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FOUNDATION

**Relentlessly Focused
on Attainment**

STRATEGY LABS

State Policy to Increase Higher Education Attainment

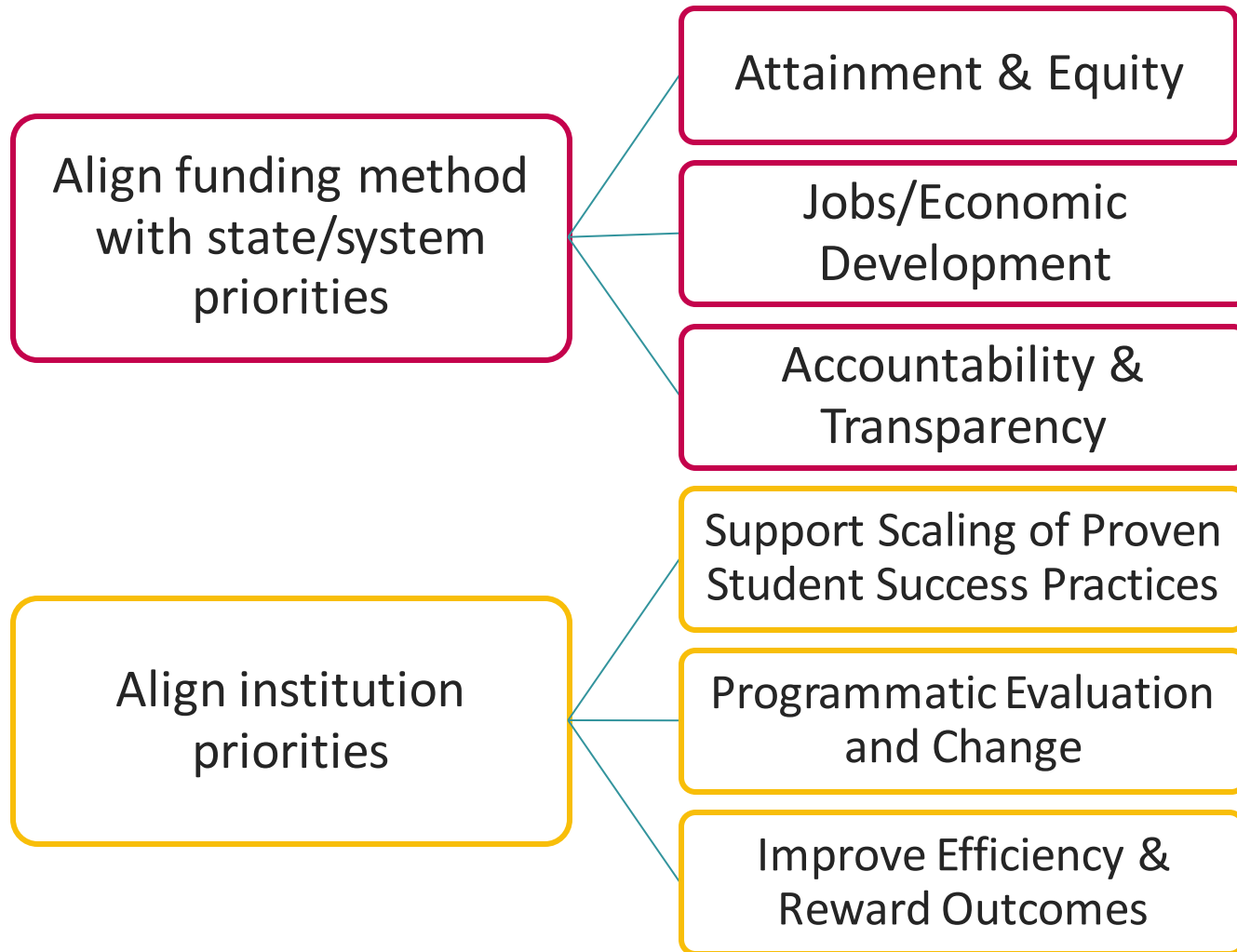
Lumina's vehicle for higher education system change

Strategy Labs are an open platform for leaders and influencers in all 50 states to share research and data, encourage peer learning and provide opportunities for on-request support from Lumina Foundation and its state policy partners.



OUTCOMES-BASED FUNDING

Why Funding Methodologies Matter



Higher Education Funding Models

- Base-plus funding
 - Linked to historical funding levels
 - Not tied to state goals and priorities
 - Lacks transparency
- Enrollment-driven models emerged in 1960s
 - Linked to states' goals of increasing access but not outcomes
 - Tied to number of students enrolled

OBF Design Principles

- Communicate leadership's commitment to specific statewide priorities regardless of a state's funding level, and establish consensus for goal.
- Make funding meaningful and secure.
- Identify limited, measurable metrics.

OBF Design Principles

- Include all institutions and allow for differentiation.
- Prioritize underserved populations.
- Use a formula driven structure instead of preset targets and goals.
- Reward progress and short-term success milestones.

OBF Implementation Principles

- Phase in the transition to OBF model.
- Continuously improve data.
- Evaluate and adjust.

Tracking for Unintended Consequences

- Restricted Access
- Weakening of Academic Standards
- Quality Assurance

Supporting Institutions

- How do state agencies support institutions?
 - Characteristics
 - Communication
 - Direct Support
 - Student Success Efforts

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StrategyLabs.LuminaFoundation.org

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