COMMITTEE TO STUDY THE FUNDING OF HIGHER EDUCATION (SENATE BILL 374, 2011 LEGISLATURE)

Wednesday, January 11, 2012
9:00 a.m.

Grant Sawyer State Office Building
555 East Washington Avenue
Las Vegas, Nevada
Room 4401

Videoconference to:

Legislative Building
401 South Carson Street
Carson City, Nevada
Room 3137

Great Basin College
1500 College Parkway
Elko, Nevada
High Tech Center, Room 123

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MEETING NOTICE AND AGENDA

Name of Organization: COMMITTEE TO STUDY THE FUNDING OF HIGHER EDUCATION (SENATE BILL 374, 2011 LEGISLATURE)

Date and Time of Meeting: January 11, 2012 – 9:00 a.m.

Place of Meeting: Grant Sawyer State Office Building
Room 4401
555 East Washington Avenue
Las Vegas, Nevada

Note: Some members of the committee may be attending the meeting and other persons may observe the meeting and provide testimony through a simultaneous videoconference conducted at the following locations:

Legislative Building Room 3137 401 South Carson Street Carson City, Nevada	Great Basin College High Tech Center, Room 123 1500 College Parkway Elko, Nevada

If you cannot attend the meeting, you can listen to or view it live over the Internet. The address for the Nevada Legislature website is http://www.leg.state.nv.us. Click on the link "Live Meetings – Listen or View."

Note: Please provide the secretary with electronic or written copies of testimony and visual presentations if you wish to have complete versions included as exhibits with the minutes.

A G E N D A

Note: Items on this agenda may be taken in a different order than listed. Two or more agenda items may be combined for consideration. An item may be removed from this agenda or discussion relating to an item on this agenda may be delayed at any time.

I. ROLL CALL.

II. PUBLIC COMMENT.
(Because of time considerations, the period for public comment by each speaker may be limited, and speakers are urged to avoid repetition of comments made by previous speakers.)

For Possible Action

III. APPROVAL OF MINUTES OF THE NOVEMBER 29, 2011, MEETING.

IV. REMARKS REGARDING SENATE BILL 374 OF THE 2011 LEGISLATURE BY SENATOR JOHN LEE, SPONSOR.

V. REPORT FROM STAFF REGARDING WHETHER THE PROPOSAL SUBMITTED BY EACH PROSPECTIVE CONSULTANT SATISFIED THE MINIMUM REQUIREMENTS OF THE REQUEST FOR PROPOSALS.

For Possible Action

VI. DISCUSSION AND CONSIDERATION OF:

a. EACH PROSPECTIVE CONSULTANT WHO SUBMITTED A RESPONSE TO THE REQUEST FOR PROPOSALS TO ASSIST THE COMMITTEE IN THE STUDY OF THE FUNDING OF HIGHER EDUCATION IN NEVADA.

b. POSSIBLE MODIFICATION OF THE PROCESS FOR THE SELECTION OF A CONSULTANT TO ASSIST THE COMMITTEE IN THE STUDY OF THE FUNDING OF HIGHER EDUCATION IN NEVADA, INCLUDING MODIFICATION OF THE REQUEST FOR PROPOSALS, TIMELINE FOR THE COMPLETION OF WORK OR ANY OTHER FACTORS RELATING TO THE SOLICITATION OF PROPOSALS.

c. OTHER MATTERS RELATING TO THE COMPLETION OF THE STUDY OF THE FUNDING OF HIGHER EDUCATION IN NEVADA.

For Possible Action

VII. PRESENTATION AND PROPOSAL BY THE NEVADA SYSTEM OF HIGHER EDUCATION OF AN ALTERNATIVE HIGHER EDUCATION FUNDING FORMULA.

VIII. PUBLIC COMMENT.
(Because of time considerations, the period for public comment by each speaker may be limited, and speakers are urged to avoid repetition of comments made by previous speakers.)

IX. ADJOURNMENT.

Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Fiscal Analysis Division of the Legislative Counsel Bureau, in writing, at the Legislative Building, 401 South Carson Street, Carson City, Nevada 89701-4747, or call the Fiscal Analysis Division at (775) 684-6821 as soon as possible.

Notice of this meeting was posted in the following Carson City, Nevada, locations: Blasdel Building, 209 East Musser Street; Capitol Press Corps, Basement, Capitol Building; City Hall, 201 North Carson Street; Legislative Building, 401 South Carson Street; and Nevada State Library, 100 Stewart Street. Notice of this meeting was faxed for posting to the following Las Vegas, Nevada, locations: Clark County Government Center, 500 South Grand Central Parkway; and Grant Sawyer State Office Building, 555 East Washington Avenue. Notice of this meeting was posted on the Internet through the Nevada Legislature's website at www.leg.state.nv.us.

MINUTES OF THE
COMMITTEE TO STUDY THE FUNDING OF HIGHER EDUCATION
(Senate Bill 374 of the 2011 Legislative Session)
November 29, 2011

The Committee to Study the Funding of Higher Education (Senate Bill 374 of the 2011 Legislative Session) held its first meeting of the 2011-12 Interim on November 29, 2011, in room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. The meeting was videoconferenced to room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada and the Berg Hall Conference Room, Great Basin College, 1500 College Parkway, Elko, Nevada.

COMMITTEE MEMBERS PRESENT IN LAS VEGAS:
Senator Steven Horsford, Chairman
Senator Ben Kieckhefer
Senator David Parks
Assemblyman Paul Aizley
Assemblyman Pat Hickey
Assemblywoman Debbie Smith
Hugh Anderson
Kevin Page
Michael Wixom
Michael Richards
Spencer Stewart

COMMITTEE MEMBERS PRESENT IN CARSON CITY:
Mike Dillon
Heidi Gansert
Jason Geddes
Gregory Mosier
Julia Teska

COMMITTEE MEMBERS PRESENT IN ELKO
None

COMMITTEE MEMBERS ABSENT:
None

STAFF MEMBERS PRESENT IN LAS VEGAS:
Alex Haartz, Program Analyst, Fiscal Analysis Division

STAFF MEMBERS PRESENT IN CARSON CITY:
Mark Krmpotic, Senate Fiscal Analyst, Fiscal Analysis Division
Brian Burke, Senior Program Analyst, Fiscal Analysis Division
Eileen O'Grady, Chief Deputy Legislative Counsel, Legal Division
Kristin Roberts, Senior Principal Deputy Legislative Counsel, Legal Division
Patti Sullivan, Committee Secretary, Fiscal Analysis Division

EXHIBITS:
Exhibit A – Agenda and Meeting Packet
Exhibit B – Attendance Records
Exhibit C – Nevada Faculty Alliance – Latest News – November 22, 2011, Gregory Brown Testimony

I. ROLL CALL.

Chairman Horsford called the meeting of the Committee to Study the Funding of Higher Education to order at 9:09 a.m. and the secretary called roll. All members were present at the meeting, with attendance in both Las Vegas and Carson City.

Chairman Horsford welcomed the members of the committee, which was comprised of legislators and appointments by both the Governor and the Board of Regents. He was pleased the members had agreed to serve on the committee created by Senate Bill 374 of the 2011 Session. A later agenda item included a full overview of the legislation that created the study specifically outlining the purpose, goals and anticipated outcome. Chairman Horsford noted Senator John Lee, the primary sponsor of the bill, requested time on a future agenda to outline some of his hopes and expectations of the study. He explained the first meeting was of a logistical nature to start the process as well as to review initial action items and direct staff accordingly. He thanked all the members for participating in the process.

II. PUBLIC COMMENT.

Chairman Horsford asked for public comment on any agenda item from attendees in Las Vegas, Carson City and Elko.

Gregory Brown, Chair of the Faculty Senate at the University of Nevada, Las Vegas, provided public comment from Las Vegas. He also represented the Nevada Faculty Alliance, the advocacy group for higher education faculty and professional staff at all eight Nevada System of Higher Education (NSHE) institutions. Dr. Brown submitted a written statement for the record (Exhibit C), as well as offered support of the NSHE faculty for the committee's work. He asked the members during the course of the study to pay particular attention to faculty-to-staff ratios, which historically had been an important component of the funding formula. Dr. Brown said the faculty thought staffing levels should be a priority. He thanked the members and said the funding study was an important moment for the entire state.

Chairman Horsford thanked Dr. Brown for attending the meeting on behalf of the faculty Senate.

From Las Vegas, Ricardo Carnejo a UNLV student graduating in May 2012 in Economics offered public comment. Sarah Saenz, UNLV Undergraduate Student Body President and Michael Gordon, Graduate Professional Student Body President accompanied Mr. Carnejo who represented CSUN, the undergraduate student government at UNLV. He said the organization was excited about the study and offered full support to the committee. Students from UNLV came to Carson City during the 2011 Legislative Session to make sure there was adequate reform through the funding formula and to eliminate the different inequalities between the institutions. He commended the committee for starting the process and wanted adequate support for students attending all of the institutions of higher education in Nevada.

Chairman Horsford thanked Mr. Carnejo for his testimony and for the student government's continued participation. He said a future agenda would provide time for the students to speak formally during the process of the study so the committee could hear directly from the students impacted by the recommendations ultimately determined from the study. Chairman Horsford stressed this process was about providing access and opportunity to the students who wanted to pursue higher education in the state of Nevada, rather than about the higher education system. He thought it was important for the students to be involved throughout the process.

There was no public comment from Carson City or Elko.

III. OPENING REMARKS.

Chairman Horsford thought it was appropriate that the higher education study started on the day the United States Secretary of Education was visiting Las Vegas at the Cheyenne Campus of the College of Southern Nevada to focus on access and affordability for college for students and families. The fact that Nevada was starting a complete and comprehensive analysis of the funding of the system of higher education was timely, and he looked forward to the contributions of every member of the committee. He recognized that the experience and background of the committee members as well as the selection of an independent third party consultant would provide empirical data to address what people believed to be inequities in the funding formula, determine what those inequities were and why the inequities existed. Chairman Horsford thought addressing the inequities in a thoughtful and deliberate manner would ensure protection of the current institutions while also allowing for growth expansion and the entrepreneurial nature desired from Nevada's institutions on behalf of its students. He also thought the higher education study was timely based on the release of the Brookings Institution, SRI International report Governor Sandoval talked about the previous week. Throughout the report, higher education was mentioned as playing an important role in the economic development strategy for the state. The plan also indicated the state needed to better align higher education programs, funding and resources in the short and long term. Chairman Horsford was optimistic that the recommendations that would ultimately come from the interim study would be acted upon in a future legislative session. He had reviewed some of the previous studies on higher education funding which made specific recommendations; however, he said some of the recommendations were never enacted. Chairman Horsford emphasized it was imperative the Legislators on the committee, NSHE, and the Governor worked together to find solutions and made sure the state followed through on the recommendations decided by the committee. He thanked all the committee members and looked forward to their contribution to the study. He asked Assemblywoman Smith for her comments.

Assemblywoman Smith agreed with the Chairman's comments and thought the study was an opportunity to reevaluate some of the previous work on higher education funding. The study was an ambitious undertaking, but she would enjoy seeing the work that could be accomplished in preparation for the 2013 Legislative Session. She also thought there had been many discussions and lessons learned about performance budgeting the committee could utilize for information. Mrs. Smith looked forward to working with the other members and appreciated the time commitment they had made to serve on the committee.

Chairman Horsford thanked Alex Haartz and Mark Krmpotic from the Fiscal Analysis Division for preparing the agenda and the action items for consideration for the first meeting. He also appreciated their support as staff to the interim committee, which required a lot of hard work over the course of the study to prepare information for the members and realized it was in addition to their regular duties and responsibilities.

IV. REVIEW OF SENATE BILL 374 OF THE 2011 LEGISLATURE.

Alex Haartz, Program Analyst, Fiscal Analysis Division, directed the committee to page 3 of the meeting packet (Exhibit A), to Senate Bill 374 as enacted by the 2011 Legislature creating the Committee to Study the Funding of Higher Education. He said Section 1 of the bill denoted the committee's membership as 12 voting members and 4 non-voting members, and provided authorization for reimbursement of per diem and travel costs for members based upon the nature of the appointment to the committee by either the Legislature or the Governor. Section 2 of the bill identified the study areas that at minimum the committee was required to address, and Section 3 authorized the committee to hold public hearings. Section 4 authorized the committee to employ a consultant(s) to assist in carrying out the study utilizing the topics identified under Section 2. Mr. Haartz said Section 6 was linked to Section 4, which provided a legislative appropriation for the funding of the consultant(s), and Section 7 provided for an additional appropriation for the legislative members per diem and travel costs. Lastly, Section 9 determined the timeframe by which the committee's work product must be completed and prepared, with the final report submitted to the Legislative Commission prior to the 77th Legislative Session (February 4, 2013). Mr. Haartz completed his overview of the bill and Chairman Horsford asked if any members wanted to offer suggestions regarding areas or issues beyond what was highlighted in the specific areas of Senate Bill 374.

Senator Kieckhefer said the alignment of the state's goals for higher education with the state's economic development efforts was not specifically mentioned within the legislation. The content of the bill did not seem to prohibit the alignment from being addressed by the committee and he thought it was important to consider during the study.

Mr. Wixom said he reviewed one of the past formula studies and the material in the request for proposal (RFP). He was concerned that in studying the formula if a cost analysis was not included the formula could not accurately be compared with the cost from other states. Mr. Wixom thought it would be difficult for the committee to implement changes to the formula and understand if it was the right decision without the cost analysis. He questioned if the language in the bill was broad enough to afford the committee to request a comparative cost analysis as part of the RFP.

Chairman Horsford asked Mr. Wixom to elaborate on what was meant by a cost analysis so he could answer the question.

Mr. Wixom explained the cost analysis to be per student costs distinguishing the differences between higher education institutions such as community colleges, state colleges and universities.

Chairman Horsford thought it would be reviewed in the materials included on the funding formula overview, which broke down the cost by student to staff ratio by institution (community college, state college, and university) and then by type of cost (high, medium, low and clinical).

Mr. Wixom said the analysis in the formula funding related solely to Nevada's institutions and in trying to understand how Nevada's institutions should be funded a cost analysis comparison was needed with other states. He did not see that the high, medium and low cost analysis was part of the RFP or part of the consultant's work and thought it was important to know how Nevada compared with other states.

Mr. Haartz said the last sentence of item 1A and 1B under the Scope of Work on page 13 of the meeting packet (Exhibit A), asked the consultant to provide information on how other states differentiated the mission for each state's stratification of institutions whether it was a community college, state college or research university. The consultant was also asked to provide information on whether it was a formula or non-formula state, and how those mission differentiations were addressed in their funding methodology.

Mr. Wixom thought those related to funding formulas and not to cost as he understood the analysis. There was a difference between the funding formula itself and an analysis of the funding formula and a cost analysis.

Mr. Haartz understood Mr. Wixom's point, but thought since the consultant was asked to identify the drivers then information regarding the cost basis would also be derived. However, that information may not be as specific as Mr. Wixom was requesting.

Chairman Horsford indicated that Fiscal Division staff and higher education staff would work with the consultant to obtain that type of specific information and present it to the committee for consideration. He thought in the course of the scope of work with the consultant staff could request the information; however, specific language could be added to the RFP.

Mr. Wixom said specific language did not need to be added as long as the committee understood that kind of analysis would be requested.

Dr. Richards said there were many national initiatives underway, namely the metrics being adopted by the National Governor's Association. There were also a number of efforts with regard to performance funding and in Nevada the issue of equity at institutions. He wanted to make sure those types of issues were included within the scope of work.

Chairman Horsford said the study was a concurrent process to the National Governor's Association (NGA) process and the goal was to align the recommendations of each one without duplicating effort. The NGA process encompassed performance based and outcome based goals that could be aligned with the funding formula. He asked Mrs. Gansert to elaborate on the NGA process.

Mrs. Gansert indicated the Governor's Office was making efforts to align with the State Plan on Economic Development, as well as with K-12, NSHE and workforce development. She said the state received a grant from the NGA, and members of the Governor's Office and NSHE had recently attended a meeting in Atlanta, Georgia regarding the different metrics the NGA would be adopting to align with the Complete College of America initiative. Mrs. Gansert thought there were gaps in the RFP. One gap concerned the goals and objectives discussed by the Board of Regents regarding economic development and the Governor's Office's idea to revamp the budgeting process to performance based budgeting, which included high level goals and metrics that could be compared nationally. She wanted all of it to tie together and consideration taken for the efforts of the Board of Regents, the NGA and the Complete College of America. Mrs. Gansert noticed there was no definition of "Best Practices" in the RFP and thought that would make it difficult to determine quality and graduates, but she would elaborate when the committee went through the RFP.

Chairman Horsford noted when the committee discussed the RFP members could request adjustments in the language. He asked Dr. Geddes, Chair, Board of Regents, where the Board was in terms of the implementation of the strategic plan around the performance model and the timeline of the process.

Dr. Geddes said there had been two rounds of discussion on the Board of Regents' strategic vision and a draft document was scheduled for discussion at a Board meeting on December 2, 2011. The plan was to move forward with the framework in December and the details and procedures in March or June 2012, depending on the progress. He indicated the Board's plan was an overall vision in concurrence with the NGA's Complete College of America initiative, Northwest Accreditation Commission, and the Board of Regents' Strategic Directions document. The Board and the Higher Education Study committee would be working simultaneously so he requested flexibility in reporting to the committee and sharing documents so that anything adopted would be on the right track for both processes.

Chairman Horsford said it was great there were different activities taking place, but it would be helpful to have a central set of recommendations, which would not conflict. He asked Dr. Geddes to request NSHE staff to align their timeline and recommendations so that the consultant for the Higher Education study could review the material and bring the components together. Chairman Horsford wanted to coordinate an appropriate time to have the Board's strategic framework presented to the Higher Education Committee to be better informed on what the Board had planned. Dr. Geddes agreed to get the alignments into place so everyone could be unified on the initiatives.

Chairman Horsford said language needed to be added to the RFP, which would require the consultant to take pieces of the Board of Regents' plan, and the NGA's plan as well as the work on the formula study and make recommendations for the state that were both comprehensive and thoughtful.

V. DISCUSSION REGARDING A CONSULTANT(S) TO ASSIST THE COMMITTEE IN CONDUCTING THE STUDY:
a. REVIEW OF REQUEST FOR PROPOSAL FOR A CONSULTANT(S).

Chairman Horsford requested for staff to provide an overview of the RFP and the procedure for the selection process of the consultant. The committee members would then be able to provide input on the various sections.

Mr. Haartz informed the members that in keeping with an aggressive timeframe for the committee's work and subject to making amendments or changes desired by the members, staff proposed for the RFP to be released on November 30, 2011 (the day after the meeting), to enable potential bidders 30 days to submit responses. The first page of the RFP was located on page 7 of the meeting packet (Exhibit A) and provided potential bidders with general background information and timeframes. The Scope of Work began on page 13 of the packet (Exhibit A) and Mr. Haartz explained the consultant deliverables were tied to specific study areas identified by S.B. 374. As an example, number 1 of the Scope of Work, Inventories and Analyses of States' Methodologies to Fund Higher Education was tied to the first study area outlined by the bill to compare the existing methods of funding higher education in Nevada with methods used by other states. In order to provide the committee with the most information the consultant was asked to segregate states into those that did not use a funding formula, but used some other methodology, and those which used a funding formula approach. The RFP asked the consultant to specifically identify how each of the traditional functional areas in the funding of higher education was funded, and if there were differences between how each institutional level of higher education (research university, research institution, state college or community college) was addressed in the funding methodology. On page 14 of the packet (Exhibit A), Mr. Haartz said the consultant was asked to identify and explain some of the cost area issues and how funding was determined for instruction and related areas with a focus on faculty and instructional support staff. Also on page 14, the consultant was asked to explain how funding was determined for salaries; how funding was determined for technology, including new technology as well as replacement costs; how funding was determined for facilities; and both formula and non-formula funding methodologies. Mr. Haartz further indicated the RFP asked the consultant to provide information on how funding was determined for equipment; the funding methodology information for libraries, including comment on the impact of technology on the funding for library support; and how academic support issues were addressed including the administrative faculty staffing issues, academic operations and audio visual services. The RFP also asked the consultant to look at how student support services in the formula and non-formula states was addressed and how each state determined funding from admissions to Bursar's Office operations to student health services, career planning and services for students with special needs. Information was also requested on how funding for institutional support was addressed with the primary purpose of providing operation support for daily functioning. In addition, the consultant was requested to explain how other states funded public service, scholarships, athletics, workforce development, multi-campus operations and research activities. All of the information was in anticipation of developing the broadest picture available of what other states were doing and how other states determined what the public funding levels would be for each state's systems and individual institutions of higher education.

Mr. Haartz noted again for the committee that the study was going to be conducted under an aggressive timeline with the consultant and the committee asked to complete its work within certain deadlines. The reason for the timeline was so that any recommendations from the committee could be considered for inclusion into the 2013-15 NSHE budget request, which required review and action by the Board of Regents with submission not later than September 1, 2012. He said April 19, 2012, was the target date for the completion of the first inventory and analyses provided by the consultant. At that time, the consultant needed to provide how states funding mechanisms accounted for the mission differences. Those were tied to item 2 of Section 2 of S.B 374, which required the committee to consider and determine whether other methods were appropriate and useful in Nevada whereby different missions of universities, state colleges and research institutions were appropriately considered in the funding of public higher education. Mr. Haartz pointed out the next deliverable was number 2 in the Scope of Work on page 17 of the packet (Exhibit A), Analysis and Report on How States' Inclusion of Performance Related Components in Higher

Education Funding Formulas. Staff purposely made this section broad and did not specifically identify performance criteria such as time to graduation or retention between freshman and sophomore years. Leaving it broad based would not lead a consultant to reach certain conclusions but instead expected the consultant to cover the full range of performance criteria. It was anticipated the consultant would provide that information for the committee in February. Each deliverable date represented approximately one week before a tentatively scheduled meeting of the committee. Mr. Haartz said the schedule provided enough time for staff to receive the consultant's work product and review it with the technical group to make sure it was ready to present to the committee at the subsequent meeting.

Chairman Horsford suggested adding specific language to this section of the RFP related to Mrs. Gansert's comments regarding the recommendations from the Nevada NGA work group and the Board of Regents on the performance based goals and outcomes. However, he was concerned with the consultant being able to meet the February 22, 2012, timeline and thought pushing that date back might be considered or granting greater latitude to coordinate with the recommendations of the NGA and the Board of Regents. He did not want to set an arbitrary timeline if those entities were still undergoing their own processes.

Mrs. Gansert agreed it was a good place in the RFP to add her suggested language. She noted the Board of Regents was ahead in its process and thought they could work together with the consultant.

Chairman Horsford asked if Mrs. Gansert was aware of the NGA's timeline or if she thought the February 22, 2012, date should have been made less specific.

Mrs. Gansert thought the February date would be feasible because the working group for the NGA had a strong agreement about the direction of the process including a draft of a document to go to the Board of Regents. She said the NGA group was scheduled to meet sometime in February 2012.

Chairman Horsford said the committee would add specific language to the RFP to align recommendations from the NGA and the Board of Regents and provide as much information as possible by the February 2012 deadline. However, if the consultant needed additional time then it should be granted. He thought staff included explicit dates on the timeline for the deliverables from the consultant due to past experience with consultants on past studies not meeting the requisite timelines. Chairman Horsford did not want to weaken the clear benchmarks given to the consultant, but he wanted to make sure there was ample flexibility for the other stakeholders that would contribute to the work.

Mr. Page thought it was most important that the data received from the consultant be accurate and the most up-to-date information available. He noted the MGT report included a survey from 2006 that had information which was neither verified nor updated. Mr. Page thought there should be a mechanism for the technical group to verify that information and whomever the committee selected as the consultant be aware to focus on the most accurate data.

Senator Kieckhefer wanted to make sure a breakdown of the performance measures were included, but also which measures worked to incent the specific outcomes for the individual institutions. He thought incorporating a performance component in the formula was fine; however, if the component did not generate results from the institution then it would not be effective. Senator Kieckhefer wanted to create a mechanism that incentivizes through the funding formula to achieve the results the state wanted from its system of higher education. The analysis should not be just a breakdown of which performance related components were used by the schools, but rather, which ones work the best to achieve optimal results.

Chairman Horsford thought it was the specific charge of the NGA to come up with performance measurements for the Nevada system aligned with the NGA objectives on higher education. Mrs. Gansert agreed. Chairman Horsford said the NGA process would provide information the committee could review and determine what would fit into the formula funding study. It was coincidental the NGA process was happening concurrent to the interim study on the formula, but it was favorable as there would be an overlay of information on the performance matrix. Chairman Horsford asked to continue reviewing the RFP document.

Mr. Haartz explained that although dates were selected for the consultant to provide deliverables, if the committee determined the information was not complete or up-to-date and deemed additional work by the consultant was necessary, it would be acceptable to direct the consultant to obtain the additional information. The deliverable dates did not cut off the committee's work on a particular topic on that particular date. He said the next deliverable was tied to study area 5 on page 12 of the meeting packet (Exhibit A), which was the consideration of funding in the context of completed courses in contrast to Nevada's current method of funding enrollments. Mr. Haartz noted one of the primary drivers of the current funding formula was full-time enrollments (FTE). A study area of the RFP asked the consultant to consider what type of methodology would be used (completed courses or completed credit hours) if enrollments were not used for the funding formula, as well as information sought on what methodology other states used and how it worked. Mr. Haartz said the next deliverable the consultant was asked to provide was not tied to a particular study area within the RFP. It was requested to provide context to the committee to understand how other states funded higher education. The consultant was asked to supply an analysis report on the percentage of general funds and other funding sources including student-derived revenues, which were allocated to support each state's system of higher education or infrastructure.

Chairman Horsford asked for the definition of student-derived revenues. Mr. Haartz said student-derived revenues consisted of student registration fees, surcharges, non-resident tuition and miscellaneous student fees. Chairman Horsford understood that the RFP asked the consultant to look at student-derived revenues in comparison to other states. However, he questioned whether the consultant was expected to look at student-derived fees within the system, the policy that was enacted to have tuition and fees included in the overall formula, and the changed policy to have the tuition and fees allocated back to the campus.

Mr. Haartz indicated the consultant would be directed to look at how Nevada budgeted student-derived revenues in the context of funding higher education and to compare that with how other states budgeted student-derived revenues. The deliverable attempted to look at both State General Fund appropriation and other funding sources such as student-derived revenues, property tax or other funding streams states might have used to fund higher education. He said deliverable number 5 on page 18 of the meeting packet (Exhibit A) directly correlated to the issue of student-derived revenues. Mr. Haartz explained the first deliverable looked at the context of the overall funding and comparative analysis and the second deliverable considered the retention of resident registration fees and non-resident tuition outside of the state supported budget, which was one of the study area requirements of S.B. 374. Deliverable number 5 attempted to address that study area to provide the committee with an understanding of what other states did and how other state's funding formulas worked if those types of revenues were not included.

Assemblyman Hickey estimated approximately 20 other states had performance measures, best practices and incentives. He proposed along with student hours completed that the committee needed to consider and include language in the RFP regarding graduation rates. Mr. Hickey emphasized there was good news regarding graduation rates in that the part-time Master in Business Administration program at the University of Nevada, Reno, was ranked fourth in the country by BusinessWeek with a 99 percent completion.

Concluding his overview of the RFP, Mr. Haartz said one of the conditions of the proposal was for the consultant to attend each of the committee meetings in order for the members to provide direction for the consultant and for the consultant to answer questions from the members. He indicated the rest of the RFP tended to be "boiler plate" and had been developed with the LCB Legal Division.

Chairman Horsford asked for input, suggestions or clarification from the members on the RFP Scope of Work.

Assemblyman Aizley remarked he did want the report to be a comparison of per student funding from system to system because there were not many systems like Nevada. He expected the consultant to provide a report that evaluated Nevada's institutions with comparable institutions in other states, or the comparison would be meaningless. Mr. Aizley said the RFP did not mention computer or computer support, and he expected that to be a major part of the report.

Mr. Haartz said the RFP did not contemplate the consultant providing per student funding comparison information. The RFP asked to compare states at the institutional level. He explained it was not a comparison of peer institutions, but comparing how states funded their research universities or community colleges and comparing that information to how Nevada's current funding formula took into account the differences of a research university versus a state college. Mr. Haartz thought the information would be a higher level of what Mr. Aizley was asking and would include the information that he was concerned with; however, if there was specific language to capture his concern it could be added.

Mr. Wixom had two specific suggestions in Cost Areas, Section 1e (page 14, Exhibit A). The first referenced how remedial instruction and distance education were defined, provided and addressed by the funding formula. He thought the word "funded" needed to be inserted in order to fully understand how remedial education was funded in other states so that the remedial education funding issues in Nevada could be accurately addressed. Mr. Wixom also requested to add a separate item under Cost Areas, Section 1 (item g) for addressing a specific analysis of utility expenses and how they were funded, which he thought created enormous issues for the respective campuses.

Chairman Horsford asked staff to make the adjustments, suggested by Mr. Wixom, to the RFP.

Dr. Richards referenced number 3 on page 17 of the meeting packet (Exhibit A) and indicated that in some of the national language there were traps of definition, which could hurt Nevada. He thought including definitions of "full-time equivalent student," "a completed course" and "student success" was important because of the broadness of the terms. Defining those terms in the RFP was essential particularly for community colleges that offered enrichment programs and offered opportunities for students to improve their lives outside of a credit program. Senator Horsford agreed that students had varying motivations for taking college courses.

Referring to page 14 of the meeting packet (Exhibit A), Mrs. Smith wanted to include the policy under which the institutions in other states provided remediation and thought it might be helpful to know that information. Number 3 on page 15 of Exhibit A referred to technology and she wondered if this section of the RFP encompassed the ongoing and growing need for tracking student data. She commented the state had invested a lot of money for tracking student data. The state would have to continue investing to do a better job of tracking student data and then connect it to the K-12 system.

Mr. Haartz said number 3b asked the consultant to explain how administrative computing needs were funded. He thought that was broad; however, information could be added to encompass a student data system or appropriate language added to ensure that "administrative computing needs" was not just referring to desktop computers, but a broader range that Mrs. Smith identified.

Mrs. Smith asked about number 4 on page 15 of Exhibit A and whether revenue generated from the use of the facilities was included. Mr. Haartz said there were revenues generated; however, those revenues were traditionally not budgeted in the state supported operating budgets. Instead, those revenues were budgeted by each of the institutions in the self-supporting budgets approved annually by the Board of Regents. Mrs. Smith really wanted to know if it should be part of the comparison with other states. Mr. Haartz replied it could be included and Mrs. Smith thought it would be easy to add.

Mrs. Smith also addressed the mechanics of negotiating the agreement with the consultant and asked for payment of the services to be constructed commensurate to each of the deliverables in the timeline because there had been a couple of bad experiences with contracts.

Mr. Haartz said it was expected for the consultant to identify the cost to produce each deliverable and payment would be held until the full work was completed. To address her concern, the Legal Division could look at the contract to ensure there was a structured payment mechanism. Mrs. Smith appreciated knowing that payment was coupled with the deliverables. She thought if any issues arose, there would be plenty of time to address them.

Mr. Wixom pointed out that NSHE's Integrate Project had been implemented by the Board of Regents over the last several years and one of the purposes of that project was to allow the Legislature real time access to data. He thought the consultant should be directed to coordinate with staff in utilizing the Integrate Project to obtain accurate information. Potentially it was a huge resource for the committee and the Legislature, especially since the student service module was fully implemented.

Senator Kieckhefer asked if anything in statute would restrict NSHE's budget process for the next cycle if the committee were to propose changes in the funding formula.

Mr. Haartz said his understanding was that the System was not statutorily locked into using the funding formula. The budget process was driven by the dates and how the budget was to be structured in terms of the base, maintenance and enhancement modules.

Senator Kieckhefer asked if there was any directive in the RFP for the consultant to analyze financial aid for students. He also inquired if the RFP asked the consultant to make recommendations.

Regarding financial aid, Mr. Haartz said number 8c on page 16 of the meeting packet (Exhibit A) addressed how funding was determined for student services in terms of the financial aid offices and financial aid infrastructure. In addition, number 10 on page 16 concerned scholarships, but could be broadened to be more specific to include scholarships and financial aid funding. With regard to recommendations, Mr. Haartz said the RFP asked the consultant to identify best practices. However, he thought the RFP could be more explicit in asking the consultant to make recommendations and report on other state's practices without making a direct recommendation as to whether Nevada should adopt a specific model

Senator Kieckhefer did not necessarily think the consultant should provide the committee with recommendations, but number 9 of the timeline on page 31 of the meeting packet (Exhibit A), listed it as an action for the fourth committee meeting. He thought it would be difficult to ask for recommendations when the committee was in the process of defining what it wanted in terms of performance and similar issues.

In reference to page 14 of the meeting packet (Exhibit A), Identification of Best Practices, Mrs. Gansert said she was concerned about how the consultant would define best practices because the RFP did not define it for them. She thought best practices needed to be centered on the goals set by the Board of Regents, the Governor's Office, and Legislative Leadership with consideration of the NGA Complete College of America model.

Chairman Horsford recommended the RFP reflect best practices as within the purview or framework of the NGA Complete College of America, because it was researched based and aligned to a national initiative.

Mrs. Gansert said although the RFP's request for identification of best practices referred primarily to the funding formula, she thought the committee concurred that the NGA Complete College of America model was a good direction to take.

On Senator Kieckhefer's point regarding state based financial aid, Dr. Geddes said NSHE had internal student financial aid from registration fees, but there was no separate state based pool for need based financial aid.

Chairman Horsford wanted clarification from a policy standpoint on the term state based support. He asked if the Legislature agreed for NSHE to increase tuition with 15 percent set aside for financial assistance, whether that was or was not included as state based support because it was approved as part of the budget process.

Dr. Geddes responded the Legislature concurred on the Board of Regents adoption of a policy of setting aside 15 percent of all fee increases for financial aid; however, several states had a separate appropriation for need based financial aid that was administered and set aside specifically for that purpose. He thought an analysis of how other states handled the category of financial aid would be helpful information for the Board of Regents.

Mrs. Gansert thought that Nevada's university system students were not applying for all the financial aid available through federal programs. She wondered whether the state was doing a good job of getting all the federal dollars possible through individual awards such as Pell Grants. Mrs. Gansert said because Nevada offered the Millennium Scholarship as well as other scholarships through the various institutions some students never filled out an application for financial aid and it would be interesting to see an analysis of Nevada versus other states or NSHE versus other systems.

Ms. Teska thought it was important for the committee to agree on defining Nevada's performance measures and then have the consultant look at that type of data across the country in comparison with the funding formulas. It seemed like Nevada would want to align itself with other state formula funding methods that were producing the results that were expected of Nevada's institutions and higher education system, otherwise it might have a counterproductive outcome.

Mr. Dillon asked where economic development related to the funding of higher education in the Scope of Work.

Mr. Haartz said number 11b on page 17 of the meeting packet (Exhibit A) addressed the Cost Area of research, including a description of the methodology used to fund activities, which promoted the state's economic development. He suggested that the language could be broadened if the committee wished so it was not linked specifically to research.

Senator Kieckhefer thought it should be broadened because it seemed limited specifically to research, whether it was at the Desert Research Institute or the Medical School, and then how that was commercialized. He relayed the importance of looking at the types of degrees generated from Nevada's universities and incentivizing the institutions to attract students and generate graduates in those fields in order to grow Nevada's economy.

Chairman Horsford indicated the Brookings Institution, SRI International report included some of those areas of economic development for state higher education institutions. He said the report also identified key areas of opportunity for economic development in the subsequent two to five year period. Chairman Horsford thought number 11b on page 17 of the meeting packet (Exhibit A) needed to be a standalone directive apart from research with an added reference to the SRI report and the ongoing work of the Governor's Commission on Economic Development. He emphasized the committee needed to be careful that the consultant did not duplicate any other work, but rather to align goals from other studies or reports with the formula funding recommendation.

Dr. Richards also endorsed separating information on the state's economic development. In addition, he suggested number 10d on page 16 of the meeting packet (Exhibit A) on workforce development be a subset of the funding of higher education related to economic development in the RFP so that it is given proper prominence in the study.

Chairman Horsford preferred to have the state's economic and workforce development strategies and how they aligned with the recommendations on our higher education programs spelled out in the RFP.

Dr. Stewart heard many good points made in the discussion of the RFP; however, by statute there was only $150,000 appropriated to spend on all the study elements. He pointed out the MGT report came out in 2010 and the SRI report in 2011 and thought the focus of the formula funding study was to bridge the other two reports so that it optimized and informed institutional behavior to satisfy the objectives that were outlined in the SRI report. Dr. Stewart said the committee should prioritize the most appropriate areas to study and get what it wanted for the $150,000 cost.

Chairman Horsford said that while Dr. Stewart raised a valid point the SRI report was not a study, but was the Commission of Economic Development's evolving plan of action. He did not want to prejudge the MGT report because it would be used for some baseline information; however, during the 2011 Legislative Session the report was discussed and there were certain areas that were not addressed. He did not think the committee could accept the MGT report recommendations without further analysis. Chairman Horsford's perspective was that the committee would rely on Fiscal Division staff working with NSHE and Budget Division staff who had the expertise and familiarity of the raw data to disseminate information which had already been provided, and how much still needed to be analyzed further versus how much could be taken at face value. Even though there were linkages to the economic development plan, the vision stakeholder plan, and the MGT report the higher education study was on formula funding. He emphasized the committee's mission was to look at formula funding issues and had to be careful not to go beyond that legislative charge.

Referring to number 4 on page 17 of the meeting packet (Exhibit A) concerning an analysis and report on the state's higher education general fund and other revenue allocation percentages, Senator Kieckhefer asked whether the deliverable would take into account how other states funded community colleges. He pointed out some states used local revenues to support its community colleges and wondered if language needed to be added to talk specifically about state funding.

Mr. Haartz said the RFP would take into account how other states funded community colleges, but he would add language to make it more clear.

Chairman Horsford suggested if language were added then it should be broken out into operational funding versus capital funding, because they were different models.

b. PROCEDURE FOR SELECTION PROCESS FOR A CONSULTANT(S).

Mr. Haartz asked for the committee's approval to make the appropriate edits and adjustments discussed at the meeting so the RFP could be released the following day. He reported the RFP would be placed on the Legislative website and the State Purchasing Division's website. In addition, it would be released by postal mail and e-mail to a targeted mailing list, which was developed with the Chancellor's Office, to eight potential entities and consultants of those who were understood to be either related experts or organizations who could forward the information to others who might be interested in bidding on the RFP. Mr. Haartz explained that several representatives from the Fiscal Analysis Division, a representative from the Chancellor's Office, a representative from the Budget Division and a representative from the State Purchasing

Division would meet the first week of January 2012 to review and evaluate the submitted proposals. The finalist or top finalist would be asked to make a presentation to the committee at the January 11, 2012, meeting. Mr. Haartz indicated the committee members would choose the consultant based upon staff's evaluation of the submitted proposals as well as their presentation at the January meeting.

Chairman Horsford asked if the committee would be able to request a formal presentation by the finalist prior to approval.

Mr. Haartz said it was noted in the RFP that the committee may request the finalist(s) to make an oral presentation. He did not know how many proposals were expected, but the response deadline to the Fiscal Analysis Division was no later than 5:00 p.m. on December 30, 2011. Staff wondered whether a member of the committee wanted to participate as the committee's representative in the vendor evaluation process scheduled for the week of January 2, 2012. Since the next committee meeting was tentatively scheduled for January 11, 2012, staff allotted one week to conduct the review and evaluation, and prepare materials for the meeting. If a member of the committee did not participate then staff would handle the evaluation process and bring the information to the committee for review and selection of the vendor.

Mr. Hickey wondered if the committee members would have access to information from the review and evaluation process in advance of the January 11, 2012, meeting, before the selection of the consultant was required.

Mr. Haartz said it would be at the discretion of the Legal Division whether the vendor review process and evaluation information could be provided to the committee members in advance of the meeting.

Mr. Hickey asked Chairman Horsford whether he was comfortable with being able to process and decide on a consultant at the next meeting without reviewing the vendor proposals.

Chairman Horsford said he did not want to make the consultant selection too onerous. Staff along with the selected representatives of the evaluation group would rank the proposals based on the qualifications required in the scope and provide the committee their recommendations including a formal presentation of the top finalists. Then the committee members would make a decision based on the staff review and the presentation. If the committee members wanted to delay the decision for further review, he said that could be decided at the January meeting.

Mrs. Gansert asked to define who would be participating on the technical advisory committee charged with reviewing the vendor proposals.

Mr. Haartz said the evaluation group would not be structured specifically as a technical advisory group but rather an evaluation committee. Staff from the Fiscal Analysis Division and a representative from the Chancellor's Office, the Budget Division and the

State Purchasing Division would comprise the evaluation committee to review the submitted proposals.

Mrs. Gansert volunteered to be a member of the subcommittee to evaluate or pre-evaluate the proposals before being presented to the entire membership on January 11, 2012.

Chairman Horsford said he would check with the Legal Division because if a technical advisory committee was selected then there was a whole set of open meeting processes that needed to be followed. Because of the time constraints and people's schedules, he did not want to slow down the process and thought the designated staff could evaluate the proposals and provide recommendations to the committee members.

Mrs. Gansert proposed for the members to receive copies of all the proposals before the evaluation group met so the members would have an opportunity to provide their input to the staff members.

Chairman Horsford said without objection from the Legal Division copies of all the responses to the RFP could be provided to the committee members in order to provide feedback to the evaluation group of staff who would evaluate the proposals prior to the committee meeting in January.

Mrs. Smith commented that she had been on a committee, which utilized a RFP with a similar process for staff evaluation of the proposals and said the process worked well. After the staff evaluation, the committee members had the opportunity to participate in the selection process of the finalist. She said staff had evaluated proposals in the past and were experienced so she was confident the committee would be ready to make a decision on a consultant at the January meeting.

> ASSEMBLYWOMAN SMITH MOVED TO ACCEPT THE RFP PROCESS WITH THE RECOMMENDED CHANGES AS INDICATED TO STAFF. SENATOR PARKS SECONDED THE MOTION.

Before finalizing the motion, Mrs. Gansert asked if staff could review the proposed changes to the RFP as discussed by the committee.

Mrs. Smith asked to add to her motion for the Chairman to have the authority for approval of the final document and to direct staff for the release of the RFP.

Mr. Haartz provided a recap of the changes to the RFP as requested by the committee members. The first change was on page 14 of the meeting packet (Exhibit A) regarding the identification and definition of best practices within the context of the funding formula as well as adding information on best practices as tied to the NGA Complete College of America initiative. Continuing, he said number 1e also on page 14 under Cost Areas with regard to the discussion of remedial instruction distance education, the RFP would be updated to clarify how it was funded in addition to how the courses were defined, provided and addressed. Also proposed under number 1, Cost Areas was the addition of a new item g to address utilities and to obtain information from other states on how utilities were funded.

Chairman Horsford thought the new item g, concerning Utilities would be more appropriate under number 4, Facilities, on page 15 of the meeting packet (Exhibit A), rather than number 1.

Continuing, Mr. Haartz said the committee was also interested in understanding the policy other states had adopted in the funding of remedial instruction, and language could be added on distance education courses as well. Number 3, on page 15 of the meeting packet (Exhibit A) would address the issue of administrative computing clarified to encompass student data systems and specifically the Integrate system adopted by NSHE. Information on how revenues from facilities were budgeted and addressed in the context of the funding formula would be added to number 4 on page 15. Noting the discussion on financial aid, on page 16 of the meeting packet (Exhibit A) the consultant would be asked to provide a system versus system comparison on how financial aid was funded. In addition, financial aid would be stratified to account for those states that provided specific appropriations for financial aid to students, as well as account for those systems which did not have appropriations, but had a fee based or other revenue source based financial aid system and how that was taken into account in the funding formula. Mr. Haartz said on page 16, the issue of workforce development and page 17, activities that promote the state's economic development, would be extracted and bundled together as a separate standalone area in which the consultant would be asked to provide information on how other states address funding those two issues within the context of their systems of higher education. He indicated language would be added on page 17 of the meeting packet (Exhibit A) asking the consultant to look at how states use performance related components within the context of the NGA Complete College of America and which performance related measures achieved the best results. The next deliverable looked at student enrollments as the basis of the formula funding for higher education. Mr. Haartz indicated the committee desired to add clarification specifically to make sure the consultant identified the definition of a student full-time equivalent in other states; how other states defined completed course; and the variance by institution type of the measurement of student success. On number 4 on page 17 of the meeting packet, the analysis and report of states' higher education and general fund and other allocation percentages, the committee requested to include two changes. The first change was to have local funds be specifically identified as other types of revenue sources. The second change referred to allocation percentages and the need to break out and identify the difference between operational funding and capital funding that systems of higher education received. Mr. Haartz concluded his overview of the proposed changes to the RFP.

Mark Krmpotic, Fiscal Analyst, Fiscal Analysis Division, communicated to make another change to the Payment section of the RFP on page 23 of the meeting packet (Exhibit A) as requested by Mrs. Smith, regarding tying the payment to the deliverables.

For final committee passage, Chairman Horsford repeated the motion to approve the request for proposal as recommended by staff with the recommendations and changes as proposed. The motion was by Mrs. Smith and seconded by Senator Parks authorizing staff to make the necessary changes and for the Chairman to review the final document before it was released.

THE MOTION PASSED UNANIMOUSLY.

VI. DISCUSSION OF TIMELINE FOR CONDUCTING THE STUDY, INCLUDING ADOPTION OF COMMITTEE MEETING SCHEDULE.

Mr. Haartz said a potential committee working timeline was shown on page 31 of the meeting packet (Exhibit A). The timeline was developed in order for the committee to complete its work by the end of June 2012 and to allow NSHE time to incorporate any recommendations from the committee into its 2013-15 biennial budget request. Meeting dates identified on the timeline were based upon the RFP and deliverables from the consultant. He explained the timeline showed a quick turnaround from receiving the deliverables, to review of the deliverables and then to requesting more information from the consultant.

Chairman Horsford asked if the members had any major conflicts with the meeting dates proposed in the timeline. If there were none, he wanted the dates as listed to be the set schedule. However, if members had conflicts in the scheduling he asked them to notify Mr. Haartz so adjustments could be made.

Dr. Geddes asked if the all the meetings would start at 9:00 a.m. Chairman Horsford said yes.

Mr. Hickey wondered why number 10 on the timeline listed 2013 bill draft requests as a possible action for the May 23, 2012, meeting. He thought it might be better to include that after the committee approved the formula funding recommendations.

Mr. Haartz said it could be moved to the committee’s final work session. He also noted all the meetings would be held in Las Vegas and videoconferenced to Carson City and Elko.

Chairman Horsford requested Mr. Haartz to work with the Board of Regents regarding their strategic plan and Mrs. Gansert regarding the NGA Complete College of America initiative to determine a time when the groups were ready to present any of their respective plans to the committee. In addition, he wanted to schedule a time on a future agenda for students and faculty to attend a meeting to testify on tuition, student-derived revenue, or any other higher education funding issues.

Dr. Geddes offered rooms of any of the system campuses to hold the meetings. Chairman Horsford said the committee would probably utilize a space on campus that allowed for the consultant to facilitate working discussions with the committee and for the public to testify.

VII. REVIEW OF THE NEVADA SYSTEM OF HIGHER EDUCATION'S BUDGET AND FUNDING STRUCTURE, INCLUDING THE USE OF THE CURRENT FORMULA IN FUNDING THE SYSTEM'S STATE SUPPORTED OPERATING BUDGETS.

Mr. Haartz said beginning on page 35 of the meeting packet (Exhibit A) was an overview staff prepared for the committee regarding how the existing higher education funding formula worked. In addition, for reference each member had received a copy of the prior study conducted in 2000 as a result of S.B 443 approved by the 1999 Legislature. The formula funding methodology contained in the previous study was enacted by policy and historically used by the legislative money committees, NSHE, the Governor and the Board of Regents up until the last several legislative sessions. He pointed out that the overview only referred to the state supported operating budgets. There were other budgets that were referred to as the self-supporting budgets, which NSHE and the Board of Regents used to budget operating and other costs; however, those were not reviewed in the legislative process. He said there were several changes in the 2011 Legislative Session in which a number of state supported operating budgets were consolidated by the money committees leaving 15 state supported operating budgets to be reviewed the Legislature. Of those 15 budgets, 7 were defined as the formula budgets and were each institutions main instructional budgets funded utilizing the formula. There were 8 non-formula budgets, which were built and funded on a base plus funding methodology. This was a more traditional base budget approach, which mostly looked like a regular Executive Branch budget.

Continuing, Mr. Haartz said the higher education formula funding study conducted in the 2000 Interim looked at several areas and made key points. One of the areas studied was the funding inequity between comparable NSHE institutions and considered strategies to address it, particularly in terms of faculty salaries. As a result, faculty salary adjustments were made and the policy implemented by the Legislature.

Mr. Haartz also noted that for the 2001-03 biennium there was $3 million requested by the Governor to implement the performance funding, but a complete plan was not put forward to implement the funding. As a result, the funding recommended by the Governor was subsequently approved by the Legislature for research activities instead of putting it toward performance funding.

Mr. Haartz directed the committee to page 37 of the meeting packet (Exhibit A) to discuss information about the main components of the funding formula as it currently existed. He said the formula represented a level of projected need that the formula calculated for each institution. The formula was based upon a series of drivers or factors that had been approved and were used to calculate costs. He said the primary driver of the instructional formula was student enrollments, which were calculated as student full-time equivalents based upon the projected number of credit hours, and stratified by program costs and level of discipline. The primary factor of the instructional formula was the student-to-faculty ratio, and another significant formula factor was the ratio of support staff to professional instructional staff. Another driver of the formula was the operation and maintenance of the physical plants and it used staffing ratios as well based upon maintained and improved square footage, with additional consideration for the age of the infrastructure. Adjustments in the formula were also included which attempted to take into account economies of scale and the rural nature of some of the institutions with specific costs of providing services in the rural areas.

To explain further about the functional areas, Mr. Haartz turned to page 37 of the meeting packet (Exhibit A). He said student full-time equivalents were calculated at an undergraduate level of 15 credit hours per semester or 30 hours per year. The graduate level was stratified into master's and doctoral levels. Once student full-time equivalents were established those were further stratified into four levels to take into account the differential cost of providing certain courses, including clinical, high cost, medium cost and low cost. Page 38 of the meeting packet showed examples of clinical, high cost, medium cost and low cost courses based on the current taxonomy of cost and classification of the courses. Mr. Haartz noted that currently remedial instruction costs were not included in the formula at the two universities, but were included in the formula for calculating Nevada State College. The community colleges were calculated at the medium cost level. He indicated the number of student full-time equivalents drove the number of faculty needed. This driver was based upon the previous formula study, although since it was adopted there had been nominal adjustments made in the budgeting process in the student-to-faculty ratios used in the funding formula.

Continuing, Mr. Haartz said the next major formula component was the academic support formula and as noted on page 39 of the meeting packet (Exhibit A) was an overall subformula that calculated the administrative staff-to-faculty ratios, including library staffing. Then from the number of faculty the number of support staff was derived and the formula calculated the cost for professional and classified positions. He explained there were also differences in the formula factor based on the institutional level, its size and where it was located.

Chairman Horsford asked who determined the formula factors and ratios, and when were they determined.

Mr. Haartz said each of the ratios, numbers, drivers, and factors were approved by the S.B. 443 study committee in 2000. The information was presented during the 2001 Legislative Session for incorporation into the higher education budgets and approved by the 2001 Legislature. He reported there had been nominal changes over time as part of the budget process where adjustments were made based on budget policy discussions.

Chairman Horsford noted that in the 2009 and 2011 Legislative Sessions none of the specific drivers and numbers were part of the policy discussion because they were in the formula, except for enrollment, which was discussed during both sessions. He thought it was timely to review it again because some of the factors that existed in 2000 did not exist presently and would not exist in the future. He thought it was a good time to understand how and why the current formula worked.

Mr. Haartz moved to number 4 on page 43 of the meeting packet (Exhibit A), changes in the use of the funding formula over the last two biennium. He indicated several changes occurred specifically related to the use of the funding formula in the 2009-11 biennium primarily centered on the availability of funding. The money committees and the Legislature approved the use of the formula to distribute available funding. Mr. Haartz pointed out the formula calculated a projected need and then distributed available funding, and it provided an equitable distribution based upon the formula components. As a result of the availability of funding, the formula was used in the 2009 biennium by the Legislature not to calculate funding, but to distribute the available funding. He reminded the committee that enrollments were the primary driver of how a student full-time equivalent was calculated. With that in mind, Mr. Haartz said the enrollments were not calculated based upon the traditional three-year methodology, but were projected as flat to Fiscal Year 2009, which was the current projected enrollment as the basis for the distribution of funding. There were also some funding shifts for the basis of hold harmless and equity funding between some of the institutions. Mr. Haartz said in the 2011 Legislative Session the funding formula was not used for purposes of either calculating need or distributing funding. Its use was suspended by the Legislature at the recommendation of NSHE and funding was allocated based upon the proportionate allocations that were contained in the Governor's Recommended Budget. The enrollment projection methodology was also not utilized and suspended, with enrollments again projected as being flat to Fiscal Year 2011, which was the most current data available at the time. Mr. Haartz said the Legislature's action for the 2011 biennium was taken at the same time the Legislature discussed S.B. 374 and the need to review the funding formula.

VIII. PUBLIC COMMENT.

There was no public comment.

IX. ADJOURNMENT.

Mr. Krmpotic said although there were no objections to agenda item VI, Legal staff suggested a formal motion be taken regarding the adoption of the committee work timeline presented in the meeting packet (Exhibit A) on page 31.

MR. PAGE MOVED TO ACCEPT THE RECOMMENDED COMMITTEE MEETING TIMELINE. ASSEMBLYMAN HICKEY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chairman Horsford thought the committee got a lot of work done and he appreciated the member's participation and recommendations. The next scheduled meeting was on January 11, 2012 at which time the committee's primary purpose was to review the evaluation of the respondents of the RFP and to make any necessary decisions and actions at that time. Without any further business to come before the committee, Chairman Horsford adjourned the meeting at 11:30 p.m.

Respectfully submitted,

____
Patti Sullivan, Committee Secretary

APPROVED:

____
Steven A. Horsford, Chairman

Date:__________________________

Copies of exhibits mentioned in these minutes are on file in the Fiscal Analysis Division at the Legislative Counsel Bureau, Carson City, Nevada. The division may be contacted at (775) 684-6821.

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M E M O R A N D U M

DATE: November 30, 2011

TO: Prospective Consultants

FROM: Alex Haartz, Program Analyst
Fiscal Analysis Division

SUBJECT: **Request for Proposals for a Consultant(s) to Assist in a Study of the Funding of Higher Education in Nevada**

Senate Bill 374, as enacted by the 2011 Legislature, created the Committee to Study the Funding of Higher Education in Nevada to examine certain funding issues related to the Nevada System of Higher Education, the state's system of public universities, state college, community colleges, professional schools and a research institution. In conducting the study, the Committee is required to:

1. Compare the existing method of funding higher education in Nevada with the methods used in other states;
2. Determine whether the other methods would be appropriate and useful in Nevada, whereby different missions of universities, state college, colleges and research institutes are appropriately considered in the funding of public higher education in Nevada;
3. Review the funding of remediation in the context of instructional delivery methods;
4. Consider the retention of resident registration fees and non-resident tuition outside of the state supported operating budget;
5. Consider funding in the context of completed courses in contrast to the current method of funding enrollments;
6. Consider rewarding institutions within higher education for achieving defined goals for graduating students; and
7. Submit to the Legislative Commission a report of its findings and recommendations for legislation before the commencement of the 77th Session of the Nevada Legislature in February 2013.

Pursuant to Section 4 of Senate Bill 374 (Attachment A), the Committee is requesting proposals from consultants to assist the Committee in conducting the study. The resultant contract(s) will be effective from approximately **January 16, 2012**, through **August 31, 2012, with the deliverables contained within the Scope of Work primarily completed by June 30, 2012**.

The Request for Proposal is attached. All proposals (one original and six copies) must be received by 5:00 p.m. PST, on **Friday, December 30, 2011**. **No allowance will be made for late submission unless postmarked on or before December 24, 2011, and received prior to award.**

All questions pertaining to the Request for Proposal must be made in writing to Alex Haartz ahaartz@lcb.state.nv.us. Questions will be accepted until 5:00 p.m. PST, on **December 15, 2011**. To the extent possible, responses to all vendor questions will be posted publicly by 5:00 p.m., PST, on or by **December 22, 2011**, on the legislative website at http://www.leg.state.nv.us/App/rfp/A/Default.aspx**.**

STATE OF NEVADA
LEGISLATIVE COUNSEL BUREAU

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REQUEST FOR PROPOSALS FOR A CONSULTANT(S) TO ASSIST IN THE STUDY OF THE FUNDING OF HIGHER EDUCATION IN NEVADA

Release Date: November 30, 2011

Closing Date: December 30, 2011   Time: 5:00 p.m. PST

For additional information, please contact:

Alex Haartz, Program Analyst, Fiscal Analysis Division
Legislative Counsel Bureau, 401 South Carson Street, Carson City, NV 89701-4747
Telephone: (775) 684-6821   Email: ahaartz@lcb.state.nv.us

Firm Name:____

Address:____

City:__________________________ State: __________ Zip Code: _________

Telephone: (_____)______________ Federal Tax ID #: ____________________

Signed: ______________________________ Date: _______________

Print Name and Title: ____________________________________

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I. GENERAL INFORMATION

The Legislative Counsel Bureau (LCB) is the nonpartisan, centralized agency serving both houses and all members of the Nevada Legislature. The Fiscal Analysis Division of the LCB provides the Legislature with independent reviews and analyses of budgetary and fiscal matters.

The Nevada System of Higher Education (NSHE) is governed by a 13-member Board of Regents. The System comprises the Chancellor's Office; the University of Nevada, Reno (UNR); the University of Nevada, Las Vegas (UNLV); Nevada State College at Henderson (NSC); the College of Southern Nevada (CSN); Great Basin College (GBC); Truckee Meadows Community College (TMCC); and Western Nevada College (WNC). The NSHE also includes three professional schools and a research institute: the University of Nevada School of Medicine (UNSOM), UNLV Law School, UNLV Dental School, and the Desert Research Institute (DRI). The state supported instructional operating budgets for the NSHE's seven teaching institutions are largely funded (65.3 percent in FY 2012) with state General Fund appropriations, which have historically been calculated and distributed through student enrollment driven funding formula(s). The current higher education funding formula has been used by the Nevada Legislature in arriving at final funding levels for the NSHE since FY 2002. The funding formula has been used principally to ensure the equitable distribution of available funding among the NSHE's formula budgets.

The amounts of funding appropriated by the Legislature for the state supported operating budgets of the professional schools and the Desert Research Institute are primarily determined through the Base plus incremental budget process. Additionally, effective FY 2012 (July 2011 – June 2012) there are four, non-formula operating budgets in which state General Fund monies have been appropriated: NSHE System Administration, System Computing, Special Projects, and the State Perkins-National Direct Student Loans. The state support for these budgets has traditionally been determined through Nevada's Base plus incremental budget process.

The higher education funding formula was last reviewed and revised by the 2001 Legislature as a result of the 1999 Legislature's approval of Senate Bill 443 which created the Committee to Study the Funding of Higher Education in Nevada. The study was conducted during the 1999-2000 Interim period. An electronic copy of the Committee's report can be obtained at http://www.leg.state.nv.us/Division/Research/Publications/InterimReports/2001/Bulletin01-04.pdf

A subsequent study to evaluate public higher education programs in Nevada was undertaken during the 2003-2004 Interim as a result of the 2003 Legislature's passage of Assembly Bill 203 which created the Committee to Evaluate Higher Education Programs in Nevada. An electronic copy of the Committee's report can be obtained at http://www.leg.state.nv.us/Division/Research/Publications/InterimReports/2005/Bulletin05-03.pdf

Actions of the 2011 Legislature

After reviewing the budgetary impacts which would result from utilization of the funding formula, the 2011 Legislature suspended the use of the funding formula for the calculation and distribution of state General Fund appropriations to the NSHE state supported instructional operating budgets for the 2011-13 biennium. As a result, the $472.4 million in General Fund monies approved by the 2011 Legislature for higher education in each year of the 2011-13 biennium was distributed to each NSHE state supported operating budget based upon the proportionate share each budget received in FY 2011 and as recommended in The Executive Budget.

The 2011 Legislature approved total funding for the NSHE's state supported operating budgets of slightly more than $700 million in each year of the 2011-13 biennium. In addition to the $472.4 million in annual state General Fund appropriations, the 2011 Legislature authorized annual student per-credit hour registration fee revenues of approximately $172.0 million, non-resident tuition revenues of approximately $48.0 million and miscellaneous student fee revenues of $2.7 million. The student-derived revenues represent nearly all of the non-state revenues authorized by the 2011 Legislature for the NSHE state supported operating budgets in each year of the 2011-13 biennium.

A related action approved by the 2011 Legislature's money committees was the consolidation and elimination of ten (10) of the NSHE's non-formula, state supported operating budgets. These non-formula budgets were primarily consolidated into the formula-driven, instructional budgets of the University of Nevada, Reno and the University of Nevada, Las Vegas. An electronic summary of the NSHE's legislatively approved, state supported operating budgets for the 2011-13 biennium can be obtained at: http://www.leg.state.nv.us/Division/fiscal/FISBU210/BASN210_2011-13/020_EDUCATION_SUMMARY.pdf (pages 75 through 143).

Senate Bill 374 of 2011 Legislative Session

Pursuant to Senate Bill 374 of the 2011 Legislative Session, a committee comprised of twelve (12) appointed voting members and four (4) appointed, non-voting members is required to:

1. Compare the existing method of funding higher education in Nevada with the methods used in other states;
2. Determine whether the other methods would be appropriate and useful in Nevada, whereby different missions of universities, state college, colleges and research institutes are appropriately considered in the funding of public higher education in Nevada;
3. Review the funding of remediation in the context of instructional delivery methods;
4. Consider the retention of resident registration fees and non-resident tuition outside of the state supported operating budget;
5. Consider funding in the context of completed courses in contrast to the current method of funding enrollments;

6. Consider rewarding institutions within higher education for achieving defined goals for graduating students; and
7. Submit to the Legislative Commission a report of its findings and recommendations for legislation before the commencement of the 77th Session of the Nevada Legislature in February 2013.

II. SCOPE OF WORK

1. Inventories and Analyses of States' Methodologies to Fund Higher Education

   The consultant shall provide the Committee with a list of states that presently fund higher education through the use of funding formulas as well as a list of states that presently do not use a funding formula. The consultant will provide specific, detailed information on the formula and non-formula (e.g. Base plus incremental) methodologies currently used to fund higher education for each respective state. In addition to the inventories, the consultant will provide the Committee with a written narrative analysis, including an executive summary, of the funding methodology information for each state. The written analysis shall also include information on the specific higher education funding policy goals associated with each state's funding methodology.

   A. For each state that does not utilize a formula to fund public higher education, the inventory and analysis must provide detailed information on the key, determinative factors and considerations and the budgetary mechanism utilized in determining the level of appropriated and authorized funding for higher education in that state. The funding analysis should be both general and specific for each institution or institution type (community college, four-year institution, research university and research institution) in particular if the utilized funding methodology differentiates between institution types.

      The consultant will provide the Committee with the inventory and written analysis of non-formula states on or before April 19, 2012.

   B. For those states which utilize a funding formula, the inventory and analysis must identify and explain the determinative factors and components of each state's formula, overall and by specific budgetary functional area: instruction, research, public service, academic support, student services, institutional support, operations and maintenance of physical plant and scholarships. The inventory created for the formula states must include, without limitation, information and an analysis of the cost areas listed beginning on the next page, B(1) through B(11), and identify differences in how funding is derived in the formula components for the aforementioned functional areas relative to whether the institution is a community college, four-year institution, research university or research institution.

      To assist the Committee in understanding the primary differences between Nevada's and other states' funding formulas, in addition to the written analysis to be prepared, the consultant will also provide the Committee with a matrix, table or other summary level format which identifies the primary formula components utilized by Nevada and the most common formula components utilized by other states. The information provided should be organized by the budgetary functional areas previously identified.

Identification of Best Practices: In the delineation of each state's formula components, the written analysis prepared by the consultant shall identify those formula components or characteristics which the consultant considers to be a "best practice" for purposes of a public higher education funding formula. The consultant shall define the criteria, such as an accepted national standard, used to determine whether a component or characteristic is a "best practice." The consultant should also delineate how the best practices align with the performance metrics established in the National Governors Association (NGA), Complete College America Initiative used to measure program progress and success.

The consultant will provide the Committee with the inventory, written analysis, summary level and best practices information for formula states on or before April 19, 2012.

For states which utilize a funding formula, the inventory and written analysis prepared by the consultant shall include, but not be limited to, the following cost areas:

Cost Areas

1) Explain how funding is determined for instruction and related areas, such as faculty and instructional support staff, including descriptions of:
    a) Student to academic faculty ratios;
    b) Instructional support staff to academic faculty ratios;
    c) Factors accounting for program and academic discipline differences;
    d) Factors accounting for level of instruction (lower division, upper division, masters, doctoral) differences;
    e) How remedial instruction and distance education courses are defined, provided, addressed and funded by the funding formula;
    f) Policies under which remedial instruction and distance education are funded; and
    g) Letters of appointment, teaching assistant and graduate assistant funding determinations.

    For each state which utilizes student to faculty ratios, the inventory and analysis shall list the ratio utilized by each state's formula. The analysis shall also include the methods used and or requirements followed to determine the proportion of faculty positions funded at less than full-time. Additionally, for each state, the report will also contain information on the proportion of classes taught by part-time faculty at institutions and indicate whether there are goals or standards established for such proportions as part of a state's funding formula.

2) Explain how funding is determined for salaries, including descriptions of:
   a) How budgeted salaries for new faculty and classified positions are determined;
   b) How budgeted salaries for existing faculty and classified positions are determined on an ongoing basis;
   c) How merit awards are calculated; and
   d) How equity pay adjustments are calculated.

3) Explain how funding is determined for technology, including descriptions of:
   a) How academic (instruction, research and public service) computing needs are funded;
   b) How administrative computing needs are funded, including but not limited to student data systems. The consultant must specifically comment on funding methodologies for systems in other states that are similar to Nevada's INTEGRATE system; and
   c) How technology costs for distance education and off-campus instruction is funded.

4) Explain how funding is determined for facilities, including descriptions of:
   a) How the age of a facility is incorporated in formula funding for facilities;
   b) How the academic programs and levels of discipline conducted in a facility are accounted for in the formula;
   c) How the formula accounts for space utilized for research activities rather than instruction;
   d) Whether the number of students using a facility influences the funding for the operation and maintenance of a facility;
   e) How the hours of use of a facility influences funding for the operation and maintenance of a facility;
   f) How the formula accounts for grounds maintenance;
   g) How revenues generated from facility usage or rental are budgeted and utilized;
   h) How the requirements of the Americans with Disabilities Act and other federal mandates are incorporated into formula funding; and
   i) How the formula determines funding for utility costs.

5) Explain how funding is determined for equipment, including descriptions of:
   a) The funding of new instructional/academic and office equipment in the formula;

b) The funding of replacement instructional/academic and office equipment in the formula; and
c) The funding for the maintenance of equipment.

6) Explain how funding is determined for libraries, including descriptions of:
   a) How the funding of print materials (books, periodicals, monographs and other materials) is determined;
   b) How the funding for electronic materials (books, periodicals, monographs and other materials) is determined;
   c) How library automation is funded by the formula;
   d) The manner by which the need for library facilities is determined; and
   e) How the funding formula incorporates the sharing of materials, both print and electronic between academic institutions.

   In addressing items 6(b) and 6(c), if applicable, the analysis should comment on the impact of technological innovation on the funding for library support and the provision of library services.

7) Explain how funding is determined for academic support, including descriptions of:
   a) Academic administration including administrative faculty staffing ratios and administrative support staff ratios;
   b) Academic operations; and
   c) Audiovisual services.

8) Explain how funding is determined for student services, including a description of:
   a) Admissions;
   b) Bursar's office;
   c) Financial aid offices;
   d) Student counseling services;
   e) Student health services;
   f) Career planning services;
   g) Learning resource and tutorial centers; and
   h) Students with special needs, such as disabled, veteran, minority and non-traditional students.

9) Explain how funding is determined for institutional support, including descriptions of:
   a) Alumni affairs and directed services;
   b) Campus policing and security;
   c) Budget and Financial Administration office;
   d) Purchasing;
   e) Public and governmental relations;
   f) Offices of the President and Vice President(s);

g) Human resources;
h) Development activities;
i) Controller's Office; and
j) Any other activities with the primary purpose of providing operational support for the daily functioning of the institution.

10) Explain how funding is determined for the following areas:
 a) Public service;
 b) All forms of financial aid, including but not limited to, scholarships, need-based financial aid, student loans, work study, and grants in aid and how that financial aid is funded (e.g., institution generated resources, direct state appropriation, or federal grants or distributions);
 c) Athletics;
 d) Hazardous material management or related issues;
 e) Multi-campus operations; and
 f) Childcare.

11) Explain how funding is determined for research, including a description of the methodology used to fund activities which support the commercialization/transfer of research efforts.

12) Explain whether funding is provided for higher education and if so how for:
 a) State economic development. The consultant should reference the economic development plan entitled "Unify / Regionalize / Diversify: An Economic Development Agenda for Nevada." http://www.brookings.edu/~/media/Files/rc/papers/2011/1114_nevada_economy/1114_nevada_economy.pdf prepared on behalf of the state of Nevada.
 b) Workforce development. The consultant should describe how higher education institutions in other states align their programs with workforce development strategies.

2. Analysis and Report on States' Inclusion of Performance Related Components in Higher Education Funding Formulas

The consultant shall provide an analysis and report on states' use of performance criteria as a component of states' funding formulas. The analysis and report should describe the performance criteria, explain how it is applied in the funding formula in each state and identify the relative strengths and weaknesses of each identified performance criteria. The consultant should delineate how the criteria align with the performance metrics established in the NGA's Complete College America Initiative and the Nevada Board of Regents' strategic plan and comment on the measures that have been found to be most effective.

The consultant will provide the Committee with an initial analysis and report on states' use of performance related formula components on or before February 22, 2012 and provide updated reports at subsequent meetings based upon receipt of additional information from the NGA's Complete College America Initiative and the Board of Regents strategic plan.

3. Analysis and Report on States' Use of Student Enrollments as a Basis for Higher Education Formula Funding

   The consultant shall provide an analysis of states' use of full-time equivalent student (SFTE) enrollments as a "driver" of a higher education funding formula. In addition, the analysis shall also include information on states' use of completed courses (student credit hours) as the basis of a higher education funding formula in lieu of SFTE enrollments. The report shall include the definitions of "a full-time equivalent student," "completed course" and "student success" used by states and discuss the relative strengths and weaknesses of utilizing each as the primary driver of formula funding.

   The consultant will provide the Committee with the analysis and report on states' primary drivers on or before February 22, 2012.

4. Analysis and Report on States' Higher Education General Fund and Other Revenue Allocation Percentages

   The consultant shall provide to the Committee reports on the percentages of state general fund appropriation and other revenues allocated to public higher education in each state. The reports shall specifically identify the amount of local support or other governmental support provided to public institutions of higher education in each state. Information should be provided for both operating and capital budgets and shall cover the five-year period of State Fiscal Year 2007 (July 1, 2006 – June 30, 2007) through State Fiscal Year 2011 (July 1, 2010 – June 30, 2011).

   The consultant will provide the Committee with the analysis and reports on revenue percentages on or before February 22, 2012.

5. Analysis and Report on State's Budgeting Practices Pertaining to Student-Derived Revenues

   The consultant shall provide the Committee with a report on the current budgeting practices of each (all) state(s) detailing whether student-derived revenues, such as student per-credit hour registration fees, non-resident tuition and miscellaneous student fees are budgeted through the legislative process in conjunction with state general fund appropriations or are excluded from the calculation of public funding of higher education in a particular state. In the event that a state has changed its budgeting practice within the past two fiscal years with respect to student-derived revenues, the consultant shall note and explain the change.

For those states where student-derived revenues are budgeted by the Legislature in conjunction with state general fund appropriations, the report shall identify:

A. Whether general fund appropriations are adjusted to account for the projected and or realized student-derived revenues.

B. Whether the student-derived revenues are transferred to the state's general fund as part of the budgeting process or whether the revenues are retained at a system or institution level.

For those states where student-derived revenues are not budgeted in conjunction with state general fund appropriations, the report shall identify each state and note how the revenues are accounted for or recognized in the budgeting process.

<u>The consultant will provide the Committee with the analysis and report on states' budgeting of student-derived revenues on or before April 19, 2012</u>.

6. <u>Attendance at Meetings of the Committee</u>

As part of the Scope of Work, the consultant must be prepared to attend at least six (6) meetings of the Committee to Study the Funding of Higher Education in Nevada and to present and answer questions pertaining to each of the identified deliverables. The cost of attending Committee meetings must be included as part of the proposal's budget as no additional funding will be made available for consultant travel costs.

Staff from the LCB and the NSHE institutions will be available to assist the consultant in the gathering of Nevada-specific information and data needed to complete the Scope of Work. However, the amount of time and resources necessary to assist the consultant should not interfere with the daily workload or require overtime by the staff of the LCB or the NSHE. Proposals should include an anticipated schedule for LCB and NSHE staff and resources necessary to assist the consultant in completing the project.

III. <u>PROPOSAL PREPARATION AND SUBMISSION</u>

Proposals shall be prepared in accordance with this Request for Proposal and include this document and photocopies thereof with original signatures on each. **<u>ONE ORIGINAL AND SIX COPIES</u>** are required to be submitted on or before **5:00 p.m. PST, on December 30, 2011**. **No allowance will be made for late submission unless postmarked on or before December 24, 2011, and received**

prior to award. Consultants who do not submit the required number of copies may be disqualified.

Please submit the proposal and six copies to:

Alex Haartz, Program Analyst
Fiscal Analysis Division
Legislative Counsel Bureau
401 South Carson Street
Carson City, Nevada 89701-4747

The consultant's company name shall appear on each page of the proposal. The person signing the proposal must initial any erasures, cross-outs, alterations, or other changes.

The person signing the proposal must be authorized to commit the consultant and conduct negotiations or discussions if requested and/or required.

Proposals that are incomplete, appear unrealistic in terms of technical commitments, demonstrate a lack of technical competence, or are indicative of a failure to comprehend the complexity and risk of a contract may be rejected.

The LCB reserves the right to reject any or all proposals, to waive any informalities and/or minor irregularities, and to make the award in the best interest of the Nevada Legislature, with or without further discussion or negotiations.

The LCB assumes no liability for any cost incurred by consultants in the preparation, delivery, or any subsequent meetings relative to responses to the Request for Proposal, or any costs incurred by consultants for travel and other expenses if an oral presentation is requested in the evaluation of proposals.

Proposals may be modified by the consultant at any time, in written form, prior to the closing date at 5:00 p.m. PST, on December 30, 2011. One original and six copies are required for each modification submitted.

Proposals may be withdrawn at any time, by written notice to the LCB. Proposals or modifications received after the closing date of 5:00 p.m. PST, on December 30, 2011, will not be considered **unless postmarked on or before December 24, 2011, and received prior to award.**

Responses to this Request for Proposal will be the primary source of information used in the evaluation process. Therefore, consultants are requested and advised to be as complete as possible in the initial response. However, the LCB may 1) contact any consultant to clarify any response, 2) contact any current users of a consultant's services, 3) solicit information from any available source concerning any aspect of the proposal, and 4) seek and review any other information it deems pertinent to the evaluation process.

Modification to proposals submitted, or withdrawals thereof, made via facsimile, are permissible as long as the received facsimile(s) are followed by the required original and six copies and are received within the required timeframes. **Submission of the consultant's original response via facsimile will be not accepted.**

IV. USE OF SUBCONTRACTORS

If necessary due to the specific skills or tasks required to complete the Scope of Work in this Request for Proposal, the consultant may subcontract with one or more individuals or groups to perform those specific tasks or duties. If a consultant intends to subcontract for services to perform any portion of the Scope of Work, the proposal submitted to the LCB must include the name of the individual or group with which the consultant intends to subcontract, the portion of the Scope of Work for which the subcontractor is to be utilized, the qualifications and prior experience of the subcontractor relative to the specified tasks or duties, and the costs required for the subcontractor to perform these duties.

V. OPENING PROCEDURES

Proposals shall be opened by LCB staff in a manner that avoids, to the extent possible, disclosure of the contents to competing consultants. A register of consultants containing the names of all respondents shall be prepared and retained in the offices of the Fiscal Analysis Division of the LCB. This register shall be opened for public disclosure five (5) business days following the closing date of the proposal.

VI. EVALUATION OF PROPOSALS

The Committee to Study the Funding of Higher Education in Nevada will evaluate the proposals but reserves the right to delegate the review of proposals to a Subcommittee or to staff of the LCB. Proposals will be evaluated on all factors, including, but not limited to:

1. Responsiveness of proposal to the Request for Proposal.

2. Functional and technical merits of proposal.

    A. Qualifications of consultant.
    B. Qualifications of assigned staff.
    C. Prior experience.
    D. Project work plan and timeline to complete the specific components of the scope of work.
    E. Understanding of technical requirements.
    F. Understanding of Nevada's higher education funding methodology.

3. Use of subcontractor (if applicable).

    A. Scope of work to be completed by subcontractor.

B. Qualifications of subcontractor to complete the specified scope of work.
C. Prior experience of the subcontractor related to the specified scope of work.
D. Project work plan and timeline for the subcontractor to complete the specified scope of work.
E. Understanding of the technical requirements of the specified scope of work to be completed by the subcontractor.
F. Itemized cost associated with the services provided by the subcontractor.

4. Proposed method to accomplish the scope of work.

5. Itemized cost associated with the specific components of the scope of work.

6. An oral presentation to the committee by the consultant may be requested.

   (The order listed above is not necessarily an indication of the relative importance of these factors.)

VII. PUBLICITY

No announcement concerning the awarding of the contract as a result of the Request for Proposal can be made by the successful consultant without the prior written approval of the LCB. Additionally, the successful consultant shall not use in its external advertising, marketing programs or other promotional efforts, any data, pictures, or other representations of the state of Nevada, the Nevada Legislature or the LCB, except on the specific advance written authorization by the LCB.

VIII. LIABILITY INSURANCE

1. During the term of the agreement, the successful consultant shall maintain comprehensive public liability and property damage insurance coverage of not less than $1,000,000 in a form and with an insurer or insurers acceptable to the LCB. The policy shall be a combined single limit, bodily injury and property damage, against liability arising out of the services of the successful consultant, its officers, employees, subcontractors and agents, on the project. The successful contractor agrees to name the state of Nevada, the Nevada Legislature, its officers, employees and agents as additional insured's on the policy. The successful consultant may comply with the requirements of this section by endorsement to any blanket policy of insurance carried by the successful consultant provided that the blanket policy meets the requirements of this section. The cost to provide the liability insurance required by this section must be stated separately in the response to this Request for Proposal.

2. Evidence of the policy or policies required by paragraph 1 must be furnished to the LCB at the time of the signing of the agreement and thereafter from time to time as reasonably requested by the LCB. Such evidence must show that the policy or policies shall not be modified or terminated without at least 30 days prior, written notice to the LCB.

IX. INDEMNIFICATION

1. The successful consultant agrees to hold harmless, indemnify and defend the state of Nevada, the Nevada Legislature and their officers, employees and authorized agents against any claim, action, loss, damage, injury, liability, cost and expense of any kind or nature arising from the consultant's breach of the representations, warranties or obligations under the agreement or from the consultant's negligent acts or omissions in performing the agreement.

2. In any claim against the state of Nevada or the Nevada Legislature, their officers, employees and authorized agents by any employee, any subcontractor of the successful consultant, or any person directly or indirectly employed by any of them, or any person for whose acts any of them may be liable, this indemnification shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the successful consultant or any subcontractor under workers' compensation acts, disability benefits acts, or other employee benefit acts.

3. The remedy provided by the indemnification set forth in this section is in addition to, and not in lieu of, any other remedy. This indemnification must not be diminished or limited in any way to the total limit of insurance required by the agreement or otherwise available to the successful consultant.

X. TERMINATION

1. The LCB may at any time, for its convenience and without cause, terminate all or part of the agreement. To terminate the agreement pursuant to this paragraph, the LCB must deliver a notice of termination without cause. Termination of the agreement pursuant to this paragraph shall be within the sole discretion of the LCB and shall become effective upon receipt by the contractor of the notice of termination without cause. The LCB's liability to the contractor with respect to termination without cause is limited to the reasonable costs incurred by the contractor before the effective date of the termination, but not to exceed the maximum fixed fee for the agreement. If requested, the contractor shall substantiate any cost submitted for payment with proof satisfactory to the LCB. This paragraph does not apply to termination for cause.

2. The contractor is in default of the agreement and the LCB may terminate the agreement for cause if the LCB determines any one of the following:

    A. The quality of the work performed by the contractor is unacceptable;
    B. The contractor fails to comply with the terms of the agreement to the satisfaction of the LCB;
    C. The project is more than 30 days behind schedule;
    D. The contractor has breached the agreement in any other respect; or
    E. The contractor has sought, or been forced to seek, protection under the Federal Bankruptcy Act.

3. The LCB is in default of the agreement if, at any time, the LCB materially breaches any term of the agreement.

4. To terminate the agreement for cause, the non-defaulting party shall send to the defaulting party a notice of default. Termination shall become effective ten (10) days after the defaulting party receives the notice of default unless during those ten (10) days the defaulting party cures the default.

5. If the LCB terminates the agreement for cause, the LCB is not liable for any costs incurred by the contractor and the LCB may procure the services from other sources and hold the contractor liable for any excess cost occasioned thereby.

XI. PAYMENT

The consultant will be required to submit monthly progress reports and will be allowed to submit itemized bills to the LCB with those reports. The LCB will pay each bill within 30 days after approval of the bill and any associated progress report by the LCB. The LCB will not approve a bill which includes the final payment on any deliverable until the LCB accepts the deliverable as meeting the specifications of the contract. Ten percent (10%) will be withheld from each payment and will be paid within 30 days after the consultant has completed all of the deliverables and services set forth in the contract between the parties.

XII. NO ASSIGNMENT, TRANSFER OR DELEGATION

The successful consultant shall not subcontract, assign, transfer or delegate, or otherwise dispose of any rights, obligations or duties under the contract without the prior written consent of the LCB.

XIII. INDEPENDENT CONTRACTOR

The parties agree that the successful consultant is an independent contractor and is not a state employee and there will be no:

1. Withholding of personal income taxes by the state of Nevada;

2. Industrial insurance coverage funded by the state of Nevada;

3. Participation in group insurance plans which may be available to employees of the state of Nevada;

4. Participation or contribution by either the independent contractor or the state of Nevada to the Public Employees' Retirement System;

5. Accumulation of vacation leave or sick leave; or

6. Unemployment compensation coverage provided by the state of Nevada.

XIV. CONFIDENTIALITY OF INFORMATION

The successful consultant must agree to maintain the confidentiality of any information, records, and data obtained for the purpose of performing its duties under the contract. The successful consultant must further agree not to use such information for any purpose other than its performance under the contract and that it will require its employees and subcontractors to comply with the confidentiality requirements of this section.

XV. STATE OWNERSHIP

All work performed and all reports, materials, work products and deliverables prepared for the LCB and the Committee to Study the Funding of Higher Education in Nevada pursuant to the contract are the property of the state of Nevada and all title and interest therein shall vest in the LCB and shall be deemed to be a work made for hire and made in the course of the services rendered hereunder. To the extent that title to any such reports, materials, work products and deliverables may not, by operation of law, vest in the LCB or such reports, materials, work products and deliverables may not be considered works made for hire, all rights, title, and interest therein must be irrevocably assigned to the LCB. All such reports, materials, work products and deliverables shall belong exclusively to the LCB, with the LCB having the right to obtain and to hold in its own name copyrights, registrations or such other protection as may be appropriate to the subject matter, and any extensions and renewals thereof.

The successful consultant shall agree not to use, willingly allow, or cause to have such reports, materials and work products used for any purpose other than the performance of its obligations under the contract without the prior written consent of the LCB.

Further, the successful consultant shall agree to give to the LCB and any person designated by the LCB, reasonable assistance, at the expense of the state of Nevada, required to protect the rights defined in this section. Unless otherwise requested by the LCB, upon the completion of the services to be performed, the successful consultant shall immediately turn over to the LCB all reports, materials, work products and deliverables developed pursuant to the contract.

XVI. PROJECT RECORDS

The consultant must agree that the books, records, documents and accounting procedures and practices of the consultant relevant to the agreement are subject to inspection, examination, audit and copying by a person designated by the LCB, at reasonable times and with reasonable notice. The LCB may request at any time, and the consultant shall provide, any such documentation in a form acceptable to the LCB at a location determined by the LCB.

The successful consultant must further agree to preserve and make available any books, records and documents relevant to the performance of the contract for a period of three (3) years after the date of final payment under the contract. If the contract is completely or partially terminated, the books, records and documents relating to the work terminated shall be preserved and made available for a period of three (3) years after the date of any resulting final settlement.

XVII. COMPLIANCE WITH LAWS

The successful vendor shall comply with all applicable federal, state, county, and local laws, ordinances, regulations, and codes in the performance of its duties under the contract.

XVIII. REQUEST FOR PROPOSAL APPLICATION

INSTRUCTIONS: Thoroughly complete all information requested starting as follows (1 through 6). Provide any additional information regarding your company that would be helpful in evaluating your proposal. **Please submit ONE ORIGINAL AND SIX COPIES with your proposal.**

Completed applications must be submitted to the Fiscal Analysis Division of the LCB by **5:00 p.m. PST, on December 30, 2011**. **No allowance will be made for late submission unless postmarked on or before December 24, 2011, and received prior to award.**

QUESTIONS: All questions pertaining to this Request for Proposal must be made in writing to Alex Haartz at ahaartz@lcb.state.nv.us. Questions will be accepted until **5:00 p.m. PST, on December 15, 2011. To the extent possible, responses to all vendor questions will be posted publicly on the legislative website at http://www.leg.state.nv.us/App/rfp/A/Default.aspx by 5:00 p.m. PST, on or before December 22, 2011.**

1. CONSULTANT SUMMARY INFORMATION

   A. FIRM NAME
   B. ADDRESS
   C. TELEPHONE
   D. CONTACT PERSON
   E. FEDERAL TAX ID #

2. DESCRIPTION OF COMPANY

   Describe your company, including organizational structure, age, location of offices, experience, financial stability, and qualifications of key personnel assigned to the project.

3. <u>COMPANY OWNERS</u>

   If not a publicly held company, provide a complete list of owners and officers of company.

4. <u>PROJECT WORK PLAN AND TIMELINE</u>

   The proposed work plan must include a detailed plan and time schedule identifying the work activities that must occur, responsibilities of the consultant and the final products that will be produced.

5. <u>COST – INCLUDING ITEMIZATION OF SCOPE OF WORK COMPONENTS</u>

   The cost proposal must include an itemization of the cost associated with Sections 1 through 5 of the Scope of Work.

6. <u>CURRENT REFERENCES FOR THE LEGISLATIVE COUNSEL BUREAU</u>

   List a minimum of four (4) references, including the name of a contact person, name of company, address, and telephone number who the LCB may contact. References which can speak to prior work engagements with similar scopes of work and higher education are preferable.

Senate Bill No. 374–Senator Lee

CHAPTER..........

AN ACT relating to higher education; creating the Committee to Study the Funding of Higher Education; prescribing the powers and duties of the Committee; making appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill creates the Committee to Study the Funding of Higher Education, establishes the composition of the Committee and prescribes the powers and duties of the Committee. This bill further makes appropriations for the purposes of: (1) conducting a study of the funding of higher education; and (2) paying for the cost of the participation of the members of the Committee who are Legislators.

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~[omitted material]~~ is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. 1. The Committee to Study the Funding of Higher Education, consisting of 12 voting members and 4 nonvoting members, is hereby created.

2. The following persons shall serve as voting members of the Committee:

(a) Three members of the Senate, two of whom are appointed by the Majority Leader of the Senate and one of whom is appointed by the Minority Leader of the Senate;

(b) Three members of the Assembly, two of whom are appointed by the Speaker of the Assembly and one of whom is appointed by the Minority Leader of the Assembly;

(c) Three members of the Board of Regents of the University of Nevada, appointed by the Chair of that Board; and

(d) Three members appointed by the Governor.

3. The Governor shall appoint the following persons to serve as the nonvoting members of the Committee:

(a) One person who is employed in the Budget Division of the Department of Administration; and

(b) Three persons who are employed by the Nevada System of Higher Education.

4. The Chair of the Legislative Commission shall designate one of the members of the Committee as Chair of the Committee.

5. The Director of the Legislative Counsel Bureau shall provide the necessary professional staff and a secretary for the Committee.

ATTACHMENT A

6. For each day or portion of a day during which they attend a meeting of the Committee or are otherwise engaged in the business of the Committee:

(a) The voting members of the Committee who are Legislators are entitled to receive the compensation provided for a majority of the members of the Legislature during the first 60 days of the preceding regular session, plus the per diem allowance provided for state officers and employees generally and the travel expenses provided pursuant to NRS 218A.655.

(b) The voting members of the Committee who are members of the Board of Regents of the University of Nevada are entitled to receive travel expenses and a per diem allowance at the rates established in NRS 396.070.

(c) The voting members of the Committee appointed by the Governor are entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

Sec. 2. The Committee shall:

1. Compare the existing method of funding higher education in Nevada with the methods used in other states;

2. Determine whether the other methods would be appropriate and useful in Nevada, whereby different missions of universities, state college, colleges and research institutes are appropriately considered in the funding of public higher education in Nevada;

3. Review the funding of remediation in the context of instructional delivery methods;

4. Consider the retention of resident registration fees and nonresident tuition outside of the state supported operating budget;

5. Consider funding in the context of completed courses in contrast to the current method of funding enrollments; and

6. Consider rewarding institutions within higher education for achieving defined goals for graduating students.

Sec. 3. The Committee may hold public hearings at such times and places as it deems necessary to afford the general public and representatives of governmental agencies and of organizations interested in higher education an opportunity to present relevant information and recommendations.

Sec. 4. The Committee may employ such educational and financial consultants as it deems necessary for this study.

Sec. 5. The Committee may accept and use all gifts and grants which it receives to further its work.

Sec. 6. There is hereby appropriated from the State General Fund to the Legislative Fund the sum of $150,000 for the purpose of conducting a study of the funding of higher education as provided in sections 1 to 5, inclusive, of this act.

Sec. 7. There is hereby appropriated from the State General Fund to the Legislative Fund the sum of $18,064 for the purpose of the paying for the cost of the participation of the members of the Committee who are Legislators as provided in sections 1 to 5, inclusive, of this act.

Sec. 8. Any remaining balance of the appropriation made by section 6 or 7 of this act must not be committed for expenditure after June 30, 2013, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2013, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 20, 2013.

Sec. 9. The Committee shall submit to the Legislative Commission a report of its findings and recommendations for legislation before the commencement of the 77th Session of the Nevada Legislature.

Sec. 10. This act becomes effective on July 1, 2011.

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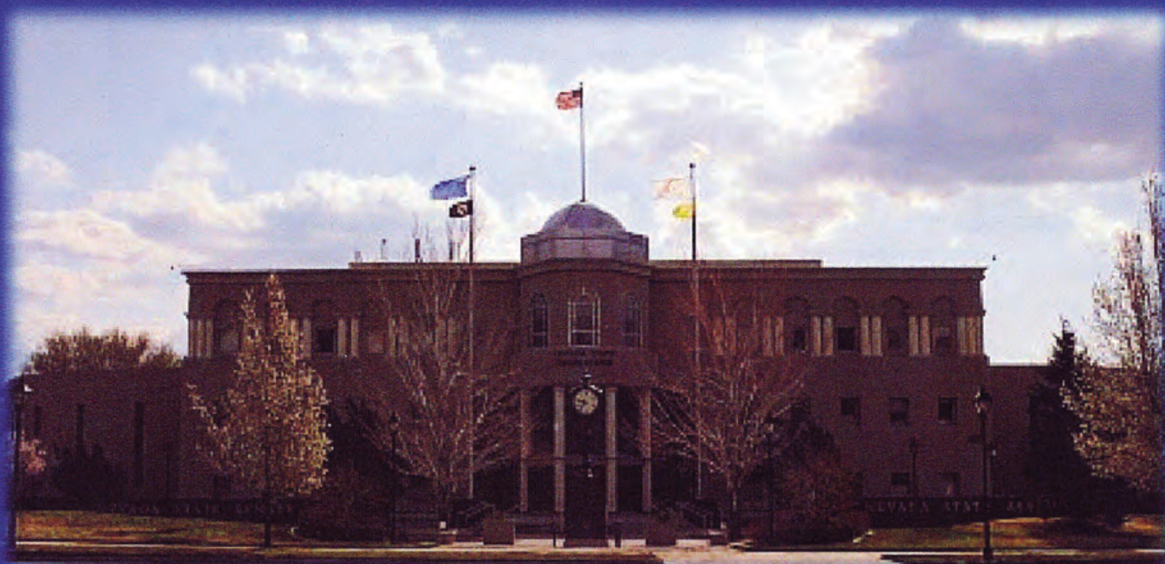
Response to Request for Proposals for a Consultant(s) to Assist in a Study of the Funding of Higher Education in Nevada



as submitted to:
Alex Haartz, Program Analyst
Fiscal Analysis Division
Legislative Counsel Bureau
401 South Carson Street
Carson City, Nevada 89701-4747

MGT OF AMERICA, INC.

Dr. Mary McKeown-Moak, Senior Partner
502 East 11th Street, Suite 300
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mmoak@mgtamer.com (E)

December 22, 2011

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MGT
OF AMERICA, INC.

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FISCAL ANALYSIS DIVISION

December 22, 2011

Mr. Alex Haartz, Program Analyst
Fiscal Analysis Division
Legislative Counsel Bureau
401 South Carson Street
Carson City, NV 89701-4747

Dear Mr. Haartz and Members of the Committee to Study the Funding of Higher Education:

MGT of America, Inc. is pleased to submit this response to the Nevada Legislative Counsel Bureau's Request for Proposals for a Consultant(s) to Assist in the Study of the Funding of Higher Education in Nevada. MGT of America, Inc. is the nation's premier consulting firm in the development and evaluation of funding and accountability models for state systems of higher education. For over 35 years, MGT has provided services to colleges and university systems around the nation. We have read the RFP in its entirety and certify that MGT will comply with all requirements in the RFP.

Our understanding and previous project success comes from the fact that our professionals have worked in higher education, possess in-depth understanding of the realities of higher education funding, and have designed, evaluated, and then administered funding formulas for state higher education systems.

I will serve as project director. I have over 40 years of experience in education as an educational administrator working with colleges, universities, and Regents, in the areas of financial and capital planning, budgeting, and resource allocation. I have developed funding formulas for numerous universities, community colleges, and systems. In addition to my years of successful project work, I have held the positions of Associate Executive Director for Financial Affairs and Senior Financial Officer for the Arizona Board of Regents, and Associate Director of the Division of Finance and Facilities for the Maryland State Board for Higher Education. In those capacities I developed, evaluated, and administered funding formulas, and have what has been called the best data base on funding formula use by all the states. Most recently, I worked with the Nevada System of Higher Education to make recommendations for improvement of the current funding formula.

We have prepared this proposal to address the scope of work and deliverables outlined in the RFP and assigned a team of professionals whose project experience is directly relevant to the goals and objectives of the RFP. I am authorized to commit the firm and to conduct discussions on this proposal. If you have any questions, or need any additional information, please do not hesitate to contact me at 512/476-4697, ext. 4404, at 512/296-4500, or by e-mail at mmoak@mgtamer.com. Thank you very much for this opportunity.

Respectfully,

Mary McKeown-Moak

Mary McKeown-Moak, Ph.D.
Senior Partner

STATE OF NEVADA
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE COMMISSION (775) 684-6800
STEVEN A. HORSFORD, *Senator, Chairman*
Lorne J. Malkiewich, *Director, Secretary*

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Carson City, Nevada 89701-4747
Fax No.: (775) 684-6600
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DONALD O. WILLIAMS, *Research Director* (775) 684-6825

INTERIM FINANCE COMMITTEE (775) 684-6821
DEBBIE SMITH, *Assemblywoman, Chair*
Rick Combs, *Fiscal Analyst*
Mark Krmpotic, *Fiscal Analyst*

LAS VEGAS OFFICE:
555 E. Washington Avenue, Room 4400
Las Vegas, Nevada 89101-1049
Fax No.: (702) 486-2810
BRIAN L. DAVIE, *Legislative Services Officer* (702) 486-2800

REQUEST FOR PROPOSALS FOR A CONSULTANT(S) TO ASSIST IN THE STUDY OF THE FUNDING OF HIGHER EDUCATION IN NEVADA

Release Date: November 30, 2011

Closing Date: December 30, 2011 **Time: 5:00 p.m. PST**

For additional information, please contact:

Alex Haartz, Program Analyst, Fiscal Analysis Division
Legislative Counsel Bureau, 401 South Carson Street, Carson City, NV 89701-4747
Telephone: (775) 684-6821 Email: ahaartz@lcb.state.nv.us

Firm Name: **MGT of America, Inc.**

Address: **502 East 11th Street, Suite 300**

City: **Austin** State: **Texas** Zip Code: **78701**

Telephone: **(512) 476-4697 ext 4404** Federal Tax ID #: **59-1576733**

Signed: Mary McKeown - Moak Date: **December 22, 2011**

Print Name and Title: **Mary McKeown-Moak, Ph.D., Senior Partner**

MGT of America, Inc.'s Response to
Request for Proposal for a Consultant to Assist in the
Study of the Funding of Higher Education in Nevada
State of Nevada Legislative Counsel Bureau

Transmittal Letter
Legislative Counsel Bureau Proposal Form

Table of Contents

1. CONSULTANT SUMMARY INFORMATION

A. COMPANY NAME

MGT of America, Inc.

B. ADDRESS:

502 East 11th Street, Suite 300
Austin, Texas 78701

C. TELEPHONE:

(512) 476-4697

D. CONTACT PERSON

Mary McKeown-Moak, Ph.D.
(512) 296-4500 (cell)
mmoak@mgtamer.com

E. FEDERAL TAX IDENTIFICATION NUMBER

59-1576733

2. DESCRIPTION OF COMPANY

Firm Qualifications and Experience

MGT of America, Inc. is the nation's premier consulting firm in the development and evaluation of funding and accountability models for state systems of higher education. Over the last 37 years, MGT has worked with state systems, their boards, governors, legislatures, and executive agencies in addressing matters related to higher education planning, accountability, and budgeting. Our single-minded purpose is enabling higher education professionals to exercise control over the interrelated elements that determine success or failure of an institution or system. We have provided specialized solutions for the challenges faced by higher education professionals and practical programs developed by consultants with direct operational experience working in colleges, universities and state programs.

MGT currently employs more than 95 staff. The firm is structured as a regular corporation (type C), yet functions as a partnership. Partners are designated as senior partner, partner, or principal. Within the management structure, partners and staff are housed in practice areas arranged around the services MGT provides. Practice areas include:

- Higher Education.
- PK-12 Education.
- Government Performance.
- Criminal Justice and Public Safety.
- Disparity Research.
- Costing Services.
- Facilities.

We invite you to browse our website at www.MGTofAmerica.com and experience firsthand our project management capability.

MGT is an employee-owned firm and is highly motivated and capable of performing the services outlined in this RFP. Our Higher Education Practice Area is a specialized practice at MGT, staffed by seasoned consultants who include former administrators, Board of Regent staff, and other university decision makers. In fact, MGT is the nation's most outstanding firm providing higher education funding, resource allocation, and costing services. Two of our partners who are assigned to this project, Dr. Kent Caruthers and Dr. Mary McKeown-Moak, are considered national experts in higher education finance, having provided advice and services related to funding methods and resource allocation to 45 states, state governing or coordinating boards, legislatures, governors' offices, and numerous colleges and universities.

Our wide-range of specialties includes:

- funding formula analyses;
- revenue analyses;
- program evaluations;
- organizational and operational assessments;
- management and performance reviews;

- human resource studies and analyses;
- strategic planning; and
- facilities reviews, assessments, and capital master planning.

We believe you can distinguish our qualifications from others due to the following features:

- We are the premier national consulting firm in higher education funding and resource allocation services. Our lead partners are national experts in higher education finance.
- We recently completed the study on development of the funding formula for the Nevada System of Higher Education. As a result, we understand Nevada's higher education funding methodology.
- We understand the realities and challenges of managing in the public sector.
- We are an objective and independent consulting firm. We do not have a vested interest in the outcome of this study.
- We pride ourselves on close coordination with our clients to ensure we accomplish the desired objectives.
- Our reports are concise, and written so as to be understandable to a wide ranging audience of readers. We pride ourselves on our excellent communication skills-oral and written-with a wide diversity of stakeholders.
- All of our consultant staff members are former practitioners. Their career experience in higher education ranges from senior financial officers of university systems to professors to residence hall directors. We bring real world, hands-on experience to the table, not just theories and assumptions.

MGT's consulting team includes senior members who have held high-level planning and budgeting positions with university and state systems. Their studies include development of new appropriations request formulas, identification and evaluation of alternative funding methods; development of performance-based funding models; equity analyses; and assessment of budgeting processes and recommendations for change in allocations. These projects have resulted in the development of an extensive library of reference files and financial databases—valuable resources for MGT clients seeking help in this complex area of study. MGT's senior staff members have been responsible for developing funding models for university systems, and for making recommendations to legislatures on formulas or methods of distributing resources as well as developing performance components of the total higher education funding methodology. Our experienced senior staff members are supported by a full cadre of information technology specialists, survey design specialists, and data base managers with state-of-the-art systems.

As shown in the exhibit on the following page, we have worked in 45 states on matters related to formula development, funding equity analysis, peer selection and analysis, and interstate comparisons of funding levels and practices for state systems of higher education. This nationwide breadth of experience contributes directly to our ability to provide an analysis of funding practices across the nation and, more generally, enhances our understanding of best practices. Indeed MGT has been invited by the State Higher Education Executive Officers (SHEEO) to conduct surveys of the funding models or resource allocation methodologies used by the states, most recently in 2006. The results of this survey can be accessed on the SHEEO Web site. In addition, MGT is working with the Southern Regional Education Board (SREB) to survey all states on their performance funding and formula funding methods.

SUMMARY OF MGT EXPERIENCE IN HIGHER EDUCATION PLANNING AND BUDGETING, BY STATE AND BY TYPE OF PROJECT

State	Funding Models	Benchmark or Peer Analysis	Financial Planning and Analysis	Other Planning, Budgeting and Accountability
Alabama	X		X	X
Alaska	X			
Arizona	X	X	X	X
Arkansas				X
California		X	X	X
Colorado				X
Connecticut	X		X	X
Delaware				
Florida	X		X	X
Georgia	X	X	X	X
Hawaii	X	X		X
Idaho	X	X		X
Illinois		X	X	X
Indiana				X
Iowa			X	X
Kansas	X	X		
Kentucky	X	X		
Louisiana	X		X	
Maine			X	X
Maryland	X	X	X	X
Massachusetts				
Michigan			X	
Minnesota			X	X
Mississippi	X	X	X	X
Missouri		X	X	X
Montana	X			X
Nebraska			X	X
Nevada	X	X		X
New Hampshire			X	X
New Jersey		X	X	X
New Mexico			X	X
New York				X
North Carolina	X	X	X	X
North Dakota	X	X	X	X
Ohio	X		X	X
Oklahoma			X	X
Oregon	X	X		
Pennsylvania	X	X		X
Rhode Island				
South Carolina	X	X	X	X
South Dakota				
Tennessee				X
Texas	X		X	X
Utah				X
Vermont				
Virginia	X	X	X	
Washington		X	X	
West Virginia	X		X	
Wisconsin	X			X
Wyoming	X		X	X

We also provide a series of selected project abstracts that describe our experience in performing assignments similar to this study requested by the Legislative Counsel Bureau, as well as a list of our higher education clients that we have had the privilege of serving over the last 37 years. MGT has conducted multiple projects for the majority of these clients, a testament to the quality of our work. Included in the abstracts are projects that have incorporated reviews of other states and systems methods for funding higher education, identification of formula components that address mission differences, identification of best practices, analysis of budgeting practices related to student-derived revenues, and development and incorporation of performance factors in the funding methodology.

MGT presents the following sample profiles for funding formula, benchmarking, or performance funding studies. Additional project descriptions are available upon request.

Funding, Benchmarking, and Performance Studies

Development of Funding Formula
Client: ***Nevada System of Higher Education***

The Nevada System of Higher Education engaged MGT of America, Inc. to provide recommendations on funding formulas through evaluation of the existing Nevada funding formula (the NSHE formula). The review was to include funding sources and consider mission differentials; through review of other states' and systems' funding methods MGT was to contrast and compare the NSHE formula to the other major funding formulas used by the states for public institutions of higher education. MGT made a series of recommendations for improvement of the existing formula, including a performance funding component.

Development of a Performance Funding Model for Arizona Higher Education
Client: ***Arizona Board of Regents, for Making Opportunity Affordable, funded by the Lumina Foundation***

The Arizona Board of Regents (ABOR), acting for *Making Opportunity Affordable (MOA) Arizona,* engaged MGT of America, Inc. to develop a new performance-based higher education funding model for the state of Arizona. MGT worked with a statewide committee of university, community college, legislative, and local officials to recommend a performance funding system for the universities and for the community colleges. MGT reviewed other states' performance funding experiences, analyzed the current Arizona funding formulas, and provided options for a new model.

Consultancy with the Task Force to Recommend a Funding Approach
Client: ***The University of Hawaii and the Hawaii State Legislature***

The University of Hawaii Act 186 Task Force engaged MGT to develop a budgetary system that includes an equitable, consistent, and responsive funding formula for the distribution of fiscal resources to the various University of Hawaii campuses. As one component of the study, MGT evaluated the adequacy of current funding and made recommendations for adjustments to the campus base budgets, including performance indicators and performance funding components that addressed state needs. MGT briefed the Legislature on the funding mechanism and assisted the Task Force in analyzing components of the financial plan to achieve the strategic goals and long-term funding targets for each institution within the University of Hawaii system.

Higher Education Funding and Accountability Study
Client: ***North Dakota Legislative Council***

MGT conducted a higher education funding and accountability study for the North Dakota Legislative Council. As required by 2005 Senate Bill 2003, the study included a comprehensive review of the long-term financing plan for the North Dakota University System to ascertain whether the method of determining and evaluating equity among institutions was appropriate, and whether suitable peer institutions were being used in funding comparisons. MGT evaluated the long-term financing plan in relation to economic growth in North Dakota, assessed the current method of setting funding priorities, established new peers for the institutions, and developed alternative methods of funding. In addition, the study compared North Dakota's financing and performance to national higher education norms and trends, including per capita higher education funding. MGT evaluated the recommendations of the Higher Education Roundtable and identified strengths and weaknesses in implementation. Finally, MGT examined accountability measures currently in use and proposed changes to the measures and benchmarks.

Study of Funding Equity
Client: Idaho State Board of Education

The Idaho State Board of Education engaged MGT to conduct a two-part equity study of the funding of the four senior colleges and universities in Idaho. In part one, MGT validated the peer institutions selected by each of the four institutions (Boise State University, Idaho State University, Lewis-Clark State College, and the University of Idaho), and used information from the peer institutions and other data sources to determine whether resources were allocated equitably. In part two, after determining that resources were distributed inequitably, MGT recommended changes to the resource allocation methodology to improve equity among the four institutions.

Funds Distribution Analysis
Client: Connecticut State University System

MGT contracted with the Connecticut State University System to review the fund distribution methodologies and funding formulas used for public, multi-campus systems of higher education across the United States. The study compared and contrasted the methodologies currently in use in the Connecticut State University System to the methodologies used by similar campus systems. MGT considered the impact of formula-driven budgets, current curricula, and the mix of undergraduate and graduate programs on funding requirements. In addition, MGT examined the need for a base level of funding or recognition of fixed costs in the allocation of resources, and the need for the inclusion of factors that recognize economies of scale. MGT provided recommendations to the Connecticut State University System based on the findings.

Funding Equity Study
Client: University and Community College System of Nevada

MGT assisted the University and Community College System of Nevada in assessing whether its six member institutions (two universities and four community colleges) were funded equitably. MGT used a two-part methodology for the study. First, we made external peer comparisons of support per student for each of the six institutions. Second, we conducted detailed intersystem analyses for both the universities and community colleges, examining funding and staffing levels in the areas of instruction, support services, physical plant and operations, financial aid, and special programs. From these analyses, MGT was able to recommend strategies for addressing inequities. Our recommendations encompassed short- and long-term issues, designed to help the system face the challenges and opportunities of the future.

Review of Resource Requirements Model
Client: South Carolina Commission on Higher Education

The South Carolina Commission on Higher Education contracted with MGT to review the current Mission Resources Requirement Model (MRR), or funding formula, for public higher education. MGT developed a set of guiding principles and criteria to evaluate funding formulas. Comparisons of regional and national reports that address funding were performed to identify data definitions and determine clarity, consistency, and uniformity. MGT identified institutional peers and compared the funding of those institutions to funding for the South Carolina institutions. Analyses compared funding per student for each South Carolina institution to funding per student at the peer institutions and to the Southern Regional Education Board institutions of the same type. MGT compared the MRR to other funding formulas, and developed options and recommendations for revisions to the Model. MGT also evaluated current definitions, guidelines, and other information related to financial reporting and made recommendations for changes in definitions and reporting standards.

Funding Formula and Performance Funding
Client: Pennsylvania State System of Higher Education

MGT assisted the Pennsylvania State System of Higher Education in developing a new funding allocation methodology to distribute its state appropriations to the 14 institutions in the system. The majority of the funds were to be distributed through a need-based formula, and a small portion was to be distributed based on performance. Development of the need-based formula included consideration of economies of scale, recognition of high-cost programs, inclusion of tuition revenues and varying abilities of the constituent institutions to raise tuition revenues, and national trends and practices. MGT reviewed the funding practices of other states as well as the literature on funding formulas and performance funding to analyze the current state system formula. To improve the funding structure, MGT recommended that the funding mechanism be tailored to the special needs of the institutions, while distributing funds equitably. Special attention was given to including factors to fund distance learning, other collaborative learning programs, graduate programs, and university spheres of excellence. MGT suggested performance indicators and a method of translating performance into funding.

Study of State Funding Structure
Client: Mississippi State Board for Community and Junior Colleges

MGT assisted the Mississippi State Board for Community and Junior Colleges with a study of the state's funding structure for community colleges. MGT reviewed historical funding models, compared the Mississippi model to best practices/benchmarks in other states, and developed recommendations for a new funding model approach, which was adopted by the Legislature immediately.

Funding Alternatives for Higher Education
Client: Ohio Governor's Commission on Higher Education and the Economy

The Governor's Commission on Higher Education and the Economy engaged MGT to develop a policy brief on the funding of Ohio higher education. The paper provided guiding principles for a sound funding strategy, assessed Ohio's current higher education funding mechanism to identify elements that should be retained and those to be changed, and outlined two alternative funding mechanisms that might meet the needs of the state. In addition, the brief commented on the role and structure of the Higher Education Funding Commission and summarized the mechanisms used by other states to make funding recommendations to the Legislature. The policy brief concluded with an outline of the change process and strategies to transition from the current funding mechanism to a new mechanism.

Funding Equity Analysis
Client: University of North Carolina

MGT assisted the General Administration of the University of North Carolina in a review of the equity of current funding levels among the 15-member postsecondary institutions. Equity was considered from four different perspectives, including benchmark analyses. The assignment required the development of a revised funding model, based on equity and adequacy concepts that could be integrated into the broader state government budgeting process. Relevant experience gained from the project included: development of peer institution funding comparisons; an analysis of long-term funding trends within the system; and a design of a new funding model.

Peer Selection and Funding Study

Client: ***West Virginia Higher Education Policy Commission***

The West Virginia Higher Education Policy Commission and the West Virginia Council for Community and Technical College Education engaged MGT to assist the Commission and Council in meeting their statutory obligation to review and make necessary adjustments to peer institutions at least every six years. MGT developed peer selection and funding allocation rules that outline a process for selecting peer institutions and a method of allocating any peer equity funding.

Funding Formula Study

Client: ***North Carolina Community College System***

MGT developed specific findings and recommendations in response to a legislative mandate related to the funding level for the North Carolina Community College System. The findings and recommendations were based on a general assessment of all aspects of the current funding model for operations, considering both equity and adequacy issues, and including policies and procedures regarding use of the formulas.

Budget Allocation Model

Client: ***Louisiana Technical College***

The Chancellor of Louisiana Technical College selected MGT to review the budget allocation model used to distribute the state appropriation among the college's 40 campuses. MGT reviewed statutes, policy documents, financial statements, and information systems as well as surveyed the campus deans to assess strengths and weaknesses of the current model. MGT prepared recommendations for both short-term and long-term enhancements to the model.

Review of Funding Formula

Client: ***Georgia Board of Regents***

MGT was selected to perform an internal review of the funding formula used by the Georgia Board of Regents to request their appropriation from the Governor and General Assembly. Specific topics in the formula review included the method for counting enrollments, differentiating instructional needs by discipline and level, assessing requirements for research funding setting competitive faculty salary rates, and calculating tuition requirements.

Assessment of Funding Level for State Higher Education System

Client: ***Mississippi Board of Trustees of Higher Learning***

MGT was selected by the Commissioner of Higher Education to assess the current formula budgeting process and to recommend changes in the request and allocation guidelines. This evaluation was in response to growing concerns of campus officials, Board members and state leaders that the current process did not recognize changing institutional needs and available state resources. MGT's recommendations formed the basis for the Governor's budget proposal to the state legislature.

Review of Instructional Resources Formula

Client: ***North Carolina Community College System***

MGT reviewed and updated the funding model used by the State Board of Community Colleges to allocate the state appropriation among the system's 58 colleges for library books and related instructional resources. The review was part of a multi-year effort by the North Carolina Community College System, with assistance from MGT, to refine its funding models. Key issues addressed in the study included the impact of economy of scale and the changing delivery models used by colleges to provide instructional support services to students and faculty.

Funding Model Assessment
Client: ***West Virginia Legislature***

MGT assisted the West Virginia Legislation Subcommittee on Resource Allocation to assess the strengths and weaknesses of the state's funding model. MGT also analyzed the state's policies for higher education and developed a system to identify needs and allocate state appropriations for the state's universities, regional colleges, and community colleges.

Review of Major Repair and Rehabilitation Funding Model
Client: ***George House of Representatives***

MGT assisted the House Funding Formula Study Committee in its review of the funding processes used for major repairs and renovations of the state's colleges and universities. This involved working with representatives of the University System of Georgia and the Technical College System of Georgia to determine concerns about the current funding model and assess data availability and validity. MGT also reviewed practices employed by other states to fund repairs and renovations.

Development of Higher Education Funding Guidelines
Client: ***Commonwealth of Virginia, Joint Subcommittee on Higher Education Funding Policies***

MGT developed higher education funding guidelines for the Virginia General Assembly's Joint Subcommittee on Higher Education Funding Policies. The study included an assessment of current funding adequacy among the state's four-year institutions and community colleges, the development of base funding guidelines for four-year institutions and community colleges, and the development of alternatives for maintaining institutional base funding adequacy. In addition, MGT developed performance funding options and provided recommendations. The General Assembly used the results of the work in their legislative session.

Handbook for Chief Financial Officers
Client: ***Jossey-Bass, Inc., California***

Mary McKeown-Moak, MGT Senior Partner, and Lucie Lapovsky, President of Mercy College, edited a handbook for chief financial officers of public and private higher education institutions. The handbook was intended to assist both experienced and aspiring chief financial officers to perform their jobs more efficiently and effectively. The publication presented discussions on cutting-edge issues facing chief financial officers of institutions of higher education and provided approaches to solving problems and addressing issues. The handbook addressed trends in tuition and fee setting; capital funding; managing endowments; auditing; risk management; consortia; legislative and governing board relations; funding technology; and funding guidelines. In addition to editing the book, MGT provided chapters on funding formulas that states use in the resource allocation process for public and private higher education institutions, capital budgeting, and campus master planning.

Formula Funding Study
Client: ***Maryland Higher Education Commission***

MGT reviewed funding formulas to assess the adequacy of operating funding for all public colleges and universities in Maryland. Guidelines and formulas in use by the Maryland Commission on Higher Education were reviewed in the context of their historical development using funding formulas developed by other sate systems of higher education. MGT made recommendations on needed revisions to operating budgets, which subsequently were implemented by the Commission.

Capital Funding Study
Client: ***Washington State Office of Financial Management***

The State of Washington's Office of Financial Management retained MGT to develop guidelines and definitions of funding responsibilities for various types of higher education facilities and facility components in the state. This project included an analysis of the historical funding mechanism used to fund capital construction, as well as a survey of funding guidelines used in other states and Canadian provinces. The project also discussed the important role that facilities master plans play in setting the facilities definition for institutions and ultimately the state. Several funding principles were developed that served as the basis for the proposed guidelines. The proposed guidelines covered the following types of spaces: education and general; auxiliary enterprise; student recreation; intercollegiate athletics; contract research; contract institutional; and mixed function projects.

Benchmarking and Performance Study
Client: ***Georgia Office of Planning and Budget (University System of Georgia)***

MGT assisted the University System of Georgia (USG) in conducting a benchmarking study of the 34 USG institutions on selected strategic performance indicators. MGT also assisted in conducting a management review of business practices and in developing a formalized process for the USG to use for collecting data, performing analyses, and reporting accountability.

In Phase I of the study, MGT worked with USG to establish appropriate peer and aspirational groups for each of the Georgia institutions. Data on performance measures and benchmarks were collected from peer institutions and from nationally available data sources to complete data analysis. Findings were summarized to identify potential strengths and weaknesses of USG institutions and to identify optimal ranges of performance. In Phase II of the study, the project team conducted a diagnostic review of the various business functions and policy setting activities performed by the Regents' Central Office and by four USG institutions in the areas of finance, purchasing, human resources, facilities management, grants and contract management, information technology, internal audits, legal affairs, communications, student transportation, auxiliary services, security, and other business functions. Recommendations for short- and long-term actions were provided to identify opportunities for streamlining processes, outsourcing activities, or consolidating/reorganizing functions. In Phase III of the study, the project team developed a formalized process for USG to use for collecting performance data, performing analyses, and reporting accountability. Data systems were reviewed to ascertain the adequacy and usefulness of data system administration practices.

Community College System Study
Client: ***North Carolina General Assembly***

MGT was selected to undertake an analysis of administrative costs in small colleges as part of a joint investigation of the North Carolina General Assembly and the State Board of Community Colleges. Issues to be explored included whether some type of consolidation of administrative activities should be considered. Further, MGT evaluated the current funding policies for both small colleges and branch campuses of multicampus colleges.

Capital Funding for Higher Education Projects
Client: ***Washington State's Office of Financial Management***

As a part of a comprehensive review of Capital Funding for Higher Education Projects, Washington State's Office of Financial Management retained MGT to conduct a two-phase study to more clearly link the source of capital funding to the function of facilities. Phase I involved a national survey to determine if states have policies that tie capital fund sources to the intended building function. Based on the results of Phase I, development of funding guidelines for capital projects was planned for Phase II.

Mandated Programs and Debt Service Surveys
Client: Kentucky Council on Postsecondary Education

MGT developed and administered a survey related to mandated programs and debt service for the Kentucky Council for Postsecondary Education. The survey results were used in support of the Council's budget development activities for the 2002-2004 biennium. The survey collected information on state-funded mandated research and public service programs as well as state-funded debt service from the 110 peer or benchmark institutions of the Kentucky colleges and universities. MGT developed recommendations as to how the survey results should be incorporated into the Kentucky benchmark funding model.

Status of Higher Education Funding
Client: State Higher Education Executive Officers, Colorado

MGT worked with the State Higher Education Executive Officers (SHEEO) to publish an annual report on the status of higher education funding. The publication reports on trends in state appropriations for higher education, tuition and fees, capital funding, and state support for student financial aid. It also covers the critical higher education funding issues that state legislatures address during legislative sessions. MGT surveyed the State Higher Education Financial Officers (SHEFOs) to provide timely information on emerging policy issues. Information also was collected from other published sources. The report is intended to give SHEEOs an important summary of trends in time for use in spring legislative activities.

Update of Higher Education Funding Formula
Client: Louisiana Board of Regents

For a number of years, the funding formula for public higher education in Louisiana had been ignored by the governor and Legislature. In an effort to restore credibility for the formula so that it could be used by newly elected leaders, the Board of Regents retained MGT to assist a committee of Regents, staff, and system representatives to assess the old formula and to recommend modifications as needed. Relevant experience gained in the project included: analysis of long-term educational funding trends and economic conditions; review of equity concerns in the current allocation of funds; identification of peer institutions; and development of alternative models for justification of funding needs.

Financial Trends in Higher Education
Client: Southern Regional Education Board

The Southern Regional Education Board retained MGT to update a periodic report regarding state practices for financing higher education. MGT conducted telephone interviews with state-level higher education finance officers in the 15 member states to identify emerging issues and to update descriptive profiles. MGT also prepared a summary report for state policy makers and educational leaders.

Higher Education Funding
Client: Civic Council of Greater Kansas City

The Civic Council of Greater Kansas City contracted with MGT to complete an analysis of state funding for higher education in Missouri. MGT compared funding for the University of Missouri system to the funding in the contiguous states, as well as funding for each public institution in Missouri to funding for its peer institutions, with special emphasis on the University of Missouri, Kansas City. In addition, MGT completed an inventory of the programs offered at all two-year and four-year not-for-profit postsecondary institutions within the Kansas City metropolitan area to determine if the economic development and manpower needs of Kansas City were being met. MGT also developed a set of accountability measures for the University of Missouri, Kansas City, and collected baseline data on those measures from UMKC and its peer universities.

Funding and Facilities Study for MIHL
Client: ***Mississippi Institutions of Higher Learning***

MGT was selected by the College Board to update the IHL funding formula, which MGT had previously designed, and to undertake a comprehensive facilities study.

Formula Funding Workshop (Joint Select Committee on Higher Education)
Client: ***Texas Senate***

MGT participated in a full-day workshop on formula funding in higher education that was presented to a joint select committee of senators, representatives and business leaders. Topics covered were the history and definitions of funding formulas, variations in formula practice across the states, the use of financial incentives based on performance measures, and criteria to consider in evaluating the Texas formula and funding process.

Review of Plant Operations Formula for Texas Comptroller
Client: ***Texas Comptroller of Public Accounts***

MGT was retained by the staff of the Texas Performance Review to assess the funding formula used by the Higher Education Coordinating Board for Plant Operations and Maintenance. The review focused on whether the gross square foot funding parameter should be adjusted to reflect intensity of use. Relevant experience gained from the project included: analysis of funding formulas for a complex state system of higher education; and simulation of the impact of intensity of use of campus space on funding needs.

Revision of Funding Formula
Client: ***Pennsylvania State System of Higher Education***

MGT was selected to work with the Council of Presidents to identify and evaluate alternative funding methods for the State System of Higher Education. Project tasks include a critique of current procedures, development of a set of funding principals and concepts, determination of whether a single formula should be used for both the appropriation request and allocation, and preparation of an implementation plan. Relevant experience gained in this project includes: assessment of the adequacy of a funding formula in addressing the needs of a disparate group of universities; design of an equitable funding model to allocate state appropriations; simulation of the impact of formula implementation; and providing staff support to a committee of top-level executives.

Assessment of Community College Funding Formula
Client: ***Wyoming Community College Commission***

MGT reviewed the funding formula used by Wyoming's seven community colleges to request and allocate funds. Issues included the use of program cost differentials, equalization of local tax revenue, and economy of scale.

Adult Education Funding Study
Client: ***South Carolina Joint Legislative Committee to Study Funding***

MGT conducted an analysis of South Carolina's method for distributing adult education funds to the state's 91 local school districts. The appropriateness of the current educational finance weighting factor for adult education was compared to another strategy of treating adult education as a categorical program and allocating funds independent of the current educational funding factors. MGT reviewed the findings from the comparisons with the Joint Legislative Committee and recommended an adult education fund distribution model. Relevant experience gained in this project included: an analysis of adult education funding practices in other states; consideration of recommendations of relevant national organizations; and collection of information and recommendations from state and school adult education supervisors in South Carolina.

Analysis of Funding Arrangements for the Commercialization of University Research
Client: ***New Mexico Research and Development Institute***

The New Mexico Research and Development Institute was charged by the State Legislature to develop recommendations for funding processes which would provide incentives for the commercialization of university research. This effort was part of a broader scheme to enhance the development of knowledge-based industry in the state. The Research and Development Institute commissioned MGT to prepare a background paper that described how other states provide funding for research.

Development of Methodology for Selecting Peer Universities
Client: ***Arizona Board of Regents***

MGT was selected to provide the chair of a three-person consulting team to work with the Council of Presidents of the Arizona University System in selecting peer institutions. The selected institutions were to serve as general purpose peers, including use in a funding equity analysis. The consulting team was asked to design an objective methodology through which peers could be identified. This methodology consisted of initial screening of potential peers, development of a comparative data base, and use of multivariate analysis.

Review of Funding Formula
Client: ***Georgia Board of Regents***

MGT was selected to perform an internal review of the funding formula used by the Georgia Board of Regents to request their appropriation from the Governor and General Assembly. A number of institutional and system mission changes had occurred since MGT developed the current formula in 1981-82. These changes triggered the formula review.

Specific topics in the formula review included the method for counting enrollments, differentiating instructional needs by discipline and level, assessing requirements for research funding setting competitive faculty salary rates, and calculating tuition requirements.

Analysis of Budget Allocation Formula
Client: ***Pennsylvania State System of Higher Education***

MGT conducted a comprehensive analysis and evaluation of the existing operating budget allocation formula used by the Pennsylvania State System of Higher Education. MGT staff assisted committees and working groups in the identification of formula objectives and structure and in the designation of peer institutions for use in the analysis. Staff collected and analyzed data from 27 comparison universities in the preparation of a comprehensive database for formula development. MGT next assisted in the development of a revised formula for use in both allocating funds among the 14 universities and in preparing the overall budget request of the System.

The revised formula is sensitive to economies of scale by involving core funding for groups of universities based on enrollment and variable factors that reflect both system and peer experience. Also included are provisions for new initiatives through a supplemental category. In the Plant Maintenance area, the new formula incorporates lifecycle costs into its building maintenance and repairs and renovations components.

Presentation of Legislative Budget Workshop
Client: ***Alabama Commission on Higher Education***

MGT, in cooperation with the Southern Regional Education Board, was invited to develop and present a workshop on higher education budget procedures for a joint fiscal committee of the Alabama Legislature. The workshop was designed to cover comparative funding levels, trends in the use of the budget formulas, techniques for focusing on quality enhancement through the budget process, and types of state-level budget controls. The workshop format also included a question and answer period.

Analysis of Funding Equity Issues
Client: Arizona Board of Regents

The Board of Regents is the statewide governing body for Arizona's three public universities. One of its responsibilities is to make funding recommendations to the governor and legislature for each university. Over recent years, concern has grown that the budget distribution among the universities was no longer equitable. MGT was invited to assist the Board staff to determine the extent of possible inequities through review of similarities and differences in university programs; determination of resource requirements based on programs; analysis of university expenditure patterns; and examination of funding levels with respect to programs.

Assessment of Funding Level for State Higher Education System
Client: Kentucky Council on Post-Secondary Education

MGT evaluated the level of state financial support for a system of higher education. The primary focus of the evaluation was to determine why various national rankings of financial support indicated significantly different results for Kentucky. The state's ranking was one factor considered in determining the level of appropriations. The analysis isolated several differences among the previous studies related to (1) institutional categorization, (2) reporting at the program/function level of detail, (3) separation of funding sources, and (4) the ratio comparisons employed. The study concluded with an estimate of Kentucky's current ranking on measures related to the current public policy debate.

Workshop on State Funding for Higher Education
Client: Kentucky Council on Post-Secondary Education

MGT developed and conducted a board workshop on state-level approaches for funding higher education. This workshop addressed reasons to use formulas, types of formulas, and trends in the use of formulas by other states. This engagement also involved an assessment of the current formula used by the Council to request and distribute funds among the state's public colleges and universities.

Evaluation of Proposed State-Level Funding Formula
Client: Pennsylvania State System of Higher Education

MGT evaluated a proposed funding formula for the newly created State System of Higher Education. This formula was to be used to distribute the state appropriation among the 14 institutions in the system. Separate formula components existed for (1) instruction, research and public service, (2) academic support, student services and institutional support, and (3) physical plant operations. The evaluation was performed to assist an inter-institutional committee of planning and budget officers in refining their recommendations to the system's Council of Presidents. The evaluation addressed how adequately the proposed formula dealt with a series of concerns identified by the Council of Presidents. These concerns included protection from declining enrollment, consideration of economy of scale, methods for determining discipline and level cost differentials, and recognition of physical plant and utility costs in different settings.

Development of a Higher Education Funding Formula
Client: University System of Georgia

MGT was jointly selected by the Governor of Georgia and the Chancellor of the University System of Georgia to develop a new appropriations request formula for the University System. MGT provided a staff director for a 16-member study committee that was appointed by the Governor, Senate President, House

Speaker, and Chancellor. Additionally, MGT provided senior technical advisors and project analysts for this 18-month study. The projects recommendations were endorsed by all parties and were implemented through the appropriations bill.

Review of Current Higher Education Funding Processes
Client: South Carolina Baptist Convention

The South Carolina Baptist Convention (SCBC) provides financial support to two senior and two junior colleges that are affiliated with the Baptist Church. Because of changing enrollment patterns, governance issues, and competition for funds among the colleges, SCBC contracted with MGT to recommend improvements in its procedures for determining support levels for the colleges. MGT staff worked closely with the SCBC committee to define the issues and to develop a new set of funding policies and procedures. These recommendations were consolidated in a final report and submitted to the association, which adopted most of the recommendations.

Evaluation of Selected Components of Funding Formula
Client: Texas Higher Education Coordinating Board

MGT was selected to work with the Coordinating Board staff and two inter-institutional committees to evaluate selected features of the state's higher education funding formula. Of particular concern were the procedures used to determine funding requirements for instruction in nursing and the allied health professions. Issues considered were the adequacy of funding for program requirements, consistency with other formula components, and the effects of both intended and unintended incentives for institutional behavior.

Assessment of the State University System Funding Procedures
Client: Florida Postsecondary Education Planning Commission

MGT assisted the Commission in responding to a legislative mandate to assess the equity of funding procedures used by the State University System. The funding procedures for general operations as well as for facilities construction and renewal were reviewed. A key concern was whether certain categories of universities were favored in funding decisions. An additional issue was whether legislative intent was being implemented through the System's allocation process.

Assistance in Developing Funding Strategies
Client: University of Illinois at Urbana-Champaign

MGT, under subcontract to The Washington Advisory Group, assisted the University of Illinois at Urbana-Champaign (UIUC) in analyzing internal financial resources that could be used to leverage the institution's sponsored research operations. The analysis focused on the processes used by UIUC to allocate operating and capital resources among academic units, as well as the outcomes of those processes.

Study of the Prices and Costs of Higher Education
Client: The Pennsylvania House Commission on Postsecondary Education

MGT assisted the legislatively established Commission for Postsecondary Education in the 21st Century in identifying and analyzing all major state policies within the Commonwealth of Pennsylvania impacting the cost and price of higher education within the state. Based on the analysis, MGT proposed various alternatives that could be adopted to contain increasing costs and prices.

MGT OF AMERICA'S HIGHER EDUCATION CLIENTS

Academic Professionals of California Alabama Commission on Higher Education Alabama Institute for the Deaf and Blind Alamo Community College District Alcorn State University, Mississippi Alma College, Michigan Amarillo College, Texas Arizona State University Arizona State University-East Campus Arizona Board of Regents Armstrong Atlantic State University, Georgia Auburn University, Alabama Austin Community College, Texas Baltimore City Community College, Maryland Baltimore County Community College, Maryland Baylor University, Texas Bellevue Community College, Washington Bethune-Cookman College, Florida Bridgewater College, Virginia Boise State University, Idaho Bowie State University, Maryland Bowling Green State University, Ohio Butler Community College, Kansas Cabrillo Community College, California California Community College System California Postsecondary Education Commission California Higher Education Policy Center California Polytechnic State University California State University System California State University-Monterey Bay California State University-Sacramento California University of Pennsylvania Carilion Health System, Virginia Central Michigan University Central Missouri State University Central State University, Ohio City University of New York Civic Council of Greater Kansas City, Missouri Cleveland State University College of Charleston, South Carolina College of DuPage, Illinois College of Notre Dame, California Colorado Mountain College Columbia Theological Seminary, Georgia Community College of Baltimore County, Maryland Community College of Southern Nevada Connecticut Department of Higher Education Connecticut State University System Dalton State College, Georgia Darton College, Georgia Daytona Beach Community College, Florida Delta State University, Mississippi East Central College, Missouri Eastern New Mexico University Eastern Sierra Community College Committee Edward Waters College, Florida	El Paso Community College District, Texas Evergreen State College, Washington Fayetteville State University, North Carolina Finger Lakes Community College, New York Florida A&M University Florida Association of Community Colleges Florida Board of Regents Florida Chamber of Commerce Florida Community College System Florida Council for Education Policy Research and Improvement Florida Department of Education Florida Gulf Coast University Florida International University Florida Keys Community College Florida Postsecondary Education Planning Commission Florida State University Florida State Board of Community Colleges Franklin University, Ohio Georgia Board of Regents Georgia House of Representatives Georgia Institute of Technology Georgia Southern University Georgia Southwestern State University Glendale Community College, California Green River Community College, Washington Grossmont-Cuyamaca Community College District, California Harvey Mudd College, California Heidelberg College, Ohio Hennepin Technical College, Minnesota Houston Community College System, Texas Hudson Valley Community College, New York Idaho Board of Education Illinois Board of Higher Education Illinois Quad City Chamber of Commerce Independence Chamber of Commerce, Missouri Indian River Community College, Florida Institute for Higher Education, Washington DC Iowa Board of Regents Jackson State University, Mississippi Jamestown Community College, New York Johnson and Wales University, Florida Kentucky Council on Higher Education Kentucky State University Kern Community College District, California Kirkwood Community College, Iowa Lamar University, Texas Laramie Community College, Wyoming Logan College of Chiropractic, Missouri Los Angeles Community College District Los Angeles Southwest College Louisiana Board of Regents Louisiana Technical College

MGT OF AMERICA'S HIGHER EDUCATION CLIENTS *(continued)*

Maryland Communications Center
Maryland Higher Education Commission
McConnell Foundation, California
Medical University of South Carolina
Miami University, Ohio
Miami-Dade Community College, Florida
Minnesota Higher Education Coordinating Board
Minnesota State Colleges and Universities
Mississippi Institutions of Higher Learning
Mississippi State Board for Community & Junior Colleges
Mississippi State University
Mississippi University for Women
Missouri Coordinating Board for Higher Education
Montana University System
Morehead State University, Kentucky
National College of Natural Medicine, Oregon
National Institute of Independent Colleges and Universities
Nebraska Commission for Postsecondary Education
Nebraska State College System
Nevada System of Higher Education
New College of Florida
New Jersey Department of Higher Education
New Mexico Commission on Higher Education
North Broward Hospital District, Florida
North Carolina A&T State University
North Carolina Central University
North Carolina Community College System
North Carolina General Assembly
North Carolina School of the Arts
North Carolina State University
North Dakota Legislative Council
North Idaho College
Northern Kentucky University
Northern Wyoming Community College
Nova Southeastern University, Florida
Ohio Board of Regents
Ohio Commission on the Future of Higher Education
Ohio State University
Ohio Wesleyan University
Okaloosa-Walton Community College
Oklahoma State University-Tulsa
Old Dominion University, Virginia
Oregon State University
Oregon University System
Our Lady of the Lake College, Louisiana
Palm Beach Community College, Florida
Palo Alto College, Texas
Pennsylvania House Commission on Postsecondary Education
Pennsylvania State System of Higher Education
Pennsylvania State University
Pitzer College, California
Purdue University, Indiana
Ramapo College of New Jersey
Richard Stockton College of New Jersey
Roanoke Higher Education Authority
Rockford Chamber of Commerce, Illinois
San Francisco State University, California
Savannah State College Foundation, Georgia
Seminole Community College, Florida
Seattle University, Washington
Shenandoah University, Virginia
Sheridan College, Wyoming
South Carolina Commission on Higher Education
South Puget Sound Community College, Washington
South Seattle Community College, Washington
Southeast Missouri State University
Southern Illinois University
Southern Methodist University, Texas
Southern Polytechnic State University, Georgia
Southwest Los Angeles Community College, California
Spokane Community College District, Washington
Southern Polytechnic State University, Georgia
St. Mary's University, Texas
St. Paul's College, Virginia
St. Petersburg College, Florida
State Higher Education Executive Officers (SHEEO)
State of Idaho, OSBE
Stephen F. Austin State University, Texas
Sul Ross State University, Texas
Synergy Medical Education Alliance, Michigan
Tallahassee Community College, Florida
Tarleton State University
Tennessee Board of Regents
Texas A&M University System
Texas A&M University at Galveston
Texas Comptroller of Public Accounts
Texas Higher Education Coordinating Board
Texas Legislative Budget Board
Thomas Edison State College
Tidewater Community College, Virginia
United Faculty of Florida
U.S. Army Command and General Staff College
University Center of Lake County, Illinois
University of Arkansas at Little Rock
University of British Columbia
University of California-Berkeley
University of California-Merced
University of California-San Diego
University of California-Santa Barbara
University of California System
University of Central Florida
University of Connecticut Health Center
University of Florida
University of Georgia
University of Houston
University of Illinois
University of Maine
University of Michigan
University of Michigan-Flint
University of Minnesota
University of Mississippi
University of Missouri
University of Missouri-Kansas City
University of Missouri-St. Louis

MGT OF AMERICA'S HIGHER EDUCATION CLIENTS *(continued)*

University of Montana	University System of West Virginia
University of Nebraska	Utah Board of Regents
University of North Alabama	Valdosta State University, Georgia
University of North Carolina	Virginia Commonwealth University
University of North Carolina at Greensboro	Virginia Community College System
University of North Florida	Virginia Council on Higher Education
University of North Texas System	Virginia Joint Subcommittee on Higher Education Funding Policies
University of Rhode Island	Virginia Polytechnic Institute and State University
University of South Florida	Washington Higher Education Coordinating Board
University of Southern Mississippi	Washington Office of Financial Management
University of Texas at Austin	Washington State Board for Community & Technical Colleges
University of Texas at San Antonio	Washington State University
University of Texas System	Waukesha County Action Network, Wisconsin
University of the Pacific, California	West Texas A&M University
University of Toledo, Ohio	Western Carolina University, North Carolina
University of Virginia	Western Wyoming Community College
University of West Florida	Wright State University, Ohio
University of Wisconsin Colleges	Wyoming Community College Commission
University of Wisconsin-Stevens Point	
University System of New Hampshire	

Personnel

We recognize that the ultimate success of this study will depend upon the qualifications of the project team. This study requires a team that fully understands the intricacies of higher education funding as well as institutional operations and has the requisite skills and experience in conducting appropriate and effective higher education research. Consequently we have assigned to this project two MGT senior partners who have significant experience in higher education finance. Our team brings to this project:

- extensive and successful experience in working with, developing, and evaluating funding methodologies, including performance-based models;
- extensive understanding of Nevada's higher education funding methodology;
- extensive experience in conducting higher education funding equity analyses;
- experience in university goal-setting and development of related accountability or performance measures;
- an understanding of the mission, role, and scope of higher education institutions' programming within the context of state, business, and industry needs, and community-based programs and services;
- familiarity with other state systems of funding higher education, and possession of a large, historical data base of information on funding formulas used by all the states over the past thirty years;
- experience with and understanding of academic and other support program costing models and ratios;
- expertise in working with university staff, as well as staff from legislative bodies, executive agencies, and other states; and
- a clear understanding of their responsibilities, assignments, and project deliverables, and of the order in which activities must take place to ensure an efficient and effective study.

Of particular importance to this project is the combination of qualitative and quantitative research, academic planning and evaluation, and comparative analysis skills our team possesses as evidenced by their experience with similar projects. We believe that this combination of skills and experience is essential to the success of the study, and that our team uniquely provides exactly what is needed.

As a national management consulting firm that has provided outstanding client services for 35 years, MGT recognizes that the ultimate success of any study depends on the qualifications of the project team and the structure and management assigned to direct it. We have the proven ability to work together as an efficient and productive team, even under tight time constraints. We also have a clear understanding of responsibilities, assignments, time frames, and deliverables that this study will require, as well as the order in which project activities must be accomplished to ensure the desired outcome.

As indicated earlier, we believe that the success of this project depends heavily on the use of team members who fully understand the functioning of higher education institutions and their financial requirements. Accordingly, we have carefully assembled a project team of professionals who have the full range of background, skills, and understanding needed to conduct the type of assessment required in this project. The following paragraphs describe the relevant qualifications of the key team members. Complete resumes are provided in the Appendix.

Dr. Kent Caruthers will serve as the Partner-in-Charge. His experience includes senior professional and leadership roles in universities, state agencies, national research centers, and consulting organizations in the areas of planning, budgeting, and management systems. A senior partner, he serves as National Director of MGT's Higher Education Practice Area. Dr. Caruthers also conducts projects for public and private organizations that require quantitative and qualitative analyses. He has over 35 years experience assisting institutions become more effective and efficient. Dr. Caruthers has assisted over 100 colleges and universities, as well as state governing or coordinating boards and legislative committees, in resource allocation decisions. Among his many clients are the Connecticut State University System, the Pennsylvania State System of Higher Education, the University of North Carolina System, the New Hampshire University System, the State of Kentucky, and the Louisiana Technical College System. Dr. Caruthers has worked with institutions and systems in resource allocation, and is considered a leading expert on funding and resource allocation. In addition, he has provided consulting services related to needs assessments in over 30 states.

Some of his relevant project experience includes:

- development of a funding model for the University System of Georgia, the University of North Carolina System, the North Carolina Community College System, the Pennsylvania State System of Higher Education, the South Carolina Commission on Higher Education, the Louisiana Technical College System, the Mississippi Board of Trustees of Higher Learning, the West Virginia College and University System, the Texas Higher Education Coordinating Board, and the Wyoming Community College Commission;
- a formula funding workshop for the Texas Senate Joint Select Committee on Higher Education to discuss the history and definitions of funding formulas, and variations in use across the states;
- analysis of funding equity issues for the universities governed by the Arizona Board of Regents;
- review of the funding processes and distribution methods for the colleges and universities supported by the South Carolina Baptist Convention;
- assessment of the state university system funding procedures for both capital and operating budgets for the Florida Postsecondary Education Planning Commission;

- funding equity analysis of the fifteen institutions in the University of North Carolina system; and
- assessment of a performance funding model for the Kentucky Council on Higher Education.

He also has worked on formula-related projects for the Southern Regional Education Board and the American Association of State Colleges and Universities.

As MGT is committed to client satisfaction, he will make available whatever time is required for successful project delivery.

Dr. Mary McKeown-Moak will serve as the Project Director. Dr. Moak has over 40 years of experience in education as an educational administrator working with colleges, universities, Regents, school districts, and Boards of Education. She has worked in the areas of financial and capital planning, budgeting and resource allocation, human resources, systems, and strategic planning and has developed funding formulas for operating and capital allocations to universities and community colleges, special education, pupil transportation, categorical aid, and general school aid. She is considered an expert on equity analyses of education funding, and has been invited to speak often on higher education funding methodologies.

Prior to joining MGT, Dr. Moak served as Associate Executive Director for Financial Affairs for the Arizona Board of Regents and Senior Financial Officer for the Arizona University System, where she was responsible for system financial, capital, and strategic planning; budgeting; resource allocation; accounting; auditing; human resources; space management; and capital construction. As the System's senior financial officer, she developed data systems for financial oversight of the universities, served as a liaison with the Governor's office and legislative budget staff, and was responsible for the system's funding formulas for capital and operating budgets. In addition, she was lead staff for the development of the technology plan and for university and agency performance indicators that were included as components of the state budget process. While at Arizona State University, she developed the institution's strategic plan and performance indicators for academic and non-academic departments.

As Associate Director of Finance and Facilities for the Maryland State Board for Higher Education, Dr. Moak developed and revised the Maryland funding formula for higher education, and the system of evaluative or performance measures that have been used since 1985. She designed and implemented the data system used for analysis and recommendations to funding, tuition setting, faculty workload, productivity, and other elements for the community colleges, the University of Maryland and for the Maryland State College and University Systems. Dr. Moak has edited or written four books on educational management, serves on four editorial boards, and has taught classes in education finance, strategic planning, and educational management. She also has served as president of the American Education Finance Association and chair of the State Higher Education Financial Officers.

Some of her relevant project experience includes:

- development and analysis of the current funding model for the Nevada System of Higher Education;
- development of a performance funding model for Arizona public higher education;
- development of a funding model for the 10 institutions of the University of Hawaii system, including allocation of resources;

- development of peer institutions and evaluation of the funding model for the North Dakota University System for the North Dakota Legislative Council; evaluation of equity among the system institutions; and development of alternative performance indicators and accountability measures;
- development of higher education funding guidelines for the Virginia General Assembly's Joint Subcommittee on Higher Education Funding Policies; assessment of the current funding adequacy among the State's four-year institutions and community colleges, the development of base funding guidelines for four-year institutions and community colleges, the development of alternatives for maintaining institutional base funding adequacy, and the development of performance funding options and recommendations;
- study of the equity of funding of the four senior colleges and universities in Idaho and development of recommended changes to the resource allocation methodology to increase equity;
- a funding formula and performance funding study for the Pennsylvania State System of Higher Education, to develop a new funding formula that incorporated performance funding;
- development of peer institutions and a funding formula for all public community and technical colleges and universities in South Carolina;
- a study for the Mississippi State Board for Community and Junior Colleges to revise the funding formula;
- a review of funding guidelines to assess the adequacy of operating funds and recommend new funding guidelines for the Maryland Higher Education Commission; and
- a review of the funding formula for the Connecticut State University System and a review of the methods and funding formulas used by multi-campus systems of higher education across the nation.

In addition to the two senior partners, both of whom have extensive experience with funding and resource allocation, and who have a significant data base on current and previous funding formulas used among the states, MGT has assigned a data base manager, **Mr. Robert Holloway**, to assist on the project.

Mr. Holloway's areas of expertise include statistical analysis and database management. His depth of experience relates to the finance, economics, and demographic analysis of higher education, and he is skilled in survey design and implementation. His consulting experience with MGT includes work on funding projects for the North Carolina State Board of Community Colleges, the Louisiana Technical College System, the Ohio Governor's Commission on Higher Education and the Economy, the North Dakota Legislative Council, the Kentucky Council on Postsecondary Education, the Idaho Board of Education, the University of Hawaii System, and the West Virginia Higher Education Policy Commission.

Mr. Holloway will maintain data on each of the eight Nevada institutions as well as data that relates to the funding methods or formulas of the other states. The data base also will contain information on the specific components of each state's funding formula, the sectors or institutions to which the formula(s) apply, and any other information needed for the work of the Committee.

Project Team Members. TBA. Depending on project schedule requirements, MGT will assign additional team members to assist in interviews, focus groups, and data analysis. MGT has a large number of partners and consultants who have significant experience serving the higher education community and could effectively supplement the work of the primary team members on an as-needed basis. In addition MGT has a full complement of systems and support personnel who will provide any needed assistance.

3. COMPANY OWNERS

Chairman of the Board of Directors:	W. Kenneth Boutwell
Vice Chairman of the Board:	J. Kent Caruthers
Chief Executive Officer:	Mark Charland
Secretary:	Edward Humble
Treasurer:	Michelle Juarez

Other Owners of MGT:

Cynthia Balogh
Karl Becker
Kathy Brooks
Brad Burgess
Bill Carnes
Jerry Ciesla
Tyler Covey
JoAnn Cox
Dodds Cromwell
Mark Epstein
Stephen Humphrey
Robert Lauder
Linus Li
Ken McGinnis
Mary McKeown-Moak
Natacha Peláez-Wagner
Eric Parrish
Alan Pollack
Brad Sassatelli
Fred Seamon
Reginald Smith
Nancy Stepina-Robison
Ray Thompson
Hank Townsend

4. PROJECT WORK PLAN AND TIMELINE

Approach and Work Plan

MGT understands that the objective of this project is to assist the Committee to Study the Funding of Higher Education in Nevada to examine certain funding issues related to the Nevada System of Higher Education, the state's system of public universities, state college, community colleges, professional schools and a research institution. Senate Bill 374 of the 2011 Legislative Session legislated that the Committee is required to:

1. Compare the existing method of funding higher education in Nevada with the methods used in other states;
2. Determine whether the other methods would be appropriate and useful in Nevada, whereby different missions of universities, state college, colleges and research institutes are appropriately considered in the funding of public higher education in Nevada;
3. Review the funding of remediation in the context of instructional delivery methods;
4. Consider the retention of resident registration fees and non-resident tuition outside of the state supported operating budget;
5. Consider funding in the context of completed courses in contrast to the current method of funding enrollments;
6. Consider rewarding institutions within higher education for achieving defined goals for graduating students; and
7. Submit to the Legislative Commission a report of its findings and recommendations for legislation before the commencement of the 77th Session of the Nevada Legislature in February 2013.

We have designed our methodology to fully meet the needs of the scope of work outlined in the RFP, specifically to address each of the following main components of the scope:

- Provide inventories and analyses of all the states' methodologies to fund higher education by April 19, 2012.
- Analyze and report on states' inclusion of performance related components in higher education funding formulas by February 22, 2012.
- Analyze and report on states' use of student enrollments as a basis for higher education formula funding by February 22, 2012.
- Analyze and report on states' higher education General Fun and Other Revenue Allocation Percentages by February 22, 2012.
- Analyze and report on states' budgeting practices pertaining to student-derived revenues by April 19, 2012.
- Attend at least six meetings of the Committee to Study the Funding of Higher Education in Nevada.

Our overall plan for managing this project is designed to:

- clearly identify, at the beginning of the project, the outcomes and deliverables expected;
- specifically redesign, as necessary, our project work plan and study methodology to produce the expected outcomes and deliverables within six days of contract approval;
- clearly assign all responsibilities for the analysis to team members at the beginning of the project;
- maintain frequent contact with the Project Manager to make progress reports and to discuss unforeseen issues; and
- deliver, on time, high quality reports on each of the components and a final report.

For managing this project, we propose a project structure with the following elements:

Legislative Counsel Bureau/Committee to Study the Funding of Higher Education in Nevada Project Officer. MGT anticipates the Committee or Legislative Counsel will designate a single point of contact for this project. We will look to the Project Officer for overall project guidance and direction. All project correspondence, progress reports, and final reports will be delivered to the Project Officer for dissemination to the appropriate stakeholders. Additionally, we will look to the Project Officer for help in developing lists of key stakeholders as potential interviewees.

MGT's Partner-in-Charge will be the primary person responsible for ensuring that MGT's work fulfills all contractual requirements, produces a quality report, and meets all project deadlines. He will be the main point of quality control and has final authority for the deliverables.

MGT's Project Director will be responsible for the day-to-day management of the study. She will be the primary contact for the Committee and will develop study procedures, make assignments to team members, monitor all work activities, develop the final report, and maintain frequent contact with the Project Officer. She will be accessible via cell phone and by e-mail, and be available to respond promptly to all inquiries. As a senior partner with MGT, she has the authority to bind the company to the contents of this proposal.

MGT Consultant Team members will work in close contact with the Project Director and other appropriate officials to design and execute each research and evaluation task in our proposed work plan. They will maintain the data base, and review, evaluate, and generate recommendations in accordance with each component of the work plan.

The proposed methodology has seven tasks:

- Initial Task: Finalize Work Program
- Task One: Develop Inventories and Analyses of States' Methodologies to Fund Higher Education
- Task Two: Analyze and Report on Performance Components in Funding Formulas
- Task Three: Analyze and Report on States' Use of Student Enrollments as a Basis for Higher Education Formula Funding
- Task Four: Analyze and Report on States' Higher Education General Fund and Other Allocation Percentages

- Task Five: Analyze and Report on State Budgeting Practices Pertaining to Student-Derived Revenues
- Task Six: Attend Meetings and Prepare Reports

Each task of the methodology is described in detail below.

Initial Task: Finalize Work Plan

Our first task will be to finalize a detailed work plan to be submitted to the project officer within a week of the contract award date. We will meet with the project officer (either in person or by phone) to introduce key MGT staff members and review the draft plan submitted within this proposal to discuss what changes or modifications might need to be made. Based on these discussions, we will then review with the appropriate persons a final, detailed work plan that delineates the specific tasks to be performed, the sequence in which the tasks will be performed, the milestone dates, and the staff assigned to the tasks.

We are prepared to begin work on the remaining project tasks after confirmation of the work plan by the project officer.

Task One: Develop Inventories and Analyses of States' Methodologies to Fund Higher Education

The next task of our methodology is to develop the inventories of the higher education funding methodologies of all the states. This is by far the most complex task of the project, and will begin immediately upon execution of the contract, and will be completed on or before April 19, 2012.

This component of the Scope of Work is so complex because of the detailed inventories and analyses that are required. As stated in the RFP, this task will include the following:

> *The consultant shall provide the Committee with a list of states that presently fund higher education through the use of funding formulas as well as a list of states that presently do not use a funding formula. The consultant will provide specific, detailed information on the formula and non-formula (e.g. Base plus incremental) methodologies currently used to fund higher education for each respective state. In addition to the inventories, the consultant will provide the Committee with a written narrative analysis, including an executive summary, of the funding methodology information for each state. The written analysis shall also include information on the specific higher education funding policy goals associated with each state's funding methodology.*
>
> *A. For each state that does not utilize a formula to fund public higher education, the inventory and analysis must provide detailed information on the key, determinative factors and considerations and the budgetary mechanism utilized in determining the level of appropriated and authorized funding for higher education in that state. The funding analysis should be both general and specific for each institution or institution type (community college, four-year institution, research university and research institution) in particular if the utilized funding methodology differentiates between institution types.*
>
> ***The consultant will provide the Committee with the inventory and written analysis of non-formula states on or before April 19, 2012.***

B. *For those states* <u>*which utilize a funding formula,*</u> *the inventory and analysis must identify and explain the determinative factors and components of each state's formula, overall and by specific budgetary functional area: instruction, research, public service, academic support, student services, institutional support, operations and maintenance of physical plant and scholarships. The inventory created for the formula states must include, without limitation, information and an analysis of the cost areas listed beginning on the next page, B(1) through B(1 1), and identify differences in how funding is derived in the formula components for the aforementioned functional areas relative to whether the institution is a community college, four-year institution, research university or research institution.*

To assist the Committee in understanding the primary differences between Nevada's and other states' funding formulas, in addition to the written analysis to be prepared, the consultant will also provide the Committee with a matrix, table or other summary level format which identifies the primary formula components utilized by Nevada and the most common formula components utilized by other states. The information provided should be organized by the budgetary functional areas previously identified. <u>*Identification of Best Practices:*</u> *In the delineation of each state's formula components, the written analysis prepared by the consultant shall identify those formula components or characteristics which the consultant considers to be a "best practice" for purposes of a public higher education funding formula. The consultant shall define the criteria, such as an accepted national standard, used to determine whether a component or characteristic is a "best practice." The consultant should also delineate how the best practices align with the performance metrics established in the National Governors Association (NGA), Complete College America Initiative used to measure program progress and success.*

<u>***The consultant will provide the Committee with the inventory, written analysis, summary level and best practices information for formula states on or before April 19, 2012.***</u>

For states which utilize a funding formula, the inventory and written analysis prepared by the consultant shall include, but not be limited to, the following cost areas:

<u>*Cost Areas*</u>

1) *Explain how funding is determined for instruction and related areas, such as faculty and instructional support staff, including descriptions of:*
   a) *Student to academic faculty ratios;*
   b) *Instructional support staff to academic faculty ratios;*
   c) *Factors accounting for program and academic discipline differences;*
   d) *Factors accounting for level of instruction (lower division, upper division, masters, doctoral) differences;*
   e) *How remedial instruction and distance education courses are defined, provided, addressed and funded by the funding formula;*
   f) *Policies under which remedial instruction and distance education are funded; and*
   g) *Letters of appointment, teaching assistant and graduate assistant funding determinations.*

For each state which utilizes student to faculty ratios, the inventory and analysis shall list the ratio utilized by each state's formula. The analysis shall also include the methods used and or requirements followed to determine the proportion of faculty positions *funded at less than full-time. Additionally, for each state, the report will also contain information on the proportion of classes taught by part-time faculty at institutions and indicate whether there are goals or standards established for such proportions as part of a state's funding formula.*

2) *Explain how funding is determined for salaries, including descriptions of:*
   a) *How budgeted salaries for new faculty and classified positions are determined;*
   b) *How budgeted salaries for existing faculty and classified positions are determined on an ongoing basis;*
   c) *How merit awards are calculated; and*
   d) *How equity pay adjustments are calculated.*

3) *Explain how funding is determined for technology, including descriptions of:*
   a) *How academic (instruction, research and public service) computing needs are funded;*
   b) *How administrative computing needs are funded, including but not limited to student data systems. The consultant must specifically comment on funding methodologies for systems in other states that are similar to Nevada's INTEGRATE system; and*
   c) *How technology costs for distance education and off-campus instruction is funded.*

4) *Explain how funding is determined for facilities, including descriptions of:*
   a) *How the age of a facility is incorporated in formula funding for facilities;*
   b) *How the academic programs and levels of discipline conducted in a facility are accounted for in the formula;*
   c) *How the formula accounts for space utilized for research activities rather than instruction;*
   d) *Whether the number of students using a facility influences the funding for the operation and maintenance of a facility;*
   e) *How the hours of use of a facility influences funding for the operation and maintenance of a facility;*
   f) *How the formula accounts for grounds maintenance;*
   g) *How revenues generated from facility usage or rental are budgeted and utilized;*
   h) *How the requirements of the Americans with Disabilities Act and other federal mandates are incorporated into formula funding; and i) How the formula determines funding for utility costs.*

5) *Explain how funding is determined for equipment, including descriptions of:*
   a) *The funding of new instructional/academic and office equipment in the formula;*
   b) *The funding of replacement instructional/academic and office equipment in the formula; and*
   c) *The funding for the maintenance of equipment.*

6) *Explain how funding is determined for libraries, including descriptions of:*
   a) *How the funding of print materials (books, periodicals, monographs and other materials) is determined;*
   b) *How the funding for electronic materials (books, periodicals, monographs and other materials) is determined;*
   c) *How library automation is funded by the formula;*

- *d) The manner by which the need for library facilities is determined; and*
- *e) How the funding formula incorporates the sharing of materials, both print and electronic between academic institutions.*

In addressing items 6(b) and 6(c), if applicable, the analysis should comment on the impact of technological innovation on the funding for library support and the provision of library services.

7) *Explain how funding is determined for academic support, including descriptions of:*
   - *a) Academic administration including administrative faculty staffing ratios and administrative support staff ratios;*
   - *b) Academic operations; and*
   - *c) Audiovisual services.*

8) *Explain how funding is determined for student services, including a description of:*
   - *a) Admissions;*
   - *b) Bursar's office;*
   - *c) Financial aid offices;*
   - *d) Student counseling services;*
   - *e) Student health services;*
   - *f) Career planning services;*
   - *g) Learning resource and tutorial centers; and*
   - *h) Students with special needs, such as disabled, veteran, minority and non-traditional students.*

9) *Explain how funding is determined for institutional support, including descriptions of:*
   - *a) Alumni affairs and directed services;*
   - *b) Campus policing and security;*
   - *c) Budget and Financial Administration office;*
   - *d) Purchasing;*
   - *e) Public and governmental relations;*
   - *f) Offices of the President and Vice President(s);*
   - *g) Human resources;*
   - *h) Development activities;*
   - *i) Controller's Office; and*
   - *j) Any other activities with the primary purpose of providing operational support for the daily functioning of the institution.*

10) *Explain how funding is determined for the following areas:*
    - *a) Public service;*
    - *b) All forms of financial aid, including but not limited to, scholarships, need-based financial aid, student loans, work study, and grants in aid and how that financial aid is funded (e.g., institution generated resources, direct state appropriation, or federal grants or distributions);*
    - *c) Athletics;*
    - *d) Hazardous material management or related issues;*
    - *e) Multi-campus operations; and*
    - *f) Childcare.*

11) *Explain how funding is determined for research, including a description of the methodology used to fund activities which support the commercialization/transfer of research efforts.*

12) *Explain whether funding is provided for higher education and if so how for:*
    a) *State economic development. The consultant should reference the economic development plan entitled "Unify / Regionalize / Diversify: An Economic Development Agenda for Nevada."* *http://www.brookings.edu/~/media/Files/rc/papers/2011/1114 nevada economy/1114 nevada economy.pdf prepared on behalf of the state of Nevada.*
    b) *Workforce development. The consultant should describe how higher education institutions in other states align their programs with workforce development strategies."*

MGT already has begun to develop inventories of those states that use funding formulas and those that do not. As part of our work with the Southern Regional Education Board and our work with other states, we maintain a detailed inventory of state funding methodologies. We update that data base annually, and will continue to update the information until the beginning of April, 2012. Constant checking the data is important because states change their funding methodologies throughout the year. If we did not have much of these data, it would not be possible to complete the inventories in three months because a survey of the states would be needed. Although we may need to call several of the states to get current information (for example, Missouri changed its funding methodology in the last month), we do not anticipate a survey of all the states.

For each state that does not use a formula for any public higher education institutions, we will provide information on the factors used to determine appropriations. In most cases, these are base plus or minus budgets with some opportunities for special considerations.

We will discuss with the project manager how to include those states that fund one sector of higher education (e.g., community colleges) by funding formula but do not use a formula approach for other sectors (e.g., regional or research universities).

We will analyze the other states formulas by examining the following "program" areas: Instruction, Research, Public Service, Academic Support, Student Services, Institutional Support, Operation and Maintenance of Plant, Scholarships and Fellowships. We will examine the computational methods used: rate per base factor, percentage of base factor, and base factor/position ratio with salary rates, and compare and contrast the NSHE use of these computational methods with other states and systems.

In addition to what is included in the formula, what is excluded will be examined, and the use of "base plus" or "base minus" methodologies. For those states that are identified as formula states, we will analyze and summarize the formula components by budgetary functional area, identifying best practices when such exist. Several of Nevada's factors in the cost areas included in the RFP are unique, and we will discuss with the project manager and the Committee as appropriate how to include discussion of these unique features of the Nevada funding formula. We also will discuss with the project manager and summarize in the analysis the lack of distinct factors in many states formulas. It will also be necessary to discuss the best way of displaying the ratios when the ratios are distinct for different sectors of higher education.

The inventories, with written analysis, summary level, and best practices information will be provided to the Committee by April 19, 2012.

Task Two: Analyze and Report on Performance Components in Funding Formulas

In this task, we will provide an analysis of the use of performance criteria or performance funding in higher education and will provide the Committee with an initial analysis and report by February 22, 2012. Updated reports at subsequent meetings of the Committee will be needed because states are changing the performance criteria and use of performance funding.

We anticipate gathering these data from other state governing or coordinating board Web sites, from interviews with certain state higher education financial officers, and from materials made available to MGT by other researchers. In addition, we anticipate using the data included in MGT's extensive data files on the performance components currently used by the other states.

Because there is only one month to complete this task, our work on performance funding in the last two years will form the base for the analysis. As we gather information in Task One on the funding methodologies of the other states, we will also be gathering information on their performance funding components. Our evaluation will include an assessment of how appropriate and adequate such measures are, given the purposes for which the measures are used.

We will evaluate any measures currently in use and look at trends in the measures and any changes in institutional practice resulting from the measures. We will evaluate the strengths and weaknesses of these measures relative to the best practices in accountability, as well as their utility in a funding formula.

Task Three: Analyze and Report on States' Use of Student Enrollments as a Basis for Higher Education Formula Funding

The third task of the study involves collecting data on the use of student enrollments as a "driver" of a higher education funding formula. As in Task Two, we will use our extensive data base on funding formulas to provide some of this information, and also will be seeking updated information from states who have changed their use in the last two years. However, because of the constrained time to complete this task, we will not have time to do a survey of the states.

We will differentiate between those states that use full-time equivalent student enrollments as a driver, states that use completed course credit hours, and state that use enrolled student credit hours as the base. In each state, we will include the definition of "full-time equivalent student" when appropriate, recognizing that states use different definitions for undergraduate and graduate students. We also will include the definitions of "completed course" and "student success" for those states that use completed courses as a driver of their formulas.

Some states use other drivers of their formulas. We also will examine these "drivers" including head count students and faculty, full-time equivalent faculty or staff, number of positions, square footage or acreage, utility costs, credit hours, age of buildings, salary costs, or other drivers.

MGT will complete the analysis and report on the states' primary drivers by February 22, 2012.

Task Four: Analyze and Report on States' Higher Education General Fund and Other Allocation Percentages

The fourth task of our methodology is an analysis and report on the percentages of the state general fund allocated to public higher education in each state. The report will identify other local or other governmental support provided to public institutions of higher education, such as local tax revenues in support of community colleges. Information provided will cover the five-year period Fiscal Year 2007 through Fiscal

Year 2011. States use different beginning and ending dates for fiscal years, so the analysis will include each state's information on its fiscal year calendar.

Information for this analysis will be gathered from the reports of the National Governors' Association, the State Higher Education Executive Officers (SHEEO), the Southern Regional Education Board (SREB), the National Association of State Budget Officers, and other reporting groups.

MGT will provide the Committee with the analysis and report on revenue percentages by February 22, 2012.

Task Five: Analyze and Report on State Budgeting Practices Pertaining to Student-Derived Revenues

In this task, MGT will provide the Committee with an analysis and report on state budgeting practices for "student-derived" revenues. Some states appropriate student tuition and fee revenues; others do not. Some states also appropriate all sources of revenues to public higher education, including federal grants and contracts. Revenue sources (especially when tuition and fees are used as deducts from the formula amounts) also will be compared. State share as a percent of funding will be examined closely, an important consideration in the current economic climate. Some states "deduct" from the formula amount projected student revenues instead of actual student revenues. MGT will also report whether student revenues are retained at the system or institutional level or transferred to the state's general fund. These practices vary from state to state.

Data for this component will be gathered not only from MGT's existing data base, but also from system and state level financial officers, and from other research reports. MGT will provide the analysis and report to the Committee by April 19, 2012.

Task Six: Attend Meetings and Prepare Reports

Throughout the project, we will attend at least six meetings of Committee, as requested, to answer questions, and present reports and analysis on the tasks in the study. The costs of meeting attendance are included in the costs of the previous tasks.

The final piece of this task in our methodology will be the compilation of all analyses and findings from the previous tasks of the study into a final report, the major sections of which shall follow the major components of the study. It is anticipated that this final report will be in the format of an executive summary of the reports delivered to the Committee in February and April.

The report will be shared in draft form with the project officer for review and comment, and with any appropriate other persons. After finalizing the report, we will work with the project officer to determine what additional information will need to be included in a briefing package (e.g., a PowerPoint presentation). We also will revise the initial briefing package as needed for presentation, and provide any follow-up analyses requested.

MGT anticipates that LCB staff will be needed to review the work products, and therefore, their time will be needed at the beginning of the project (at the initial task) and in the two weeks prior to each report. It may not be necessary to take much time of NSHE staff, as MGT is already familiar with the Nevada formula and its components. MGT anticipates that a few hours of NSHE staff time will be needed to review documents and clarify any interpretations in the two weeks prior to delivery of the reports to the Committee.

The following section provides an outline of our proposed work plan (including major activities and deliverables), based on the methodology described in the previous section.

INITIAL TASK: FINALIZE WORK PLAN

Major Activities:

A. Introduce key MGT staff members.

B. Develop detailed work program in consultation with project officer.

C. Compile relevant background materials, such as previous studies, fact books, and economic reports.

D. Establish communications protocols for the project team to follow in dealing with outside parties.

E. Submit detailed work plan to project officer for final approval.

Deliverable:

- Detailed work plan for project

TASK ONE: DEVELOP INVENTORIES AND ANALYSES OF STATES' METHODOLOGIES TO FUND HIGHER EDUCATION

Major Activities:

1.A Collect current information on the funding methods of each of the states, by sector, including information on program areas, student/faculty ratios, differences in academic programs, salaries, technology, facilities, equipment, libraries, libraries, student services, academic support, institutional support, public service, financial aid, athletics, multi-campus operations, and other areas.

1.B. Determine which states are formula states and which are not.

1.C. For those non-formula states, develop an inventory on key factors in determining funding.

1.D. For formula states, develop an inventory on all factors used in the formula, separated by sector.

1.E. Develop a matrix or table comparing Nevada's components to those of other states.

1.F Identify best practices, and identify alignment with the Complete College America metrics.

1.G. Clarify with state agency personnel the funding methodology in their state.

1.H. Draft reports on the inventories and share with project officer.

1.I. Revise draft reports.

1.J. Provide Committee with reports, inventories, and related analyses.

Deliverables:

- Draft reports
- Inventories of funding methods
- Analyses of funding methods

TASK TWO: ANALYZE AND REPORT ON PERFORMANCE COMPONENTS IN FUNDING FORMULAS

Major Activities:

2.A. Collect current information on performance components from the states, web sites, MGT data base.

2.B. Assess the appropriateness and adequacy of performance components.

2.C. Describe how performance is applied in the formula.

2.D. Determine which measures have been most effective and how the criteria align with the performance metrics in NGA's Complete College America Initiative.

2.E. Develop a draft report and analysis on the use of performance-related formula components.

2.F. Share with project officer and revise as needed.

2.G. Present initial analysis and report to the Committee by February 22, 2012.

2.H. Revise and report as needed when states change their methodologies.

Deliverables:

- Draft report on performance components
- Interim analysis and report on performance components
- Revised reports as necessary

TASK THREE: ANALYZE AND REPORT ON STATES' USE OF STUDENT ENROLLMENTS AS A BASIS FOR HIGHER EDUCATION FORMULA FUNDING

Major Activities:

3.A. Collect data from various sources.

3.B. Integrate data into MGT data base on use of drivers in funding formulas.

3.C. Analyze use of drivers and draft report, including definitions of terms.

3.D. Discuss strengths and weaknesses of each driver.

3.E. Review draft with project officer and others as appropriate.

3.F. Revise draft, as needed.

3.G. Present analysis and report to Committee by February 22, 2012.

Deliverables:

- Description of other states' drivers of the funding formula
- Draft report on use of drivers
- Analysis and report to Committee

TASK FOUR: ANALYZE AND REPORT ON STATES' HIGHER EDUCATION GENERAL FUND AND OTHER ALLOCATION PERCENTAGES

Major Activities:

4.A. Collect data on state general fund appropriations as a percentage of the state general fund for the five fiscal years 2007 to 2011.

4.B. Collect data on the other revenues allocated to public higher education in each state, including local or other governmental revenues for the five fiscal years 2007 to 2011.

4.C. Draft analysis and report on revenue sources.

4.D. Review draft with project officer and revise as needed.

4.E. Present analysis and report to the Committee by February 22, 2012.

Deliverables:

- Draft report on revenue sources
- Analysis and report to Committee

TASK FIVE: ANALYZE AND REPORT ON STATE BUDGETING PRACTICES PERTAINING TO STUDENT-DERIVED REVENUES

Major Activities:

5.A Collect additional data to supplement MGT's data base on each state's budgeting practices for student-derived revenues.

5.B Review any changes to practices in the past two fiscal years.

5.C Analyze the use and retention of student revenues.

5.D. Draft analysis and report and share with project officer.

5.E Revise as needed.

5.F. Present analysis and report to Committee by April 19, 2012.

Deliverables:

- Draft report and analysis on state budgeting of student derived revenues
- Analysis and report to Committee

TASK SIX: ATTEND MEETINGS AND PREPARE REPORTS

Major Activities:

6.A Attend meetings of the Committee as requested.

6.B Compile all relevant working papers and data used in the study.

6.C Develop draft summary report and review draft report with project officer and others as appropriate.

6.D Make needed revisions in draft.

6.E Finalize report.

6.F Make oral presentations as needed.

6.G Transmit documentation and reports.

Deliverables:

- Attendance at Committee meetings
- Draft final report
- Final report
- Presentations
- Study documentation and files

The time line for completion of the project is shown in the following exhibit.

EXHIBIT 1
MGT TIME LINE

Task	Description	January 9	16	23	30	February 6	13	20	27	March 5	12	19	26	April 2	9	16	23	30	May 7	14	21	28	June 4	11	18	25
Initial:	Finalize Work Program																									
1.0	Develop Inventories																									
2.0:	Analyze and Report on Performance																									
3.0:	Analyze/Report on Student Enrollments as Drivers of Funding																									
4.0:	Analyze/Report on Allocation Percentages																									
5.0:	Analyze/Report on State Budgeting Practices on Student-derived Revenues																									
6.0:	Attend Meetings/ Prepare Reports																									

5. COST

MGT proposes a fixed price for the scope of work outlined in the RFP of $149,070. The hourly rate, estimated hours, and total hours as well as associated expenses are included in the exhibit below. The budget includes the staff hours and office expenses. Travel costs are included in the hourly rates for staff. The budget includes a minimum of 648 hours of staff time. Details of the staffing are shown below.

DETAILED BUDGET INFORMATION

	K Caruthers	M Moak	R Holloway	Clerical	Hours by Task	Cost by Task
Initial Task	8	8		2	18	$ 4,170
Task One	64	128	48	16	256	$57,360
Task Two	20	48	8	2	78	$18,710
Task Three	20	40	8	2	70	$16,670
Task Four	20	40	40	8	108	$22,060
Task Five	8	24	16	2	50	$10,810
Task Six	24	40	10	12	86	$18,460
TOTAL Hours	156	320	130	42	648	$144,070
Hourly Fees	$255	$255	$160	$45		
Professional Costs	$39,780	$81,600	$20,800	$1,890		$ 144,070
Office Costs						$5,000
Total Fixed Fee Price						**$ 149,070**

6. CURRENT REFERENCES

MGT is proud of its record of client satisfaction. We believe that the high volume of repeat business we receive from our clients is an important measure of our success. Listed below is contact information for four clients who recently used our services for funding models, peer analysis, accountability, and funding comparisons.

Nevada System of Higher Education
www.system.nevada.edu
Daniel Klaich
Chancellor
2601 Enterprise Road
Reno, NV 89512
775/784-3222
Daniel_Klaich@nshe.nevada.edu

Arizona Board of Regents
www.azregents.edu
Dr. Tom Anderes
President
2020 N. Central Suite 230
Phoenix, AZ 85004
tanderes@azregents.edu

University of Hawaii
www.hawaii.edu
Dr. John Morton
Vice President
Bachman Hall 202
2444 Dole Street
Honolulu HI 96822
808/956-7038
jmorton@hawaii.edu

Funding Model for North Dakota Higher Education
www.ndus.edu
Senator Ray E. Holmberg
State Capitol
600 East Boulevard
Bismarck, ND 58505
701/775-9656
rholmberg@nd.gov

APPENDIX RESUMES OF PROJECT STAFF

RANGE OF EXPERIENCE

Dr. Caruthers' experience includes senior professional and leadership roles in universities, state agencies, national research centers, and consulting organizations in the areas of planning, budgeting, and management systems. As Senior Partner of MGT of America, Inc., he serves as National Director of the Higher Education Practice Area. He also conducts projects for public and private organizations that require quantitative and qualitative analyses.

PROFESSIONAL AND BUSINESS HISTORY

MGT of America, Inc., Vice-Chair of Board of Directors, April 2005–present; Deputy Chief Executive Officer, 1992–2005; National Director for Higher Education, 1999–Present; Senior Partner for Administration and Planning, December 1983–1999; Vice President and Director of the Research and Evaluation Division, 1980–1983

Adjunct Professor, Department of Educational Leadership, Florida State University, 1996–2003

National Center for Higher Education Management Systems (NCHEMS), Senior Associate and Director of Strategic Planning, 1977–1980

State University System of Florida, Director of Planning and Analysis, 1975–1977; Coordinator for Financial Planning, 1974–1975; Budget Coordinator, 1973–1974

Oklahoma State University, Senior Institutional Research Analyst, 1971–1973; Research Associate, 1968–1971; Staff Assistant to the Vice President for Academic Affairs, 1967–1968

PROFESSIONAL AND BUSINESS EXPERIENCE

Higher Education Finance

Project Director to document the need for additional and improved facilities for the Florida Council of Community College Presidents.

Senior Consultant to assess opportunities for increased funding of sponsored research for the University of Illinois Urbana-Champaign.

Project Director for legislative review of facilities major repair and rehabilitation funding for Georgia higher education.

Team Member for a competitive market assessment of presidential salaries for Florida Gulf Coast University.

Project Director of a review of the budget allocation model used to distribute the state appropriation among the 40 campuses of the Louisiana Technical College.

YEARS OF EXPERIENCE:

40

EDUCATION:

Ed.D., Educational Administration and Higher Education, Oklahoma State University, 1973

M.B.A., Finance, Oklahoma State University, 1970

B.S., Finance, Oklahoma State University, 1968

PROFESSIONAL AFFILIATIONS:

National Association of College and University Business Officers

Association for Institutional Research

Society for College and University Planning

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Partner in charge for development of a funding formula for the Nevada System of Higher Education.

Partner in charge to develop a performance funding model for higher education in Arizona for the Arizona Board of Regents, acting for Getting AHEAD Arizona, funded by the Lumina Foundation.

Team Member on a project to document the impact of Saint Paul's College on the economic health of the Lawrenceville, Virginia, community.

Project Director for an analysis of administrative costs in small colleges for the North Carolina General Assembly and the State Board of Community Colleges.

Project Director for an update analysis of presidential salaries for the North Carolina State Board of Community Colleges.

Partner-in-Charge of a study of the state funding structure for community colleges for the Mississippi State Board for Community and Junior Colleges.

Research Facilitator for a comprehensive review of capital funding for higher education projects for Washington State's Office of Financial Management.

Partner-in-Charge of a project for the Kentucky Council on Postsecondary Education to survey peer institutions on mandated programs and debt service.

Consultant on a two-part equity study of the funding of Idaho's four senior colleges and universities for the State Board of Education.

Partner-in-Charge for the selection of peer institutions for use in new funding model for West Virginia colleges and universities.

Partner-in-Charge of a project to select aspirational peers for engineering schools in the Oregon University System and estimate costs for these schools to reach their goals and objectives.

Partner-in-Charge of a project to identify and analyze all major state policies impacting the cost and price of higher education within the state for the legislatively established Pennsylvania Commission for Postsecondary Education in the 21st Century.

Project Director for an assessment of proposed revisions to the funding formula of the Pennsylvania State System of Higher Education.

Partner-in-Charge of a review of the fund distribution methodologies used by the Connecticut State University System.

Partner-in-Charge of a review of the current Mission Resources Requirement Model (or funding formula) used by the South Carolina Commission on Higher Education.

Technical Advisor for the development of higher education funding guidelines for the Virginia General Assembly's Joint Subcommittee on Higher Education Funding Policies.

Project Director for the conceptual design of a new funding formula for the Georgia Department of Technical and Adult Education.

Technical Advisor for an assessment of whether the six institutions in the University and Community College System of Nevada were equitably funded.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Project Director for the development of a periodic report for the Southern Regional Education Board regarding state level practices for financing higher education.

Presentation Leader for a higher education finance and funding issues workshop for the West Virginia Legislature.

Project Director for the development of a performance funding model for the South Carolina Commission on Higher Education.

Project Director for the development of a revised funding requirements model for the University of North Carolina.

Partner-in-Charge and Project Director for a multiyear series of funding formula studies for the North Carolina Community College System.

Project Director for an assessment of funding equity among the institutions of the University of North Carolina.

Project Director for the development of refinements to the funding formulas used by the Louisiana Board of Regents.

Project Director for an analysis of funding practices for research and public service in the State University System of Florida.

Project Director for an assessment of funding equity of college programs for the South Carolina Attorney General.

Project Director for the revision of the funding formula and development of a facilities planning model for the Mississippi Institutions of Higher Learning.

Project Director for an assessment of the physical plant operations funding formula used by the Texas Higher Education Coordinating Board.

Technical Advisor to examine the space planning models used by the State University System and the State Board of Community Colleges in Florida.

Partner-in-Charge of a study on the economic impact of Johnson & Wales University's Florida Campus on the City of North Miami and vicinity.

Project Director for a review of a conceptual plan for performance/funding for the Kentucky Council on Higher Education.

Workshop Leader on formula funding issues for the Administrative Cabinet at Mississippi State University.

Project Director for an analysis of funding equity issues for the University System of West Virginia.

Project Director for an analysis of local fund accounting and budgeting practices in higher education for the Texas Comptroller of Public Accounts.

Project Director for an analysis of funding policies and practices related to postsecondary technical education in Texas.

Project Director for an assessment of the funding formula used by the Wyoming Community College System.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Project Director for a redesign of the funding formula used by the Pennsylvania State System of Higher Education.

Workshop Leader on formula funding practices and issues for the Texas Legislature Joint Select Committee on Higher Education.

Technical Consultant for the design of cost study procedures for medical colleges for the Florida Postsecondary Education Planning Commission.

Project Director for an assessment of the equity of funding procedures used by the State University System of Florida for annual operations and capital expansion.

Project Director for an assessment of the impact of a new state funding formula for Marshall University.

Project Director for an analysis of funding mechanisms for university research for the New Mexico Research and Development Institute.

Lead Consultant and Chairman of a diverse team of consultants in the development of a methodology for selecting peers for Arizona's universities to use in funding processes.

Project Director to assess cost implications of an academic calendar conversion for the South Carolina State Board for Technical and Comprehensive Education.

Project Director for an internal review of the funding formula used by the University System of Georgia.

Workshop Leader on accountability in higher education for the South Carolina Budget and Control Board.

Workshop Leader for a session on state-level higher education budget practices and trends for the Alabama Legislature.

Project Director for a multi-state comparative analysis of financial support for higher education for the South Carolina Commission on Higher Education.

Senior Consultant for the development of a facilities planning and budgeting model for the University System of New Hampshire.

Workshop Leader for the Kentucky Council on Higher Education to review state-level approaches for funding colleges and universities.

Project Director for the revision of budget formulas and processes for the Mississippi Board of Trustees of Institutions of Higher Learning.

Senior Consultant for the revision of the facilities planning and budgeting process for the California Postsecondary Education Commission.

Senior Consultant for an analysis of funding equity for the Arizona Board of Regents.

Project Director for an analysis of relationships between financing policies and quality improvement initiatives for the Southern Regional Education Board.

Project Director for an analysis of funding requirements for a program for the educationally gifted at Mary Baldwin College.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Project Director for an evaluation of a proposed funding formula for Pennsylvania's then newly created State System of Higher Education.

Staff Director for the Georgia Governor's Study Committee on Public Higher Education Finance, responsible for developing a new higher education funding formula.

Project Director for a multiyear research project to analyze cost and revenue behavior of colleges and universities.

Partner-in-Charge and Project Director for the development of a funding requirements model that reflected the unique mission of New College of Florida.

Partner-in-Charge for assessment of higher education funding model and related issues for North Dakota Legislature.

Higher Education Planning and Program Review

Project Director for development of preliminary plan for new medical school at the University of California, Merced.

Project Director for coordination of mock visit to prepare Florida A&M University- Florida State University College of Engineering for ABET accreditation review.

Partner-in-Charge for program review of College of Education at Florida State University to prepare for NCATE and State Education Department accreditation visits.

Partner-in-Charge for analysis of medical education program offerings and alternatives for the Idaho State Board of Education.

Project Director for a preliminary assessment of the feasibility of a new medical school for King College.

Partner-in-Charge for an assessment of campus expansion or relocation alternatives for Our Lady of the Lake College.

Partner-in-Charge for provide strategic planning assistance to Kentucky State University in assessment of potential new programs.

Partner-in-Charge for assessment of relocation alternatives for the Gulf Coast Campus of the University of Southern Mississippi following Hurricane Katrina.

Partner-in-Charge for a multi-year evaluation of a grant from the Bush Foundation to the University of Minnesota for innovative use of instructional technology.

Partner-in-Charge for assessment of feasibility of expansion of graduate medical education programs for the North Broward Hospital District.

Project Director for a preliminary assessment of a proposed joint medical school to be established by Carilion Health System and Virginia Tech.

Lead Facilitator for planning retreat for Synergy Medical Education Alliance to assess potential to establish a new allopathic school of medicine.

Technical Advisor on an evaluation of student retention services for Western Carolina University.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Partner-in-Charge of a statewide review of existing Professional Peace Officers Education Programs for the Minnesota State Colleges and Universities.

Partner-in-Charge of a student housing feasibility study for Laramie County Community College in Wyoming.

Partner-in-Charge of the development of an application to the Board of Governors to offer a new medical education degree program at the University of Central Florida.

Partner-in-Charge of a project to assist the Florida Division of Community Colleges and Workforce Education in preparing a statewide strategic plan.

Partner-in-Charge for an analysis of degree production goals and degree costs as part of the Florida Board of Governors strategic planning process.

Partner-in-Charge of a review and evaluation of academic program planning data for Florida State University.

Partner-in-Charge of project to assist Morehead State University in Kentucky in developing academic technology plans for several of its colleges and academic units.

Team Member on a project to assess issues impacting on accomplishment of goals and objectives the School of Criminology and Criminal Justice at Florida State University.

Team Member on a project to assess the feasibility of combining the Florida Community College Distance Learning Consortium and the Florida Virtual Campus.

Partner-in-Charge of a feasibility assessment to expand the participant housing facility at the Pat Thomas Law Enforcement Academy at Tallahassee Community College.

Partner-in-Charge of a project to plan and conduct a symposium on the future of complementary and alternative medicine for Florida State University.

Partner-in-Charge of a project to develop a 10-year comprehensive student housing plan for Valdosta State University in Georgia.

Partner-in-Charge and Director of a planning and technical assistance project for New College in Florida.

Partner-in-Charge of a project to update the criteria used by the Florida Postsecondary Education Planning Commission to assess the need for new colleges and universities.

Project Director for an assessment of efforts by Belize's five colleges to respond to a government initiative to create a new national university.

Partner-in-Charge of project to assess the impact on postsecondary education services of operating joint-use facilities for a state university and a community college, conducted for the Florida Postsecondary Education Planning Commission.

Partner-in-Charge for the development of a comprehensive enrollment management policy for institutions in the Pennsylvania State System of Higher Education.

Partner-in-Charge for an assessment of the Delta Air Lines Career Academy for Aviation Maintenance Technology.

Project Director for the development of an implementation plan for a chiropractic education program at Florida State University.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Partner-in-Charge of a project to assist the University System of Georgia in conducting a benchmarking study of its 34 member institutions.

Project Director for the development of an implementation plan for a proposed college of medicine at Florida State University.

Partner-in-Charge of a comprehensive performance assessment of the medical education system in Florida.

Project Director for a review of the physical capacity of Florida's colleges and universities for the Florida Postsecondary Education Planning Commission.

Partner-in-Charge of a feasibility study for the establishment of a middle-tier university system in Florida.

Partner-in-Charge of a capacity analysis for the New Jersey System of Higher Education.

Partner-in-Charge of a comprehensive enrollment management study for Florida State University.

Project Director for an assessment of enrollment projection models used in Florida higher education.

Project Director for the development of an enrollment planning model for the University and Community College System of Nevada.

Technical Advisor for a statewide survey of opinions about higher education, conducted for the Washington Higher Education Coordinating Board.

Higher Education Technical Advisor on a project to develop an information technology strategic plan for Georgia Southwestern State University.

Technical Advisor on a program review for the Florida State University College of Human Sciences.

Project Director for the development of a comprehensive master plan for the New York City College of Technology.

Project Director for an analysis of higher education programming issues in Montgomery, Alabama, for Auburn University.

Project Director for an update analysis of Florida's statewide goals for higher education participation and attainment.

Senior Consultant for an evaluation of alternative organizational models for meeting higher education needs in the Seattle, Washington, metropolitan area.

Project Director for the development of a comprehensive master plan for Suffolk County Community College in New York.

Project Director for the design of a comprehensive statewide plan for Nebraska Postsecondary Education.

Project Director for the development of a process to approve the creation of regional education centers in Nebraska.

Partner-in-Charge for a review of the Wyoming Small Business Development Network.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Project Director for the provision of planning and budgeting technical assistance to the Mississippi University for Women.

Project Director for the development of criteria to determine the need for new college and university campuses for the Florida Postsecondary Education Planning Commission.

Technical Consultant on a project to evaluate strategic planning processes and develop recommendations for improvement for Grossmont-Cuyamaca Community College District in California.

Project Director for the development of a statewide master plan for university libraries in Mississippi.

Partner-in-Charge of the development of a program and financial plan for a regional educational services center for Mississippi Valley State University.

Workshop Director for the Mississippi College Board on statewide goals for higher education.

Team Leader for the preparation of a comprehensive branch campus development plan for the Washington Higher Education Coordinating Board.

Technical Consultant for the development of a grant application for Mississippi Valley State University to expand programs for underserved populations.

Technical Advisor for an evaluation of alternative missions for a state-sponsored women's college.

Partner-in-Charge of an evaluation and revision of state policies on off-campus higher education programs in Mississippi.

Senior Consultant for the development of a strategic plan for the use of technology by Central Missouri State University.

Partner-in-Charge for a national assessment of recruitment and retention programs for black graduate students and faculty for the Virginia State Council on Higher Education.

Senior Consultant for the evaluation of grant applications from colleges and universities to the Jessie Ball duPont Fund.

Partner-in-Charge of the development of a program review process for the Florida State Board of Community Colleges.

Evaluator of a proposed master planning process for the Alabama Commission on Higher Education.

Team Leader for a review of possible duplication of professional education programs in Kentucky higher education.

Project Director for an evaluation of proposed changes in the academic calendar and faculty contract at St. Petersburg Junior College.

Project Director for the provision of technical assistance in implementing the desegregation plan of the State University System of Florida.

Technical Advisor for the preliminary design of a strategic planning process for the University of North Florida.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Team Leader for an evaluation of academic planning processes in Kentucky's public colleges and universities.

Senior Consultant for an assessment of previous planning processes and identification of opportunities to integrate planning activities for the South Carolina Commission on Higher Education.

Senior Consultant for an evaluation of master planning activities for the Connecticut Department of Higher Education.

Project Director for an evaluation of academic personnel policies and refinement of the faculty handbook of Jacksonville State University in Florida.

Project Director for the design of a statewide academic program review process for the Alabama Commission on Higher Education.

Partner-in-Charge of a study to determine the market demand and financial feasibility of a planned 376-bed housing facility for the Savannah State College Foundation in Georgia.

Senior Consultant for the development of a 25-year master plan for the Army Command and General Staff College.

Project Director for an analysis of student attrition patterns in the State University System of Florida.

Project Director for a multiyear strategic planning research project funded by the National Institute of Education.

Workshop Leader for a nationwide series of seminars on planning in higher education.

Higher Education Marketing and Needs Assessment

Project Director to assess the feasibility of significant expansion of three programs in Nova Southeastern University's Health Professions Division.

Project Director for a feasibility study for a downtown campus for the University of Texas at San Antonio.

Partner-in-Charge of a community higher education needs assessment for the Illinois Quad City Chamber of Commerce.

Partner-in-Charge of a comprehensive market assessment for Logan College of Chiropractic in Missouri.

Partner-in-Charge of a medical school feasibility study for the University of Central Florida, including a needs analysis and a comparative advantage analysis.

Partner-in-Charge of a needs assessment for new undergraduate degree programs for the National College of Natural Medicine.

Partner-in-Charge of a needs assessment for new undergraduate and graduate programs for Franklin University.

Partner-in-Charge of a regional higher education needs assessment for the Cape Girardeau Chamber of Commerce.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Partner-in-Charge of a health professions needs assessment for the Tallahassee-Leon Economic Development Council.

Partner-in-Charge of a market study of Old Dominion University's Virginia Beach Center.

Partner-in-Charge of a needs assessment and market study for the University System of New Hampshire's College of Lifelong Learning.

Team Member on a preliminary program needs assessment for a Northern Virginia Campus of Shenandoah University.

Partner-in-Charge of a higher education feasibility study for the University of Missouri, Kansas City, to identify specific program needs for the downtown area.

Project Director for an organizational structure assessment of the Health Sciences Education Center of the University of Connecticut Health Science Center.

Partner-in-Charge of a study on the economic feasibility of expanding the service area of Jamestown Community College in New York.

Partner-in-Charge of a higher education needs assessment for the Rockford Area Chamber of Commerce and the Rockford Council of 100 in Illinois.

Partner-in-Charge of a feasibility study for the development of a national community college for the sensory impaired for the Alabama Institute for Deaf and Blind.

Partner-in-Charge of a program needs assessment in the Broward County market for Florida International University.

Partner-in-Charge of a needs assessment of graduate engineering programs, courses, and training for the West Virginia State College and University System.

Partner-in-Charge of a study of two-year education needs in Western Montana for the University of Montana.

Partner-in-Charge of a review of strategies for effective marketing and recruiting for the Venango Campus at Clarion University of Pennsylvania.

Partner-in-Charge of a project to review the current marketing and recruiting efforts of Florida Gulf Coast University and recommend strategies for the future.

Partner-in-Charge of a comprehensive program needs assessment of the five-county service area of Florida Gulf Coast University.

Project Director for a feasibility study for Louisiana State University at Alexandria to determine whether the two-year institution had the capacity to become a successful four-year college.

Partner-in-Charge of an analysis of higher education and workforce training needs of the Snohomish, Island, and Skagit County area of Western Washington State.

Project Director for a statewide assessment of the need for expanded access to opportunities for engineering education in Georgia.

Project Director for an assessment of engineering education needs in Western Kentucky and an evaluation of alternative program delivery models.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Partner-in-Charge of a comprehensive needs assessment for the main campus and several centers of Sul Ross State University in West Texas.

Partner-in-Charge of an educational needs assessment of the St. Louis Metropolitan Area for the University of Missouri System.

Partner-in-Charge of a needs assessment and feasibility study for expansion of the downtown campus of the University of North Florida.

Project Director for an evaluation of the market demand and viability of the "Window of the Sea" concept for Texas A&M University.

Project Director for an assessment of postsecondary educational needs to support the further economic development of Minnesota's urban corridor.

Partner-in-Charge of an educational market study in the Tidewater area for the University of Virginia and Virginia Tech.

Partner-in-Charge of the development of a program review and needs assessment process for St. Petersburg Junior College in Florida.

Partner-in-Charge of a needs assessment for an engineering and computer science program at the upper and graduate level in Southern Maryland.

Partner-in-Charge of an educational market study in Northern Virginia for the University of Virginia and Virginia Tech.

Partner-in-Charge of a comprehensive regional postsecondary educational and research needs assessment for the University of Southern Mississippi.

Partner-in-Charge of an assessment of the opportunities and demands for graduate-level education in the Virginia peninsula.

Partner-in-Charge of a regional educational needs assessment for the Jacksonville Economic Development Council in Florida.

Project Director for a market demand and feasibility study for a student housing program at the University of North Florida.

Partner-in-Charge for an assessment of the need for and feasibility of a graduate study center, or other viable alternatives, for graduate programs for the Iowa Board of Regents.

Partner-in-Charge of a branch campus needs assessment and feasibility study for the Missouri Department of Higher Education.

Partner-in-Charge of an educational needs assessment and market demand study for off-campus programs for Alcorn State University in Mississippi.

Higher Education Management Reviews

Partner-in-Charge for a comprehensive management review of the University of the District of Columbia.

Project Director for a high-level organizational assessment for the new president of Tarleton State University.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Partner-in-Charge for an assessment of potential efficiencies for a shared model of academic support services for four-year colleges in the Oregon University System.

Partner-in-Charge of a community college efficiency review of the 23 member institutions of the Virginia Community College System.

Partner-in-Charge of an analysis and assessment of selected business practices at Tidewater Community College in Virginia.

Partner-in-Charge of a project for the Georgia Board of Regents to analyze the feasibility of consolidating selected administrative support functions at the smaller campuses.

Partner-in-Charge of a management and performance review of Texas A&M University, contracted by The Texas Legislative Budget Board.

Partner-in-Charge of a project to review current processes and evaluate all systems supporting student administration at the University of Connecticut Health Center.

Partner-in-Charge of a performance review and revenue enhancement assessment for selected business functions contracted with Valdosta State University in Georgia.

Project Director for in-depth analyses of selected administrative functions at Iowa's public universities.

Project Director for an organizational review of Bethune-Cookman College in Florida, as well as the development of a strategic plan.

Project Director for the comprehensive diagnostic analysis phase of an organizational review of Iowa's public universities and special schools.

Partner-in-Charge of an assessment of preventive maintenance practices at Florida's community colleges for the Florida Community College System.

Partner-in-Charge of the development of conceptual data requirements and technical architecture for a system-wide data warehouse for the University of Texas System.

Partner-in-Charge of a management and operations review of the central office of the Association for Institutional Research.

Partner-in-Charge of an analysis of outsourcing activities in the State System of Higher Education for the Oklahoma State Regents for Higher Education.

Partner-in-Charge and Senior Consultant for a study evaluating the organization, management, and administration of the Nebraska State College System.

Team Leader for an operational review of the central office of the Iowa Board of Regents.

Partner-in-Charge of an organizational review and business process reengineering study for Bowie State University in Maryland.

Partner-in-Charge of a review of administrative structures and expenses in the Montana University System.

Comparative Analysis Team Leader on a study to review purchasing operations for Iowa universities and special education schools.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Partner-in-Charge of a performance evaluation of the Alamo Community College District in Texas.

Project Director for an analysis of the organization and structure of the student service function at Delta State University in Mississippi.

Partner-in-Charge of a comprehensive management audit of the Wyoming Community College System.

Senior Consultant for a management review of Connecticut's higher education systems and institutions.

Partner-in-Charge of an organizational review for the Association for Institutional Research.

Partner-in-Charge of a comprehensive evaluation of physical plant operations of Virginia Commonwealth University.

Project Director for an analysis of administrative levels in the Mississippi State Institutions of Higher Learning.

Technical Advisor for the development of a performance indicator system to monitor the effectiveness and efficiency of the Iowa Board of Regents and its five institutions.

Project Manager for the design of an administrative staffing study for the Florida Postsecondary Education Planning Commission.

Team Leader on a project to develop a program taxonomy for the California Community Colleges' management information system.

Team Leader for an assessment of the organizational structure of Florida State University.

Team Leader for a management audit of institutions governed by the Iowa Board of Regents.

Project Co-director for an analysis of growth in administrative costs in the California State University system.

K-12 and Vocational Education

Team Member of a facility planning process survey for the Florida Advisory Council on Educational Facilities.

Project Director for a combined performance audit and compensation study for Poudre School District in Colorado.

Team Leader for an analysis of funding factors and costs for special education programs in New Jersey.

Planning and Finance Team Leader for a management audit of the Dallas Independent School District in Texas.

Partner-in-Charge of an evaluation of the compensatory and remedial education program for the EIA Select Committee of the South Carolina General Assembly.

Partner-in-Charge of the development of a revised state-level funding model for adult education in South Carolina.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Project Director for the development of a computer-based simulation model of the Florida public education funding formula.

Team Leader for the development of an action plan to meet Hawaii school construction needs through 2003.

Partner-in-Charge of an evaluation of the Texas Teacher Appraisal System.

Senior Consultant for a management audit of administrative and fiscal departments of the San Antonio Independent School District in Texas.

Team Leader for a cost feasibility study of state-of-the-art residential math/science high schools in Florida.

Partner-in-Charge of an evaluation of South Carolina's teacher incentive pay program.

Partner-in-Charge of an evaluation of South Carolina's school principal incentive pay program.

Partner-in-Charge of an evaluation of educational reform measures implemented by the Florida Department of Education.

Partner-in-Charge of an evaluation of Florida's teacher incentive pay program.

Project Director for the establishment of a multiyear planning process for the Southeastern Educational Improvement Laboratory.

Team Leader for an evaluation of Kentucky's teacher education and teacher certification programs.

Senior Consultant for the development of incentives to implement dropout prevention programs for the Texas Education Agency.

Partner-in-Charge of a feasibility study for a career center in New Orleans, Louisiana.

Partner-in-Charge of an evaluation of Florida's efforts to implement competency-based vocational education for the State Advisory Council on Vocational Education.

Partner-in-Charge of the development of a career education master plan for the New Orleans Public Schools.

Partner-in-Charge of the annual evaluation of the Southeastern Regional Council for Educational Improvement.

Project Director for the development of an administrative evaluation and in-service training program for the Alachua County School Board in Florida.

Miscellaneous Research and Consulting

Partner-in-Charge of an update analysis of the cost of providing health care to uninsured residents for the Escambia County Indigent Health Care Coalition in Florida.

Partner-in-Charge of a project to determine the role, scope, and mission of Innovation Park, a Tallahassee-based R&D campus.

Partner-in-Charge of a project for the United Chiropractic Association of Oklahoma to develop strategies to expand injured worker access to chiropractic care.

Partner-in-Charge of a study of state policy affecting access of injured workers to chiropractic treatment in the Colorado Workers' Compensation system.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Partner-in-Charge of a project for the Florida Chiropractic Association to assess expanded access to chiropractic care as a central component of workers' compensation reform to be considered by the 2003 Florida Legislature.

Team Leader on a project to provide support to the Florida Legislature in the implementation of Revision 7 to Article V of the State Constitution.

Partner-in-Charge of an update of Cornerstone—a master plan for the state's economic development—for the Florida Chamber of Commerce Foundation.

Team Leader for a management review of the Mississippi Division of Vocational and Technical Education.

Partner-in-Charge of the development of a financial management system for schools operated by the Bureau of Indian Affairs.

Partner-in-Charge of a comprehensive interagency review of Florida's vocational education and technical training system.

Team Member responsible for authoring chapters on the capital budget and campus master planning process for the *Handbook for Chief Financial Officers,* published by Jossey-Bass, Inc.

Team Leader for a performance audit of the Education Commission of the States.

Project Director for an organizational review and staffing plan study for the James Madison Institute in Florida.

Partner-in-Charge for the design of a document imaging system for the Florida Board of Medicine.

Strategic Planning Consultant and Workshop Leader for the Partners of the Americas in Trinidad and Tobago.

Technical Advisor for the development of higher education efficiency and effectiveness measures for the South Carolina State Budget Office.

Technical Advisor for an analysis of the adequacy of service costs and fee structures at county clerks' and comptrollers' offices.

Senior Consultant for an assessment of the ministerial needs of a rural two-county area and the development of plans, programs, and/or organizations to aid a church in performing its mission.

Project Director for an assessment of the marketing program of a large, multi-site travel agency.

Partner-in-Charge of an evaluation of the tourist exit survey program for the Florida Department of Commerce.

Senior Consultant for a management review of a collection agency owned by a major regional hospital.

Partner-in-Charge of a feasibility study for the creation of a Victim Intake Center for the City of Jacksonville, Florida.

PROFESSIONAL AND BUSINESS EXPERIENCE (Continued)

Senior Consultant for the development of alternative data collection strategies for the Florida Housing Agency.

Partner-in-Charge of a membership survey of the Florida Institute of Certified Public Accountants.

Partner-in-Charge of an evaluation of Florida's Energy Extension Service (EES) programs.

Partner-in-Charge of an evaluation of the working environment of the Florida Department of Transportation.

Partner-in-Charge of a feasibility study to develop a community center in Cocoa Beach, Florida.

Project Director for an impact evaluation of a mass media evangelization program for the Diocese of Pensacola-Tallahassee.

Higher Education Administrative Experience

Director of Planning and Analysis for a major multi-campus university system, with responsibility for developing the system-wide budget request, allocating appropriated funds, serving on the collective bargaining team, developing and maintaining the system-wide master plan, and serving as spokesman on planning and budgeting matters to the Legislature, the executive budget office, campus leaders, and the media.

Financial Analyst for evaluating academic programs being considered for "program of excellence" status within a university system.

Senior Analyst for coordinating research projects and developing management information systems for planning, budgeting, and reporting to aid a university president and vice-presidents in decision making.

PAPERS, PRESENTATIONS, AND PUBLICATIONS

"Staying Afloat in a Changing Sea: Alternatives to the Tuition Life Raft." Presentation to the State Higher Education Executive Officers Professional Development Conference, Philadelphia, Pennsylvania, August 14, 2004.

"Public Education's Perfect Storm." In *Educational Considerations*, XXXI, No. 1 (Fall 2003): pp. 2-6.

With Daniel T. Layzell. "Higher Education Costs: Concepts, Measurement Issues, Data Sources, and Uses." In *Planning for Higher Education*, 30 (Spring 2002): pp. 6-14.

With Daniel T. Layzell. "Budget and Budget-Related Policy Issues for Multicampus Systems." In *The Multicampus System: Perspectives on Practice and Prospects*. Edited by Gerald H. Gaither. Stylus Publishing, Sterling, Virginia, 1999.

With Daniel T. Layzell. "Campus Master Planning and Capital Budgeting." In "Roles and Responsibilities of the Chief Financial Officer." In *New Directions for Higher Education,* no. 107 (Fall 1999): pp. 73–81. Edited by Lucie Lapovsky and Mary P. McKeown-Moak.

With Joseph L. Marks. "A Primer on Funding of Public Higher Education." Southern Regional Education Board, Atlanta, 1999.

PAPERS, PRESENTATIONS, AND PUBLICATIONS (Continued)

With Daniel T. Layzell, Michael Smith, and Sally M. Horner. "Performance Funding for Higher Education at the State Level." Symposium presentation to the 1997 Annual

Meeting of the Association for the Study of Higher Education, Albuquerque, New Mexico, November 8, 1997.

With G. Pete Cummings and John P. Huffman, Jr. "The Baby Boom Echo and Postsecondary Enrollment: How to Estimate the Effects." Presentation to the 32nd Annual Conference of the Society for College and University Planning, Chicago, July 14, 1997.

With Cathi L. Wentworth. "Methods and Techniques of Revenue Forecasting." In "Forecasting and Managing Enrollment and Revenue: An Overview of Current Trends, Issues, and Methods: pp. 81–93. *New Directions for Institutional Research*, no. 93. Edited by Daniel T. Layzell. Jossey-Bass, San Francisco, 1997.

"The New Accountability: Performance- and Incentive-Based Budgeting." Presentation to the Professional Development Seminar for the State Higher Education Academic and Government Relations/Communications Officers, Point Clear, Alabama, August 26, 1996.

With Daniel T. Layzell. "Performance Funding at the State Level: Trends and Prospects." Presentation to the 1995 Annual Meeting of the Association for the Study of Higher Education, Orlando, Florida, November 2, 1995.

With Daniel T. Layzell. "Performance Funding for Higher Education at the State Level." Presentation to the 1995 Annual Meeting of the American Education Finance Association, Savannah, Georgia, March 10, 1995.

With Joseph L. Marks. "Funding Methods for Public Higher Education." Southern Regional Education Board, Atlanta, 1994.

With Ray Thompson and M. Keith Leach. "Strategic Planning and the Marketing of Higher Education Institutions: A Response to the Challenges of the 21st Century." Presentation to the 1993 Symposium for the Marketing of Higher Education, American Marketing Association, Orlando, Florida, November 15, 1993.

With Joseph L. Marks and J. Kenneth Walker. "Important Safeguards in Funding Processes for Public Higher Education." Invited paper for the annual meeting of State Higher Education Finance Officers, Denver, Colorado, August 20, 1993. Published in "Focus on the Budget: Rethinking Current Practices," pp. 53–63. Education Commission of the States, Denver, 1994.

"Staffing and Funding Characteristics of Selected University System Central Offices." Presentation to the annual meeting of the National Association of System Heads, New Orleans, April 17, 1993.

"Standards and Procedures for Reporting Financial Data." Panel presentation at the Professional Development Services of the State Higher Education Finance Officers, Arlington, Virginia, July 13, 1992.

With Denis J. Curry and John H. Wright. "Responding to State Fiscal Stress: Conditions in 1991–92." Paper commissioned by the State Higher Education Executive Officers, Denver, September 1991.

PAPERS, PRESENTATIONS, AND PUBLICATIONS (Continued)

"Planning for Growth." Presentation at the 38th Annual Meeting of the State Higher Education Executive Officers, San Francisco, August 4, 1991.

With Linda Recio, "A Study of Florida Vocational Education and Technical Training System." *Florida Vocational Journal*, April–May 1991.

With Richard Novak. "A Study of the Funding Process for State Colleges and Universities." American Association of State Colleges and Universities, Washington, D.C., 1991.

With Joseph L. Marks. "State Funding Formulas for Higher Education in the SREB States," Southern Regional Education Board, Atlanta, 1988.

"The Impact of Formula Budgeting on State Colleges and Universities." Paper presented at the 29th Annual Meeting of the American Association of State Colleges and Universities, San Francisco, November 1989.

With Joseph L. Marks. "State Funding of Higher Education for Quality Improvement in the SREB States." Southern Regional Education Board, Atlanta, 1988.

"What Does It Mean to Act as a System?" Symposium panelist at the Annual Meeting of the Association for the Study of Higher Education, Baltimore, Md., November 22, 1987.

"Mission Maintenance: Tools for Change and the Consultative Process." State Higher Education Executive Officers Association, Denver, 1987.

With Curtis D. Bullock and Gary R. Heald. "Determining the Viability of Branch Campus Operations." Paper presented at the Annual Forum of the Association for Institutional Research, Ft. Worth, Texas, May 8, 1984.

"Formula for Excellence: Financing Georgia's University System in the '80s." Final report of the Study Committee on Public Higher Education Finance, Atlanta, 1982.

"Strategic Master Plans." In "Evaluation of Planning and Management Systems," pp. 17-28. *New Directions for Institutional Research*, no. 31. Edited by Nick L. Poulton. Jossey-Bass, San Francisco, 1981.

With Gary B. Lott. "Mission Review: Foundation for Strategic Planning." NCHEMS, Boulder, Colorado, 1981.

"Strategic Planning for Colleges and Universities." Paper presented to the Society for College and University Planning Regional Conference, Atlanta, January 26, 1981.

With Melvin D. Orwig. "Selecting Budget Strategies and Priorities." In "Improving Academic Management: A Handbook of Planning and Institutional Research," pp. 341–363. Edited by Paul Jedamus and Marvin W. Peterson. Jossey-Bass, San Francisco, 1980.

With Richard M. Millard and John Folger. "Trends in State-Level Postsecondary Education Coordination." Education Commission of the States, Denver, 1980.

Foreword and Epilogue to "A Survival Kit for Invisible Colleges," 2nd edition, by Norbert J. Hruby. NCHEMS, Boulder, Colorado, 1980.

"Institutional Renewal." Review of "Wholeness and Renewal in Education," by DeWitt C. Reddick. *Research on Higher-Education Administration*, p. 1. Summer 1980.

PAPERS, PRESENTATIONS, AND PUBLICATIONS (Continued)

With Dena Markoff. “Mission, Role, and Scope Review: Four Tennessee Case Studies.” NCHEMS, Boulder, Colorado, 1980.

With Cathleen Patrick. “Management Priorities of College Presidents.” *Research in Higher Education* ,12 (1980): pp. 195-214.

“Relating Role and Mission to Program Review.” In “Postsecondary Education Program Review: Report of a WICHE-NCHEMS Workshop and Study,” pp. 81-90. Western Interstate Commission on Higher Education, Boulder, Colorado, 1980.

Review of “Institutional Self-Evaluation Processes,” by H.R. Kells and Robert Kirkwood. *Research on Higher Education Administration* (Winter 1980): pp. 2-3.

“Budget Strategies for Shifting Enrollments.” Paper presented at the College Delegate Assembly Forum of the Southern Association of Colleges and Schools, Atlanta, December 11, 1979.

With Robert C. Shirley. “Strategic Planning for Higher Education.” Paper presented at the Annual Meeting of the American Association of State Colleges and Universities, San Antonio, November 20, 1979.

With Melvin D. Orwig. “Budgeting in Higher Education.” AAHE-ERIC/Higher Education Research Report, no. 3. American Association for Higher Education, Washington, D.C., 1979.

With Caesar J. Naples and Alexandria J. Naples. “Faculty Collective Bargaining: Implications for Academic Performance and Vitality.” In “Evaluating Faculty Performance and Vitality,” pp. 83-98. *New Directions for Institutional Research*, no. 20. Edited by Wayne Kirschling. Jossey-Bass, San Francisco, 1978.

“Resource-Allocation Alternatives in a Period of Declining Enrollment.” Paper presented at the Annual Meeting of the American Association for Higher Education, Chicago, March 20, 1978.

“State Formula Budgeting: Issues, Perspectives and Trends.” Paper presented to the Commission on the Future of Florida's Public Universities, Tampa, September 16, 1977.

With Melvin D. Orwig. “Analytical and Informational Support for State-Level Academic Planning.” Paper presented at the Education Commission of the States National Seminar, “The Maintenance of Academic Quality in a Time of Uncertainty,” Keystone, Colorado, July 19, 1977.

“A Developmental Plan for Research on State-Level Postsecondary Education Program Planning and Resource Allocation.” Paper presented at the 17th Annual Forum of the Association for Institutional Research, Montreal, Canada, May 9, 1977.

With Jerry L. Bigham. “Statewide Expenditure Analysis Using Standard Data Systems.” Paper presented at the College and University System Exchange (CAUSE) National Conference, Denver, December 4, 1975.

“The State Information Base for Planning.” Panel discussion before the 22nd Annual Meeting of the State Higher Education Executive Officers Association, New Orleans, July 31, 1975.

PAPERS, PRESENTATIONS, AND PUBLICATIONS (Continued)

With George E. Pinches, Arthur A. Eubank, and Kent A. Mingo. "The Hierarchical Classification of Financial Ratios." *Journal of Business Research,* 3 (October 1975): pp. 295-310.

With J. Richard Conner. "The Application of Simulation Models in Government in a State University System." In *1974 Proceedings of the Business and Economic Statistics Section, American Statistical Association*, pp. 143-148. American Statistical Association, Washington, D.C., 1975.

With George E. Pinches and Kent A. Mingo. "The Stability of Financial Patterns in Industrial Organizations." *Journal of Finance,* 28 (May 1973): pp. 389-96.

With Kent A. Mingo and George E. Pinches. "Dimensions of Organization Structure: Stability and Change Patterns 1951-1969." Paper presented at the 1973 meeting of the Southern Management Association, Houston, November 9, 1973.

"1972-73 Faculty Salary Survey by Discipline." Office of Institutional Research, Oklahoma State University, Stillwater, 1972. Abstract published in *An Annotated Bibliography of Institutional Research 1971-72,* Association for Institutional Research, 1973.

With M. L. Gilliam. "Faculty Workload Analysis for Long Range Planning." Paper presented at the 1972 meeting of the American Institute for Decision Sciences, New Orleans, November 2, 1972. Published in the *Proceedings*, pp. 251-56.

With George E. Pinches, Kent A. Mingo, and G. Michael Crooch. "Financial Ratio Dimensions of Industrial Firms." Paper presented at the 1972 meeting of Midwest Finance Association, St. Louis, Missouri, April 21, 1972. Abstract published in the *Journal of the Midwest Finance Association* (1972): pp. 190-191.

"Current WICHE Projects and Their Impact on the College Business Officer." Paper presented at the 1971 fall meeting of the Oklahoma Association of College and University Business Officers, Oklahoma City, December 3, 1971.

MGT
OF AMERICA, INC.

MARY P. MCKEOWN-MOAK
SENIOR PARTNER

RANGE OF EXPERIENCE

Dr. McKeown-Moak has 45 years of experience as an educational administrator working with universities, Regents, school districts, Boards of Education, state legislatures, executive offices, and non-profit agencies. She has worked in the areas of financial and capital planning, human resource management, budgeting and resource allocation, and strategic planning and has developed funding formulas for universities, community colleges, special education, pupil transportation, categorical aid, and general school aid. She also has served as an expert witness in education finance court cases. Dr. McKeown-Moak is a past president of the American Education Finance Association and the Fiscal Issues, Policy, and Education Finance Special Interest Group of the American Education Research Association; and is a past chair of the State Higher Education Financial Officers (SHEFO). She has authored four books on educational finance and management and published over 200 articles and chapters in books on education finance and management.

YEARS OF EXPERIENCE:

45

EDUCATION:

Ph.D., Higher Education, Educational Administration, University of Illinois at Urbana-Champaign, 1974

M.A., Student Personnel, Psychology, Michigan State University, 1966

B. A., Magna Cum Laude, Mathematics, Accounting, Latin, Michigan State University, 1966

Additional Information Available on Request

PROFESSIONAL AND BUSINESS HISTORY

MGT of America, Inc., Senior Partner, September 2006 – present; Partner, April 2002 – September 2006; Principal, 1999 – 2002; Senior Associate, 1998–1999

Arizona Board of Regents, Associate Executive Director for Financial Affairs and Senior Financial Officer, 1994 – 1998

Arizona State University, Director of Strategic Planning, 1987 – 1994

Maryland State Board for Higher Education, Associate Director, Division of Finance and Facilities, 1980 – 1987

Illinois State Board of Education, School Finance Specialist; and Sangamon State University, Assistant Professor of Public and Educational Administration, 1977 – 1980

University of Illinois Foundation, Business Manager and Coordinator of Administrative Projects, 1974 – 1977

University of Illinois at Urbana-Champaign, Graduate Research Assistant, 1972 – 1973 and 1968 – 1969

Eastern Michigan University, Head Advisor at King Hall, 1966 – 1968

PROFESSIONAL AND BUSINESS EXPERIENCE

Higher Education

Partner-in-Charge and Project Director for a project to provide the Nevada System of Higher Education (NSHE) with a review of the existing NSHE funding formula, including funding sources, considering mission differential. MGT analyzed the "drivers" for the formula which included enrollment (FTE), student/faculty ratios for program costs and rural and small college considerations. MGT also reviewed other states and systems and compared and contrasted the NSHE formula to the other major funding formula for public institutions of higher education in the United States.

Partner-in-Charge and Project Director on a project for the Arizona Board of Regents, on behalf of the Making Opportunity Affordable Arizona Team, to develop a new performance-based funding model for Higher Education in the State of Arizona, including the community colleges. The options considered for the model were evaluated using key criteria for an effective Higher Education Funding Model such as simplicity, affordability, adequacy, stability, predictability, efficiency, equity and effectiveness. MGT reviewed funding formulas used in other states, interviewed major stakeholders, and developed language to be used in legislation to enact the new performance funding model into law.

Partner-in-Charge and Project Director on a project for the North Dakota University System to address issues related to peer selection and the funding model used by NDUS. MGT reviewed the initial peer selection criteria and evaluated whether changes in degree offerings and other demographic variables merited changes to the list of peer institutions used in the State's funding model. Bismarck State College, Dakota College at Bottineau, Mayville State University, North Dakota State College of Science, and Valley City State University, as well as System staff members had raised issues related to peer selection, and funding under the peer model. MGT answered these questions and validated the model.

Partner-in-Charge and Project Director for a project to recommend a funding approach to the University of Hawaii and the Hawaii State Legislature. The University of Hawaii Act 186 Task Force engaged MGT to develop a budgetary system that includes an equitable, consistent, and responsive funding formula for the distribution of fiscal resources to the various University of Hawaii campuses, including seven community colleges. As one component of the study, MGT evaluated the adequacy of current funding and made recommendations for adjustments to the campus base budgets. MGT briefed the Legislature on the funding mechanism and assisted the Task Force in analyzing components to the financial plan to achieve the strategic goals and long-term funding targets for each institution within the University of Hawaii system, including performance indicators.

Director on a project to conduct a higher education funding and accountability study for the North Dakota Legislative Council. As required by 2005 Senate Bill 2003, the study included a comprehensive review of the long-term financing plan for the North Dakota University System to determine if the method of determining and evaluating equity among institutions was appropriate, and the appropriateness of the peer institutions used in funding comparisons. MGT evaluated the long-term financing plan in relation to economic growth in North Dakota, evaluated the current method of setting funding priorities, established new peers for the institutions, and developed alternative methods of funding. In addition, MGT compared North Dakota finance and performance to national higher education norms and trends, including per capita higher education funding. MGT evaluated the recommendations of the Higher Education Roundtable, and identified strengths and weaknesses in implementation; in addition, MGT evaluated accountability measures currently in use, and made recommendations for changes to the measures and benchmarks.

Higher Education (cont'd.)

Project Director on a study for the South Carolina Commission on Higher Education to review the current Mission Resources Requirement Model (MRR), or funding formula, for public higher education. MGT completed comparisons of regional and national reports that address funding to identify data definitions and determine clarity, consistency, and uniformity. Identified sets of regional and national sector and institutional peers, and compared the funding of those institutions to funding for the South Carolina institutions. Analyses compared funding per student for each South Carolina institution to funding per student at the peer institutions and to the Southern Regional Education Board (SREB) institutions of the same type. The MRR was compared to other funding formulas, and options and recommendations for revisions to the Model were developed. Evaluated current definitions, guidelines, and other information related to financial reporting, and made recommendations for changes in definitions and reporting standards.

Partner-in-Charge and Project Director on a project for the Civic Council of Greater Kansas City engaged MGT to update in two phases its earlier study of Missouri funding for public higher education. In Phase I, MGT provided a comparison of funding for public higher education in Missouri, including 10 years of Missouri data. Appropriations data reflected mid-year budget reductions resulting from "dis-appropriations" of funds. From these data, MGT constructed trend lines that showed Missouri higher education's share of the state budget, state appropriations per student, and state appropriations per capita over the ten-year time period. MGT compared the share of the state budget to the average data for comparable states for the last five years, and compared these data to the prior report. In Phase II, MGT worked with the Civic Council and institutions to select peer institutions, and then compared state appropriations per student at each of the Missouri public college and university campuses to similar data at the peer institutions. The analysis included both the four-year and the two-year public institutions. MGT also examined faculty salaries at each of the Missouri institutions, and compared salaries to those at the peer institutions, and to the average for comparable institutions across the nation. Finally, MGT compared funding prior to 2003 to funding since 2003, in light of the national economic situation.

Director of a project for the State Higher Education Executive Officers to publish an annual report on the status of higher education funding. MGT synthesized data from multiple sources to present a total picture of higher education funding in the states. Information on operating and capital appropriations, student financial aid, tuition and fee levels, and state budget activity was included.

Consultant on a project for the University of Kentucky to evaluate the Kentucky Read to Achieve (RTA) program. The RTA program is implemented within approximately 300 schools throughout the state of Kentucky. MGT's evaluation uses a mixed-methods approach to address three study components: Process Study, Cost Study, and Impact Study. The process evaluation examines the implementation and fidelity of the KY RTA program and common reading interventions implemented as part of the KY RTA. The cost evaluation examines the cost effectiveness of the commonly implemented KY RTA reading interventions. The impact study examines the effect of the program and associated interventions on achievement outcomes including the extent to which the program and associated interventions have helped close the gap for disadvantaged groups and improve student achievement outcomes initially and over time.

Higher Education (cont'd.)

Partner-in-Charge and Project Director for a study for the Civic Council of Greater Kansas City to evaluate Missouri funding for higher education. MGT developed an inventory of current post-secondary educational programs available in the greater Kansas City area, and from that inventory identified areas of need attributable to no program offerings, insufficient offerings, or offerings at the wrong level. In addition, MGT evaluated funding for the each of the public institutions in Missouri, of, validated a set of peer institutions for the University of Missouri Kansas City (UMKC), compared all Missouri institutions to their peer institutions, reviewed the literature on performance or accountability measures in higher education, and developed a set of performance/accountability measures for UMKC.

Project Director for development of an analysis of funding of higher education for the Ohio Governor's Commission on Higher Education and the Economy. MGT developed a set of guiding principles by which to evaluate funding mechanisms, evaluated the current funding of higher education in Ohio, and prepared alternative recommendations for funding that would link established goals to funding.

Project Director for a comprehensive study of the state funding structure for Mississippi's community and junior colleges. MGT reviewed historical funding models, compared the Mississippi model to best practices or benchmarks in other states, and developed recommendations for a new funding approach.

Consultant to assist the Georgia House of Representatives develop a funding methodology for the renovation, repair, and maintenance of all buildings within the University System of Georgia, including the two-year campuses. MGT reviewed the funding mechanisms used by the other states and recommended alternative funding policies.

Director of a project for the Idaho State Board of Education to conduct a two-part equity study of the funding of the four senior colleges and universities in Idaho. In part one, MGT validated the peer institutions selected by each of the four institutions (Boise State University, Idaho State University, Lewis-Clark State College, and the University of Idaho), and used information from the peer institutions and other data sources to determine whether resources were allocated equitably. In part two, after determining that resources were distributed inequitably, MGT recommended changes to the resource allocation methodology to improve equity among the four institutions.

Director on a project to assist the West Virginia Higher Education Policy Commission and the West Virginia Council for Community and Technical College Education in meeting their statutory obligation to review and make necessary adjustments to peer institutions, develop peer selection and funding allocation rules, and set a method of allocating any peer equity funding to all West Virginia public higher education institutions.

Project Director to assist the State System of Higher Education in Pennsylvania in developing a new funding allocation methodology to distribute its state appropriations to the 14 institutions in the System. Developed a need based formula that included consideration of economies of scale, recognition of high cost programs, inclusion of tuition revenues and varying abilities of the constituent institutions to raise tuition revenues, and national trends and practices.

Higher Education (cont'd.)

Team Leader on a project to develop higher education funding guidelines for the Virginia General Assembly's Joint Subcommittee on Higher Education Funding Policies. Assessed the current funding adequacy among the State's four-year institutions and community colleges, the development of base funding guidelines for four-year institutions and community colleges, the development of alternatives for maintaining institutional base funding adequacy, and the development of performance funding options and recommendations.

Partner-in-Charge and Project Director on a project for the Governor's Commission on Higher Education and the Economy to develop a policy brief on the funding of Ohio higher education. The paper provided guiding principles for a sound funding strategy, assessed Ohio's current higher education funding mechanism to identify elements that should be retained and those to be changed, and outlined two alternative funding mechanisms that might meet the needs of the state. In addition, the brief commented on the role and structure of the Higher Education Funding Commission and summarized the mechanisms used by other states to make funding recommendations to the Legislature. The policy brief concluded with an outline of the change process and strategies to transition from the current funding mechanism to a new mechanism.

Consultant to assist Austin Community College in responding to the performance review conducted by the Texas Comptroller of Public Accounts.

Partner-in-Charge and Director of a project for the Texas Legislative Budget Board to conduct a management and performance review of Texas A&M University. MGT conducted interviews, focus groups, surveys, and open forums to obtain substantial input from students, faculty, staff, and citizens. MGT completed detailed reviews of governance and leadership, instruction and academic support, human resources management, financial management, asset and risk management, management information systems, university relations, and plant operations and maintenance. From the detailed reviews, commendations and recommendations were developed to assist the Legislative Budget Board and Texas A&M University.

Technical advisor on to assist the Washington Higher Education Coordinating Board (HECB) by developing and helping conduct a collaborative process to assess the physical and programmatic capacity of higher education in Washington State and the role of electronic learning in meeting the goals of the ten-year Washington Strategic Master Plan for Higher Education for the period 2008-2018. MGT also will be required to meet with the legislature on an "as-needed" basis, up to June 2009.

Project Director on a study for the Connecticut State University System to review the fund distribution methodologies and funding formulas used for public multi-campus systems of higher education across the United States, compare and contrast the methodologies to those currently in use in the Connecticut State System, and make recommendations based on those findings. Reviewed formula-driven budgets, the impact of the kinds of curricula offered, and the mix of undergraduate and graduate programs on funding requirements. In addition, examined the need for a base level of funding or recognition of fixed costs in the allocation of resources, and the need for inclusion of factors that recognize economies of scale.

Higher Education (cont'd.)

Director on a project that identified and evaluated potential opportunities for achieving greater efficiencies in the operations of Virginia's 23 community colleges. MGT identified best practices in other state higher education systems and determined strengths and weaknesses of potential opportunities through extensive stakeholder input sessions.

Technical advisor on a project to develop an executive compensation policy for the University of North Texas System.

Partner-in-Charge of a project to assist Baltimore City Community College with an analysis of its human resource management system. The study included a review of faculty and non-faculty staff at three campuses and central administration. The study identified critical areas for improvement in the system, classifications that needed to be updated, and compensation structures that could be made more competitive with the market.

Consultant on a project for the University of Missouri, Kansas City, to work with other planning consultants on identifying specific program needs for the downtown area, where the university is establishing their new Center for the City. Specifically, existing market information was reviewed, and input was collected and compiled into a prioritized list of program demand, advantages, and barriers for the Center to consider.

Principal in charge of a project to complete an organizational and work process review of the University of Texas System Administration Office of Facilities Planning and Construction. MGT compared the UT System processes and structure to capital delivery programs of other major higher education systems, other public institutions or agencies, and major private sector companies and made recommendations to enhance the office's effectiveness in project delivery and customer service.

Team Leader on a study for the Georgia Board of Regents to address its concerns about high administrative costs through consolidation of selected administrative support functions at the smaller campuses within the system; development of various generic models of delivery of consolidated support services, including a regional service center concept; and development of a screening model to identify which support functions were most likely to be delivered successfully on a consolidated basis.

Partner-in-Charge and Director of a project for The University of Texas at Austin athletics departments to update their strategic plan. MGT developed an updated strengths, weaknesses, opportunities, and threats (SWOT) analysis, revised goals and strategic objectives, and updated strategies to reflect the progress that the departments had made toward achievement of their goals, as established in 2002.

Partner-in-Charge and Director of a project for the Ohio Governor's Commission on Higher Education and the Economy to develop a simulation model costing out the recommendations of the Commission. MGT developed a model with a series of policy levers to determine the costs of enrolling additional students with different assumptions.

Higher Education (cont'd.)

Partner-in-Charge of a project that the Civic Council of Greater Kansas City contracted with MGT to evaluate funding of higher education in Kansas. The results of MGT's study assessing Kansas' investment in higher education were presented. The study found that public financial support for higher education in Kansas had declined from 1990 levels, to a level below national averages and below the average support of the states comprising the Big 12 athletic conference: Colorado, Iowa, Kansas, Missouri, Nebraska, Oklahoma, and Texas. In addition, faculty salaries at Kansas institutions lagged behind salaries at similar institutions in the states around Kansas and behind the national averages for similar institutions.

Project Director for a management and organizational review of the School of Criminology and Criminal Justice at Florida State University. MGT evaluated the structure and relationships of the College, reviewed curricula and staffing, and compared the College to peer departments to develop recommendations related to the optimal organization and operation of the college.

Project Director for a management and organizational review of the athletic programs at Florida State University. MGT evaluated the organizational structure and relationships of the department, reviewed communications, and evaluated the plan and structure to develop recommendations related to management.

Partner-in-Charge of the development of a strategic plan for the Athletic Departments of the University of Texas at Austin. Conducted focus groups, interviews, and meetings to establish principles and determine strategic objectives.

Director of a project to complete a student satisfaction survey for the University of Arkansas Little Rock and to complete business process reengineering on selected processes in student services. MGT made recommendations for improving the admissions and transfer articulation processes used by UALR.

Partner-in-Charge of a project to provide integrated marketing services for St. Mary's University in San Antonio. MGT assisted the University by completing market area and enrollment trend research, examining current marketing efforts and collateral materials, assessing the delivery of critical student services, and obtaining key stakeholder agreement on needs and goals. MGT developed an institutional marketing plan and trained staff to help ensure successful implementation of the plan.

Senior Consultant for in-depth analyses of selected administrative functions at Iowa's public universities. The Iowa Board of Regents retained MGT for the second phase of an in-depth study. After successfully completing the diagnostic analysis phase of a comprehensive organizational review of the Iowa Board of Regents system, MGT conducted a more in-depth analysis of selected functions of the Regents' office, the three universities, and the two special schools. In particular, MGT was tasked with efforts to: streamline instructional program delivery; improve the internal reallocation process; seek modifications to state regulatory statutes; review governance reports; and determine deferred maintenance needs. Additionally, MGT was asked to assist Regent personnel in other tasks related to revenue enhancement, employee health insurance, purchasing, intercollegiate athletics, and reengineering.

Higher Education (cont'd.)

Project Director assisting Capitol College, Penn State Harrisburg, in the selection of its peer institutions to use in benchmarking on a series of performance indicators linked to its strategic plan.

Partner-in-Charge of a project that assisted the Civic Council of Greater Kansas in its goal of increasing the level of state funding for Kansas higher education. MGT provided statistical analysis to answer questions related to levels of public financial support for Kansas higher education compared to national averages.

Research Facilitator of a project that conducted a comprehensive review of capital funding for higher education projects for Washington State's Office of Financial Management. As a part of a comprehensive review of Capital Funding for Higher Education Projects, Washington State's Office of Financial Management retained MGT to conduct a two-phase study to more clearly link the source of capital funding to the function of facilities. Phase I involved a national survey to determine if states have policies that tie capital fund sources to the intended building function. Based on the results of Phase I, development of funding guidelines for capital projects was completed during Phase II.

Partner-in-Charge of an update to a 1999 benchmarking/peer analysis study for strategic planning for Austin Community College. MGT researchers collected information on programs, students, facilities, library holdings, staffing, revenues, expenditures, and operations from a group of peer institutions and compared the data to ACC. Findings were developed not only from the survey responses but also from information collected from other national sources.

Team Leader on the comprehensive diagnostic analysis phase of an organizational review of Iowa's public universities and special schools. The Iowa Board of Regents retained MGT to conduct the diagnostic phase of a comprehensive organizational review of the University of Iowa, Iowa State University, University of Northern Iowa, the Iowa School for the Deaf, and the Iowa Braille and Sight Saving School. The diagnostic analysis included benchmarking analyses with peer institutions in other states, extensive interviews with senior administrators and line managers on campus, and customer satisfaction surveys. MGT identified areas for potential improvement, as well as areas for commendation, for each institution and for the Board central office. For each area of improvement, a detailed implementation plan was prepared.

Partner-in-Charge on a strategic marketing plan for the Houston Community College System. The project included market research related to the system's five college institutions; trend analysis regarding the existing market; an assessment of all current marketing materials including written collateral materials, electronic media and internet offerings; a management assessment of student services and current communications and marketing activities; and the development of a creative marketing plan that took advantage of the system's current strengths and developed a strong competitive advantage brand for the system and all of its component institutions.

Director of a project that conducted a survey related to mandated programs and debt services for the Kentucky Council on Postsecondary Education. The survey results were used in support of the Council's budget development activities for the 2002-2004 biennium. The survey collected information on state-funded mandated research and public service programs as well as state-funded debt service from the 110 peer or benchmark institutions of the Kentucky colleges and universities. MGT developed recommendations as to how the survey results should be incorporated into the Kentucky benchmark funding model.

Higher Education (cont'd.)

Consultant on a study to perform a faculty workload study for the Pennsylvania State System of Higher Education. Completed a comprehensive review of the literature, reviewed peer systems on faculty productivity/workload measures and policies, a benchmarking analysis of Pennsylvania State System of Higher Education institutions to peer systems on faculty productivity/workload measures, and development of recommendations on new mechanisms for measuring faculty productivity in the System.

Partner-in-Charge of a project that completed a study of out-of-district tuition, determined the actual cost of instruction for out-of-district students using multiple econometric methods for determining "cost," and created a model for setting out-of-district tuition for Austin Community College, Texas. In addition, MGT surveyed former students to determine the reasons why the students chose not to continue attendance at ACC.

Consultant on a project to update an analysis of presidents' salaries for the North Carolina State Board of Community Colleges. The analysis focused on determining competitive salary rates at community colleges in states believed to have community college systems with similar missions. MGT compiled and analyzed data for each of six enrollment size categories for colleges in ten states.

As senior financial officer of the Arizona University System, provided leadership and direction for a staff of six responsible for system financial, capital, and strategic planning; budgeting; resource allocation; accounting; auditing; human resources; enrollment planning; space management; and capital construction. Developed a methodology for evaluating salary equity for all system staff. Evaluated the effectiveness and efficiency of university operations and provided liaison with the Governor's office and legislative budget staff.

Provided direction and supervision for the Arizona State University Office of Strategic Planning, including economic development planning, development of peer lists, peer studies and related research, enrollment planning modeling, and accreditation review. Analyzed faculty salaries and workload by comparing department or discipline data to peer information. Developed performance indicators for use in the statewide strategic planning and budgeting system.

Assisted the Athletics Department at Arizona State University to develop their strategic plan.

Provided senior staff support and leadership for a team evaluating faculty productivity in the Arizona University System for reports to the Arizona Legislature in 1995, 1996, and 1997.

Project Director on a study for the Austin Community College to conduct an assessment of the current forms and processes for employee evaluations, and to review and revise the forms for classified, administrative, and professional employees. Developed recommendations to include professional development requirements as a component of employee evaluations, and to develop necessary procedures for the evaluation methodology. Two user-friendly training packets were developed to train employees and supervisors on the use of the evaluation forms, and the policies and procedures related to evaluation.

Designed and implemented peer studies related to funding, faculty workload, productivity, and other elements for the University of Maryland and to the Maryland State College and University Systems.

Higher Education (cont'd.)

Director of a project with the Oklahoma State Regents for Higher Education to complete an analysis of outsourcing activities within Oklahoma higher education. Analyzed the current status of privatization by higher education institutions in Oklahoma, identified additional opportunities for outsourcing, surveyed peer institutions on their outsourcing or privatization activities, and developed a set of procedures that assisted Oklahoma colleges and universities in evaluating possibilities for outsourcing or privatization.

Consultant-Technical Advisor of a project for the Oregon University System to assist the system in: (1) developing aspirational peers for the engineering schools at Oregon State U. and Portland State U.; (2) interviewing officials at OSU, PSU, the University of Oregon, and the Oregon Institute of Technology regarding their future goals and objectives for their engineering programs; and (3) developing cost estimates for the institutions to reach their goals and objectives.

Co-Project Director on a study for the legislatively established Commission for Postsecondary Education in the 21st Century in identifying and analyzing all major state policies within the Commonwealth impacting the cost and price of higher education within the state. Based on the analysis, proposed various alternatives that could be adopted to contain increasing costs and prices.

Analyzed faculty salary equity issues using the AAUP Salary Equity Model for Morgan State University, Bowie State College, and Coppin State College in Maryland.

Project Director for a project to assist the University System of Georgia (USG) in conducting a benchmarking study of the 34 USG institutions on selected strategic performance indicators; in conducting a management review of business practices; and in developing a formalized process for the USG to use for collecting data, performing analyses, and reporting accountability.

Team Leader for Financial Services Review on a student services delivery study for Ohio State University. Directed the review of current student financial services delivery and developed estimates of space needs, staffing projections and delivery needs and enhancements for future. Also worked with university officials and planners to determine the possible upgrades and changes to the delivery mechanisms and operations that will ensure more efficient and effective provision of student financial services.

Project Director on a project for the Institute for Higher Education Policy to conduct research on and produce a monograph that described how states collect, analyze, and use higher education expenditure or "cost" data. The monograph described the range of methodologies and uses of higher education cost data. Key questions addressed who collects the data, for which institutions, at what level of detail, and how the data are used in the policy making process for higher education. This monograph was one of the components of the Institute's multi-year New Millennium Project on Higher Education Costs, Pricing, and Productivity that is funded by the Ford Foundation.

Research and Analysis Team Member on an assessment of postsecondary education needs and opportunities in the Spokane, Washington area. The focus of the project was on the needs of both area and statewide employers and on the needs of prospective students in the region. The study also explored programs and opportunities that would draw students to the area, served by a branch of Washington State University.

Higher Education (cont'd.)

Analyst on an environmental scan for Seattle University in Seattle, Washington. The project was designed to enable the University to embark upon a strategic planning process to guide it through the next decade. The analysis concentrated on 12 external factors as they related to the seven distinguishing directions the University is pursuing.

Designed, conducted, and wrote research reports related to funding, facilities, staff, capital construction, accreditation, and other areas for the Maryland State Board for Higher Education. Designed and wrote policy studies. Administered federal grant programs, and other state programs for Maryland non-public institutions of higher education. Conducted performance appraisals and audits of Maryland non-public postsecondary institutions.

Designed and implemented a data base system for consolidating university budgets and making recommendations for funding to the Maryland General Assembly. Represented higher education and testified at various Maryland General Assembly hearings.

Technical Advisor on a project to assist the University and Community College System of Nevada in assessing whether the six institutions in the system were equitably funded, and if not, to recommend strategies for addressing the inequities.

Project Director on a study for the Austin Community College in its Citizen Advisory Committee process related to the College's strategic plan. Selected peer institutions using a multivariate statistical methodology and developed benchmark information on the best practices of Austin Community College's peers in student development, workforce programs, health professions, information systems, and technology. Also developed a best practices document that enabled the Citizens Advisory Committee to recommend areas of emphasis in the College's Strategic Plan for the 21st Century.

Project Director on a project to review funding guidelines to assess the adequacy of operating funds and recommend new funding guidelines for the Maryland Higher Education Commission. Guidelines then in use were reviewed in the context of historical development and funding formulas used by other state systems of higher education. Recommendations for updating the guidelines were made and implemented by the Commission.

Project Director of a study for the State Higher Education Executive Officers (SHEEO). The project involved annually publishing *Financing Higher Education: An Annual Report from the States*. The publication reports on trends in state appropriations for higher education, trends in tuition and fees, issues in capital funding, trends in state support for student financial aid, and the critical higher education funding issues that state legislatures address during legislative sessions.

Consultant with Lucie Lapovsky, President of Mercy College, to edit a *Handbook for Chief Financial Officers* of public and private higher education institutions. The *Handbook* assists both experienced and aspiring chief financial officers perform their jobs more efficiently and effectively. The publication presented discussions on cutting edge issues facing chief financial officers of institutions of higher education, and provided approaches to solving problems and addressing issues, including areas in which chief financial officers use their influence to deliver services to the many constituencies of a college or university management, consortia, legislative and governing board relations, use of peers, funding technology, and funding guidelines.

Higher Education (cont'd.)

Consultant on a project to conduct an academic program needs assessment for Texas A & M University – Corpus Christi, across their local market, the 11-county Coastal Bend region, and a broader area reaching to the San Antonio and Houston metro areas. The study relied on the compilation and review of existing demographic, educational and occupational data across the geographies in question.

Recruitment Analysis Team Member on an analysis of the policies, procedures and practices of recruitment programs at selected Texas universities and professional schools. The project focused on an assessment of these programs to determine effectiveness in serving minority students.

Served as Chair of the team that developed the Arizona State University mission statement, goals, objectives, and strategic plan. Maintained lead role as representative to system committee writing the system strategic plan and developing accountability and other performance indicators that are used as one component of the state of Arizona budget allocation and program evaluation system.

Consultant to develop funding models for distance education for the University System of Georgia.

Consultant to revise the state funding formula for the Oregon University System. The project compared funding mechanisms used by eight other states to Oregon's funding formulas and made suggestions for revisions.

Consultant to revise the state funding formulas for the Montana University System. The project resulted in recommendations for changing all of the components of the Montana funding formulas.

Expert witness on higher education funding in Alabama in U.S. District Court for Auburn University and the University of Alabama.

Consultant to analyze higher education funding in Kentucky and develop funding formulas for Western Kentucky University.

Testified on equity of higher education funding formulas before the Alaska State Legislature.

Advisor on funding formulas and strategic planning for the Western Interstate Commission for Higher Education (WICHE).

Provide leadership for the higher education team redesigning the State of Maryland accounting system. This project involved complete reworking of the State's accounting system to be compatible with generally accepted accounting principles for governmental organizations, and included the universities as well as all other Maryland state agencies.

Taught courses in accounting, educational management, strategic planning, economics and finance of education.

Designed a management information system for the University of Illinois Department of Continuing Education and Public Service.

Consultant to design a management information system for donor records for the University of Illinois Foundation.

Higher Education (cont'd.)

Provided direction and supervision for a clerical and technical staff of 20 at the University of Illinois Foundation. Developed and implemented a management information system for donor and financial records and a prospect identification system for donors. Managed and invested Foundation funds, developed administrative policies and procedures, and supervised Foundation business operations.

Administered a residence hall at Eastern Michigan University, trained and evaluated 80 staff, and provided personal and career counseling.

PK-12 Education Consulting

Partner-in-Charge and Director of a project for the Texas Association of School Boards to prepare a report describing the business of Texas public education. MGT completed an economic impact analysis of the $36 billion Texas public education enterprise that demonstrated the more than $100 billion impact on the Texas economy, and on every citizen of Texas. In addition, MGT described the business of public education and the many laws and rules that impact on and limit the operations of the public schools. MGT also completed case studies of the economic impact of six Texas school districts.

Project Director of an efficiency study for the Austin Independent School District, Texas. MGT was engaged to determine if the district operates at optimum efficiency and carries out financial management principles in a manner that would a) encourage increased efficiency and effectiveness of the district and maximize the amount of money available to improve education in the classroom; and b) increase public confidence that AISD is using money for public schools efficiently and wisely. MGT identified specific area of potential savings in financial and facilities management, staff levels, class loads and scheduling, transportation and energy management, professional services contracts, and the management structure.

Team leader for funding issues on a program evaluation of the Texas Migrant Education Program for the Texas Education Agency. MGT reviewed expenditures made from migrant funds and evaluated the performance of the programs carried out by local school districts and regional education service centers to meet the needs of migrant students.

Team leader on funding issues and development of a funding formula for pupil transportation in West Virginia. The project reviewed the operations, staffing, funding, maintenance, routing, and other aspects of school transportation programs in 14 school districts and made recommendations for improvements statewide.

Designed, analyzed, and wrote research reports on elementary and secondary education funding issues for the Illinois State Board of Education. Established a funding model database for use in simulating various funding formulas for school transportation, general state aid, and categorical funding for special education, and vocational education. Represented the Illinois State Board of Education on the Illinois School Problems Commission and served as liaison to the Illinois legislature.

PK-12 Education Consulting (continued)

Team leader on a three-year project to evaluate the effect of increased Maryland state aid to local school systems through the Bridge to Excellence Act for the Maryland State Department of Education. MGT developed a detailed description of how local school systems are using state education aid and an analysis of the amount of funding that local governments have provided for education. School systems that show significant improvements in student and school performance were compared to school systems that do not show significant improvements to develop a list of programs or factors that consistently produce positive results for students, schools, and school systems. MGT also evaluated the efforts of local school systems to implement their strategic plans in conformance with the federal No Child Left Behind (NCLB) legislation.

Team leader on a Yellow Book performance audit of Washington's nine Educational Service Districts (ESDs) for the Washington State Auditor, including a Survey Audit (diagnostic) to validate the need for a performance audit. The MGT Audit Team used Generally Accepted Government Auditing Standards (Yellow Book) and used TeamMate software to write the audit and store all audit documentation.

Team leader on an analysis for improvement in the nature of Petersburg City Public Schools (VA) costs, efficiency, and effectiveness in non-instructional areas, including, but not limited to, the following: division administration, human resources, finance, purchasing, educational service delivery costs, special education, facilities, transportation, technology management, food service, comparative cost analysis within comparison division clusters specified by Virginia Department of Education (VDOE), and areas of special concern to division superintendent.

Partner-in-Charge of an administrative staffing/organizational study of the Abilene Independent School District's central office, as well as a study of athletics programs. MGT identified opportunities for personnel reductions within the central office administration through changes in practice and organization as well as analyzed the efficiency and effectiveness of departments to deliver high-quality instruction and support services to AISD students. AISD's organization was compared to that of peer districts, and strategies were identified to improve the efficiency of current operations.

Team leader on a project to complete a management and performance review of the Culberson County – Allamoore Independent School District for the Texas Legislative Budget Board. Conducted public hearings, interviewed community leaders, completed surveys, and visited campuses as part of a diagnostic review. Also audited various functions within the District.

Partner-in-Charge and Director of a project for the Fort Worth Independent School District (FWISD) to complete an assessment of the organizational structure and staffing of the District's central office. MGT analyzed the effectiveness and efficiency of the central office departments to deliver high-quality instruction and support services to FWISD students, as well as the organizational structure. FWISD was compared to peer school districts on the numbers of students per staff, the total number of administrators, and the types and uses of personnel contracts. Opportunities for personnel reductions were identified, as well as the reasonable span of control and chain of command for a large, urban school district.

Partner-in-Charge and Director of a project, in partnership with Texas Perspectives, for the Austin Independent School District to complete a prevailing wage study of 40 construction occupations. MGT surveyed construction trades employers in 18 counties in central Texas to develop wage and benefits rates for tradespersons in 40 different construction jobs. The district used the data for its $280 million construction program.

PK-12 Education Consulting (continued)

Partner-in-Charge of a study of the effective and efficient size of schools for Fort Worth Independent School District (FWISD). The FWISD, like many districts in Texas, was faced with flat or shrinking revenue, increasing expenses, and a minimal amount of financial reserves. Topics addressed by MGT's study included the size of the District's schools; their locations; potential savings from consolidating schools; potential savings (if any) from reducing or increasing school size; the potential for student growth beyond any school's current capacity; and costs or savings from transportation changes that might result from any change in school size. MGT provided the District with a plan to address the issues above, along with the supporting rationale.

Assistant Project Director for system-wide team for a project with the Texas Legislative Budget Board to conduct a management and performance review of the Regional Education Service Centers (RESCs). MGT conducted detailed reviews of the 20 RESCs in the areas of governance and management, financial condition and funding adequacy, number and geographic distribution of RESCs, institutional structure, program and academic delivery, human resources management, facilities use and management, asset and risk management, purchasing and contract management, and management information services.

Project Director of a classification and compensation study of the administrative and supervisory employees of the Dallas Independent School District. The study conducted a job analysis and evaluation of 1,150 individuals in 250 professional positions, developed a classification and compensation plan and made recommendations regarding the school classification plan, administrative policies and procedures, merit pay, supplemental pay and stipends. Collected comparative salary data from peer districts and other employers.

Team Leader on a second contract to conduct a management and performance review of the San Antonio Independent School District (initial study in 1991, second contract in 1999). Conducted public hearings, interviewed community leaders, completed telephone and community surveys, and visited several campuses as part of a diagnostic review. Also audited various functions within the San Antonio Independent School District.

Partner-in-Charge assisting the Texas School Alliance in development of a communications brochure for the Texas School Alliance to present to legislators the position of the Alliance on various issues in Texas school finance.

Served as an expert witness on the business of Texas public schools and the state and federal rules, laws and regulations under which Texas School Districts must operate. The expert witness was in connection with Case No. GV-100258: *West Orange-Cove Consolidated Independent School District, et al. vs. Shirley Neeley, Texas Commissioner of Education, et al.* in the 250th Judicial District Court of Travis County, Texas.

Consultant on the development of a methodology for extra pay for the extra duties of teachers in the Fairfax Public Schools, Virginia.

Consultant to evaluate funding formulas for the Texas Education Agency.

Consultant for the evaluation of strategic planning processes in the Romeo Community School District, Romeo, Michigan.

Primary consultant to the Citizens Advisory Committee for data processing in the Decatur, Illinois Public Schools.

RECENT PRESENTATIONS, PAPERS, AND PUBLICATIONS

"The 'New' Performance Funding in Higher Education, " National Education Finance Conference, Tampa FL, May 2011.

"Evaluation of the Texas Migrant Education Program, " American Education Research Association Annual Meeting, San Francisco, CA, April, 2010.

Review of *Higher Learning, Greater Good. The Private and Social Benefits of Higher Education.* By Walter W. McMahon, *Journal of Education Finance,* Spring 2010.

"Money Does Matter: The Maryland Bridge to Excellence and Its Impact on Learning," American Education Finance Association Annual Meeting, Nashville, TN, March 2009.

"An Evaluation of the Maryland Bridge to Excellence Funding Program," American Education Finance Association Annual Meeting, Denver, Colorado, April 2008.

"Funding of Community Colleges: Present and Future," National Association of College and University Business Officers Conference, New Orleans, LA. August 2007.

"Funding Model Use in 2006," Invited presentation. State Higher Education Executive Officers Professional Development Conference, Chicago, IL August 2006.

"Trends in State Support for Higher Education, 2005-06," American Education Finance Association Annual Meeting, Denver, Colorado, March 2006.

"Trends in State Support for Higher Education, 2004-05," American Education Finance Association Annual Meeting, Louisville, Kentucky, March 2005.

"Financing Higher Education in FY 2004: The State of the States," American Education Finance Association Annual Meeting, Salt Lake City, Utah, March 2004.

"National Trends in Higher Education Funding," The Ohio Governor's Commission on Higher Education and the Economy, Sept. 2003.

Guest Editor, Fall 2003 *Educational Considerations.*

"Financing Higher Education in Fiscal Year 2003: The State of the States," Vol. XXXI, 1 (Fall 2003), pp. 12-20.

"Capital Costs and Higher Education Finance," in "Saving America's School_Infrastructure," F. Crampton and D. Thompson (eds.), Information Age Publishing, Inc., 2003, pp. 67–99.

"Financing Higher Education in FY 2003: The State of the States," American Education Finance Association Annual Meeting, Orlando, Florida, March 2003.

"Capital Funding in Higher Education," American Education Finance Association Annual Meeting, Albuquerque, New Mexico, March 2002.

Book Review. "New Markets, New Opportunities? Economic and Social Mobility in a_Changing World," *Economics of Education Review*, 20 (2001) pp. 603-604.

RECENT PRESENTATIONS, PAPERS, AND PUBLICATIONS *(continued)*

"Just the Facts: Trends in Higher Education Finance: Patterns and Prophecy," Invited Presentation, Education Commission of the States Annual Meeting, Philadelphia, July 2001.

"Annual Report on the State of the States," State Higher Education Finance Officers Annual Meeting, Breckinridge, Colorado, August 1999.

"Roles and Responsibilities of the Chief Financial Officer," Jossey-Bass (ed.), (with Lucie Lapovsky), Los Angeles, 1999, 133 pp.

"Financing Higher Education: An Annual Report from the States," State Higher Education Executive Officers, Denver, February 1999, 16 pp.

"Formula Funding of Public Higher Education," in "Roles and Responsibilities of a Chief Financial Officer," Jossey-Bass, L. Lapovsky and M. McKeown-Moak (eds.), Los Angeles, 1999, pp. 99-108.

"Issues and Trends in Funding Higher Education: The State of the States," American Education Finance Association, Seattle, March 1999.

"Education Finance in Arizona, 1998: Everything Old is New Again," in "The State of School Finance Policy Issues," Nakib, Yasser (ed.) University of Delaware Press, Newark, 1998.

Invited Speaker, Alaska State Legislature, House Appropriations Committee, 1998, on funding formulas.

"Arizona Education Finance," American Education Research Association Annual Meeting, San Diego, April 1998.

"The Unsettled State of Arizona School Finance in 1997," *Educational Considerations*, XXV, 1 (Fall 1997), p. 1-4.

"Education Finance in Arizona, 1997: The Unsettled State of the State," in "The State of School Finance Policy Issues," Nakib, Yasser (ed.), University of Delaware Press, Newark, 1997.

"Unsettled State of the State of Arizona Education Finance," American Education Research Association Annual Meeting, Chicago, March 1997.

"Higher Education Funding Formulas," American Education Finance Association Annual Meeting, Jacksonville, Florida, March 1997.

"State of Arizona School Finance," American Education Finance Association Annual Meeting, Jacksonville, Florida, March 1997.

"State Funding Formulas," in "A Struggle to Survive," Honeyman, D. (ed.), Corwin, Thousand Oaks, California, 1996, pp. 49-85.

"Education Finance in Arizona: The 1996 State of the State," in "The State of School Finance Policy Issues," LaCost, Barbara (ed.) University of Nebraska Press, Lincoln, 1996.

"State Funding Formulas for Public Four-Year Institutions," State Higher Education Executive Officers (SHEEO), Denver, 1996, 34 pp.

RECENT PRESENTATIONS, PAPERS, AND PUBLICATIONS *(continued)*

Invited Speaker, State Higher Education Financial Officers, Annapolis, Maryland, 1996, on funding formulas.

"Education Finance in Arizona, the 1996 State of the State," American Education Research Association Annual Meeting, New York, April 1996.

"State of Education Finance: Presidential Address," American Education Finance Association Annual Meeting, Salt Lake City, March 1996.

"Arizona University System Budget Primer," Arizona Board of Regents, Phoenix, 1995, 44 pp.

"Student Financial Aid, 1993-1994," Arizona Board of Regents, Phoenix, 1995, 51 pp.

"Federal Role in Student Financial Aid," American Education Finance Association Annual Meeting, Savannah, Georgia, March 1995.

"The Report of the Commission on Student Costs and Financial Assistance," Arizona Board of Regents, Phoenix, 1995, 52 pp.

"School Finance in Arizona 1995 Style," in "School Finance Policy Issues in the States_and Provinces," Edlefson, Carla (ed.), Policy Research for Ohio-Based Education, Columbus, 1995, pp. 13-16.

"Faculty Productivity and Workload Issues in Arizona," Invited Speaker, State Higher Education Financial Officers, 1994, Seattle.

"The Use of Funding Formulas and Accountability in Higher Education," American Education Finance Association Annual Meeting, Nashville, March 1994.

"Current Issues in Arizona School Finance," in "The State of School Finance Policy_Issues," Theobald, Neil (ed.), Indiana University Press, Bloomington, 1994, pp. 169-173.

"The Federal Role in Student Financial Aid: Crisis and Change?" *Educational Considerations*, XXII (Fall 1994), pp. 5-12.

"State Funding Formulas for Higher Education: Trends and Issues" (with D. Layzell), *Journal of Education Finance*, 19 (Winter 1994), pp. 319-346

Publications, papers, and presentations prior to 1994 available upon request.

CURRENT AND PAST PROFESSIONAL AFFILIATIONS

American Education Finance Association President, 1995-96; Vice President and President-Elect, 1994-95; Board of Directors, 1982-84, 1992-97; Long-range Planning Committee, 1984-85, 1992-98, Chair, 1995-96; Membership Committee, 1982-84, Chair, 1983-84; Program Committee, 1984-85, 1987, 1994, Chair, 1995; Higher Education Committee, 1983-2010, Chair, 1985-1993, 1999 - 2010; Program Participant, 1980, 1983-1990, 1992, 1993, 1995-2010; Yearbook Editor, 1985, 1986; Publications Committee, 1986, 1987; Dissertation Award Committee, 1992-1994, Chair, 1993-94; Outstanding Service Award Committee, 1996-2001, Chair, 1996-97; Nominating Committee Chair, 1997-98.

State Higher Education Financial Officers (SHEFO): Chair, 1996; Planning Committee, 1985, 1995; Program Participant, 1985, 1986, 1994-97, 1999, 2006, 2009, 2010.

National Education Finance Conference, Advisory Board of Directors, 2011, Program Participant, 2011.

American Education Research Association: President, Fiscal Issues, Policy and Education Finance Special Interest Group, 1988-1990; Future Issues and Strategic Planning Special Interest Group, Chair/President - 1991-1992, Secretary-Treasurer - 1992-1995; Program Chair - 1991 Annual Meeting; Member, Liaison Committee on the Role and Status of Women in Educational, Research and Development, 1990-1994; Program Participant, 1974, 1978-81, 1983-84, 1986-1998, 2010; Program Reviewer: 1981, 1985, 1987-2011.

Phi Delta Kappa: Secretary, Arizona State University Chapter, 1988-1990.

American Association for Higher Education: Women's Caucus member, 1975-1979, Program Participant, 1974.

Association for the Study of Higher Education: Program Participant, March 1984 and October 1984, 1987, 1992.

Society for College and University Planning, Program Participant, 1990, 1991, 1992, 1993.

National Association for College and University Business Officers: Program Participant, 2007; Exhibitor 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011.

Association of Texas College and University Facilities Professionals (TCUF), Charter Member, 2009-2010.

MGT
OF AMERICA, INC.

ROBERT W. HOLLOWAY
SENIOR ASSOCIATE

RANGE OF EXPERIENCE

Mr. Holloway is a senior associate with 12 years of experience in MGT's higher education practice. His areas of expertise include economic and demographic research and analysis, including development and administration of surveys to collect data from a comprehensive spectrum of stakeholders. He is proficient in Geographic Information Systems (GIS) analysis, database design and management, and a broad range of other research methodologies used to collect and analyze relevant market and opinion data to assist colleges and universities in the advancement of institutional goals.

EDUCATION

B.S., *magna cum laude*, Economics, Florida State University, 1999

PROFESSIONAL AFFILIATIONS

College and University Professional Association for Human Resources

PROFESSIONAL & BUSINESS HISTORY

MGT OF AMERICA, INC., Senior Associate, July 2011-present; Senior Consultant, March 2008–June 2011; Consultant, November 2004–March 2008; Analyst, June 2001–October 2004; Research Associate, February 2000–June 2001; Research Assistant, August 1999–February 2000

RELEVANT PROFESSIONAL & BUSINESS EXPERIENCE

Nevada System of Higher Education
Funding Formula Study

University of Hawaii and Hawaii Legislature
Performance Funding Study

Getting AHEAD Arizona
Performance Funding for Arizona Higher Education

Thomas Edison State College
Quality Assurance Initiative

North Dakota Legislative Council
Higher Education Funding and Accountability Study

Texas Legislative Budget Board
Management and Performance Review of Texas A&M University

Iowa Board of Regents
Organizational Review, Phase II

Board of Regents of the University System of Georgia
Administrative Services Study

North Carolina General Assembly
Community College System Study

Florida State University
Review of Organizational Relationships in the Athletic Department

Florida State University
Review of Criminology Department

University of Connecticut
Organizational Structure Assessment

New College of Florida
Development of a Funding Requirements Model

Division of Colleges and Universities, Florida Department of Education
Strategic Planning Process

University System of New Hampshire
Program Needs Assessment

University of Illinois
Performance Review

Idaho State Board of Education
Medical Education Study

Arizona Board of Regents
Funding Formula Study

Central Michigan University
Assessment of the Administrative Units in Finance and Administrative Services

Texas A&M University - Central Texas
Higher Education Needs Assessment

Texas A&M University - Kingsville
Compensation Study and Recommended Plan

Texas A&M University - Corpus Christi
Regional Training and Education Needs Assessment

West Texas A&M University
Market Analysis and Needs Assessment

Texas State University - San Marcos
Market and Financial Feasibility Review of the Campus Housing System

RELEVANT PROFESSIONAL & BUSINESS EXPERIENCE (CONTINUED)

Stephen F. Austin State University, Texas
Student Housing Comprehensive Plan Update

Bainbridge College, Georgia
Academic Needs Assessment

University of Maine
Assessment of Athletics, Conference Services and Collins Center for the Arts

College of Charleston, South Carolina
Needs Assessment of Graduate-Level Programs

East Stroudsburg University, Pennsylvania
Program Needs Assessment for Philadelphia and Bethlehem Markets

Education Coalition Task Force of the Cape Girardeau Chamber of Commerce, Missouri
Needs Assessment and Market Study

Florida International University
Programmatic Needs Assessment Study

Illinois Quad City Chamber of Commerce
Community Needs Assessment of Higher Education

Minnesota State Colleges and Universities
Comprehensive Program Needs Assessment

Minnesota State Colleges and Universities
Statewide Education Needs Assessment

Old Dominion University, Virginia
Program Needs Assessment of Three Regional Campuses

Palm Beach State College, Florida
Assessment of Demand for Alternative Delivery of Nursing Program Services

Rensselaer Polytechnic Institute, Hartford and Groton, Connecticut
Comprehensive Market Study for Select Graduate and Professional Programs

Rockford Area Chamber of Commerce, Illinois
Needs Assessment Study for Higher Education

University Center of Lake County, Illinois
Community Needs Assessment of Higher Education

University of Missouri, Kansas City
Higher Education Feasibility Study

University of Southern Mississippi's Gulf Coast Campus
Comprehensive Planning Project

The University System of New Hampshire's College of Lifelong Learning
Needs Assessment and Market Study

Florida Gulf Coast University
Review of University Presidents Compensation Packages

Florida Gulf Coast University
Competitive Market Assessment of Presidential Salaries

New College of Florida
Pay and Benefits Study

North Carolina Community College System
Review of Instructional Resources Formula

Oregon University System
Engineering Program Enhancement Study

Southeast Missouri State University
Compensation Study of Positions

Southern Polytechnic State University, Georgia
Comprehensive Faculty Salary Equity Study

University of North Carolina
Peer Faculty Salary Comparison

Valdosta State University, Georgia
Classification and Compensation Structure for Non-Faculty Benefited Positions

Valdosta State University, Georgia
Performance Review and Revenue Enhancement Assessment for Selected Business Functions

Washington State Board for Community and Technical Colleges
Compensation Study

Western Carolina University
Evaluation of Student Retention Services

New Jersey Department of Education
Evaluation of Reading First Program

Thomas Edison State College, New Jersey
Quality Assurance Metrics Initiatives

University of Kentucky, Collaborative Center for Literacy Development
Kentucky's Read to Achieve Program Evaluation

The University of Minnesota Center for Teaching and Learning Services
Evaluation of Bush Foundation Grant