

Aligning State Resources to Better Promote Student Success

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**NORTH DAKOTA LEGISLATIVE
MANAGEMENT
HIGHER EDUCATION
COMMITTEE
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I. Performance funding foundations

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- 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

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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

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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.)

II. Funding Formula Changes in FY 2010 and FY 2011

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ADVANCING THE SUCCESS AGENDA

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

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- 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

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- **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

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- **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

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- **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

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- 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?”

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- 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

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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?

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Appendix 1: Details on Ohio's Success Points

- **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.***