Building a Better System

2010 - Regulations updated to align with the Governance Agreement
• Provided greater flexibilities to universities over certain fees
• Further clarified roles and responsibilities of Board of Governors and Boards of Trustees

2011 - Regulations updated to align with new legislative authority
• Provided greater flexibilities to universities over market-rate and block tuition options

2012 - Regulations updated to enhance accountability and system collaboration
• Provided greater clarity regarding the opening and closing of campuses
• Created “rules of the road” when universities propose programs in other geographic areas
• Established processes for new degree program vetting to reduce unnecessary duplication and ensure the System is meeting the State’s needs
Three-Part Accountability Framework

**ANNUAL ACCOUNTABILITY REPORT:** Tracks performance on key metrics (past five years)

**SYSTEM-WIDE STRATEGIC PLAN:** Provides a long-range roadmap for the System

**UNIVERSITY WORK PLAN:** Provides a short-term plan of action (next three years)
Accountability Metrics Gathered from Multiple Sources

Governor • Legislature • Universities • National Accountability Models

Board of Governors 2025 Strategic Plan

University Work Plans

Tuition Differential Decision Matrix • Performance Funding
Metrics used to evaluate both **Excellence and Improvement** will guide the Board’s decision on **potential** tuition differential increases:

**STANDARD METRICS:**
- Retention Rates
- Graduation Rates
- Post-Graduation Success (Employment, Average Salary, Continued Education)
- Excess Hours
- Bachelor’s Degrees in Areas of Strategic Emphasis
- Access Rate (Financial Aid)

**MISSION-DRIVEN METRICS:**
- 1 Institution-Specific Metric (Board Choice)
- 1 Institution-Specific Metric (University Choice)
- Performance on All Other Metrics
- Budget & Finance Committee Discretion

As of November 8, 2012
Performance Funding

Metrics used to evaluate both **Excellence** and **Improvement** are tied to the goals outlined in each university work plan:

**STANDARD METRICS:**
- Retention Rates
- Graduation Rates
- Post-Graduation Success (Employment, Average Salary, Continued Education)
- Excess Hours
- Bachelor’s Degrees in Areas of Strategic Emphasis
- Master’s Degrees in Areas of Strategic Emphasis
- Access Rate (Financial Aid)

**MISSION-DRIVEN METRICS:**
- 2 Institution-Specific Metric (Board Choice)
- 2 Institution-Specific Metric (University Choice)
- Research Expenditures
- Doctoral Degrees in STEM
- Budget & Finance Committee Discretion (e.g. Affordability, ROI)

As of November 8, 2012
## Draft Performance Funding Model

### (revised January 11, 2013)

#### Key Metrics Common to All Universities Plus 2 Institution Specific Metrics

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**Institution-Specific Metrics**

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Next Steps

• Predictable fund source (New funds or % of base)

• Weights (Should some metrics be a higher priority)

• Metric sources and calculations

• Rubric (What level of success determines Excellence or Improvement. Should Improvement be based on 1 year change or an average of 3 years.)

• Implementation period

• Board discretionary option