



Higher Education & Workforce Subcommittee

Tuesday, October 6, 2015
3:30 p.m. – 5:30 p.m.
102 HOB

Meeting Packet

Steve Crisafulli
Speaker

Elizabeth Porter
Chair



AGENDA

Higher Education & Workforce Subcommittee
Tuesday, October 6, 2015
3:30 p.m. – 5:30 p.m.
102 HOB

- I. Call to Order and Roll Call
- II. Opening Remarks
- III. Presentations on Performance Funding:
 - State University System by Marshall Criser, III, Chancellor
 - Florida College System by Madeline Pumariega, Chancellor
- IV. Closing Remarks and Adjournment



BOARD *of* GOVERNORS

State University System of Florida

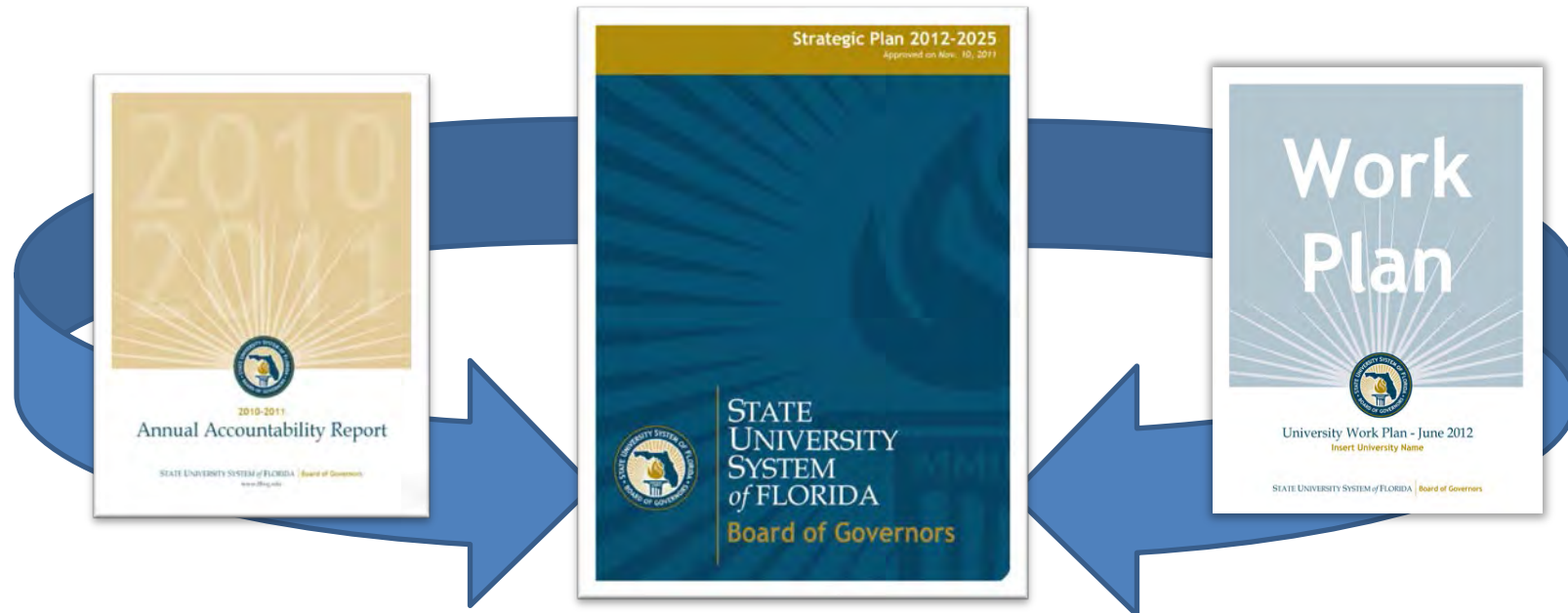
House Higher Education & Workforce
Subcommittee

Performance Based Funding
Marshall Criser, III

October 6, 2015
www.flbog.edu



Three-Part Accountability Framework



ANNUAL ACCOUNTABILITY REPORT:
Tracks performance on key metrics (past five years)

SYSTEM-WIDE STRATEGIC PLAN:
Provides a long-range roadmap for the System

UNIVERSITY WORK PLAN:
Provides a short-term plan of action (next three years)



Performance Funding Model

4 Guiding Principles:

- Use metrics that align with Strategic Plan goals
- Reward excellence or improvement
- Have a few clear, simple metrics
- Acknowledge the unique mission of the different institutions

Other Key Components:

- Funds allocated based on only 10 metrics
- No wholesale changes in any given year
- One metric chosen by the Board of Governors and one by the Board of Trustees
- Institutions evaluated on the excellence or improvement for each metric



Performance Funding Model

Points	EXCELLENCE <i>(Achieving System Goals)</i>					IMPROVEMENT <i>(Recognizing Annual Improvement)</i>				
	5	4	3	2	1	5	4	3	2	1
1	Percent of Bachelor's Graduates Employed and/or Continuing their Education Further 1 Yr after Graduation									
	80%	75%	70%	65%	60%	5%	4%	3%	2%	1%
2	Median Average Full-time Wages of Undergraduates Employed in Florida 1 Yr after Graduation									
	\$40,000	\$35,000	\$30,000	\$25,000	\$20,000	5%	4%	3%	2%	1%
3	Average Cost per Undergraduate Degree to the Institution									
	\$20,600	\$23,175	\$25,750	\$28,325	\$30,900	5%	4%	3%	2%	1%
4	Six Year Graduation Rate <i>Full-time and Part-time FTIC</i>									
	70%	67.5%	65%	62.5%	60%	5%	4%	3%	2%	1%
5	Academic Progress Rate <i>2nd Year Retention with GPA Above 2.0</i>									
	90%	87.5%	85%	82.5%	80%	5%	4%	3%	2%	1%
6	Bachelor's Degrees Awarded in Areas of Strategic Emphasis <i>(includes STEM)</i>									
	50%	45%	40%	35%	30%	5%	4%	3%	2%	1%
7	University Access Rate <i>Percent of Undergraduates with a Pell-grant</i>									
	30%	27.5%	25%	22.5%	20%	5%	4%	3%	2%	1%
8	Graduate Degrees Awarded in Areas of Strategic Emphasis <i>(includes STEM)</i>									
	60%	55%	50%	45%	40%	5%	4%	3%	2%	1%
Institution-Specific Metrics										
9	Board of Governors choice					Varies by metric				
10	Board of Trustees choice					Varies by metric				



2014-2015 Performance Funding Allocation - \$200 M

	Points	State Inv. (millions)	Institutional Inv.* (millions)	Total
FAMU	29	\$5.5	\$5.3	\$30.3
FGCU	30	\$3.3	\$4.8	\$13.1
FIU	34	\$7.1	\$11.4	\$45.7
FSU	33	\$16.4	\$15.4	\$66.5
UCF	34	\$16.7	\$14.1	\$57.7
UF	42	\$22.4	\$17.3	\$77.2
UNF	29	\$4.5	\$5.8	\$18.5
USF	37	\$17.1	\$14.0	\$58.9
Total		\$100.0	\$88.1	\$188.1

	Points	Institutional Inv. (millions)
FAU	24	\$6.9
NCF	25	\$1.1
UWF	21	\$3.8
Total		11.8

For 2014-15 three institutions scored 25 points or lower and submitted an improvement plan. Those improvement plans were successfully implemented and the institutional investment was restored.

* Includes \$20 M in performance funds and \$15 M in TEAm grant awards from 2013-14.



2015-2016 Performance Funding Allocation - \$400 M

	Points	State Inv. (millions)	Institutional Inv. (millions)	Total
FAU	37	\$11.4	\$18.9	\$30.3
FGCU	38	\$4.9	\$8.2	\$13.1
FIU	39	\$18.6	\$27.1	\$45.7
FSU	36	\$24.9	\$41.6	\$66.5
UCF	39	\$23.1	\$34.6	\$57.7
UF	44	\$30.6	\$46.6	\$77.2
UNF	36	\$6.9	\$11.6	\$18.5
USF	42	\$23.6	\$35.2	\$58.8
UWF	37	\$5.9	\$9.8	\$16.7
Total		\$150.0	\$233.5	\$383.5

	Points	Institutional Inv. (millions)
FAMU	26	\$14.0
NCF	35	\$2.5
Total		16.5

For 2015-16 all of the SUS institutions scored 26 points or higher so no base funds were at risk. Universities in the bottom 3 were not eligible for the State Investment.



University Response

Among all universities:

✓ **65+** new advisors to focus on student retention and graduation, offering mentoring, tutoring and other services.

✓ **7** revamped career services centers with a focus on student advising and establishing partnerships with local businesses.

✓ **300+** additional faculty in high-wage, high-need areas.

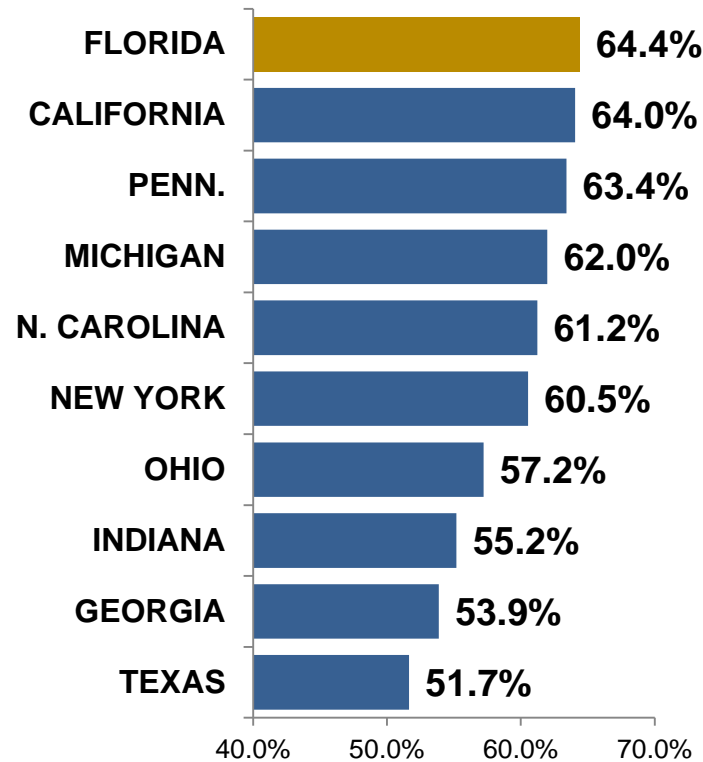
✓ **8** universities invested in software to target struggling students and improve graduation and retention rates.



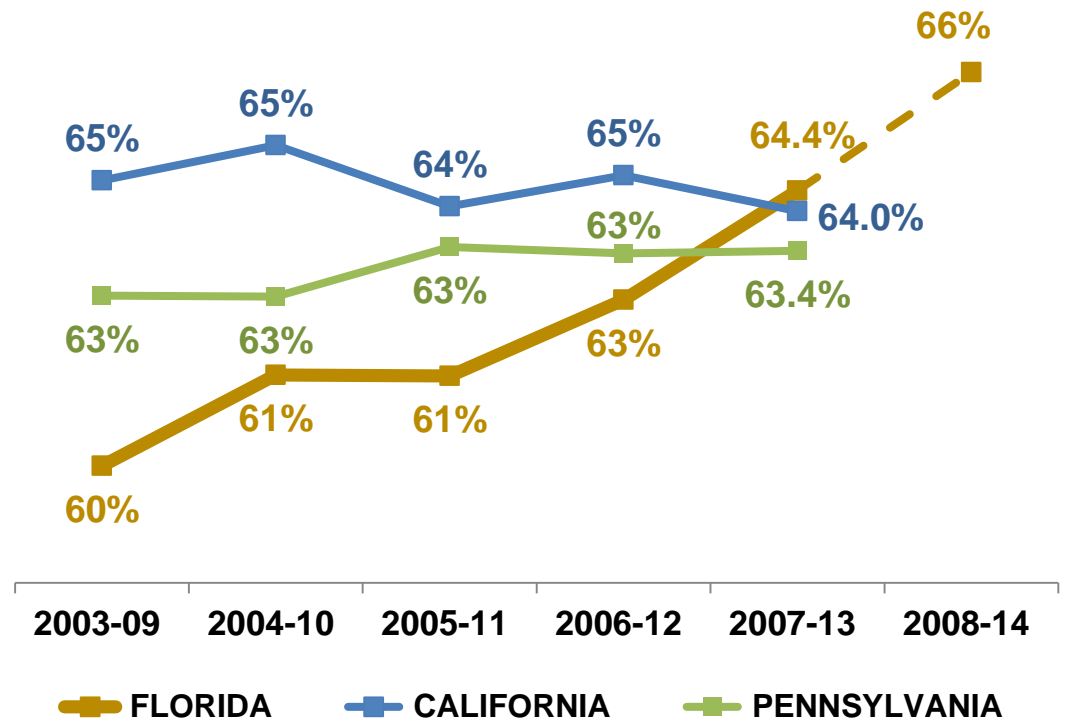
National Comparison of Graduation Rates

Among 10 Largest States for Public 4-Yr Universities

Six-Year FTIC Graduation Rates
(2007-2013)



Graduation Rate Trend
(for Top 3 States)



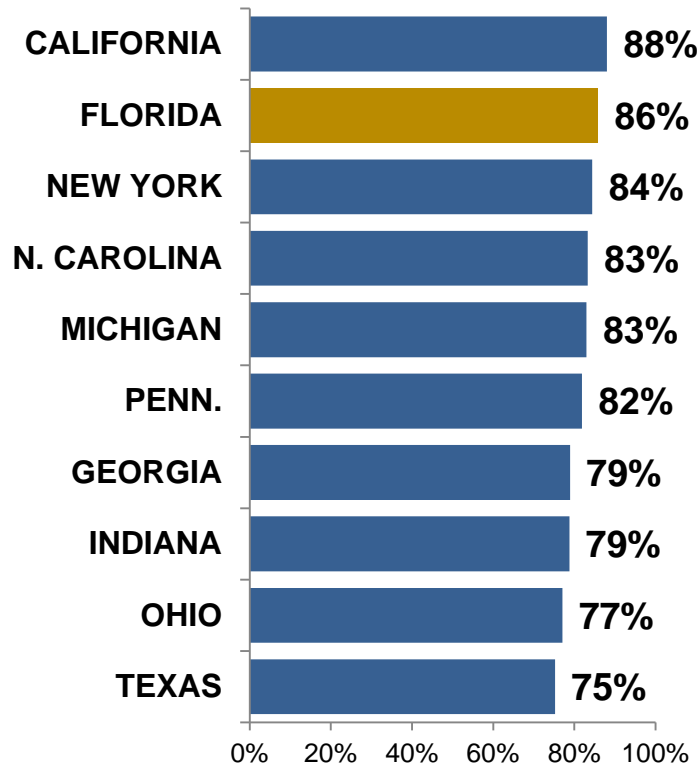
SOURCE: Board of Governors staff analysis of IPEDS.

Notes: Top 10 States based on 2012-13 undergraduate headcount. Data is based on rates for each university and excludes students who transferred to another institution within the same state.

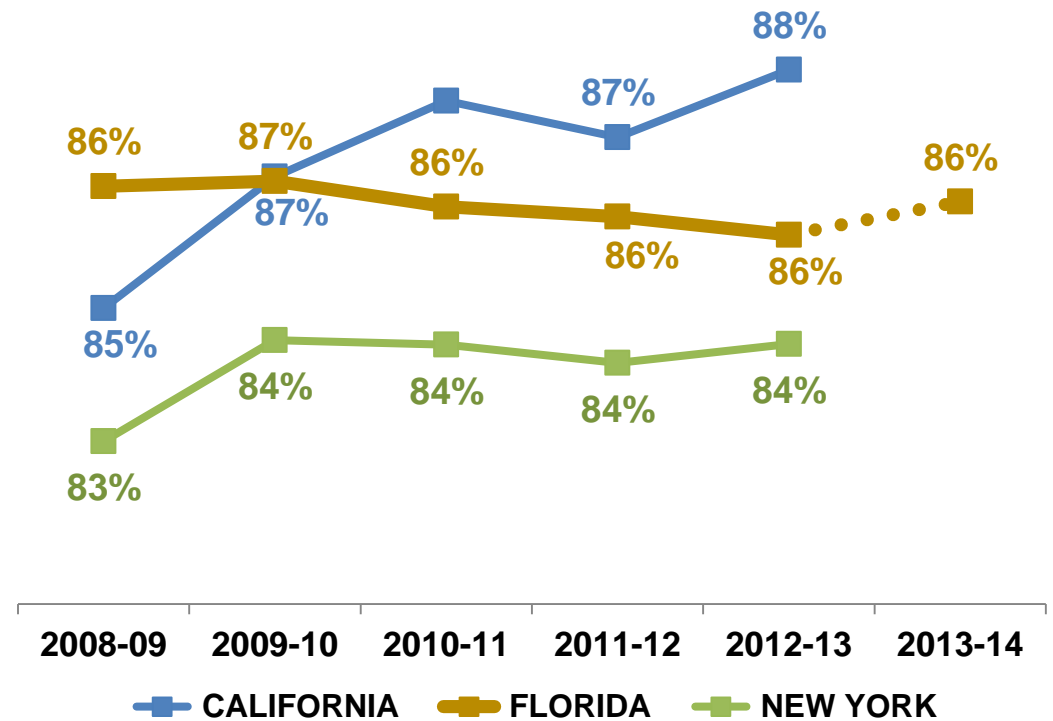


National Comparison of Retention Rates Among 10 Largest States for Public 4-Yr Universities

Two-Year FTIC Retention Rates
(2012-2013)



FTIC Retention Rate Trend
(for Top 3 States)



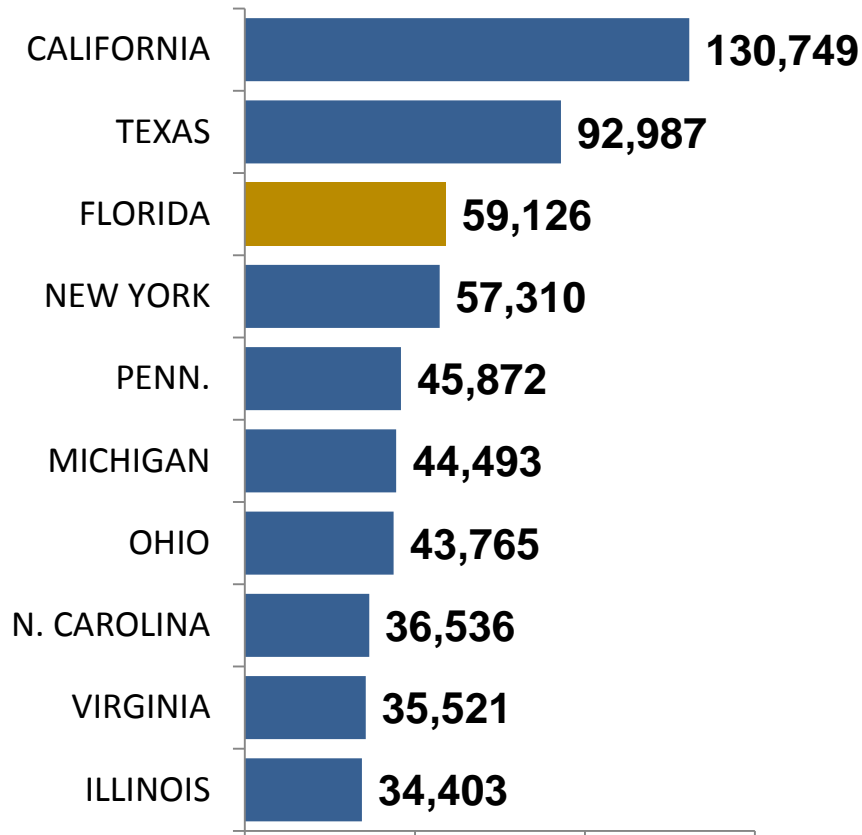
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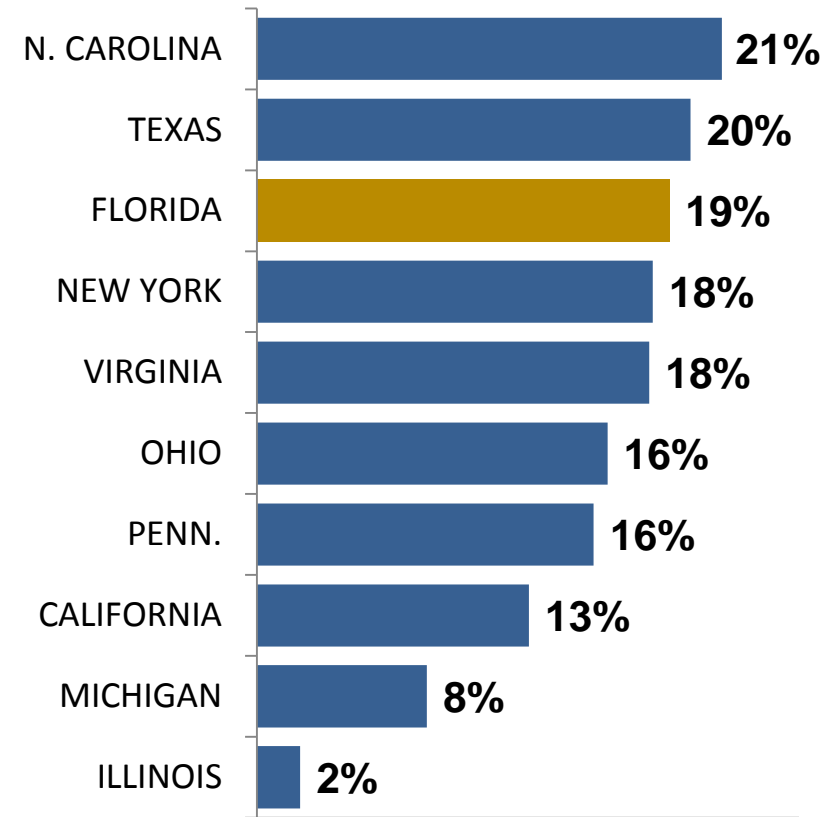


National Comparison of Degree Production Among Ten Largest States for 4yr Public Universities

2012-13 Bachelor's Degrees



5yr Growth Rate in Bachelor's Degrees



SOURCE: Board of Governors staff analysis of IPEDS. Ten largest states based on the number of bachelor's degrees awarded in 2012-13.



Performance by Metric - 2014

Percent of Bachelor's graduates employed and/or continuing their education further 1 year after graduation	60%	70%	70%	67%	61%	44%	69%	63%	69%	69%	60%	75%
Median average full-time wages of undergraduates employed in Florida 1 year after graduation	\$30,000	\$34,900	\$32,900	\$35,100	\$30,300	\$21,200	\$33,700	\$33,100	\$24,200	\$34,600	\$31,000	\$40,000
Average cost per Undergraduate Degree to the Institution	\$37,950	\$32,430	\$29,240	\$26,730	\$25,500	\$74,640	\$21,010	\$24,940	\$29,350	\$24,340	\$31,080	\$20,000
Six Year Graduation Rate (Full-Time and Part-Time FTIC)	41%	40%	43%	50%	77%	66%	66%	86%	49%	62%	42%	70%
Academic Progress Rate (2nd Year Retention with GPA Above 2.0)	72%	70%	72%	78%	90%	81%	86%	96%	76%	87%	63%	90%
Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM)	43%	40%	35%	40%	35%	56%	35%	47%	33%	46%	39%	50%
University Access Rate (Percent of Undergraduates with a Pell Grant)	65%	41%	35%	47%	30%	29%	38%	32%	36%	41%	39%	30%
Graduate Degrees Awarded in Areas of Strategic Emphasis (includes STEM) 8B - Freshman in Top 10% of Graduating High School Class (NCF Only)	39%	33%	36%	40%	31%	35%	47%	59%	34%	57%	29%	50%
Board of Governors Choice Metrics	31%	31%	74%	70%	11	4	60%	18	71%	56%	65%	80% FSU 25 UF 31 NCF 5
University Board of Trustees Choice Metrics	86%	42%	23%	5,851	115	100%	12,321	\$697 M	9%	300	32%	
Highest Benchmark for Board of Trustees Choice Metrics	80%	40%	20%	6,100	75	100%	12,300	Top 1/3 of AAU	7%	300	21%	



Performance by Metric - 2015

Percent of Bachelor's graduates employed and/or continuing their education further 1 year after graduation	69%	74%	74%	77%	69%	51%	74%	72%	76%	75%	67%	80%
Median average full-time wages of undergraduates employed in Florida 1 year after graduation	\$28,800	\$36,000	\$35,300	\$36,200	\$31,600	\$26,300	\$34,900	\$34,800	\$34,700	\$35,200	\$32,900	\$40,000
Average cost per Undergraduate Degree to the Institution	\$40,080	\$27,690	\$29,390	\$25,580	\$26,700	\$76,720	\$22,430	\$25,450	\$30,750	\$25,490	\$32,970	\$20,600
Six Year Graduation Rate (Full-Time and Part-Time FTIC)	39%	45%	49%	53%	79%	69%	69%	87%	55%	66%	51%	70%
Academic Progress Rate (2nd Year Retention with GPA Above 2.0)	70%	66%	72%	79%	91%	80%	85%	95%	78%	85%	65%	90%
Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM)	51%	55%	45%	46%	38%	42%	49%	55%	45%	51%	50%	50%
University Access Rate (Percent of Undergraduates with a Pell Grant)	62%	41%	35%	51%	30%	29%	38%	32%	33%	42%	40%	30%
Graduate Degrees Awarded in Areas of Strategic Emphasis (includes STEM) 8B - Freshman in Top 10% of Graduating High School Class (NCF Only)	43%	55%	64%	52%	39%	41%	57%	70%	50%	69%	47%	8a 60%, 8b 50%
Board of Governors Choice Metrics	34%	73%	72%	68%	7	5	67%	20	71%	64%	66%	80% FSU 25 UF 31 NCF 5
University Board of Trustees Choice Metrics	80%	43%	452	6,221	119	100%	12,372	\$695 M	11%	289	32%	
Highest Benchmark for Board of Trustees Choice Metrics	80%	40%	452	6,100	75	100%	12,300	Top 1/3 of AAU	7%	300	21%	



Preeminence and Performance Metrics

	Preeminence Metrics	Performance Funding Metrics
1	Average GPA and SAT Score for incoming freshman in Fall semester	Percent of Bachelor's Graduates Employed and/or Continuing their Education Further
2	Public University Ranking (in more than one national ranking)	Average Wages of Employed Baccalaureate Graduates
3	Freshman Retention Rate (Full-time, FTIC)	Cost per Undergraduate Degree
4	6-year Graduation Rate (Full-time, FTIC)	6-year Graduation Rate (Full-time and Part-time FTIC)
5	National Academy Memberships held by faculty	Academic Progress Rate (2nd Year Retention with GPA Above 2.0)
6	Total Annual Research Expenditures (Science & Engineering only)	Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM)
7	Total Annual Research Expenditures in Diversified Non-Medical Sciences (Science & Engineering only)	University Access Rate (Percent of Undergraduates with a Pell-grant)
8	National Ranking in Research Expenditures National in at least 5 STEM disciplines as reported by NSF (includes public & private institutions)	Graduate Degrees Awarded in Areas of Strategic Emphasis (includes STEM) (NCF Excluded)
9	Patents Awarded (over 3 year period)	BOG Choice - UF/FSU Faculty Awards
10	Doctoral Degrees Awarded Annually (Does not include Professional degrees)	BOT Choice - UF Total Research Expenditures FSU National Rank Higher than Predicted by the Financial Resources Ranking Based on a US and World News Report
11	Number of Post-Doctoral Appointees	
12	Endowment Size	



FSU and UF Performance Funding Compliments Preeminence

FSU Performance Funding Quote: Targeted hiring in critical areas will help to address needs of the state of Florida. These investments are tied to research funding initiatives, and are expected to result in increases in national rankings of our programs and institution. We expect to maintain at least one field in the top 5, achieve two fields in the top 10, one in the top 15, two in top the 20, and move Engineering into the top 50. These advances in recognition of our programs will place FSU among the truly first-rate public universities and help us achieve our top 25 ranking among all public universities.

UF Performance Funding Quote: As UF compares itself to the top public universities in the nation, it finds that compensation levels are competitive in some areas, but are barely competitive or uncompetitive in others. This situation needs ongoing attention as UF seeks to attract and retain accomplished faculty. Since faculty are the heart of the university, they impact all of the Performance Funding metrics, but especially the ones that affect student progress, faculty awards, and research expenditures. Anticipated ROI: continued progress in UF's journey to become one of the nation's top public research universities.



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House Higher Education and Workforce Subcommittee The Florida College System Provides Opportunity

Chancellor Madeline Pumariega

October 6, 2015



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The Florida College System is the primary access point to undergraduate education for Floridians, including recent high school graduates and returning adult students. The Florida College System responds quickly and efficiently to meet the demand of employers by aligning certificate and degree programs with regional workforce needs. With an array of programs and services, The Florida College System's 28 institutions serve individuals, communities, and the state with low-cost, high-quality education opportunities.

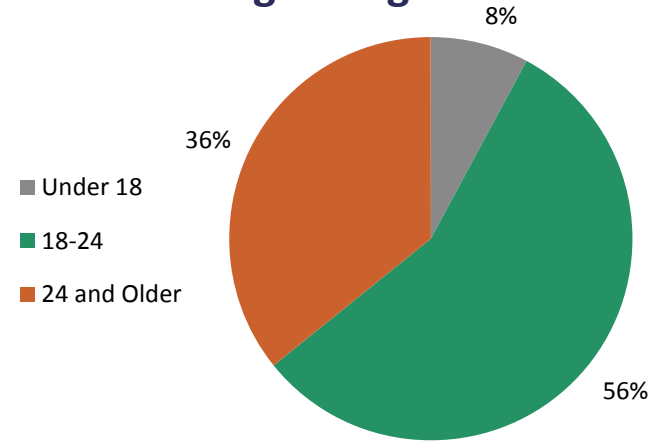


Student Characteristics 2014-15

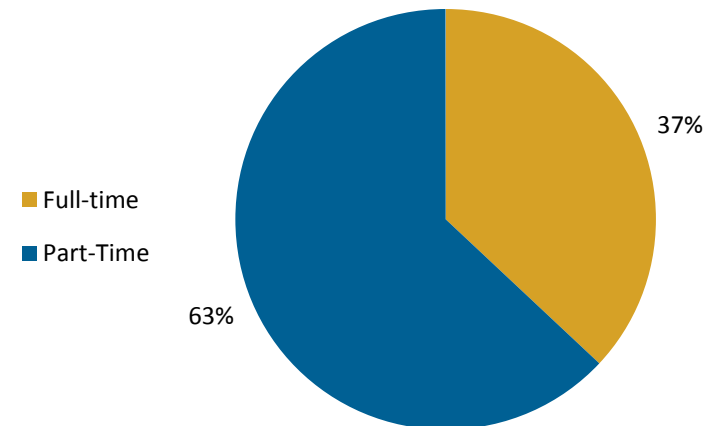
Headcount (Unduplicated)	813,509
Full-time	37%
Part-time	63%
Average Age	25
Gender	58% female
Minority	55%
Students with disabilities	19,928

Average
Student Age **25**

Age Range

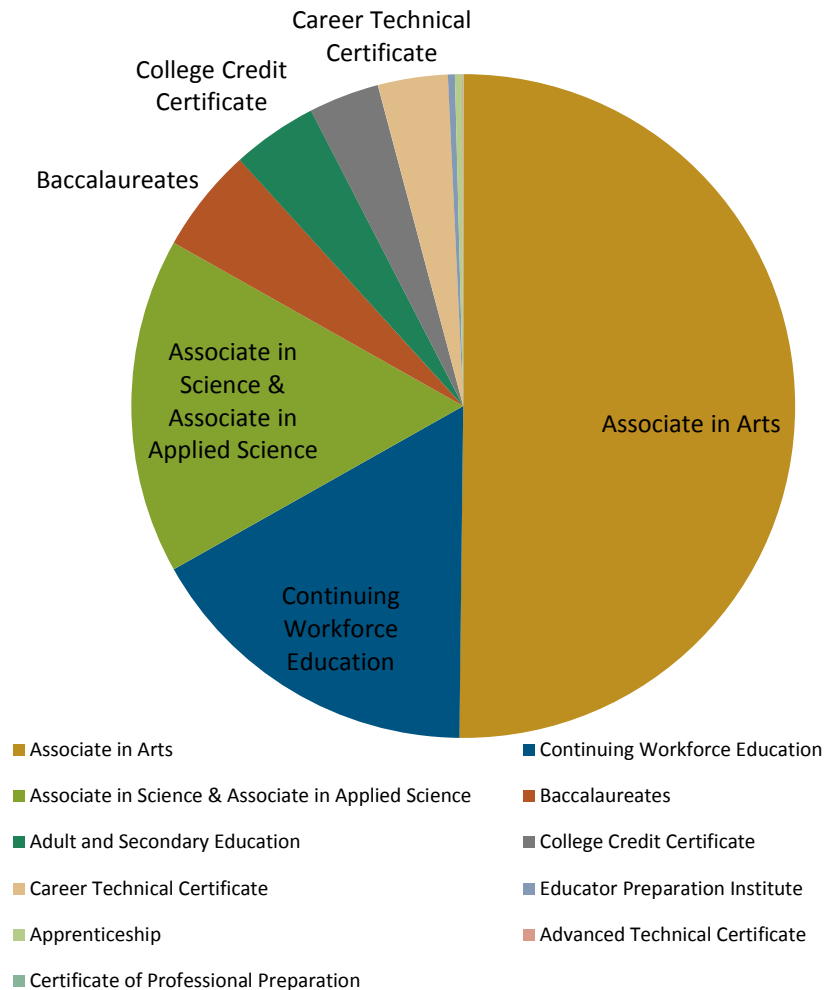


Enrollment Intensity



Student Enrollments 2014-15

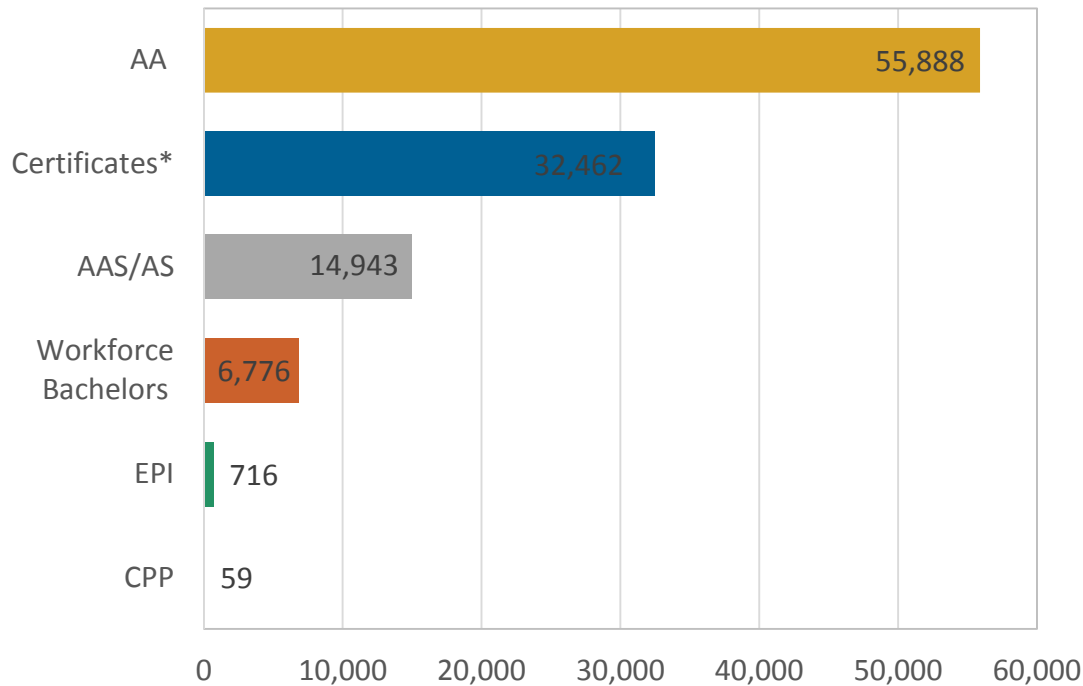
Associate in Arts	339,727
Continuing Workforce Education	112,667
Associate in Science & Associate in Applied Science	110,542
Baccalaureates	34,528
Adult and Secondary Education	28,081
College Credit Certificate	23,252
Career Technical Certificate	23,046
Educator Preparation Institute	2,304
Apprenticeship	2,262
Advanced Technical Certificate	300
Certificate of Professional Preparation	146





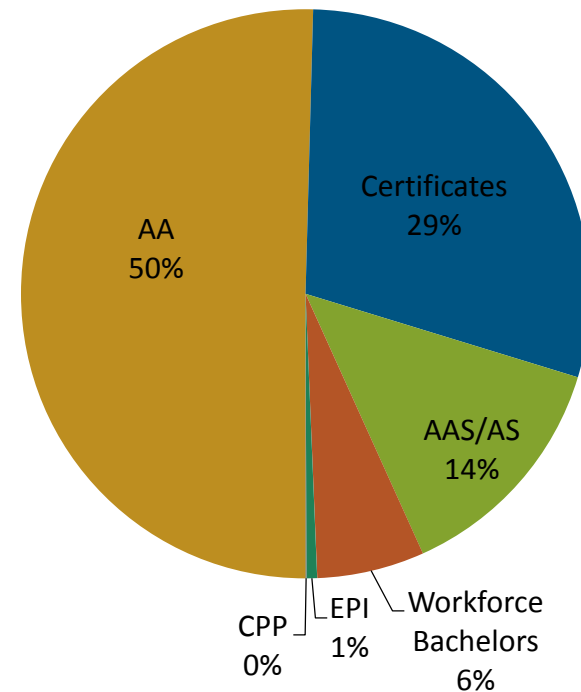
Record Number of Graduates: Over 110,000 Awards Earned in 2014-15

Completions by Award Type



*Certificates include Career Technical Certificate, College Credit Certificate, Applied Technology Diploma, Advanced Technical Certificate, and Apprenticeship.

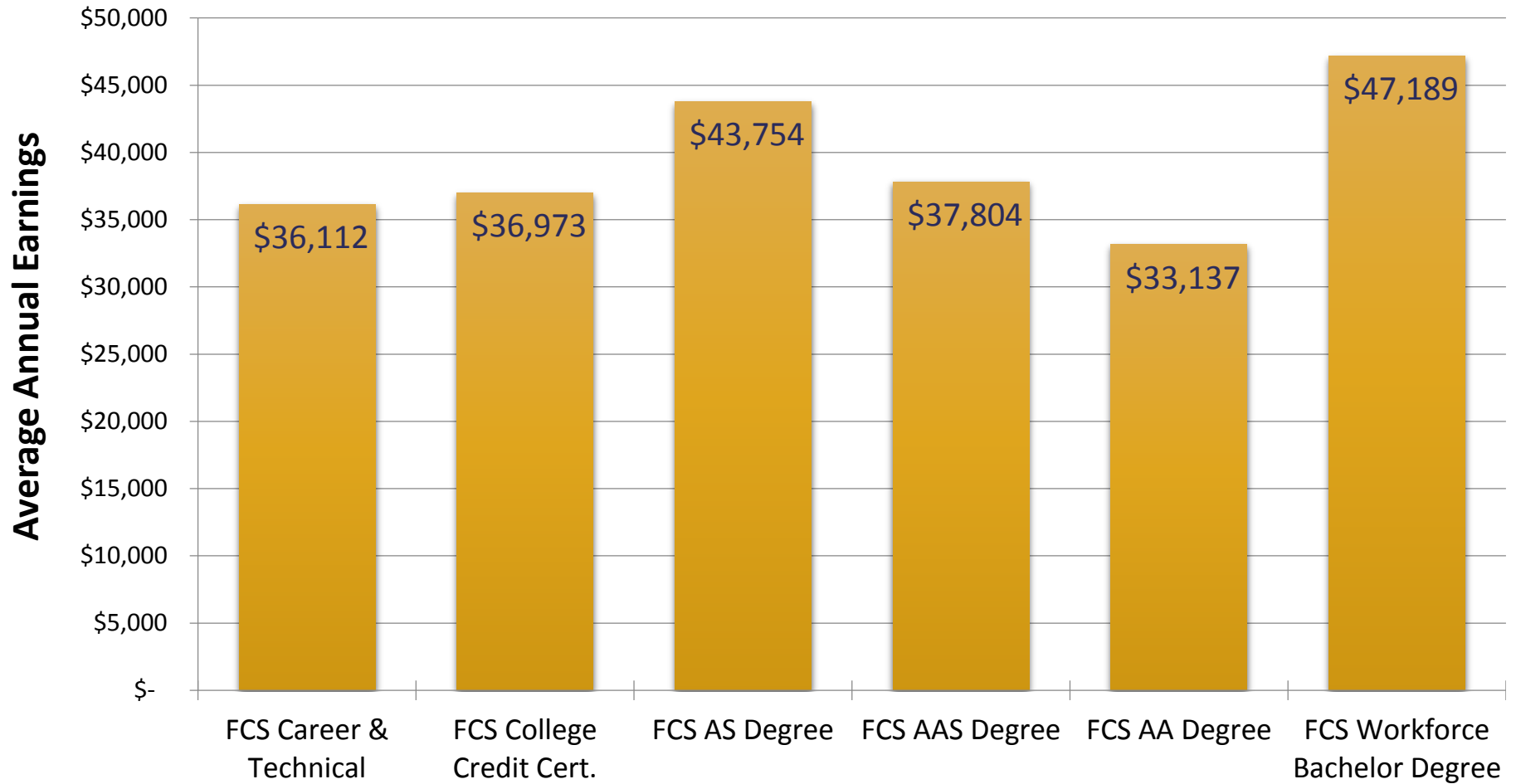
Percent of Total Awards



Source: PK-20 Education Reporting & Accessibility (PERA) and FCS Research & Analytics



2012-13 Florida College System Graduate Earnings



Source: Florida Department of Education, FETPIP. Methodology follows FETPIP minimum guidelines.

Florida College System Success

FCS Institutions ranked as top associate degree producers by *Community College Week*

- **14 Colleges** listed in Top 100 in the number of associate degrees awarded in all disciplines
- **12 Colleges** listed in Top 100 in the number of associate degrees awarded to minorities
- **11 Colleges** listed in Top 100 in the number of associate degrees awarded to African-Americans
- **9 Colleges** listed in Top 100 in the number of associate degrees awarded to Hispanics

#1 in certificate rankings

Florida is the **number one certificate and associate degree producer** among southern states affiliated with the Southern Regional Education Board
(SREB State Database Exchange, February 2014)

Aspen Award

National Community College Excellence Award that is awarded every two years.

- | | |
|------|--|
| 2015 | Winner: Santa Fe College
Finalist: Indian River |
| 2013 | Finalist: Broward |
| 2011 | Winner: Valencia College
Finalist: Miami Dade College |

Florida was one of only three states with multiple finalists. The award recognizes colleges for exceptional student outcomes in four areas: Student Learning, Certificate and Degree Completion, Employment and Earnings, and High Levels of Access and Success for Minority & Low-income Students.

Source: The Aspen Institute <http://www.aspeninstitute.org/policy-work/college-excellence/overview>



Recognitions & National Rankings

Florida College System (FCS) institutions are consistently recognized nationally.

The FCS is delivering on our promise for Florida's future.

In 2013, five FCS institutions landed in the top 50 of *Washington Monthly's* list of best community colleges in the nation, a rating based on data in a number of areas including collaborative learning, student effort, academic rigor, student-faculty interaction and support for learning. These rankings highlight the mission of providing access to low-cost, quality education and job training for high-skill, high-wage jobs.

According to *Washington Monthly*, **North Florida Community College** ranked second among national community colleges. **Chipola College, Miami Dade College, Valencia College** and **South Florida State College** also made the list.

In 2014, *U.S. News and World Report* ranked **Indian River State College** as the **9th top public regional college in the Southern United States** in its 2015 rankings of Best Colleges, moving up from the 12th last year. Over 1,300 colleges and universities were ranked by *U.S. News and World Report* based on **16 measures of quality, including student/faculty ratio, class size, faculty credentials, and retention and graduation rates.**

US News and World Report named **Daytona State College #2 in online education.**

Florida College System Return on Investment

The Florida College System ranked among the top

The inaugural WalletHub community college ratings emphasize low cost and high relative return on investment. **Ratings categories include: cost & financing, classroom experience, education outcomes and career outcomes.**

Ranked #1 North Florida Community College
Ranked #3 Chipola College

The Florida College System ranked #5

Return on Investment

- The total effect of the FCS on the Florida economy based on student productivity gains, college operations and student spending is **\$26.6 billion**.
- The state government sees a **rate of return of 9.4 percent** on its investment in the FCS.
- For **every dollar of support**, taxpayers see a cumulative **return of \$2.90** over the course of students' careers.
- Students enjoy an attractive **16.8 percent average rate of return on their educational investment**, recovering all costs in 9.1 years.
- Florida also benefits from improved health and reduced welfare, unemployment and crime that accompany a more educated population.



Florida College System Performance Funding

Division of Florida Colleges



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Process

The Path to the Performance Funding Model

- May 2014: Proviso language
- July 1, 2014: Gathering at Valencia College with representatives from all Florida College System institutions
- July 2014 – January 2015: Working with stakeholders to identify model components
- January 23, 2015: Commissioner’s recommendation
- Spring 2015: Measuring refinement & model simulation
- June 19, 2015: Legislation passed
- July 23, 2015: State Board of Education adopts model
- July 28, 2015: Results provided to colleges
- August 2015: Working with colleges in Bronze category on the development of improvement plans
- September 2015: State Board of Education approves improvement plans



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Measures

Measures

- Four measures specified in proviso and statute
 - Job Placement and/or Continuing Education (post-graduation success)
 - Completion Rate (graduation)
 - Retention Rate (academic progress)
 - Earnings (career success)
- Measures scored for excellence and improvement
 - Excellence compares college data to prior-year(s) system average
 - Improvement compares college data to college's own prior-year(s)
 - College receives a score for higher value of excellence or improvement

Measure 1

- Job Placement and/or Continuing Education Rate
 - Job Placement Rate
 - Cohort: 2012-13 completers (degrees, certificates)
 - Employed full-time in October – December of the year after completion
 - Data source: Florida Education and Training Placement Information Program (FETPIP)
 - Continuing Education Rate
 - Cohort: 2012-13 completers enrolled at any time during the following year at any accredited postsecondary institution in the United States
 - Data source: National Student Clearinghouse

Measure 2

- Completion Rate
 - Cohorts
 - 150% - fall 2010 full-time, first time in college (FTIC)
 - 200% - fall 2009 full-time, first time in college (FTIC)
 - Completion measured by program length
 - **150% of program length (primary measure)**
 - e.g. completion in three years for a two-year program
 - 200% of program length (secondary measure suggested by college presidents)
 - Data sources: CCTC/MIS, National Student Clearinghouse

Measure 3

- Retention Rate
 - Cohort: fall 2013 students enrolled in two consecutive fall terms
 - e.g. fall 2013 student also enrolled in fall 2014
 - Full-time/part-time students measured separately
 - Data source: CCTC/MIS, National Student Clearinghouse

Measure 4

- Completer Entry-Level Wages compared to college service area entry-level wages
 - Cohort: 2012-13 completers (degrees, certificates)
 - Wages earned during October – December of the year after completion
 - Data source: Florida Education and Training Placement Information Program (FETPIP)
 - Florida Department of Economic Opportunity reports entry-level wages for all occupations by workforce region

Measures Weighted

- Completion Rate and Retention Rate weighted at 100%
- Job Placement and/or Continuing Education weighted at 75%
- Completer Entry-Level Wages compared to college service area entry-level wages weighted at 30%

2015-16

\$20 Million - Base Budget

- Proviso and statute delegate State Board of Education to establish threshold to earn restoration of base budget
- Colleges below threshold submit improvement plans for State Board of Education approval
- December and May reports from colleges demonstrating successful implementation of improvement plan actions cause restoration of withheld funds

2015-16

\$20 Million – New Funds

- Proviso and statute allow new funds for colleges above threshold
- Proviso and statute provide highest seven colleges with new funds from colleges below threshold

- Legislative Budget Request for 2016-17 includes \$20 million from base funds and continuation of \$20 million in performance funds

2015-16 Performance Funding Results

Category	Gold	Silver	Bronze
Funding Received	<ul style="list-style-type: none"> • Base funds • New funds • Bronze portion of new funds 	<ul style="list-style-type: none"> • Base funds • New funds 	<ul style="list-style-type: none"> • Base funds restored if improvement plan is approved and progress is made
Colleges	<ul style="list-style-type: none"> • Santa Fe College • Valencia College • Tallahassee Community College • Lake-Sumter State College • Gulf Coast State College • State College of Florida, Manatee-Sarasota • Florida SouthWestern State College 	<ul style="list-style-type: none"> • Chipola College • Broward College • Florida Gateway College • Seminole State College of Florida • Hillsborough Community College • Miami Dade College • Eastern Florida State College • Palm Beach State College • Polk State College • St. Johns River State College • Florida Keys Community College • South Florida State College • Florida State College at Jacksonville • North Florida Community College • St. Petersburg College • Indian River State College 	<ul style="list-style-type: none"> • Pasco-Hernando State College • College of Central Florida • Daytona State College • Northwest Florida State College • Pensacola State College



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Refining

Refining

- Examine Pell Grant data for inclusion into model as a multiplier in completion measure
- Examine AA degree completers and wage measures
- Examine colleges' mission to serve community needs for effect on wage measure
- Examine colleges' improvement plan strategies for effect on measures in future years
- Work with other states to share data



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