

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
September 16, 2020**

SUBJECT: Performance-Based Funding Model

PROPOSED COMMITTEE ACTION

Information only

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Every fall, the performance-based funding model is reviewed for changes or enhancements. Senate Bill 72 includes two new metrics that must be incorporated into the model before the 2021 allocation. In addition, a review of other metric definitions and potential model changes will be discussed.

Discussion items will include:

1. Senate Bill 72 added two new metrics that must be implemented:
 - a. Two-year graduation rate for associate in arts transfer students.
 - b. Six-year graduation rate for students who are awarded a Pell Grant in their first year.

2. The 2025 Strategic Plan was updated during the Fall of 2019 and two changes potentially impact metrics:
 - a. Metric 1 – Percent of Bachelor’s Graduates Employed (\$25,000+) and/or Continuing their Education Further One Year after Graduation. The Strategic Plan goal increased the wage threshold to \$30,000+ with a goal of 80%.
 - b. Metric 4 – Four-Year Graduation Rate. The Strategic Plan goal increased from 50% to 65%.

3. Continuous Improvement – The pandemic will have a potential impact on all of the metrics. How will this impact, along with the new metrics and possible update to two other metrics, the continuous improvement component of the model?

4. **Seventy-Point Minimum Threshold** – The Board implemented a 70-point minimum threshold to be eligible for 100% of the State Investment. A university that falls below 70 points will only receive 50% of the State Investment and will have to do a Student Success Plan.

Supporting Documentation Included: 1. Performance-Based Funding Model Overview
2. Discussion Document
3. University Suggestions

Facilitators/Presenters: Mr. Tim Jones