

BOARD OF REGENTS
BRIEFING PAPER

Transfer of State Appropriated Performance Pool Funds Between NSHE Appropriation Budgets

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

The 2013 Legislature, as recommended by the SB 374 committee and as implemented by the Task Force of the Board of Regents, included performance funding for the NSHE formula budgets. The Task Force recommended that the implementation of the performance pool in FY 2015 be based on performance in academic year 2012-13 using academic year 2011-12 as a base for comparison. For FY 15 there was a 5% carve out of appropriated funds which the institutions may earn by meeting the performance metrics that were agreed to. See attached memorandum from the Chancellor with the actual performance pool outcomes for academic year 2012-13 that will determine performance pool funding for FY 15.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

Approval to seek Interim Finance Committee approval pursuant to AB 507, Section 59 of the 2013 Legislative Session, to transfer sums, appropriated to the Performance Funding Pool account, to the respective formula-funded budget accounts of the NSHE in Fiscal Year 2014-2015.

4. IMPETUS (WHY NOW?):

The performance pool outcomes for 2012-13 have been documented and the funding for FY 15 determined.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

The performance pool funding supports the FY 15 operating budgets of the NSHE formula budgets.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

None have been brought forward

7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

None

8. COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title #____ Chapter #____ Section #____
 - Amends Current Board Policy: Title #____ Chapter #____ Section #____
 - Amends Current Procedures & Guidelines Manual: Chapter #____ Section #____
 - Other: _____
- X Fiscal Impact: Yes__x__ No____
Explain: _____

Nevada System of Higher Education
Daniel J. Klaich, Chancellor


System Administration
5550 West Flamingo Road, Suite C-1
Las Vegas, NV 89103-0137
Phone: 702-889-8426
Fax: 702-889-8492



System Administration
2601 Enterprise Road
Reno, NV 89512-1666
Phone: 775-784-4901
Fax: 775-784-1127

MEMORANDUM

TO: Board of Regents
NSHE Presidents

FROM: Daniel Klaich, Chancellor 

COPY: Business Officers
Academic Affairs Council

DATE: December 12, 2013

RE: Performance Pool 2012-13 Points Targets and Actual Performance Data

Implementation of funding tied to the performance pool begins in FY2015 with the initial five percent carve-out of General Fund appropriations based on the point targets set for academic years 2012-13 and 2013-14, to be distributed in FY15 and FY16 (pending legislative action in 2015 Session) respectively. Point targets were established based on 2011-12 baseline actual figures with targeted points calculated at 2 percent for the universities, 4 percent for the state college, and 2 percent for the community colleges. Distribution of the dollars is based on an aggregate point calculation where the percent of points earned will be based on the total points earned divided by the point target. The resulting percent of the carve-out will be earned back by the institution.

Attached are the final Performance Pool outcomes for academic year 2012-13 which determines your institutions performance funding for FY2015. Those institutions that did not achieve the point targets necessary to earn 100 percent of their performance funds in FY15 are given the opportunity to earn back those funds by over performing in 2013-14 by the amount of the deficiency. The attached table notes the additional weighted points that GBC and TMCC must achieve in 2013-14 in order to earn back the unearned funds from performance in 2012-13.

As the Performance Pool is further evaluated and better understood, the methodology used to calculate point targets will be reviewed. Following review of the data, the point targets will be re-established every two years and approved by the Board of Regents for the following biennium. That process will begin after the second year of the Performance Pool when data for 2013-14 is available.

Enc.

NSHE PERFORMANCE POOL (2012-13 Actuals)

UNLV (2% Target)	Weights	2011-12 Baseline		2012-13 Actual/Target		2013-14 Target	
		Points	Weighted Pts.	Points	Weighted Pts.	Points	Weighted Pts.
Bachelor's Degrees	30%	3,670	1,101.0	3,857	1,157.1		
At-Risk Bachelor's Graduates (Minority + Pell-Eligible x .4)	"	912	273.7	970	290.9		
Master's and Doctoral Degrees	10%	1,370	137.0	1,166	116.6		
At-Risk Master's and Doctoral Graduates (Minority + Pell-Eligible x .4)*	"	231	23.1	235	23.5		
Sponsored/External Research Expenditures in \$100,000's	15%	426.4	64.0	437.3	65.6		
Transfer Students w/a transferable associate's degree	5%	1,628	81.4	1,727	86.4		
Efficiency - Awards per 100 FTE	20%	27.2	5.4	27.2	5.4		
Economic Development (STEM and Allied Health) Graduates	20%	879	175.8	852	170.4		
Economic Development (business and management) Graduates	"	1,504	300.8	1,587	317.4		
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	2,162.2	--	2,233.2	--	0.0
TOTAL WEIGHTED POINTS - TARGET		--	--	--	2,205.4	--	2,249.6
FY 2015 Performance Funding Carve-Out					\$6,521,597		
Percent of Target Achieved					101.3%		
FY2015 Performance Pool Funds Earned Back					\$6,521,597		
*2011-12 points corrected due to error in original institutional file submission							
UNR (2% Target)	Weights	2011-12 Baseline		2012-13 Actual/Target		2013-14 Target	
		Points	Weighted Pts.	Points	Weighted Pts.	Points	Weighted Pts.
Bachelor's Degrees	30%	2,603	780.9	2,759	827.7		
At-Risk Bachelor's Graduates (Minority + Pell-Eligible x .4)	"	398	119.5	513	154.0		
Master's and Doctoral Degrees	10%	774	77.4	790	79.0		
At-Risk Master's and Doctoral Graduates (Minority + Pell-Eligible x .4)	"	93	9.3	120	12.0		
Sponsored/External Research Expenditures in \$100,000's	15%	888.3	133.2	1,017.3	152.6		
Transfer Students w/a transferable associate's degree	5%	1,260	63.0	1,234	61.7		
Efficiency - Awards per 100 FTE	20%	24.9	5.0	25.9	5.2		
Economic Development (STEM and Allied Health) Graduates	20%	1,133	226.6	1,217	243.4		
Economic Development (psychology) Graduates	"	165	33	189.0	37.8		
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	1,447.9	--	1,573.3	--	0.0
TOTAL WEIGHTED POINTS - TARGET		--	--	--	1,476.9	--	1,506.4
FY 2015 Performance Funding Carve-Out					\$4,565,358		
Percent of Target Achieved					106.5%		
FY2015 Performance Pool Funds Earned Back					\$4,565,358		

NSHE PERFORMANCE POOL (2012-13 Actuals)

NSC (4% Target)	Weights	2011-12 Baseline		2012-13 Actual/Target		2013-14 Target	
		Points	Weighted Pts.	Points	Weighted Pts.	Points	Weighted Pts.
Bachelor's Degrees	50%	270	135.0	303	151.5		
At-Risk Bachelor's Graduates (Minority + Pell-Eligible x .4)	"	72	36.2	69	34.6		
Gateway Course Completers	5%	802	40.1	709	35.5		
Transfer Students w/a transferable associate's degree	5%	331	16.6	336	16.8		
Efficiency - Awards per 100 FTE	20%	13.1	2.6	14.4	2.9		
Economic Development (STEM and Allied Health) Graduates	20%	119	23.8	134	26.8		
Economic Development (business and management) Graduates	"	31	6.2	35	7.0		
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	260.5	--	275.0	--	0.0
TOTAL WEIGHTED POINTS - TARGET		--	--	--	270.9	--	281.7
FY 2015 Performance Funding Carve-Out					\$628,433		
Percent of Target Achieved					101.5%		
FY2015 Performance Pool Funds Earned Back					\$628,433		
CSN (2% Target)	Weights	2011-12 Baseline		2012-13 Actual/Target		2013-14 Target	
		Points	Weighted Pts.	Points	Weighted Pts.	Points	Weighted Pts.
1 to 2 Year Certificate	10%	236	23.6	235	23.5		
At-Risk Certificate Recipients (Minority + Pell-Eligible x .4)	"	56	5.6	69	6.9		
Associate's and Bachelor's Degrees	30%	2,112	633.6	2,506	751.8		
At-Risk Associate's and Bachelor's Graduates (Minority + Pell-Eligible x .4)	"	492	147.6	718	215.4		
Transfer Students w/24 credits or associate's degree	10%	2,876	287.6	3,254	325.4		
Efficiency - Awards per 100 FTE	20%	11.7	2.3	14.3	2.9		
Gateway Course Completers	10%	12,236	1,223.6	12,604	1,260.4		
Economic Development (STEM and Allied Health) Graduates	20%	736	147.2	780	156.0		
Economic Development (business and management) Graduates	"	454	90.8	520	104.0		
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	2,561.9	--	2,846.2	--	0.0
TOTAL WEIGHTED POINTS - TARGET		--	--	--	2,613.1	--	2,665.4
FY 2015 Performance Funding Carve-Out					\$4,375,933		
Percent of Target Achieved					108.9%		
FY2015 Performance Pool Funds Earned Back					\$4,375,933		

NSHE PERFORMANCE POOL (2012-13 Actuals)

GBC (2% Target)	Weights	2011-12 Baseline		2012-13 Actual/Target		2013-14 Target	
		Points	Weighted Pts.	Points	Weighted Pts.	Points	Weighted Pts.
1 to 2 Year Certificate	10%	107	10.7	135	13.5		
At-Risk Certificate Recipients (Minority + Pell-Eligible x .4)	"	23	2.3	25	2.5		
Associate's and Bachelor's Degrees	30%	321	96.3	285	85.5		
At-Risk Associate's and Bachelor's Graduates (Minority + Pell-Eligible x .4)	"	67	20.0	54	16.2		
Transfer Students w/24 credits or associate's degree	10%	48	4.8	63	6.3		
Efficiency - Awards per 100 FTE	20%	24.6	4.9	25.3	5.1		
Gateway Course Completers	10%	1,065	106.5	1,215	121.5		
Economic Development (STEM and Allied Health) Graduates	20%	174	34.8	138	27.6		
Economic Development (mechanic and repair technologies) Graduates	"	39	7.8	44	8.8		
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	288.2	--	287.0	--	0.0
TOTAL WEIGHTED POINTS - TARGET		--	--	--	293.9	--	299.8
FY 2015 Performance Funding Carve-Out					\$636,694		
Percent of Target Achieved					97.6%		
FY2015 Performance Pool Funds Earned Back					\$621,611		

GBC's adjusted 2013-14 target is 306.7. It must over perform by 6.9 weighted points in 2013-14 in order to earn back the 2.4 percent of funding not earned in 2012-13.

TMCC (2% Target)	Weights	2011-12 Baseline		2012-13 Actual/Target		2013-14 Target	
		Points	Weighted Pts.	Points	Weighted Pts.	Points	Weighted Pts.
1 to 2 Year Certificate*	10%	51	5.1	70	7.0		
At-Risk Certificate Recipients (Minority + Pell-Eligible x .4)*	"	21	2.1	18	1.8		
Associate's Degrees	30%	1,035	310.5	950	285.0		
At-Risk Associate's Graduates (Minority + Pell-Eligible x .4)	"	249	74.6	238	71.5		
Transfer Students w/24 credits or associate's degree	10%	989	98.9	1,281	128.1		
Efficiency - Awards per 100 FTE*	20%	17.1	3.4	16.1	3.2		
Gateway Course Completers	10%	4,230	423.0	4,350	435.0		
Economic Development (STEM and Allied Health) Graduates	20%	273	54.6	248	49.6		
Economic Development (precision production) Graduates	"	5	1.0	18	3.6		
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	973.3	--	984.8	--	0.0
TOTAL WEIGHTED POINTS - TARGET		--	--	--	992.7	--	1,012.6
FY 2015 Performance Funding Carve-Out					\$1,518,361		
Percent of Target Achieved					99.2%		
FY2015 Performance Pool Funds Earned Back					\$1,506,270		

*revised 10/11/13 - certificate of general studies removed from base - targets adjusted accordingly

TMCC's adjusted 2013-14 target is 1,020.5. It must over perform by 7.9 weighted points in 2013-14 in order to earn back the 1 percent of funding not earned in 2012-13.

NSHE PERFORMANCE POOL (2012-13 Actuals)

WNC (2% Target)	Weights	2011-12 Baseline		2012-13 Actual/Target		2013-14 Target	
		Points	Weighted Pts.	Points	Weighted Pts.	Points	Weighted Pts.
1 to 2 Year Certificate	10%	30	3.0	20	2.0		
At-Risk Certificate Recipients (Minority + Pell-Eligible x .4)	"	8	0.8	4	0.4		
Associate's and Bachelor's Degrees	30%	465	139.5	502	150.6		
At-Risk Associate's and Bachelor's Graduates (Minority + Pell-Eligible x .4)	"	114	34.1	114	34.2		
Transfer Students w/24 credits or associate's degree	10%	213	21.3	354	35.4		
Efficiency - Awards per 100 FTE	20%	21.0	4.2	23.3	4.7		
Gateway Course Completers	10%	1,549	154.9	1,684	168.4		
Economic Development (STEM and Allied Health) Graduates	20%	122	24.4	138	27.6		
Economic Development (construction trades) Graduates	"	9	1.8	9	1.8		
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	383.9	--	425.1	--	0.0
TOTAL WEIGHTED POINTS - TARGET		--	--	--	391.6	--	399.5
FY 2015 Performance Funding Carve-Out					\$679,820		
Percent of Target Achieved					108.5%		
FY2015 Performance Pool Funds Earned Back					\$679,820		

NOTE: For all data where the defined source is IPEDS, the 2012-13 data is from institutional IPEDS submissions - final data will be public through IPEDS in the spring.

Performance Pool Outcomes - Data Definitions

Outcome	Definitions
1 to 2 year Certificate	The total number of certificates requiring 30 or more credit hours granted during an academic year. Students earning multiple certificates in an academic year will have each earned certificate count as a separate outcome. An additional weight of .4 per certificate awarded to a minority or Pell eligible student is applied. (Source: IPEDS and institutional data to identify low income graduates)
Associate's Degrees	The total number of associate's degrees conferred during an academic year. Students earning multiple degrees in an academic year will have each earned degree count as a separate outcome. An additional weight of .4 per associate's degree awarded to a minority or Pell eligible student is applied. (Source: IPEDS and institutional data to identify low income graduates)
Bachelor's Degrees	The total number of bachelor's degrees conferred during an academic year. Students earning multiple degrees in an academic year will have each earned degree count as a separate outcome. An additional weight of .4 per bachelor's degree awarded to a minority or Pell eligible student is applied. (Source: IPEDS and institutional data to identify low income graduates)
Master's Degrees	The total number of master's degrees conferred during an academic year. Students earning multiple degrees in an academic year will have each earned degree count as a separate outcome. An additional weight of .4 per master's degree awarded to a minority student is applied. (Source: IPEDS and institutional data to identify low income graduates)
Doctoral Degrees	The total number of doctoral degrees conferred during an academic year. First-professional degrees (medical, dental, law) are not included. Students earning multiple degrees in an academic year will have each earned degree count as a separate outcome. An additional weight of .4 per doctoral degree awarded to a minority student is applied. (Source: IPEDS and institutional data to identify low income graduates)
Transfer Students w/a Transferable Associate's Degree	Total number of students transferred to a 4-year institution with a transferable associate's degree from an NSHE community college. (Source: NSHE Data Warehouse)
Transfer Students w/24 credits or Associate's Degree	The total number of students who enrolled at a four-year institution during the fall or spring semester of a given reporting year who had earned at least 24 credits or a transferable associate's degree at a community college prior to the reporting year. Students are excluded if they are co-enrolled at a 4-year institution and a 2-year institution during the term in which they otherwise would have been included as a transfer student. (Excludes courses from the 24 credit count if the grades are AU, AD, NR, ND, X, I, F, U, W.) (Source: NSHE Data Warehouse)
Efficiency - Awards per 100 FTE	The number of bachelor's, master's and doctoral awards per 100 FTE at 4-year institutions and the number of certificates, associate's and bachelor's (where applicable) per 100 FTE at the 2-year institutions. (Source: IPEDS and Official FTE)
Sponsored/External Research Expenditures	The total amount expended on sponsored programs/projects of research and other scholarly activities for the fiscal year. This amount includes federal, federal pass-through, State of Nevada, other state and local government, private for-profit, private non-profit. Other scholarly activity includes the instructional, public service, student services, and "other" functional grant categories, including workforce development. The figures exclude the scholarship/fellowship category. (Source: Sponsored Projects)
Gateway Course Completers	The total number of students (unduplicated) who successfully completed a college-level English or mathematics course (grad C- and above) in the reporting year. (Source: NSHE Data Warehouse)
Economic Development - STEM and Allied Health Graduates	Total number of certificates, associate's, bachelor's, master's, or doctoral degrees awarded (first professional awards are excluded) in an academic year based on CIP codes for STEM and health professionals as identified by NCHEMS for the NGA metrics. (CIPs: 4 - architecture and related services; 11 - computer and information sciences and support services; 14 - engineering; 15 - engineering technologies/technicians; 26 - biological and biomedical sciences; 27 - mathematics and statistics; 40 - physical sciences; 41 - science technologies/technicians; and 51 - health professions and related clinical sciences) (Source: IPEDS)
Economic Development - Institution Selected Discipline	Total number of certificates, associate's, bachelor's, master's, or doctoral degrees awarded (first professional awards are excluded) in an academic year based on CIP code selected by the institution which aligns with the state's economic development plan. (UNLV- 52 Business, Management, and Related Support Services; UNR- 42 Psychology; NSC- 52 Business, Management, and Related Support Services; CSN- 52 Business, Management, and Related Support Services; GBC - 47 Mechanic and Repair Technologies/Technician; TMCC- 48 Precision Production; WNC- 46 Construction Trades.) (Source: IPEDS)