

Aligning State Resources to Better Promote Student Success

1

**NORTH DAKOTA LEGISLATIVE
MANAGEMENT**

**HIGHER EDUCATION
COMMITTEE**

SEPTEMBER 13, 2010

RICHARD L. PETRICK, CONSULTANT

I. Performance funding foundations

2

- Ohio had a long history of performance-based funding
- The first of the four “Challenges” began in the 1980s
- Total funding for the Challenges equaled about 10% of total state operating subsidy for campuses by late 1990s
- The past successful implementation of performance funding helped set the stage for significant changes in FY 2010 and FY 2011

I. Performance funding foundations: Policy design

3

The Challenges	Goal	Recipient	\$ Distributed
Research	Increase third-party sponsored research \$	Public university main campuses; some private universities	~\$10 - \$12 million per year
Access	Lower tuition to increase enrollments at access campuses	Public community colleges and selected 4-year access campuses	~ \$65 million per year
Success	Decrease time to UG 4 –year degrees; improve degree achievement for at risk students	Public university main campuses	~\$55 million per year
Jobs	Increase non-credit job-related training	Public two-year campuses	~\$10 million per year

I. Performance funding foundations: Outcomes

4

The Challenges	Goal	Outcomes
Research	Increase third-party sponsored research \$	Persistent rise in \$ volume of third-part sponsored research and state per-capita share of such research. (Source: NSF and related sources)
Access	Lower tuition to increase enrollments at access campuses	High spike in enrollments at access campuses representing what is arguably a net increase in UG enrollments statewide(that is, the access campus enrollments did not come at the price of lowered university enrollments) .(Source: HEI data)
Success	Decrease time to UG 4 –year degrees; improve degree achievement for at risk students	Significant decreased time to degree for UG; slight increase in 6-year degree rates; increase in number of at-risk degree recipients. (Source :HEI data)
Jobs	Increase non-credit job-related training	Built job training capacity at access institutions; served 5% of Ohio’s workforce annually; significant savings and cost reductions reported by participating businesses and industries. (Source: OBR staff surveys.)

9/13/2010

II. Funding Formula Changes in FY 2010 and FY 2011

5

ADVANCING THE SUCCESS AGENDA

The Chancellor's ten-year strategic plan: Some key elements

6

- Strategic plan was mandated by the legislature
- Explicit goals for the new public agenda:
 - Enroll and graduate more Ohioans.
 - Increase state aid, improve efficiency, and lower out of pocket expenses for undergraduates.
 - Increase participation and success by first-generation students.
 - Increase participation and success by adult students.
- Each goal has a specific metric by which progress toward the plan is assessed annually.

Changes in place for FY 2010 and FY 2011

7

- Major shift to success-based formulas
- Creation of three new formulas:
 - University main campuses
 - University regional campuses
 - Community colleges
- Endorsed by the Governor and approved by the General Assembly in H.B. 1

University main campuses

8

- Shift from enrollment-based to course- and degree-completion based formula
 - Cost-based course and degree allocations
 - Empirically-based adjustment (extra weighting) for at-risk students
 - Degree-completion component to be phased in slowly
- Setasides for doctoral and medical funding
 - Doctoral funding to become more dynamic and performance-based
- Phased in over time
 - 99% stop loss in FY 2010
 - 98% stop loss in FY 2011

University regional campuses

9

- Shift from enrollment-based to course-completion based formula
 - Cost-based course and degree allocations
 - Empirically-based adjustment (extra weighting) for at-risk students
- Plan to add degree-completion component in 2 to 4 years
 - Time to permit regional campuses to adjust their missions to focus more on upper-level undergraduate enrollments
- Phased in over time
 - 99% stop loss in FY 2010
 - 98% stop loss in FY 2011

Community colleges

10

- Will continue to have cost-based enrollment formula as major basis of funding
- Adding State of Washington's concept of 'Momentum Points' -- which we call "Success Points" -- beginning in FY 2011
 - Success Points share of total community college funding is 5% in FY 2011, and will increase over time
- Phased in over time
 - 99% stop loss in FY 2010
 - 98% stop loss in FY 2011

What are “momentum points?”

11

- Measures of student success that are sensitive to the community college’s mission and students
 - Derived from Columbia University Teacher’s College study
 - One point for each, unweighted by student or program or level
- Success Points include number of students who either:
 - ✦ *Complete their first remedial course;*
 - ✦ *Successfully complete a developmental Math course last year, and subsequently enroll in a college level Math; and*
 - ✦ *Successfully complete a developmental English course last year, and subsequently enroll in a college level English. ...and who*
 - ✦ Earn their first 15 semester credit hours
 - ✦ Earn their first 30 semester credit hours
 - ✦ Earn at least one associate degree, from that institution, in a given year.
 - ✦ Complete at least 15 semester credit hours at that institution and subsequently enroll for the first time at a four year college or university, in Ohio.

Toward an integrated state policy in support of student success

12

Goal of public policy	Major financial policy levers	Status in Ohio
Institutions	State subsidy	Being implemented, & refined
Students	Student financial aid	Pilot projects done & evaluations underway
Faculty	Compensation; tenure and promotion policy	Not yet planned

Questions?

13

Appendix 1: Details on Ohio's Success Points

14

- Success Points include:
- Number of students who either:
 - Complete their first remedial course at that institution in a given year;
 - Successfully complete a developmental Math course last year, who subsequently enroll in a college level Math course (at any public college or university) either last year or in the current year; and
 - Successfully complete a developmental English course last year, who subsequently enroll in a college level English course (at any Ohio public college or university) either last year or in the current year. Note: Each of the developmental components is weighted by 2/3 for a maximum possible award of 2 points per student.
- Number of students earning their first 15 semester credit hours of college level course work at that institution by a given year.
- Number of students earning their first 30 semester credit hours of college level course work at that institution by a given year.
- Number of students who earn at least one associate degree, from that institution, in a given year.
- Number of students who completed at least 15 semester credit hours of college level course work at that institution and subsequently enrolling for the first time at a four year college or university, in Ohio. For the purposes of this initial data analysis, the transfer is measured as subsequent enrollment in a USO University or Branch campus. The intent is to expand the transfers to include private colleges, as well.*