# The Funding Formula Review Process

Crystal L. Collins, Colorado
Matthew LaBruyere, Louisiana
Jim Pinkard, Oregon
Dustin Weeden, SHEEO

August 2024

# Reasons for Developing Best Practices

**Frustration**

**Continuity**

Limited precedent among states and within a SHEEO agency
(What do I even do?)

Sets a standard in the absence of institutional knowledge

Varied drastically from state to state and internally from review to review
(What type of review is this?)

Aids both practitioners at SHEEO agencies and committee members

Issues with complex models and implementation
(How to make sure it is understood?)

Serves as a mechanism to receive feedback and make appropriate changes

2

# The Funding Formula Review Process:
# Guidance and Best Practices
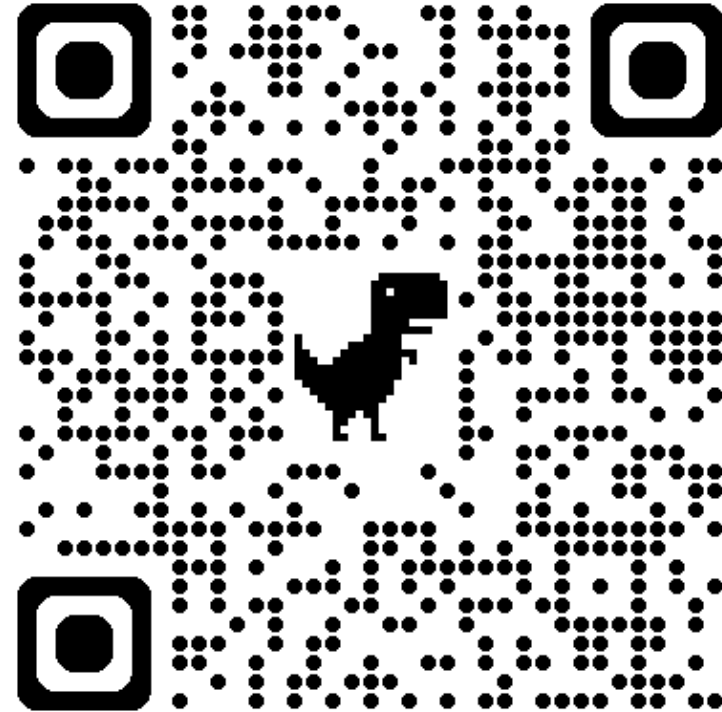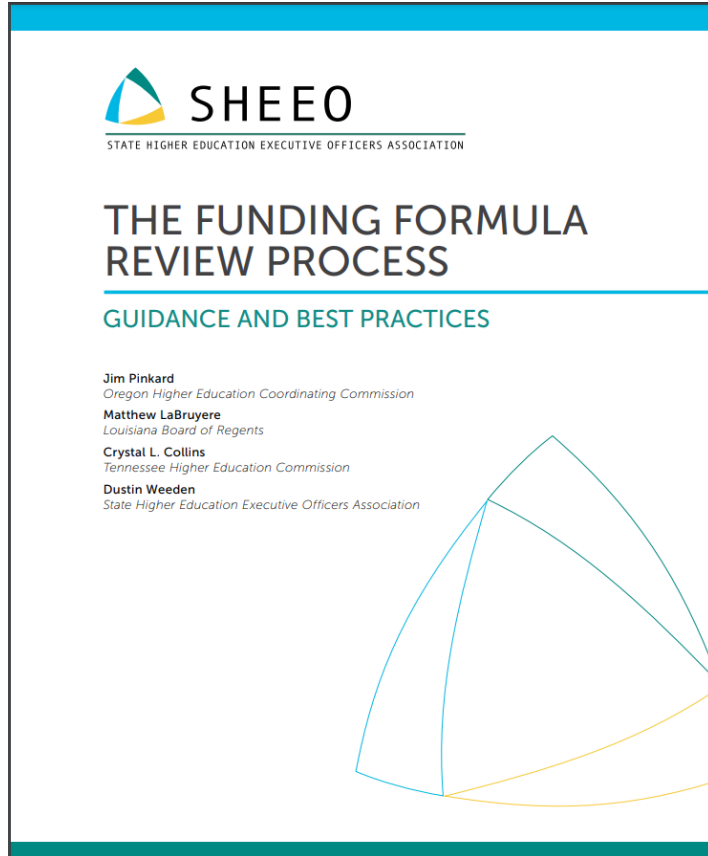
# Type and Scope of Review

*Use a clearly defined scope to clarify stakeholder expectations.*
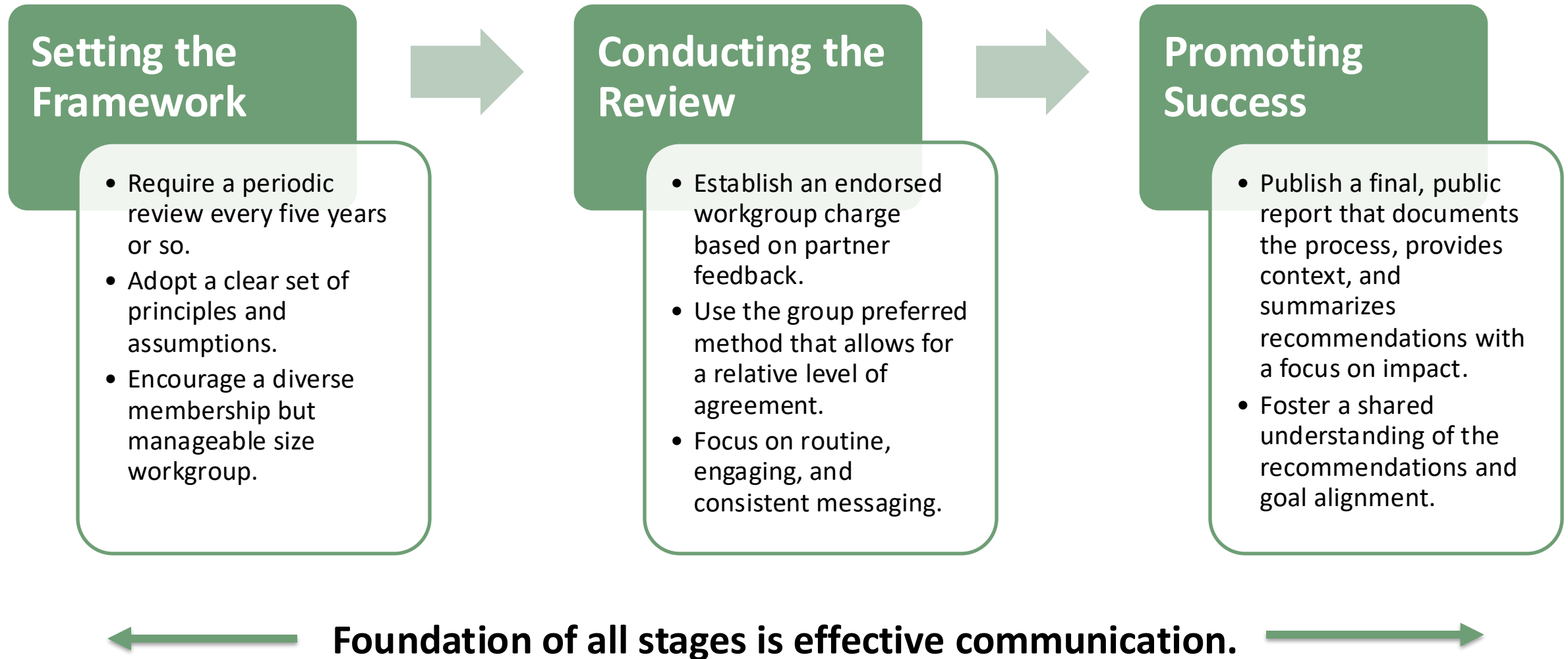
## TECHNICAL REVIEW

- Narrow scope focused on technical components
  - Occurs with more frequency
  - Focused on updating design
  - Not likely to have a large funding impact

- Not intended to alter the principles upon which the formula design is based
  - May not include rule making process
  - More targeted review workgroup membership

## POLICY REVIEW

- Larger scope focused on policy choices
  - Much less frequent occurrence
  - Could lead to a total redesign
  - May include a large funding impact

- The underlying principles are in scope
  - Will likely involve rule making process
  - Larger workgroup membership with broader range of stakeholders involved

# Stages of the Review Process and Associated Best Practices

**Setting the Framework**

- Require a periodic review every five years or so.
- Adopt a clear set of principles and assumptions.
- Encourage a diverse membership but manageable size workgroup.

**Conducting the Review**

- Establish an endorsed workgroup charge based on partner feedback.
- Use the group preferred method that allows for a relative level of agreement.
- Focus on routine, engaging, and consistent messaging.

**Promoting Success**

- Publish a final, public report that documents the process, provides context, and summarizes recommendations with a focus on impact.
- Foster a shared understanding of the recommendations and goal alignment.

**Foundation of all stages is effective communication.**

# Feedback from States

| | |
|---|---|
| *More states are looking to use the guide.* | • Some states have used the guide, or parts of it, with more planning to use it.<br>• Some components are more helpful than others. Example, workgroup membership might be in statute. |
| *The framework resonates.* | • Overall, the framework and component descriptions make sense to practitioners.<br>• The best practices serve as a useful guide for a robust review. |
| *Opportunities for improvement exist.* | • Discuss unanticipated issues/situations.<br>• Offer a checklist based on the best practices.<br>• Advice on how to productively include advocacy perspectives. |

# Audience Feedback

*Based on the current best practices and state feedback, how can we improve this work?*
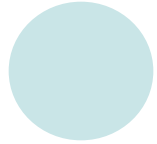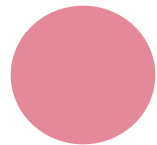
How can this help plan the review process?
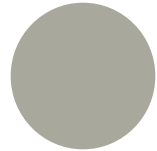
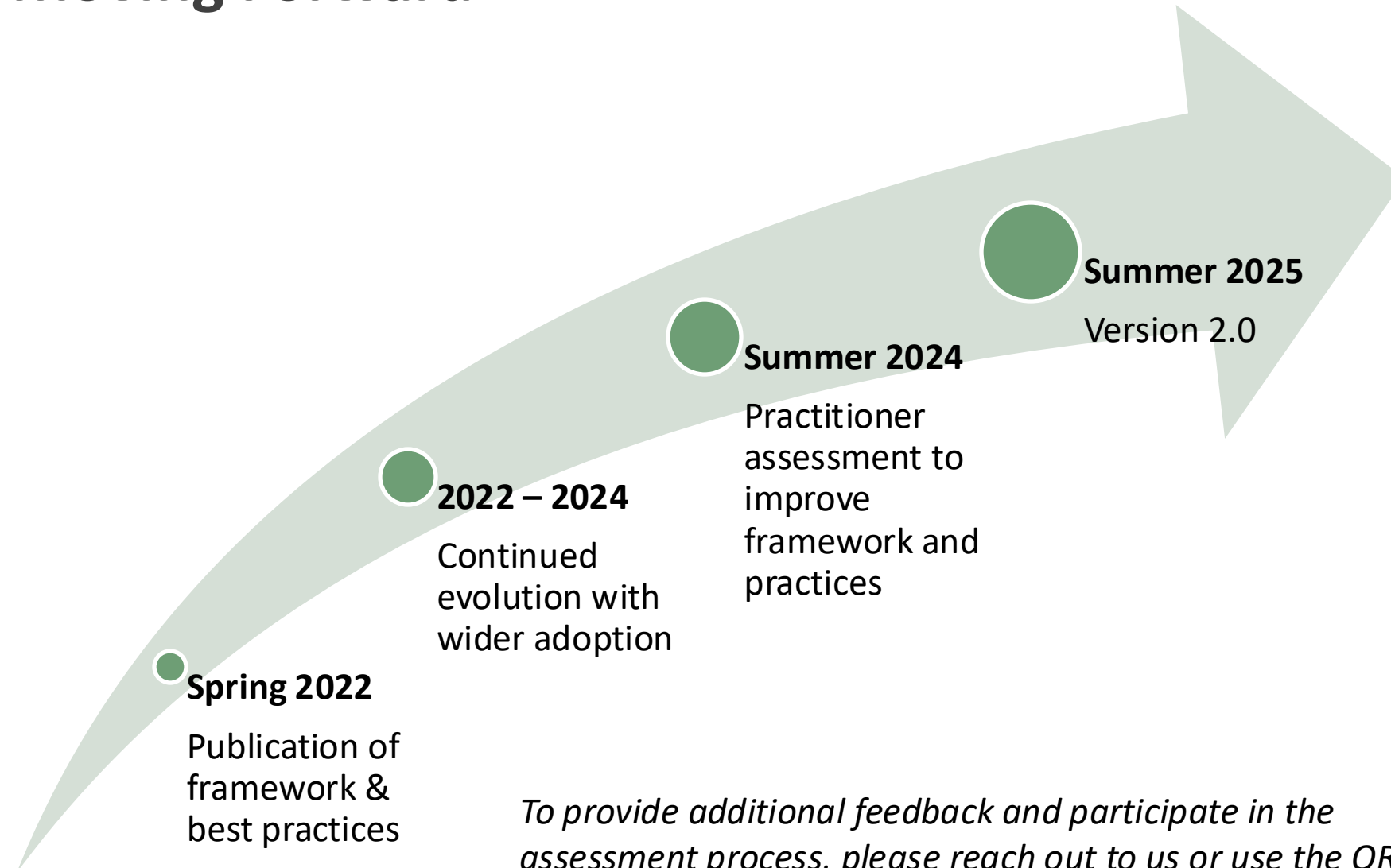Does this work better guide the review committee's makeup?

Are the technical and policy review descriptions appropriate?

What did we miss?

# Moving Forward



**Spring 2022**

Publication of framework & best practices

**2022 – 2024**

Continued evolution with wider adoption

**Summer 2024**

Practitioner assessment to improve framework and practices

**Summer 2025**

Version 2.0

## Destination

Helpful guidance for more productive formula reviews with identified best practices.

*To provide additional feedback and participate in the assessment process, please reach out to us or use the QR code and we will follow up to schedule a meeting.*
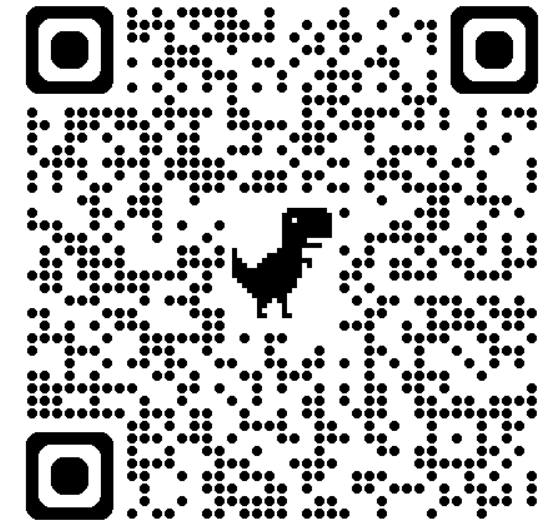
# Contact Information

**Crystal L. Collins**

Colorado Department of Higher Education
Crystal.Collins@dhe.state.co.us

**Matthew LaBruyere**

Louisiana Board of Regents
Matthew.LaBruyere@laregents.edu

**Jim Pinkard**

Oregon Higher Education Coordinating Commission
Jim.Pinkard@hecc.oregon.gov

**Dustin Weeden**

State Higher Education Executive Officers (SHEEO)
Dweeden@sheeo.org