

## Performance Funding Comparison: Arizona and Florida

	<b>Arizona</b>	<b>Florida</b>
<b>Funding Allocated</b>	For FY 2013 and FY 2014, \$5 million was approved for the performance funding model.	The Florida Performance Funding Model will allocate a total of \$200 million for performance based funding in 2014-2015, which includes \$65 million in base funds. Florida has not provided funding based on enrollments since 2007-2008. Rather, funding is based on initiatives.
<b>Eligibility</b>	All institutions are eligible. Total University Funding is the sum of Base Funding plus Adjustments (i.e., legislatively-approved pay increases) plus Cumulative Performance Funding.	Institutions scoring 26 or more points on the metrics are eligible for a share of new funding and have base funding restored. Institutions not scoring at least 26 points do not receive new funds and must submit improvement plans and show progress in order to have base funding restored.
<b>Guiding Principles</b>	<p>The Arizona formula funding model aims to increase productivity and efficiency among the state's universities and provide Arizona with the best return on investment.</p> <div style="text-align: center;">  </div>	<p><b>The Florida model has four guiding principles:</b></p> <ol style="list-style-type: none"> <li>1. Use metrics that align with SUS Strategic Plan goals</li> <li>2. Reward excellence or improvement</li> <li>3. Have a few clear, simple metrics</li> <li>4. Acknowledge the unique mission of the different institutions</li> </ol>

Metrics	<p><b>Three components:</b></p> <ul style="list-style-type: none"> <li>❖ Increases in number of degrees awarded weighted by level and cost, in accordance with a 3x3 matrix (cell weights where \$ amounts are assigned for each degree level by cost)</li> <li>❖ Increases in number of completed student credit hours weighted by level and cost, in accordance with a 3x3 matrix (\$ award for each degree by level and cost)</li> <li>❖ Increases in External Research and Public Service Funding</li> </ul> 	<p><b>The Florida 10-Metric Model:</b></p> <table border="1" data-bbox="883 264 1417 1444"> <tr> <td data-bbox="883 264 1135 495">1. Percent of Bachelor's Graduates Employed and/or Continuing their Education Further</td> <td data-bbox="1135 264 1417 495">2. Average Wages of Employed Baccalaureate Graduates</td> </tr> <tr> <td data-bbox="883 495 1135 659">3. Cost per Undergraduate Degree</td> <td data-bbox="1135 495 1417 659">4. Six Year Graduation Rate (Full-time and Part-time FTIC)</td> </tr> <tr> <td data-bbox="883 659 1135 873">5. Academic Progress Rate (2nd Year Retention with GPA Above 2.0)</td> <td data-bbox="1135 659 1417 873">6. Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM)</td> </tr> <tr> <td data-bbox="883 873 1135 1136">7. University Access Rate (Percent of Undergraduates with a Pell-grant)</td> <td data-bbox="1135 873 1417 1136">8a. Master's Degrees Awarded in Areas of Strategic Emphasis (includes STEM) (NCF Excluded)</td> </tr> <tr> <td data-bbox="883 1136 1135 1350">8b. Freshman in Top 10% of Graduating High School Class (NCF Alternative Metric)</td> <td data-bbox="1135 1136 1417 1350">9. Board of Governors Choice</td> </tr> <tr> <td colspan="2" data-bbox="883 1350 1417 1444">10. Board of Trustees Choice</td> </tr> </table>	1. Percent of Bachelor's Graduates Employed and/or Continuing their Education Further	2. Average Wages of Employed Baccalaureate Graduates	3. Cost per Undergraduate Degree	4. Six Year Graduation Rate (Full-time and Part-time FTIC)	5. Academic Progress Rate (2nd Year Retention with GPA Above 2.0)	6. Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM)	7. University Access Rate (Percent of Undergraduates with a Pell-grant)	8a. Master's Degrees Awarded in Areas of Strategic Emphasis (includes STEM) (NCF Excluded)	8b. Freshman in Top 10% of Graduating High School Class (NCF Alternative Metric)	9. Board of Governors Choice	10. Board of Trustees Choice	
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Weighting	<p><b>Weighting among the metrics is as follows:</b></p> <ul style="list-style-type: none"> <li>❖ 50% Growth of Degrees Awarded</li> <li>❖ 25% Growth of Completed Student Credit Hours</li> <li>❖ 25% Growth of External Research and Public Service Funding</li> </ul>	<p>Presently the Florida 10-Metric Model is not weighted but the Board reserves the option to weight specific metrics such as Cost per Degree, Six Year Graduation Rate, and Academic Progress Rate.</p>												

<b>Institutional Control</b>	Arizona institutions do not have control over appropriation levels or choice of metrics. There is an adjustment made to address institutional mission in the form of weighting of data, for example, the weight ensures an institution with less of research focus is not unduly penalized in the Increases in External Research and Public Service Funding metric.	Florida institutions also do not have control over appropriation levels and institutions can control performance on outcomes within reason. However, the Florida 10-Metric Model does give institutions some control given that there is a metric chosen by institutional boards as part of the model.
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<https://azregents.asu.edu/boardbook/Board%20Agenda%20Books/2011-08-31%20Work%20Session/2011-08-31%20pp%20performance%20funding.pdf>

<http://www.azregents.edu>

<http://www.azleg.gov/jlbc/14baseline/unibor.pdf>