

The Technical Incentive Funding Model Task Force was established in Section 130(4) of the 2013-15 biennial budget (3ESSB 5034).

Section 130 (4)

(4)(a) The legislature finds that the state's nationally recognized student achievement initiative has led to significant improvements at two-year institutions of higher education. With the goal of creating such efficiencies within the four-year institutions of higher education, the office of financial management shall convene, in coordination with the joint committee on higher education and the student achievement council, a technical incentive funding model task force to propose an incentive funding model for the four-year institutions of higher education. The model will provide new incentive funding to four-year institutions of higher education that demonstrate improvement on existing performance measures and control resident undergraduate tuition growth. Participation in the program is voluntary; however, funding appropriated for this program shall only be available to those institutions that have chosen to participate in the program.

(b) The task force must include the following members:

- (i) One representative from the student achievement council;
- (ii) One representative from the education data center created in RCW 43.41.400; and
- (iii) One representative from each of the four-year institutions of higher education.

(c) The program shall include, but shall not be limited to:

- (i) A system for allocating new incentive funding to participating institutions based on an institution's:
  - (A) Performance in specific metrics;
  - (B) Control and reduction where possible of resident undergraduate and graduate tuition; and
  - (C) Efficient utilization of classrooms, laboratories, and online and other high technology instructional methods;
- (ii) A methodology for allocating funding for performance as specified in (c)(i)(A) of this subsection that is based on performance metrics reported in the accountability monitoring and reporting system established in RCW 28B.77.090 and that recognizes each institution's unique mission by measuring each

institution's performance in these metrics against its past performance;

(iii) A methodology for investing any unallocated incentive funds to the state need grant program created in chapter 28B.92 RCW to expand access to low-income and underserved student populations; and

(iv) A methodology for establishing a baseline level of state funding that:

(A) Fully supports the state's need for an increasing portion of its citizens to gain post-secondary education and qualifications;

(B) Recognizes the acute need of the state's high-technology economy for a sufficient number of graduates in high employer demand programs of study;

(C) Achieves a more equitable share of support between the state and students and their families; and

(D) Provides for funding enhancements based on demonstrated improvements in institutional performance within the educational achievement and tuition reduction incentive program.

(d) The workgroup shall submit a final report containing an incentive funding model to the governor and higher education and fiscal committees of the legislature by December 31, 2013.