

Legislative Finance Committee
September 25, 2014
Formula Funding
Best Practices – Sub Committee Report

Best Practices Sub Committee

- Clayton Abbey – NMICC
- Mark Chism – HED & UNM
- Tracy Hartzler – LFC
- Deputy Secretary Andrew Jacobson – DFA
- Dave LePre – CUP
- John Madden – NMACC
- Steve McCleery – NMICC
- Becky Rowley – NMICC
- Ty Trujillo – NMACC
- Kathie Ulibarri - NMICC
- Ex-Officio Members:
Secretary Garcia and Deputy Secretary Walters – HED

Assignment 1

Try to ascertain the most utilized or most common guiding implementation strategies or principles being used for the development of performance or outcomes based Higher Education funding formulas.

Assignment 1: Findings

Recurring Themes / Trends / Practices

Performance / Outcomes Formula Funding should:

- include respected stakeholders
- align with “State Goals”
- be evaluated
- be phased in over time
- account for mission – differentiation
- account for institutional differences
- should include enough money to reach state goals
- include a stop-loss/soft landing
- provide unambiguous and quantifiable metrics
- be chronicled in a Higher Education planning document

Assignment 2

Are there “Best Practices” for funding completed credit hours?

Defining “**Best Practices**” as those actions and programs providing demonstrable evidence / data of moving the desired outcomes toward a stated goal.

Assignment 2: Findings

Funding end-of-course completions:

- is a common practice.
- increases institutional awareness.
- enhances Institutional utilization of more data.

Assignment 3

Are there “Best Practices” for allocation, distribution, or redistribution of State funding for Higher Education Performance / Outcomes Based Formula Funding models?

FINDINGS: The literature review is inconclusive.

Summary

- Based on the literature review, New Mexico appears to be embracing the same Performance / Outcomes Funding Formula trends that are utilized by other states.
- Based on the literature review, there are not many documented best practices.
- Over the course of the next 3-7 years more evidence of best practices may be available.

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of
New Mexico students!