

# Performance Funding Metrics

METHODOLOGY AND PROCEDURES

## Retention and Graduation Rates

*For FTICs and FCS AA Transfer Cohorts*

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STATE UNIVERSITY SYSTEM *of* FLORIDA  
**Board of Governors**



## Background

The national standard graduation rate was created by the Student Right to Know Act of 1990, which required institutions of higher education receiving federal financial assistance to report graduation rates to current and prospective students via the US Department of Education's Integrated Postsecondary Education Data System (IPEDS). This act established the graduation rate for first-time in college (FTIC) students based on 150% of the normal time for completion from the program - which is six years for a four-year program.

In 2011, the Board of Governors included retention and graduation rate metrics in its 2012-2025 System Strategic Plan.

In 2014, the importance of the retention and graduation rate data was further elevated by their inclusion of the following two metrics in a new Performance-Based Funding (PBF) Model:

- Six-Year Graduation Rate for First-time-in-College (FTIC) Students
- Second Fall Retention Rate for Full-time, FTIC with At Least a 2.0 GPA

In 2018, the Florida Legislature changed the FTIC graduation rate metric included in PBF from a six-year to a four-year measure.

- Four-Year Graduation Rate for Full-time, First-time-in-College (FT-FTIC) Students

The 2019 Florida Legislature added the following two new graduation rate metrics to the PBF model:

- Two-year Graduation Rates for Florida College System AA Transfers
- Six-Year Graduation Rate for First-time-in-College (FTIC) Students with a Pell Grant

This document provides details on the methodology and procedures used by Board of Governors staff during the analysis and production of the four PBF metrics related to retention and graduation rates that are reported in the annual Accountability Plans.



## 1. Overview of Data Sources & Procedure

The State University System of Florida Board of Governors maintains a student unit record database titled the State University Database System (SUDS). Retention and graduation rate data are finalized using the Retention submission, which differs from other submissions as the Board’s Office of Data & Analytics (ODA) staff builds the initial Retention data using previously accepted Student Instruction File (SIF) and the Degrees Awarded (SIFD) data.

### Retention Submission Process

1	ODA staff build the initial Retention datasets for each institution.
2	Institutional Data Administrators (IDAs) review ODA’s initial Retention build and make cohort adjustments, make ID changes, and report late degrees that haven’t previously been reported on the SIFD. After the IDAs have made these adjustments, they then officially submit the Retention submission. <b>**Important note: these changes only apply to the Retention submission and are <u>not</u> incorporated into the underlying SIF or SIFD tables. So, any student type or ID changes or late degrees reported on the Retention submission is not added to the related SIF or SIFD tables.**</b>
3	SUDS software executes scripts that require two overnight processes to update person ID data and run the SQL and SAS reports. Once IDs and reports have been updated, sometimes the IDAs need to make additional cohort adjustments and resubmit the Retention submission again.
4	ODA staff review and approve the Retention submissions.
5	ODA staff provide preliminary retention and graduation rates to the IDAs for their review and approval prior to the data being shared with, and approved by, each university Board of Trustees and the Board of Governors as part of the annual Accountability Plan process.

## 2. Defining the Cohort

A cohort is composed of students who were all admitted to the university during the same year. The number of students who are assigned to a cohort serves as the denominator in the calculation of retention and graduation rates. Institutional Data Administrators classify students based on the following components which ODA staff use to determine student cohorts:

### A. Student Level:

Only the students who meet the following criteria are included in the cohort.

- STUDENT CLASS LEVEL [#1060] is either L (lower division undergraduate) or U (upper division undergraduate).
- DEGREE HIGHEST HELD [#1112] must be less than a Bachelor’s.
- FEE CLASSIFICATION KIND [#1107] must equal 'G' (general instruction).

### B. Cohort Year:

A retention cohort year is defined as the summer, fall, and spring terms when DATE MOST RECENT ADMISSION [#1420] equals REPORTING TIME FRAME [#2001].

COHORTS	RECENT ADMIT DATE		
	SUMMER	FALL	SPRING
2017-18	201705	201708	201801
2018-19	201805	201808	201901
2019-20	201905	201908	202001



### C. Cohort Types:

The COHORT TYPE [#1429] is a derived element that is built by ODA staff and is based on the TYPE OF STUDENT AT TIME OF MOST RECENT ADMISSION [#1413] as reported by institutions in the SIF submissions.

- First-Time in College Students include two types of students:
  - Students who are admitted into a university for the first time and who have earned less than 12 credit hours after high school graduation [#1413= 'B'].
  - Students who are considered 'Early Admits' because they have been officially admitted and are seeking a degree at the university prior to their high school graduation [#1413= 'E'].
- Transfer Students from the Florida College System with an Associate in Arts degree are based on the following criteria:
  - TYPE OF STUDENT AT TIME OF MOST RECENT ADMISSION [#1413] is Florida College System ['J'].
  - HIGHEST DEGREE HELD [#1112] during their first term enrolled as a Florida College System transfer [#1413='J'] is an Associate's degree ['A'].
  - INSTITUTION GRANTING HIGHEST DEGREE [#1411] during their first term enrolled as a Florida College System transfer [#1413='J'] is a Florida College System institution.
- Note: A small number (less than 0.001) of students are found in both the FTIC and FCS AA Transfer cohorts in different cohort years.

### D. Student Right to Know Flag:

The STUDENT RIGHT TO KNOW (SRK) FLAG [#1437] is an entry status indicator that is a 'Yes/No' flag based on the term (Summer, Fall, or Spring) that a student is first admitted.

- YES: If a student enters the institution in the fall term the SRK flag will be set to 'Yes'. If a student enters the institution in the summer term and progresses to fall term, the SRK flag will be set to 'Yes'.
- NO: If a student enters in the summer term and does not progress to the fall term; or, if a student enters in the spring term the SRK flag will be set to 'No'.

### E. Full-Time / Part-Time Indicator:

The FULL-TIME / PART-TIME INDICATOR [#1433] is an indicator based on the number of credit hours attempted (not earned) during their first fall term. A student entering in the fall and taking 12 or more credit hours will remain in the full-time category regardless of the number of credits taken in subsequent terms.

- This indicator is based on the CURRENT TERM COURSE LOAD [#1063] which is the number of hours enrolled/attempted during a term. This excludes courses that are audited and all credits awarded during the term through 'Credit by Examination'. Students completing prior term incompletes are not included unless they have registered and paid fees for the credits they are completing.
- This indicator is used in reporting retention and graduation data to the federal government - to IPEDS.



## F. Cohort Adjustments:

Institutional Data Administrators use the Cohort Adjustment Flag [#1442] on the Retention Cohort Changes (RETC) table to make cohort adjustments. The US Department of Education allow institutions to exclude students from cohorts for a few select reasons – these are known as ‘IPEDS exclusions’. In addition, ODA staff allow Institutional Data Administrators to make other cohort adjustments to reflect better information that has become available since the underlying data was first reported to SUDS. The ten types of cohort adjustments that are used to calculate PBF metrics are shown in the table below.

Historically, these adjustments were only made for students in the upcoming six-year cohort, but with the new focus on four-year graduation, several institutions have started identifying cohort adjustments for multiple cohorts in a single retention submission. **It is important to know that the Retention software does not enable an IDA to re-insert a student who was previously excluded from a cohort.** This is especially important for the students who have been identified as having been officially admitted to an Advanced Graduate program (classified as ‘P’ or ‘T’) without earning a bachelor's degree. Since these students will not earn a bachelor’s degree, they can be removed from the FTIC cohort for the calculation of graduation rates. Because the cohort adjustment cannot be undone, it is important to stress that this adjustment cannot be used for students who are just *seeking* an Advanced Graduate degree – only students who have been formally admitted to the program and will not be earning a bachelor’s degree can have this designation. The SUDS database does not yet collect which students are enrolled in an Advanced Graduate program, so ODA does not know who should be removed from the cohort for this reason. The students who are identified as being in these advanced graduate programs should be carefully reviewed by university audit staff.

- It is also important to note that these Advanced Graduate students will not be removed from the Academic Progress Rate or Retention Rate calculations, as there is no reason why entry into an accelerated graduate program would prohibit enrollment during the second fall term. Therefore, ODA cautions that universities should not apply the Advanced Graduate (‘P’ or ‘T’) adjustment to any student in their first year (when COHORT YEAR equals REPT\_TIMEFRAME).
- Information Adjusted by Correction (I) is used to adjust a student’s information (e.g., cohort type, SRK flag, or full/part-time indicator) which potentially moves a student from one cohort to another, but this adjustment does not remove/exclude the student from all cohorts.

### COHORT ADJUSTMENTS USED IN PBF METRICS

CATEGORIES	RETENTION & APR	GRAD RATES
Death (A)*	Removed	Removed
Totally/Permanently Disabled (D)*	Removed	Removed
Left to Serve in Armed Forces (F)*	Removed	Removed
Left to serve in the Federal Foreign Aid Service (G)*	Removed	Removed
Left to serve an Official Church Mission (M)*	Removed	Removed
Registered but never attended (B)	Removed	Removed
Multiple Cohorts (Q)	Removed	Removed
Pharmacy doctoral program (P)	Not used	Removed
Advanced Graduate Program (T)	Not used	Removed
Information Adjusted by Correction (I)	Adjustment	Adjustment

Note: The IPEDS exclusions are identified with an asterisk (\*). There are other values included in the Cohort Adjustment Flag [#1442] that are not listed here because they are not included in the PBF methodology.



### 3. Calculating the Number Retained or Graduated

#### A. Academic Progress Rates (Second Fall Retention Rates)

- **Cohorts:** The number of students in the cohort serves as the denominator for the retention rate, and is based on the following rules:
  - Cohort Type= 'FTIC'; Student Right to Know (SRK)= 'Yes'; FT/PT Indicator= 'Full-time'.
  - Cohort Adjustments – excludes: Death (A), Registered but never attended (B), Totally/Permanently Disabled (D), Serve in Armed Forces (F), Federal Foreign Aid Service (eg, Peace Corps) (G), Official Church Mission (M), Multiple Cohorts (Q).
    - Note: Effective with the 2020 Accountability Plans, ODA decided not to revise historical retention (PBF and KPI) cohort counts based on subsequent cohort adjustments. The rationale for this recognizes that actions in subsequent years should not impact the fact that a student was retained into their second fall term. This decision means that the SQL reports in the Retention submission will remain the official record for retention rates.
  - The Retention Rate reported in the annual Accountability Plans is different from what is reported to the U.S. Department of Education’s Integrated Postsecondary Education Data System (IPEDS). The primary difference is due to timing – the retention rate that is reported to IPEDS is based on preliminary, beginning-of-term (SIFP) enrollment data; whereas the retention rate in the annual Accountability Plan is based on final, end-of-term (SIF) enrollment data.
- **Retained or Graduated:** The numerator for the standard retention rate includes two components: (1) the number of students in the cohort who are still enrolled during the second fall term, and (2) those students who graduated in their first year - prior to the start of the second fall term.
- **Grade Point Average:** The Academic Progress Rate PBF metric includes the student’s cumulative ‘institution GPA’ at the beginning of the second year (BEG\_YR2). This excludes GPA points from postsecondary transfer credits. Only students with a BEG\_YR2 GPA of at least 2.0 are included in the numerator. This GPA threshold aligns with a criterion for Satisfactory Academic Progress that is a standard eligibility threshold for financial aid eligibility. The addition of the GPA criterion makes this metric a more powerful leading indicator for a timely graduation.
  - Effective with the 2019 Accountability Plan<sup>1</sup>, ODA calculates each student’s first-year college GPA based on the data provided in the enrollment table of the Fall term SIF submissions during the student’s second Fall term. This GPA calculation for each student is included in the SQL report in the Retention submission. The formula used for calculating GPA is provided below:

#### BEGINNING-OF-YEAR2 (BEG\_YR2) METHODOLOGY

$$\frac{\text{GPA\_INST\_GRADE\_PTS} \text{ [#1086]}}{\text{GPA\_INST\_HRS} \text{ [#1085]}}$$

<sup>1</sup> Historically, the end of the first year cumulative GPA was based on data that was submitted prior to the second fall term. This process was complicated by timing issues due in large part to the fact that many grades were still incomplete during the summer term before the second fall term (usually due in mid-September). In order to create a smoother procedural flow, and fix timing issues caused by incomplete grades, the Board’s Office of Data & Analytics worked with the Council of Data Administrators to revise the methodology to instead use the beginning of term data as reported in the second fall enrollment table (due late January).



**B. Four Year FTIC Graduation Rates**

- **Cohorts:** The number of students in the cohort serves as the denominator for the graduation rate. The denominator used in the calculation of the four-year FTIC graduation rate is based on the following:
  - Cohort Type= 'FTIC' ('B' and 'E').
  - SRK= 'Yes' – includes fall entrants and summer-to-fall entrants.
  - FT/PT Indicator= 'Full-time' only – based on attempted hours in the first fall term.
  - Cohort Adjustments – excludes: Death (A), Registered but never attended (B), Totally/Permanently Disabled (D), Serve in Armed Forces (F), Federal Foreign Aid Service (eg, Peace Corps) (G), Official Church Mission (M), Multiple Cohorts (Q), Pharmacy doctoral program (P), Advanced Graduate Program (T).
- **Graduated:** The number of students in the cohort who graduated within four years (by the fourth summer term after entry) from the same institution serves as the numerator for the graduation rate.
- **Late degrees and Historic Grad Rates.** It is important to note that degrees included in the graduation rate calculation can differ from those included in the calculation for degrees awarded because the calculation for graduation rates can include more terms than the degrees awarded calculation. Degrees can be reported to SUDS after the degree was awarded – these are called 'late' degrees and 'late-late' degrees. The table below shows the difference in which terms are included when reporting academic year degree counts and graduation rates. DEG\_TERM (rows) indicates when the degree was awarded to the student and REPT\_TIME\_FRAME (columns) indicates when the institution reported that degree to the Board office.
  - The **red box** shows which terms are used to report degrees awarded during the 2019-20 academic year. It includes three DEG\_TERMS (summer, fall, and spring) that spans four REPT\_TIME\_FRAME terms to allow for 'late' and a few select 'late-late' degrees.
  - Alternatively, the yellow highlighted cells shows which terms are used to initially report the 2016-20 FTIC graduation rates. As you can see, the calculation for graduation rates includes many more terms than the degrees awarded calculation. This is because the methodology for calculating graduation rates does not include REPT\_TIME\_FRAME and only considers DEG\_TERM. As a result, each year historical graduation rates can change as newly reported 'late-late' degrees are included. The green highlighted cells shows the additional REPT\_TIME\_FRAME terms that will be included the subsequent year when the 2016-20 graduation rates are recalculated. These 'late-late' degrees are not a large number but can potentially change rates that are reported into the decimals.
    - It is important to note that late degrees that haven't already been submitted on the SIFD must be submitted on the Retention submission to be included in the graduation rates.

DEG_TERM	REPT_TIME_FRAME															
	201605	201608	201701	201705	201708	201801	201805	201808	201901	201905	201908	201901	202005	202008	202001	202105
201605	ONTIME	LATE	LATELATE													
201608	.	ONTIME	LATE	LATELATE												
201701	.	.	ONTIME	LATE	LATELATE											
201705	.	.	.	ONTIME	LATE	LATELATE										
201708	.	.	.	.	ONTIME	LATE	LATELATE									
201801	.	.	.	.	.	ONTIME	LATE	LATELATE								
201805	.	.	.	.	.	.	ONTIME	LATE	LATELATE							
201808	.	.	.	.	.	.	.	ONTIME	LATE	LATELATE						
201901	.	.	.	.	.	.	.	.	ONTIME	LATE	LATELATE	LATELATE	LATELATE	LATELATE	LATELATE	LATELATE
201905	.	.	.	.	.	.	.	.	.	ONTIME	LATE	LATELATE	LATELATE	LATELATE	LATELATE	LATELATE
201908	.	.	.	.	.	.	.	.	.	.	ONTIME	LATE	LATELATE	LATELATE	LATELATE	LATELATE
202001	.	.	.	.	.	.	.	.	.	.	.	ONTIME	LATE	LATELATE	LATELATE	LATELATE
202005	.	.	.	.	.	.	.	.	.	.	.	.	ONTIME	LATE	LATELATE	LATELATE
202008	.	.	.	.	.	.	.	.	.	.	.	.	.	ONTIME	LATE	LATELATE
202101	.	.	.	.	.	.	.	.	.	.	.	.	.	.	ONTIME	LATE
202105	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	ONTIME



### C. Two Year FCS-AA Transfer Graduation Rates

- **Cohorts:** The number of students in the cohort serves as the denominator for the graduation rate. The cohort used in the calculation of the two-year FCS AA Transfer graduation rate is based on the following:
  - Cohort Type= 'A' (Florida College System Transfer with an AA Degree),
  - FT/PT Indicator= 'Full-time' only – based on attempted hours in the first fall term,
  - SRK= 'Yes' – includes fall entrants and summer-to-fall entrants,
  - Cohort Adjustments – excludes: Death (A), Registered but never attended (B), Totally/Permanently Disabled (D), Serve in Armed Forces (F), Federal Foreign Aid Service (eg, Peace Corps) (G), Official Church Mission (M), Multiple Cohorts (Q), Pharmacy doctoral program (P), Advanced Graduate Program (T).
- **Graduated:** The number of students in the cohort who graduated within two years (by the second summer term after entry) from the same institution serves as the numerator for the graduation rate.

### D. Six Year FTIC Pell Graduation Rates

- **Cohorts:** The number of students in the cohort serves as the denominator for the graduation rate. The cohort for the six-year FTIC Pell graduation rate is based on the following:
  - Cohort Type= 'FTIC' ('B' and 'E'),
  - Pell\_FY='Yes' – flags students who received a Pell grant anytime during their first year (summer, fall, spring terms). The ODA Retention build uses AWARD PAYMENT TERM (#02040) data from the SFA submissions to derive this field. For example, the 20182019 cohort will use AWARD PAYMENT TERM between 201805 and 201901 terms.
  - SRK= 'Yes' – includes fall entrants and summer-to-fall entrants,
  - Cohort Adjustments – excludes: Death (A), Registered but never attended (B), Totally/Permanently Disabled (D), Serve in Armed Forces (F), Federal Foreign Aid Service (eg, Peace Corps) (G), Official Church Mission (M), Multiple Cohorts (Q), Pharmacy doctoral program (P), Advanced Graduate Program (T).
  - FT/PT Indicator is not used for this metric, so both Full- and Part-time students are included.
- **Graduated:** The number of students in the cohort who graduated within six years (by the sixth summer term after entry) from the same institution serves as the numerator for the graduation rate.