

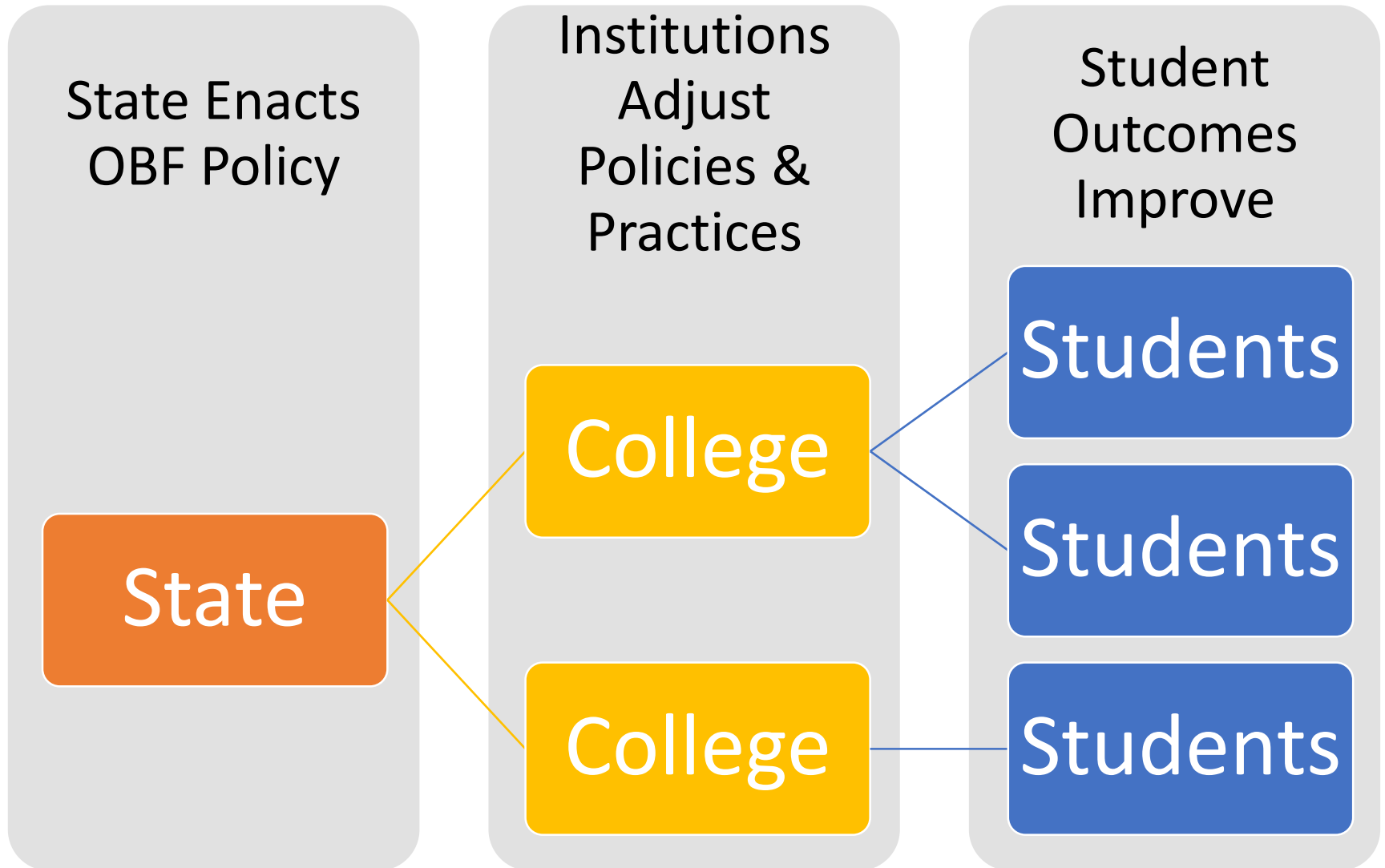
# Equity-Focused Outcomes-Based Funding: The Role of Institutions

Kate Shaw

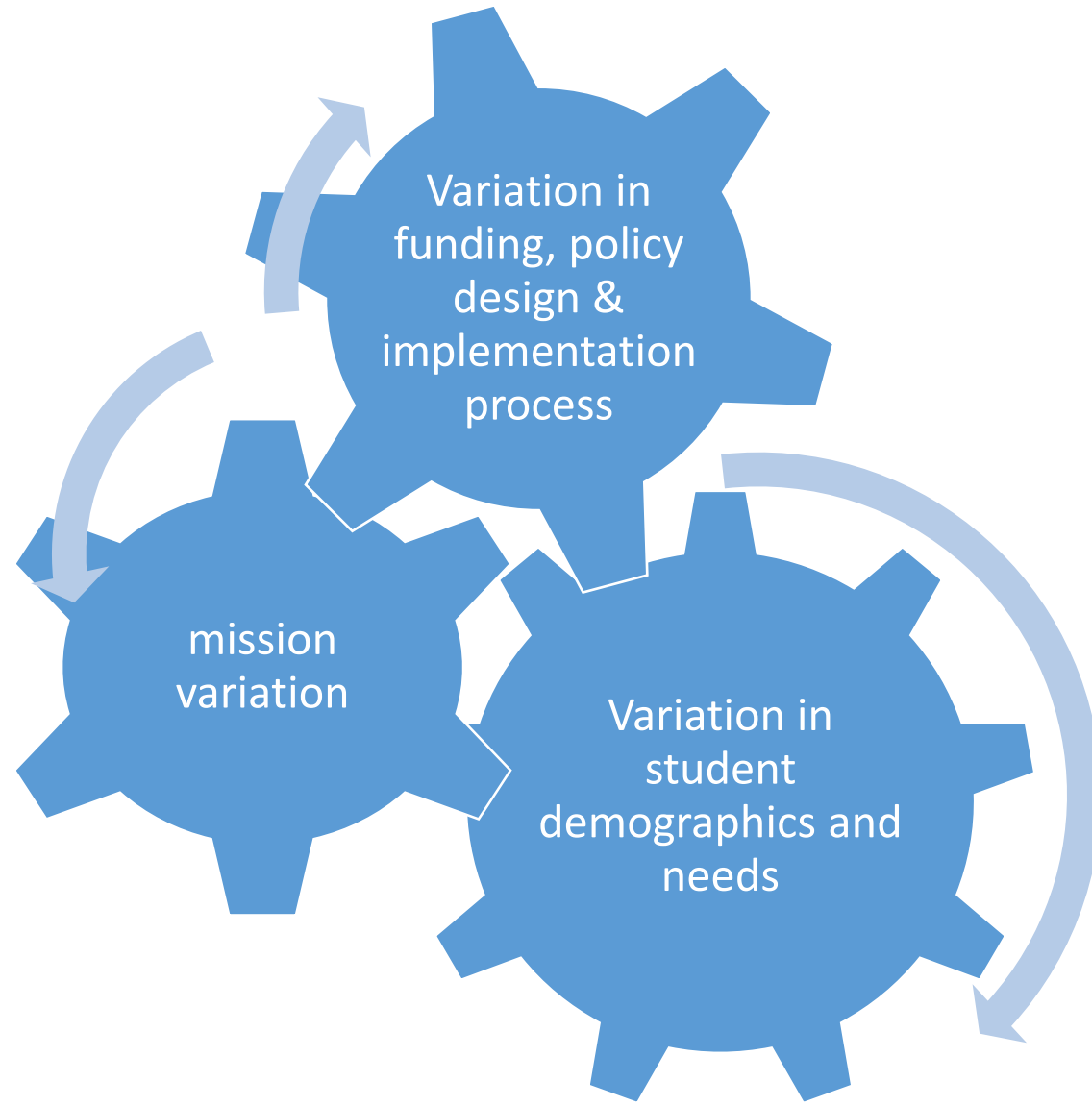


RESEARCH  
*for* ACTION

# OBF Theory of Change



# OBF in Real Life



# Institutions are the Lynchpin of OBF:

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HOW states engage institutions matters in:

- DESIGN PROCESS
- CHOICE OF METRICS (EQUITY, OUTCOMES)
- LEVELING THE INSTITUTIONAL PLAYING FIELD
- TIMING, PROCESS OF IMPLEMENTATION
- DISTRIBUTION OF DOLLARS
- POLICY REFINEMENT
- MISSION RECOGNITION/ DIFFERENTIATION

# Purpose: Part 1

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## Whole-Group Discussion

- Define “Equity-Focused OBF” and RFA’s research on topic
- Discuss how different states operationalized their work in this space
- Determine how states have involved institutions in OBF
- Identify similarities/differences across states
- Identify challenges and opportunities

# Purpose: Part 2

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--Introduce RFA's OBF Equity Toolkit

--Break into groups focused on:

- Institutional Role in Designing and Refining OBF
- Institutional Mission and OBF
- Supporting Institutions in an OBF Era
- Case Studies of How Institutions Navigated OBF
- Equity Formulas, Metrics, and Implications for Institutions

--Report Out Observations/Insights to Whole Group

# Part 1

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# RFA's Equity-Focused OBF Research

- **3-Year Study funded by the Gates Foundation (2017-19), building on foundational study funded by both Gates and Lumina Foundations (2014-16)**
- Partnered with Center for Law and Social Policy (CLASP)
- Six states utilizing equity metrics in their OBF policies: Tennessee, Indiana, New Mexico, Oregon, Ohio & Kentucky
- Case studies of 13 institutions
- Interviews with 121 policymakers and institutional leaders
- Thorough document analysis



# Defining Equity in OBF

## **Policymakers and institutional leaders discuss addressing equity in these ways:**

- Providing access and equal opportunities for students
- Reducing achievement gaps
- Ensuring equity between institutions and across sectors
- Moving low-income students into well-paying jobs
- Increasing state-wide educational attainment, and in turn economic competitiveness between states (for low-income states)

# RFA/CLASP 3-Part Definition of Equity in OBF

**Equity for Students.** All students must have equitable access to quality postsecondary education and the resources they need to succeed once they enroll. For equity to be realized in U.S. higher education, students of color and low-income students must receive targeted support and interventions on their path to degree attainment.

**Equity across Institutions.** Institutions need adequate resources, deployed effectively, to improve outcomes for underserved students. The uneven institutional playing field must be addressed by reducing resource gaps across institutions and ensuring that adequate resources are provided to those institutions that serve high numbers of historically disadvantaged students.

**State or System Policies that Advance Equity.** Postsecondary policymakers have an obligation to design and implement policy that promotes equity for students and across institutions.

# Guiding Questions:

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- What were the goals of your state's OBF policy? Did they change over time?
- What was your strategy for developing and implementing OBF? Why did you choose this strategy?
- How and when did you involve institutions in OBF policy development/implementation?
- How did the policy design or implementation change as a result of institutional involvement?
- If you had to do it all over again, what would you change?

# Part 2

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# What is the OBF Equity Toolkit?

## **OBF Equity Toolkit:**

- Short (3-4) page topical modules
- Promising practices, mini case-studies, questions to consider, recommendations
- Focus on equity concerns in OBF

## **Guidance and lessons learned:**

- Customized work with states to critically examine OBF policy to address equity concerns.

## SERIES 1

### Background: Leveraging OBF for Equity



#### Modules

- 1.1 Indiana State Profile
- 1.2 Kentucky State Profile
- 1.3 New Mexico State Profile
- 1.4 Ohio State Profile
- 1.5 Oregon State Profile
- 1.6 Tennessee State Profile

Series 1 provides detailed information on each state's OBF policy, including each state's equity challenge, important state context, the process for development and refinement, and equity metrics.

## SERIES 2

### OBF Policy Development and Redesign: Prioritizing Equity



#### Modules

- 2.1 Case Study of Oregon: Integrating Equity in Formula Design
- 2.2 Involving Institutions in OBF Policy Development
- 2.3 Selecting Student Groups to Prioritize in OBF Policies
- 2.4 Equity Metrics: How States Construct OBF Formulas to Improve Outcomes for Underserved Students
- 2.5 Involving Institutions in OBF Policy Review and Revision
- 2.6 Increasing Completions Through Quality Certificates
- 2.7 Recognizing Institutional Mission

Series 2 provides examples of how states and institutions approached the process of creating and refining OBF policies that prioritize increased outcomes for underserved student populations.

## SERIES 3

# OBF Implementation: State Strategies for Supporting Institutions to Close Equity Gaps



### Modules

- 3.1 Identifying the Capacity Needs of Disadvantaged Institutions to Increase Outcomes Under OBF
- 3.2 Strategies for Supporting Institutions During OBF Implementation
- 3.3 Constructing OBF Policies that Consider Small Schools
- 3.4 Case Study of Tennessee: Advancing OBF Equity Through a State Completion Agenda

Series 3 details a range of strategies that states used during the OBF implementation process to identify and address inequities between institutions.



## SERIES 4

# Institutional Response: Improving Performance and the Success of Underserved Students with OBF



### Modules

- 4.1 Case Study of Central New Mexico Community College: Responding to OBF Policy without Leaving Students Behind
- 4.2 Institutional Checklist for Effective Response
- 4.3 Case Study of Western Oregon University: Shifting Directions to Improve Equity

Series 4 provides examples of how institutions responded to OBF while prioritizing equitable student outcomes.

# Breakout Group Topics

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- Institutional Role in Designing and Refining OBF
- Institutional Mission and OBF
- Supporting Institutions in an OBF Era
- Case Studies of How Institutions Navigated OBF
- Equity Formulas, Metrics, and Implications for Institutions

# Breakout Group Discussion

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**Please take a few moments to review the ETK modules at your table. Then discuss:**

- What useful insights did you gain from these modules?
- How could they be useful in your state? With which stakeholders?
- What additional topics would be useful to you as you consider, design, implement or refine OBF in your state?

# Reporting Back

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**Please identify a few high-level observations that would be of general interest to the whole group**



100 South Broad Street  
Suite 700  
Philadelphia, PA 19110

[www.researchforaction.org](http://www.researchforaction.org)