

## Performance Funding Comparison: Tennessee and Florida

	<b>Tennessee</b>	<b>Florida</b>
<b>Funding Allocated</b>	All funding for higher education in Tennessee is allocated through an outcomes-based model. Each year all funding is on the table as there is no “base” funding or entitled minimum level of appropriation based on the prior year. In 2013-14 the model distributed state appropriations of \$822,487,200.	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 receive funding in the Tennessee model. The model focuses on outcomes that are weighted to reflect institutional mission and multiplied by the Southern Regional Education Board’s average faculty salary of similar Carnegie Classification institutions. Fixed costs are added to fund maintenance, utilities, rent, and equipment. Quality Assurance points are added for meeting program metrics.	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>	The Tennessee outcomes-based funding model includes outcomes chosen to represent the broad activities across various types of institutions from four-year research intensive universities to community colleges addressing workforce needs.	The Florida model has four guiding principles: <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>

<p><b>Metrics</b></p>	<p>The Tennessee outcomes-based funding model rewards institutions for achieving goals set out in the state Master Plan.</p> <p>The model includes outcomes chosen to represent the broad activities across various types of institutions from four-year research intensive universities to community colleges addressing workforce needs. Outcome metrics measure the universities on the following:</p> <table border="1" data-bbox="464 699 883 1413"> <tr> <td>Students Accumulating 24hrs</td> <td>Bachelor and Associate Degrees</td> </tr> <tr> <td>Students Accumulating 48hrs</td> <td>Masters and Ed Specialist Degrees</td> </tr> <tr> <td>Students Accumulating 72hrs</td> <td>Doctoral and Law Degrees</td> </tr> <tr> <td>Research and Service Expenditures</td> <td>Degrees per 100 FTE</td> </tr> <tr> <td>Transfers Out with at Least 12 Credit Hours</td> <td>Six-Year Graduation Rate</td> </tr> <tr> <td>Subpopulation Adult</td> <td>Subpopulation Pell</td> </tr> </table>	Students Accumulating 24hrs	Bachelor and Associate Degrees	Students Accumulating 48hrs	Masters and Ed Specialist Degrees	Students Accumulating 72hrs	Doctoral and Law Degrees	Research and Service Expenditures	Degrees per 100 FTE	Transfers Out with at Least 12 Credit Hours	Six-Year Graduation Rate	Subpopulation Adult	Subpopulation Pell	<p><b>Florida's 10-Metric Model:</b></p> <table border="1" data-bbox="922 268 1427 1467"> <tr> <td><b>1.</b> Percent of Bachelor's Graduates Employed and/or Continuing their Education Further</td> <td><b>2.</b> Average Wages of Employed Baccalaureate Graduates</td> </tr> <tr> <td><b>3.</b> Cost per Undergraduate Degree</td> <td><b>4.</b> Six Year Graduation Rate (Full-time and Part-time FTIC)</td> </tr> <tr> <td><b>5.</b> Academic Progress Rate (2nd Year Retention with GPA Above 2.0)</td> <td><b>6.</b> Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM)</td> </tr> <tr> <td><b>7.</b> University Access Rate (Percent of Undergraduates with a Pell-grant)</td> <td><b>8a.</b> Master's Degrees Awarded in Areas of Strategic Emphasis (includes STEM) (NCF Excluded)</td> </tr> <tr> <td><b>8b.</b> Freshman in Top 10% of Graduating High School Class (NCF Alternative Metric)</td> <td><b>9.</b> Board of Governors Choice</td> </tr> <tr> <td colspan="2"><b>10.</b> Board of Trustees Choice</td> </tr> </table>	<b>1.</b> Percent of Bachelor's Graduates Employed and/or Continuing their Education Further	<b>2.</b> Average Wages of Employed Baccalaureate Graduates	<b>3.</b> Cost per Undergraduate Degree	<b>4.</b> Six Year Graduation Rate (Full-time and Part-time FTIC)	<b>5.</b> Academic Progress Rate (2nd Year Retention with GPA Above 2.0)	<b>6.</b> Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM)	<b>7.</b> University Access Rate (Percent of Undergraduates with a Pell-grant)	<b>8a.</b> Master's Degrees Awarded in Areas of Strategic Emphasis (includes STEM) (NCF Excluded)	<b>8b.</b> Freshman in Top 10% of Graduating High School Class (NCF Alternative Metric)	<b>9.</b> Board of Governors Choice	<b>10.</b> Board of Trustees Choice	
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<p><b>Weighting</b></p>	<p>The Tennessee outcomes-based funding model has outcomes weighted according to institutional mission, reflecting an institution's Basic Carnegie classification. Institutions with similar missions have the same weights applied. Metrics that play a larger role in an institution's mission have a larger weight than others.</p>	<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>	Tennessee institutions have a level of control in terms of focusing on the areas included in the formula. Since there are no benchmarks or targets, institutions are not penalized for not meeting a specific goal but rather are encouraged to continue productivity in areas identified by the Master Plan.	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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[http://www.state.tn.us/thec/Divisions/Fiscal/outcomes\\_resources.shtml](http://www.state.tn.us/thec/Divisions/Fiscal/outcomes_resources.shtml)