

HIGHER EDUCATION COORDINATING COMMISSION

DIVISION 13

UNIVERSITY PROGRAMS AND FINANCE

715-013-0005

Allotment Authority

Effective December 23, 2014, the Higher Education Coordinating Commission delegates to the Executive Director, or designee, authority in all areas of fiscal and administrative responsibility necessary for the execution of Commission policy relating to the allotment of funds to public universities.

Stat. Auth.: ORS 351.738

Stats. Implemented: ORS 351.735(3)(f), ORS 351.054(2)

715-013-0020

General Public University Program Approval Requirements

Effective December 23, 2014:

(1) Definition:

(a) "Significant change" to a university's academic program includes, but is not limited to, any new undergraduate or graduate degree program, or any existing undergraduate or graduate degree program that will be offered more than 40 miles from the site at which it is currently offered. "Significant change" to a university's academic program does not mean a new undergraduate or graduate certificate program, new minor, or a new name for an existing degree program.

(2) The Higher Education Coordinating Commission has responsibility for approval of significant changes to public university programs.

(3) The Higher Education Coordinating Commission shall provide the governing boards of public universities with the standards, criteria and procedures the Commission will utilize to approve significant changes to a university's academic programs. These criteria will include consideration of the recommendation of the public university seeking to make the change and will ensure that approved programs:

(a) Are consistent with the mission statement of the public university;

(b) Do not unnecessarily duplicate academic programs offered by Oregon's other community colleges or public universities;

(c) Are not located in a geographic area that will cause undue hardship to Oregon's other community colleges or public universities; and

(d) Are allocated among Oregon's community colleges and public universities to maximize the achievement of statewide needs and requirements.

(4) Requests for approval of significant changes to a university's academic program must be submitted by the governing board of the university to the Higher Education Coordinating Commission prior to commencement of the program.

Stat. Auth.: ORS 351.728

Stats. Implemented: ORS 352.089, ORS 351.735(3)(g)

715-013-0025

Public University Support Fund Distribution

(1) Definitions:

(a) "Baccalaureate degree" is a degree that generally represents four years of college study, or its equivalent in depth and quality of learning experience, or as promulgated by the Northwest Commission on Colleges and Universities.

(b) "Classification of Instructional Programs" or "CIP" code is a numerical identifier assigned by the National Center for Education Statistics to an academic discipline to support tracking and reporting data at the field-of-study level.

(c) "Doctoral course" is a course completed by Ph.D. level students.

(d) "Doctoral degree" or "Ph.D." is a degree that generally indicates the recipient has done, and is prepared to do, original research in a major discipline. Doctoral degrees usually require three years or more of graduate-level coursework requiring an original research thesis or project, or as promulgated by the Northwest Commission on Colleges and Universities.

(e) "Dual credit" course is that which awards secondary and postsecondary credit as determined by both the granting secondary institution and granting public university.

(f) "Graduate certificate" is an official recognition of less than one year of post-baccalaureate study, or its equivalent in depth and quality, or as promulgated by the Northwest Commission on Colleges and Universities.

(g) "Higher Education Coordinating Commission" or "HECC" is the body established by ORS 351.715 and appointed by the Governor.

- (h) “Lower division undergraduate course” is a course completed by freshman, sophomore, or nonadmitted undergraduate level students.
- (i) “Master’s course” is a course completed by master’s degree, other graduate, or nonadmitted graduate level students.
- (j) “Master’s degree” is a degree that generally represents a first graduate degree, including about one year of post-baccalaureate study, or its equivalent in depth and quality. Professional masters degrees generally require up to two years or equivalent of coursework beyond the baccalaureate level, or as promulgated by the Northwest Commission on Colleges and Universities.
- (k) “Outcomes” is an indicator of student achievement or educational attainment for state funding purposes, as determined by the HECC.
- (l) “Professional course” is a course completed by first professional degree students.
- (m) “Professional degree” is a degree that emphasizes application of knowledge in the field, including three or more years of carefully prescribed graduate level coursework, or as promulgated by the Northwest Commission on Colleges and Universities.
- (n) “Public university” is any institution as defined in ORS 352.002, including; University of Oregon, Oregon State University, Portland State University, Oregon Institute of Technology, Western Oregon University, Southern Oregon University, and Eastern Oregon University.
- (o) “Public University Support Fund” or “PUSF” is the general fund appropriation to the HECC intended for distribution by HECC to public universities as defined in ORS 352.002.
- (p) “Resident” student is a student classified as such by a public university’s Residency Classification Officer, reviewed by the Inter-institutional Residency Committee, or students granted resident tuition under ORS 351.641 and all doctoral students for SSCM purposes.
- (q) “Settle up” is the process by which allocations created using estimated completion data are reconciled with finalized allocations created using actual year end data.
- (r) “Student credit hour” or “SCH” is defined by the public university, in accordance with definitions promulgated by Northwest Commission on Colleges and Universities.
- (s) “Student Success and Completion Model” or “SSCM” is a calculation-driven mechanism for determining the proportion of PUSF allocated to each public university.

(t) "Upper division undergraduate course" is a course completed by junior, senior, or postbaccalaureate undergraduate level students.

(2) Effective beginning with the 2015-16 fiscal year, the Student Success and Completion Model shall be the method for determining a public university's allocation of the PUSF.

(3) The SSCM will incorporate a public university's outcomes and SCH information for the three most recently completed fiscal years, or projections thereof, in determining allocation amounts. Projections will be completed before the third quarter of the prior fiscal year for the subsequent fiscal year that begins July 1st of that same calendar year.

(4) The Student Success and Completion Model consists of three components, Base Allocation, Activity-Based Allocation and Outcomes-Based Allocation:

(a) Base Allocation is determined by the HECC with deference to any legislative designation of specific resources as part of a public university's base allocation. It supports a public university's activities consistent with, but not limited to, any of three categories:

i. Regional Support – Provides an allocation that contributes to the financial stability of public universities and ensures geographic access to public higher education for Oregonians.

ii. Mission Support – Provides an allocation to support public university programming consistent with the mission of public higher education as articulated in ORS 351.001. This section may support efforts relating to public services, cross-sector or cross-institutional programs, undergirding of university operations support, specific academic programs or other efforts by public universities.

iii. Research Support – Provides an allocation to support research activities conducted by the public universities.

(b) Activity-Based Allocation is determined by the total, cost weighted, completed, resident SCH at a public university consistent with the following methodology.

i. The most recent 3-year average of resident SCH produced by each public university will be used to determine the Activity-Based Allocation.

ii. Relative cost values, by academic program and level will be utilized to differentiate appropriations by completed SCH. Relative values will be determined by the HECC for programs by CIP-identified discipline and by level, including lower division undergraduate, upper division undergraduate, Master's, and Doctoral levels.

iii. The combined relative value of completed SCH at a public university will determine the proportional share of Activity-Based Allocation allocated to each institution.

(c) Outcomes-Based Allocation is determined by the total cost weighted degrees produced, student type and priority area consistent with the following methodology.

i. The most recent 3-year average of degrees conferred by public universities to resident students will be used to determine the Outcomes-Based Allocation. Degrees are categorized by level, including Baccalaureate, Masters, Doctoral, Professional, and Graduate Certificates. The HECC will determine the relative weighting of degree levels.

ii. The HECC may set the relative value of degrees of particular priority to the state, including emphasis on those that are high demand, high reward or those that fill a particular need of the state. The HECC will solicit input from applicable state agencies, public universities and stakeholders to evaluate the expected labor force needs and select what priority degree types, if any, exist.

iii. The allocation calculation counts a degree awarded with multiple majors to one student as a single degree in the discipline with the greatest relative value.

iv. Degrees awarded to resident graduates who represented one or more targeted population characteristics identified as having lower completion rates, lower participation rates or other unique needs or qualifications may be prioritized by the HECC. The HECC will solicit input from applicable state agencies, public universities and stakeholders to identify what priority student populations, if any, exist.

v. The combined relative values of degree level, academic discipline, and targeted population group representation determines the Outcomes-Based Allocation allocated to each public university.

(5) The cumulative results of the Base Allocation, Activity-Based Allocation and Outcomes-Based Allocation may be adjusted by the HECC during a four year phase-in period beginning in the 2015-2016 fiscal year and concluding in the 2019-2020 fiscal year, or until discontinued by the HECC, in order to reduce the rate of change in the absolute value of PUSF allocations to a public university and maintain relative stability and predictability throughout the transition period. At least two operations may be performed in determining any such adjustment: Stop loss and stop gain. These calculations compare the allocation calculation to the prior year allocation on a university-by-university basis to determine the level of change, as a percentage. For the 2015-16 fiscal year, the 2014-15 allocation shall be the baseline for any stop loss or stop gain operations. The HECC may establish thresholds of change that trigger a stop loss redistribution of allocation, a stop gain redistribution of allocation, or both.

(6) When projections are used to determine a public university's allocation, a settle up procedure may be used to prorate unallotted payments to adjust for finalized data. The settle up procedure may alter the funding allocation of a public university from that which was originally allocated by the HECC. A settle up procedure, if used will be executed in the second quarter, or as soon as practicable of every

fiscal year, and approved by vote of the HECC. If necessary, a settle up may take place in subsequent fiscal years but will, in general, be avoided.

(7) Allotments are made quarterly with timing and amounts determined by agreement between the HECC and the Department of Administrative Services.

(8) Pursuant to ORS 351.735(6) the HECC delegates administrative authority to the Executive Director to operationalize the Student Success and Completion Model and the procedures outlined in this Administrative Rule.

Statutory Authority: ORS 351.735(3)(d), 351.735(6)

Statutes Implemented: 2013 SB 270, 2013 HB 3120, 2014 HB 4018 2014 SB 1525