**POLICY DESIGN PRINCIPLES**

* Incent institutions to reduce time to degree
* Reward usage of predictive analytics
* Model reflects student need
* Promotes collaboration across institutions to foster more seamless transitions for students
* Funding should be fair and achievable
* Encourage all institutions of higher education to work collaboratively to support student success. Operational - collective needs of the state should be paramount.
* Will be transitional, include hold-harmless provisions for a limited period of time and permit time for planning for the new funding model
* Guarantee institutional funding stability while encouraging flexibility and innovation
* Provides latitude for innovation without punitive results
* Prioritize scarce resources to the most underserved, at-risk and vulnerable students first
* Align funding with successful outcomes for underserved students
* Includes workforce aligned credentials (not degree only) plus certifications
* Provide innovation/experimental spaces
* Incents reforms or broader adoption of alternate delivery models (e.g. remedial reform plus credit recognition)
* Create a dynamic model that allows for changing institutional, regional and state conditions
* Reflect individual institutions’ mission plus student driven needs
* Integrate HE with business and industry to educate an evolving workforce
* Model considers other financial revenue strands (financial aid plus tuition)
* Align funding, tuition and financial aid to maximize affordability
* Reward increases in student success and achievement and avoid punitive damages
* Provide funding based on diversity of students and programs