



Historical Overview of Funding Allocation Model

House Education Appropriations Subcommittee

**Presented by:
Jim Henningsen, Chair
Council of Presidents
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HISTORICAL TIMELINE

- Prior to 1980s
 - Colleges funded through Full-time Equivalent FTE formula approach.
- 1980s
 - Base-Plus Allocation Methodology
 - Incremental funding increases to prior year budget plus funds for special initiatives



HISTORICAL TIMELINE

- 1990s
 - State Board of Community Colleges establishes Budget Development Task Force to review funding methodology
 - Work begins on the development of a new funding model
 - New model development supported by SBCC, Florida Legislature, OPPAGA, and colleges
- 2001
 - First fiscal year that the Funding Allocation Model was used to allocate some of the available new funds to the colleges



FLORIDA COLLEGE SYSTEM

Funding Allocation Model

- Provides a methodology by which Program Fund allocations can be made to the colleges.
- Broad stakeholder participation in the development and refinement of the Model.
- Is not based on FTE
- Identifies the “ideal” level of funding based on numerous factors in seven areas.
- The Florida Legislature codified the model components in law. (s. 1011.84, F.S.).



WHY Develop a System-wide Model for the FCS?

- Need for a consistent and equitable funding formula for the colleges.
- Need to address equalization and funding of enrollments
- Account for differences and uniqueness of each college
- Develop consensus and unity among colleges





Guiding Principles

1. Retain institutional autonomy and maximum flexibility in the use of funds and in decision-making.
2. Provide for an equitable distribution of available resources.
3. Provide recognition of differences in institutional role and mission.
4. Compatible with the statewide plan and goals.
5. Adequately and reasonably reflect current and future funding needs.

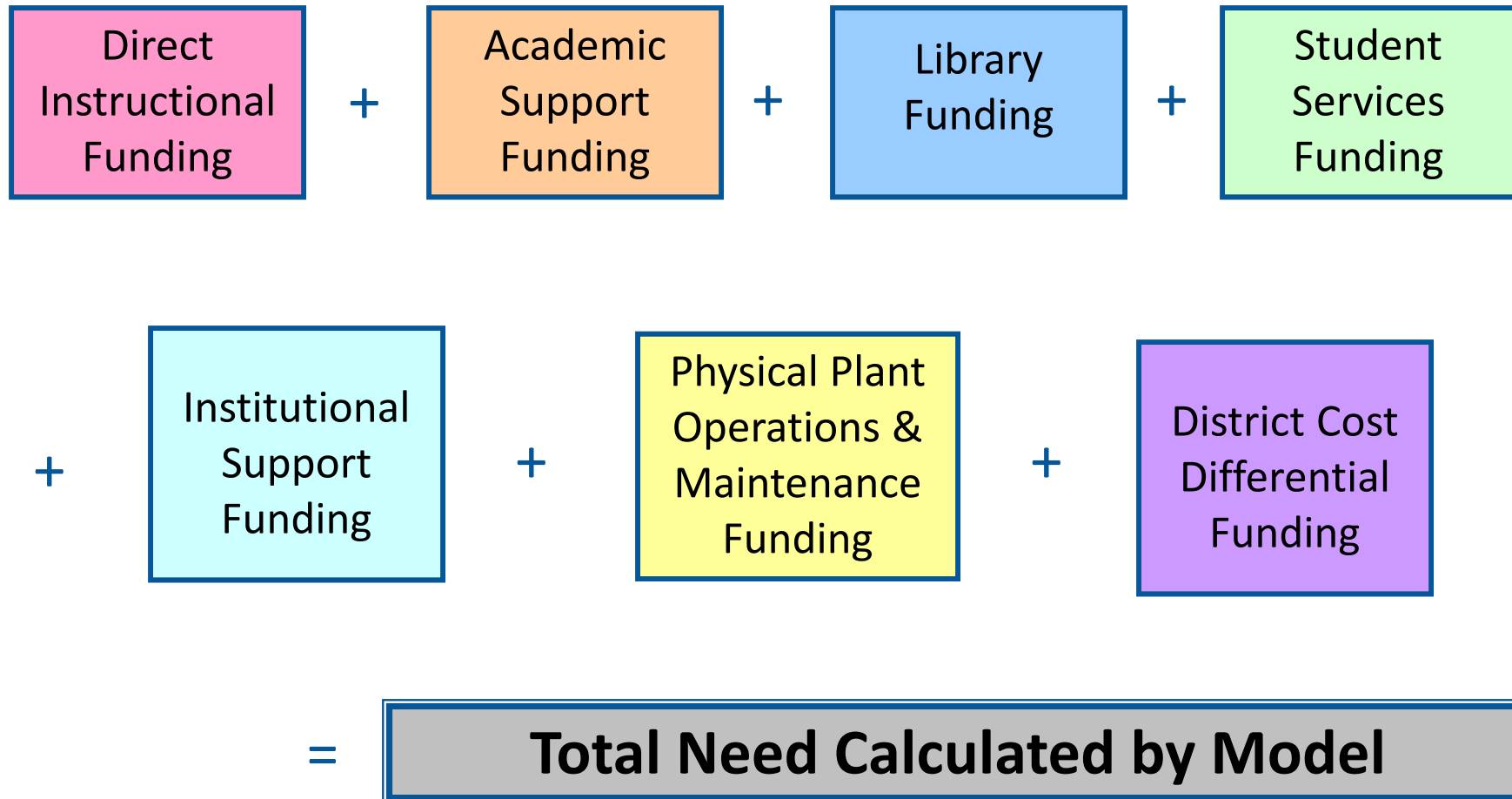


Guiding Principles

6. Be as simple as possible given the complexity of colleges.
7. Be based on reliable information and data systems.
8. Demonstrate effective and efficient use of resources and be accountable for the use of public funds.
9. Make a persuasive case for additional funding.
10. Be long-term and represent consistent policy and long-term financial needs.



MODEL COMPONENTS





FUNDING ALLOCATION MODEL

- The Model calculates a total funding **need**
- The Model is typically used to create a **Distribution Index** based on each college's relative need, as calculated by the Model, compared to its current actual funding.
- The Model has been used historically to distribute **new funding** to the colleges.



What is Not Working

- Failed to achieve purpose of bringing equity to the system
- Numerous technical flaws in the formula
- Impossible to predict changes in funding based on changes in model components
- Does not respond quick enough to dramatic enrollment swings



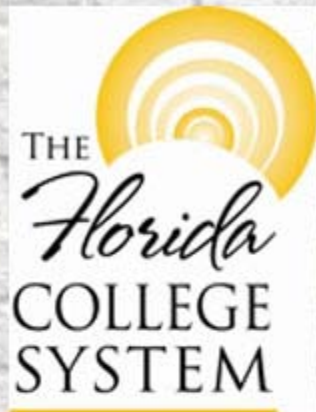
COP Recommendation

Assign a task force to revisit the formula and make recommendations on a new or improved model.



Legislative Budget Request Council of Presidents

- Support Affordability
- Embrace Performance Funding
- Continue to Address Equity Issues Among Colleges
- Expand Capacity in Critical Workforce Programs



Student Success

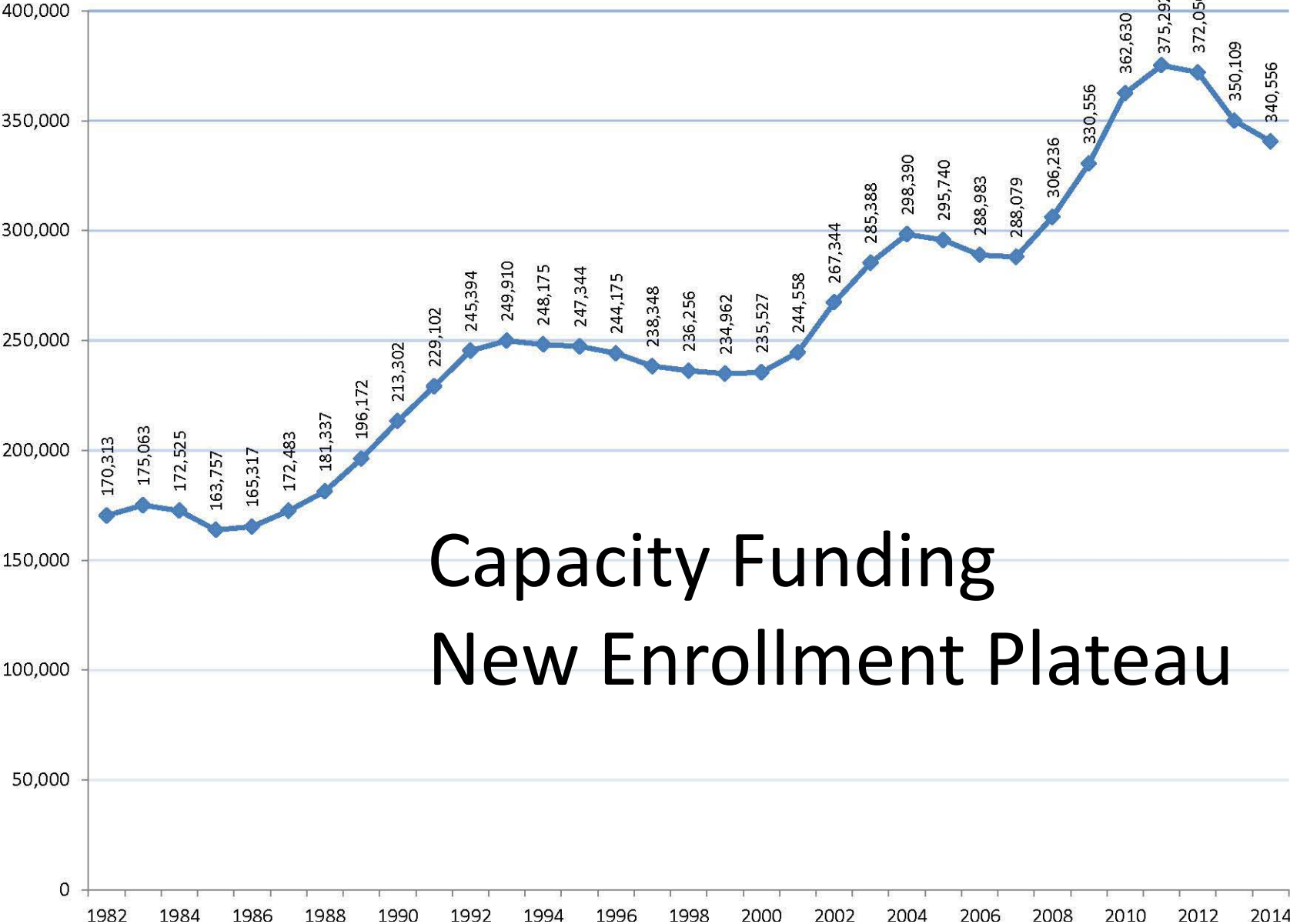
Equity

Capacity

Performance



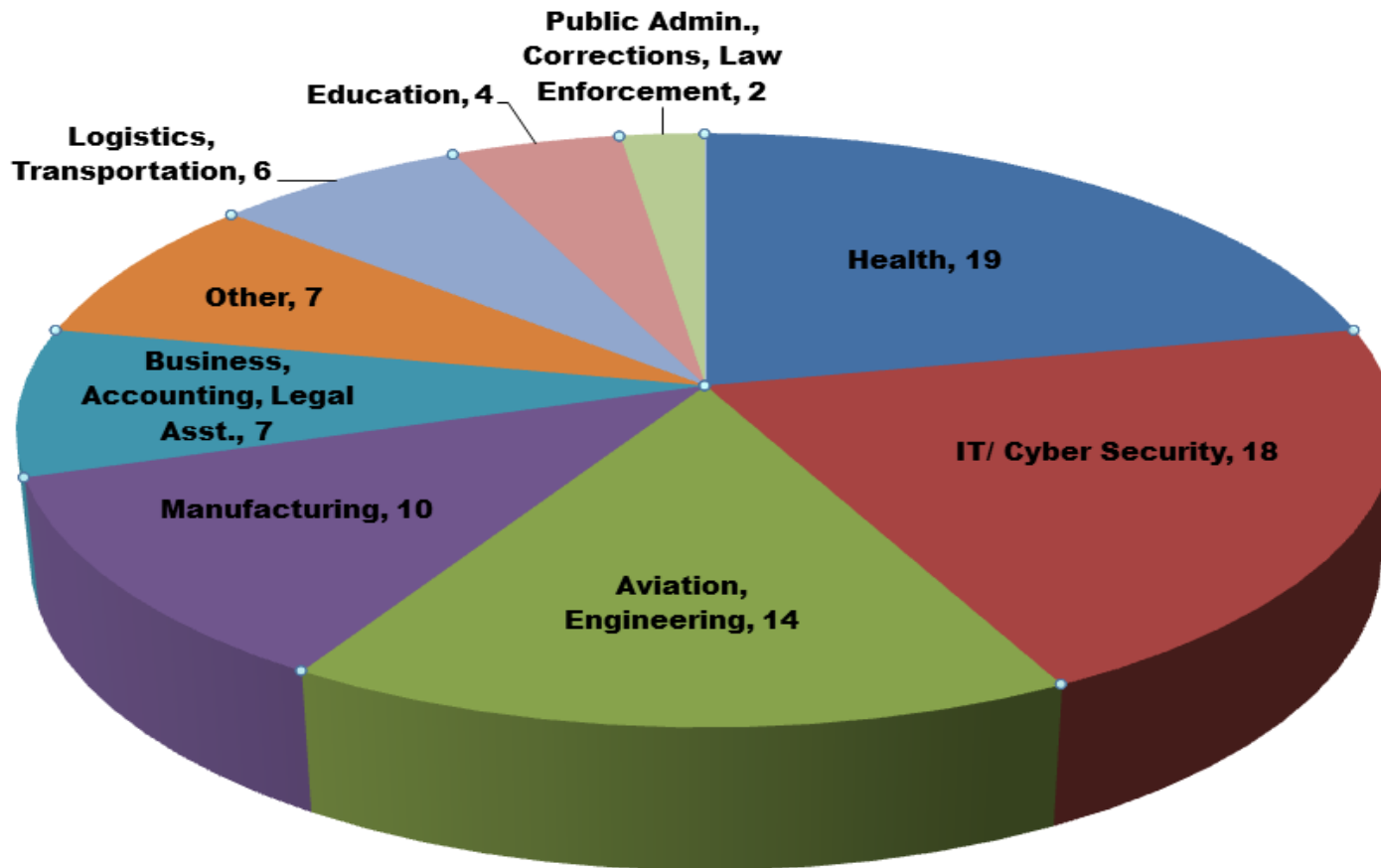
Florida College System Historical FTE Enrollment



Capacity Funding
New Enrollment Plateau

FCS Workforce Program Demand

Workforce Program Needs Summary





Performance Funding

- FCS has a long history of performance funding and continues to embrace being held accountable for student outcomes.
- FCS is working with Commissioner Stewart on a performance funding model.
- FCS is committed to addressing the funding inequality between colleges to create a level playing field.



COP Recommendations

- Performance funding - \$30 million new.
- Equity funding - \$35 million
- Capacity funding - \$35 million distributed by FTE share rather than formula

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