

College Affordability Plan (CAP)

The CAP is an agreement between Governor Steve Bullock and the Montana University System (MUS) to implement a resident-student tuition freeze for the 2014 and 2015 fiscal years if certain funding levels (requested in the Governor's Budget) are provided for by the Montana Legislature. The CAP hinges on funding in two areas: 1) new funding for inflationary costs in HB 2; and 2) adequate funding for faculty and staff pay raises in HB 13.

Outcome: The 2013 Legislature appropriated sufficient levels of funding for the CAP to be implemented.

- **HB 2**, the state general fund appropriation act, provides an increase of \$28.2 million in present law adjustments to MUS Education Units, \$5.2 million to restore student assistance general fund, and \$587,000 for inflationary costs in the WICHE/WWAMI/MN Dental programs. **Total = \$34 million**
- **HB 13**, the state employee pay plan, originally envisioned pay raises of 5 percent each year but was reduced to lower levels in its final edition; \$5.3 million in FY 2014 and \$13.4 million in FY 2015. **Total = \$18.7 million**
(note: includes health insurance)
- **Charts:** [Ed Unit Funding Charts](#)
[CC Funding Chart](#)

Performance Funding:

- Governor Bullock and Commissioner Christian signed an addendum to the College Affordability Plan agreement committing the MUS to allocating a portion of the state appropriation in the 2015 biennium based on progress made toward *increasing college completions* and other related outcomes aimed at accelerating time to degree.
 - ❖ All nine members of the Joint Appropriations Subcommittee on Education also signed the addendum.
- The addendum states that the MUS will establish measures and set goals in the first year of the biennium and allocate performance funds in the second year of the biennium in an amount equal to 50% of the present law adjustment in FY 15 (approx. 5% of the base funding in HB 2 for that year equaling \$7.5 million).
 - ❖ [Action item](#) in Administration, Budget, & Audit Committee