Performance-Based Funding Changes
November 2020

I. Two New Metrics

Senate Bill 72 added two new metrics to the PBF model: two-year graduation rate for FCS associate in arts transfer students and six-year graduation rate for students who are awarded a Pell Grant in their first year.

i. **Issue**: Seven out of the ten metrics are currently required by statute. How should the model be set up with two additional statutorily required metrics?
Option: To keep the model at 100 points, replace one current metric with the two new metrics. Each new metric will be worth five points.
Recommendation: Agree with the option. Replace Metric 9 – Board of Governors Choice Metric (Bachelor's Degrees without Excess Hours) with two new metrics.

1001.92 - State University System Performance-Based Incentive.

(1) A State University System Performance-Based Incentive shall be awarded to state universities using performance-based metrics adopted by the Board of Governors of the State University System. Beginning with the Board of Governors' determination of each university's performance improvement and achievement ratings, and the related distribution of annual fiscal year appropriation, the performance-based metrics must include:

(a) The four-year graduation rate for first-time-in-college students; (METRIC 4)
(b) Beginning in fiscal year 2021-2022, the two-year graduation rate for associate in arts transfer students; (NEW)
(c) Retention rates; (METRIC 5)
(d) Post-graduation education rates; (METRIC 1)
(e) Degree production; (METRIC 6 AND 8)
(f) Affordability; (METRIC 3)
(g) Post-graduation employment and salaries, including wage thresholds that reflect the added value of a baccalaureate degree; (METRIC 1 AND 2)
(h) Access rate, based on the percentage of undergraduate students enrolled during the fall term who received a Pell Grant during the fall term; and (METRIC 7)
(I) Beginning in fiscal year 2021-2022, the six-year graduation rate for students who are awarded a Pell Grant in their first year. (NEW)

Possible metrics to replace in the model:

- **Metric 8:** Graduate Degrees Awarded in Areas of Strategic Emphasis
- **Metric 9:** Board Choice, Percent of Bachelor's Degrees without Excess Hours
- **Metric 10:** BOT Choice

II. New Metric: Two-Year Graduation Rate for FCS Associate in Arts Transfer Student

This metric is now required by statute. The 2025 Strategic Plan Goal tracks the three-year graduation rate for associate in arts transfer students with a system-wide goal of 62%. There is not a Strategic Plan Goal for two-year graduation rate. The current system average for the two-year graduation rate for FCS associate in arts transfer students is 41%; this is a 1% increase in the system average from one year ago.

i. **Issue**: How should the benchmarks and improvement points for this metric be set?
Option: On a five-point scale, set the system average at the three-point threshold with increments of five percentage points in both directions. Set the improvement scale at five points with 5% improvement being worth five points and 1% improvement being worth one point
Recommendation: Agree with option.

Most Recent Data:

	FAMU	FAU	FGCU	FIU	FL Poly	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS Avg
2016-17 Data	41%	40%	41%	42%	0%	53%	25%	32%	40%	41%	43%	32%	40%
2017-18 Data	34%	40%	43%	46%	10%	56%	42%	33%	42%	43%	41%	31%	41%
Improvement	-8%	0%	2%	4%	10%	3%	17%	1%	3%	3%	-1%	-1%	1%

Set benchmarks using the current system average at the three-point threshold:

Points	**5**	**4**	**3**	**2**	**1**
increments of 5%	50%	45%	40%	35%	30%

Set the improvement scale at five points:

% Improvement	5%	4%	3%	2%	1%
Points	**5**	**4**	**3**	**2**	**1**

ii. **Issue:** New College and Florida Polytechnic have small 'Florida College System AA Transfer' cohorts.
Option: When an institution reaches a minimum cohort size (of 25) for three consecutive years, then the institution can be evaluated based on a single cohort. Until then, any institution with a small cohort will be evaluated based on the performance from the last three cohorts.
Recommendation: Agree with option.

FCS AA Transfer Cohort Sizes:

FL Poly:

Cohort Year	Cohort Size	3Yr Rolling Cohort Size
2014-15	32	.
2015-16	21	.
2016-17	16	69
2017-18	31	68
2018-19	24	71

NCF:

Cohort Year	Cohort Size	3Yr Rolling Cohort Size
2014-15	17	.
2015-16	12	.
2016-17	16	45
2017-18	12	40
2018-19	11	39

III. New Metric: Six-Year Graduation Rate for Students who are Awarded a Pell Grant in their First Year

This metric is now required by statute. The 2025 Strategic Plan Goal tracks the four-year graduation rate for students who are awarded a Pell Grant in their first year with a system-wide goal of 54%. The 2025 Strategic Plan Goal for six-year graduation rate is 80%. The current system average for the six-year graduation rate for students who are awarded a Pell Grant in their first year is 70%; this is a 2% increase in the system average from one year ago.

i. **Issue:** How should the benchmarks and improvement points for this metric be set?
Option: On a five-point scale, set the system average at the three-point threshold with increments of five percentage points in both directions. Set the five-point goal at 80%, equal to the Strategic Plan Goal. Set the improvement scale at five points with 5% improvement being worth five points and 1% improvement being worth one point.
Recommendation: Agree with option.

Most Recent Data:

	FAMU	FAU	FGCU	FIU	FL Poly*	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS Avg
2016-17 Data	48%	52%	44%	58%		79%	60%	70%	86%	54%	70%	36%	68%
2017-18 Data	51%	51%	47%	60%		81%	62%	69%	86%	60%	70%	39%	70%
Improvement	3%	-1%	3%	2%		2%	2%	-1%	-1%	6%	1%	3%	2%

*the first year FL Poly will have a 6yr Pell FTIC rate is 2018-24 that will be reported in 2025; FL Poly will have an alternative metric

Set benchmarks using the current system average at the three-point threshold:

Points	**5**	**4**	**3**	**2**	**1**
increments of 5%	80%	75%	70%	65%	60%

Set the improvement scale at five points:

% Improvement	5%	4%	3%	2%	1%
Points	**5**	**4**	**3**	**2**	**1**

IV. Florida Polytechnic University – Alternative Metric

Florida Polytechnic will participate in the Performance-Based Funding Model in the upcoming year. They will need an alternative metric to the new metric: six-year graduation rate for students who are awarded a Pell Grant in their first year.

i. **Issue**: What should FL Poly's alternative metric be?
Option: Academic Progress Rate, 2nd Year Retention for FTIC with a Pell-Grant; set the system average at the three-point threshold. Set five points at the Board's Strategic Plan goal of 90%. Set the improvement scale at five points with 5% improvement being worth five points and 1% improvement being worth one point.
Recommendation: Agree with option.

Current data:

	FL Poly	SUS Avg
PELL	66.7%	86.7%
NO PELL	64.9%	87.1%
TOTAL	65.4%	86.9%
Difference	1.8%	-0.5%

Set benchmarks using the current system average at the three-point threshold:

Points	**5**	**4**	**3**	**2**	**1**
increments of 1%	89%	88%	87%	86%	85%

Set the improvement scale at five points:

% Improvement	5%	4%	3%	2%	1%
Points	**5**	**4**	**3**	**2**	**1**

V. Metric 1 – Percent of Bachelors Graduates Employed (earning $25,000+) or Enrolled One Year after Graduation

The new 2025 Strategic Plan Goal for this metric increases the wage threshold to $30,000 and sets the goal to 80%.

i. **Issue**: Should the PBF metric match the new 2025 Strategic Plan Goal? If so, when should this change be implemented?
Option: (1) Raise the wage threshold to match the 2025 Strategic Plan Goal, no changes to the benchmarks. (2) Raise the wage threshold and the benchmarks to match the 2025 Strategic Plan Goal.
Recommendation: No changes to Metric 1 for at least one year.

Most Recent Data and Scores:

	FAMU	FAU	FGCU	FIU	FL Poly	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS Avg
Excellence	65.6%	68.4%	70.2%	70.9%	67.5%	68%	65.3%	69.1%	71.8%	70.5%	71.6%	73.2%	70.1%
Improvement	1.7%	0.2%	1%	2.7%		2%	12.3%	1.7%	0.5%	0.6%	1.2%	4%	1.8%
Ex. Score	6	8	8	9		7	6	8	9	9	9	10	
Imp. Score	3	0	2	5		4	10	3	1	1	2	8	

Current Benchmarks:

Points	**10**	**9**	**8**	**7**	**6**	**5**	**4**	**3**	**2**	**1**
increments of 2.3%	72.8%	70.5%	68.3%	66.0%	63.7%	61.4%	59.2%	56.9%	54.6%	52.3%

Option 1: Raise the wage threshold only. Updated data:

FAMU	FAU	FGCU	FIU	FL Poly	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS Avg
57.9%	63.2%	62.9%	66.3%	66%	62.9%	61.9%	63%	68.3%	64.6%	66%	68.4%	64.8%

Option 2: Raise the wage threshold and the benchmarks to match the Strategic Plan Goal:

Points	**10**	**9**	**8**	**7**	**6**	**5**	**4**	**3**	**2**	**1**
increments of 5%	80%	77%	74%	71%	68%	65%	62%	59%	56%	53%

VI. Metric 4 – Four-Year Graduation Rate (Full-time FTIC)

The new 2025 Strategic Plan Goal for this metric is 65%

i. **Issue**: Should the PBF metric match the new 2025 Strategic Plan Goal? If so, when should this change be implemented?
Option: Raise the benchmarks to match the Strategic Plan Goal. Another option is to phase-in the benchmarks over multiple years. (The universities were not in favor of the phased-in approach.)
Recommendation: No changes to Metric 4 for at least one year.

Most Recent Data and Scores:

	FAMU	FAU	FGCU	FIU	FL Poly	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS Avg
Excellence	27.7%	37.4%	35.7%	42.8%	39.5%	69.5%	57.9%	46.3%	70.9%	44.6%	59.4%	34.8%	55.1%
Improvement	5.2%	3.5%	6.9%	3.9%		-2.0%	2.2%	0.6%	3.6%	6.0%	0.8%	3.5%	2.4%
Ex. Score	0	0	0	4		10	10	7	10	5	10	0	
Imp. Score	10	7	10	7		0	4	1	7	10	1	7	

Current Benchmarks:

Points	**10**	**9**	**8**	**7**	**6**	**5**	**4**	**3**	**2**	**1**
increments of 1.2/1.3%	50%	48.8%	47.5%	46.3%	45%	43.8%	42.5%	41.3%	40%	38.8%

Raise benchmarks to match the Strategic Plan Goal:

Points	**10**	**9**	**8**	**7**	**6**	**5**	**4**	**3**	**2**	**1**
increments of 3%	65%	62%	59%	56%	53%	50%	47%	44%	41%	38%

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VII. Florida Polytechnic University – Metric 10

Issue: FL Poly's Board of Trustees has chosen "Percent of Bachelor Degree Graduate with 2+ Workforce Experiences" as their Metric 10. Benchmarks need to be set in order for the university to participate in PBF in 2021.

Option: Set benchmarks using current data from the 2020 System Accountability Plan, using their current year data as the seven-point threshold. See table below.

Recommendation: Agree with option.

Percent of Bachelor Degree Graduates with 2+ Workforce Experiences
Most Recent Data from the 2020 System Accountability Plan and Proposed Goals:

2018-19	2019-20*	2020-21*	2021-22*	2022-23*	2023-24*
73.2	75	77	78	78	78

**proposed goals*

Benchmarks:

Points		10	9	8	7	6	5	4	3	2	1
10.L.	**FL Poly - Percent of Bachelor Degree Graduates with 2+ Workforce Experiences**	79%	77%	75%	73%	71%	69%	67%	65%	63%	61%

Set the improvement scale:

Points	10	9	8	7	6	5	4	3	2	1
	5.0%	4.5%	4.0%	3.5%	3.0%	2.5%	2.0%	1.5%	1.0%	0.5%