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**Docket Item:** 10.1 HECC Funding and Achievement Subcommittee Report

**Summary:**

On October 12, the F&A subcommittee discussed two issues including the Community College Support Fund (CCSF) formula review process and the preliminary allocation of 2021-23 Capital Improvement and Renewal (CIR) Funding.

**Docket Item Material:**

The CCSF review update is progressing toward a set of consensus-based workgroup recommendations currently scheduled for Commission consideration at the February 2023 meeting. The review process includes a two-phase approach.

The first phase, which lasted through August 2022, focused on the development of the 2023-25 Agency Request Budget and corresponding policy option packages. It provided the opportunity for foundational conversations regarding student success, career technical education, and other topics such as developmental education redesign.

The second phase, lasting through January 2023, will consider the mechanics of the existing funding formula. An external facilitator, HCM Strategists, is assisting with the meetings occurring during the second phase.

The subcommittee also discussed the preliminary allocation of Capital Improvement and Renewal (CIR) Funding. A total of \$110 million has been authorized during the current biennium which includes \$80 million during the 2021 regular session as a base, an increase of \$15 million from the previous biennium, and \$30 million during the 2022 regular session to help mitigate extraordinary inflation in both construction labor and materials costs.

The funding is distributed to the institutions based on two components: 85% based on adjusted education and general (E&G) gross square feet (GSF) and 15% based on a weighted density factor. Adjusted E&G GSF excludes new construction and major renovations that have occurred during the past ten years. The weighted density factor includes all full-time equivalent (FTE) students, faculty, and staff divided by adjusted E&G GSF then proportionally allocated.

**Staff Recommendation**

Informational and discussion item only.