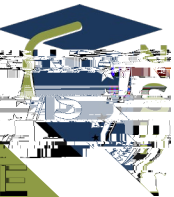


Nevada System of Higher Education

Overview of NSHE Performance Pool

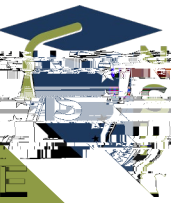
Ad hoc Committee on Higher Education Funding

February 12, 2024



Performance Funding Trends in 2012

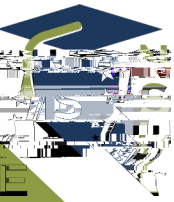
- States moving from collecting performance-related data to tying performance metrics to funding decisions
- Performance metrics fall into 3 categories:
 - Outputs (graduation, certificates conferred, ex: bachelor's degrees)
 -



National Governors Association (NGA)

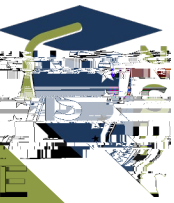
NGA *Complete to Compete* (2011) initiative recommended:

- States include performance measures (e.g., degrees awarded, degrees awarded to low-



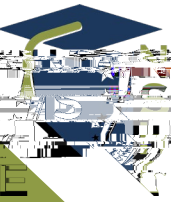
NSHE Performance Pool Design Background

- Interim Committee adopted recommendations to establish performance-based funding:
 - A. Fund from each institution's General Fund appropriation
 - B. Implement over four years
 - C. Begin at 5% FY15 and increase by 5% annually reaching 20% FY18
- Board of Regents established a working group to refine recommendations for the performance pool structure, operation, specific performance measures and associated weighting for recommendation to the 2013 Legislature

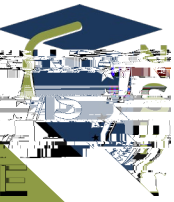


NSHE 2012 Performance Pool Task Force

The development of the NSHE Performance Pool was a transparent, collaborative process with broad representation:

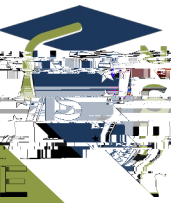


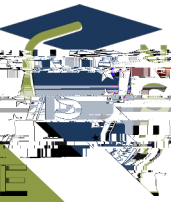
Performance Pool Task Force: Decision Points



Performance Pool Task Force: Context

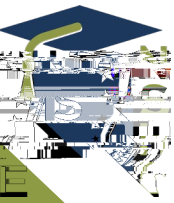
- The Task Force balanced the implementation details--weighing the risk to institutions' base funding when considering performance pool design options.
- The Task Force decisions sought to align performance pool design with the State's priorities for Higher Education while balancing the risk that under-performance would reduce base funding.





Performance Metrics Weights and Scaling

- Metrics were selected to be consistent across institutional tiers
- Institutions' performance was originally based on seven metrics, two of which had sub metrics for under-served populations
- Individual weights for the metrics signify importance or priority of the metrics
- The application of weights sent a clear signal that the top priority is graduating students
- Increasing sponsored project activity, transfer and articulation, and general efficiency were encouraged

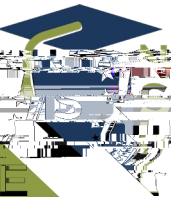


Performance Tied to Benchmarks vs. Performance Improvement

Option A: National benchmarks driving performance targets

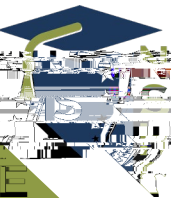
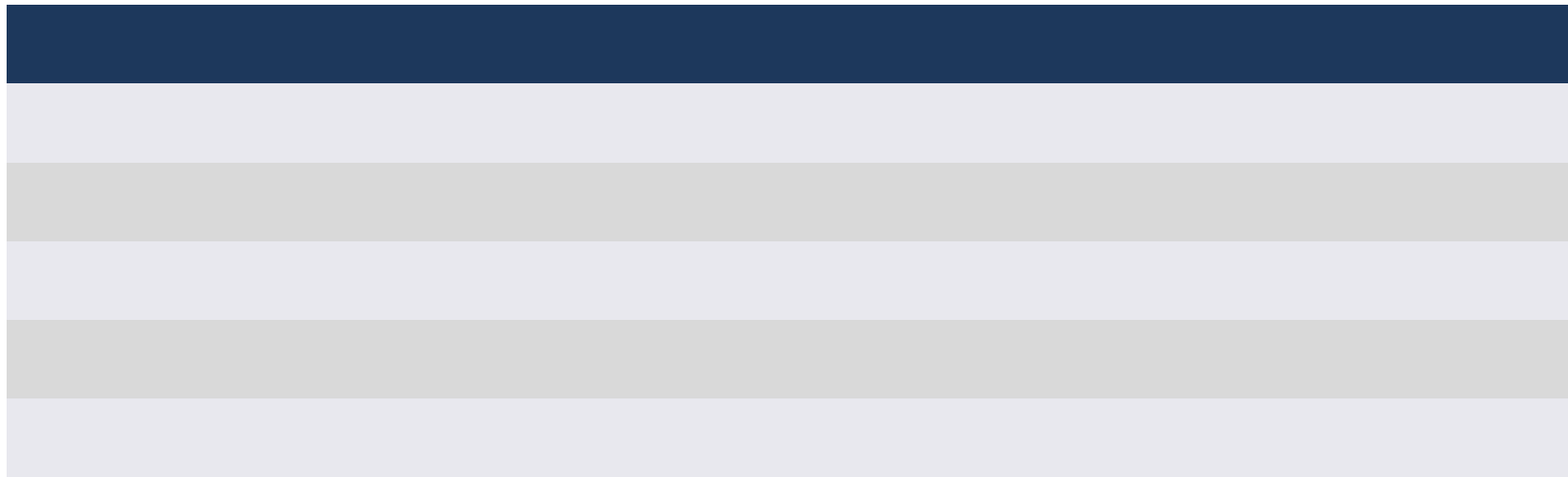
Option B: Institution improvement driving performance targets

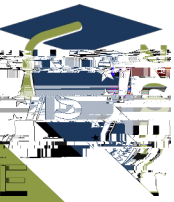
Option B was adopted and continues in current formula



Economic Development Metrics

In addition to STEM and Allied Health economic development metric, each institution selected one metric that supported economic development specific to the institution::

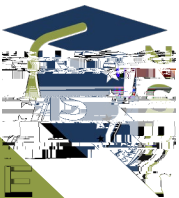




Performance Measurement Year and Funding Year Schedule

Year of Measure (Performance Year)	Distribution Year (Funding Year)
2012-13 (AY2013)	FY2015 (Year 1)
2013-14 (AY2014)	FY2016 (Year 2)
.....	
2022-23(AY2023)	FY2025 (Year 11)
2023-24(AY2024)	FY2026 (Year 12)

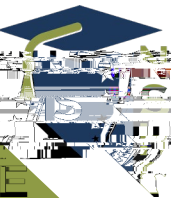
Measurement Year vs. Funding Year allows campus to plan in event not all funds earned back



Recommended Initial Point Targets

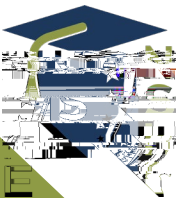
- The Task Force recommended that point targets be uniform for institutions in the same tier (universities, state college, community colleges)
- The Task Force recommended the following percent increases for each year of the initial two-year performance pool cycle:

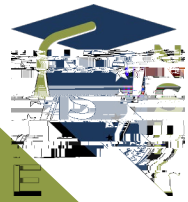
Tier	Percent Annual Increase in Aggregate Points (PP Year 1 and 2)
Universities	2%
State College	4%
Community Colleges	2%



Metric Weights and Scaling: University Example

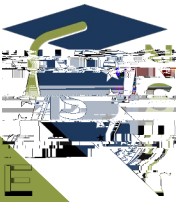
UNLV (2% Target)				2012-13 Target
	Weights	Points	Weighted Pts.	Weighted Pts.
Bachelor's Degrees	30%	3,670	1,101.0	
At-Risk Bachelor's Graduates (Minority + Pell-Eligible x .4)	"	912	273.7	
Master's and Doctoral Degrees	10%	1,370	137.0	
At-Risk Master's and Doctoral Graduates (Minority + Pell-Eligible x .4)	"	185	18.5	
Sponsored/External Research Expenditures in \$100,000's	15%	426.4	64.0	
Transfer Students w/a transferable associate's degree	5%	1,628	81.4	
Efficiency - Awards per 100 FTE	20%	27.2	5.4	
Economic Development (STEM and Allied Health) Graduates	20%	879	175.8	
Economic Development (business and management) Graduates	"	1,504	300.8	
TOTAL WEIGHTED POINTS	100%	--	2,157.6	2,200.8





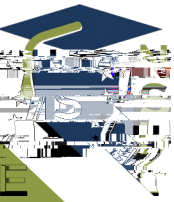
Metric Weights and Scaling: Community College Example

WNC (2% Target)	Weights	2011-12 Baseline (Actual)		2012-13 Target
		Points	Weighted Pts.	Weighted Pts.
1 to 2 Year Certificate	10%	30	3.0	
At-Risk Certificate Recipients (Minority + Pell-Eligible x .4)	"	8	0.8	
Associate's and Bachelor's Degrees	30%	465	139.5	
At-Risk Associate's and Bachelor's Graduates (Minority + Pell-Eligible x .4)	"	114	34.1	
Transfer Students w/24 credits or associate's degree	10%	213	21.3	
Efficiency - Awards per 100 FTE	20%	21.0	4.2	
Gateway Course Completers	10%	1,549	154.9	
Economic Development (STEM and Allied Health) Graduates	20%	122	24.4	
Economic Development (construction trades) Graduates	"	9	1.8	
TOTAL WEIGHTED POINTS	100%	--	383.9	



Unearned Funds Carried Forward

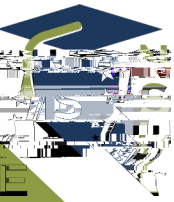
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2014 NSHE Performance Pool Working Group

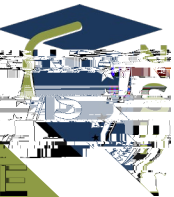
Reviewed:

- Aggregate points method: required to earn same dollar twice
- Baseline adjustments
 -

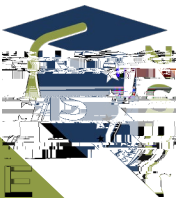


NSHE Institutions Performance Outcomes Since 2013

Actual Performance Points Achieved as a Percent of Established Point Targets											
Performance Pool Year	1	2	3	4	5	6	7	8	9	10	11
Performance Year	AY13	AY14	AY15	AY16	AY17	AY18	AY19	AY20	AY21	AY22	AY23
Funding Year	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
UNLV	101.3%	97.8%	102.2%	100.9%	102.2%	104.1%	103.7%	105.2%	121.7%	116.2%	116.9%
UNR	106.5%	107.0%	112.6%	120.9%	123.0%	130.0%	131.8%	131.2%	117.6%	114.9%	109.0%
NSC	101.5%	116.9%	122.2%	129.2%	130.7%	177.2%	189.5%	215.4%	158.9%	168.4%	165.0%
CSN	108.9%	112.2%	109.7%	111.4%	112.3%	112.8%	115.6%	112.3%	108.9%	108.9%	98.8%
GBC	97.6%	107.7%	122.7%	130.9%	126.0%	127.9%	127.8%	127.1%	122.2%	113.0%	114.7%
TMCC	99.2%	107.0%	117.5%	122.4%	118.7%	119.6%	117.7%	120.2%	120.4%	111.3%	120.0%
WNC	108.5%	107.6%	110.2%	109.2%	106.1%	107.4%	109.3%	128.1%	119.4%	112.6%	114.6%

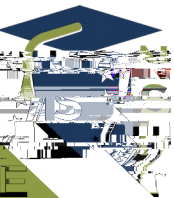


NSHE Institutions Performance Outcomes: 4-Year Institutions Bachelor's Degrees Conferred



NSHE Institutions Performance Outcomes: 2-Year Institutions Degrees Conferred

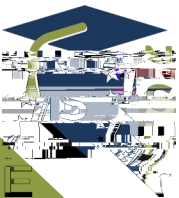
2-Year Institutions Degrees Conferred			
Year	2013-14	2014-15	2015-16
2013-14			
2014-15			
2015-16			



NSHE Institutions Performance Outcomes: Minority and Pell Eligible Student Degrees Conferred

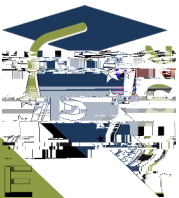
Bachelor's Degrees Conferred to Minority and Pell -Eligible Students (4-Year Institutions)			
	AY 2011-12 (baseline)	AY 2022-23 (Year 11)	Percent Change
UNLV	933	3,899	317.9%
UNR	398	2,171	445.5%
NSU	73	695	852.1%

Associate's and Bachelor's Degrees Conferred to Minority and Pell -Eligible Students (2-Year Institutions)			
	AY 2011-12 (baseline)	AY 2022-23 (Year 11)	Percent Change
CSN	492	2,594	427.2%
GBC	67	280	317.9%
TMCC	248	829	234.3%
WNC	114	312	173.7%



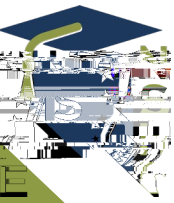
NSHE Institutions Performance Outcomes: Sponsored Research Expenditures

Sponsored/External Research Expenditures (in \$100,000's)			
	AY 2011-12 (baseline)	AY 2022-23 (Year 11)	Percent Change
UNLV	\$426.4	\$914.3	114.2%
UNR	\$888.3		



Performance Pool: Results

- Performance metrics signaled the importance of the State's objectives for Higher Education:
 - Graduation/completion
 - Research
 - Efficiency
 - Economic Development
- Performance funding decision points were driven by performance funds as a carve-out of existing state funding



Questions?

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