Lowe

Performance Funding

Shifting to performance funding requires implementing new funding models that tie funding to outcomes, thereby providing incentives for advancing and graduating students, not just enrolling them.

State appropriations typically are driven by enrollment with funding based on the number of students enrolled near the beginning of the academic term (also known as the census or count date). As a result, colleges have a financial incentive to boost enrollment at the start of the term, rather than make sure students successfully complete classes and earn degrees. Performance funding values outcomes (e.g., classes successfully completed, credentials awarded, etc.).

Strong policies and strategies should contain provisions to:

✓ ***Keep the formulae simple and transparent.***

- Start with a small number of explicit, easy-to-understand measures that are laser-focused on completion and specific priorities for improvement.
- Ensure that legislators and higher education officials support and fully understand the rationale and mechanics of performance funding formulae.
- Ensure that the formulae contain mechanisms specific to all sectors so that each can "win" with respect to their mission and the populations they serve.

✓ ***Appropriate funds toward the <u>completion</u> of a college certificate or degree.***

- Ensure performance funding measures represent the most critical data points to improve certificate and degree completion. Such measures should include:
  - Improvement in the number of annual certificates and degrees produced (not graduation rates),
  - Improvement in the number of "on-time" completions (graduation rates),
  - Improvement in the number of students successfully transferring from community colleges to four-year universities.

- Level the playing field
  - Include incentives for completion gains among hard to reach populations (e.g., low income students).

- Include incentives for college certificates and degrees that not only provide trained workers for current industry needs in the state, but also assist in attracting new employers to the state (e.g., STEM fields).

✓ ***Appropriate funds for <u>progression</u> toward a college certificate or degree.***

- Provide funding based on the number of courses completed rather than attempted (or simply change the count date on the current enrollment formulae from the beginning of the semester to the end of the semester).
- Ensure performance funding measures represent the most critical data points to improve progression toward a certificate or degree. Measures should include:
  - Improvement in the number of students completing college credit-bearing English and math courses within the first year,
  - Improvement in the number of students accumulating 15/30 credit hours within the first year, and
  - Improvement in the number of students returning each semester and year.

✓ ***Establish a strong state commitment to creating and sustaining performance based funding.***

- Start with a modest percentage of performance funding of 5% or more, then compound it over time.
- Designate both new money and, in hard times, budget cuts to colleges based on the same performance funding measures to ensure a cumulative effect.
- Do not guarantee a "hold-harmless" provision - failure without consequences is not performance funding.

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Reduce Time & Accelerate Success

Significantly increasing college completion is possible only when states and institutions get serious about the problem of ***time.***

Strong policies and strategies should contain provisions to:

✓ ***Set a strong student expectation that graduation is the goal.***

- Require formal, on-time completion plans for every student upon enrollment, updated annually.
- Require all students to declare a major by the end of their freshman year.
- Require classroom attendance be taken and recorded – at least during the freshman year.
- Establish student incentives to attend college full-time (e.g., flat rate tuition for students taking 12 or more credit hours).
- Link financial aid to successful progression toward a certificate or degree (e.g., continuous enrollment, GPA, credits successfully completed).
- Present part-time students with a full accounting of their financial aid package should they attend on a full-time basis (evidence suggests that such information can increase full-time participation).

✓ ***Reduce unnecessary course-taking and the number of credits to degree.***

- Enact credit caps of 120 credit hours for a Bachelor's degree and 60 credit hours for an associate degree so students do not earn excessive numbers of credits to complete a degree (allow exceptions only when necessary to maintain program accreditation).
- Conduct credit audits annually to identify degree programs that exceed credit caps and require colleges to comply with the policy or petition for an exception.
- Charge students more for taking excess coursework of more than 12 additional credit hours beyond of the credit caps (e.g., charging students out-of-state tuition for credits exceeding the caps) and/or reduce or eliminate state appropriations for credits that exceed the caps.

✓ ***Create a <u>common general education</u> core to provide consistency and equivalency in course content and curricula.***

- Require a common lower-division college general education core.
- Require common course numbering.

✓ ***Establish a clear and effective student <u>transfer policy.</u>***

- Require transferability of the common general education core.
- Require the most frequently taken lower division undergraduate courses (e.g., 25 courses) to transfer statewide (a core transfer library can facilitate this).
- Establish joint admission or guaranteed admission between the community colleges and the four-year universities for students completing the common college general education core.
- Require that students transferring with associate degrees have junior-level status at the four-year universities.
- Establish a comprehensive online course audit and advising system for students to ease transfer across colleges.

✓ ***Adopt policies for <u>alternative pathways</u> for students to earn college credits.***

- Offer prior learning assessments that allow students to demonstrate mastery of college-level content and test out of and/or earn credits for demonstrated mastery.
- Require dual enrollment and/or Advanced Placement programs in every public high school and require colleges to give credit to students scoring a 3 or higher on AP exams.
- Reduce seat time by integrating online learning in traditional course delivery.
- Require a certain number of credit hours be taken through online courses.
- Make better use of time by offering accelerated competency based courses.
- Make better use of the whole school year by providing incentives to take summer classes, short courses over breaks and intensive courses.

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Structure and New Models

Restructure delivery for today's students by developing new, shorter, and faster pathways to degrees and credentials of value.

New models are needed to significantly increase the number of students completing and completing on time. **This is systemic reform.** While colleges can implement these approaches differently, focusing on different programs and/or segments of the student population, colleges should be encouraged to **be responsive to all of these principals, not pick and choose among them.**

Strong policies and strategies to advance new models should include the following key principles:

✓ ***Operate programs on block schedules - fixed classroom meeting schedules.***

- Offer classes during specified time blocks and be consistent from term-to-term.
- Inform students of their full schedules not only for the duration of the term but for the duration of the full program, thereby increasing predictability in course offerings and student support services, and allowing students to better plan around work and family schedules.

✓ ***Increase the ability for students to progress at a faster pace toward their certificate or degree.***

- Establish shorter academic terms (four weeks or eight weeks) with fewer courses per term and fewer weeks away from school between the terms.
- Utilize year-round attendance; no summers off.
- Ensure the ability of students to progress immediately to the next course without waiting for the next academic semester.

✓ ***Implement an <u>integrated program design</u> that reduces the complexity of registration, course selection, and the need for course advising.***

- Prescribe the full set of competencies for each program up-front.
- Enroll students once in a single, coherent program rather than signing up every term for individual, unconnected courses.

✓ ***<u>Compress classroom instruction</u> to reduce seat-time requirements and allow students to proceed at an accelerated pace.***

- Supplement traditional classroom instruction with non-classroom based methods such as on-line technology.
- Use competency-based instruction to allow students to proceed at an accelerated pace.

✓ ***Establish student <u>cohort enrollment</u> to increase peer support and learning networks.***

- Group students in cohorts in the same prescribed sequence of classroom and non-classroom instruction.
- Promote the emergence of in-person and online learning communities, which are widely acknowledged as effective strategies for improving retention and completion.

✓ ***<u>Embed remediation</u> in the program.***

- Include remedial education directly within the college program curriculum so students develop stronger math and English skills as they build program competencies (using the program as context).
- Supplement, as necessary, this embedded remedial instruction with additional support that is parallel to and simultaneous to the program rather than preceding it.
- Define basic skill outcome expectations with rigorous assessment.

✓ ***Increase <u>transparency and accountability</u> in advertising and counseling students to increase a student's ability to make an informed decision***

- Provide students with clear and consistent information about tuition, program duration, success rates, and job placement outcomes
- Enable students to assess costs and benefits, see reasons for continued attendance, and make sacrifices necessary to achieve program goals
- Hold programs accountable to rigorous and consistent external validation and national accreditation standards

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Remediation

The evidence is strong that remediation as currently designed and delivered has little to no effect on college completion. Too many students start in remedial courses and never complete a credential of any kind.

Strong policies and strategies should:

✓ *Divert students from traditional remedial programs.*

- For students with few academic deficiencies:
  - Place directly in college-level coursework.
  - Provide co-requisite developmental education (including tutoring, self-paced computer labs with required attendance, etc.)

- For students clearly needing remediation:
  - Provide no more than one semester of remediation.
  - Utilize an intensive focus, and an accelerated timeframe.

- For students with significant academic deficiencies:
  - Provide alternate pathways to a career certificate or career-related credential.
  - Embed remediation and adult basic skills into that instruction.

✓ *Clarify what constitutes readiness for success in the first year of college.*

- Recognize that current college placement assessments are not predictive and should be replaced by sharper diagnostic tools.
- Establish early warning indicators (e.g., anchor assessments) for current high school students, signaling student readiness to begin college-level coursework.
- Provide twelfth grade courses designed to prepare students for college-level math and English.

✓ *Establish a statewide approach to remedial education.*

- Limit remediation at 4-year universities to no more than one course. If a student cannot do college-level work after one remedial course, then he/she should be referred into a "passport program" at a community college with the understanding that the student will be readmitted to the 4-year college after successful completion of the English and Math requirements.
- Align math requirements and student needs (e.g., only STEM students need a pre-Calculus curriculum, others are better served learning statistics and applied mathematics). Review all programs to determine the best math requirements for each program and align remediation accordingly.
- Identify courses in which students can enroll while simultaneously completing remediation requirements (i.e., don't make students wait to start credit-bearing courses).
- All students taking the placement exam ought to receive a testing guide, practice test and time to brush up on their skills.
- Engage faculty with progression and completion metrics to reveal short-comings and inform design of reforms.

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