

The Allocation Plan/Methodology for FY 2003-2004 and Meeting Schedule

Each year higher education approves an allocation plan for the distribution of performance funding appropriation to the institutions. The State statute states: *"(CHE: Performance Funding Calculations Changes) The allocations made for the immediate fiscal year following March 1 of any year may not be adjusted by the Commission due to any change in performance funding calculations or methodology."*

Outlined below is the schedule of meetings of the Funding Advisory Committee to consider the FY 2003-2004 Allocation Plan. Any modification to the existing allocation plan will be considered and/or adopted at the Commission on Higher Education (CHE) meeting scheduled for January 2003. In order to comply with legislative proviso, the funding plan must be approved by March 1. Directly below is a schedule for the allocation process.

Allocation Process Schedule of Meetings

1. Funding Advisory Committee Meeting	Tuesday - November 12, 2002
2. Funding Advisory Committee Meeting	Tuesday - December 12, 2002
3. Finance & Facilities Committee Meeting	Thursday - January 2003
4. Commission on Higher Education Meeting	Thursday - January 2003
5. Legislative Proviso Deadline	March 1, 2003

In February 2002, the CHE staff presented an allocation to the Finance and Facilities Committee for consideration. At the time it was pointed out that there would be no new state appropriations for FY 2002-03; therefore, the Committee elected to defer action on an allocation plan.

Components of previous allocation plans included the following:

1. All funds were subject to the performance indicators.
2. The scores and rating system for the indicators are determined by the Planning and Assessment (Performance Funding) Committee with approval by the Commission. The scores are applied to both the current and previous year's appropriation.
3. In the event of a reduction in current year's appropriations, each institution will receive its pro rata share of the reduction, as defined by the legislature. (If the appropriation reduction is 10%, then each institution will be reduced by 10%, unless the General Assembly dictates exemptions or exceptions.)

Parity

Also, the Committee adopted the position that parity will be implemented when the General Assembly appropriates new funds. Therefore, allocation plans presented by the CHE staff to the Finance and Facilities Committee for consideration will address the parity issue.