

# Board of Governors

## Performance Funding Model Overview

The Performance Funding Model includes 10 metrics that evaluate the institutions on a range of issues. One metric is a Choice metric, picked by the university boards of trustees. These metrics were chosen after reviewing over 40 metrics identified in the University Work Plans.

The model has four guiding principles: 1) use metrics that align with SUS Strategic Plan goals, 2) reward Excellence or Improvement, 3) have a few clear, simple metrics, and 4) acknowledge the unique mission of the different institutions.

### Key components of the model:

- Institutions will be evaluated on either Excellence or Improvement for each metric.
- Data is based on one-year data.
- The benchmarks for Excellence were based on the Board of Governors 2025 System Strategic Plan goals and analysis of relevant data trends, whereas the benchmarks for Improvement were determined after reviewing data trends for each metric.
- The Florida Legislature and Governor determine the amount of new state funding and an amount of institutional funding that would come from each university’s recurring state base appropriation.

### Metrics Common to all Institutions:

Nine metrics apply to all twelve institutions. There are two exceptions: Metric 8b for New College and FL Poly and Metric 9b.1 for FL Poly.

Metrics Common to all Institutions	
1. Percent of Bachelor's Graduates Employed (Earning \$43,200+) or Continuing their Education	6. Bachelor's Degrees Awarded in Areas of Strategic Emphasis
2. Median Wages of Bachelor’s Graduates Employed Full-time	7. University Access Rate (Percent of Undergraduates with a Pell-grant)
3. Average Cost to the Student (Net Tuition per 120 Credit Hours)	8a. Graduate Degrees Awarded in Areas of Strategic Emphasis 8b. Percentage of Newly Admitted FTICs with High School GPA of a 4.0 or Higher- for NCF only
4. Four Year Graduation Rate (Full-time FTIC)	9a. Three-Year Graduation Rate for FCS Associate in Arts Transfer Student 9b. Six-Year Graduation Rate for Students who are Awarded a Pell Grant in their First Year 9b.1 Academic Progress Rate, 2 <sup>nd</sup> Year Retention for FTIC with a Pell Grant - for FL Poly only
5. Academic Progress Rate (2 <sup>nd</sup> Year Retention with GPA Above 2.0)	10. Board of Trustees Choice

**Board of Trustees Choice Metric** – Each Board of Trustees has chosen a metric from the remaining metrics in the University Work Plans that are applicable to the mission of that university and have not been previously chosen for the model.

### How will the funding component of the model work?

To ensure each university is striving to excel and improve on key metrics, there must be a financial incentive. That financial incentive will not only be new state funding, but an amount of the base state funding reallocated.

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### **State Investment versus Institutional Base Funding:**

The amount of the state investment appropriated by the Legislature and Governor for performance funding will be matched by an amount reallocated from the university system base budget. These “institutional base” funds are the cumulative recurring state appropriations the Legislature has appropriated to each institution. Any state investment funding appropriated would be allocated as follows:

#### Institutional Base Funding Allocation

1. A prorated amount will be deducted from each university’s base recurring state appropriation.
2. On a 100-point scale, a threshold of 60-points is established as the minimum number of total points needed to be eligible for the institutional investment.
3. Any institution that fails to meet the minimum point threshold for the institutional investment must submit an improvement plan to the Board for consideration at its August/September meeting that specifies the activities and strategies for improving the institution’s performance. As of July 1, 2016, an institution is limited to only one improvement plan.

#### State Investment Funding Allocation

1. Each university metric is evaluated based on Excellence or Improvement and has ten benchmarks ranging from low to high. The lowest benchmark receives one point, while the highest receives ten points. The higher point value for Excellence or Improvement on each metric are counted in the university’s total score.
2. The state investment will be allocated based on points earned, with a maximum of 100 points possible.
3. On a 100-point scale, institutions with the top 3 scores are eligible for their proportional amount of the state’s investment. In the case of a tie for the top 3 scores, the tie will go to the benefit of the institutions.
4. All SUS institutions with a score the same or higher as the previous year, are eligible for their proportional amount of the state’s investment.
5. Any institution with a score less than the previous year but the previous year’s score was higher or the same than the year before, are eligible for their proportional amount of the state’s investment.
6. Any institution with a score lower than the previous year’s score for two consecutive years must submit a student success plan to the Board for consideration at its August/September meeting that specifies the activities and strategies for improving the institution’s performance metrics in order to be eligible for their proportional amount of the state’s investment. If approved, up to 50 percent of the allocation shall be released. A monitoring report shall be considered by the Board during the March meeting. If approved, up to the remaining balance of the allocation shall be released.
7. Any institution with a score lower than 70 points must submit a student success plan to the Board for consideration at its August/September meeting that specifies the activities and strategies for improving the institution’s performance metrics in order to be eligible for 50 percent of their proportional amount of the state’s investment. If approved, up to 25 percent of the allocation shall be released. A monitoring report shall be considered by the Board during the March meeting. If approved, up to the remaining balance of half of the allocation shall be released.
8. The remaining funds of each institutions state’s investment shall be distributed to the top three scoring institutions (including ties) based on the total number of points of the top three scoring eligible institutions.