



BOARD *of* GOVERNORS

State University System of Florida

Budget & Finance Committee

Tom Kuntz, Chair

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Performance Funding Model

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:

- Funds allocated based on 10 metrics
- 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 Model - Metrics

Points	EXCELLENCE (Achieving System Goals)					IMPROVEMENT (Recognizing Annual Improvement)									
	5	4	3	2	1	5	4	3	2	1					
1	Percent of Bachelor's Graduates Employed and/or Continuing their Education Further 1 Yr after Graduation					75%	70%	65%	60%	55%	5%	4%	3%	2%	1%
2	Median Average Full-time Wages of Undergraduates Employed in Florida 1 Yr after Graduation					\$40,000	\$35,000	\$30,000	\$25,000	\$20,000	5%	4%	3%	2%	1%
3	Average Cost per Undergraduate Degree to the Institution					\$20,000	\$22,500	\$25,000	\$27,500	\$30,000	5%	4%	3%	2%	1%
4	Six Year Graduation Rate Full-time and Part-time FTIC					70%	67.5%	65%	62.5%	60%	5%	4%	3%	2%	1%
5	Academic Progress Rate 2nd Year Retention with GPA Above 2.0					90%	87.5%	85%	82.5%	80%	5%	4%	3%	2%	1%
6	Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM)					50%	45%	40%	35%	30%	5%	4%	3%	2%	1%
7	University Access Rate Percent of Undergraduates with a Pell-grant					30%	27.5%	25%	22.5%	20%	5%	4%	3%	2%	1%
8	Graduate Degrees Awarded in Areas of Strategic Emphasis (includes STEM)					50%	45%	40%	35%	30%	5%	4%	3%	2%	1%
Institution-Specific Metrics															
9	Board of Governors choice (metrics approved Sept. 12, 2013)					Varies by metric					Varies by metric				
10	Board of Trustees choice (metrics approved Nov. 21, 2013)					Varies by metric					Varies by metric				



Performance Funding Model – Basic Operation

New Appropriated Funds:

- Maximum of 50 points (5 points per metric)
- Must have 26 points or more to be eligible for new funds
- A university with 25 points or less, or the three lowest scoring universities are not eligible for new funds
- Eligible universities receive new funds allocated proportional to their recurring state base budget
- Highest scoring eligible universities will receive additional new funds



Performance Funding Model – Basic Operation

Base Recurring Funds:

- A proportional amount, equal to the amount of new appropriated funds, would come from each university's recurring state base budget
- For the first year a university would only have 1% at risk
- A university with 26 points or more would have their base funding restored
- A university with 25 points or less would have all but 1% of their base funding restored
- Funds would be reallocated proportional to the universities with more than 25 points, with the highest scoring universities eligible for more



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