



Item: SP: A-2

STRATEGIC PLANNING AND INITIATIVES COMMITTEE

Tuesday, May 16, 2017

SUBJECT: REQUEST FOR APPROVAL OF FAU BOT'S CHOICE METRIC OPTIONS AND BENCHMARKS FOR BOG PERFORMANCE FUNDING MODEL

PROPOSED COMMITTEE ACTION

Request for approval of FAU Board of Trustees' choice metric options and benchmarks for the Board of Governors performance funding model. The options include the following metric choices in order of preference, all with an improvement scale in which .5% equals 1 point: 1) *percent of bachelor's degrees awarded to minorities*, 2) *percent of undergraduate FTE in distance learning courses*, and 3) *total research expenditures (in millions)*.

BACKGROUND INFORMATION

At its September 12, 2013 meeting, the State University System of Florida's Board of Governors (BOG) announced the introduction of the Performance Funding Model, which includes 10 metrics that evaluate the institutions on a range of issues such as six-year graduation rates and degrees awarded in areas of strategic emphasis. An important metric included in the model is the Board of Trustees (BOT) Choice Metric, which is a metric that each institution chooses for itself. This metric is an opportunity for each institution's Board to customize the model with a metric that best suits the individual goals and challenges of each institution. Metrics will be evaluated on the basis of Improvement (.5% equals 1 point) or Excellence (set by the BOT).

In November 2013, the FAU BOT approved *percent of bachelor's degrees awarded to minorities* for use as the 10th metric in the BOG performance funding model.

At its the January 26, 2017 meeting, the BOG then requested that each university provide the following: 1) three options for a new choice metric (the current 10th metric can be included) prioritized in order of preference, 2) proposed benchmarks for excellence, on a scale of 1-10, for each of the three metrics, so that in the first year of implementation, the university will receive no more than seven (7) points, and 3) proposed benchmarks for improvement.

The BOG has informed the university that it should be prepared to discuss the proposed metric(s) at an October BOG Budget and Finance Committee workshop, during which one of the three options will be approved for use in the upcoming year's performance model.

The enclosed supporting documentation includes rationale based on historical data, forecasting, and the mission of the institution. Of the key performance indicators included in the State University System's 2025 strategic plan and the university's annual work plan, the recommended options present an opportunity for strategic, rapidly-accelerating growth.

IMPLEMENTATION PLAN/DATE

N/A

FISCAL IMPLICATIONS

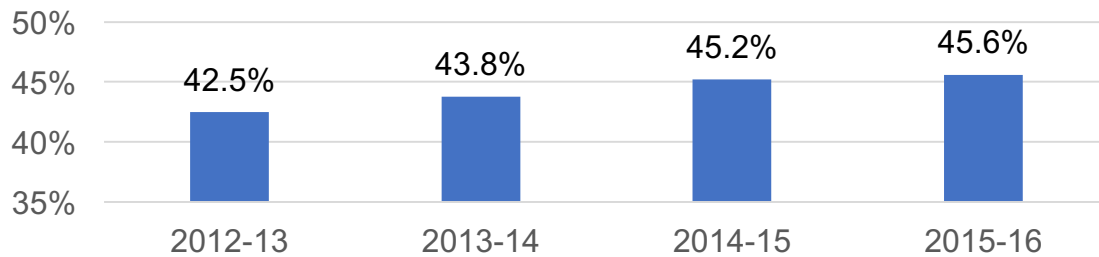
N/A

Supporting Documentation: Options for the FAU Board of Trustees' Choice Metric #10

Presented by: Mr. James Capp, Assistant Provost for Academic Operations **Phone:** 561-297-3061

Options for the FAU Board of Trustees' Choice Metric #10 for BOG Performance Funding Model

Percent of Bachelor's Degrees Awarded to Minorities

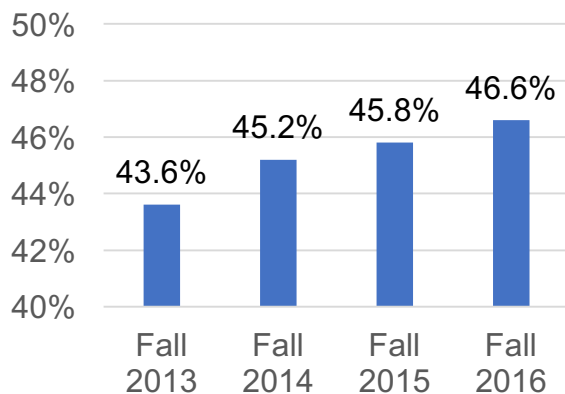


Source: FAU Accountability Reports, 2012 – 2016

Bachelor's Degrees Awarded to Minorities	Proposed Excellence Benchmarks									
	10	9	8	7	6	5	4	3	2	1
	47.5%	47.0%	46.5%	46.0%	45.5%	45.0%	44.5%	44.0%	43.5%	43.0%

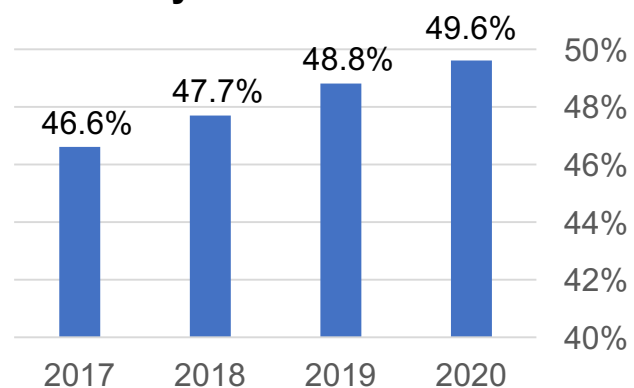
Rationale for choosing this metric: Since 2013-14, the average increase in bachelor's degrees awarded to minorities (defined by the Board of Governors as black and Hispanic students) has been 1%, and the pipeline (minority high school graduates in Florida and FAU minority students) have maintained a similar rate of increase. We expect this trend to continue, especially as FAU conducts targeted recruitments of minorities to maintain our status as a federally-designated Hispanic Serving Institution.

Percent of Minority Undergraduates at FAU



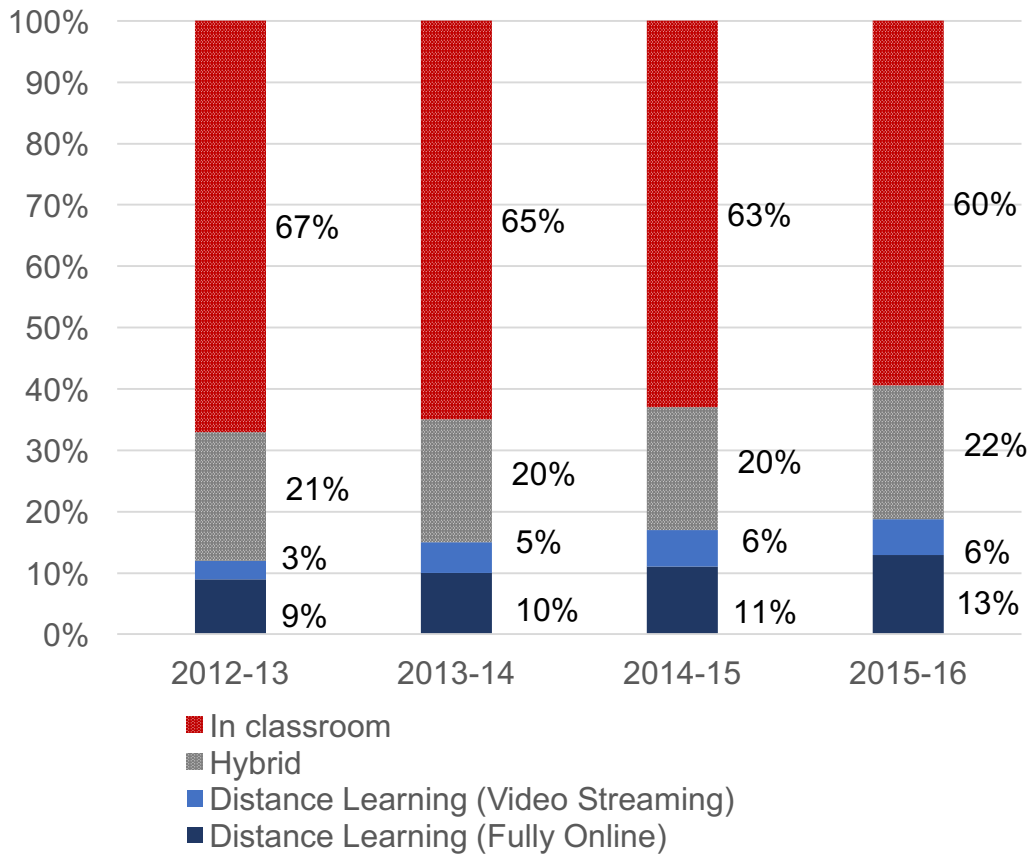
Source: FAU Institutional Effectiveness & Analysis, 2017

Projected Percent of Minority HS Graduates in FL



Source: Western Interstate Commission for Higher Education, 2017

Percent of Undergraduate FTE in Distance Learning Courses

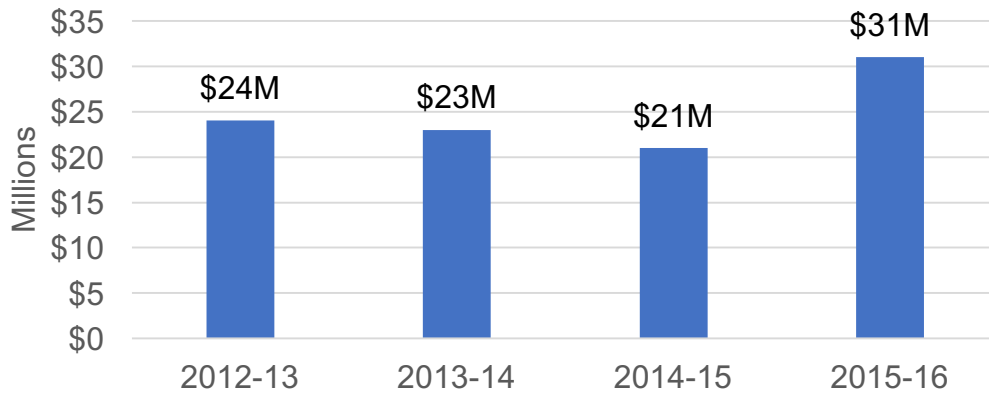


Source: FAU Accountability Reports, 2012 – 2016

Percent of Undergraduate FTE in Distance Learning Courses	Proposed Excellence Benchmarks									
	10	9	8	7	6	5	4	3	2	1
	22%	21%	20%	19%	18%	17%	16%	15%	14%	13%

Rationale for choosing this metric: The annual increase in percentage of undergraduate FTE in distance courses remained steady for the past four years (particularly for the fully-online, non-video streaming category). Moving forward, the Center for eLearning projects more drastic increases due to the introduction of new online programs, concierge-style faculty development and instructional design services, targeted recruitment of online students, and increased student services for online students. Additionally, the Board of Governors’ strategic plan for online education mandates a system-wide target of 40% for undergraduate FTE in distance learning courses by 2025.

Total Research Expenditures (\$M)

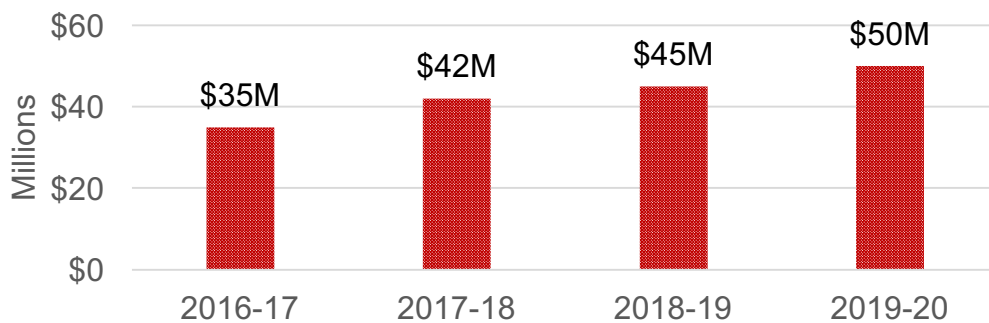


Source: FAU Accountability Reports, 2012 – 2016

Total Research Expenditures (\$M)	Proposed Excellence Benchmarks									
	10	9	8	7	6	5	4	3	2	1
	\$34M	\$33M	\$32M	\$31M	\$30M	\$29M	\$28M	\$27M	\$26M	\$25M

Rationale for choosing this metric: FAU has long intended to grow its research enterprise. With the approval of the *Strategic Plan for the Race to Excellence, 2015-2025*, the university had a distinctive framework on which it could attract world-class, funded researchers. The establishment of the pillars, and the hiring of the pillar directors, will change the trajectory of the university's research funding levels. It will focus efforts and develop core strengths. All four pillar directors are now in place, showcasing a tangible investment in research efforts. In the last six months alone, FAU has received millions in multi-year grants from the NSF, the US Department of Transportation, and the US Department of Health and Human Services, among others.

Projected Total Research Expenditures (\$M)



Source: FAU Work Plan, 2017