

Minutes of Presidents Council Meeting
June 7, 2016

The Presidents Council met at 10:00 a.m. on June 7, 2016, via video conferencing, hosted at the Cooperative Extension Service Center in Little Rock.

Dr. Brett Powell presented the draft outcomes-based funding formula to the presidents and chancellors and responded to any questions or concerns they had. Dr. Powell said the method is aligned with the state's master plan for higher education, which seeks to raise the percentage of adult Arkansans with technical certificates, associate degrees and bachelor's degrees or higher to 60 percent by 2025.

Since 2011, 90 percent of a school's funding allocation came from an enrollment formula, while the rest of its funding was determined by weighted measures known as performance-based funding.

Powell said the new method will provide a clearer picture of the state of Arkansas campuses, and possibly redirect funds to help students progress toward graduation and curb increases in tuition and fees.

The proposed method would use several weighted measures, including credentials from noncredit industry-recognized certifications and training, progression toward graduation and the number of transfer students.

Powell said the proposed method, which has a five-year implementation period, may have some unintended consequences like raising admissions standards or reducing academic quality to ensure that all students finish.

Several presidents and chancellors had questions about specific measures and what it would mean for their institutions.

Dr. James Shemwell asked when we experience a statewide declining enrollment cycle resulting in a decline in the statewide productivity index (based on the numbers, not rates), will the Department be recommending a cut in overall higher education funding in such years.

Powell said the funding recommendations would include a recommendation based on inflation as well as statewide productivity. It could be possible that the Department recommends a cut in overall higher education funding if productivity decreased more than the inflation adjustment. The Department would propose a stop loss protection where funding recommendations would not decrease more than some percentage to be determined in order to provide stability in funding from year to year.

Shemwell also asked who determines the program list (STEM, Regional Demand, Other), and is there a plan to update the list regularly.

Tara Smith explained that currently we are using the most recent STEM list that is published by U.S. Immigration & Customs Enforcement (ICE). High Demand List – Currently we are using the most recent Projected Employment Opportunities/Demand Occupations List published by AR Dept. of Workforce Services at www.discoverarkansas.net. The suggested plan is to review and update these list every 5

years. All other degrees would be any degree that is not listed on the STEM and/or High Demand list.

Dr. Stephen Hilterbran asked why two-year colleges would get credit for students transferring to a university after earning 35 hours. Those transferring to four-year schools after earning associate degrees would also be counted in the community colleges' score.

The general-education core classes total 35 hours, Powell said, adding that it was an ideal time to transfer.

Powell said the formula will always be a work in progress.

With no further discussion, the meeting adjourned at 11:42 a.m.