

Feedback on Specific Components of the Model by Issue

Institutions submitting comments-- Linn State Technical College, Missouri State University, Missouri Western State University, Truman State University, and the University of Missouri System.

Other entities submitting comments - Missouri Community College Association, the Missouri Department of Higher Education, and the Council on Public Higher Education

Comments submitted

<p>Carnegie classification - Classification of institutions using the Carnegie system which bases classifications on percentage and number of highest degrees offered. (4 comments) See Appendix D, p.16 of "Funding Higher Education in Missouri: Model Proposal" that was distributed to the JCED December 10, 2012.</p>	<p>1. TSU objects to the peer group in their Carnegie classification; says statewide arts and science mission makes them qualitatively different than other schools in their peer group.</p>
	<p>2. LSTC said they support the use of the peers in their comparison group.</p>
	<p>3. MWSU asked that consideration be given to their open enrollment status as part of their peer grouping.</p>
	<p>4. MWSU objects to use of Carnegie classification and their grouping with other baccalaureate institutions because "to group [MWSU] with colleges and universities that have no plans or desire to offer graduate level programs" would adversely affect their level of state support.</p>
	<p>5. MDHE questions the similarities of those institutions in the master's peer group.</p>
	<p>6. UM supports the use of Carnegie classifications for drawing distinctions between the needs of the different sectors.</p>

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<p>Performance funding - In the proposed model, performance funding would be 10% of whatever the state appropriates. (5 comments) See "Funding Higher Education in Missouri: Model Proposal" pp. 9-10.</p>	<p>1. TSU, MWSU, MSU, as well as MDHE, MCCA, and COPHE request performance funding be only new money. MSU, MCCA, and COPHE further want only a <i>portion</i> of new money to go to performance funding.</p>
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Comments submitted

<p>Calculating the state share - In the proposed model, the state share would begin at 35% and grow until reaching 50%. (5 comments) See "Funding Higher Education in Missouri: Model Proposal" pp. 9-10.</p>	<p>1. MDHE says state share should be a percentage calculated by sector just like all the other expenditure categories.</p>
	<p>2. MWSU concerned that 35% is lower than their current level of state support--42% and that without a hold harmless provision they will lose money.</p>
	<p>3. MSU believes that 35% will shift a disproportionate amount of funding to the UM System.</p>
	<p>4. UM asked about the impact that state support of 35% growing to 50% would have on the tuition restrictions from SB 389.</p>

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<p>Stop-loss or hold harmless - A hold harmless provision would not allow any institution's funding to drop below a set level, typically the current funding year. A stop-loss provision would guarantee funding up to a certain percentage of a set amount such as the current fiscal year appropriation. The proposed model recommends a 95% stop-loss. (3 comments) See "Funding Higher Education in Missouri: Model Proposal" p. 9.</p>	<p>1. MSU and MCCA asked for a guarantee of a hold harmless (not stop-loss) provision. MSU cites decreases appropriations in recent years.</p>
	<p>2. MDHE asked for clarity on how the stop-loss and performance funding interact. If an institution is funded at the 95% stop-loss level, would they have 10% of that 95% dependent on performance funding? The institution could, in theory, lose up to 15% of its funding.</p>

Comments submitted

<p>Course weighting matrix - In the proposed model, completed course hours are weighted by level and discipline based on a matrix developed by COPHE. (2 comments) See See "Funding Higher Education in Missouri: Model Proposal" pp. 7, 17.</p>	<p>1. LSTC asked the committee to consider a revised matrix that makes fewer distinctions by course level.</p>
	<p>2. UM System supports distinction of instructional costs by level and discipline although they questioned why weights start below 1.0.</p>

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Additional comments

Model gives too much consideration to inputs. Wants the focus the distribution of any new revenue exclusively on performance funding. (MDHE)

Inclusion of externally-funded research as an expenditure category favors research universities; doesn't give enough credit for the research that is captured under instruction. (TSU) See "Funding Higher Education in Missouri: Model Proposal" p 8 for the list of core operational expenditures, definitions, and calculations.

Proposed funding model would divert funding away from mission enhancement funding that is currently part of the base. (TSU)

Consideration should be given to costs for noncredit training programs. (MCCA)

Proposed funding model does not incentivize in-state recruiting. (MCCA)

Consideration should be given to operations and maintenance and scholarships as expenditure categories. (MWSU) See "Funding Higher Education in Missouri: Model Proposal" p. 6 and footnote 5, p. 7.

Economies of scale impact whether an institution is more or less reliant on state support. (UM)

Use of peer states attempts to capture financial need is a positive feature. (UM) See "Funding Higher Education in Missouri: Model Proposal" p. 7 and Appendix C, p. 15.

Model recognizes the various categories of expenditures and does not look exclusively at enrollment or FTE. (UM) See "Funding Higher Education in Missouri: Model Proposal" p. 8.

UM medical programs funding reference is too vague. Suggests incorporating these programs into the instructional weighting matrix. (UM) See "Funding Higher Education in Missouri: Model Proposal" pp. 8-9.

More "granular data" could be used for course weightings rather than cluster groupings. (UM) See "Funding Higher Education in Missouri: Model Proposal" Appendix E, p. 17.

Outside of performance funding measures, no other incentives for STEM or healthcare programs. (UM)

Three-year averages for all data is appropriate. (UM) See "Funding Higher Education in Missouri: Model Proposal" p. 8, 11.

Standardized rates for peer institutions' instructional costs are calculated based on enrolled rather than completed hours which lowers the standardized rate. Suggests using enrolled rather than completed hours for calculating Missouri institutions' instructional costs. (UM) See "Funding Higher Education in Missouri: Model Proposal" p. 8.