



2022-2023 Performance-Based Funding

Brian Lamb, Chair Budget & Finance Committee

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Performance-based Funding Topics



- Metric 1 - Percent of Bachelors Graduates Employed (earning \$25,000+) or Enrolled 1 Year after Graduation
 - Strategic Plan measures earnings of \$30,000+
 - Last year adjustments to this metric were deferred for one year
- Metric 4 – Four-year Graduation Rate (Full-time FTIC)
 - Strategic Plan set a system goal of 65%
 - Last year adjustments to the benchmarks were deferred for one year
- Metric 10 – University Board of Trustees Choice
 - Each university was asked to look at their metric to see if any changes needed to be made
 - Two universities have requested minor modifications (FGCU & FSU)
 - One university has requested a new metric (UF)

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



Recommendation: Change metric’s wage threshold from \$25,000 to \$30,000 to align with the current 2025 Strategic Plan.

Most Recent Data for both the \$25,000 and \$30,000 thresholds:

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
\$25,000	69.1	70.6	70.7	72.3	74.1	70.2	51.4	69.1	75.2	72.7	71.8	79.1	71.7
\$30,000	61.9	65.8	64.6	68.3	72.4	65.7	48.1	63.6	71.8	67.0	66.5	74.7	66.9
Difference	-7.2	-4.8	-6.1	-4.0	-1.7	-4.5	-3.3	-5.5	-3.4	-5.7	-5.3	-4.4	-4.8

Excellence Benchmark:

	10	9	8	7	6	5	4	3	2	1
CURRENT increments of 2.3%	72.8	70.5	68.3	66.0	63.7	61.4	59.2	56.9	54.6	52.3
PROPOSED increments of 3%	80	77	74	71	68	65	62	59	56	53

Proposed Benchmarks note: The 10 point threshold equals the Strategic Plan Goal of 80%.

Metric 4 – Four-year Graduation Rate (Full-time FTIC)



Recommendation: Change the metric's benchmarks to align with the current 2025 Strategic Plan.

Current Benchmarks – 10 points equals the old Strategic Plan Goal:

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%

Proposed Benchmarks – 10 points equals Strategic Plan Goal of 65%:

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

Metric 10 – Board of Trustees Choice Metric Florida Gulf Coast University



Metric 10 - Bachelor's Degrees Awarded to African American and Hispanic Students

Recommendation:

Include students who identify as both Black/African American and another one of these races: Asian, American Indian/Alaska Native, Native Hawaiian/Pacific Islander, White and adjust the benchmarks to align with the approved 2021 Accountability Plan Goals.

Current Benchmarks:

Points	10	9	8	7	6	5	4	3	2	1
	860	820	780	740	700	660	620	580	540	500

FGCU Proposed Benchmarks will align with the 2021 Accountability Plan Goals:

Points	10	9	8	7	6	5	4	3	2	1
	820	780	740	700	660	620	580	540	520	500

Metric 10 – Board of Trustees Choice Metric Florida State University



Metric 10 – Percent of Bachelor’s Graduates who took an Entrepreneurship Class

Recommendation: Change metric to: Number of Bachelor’s Graduates who passed an Entrepreneurship Class and were not above excess hours at the time of taking the class..

Most Recent Data:

	FSU
Excellence	14.5%
Improvement	1.4%

Current Benchmarks:

Points	10	9	8	7	6	5	4	3	2	1
	16%	15%	14%	13%	12%	11%	10%	9%	8%	7%

Actual Data & Proposed Goals:

	19-20	20-21
Actual	1260	
Goals		1275

Proposed Benchmarks:

Points	10	9	8	7	6	5	4	3	2	1
	1360	1275	1190	1105	1020	935	850	765	680	595

Metric 10 – Board of Trustees Choice Metric

University of Florida



Recommendation: Replace Six-year Graduation Rate with Endowment Size

Proposed Benchmarks (\$M):

Points	10	9	8	7	6	5	4	3	2	1
	2,600	2,350	2,100	1,850	1,600	1,350	1,100	850	600	350

Actual Data & Proposed Goals (\$M):

	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25
Actual	1,468	1,612	1,735	1,825	1,847					
Goals						2,180	2,271	2,374	2,488	2,615



2021-2022 University Carryforward Spending Plan

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E&G and Carryforward Funds



- Education & General (E&G) Funds – State appropriations and student tuition that supports instruction, research and public service operations of the university.
- Carryforward Funds – unspent E&G funds from a given year that are carried forward into the next year. Funds can accumulate over many years.

Section 1011.45 Florida Statute



- Any balance above 7% must have a spending plan that includes the estimated cost per planned expenditure and a timeline for completion of the expenditure.
- A university may only spend the minimum carryforward balance of 7% if a demonstrated emergency exists and the plan is approved by the Board of Trustees and Board of Governors.
- Spending plans must be approved by the Board of Trustees (Sept. 30) and Board of Governors (Nov. 15).

Section 1011.45 Florida Statute



Authorized expenditures include:

- Operating expenditures that support the university mission.
- Operating expenditures that are nonrecurring.
- Commitment of funds to a Public Education Capital Outlay (PECO) project for which an appropriation has previously been made.
- Completion of a renovation, repair, or maintenance project up to \$5 million per project and replacement of a minor facility that does not exceed 10,000 GSF in size up to \$2 million.
- Completion of a remodeling or infrastructure project, including a developmental research school, up to \$10 million per project.
- Completion of a repair or replacement project necessary due to damage caused by a natural disaster for buildings included in the building inventory.
- Any purpose specified by the board or General Appropriations Act.
- A commitment of funds to a contingency reserve for expenses incurred as a result of a state of emergency declared by the Governor pursuant to s. 252.36.

Benefits & Uses of Carryforward Funds



- Supports bond credit ratings.
- Funds to invest in leading priorities such as start-up packages for world-class faculty, student financial aid, and other student success strategies.
- Allows the university to address growing deferred maintenance since no PECO maintenance funds have been provided the last three years.
- Funds core assets not included in the budget, i.e. ERP system updates, electric grid infrastructure, utility systems, technology updates.
- Provides a source of funding if revenue is interrupted due to a major unforeseen event. A semester's worth of carryforward is prudent.
- Fosters long-range financial planning and stewardship versus the "use-it-or-lose-it" mentality.

University Carryforward Spending Plans Summary



- The July 1, 2021 Beginning Carryforward Balance of \$1.47 B includes the following:
 - ✓ \$361 M for the 7% Statutory Reserve
 - ✓ \$114 M in Encumbrances
 - ✓ \$998 M Total Carryforward Spending Plans include:
 - \$349 M for Faculty Start-up Packages
 - \$222 M for Repair/Maintenance/Renovation of Facilities
 - \$111 M for Information Technology
 - \$40 M Restricted by Appropriation
 - \$64 M for Financial Aid
 - Examples of other planned expenditures include; libraries, safety and security, retention efforts



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