



Performance Funding Comparison: Arkansas and Florida

	Arkansas	Florida
Funding Allocated	Over a period of five years starting with 2014, 25% of an institution's base funding will be allocated according to performance. By 2017-18 funding will be split 25% performance based funding and 75% enrollment/institutional needs.	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.
Eligibility	All institutions are eligible for funding and no institution will lose more than 5% of the previous year's base. There are two separate pools of funding – needs-based and outcomes-centered – and only the performance pool is reallocated based on institutions' predetermined measures.	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.
Guiding Principles	<ul style="list-style-type: none"> a) Increasing credentials without compromising academic rigor b) Recognizing important policy considerations c) Mission, policy, and scope d) Economic development e) Improvement begins at home f) Need for flexibility g) Keeping it simple h) Data-driven decision-making 	<p>The Florida model has four guiding principles:</p> <ol style="list-style-type: none"> 1. Use metrics that align with SUS Strategic Plan goals 2. Reward excellence or improvement 3. Have a few clear, simple metrics 4. Acknowledge the unique mission of the different institutions <div style="text-align: right; margin-top: 20px;">  </div>

Metrics	Arkansas 4-Year Institutions	The Florida 10-Metric Model:													
	<p>Mandatory Measures:</p> <ul style="list-style-type: none"> ❖ Bachelor Graduates ❖ Total Credentials ❖ STEM Credentials ❖ Student Progression <p>Optional Measures: Course Completion, Associate Graduates, 1-Year Certificate Graduates, Master and Specialist Degrees, Doctoral Degrees, High Demand Credentials, Minority Student Graduates, Non-Traditional Student Graduates, Remedial Student Graduates, Pell (Low Income) Graduates, Transfer Graduates – Receiving Institution (All and Bachelor’s Only), Remedial/Developmental Course Completion, Regional Economic Needs Program Credentials, Transfer Student Graduates, Expenditure of Federal Awards, Patents, New Company Start-up</p> <p>Compensatory Measure: Percentage of Pell Receiving Undergraduate Population</p> 	<table border="1"> <tr> <td data-bbox="938 268 1190 541">1. Percent of Bachelor's Graduates Employed and/or Continuing their Education Further</td> <td data-bbox="1190 268 1469 541">2. Average Wages of Employed Baccalaureate Graduates</td> </tr> <tr> <td data-bbox="938 541 1190 709">3. Cost per Undergraduate Degree</td> <td data-bbox="1190 541 1469 709">4. Six Year Graduation Rate (Full-time and Part-time FTIC)</td> </tr> <tr> <td data-bbox="938 709 1190 919">5. Academic Progress Rate (2nd Year Retention with GPA Above 2.0)</td> <td data-bbox="1190 709 1469 919">6. Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM)</td> </tr> <tr> <td data-bbox="938 919 1190 1224">7. University Access Rate (Percent of Undergraduates with a Pell-grant)</td> <td data-bbox="1190 919 1469 1224">8a. Master's Degrees Awarded in Areas of Strategic Emphasis (includes STEM) (NCF Excluded)</td> </tr> <tr> <td data-bbox="938 1224 1190 1444">8b. Freshman in Top 10% of Graduating High School Class (NCF Alternative Metric)</td> <td data-bbox="1190 1224 1469 1444">9. Board of Governors Choice</td> </tr> <tr> <td colspan="2" data-bbox="938 1444 1469 1539">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	There is no weighting among the metrics in the Arkansas model.	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.
Institutional Control	Arkansas institutions do not have control over appropriation levels but do have some control over the Optional Measures within the model. Institutions can choose Optional Measures that represent institutional mission and get credit for improving degree production, for example, within a specific student subset.	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.

<http://www.adhe.edu/Pages/home.aspx>;

<http://www.arkleg.state.ar.us/assembly/2011/2011R/Acts/Act1203.pdf><http://www.arkleg.state.ar.us/assembly/2011/2011R/Acts/Act1203.pdf>