

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
November 9, 2022**

SUBJECT: Performance-Based Funding

PROPOSED COMMITTEE ACTION

Approve changes to Performance-Based Funding metrics and benchmarks.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

On September 14, 2022, a workshop was held to review potential changes to the performance-based funding metrics.

Approval of the following changes will be considered:

1. Metric 9a – Two-Year Graduation Rate for FCS Associate in Arts Transfer Students
 - a. House Bill 2524 changed this metric from a two-year graduation rate to a three-year graduation rate. Benchmarks will need to be modified accordingly.
 - b. Recommendation – Approve benchmarks with 70 percent or higher needed for a maximum score.

| Points | 5 | 4 | 3 | 2 | 1 |
|------------------------|-----|-----|-----|-----|-----|
| Three – Year Grad Rate | 70% | 67% | 64% | 61% | 58% |

2. Metric 8a – Graduate Degrees Awarded in Areas of Strategic Emphasis
 - a. Florida Polytechnic University has an alternative metric (Freshmen in Top 10 Percent of Graduating High School). When Florida Poly entered the model in 2021-22, they did not award a significant number of graduate degrees. At the Board’s October 2019 meeting, the decision was made to use this alternative metric until the university awarded at least 25 degrees. The university has surpassed that number and has requested to be measured on the same metric as the other universities.

- b. Recommendation – Approve Florida Polytechnic University’s request to move to Metric 8a – Graduate Degrees Awarded in Areas of Strategic Emphasis effective with the 2023 Accountability Plan.
- 3. Metric 8b – Freshmen in Top 10 Percent of Graduating High School
 - a. When the model was first implemented New College of Florida (NCF) did not award graduate degrees, so an alternative metric was chosen. In October 2019, the Board set a minimum threshold of 25 degrees awarded before switching to the primary metric. A large percentage (36 percent) of NCF’s incoming freshmen do not have a class rank. Using high school GPA for incoming freshmen may be a better metric until such time as NCF can award at least 25 graduate degrees.
 - b. Recommendation – Switch NCF’s metric to ‘Percentage of Newly Admitted FTICs with a High School GPA of a 4.0 or Higher’ effective with the 2023 Accountability Plan.
- 4. Metric 1 - Percent of Bachelors Graduates Employed (earning \$30,000+) or Enrolled One Year after Graduation
 - a. The Strategic Planning Committee will be considering a change to this Strategic Plan Goal. Consideration may be given to adopting this updated metric for performance-based funding.
 - b. Recommendation – to be determined

Supporting Documentation Included:

Discussion Document

Facilitators/Presenters:

Mr. Tim Jones