

# Incentive and Initiative Funding

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# A Funding Context

## Base Operations

## Initiatives

- From Six-Year Plans
- Unique to institution
- Research
- Year-round use of facilities
- Course redesign
- Resource sharing
- On-line courses

## Incentive Funding

- Bachelor and associate degree production
- STEM-H production
- Accelerated-time-to-degree
- Progression

## Enrollment Growth

Enhance Quality

Enhance Production

# NCHEMS

## Emerging Best Practices in Incentives/Performance Funding

- Metrics that drive funding tied to state goals in Virginia.
- A limited number of metrics.
- Use increases in numbers rather than rates in most cases.
- Provide encouragement for success with at-risk populations.

# Degree Growth Incentive

## Premise

Keep incentives and measures simple, straightforward, limited in number and focused on Commonwealth higher education goals.

Driven by a point system, with the value of a point determined by the available funding pool. (Total # of points earned ÷ dollars in funding pool = Dollar value per point)

### Weighted factors receiving points:

- (5) Bachelor's degrees awarded, three year average.
- (3) Bachelor's degrees awarded in STEM-H fields, three year average.
- (2) Bachelor's degrees awarded in four years or less, three year average.
- (1) Transfer degrees awarded within three years of transfer.
- (1) Graduate STEM-H degrees awarded.
- ( ) Bachelor's degrees awarded to under-represented students, three year average.
  - (1) Students of color
  - (1) Pell grant students
  - (1) Over 25 at entry

**Weights for two-year institutions 50 percent of four-year**

# Degree Growth Incentive

## Efficiency Factor

- Institution's six-year graduation rate, compared to its salary peer group (publics only).
- Institution's cost to produce a degree compared to fifty public peers.
- Performance determines whether accumulated incentive points are increased or decreased by 10 percent or unchanged.

# Degree Progression Incentive

## Premise

Designed to encourage the timely progression to degree of under-represented students.

### **Weighted factors receiving points:**

One point assigned for each under-represented student who progresses to the next level in the measurement year.

- Students of color
- Pell grant students
- Over 25 at entry
- First generation students?

# Performance Measures

- Incremental annual growth in enrolled Virginian undergraduates.
- Incremental annual growth in bachelor's and associate's degrees awarded.
- Incremental annual growth in STEM-H degrees granted by level.
- Incremental annual growth in the number of under-represented students awarded bachelor's and associate's degrees.
- Incremental annual growth in the number of bachelor's and associates degrees awarded in less than 100 percent of expected time to completion.
- Incremental annual growth in the number of advanced STEM-H degrees granted.
- Incremental annual growth in the number of institutions exceeding peer performance in six-year graduation rate and public revenues per degree.
- Incremental annual growth in the total number of under-represented students who progress from one academic level to the next.
- Incremental annual growth in the number of transfers and the number of transfers who graduate in three years or less.