

Tennessee Higher Education Commission Proposed 2010-15 Performance Funding Standards

Summary of 2010-2015 PF changes from 2005-2010 and defining characteristics of the new cycle standards

- Simplifies standards (from five to two)
- Dedicates 40 percent of points on Student Success (retention, graduation, and degree, and certificate productivity)
- Eliminates Assessment Pilot -- Delaware/Kansas Instructional Cost Studies – and reallocates points to degree productivity
- Makes institutional reporting easier and transparent – no pilot assessments or planning initiatives
- Relies on existing data collection systems for degree productivity indicators with no additional data reporting requirements. While marking student success on completion of degree requirement intervals or momentum points such as the 41-hour general education core or distribution clusters (humanities, social sciences, etc.) within the core is highly desirable, current transcripting practices and student information systems do not provide these data.
- Reinforces the 2010-2015 Master Plan, Making Opportunity Affordable, and Outcomes-Based Formula in placing primary emphasis on increased degree production as a funding principle.
- Minimizes duplication of indicators used in the outcomes-based funding formula to the extent possible. Student success indicators in performance funding will be benchmarked to institutional and external comparisons.
- Makes student success, defined as credential completion, the unifying goal of the Master Plan, the funding formula, and the Performance Funding incentive program

Elements retained from previous PF five-year cycle

- Keeps emphasis on national benchmarking (e.g., peers for universities [Carnegie classification instead of funding peers], National Community College Benchmarking Project, NSSE, CCSSE)
- Keeps QEP (SACS accreditation quality effectiveness project) as peer review and qualitative measure, thus continuing to integrate Performance Funding and SACS accreditation processes and involve faculty in institutional report evaluation
- Retains traditional quality assurance measures (general education, major field test, accreditation, program review/academic audit, student satisfaction surveys, and job placement) to document sustained quality with increased degree production

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Standard One: Student Learning and Engagement (*no change in reporting and/or scoring*)

- A. General Education (national)
- B. Major Field Assessment (including annual reporting of licensure programs)
- C. Accreditation/Program Review/Academic Audit
- D. Satisfaction Surveys – NSSE and CCSSE (national), Alumni, and Employer
- E. Job Placement (community colleges only)
- F. Assessment Implementation – QEP and SLI – only peer review, non-quantitative

Total: Community Colleges – 65 percent and Universities – 60 percent

Standard Two: Student Success (*proposed changes: (1) greater point emphasis for retention and graduation(2) comparison with Carnegie classification for universities (instead of funding peers), (3) weighted 3 year rolling average, and (4) new degree productivity indicators*)

- A. Fall to Fall Retention – rolling average (rates of previous 3 years) against current year Universities compared to Carnegie Classification and community colleges compared to National Community College Benchmark Project (NCCBP) – both external comparisons For the community colleges, a Degree Component Completion is included that will include indicators (e.g., R/D retention and success) from the NCCBP
- B. Persistence to Graduation – rolling average (rates of previous 3 years) against current year Universities – Fall cohort graduating within 6 years and Community Colleges – Fall cohort graduating within 3 years (external) and 6 years (internal)
- C. Degree Productivity (**NEW**) (*Scoring mechanism based on 5 indicators (2 required and 2 institutional selection) Indicators will be scored based on increase over previous year*)

Community Colleges

- (1) **Graduates in high-need fields (as defined by UT Center for Business and Economic Research THEC-commissioned Supply/Demand Study)**
- (2) **AA/AS/AST transfers**
- (3) Transfers with 24 SCH to universities
- (4) Science, Technology, Engineering & Math (STEM) graduates
- (5) Underrepresented minorities graduates – African American
- (6) Underrepresented minorities graduates – Hispanic

Universities

- (1) **Graduates in high-need fields (as defined by UT Center for Business and Economic Research THEC-commissioned Supply/Demand Study)**
- (2) **AA/AS transfers who complete the baccalaureate**
- (3) Science, Technology, Engineering & Math (STEM) graduates (associates and bachelor's degrees)
- (4) Graduates of mission-specific programs (associates and bachelor's degrees)
- (5) Underrepresented minorities graduates – African American
- (6) Underrepresented minorities graduates -- Hispanic

Total: Community Colleges – 35 percent and Universities – 40 percent

**PROPOSED 2010-15 Performance Funding Standards
Alignment with MP and MOA
DRAFT March 22, 2010**

2005-10 Performance Funding Cycle			2010-15 Performance Funding Cycle (PROPOSED)		
	Community Colleges	Universities		Community Colleges	Universities
Standard One - Student Learning Environment and Outcomes			Standard One -- Student Learning and Engagement		
-- Student Learning -- General Education	15	15	General Education	15	15
-- Student Learning - Major Field Assessment	10	10	Major Field Assessment	10	10
-- Accreditation/Program Review/Academic Audit	10	15	Accreditation/Program Review/Academic Audit	10	15
			Satisfaction Surveys	10	10
Standard Two -- Student Satisfaction	10	10	Job Placement	10	N/A
			Assessment Implementation	10	10
Standard Three -- Student Persistence	15	15	SubTotal	65	60
Standard Four -- State Master Plan Priorities			Standard Two: Student Success		
-- Institutional Strategic Planning Goals	5	5	Degree Component Completion * and Retention	10	10
-- State Strategic Planning Goals	10	10	Persistence to Graduation	5	10
-- Transfer and Articulation	--	5	Degree Productivity	20	20
-- Job Placement	10	--	SubTotal	35	40
Standard Five -- Assessment Outcomes			<i>* For community colleges, degree component completion will include indicators from National Community College Benchmark Project.</i>		
--Assessment Pilot	5	5			
- - Assessment Implementation	10	10			
Total Points	100	100	Total Points	100	100