

Docket Item:

Student Success and Completion Model (SSCM) Evaluation – Workgroup Update and Materials Overview

Summary:

The SSCM is the formula by which the HECC determines the allocation of state funds (the Public University Support Fund) to the seven public universities. HECC staff has designated a formula advisory workgroup to advise in the review and potential modification of the formula by the Commission no later than June, 2020. An initial meeting of the SSCM advisory workgroup was held October 23rd to discuss the workgroup process, review initial materials, and set up a November meeting. Several additions were made to the workgroup charge. The revised workgroup charge is included in the appendix for reference. Formula review materials are included as separate documents.

Docket Material:

The first meeting of the formula advisory workgroup took place on Wednesday, October 23. The meeting was an opportunity for the workgroup membership to meet one another, discuss the process, and consider the workgroup charge. The workgroup also reviewed the issue brief provided that outlines the basics of the model and the factors that affect an institution's funding through the SSCM.

Workgroup members decided to amend the charge to add the consideration of student affordability, including potential new metrics that could be included within the formula. Members also discussed adding themes to further guide the conversation and workflow. The themes would serve as reminders to consider the potential unintended consequences of any proposed changes, speak to the support institutions would need to affect any proposed changes, and consider the impact any proposed changes would have on underserved student populations in the state.

The next meeting of the advisory group is set for Friday, November 22. The workgroup decided to conduct a deep dive in to the formula and consider the first workgroup charge of cost weights at its November meeting.

Formula Review Materials

A number of materials are available to help interested stakeholders learn more about the formula in its current iteration, including a two-page reference, an issue brief, and a set of training slides that provide an overview of how the formula calculations work. All are available via the HECC website at:

<https://www.oregon.gov/highered/institutions-programs/postsecondary-finance-capital/Pages/university-funding-model.aspx>.

Staff Recommendation:

This is an informational and discussion item only.

Appendix: Formula Advisory Workgroup Charge

Overarching Themes

Changes to the model should be considered reflective of the following:

1. What could result in unintended consequences to the formula's behavior;
2. Can the institution appropriately align its resources across the organization to complement the formula's changes; and
3. How underrepresented students are affected by those changes.

Workgroup Charge

The areas to be considered by the workgroup include:

1. Cost Weights. The cost weights are an artifact of the Oregon University System's (OUS) Resource Allocation Model (RAM), which was the precursor to the Student Success and Completion Model. Those values were derived from the Delaware Cost Study and have not been updated in over two decades. The cost weights are applied to both the outcomes and activities portions of the formula according to the discipline and degree or student level in which they were earned.
 - a. The workgroup shall consider whether the cost weights should be updated.
 - b. The workgroup shall consider developing a cost study to aid in updating the cost weights.
2. Mission Differentiation. Mission differentiation recognizes and rewards distinctions between the universities in terms of their institutional mission, research, and size. Mission differentiation is inflated by the lesser of the year-over-year change in the Public University Support Fund or the Consumer Price Index. Funding for mission differentiation is subtracted from the overall PUSF, leaving the remainder to be allocated to outcomes and activities in the formula.
 - a. For small institutions, the workgroup shall consider a supplement.
 - b. Other parts of the mission differentiation ("special items") shall be reviewed for obsolescence.
3. Incentive Stacking. The workgroup shall consider if the incentives within the formula are aligned with state priorities and are appropriate relative to the total outcomes-based funding available. The workgroup should consider whether cost weights should continue to be applied to the outcomes portion of the formula given the other bonuses available.
4. Transfer Degrees. Currently, a completion is only counted as a transfer degree if the student who earned the degree transferred from an Oregon community college to a public university. A discount is then applied to that completion's overall weight.
 - a. The workgroup shall consider if the completion funding should be shared by two or more public universities if the student transferred from one public university.
 - b. The workgroup shall also consider a discount to the completion at the public university from which the student graduated if the student transferred from another public university.
5. Performance Improvement Weighting. The formula allocates funding to universities according to the volume, degree and student level, and program mixture of outcomes and activities at each institution, relative to each other. A potential alternative would allocate funding using similar or identical measures but taking into account their year-over-year change within each institution.
6. Collaboration. Collaboration is an increasingly important state priority for institutions of higher education. The university capital rubric includes an incentive for collaboration. The workgroup should consider if the SSCM should include collaboration in some way to further incentive that desired behavior.
7. Student Affordability. The workgroup may consider how affordable each institution is in terms of debt load at graduation and potential earnings after some number of years as part of the formula's outcomes-based funding.

Potential Technical Corrections

8. Bilingual Education. A bilingual endorsement earns an area of study bonus, not unlike the way Science, Technology, and Engineering (STEM) or health disciplines do. The Teacher Standards and Practices Commission of Oregon changed licensing requirements, allowing bilingual teachers to go without an endorsement to teach English for Speakers of Other Languages (ESOL). The workgroup shall consider how bilingual designations earned by teachers should be counted in the formula.
9. Veterans. Veterans are currently considered underrepresented students in the formula and are eligible for bonus weighting. The workgroup shall consider how to reliably count all veterans while excluding their dependents, who may be using the Post-9/11 G.I. Bill.