

Aligning State Resources to Better Promote Student Success

**Texas Higher Education Coordinating Board
Higher Education Leadership Conference**

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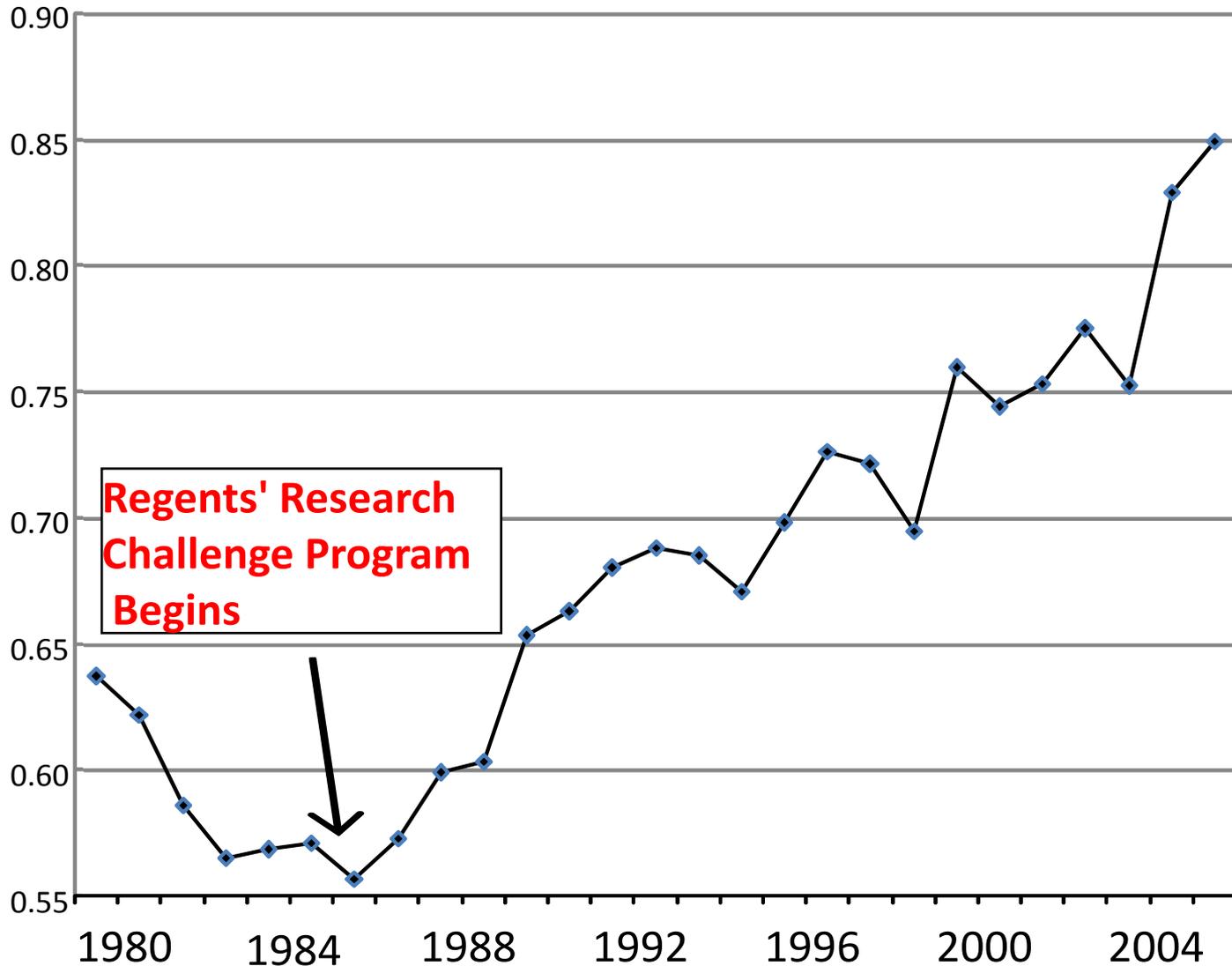
Performance funding foundations

- 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

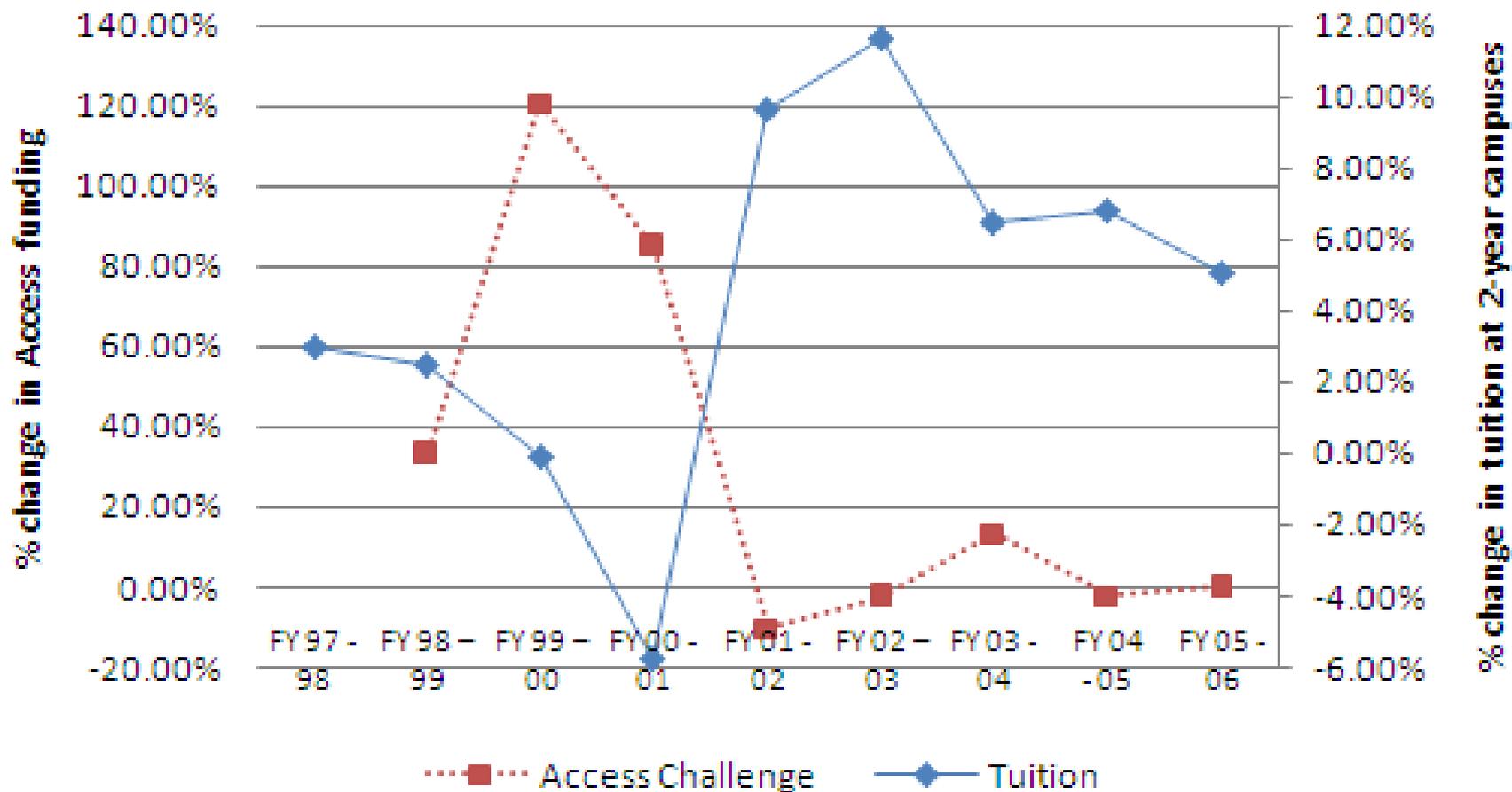
Performance funding foundations

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

Ohio's Per Capita R&D Indexed to the National Average



Increases in Access Challenge Funding Led to Decreases in Tuition



Funding Formula Changes in FY 2010 and FY 2011

Chancellor's ten-year strategic plan

- 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

Changes in place, FY 2010 & FY 2011

- 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

- 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

- 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 yrs
 - 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

- Will continue to have cost-based enrollment formula as major basis of funding
- Adding State of Washington's concept of "Momentum Points" beginning in FY 2011
 - Momentum points share of total funding will increase over time
- Phased in over time
 - 99% stop loss in FY 2010
 - 98% stop loss in FY 2011

What are “momentum points?”

- 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
- Points could include:
 - Enrolling in CC while in high school (dual enrollment)
 - Passing remedial coursework, college level math
 - Achieving 15 credit hours, 30 credit hours, 45 credit hours, associate degree
 - Transferring to university

Performance-based student grant initiative – Rewarding success

The TANF Educational Awards Program (TEAP) – FY 2007

- For TANF-eligible students
- Independent students with one or more dependents, and who have
- “Expected Family Contribution” (EFC) of \$0, and who
- Completed at least 15 credit hours of college work, and who
- Enrolled for at least 3 credit hours during the term for which they apply for the grant

TEAP – FY 2007

- Maximum grant:
 - \$1,200 for full-time student,
 - \$600 for part-time student
- Grants distributed in two parts
 - 1/3 at start of term
 - 2/3 at end of term
- Students had to successfully complete the course to receive the final grant portion
- Broad use of funds: child care, transportation, books, materials, equipment

TEAP Outcomes – FY 2007

Selected Variables	TEAP Grant Recipients	Non-TEAP TANF Students
# of students	7,439	18,488
Course completion rate	82%	70%
GPA	2.79	2.54
Persistence + grad rate	82%	60%
Full-time attendance	52%	26%
Quasi-experimental design – no random assignment of students		

Toward an integrated state policy in support of student success

Goal of public policy	Major financial policy levers	Status in Ohio
Institutional performance	State subsidy	Being implemented, & refined
Student performance	Student financial aid	Pilot projects & consultation underway
Faculty performance	Compensation; tenure and promotion policy	Not yet started

Some keys to successful planning and implementation

- “Don’t try to boil the ocean”
 - Start, even if you have to take small steps
- “Remember the C-A-S-E method”
 - Copy And Steal Everything
- “One size does not fit all”
 - Use of mission sensitive measures – or even separate formulas – that are understandable to all

Some keys to successful planning and implementation

- Consult, consult, consult
 - Turn stakeholders = co-creators = implementers = advocates
- Remember why the Soviet Union failed
 - Maximize focus on outcomes, minimize focus on inputs and micromanagement or regulatory controls
- Data, data, data
 - Timely and reliable student unit record data system needed for planning and evaluation
- Protect the base – Phase in changes