number of topics including the public university tuition setting process, capital submissions for 2021-23, combined funding requests for 2021-23 and the evaluation of the student success and completion model (SSCM).

Material:

To date, four of the public universities have set tuition rates for the 2020-2021 academic year. The remaining institutions are expected to set tuition rates in the next month. We do not expect any of the public universities to seek approval for an increase that exceeds five percent. Circumstances could change with fall enrollments and state legislative action.

A total of 21 capital projects were submitted totaling \$950.3 million including institutional matching and self-funded projects. A staff recommended prioritization of the projects will be presented to the subcommittee in June.

	Number of Projects	State Bonds	Self-Funded Bonds	Institutional Funds	Total
Universities	13	\$499.3M		\$133.7M	\$633.0M
Community Colleges	5	\$36.0M		\$43.3M	\$79.3M
Self-funded University Projects	3		\$93.0M	\$145.0M	\$238.0M
TOTALS	21	\$535.3M	\$93.0M	\$322.0M	\$950.3M

Representatives from the community colleges and public universities provided an overview of their funding requests. The requests were based on guidance provided by HECC staff in which they were asked to respond to various funding scenarios including:

- No change in total funding. (Funding for 2021-23 would be the same as it was for 2019-2021.)
- A 10% decrease to incremental funding
- A 20% decrease to incremental funding
- A 10% increase to incremental funding
- Tuition/fee increases capped at 5% annually

The incremental funding level is defined as the level of funding needed to maintain existing academic programming while serving existing enrollment levels. Staff recommendations for the PUSF and the CCSF will be presented to the subcommittee in June.

The impact of COVID-19 is not fully known at this time. Ultimately, the circumstances could change once fall enrollments are realized and once more clarity exists around the level of resources expected from the state.

The subcommittee also received an update on the formula advisory workgroup process. The SSCM Workgroup has concluded phase 1 of their work by identifying components of the SSCM that need to be addressed and potentially revised. The subcommittee update focused on the guiding principles of the SSCM, as well as establishing guiding principles and goals for each component that makes up the formula.

Staff Recommendation

For discussion purposes only.