Policy Discussion: Finance I - Financing Higher Education
Policy Discussion: Finance II - State Revenues in the West

Monday, 10.00 am – 12.00 noon
Centennial F

Session Descriptions

Biographical Sketch: Dennis Jones

Biographical Sketch: Don Boyd

Charts related to the discussion “The Flow of Funds”
Monday, November 11, 2002

10.00 am - 12.00 noon

Policy Discussion: Finance I - Financing Higher Education

Speaker: Dennis Jones, president, National Center for Higher Education Management Systems

Policy Discussion: Finance II - State Revenues in the West

Speaker: Don Boyd, director, Fiscal Studies Program, Nelson A. Rockefeller Institute of Government

WICHE has a small one-year planning grant using existing Ford Foundation funds to initiate activities toward the project, “Finding the Will and the Way: Maintaining Higher Education within Revenue and Expenditure Constraints.” Both access to, and the quality of, public higher education in the West are at risk if the states’ revenue structures remain inadequate to sustain necessary public services. The purpose of “Finding the Will and the Way” is to examine the impact of fiscal constraints on the future viability of public services in the West, including higher education, and assist states in assessing their capacity to finance public services at the necessary level. Our focus in this initial set of policy discussions with the commission is on financing policies and revenue sources and how they impact the ability of the states to provide key public services.

In the opening session, Dennis Jones from the National Center for Higher Education Management Systems (NCHEMS) will present a model he has developed to describe the flow of funds to higher education (see agenda book pages under this tab for two flow models); in addition to providing background commentary on finance policy and the various parts of those policies, Jones will explore with commissioners the relationships among the parts of the funding flow model. The session will include a look at several options for financing higher education and general discussion on the options as they relate to the economic and social situations in the different Western states.

Following the opening conversation on the flow of funds and financing policy with Dennis Jones, this session will draw on recent analyses of state tax structures and revenue streams. The key element in the financing of higher education is the state’s revenue base. Don Boyd, with the Rockefeller Institute of Government, will present his work on tax structures. Based in part on research originally produced by Hal Hovey (1999) which demonstrated how most states will be unable to maintain their current levels of public services – including higher education – within the existing tax structures, Boyd will augment the discussion with his update of Hovey’s work and his state profiles and
groupings of like states to examine the future financing of higher education.

**Dennis Jones** is president of the National Center for Higher Education Management Systems (NCHEMS), a research and development center founded to improve the management effectiveness of colleges and universities. A member of the staff since 1969, Jones is widely recognized for his work in such areas as state and institutional approaches to budgeting and resource allocation; strategic planning; educational needs assessment; faculty workload and productivity; and information for strategic decision making and the development of educational indicators. Jones has written several monographs and articles on these topics, has presented his work at many regional, national, and international conferences, and has consulted with hundreds of institutions and state higher education agencies on management issues of all kinds. Prior to joining NCHEMS, Jones served as an administrator (in business and in institutional planning) at Rensselaer Polytechnic Institute. He received his graduate and undergraduate degree from that institution in the field of engineering management.

**Donald Boyd** is director of the Fiscal Studies Program at the Nelson A. Rockefeller Institute of Government at the State University of New York. The institute conducts studies of state and local taxes and expenditures. Prior to joining the institute in January 1996, Boyd spent 16 years analyzing state and local fiscal issues. His previous positions include director of the economic and revenue staff for the New York State Division of the Budget and director of the tax staff for the New York State Assembly Ways and Means Committee. Boyd holds a Ph.D. in managerial economics from Rensselaer Polytechnic Institute in Troy, New York.
The Flow of Funds