

## Performance Funding Workbook Revisions

### Guidance for 2004-05 Performance Year (Year 9) November 2002 Workbook updated as of October 2003

The information herein provides an outline of the main changes to the workbook since its publication last year.

#### **Changes of Note to Performance Funding for 2004-05 (Year 9)**

There were no changes to the measure or standards for the current year as applicable to institutions with the exception of USC Beaufort. Monitoring of indicators as described in 2E has been postponed pending the outcome of the review of higher education's accountability plan that is occurring in the present year by the Commission staff in cooperation with institutional leadership.

The Commission approved updates to USC Beaufort's transition plan on October 7, 2004. A copy of the recommendation approved by the Commission is found on the following pages and the content has been reflected in the workbook

It is noted that the improvement factor for Indicator 2D (Average Faculty Salaries) is changed from 1% to 4% consistent with the methodology that the improvement factor be set at the legislated salary increase for unclassified employees plus 1%.

Additionally, for Indicator 1D/E, institutions could opt to proceed with scoring of FY04 goals selected in 2003 per CHE action on October 7, 2004. A copy of the recommendation approved by the Commission indicating the institutions that have elected scoring in the current year is found on the following pages.

#### **Updates to the Workbook**

The workbook remains in the same format as last year. The page numbering has remained consistent. Introductory text and explanations as well as all summary charts and calendars referencing performance timeframes and/or due dates have been updated to reflect the current year. Information as described above has been updated. Additionally, the allocation plan has been revised to reflect the CHE action to reaffirm the plan that has been used since March 1999. Performance funding contact information reflects information as of October 2004.

**Indicators Generally:** For each indicator, the timeframes for performance measurement have been updated. Additionally, the historical notes have been updated to summarize the current status of the indicator. You will note too that information in the "indicator title" section found to the right of the heading "Date Last Revised" reflects the information of note that has been revised.

**Reporting Schedules and Forms:** All schedules for reporting data and any forms, as applicable, have been updated. **Please note that outside of CHEMIS/IPEDS and Institutional Effectiveness reporting, performance data that must be reported separately are due February 4, 2005, for all indicators except 7A for two-year institutions and 7E for USC Beaufort and Regional Campuses. The supplemental information for the latter (7A and 7E) is due March 18, 2005.** All forms are available on the website in word or excel formats

**CHE APPROVED 10/7/04**

**Consideration of Status of Performance Funding Indicator 1D/E for 2004-05**

**Staff Explanation:** Staff is not recommending any changes to the performance funding system or measures and standards for the current year, with one exception as described below for Indicator 1D/E. It is noted that monitoring of indicators that are not scored annually will be postponed pending the outcome of the current on-going activity of CHE staff and the Presidents' Accountability Workgroup.

Indicator 1D/E measures progress on individual institutional goals and targets over a three-year period. The final year of measurement for the first goals that were initially set in 2000 occurred this past year, 2003-04. Goals for the next three-year period had been submitted by institutions in February 2003; however, the goals were never approved by CHE given the discussions related to performance funding that were occurring at the time. As a result, not all institutions proceeded with the identified goals. After discussing the issue with institutional representatives through the Funding Advisory Committee, it was suggested that institutions be provided an option of whether or not to be measured on the indicator in the current year. As a result, staff is recommending that institutions desiring to continue with the goal in the current year may do so provided that there are no changes to the goal and targets from those as originally submitted. For those institutions not wishing to proceed with the goal as originally identified, the indicator would be deferred in the current year. The table below identifies those institutions that want to be assessed on 1D/E in the current year and those that do not. For those who are proceeding with measurement, staff has reviewed the measures. The recommendation is for the current year only and further determinations regarding the status of the indicator for subsequent years is expected at a later date dependent upon the outcome of the work of the CHE staff and the Presidents' Accountability Workgroup.

**The following institutions have selected to be measured in 2004-05 on the 2003-04 goal submitted for 1D/E:**

USC Columbia	USC Upstate	Denmark Tech
The Citadel	USC Lancaster	Florence-Darlington Tech
Coastal Carolina Univ.	USC Salkehatchie	Greenville Tech
College of Charleston	USC Sumter	Horry-Georgetown Tech
Francis Marion Univ.	USC Union	Orangeburg-Calhoun Tech
Lander Univ.	Aiken Tech	Tri-County Tech
USC Aiken	Central Carolina Tech	Trident Tech

**The following institutions have elected to defer 1D/E from measurement in 2004-05**

Clemson Univ.	Winthrop	Spartanburg Tech
MUSC	Midlands Tech	Williamsburg Tech
SC State Univ.	Northeastern Tech	York Tech
USC Beaufort	Piedmont Tech	Tech Coll. of Lowcountry

**Recommendation:** The Committee recommends approval of the scoring approach described in the material as indicated above.

**CHE APPROVED 10/7/04**

## **Consideration of Updates for USC Beaufort's Performance Funding Transition**

**Staff Explanation:** In November 2002, the Commission approved a performance funding transition plan for USC Beaufort as it moved from two-year to four-year status. The plan is included in the Performance Funding Workbook (see Section II.D, pages 195-200) and describes how each indicator is to be applied to USC Beaufort beginning in 2002-03. As part of the plan, USC Beaufort was scored on as many of the indicators as possible using the teaching sector measures and standards. If it was not possible to apply the teaching sector measure, a transitional measure was put in place or the measure was deferred from scoring until it could be applied to USC Beaufort. At this juncture, the plan needs to be revisited for the current year in order to ensure that teaching measures and standards are being used where possible and to clarify the status of transitional measures that can no longer be applied. CHE staff has discussed the plan and status of the indicators with USC Beaufort. The summary table below outlines staff's recommendation for the current year. The plan will need to be revisited again prior to the beginning of the next performance cycle (2005-06).

**Recommendation:** It is recommended that the Finance and Facilities Committee recommend for approval of the Commission the updated transition plan for USC Beaufort as indicated in the following summary table.

### **Summary Table for Recommendations regarding USC Beaufort's Transition Plan**

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**A change in status is recommended for the following indicators. The indicator is described followed by an explanation and recommendation:**

#### **1B, Curricula Offered to Achieve Mission**

This indicator is scored for the teaching sector based on the percentage of programs that are appropriate to the degree-level authorized by Act 359 of 1996; support the institution's goals, purpose and objectives as defined in the approved mission statement; and have received full "approval" in the most recent CHE review.

**Explanation:** A transition indicator has applied based on USC Beaufort's progress in earning Commission approval of programs. As of this past year, USC Beaufort was scored per the plan based on the number of degree programs approved. Ten degree proposals have been approved and USC Beaufort only has plans at this time for one additional program to be added in the upcoming year. The institution can begin to be scored per the teaching sector measure.

**Recommendation:** Begin scoring USC Beaufort per the teaching sector measure & standards.

#### **3D, Accreditation of Degree-Granting Programs**

This indicator applies to the teaching sector institutions as a scored indicator measuring the percentage of accredited academic degree programs.

**Explanation:** USC Beaufort has been measured on compliance in making appropriate progress toward SACS accreditation at the four-year level. USC Beaufort has now achieved SACS accreditation. Per the definitions for the measure, institutions are not responsible for accreditation until an agency has been on the approved list for five years or until the institution has had an eligible

program for five years.

**Recommendation:** It is recommended USC Beaufort be measured per current definitions. It is noted that applying the measure will result in no score for USC Beaufort until it has had its newly approved programs for five years unless applicable accreditation is achieved prior to the end of five year window.

### **6A/B, Combined, (6A) SAT and ACT Scores of Student Body and (6B) High School Class Standing, Grade Point Averages, and Activities of the Student Body**

**Explanation:** For 6A/B, the same measure applies to all sectors but the standards vary across sectors. For the past two years, USC Beaufort has been measured based on the regional campus standards. Given that USC Beaufort has now achieved accreditation at the four-year level, the teaching sector standards can begin to apply.

**Recommendation:** It is recommended that the teaching sector standards be applied to USC Beaufort.

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**The following is for information. No changes are recommended for these indicators.**

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#### **The following indicators are applied per the teaching sector measure and standards, and no change is necessary.**

- 1C, Approval of a Mission Statement
- 1D/E, Combined, (1D) Adoption of a Strategic Plan to Support the Mission Statement and (1E) Attainment of Goals of the Strategic Plan
- 2A, Academic and Other Credentials of Professors and Instructors
- 2D, Compensation of Faculty
- 8C, Accessibility to the Institution of All Citizens of the State\*

\* Note: This measure has four subparts. Part 3, focusing on the percent of minority graduate students enrolled, will continue to be deferred until USC Beaufort has graduate programs.

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#### **The following measures have been deferred until such time that USC Beaufort has graduates or programs to which the measures can apply, and no change is necessary.**

- 3E, Institutional Emphasis on Quality of Teacher Education & Reform (Note: Expected to be deferred until USC Beaufort has Teacher Education Graduates)
  - 5A, Percentage of Administrative Costs as Compared to Academic Costs (Note: Currently deferred for all institutions due to changes in financial reporting and in light of current considerations for a revised accountability system)
  - 7D, Scores of Graduates on Post-Undergraduate Professional, or Employment Related Examinations and Certification Tests (Note: Expected to be deferred until USC Beaufort has graduates taking examinations that are considered)
  - 9A, Financial Support for Reform in Teacher Education (Note: Expected to be deferred until USC Beaufort has had its Teacher Education Program for several years)
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#### **The transition measures adopted for USC Beaufort in 2002 will continue to apply to the following indicators. No change is necessary:**

- 4 A/B, Combined, (4A) Sharing and Use of Technology, Programs, Equipment, Supplies and Source Matter Experts within the Institution, with other Institutions, and with the Business
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Community and (4B) Cooperation and Collaboration with Private Industry

It is noted that the teaching measure and standards apply. However, an exception has been made for USC Beaufort on part 4 of the best practices. USC Beaufort must demonstrate formal consideration of student internships or cooperative arrangements are associated with new programs rather than demonstrate student participation in internships across programs.

- 7A, Graduation Rate for Clemson, USC Columbia and Teaching

USC Beaufort is measured on a comparable measure that considers a cohort of students and the percentage earning bachelor's degrees from any institution in six years. The same measure is also applied to Regional Campuses

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**The following summarizes the indicators applied. Teaching Sector measures and standards will be applied for USC Beaufort as soon as practically possible in future years.**

**Indicators applied to USC Beaufort as of 2004-05**

<u>Number of Indicators Scored</u>	7 (1B, 2A, 2D, 4A/B, 6A/B, 7A, 8C)
<u>Number of Indicators Compliance</u>	1 (1C)
<u>Number of Indicators Deferred</u>	6 (1D/E*, 3D, 3E, 5A, 7D, 9A)

Of the scored and compliance indicators all but two (4A/B & 7A) rely on teaching sector measures and standards.

**Indicators applied to Teaching Sector Institutions**

<u>Number of Indicators Scored</u>	12 (1B, 1D/E*, 2A, 2D, 3D, 3E, 4A/B, 6A/B, 7A, 7D, 8C, 9A)
<u>Number of Indicators Compliance</u>	1 (1C)
<u>Number of Indicators Deferred</u>	1 (5A)

\*May be deferred in the current year for some institutions. USC Beaufort plans to defer this indicator this year.

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