

Performance Funding Model
Discussion Items
November 9, 2017

1. **Metric 3 – Net Tuition & Fees per 120 Credit Hours** – Changed in November 2016, this metric is based on resident undergraduate student tuition and fees, books and supplies as calculated by the College Board, the average number of credit hours attempted by students who were admitted as FTIC and graduated with a bachelor’s degree for programs that requires 120 credit hours, and financial aid provided to students. Books and supplies as calculated by the College Board serves as a proxy until an alternative recommendation is made.
 - a. **Discussion** – An SUS workgroup consisting of all universities recommended a methodology for calculating the cost of books based on bookstore information. The new calculation takes into consideration the national average for textbooks and supplies; the average of new, used, and rental prices of books; open access percentage; and enrollment at each university.
 - b. **Recommendation** – Approve the recommended changes to the books and supplies calculation as presented by the SUS workgroup.

2. **Metric 4 – 6-Year Graduation Rates** – This metric is based on the percentage of FTIC students who started the fall term (or summer term continuing to fall) and had graduated from the same institution within six years. This metric has not changed since the implementation of the model in 2014. Senate Bill 4 proposes changes to statute requiring the Board to include a 4-year graduation rates metric.
 - a. **Discussion** – The Board has focused on student affordability and encouraging students to graduate in a timely basis. Focusing on 4-year graduation rates will encourage universities and students to utilize resources efficiently to graduate on time and enter the workforce with less debt.
 - b. **Recommendation** – While the committee agreed this would be a positive change, the recommendation would be to wait until after the legislative session to see what other changes could impact the metric.

Current 6-Year Graduation Rate Benchmark based on Strategic Plan Goal of 70%:

Points	10	9	8	7	6	5	4	3	2	1
Benchmark	70%	68.8	67.5	66.3	65	63.8	62.5	61.3	60	58.8

Proposed 4-Year Graduation Rate Benchmark based on Strategic Plan Goal of 50%:

Points	10	9	8	7	6	5	4	3	2	1
Benchmark	50%	48.8	47.5	46.3	45	43.8	42.5	41.3	40	38.8

3. **Metric 7 – University Access Rate** – This metric is based on the number of undergraduates, enrolled during the fall term, who received a Pell-grant during the fall term. This metric has not changed since the implementation of the model in 2014. Senate Bill 4 would require the access metric to have benchmarks that reward institutions with access rates at or above 50 percent.
 - a. **Discussion** – The Committee reviewed this proposed change. Based on the Senate Bill, FIU and FAMU would be impacted. The Committee reviewed other metrics in which universities greatly exceed the Strategic Plan goal.
 - b. **Recommendation** – Make no changes to the metric at this time while legislation is pending.

4. **Metric 9 – Board of Governors Choice Metrics** – These choice metrics and benchmarks are determined by the Board. These metrics have not changed since the implementation of the model in 2014. Metric 9a – Percent of Bachelor’s Degrees without Excess Hours; Metric 9b (FSU and UF) – Faculty Awards; Metric 9c (NCF) – National Ranking for Institutional & Program Achievements.
 - a. **Discussion** – Metric 9b was created to recognize UF and FSU as preeminent universities, focusing on specific goals the other universities may not be focusing on. In 2014, the data for Bachelor’s Degree awarded without excess hours was not available for New College, causing the Board to create Metric 9c. The Committee discussed moving all universities to the Bachelor’s Degrees without Excess Hours metric. Discussion also mentioned moving the preeminent universities to a different metric.
 - b. **Recommendation** – All universities should be working to improve the percentage of degrees awarded without excess credit hours. Approve the recommendation to move FSU, UF and NCF to Metric 9a.

5. **Metric 10 – Board of Trustees Choice Metrics** – These choice metrics and benchmarks are determined by the respective University Boards. UNF and UF Metrics changed in November 2016, the others have not changed since the implementation of the model in 2014. Each Board of Trustees’ three options were presented to the committee.
 - a. **Discussion** - The committee discussed how the new metrics would impact each university. Universities had the opportunity to discuss their metric.
 - b. **Recommendation** – Continue working on the wording and benchmarks of the proposed changes to metric 10 but make no changes for the upcoming year.

6. **Allocation Methodology** – The current allocation methodology requires universities scoring 50 points or less to do an improvement plan. Universities not earning the required 50 point threshold or the three lowest scoring universities will not receive any of the state investment. Universities receive funds proportional to their existing base. The three highest scoring universities eligible for additional state investment funds based on points earned.
 - a. **Discussion** - The allocation methodology was presented for purposes of discussion only. The committee will continue to workshop this issue. The committee reviewed an alternative allocation methodology that would set a point threshold for institutions to be eligible for state investment, replacing the requirement of having the three lowest scoring institutions not receiving the state investment. The methodology also set a point threshold for institutions to be eligible for additional state investment funds rather than the three highest scoring institutions. The methodology set a sliding scale between each point threshold that would increase the percentage of state investment funds allocated when an institution’s score increases.
 - b. **Recommendation** – This was a discussion item. No recommendation for a change is being made at this time.