

Community College Taskforce Meeting

10/19/22



Agenda

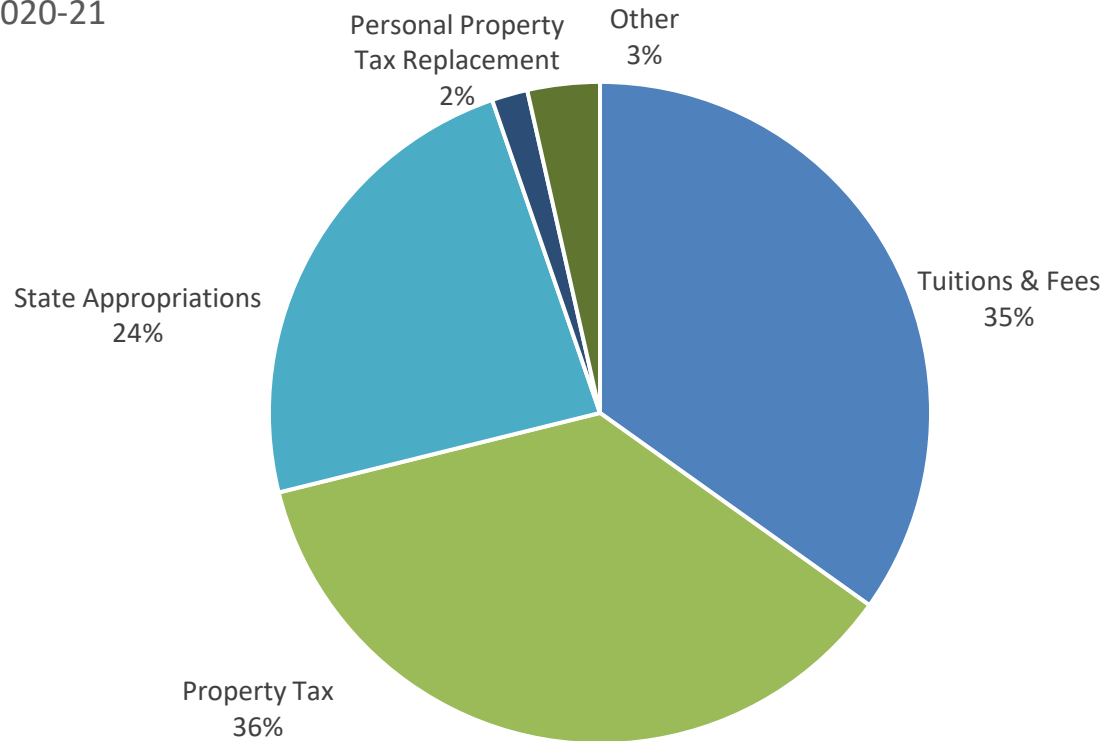
- Opening Remarks:
 - State Budget Director Christopher Harkins *(5 minutes)*
- Introductions *(10 minutes)*
 - Taskforce Members
 - Other Stakeholders
- MCCA Introduction *(5 minutes)*
- Overview of current Community College Formula:
 - Perry Zielak, House Fiscal Agency *(15 minutes)*
- Overview of national landscape:
 - HCM Strategists *(30 minutes)*
- Goals and Objectives Discussion *(20 minutes)*
- Workgroup assignment and next steps *(10 minutes)*

Current Law Funding Formula

Presentation by Perry Zielak, House Fiscal Agency

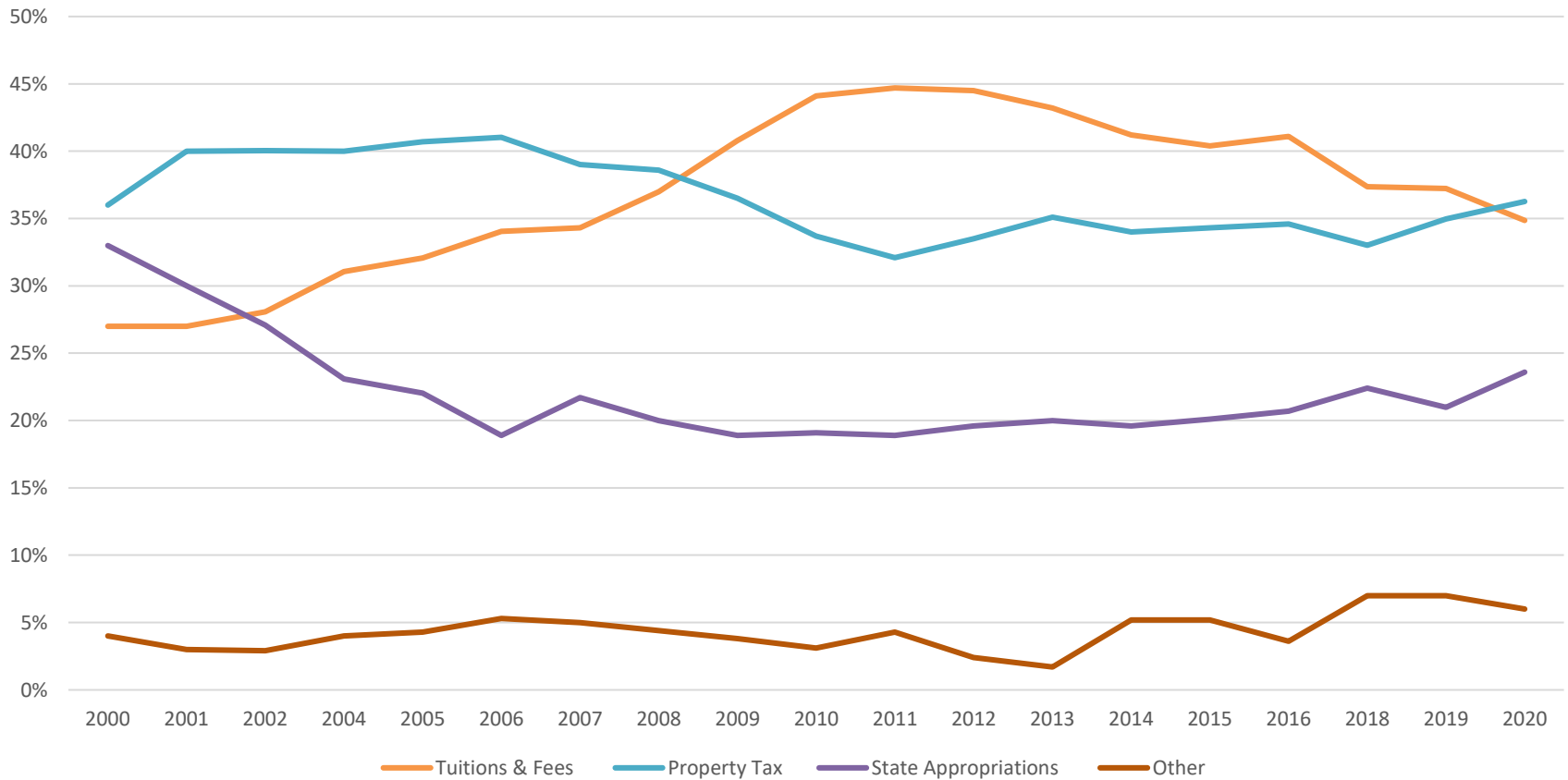
State Aggregate Operating Funds Revenue

FY 2020-21



Current Law Formula

MI Aggregate Community College Revenue

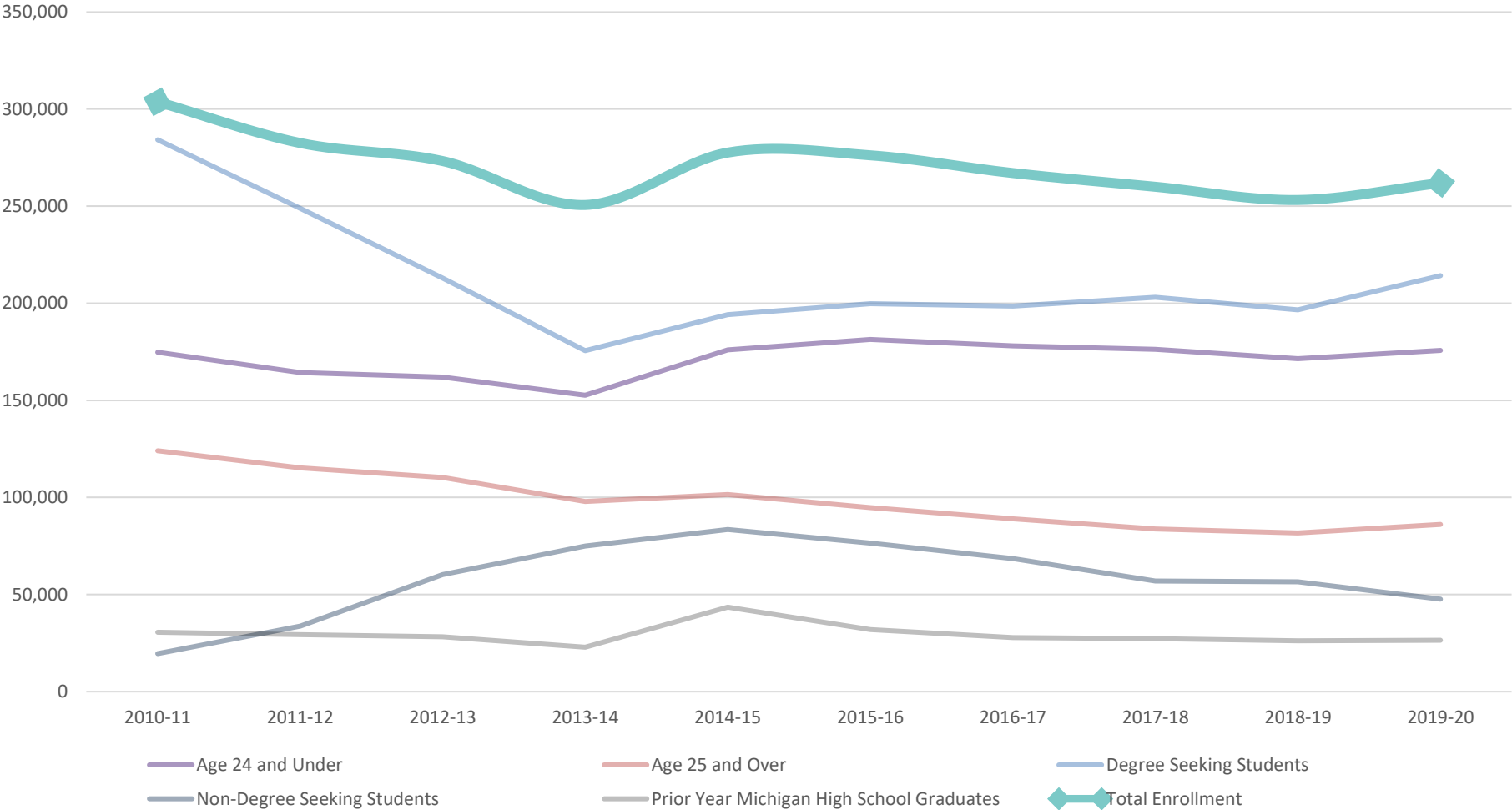


% of Total Operating Revenue by Fund Source



Source: 2020-2021 Michigan Community College Data Inventory Report, Table 22

Community College Enrollment Trends



National Landscape of Community College Funding Formulas

Presentation by: HCM Strategists

Sec. 230(8) of PA 144 of 2022

- Review, evaluate, discuss, and make recommendations regarding community college operations funding, with a focus on **addressing disparities and ensuring that funding levels are equitable across tuition, state support, and local tax revenue.**
- Review whether the current performance metrics used for the performance funding formula are the **most appropriate and reliable performance indicators** available and determine the most efficient methodology for connecting state funding to those indicators. The task force shall also review, examine, and suggest methodology **concerning equitable and appropriate funding levels to community colleges.**
- Publish a report containing its findings and recommendations by **December 15, 2022.**

1. Quantify community college operations funding disparities, including inequities across tuition, state support, and local tax revenue.

Quantitative analysis of data available through MCCDI, specifically looking at funding levels by tuition, state support, and local tax revenue.

Considerations:

- Must evaluate on a per student basis – FYES, contact hours, etc.
- Local tax revenue must consider varying locally approved millage rates in addition to taxable values of college district.

2. Identify best practices in community college funding including the most appropriate and reliable performance indicators available.

Identify currently available performance indicators and indicators that could be collected from colleges without undue administrative burden.

Recommendations and feedback from community colleges on the current formula.

- How it influences behavior (types of students recruited, mission of college, types of degrees/credentials marketed, etc.)

3. Determine necessary changes to the state's current funding formula.

Develop consensus among the group on performance indicators and weight and other changes needed to address funding disparities and inequities.

- What is next?
- Sub-workgroup deliverables?