



BOARD *of* GOVERNORS

State University System of Florida

Budget & Finance Committee
Syd Kitson, Chair

October 16, 2018

www.flbog.edu



Performance Funding Overview

4 Guiding Principles:

- Use metrics that align with Strategic Plan goals
- Reward excellence or improvement
- Have a few clear, simple metrics
- Acknowledge the unique mission of the different institutions

Key Components:

- State Investment allocated based on 10 metrics
- Base funds, equaling new funds, at risk
- One metric chosen by the Board of Governors and one by the Board of Trustees
- Institutions evaluated on the excellence or improvement for each metric
- Data based on one year



Performance Funding Overview

10 Metrics Common to All Institutions

1. Percent of Bachelor's Graduates Employed (Earning \$25,000+) or Continuing their Education	6. Bachelor's Degrees Awarded in Areas of Strategic Emphasis
2. Median Wages of Bachelor's Graduates Employed Full-time	7. University Access Rate (Percent of Undergraduates with a Pell-grant)
3. Average Cost to the Student (Net Tuition per 120 Credit Hours)	8a. Graduate Degrees Awarded in Areas of Strategic Emphasis 8b. Freshman in Top 10% of Graduating High School Class (for NCF only)
4. Four Year Graduation Rate (Full-time FTIC)	9. Board of Governors Choice - Percent of Bachelor's Degrees without Excess Hours
5. Academic Progress Rate (2nd Year Retention with GPA Above 2.0)	10. Board of Trustees Choice



Performance Funding Overview

State Investment Funds:

- Maximum of 100 points (10 points per metric).
- Institutions scoring 50 points or less or the three lowest scoring universities will not receive any State Investment.
- Eligible universities receive state investment funds allocated proportionately to their recurring state base budget.
- If any additional funds remain, they are awarded to the three highest scoring eligible universities based on points earned.

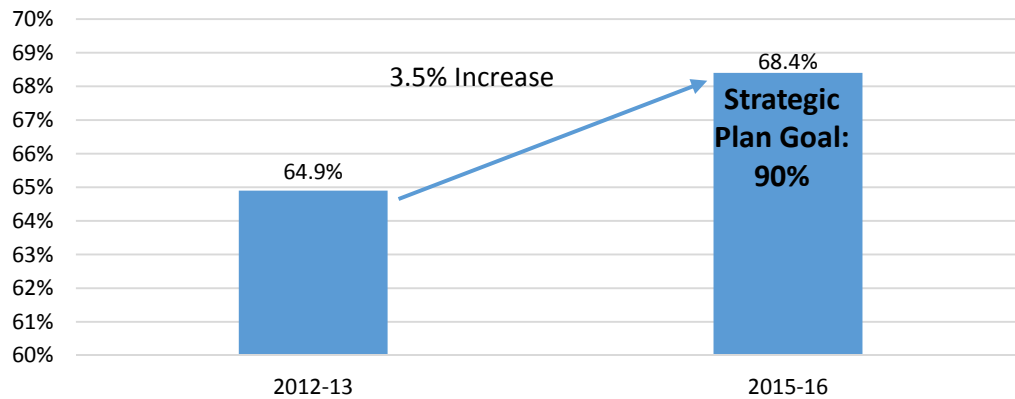
Institutional Investment Funds:

- Each university contributes a portion of their institutional budget to be allocated based on performance.
- A university that scored 51 points or higher would receive their full institutional funding restored.
- A university with 50 points or less would have base funding restored dependent on the success of a Board approved improvement plan.
- A university that does not successfully implement an improvement plan may lose base funding. Those funds would then be redistributed to the institutions meeting the 51-point threshold, based on the points earned by each institution.

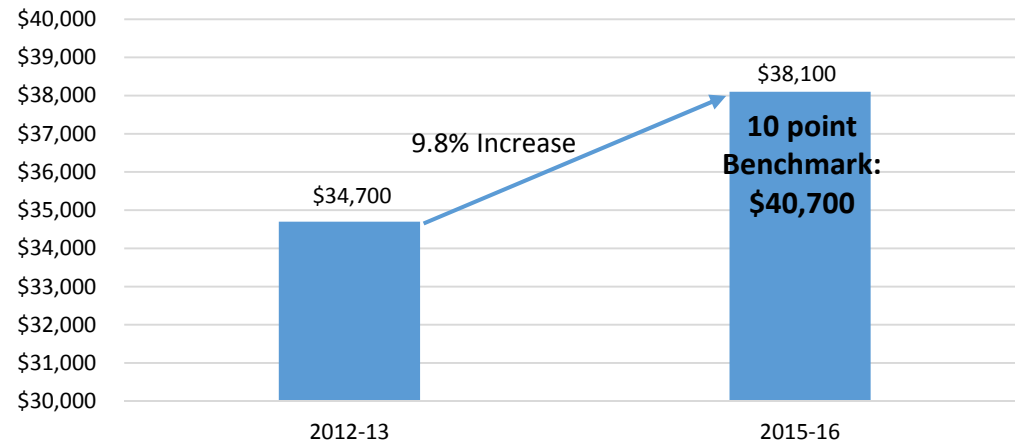


Performance Funding Improvement

Metric 1: Percent of Bachelor's Graduates Employed or Continuing their Education



Metric 2: Median Wages of Bachelor's Graduates Employed Full Time



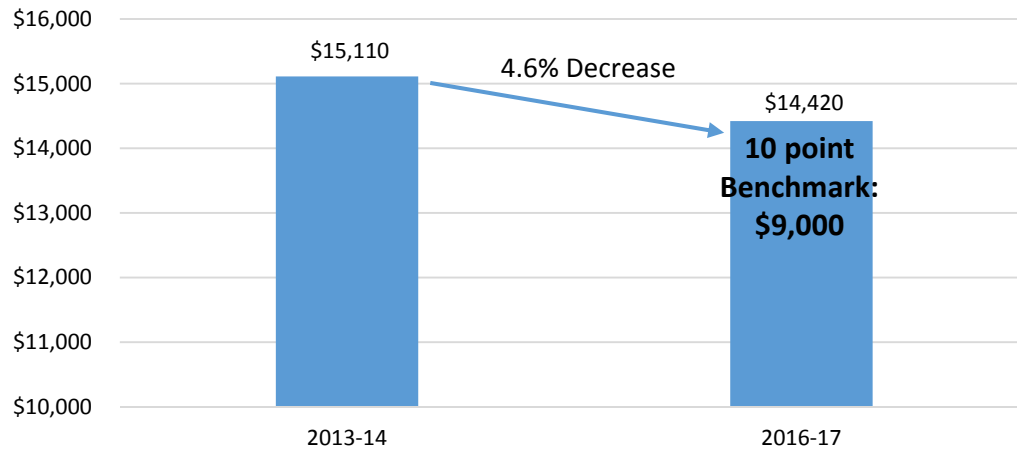
Success in student employment after graduation achieved by:

- ✓ *Investing in career services centers with a focus on student advising.*
- ✓ *Establishing partnerships with local businesses and career centers.*
- ✓ *Increasing the number of degrees in STEM.*

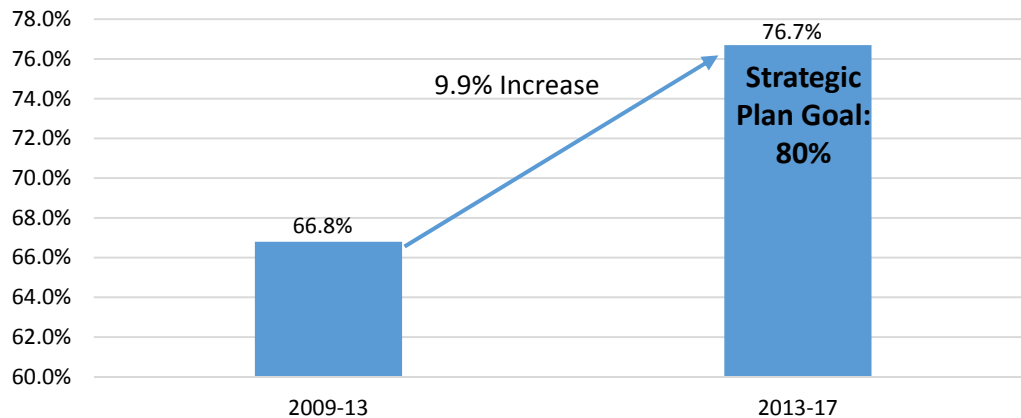


Performance Funding Improvement

Metric 3: Average Cost to the Student



Metric 9: Percent of Baccalaureate Degrees Awarded Without Excess Hours



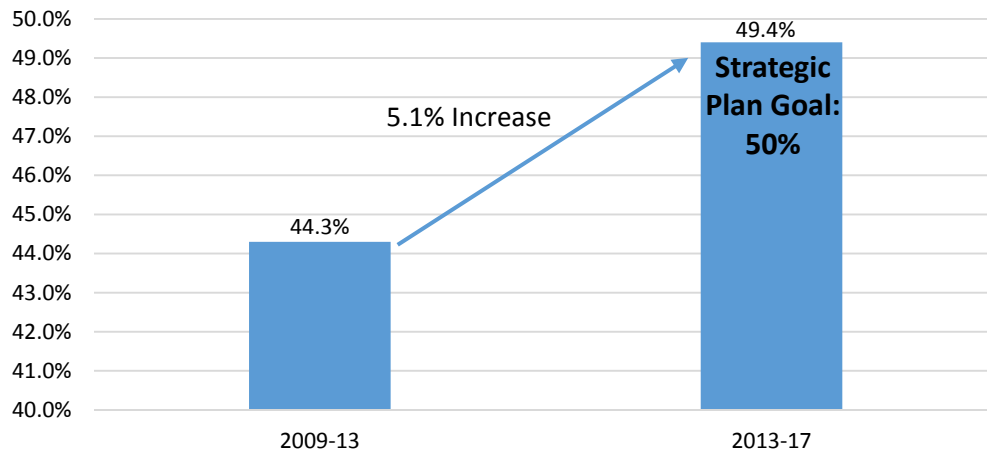
Average cost and degrees with excess credit hours continue to decrease by:

- ✓ *Reducing the number of hours to earn a degree.*
- ✓ *Increasing student financial aid.*
- ✓ *Investing in advisors focused on graduation.*
- ✓ *Increasing and improving student advising.*

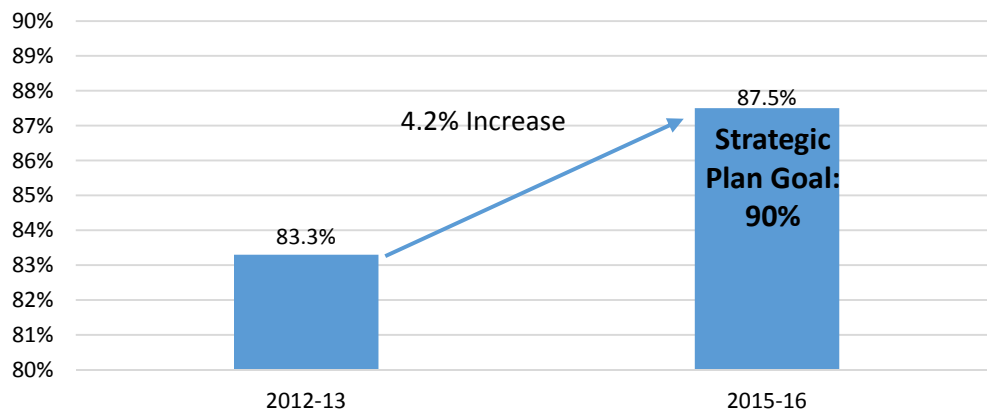


Performance Funding Improvement

Metric 4: 4 Year Grad Rate



Metric 5: Academic Progress Rate
2nd Year Retention w/ GPA above 2.0



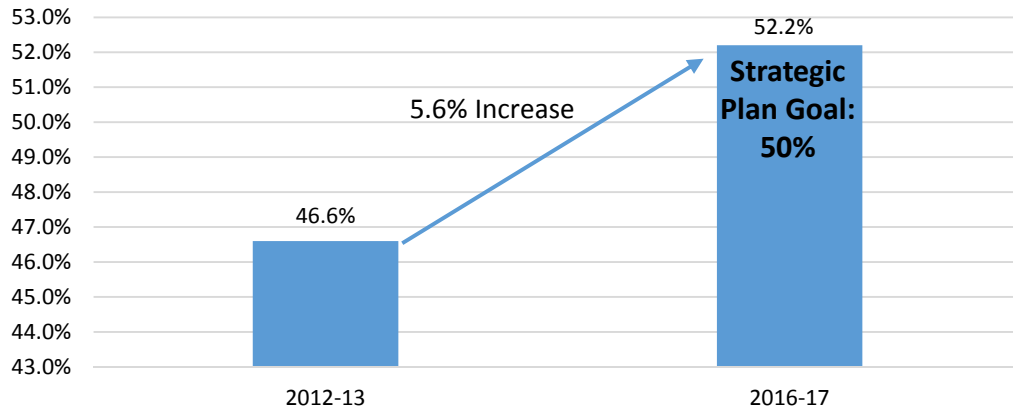
Graduation and Retention Rate Success Achieved by:

- ✓ *Increasing the number of advisors to focus on student retention and graduation, offering mentoring, tutoring and other services.*
- ✓ *Investing in software to target struggling students and improve graduation and retention rates.*
- ✓ *Increasing student financial aid.*

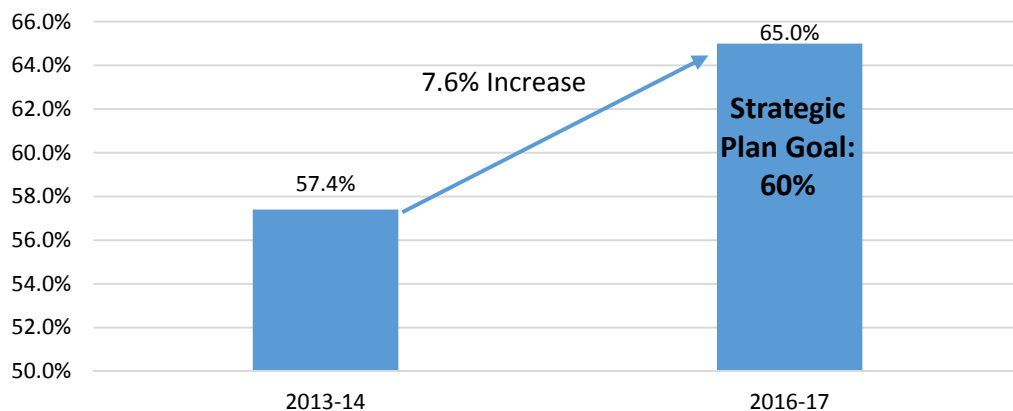


Performance Funding Improvement

6: Percent of Bachelor's Degree Awarded in Programs of Strategic Emphasis



8a: Percent of Graduate Degrees Awarded in Programs of Strategic Emphasis



Increasing Bachelor's and Graduate Degrees Awarded in Programs of Strategic Emphasis Achieved by:

- ✓ *Increasing the number of degrees in STEM.*
- ✓ *Hiring additional faculty in high-wage, high-need areas.*



Year 1 of Performance Funding Excellence Scores

Metric												Highest Benchmark
1	60%	70%	70%	67%	61%	44%	69%	63%	69%	69%	60%	75%
2	\$30,000	\$34,900	\$32,900	\$35,100	\$30,300	\$21,200	\$33,700	\$33,100	\$24,200	\$34,600	\$31,000	\$40,000
3	\$37,950	\$32,430	\$29,240	\$26,730	\$25,500	\$74,640	\$21,010	\$24,940	\$29,350	\$24,340	\$31,080	\$20,000
4	41%	40%	43%	50%	77%	66%	66%	86%	49%	62%	42%	70%
5	72%	70%	72%	78%	90%	81%	86%	96%	76%	87%	63%	90%
6	43%	40%	35%	40%	35%	56%	35%	47%	33%	46%	39%	50%
7	65%	41%	35%	47%	30%	29%	38%	32%	36%	41%	39%	30%
8A 8B	39%	33%	36%	40%	31%	35%	47%	59%	34%	57%	29%	50%
9	31%	31%	74%	70%	11	4	60%	18	71%	56%	65%	80% FSU 25 UF 31 NCF 5
10	86%	42%	23%	5,851	115	100%	12,321	\$697 M	9%	300	32%	
<i>BOT Choice</i>	80%	40%	20%	6,100	75	100%	12,300	Top 1/3 of AAU	7%	300	21%	

Score of 4-5

Score of 3

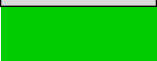
Score of 2-0



Year 5 of Performance Funding Excellence Scores

Metric												Highest Benchmark
1	66.7%	68.9%	68.7%	67.8%	66.6%	54.2%	67.9%	70.9%	69.1%	70.0%	63.8%	72.8%
2	\$33,000	\$39,800	\$38,000	\$39,300	\$35,900	\$26,700	\$38,700	\$42,100	\$38,000	\$37,300	\$36,000	\$40,700
3	\$9,660	\$15,520	\$18,230	\$16,210	\$14,280	\$6,780	\$16,030	\$10,340	\$17,680	\$12,960	\$15,310	\$9,000
4	21.8%	27.1%	22.9%	33.5%	68.4%	53.6%	43.8%	66.0%	33.7%	57.3%	25.2%	50%
5	76.3%	78.4%	74.8%	86.3%	91.4%	78.8%	87.3%	94.6%	77.5%	85.9%	73.5%	90%
6	42.6%	50.7%	52.5%	48.9%	43.4%	51.2%	51.9%	58.8%	51.7%	61.4%	52.0%	50%
7	62.8%	41.1%	30.6%	50.4%	28.0%	29.5%	39.4%	27.7%	30.2%	40.0%	39.2%	42%
8A 8B	58.9%	62.4%	62.0%	59.6%	56.9%	35.0%	62.0%	70.9%	53.6%	74.8%	51.1%	8a 60%, 8b 50%
9	41.6%	75.1%	75.7%	72.2%	81.7%	82.7%	76.4%	82.1%	80.3%	78.3%	80.2%	80%
10	83.0%	46.7%	608	83.6%	130	100.0%	13,070	2	19.0%	272	32.3%	
<i>BOT Choice</i>	80%	40%	452	40%	75	100%	12,300	1st-10th	13%	200	25%	

Score of 10-8



Score of 7-5



Score of 4-0





Performance Funding Model Discussion Items

1.

Setting Deadline for Data Submissions

- Chancellor to set deadline for data submissions each year.

2.

Schedule of Changes in Common Metrics

- History of metric changes.

3.

Rounding Data Scores

- Should data scores be rounded to the nearest whole number?

4.

Metric 1 – Percent of Bachelor's Graduates Enrolled or Employed

- Methodological changes.

5.

Metric 10 – Board of Trustees Choice

- Review changes to Metric 10.

6.

New Allocation Methodology

- Review alternative methodology for allocating state investment.



1. Setting Deadline for Data Submissions

2. Schedule of Changes in Common Metrics

- Board of Governors Chancellor to set hard deadline for data submissions each year.
 - Transparency to the public
 - Accountability to the university and the Board
 - Accuracy and promptness in scoring
 - Subject to change each year considering unique circumstances
- Performance Based Funding Metric Changes
 - The Board of Governors workshop changes to Performance Based Funding metrics in October each year and vote on them in November.
 - The changes become effective the following June when the next PBF scoring and allocations take place.
 - Metrics are not changed after November unless there is a legislative act requiring the Board to change the metrics.
 - Data is submitted throughout the fall and not finalized until university Trustees review and approve.



3. Rounding Data Scores

Performance Based Funding Model 2018-19 Benchmarks											
		EXCELLENCE (Achieving System Goals)									
Points		10	9	8	7	6	5	4	3	2	1
Key Metrics Common to All Universities											
1	Percent of Bachelor's Graduates Employed (\$25,000+) and/or Continuing their Education Further 1 Yr after Graduation	72.8%	70.5%	68.3%	66.0%	63.7%	61.4%	59.2%	56.9%	54.6%	52.3%
4	Four Year Graduation Rate <i>Full-time FTIC</i>	50%	48.8%	47.5%	46.3%	45%	43.8%	42.5%	41.3%	40%	38.8%
5	Academic Progress Rate <i>2nd Year Retention with GPA Above 2.0</i>	90%	88.8%	87.5%	86.3%	85%	83.8%	82.5%	81.3%	80%	78.8%
6	Bachelor's Degree's Awarded in Areas of Strategic Emphasis <i>(includes STEM)</i>	50%	47.5%	45%	42.5%	40%	37.5%	35%	32.5%	30%	27.5%
8.A.	Graduate Degrees Awarded in Areas of Strategic Emphasis <i>(includes STEM)</i>	60%	57.5%	55%	52.5%	50%	47.5%	45%	42.5%	40%	37.5%
8.B.	Freshmen in Top 10% of Graduating High School Class <i>(Alternative metric for NCF only)</i>	50%	47.5%	45%	42.5%	40%	37.5%	35%	32.5%	30%	27.5%
9	Percent of Bachelor's Degrees without Excess Hours	80%	77.5%	75%	72.5%	70%	67.5%	65%	62.5%	60%	57.5%
		IMPROVEMENT									
% Improvement		5.0%	4.5%	4.0%	3.5%	3.0%	2.5%	2.0%	1.5%	1.0%	0.5%
Points		10	9	8	7	6	5	4	3	2	1



4. Metric 1 – Bachelors Graduates Enrolled or Employed

- Methodological changes related to Metric 1
 - Support military data collection effort by including the ‘active duty’ data available in SUDS (start counting the students who were classified as ‘active duty’ during their degree term as being employed in the military)



5. Metric 10 – Board of Trustees Choice

Institution	Current Metric	Institution Choice
FAMU	Percent of R&D Expenditures Funded from External Sources	Number of Bachelor's Degrees Awarded to Transfers with AA Degrees from FCS
FAU	Bachelor's Degrees Awarded to Minorities	Total Research Expenditures
FGCU	Bachelor's Degrees Awarded to Minorities	Number of Bachelor's Degrees Awarded Annually to African American and Hispanic Students
FIU	Bachelor's Degrees Awarded to Minorities	Number of Post-Doctoral Appointees
FSU	National Rank Higher than Predicted by the Financial Resources Ranking Based on a US and World News Report	Percent of Bachelor's Graduates who took an Entrepreneurship Class
NCF	Percent of Undergraduate Seniors Participating in a Research Course	Percent of FTIC Graduates Completing 3+ High-Impact Practices
UCF	Number of Bachelor's Degrees Awarded Annually	Percent of Degrees Awarded to African-American and Hispanic Student
UF	Number of Licenses/Options Executed Annually	6-Year Graduation Rates
UNF	Percent of Undergraduate FTE in Online Courses	Percent of Undergraduate FTE in Online Courses
USF	Number of Postdoctoral Appointees	6-Year Graduation Rates
UWF	Number of Undergraduate Students Aged 25 and Older Enrolled in Fall	Percent of Baccalaureate Graduates Completing 2+ Types of High-Impact Practice



6. Current Allocation Methodology

Current Allocation Methodology:

- Universities scoring 50 points or less must do an improvement plan.
- Universities not earning the required 50 point threshold or the three lowest scores will not receive any of the state investment.
- Universities receive state investment funds proportional to their existing base.
- The three highest scores are eligible for additional state investment funds based on points earned.



6. New Allocation Methodology Proposal

- Eliminate the bottom 3 requirement.
- Must have at least 51 points to receive institutional investment.
- Top 3 (including ties) receive 100% of their allocation of state investment.
- Universities that increase their score over the last year receive 100% of their allocation of the state investment.
- If a university's score decreases 2 consecutive years, the university may receive up to 100% of their allocation of the state investment after presenting/completing a student success plan:
 - The university must present a student success plan to the Board, if the plan is accepted by the Board, the university may receive up to 50% of their allocation in August/September
 - If goals are met, the university may receive up to the balance of their allocation of the state investment 6 months after the student success plan is presented (March)
- Starting in 2021-22, schools below 70 could receive up to 50% of the state investment after presenting/completing a student success plan:
 - The university must present a student success plan to the Board, if the plan is accepted by the Board, the university may receive up to half of their allocation in August/September
 - If goals are met, the university may receive up to the balance of their allocation of the state investment 6 months after the student success plan is presented (March)
- Any state investment not allocated shall be distributed to the universities that did receive 100% of their state investment (allocation based on points).



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