

# THEC TSAC

## QUALITY ASSURANCE FUNDING

Tennessee was the first state to utilize quality metrics in state funding; for over 40 years, Quality Assurance Funding (QAF) has provided incentives for all public colleges and universities to measure student learning and institutional effectiveness as part of the continuous improvement process.

Institutions may earn an additional 5.45 percent over operating budgets based on performance on metrics particular to their sector and aligned to the Tennessee Higher Education Master Plan. Quality Assurance Funding standards are evaluated every five years to ensure alignment with the public agenda and state high education priorities. The QAF Advisory Committee is comprised of governing board and institutional leadership collaborating with THEC staff to revise the standards that are then approved by the Commission.



## 2020-25 HIGHER EDUCATION MASTER PLAN

The state's Higher Education Master Plan provides a strategic vision for the state, highlights promising practices, and serves as the foundation for QAF. In January 2020, the Tennessee Higher Education Commission approved the 2020-25 Tennessee Higher Education Master Plan update that continues the dedication to high quality credentials that prepare graduates for sustainable careers. In addition, the Master Plan update emphasizes the importance of critically examining outcomes to ensure that all students have the tools necessary for success including low-income students and students of color who remain underrepresented in public higher education in Tennessee.

## MAJOR THEMES OF 2020-25 QAF STANDARDS

- **Increase Points Associated with Accreditation:** The points associated with the accreditation portion of the Academic Programs standard increased to reflect the rigor and institutional resources required to maintain specialty program accreditations.
- **Focus on Student Equity:** A greater number of points are directed at increasing equity in higher education outcomes through a Student Equity standard. Institutions selected a historically underserved population significant to their mission and will work to increase outcomes on qualitative and quantitative metrics.
- **Further Emphasis on Quality:** The mission of QAF is to increase the quality of instruction and services provided to students. The standards amended metrics related to focus populations in the Student Equity and Student Access and Success standards be calculated based on graduates percent per 100 FTE growth rather than headcount whenever possible. The shift in methodology seeks to decouple QAF from the number of graduates and focus on how well an institution serves enrolled students.
- **Workforce Alignment:** The Advisory Committee recommends establishing a High-Need Programs focus population aligned to the state's higher education Master Plan to include STEM and Health Professions.

### QAF and the Funding Formula

*How do they work together and how are they different?*

QAF works hand-in-hand with the outcomes-based funding formula, with QAF complimenting the funding formula by providing an incentive for growth in outcomes to pair with a focus on quality. While state appropriations to each institution are largely determined through the funding formula, QAF provides an incentive for institutions to focus on outcomes as well as quality. QAF emphasizes quality of programs and success beyond graduation, ensuring that student outcomes are aligned with the state's higher education goals.

For additional information on QAF, contact Victoria Harpool at [Victoria.harpool@tn.gov](mailto:Victoria.harpool@tn.gov)