

PERFORMANCE FUNDING TASK FORCE

Executive Summary of Final Report to the State Board of Higher Education

- The Performance Funding Task Force was appointed by the Chancellor in late January. Membership included two representatives from the research universities, two representatives from the four-year universities, and two representatives from the community colleges.
- The Task Force was charged to: provide detailed, consistent definitions for the retention, completion, and outcomes measures; examine the performance funding process used in selected states; provide recommendations regarding weighting and implementing the performance measures; and recommend one measure for use in an initial pilot phase.
- The Task Force has completed this charge. Following extensive review of data, specific definitions have been developed for the retention, completion, and outcomes measures.
- The Task Force strongly recommends using more than one measure for the unfunded pilot phase. This will offer a broader focus than a single measure; recognize various types of student success; and provide a better, more comprehensive evaluation of the model.
- The three measures recommended for the pilot phase for all institutions include:
 - Retention: Fall to Spring Retention at the institution where the student initially enrolled.
 Fall to Fall Retention at any institution within the NDUS.
 - Completion: Number of students awarded degrees between July 1 and June 30 of each year.
- At this time, the Task Force recommends giving equal weight to the three measures.
- The full, final report of the Task Force includes the rationale underlying these recommendations, details concerning the definitions, and possible future considerations such as greater emphasis (weight) for certain student populations (e.g., at-risk students).
- It is imperative that data definitions, standards, timeframes, and reporting practices and procedures be consistent across all eleven institutions if this process is to be successful.

Recommendation: It is recommended that the North Dakota University System proceed with an unfunded pilot initiative beginning in FY 2013 to fine-tune a performance funding process that will be implemented during the 2015-17 biennium.

**PROCESS USED BY STATE BOARD OF HIGHER EDUCATION TO IDENTIFY PERFORMANCE FUNDING MEASURES
FOCUS ON STUDENT SUCCESS: LEADING THE NATION IN EDUCATIONAL ATTAINMENT**

SURVEY OF PRESIDENTS (October 2011)

SURVEY OF SBHE MEMBERS (November 2011)

PERFORMANCE FUNDING TASK FORCE (January 2012)



As approved by the State Board of Higher Education (November 17, 2011), a performance funding task force is appointed to move forward on the process of developing performance measures related to completion, outcomes, and retention. Specifically, I am charging the task force to provide further focus to arrive at consistent, detailed definitions for the measures using ConnectND as the standard data source; examine the process used in selected states; and provide recommendations to the State Board of Higher Education regarding weighting and implementation of the performance measures. The task force will recommend one of the measures to use in an initial pilot phase.

TASK FORCE RECOMMENDATIONS REGARDING MEASURES TO BE USED FOR PERFORMANCE FUNDING (March 2012)

Measure	Definition	Include in Pilot?	Rationale	Measure Does Not Include
Retention				
Fall to Spring Retention at single institution (all institutions)	Base on IPEDS first-time, full-time freshman cohort. Percentage of students in cohort who return in Spring semester to the institution where they first enrolled. Data from ConnectND reported as of 20 th scheduled class day.	Yes	Focused on student success; Based on already developed cohorts; Rewards persistence at a single institution	Part-time students; Students transferring into NDUS
Fall to Fall Retention across NDUS (all institutions)	Base on IPEDS first-time, full-time freshman cohort. Percentage of students in the cohort who return the next Fall to any institution within the NDUS. Data from ConnectND reported as of 20 th scheduled class day.	Yes	Focused on student success; Based on already developed cohorts; Rewards institutions for students who continue at any NDUS institution/collaboration	Part-time students; Students transferring into NDUS; Transfers to private ND colleges, tribal colleges or out of state
Individuals Completing Degrees				
Graduates (all institutions)	Base on number of students graduating with Program Certificates, Associate, Bachelor's, Graduate, and Professional Degrees (includes all degree programs of at least 16 credit hours authorized by SBHE Policy 409) between July 1 and June 30 of each year. Data from ConnectND.	Yes	Focused on student success; Not cohort-based, thus rewards institutions for all graduates (full-time, part-time, transfers, etc.); Simple and understandable; Does not double count; Does not incentivize adding certificates just to increase numbers; IPEDS will collect this data next year	Those who complete all credits but do not apply for the degree; Multiple degrees earned by one individual during the same time period
Outcomes				
Graduates employed in their field of study or enrolled in graduate/professional school within one year of graduation (all institutions)	For the current time: Base on <i>Follow-up</i> study of graduates. Data from SLDS (from ConnectND and Job Service).	No	This definition is the best available at the current time. It is difficult to accurately link employment with field of study (a national issue according to Travis Reindl).	Field of study – only counts graduates employed; Graduates without unique identifier (SSN); Graduates employed or enrolled out of state; Those not covered by UI/Job Service (e.g., self employed)

GUIDING PRINCIPLES FOR THE WORK OF THE PERFORMANCE FUNDING TASK FORCE

- The ultimate focus of performance funding must be on supporting and enhancing success for all students (full-time, part-time, older than average, underserved, etc.).
- The performance funding process should not discourage institutions from serving particular student populations – for example, underserved students and those who may be at-risk due to a variety of factors.
- The process should encourage partnerships where NDUS institutions work together for student success.
- It is important to recognize institutional missions and reward each institution for success in its defined mission.
- Performance funding should focus on each institution's performance relative to its own history and trends, not on comparing institutions.
- The process should be data-driven and quality focused, leading to continuous improvement.
- The process should consider technology as an important resource that can help make the data useful to campuses as a management tool.

The specific measures must:

- Relate to and support the overall vision and strategic plan for the North Dakota University System.
- Be simple, easy to understand, valid, reliable, and meaningful for the System and individual institutions.
- Be available from a single, common data system (data warehouse) to ensure consistency.